



## Schwieterman Update

Update for the morning of May 15, 2019

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Grain: Bret Crofts [bret@swbell.net](mailto:bret@swbell.net) Cattle: Mark Green [mgreen@swbell.net](mailto:mgreen@swbell.net) Energy: Rob Charles [robertcharles@swbell.net](mailto:robertcharles@swbell.net)

### Corn

Trends – July Contract

Short Term: **Up**

Long Term: **Down**

Overnight Trade: **N +8 @7:30 AM**

### Estimated Fund Position

Net Long Futures and Options: -297000

Change: +30000

Yesterday's gap open in the corn held, and the market finished the day at the top end of the trading range. The July contract stalled out at the 50-day moving average yesterday, but the overnight trade has the market well above that. In fact the July contract cleared multiple resistance levels overnight, which should encourage further buying. The next objectives are the \$3.78 level, followed by \$3.90. Forecasts are wet, planting is slow, and the funds are still very, very short.

### Wheat

Trends – July Contract

Short Term: **Up**

Long Term: **Down**

Overnight Trade: Chicago: **N +5** KC: **N +6 @7:30 AM**

### Estimated Fund Position

Net Long Futures and Options: -86000

Change: +5000

Yesterday the July KW cleared the first important technical hurdle at \$4.09 and then saw follow through buying overnight. The next resistance is at the 50-day moving average, which lies at the \$4.28 area, followed by \$4.61. The wheat market doesn't have any particularly bullish news to work with, other than the possibility of Spring Wheat planting delays, so the market is essentially just following the corn in hopes that feed usage improves at some point.

### Soybeans

Trends – July Contract

Short Term: **Down**

Long Term: **Down**

Overnight Trade: **N +15 @7:30 AM**

### Estimated Fund Position

Net Long Futures and Options: -173000

Change: +13000

The soybeans were very strong yesterday and the July contract has reached the \$8.40 objective already. A close above \$8.40 would suggest the next move will be to \$8.70. It seems that we have reached a point where traders aren't as concerned about expanding acres, but are a bit concerned about planting delays for soybeans as well as corn. It also appears that we have absorbed all the negativity regarding the lack of a trade deal, so, onward and upward we go.

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: 10-30 Higher*

Live cattle futures finished modestly lower on Tuesday, with new lows for the move posted in many of the contracts. Cutouts were mixed, with choice off 1.46 and select up .08 for the day. A big rebound in equities helped hold the cattle market to modest losses. Overnight equities are weaker and the Dollar is firmer, with corn strength potentially weighing on the feeder part of the complex. Cash has been fairly quiet so far this week.

### Feeder Cattle

#### *Trends*

*Short Term: **Down***

*Long Term: **Down***

*Opening Call: 20-40 Lower*

Feeder cattle futures closed mixed on Tuesday, with May moderately higher and the deferred contracts moderately lower and posting new lows for the move. Sharply higher corn values weighed on the feeders, along with a continued decline in the cash index. The index was off .32 to 135.07, with a daily of 134.24. Corn is up another 7-8 cents in overnight trade, at its' highest level in 45 days.

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

Weekly Stocks Report for Week Ending

05/10/19

	Change	DOE			API	
		05/03/19	04/26/19	05/04/18	05/10/19	
Crude	- 4.00	466.60	470.60	433.80	+ 8.60	
Gasoline	- 600K	226.10	226.70	235.80	- 300K	
Distillates	- 200k	125.60	125.70	115.00	-1.00	
Rates	-0.30%	88.90	89.20			
Imports	-0.72	6.69	7.41			
Nat Gas	+ 85	1.547	1.462	1.419	% Above/Below Lst Yr +9.0	5 Yr Avg 1.850 % A/B -16.4

**Analysts Estimates for Week Ending 05/10/19**

		5 Yr Avg
Crude	- 800K	-1.60
Gasoline	- 300K	-1.40
Distillates	-1.00	-1.50

**Rates**

**Analysts Estimates for Week Ending 05/10/19**

	Avg	5 Yr Avg
Nat Gas		

	Crude Oil	Unleaded	Heating Oil	Natural Gas
Short Term Trend	DOWN	DOWN	DOWN	UP
Long Term Trend	UP	UP	UP	DOWN
O/N Trade @ 6:45 am	-0.69	-0.0011	-0.0057	-0.005

