

Hog Prices: ↓↑ Soymeal: ↓

Corn: ↓ CDN Dollar: ↑

US Slaughter	
478,000	Wednesday
459,000	Year Ago
Daily Prices	
W. Corn Belt	\$50.36
National	\$60.41
Iowa/S. MN.	\$50.33
ML Signature 5	\$132.40
HyLife (prev. day)	\$140.98
TCP/BP2	\$132.40
<b>BoC Rate (Noon) prev. day</b>	
\$1.3205 CAD / \$.7572 USD	
Cash Prices Week Ending November 17, 2018	
Signature 3	124.35/56.40
Signature 4	147.10/66.72
Signature 5	135.72/61.56
Brandon	
h@ms Cash	134.22/60.88
HyLife	144.48/65.54
TCP/BP2	142.56/64.66
Moose Jaw/Langley	
2018 Top-Up Estimate	
\$5.93 ckg (call for details)	
ISO Weans \$42.62 US Avg.	
Feeder Pigs \$47.32 US Avg.	

**Forward contract prices opened mixed this morning.** US negotiated hog prices have been on a weaker trend for the last several weeks with the record-large hog supply resulting in lower packer bids for the uncommitted hogs. Formula based cash prices have also been on the decline, but have lagged the lower trend, in part, due to the reference to wholesale pork prices. Earlier this week, the pork carcass cut-out fell by close to 5% when belly and loin prices were both hit with declines. While ham prices have been firm recently, they are still trading at the lowest level seen for the critical US Thanksgiving timeframe in at least six years. This development likely reflects the combination of heavy supplies and the tariff constraints on the US from the largest export market for US hams, Mexico. Lean hog futures hit new contract highs in Wednesday's trade on speculation that the spread of the African Swine Fever and related production losses in China will lift world pork prices. However, it is still uncertain whether US pork exporters will see any change in demand as China continues to levy a 78% tariff on US pork. Producers should use the recent forward price gains as an opportunity to secure profitable prices on 10-20% of their production in the first six months of 2019.

## Canadian delivered soymeal prices opened lower this morning.

The weekly export sales report was delayed by a day due to the Thanksgiving holiday in the USA yesterday. This morning the report showed 680,500 MT of sales were recorded for the week ending November 15. The market was expecting between 550,000 and 850,000 MT in net sales, so the results are within the range as well as higher than the previous week and the four-year average. However, notably absent from the sales report in a relative sense was China which showed only 68,000 MT. Despite rhetoric from the US executive suggesting optimism on a trade outcome, China has recently stated publicly that the US accusations of unfair trade practices are provocations and Chinese negotiators appears to be digging in for a longer fight.

**US corn futures opened lower this morning.** US corn traders, and indeed all traders, had to wait until today to see the USDA's export sales report as traders, government employees, and many other American workers enjoyed Thursday off for Thanksgiving. This morning, the market was expecting between 600,000 and 900,000 MT in net sales while the report came in near the upper end of expectations at 877,000 MT. While the China/US trade spat doesn't appear to be abating any time soon, the US corn trade is relatively unimpacted by the rift. Sales to Mexico remain steady which is the number one importer of US corn and by extension, the US's most important corn customer. Despite retaliatory tariffs on US pork due to the steel and aluminum issue, Mexico has not retaliated using corn.

Forward Range (at opening)	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Maple Leaf Sig. #5		131.19 133.46	140.40 150.16	153.50 156.83	154.88 160.47	161.95 169.32	169.68 185.80	184.90 197.85	192.36 194.90	188.44 194.31
Soymeal Wpg/S.Man	441	441	448	451	451	457				

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## Reminder:

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

The main office is open as normal.

Due to US Thanksgiving, weekly prices will be published on Monday.