

US Slaughter	
448,000	Monday
434,000	Year Ago
Daily Prices	
Iowa/S. MN.	n/a
W. Corn Belt	n/a
National	\$78.36
ML Signature 5	\$185.77
HyLife (prev. day)	\$182.22
TCP/BP2	\$185.77
BP4/TCP4	\$183.52
BoC Rate (Noon) prev. day \$1.3194 CAD / \$0.7580 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. For the second day out of two this week (4 of the last 7; and 7 of the last 22 days), the WCB region did not report a price due to confidentiality. The USDA captures the price, but if the information would identify the participants, the price is not published. This could create 'unusual' cash volatility when the WCB is reported again. In the meantime, National pricing was lower on the day and Canadian prices are subsequently pressured as well (when the Canadian dollar is steady to higher). In addition to the massive supplies that are coming to market (indeed, it is estimated that pork production is approximately 55 million lbs higher than year ago levels), other commentators have identified some factors for consideration. For example, using the May cold storage report as the starting point, inventories were notably up 16% relative to same time last year and are likely indicative of behavior that suggests a draw down in stocks will be needed before buyers enter the market in force once again. The likely result will be a limit on short term demand which pressures the cut-out, and as we have seen over the past couple weeks, the cut-out is currently residing amid seasonal lows. Lean hog futures ventured into expanded limit territory lower yesterday but have rebounded somewhat and are trading modestly higher from yesterday's close as of this writing. Other than ideas that China and southeastern Asian markets will need pork at some point, export data, while showing regional increases compared to history, are well off the mark relative to expectations. Deferred contracts are still at a premium compared to before the March rally suggesting ASF-related demand will develop further out (February contract is about 7% higher), but the ASF-related premium in the nearby contract has been completely erased and is flirting with levels seen last August when markets were decisively lower.

Canadian delivered forward contract prices opened higher this morning. Weekly crop progress yesterday came in at 85% planted (88% expected; 95% five-year average) while the emerged crop was estimated at 54% good/excellent against a 59% expectation and the 55% low seen in 1993. Acreage estimates ahead of Friday's report are at 84.355 million on average with a range spanning 81.0 to 86.5 million acres. Last year's acreage report had planted acres pegged at 89.0 million.

US corn futures opened higher this morning. With 98% of corn estimated planted as of last Sunday, US corn planting is essential complete. The big question remaining, however, is: 98% of what, exactly? A better idea about that will have to wait until Friday, when the Acreage report is released. Estimates ahead of the report show an average of 86.662 million acres on average are expected with a range from 82.0 to 89.8 million. 2018's acreage was estimated at 89.1 million in the June acreage report last year.

Forward Range (at opening)	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Maple Leaf Sig. #5			163.14 168.71	156.03 162.07	152.58 156.49	150.68 158.26	148.31 152.58	149.75 159.29	160.48 167.59	163.44 165.10
Soymeal Delivered Wpg/S.Man	476	475	480	482	485	492				

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