

Week Ending on Friday.....	25-Sep-09	02-Oct-09	09-Oct-09	16-Oct-09	23-Oct-09
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The Ontario Market

Pool Price (\$/ckg, 100 index)	\$103.60	\$103.00	\$99.25	\$95.99	\$98.00
Pool Plus Price (\$/ckg, 100 index)	\$101.57	\$100.56	\$97.38	\$94.74	\$97.61
Standard Contract Price (\$/ckg, 100 index)	\$100.24	\$99.19	\$96.30	\$94.26	
100% Formula Price (\$/ckg, 100 index)	\$101.93	\$99.98	\$96.51	\$95.26	\$99.03
Market Hogs Marketed by Ontario Pork	102,928	105,583	102,702	84,761	102,778
Market Hogs Marketed as a % of Previous Year	99%	98%	97%	98%	98%
2008 -Avg. Weighted Market Hog Price (\$/ckg, 100 index)	\$136.86	\$139.66	\$142.33	\$142.37	\$138.81

Weaned Pig Value (C\$/pig) - Formula Value	\$26.50	\$25.99	\$25.09	\$24.77	\$25.75
Feeder Pig Value (C\$/pig) - Formula Value	\$42.05	\$41.24	\$39.81	\$39.29	\$40.85
Est. Grow Finish Feed Cost for Current Week	\$70.09	\$68.48	\$67.53	\$70.03	\$69.21
Est. Margin after Feeder Pig, Feed, & Marketing Cost	-\$23.81	-\$25.73	-\$29.70	-\$31.54	-\$27.20

The U.S. Market

Estimated and Actual Federal Inspected Slaughter	2,348,467	2,336,466	2,291,922	2,289,000	2,323,000
Federal Inspected Slaughter- % of Previous Year	100%	100%	97%	97%	101%
Number of Sows Slaughtered	68,214	67,355	65,344		
Sow Slaughter - % Change from Previous Year	1.4%	-3.6%	-4.1%		
# of Sows & Boars Imported from Canada for Slaughter	12,268	11,927			

Early Weaned Pigs (US \$/Pig) - Weighted Avg. Value	\$26.89	\$28.36	\$30.90	\$30.84	\$29.09
Early Weaned Pigs Formula Based Avg. Value	\$33.12	\$33.68	\$33.46	\$34.56	\$33.91
Early Weaned Pigs Cash Based Avg. Value	\$23.49	\$25.05	\$26.42	\$26.44	\$26.48
40 Pound Feeder Pigs (US \$/pig) - Weighted Avg. Value	\$28.30	\$31.13	\$31.89	\$34.84	\$35.09
40 Pound Feeder Pigs Formula Based Avg. Value	\$39.31	\$44.92	\$44.96	\$44.68	\$45.07
40 Pound Feeder Pigs Cash Based Avg. Value	\$27.43	\$30.12	\$30.71	\$34.19	\$33.65

CME Constructed Price (US\$/cwt)	\$52.40	\$51.31	\$50.63	\$51.13	\$52.62
Previous Year CME Constructed Price (US\$/cwt)	\$71.07	\$72.39	\$69.83	\$65.58	\$61.91
USDA Barrow & Gilt Dressed Weight (lbs.)	199	199	199		
USDA Barrow & Gilt Dressed Weight (lbs.) Previous Year	196	197	198	198	198
USDA Pork Carcass Cutout Value (US\$/cwt)	\$55.42	\$53.99	\$53.06	\$55.35	\$55.43
Previous Year USDA Pork Carcass Cutout Value (US\$/cwt)	\$76.53	\$75.01	\$73.44	\$70.48	\$65.99

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The Canadian Market	Prime Interest Rate - Friday			2.25%	2.25%
Hog Slaughter (Provincial & Federal Plants)	438,477	448,058	449,532	370,262	
Slaughter as a % of Previous Year	102%	105%	101%	84%	
Quebec Pool Price (\$/ckg, 100 index)	\$103.99	\$104.02	\$100.15	\$97.25	\$99.21
Manitoba Calculated Hog Value (\$/ckg, 100 index)	\$105.41	\$102.91	\$101.11	\$99.00	
Value of the Canadian Dollar - Friday Noon (US \$)	\$0.9162	\$0.9221	\$0.9593	\$0.9626	\$0.9517
Previous Year's Canadian Dollar Value - Friday Noon	\$0.9663	\$0.9249	\$0.8398	\$0.8458	\$0.7854

CME Lean Hog Futures (Friday's Closing Price - US \$ per cwt.)

