



## Schwieterman Update

Update for the morning of August 1, 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: **Down**

Long Term: **Down**

Overnight Trade: **Z -2** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: -358000

Change: -13000

There is nothing positive to report for the corn market this morning. The December contract made a new multi-year low yesterday and again overnight. Export sales were uninspiring at 167,900 MT for the old crop and 710,900 MT for the new crop. Some forecasts look a little dry, but for the most part traders are not concerned about weather at the moment. The best hope in the short run is short covering as we head into the August supply and demand report, where there is potential for tighter old crop stocks and tweaks to acreage.

### Wheat

Trends – July Contract

Short Term: **Down**

Long Term: **Down**

Overnight Trade: Chicago: **U +4** KC: **U +5** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: -78000

Change: +1000

Wheat has avoided making new lows for a couple of days and the French wheat has had enough strength that it should be making the bears a little bit nervous. It seems that US wheat has the potential to play a little bit of catch up this week. It would have helped if export sales were better than the 286,600 MT reported. We have to have better demand than that.

### Soybeans

Trends – July Contract

Short Term: **Down**

Long Term: **Down**

Overnight Trade: **X -5** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: -209000

Change: -6000

Soybean export sales were not particularly helpful at 376,400 MT for the old crop and 632,100 MT for the new crop. Meal sales continue to be strong, which is supportive. The November contract hasn't taken out yesterday's low, but it is very close. The \$10.13-\$10.14 area is key support right now, so that is what we will be watching today.

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 closed moderately lower on Wednesday, with most months opening lower and staying there throughout the session. Cutouts were mixed, with choice up .29 and select dropping 1.22. Cash trade has remained quiet for the week, with the FCE auction yet to sell a hoof for the week. Macros are mixed, with equities and the Dollar firmer overnight.

### Feeder Cattle

#### *Trends*

*Short Term: Up*

*Long Term: Up*

*Opening Call: Mixed*

Feeder cattle futures closed modestly higher on Wednesday, getting a boost from new contract lows in the corn futures. New crop corn closed below 4.00. The cash index was quiet on Wednesday, dropping .04 to 258.69. Overnight corn values are giving up another 1-2 cents.

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Weekly Stocks Report for Week Ending

07/26/24

	Change	DOE			API		
		07/26/24	07/19/24	07/27/23	07/26/24		
Crude	-3.40	433.00	436.50	439.80	-4.50		
Gasoline	-3.70	223.80	227.40	219.10	-1.92		
Distillates	+1.5	126.80	125.30	117.20	-322K		
Rates	-1.5%	90.10	91.60	91.00			
Imports	+.08K	6.95	6.87	5.55			
				% Above/Below Lst Yr	5 Yr Avg	% A/B	
Nat Gas	+22	3.231	3.209	2.982	+8.4	2.775	+16.4

Analysts Estimates for Week Ending 07/26/24

		5 Yr Avg
Crude	-2.30	-1.80
Gasoline	-1.40	-1.26
Distillates	-1.50	-140K

Rates

Analysts Estimates for Week Ending 07/26/24

	Range	Avg	Lst Yr	5 Yr Avg
Nat Gas	22 45	+31	+15	+33

	Crude Oil	Unleaded	Heating Oil	Natural Gas
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Short Term Trend	DOWN	DOWN	DOWN	DOWN
Long Term Trend	DOWN	DOWN	DOWN	DOWN
O/N Trade @ 6:30 am	+.55	+.0080	+.0147	+.003

Commentary:

Spot month crude oil regained all the losses from the previous 6 sessions yesterday as fresh geopolitical supply concerns emerged. This has seen overnight trade rise on follow through buying which pushed spot month crude oil into resistance zones. A rocket strike in Beirut killed the head of the militant group Hezbollah this week while an assassination of a Hamas leader in Tehran ratcheted up the contagion chatter. The strike in Iran has the bull camp threatening a bigger supply problem as Iran could try to blockade the Straits of Hormuz, which supplies 15-20% of global crude oil exports. This is an age-old threat that nearly always ends in no action but after nearly 2 weeks of losses, the oversold condition of the market has made it vulnerable to short covering. Official US supply and demand data from the Dept of Energy yesterday also helped with short covering as crude and gasoline inventories fell. A decline in weekly crude oil imports and a jump in exports pulled crude stocks down for the 5<sup>th</sup> week and a slowing of refinery rates helped see falling gasoline inventories. Yesterdays FOMC meeting supported the idea that the Fed will reduce interest rates in September, which also gave the complex a boost from speculation of better demand in the coming months. A solid zone of resistance, however, comes in from 79.17 to 79.40.

