



## Schwieterman Update

Update for the morning of March 23, 2023

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### Corn

Trends – July Contract

Short Term: **Up**

Long Term: **Down**

Overnight Trade: **N +6** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: -54000

Change: +2000

As expected, the old crop export sales were great, coming in at over 3 MMT. In addition to that, we had another sale of 123,000 MT of corn going to China announced this morning. Bull spreaders are still active and the May – July spread made another new contract high overnight, while the May – December spread made a fresh 1 month high. Old crop charts look good and with the new high for the move overnight, the next objective for the May contract is now the \$6.50 area.

### Wheat

Trends – July Contract

Short Term: **Up**

Long Term: **Down**

Overnight Trade: Chicago: **N +5** KC: **N +10** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: -109000

Change: -6000

Wheat export sales were poor at 125,600 MT for the old crop and 13,000 MT for the new crop. There isn't much to say that is positive about the wheat market other than yesterday's close could have been worse and at least the Paris wheat didn't make another new low for the move overnight. Hopefully the strength in the corn pulls the wheat higher.

### Soybeans

Trends – July Contract

Short Term: **Down**

Long Term: **Down**

Overnight Trade: **N +1** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: 104000

Change: -10000

Soybean exports were poor at 152,500 MT, which will keep the bears feeling comfortable. The July contract made a new low for the move overnight and so far this morning there is nothing to suggest that the bean market is done moving lower. The bean oil is at the lowest level in about a year and a half, which is not helpful at all. The bears will have the edge until we see some better demand.

The information contained herein is based on data obtained from recognized statistical services and other sources believed to be reliable. However, such information has not been verified by us, and we do not make any representations as to the accuracy or completeness. Past results are not necessarily indicative of future results. All statements contained herein are current opinions which are subject to change. The risk of loss in trading commodity future contracts is substantial. You should therefore carefully consider whether such trading is suitable for you in light of your financial condition. Neither the information, nor any opinion expressed shall be construed as an offer to buy or sell any futures or options on futures contracts.

## Live Cattle

### *Trend*

*Short Term: Down*

*Long Term: Down*

*Opening Calls: Mixed*

Live cattle futures closed moderately lower on Wednesday, as many markets took a defensive approach ahead of the monthly interest rate announcement, released by the FED @ 1pm. They did raise rates a 1/4 of a percent. Cash trade was active on Wednesday, with the morning weakness in the futures bringing active sales of mostly \$163, a drop of \$1-\$2 from week ago levels. Cutouts were mixed, with choice +1.38 and select -1.73. Overnight equities are firmer and the Dollar modestly lower following the reversal lower in equities after the Fed announcement of a .25 increase.

## Feeder Cattle

### *Trends*

*Short Term: Down*

*Long Term: Up*

*Opening Call: Mixed*

Feeder cattle futures closed moderately lower on Wednesday, pressured by weakness in the fats and FED uncertainty. Cash index levels slipped modestly to 187.69 on Wednesday. Overnight corn values are up 6 cents in the old crop, ahead of this mornings weekly export sales numbers. The 50 day MA continues to act as major support.

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

Weekly Stocks Report for Week Ending

03/14/23

	Change	DOE			API	
		03/14/23	03/10/23	03/15/22	03/14/23	
Crude	+1.10	481.20	480.10	413.40	+ 3.30	
Gasoline	-6.40	229.60	236.00	238.00	-1.10	
Distillates	-3.30	116.40	119.70	112.10	-1.80	
Rates	+4 %	88.60	88.20			
Imports	- 45K	6.17	6.22			
Nat Gas	-58	1.972	2.030	1.451	+ 35.9	23.7

Analysts Estimates for Week Ending 03/14/23

	<u>5 Yr Avg</u>	
Crude	-1.60	-2.08
Gasoline	-1.70	-3.00
Distillates	-1.50	-2.24
Rates		

Analysts Estimates for Week Ending 03/14/23

	Range			
Nat Gas	<u>Crude Oil</u>	<u>Unleaded</u>	<u>Heating Oil</u>	<u>Natural Gas</u>
Short Term Trend	DOWN	DOWN	DOWN	DOWN
Long Term Trend	DOWN	DOWN	DOWN	DOWN
O/N Trade @ 6:30 am	-0.54	-0.0064	-0.0222	+ .023

