

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

US Slaughter	
2.508 mil.	Last Week
2.332 mil.	Year Ago
Daily Prices	
Iowa/S. MN.	\$52.65
W. Corn Belt	\$52.64
National	\$60.32
ML Signature 5	\$135.33
HyLife (prev. day)	\$140.77
TCP/BP2	\$135.33
<b>BoC Rate (Noon) prev. day</b> \$1.3297 CAD / \$0.7520 USD	
Cash Prices Week Ending January 19th, 2019	
Signature 3	125.51/56.93
Signature 4	141.83/64.33
Signature 5 Brandon	133.67/60.63
h@ms Cash	139.83/63.43
HyLife	141.14/64.02
TCP/BP2	130.40/59.15
Moose Jaw/Langley	
<b>2018 Top-Up Value</b> (unofficial) \$6.50/ckg (call for details)	
ISO Weans \$60.86 US Avg.	
Feeder Pigs \$69.81 US Avg.	

**Forward contract prices opened mixed this morning.** US cash markets are two sided to start the fourth marketing week in 2019 with ISM and WCB reporting regions up \$0.07 and \$0.51 USD/cwt respectively while the National region came in \$0.43 USD lower than the Friday session. Plants will see a reduced schedule this week as Monday marked Martin Luther King Day in the USA. Friday cut-out values came in net lower by \$0.13 USD/cwt; only loins and ribs were higher on Friday and the all-important ham primal, making up approximately 25% of the cut-out value, was \$0.62 lower on the day. While cash markets typically see some strength in the first quarter of the marketing year, large supplies and ongoing trade spats are influencing traditional flows of pork especially in the export sector. Lean hog futures have witnessed a steady climb since about the 17<sup>th</sup> of January, but recall that on the 16<sup>th</sup>, the trade erased all of the gains that were made since the beginning of the year. The net result is lower forward contract (and futures) prices compared to values seen earlier. Modest increases in demand for US pork from China (or as backfill resulting from ASF) and the removal of Mexican tariffs on US pork are two 'events' the market is eagerly awaiting news on. However, there has been little evidence of increased pork flow and little-to-no news regarding the Mexican tariff situation, and the market has not yet concurred with the more bullish speculators on those fronts yet.

**Canadian delivered soymeal prices opened higher this morning.** US soybean futures are lower to start the first trading day of the week as the market waits for news on direction. There are some pretty dramatic photos circulating on-line from Argentina (too wet in areas) and Brazil (too dry in areas) showing the impacts of the challenging weather patterns. But even as S. American industry watchers officials lower production estimates (some private estimates from Brazil are now approaching 112 MMT whereas 120+ MMT was typical to start the season), many are of the view these moves are priced into the market for now. This suggests new information will need to be known before any major moves develop.

**US corn futures opened lower this morning.** US corn futures are following beans lower in the absence of any news to influence market direction drastically one way or another. US corn futures recovered from lows and technical support levels last week as talk was surfacing that China could (could!) be interested in purchasing more US corn this year. However, no new sales have been announced just yet and the partial US government shutdown means no export movements will be published in the meantime making activity in the export markets a bit more difficult to determine.

Forward Range (at opening)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Maple Leaf Sig. #5		138.90	140.06 144.31	145.62 151.26	154.22 167.37	170.97 184.05	181.77 184.69	174.18 184.28	158.30 164.96	152.57 156.35
Soymeal Wpg/S.Man	471	469	467	472	472	481				

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