	Sep Crude Oil	Sep Unleaded	Sep Heating Oil
Resistance	79.40/80.65	2.4680/2.4900	2.4900/2.5430
Support	78.00/74.40	2.4250/2.3845	2.4410/2.3520



## *Schwieterman Update*

*Financial Market Analysis for the morning of Thursday, August 1, 2024*

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*Alan Clark – [alanjclark@upthelimit.com](mailto:alanjclark@upthelimit.com)*

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

The equities closed well higher as the Dow gained 99 points, the S&P gained 85, and the Nasdaq gained 451. This morning's futures are all higher with the Dow up 8, the S&P up 26, and the Nasdaq up 104. The megacap tech stocks had quite the day yesterday. Nvidia posted its best day since Feb. 22<sup>nd</sup> gaining 12.8%. Apple, Meta, and Amazon were also higher. Fed Officials announced they are holding short term interest rates steady. However, they did specify that inflation is getting closer to the Central Bank's target. Meta had quite the earnings beat posting and eps of \$5.16 per share compared to the \$4.73 expected and \$39.07 billion compared with the \$38.31 expected. Boeing announced a new CEO which will be Kelly Ortberg, former CEO of Rockwell Collins, a veteran in the aerospace industry.

Stock to Watch: Meta is trading up 8.41% 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:	314.77	300.16	14.61
Change from prior day:	0.29	(-1.22)	
Primal Rib	455.13	428.60	
Primal Chuck	264.96	268.20	
Primal Round	278.23	278.97	
Primal Loin	408.98	350.97	
Primal Brisket	260.56	250.63	
Primal Short Plate	228.15	228.15	
Primal Flank	186.82	190.04	
			<b>Load Count:</b>
			Total 145
			Choice 94
			Select 27
			Trimming 9
			Grinds 14

Fresh 50% Trimmings 9 Loads @ 160.49

[AMS 2829/NW LS441](#)

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

11.51 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	194	1,350	188.00
Live Heifer	142	1,275	188.00
Dressed Steer	60	928	307.00
Dressed Heifer			

[AMS 3208/SJ LS710](#)

**DAILY CATTLE SLAUGHTER**

Today	122,000
Week Ago	122,000
Year Ago (act)	123,057
Week to Date	360,000
Same Period Last Week	360,000
Same Period Last Year	368,900
<b>Previous Day</b>	<b>Steer and Heifer 101,000</b>
	<b>Cow and Bull 22,000</b>

[AMS 3209/SJ LS712](#)

BEEF PRODUCTION	7/27/2024 (Estimate)	Last Week (Estimate)	Last Year (Actual)
Slaughter	600,000	584,000	616,000
Live Weights	1382	1382	1347
Dressed Weights	843	844	816
Beef Production (millions of pounds)	504.9	491.7	501.5

[AMS 2825/NW LS410](#)

**USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE**

	Choice 600-900#	Select 600-900#	Dressing percent:	
			Steer	Heifer
Change	0.38	(-0.37)	63.32	63.14

[AMS 2455/LM XB405](#)