Commentary:

The crude oil market took a pause overnight as the market tries to digest a number of forecasts after yesterday's Federal Reserves FOMC meeting. With the recent banking stress, many different forecasts had emerged as to where the economy will head and what actions the Fed would take. The consensus was for the Fed to raise interest rates by 1/4 percent which is what the decision turned out to be. Some had expected a pause in raises to prevent a further deepening of the banking crisis. It looks as though the Fed is going to be steadfast with its fight on inflation and will follow through with tightening monetary policy. This initially seen the DJIA rise 220 points higher on the day but later closed more than 700 points lower on the session. In addition, weekly US supply and demand data showed crude supplies unexpectedly rose to a 22 month high which helped spot month crude weaken overnight. Chinese demand hopes may begin to bubble up again as a well known investment bank forecasted brent crude oil would reach \$ 97.00 in the second quarter, a \$ 21.00 rise from current levels. There will be a lot to digest in the coming weeks and months which is the likely culprit for the slight weakness in early trade today.

	May	May	May
	Crude Oil	Unleaded	Heating Oil
Resistance	71.50/76.55	2.5790/2.6330	2.6400/2.7575
Support	68.70/66.50	2.4700/2.3625	2.5420/2.4575



## *Schwieterman Update*

*Financial Market Analysis for the morning of March 23, 2023*

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

*Alan Clark – alanjclark@swbell.net*

### **U.S. Stock Futures**

The equities finished well lower as the Dow lost 530 points, the S&P lost 65, and the Nasdaq lost 190 points. This morning's futures are all higher with the Dow up 64 points, the S&P up 21, and the Nasdaq up 120 points. Powell sent the markets higher and lower yesterday. It looks as if we will see one more rate hike before the end of the year, but they are not looking to cut rates due to tightening financial conditions. Ford is changing the way it reports financial results, which will put its electric vehicles under a bigger spotlight. They said their EV unit lost about \$2.1 billion last year on an operating basis and that they expect an adjusted loss of \$3 billion in 2023. The new CEO of Starbucks, Laxman Narasimhan is in his first week and trying to solve their biggest problems. Nearly 200 baristas have voted to unionize. It comes ahead of former CEO Howard Schultz's showdown with Pro-Union Sen. Bernie Sanders on Capitol Hill.

Stock to Watch: Caledonia Mining Corporation is up 13.88% 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:	281.30	269.82	11.48
Change from prior day:	1.38	(-1.73)	
Primal Rib	459.05	430.64	
Primal Chuck	225.94	219.03	
Primal Round	217.08	216.32	
Primal Loin	385.04	356.48	
Primal Brisket	212.06	215.20	
Primal Short Plate	216.10	216.10	
Primal Flank	175.87	172.82	
			<b>Load Count:</b>
			Total 147
			Choice 94
			Select 13
			Trimming 12
			Grinds 28

Fresh 50% Trimmings 12 Loads @ 140.66

[AMS 2829/NW\\_LS441](#)

USDA BY-PRODUCT DROP VALUE (STEER) - DAILY

12.94 Change: (-0.03)

[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	2,056	1,420	163.32
Live Heifer	452	1,355	162.83
Dressed Steer	40	968	262
Dressed Heifer			

[AMS 3208/SJ\\_LS710](#)

DAILY CATTLE SLAUGHTER

Today	126,000
Week Ago	126,000
Year Ago (act)	123,000
Week to Date	378,000
Same Period Last Week	378,000
Same Period Last Year	363,000
<b>Previous Day</b>	<b>Steer and Heifer 99,000</b>
	<b>Cow and Bull 28,000</b>

[AMS 3209/SJ\\_LS712](#)

BEEF PRODUCTION	3/18/2023 (Estimate)	Last Week (Estimate)	Last Year (Actual)
Slaughter	631,000	634,000	636,000
Live Weights	1376	1378	1393
Dressed Weights	825	826	838
Beef Production (millions of pounds)	519.1	522.1	531.8

[AMS 2825/NW\\_LS410](#)

USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE

	Choice 600-900#	Select 600-900#	Dressing percent:	
			Steer	Heifer
Change	0.70	(-0.85)	62.78	62.70

