



Hog Margin Outlook

Meeting Your Marketing Needs

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

Wednesday, November 24, 2010

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

US Slaughter	
428,000 – Tuesday's	
436,000 – Tuesday's (year ago)	
US Iowa/Sthrn MN	\$62.35
Western Corn Belt	\$62.21
Daily National Price	\$64.98
Daily Sig3(M.Leaf)	\$116.82
Daily Sig4(M.Leaf)	\$118.17
4-Month Fwd Avg	\$138.72
#1 Export Sows (+500lbs)	\$39.00 cwt
B of C Ex. Rate (Noon)	
\$1.0245CAD / \$.9761US	
Cash Prices: Week Ending November 19th, 2010	
51.50/113.53 Signature #3	
53.91/118.86 Signature #4	
51.08/112.61 MPMC Cash	
48.48/106.87 Springhill	

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Forward contract prices opened steady this morning. U.S. cash markets are expected to trade steady this morning due to tomorrow's U.S. Thanksgiving holiday as packers will be buying only enough to meet today's kill schedule. Hog supplies have tightened just in time for the reduced kill week, which has resulted in packers bidding up the cash market for the first two days of this week. Wholesale pork prices have also been trending in the same direction, with support coming from ham and loin values. Lean hog futures continue to provide good hedging opportunities in the nearby timeframe as forward prices are trading at better than average premium to the cash market. **Forward contracting will be closed tomorrow and will close at 11:30am on Friday due to U.S. Thanksgiving holiday.**

Canadian delivered soymeal prices opened higher this morning. The soybean complex moved higher this morning as concerns regarding dryness in South America continue to support prices. Production areas in Argentina, Paraguay and Southern Brazil have received less than half the normal rainfall since October 1. Spillover support from corn is also contributing to the bullish movement.

Canadian delivered corn prices opened higher this morning. Grain users stepped up their buying of corn yesterday after prices declined 16% from 27-month highs hit two weeks ago. However, reduced volume ahead of the U.S. Thanksgiving holiday may have exaggerated the recovery. Upside movement may be limited by a firm U.S. Dollar.

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Fixed Forward Range (Maple Leaf Sig. #3)			125.58	136.73	138.13	142.93	156.24	157.18	158.77	154.33
			133.48	140.45	141.84	152.73	159.51	161.84	160.65	159.02
(Maple Leaf Sig. #4)			127.73	136.19	138.44	141.21	150.85	155.01	154.39	153.90
			132.41	138.71	140.60	148.62	154.64	157.17	155.93	155.53
Estimated Hog Margin			7.66	13.70	15.33	19.64	27.10	28.51	27.58	25.60
Soymeal Delivered	402	405	408	411	411	415	415	415	415	412
Corn Delivered	209	209	209	211	213	215	217			



Rothsay Animal Vegetable Feed Fat

\$703/tonne ↓ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

