

Hog Margin Outlook

Meeting Your Marketing Needs

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www.mpmc.mb.ca & www.spimg.ca

Friday, April 23, 2010

Hog Prices: ↑ **Soymeal:** ↔

Corn: ↔ **Cdn Dollar:** ↓

US Slaughter	
408,000	—Thursday's
421,000	—Thursday's (year ago)
US Iowa/Sthrn MN	\$81.28
Western Corn Belt	\$81.14
Daily National Price	\$81.45
Daily Sig3(M.Leaf)	\$148.92
Daily Sig4(M.Leaf)	\$144.76
4-Month Fwd Avg	\$151.33
#1 Export Sows (+500lbs)	\$50.50 cwt
B of C Ex. Rate (Noon)	
\$1.0013CAD / .9987 US	
Cash Prices: Week Ending	
April 23rd, 2010	
67.36/148.51	Signature #3
64.60/142.41	Signature #4
65.54/144.50	MPMC Cash
63.96/141.00	Springhill

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Forward contract prices opened higher this morning. As estimated packers, are finishing the week with higher cash bids. Packer margins made steady improvements over the week due to wholesale pork prices climbing faster than the value of live hogs. Packers are already attempting to secure supplies for an aggressive production schedule next week. The fundamentals of hog markets seem to be aligning for further gains, with export potential strong, good domestic demand, and tightening supplies of both hogs and pork. Yesterday, the USDA released its monthly Cold Storage Report, which showed supplies of pork being down 14% from year ago levels, revealing one reason why wholesale pork prices are so strong. The Canadian Dollar is seeing some weakness today as a Stats Can Report on price inflation came in significantly lower than expectations.

Canadian delivered soymeal prices opened steady this morning. The soybean complex traded stronger this week, with soymeal prices rallying back to levels not seen since January. Strong export demand is the driving factor, at a time when foreign buyers of soybeans are typically looking elsewhere to meet their requirements.

Canadian delivered corn prices opened steady this morning. Corn markets are holding their bearish trend on the charts, with the primary influence on the market being weather and planting progress. Some analysts are suggesting that progress by Monday may be approaching 50% complete, which would be near the all-time record.

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Fixed Forward Range:									
(Maple Leaf Sig. #3)	154.43	152.60 155.57	154.19 155.11	150.16 153.74	138.24 140.86	134.89 139.48	126.16 133.51	119.02. 130.75	124.09 131.00
(Maple Leaf Sig. #4)	147.77	148.66 151.09	150.11 151.62	146.30 151.00	137.42 142.39	132.63 136.85	125.28 131.33	123.28 131.33	122.84 128.19
Estimated Hog Margin	19.15	21.79	21.69	19.61	12.12	9.65	5.10	5.0	5.0
Soymeal Delivered	158	353	354	366	360	338	333	333	338
Corn Delivered	147	149	151	153	155	157	155	155	155



Rothsay Animal Vegetable Feed Fat

\$588/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