December 2009	\$49.03	\$48.55	\$52.78	\$54.10	\$53.03
February 2010	\$55.58	\$55.88	\$59.00	\$60.80	\$60.45
April 2010	\$60.50	\$60.95	\$64.15	\$65.43	\$65.20
May 2010	\$67.98	\$68.20	\$70.63	\$70.88	\$70.93
June 2010	\$69.93	\$70.23	\$72.38	\$74.03	\$74.08
July 2010	\$69.90	\$69.85	\$72.93	\$73.25	\$73.98
August 2010	\$69.25	\$70.00	\$72.30	\$72.80	\$73.53
October 2010	\$63.20	\$64.50	\$66.00	\$65.80	\$66.78
December 2010	\$60.13	\$62.70	\$62.90	\$62.90	\$64.30
February 2011	\$64.00	\$66.10	\$67.00	\$66.50	\$66.75
April 2011				\$68.50	\$68.50

The Ontario Feed Market (Friday's Closing Prices)

Chicago Corn (US \$/bushel) - Dec. '09	\$3.3400	\$3.3350	\$3.6225	\$3.7200	\$3.9775
Chicago Soybeans (US \$/bushel) - Nov '09	\$9.2600	\$8.8500	\$9.6400	\$9.7750	\$10.0600
Soybean Meal (\$/tonne Hamilton + \$20)	\$496.98	\$416.29	\$423.78		\$425.44
Old Crop Corn (farm price - \$/tonne) - based on Dec '09	\$151.17	\$0.00	\$164.26	\$164.17	\$162.45
Western Ontario Feed Corn (\$/tonne) - based on Dec '09	\$177.39	\$176.02	\$185.52	\$185.82	\$198.71
New Crop Corn (farm Price - \$/tonne)- based on Dec '10	\$143.30	\$0.00	\$156.39	\$154.32	\$173.12
DDG's FOB Chatham/Sarnia (\$/tonne)	\$117.50	\$120.00	\$125.00	\$135.00	\$147.50

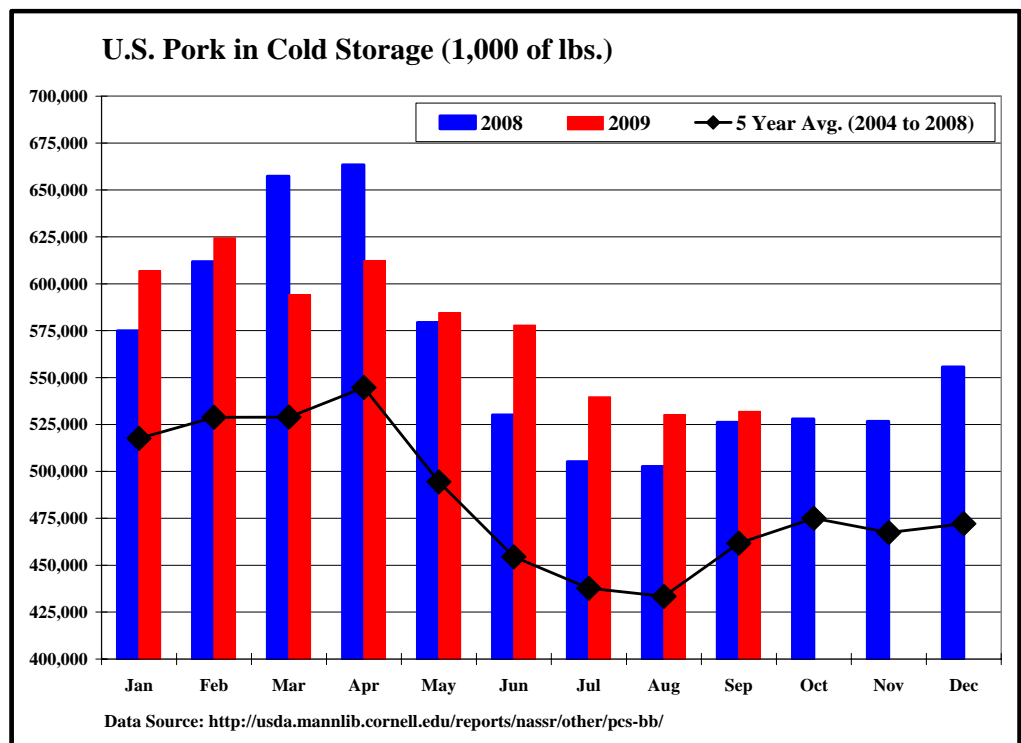
U.S. Weekly Imports by State of Entry from Canada (# of pigs)

Feeder Pigs - Total from Canada	94,216	94,256			
@ North Dakota	72,316	78,303			
@ Michigan & New York	20,325	13,953			
Market Pigs - Total from Canada	9,241	9,930			
@ North Dakota	2,457	3,305			
@ Michigan & New York	3,494	3,361			

Direct Excerpts from Hog Outlook, Grimes & Plain, Oct. 23, 2009, <http://agebb.missouri.edu/mkt/bull1c.htm>

