

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

US Slaughter	
2.548 mil.	Last Week
2.547 mil.	Year Ago
Daily Prices	
W. Corn Belt	\$49.24
National	\$58.88
Iowa/S. MN.	\$49.28
ML Signature 5	\$129.53
HyLife (prev. day)	\$137.57
TCP/BP2	\$129.53
<b>BoC Rate (Noon) prev. day</b>	
\$1.3301 CAD / \$.7518 USD	
Cash Prices Week Ending December 1st, 2018	
Signature 3	119.88/54.38
Signature 4	140.39/63.68
Signature 5	130.14/59.03
Brandon	
h@ms Cash	128.64/58.35
HyLife	138.85/62.98
TCP/BP2	133.16/60.40
Moose Jaw/Langley	
2018 Top-Up Estimate	
\$5.99 ckg (call for details)	
ISO Weans \$54.07 US Avg.	
Feeder Pigs \$65.18 US Avg.	

**Forward contract prices opened mixed this morning.** US cash markets traded in a steady trend last week with both negotiated and formula-based hog prices holding firm. Wholesale pork prices contributed to the stable environment as none of the primal cuts made significant moves that would impact the pork carcass cut-out value. News that developed over the weekend was both positive and negative to hog markets. At the G20 meetings in Argentina, the new trade agreement (USMCA) was signed by the US, Mexico, and Canada, but there was no resolution on the steel and aluminum tariffs or the 25% retaliatory tariffs that Mexico has on US pork. Also over the weekend, Presidents Trump of the USA and Xi of China agreed to 'pause' the US-China trade war with Trump committing to hold tariffs on Chinese products at 10% for the next 90 days while China's President Xi agreed to immediately start buying a substantial amount of US products to alleviate the trade imbalance. US lean hog futures initially reacted positively to the news as it appears that China has already started to purchase US pork in volumes not seen since before the trade war started in March. They have since moderated, however, and are holding at levels seen on the afternoon of Friday, November 30 last week, although notably, among recent highs.

**Canadian delivered soymeal prices opened higher this morning.** US soybean futures are up double-digits at the open this morning following the developments at the G20 meeting in Argentina over the weekend. Markets are decisively bullish on suggestions that no new tariffs between China and the US will be implemented. The bean market reacted even more positively on news that China will commit to buying more US agricultural products to address the trade imbalance issue. To US producers, that mainly means on thing; soybeans, although pork producers are optimistic China will start buying US pork to fill in ASF production holes. It all remains to be seen, but markets are on a higher note to start the week.

**US corn futures opened higher this morning.** Like beans, US corn gets a boost this morning following the 'results' over the weekend that saw the signing of the new NAFTA (CUSMA in Canada) and a meeting between Presidents Trump and Xi that appears to have ushered in a cooling down of trading hostilities. While US corn isn't impacted much by China (because they don't import that much) or Mexico (because corn isn't subject to retaliatory tariffs), the market responded positively to the news as it potentially establishes a bit more normal trading protocols and removes uncertainty as related to NAFTA. However, the issues with China are far from over.

Forward Range (at opening)	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Maple Leaf Sig. #5		137.66 147.98	151.30 154.63	152.37 158.07	159.39 166.73	167.16 181.21	182.16 195.07	189.10 191.75	175.86 191.75	158.41 165.46	151.40 155.00
Soymeal Wpg/S.Man	458	458	461	461	466	466					

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