Commentary:

The crude oil market is entering its 8<sup>th</sup> session of possible consolidative trade as global trade war concerns have provided negative sentiment recently while a continued tightening of global supply and recent geopolitical concerns in the Middle East have provided support. Early trade today has seen spot month crude oil return to lower trade taking back some of yesterday's gains thanks to bearish US supply and demand data released yesterday afternoon. Private industry data showed weekly US crude supplies posted a bearish surprise and crude stocks grew a large 8.6 mb when a modest decline was expected. If official data released from the Dept of Energy this morning is similar a retest of the bottom of the consolidation or even an attempt at a downside breakout of the sideways range could be in store. However last week's private data posted an increase in crude supplies as well and then was countered by a surprise decline in Dept of Energy data. This could leave the trade somewhat undecided until the official Dept of Energy data is released. In other supportive news it appears that OPEC+ production will once again fall in April which coupled with record Chinese demand data released this morning could keep the consolidation zone intact.

	JUN	JUN	JUN
	Crude Oil	Unleaded	Heating Oil
Resistance	65.15/66.60	2.0655/2.0945	2.1025/2.1265
Support	60.00/58.20	1.9225/1.9005	2.0240/1.9315



## Schwieterman Update

*Financial Market Analysis for the morning of May 15, 2019*

*Eric Relph Garden City, KS 800-972-9131 620-275-4100 ericrelph@sbcglobal.net*

Lower will be the start to trade today as the reality of a delayed trade deal with China is impacting markets. Openings calls on S&P are down 15, with the Dow 123 points lower, after we saw the largest gain since April 12<sup>th</sup>, yesterday. Retail sales this morning showed a decrease of .2% in April, versus an increase of 1.7% in March and an expected increase of 1%. This should add pressure to the lower start this morning.

Stock to Watch: Cisco Systems, Inc. (CSCO) releases its quarterly earnings report after the close today, and is trading 1.4% higher in pre-market.

AS OF WED, MAY 15, 2019 • 07:02 ET

**Dow Jones Fut**  
**25,532.05**

Current: 25,503.00  
Change: -67.00  
Impl. Open: -123.05

**S&P 500 Fut**  
**2,834.41**

Current: 2,833.00  
Change: -6.25  
Impl. Open: -15.51

**NASDAQ 100 Fut**  
**7,401.88**

Current: 7,407.25  
Change: -13.75  
Impl. Open: -39.63

**Russell 2000 Mini**  
**1,543.06**

Current: 1,542.10  
Change: -4.00  
Impl. Open: -9.46

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[LM XB403](#)

**DAILY ESTIMATED CUTOUT VALUES**

	<b>Choice</b> <u>600-900#</u>	<b>Select</b> <u>600-900#</u>	<b>Choice/Select Spread</b> 11.15
Current Cutout Values:	220.12	208.97	
Change from prior day:	(1.46)	0.08	
Primal Rib	360.44	335.17	
Primal Chuck	171.52	168.11	
Primal Round	162.20	163.89	
Primal Loin	310.00	276.39	
Primal Brisket	203.06	199.00	
Primal Short Plate	167.55	167.55	
Primal Flank	124.53	115.96	

<b>Load Count:</b>	
Total	126
Choice	69
Select	33
Trimming	9
Grinds	15

Fresh 50% Trimmings 9 Loads @ 82.44

[NW LS441](#)

**USDA BY-PRODUCT DROP VALUE (STEER) - DAILY**

8.31 Change: (-0.07)

[LM CT100](#)

**5 AREA WEEKLY ACCUMULATED WEIGHTED AVG CATTLE PRICE**

<i>As of 10:00 am</i>	<u>Head Count</u>	<u>Avg Weight</u>	<u>Avg Price</u>
Live Steer	160	1,400	118.00
Live Heifer	0		
Dressed Steer	827	866	188.15
Dressed Heifer	340	819	190.00

[SJ LS710](#)

