

US Slaughter	
463,000	Wednesday
460,000	Year Ago
Daily Prices	
Iowa/S. MN.	\$72.18
W. Corn Belt	\$71.86
National	\$71.67
ML Signature 5	\$168.99
HyLife (prev. day)	\$164.64
TCP/BP2	\$168.99
BP4/TCP4	\$166.05
BoC Rate (Noon) prev. day \$1.3053 CAD / \$0.7661 USD	
Cash Prices Week Ending July 13, 2019	
Signature 3	165.57/75.10
Signature 4	166.80/75.66
Signature 5	166.18/75.38
h@ms Cash	164.80/74.75
HyLife	165.33/74.99
TCP/BP2	168.07/76.24
BP4/TCP4	172.24/78.13
Cumulative Top-Up Estimate \$3.31 CAD/ckg	
ISO Weans \$32.32 US Avg.	
Feeder Pigs \$50.79 US Avg.	

Forward contract prices opened mixed this morning. US cash markets are trending higher heading into the end of the week with ISM, WCB, and National reporting regions up \$1.48, \$2.78, and \$0.24 USD/cwt, respectively. At first glance, it appears the WCB region is performing better than the other two. However, recall that the WCB region did not publish prices over multiple days so the difference can be attributed to a 'gap' in the reporting relative to the last reported day which was for prices determined on Friday, July 12. On that note, the WCB region has recently turned higher (as has National) in a counter-seasonal move considering the time of year. Support, in part, comes from an improving cut-out value that has likewise moved higher when the net value of the primals are considered. The gains can mostly be attributed to hams (making up ~25% of the carcass) and bellies (typically the highest valued of the cuts) which have both moved higher in recent weeks. The other cuts are trending lower with ribs leading to new lows supporting the idea that domestic grilling demand has been less than stellar, in part, during poor weather seen earlier. Lean hog futures are correcting lower following the strength yesterday that ended the session with the August contract reaching limit up levels. There is still talk surfacing this morning that the increase in Chinese (and Hong Kong) hog and pork pricing could be motivation for some optimism re-entering the trade. However, export demand needs to improve before a fundamentally based (yet still speculative) price move higher can be rationalized. At least one analytics firm is suggesting that the market will pay close attention to the weekly export report that comes out on Thursday mornings for clues even though the report is known to not capture all export activity. The monthly report is considered much more accurate but is on a two-month lag. Today's weekly report has shown 30,100 MT in net sales commitments were made but none from China (Hong Kong committed to 2,300 MT). China did take delivery of 9,900 MT for week ending July 11 which is significant, but the volume came from prior commitments and are not 'new' sales.

Canadian delivered forward contract prices opened lower this morning. This morning's export sales report showed net sales of 127,900 MT were made for week ending June 11 against a pre-report expectation of 100,000 to 700,000 MT which is a relatively large spread in estimates highlighting the lack of consensus on activity. The reported number is only 3% down from the previous week but 68% lower than the rolling four-week average. Almost no one thinks export activity will meet the 'goal' set by the USDA by the end of the marketing year.

US corn futures opened lower this morning. Net US corn sales came in 60% lower than the previous week and 21% lower than the rolling four-week average. The 200,000 MT that was reported came in lower than the lowest of the pre-report expectations that ranged from 350,000 to 800,000 MT. There is talk US corn futures could be 'topping out' for now.

Forward Range (at opening)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Maple Leaf Sig. #5		178.19 181.79	172.56 177.98	169.12 172.02	161.39 167.94	160.52 163.28	159.41 169.14	170.95 172.54	169.56 171.56	175.57 184.91
Soymeal Delivered Wpg/S.Man	453	453	456	461	466	466				

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