

<b>US Slaughter</b>	
491,000	Monday
470,000	Year Ago
<b>Daily Prices</b>	
Iowa/S. MN.	\$51.30
W. Corn Belt	\$51.39
National	\$65.91
ML Signature 5	\$137.86
HyLife (prev. day)	\$151.54
TCP/BP2	\$137.86
BP4/TCP4	\$152.74
<b>BoC Rate (Noon) prev. day</b> \$1.3056 CAD / \$0.7660 USD	
<b>Cash Prices Week Ending October 26, 2019</b>	
Signature 3	133.32/60.47
Signature 4	158.26/71.79
Signature 5	145.79/66.13
h@ms Cash	156.26/70.88
HyLife	156.32/70.91
TCP/BP2	148.30/67.27
BP4/TCP4	154.00/69.85
<b>Cumulative Top-Up Estimate</b> \$4.88 CAD/ckg	
ISO Weans \$28.28 US Avg.	
Feeder Pigs \$44.01 US Avg.	

**Forward contract prices opened lower this morning.** US cash markets are once again lower and all reporting reference regions are down by approximately \$1.00 USD/cwt from the previous day. The recent and consistent moves lower in all regions suggests a more seasonal trend is developing that typically materializes at this time of year. In fact, marketing week 45 represents the week cash market softness has developed in recent history on average and week 45 will be next week. There are a number of reasons for this including the seasonal uptick in slaughter combined with heavier weights and daily weight gain improvements from the cooler weather and fresh supplies of corn from harvest. And this year, slaughter numbers are quite large – Monday’s estimated slaughter came in at 491,000 and it’s not the first time a kill number over 490,000 has been registered. It is widely believed the industry can handle a daily slaughter coming in slightly over 500,000 which would push the weekly total over 2.7 million animals based on 5.4 workdays in the week. A growing chorus of analysts is suggesting that is indeed quite possible this year heading further into the fall. In sum, the cash market is starting to come to grips with the idea that there will be a lot of pork to move coming soon and the absence of a stronger export disappearance profile will likely keep any upside in check. Nearby lean hog futures have given back all the previous day’s gains with the deferreds coming under pressure as well. For now, there is still some optimism in the deferred futures contracts on ideas that pork will have to move into the export market at some time. Unfortunately, the timing of that event is not clear and news on the ‘Phase One’ component of the China/USA trade deal so far has not provided clues on direction. Futures markets will likely be choppy until more certainty arrives and trade ‘the headlines’ in the interim. News items are now more consistently suggesting the ‘Phase One’ deal will be signed in Chile at the APEC summit at, or near, November 17.

**Canadian delivered soymeal prices opened lower this morning.** US soybean futures are lower this morning, mostly, on news that harvest last week progressed at a good pace as anticipated. Harvest rating for beans as of last Sunday was estimated at 62% complete representing a 16% improvement over last week – five-year average for this time of year is 78% complete. Crop conditions were estimated at 62% good to excellent and exactly in line with the pre-report estimate. The five-year average is for 80% in that category.

**US corn futures opened higher this morning.** The USDA’s Crop Conditions report released yesterday after trading showed progress coming in 41% complete against a pre-report estimate of 43% and compared to the 67% five-year average. While relatively slow, it is worth noting that it is not the slowest pace on record which is benchmarked to 2009 at 21% complete. This year’s pace is closer to that of harvest in 2008. The crop in good to excellent condition came in at 58% compared to the 56% pre-report estimate and a 67% five-year average.

Forward Range (at opening)	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Maple Leaf Sig. #5			138.10 139.47	136.48 152.56	157.51 161.09	161.37 167.21	173.74 176.68	176.47 189.06	193.23 202.41	196.99 202.06	190.28 198.88
Soymeal Delivered Wpg/S.Man	446	446	448	451	452	454					

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## Remaining h@ms 2019 Fall Marketing Meeting Schedule

Meeting	Date and Time	Location
Strathmore, AB	Wednesday, Oct. 30th - 12:00 Noon	Travelodge - 350 Ridge Road