



Hog Margin Outlook

Meeting Your Marketing Needs

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

Friday, November 12, 2010

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

US Slaughter	
N/A – Thursday's	
N/A – Thursday's (year ago)	
US Iowa/Sthrn MN	\$63.42
Western Corn Belt	\$63.35
Daily National Price	\$64.93
Daily Sig3(M.Leaf)	\$116.32
Daily Sig4(M.Leaf)	\$115.45
4-Month Fwd Avg	\$128.54
#1 Export Sows (+500lbs) \$38.00 cwt	
B of C Ex. Rate (Noon) \$1.0017CAD / \$.9983US	
Cash Prices: Week Ending November 12th, 2010	
50.93/112.27 Signature #3	
51.81/114.23 Signature #4	
50.13/110.51 MPMC Cash	
47.70/105.17 Springhill	

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Forward contract prices opened higher this morning. U.S. and Canadian packers were operating their production facilities near full capacity yesterday, triggering a further recovery to cash bids. The flow of live hog supplies has slowed enough to force some packers to increase their bids to meet their slaughter schedule. U.S. wholesale pork prices were slightly lower, but the spread between their bids and the value of the pork primals they produce continues to be larger than normal, resulting in better than average profits. Lean hog futures are factoring a better than average rally over the next three months with the February 2011 contract holding a \$12 premium to the current cash market. Ideas that China may raise interest rates in order to slow their economic growth had a bearish impact on commodity markets, resulting in a weaker Canadian Dollar.

Canadian delivered soymeal prices opened lower this morning. The soybean complex is trading lower this morning as a result of global fears of China tightening its monetary policy in order to put a cap on inflationary influences. This could mean a decrease in imports for China, which will bring soybean prices down as China is the foremost importer of soybeans globally.

Canadian delivered corn prices opened lower this morning. Corn markets opened lower this morning under the prospect of reduced Chinese demand and slow export sales. Weekly U.S. corn sales for the week ended November 4 were at 628,600 tons, slightly above trade estimates of 300,000 to 600,000 tons, but not overwhelmingly strong.

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Fixed Forward Range (Maple Leaf Sig. #3)		113.90 119.53	119.92 127.78	131.02 134.73	133.06 136.76	137.23 146.95	153.15 156.39	154.08 158.70	156.85 158.72	152.48 157.13
(Maple Leaf Sig. #4)		118.18 122.82	122.22 126.88	130.65 133.16	133.51 135.67	135.67 143.02	147.86 151.62	151.98 154.13	152.52 154.06	152.07 153.69
Estimated Hog Margin		1.44	2.97	8.60	10.60	14.66	23.03	24.37	23.77	23.32
Soymeal Delivered	405	408	410	423	423	424	424	423	423	421
Corn Delivered	219	219	219	221	223	225	227			



J & R LIVESTOCK CONSULTANTS LTD.

L-LYSINE HCL 98% - \$2.30 / KG ↑ (1-2 MT)

*Price quoted is FOB Winnipeg– Price subject to change without notice



To place your order please call Andrew or Wendy at 1-888-309-8223