



## Schwieterman Update

Update for the morning of May 25, 2023

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### Corn

Trends – July Contract

Short Term: **Up**

Long Term: **Down**

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

### Estimated Fund Position

Net Long Futures and Options: -86000

Change: +5000

Bull spreading ended up dominating yesterday's session, which allowed the July contract to close near the session highs. The market traded both sides of unchanged overnight, but the July contract only took out yesterday's high by ¼ cent, essentially leaving a double top. Key resistance, therefore, is now the overnight high of \$5.90. Export sales were terrible, and I will leave it at that.

### Wheat

Trends – July Contract

Short Term: **Down**

Long Term: **Up**

Overnight Trade: Chicago: **N -2** KC: **N -7** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: -135000

Change: -6000

Wheat export sales were also terrible, there is nothing on the demand front that is helpful to the market. The July KW was under heavy pressure yesterday and saw follow through selling overnight, which brought the market to the lowest level since May 5<sup>th</sup>. The new low for the move suggests we may see the market make a run to the \$7.80 area.

### 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: 4000

Change: Flat

July soybeans remain in consolidation mode. There is nothing positive to report on the demand front, and traders are not overly worried about the weather, but there is enough concern about the weather to keep heavy selling pressure at bay. It looks like we should plan on choppy, directionless trade as we head into the three day weekend.

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: Up*

*Long Term: Up*

*Opening Calls: Mixed*

Live cattle futures settled sharply higher on Wednesday, with firmer cash trade anchoring the move higher. Cash traded a solid \$1.00 higher in the south but as much as \$4.00 higher in Nebraska and the western corn belt. Cutouts were mixed on the day, with choice -2.44 and select +2.51, narrowing the spread to 14.51. Equities are firmer overnight, but so is the Dollar.

## Feeder Cattle

### *Trends*

*Short Term: Up*

*Long Term: Up*

*Opening Call: Mixed*

Feeder cattle futures nearly 1.00 in most contract months on Wednesday, with the far deferred gaining as much as 1.82 on the session. The cash index climbed .60 to 207.36 on Wednesday. The gains in feeders were impressive, going against a rising corn market. Overnight corn values are modestly higher going into weekly export release.

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

Weekly Stocks Report for Week Ending

05/19/23

	Change	DOE			API		
		05/19/23	05/12/23	05/20/22	05/19/23		
Crude	-12.50	455.20	467.60	419.80	-6.80		
Gasoline	-2.10	216.30	218.30	219.70	-6.40		
Distillates	-600K	105.70	106.20	106.90	-1.80		
Rates	-.30 %	91.70	92.00				
Imports	-1.01	5.85	6.86				
Nat Gas	+99	2.240	2.141	1.719	% Above/Below Lst Yr	5 Yr Avg	% A/B
					+30.3	1.900	+17.9

Analysts Estimates for Week Ending 05/19/23

		5 Yr Avg
Crude	+800K	+1.16
Gasoline	-1.10	+1.18
Distillates	+400K	+600K
Rates		

Analysts Estimates for Week Ending 05/19/23

	Range	Avg
Nat Gas	94	102

	Crude Oil	Unleaded	Heating Oil	Natural Gas
Short Term Trend	UP	UP	UP	UP
Long Term Trend	DOWN	UP	DOWN	DOWN
O/N Trade @ 6:30 am	-1.49	-0.0553	-0.0395	-0.028

Commentary:

The regular energy complex is lower in early trade today and has failed to post a new daily high for the first time this week. The weakness is being pegged in part to Russia's oil minister downplaying the likelihood of another production cut when OPEC+ meets in little over a week. This comes off the heels of fresh 3 week highs in spot month crude oil and 5 week highs in spot month gasoline after comments yesterday from the Saudi Arabian oil minister warning short sellers should "watch out for pain". The environment is a dangerous one at the moment for the complex as fears about the debt ceiling debate grows as the deadline for government default nears. Some of the weakness this morning may also be thanks to a combination of spot month crude oil reaching some important technical moving average resistance and profit taking before a long 3 day holiday weekend. Fundamentals have become bullish however with a large crude stock decline this week along with a 9 year low in gasoline supplies at the beginning of the summer driving season. This also combines with an increase in implied demand reported by the Dept of Energy yesterday in their weekly supply and demand data. Expect volatility into next week.