**ESTIMATED DAILY CATTLE SLAUGHTER**

Today (est)	121,000		
Week Ago (est)	121,000		
Year Ago (act)	120,000		
Week to Date	242,000		
Same Period Last Week	240,000		
Same Period Last Year	237,000		
Previous Day Estimated	Steer and Heifer	Friday	97,000
		Saturday	62,000
	Cow and Bull		10,000

[SJ LS712](#)

**BEEF PRODUCTION**

	<b>5/11/2019</b> (Estimate)	<b>Last Week</b> (Estimate)	<b>Last Year</b> (Actual)
Slaughter	664,000	670,000	655,000
Live Weights	1329	1334	1319
Dressed Weights	803	804	799
Beef Production (millions of pounds)	531.8	537.6	521.9

[NW LS410](#)

**USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE**

	<b>Choice</b> <u>600-900#</u>	<b>Select</b> <u>600-900#</u>	<b>Dressing percent:</b>	
			<u>Steer</u>	<u>Heifer</u>
Change	(0.70)	0.07	63.33	63.24

[LM XB405](#)

**USDA NATIONAL CUTTER COW CARCASS CUTOUT**

171.52 (0.82) 90% lean: 222.70

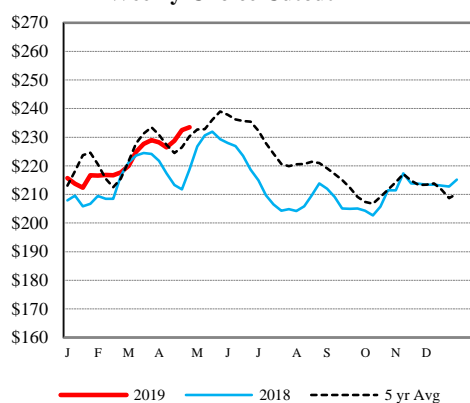
[CME LIVE CATTLE](#)

	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>Change</u>
JUN	111.55	109.35	109.50	(-0.25)
AUG	108.68	106.63	106.73	(-0.20)
OCT	108.55	106.40	106.48	(-0.42)

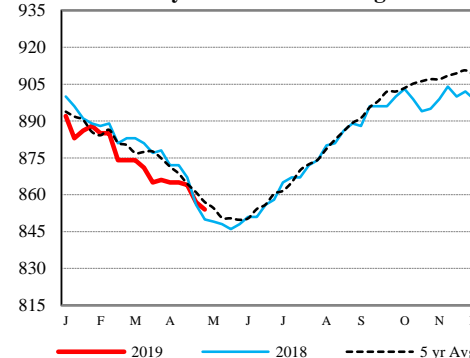
[CME FEEDER CATTLE](#)

	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>Change</u>
MAY	136.85	135.10	136.00	0.95
AUG	145.08	141.93	142.50	(-0.60)
SEP	146.35	143.18	143.58	(-0.72)

