

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

US Slaughter	
463,000	Monday
374,000	Year Ago
Daily Prices	
W. Corn Belt	\$76.99
National	\$83.30
Iowa/S. MN.	\$77.06
ML Signature 5	\$190.27
HyLife (prev. day)	\$194.51
TCP/BP2	\$190.27
BoC Rate (Noon) prev. day	
\$1.3168 CAD / \$.07594 USD	
Cash Prices Week Ending June 30, 2018	
Signature 3	189.81/86.10
Signature 4	199.84/90.65
Signature 5 Brandon	194.83/88.37
h@ms Cash	193.33/87.69
HyLife	198.01/89.82
TCP/BP2 Moose Jaw/Langley	198.41/90.00
2018 Top-Up Estimate	
\$3.54/ckg (call for details)	
ISO Weans	\$16.20 US Avg.
Feeder Pigs	\$39.92 US Avg.

Forward contract prices opened higher this morning. US cash markets started the holiday-shortened week with solid gains as most USDA reporting regions had prices \$1.20 USD/cwt higher in yesterday's trade. The USDA estimated hog slaughter at 463,000 hogs on Monday, about 30,000 larger than the previous Monday as packers make up for tomorrow's Independence Day Holiday. Wholesale pork prices were lower in yesterday's trade with pressure coming from loins, hams and ribs. Lean hog futures were also lower in yesterday's trade with the effects of last week's Quarterly Hogs and Pigs report still lingering. October and December lean hog futures contracts are trading about \$2.00 USD/cwt lower than before the report which represents a reasonable reaction considering the hog inventory that was reported. Producers should view any gains in the winter timeframe as a selling opportunity as the 3% breeding herd increase will likely translate into a 5% increase in pork production in the 1st Quarter of 2019. In addition, the election of a new president in Mexico over the weekend increases the uncertainty related to the NAFTA negotiations and longer-term impacts of retaliatory tariffs on US pork.

Canadian delivered soymeal prices opened lower this morning. Trading is steady ahead of the July 4 holiday that will see markets closed tomorrow (Wednesday); markets will additionally be closed one hour early today as is common practice around US national holidays. The USDA reports on Friday added a bearish tone to the US soybean trade as June 1 stocks were estimated in line with pre-report estimates (1.222 billion bu.) and acreage coming in at 89.557 million acres, or 575,000 acres above the March 1 estimate. There is still a lot of potential for market volatility due to political events on international trade, but traders seem content to sit on the sidelines for now ahead of tomorrow's day off.

US corn futures opened higher this morning. International trade disputes aside, the markets for corn (and beans) are turning to weather outlooks for direction in the short term. Now that stocks and acreage are 'known', market watchers will now attempt to get a handle on yield estimates for the crop currently in the ground. On Friday, the USDA showed that June 1 stocks came in at 5.306 billion bu., just over the 5.268 average estimate; acreage was also up and now estimated at 89.128 million acres, up from the 88.562 million acre pre-report average estimate.

Fixed Forward Range (at opening)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Maple Leaf Sig. #5		167.83 173.76	137.18 151.18	134.45 137.05	122.11 134.76	121.28 124.99	126.53 138.23	138.82 140.94	142.60 144.84	146.83 157.32
Soymeal Wpg/S. Man Delivered	478	483	482	482	481	481				

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The HMO and Opening Price reports will not be published July 2 (lieu of Canada Day) or July 4 (Independence Day - USA). **All forward contracting will be closed one hour early on Tues., July 3 and all day Wed., July 4 for Independence Day.** The main office will be open on the 3rd and 4th.

