



# Hog Margin Outlook

Meeting Your Marketing Needs

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Tuesday, April 28, 2009

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

<b>US Slaughter</b>
411,000—Monday's
411,000—Monday's (Year Ago)
US Iowa/Southern MN \$60.52
Western Corn Belt \$60.74
Daily Sig #3 Est. (M.Leaf) \$134.80
<b>B of C Ex. Rate (Noon)</b> \$1.2107 CAD / \$0.8260 US
<b>Cash Price (\$/cwt/ckg)</b> 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 higher this morning.** US cash markets opened the week lower as packers cut back on their production schedules in an effort to improve their operating margins. Anticipation of a possible drop in pork demand due to consumer reaction to the swine flu news may also be playing into their decisions. Lean Hog futures are trading sharply lower this morning and finished yesterday's session limit down in the summer month contracts, as the market reacted to news of the fast spreading illness. Fundamentally, this outbreak should have a limited impact on hog prices for the long term, as the disease is not spread through consuming meat. However, concern lies with consumer perception of the disease, and this could impact demand negatively in the short term. Please note that when the Lean Hog futures are trading limit down, forward contracting is not available.

**Canadian delivered soymeal prices opened lower this morning.** A wave of fund selling helped push the soy complex lower early on in Monday's session. Yesterday's USDA Export Inspections Report showed a 68% drop from last week. The first Crop Progress Report of the season to include soybeans shows planting progress in line with last year's numbers—at 3% completion.

**Canadian delivered corn prices opened higher this morning.** Corn saw roughly a 20% drop in export inspections from the previous week. Planting progress made a huge jump this week to 22%, compared to just 5% last week and 9% in 2008. Corn futures are also receiving a bearish tone from a dip overnight in crude oil and stocks.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fixed Forward Range (Maple Leaf Sig. #3)		143.37	144.49 -	145.54 -	147.22 -	138.05 -	131.77 -	123.39 -	113.79 -
			147.78	149.46	151.47	144.20	135.12	129.53	130.65
Estimated Hog Margin	-8.12	3.34	6.31	6.35	7.67	3.46	2.49	1.95	4.93
Soymeal Delivered	446	446	445	446	451	427	385	387	387
Corn Delivered	183	185	187	189	191				



## 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

