



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, July 08, 2010

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

US Slaughter	
411,000 – Wednesday's	
389,000 – Wednesday's (year ago)	
US Iowa/Sthrn MN	\$76.99
Western Corn Belt	\$76.18
Daily National Price	\$79.06
Daily Sig3(M.Leaf)	\$147.00
Daily Sig4(M.Leaf)	\$147.73
4-Month Fwd Avg	\$137.14
#1 Export Sows (+500lbs) \$48.00 cwt	
B of C Ex. Rate (Noon) \$1.0527CAD / \$0.9499US	
Cash Prices: Week Ending July 2nd, 2010	
66.84/147.35 Signature #3	
67.86/149.60 Signature #4	
66.07/145.66 MPMC Cash	
63.59/140.20 Springhill	

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Forward contract prices opened lower this morning. Cash markets are finishing the week lower as packers are keeping Saturday's kill at less than 75,000 hogs, resulting in an expected weekly slaughter of 1.7 million hogs. Product values have seen little support from the reduced inventory after the holiday. Lean hog futures are settling into a slow summer trade with little influences to move the market. The exception may be the results of May's pork exports, which is expected early next week. 2011 contracts are seeing greater influence from corn and soybean markets as we near the critical growth stages in these two crops. The Canadian Dollar continues its recent rally to over \$0.95 as traders view yesterday's strength in stock and commodity markets as a positive sign for the US economy.

Canadian delivered soymeal prices opened higher this morning. The soybean complex is again trading higher this morning as export demand is solid in the face of tight old-crop supplies. The USDA announced that 116,000 tons of old-crop soybeans have been sold to China in private export sales. Weather concerns in the U.S. are also driving prices upward.

Canadian delivered corn prices opened higher this morning. Corn markets opened steady to higher this morning as a result of continued support from wheat. Traders are waiting on adjustments to corn supply and demand estimates, which are to be issued Friday morning by the USDA. Excess moisture in the U.S. is also buoying prices.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range (Maple Leaf Sig. #3)		148.96	137.51	134.47	125.40	124.58	126.97	133.65	131.55	136.38
		149.91	141.80	138.47	133.03	130.17	133.17	135.56	135.37	137.83
(Maple Leaf Sig. #4)		146.59	137.78	133.54	124.48	124.52	126.83	132.01	130.16	134.22
		147.20	143.51	136.13	131.32	130.95	130.35	133.86	133.67	135.71
Estimated Hog Margin		23.85	17.84	15.67	10.83	11.70	13.40	17.62	17.91	18.82
Soymeal Delivered	391	383	377	343	344	344	344	344	344	351
Corn Delivered	162	164	166	168	170	172	174			

CONGRATULATIONS

Millrock 93 Ltd.

Winner of the June 2010 Sow and Boar Lottery