



Schwieterman Update

Update for the morning of September 4, 2024

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Corn

Trends – December Contract

Short Term: **Up**

Long Term: **Up**

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

Estimated Fund Position

Net Long Futures and Options: -208000

Change: +23000

Apparently the funds were in the mood for covering short positions yesterday, so we saw significant buying. We are building on last week's reversal higher and the December corn is now above the 50-day moving average for the first time since mid-June. Crop condition ratings were unchanged, which was better than expected, but analysts are looking for a decline next week. The feeling in the marketplace seems to be that the crop is no longer getting bigger.

Wheat

Trends – December Contract

Short Term: **Up**

Long Term: **Up**

Overnight Trade: Chicago: **Z +1** KC: **Z +2** @7:30 AM

Estimated Fund Position

Net Long Futures and Options: -44000

Change: +4000

Recent chart action in the December KW has been impressive. Like the corn, the December KW has built upon the weekly reversal higher and has now moved above the 50-day moving average. Hope for better exports and hope that the corn crop isn't getting any bigger are the main supporting factors. Further short covering is definitely possible, but the \$5.84 area is going to be a huge hurdle to clear.

Soybeans

Trends – December Contract

Short Term: **Up**

Long Term: **Down**

Overnight Trade: **X -4** @7:30 AM

Estimated Fund Position

Net Long Futures and Options: -140000

Change: +12000

Soybeans were very active yesterday with the soybean meal providing support and the bean oil acting as an anchor. Crop condition ratings declined by 2 points to 65% Good to Excellent, which was expected, and further declines are expected due to the lack of rain. There is growing confidence that the highest yield estimates are behind us, but we still have to deal with large ending stocks and a weak bean oil market. Another push lower in the crude oil will weigh heavily on the beans.

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Live Cattle

Trend

Short Term: Up

Long Term: Down

Opening Calls: Mixed

Live cattle futures closed moderately higher on Tuesday, after testing a failing near last weeks highs in the lead October contract. Cutouts were higher, with choice +1.33 and select +4.29, narrowing their spread to 10.56. The cattle were firmer in spite of sharply lower equities and a higher Dollar. Cash trade is off to its' normal slow start. Our show list was off 3% from last week but 11% higher than a year ago. Overnight equities remain weak, while the dollar is modestly lower.

Feeder Cattle

Trends

Short Term: Up

Long Term: Down

Opening Call: Mixed

Feeder cattle futures closed moderately higher, with the lead September .90 higher for the session. Feeders were supported by firmer fats and in spite of solidly higher corn prices and weakness in the cash index. The index dropped 2.15 to 240.80. Overnight corn values are slightly lower, as we write.

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Weekly Stocks Report for Week Ending

08/23/24

	Change	DOE			API		
		08/23/24	08/16/24	08/25/23	08/23/24		
Crude	- 800K	425.20	426.00	422.90	-3.41		
Gasoline	-2.20	218.40	220.60	217.40	-1.86		
Distillates	+ 300K	123.10	122.80	117.90	-1.41		
Rates	+1.00%	93.30	92.30	91.00			
Imports	-0.09K	6.56	6.65	5.55			
				% Above/Below Lst Yr	5 Yr Avg	% A/B	
Nat Gas	+ 35	3.334	3.299	3.106	+ 7.3	2.973	+ 12.1

Analysts Estimates for Week Ending 08/23/24

		5 Yr Avg	
Crude	-2.30	-6.32	
Gasoline	-1.60	-2.06	
Distillates	-1.10	+ 1.48	

Rates

Analysts Estimates for Week Ending 08/23/24

	Range	Avg	Lst Yr	5 Yr Avg
Nat Gas	28 55	+ 39	+ 29	+ 43

	<u>Crude Oil</u>	<u>Unleaded</u>	<u>Heating Oil</u>	<u>Natural Gas</u>
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Short Term Trend	DOWN	DOWN	DOWN	DOWN
Long Term Trend	DOWN	DOWN	DOWN	DOWN
O/N Trade @ 6:30 am	+ .47	+ .0075	+ .0066	+ .012