	Jul	Jul	Jul
	Crude Oil	Unleaded	Heating Oil
Resistance	74.60/76.20	2.6300/2.7000	2.4350/2.4845
Support	69.20/68.00	2.5550/2.5350	2.3400/2.2800



## *Schwieterman Update*

*Financial Market Analysis for the morning of May 25, 2023*

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

*Alan Clark – alanjclark@swbell.net*

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

The equities finished down as the Dow lost 255 points, the S&P lost 30, and the Nasdaq lost 76 points. This morning's futures are mixed with the Dow down 67, the S&P up 30, and the Nasdaq up 298. Nvidia earnings triggered an extreme AI stock rally after they posted very strong earnings and are forecasting improvement. Their stock was already up 109% this year. Negotiations continue as the US now has just 1 week to raise the debt ceiling. Fitch put the US's triple-A status on rating watch negative, citing the tense debt talks. American Eagle Outfitters shares plunged 19% in afterhours trading after the company lowered its outlook for revenue and operating income for the year. Abercrombie and Fitch posted a surprise profit yesterday and raised its guidance for the year and shares surged 31%, surely a tough act for American Eagle to follow.

Stock to Watch: Nvidia is trading up \$93.22 up 30.55% 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:	298.30	283.79	14.51
Change from prior day:	(-2.44)	2.51	
Primal Rib	425.35	381.57	
Primal Chuck	239.18	238.55	
Primal Round	228.83	228.80	
Primal Loin	429.87	388.33	
Primal Brisket	226.39	221.76	
Primal Short Plate	256.81	256.81	
Primal Flank	210.88	202.97	
			<b>Load Count:</b>
			Total 133
			Choice 95
			Select 21
			Trimming 3
			Grinds 13

Fresh 50% Trimmings 3 Loads @ 181.13

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

USDA BY-PRODUCT DROP VALUE (STEER) - DAILY

12.74 Change: UNCH

[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	3,540	1,347	170.91
Live Heifer	1,671	1,244	170.40
Dressed Steer	1,513	882	280.00
Dressed Heifer			

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

DAILY CATTLE SLAUGHTER

Today	126,000
Week Ago	126,000
Year Ago (act)	124,000
Week to Date	377,000
Same Period Last Week	379,000
Same Period Last Year	375,000
<b>Previous Day</b>	<b>Steer and Heifer 99,000</b>
	<b>Cow and Bull 27,000</b>

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

	5/20/2023 (Estimate)	Last Week (Estimate)	Last Year (Actual)
BEEF PRODUCTION			
Slaughter	642,000	646,000	677,000
Live Weights	1355	1354	1352
Dressed Weights	817	817	817
Beef Production (millions of pounds)	523.2	526.5	551.8

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

USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE

	Choice 600-900#	Select 600-900#	Dressing percent:	
			Steer	Heifer
Change	(-1.50)	0.98	62.78	62.74

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

USDA NATIONAL CUTTER COW CARCASS CUTOUT

225.36 1.18 90% lean: 281.01

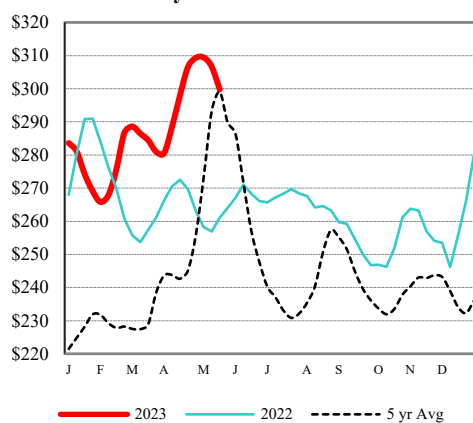
[CME LIVE CATTLE](#)

	High	Low	Change	Settle
JUN	166.50	163.65	1.83	166.10
AUG	164.55	161.83	1.55	164.13
OCT	168.75	166.53	1.20	168.38

[CME FEEDER CATTLE](#)

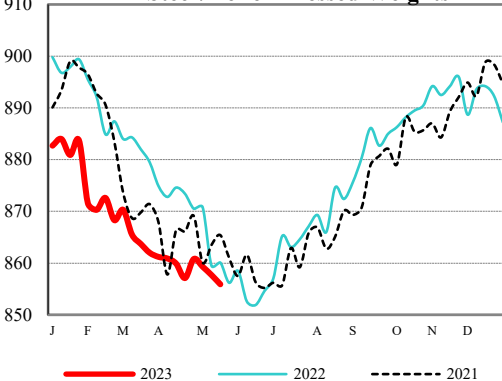
	High	Low	Change	Settle
MAY	209.05	207.83	1.18	208.98
AUG	234.85	231.50	1.05	234.53
SEP	237.93	234.80	0.88	237.63