**USDA NATIONAL CUTTER COW CARCASS CUTOUT**

296.03 1.77 90% lean: 381.53

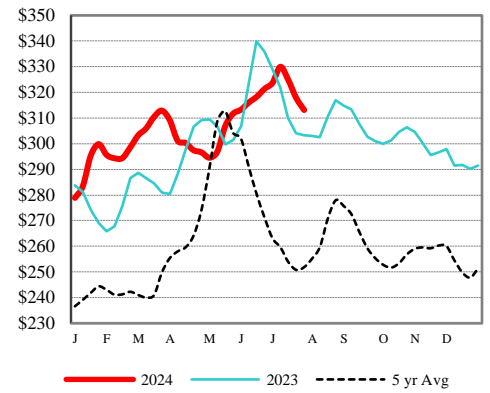
**CME LIVE CATTLE**

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

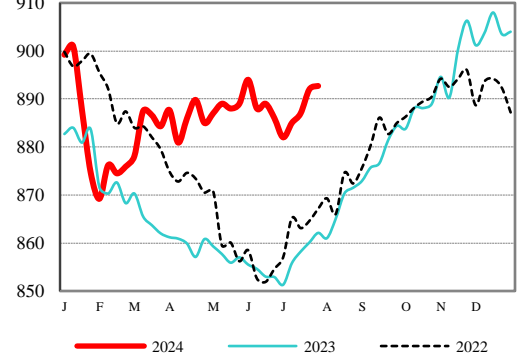
**CME FEEDER CATTLE**

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

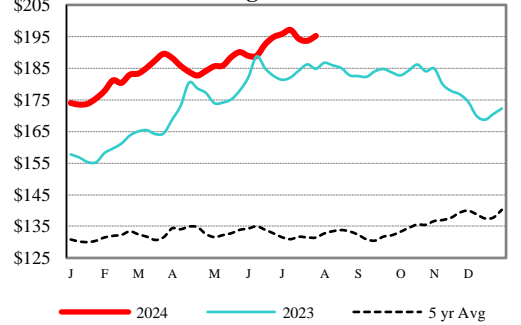
**Weekly Choice Cutout**



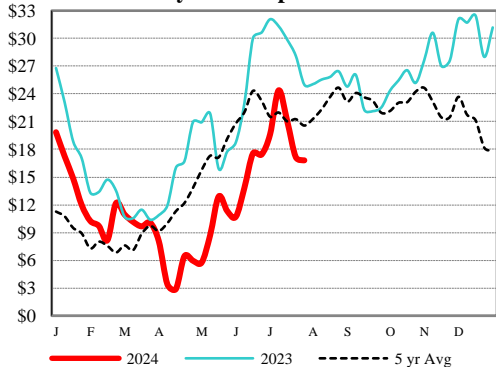
**LMR Steer/Heifer Dressed Weights**



**5 Area Weekly Wtd Avg Steer Price**



**Weekly Ch/Se Spread**



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

Des Moines, Iowa | PH 515-284-4460

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

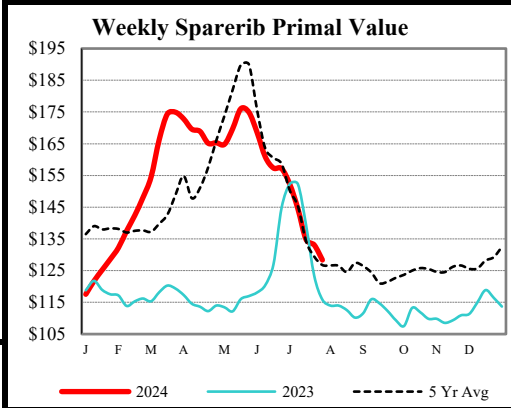
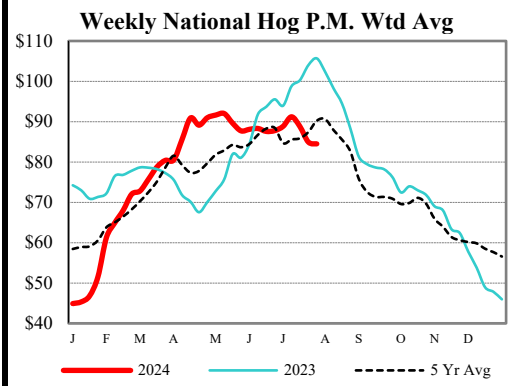
<https://mymarketnews.ams.usda.gov/viewReport/2870>

USDA AMS Livestock, Poultry & Grain Market News

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

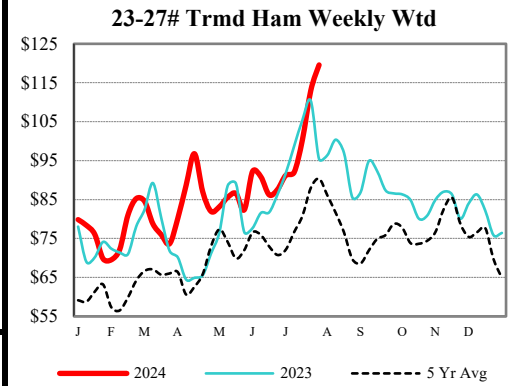
Negotiated Barrow and Gilt:	Carcass Base Price		Live Price	
<b><u>NATIONAL - AMS 2675/LM_HG203:</u></b>				
Range:	\$78.00	\$87.00	\$58.25	\$66.85
Weighted Average:	\$85.76		\$64.60	
Change from Prior Day:	\$1.08		\$1.76	
Head Count:	12,411		315	
<b><u>IOWA/MINNESOTA - AMS 2675/LM_HG206:</u></b>				
Weighted Average:	\$85.94		*	
Change from Prior Day:	\$0.33		*	
<b><u>WESTERN CORNBELT - AMS 2675/LM_HG212:</u></b>				
Weighted Average:	\$85.83		*	
Change from Prior Day:	\$0.33		*	
<b><u>EASTERN CORNBELT - AMS 2675/LM_HG210:</u></b>				
Weighted Average:	\$85.67		*	
Change from Prior Day:	\$7.73		*	

\*Price not reported due to confidentiality.



