



Schwieterman Update

Update for the morning of January 26, 2023

Garden City 1-800-272-9131 or 620-275-4100 fax 620-275-1841 e-mail upthelimitupdate@wbsnet.org
Grain: Bret Crotts bret@swbell.net Cattle: Mark Green mgreen@swbell.net Energy: Rob Charles robertcharles@swbell.net

Corn

Trends – March Contract

Short Term: **Down**

Long Term: **Up**

Overnight Trade: **H +4** @7:30 AM

Estimated Fund Position

Net Long Futures and Options: 188000

Change: -4000

Corn was firm overnight, but not strong enough to make up for yesterday's poor close. The March contract has several key resistance levels between \$6.79 and \$6.89, so we will be watching them closely for an indication of a resumption in the upward trend. Export sales were solid at 910,000 MT, but the bulls really need to see something better than that to support the market.

Wheat

Trends – March Contract

Short Term: **Down**

Long Term: **Down**

Overnight Trade: Chicago: **H +9** KC: **H +10** @7:30 AM

Estimated Fund Position

Net Long Futures and Options: -72000

Change: +4000

Wheat export sales were good at 500,400 MT. We haven't seen anything that good for quite a while, and if we could keep it up for a couple of months, it would be very, very supportive to the wheat market. The March KW is still struggling with trend line resistance. The market is working on turning trend indicators up, but the bulls really need a close over \$8.67 to scare the shorts into covering.

Soybeans

Trends – March Contract

Short Term: **Down**

Long Term: **Up**

Overnight Trade: **H +7** @7:30 AM

Estimated Fund Position

Net Long Futures and Options: 153000

Change: +5000

Not only were soybean export sales big at 1.14 MMT, but we also had a sale of 106,000 MT to China announced this morning. Demand is just not drying up the way the bears want it to. The charts have improved drastically since yesterday morning, and the March soybeans now look like the downward correction is over and that we are headed back to the top end of the trading range.

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Live Cattle

Trend

Short Term: Up

Long Term: Up

Opening Calls: Mixed

Live cattle futures closed mixed on Wednesday, with Feb modestly lower and rest of the complex modestly higher and near the highs of the session. Cutouts were lower on Wednesday, with choice -1.36 and select -.59. Cash was limited to 1,200 head today of lower quality cattle. Overnight equities are firmer and the Dollar is higher as well, creating mixed signals.

Feeder Cattle

Trends

Short Term: Up

Long Term: Down

Opening Call: Mixed

Feeder cattle futures recovered from early weakness to close firmer for the day. Support from a higher index and modestly lower corn values. The index was up .24 to 177.77. Corn prices are 3 cents higher, as we write. Next weeks cattle inventory report is expected to be supportive.

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Daily Energy Market Analysis
By: Rob Charles robertcharles@swbell.net

Weekly Stocks Report for Week Ending

01/13/23

	Change	DOE			API	
		01/13/23	01/06/23	01/14/22	01/20/23	
Crude	+ 8.40	448.00	439.60	413.80	+ 3.40	
Gasoline	+3.50	230.30	226.80	246.60	+ 620K	
Distillates	-1.90	115.80	117.70	128.00	-1.90	
Rates	-7.9	85.30	84.10			
Imports	+ 51K	6.86	6.35			
Nat Gas	-82	2.820	2.902	2.839	% Above/Below Lst Yr -0.7	5 Yr Avg % A/B 2.786 + 1.2

Analysts Estimates for Week Ending 01/20/23

		5 Yr Avg	
Crude	+ 1.00	+ 2.72	
Gasoline	+ 1.80	+ 3.06	
Distillates	-1.10	- 140K	
Rates			

Analysts Estimates for Week Ending 01/20/23
Range

Nat Gas	Crude Oil	Unleaded	Heating Oil	Natural Gas
Short Term Trend	UP	UP	UP	DOWN
Long Term Trend	UP	UP	UP	DOWN
O/N Trade @ 6:30 am	+ 1.08	+ .0116	+ .0094	+ .0066