[AMS 2455/LM\\_XB405](#)

USDA NATIONAL CUTTER COW CARCASS CUTOUT

213.38 (-0.42) 90% lean: 271.91

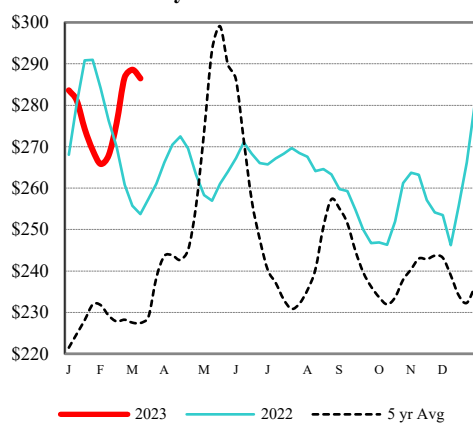
[CME LIVE CATTLE](#)

	High	Low	Change	Settle
APR	162.65	160.63	(0.13)	162.30
JUN	156.25	154.38	(0.25)	155.90
AUG	156.25	154.60	(0.08)	155.98

[CME FEEDER CATTLE](#)

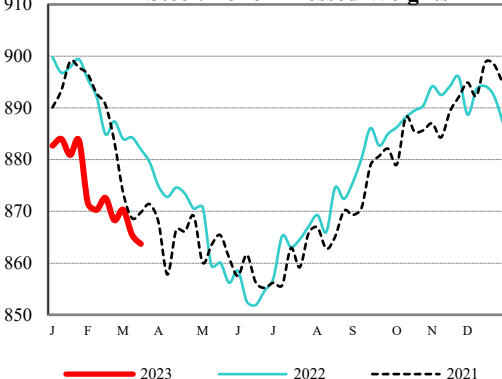
	High	Low	Change	Settle
MAR	189.03	188.00	(-0.53)	188.25
APR	194.90	192.85	(-0.33)	194.38
MAY	199.83	197.73	(-0.78)	198.78

Weekly Choice Cutout



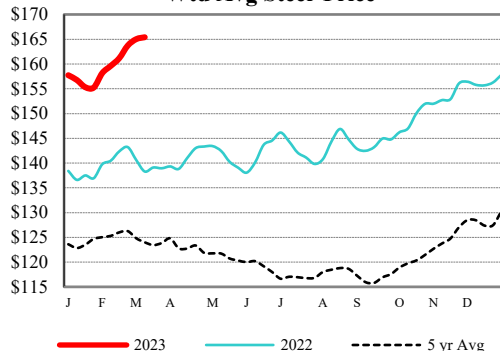
— 2023 — 2022 - - - - 5 yr Avg

LMR Steer/Heifer Dressed Weights



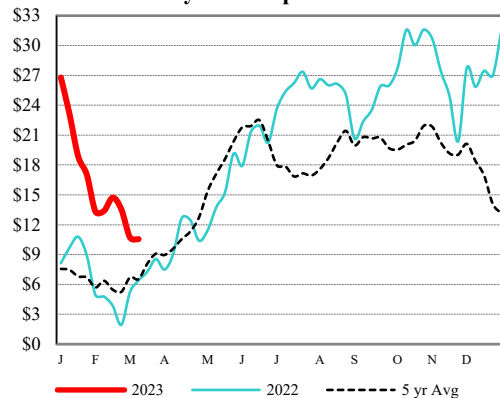
— 2023 — 2022 - - - - 2021

5 Area Weekly Wtd Avg Steer Price



— 2023 — 2022 - - - - 5 yr Avg

Weekly Ch/Se Spread



— 2023 — 2022 - - - - 5 yr Avg

USDA Livestock, Poultry & Grain Market News

Des Moines, Iowa | PH 515-284-4460

Email: [Desm.LPGMN@usda.gov](mailto:Desm.LPGMN@usda.gov)

<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

NATIONAL - AMS 2675/LM\_HG203:

Range:	70.00 79.50	*
Weighted Average:	77.63	*
Change from Prior Day:	(-0.38)	*
Head Count:	8,548	135

