



Hog Margin Outlook

Meeting Your Marketing Needs

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

Friday, September 03, 2010

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

US Slaughter	
410,000 – Thursday's	
435,000 – Thursday's (year ago)	
US Iowa/Sthrn MN	\$76.92
Western Corn Belt	\$76.92
Daily National Price	\$81.97
Daily Sig3(M.Leaf)	\$148.33
Daily Sig4(M.Leaf)	\$153.06
4-Month Fwd Avg	\$135.57
#1 Export Sows (+500lbs)	\$54.50 cwt
B of C Ex. Rate (Noon)	
\$1.0520CAD / \$.9506US	
Cash Prices: Week Ending September 3rd, 2010	
68.52/151.07 Signature #3	
70.42/155.24 Signature #4	
67.98/149.87 MPMC Cash	
65.33/144.02 Springhill	

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Forward contract prices opened lower this morning. U.S. packers are finishing the week with lower bids, resulting in a \$3.00/cwt drop to cash prices this week. However, wholesale pork prices staged a partial recovery yesterday, which indicates that retail demand remains firm amid the tighter supplies. Retailers have benefitted from a surge of meat sales ahead of the Labor Day long weekend, which typically yields strong demand for the fresh cuts for grilling. Lean hog futures made strong gains yesterday, partially due to spillover from the cattle contracts. Next week's short production schedule could put some pressure on cash markets, but futures are expected to maintain current price levels until significant increases to hogs slaughtered are seen. H@MS forward contracting will be closed on Monday, September 6 in observance of the Labour Day holiday.

Canadian delivered soybean prices opened higher this morning. The soybean complex continued its upward trend this morning despite a decrease in corn prices. This move is surprising because the general perception by traders is that U.S. corn is in relatively worse shape than the soybeans. Caution ahead of a three-day weekend is also providing support for prices.

Canadian delivered corn prices opened lower this morning. Corn markets are trading lower this morning as a result of seasonal trends. With harvesting being more than a month ahead of last year in some areas, supplies are entering U.S. stocks at a quicker pace, thereby putting pressure on prices. Decreases may be limited, however, by spillover support from wheat.

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fixed Forward Range (Maple Leaf Sig. #3)		139.10 144.72	130.47 138.14	129.78 135.26	132.66 140.82	141.30 143.22	137.85 141.69	142.97 153.18	153.96 155.90	153.96 157.84
(Maple Leaf Sig. #4)		137.95 142.18	129.22 136.28	129.86 135.72	132.19 137.39	139.06 140.37	136.09 139.44	140.43 147.39	150.03 151.35	150.78 153.42
Estimated Hog Margin		15.39	10.48	10.65	12.69	17.27	16.56	19.55	25.84	25.52
Soymeal Delivered	413	365	365	365	364	364	364	368	368	389
Corn Delivered	185	187	189	191	193	195	197			



Rothsay Animal Vegetable Feed Fat

\$663/tonne ↑ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