Commentary:

The crude oil market continues to consolidate while product markets are in a correction phase. Spot month crude oil was back higher in overnight trade posting its high of the session in early trade today. Product markets seen both March gasoline and heating oil post a 5 session low in overnight trade. The crude oil market has been stuck in a relatively narrow trading range now for 8 straight sessions. Product markets on the other hand have seen spot month heating oil slide 27 cents from the high posted earlier this week and gasoline lose 15 cents just from yesterdays high. It is pretty typical for this time of year for the energy markets to be somewhat confused. January and February leaves a lot to 2 sided speculation as to price and fundamental forecasts that frankly only time will tell which is correct. It won't be until late winter/early spring until a better picture of fundamental data will begin to shape solid market sentiment. Until then spread trade, most of the time alternating every few days, usually dominates. In the longer term, actual Chinese demand and global inflation damage along with government tightening or loosening of monetary policy will lead the market. Both of which are unknown at this time. This could create the same type of market action for several more weeks.

	Mar	Feb	Feb
	Crude Oil	Unleaded	Heating Oil
Resistance	82.75/83.50	2.71.00/2.7500	3.5000/3.6000
Support	79.15/77.00	2.5130/2.5000	3.2870/3.2150



Schwieterman Update

Financial Market Analysis for the morning of January 26, 2023

Garden City, KS 800-972-9131 620-275-4100

Alan Clark – alanjclark@swbell.net

U.S. Stock Futures

The equities closed mixed to lower as the Dow gained 9 points, the S&P lost 1 point, and the Nasdaq lost 20 points. This morning's futures are all higher with the Dow up 55 points, the S&P up 17 points, and the Nasdaq up 97 points. Shipments of smartphones have declined across the globe. Overall, firms shipped 18.3% fewer smartphones than they did in the same quarter of 2021 representing the biggest ever decline. Akio Toyoda, the grandson of Toyota's founder, will step out of the company's CEO role on April 1st. He will become chairman, while the company's branding Chief Koja Sato, will take over as CEO. Initial Jobless Claims were expected at 205K and released at 186K down from last week's 190K.

Stock to Watch: Chevron Corp is up 3.41% premarket.

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[AMS 2453/LM_XB403](#)

DAILY ESTIMATED CUTOUT VALUES

	Choice 600-900#	Select 600-900#	Choice/Select Spread	
Current Cutout Values:	268.28	251.80	16.48	
Change from prior day:	(-1.36)	(-0.59)		
Primal Rib	440.79	370.81		
Primal Chuck	216.58	211.77		
Primal Round	211.91	210.81		
Primal Loin	372.90	340.83		
Primal Brisket	195.79	189.50		
Primal Short Plate	177.67	177.67		
Primal Flank	149.19	157.89		
			Load Count:	
			Total	137
			Choice	85
			Select	28
			Trimming	6
			Grinds	17

Fresh 50% Trimmings 6 Loads @ 112.40

[AMS 2829/NW_LS441](#)

USDA BY-PRODUCT DROP VALUE (STEER) - DAILY

13.68 Change: 0.05

[AMS 2466/LM_CT100](#)

5 AREA WEEKLY ACCUMULATED WEIGHTED AVG CATTLE PRICE

As of 10:00 am	Head Count	Avg Weight	Avg Price
Live Steer	220	1,575	155.00
Live Heifer	0	0	0.00
Dressed Steer	0	0	0.00
Dressed Heifer	0	0	0.00

[AMS 3208/SJ_LS710](#)

DAILY CATTLE SLAUGHTER

Today	127,000	
Week Ago	120,000	
Year Ago (act)	120,000	
Week to Date	378,000	
Same Period Last Week	373,000	
Same Period Last Year	359,000	Friday
Previous Day	Steer and Heifer	98,000
	Cow and Bull	29,000

[AMS 3209/SJ_LS712](#)

