



## Schwieterman Update

Update for the morning of May 20, 2024

Garden City 1-800-272-9131 or 620-275-4100 fax 620-275-1841

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### Corn

Trends – July Contract

Short Term: **Up**

Long Term: **Up**

Overnight Trade: **N +3** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: **-69000**

Change: **-2000**

July corn found support at the 50-day moving average Friday, and again overnight. The bounce off the support has not been enough to confirm this downward correction is over, but it is a good step in that direction. The planting progress figure this afternoon should show that the crop is about 75% planted, which may be a few points below average, but far from a disaster.

### Wheat

Trends – July Contract

Short Term: **Up**

Long Term: **Up**

Overnight Trade: Chicago: **N +18** KC: **N +19** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: **-45000**

Change: **-10000**

Wheat continues to be volatile, and the market surged higher overnight. The gains were not enough for either the July KW or July Chicago to take out Friday's high, so despite the big gains, it has done nothing on the charts at this point. The bulls need a decent close today, but more importantly, some strength tomorrow to confirm the downward correction is over. Price direction is still being dictated by the prices in Europe.

### Soybeans

Trends – July Contract

Short Term: **Up**

Long Term: **Up**

Overnight Trade: **N +3** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: **-28000**

Change: **-5000**

Soybeans traded both sides of unchanged overnight and finished the session positive. The July contract took out last week's high, which looks good on the chart and suggests the market is headed to the \$12.80 area in the near future. It would be a big help to the market if the bean oil could put a couple more positive closes together. Oddly enough, funds are now long bean oil, which could be a very supportive development.

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## Live Cattle

### *Trend*

*Short Term: Up*

*Long Term: Up*

*Opening Calls: Mixed*

Live cattle futures closed sharply higher on Friday, boosted by higher cash bids and sharply higher cutout values for the week. June finished 1.87 higher on Friday and nearly 5.00 better for the week. Cash trade finally materialized on Friday afternoon, with southern cattle trading mostly \$186 and the north trading mostly \$190. The \$2-\$4 improvement in cash should keep the board supported to start the week. Macros are mixed this morning, with equities and the Dollar showing moderate strength.

## Feeder Cattle

### *Trends*

*Short Term: Up*

*Long Term: Up*

*Opening Call: Mixed*

Feeder cattle futures closed sharply higher on Friday, with Aug-Oct gaining over 2.00 for the session. Lower corn values along with the strength in the fat market helped propel August to weekly gains of nearly 9.00. Friday's cash index climbed to 143.04, a new high for the past 2 ½ weeks. Overnight corn values are firm, gaining about 4 cents, as we write.

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Weekly Stocks Report for Week Ending

05/10/24

	Change	DOE			API		
		05/10/24	05/03/24	05/12/23	05/10/24		
Crude	-2.50	457.00	459.50	467.60	-3.10		
Gasoline	-200K	227.80	228.00	218.30	-1.27		
Distillates	0.0K	116.40	116.40	106.20	+673		
Rates	+1.90%	90.40	88.50	91.00			
Imports	-230K	6.74	6.97	5.55			
				% Above/Below Lst Yr	5 Yr Avg	% A/B	
Nat Gas	+70	2.633	2.563	2.212	+19.0	2.013	+30.8

Analysts Estimates for Week Ending 05/10/24

		5 Yr Avg
Crude	-500K	+3.82
Gasoline	+500K	-600K
Distillates	+800K	-640K

Rates

Analysts Estimates for Week Ending 05/10/24

	Range	Avg	Lst Yr	5 Yr Avg
Nat Gas	+72 +81	+77	+93	+90

	Crude Oil	Unleaded	Heating Oil	Natural Gas
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Short Term Trend	DOWN	DOWN	DOWN	UP
Long Term Trend	DOWN	DOWN	DOWN	UP
O/N Trade @ 6:30 am	-0.34	-0.0155	-0.0103	+ .040

Commentary:

