

US Slaughter	
476,000	Wednesday
386,000	Year Ago
Daily Prices	
Iowa/S. MN.	\$83.06
W. Corn Belt	\$80.50
National	\$77.01
ML Signature 5	\$186.71
HyLife (prev. day)	\$178.12
TCP/BP2	\$186.71
BP4/TCP4	\$179.57
BoC Rate (Noon) prev. day	
\$1.3137 CAD / \$0.7612 USD	
Cash Prices Week Ending July 20, 2019	
Signature 3	174.33/79.08
Signature 4	166.37/75.46
Signature 5	170.35/77.27
h@ms Cash	164.37/74.56
HyLife	165.91/75.26
TCP/BP2	166.18/75.38
BP4/TCP4	166.80/75.66
Cumulative Top-Up Estimate	
\$3.05 CAD/ckg	
ISO Weans \$34.05 US Avg.	
Feeder Pigs \$47.77 US Avg.	

Forward contract prices opened lower this morning. US cash markets continued their sharply higher trend, gaining another \$2.00/cwt in yesterday's trade. This adds approximately 10% to its value so far this week, marking this week as a turning point in what has been a sluggish summer cash market. However, similar gains are not being seen in the pork cut-out, which has led to packer margins that are estimated to be well below breakeven levels. The move likely reflects heavy competition for uncommitted supplies in an attempt to fill a deficit in the production schedule of several plants. In addition, the coming shortage of pork in China and adjacent countries due to the ongoing outbreak of African Swine Fever (ASF), may also be contributing to increased speculation in the pork trade. Winter month Lean Hog Futures have improved to their highest levels since Late-May, appreciating nearly 20% from their recent lows. News of Chinese pork prices making large gains are likely providing much of the support seen over the last two weeks.

Canadian delivered Soymeal prices opened lower this morning. The soybean crop condition and weather forecast are typically the primary market mover at this time of year, however the market remains distracted by any news of developments on a trade deal with China. With a tariff rate of close to 25%, US soybeans are not competitive in China, resulting in export sales volumes that are remain well behind trend line levels.

US corn futures opened lower this morning . While the corn market is reflecting the changing crop conditions, upside potential beyond the recent trading range appears limited in the near term. Funds are currently sitting on their largest 'Long' position in Corn Futures for more than a year according to the latest CFTC Commitment of Traders report, which would leave one to question how much more corn can they buy?

Forward Range (at opening)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Maple Leaf Sig. #5		191.86 192.85	183.34 188.78	179.95 182.86	172.38 178.96	171.51 174.27	169.34 179.15	180.92 182.58	179.46 181.47	185.43 194.84
Soymeal Delivered Wpg/S.Man	455	455	458	460	465	465				

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