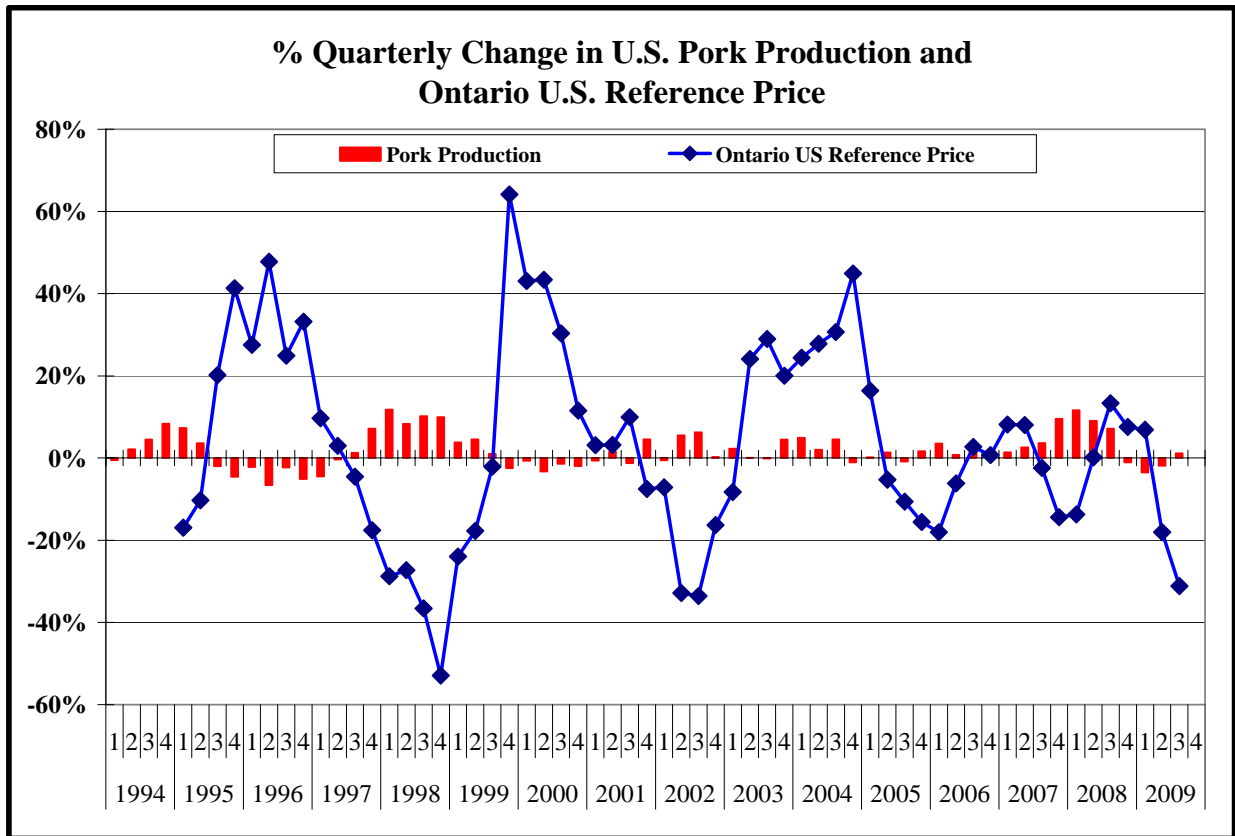
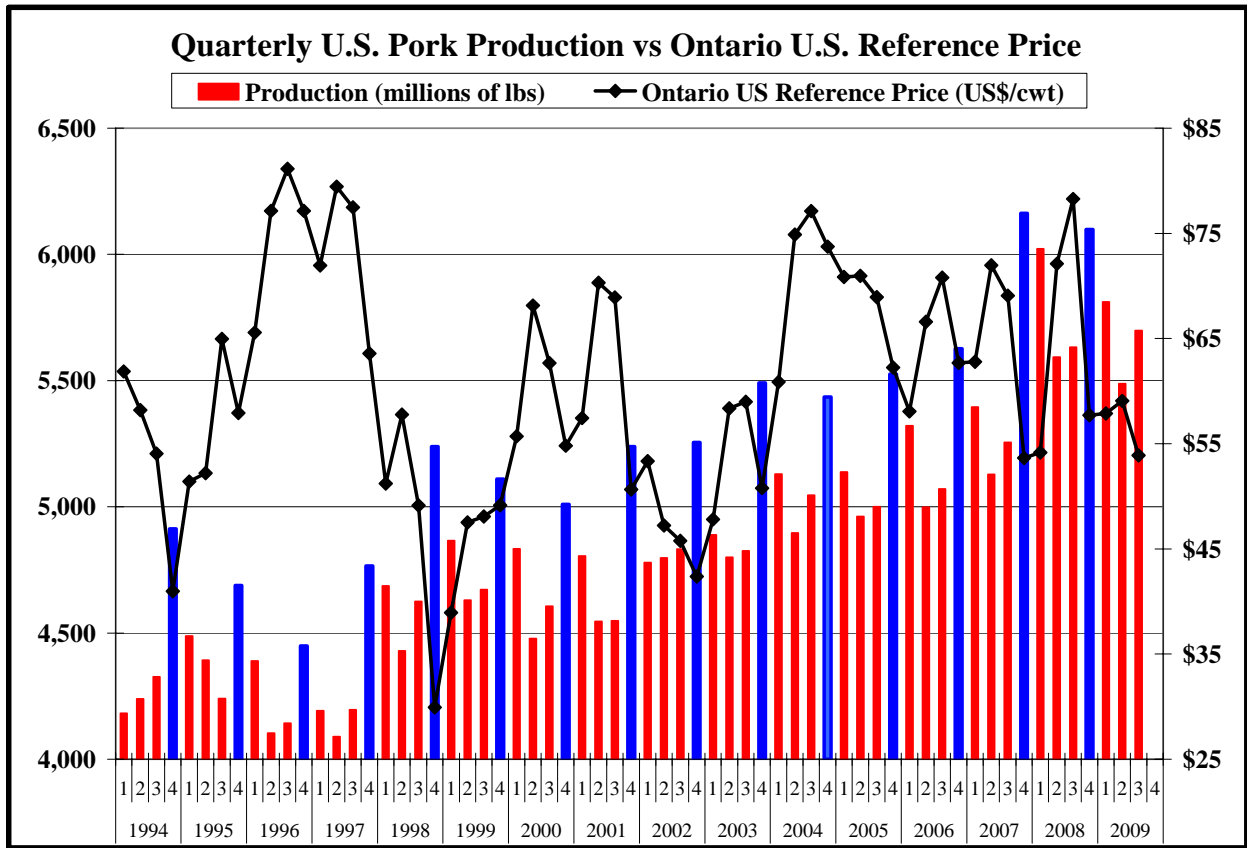
- The \$70-plus summer 2010 futures for lean hogs may be influencing producers to slow or stop the decline in the breeding herd.
- The last few weeks' data show both sow and gilt slaughter below a year earlier.
- Demand for live hogs has strengthened since mid-August. For the week ending August 21, the weighted average negotiated carcass price for barrows and gilts for Friday morning in the western Cornbelt was \$45.82 per cwt. For this week on Friday morning, the weighted average negotiated carcass price in the western Cornbelt was \$51.60 per cwt. Slaughter in recent weeks has run 5-7 percent above mid-August. Therefore, these higher prices are not supply driven. The best guess is there is some improvement in exports since August and the increased spending on pork for October Pork month. Whatever the reason, it is appreciated.
- The H1N1 flu was confirmed in some hogs at the Minnesota Sate Fair. This was confirmed on Monday. The futures market for the December 2009 contract closed at \$54.10 per cwt on Friday, October 16 and closed at \$53.73 per cwt on Thursday, October 22.

