

## US Slaughter

486,000	Wednesday
479,000	Year Ago

## Daily Prices

Iowa/S. MN.	\$42.60
W. Corn Belt	\$42.60
National	\$62.03

ML Signature 5	\$125.01
HyLife (prev. day)	\$145.04
TCP/BP2	\$125.01
BP4/TCP4	\$146.28

**BoC Rate (Noon) prev. day**  
\$1.3285 CAD / \$0.7527 USD

## Cash Prices Week Ending November 30, 2019

Signature 3	102.49/46.49
Signature 4	147.98/67.12
Signature 5	125.24/56.81
h@ms Cash	145.98/66.22
HyLife	146.36/66.39
TCP/BP2	126.57/57.41
BP4/TCP4	150.56/68.29

**Cumulative Top-Up Estimate**  
\$6.25 CAD/ckg

ISO Weans \$32.51 US Avg.

Feeder Pigs \$46.69 US Avg.

**Forward contract prices opened mixed this morning.** Pricing reports were delayed this morning due to the US Thanksgiving holiday observed yesterday. Earlier, only Wednesday data was available but as we have seen over recent weeks, cash markets remain under pressure. The updated numbers released this afternoon revealed no new trend setting activity. A seasonal turnaround in the reporting regions typically develops after the US Thanksgiving weekend, but historical data reveals that the support in recent years has more often resembled a flattening out or moderation of the downtrend rather than any rally per se. In fact, only 2016 witnessed a significant recovery heading into the new year from the current marketing week. Cash values observed this afternoon placed the weekly reference price 8% higher than the weekly historical cash settle for the same marketing week in the National region while WCB was 18% lower. Assuming no new demand-related news events and all else equal, trend analysis suggests that National will likely remain steady to lower to finish the year while WCB could see some support (as it currently is residing amid historical lows), but that would likely require some evidence of larger disappearance in especially in the export channel. The fact that packer margins are estimated historically high at present is simply not enough to influence cash levels by itself amid massive pork production currently taking place. Slaughter numbers, for example, have frequently seen daily kills over 490,000 over the past eight weeks when 480,000 per day was not even seen in 2018 or 470,000 in 2017 over the same timeframe. Lean hog futures have opened lower this morning and traded on relatively light volumes, likely, due to traders taking an 'extra' day off following the Thanksgiving suspension of trade yesterday. Futures contracts finished modestly higher at the earlier than normal close but are still amid seasonal lows and struggling to gain any consistent momentum to the upside. Export sales numbers, also delayed by the mid-week holiday, showed good volumes relative to history but nothing that would move markets substantially.

## Canadian delivered soymeal prices opened lower this morning.

The holiday-delayed export sales report released this morning showed net sales of 1.664 MMT against a pre-report expectation between 600,000 and 1,200,000 MT. The number represents the highest net sales number in 2019 so far but accumulated exports remain well of the stronger paces seen in 2016 and 2017 and there is growing concern that sales targets for 2019 will not be met.

**US corn futures opened higher this morning.** This morning's export sales report showed net sales coming in at 806,800 MT for week ending November 21 against pre-report expectations of 400,000 MT at the low end and 900,000 MT at the upper end of the range. The numbers represent a 2% increase over week ago and a 34% increase over the rolling four-week average.

Forward Range (at opening)	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Maple Leaf Sig. #5		126.05	126.29 139.48	144.63 149.55	147.63 158.47	165.09 167.92	169.84 182.92	187.17 193.65	190.87 194.34	159.74 194.51	149.25 153.92
Soymeal Delivered Wpg/S.Man	455	455	457	461	464	465					

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