



Hog Margin Outlook

Meeting Your Marketing Needs

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

Monday, April 27, 2009

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

US Slaughter
2.145 Mill—Last Week's
2.248 Mill—Last Week's (Year Ago)
US Iowa/Southern MN \$61.82
Western Corn Belt \$61.83
Daily Sig #3 Est. (M.Leaf) \$137.06
B of C Ex. Rate (Noon) \$1.2093 CAD / \$0.8269 US
Cash Price (\$/cwt/ckg) Cash prices for week ending Apr 24th, 2009
62.33 / 137.86 Signature #3
61.40 / 135.36 MPMC Cash
58.47 / 128.90 Springhill

This information is intended to help you make your own pricing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution of the HMO is prohibited without the consent of MPMC.

Manitoba Pork Marketing's forward contract prices opened lower this morning. US cash markets are expected to trade lower this week despite the normal historical trend for the last week of April being higher. Typically, the seasonal decline in hog numbers triggers pork prices to rally in response to the short supply. Last week's kill of 2.145 million hogs, consistent with the other weeks in April, showed a 4% drop in slaughter compared to the same week in 2008. However, the pork cut-out failed to show any signs of strength, forcing estimated packer margins into the red. The Canadian Dollar rallied sharply on Friday in response to comments from the Bank of Canada that it is in no hurry to increase the money supply. Nearby forward contract prices maintain a 10% premium over current cash prices, a good value considering the current state of wholesale pork demand.

Canadian delivered soymeal prices opened lower this morning. Grain futures saw large drops in overnight trading in reaction to worldwide concern about the swine flu outbreak. Feed grains are reacting strongly to what could be a decrease in US domestic demand as China has already placed a ban on importing pork from parts of the US.

Canadian delivered corn prices opened lower this morning. Bullish gains for corn from last week were quickly erased overnight as negative news and a sharply higher US Dollar pushed corn to steep losses. The Canadian Dollar remains above \$0.8250 US, further lowering feed pricing by increasing purchasing power.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range (Maple Leaf Sig. #3)		143.13	144.24 -	145.27 -	145.82 -	137.07 -	129.49 -	121.21 -	113.84 -
			147.48	148.04	150.36	143.16	133.90	127.28	128.38
Estimated Hog Margin	-8.12	3.34	6.31	6.35	7.67	3.46	2.49	1.95	4.93
Soymeal Delivered	448	446	442	442	443	438	393	380	380
Corn Delivered	178	180	182	184	186				



Rothsay Animal Vegetable Feed Fat

\$615/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

