

Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, August 12, 2010

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

US Slaughter	
404,000	– Wednesday's
425,000	– Wednesday's (year ago)
US Iowa/Sthrn MN	\$80.16
Western Corn Belt	\$79.75
Daily National Price	\$82.75
Daily Sig3(M.Leaf)	\$152.85
Daily Sig4(M.Leaf)	\$153.58
4-Month Fwd Avg	\$134.73
#1 Export Sows (+500lbs)	\$53.00 cwt
B of C Ex. Rate (Noon)	
\$1.0456CAD / \$.9564US	
Cash Prices: Week Ending August 6th, 2010	
69.95/154.22	Signature #3
69.02/152.17	Signature #4
68.70/151.46	MPMC Cash
67.15/148.03	Springhill


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Forward contract prices opened steady this morning. U.S. cash markets are called to open steady this morning as packers have not cut their intended slaughter schedule for this week despite weakness in the carcass cut-out. Packers have shown little consistency in their bids with yesterday's higher trade partially offsetting the early week losses. Hog numbers are climbing, as is typically seen at this time of year, but are lagging behind last year's by close to 5% for the last several weeks. Lean hog futures were supported by technical indicators reflecting a market that was oversold. The Canadian Dollar dropped an additional cent yesterday, trading well under \$0.96 as traders are questioning the growth potential of the North American economy.

Canadian delivered soymeal prices opened higher this morning. The soybean complex opened higher this morning as a result of an increase in projected exports from 1.370 billion bushels to 1.435 billion bushels, according to the USDA. The additional export demand is largely the result of decreased soybean supplies in South America, and increased imports to China.

Canadian delivered corn prices opened higher this morning. Corn markets are trading higher this morning despite bearish projections of estimated yield, according to yesterday's USDA Supply and Demand Report. The drought in Russia, along with an increase in demand as livestock producers switch from wheat to corn, continues to drive up prices.

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Fixed Forward Range (Maple Leaf Sig. #3)		141.64	137.55	128.42	128.26	130.67	138.88	135.89	139.15	150.62
		142.60	141.16	136.11	133.23	138.39	140.81	139.75	151.20	152.55
(Maple Leaf Sig. #4)		140.64	136.46	127.62	128.55	130.93	137.10	134.39	136.89	146.60
		141.72	139.12	134.69	134.13	135.42	138.41	137.94	144.92	147.91
Estimated Hog Margin		16.07	14.08	9.92	10.78	12.91	17.29	16.90	21.07	26.58
Soymeal Delivered	379	382	354	357	357	354	352	352	355	355
Corn Delivered	170	172	174	176	178	180	178			



Rothsay Animal Vegetable Feed Fat

\$578/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

