

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

US Slaughter	
468,000	Tuesday
446,000	Year Ago
Daily Prices	
W. Corn Belt	\$52.60
National	\$58.00
Iowa/S. MN.	\$52.70
ML Signature 5	\$125.13
HyLife (prev. day)	\$128.42
TCP/BP2	\$125.13
<b>BoC Rate (Noon) prev. day</b>	
\$1.2552 CAD / \$0.7967 USD	
Cash Prices Week Ending April 14, 2018	
Signature 3	110.14/49.96
Signature 4	127.57/57.87
Signature 5 Brandon	118.85/53.91
h@ms Cash	117.35/53.23
HyLife	126.34/57.31
TCP/BP2 Moose Jaw/Langley	121.54/55.13
2018 Top-Up Estimate	
\$5.14/ckg (call for details)	
ISO Weans	\$32.26 US Avg.
Feeder Pigs	\$68.22 US Avg.

**Forward contract prices opened higher this morning.** US negotiated cash markets gained more than \$1.00 USD/cwt in yesterday's trade and appear to be developing into a more positive trend over the last few trading days. Cash markets typically gain about 20% – 30% of their value over a six-week period from mid-April to the end May, but the rallies tend to be abrupt and strong, but short lived. For example, there was little improvement over the month of April in last year's trade, but over the first few weeks of May, cash values increased by 30%. The gains in packer bids come not only from supportive gains in pork product prices, but also typically in tightening packer margins which could be a larger than normal feature of this year's trade given the new plants that are adding to the competitive environment. Lean hog futures are seeing solid gains in early morning trade, with some of the summer month contracts returning to the USD \$80.00/cwt level not seen since the middle of March. However, producers likely have more price risk to manage in the September – December timeframe and should mitigate a portion of this risk at current prices.

**Canadian delivered soymeal prices opened higher this morning.** There is not much exciting news on the horizon, so the market is trading in a range-bound pattern until some event develops. Traders and analysts have expressed this sentiment as well, and while there are some technical features to be mindful of, even they have not been driving the market during this information void. For example, while soybean futures are not in overbought territory yet, they are residing in the upper end of the relative strength index (RSI) and moving higher. Normally, an overbought condition implies a correction lower is looming. In the meantime, traders and analysts will be looking to US weather and planting progress reports that will become increasingly important in the coming weeks and months. And then there's the growing season to get through.

**US corn futures opened higher this morning.** US corn futures have recovered from yesterday's weakness and are higher as of this writing. The turnaround, however, does not reflect any substantial development or indicate that a significant upside is on the horizon. In fact, with very large domestic stocks and news from a respected South American crop analyst that the Brazil corn crop is looking healthy and getting larger (up 1 MMT), US corn futures have a bearish tone to them. However, a slow start to planting is being cited as potential rationale for the market to receive some underlying support while ongoing trade disputes are enough to influence uncertainty into the trade in general.

Fixed Forward Range (at opening)	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Maple Leaf Sig. #5		164.86	162.75 173.84	170.44 175.25	168.74 174.64	150.81 164.20	148.40 152.14	132.31 143.66	131.29 135.08	130.83 142.20	139.68 144.68
Soymeal Wpg/S. Man Delivered	516	516	520	520	523	521					

This bulletin is intended as a marketing tool for subscribed members only. Prices are not quotes and all pricing is subject to verification. Opinions expressed do not guarantee future events or performance. Unauthorized distribution is strictly prohibited.