Weekly Choice Cutout



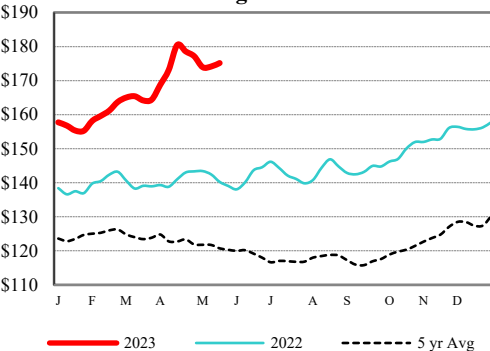
— 2023 — 2022 - - - - 5 yr Avg

LMR Steer/Heifer Dressed Weights



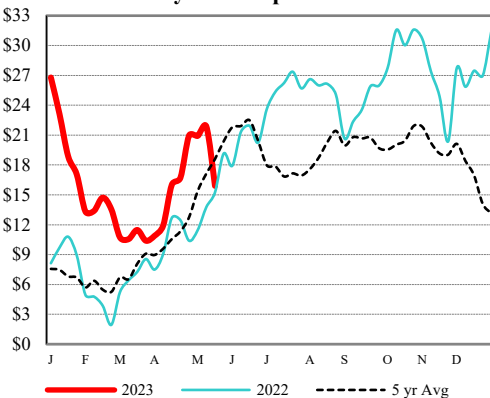
— 2023 — 2022 - - - - 2021

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)

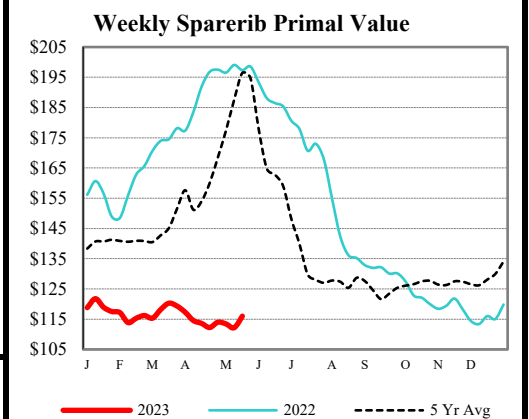
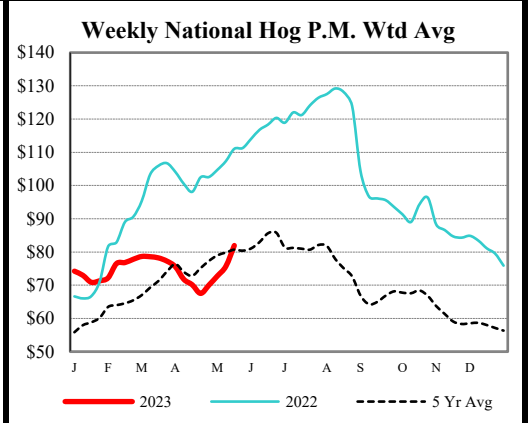
<https://mymarketnews.ams.usda.gov/viewReport/2870>

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

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

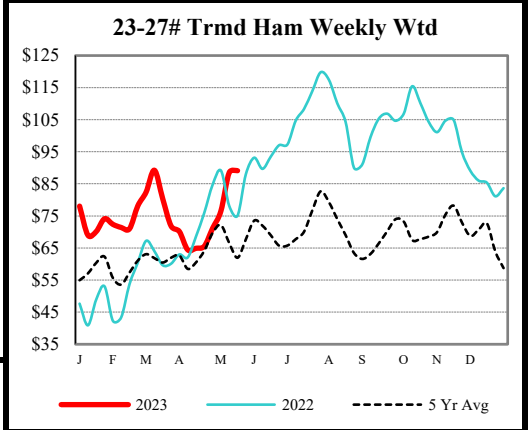
Negotiated Barrow and Gilt:	Carcass Base Price	Live Price
<b><u>NATIONAL - AMS 2675/LM_HG203:</u></b>		
Range:	\$73.00 \$88.00	*
Weighted Average:	\$82.19	*
Change from Prior Day:	(-1.64)	*
Head Count:	12,525	0
<b><u>IOWA/MINNESOTA - AMS 2675/LM_HG206:</u></b>		
Weighted Average:	\$86.88	*
Change from Prior Day:	(-0.55)	*
<b><u>WESTERN CORNBELT - AMS 2675/LM_HG212:</u></b>		
Weighted Average:	\$86.88	*
Change from Prior Day:	(-0.50)	*
<b><u>EASTERN CORNBELT - AMS 2675/LM_HG210:</u></b>		
Weighted Average:	\$76.50	*
Change from Prior Day:	*	*

\*Price not reported due to confidentiality.