BEEF PRODUCTION

	1/21/2023 (Estimate)	Last Week (Estimate)	Last Year (Actual)
Slaughter	646,000	661,000	637,000
Live Weights	1384	1384	1403
Dressed Weights	830	832	845
Beef Production (millions of pounds)	535.0	548.4	537.0

[AMS 2825/NW_LS410](#)

USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE

	Choice 600-900#	Select 600-900#	Dressing percent:	
			Steer	Heifer
Change	\$244.46 (-0.73)	\$226.26 (-0.34)	62.25	62.20

[AMS 2455/LM_XB405](#)

USDA NATIONAL CUTTER COW CARCASS CUTOUT

198.12 1.73 90% lean: 251.90

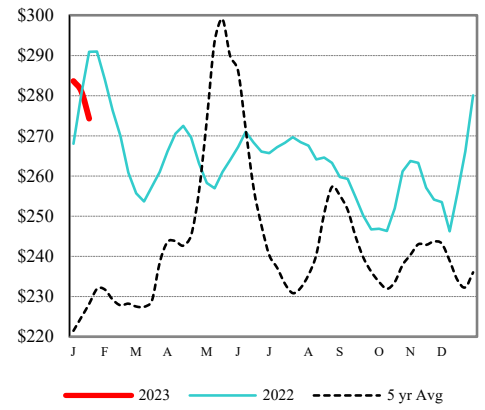
[CME LIVE CATTLE](#)

	High	Low	Change	Settle
FEB	157.85	157.15	(0.25)	157.60
APR	161.78	160.68	0.25	161.55
JUN	158.25	157.38	0.35	158.20

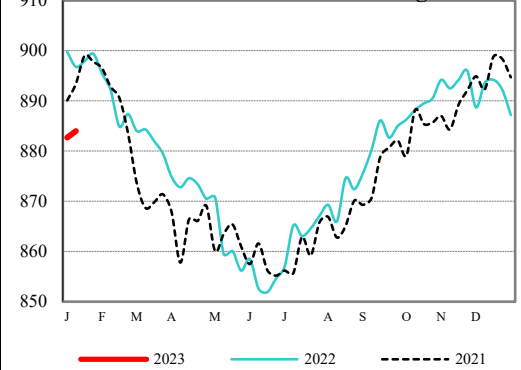
[CME FEEDER CATTLE](#)

	High	Low	Change	Settle
JAN	179.50	178.95	0.45	179.40
MAR	183.90	182.85	0.15	183.75
APR	188.40	187.20	0.43	188.35

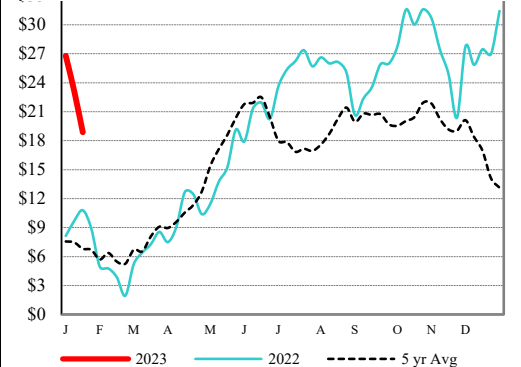
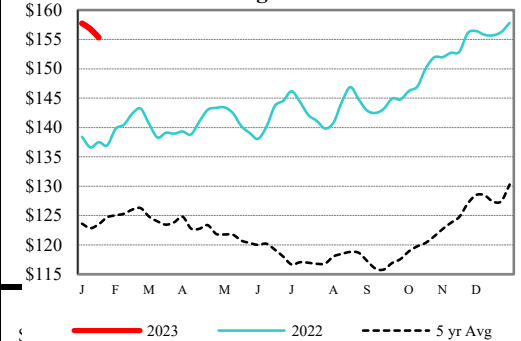
Weekly Choice Cutout



LMR Steer/Heifer Dressed Weights



5 Area Weekly Wtd Avg Steer Price



USDA Livestock, Poultry & Grain Market News

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<https://mymarketnews.ams.usda.gov/viewReport/2870>

[USDA AMS Livestock, Poultry & Grain Market News](#)