IOWA/MINNESOTA - AMS 2675/LM\_HG206:

Weighted Average:	78.01	*
Change from Prior Day:	(-0.51)	*

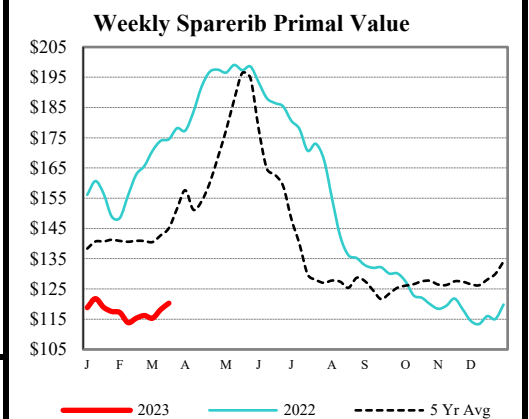
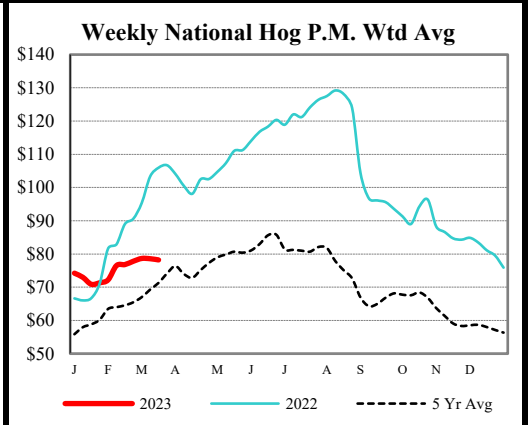
WESTERN CORNBELT - AMS 2675/LM\_HG212:

Weighted Average:	78.06	*
Change from Prior Day:	(-0.47)	*

EASTERN CORNBELT - AMS 2675/LM\_HG210:

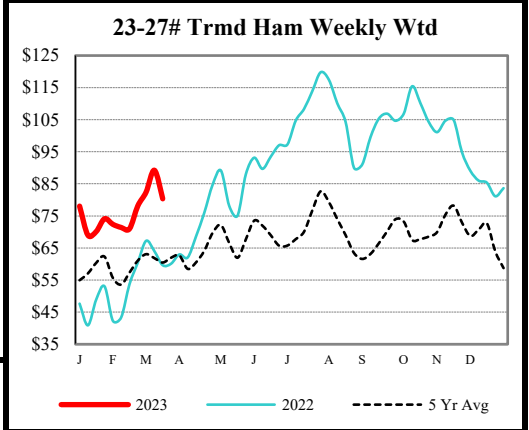
Weighted Average:	*	*
Change from Prior Day:	*	*

\*Price not reported due to confidentiality.



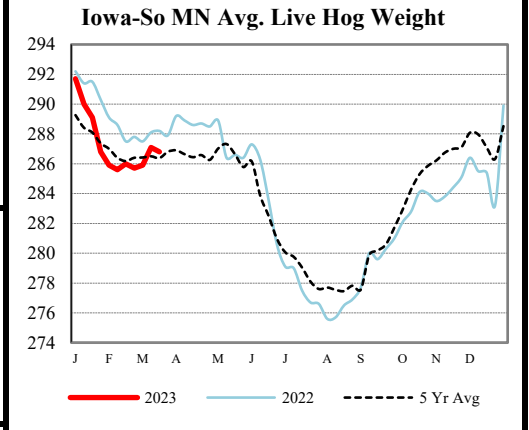
NATIONAL DAILY PORK REPORT FOB PLANT - AMS 2498/LM\_PK602:

Carcass Cutout Values	79.86	Change:	(-1.66)
Primal Loin	83.41		0.68
Primal Butt	104.32		0.69
Primal Picnic	71.24		(-2.09)
Primal Rib	120.87		1.46
Primal Ham	70.01		(-4.98)
Primal Belly	82.11		(-3.83)
Total Loads	349.27		
Pork Cuts	305.04	Lds	
Trim/Process Pork	44.23	Lds	