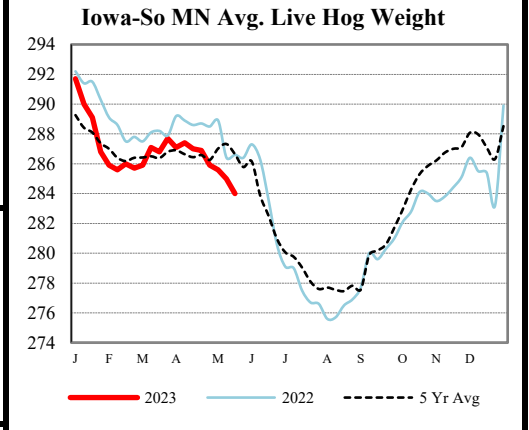
**NATIONAL DAILY PORK REPORT FOB PLANT - AMS 2498/LM\_PK602:**

Carcass Cutout Values	Change:
80.87	(-2.63)
Primal Loin 83.57	(-1.25)
Primal Butt 125.63	0.32
Primal Picnic 66.88	(-1.05)
Primal Rib 118.92	0.66
Primal Ham 74.84	(-2.02)
Primal Belly 72.02	(-11.27)
Total Loads 342.91	
Pork Cuts 305.94	Lds
Trim/Process Pork 36.98	Lds



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

Today (est)	472,000
Week Ago (est)	466,000
Year Ago (act)	473,000
Week to Date (est)	1,426,000
Same Period Last Week (est)	1,400,000
Same Period Last Year (act)	1,411,000



**CME Lean Hog Close**

	High	Low	Change	Settle
JUN	81.48	79.40	(-0.88)	79.80
JLY	82.03	80.40	(-0.15)	80.83
AUG	81.03	79.75	(-0.03)	80.40
OCT	73.50	72.83	0.48	73.40

**CME Lean Hog Delayed Futures**

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

For Week Ending Sat,	Head	Average
May 20, 2023	Ending Count	Weight
	5/20/2023	803,000 284.0
Week Ago:	5/13/2023	809,000 285.0
Year Ago:	5/21/2022	756,000 286.6

**USDA Livestock, Poultry & Grain Market News**  
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 Email: [Desm.LPGMN@usda.gov](mailto:Desm.LPGMN@usda.gov)  
<https://mymarketnews.ams.usda.gov/viewReport/2872>  
 USDA AMS Livestock, Poultry & Grain Market News

**AUCTION SUMMARY**

<b>AMS 1249</b>		4,428		Tuesday	
<b>Ozarks Regional Stockyards</b>					
West Plains, MO					
Feeder Steers	400-500 lbs	267.00-289.00	Feeder Heifers	300-400 lbs	240.00-260.00
Medium &	500-600 lbs	252.50-279.00	Medium &	400-500 lbs	235.00-247.50
Large #1	600-700 lbs	226.00-257.00	Large #1	500-600 lbs	225.00-243.00
	700-800 lbs	211.00-232.00		600-700 lbs	214.00-234.00
	800-900 lbs	200.00-206.00		700-800 lbs	188.00

<b>AMS 1815</b>		2,692		Tuesday	
<b>Kingsville Livestock Auction</b>					
Kingsville, MO					
Feeder Steers	300-400 lbs	275.00-289.50	Feeder Heifers	300-400 lbs	246.50-267.00
Medium &	400-500 lbs	247.50-289.00	Medium &	400-500 lbs	224.50-263.00
Large #1	500-600 lbs	242.00-273.00	Large #1	500-600 lbs	212.50-245.00
	600-700 lbs	222.50-229.50		600-700 lbs	205.50-225.00
	700-800 lbs	205.00-217.00		700-800 lbs	214.75-219.00

<b>AMS 1281</b>		2,000		Tuesday	
<b>OKC West Livestock Auction</b>					
El Reno, OK					
Feeder Steers	200-300 lbs	355.00-360.00	Feeder Heifers	200-300 lbs	315.00
Medium &	300-400 lbs	289.00-330.00	Medium &	300-400 lbs	257.50-297.00
Large #1	400-500 lbs	272.50-207.50	Large #1	400-500 lbs	248.00-275.00
	500-600 lbs	270.00-284.00		500-600 lbs	241.00-245.00
	600-700 lbs	238.00-260.00		600-700 lbs	225.00-234.00

**CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT** Wednesday

<u>Live Cattle</u>			<u>Feeder Cattle</u>		
		<u>Change</u>			<u>Change</u>
Jun	166.100	1.825	May	208.975	1.175
Aug	164.125	1.550	Aug	234.525	1.050
Oct	168.375	1.200	Sep	237.625	0.875