DAILY DIRECT HOGS PLANT DELIVERED as of 1:30 PM

Negotiated Barrow and Gilt:	Carcass Base Price		Live Price	
<u>NATIONAL - AMS 2675/LM HG203:</u>				
Range:	\$67.00	\$74.00	37.25	\$59.00
Weighted Average:	\$72.27		\$55.88	
Change from Prior Day:	1.10		*	
Head Count:	14,308		2,469	
<u>IOWA/MINNESOTA - AMS 2675/LM HG206:</u>				
Weighted Average:	\$72.74		*	
Change from Prior Day:	0.69		*	
<u>WESTERN CORNBELT - AMS 2675/LM HG212:</u>				
Weighted Average:	\$72.71		*	
Change from Prior Day:	1.03		*	
<u>EASTERN CORNBELT - AMS 2675/LM HG210:</u>				
Weighted Average:	*		*	
Change from Prior Day:	*		*	

*Price not reported due to confidentiality.

NATIONAL DAILY PORK REPORT FOB PLANT - AMS 2498/LM PK602:

Carcass Cutout Values	79.11	Change:	(-0.95)
Primal Loin	79.83		(-0.96)
Primal Butt	96.40		1.30
Primal Picnic	59.58		0.39
Primal Rib	118.26		0.25
Primal Ham	75.76		(-1.32)
Primal Belly	90.18		(-3.84)
Total Loads	269.21		
Pork Cuts	222.33	Lds	
Trim/Process Pork	46.89	Lds	

DAILY HOG SLAUGHTER UNDER FIS - AMS 3208/SJ LS710

Today (est)	490,000
Week Ago (est)	481,000
Year Ago (act)	476,000
Week to Date (est)	1,463,000
Same Period Last Week (est)	1,392,000
Same Period Last Year (act)	1,399,000

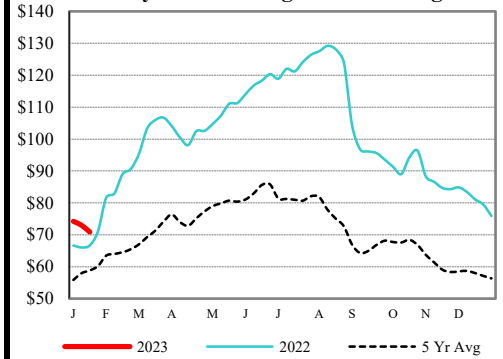
CME Lean Hog Close	High	Low	Change	Settle
FEB	77.35	76.30	(-0.30)	76.80
APR	85.85	84.50	(-0.05)	85.33
MAY	93.73	92.60	0.08	93.48
JUN	102.08	101.00	0.13	101.80

CME Lean Hog Delayed Futures

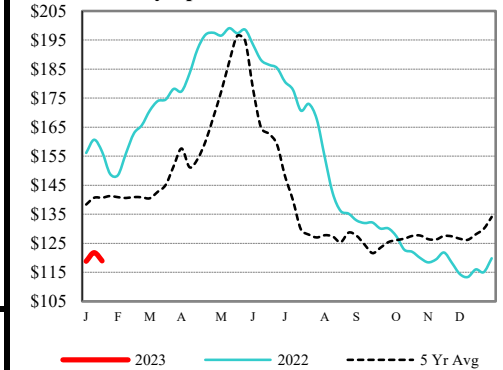
IOWA-SOUTHERN MINNESOTA WEEKLY AVERAGE WEIGHT - AMS 2840/NW LS720

For Week Ending Sat,	Head	Average
Jan 21, 2023	Ending Count	Weight
	1/21/2023	802,000 289.1
Week Ago:	1/14/2023	910,000 290.0
Year Ago:	1/22/2022	816,000 291.5

