

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

US Slaughter	
2.040 mil.	Last Week
2.050 mil.	Last Week (year ago)
W. Corn Belt	\$66.05
National Price	\$73.20
Daily Sig 3	\$160.73
Daily Sig 4	\$172.50
Thunder Creek	\$160.37
4-Month Fwd.	\$ 139.74
<b>B of C Ex. Rate (Noon)</b>	
\$1.3276 CAD / \$0.7532 USD	
<b>Cash Prices Week Ending September 12, 2015</b>	
Signature 3	162.55/73.73
Signature 4	174.92/79.34
h@ms Cash	161.05/73.05
Hylife	172.95/78.45
Thunder Creek	168.40/76.39
ISO Weans	\$28.05 US Avg.
Feeder Pigs	\$41.91 US Avg.
#1 Export Sows (Tagged)	n/a (+500lbs.)

**Forward contract prices opened lower this morning.** US cash markets are expected to trade slightly lower this week, continuing the trend established last week and reflecting the abundant supply of hogs available to packers. The Labour Day holiday eliminated last Monday's slaughter which added numbers to an already ample supply of market ready animals available to them. Hog slaughter has been running about 11% larger than year ago levels, while the USDA forecast for this timeframe was around 8% larger, representing a 3% discrepancy in hog supply. This is the primary reason why near term futures have been unable to break out over the current cash index price, providing better hedging opportunities. If the hog supply is maintained at this level (compared to last year), cash markets will struggle to hold their value as pork supplies grow unless exports make a marked improvement over current sales volumes. Producers without price protection in October should look cover 30-50% of their intended production at current prices to ensure a stable cash price for the next 6 weeks.

**Canadian delivered soymeal prices opened higher this morning.** The USDA surprised the soybean market Friday with yields coming in higher than average expectations and in line with the highest analyst estimate (47.1 bpa). While there have been broad concerns regarding national yield potential, the USDA appears to suggest that exceptional conditions in the WCB will more than make up for the less than ideal conditions in the ECB. The market responded appropriately and dropped to six year lows, but had recovered somewhat by day end and is trading higher this morning.

**US corn futures opened higher this morning.** Friday's WASDE report concerning corn was bullish compared to the soybean trade. National yield came in 1.3 bpa lower than the August estimate (and lower than expectations), pushing production and ending stocks lower. The trade, however, was not as decisive as the soybean market; it traded in a two sided and choppy manner immediately following the report, but finally turned higher for the day, continuing into this morning's trade.

### Summary of September WASDE Report

	2015/16	August	AVG	Sept. WASDE
Soy-beans	Yield (bpa)	46.9	46.4	47.1
	Production	3.916 bil	3.869 bil	3.935
	Carryout	0.470 bil	0.415 bil	0.450 bil
Corn	Yield (bpa)	168.8	167.6	167.5
	Production	13.686 bil	13.599 bil	13.585 bil
	Carryout	1.713 bil	1.643 bil	1.592 bil

Source: Meyer and Steiner, DLR; USDA

Fixed Forward Range (at opening)	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Maple Leaf Sig. #3		139.47 153.16	130.35 136.43	135.82 140.08	134.91 144.63	148.27 151.31	149.56 153.20	153.81 161.28	169.84 179.57	180.79 186.86	182.03 187.47
Maple Leaf Sig. #4		147.77 156.32	136.23 144.71	140.71 144.48	140.71 146.17	149.93 153.22	152.47 155.29	156.23 162.30	169.06 179.89	180.37 184.60	185.56 187.90
Soymeal Winnipeg Delivered	498	496	489	489	486	483	483				
Corn	Local delivered price available on request										

This information is intended to aid producers in making marketing decisions. Opinions given do not guarantee any future events or performance. Any unauthorized distribution (including email forwarding) of the HMO is strictly prohibited.