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

<u>Corn</u>			<u>Soybeans</u>		
		<u>Change</u>			<u>Change</u>
Jul	5.8725	0.0975	Jul	13.2450	0.0200
Sep	5.1525	0.0325	Aug	12.5875	Unch
Dec	5.2000	0.0325	Sep	11.9550	(0.0275)

<b>KANSAS CITY BOARD OF TRADE</b>			<u>Wheat</u>		
		<u>Change</u>			<u>Change</u>
			Jul	8.1225	(0.2925)
			Sep	8.0775	(0.2600)
			Dec	8.0350	(0.2350)

**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	3,540	1,347	170.91
Live Heifer	1,671	1,244	170.40
Dressed Steer	1,513	882	280.00
Dressed Heifer			

**AMS 2453** Wednesday

**DAILY ESTIMATED BOXED BEEF CUTOUT VALUES**

<u>Choice</u>	<u>Select</u>	<u>Choice Cuts</u>	
<u>600-900#</u>	<u>600-900#</u>	<u>Select Cuts</u>	
298.30	283.79	Trimming	3 loads
(2.44)	2.51	Grinds	13 loads

**SJ LS710** Tuesday

**ESTD DAILY CATTLE SLAUGHTER**

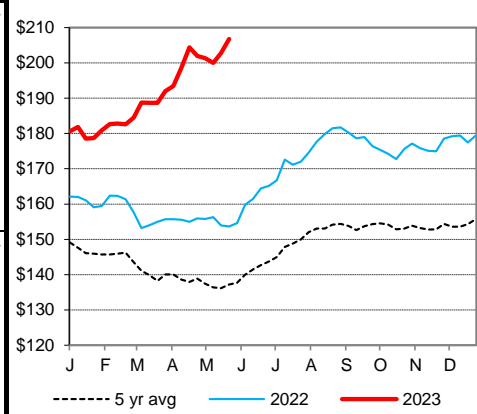
Wednesday	126,000
Week Ago (est)	126,000
Year Ago (act)	124,000
Wk to date (est)	377,000
Last Week (est)	379,000
Last Year (act)	375,000
<b>Previous Day Estimated:</b>	<b>Steer and Heifer</b> 99,000
	<b>Cow and Bull</b> 27,000

**AMS 1823** Tuesday

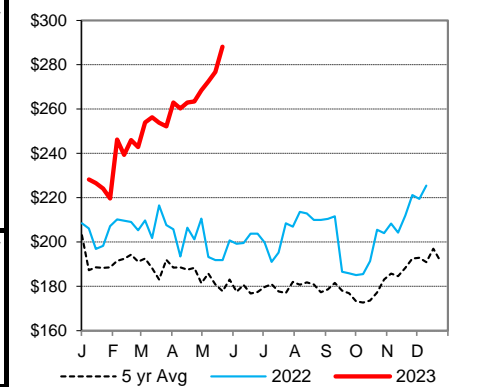
**Oklahoma National Stockyards**

	<u>Pct Lean</u>	<u>Avg Dressing Price</u>
Breaking	75-80	102.00-108.00
Boning	80-85	96.00-101.00
Lean	85-90	88.00-94.50

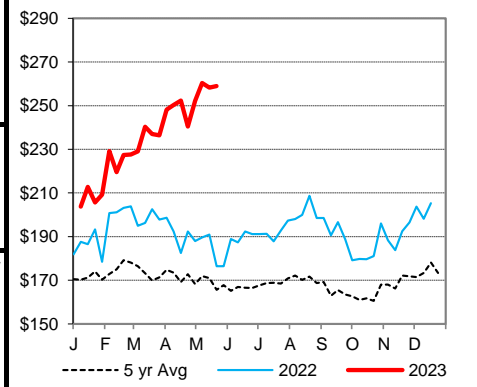
**CME Feeder Cattle Index**



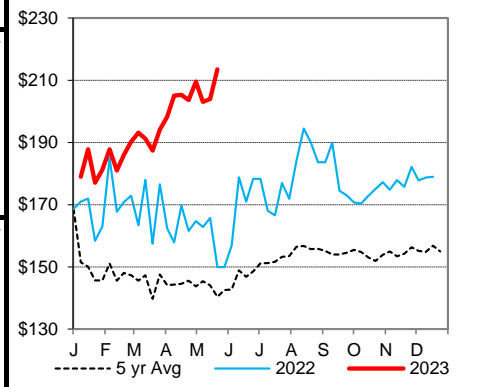
**Oklahoma City 400-500 lb Steer Price**



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



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



St. Joseph, Missouri

Phone: 816-676-7000

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



## *Schwieterman Update*

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