

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

Forward contract prices opened mixed this morning. US cash markets rebounded from the slight weakness on Tuesday with all reporting regions coming in approximately \$0.30 USD/cwt higher than the previous day. There are thoughts that the continued strength is a function of pre-Labour Day demand that is typical heading into the long weekend. While pork production is high and slaughter numbers remain large at over 2.2 million hogs per week, cut-out values have remained supported by bellies and loins, and also by hams that combined make up over 70% of the value of the carcass currently. Lean hog futures have come under pressure in the last two sessions, a move widely thought to be a result of the market attempting to get a handle on pricing heading into the fall and the first two quarters of 2016. Of particular note is talk that bellies, which are particularly strong, are expected to show weakness after Labour Day (along with ribs and loins at the end of grilling season). The other factor, of course, is the uncertainty around supply which if history is any indication, will show hogs to be heavier in the fall, adding to already large expected supplies.

Canadian delivered soymeal prices opened higher this morning. US soybean futures are trading mixed. This morning's strength is thought to be a market correction as yesterday soybeans were trading at the lowest level since the middle of June. However, despite some talk of drier than expected weather in the 6-10 day forecast, the news is mostly bearish for beans. Thoughts of a weakening Chinese economy are keeping the upside in check as well as news from the Pro Farmer Crop Tour showing higher than average pod counts in Ohio, Indiana and Nebraska so far.

US corn futures opened higher this morning. Like beans, corn is showing some corrective support this morning, and there is talk USDA yield estimates are simply too high. However, it is generally accepted that although the trade has recently been lower, it needs to be lower still in order to spur export demand. The Pro Farmer Crop Tour observations are starting to roll in. There has been a wide range of yield estimates across Ohio, but average yields came in at 172.5 compared to 154.8 bpa last year further west in the state. Central Indiana and southern Nebraska were posting higher yields on average as well.

US Slaughter	
428,000	Tuesday
409,000	Tuesday (year ago)
W. Corn Belt	\$77.09
National Price	\$79.17
Daily Sig 3	\$184.73
Daily Sig 4	\$183.72
Thunder Creek	\$184.34
4-Month Fwd.	\$ 139.34
B of C Ex. Rate (Noon)	
\$1.3073 CAD / \$0.7649 USD	
Cash Prices Week Ending August 15, 2015	
Signature 3	179.67/81.50
Signature 4	183.35/83.17
h@ms Cash	178.17/80.82
Hylife	181.68/82.41
Thunder Creek	182.30/82.69
ISO Weans	\$21.06 US Avg.
Feeder Pigs	\$32.54 US Avg.
#1 Export Sows (Tagged) \$53.50 cwt. (+500lbs.)	

Fixed Forward Range (at opening)	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Maple Leaf Sig. #3		149.89 149.89	137.65 150.57	128.64 134.65	134.05 138.26	134.05 145.15	148.76 151.76	148.16 152.96	155.97 162.32	167.58 177.15	177.15
Maple Leaf Sig. #4		152.82 154.92	143.54 154.53	134.46 140.52	138.89 142.61	138.89 146.61	150.33 153.59	152.20 154.99	158.25 163.21	166.80 175.13	177.45
Soymeal Winnipeg Delivered	506	506	493	485	485	482	485				
Corn	Local delivered price available on request										

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