

US Slaughter	
478,000	Thursday
443,000	Year Ago
Daily Prices	
Iowa/S. MN.	\$78.00
W. Corn Belt	\$77.74
National	\$79.53
ML Signature 5	\$187.09
HyLife (prev. day)	\$186.78
TCP/BP2	\$187.09
BP4/TCP4	\$186.22
BoC Rate (Noon) prev. day \$1.3191 CAD / \$0.7480 USD	
Cash Prices Week Ending June 22, 2019	
Signature 3	187.95/85.25
Signature 4	187.81/85.19
Signature 5	187.88/85.22
h@ms Cash	185.81/84.28
HyLife	N/A
TCP/BP2	186.47/84.58
BP4/TCP4	187.92/85.24
Cumulative Top-Up Estimate \$3.29 CAD/ckg	
ISO Weans \$35.81 US Avg.	
Feeder Pigs \$62.99 US Avg.	

Forward contract prices opened lower this morning. US cash prices appear to be lower to finish of the week with the National region reporting a \$0.31 USD/cwt price lower relative to the previous day. We say 'appear' because the reporting regions with low volumes do not report a price when volumes are at such lows to identify the participants (although they do capture it). As such, the ISM and WCB regions did not report prices due to confidentiality yesterday, but a countermove relative to the National region in this marketing environment would hardly be surprising. Market watchers need multiple days of consistent moves in one direction (either higher or lower) contextualized with seasonality to comment on a trend, and recently, the market has been anything but consistent or seasonal. It is also under pressure and will likely continue to be until such time that the demand profile picks up and excess pork starts to clear the market. Lean hog futures, likewise, are under pressure as the markets return to pre-rally levels seen in early March. The summer contracts are now at values lower than the historical monthly settles while the deferreds are showing modest gains relative to the pre-2014 averages. The moves appear to be consistent with ideas that ASF related issues will surface at some point in the future, yet the timing of the 'event' remains a mystery. Market watchers and commentators are now honing in on this idea with supportive predictions coming in anywhere between mid-July and the second month in the first quarter of 2020; it could be later than that, though, too. It is all speculation at this juncture and the market is maintaining its wait-and-see pattern all the while under pressure as no real positive demand from China or Southeast Asia has significantly developed even though the disease is spreading and still largely out of control. Producers looking for hedging opportunities should consider the sum of all events (and their own farm requirements) when developing their strategies; Q1 2020 prices are good relative to historical cash settles, but most are of the view that the futures values are not at their potential.

Canadian delivered forward contract prices opened lower this morning. US soybean futures are backing off to finish the week after seeing support over the most recent sessions. Weighing on the trade are ideas that the rally has run its course for now and the massive supplies that still need to clear the market. Support comes from ideas that farmers may choose prevent plant acreage, slow planting pace, and relatively poor regional emergence. A trade deal with China may normalize things to a certain degree but Chinese buyers don't typically act until after the summer.

US corn futures opened lower this morning. Like beans, US corn futures are finishing off on a lower note, but there is much more acute concern that the lateness of the planting pace and poor emergence will factor more than seen in the bean trade. Unofficial and anecdotal evidence shows extremely poor regional crop progress to date relative to other years and this year's crop tours reporting may carry more weight than in other years, adding to volatility, or merely confirm the poor progress. The acreage report will be released at the end of this month on June 28.

Forward Range (at opening)	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Maple Leaf Sig. #5		170.40	170.40 176.00	164.33 170.40	160.78 164.70	158.52 166.13	156.14 160.42	156.81 166.35	167.54 171.65	167.49 169.15
Soymeal Delivered Wpg/S.Man	477	476	480	483	486	492				

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