



Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237 or visit www.mpmc.mb.ca & www.spimg.ca

Thursday, June 24, 2010

Hog Prices: ↔ Soymeal: ↑
Corn: ↑ Cdn Dollar: ↓

US Slaughter	
399,000 – Wednesday's	
413,000 – Wednesday's (year ago)	
US Iowa/Sthrn MN	\$76.68
Western Corn Belt	\$77.19
Daily National Price	\$80.30
Daily Sig3(M.Leaf)	\$147.63
Daily Sig4(M.Leaf)	\$148.72
4-Month Fwd Avg	\$144.61
#1 Export Sows (+500lbs) \$50.25 cwt	
B of C Ex. Rate (Noon) \$1.0434CAD / \$.9584US	
Cash Prices: Week Ending June 18th, 2010	
65.41/144.21 Signature #3	
64.39/141.95 Signature #4	
64.13/141.39 MPMC Cash	
62.32/137.38 Springhill	

This information is intended to help you make pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited without the consent of the author.

Forward contract prices opened steady this morning. U.S. cash markets are called to be steady this morning as most packers seem content with the run of live hog supplies that they have lined up. Typically, packers attempt to sway producers to deliver hogs early by increasing their cash bids as they look to increase their fresh pork inventory before the U.S. Independence Day holiday. Lean hog futures traders are focused on tomorrow's Hogs and Pigs Report, which is expected to show a decline in supplies in all categories. Based on a survey of market analysts, opinions on the outcome of the Report do not vary significantly.

Industry Estimate of Hogs & Pigs	
All Hogs and Pigs	96.9%
Kept for Breeding	96.5%
Kept for Marketing	97.0%
Mar - May Pig Crop	97.1%

Canadian delivered soymeal prices opened higher this morning. The soybean complex opened slightly higher this morning, rebounding from yesterday's losses. Weather concerns are the predominant factor in this move, as wet conditions are limiting planting of currently unseeded acres. However, forecasts for drier weather into next week are limiting upside potential.

Canadian delivered corn prices opened higher this morning. Corn markets are trading higher this morning on support from robust export demand. Total weekly export sales reached 1.5 million tons, which was over the estimate of 1.1 million tons. Rallies are expected to be limited, as predictions of drier weather continue.

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Fixed Forward Range (Maple Leaf Sig. #3)		153.58	154.53	143.49	136.93	127.83	125.08	127.47	134.15	130.05
			153.58	155.93	147.80	144.59	135.49	132.62	133.68	133.87
(Maple Leaf Sig. #4)		151.31	151.37	143.59	135.93	126.85	125.01	127.32	132.50	130.56
			151.31	153.04	149.33	142.05	133.71	133.34	130.84	132.22
Estimated Hog Margin		24.31	24.39	18.09	15.24	9.52	9.65	10.55	14.90	14.22
Soymeal Delivered	368	368	370	373	344	341	341	337	336	336
Corn Delivered	148	150	152	154	156					



Rothsay Animal Vegetable Feed Fat

\$613/tonne ↔ (2 – 19 mt)

To place your order call 1-866-768-4729

*Price quoted is FOB Southeast Manitoba