Spot month crude oil rallied in last night's overnight trade to open the week thanks to some fresh geopolitical headlines, but the rally was meager and had slipped back to lower on the session by early trade today. The health of 2 major OPEC producing countries' leaders gave the market some strength on uncertainty but quickly came back to realize little would change in oil policy. Iran's hardline President was killed in a helicopter accident in the mountains near Azerbaijan, in bad weather. Little will change with Iran's oil policy as the Supreme Leader the Ayatollah has ultimate power in state matters. Saudi Arabia's king is also reported to be in ill health, but Crown Prince Salman has had the leadership in Saudi oil policy for some time. More weekend attacks on Russia's oil infrastructure by Ukrainian drones has set refineries ablaze but headlines there have held little weight recently thanks to hopes of global interest rate declines and the fact that OPEC+ spare capacity is plentiful. The final 3 sessions of last week's trade were somewhat bullish as a new 11-week low was rejected which resulted in spot month crude oil closing the week at a new 2 week high. A close above \$ 80.50 in spot month crude oil could turn market sentiment more towards a bullish tilt.

	June	Jun	Jun
	Crude Oil	Unleaded	Heating Oil
Resistance	80.50/81.85	2.6000/2.6350	2.5120/2.5605
Support	78.70/76.50	2.5455/2.5010	2.4175/2.3750



## *Schwieterman Update*

*Financial Market Analysis for the morning of Monday, May 20, 2024*

*Wichita, KS 800-972-9131 620-275-4100*

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

The equities closed mixed as the Dow gained 6, the S&P lost 12, and the Nasdaq lost 5. This morning's futures are all higher with the Dow up 36, the S&P up 9, and the Nasdaq up 47. Nvidia will report earnings this week with their market cap at \$2.3 trillion which means they could have a significant move within the S&P. They are currently the third largest stock in S&P 500. Other earnings this week we will have Palo Alto Networks and Zoom today. Tomorrow Lowe's and Macy's. On Wednesday we will see Target, TJ Maxx, and Nvidia. Lastly on Thursday we will see Workday. The Federal Debt has hit \$34.5 trillion and is generating elevated levels of concerns on Wall Street and in Washington. It's grown nearly 50% since the early days of Covid and is now more than 120% of the total federal economy. After OpenAI and Google recently announced new AI models, Microsoft is expected to announce how Windows will enable the AI PC at its Build Developer Conference this week in Seattle.

Stock to Watch: Tupperware Brands is up 8.22% 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:	313.45	297.40	16.05
Change from prior day:	3.30	0.89	
Primal Rib	466.53	445.76	
Primal Chuck	258.41	252.37	
Primal Round	254.45	252.74	
Primal Loin	439.11	388.80	
Primal Brisket	254.22	239.10	
Primal Short Plate	221.95	221.95	
Primal Flank	156.13	154.23	

Fresh 50% Trimmings 13 Loads @ 73.51

[AMS 2829/NW LS441](#)

USDA BY-PRODUCT DROP VALUE (STEER) - DAILY

11.40 Change: 0.70

[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	973	1,513	187.03
Live Heifer	417	1,212	184.00
Dressed Steer	109	945	300.00
Dressed Heifer	20	882	298.00

[AMS 3208/SJ LS710](#)

DAILY CATTLE SLAUGHTER

Today	102,000
Week Ago	120,000
Year Ago (act)	122,392
Week to Date	598,000
Same Period Last Week	609,000
Same Period Last Year	624,061
Previous Day	Steer and Heifer 101,000 Cow and Bull 23,000

[AMS 3209/SJ LS712](#)

BEEF PRODUCTION

	5/18/2024 (Estimate)	Last Week (Estimate)	Last Year (Actual)
Slaughter	598,000	622,000	640,000
Live Weights	1398	1398	1350
Dressed Weights	850	848	815
Beef Production (millions of pounds)	507.1	526.6	520.7

[AMS 2825/NW LS410](#)

USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE

	Choice 600-900#	Select 600-900#	Dressing percent:	
			Steer	Heifer
Change	\$291.51	\$278.38	63.22	63.12
	1.19	0.02		

[AMS 2455/LM XB405](#)

USDA NATIONAL CUTTER COW CARCASS CUTOUT

271.75 (-2.20) 90% lean: 347.43

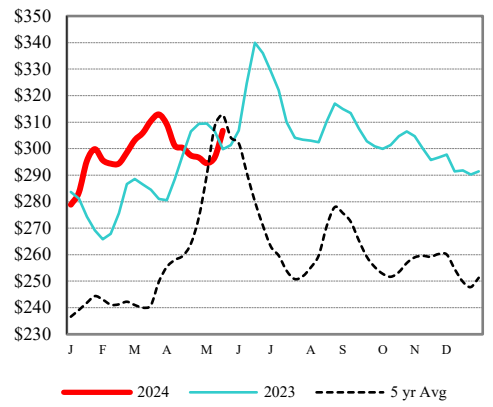
[CME LIVE CATTLE](#)

	High	Low	Change	Settle
APR	N/A			
JUN	N/A			
AUG	N/A			

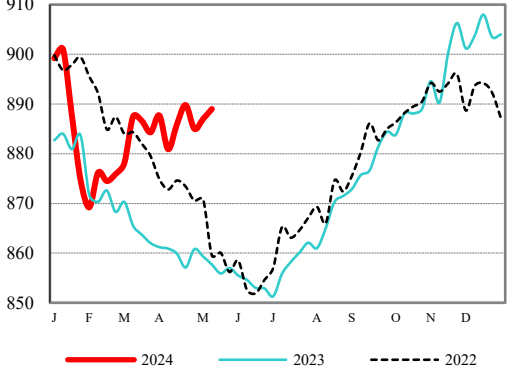
[CME FEEDER CATTLE](#)

	High	Low	Change	Settle
APR	N/A			
MAY	N/A			
AUG	N/A			

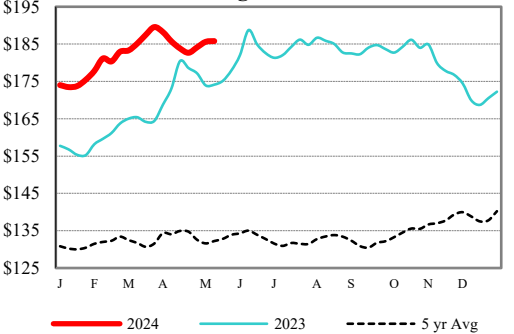
Weekly Choice Cutout



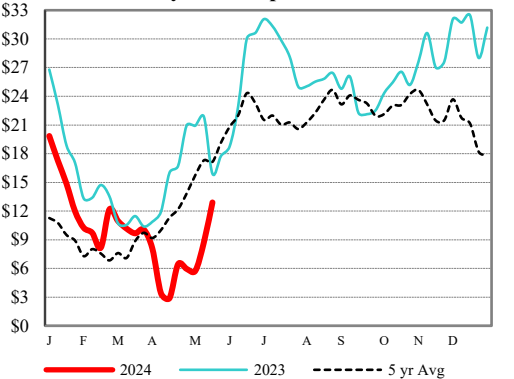
LMR Steer/Heifer Dressed Weights



5 Area Weekly Wtd Avg Steer Price



Weekly Ch/Se Spread



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:	\$84.00	\$90.00	\$56.75	\$70.85
Weighted Average:	\$88.57		\$67.60	
Change from Prior Day:	<span style="color:red">(-\$0.76)</span>		<span style="color:red">(-\$2.47)</span>	
Head Count:	2,669		734	

IOWA/MINNESOTA - AMS 2675/LM\_HG206:

Weighted Average:	\$89.41	*
Change from Prior Day:	<span style="color:red">(-\$0.15)</span>	*

WESTERN CORNBELT - AMS 2675/LM\_HG212:

Weighted Average:	\$88.72	*
Change from Prior Day:	<span style="color:red">(-\$0.81)</span>	*

EASTERN CORNBELT - AMS 2675/LM\_HG210:

Weighted Average:	\$87.92	\$67.60
Change from Prior Day:	<span style="color:red">(-\$1.08)</span>	*

\*Price not reported due to confidentiality

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

Carcass Cutout Values	100.85	Change:	0.58
Primal Loin	101.02		<span style="color:red">(-0.58)</span>
Primal Butt	132.97		1.84
Primal Picnic	76.55		0.37
Primal Rib	176.33		0.63
Primal Ham	81.54		<span style="color:red">(-1.37)</span>
Primal Belly	129.33		5.77
Total Loads	305.04		
Pork Cuts	254.31	lds.	
Trim/Process Pork	50.72	lds.	

Weekly USDA By-Product Drop Value (Hog): 4.34 0.03

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

Today (est)	468,000	<b>Saturday:</b>	36,000
Week Ago (est)	462,000		9,000
Year Ago (act)	461,157		72,849
Week to Date (est)	2,368,000		2,404,000
Same Period Last Week (est)	2,370,000		2,379,000
Same Period Last Year (act)	2,334,176		2,407,025

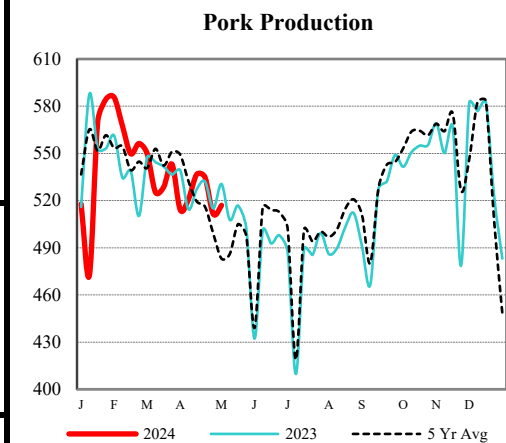
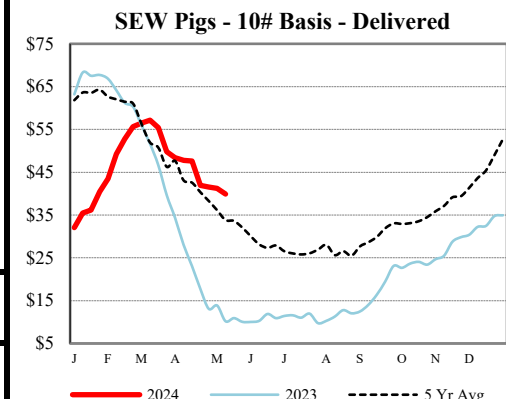
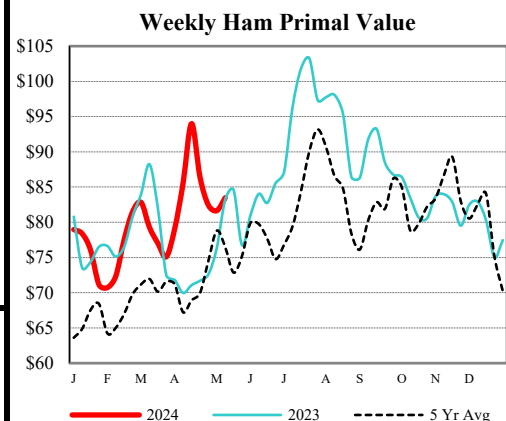
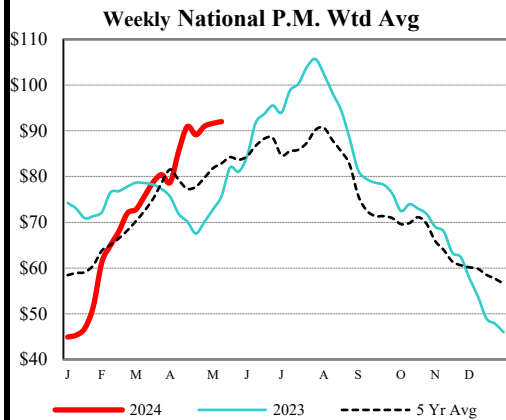
CME Lean Hog Close	High	Low	Change	Settle
APR	N/A			
MAY	N/A			
JUN	N/A			
JLY	N/A			