DAILY HOG SLAUGHTER UNDER FIS - AMS 3208/SJ\_LS710

Today (est)	478,000
Week Ago (est)	479,000
Year Ago (act)	482,000
Week to Date (est)	1,422,000
Same Period Last Week (est)	1,448,000
Same Period Last Year (act)	1,424,000



**CME Lean Hog Close**

	High	Low	Change	Settle
APR	77.50	75.95	(-0.98)	76.08
MAY	85.00	82.93	(-1.45)	83.25
JUN	91.58	89.05	(-2.00)	89.35
JLY	93.55	91.08	(-1.93)	91.40

CME Lean Hog Delayed Futures

IOWA-SOUTHERN MINNESOTA WEEKLY AVERAGE WEIGHT - AMS 2840/NW\_LS720

For Week Ending Sat,		Head	Average
Mar 18, 2023	<u>Ending</u>	<u>Count</u>	<u>Weight</u>
	3/18/2023	787,000	286.8
Week Ago:	3/11/2023	786,000	287.1
Year Ago:	3/19/2022	784,000	288.2

**USDA Livestock, Poultry & Grain Market News**  
 Des Moines, Iowa | PH 515-284-4460  
 Email: [Desm.LPGMN@usda.gov](mailto:Desm.LPGMN@usda.gov)  
<https://mymarketnews.ams.usda.gov/viewReport/2872>  
<https://mymarketnews.ams.usda.gov/viewReport/2872>  
 USDA AMS Livestock, Poultry & Grain Market News

**AUCTION SUMMARY**

<a href="#">AMS 1249</a>		2,279		Tuesday	
<b>Ozarks Regional Stockyards</b>		West Plains, MO			
Feeder Steers	300-400 lbs	247.50-260.00	Feeder Heifers	300-400 lbs	215.00-232.50
Medium &	400-500 lbs	242.50-267.50	Medium &	400-500 lbs	205.00-222.50
Large #1	500-600 lbs	236.00-255.00	Large #1	500-600 lbs	194.00-212.50
	600-700 lbs	200.00-230.00		600-700 lbs	182.50-184.00
	700-800 lbs	n/a		700-800 lbs	169.00-175.00

<a href="#">AMS 1815</a>		2,141		Tuesday	
<b>Kingsville Livestock Auction</b>		Kingsville, MO			
Feeder Steers	500-600 lbs	228.50-236.00	Feeder Heifers	300-400 lbs	235.00-236.00
Medium &	600-700 lbs	208.00-232.50	Medium &	400-500 lbs	209.00-226.00
Large #1	700-800 lbs	198.25-204.35	Large #1	500-600 lbs	187.00-210.00
	800-900 lbs	181.85		600-700 lbs	188.00-195.00
	900-1000 lbs	182.00		700-800 lbs	175.50-193.10

<a href="#">AMS 1281</a>		1,800		Tuesday	
<b>OKC West Livestock Auction</b>		El Reno, OK			
Feeder Steers	300-400 lbs	247.50	Feeder Heifers	300-400 lbs	237.50
Medium &	400-500 lbs	242.50-282.50	Medium &	400-500 lbs	200.00-215.00
Large #1	500-600 lbs	230.00-249.00	Large #1	500-600 lbs	190.00-208.00
	600-700 lbs	218.00		600-700 lbs	185.00-190.00
	700-800 lbs	n/a		700-800 lbs	n/a

**CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT** Wednesday

<u>Live Cattle</u>		<u>Change</u>	<u>Feeder Cattle</u>		<u>Change</u>
Apr	162.300	(0.125)	Mar	188.250	(0.525)
Jun	155.900	(0.250)	Apr	194.375	(0.325)
Aug	155.975	(0.075)	May	198.775	(0.775)

**CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENTS** Wednesday

<u>Corn</u>		<u>Change</u>	<u>Soybeans</u>		<u>Change</u>
Mar	6.3350	0.0350	Mar	14.4850	(0.1850)
May	6.1175	0.0050	May	14.2500	(0.2350)
Jul	5.6175	(0.0175)	Jul	13.7800	(0.2550)

<b>KANSAS CITY BOARD OF TRADE</b>		<u>Wheat</u>		<u>Change</u>
		Mar	8.1125	(0.0900)
		May	7.9925	(0.0750)
		Jul	7.9825	(0.0750)

