

US Slaughter	
2.449 mil.	Last Week
2.164 mil.	Year Ago
Daily Prices	
Iowa/S. MN.	\$78.00
W. Corn Belt	\$77.74
National	\$78.75
ML Signature 5	\$186.47
HyLife (prev. day)	\$182.82
TCP/BP2	\$186.47
BP4/TCP4	\$184.67
BoC Rate (Noon) prev. day	
\$1.3212 CAD / \$0.7570 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	186.13/84.43
TCP/BP2	186.47/84.58
BP4/TCP4	187.92/85.24
Cumulative Top-Up Estimate	
\$3.29 CAD/ckg	
ISO Weans	\$36.55 US Avg.
Feeder Pigs	\$54.04 US Avg.

Forward contract prices opened lower this morning. US cash markets are starting the week off under pressure and are maintaining the patterns seen over the past couple weeks as the fundamental picture has not changed, and, in fact, is becoming even more burdened with ample supply. Weekly slaughter came in at a massive 13.1% (!) higher than year ago last week pushing pork production to record levels for this time of year. To be sure, more pork by volume is produced at other times of year (autumn, for example), but the current amount of pork produced last week bucks the trend and has seen higher volumes since the Memorial Day weekend while demand is less than stellar relative to expectations. Pork cut-out remains under pressure to start the week coming in net \$0.71 USD/cwt lower on the day and is at the lowest level seen since 2013 when the USDA first started keeping records in this format. More cases of Classical Swine Fever (different than ASF but similarly deadly) were reported in Japan over the weekend as were new cases of ASF in Laos last week. However, the lean hog futures market has shrugged off the news (even in the deferred contracts) until, perhaps, such time that more concrete evidence of export demand develops. While the more academic literature is taking a measured approach to the developments, some market commentators are starting to express frustration at the market's perceived unwillingness or inability to price in future demand due to pork shortages in southeastern Asia and China. The market doesn't care about one's opinion, though, and will simply be under pressure until some evidence of increased demand surfaces. There is a lot of pork to clear the market. That will not change in the short-to-mid terms but a positive trade development or tariff reduction story could turn the market around very quickly.

Canadian delivered forward contract prices opened lower this morning. Estimates on crop progress for week ending last Sunday are coming in at 87% against 77% last week and a 95% five-year average. Today will also be the first time soybean conditions are reported this year on the report for the beans that have emerged. Market is looking for a good/excellent number coming in near the 57% mark against 75% last year and the 69% average. In 1993, the rating was pegged at 55% which was a record low.

US corn futures opened higher this morning. The pre-Crop Progress report estimates are suggesting as much as 98% of the US corn crop could be planted in today's report. However, as we have learned over the past couple weeks, planting progress cannot be used to determine acreage. In years where conditions were normal, many market watchers used the Crop Progress report to forward project acreage as related to intentions earlier in the year, and for most of the time, it was a decent guide. This year was anything but normal and what the report actually measures is not related to initial intentions; rather, it is a survey of what farmers are intending to plant that week relative to individual farm decisions. The market will have to wait for June 28 for acreage numbers.

Forward Range (at opening)	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Maple Leaf Sig. #5			168.06 172.27	159.62 165.68	155.91 159.83	152.59 160.18	150.22 154.49	151.17 160.71	161.89 168.13	163.98 165.64
Soymeal Delivered Wpg/S.Man	475	473	478	481	483	490				

This bulletin is intended as a marketing tool for subscribed members only. Prices are not quotes and all pricing is subject to verification. Opinions expressed do not guarantee future events or performance. Unauthorized distribution is strictly prohibited.