

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

US Slaughter	
366,000	Monday
435,000	Monday (year ago)
Daily Prices	
W. Corn Belt	\$87.87
National	\$91.43
Iowa/S. MN.	\$88.01
Signature 5	\$209.22
HyLife (prev. day)	\$208.81
Britco (prev. day)	\$208.30
TCP/BP2	\$209.22
<b>BoC Rate (Noon) prev. day</b> \$1.2941 CAD / \$0.7727 USD	
Cash Prices Week Ending July 1, 2017	
Signature 3	209.12/94.86
Signature 4	212.52/96.40
Signature 5	210.82/95.63
h@ms Cash	209.32/94.95
HyLife	211.76/96.05
Britco	210.66/95.55
TCP/BP2	207.56/94.15
ISO Weans	\$26.76 US Avg.
Feeder Pigs	\$51.97 US Avg.

**Forward contract prices opened mixed this morning.** While there are some market observers calling for a top or other seasonal peak to develop soon, US cash markets continue to show some strength. This strength (not yet considered counter seasonal despite being noteworthy), is thought to be a function of continuing strong demand. While demand metrics can be a bit difficult to pin down due, in part, to the 'lag' in reporting, related factors such as the value of the pork cut out are being observed. Following the close on Monday, cut-out values were up \$1.06, pushing the value of the carcass to \$103.62, the highest level since October 2014. While '2014' may stir up certain market recollections, it is important to remember that the US market is well supplied and the supports that ushered in exceptional cash prices in 2014 are not at play now. In any event, the goal line for the seasonal turn around appears to be being pushed back to potentially mid-July. Lean hog futures continued to trade higher on Monday (after the Friday H&P report) and are largely maintaining the levels today. With more confidence in supply, the demand side will be closely watched. On that note, there is a report suggesting the new Sioux City, IA plant will be opening 'no later' than the first week in September with plans for a second shift in 2018.

**Canadian delivered soymeal prices opened lower this morning.** US soybean futures continue to trade with strength following the release of the Grain Stocks and Acreage reports on Friday. As mentioned in yesterday's bulletin, the reports came in largely within expectations but an 18% disappearance increase relative to last year appears to be one of the diving forces behind the support. The result for Canadian meal buyers has meant spot prices, for example, jumped by \$26 (!) CAD/MT after factoring the exchange. Buyers who locked in ahead of the report are benefiting today.

**US corn futures opened higher this morning.** The market's reaction was to move higher after the release of Friday's reports despite corn being declared neutral to bearish. Monday saw similar action as the US holiday was on Tuesday and a shortened trading day occurred Monday. Today, however, the US corn trad has reversed itself and is trading lower as of this writing. At least one commenter has suggested a range bound trade from now until harvest time unless some externality (weather event, trade war, for example) develops. The range has been defined as \$3.50 to \$4.00 USD/bu.; nearby corn is currently at \$3.75.

Fixed Forward Range (at opening)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Maple Leaf Sig. #5		181.22 189.49	163.77 172.22	160.72 163.53	140.51 152.04	138.10 146.17	141.93 149.98	150.56 153.67	153.67 158.68	159.24 160.06
Soymeal Wpg Delivered.	443	445	448	459	464	464				

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**Some Important Phone Numbers**

Main Office: 204-233-4991

Toll Free: 1-800-899-7675

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