[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	2,056	1,420	163.32
Live Heifer	452	1,355	162.83
Dressed Steer	40	968	262.00
Dressed Heifer			

[AMS 2453](#) Wednesday

**DAILY ESTIMATED BOXED BEEF CUTOUT VALUES**

<u>Choice</u>	<u>Select</u>	<u>Choice Cuts</u>	
<b>600-900#</b>	<b>600-900#</b>	<u>Select Cuts</u>	94 loads
281.30	269.82	<u>Trimming</u>	13 loads
1.38	(1.73)	<u>Grinds</u>	12 loads
			28 loads

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

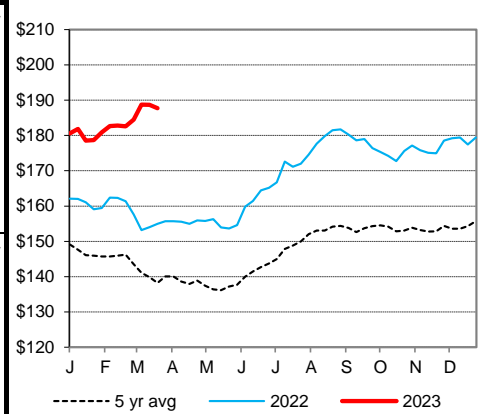
**ESTD DAILY CATTLE SLAUGHTER**

Wednesday	126,000
Week Ago (est)	126,000
Year Ago (act)	123,000
Wk to date (est)	378,000
Last Week (est)	378,000
Last Year (act)	363,000
<b>Previous Day Estimated:</b>	<b>Steer and Heifer</b> 99,000
	<b>Cow and Bull</b> 28,000

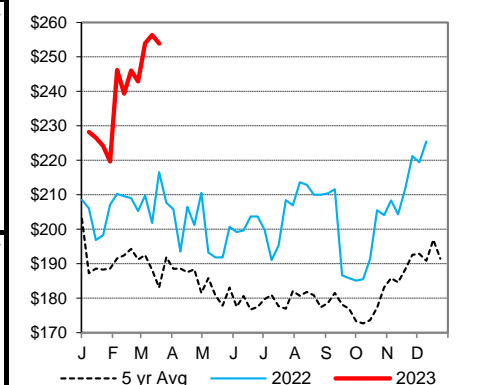
**Oklahoma National Stockyards**

	<u>Pct Lean</u>	<u>Avg Dressing Price</u>
<b>Breaking</b>	75-80	102.00-105.00
<b>Boning</b>	80-85	92.00-98.00
<b>Lean</b>	85-90	87.00-91.00

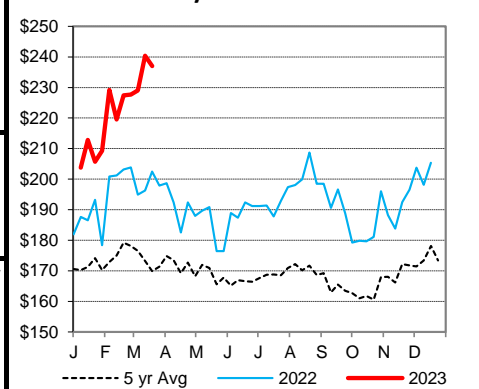
**CME Feeder Cattle Index**



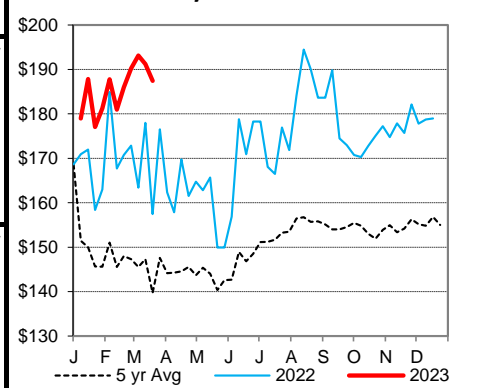
**Oklahoma City 400-500 lb Steer Price**



**Oklahoma City 500-600 lb Steer Price**



**Oklahoma City 700-800 lb Steer Price**



St. Joseph, Missouri

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<http://www.ams.usda.gov/LSMarketNews>



## *Schwieterman Update*

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