

Hog Margin Outlook

Meeting Your Marketing Needs

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

Tuesday, April 20, 2010

Hog Prices: ↓ **Soymeal:** ↑

Corn: ↓ **Cdn Dollar:** ↓

US Slaughter	
409,000—Monday's	
423,000—Monday's (year ago)	
US Iowa/Sthrn MN	\$78.86
Western Corn Belt	\$79.23
Daily National Price	\$78.80
Daily Sig3(M.Leaf)	\$148.15
Daily Sig4(M.Leaf)	\$142.68
4-Month Fwd Avg	\$
#1 Export Sows (+500lbs)	\$50.50 cwt
B of C Ex. Rate (Noon)	
\$0.9802CAD / \$1.0201 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	

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 lower this morning. US cash markets took back some of last week's gains, but packers having trouble meeting their kill schedule could trigger another rally by mid-week. Packer gross margins remain very good at close to \$15.00/hog, which may allow another sharp rally if buyers are willing to give up some of their profits to secure supplies. Lean hog futures are making marginal gains as traders remain optimistic that the cash market is on track to narrow the \$7.00/cwt premium that the summer contracts hold over the current US cash price. The Bank of Canada held interest rates steady at 0.25% as expected. However, currency traders are dissecting the announcement on interest rates to help forecast when the Bank may raise interest rates, triggering a rally in the loonie

Canadian delivered soymeal prices opened higher this morning. Soybean meal markets have climbed back to the highest levels seen since mid-January, largely due to improved export demand. The deferred month contracts are expected to trend higher as good planting progress throughout most of the US could result in more acres being planted to corn, than was anticipated.

Canadian delivered corn prices opened lower this morning. Corn markets dropped about 4% of their value, in response to the USDA's Report on planting progress. Corn plantings were 19% complete for the US compared to the 5 year average of 9% complete. Traders expect increased acreage and yields with an early start to the growing season.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range: (Maple Leaf Sig. #3)		152.04	150.21 152.96	151.49 152.13	149.11 150.76	137.20 139.76	132.97 138.38	124.25 131.59	118.24 128.84
(Maple Leaf Sig. #4)		145.46	146.34 148.47	147.23 149.00	145.28 148.12	136.41 141.38	131.07 135.78	123.43 129.47	122.52 129.47
Estimated Hog Margin		19.15	21.79	21.69	19.61	12.12	9.65	5.10	5.0
Soymeal Delivered	349	349	349	354	362	353	327	323	323
Corn Delivered	143	145	147	149	151	153	155	153	153



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