CME Lean Hog Delayed Futures

US Direct Delivered Feeder Pig Summary for Weekending - AMS 2810 17-May-24

**Formula, Cash, & Composite Wtd Avg Prices**

		Formula	Cash	Composite
SEW	10-12 lb Basis	42.79	39.81	40.46
Feeder Pigs	40 lb Basis		68.20	68.20



**USDA Livestock, Poultry & Grain Market News**

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**AUCTION SUMMARY**

<b>AMS 1891</b>		3,859		Thursday	
<b>Winter Livestock</b>					
Pratt, KS					
Feeder Steers	500-600 lbs	270.00-271.00	Feeder Heifers	500-600 lbs	249.00
Medium &	600-700 lbs	265.50-279.00	Medium &	600-700 lbs	237.00-247.50
Large #1	700-800 lbs	253.00-270.00	Large #1	700-800 lbs	223.00-235.00
	800-900 lbs	232.00-252.00		800-900 lbs	210.50-228.00
	900-1000 lbs	220.00-250.00		900-1000 lbs	209.00-218.75

<b>AMS 2158</b>		3,163		Thursday	
<b>Lamoni Livestock Auction</b>					
Lamoni, IA					
Feeder Steers	500-600 lbs	326.00-368.00	Feeder Heifers	300-400 lbs	337.50-380.00
Medium &	600-700 lbs	275.00-319.00	Medium &	400-500 lbs	296.00-334.00
Large #1	700-800 lbs	256.00-280.50	Large #1	500-600 lbs	280.00-305.00
	800-900 lbs	238.00-257.00		600-700 lbs	242.00-291.75
	900-1000 lbs	241.50-246.25		700-800 lbs	239.00-248.00

<b>AMS 1828</b>		2,214		Thursday	
<b>Woodward Livestock Auction</b>					
Woodward, OK					
Feeder Steers	600-700 lbs	250.00-284.00	Feeder Heifers	500-600 lbs	265.00-288.00
Medium &	700-800 lbs	242.50-262.00	Medium &	600-700 lbs	224.00-263.00
Large #1	800-900 lbs	226.00-242.00	Large #1	700-800 lbs	219.00-238.50
	900-1000 lbs	211.00-230.00		800-900 lbs	208.00-223.25
	1000-1100 lbs	201.50		900-1000 lbs	209.50

**CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT**

Live Cattle			Feeder Cattle		
		Change			Change
Jun	181.050	2.025	May	246.725	1.875
Aug	179.050	1.675	Aug	259.850	2.500
Oct	181.950	1.325	Sep	260.850	2.450

**CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENTS**

Corn			Soybeans		
		Change			Change
Jul	4.5250	(0.0450)	Jul	12.2800	0.1175
Sep	4.6250	(0.0525)	Aug	12.2525	0.0850
Dec	4.7650	(0.0525)	Sep	12.0525	0.0450

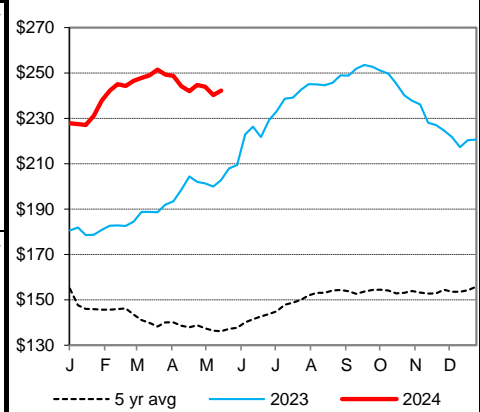
KANSAS CITY BOARD OF TRADE		Wheat		Change	
		Jul	6.6175	(0.1150)	
		Sep	6.7550	(0.1150)	
		Dec	6.9675	(0.1100)	