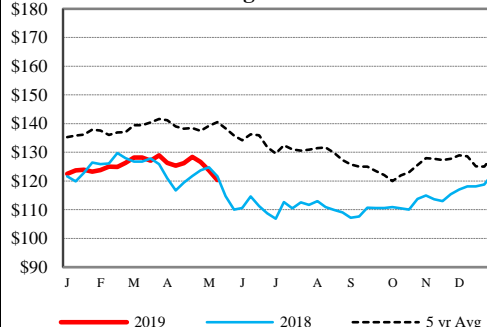
**Weekly Choice Cutout**



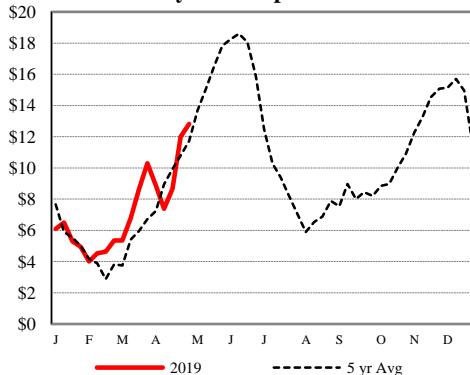
**Weekly Steer Dressed Weights**



**5 Area Weekly Wtd Avg Steer Price**

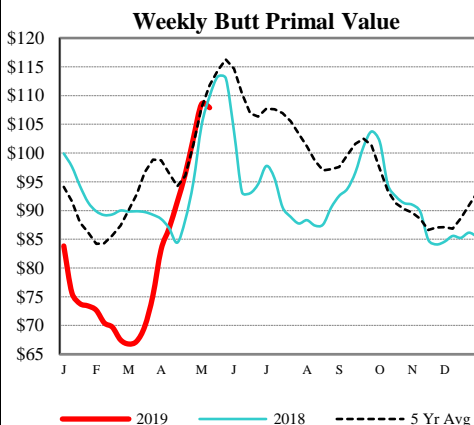
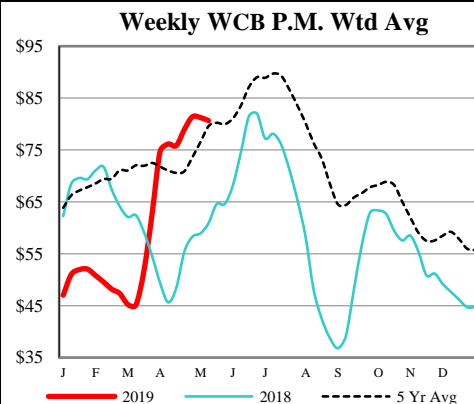


**Weekly Ch/Se Spread**



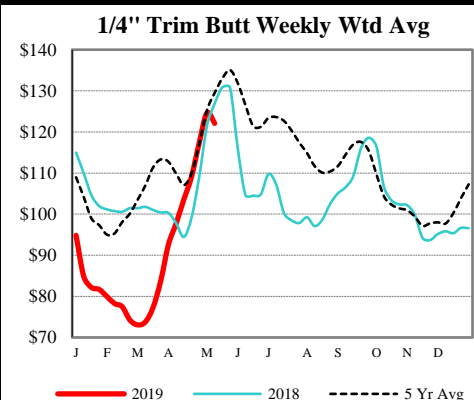
**DAILY DIRECT HOGS PLANT DELIVERED as of 1:30 PM**

Negotiated Barrow and Gilt:	Carcass Base Price	Live Price
<u>NATIONAL - LM_HG203:</u>		
Range:	\$72.00 - \$84.00	\$53.25 - \$65.00
Weighted Average:	\$82.02	\$62.67
Change from Prior Day:	1.14 higher	0.64 higher
Receipts:	15,430	1,457
<u>IOWA/MINNESOTA - LM_HG206:</u>		
Range:	\$78.50 - \$84.00	\$55.78 - \$65.00
Weighted Average:	\$82.50	\$62.37
Change from Prior Day:	0.40 lower	no comparison
Receipts:	13,770	375
<u>WESTERN CORNBELT - LM_HG212:</u>		
Range:	\$72.00 - \$84.00	\$55.78 - \$65.00
Weighted Average:	\$82.43	\$62.37
Change from Prior Day:	0.15 lower	no comparison
Receipts:	13,890	375
<u>EASTERN CORNBELT - LM_HG210:</u>		
Range:	N/A - N/A	\$53.25 - \$63.50
Weighted Average:	N/A	\$62.84
Change from Prior Day:	N/A	1.67 higher
Receipts:	1,540	1,057



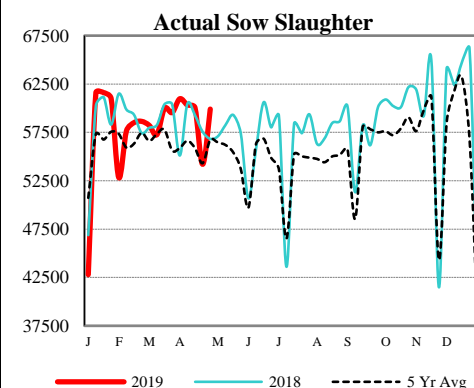
NATIONAL DAILY PORK REPORT FOB PLANT- LM\_PK602:

		Change:
Carcass Cutout Values	88.64	0.40
Primal Loin	80.22	(-0.39)
Primal Butt	107.96	1.88
Primal Picnic	64.31	(-1.47)
Primal Rib	163.44	(-1.75)
Primal Ham	74.83	2.40
Primal Belly	131.37	(-0.77)
Total Loads	325.31	
Pork Cuts	303.11	Lds
Trim/Process Pork	22.19	Lds



