

Hog Prices: ↑ Soymeal: ↓

Corn: ↓ CDN Dollar: ↑

US Slaughter	
476,000	Thursday
467,000	Year Ago
Daily Prices	
W. Corn Belt	\$50.84
National	\$61.63
Iowa/S. MN.	\$50.84
ML Signature 5	\$133.72
HyLife (prev. day)	\$143.55
TCP/BP2	\$133.72
BoC Rate (Noon) prev. day \$1.3202 CAD / \$0.7575 USD	
Cash Prices Week Ending November 17, 2018	
Signature 3	124.35/56.40
Signature 4	147.10/66.72
Signature 5 Brandon	135.72/61.56
h@ms Cash	134.22/60.88
HyLife	N/A
TCP/BP2 Moose Jaw/Langley	142.56/64.66
2018 Top-Up Estimate	
\$5.84 ckg (call for details)	
ISO Weans \$43.45 US Avg.	
Feeder Pigs \$43.41 US Avg.	

Forward contract prices opened mostly higher this morning.

US cash markets are finishing the week mixed as negotiated prices have held firm while prices based on a formula have declined about \$2.00 USD/cwt from last week. Total US slaughter is expected to be another record high and currently estimated at around 2.6 million hogs. The US Thanksgiving holiday next Thursday will result in the loss of one full production day which is contributing to a heavier week-end slaughter planned for tomorrow. The latest news from China on the developments of African Swine Fever may be a tipping point for the summer month lean hog futures. Overnight, China announced that Sichuan province, the largest pork producing and highest pork consuming province (per capita) broke with the disease in a small farm of 40 pigs. While the 'official' count of pig losses remains relatively small, the discovery of the disease in Sichuan means that the majority of China's pig producing provinces have now been impacted and attempts to limit the spread of the disease have been unsuccessful. Until today, June lean hog futures have been capped near USD\$83 USD/cwt, but today's news has broken through this resistance level and is taking forward prices to new highs. The impact of the disease on North American hog prices is highly uncertain, so producers should consider setting targets on 10%-20% of their production prices \$5.00 CAD/kg higher than current forward prices.

Canadian delivered soymeal prices opened lower this morning.

The holiday-delayed export sales report was released this morning and, unsurprisingly, net soybean sales compared to last year fared rather poorly. If one only reads the headlines, it would appear bean sales are recovering somewhat (up by 47% week over week). It all sounds impressive until one considers the small reference volume and the fact sales were down from over 1.1 MMT last year to 470,362 MT for week ending November 8, 2018. One week of poor sales isn't terrible news. However, the pattern has recently seen multiple, consecutive weeks of poor sales activity relative to last year at precisely the same time they should be ramping up considerably.

US corn futures opened lower this morning. US corn exports are not in the same situation as beans. The weekly net sales activity is relatively comparable to other years and shows only a slight drop in activity relative to last year. Week over week data suggests the export trade is also on more sure footing. This morning's report (normally released on Thursdays) showed net sales were up 27% from the week prior and 95% compared to the four-week average which could be considered normal for this time in the marketing year. Despite some lingering hostilities over the steel and aluminum tariff issue, Mexico remains a strong purchaser of US corn. Mexico has alternatively (and strategically) targeted US pork to retaliate against steel and aluminum tariffs.

Forward Range (at opening)	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Maple Leaf Sig. #5		130.06 133.66	135.16 144.86	148.17 151.48	149.70 155.26	156.72 164.04	163.99 180.00	179.10 191.97	188.04 190.57	184.91 190.73
Soymeal Wpg/S.Man	438	438	445	449	449	455				

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Forward contracting will be closed

Thursday, November 22 due to the US Thanksgiving holiday.

Forward contracting will also be **closed one hour early** on Friday, November 23.

The main office is unaffected and will remain open as normal.