

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

US Slaughter	
2.030 mil.	Last Week
1.980 mil.	Year Ago
Daily Prices	
W. Corn Belt	\$69.23
National	\$71.50
Iowa/S. MN.	\$69.33
ML Signature 5	\$164.52
HyLife (prev. day)	\$162.94
TCP/BP2	\$164.52
BoC Rate (Noon) prev. day	
\$1.2964 CAD / \$0.7714 USD	
Cash Prices Week Ending June 2, 2018	
Signature 3	159.20/72.21
Signature 4	162.77/73.83
Signature 5 Brandon	160.99/73.02
h@ms Cash	159.49/72.34
HyLife	161.75/73.37
TCP/BP2 Moose Jaw/Langley	155.77/70.66
2018 Top-Up Estimate	
\$4.43/ckg (call for details)	
ISO Weans	\$27.75 US Avg.
Feeder Pigs	\$49.06 US Avg.

Forward contract prices opened lower this morning. US cash markets are expected to start this week trading firm, but with gains likely contingent on a further advance in the pork carcass cut-out. Last week, pork product prices moved sharply higher, but were unable to sustain the gains and experienced a \$2.00 USD/cwt decline in Friday's trade. Even the cash market has been preoccupied with the latest developments in US trade policy, where the application of tariffs on steel and aluminum from Mexico and Canada were met with swift retaliatory tariffs that could restrict sales of pork to Mexico by the end of the month. In early trade this morning, lean hog futures have dropped nearly \$2.00 USD/cwt in the summer month contracts with traders losing optimism that we can avoid a large trade dispute that includes pork. Producers should cover up to half of their September – December production at current prices to provide price stability in a market that expects record supplies and possible disruptions to normal trading channels.

Canadian delivered soymeal prices opened lower this morning. Instability in the agriculture markets has been a function of no progress made on the China (see below) or NAFTA files. Regardless, there are more than a few analysts that are referencing weather and fundamental data for direction while the NAFTA remains in place and retaliatory measures have not been fully implemented. However, much can change quickly; over the weekend, the state-run, Chinese Xinhua News Agency released the following: "If the U.S. rolls out trade measures including tariffs, all the agreements reached in the negotiations won't take effect," (source: Allendale). Markets are lower this morning.

US corn futures opened lower this morning. Like beans, US corn futures are lower this morning on a pessimistic tone in the markets, most of which related to the ramping up of hostilities on the US trade file. The intensifying trade spat with China (not yet technically a war) is dampening confidence even though China does not import a lot of US corn relatively speaking. Mexico (NAFTA) does, however. As of today, corn planting will likely be considered complete and the weather will be closely watched in subsequent progress reports. The impacts of poor weather now will likely be offset by a less than robust outlook on the export front in the short term. Remember, however, there is an expectation for a net drawdown in global stocks looking forward meaning less corn in the marketplace in general.

Fixed Forward Range (at opening)	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Maple Leaf Sig. #5		167.76 172.70	164.15 170.20	140.40 154.14	137.72 141.55	122.57 134.19	121.52 125.40	125.18 136.93	137.40 139.49	141.61 143.35	144.02 154.37
Soymeal Wpg/S. Man Delivered	529	532	531	533	533	532					

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Some Important Phone Numbers

Main Office: 204-233-4991

Toll Free: 1-800-899-7675

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