

Hog Margin Outlook

Meeting Your Marketing Needs

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

Monday, April 19, 2010

Hog Prices: ↑ **Soymeal:** ↑

Corn: ↔ **Cdn Dollar:** ↓

US Slaughter	
2.032 Mill –Last Week's	
2.124 Mill–Last Week's (year ago)	
US Iowa/Sthrn MN	\$80.24
Western Corn Belt	\$80.19
Daily National Price	\$77.65
Daily Sig3(M.Leaf)	\$149.16
Daily Sig4(M.Leaf)	\$139.87
4-Month Fwd Avg	\$151.31
#1 Export Sows (+500lbs) \$48.60 cwt	
B of C Ex. Rate (Noon) \$0.9854 CAD / \$1.0148 US	
Cash Prices: Week Ending April 16th, 2010	
62.65/138.11 Signature #3	
61.14/134.78 Signature #4	
61.24/135.00 MPMC Cash	
59.42/131.00 Springhill	

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Forward contract prices opened higher this morning. Cash markets are starting the week higher, adding to the significant gains made late last week. Wholesale pork prices rose to the highest level in nearly 20 months, reflecting the tighter supplies and improving demand in the export markets. Domestic demand appears to be waning slightly with the retail price for pork down slightly from last year. Hog carcass weights have been running under year ago levels for the last few months, but last week the average carcass weight was 201 pounds, even with year ago levels. Lean Hog futures are holding their gains from last week, however, the downside risk to forward prices lies predominantly with a higher Canadian Dollar. Tomorrow's interest rate decision by the Bank of Canada tomorrow could be a catalyst for a rally.

Canadian delivered soymeal prices opened higher this morning. The soybean complex experienced a sharp rally last week spurred on by ideas of firmer than expected demand for US product. While old crop soybean meal prices may still rally further on the export demand, new crop prices could drift lower on ideas of increased soybean acreage.

Canadian delivered corn prices opened steady this morning. Corn markets rallied by close to 20 cents/bushel in the last week, but the focus shifting to planting progress is likely to limit gains this week. Planting progress to the end of last week could approach 20% of the total US crop, compared to the 5 year average of 14%.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range: (Maple Leaf Sig. #3)		153.84	151.98 154.77	153.24 154.60	151.81 153.21	139.71 142.31	135.60 140.91	126.74 134.20	119.70 131.40
(Maple Leaf Sig. #4)		147.17	148.08 150.20	149.62 150.74	147.91 150.79	138.90 143.94	133.66 138.26	125.89 132.03	124.06 132.03
Estimated Hog Margin		19.15	21.79	21.69	19.61	12.12	9.65	5.10	5.0
Soymeal Delivered	346	345	346	350	358	352	327	325	325
Corn Delivered	145	147	149	151	153	155	157	155	155



Rothsay Animal Vegetable Feed Fat

\$558/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

