

Hog Prices: $\uparrow\downarrow$ Soymeal: \downarrow
Corn: \downarrow CDN Dollar: \uparrow

Forward contract prices opened mixed this morning. US cash markets continue to trade lower with all reporting regions showing lower values on the day; WCB and ISM regions were \$0.88 USD/cwt lower on average while the National came in lower by \$1.20. While disruptions to the normal processing flow are partly responsible (unknown July tariff implications and scheduled plant maintenance), the sheer volume of product coming to market is also a large factor. Last week, slaughter levels were 'only' about 2% higher than year ago, but this week is looking to realize levels back in the 3-4% range the USDA has suggested is possible. There is talk that increased plant margins and anticipation of Labour Day orders will keep plants running despite export uncertainty. Lean hog futures traded steady yesterday and posted modest gains over the course of the session. This morning, they are two-sided and choppy to start the day. In a refrain that sounds all too familiar, the export demand picture is just too murky to provide any real incentive for support at the present time. Futures values appear to be coming in lower (and earlier) than usual and some have suggested that the bottom could be near. However, strong demand signals will likely be required in the current marketing and supply environment before material gains are resumed.

Canadian delivered soymeal prices opened lower this morning. US soybean futures are trading lower after a brief uptick over the past couple days that nonetheless did not lift soybeans much out of the current lows. Commentators are suggesting that traders may be looking more toward technical indicators for direction in the absence of any substantive fundamental news. Crop tours will begin to report from the field, but they typically are not market movers, and instead, merely provide some added regional details. There is talk that Brazil could plant 89.4 million acres 'next year'. By comparison, the USDA pegs US national planting at 89.6 million acres.

US corn futures opened lower this morning. Like beans, US corn futures have turned lower at the open after two sessions of relative strength started the week. The earlier support appears to have been a function of repositioning after the neutral/bearish WASDE report released on Friday. The ongoing uncertainty and tariff talk is casting a negative tone over the market. Crop watchers can look forward to the Pro Farmer Crop Tour that begins next week and while the 'news' typically does not influence the market, the tours do add regional details and spark a lot of conversation.

US Slaughter	
468,000	Tuesday
448,000	Year Ago
Daily Prices	
W. Corn Belt	\$42.73
National	\$59.37
Iowa/S. MN.	\$42.76
ML Signature 5	\$120.21
HyLife (prev. day)	\$137.27
TCP/BP2	\$120.21
BoC Rate (Noon) prev. day \$1.3087 CAD / \$0.7641 USD	
Cash Prices Week Ending August 11, 2018	
Signature 3	119.73/54.31
Signature 4	151.74/68.83
Signature 5 Brandon	135.74/61.57
h@ms Cash	134.24/60.89
HyLife	n/a
TCP/BP2 Moose Jaw/Langley	153.23/69.50
2018 Top-Up Estimate	
\$4.44 ckg (call for details)	
ISO Weans	\$13.64 US Avg.
Feeder Pigs	\$24.00 US Avg.

Fixed Forward Range (at opening)	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Maple Leaf Sig. #5		122.11 125.07	119.51 122.23	108.58 121.59	107.51 111.46	114.11 126.27	126.75 128.99	134.68 137.04	138.02 146.01	149.18 162.22	160.64 173.68
Soymeal Wpg/S. Man Delivered	490	487	488	490	490						

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