<b>AMS 2466</b>		Friday	
<b>5 AREA WKLY ACCUMULATED WTD AVG SLAUGHTER CATTLE PRICE</b>			
	Head Count	Avg Weight	Avg Price
Live Steer	973	1,513	187.03
Live Heifer	417	1,212	184.00
Dressed Steer	109	945	300.00
Dressed Heifer	20	882	298.00

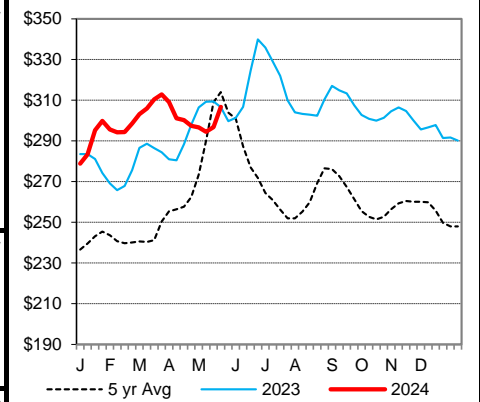
<b>AMS 2453</b>		Friday	
<b>DAILY ESTIMATED BOXED BEEF CUTOUT VALUES</b>			
Choice	Select	Choice Cuts	60 loads
600-900#	600-900#	Select Cuts	13 loads
313.45	297.40	Trimming	13 loads
3.30	0.89	Grinds	13 loads

<b>AMS 3208</b>		ESTD DAILY CATTLE SLAUGHTER		<b>AMS 1797</b>		Wednesday	
Friday	102,000	Sat-9,000		<b>Joplin Regional Stockyards</b>			
Week Ago (est)	120,000	13,000		Carthage, MO			
Year Ago (act)	122,000	16,000		Avg Dressing			
Wk to date (est)	589,000	598,000		Pct Lean			
Last Week (est)	609,000	622,000		Price			
Last Year (est)	624,000	640,000		Breaking	75-80	122.00-137.00	
<b>Previous Day Estimated: Steer and Heifer</b>				Thursday			
				101,000			
<b>Cow and Bull</b>				23,000			

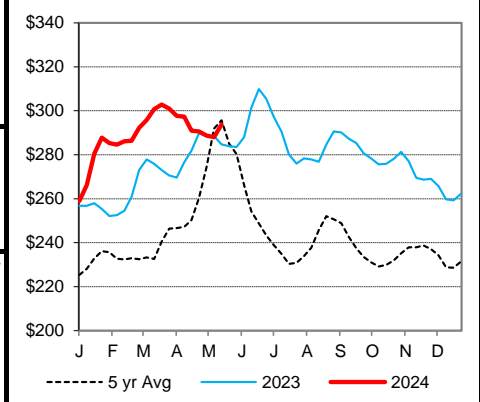
**CME Feeder Cattle Index**



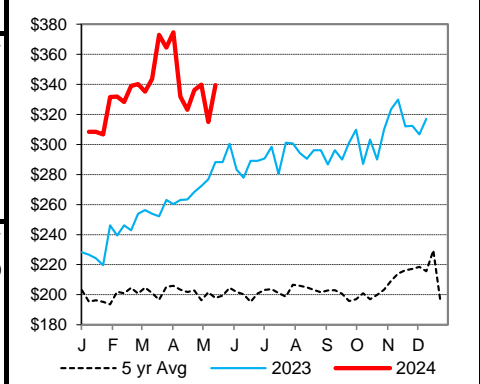
**Weekly Choice Cutout**



**Weekly Select Cutout**



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



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



## *Schwieterman Update*

*Schwieterman, Inc.*

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