

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

US Slaughter	
2.018 Mill. — Last Week's	
2.000 Mill. — Last Week's (year ago)	
US Iowa/Sthrn MN	\$92.71
Western Corn Belt	\$92.37
Daily National Price	\$94.63
Daily Sig3(M.Leaf)	\$161.46
Daily Sig4(M.Leaf)	\$160.17
4-Month Fwd Avg	\$151.77
#1 Export Sows (+500lbs) \$43.50cwt	
B of C Ex. Rate (Noon) \$0.9536CAD / \$1.0487US	
Cash Prices: Week Ending July 15th, 2011	
73.36/161.74 Signature #3	
74.21/163.60 Signature #4	
72.78/160.45 H@ms Cash	
72.88/160.68 Hylife	

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

Hog Margin Outlook

Meeting Your Marketing Needs

For details call: (204)235-2237 or visit
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Monday, July 18, 2011

Forward contract prices opened lower this morning. U.S. cash markets are expected to start the week firmer this morning as packers are having a tougher time sourcing supplies amid the heat wave that encompasses most of the U.S. Midwest. The pork carcass cut-out broke through the \$100/cwt price level, which has returned packer operating margins back to profitable territory. Lean hog futures are seeing gains this morning, with bullish influence coming from the apparent strong demand from China. The October and December contracts are down about \$2.00/cwt from last week's highs, but represents good value compared to the current cash market. Historically, the October contract runs at a \$7.00/cwt discount to the cash market at this time of year, while currently the discount is only about \$2.00/cwt. The Canadian Dollar is trading lower ahead of tomorrow's interest rate decision by the Bank of Canada.

Canadian delivered soymeal prices opened lower this morning. Cooler, less threatening weather, which has been forecasted for next weekend in the Midwest, has soybean prices moving lower. Weather remains a key feature in the market, with the critical pod filling stage coming up in August. Increases in the U.S. Dollar are also contributing to the bearish movement.

Canadian delivered corn prices opened lower this morning. Corn futures are trading lower as concerns regarding crop damage from a Corn Belt heat wave are diminishing. A lack of rain in the forecast could limit downside movement, despite cooler temperatures predicted to start on Thursday. Pollination was disrupted in 2010 by higher than normal nighttime temperatures, which did not allow plants to cool sufficiently.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Fixed Forward Range (Maple Leaf Sig. #3)		160.60	157.07	151.55	143.27	144.25	143.70	150.31	149.43	150.67
		164.93	159.28	158.62	149.11	148.67	150.75	153.39	151.63	159.94
(Maple Leaf Sig. #4)		163.13	156.46	150.86	141.65	144.39	142.91	148.46	147.18	148.73
		165.01	158.00	155.15	146.79	146.27	146.58	150.50	150.25	156.17
Soymeal Delivered	393	394	401	397	401	401	405			
Corn Delivered	286	286	286							



Rothsay Animal Vegetable Feed Fat

\$1,020/tonne ↑ (2 – 19 mt)

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

*Price quoted is FOB Southeast Manitoba

