

Hog Margin Outlook

Meeting Your Marketing Needs

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Thursday, April 08, 2010

Hog Prices: ↓ **Soymeal:** ↔

Corn: ↔ **Cdn Dollar:** ↓

US Slaughter	
418,000—Wednesday's	
428,000—Wednesdays (year ago)	
US Iowa/Sthrn MN	\$75.51
Western Corn Belt	\$75.27
Daily National Price	\$73.68
Daily Sig3(M.Leaf)	\$138.38
Daily Sig4(M.Leaf)	\$131.17
4-Month Fwd Avg	\$146.98
#1 Export Sows (+500lbs) \$47.50 cwt	
B of C Ex. Rate (Noon) \$1.0030 CAD / \$0.9970 US	
Cash Prices: Week Ending April 2nd, 2010	
57.43 / 126.61 Signature #3	
56.95 / 125.55 Signature #4	
56.29 / 124.10 MPMC Cash	
54.06 / 119.17 Springhill	

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Forward contract prices opened lower this morning. US cash markets could not maintain the gains of more than \$3.00/cwt from Tuesday, with most regions taking back more than \$1.00 in yesterday's trade. Wholesale pork prices have gained steadily, reflecting improving demand and the prospect of tighter supplies. Packers may be attempting to increase inventory of pork to meet the demand from grilling season ahead of the decline in hog supplies coming in the next several weeks. The Canadian Dollar is seeing some weakness as there is still hesitancy from the Loonie closing higher than par value with the US Dollar. Forward contract prices for June and July hold a \$25/kg premium over the current cash market which is larger than normally seen for this time of year.

Canadian delivered soymeal prices opened steady this morning. Soymeal futures opened steady to lower with the predominant factor impacting prices being the results of the USDA export inspections for this week. Export sales were near trade estimates, but traders are concerned about the implications of the strength in the US dollar on future sales.

Canadian delivered corn prices opened steady this morning. Corn markets spiked higher with double digit gains yesterday as the market reacted to rumours that China may import up to 2 million metric tonnes. The market is down this morning, with influence from lower crude oil markets and ideas that early planting progress is well above average.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range: (Maple Leaf Sig. #3)		144.23	145.60	148.69	145.56	133.59	129.32	120.57	114.89
		146.52	150.07	149.83	148.45	135.95	134.57	127.93	125.17
(Maple Leaf Sig. #4)		140.82	142.59	145.54	142.74	134.41	128.08	120.59	119.31
		141.35	146.13	146.66	146.25	138.82	133.16	126.47	126.47
Estimated Hog Margin		19.15	21.79	21.69	19.61	12.12	9.65	5.10	5.0
Soymeal Delivered	328	328	328	328	335	331	310	309	309
Corn Delivered	142	144	146	148	150	152	154	152	152



Rothsay Animal Vegetable Feed Fat

\$568/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

