

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

US Slaughter	
2.115 mil.	Last Week
1.858 mil.	Last Week (year ago)
Daily Prices	
W. Corn Belt	\$78.58
National	\$83.97
Iowa/S. MN.	\$78.65
Signature 3	\$185.00
HyLife	\$192.25
TCP/Britco	\$184.75
Sig 3 4-Month Fwd.	\$ 161.42
BoC Rate (Noon) prev. day \$1.2844 CAD / \$0.7786 USD	
Cash Prices Week Ending July 02, 2016	
Signature 3	192.06/87.12
h@ms Cash	190.56/86.44
HyLife	194.11/88.05
TCP/Britco	192.60/87.36
ISO Weans	\$21.65 US Avg.
Feeder Pigs	\$43.03 US Avg.
#1 Export Sows (+500lbs.) \$41.50/cwt. (Tagged)	

Forward contract prices opened mixed this morning. US cash markets are expected to experience a mixed trade this week, as the extended weekend had packers easily finding supplies to meet lowered requirements, but improved operating margins will provide the extra incentive to add extra hours on Saturday. Packers are profitable, with pork cut-out and by-product values both running about 10% higher than they were at this time last year, cash bids for hogs are only up about 7%. Lean Hog futures are starting this week mixed as of this writing, with the summer month contracts rebounding after last week's losses, while the fall and winter months continue to see weakness. Traders are discounting the October and December Lean Hog futures as they are concerned about the abundant hog supplies that are anticipated in the Nov-Dec period. In addition, ongoing political uncertainty relating to the United Kingdom's anticipated exit from the EU has resulted in a stronger US Dollar, which makes increased exports to China more difficult when compared to European suppliers.

Canadian delivered soymeal prices opened lower this morning. Before the long weekends, the USDA released two reports mid-trade; a quarterly Grain Stocks report and an Acreage report. A summary of the results can be seen at right. Soybean futures pushed immediately higher following the release of the reports mostly due to the fact an expected 2 million 'extra' acres did not materialize and in a surprise development, came in lower than average expectations. However, the trade has since moved lower as supplies, despite the surprise, are quite good relatively speaking for now.

US corn futures opened lower this morning. US corn futures pushed immediately lower following the release of the acreage and grains stocks reports that were bearish for the trade. Acreage is up 7% from last year and will be the third highest on record since WWII. Grain Stocks as at June 1 were also higher, up 6% from last year and also adding pressure. Futures remain in a pattern that is testing new lows, following Thursday's decisive move lower as the market adjusts to the new information.

Analysts' Expectations Compared to Grain Stocks and 2016 Plantings/Acreage				
Grain Stocks (in billions of bu.)				
	Range	Avg	Report	Change
Soybeans	0.775-0.682	0.829	0.870	0.041
Corn	4.437-4.650	4.528	4.72	0.192
Plantings/Acreage (in millions of acres)				
	Range	Avg.	Report	Change
Soybeans	82.1- 85.7	83.834	83.7	-0.134
Corn	92.0 - 94.0	92.896	94.1	1.204

Source: USDA; Citing Reuters in DLR

Fixed Forward Range (at opening)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Maple Leaf Sig. #3		171.98 189.21	162.78 171.69	162.69 163.29	133.83 149.86	135.61 141.55	136.08 144.36	146.73 147.91	149.45 149.45	150.05 161.22
Soymeal Wpg Delivered	557	557	555	552	551	551				
Corn	Local delivered price available on request									

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