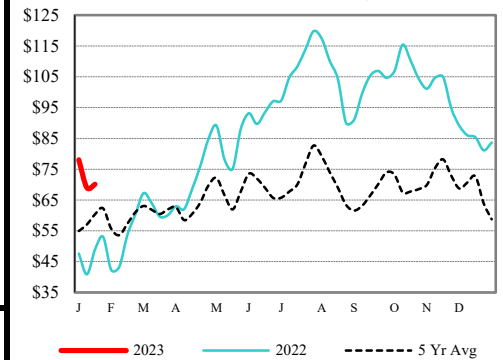
Weekly National Hog P.M. Wtd Avg



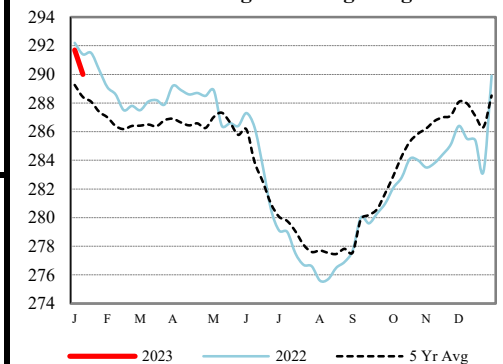
Weekly Sparerib Primal Value



23-27# Trmrd Ham Weekly Wtd



Iowa-So MN Avg. Live Hog Weight



AUCTION SUMMARY

AMS 2023		4,179		Tuesday	
Philip Livestock Auction					
Feeder Steers	400-500 lbs	211.00-233.00	Feeder Heifers	300-400 lbs	N/A
Medium &	500-600 lbs	220.00-238.00	Medium &	400-500 lbs	206.00-213.50
Large #1	600-700 lbs	191.50-217.00	Large #1	500-600 lbs	181.00-202.50
	700-800 lbs	182.00-198.50		600-700 lbs	170.00-193.25
	800-900 lbs	175.50		700-800 lbs	176.25-177.50

AMS 1773		2,269		Tuesday	
Miles City Livestock Commission Auction					
Feeder Steers	300-400 lbs	271.00-285.00	Feeder Heifers	300-400 lbs	215.00-219.00
Medium &	400-500 lbs	228.00-258.00	Medium &	400-500 lbs	197.50-217.00
Large #1	500-600 lbs	212.50-228.00	Large #1	500-600 lbs	182.50-209.00
	600-700 lbs	180.50-206.00		600-700 lbs	170.00-178.00
	700-800 lbs	171.00-182.00		700-800 lbs	N/A

AMS 3653		1,979		Tuesday	
North Platte Stockyards Livestock Auction					
Feeder Steers	300-400 lbs	240.00-246.00	Feeder Heifers	300-400 lbs	223.00
Medium &	400-500 lbs	224.00-232.00	Medium &	400-500 lbs	200.00-213.50
Large #1	500-600 lbs	213.00-225.00	Large #1	500-600 lbs	185.00-209.50
	600-700 lbs	191.50-204.00		600-700 lbs	190.00-195.00
	700-800 lbs	172.50-190.00		700-800 lbs	165.00-170.50

CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT Wednesday

<u>Live Cattle</u>			<u>Feeder Cattle</u>		
		<u>Change</u>			<u>Change</u>
Feb	157.600	(0.250)	Jan	179.400	0.450
Apr	161.550	0.250	Mar	183.750	0.150
Jun	158.200	0.350	Apr	188.350	0.425

CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENTS Wednesday

<u>Corn</u>			<u>Soybeans</u>		
		<u>Change</u>			<u>Change</u>
Mar	6.7475	(0.0225)	Mar	15.0250	0.1400
May	6.4325	(0.0200)	May	14.9650	0.1000
Jul	6.6325	(0.0150)	Jul	14.8825	0.0850

KANSAS CITY BOARD OF TRADE		<u>Wheat</u>		<u>Change</u>
		Mar	8.4325	0.0950
		May	8.3800	0.0950
		Jul	8.3100	0.0875

[AMS 2466](#) Wednesday

5 AREA WKLY ACCUMULATED WTD AVG SLAUGHTER CATTLE PRICE

	<u>Head Count</u>	<u>Avg Weight</u>	<u>Avg Price</u>
Live Steer	220	1,575	155.00
Live Heifer			
Dressed Steer			
Dressed Heifer			

