

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

US Slaughter	
471,000	Thursday
457,000	Year Ago
Daily Prices	
W. Corn Belt	\$39.58
National	\$51.23
Iowa/S. MN.	\$39.58
ML Signature 5	\$107.80
HyLife (prev. day)	\$118.89
TCP/BP2	\$107.80
<b>BoC Rate (Noon) prev. day</b> \$1.3188 CAD / \$0.7583USD	
Cash Prices Week Ending September 08, 2018	
Signature 3	91.46/41.49
Signature 4	118.93/53.95
Signature 5 Brandon	105.19/47.71
h@ms Cash	103.69/47.03
HyLife	n/a
TCP/BP2 Moose Jaw/Langley	102.45/46.47
2018 Top-Up Estimate	
\$5.66 ckg (call for details)	
ISO Weans	\$22.75 US Avg.
Feeder Pigs	\$22.21 US Avg.

**Forward contract prices opened mixed this morning.** US negotiated cash markets were decisively higher in yesterday's trade with the Western Cornbelt region gaining \$1.70 USD/cwt over Wednesday's trade. The move was not initiated by a change in pork product values as the cut-out reported a slight decline in its price trend. However, the cash market support was seen quickly in the October lean hog futures which finished the day \$3.00 USD/cwt higher (the daily trading limit). While the total weekday slaughter in the US has been estimated at 471,000 for most of this week, the added pork production will take place on the weekend; this weekend's slaughter anticipated to be over 300,000 hogs. The latest US pork export data showed a significant drop in the value of pork exported to Mexico and China by 25% and 19% respectively. However, Japan and South Korea have stepped up their purchases in response to the lower prices for US pork. Total US pork exports were up slightly in volume, but down approximately 5% in value compared to July 2017. With October - February forward price trading at their highest level since late June, producers should secure prices on as much as 75% of their production in this timeframe.

**Canadian delivered soymeal prices opened higher this morning.** Export sales released yesterday showed net sales came in at essentially zero (579 MT) which at first appears startling until one considers net negative numbers are often common in the August time period due to cancellation; export inspections came in at 723,391 MT which was in the middle of expectations. Another analytics firm adjusted their yield estimated higher to 52.9 bpa from their previous 50 bpa estimate. There is talk China and the US are conducting ongoing negotiations but rumors the US administration has shrugged off the latest Chinese 'offer'. Beans are trading higher this morning but still reside amid the lows which is expected until some real progress is made on the China/US trade front.

**US corn futures opened higher this morning.** There was talk earlier this week that language for a new NAFTA deal could be reached by today (Friday) but that is unlikely to develop. While the market is eager to see some certainty regarding the NAFTA talks, there is essentially no pressure to meet any arbitrary deadline, at least on the Canadian side, and negotiators will likely wait until the last possible moment before agreeing to terms. Net sales of US corn were low, but export inspections come in at 1.2 MMT which was in line with expectations.

Forward Range (at opening)	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Maple Leaf Sig. #5		123.31 124.66	119.83 120.54	121.96 125.68	122.50 139.43	142.74 146.05	145.58 151.14	152.25 159.56	160.27 172.88	171.42 184.15	176.68 179.20	173.31 179.13
Soymeal Wpg/S.Man	461	458	461	461	462	461	461					

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