

US Slaughter	
473,000	Thursday
368,000	Year Ago
Daily Prices	
Iowa/S. MN.	\$85.40
W. Corn Belt	\$85.19
National	\$78.49
ML Signature 5	\$194.22
HyLife (prev. day)	\$181.49
TCP/BP2	\$194.22
BP4/TCP4	\$183.16
BoC Rate (Noon) prev. day \$1.3146 CAD / \$0.7607 USD	
Cash Prices Week Ending July 27, 2019	
Signature 3	199.23/90.37
Signature 4	176.50/80.06
Signature 5	187.87/85.22
h@ms Cash	174.50/79.15
HyLife	N/A
TCP/BP2	170.35/77.27
BP4/TCP4	166.37/75.46
Cumulative Top-Up Estimate \$2.54 CAD/ckg	
ISO Weans \$34.05 US Avg.	
Feeder Pigs \$47.77 US Avg.	

Forward contract prices opened mixed this morning. US cash markets had steady gains over the week adding close to 15% since last Friday. Packers have been aggressive bidders for live supplies even without seeing comparable gains in wholesale pork prices. Tighter live hog supplies have led to the run up this week, but supplies are still exceeding year ago levels by more than 5% when comparing the trend so far this month. In fact, packer profit margins are well below breakeven levels and the lowest since 2014 for this time of year. Nearby futures have been cautious to project any further gains in the cash market, with great uncertainty associated with the export situation. The heavy supply of hogs has been the primary factor in futures/forward prices recently, as one would have to look beyond May 2020 to see forward prices equivalent to the current cash market. However, the market remains highly volatile and would move sharply higher on confirmation of significant sales volumes to China or a new trade agreement. Producers should start to cover 20% of their 2020 production with targets set \$6-\$8/ckg higher than current forward prices

Canadian delivered Soymeal prices opened higher this morning. While higher this morning, the soybean complex has been in a holding pattern this week, with no new developments in weather or trade. However, the longer that there is no resolution to the Chinese trade situation, the greater the downside potential to soybean meal as new crop sales to China from the US do not compare favourably to beans of South American origin.

US corn futures opened lower this morning . Corn futures are trading softer this morning despite growing concern over a hot, dry forecast that could negatively impact much of the US corn crop. Lagging export sales have been the primary fundamental factor that has kept a lid on a corn market rally, but the huge 'Long' position that funds already have has limited additional buying interest.

Forward Range (at opening)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Maple Leaf Sig. #5		190.01 192.32	181.45 186.92	177.79 180.71	171.33 177.93	170.45 173.23	169.61 179.45	181.04 182.89	179.57 181.59	185.45 194.88
Soymeal Delivered Wpg/S.Man	458	458	461	463	468	468				

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