[AMS 2453](#) Wednesday

DAILY ESTIMATED BOXED BEEF CUTOUT VALUES

<u>Choice</u>	<u>Select</u>	<u>Choice Cuts</u>	85 loads
<u>600-900#</u>	<u>600-900#</u>	<u>Select Cuts</u>	28 loads
268.28	251.80	<u>Trimming</u>	6 loads
(1.36)	(0.59)	<u>Grinds</u>	17 loads

[SJ LS710](#) [AMS 1823](#) Tuesday

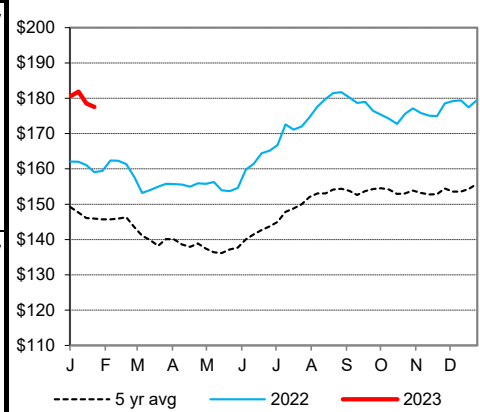
ESTD DAILY CATTLE SLAUGHTER

Wednesday	127,000
Week Ago (est)	120,000
Year Ago (act)	120,000
Wk to date (est)	378,000
Last Week (est)	373,000
Last Year (act)	359,000
Previous Day Estimated:	Steer and Heifer 98,000
	Cow and Bull 29,000

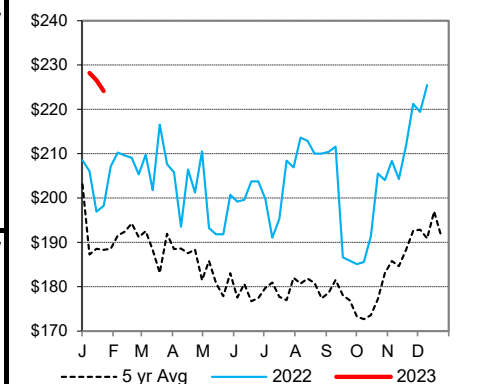
Oklahoma National Stockyards

	<u>Pct Lean</u>	<u>Avg Dressing Price</u>
Breaking	75-80	83.00-93.00
Boning	80-85	72.50-82.00
Lean	85-90	65.00-71.00

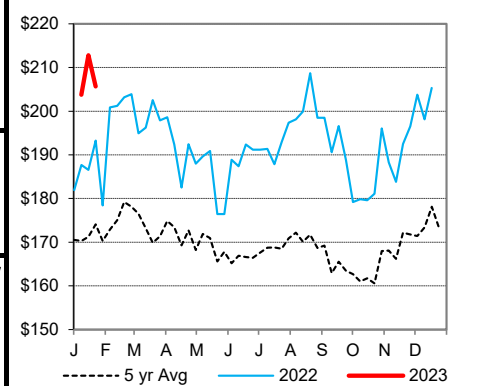
CME Feeder Cattle Index



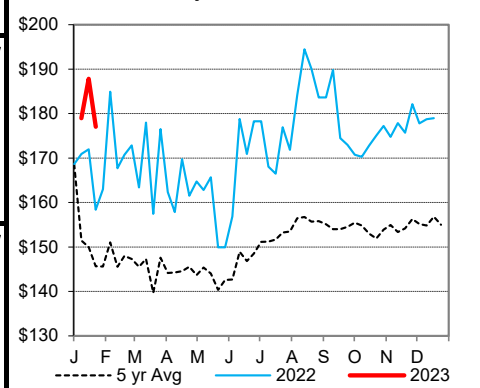
Oklahoma City 400-500 lb Steer Price



Oklahoma City 500-600 lb Steer Price



Oklahoma City 700-800 lb Steer Price





Schwieterman Update

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