

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

## Forward contract prices opened mostly higher this morning.

US cash markets have a firm tone but all reporting regions are coming in slightly lower than the previous day. The fact that all reporting regions were showing some weakness is not much of a surprise as this is typically the time of year when cash markets come under pressure. What is surprising, however, is the sustained, relative strength. They are coming down, but not by much. Primal cuts showed strength again (only butts were down relative to the previous day) as packer margins remain in the black on decent demand. The pork cutout was up \$0.59 compared to Monday but down to \$87.81 relative to the \$89.11 seen the previous week. Lean hog futures continue to show strength that is continuing into this morning's early trade. Previous to the strength, there were many stating that the spread between cash and the October contract was simply too wide and that October would bounce on technical indicators. Talk that large commercial traders took action amid the lows, appears to have been realized. The recent rally has narrowed the gap and preliminary talk of decent export demand on the horizon is starting to surface. However, with the market abundantly supplied, volatility is expected until such time that concrete evidence of increased export demand develops.

## Canadian delivered soymeal prices opened lower this morning.

For now, there are expectations of decent weather to help finish off the soybean crop ahead of harvest which is having a pressuring effect. Preliminary thoughts of an economic slowdown in China are also weighing on the trade as demand could slow down considerably if Chinese importers cut back. However, the market is in a technically oversold position meaning news of the 210,000 MT sold to an unknown destination could keep the lows in check.

**All local meal deliveries will be suspended from September 1 to September 9 (or until other notice) as US suppliers shut down for maintenance.**

**US corn futures opened mixed this morning.** US corn is showing some strength, partly in response to a talk in the market that USDA yield estimates are too high, supported by assertions made by the Pro Farmer Crop Tour. However, energy demand is expected to wane somewhat as the Chinese stock market sell off continues to have a ripple effect in other areas of the global economy. With lower energy demand, ethanol, and subsequent demand for corn, is also expected to be lower.

US Slaughter	
427,000	Tuesday
412,000	Tuesday (year ago)
W. Corn Belt	\$74.44
National Price	\$78.85
Daily Sig 3	\$181.42
Daily Sig 4	\$186.09
Thunder Creek	\$181.89
4-Month Fwd.	\$ 141.41
<b>B of C Ex. Rate (Noon)</b>	
\$1.3296 CAD / \$0.7521 USD	
<b>Cash Prices Week Ending August 22, 2015</b>	
Signature 3	183.93/83.43
Signature 4	183.89/83.41
h@ms Cash	182.43/82.75
Hylife	182.42/82.75
Thunder Creek	181.10/82.15
ISO Weans	\$19.04 US Avg.
Feeder Pigs	\$35.58 US Avg.
#1 Export Sows (Tagged) \$54.50 cwt. (+500lbs.)	

Fixed Forward Range (at opening)	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Maple Leaf Sig. #3		142.83 158.04	133.68 139.78	139.17 143.44	139.17 148.24	151.90 154.95	149.51 154.39	157.44 164.16	169.71 179.43	180.64 186.72	187.93
Maple Leaf Sig. #4		148.72 161.91	139.50 145.64	143.99 147.77	142.61 149.69	153.47 156.78	153.64 156.47	159.78 165.09	168.93 179.75	180.22 184.46	187.75
Soymeal Winnipeg Delivered	515	504	495	495	489	495					
Corn	Local delivered price available on request										

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