DAILY EST. HOG SLAUGHTER UNDER FIS - SJ\_LS710

Today (est)	460,000
Week Ago (est)	472,000
Year Ago (act)	460,000
Week to Date (est)	921,000
Same Period Last Week (est)	942,000
Same Period Last Year (act)	915,000



CME Lean Hog Close	High	Low	Settle	Change
MAY	83.78	83.55	83.55	UNCH
JUN	90.18	87.23	89.13	2.45
JLY	91.10	88.43	90.05	2.30
AUG	92.20	89.58	91.18	1.53

CME Lean Hog Delayed Futures

NATIONAL WEEKLY DIRECT HOGS NON-CARCASS MERIT PREMIUM

For Week ending	May 11, 2019	Average
Volume	0.00 - 0.00	0.00
Transportation	0.40 - 3.00	1.55
Delivery Time	0.25 - 3.00	0.80
Breed	0.00 - 0.00	0.00
Pork Quality Assurance	0.00 - 0.00	0.00
Beta Agonist Free	0.30 - 1.00	0.60

USDA Livestock, Poultry & Grain Market News  
 Des Moines, Iowa  
 Phone: 515-284-4460  
 Email: Desm.LPGMN@ams.usda.gov  
[USDA AMS Livestock, Poultry & Grain Market News Portal](http://USDAAMS.gov)

**AUCTION SUMMARY**

<a href="#">LSD MARS 1280</a>		5,192	Monday
<b>OKLAHOMA NATIONAL STOCKYARDS</b> Oklahoma City, OK			
Feeder Steers	500-600 lbs	161.00-180.00	Feeder Heifers 500-600 lbs 143.00-159.50
Medium & Large #1	600-700 lbs	153.00-172.00	Medium & Large #1 600-700 lbs 126.00-142.00
	700-800 lbs	135.00-152.50	Large #1 700-800 lbs 122.00-126.00
	800-900 lbs	124.50-137.25	800-900 lbs 115.75-122.00
	900-1000 lbs	116.00-123.50	900-1000 lbs 108.00-110.75

<a href="#">LSD MARS 1245</a>		3,601	Monday
<b>JOPLIN REGIONAL STOCKYARDS</b> Carthage, MO			
Feeder Steers	400-500 lbs	170.00-181.00	Feeder Heifers 400-500 lbs 146.00-159.00
Medium & Large #1	500-600 lbs	160.00-179.00	Medium & Large #1 500-600 lbs 135.00-150.00
	600-700 lbs	146.00-167.00	Large #1 600-700 lbs 128.00-143.00
	700-800 lbs	134.00-144.00	700-800 lbs 123.00-127.00
	800-900 lbs	125.00-133.00	800-900 lbs 121.00-123.00

<a href="#">LSD MARS 1855</a>		1,220	Monday
<b>TRI-STATE LIVESTOCK AUCTION</b> McCook, NE			
Feeder Steers	400-500 lbs	192.00-204.00	Feeder Heifers 400-500 lbs 156.00-175.00
Medium & Large #1	500-600 lbs	180.00-189.00	Medium & Large #1 500-600 lbs 153.50-158.50
	600-700 lbs	158.00	Large #1 600-700 lbs 144.00-144.25
	700-800 lbs		700-800 lbs 124.00-132.00
	800-900 lbs	137.00	800-900 lbs 117.00-124.10

[Live Cattle Settlements](#) [Feeder Cattle Settlements](#) Tuesday

**CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT**

Live Cattle			Feeder Cattle		
		Change			Change
Jun	109.50	(0.25)	May	136.00	0.95
Aug	106.72	(0.20)	Aug	142.50	(0.60)
Oct	106.47	(0.42)	Sep	143.57	(0.72)

[Corn Settlements](#) [Soybean Settlements](#) Tuesday

**CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENT**

Corn			Soybeans		
		Change			Change
May	3.6050	0.1300	May	8.1775	0.2675
Jly	3.6875	0.1225	Jul	8.3150	0.2900
Sep	3.7725	0.1150	Aug	8.3800	0.2900

