



Hog Margin Outlook

Meeting Your Marketing Needs

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

Thursday, October 21, 2010

Forward contract prices opened steady this morning.

Growing hog supplies both in numbers and carcass weights continue to apply pressure on packer bids. Recent dressed weights have been running about 4 pounds heavier than year ago levels, which has pushed weekly pork production to levels that are higher than 2009. However, all of the supply indicators are not reflecting heavy supplies as tomorrow's release of the USDA Cold Storage Report is expected to show the tightest supply of pork in nearly a decade. The Canadian Dollar continues to trade with huge volatility, currently just shy of U.S.\$0.98.

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

US Slaughter	
427,000 – Wednesday's	
426,000 – Wednesday's (year ago)	
US Iowa/Sthrn MN	\$62.45
Western Corn Belt	\$62.35
Daily National Price	\$69.00
Daily Sig3(M.Leaf)	\$117.09
Daily Sig4(M.Leaf)	\$125.48
4-Month Fwd Avg	\$126.83
#1 Export Sows (+500lbs)	\$43.25 cwt
B of C Ex. Rate (Noon)	\$1.0245CAD / \$0.9761US
Cash Prices: Week Ending October 15th, 2010	
57.85/127.53 Signature #3	
61.31/135.16 Signature #4	
57.69/127.19 MPMC Cash	
54.76/120.72 Springhill	

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

FALL MARKETING MEETINGS

Brandon	Nov. 3 @ 12pm	Royal Oak Inn & Suites	Swift Current	Nov. 9 @ 12pm	Wong's Kitchen
Starbuck	Nov. 4 @ 1:00pm	Starbuck Community Hall	Saskatoon	Nov. 10 @ 12pm	Travelodge Hotel
Steinbach	Nov. 5 @ 12pm	Smitty's Restaurant	*** Lunch will be served at all meetings		

Canadian delivered soymeal prices opened higher this morning.

The soybean complex is trading higher as weakness in the U.S. Dollar, combined with strong export demand, provide support for futures. The USDA reported that 2.017 million tons of soybeans were sold for the week ended October 14, up 85% from the previous week, and well about the average estimate of 1.4 million tons.

Canadian delivered corn prices opened steady this morning.

Corn markets opened steady as a weak U.S. Dollar competes with low export demand. The lack of sales to other countries is a clear indication that high corn prices over the last few weeks have made U.S. corn much less attractive. However, rumours of sales to China are keeping traders from selling corn aggressively.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Fixed Forward Range (Maple Leaf Sig. #3)		117.04	119.38	120.29	131.07	134.20	138.30	154.00	154.00	
(Maple Leaf Sig. #4)		117.04	121.25	129.66	132.94	137.95	148.19	155.88	157.77	
		116.60	117.50	122.21	129.28	133.22	136.20	148.76	150.77	
		116.60	122.75	127.29	131.46	136.12	142.04	151.32	153.33	
Estimated Hog Margin		0.42	1.97	4.69	9.13	12.73	14.92	23.80	24.51	
Soymeal Delivered	388	390	393	395	402	402	405	405	403	403
Corn Delivered	224	224	224	226	228	230	232			



Rothsay Animal Vegetable Feed Fat

\$673/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

