

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

US Slaughter	
473,000	Thursday
462,000	Year Ago
Daily Prices	
W. Corn Belt	\$53.66
National	\$64.61
Iowa/S. MN.	\$53.86
ML Signature 5	\$139.69
HyLife (prev. day)	\$148.92
TCP/BP2	\$139.69
BoC Rate (Noon) prev. day	
\$1.3114 CAD / \$0.7625 USD	
Cash Prices Week Ending November 10, 2018	
Signature 3	133.42/60.52
Signature 4	151.70/68.81
Signature 5 Brandon	142.56/64.66
h@ms Cash	141.06/63.98
HyLife	150.23/68.14
TCP/BP2 Moose Jaw/Langley	146.63/66.51
2018 Top-Up Estimate	
\$5.72 ckg (call for details)	
ISO Weans \$40.58 US Avg.	
Feeder Pigs \$40.48 US Avg.	

Forward contract prices opened mostly lower this morning. US negotiated cash markets moved sharply lower in yesterday's trade (with the Western Cornbelt reporting a decline of \$1.74 USD/cwt) as the industry is expected to break another record in weekly hog slaughter, currently estimated at more than 2.6 million hogs. There is broad weakness across all aspects of the pork complex with the pork carcass cut-out losing approximately \$4.00/cwt (or 5% of its value) this week. Late this week, news broke that several more cases of African Swine Fever were discovered in three Chinese provinces that had not yet reported any outbreaks of the disease. This takes the official number of outbreaks reported by the Chinese Government to 63 and represents a presence of the disease now in 17 provinces, or 50% of the 34 regions in China. While there has still been no measurable change in China's pork imports from North America since the disease broke, traders still consider this news as potentially bullish for the latter half of 2019. As a result, forward prices are seeing a diverging trend with the nearby weeks showing greater weakness than the deferred ones.

Canadian delivered soymeal prices opened higher this morning. The US soybean market immediately fell double digits following the release of the November WASDE report yesterday. The reaction stemmed from information that showed ending stocks crept up to 955 million bu. which is a new record and a bit of an outlier. However, ideas that the 1 bpa yield drop (to 52.1 bpa) and as-yet unreported damage from poor weather earlier made the rounds allowing the market to recover. Also circulating, are ideas that S. America could be importing record amounts of US beans. However, while a 6+ MMT import figure for Brazil would represent a new record for imports at this time of year, it is important to remember the US typically exports near 10 MMT in the month of October alone. Physical October data will not be available until early December and alternative markets likely have a long way to go to offset the loss of Chinese purchase activity.

US corn futures opened lower this morning. Like beans, US corn futures drifted lower, although not to the same extent as beans. Pressure in the commodities and record-high yield estimates were likely behind the move. However, a larger than expected drop in ending stocks (albeit only slightly) and a lower yield estimate (178.9 bpa) kept the downside in check. The big news for data wonks, however, revolved around the USDA incorporating new, updated Chinese 10-year census data into the WASDE estimates. The 'on paper' move pushed world ending stocks up by almost double compared to the previous month. However, Chinese officials typically keep tight controls on grains and the 'extra' ending stocks are expected to have only minimal impacts on US price.

Forward Range (at opening)	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Maple Leaf Sig. #5		121.31 124.10	113.21 130.20	133.53 136.85	138.59 144.17	145.55 152.90	158.40 174.48	173.58 186.49	183.41 185.94	179.50 185.35
Soymeal Wpg/S.Man	439	439	446	450	450	457				

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h@ms Marketing Services will be closed

Monday, November 12 for the Remembrance Day holiday in Canada.

The office will be closed and the HMO and Opening Price reports will not be published.

Normal business resumes on Tuesday, November 13.