[KC Wheat](#) [Wheat](#) Tuesday

KANSAS CITY BOARD OF TRADE			Wheat		
		Change			Change
May	4.0175	0.0475	May	4.0175	0.0475
Jly	4.0875	0.1175	Jly	4.0875	0.1175
Sep	4.1950	0.1150	Sep	4.1950	0.1150

[LM CT100](#) Tuesday

**5 AREA WKLY ACCUMULATED WTD AVG SLAUGHTER CATTLE PRICE**

	Head Count	Avg Weight	Avg Price
Live Steer	160	1,400	118.00
Live Heifer	0	N/A	N/A
Dressed Steer	827	827	188.15
Dressed Heifer	340	340	190.00

[LM XB403](#) Tuesday

**DAILY ESTIMATED BOXED BEEF CUTOUT VALUES**

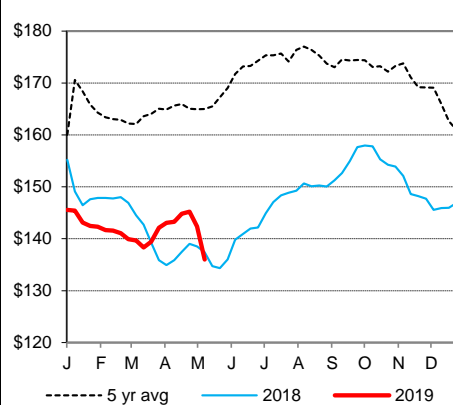
Choice	Select	Choice Cuts	69	loads
600-900#	600-900#	Select Cuts	33	loads
220.12	208.97	Trimming	9	loads
(1.46)	0.08	Grinds	15	loads

[SJ LS710](#) [LSD MARS 1788](#) Tuesday

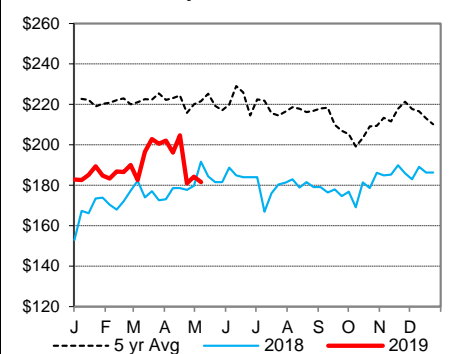
**ESTD DAILY CATTLE SLAUGHTER**

Tuesday	121,000	<b>SLAUGHTER COW MARKET</b>		
Week Ago (est)	121,000	Springfield Livestock Marketing Center		
Year Ago (act)	120,000	Monday	Pct Lean	Price
Wk to date (est)	242,000	Breaking	70-80	52.50-57.50
Last Week (est)	240,000	Boning	80-85	48.50-55.50
Last Year (act)	237,000	Lean	85-90	38.00-45.00
Previous Day Estimated:	Steer and Heifer 97,000	Monday		
	Cow and Bull 24,000			

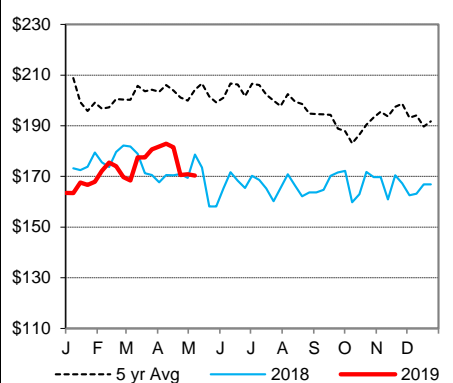
**CME Feeder Cattle Index**



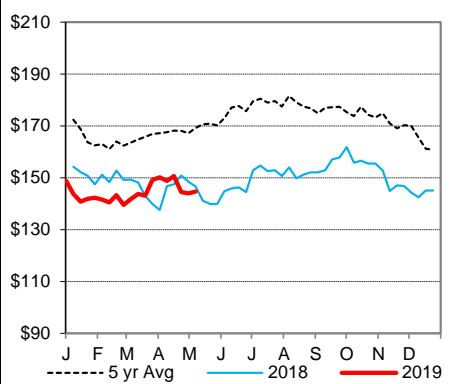
**Oklahoma City 400-500 lb Steer Price**



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



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







## *Schwieterman Update*

*Schwieterman, Inc.*  
*620-275-4100*  
*800-272-9131*

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