Despite a high level of pork production for the month of September (2001.3 million pounds up 1.3% from Sept. 2008), pork in cold storage was virtually the same as August 2009 (+0.3%) which could be an indicator of good movement of pork in the domestic and export markets.



U.S. Pork Production versus Ontario U.S. Reference Price (refer to graphs on next page)

- The two graphs on the next page compare the quarterly trends of the U.S. Pork Production and the Ontario U.S. Reference Price.
 - The first graph shows the quarterly production (millions of pounds) and the quarterly average for the Ontario U.S. Reference Price (US\$/cwt)
 - The second graph shows the percentage change in the quarterly production and the quarterly average Ontario U.S. Reference Price. The percentage change comparison is with the same quarter of the previous year (i.e. third quarter of 2009 compared to the third quarter of 2008)
- The increasing pork production since 1994 is evident in the first graph. The blue bars each year are the 4th quarter production.
- Since the 4th quarter of 2003, a quarterly average price has not been below \$50.87 per cwt. So far in October this year the price is averaging \$51.56 per cwt. (9 weeks to go). The percentage change in the 4th quarter price this year will be negative compared to the \$57.72 per cwt in 2008 but so far is in the 10 to 15% range compared to the 31% change last quarter (3rd quarter 2009 vs. 3rd quarter 2008). The daily price range of the Ontario U.S. Reference Price during the 4th quarter of 2003 was from \$48.37 per cwt to \$57.25 per cwt.



For data sources and explanation of the various reported items, refer to the "Weekly Hog Market Facts Notes, May 2008"