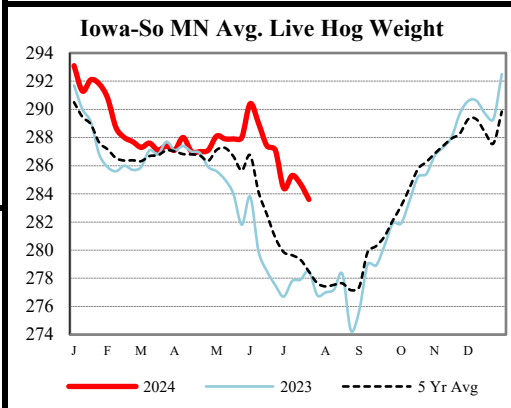
**NATIONAL DAILY PORK REPORT FOB PLANT - AMS 2498/LM\_PK602:**

Carcass Cutout Values	104.88	Change:	(-0.72)
Primal Loin	96.87		0.72
Primal Butt	111.92		2.24
Primal Picnic	77.41		(-0.76)
Primal Rib	122.16		(-2.97)
Primal Ham	105.47		(-6.55)
Primal Belly	152.36		1.87
Total Loads	261.71		
Pork Cuts	213.88	Lds	
Trim/Process Pork	47.83	Lds	



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

Today (est)	481,000
Week Ago (est)	479,000
Year Ago (act)	474,556
Week to Date (est)	1,435,000
Same Period Last Week (est)	1,413,000
Same Period Last Year (act)	1,430,118



**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**

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

For Week Ending Sat,	Head	Average	
Jul 27, 2024	Count	Weight	
	7/27/2024	780,000	282.7
Week Ago:	7/20/2024	777,000	283.6
Year Ago:	7/29/2023	763,000	276.8

**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**

<a href="#">AMS 2023</a>		2,617		Tuesday	
<b>Philip Livestock Auction</b>					
Philip, SD					
Feeder Steers	500-600 lbs	327.50-332.50	Feeder Heifers	500-600 lbs	296.00
Medium &	600-700 lbs	294.50-304.50	Medium &	600-700 lbs	270.50-290.00
Large #1	700-800 lbs	269.00-276.50	Large #1	700-800 lbs	255.00-264.50
	800-900 lbs	260.00-263.50		800-900 lbs	240.00-256.00
	900-1000 lbs	247.50-257.75		900-1000 lbs	228.50-240.50

<a href="#">AMS 1815</a>		1,634		Tuesday	
<b>Kingsville Livestock Auction</b>					
Kingsville, MO					
Feeder Steers	500-600 lbs	310.00-335.00	Feeder Heifers	500-600 lbs	271.00-300.00
Medium &	600-700 lbs	295.00	Medium &	600-700 lbs	264.50-272.00
Large #1	700-800 lbs	274.00-285.00	Large #1	700-800 lbs	244.85-267.50
	800-900 lbs	258.25-261.75		800-900 lbs	232.25
	900-1000 lbs			900-1000 lbs	

<a href="#">AMS 1249</a>		1,246		Tuesday	
<b>Ozarks Regional Stockyards</b>					
West Plains, MO					
Feeder Steers	400-500 lbs	325.00-345.00	Feeder Heifers	300-400 lbs	302.50-320.00
Medium &	500-600 lbs	300.00-327.50	Medium &	400-500 lbs	295.00-317.50
Large #1	600-700 lbs	300.00	Large #1	500-600 lbs	277.50-290.00
	700-800 lbs	274.00		600-700 lbs	267.50-280.00
	800-900 lbs			700-800 lbs	236.00

**CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT**

<a href="#">Live Cattle</a>		<u>Change</u>	<a href="#">Feeder Cattle</a>		<u>Change</u>
Aug	187.125	(0.575)	Aug	257.250	0.275
Oct	186.675	(0.775)	Sep	257.100	0.150
Dec	187.875	(0.300)	Oct	256.150	0.275

**CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENTS**

<a href="#">Corn</a>		<u>Change</u>	<a href="#">Soybeans</a>		<u>Change</u>
Sep	3.8275	(0.0600)	Aug	10.2850	0.0125
Dec	3.9975	(0.0525)	Sep	10.1450	0.0350
Mar	4.1575	(0.0450)	Nov	10.2250	0.0125

<b>KANSAS CITY BOARD OF TRADE</b>		<a href="#">Wheat</a>		<u>Change</u>
		Sep	5.4900	(0.0125)
		Dec	5.6575	(0.0050)
		Mar	5.8050	0.0025

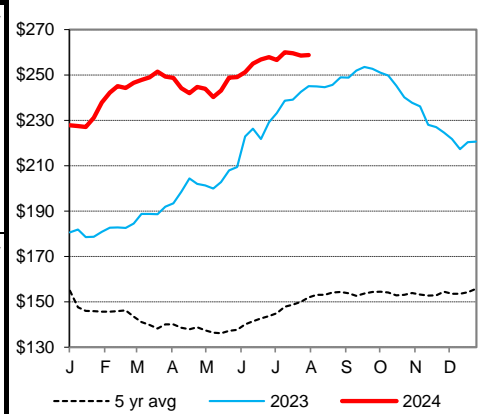
<a href="#">AMS 2466</a>		Wednesday	
<b>5 AREA WKLY ACCUMULATED WTD AVG SLAUGHTER CATTLE PRICE</b>			
	<u>Head Count</u>	<u>Avg Weight</u>	<u>Avg Price</u>
Live Steer	194	1,350	188.00
Live Heifer	142	1,275	188.00
Dressed Steer	60	928	307.00
Dressed Heifer			

<a href="#">AMS 2453</a>		Wednesday	
<b>DAILY ESTIMATED BOXED BEEF CUTOUT VALUES</b>			
<b>Choice</b>	<b>Select</b>	<b>Choice Cuts</b>	94 loads
<b>600-900#</b>	<b>600-900#</b>	<b>Select Cuts</b>	27 loads
314.77	300.16	<b>Trimming</b>	9 loads
0.29	(1.22)	<b>Grinds</b>	14 loads

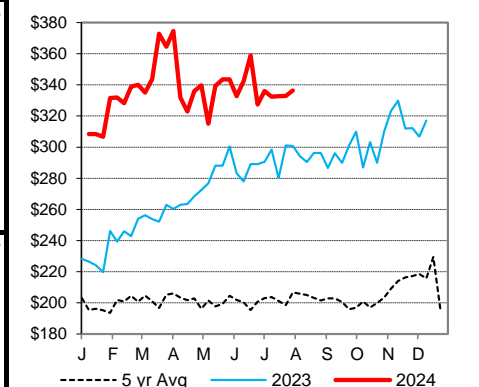
<a href="#">AMS 3208</a>		Tuesday	
<b>ESTD DAILY CATTLE SLAUGHTER</b>			
Wednesday	122,000		
Week Ago (est)	122,000		
Year Ago (act)	123,000		
Wk to date (est)	360,000		
Last Week (est)	360,000		
Last Year (est)	369,000		
<b>Previous Day Estimated:</b>	<b>Steer and Heifer</b>	101,000	
	<b>Cow and Bull</b>	22,000	

<a href="#">AMS 1823</a>		Tuesday	
<b>Oklahoma National Stockyards</b>			
Oklahoma City, OK			
Avg Dressing			
	<u>Pct Lean</u>	<u>Price</u>	
<b>Breaking</b>	75-80	143.00-153.00	
<b>Boning</b>	80-85	138.00-144.00	
<b>Lean</b>	85-90	128.00-134.00	

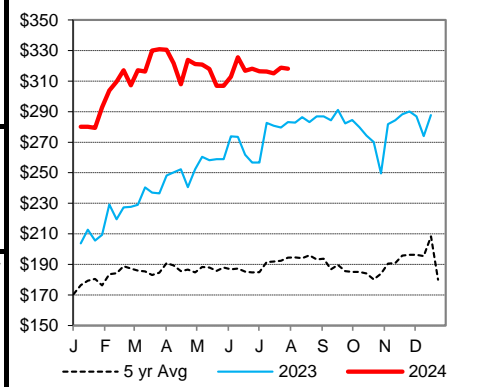
**CME Feeder Cattle Index**



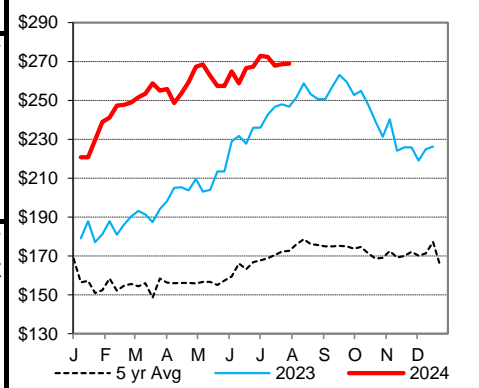
**Oklahoma City 400-500 lb Steer Price**



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



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



St. Joseph, Missouri  
Phone: 816-676-7000  
Email: [stjoe.lpgmn@usda.gov](mailto:stjoe.lpgmn@usda.gov)  
<http://www.ams.usda.gov/LSMarketNews>



## *Schwieterman Update*

*Schwieterman, Inc.*

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