Commentary:

Spot month crude oil has become short term oversold once again as overnight trade reached a new low for the year and then recovered more than \$ 2.00 from the session lows. At one point spot month crude oil had fallen more than \$ 1.00 lower before trading back to more than \$ 1.00 higher by early trade today. While leading headlines are still bearish, fresh market moving headlines have become a bit stale today. The shut in of Libyan production and exports looks to be coming to an end which was hailed as bullish last week. Yesterday may have seen that supportive headline disappear for all intents and purposes as Libya's two legislative bodies agreed to jointly appoint a new central bank governor within the next 30 days. That dispute over who would rule the countries oil revenue had caused a shut in recently of over half of the countries more than 1.0 mbd production and exports. The market will now have to move on to weekly supply and demand data being released over the next 2 sessions and some important late week economic data. Until then bearish demand concerns and an easing of tensions in the Middle East will leave an overhang above the market which could make a significant recovery difficult. Despite the negative fundamentals, a "dead cat" bounce of more than \$ 3.00 from session lows is possible today.

	Oct	Oct	Oct
	Crude Oil	Unleaded	Heating Oil
Resistance	74.50/77.90	2.0300/2.1000	2.2440/2.3000
Support	69.10/67.60	1.9660/1.8800	2.1500/2.0100

[AMS 2453/LM XB403](#)

DAILY ESTIMATED CUTOUT VALUES

	Choice <u>600-900#</u>	Select <u>600-900#</u>	Choice/Select Spread 10.56
Current Cutout Values:	310.67	300.11	
Change from prior day:	1.33	4.29	
Primal Rib	473.54	445.86	
Primal Chuck	274.85	274.13	
Primal Round	274.59	274.20	
Primal Loin	375.70	342.11	
Primal Brisket	252.76	248.05	
Primal Short Plate	222.70	222.70	
Primal Flank	172.82	180.92	
			Load Count:
			Total 105
			Choice 78
			Select 16
			Trimming 0
			Grinds 11

Fresh 50% Trimmings 0 Loads @ 0.00

[AMS 2829/NW LS441](#)

USDA BY-PRODUCT DROP VALUE (STEER) - DAILY

11.34 Change: 0.08

[AMS 2466/LM CT100](#)

5 AREA WEEKLY ACCUMULATED WEIGHTED AVG CATTLE PRICE

As of 10:00 am

	<u>Head Count</u>	<u>Avg Weight</u>	<u>Avg Price</u>
Live Steer			
Live Heifer			
Dressed Steer			
Dressed Heifer			

[AMS 3208/SJ LS710](#)

DAILY CATTLE SLAUGHTER

Today	125,000	
Week Ago	118,000	
Year Ago (act)	128,416	
Week to Date	127,000	
Same Period Last Week	234,000	
Same Period Last Year	130,035	
Previous Day	Steer and Heifer 1,000	Last Week 1,000
	Cow and Bull 1,000	Last Year 1,000

[AMS 3209/SJ LS712](#)

BEEF PRODUCTION	8/31/2024 (Estimate)	Last Week (Estimate)	Last Year (Actual)
Slaughter	611,000	608,000	631,000
Live Weights	1388	1385	1356
Dressed Weights	849	847	825
Beef Production (millions of pounds)	517.8	513.9	518.9

[AMS 2825/NW LS410](#)

USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE

	Choice <u>600-900#</u>	Select <u>600-900#</u>	Dressing percent:	
			<u>Steer</u>	<u>Heifer</u>
Change	0.64	2.12	63.84	63.81

[AMS 2455/LM XB405](#)

USDA NATIONAL CUTTER COW CARCASS CUTOUT

293.64 (-0.54) 90% lean: 375.23

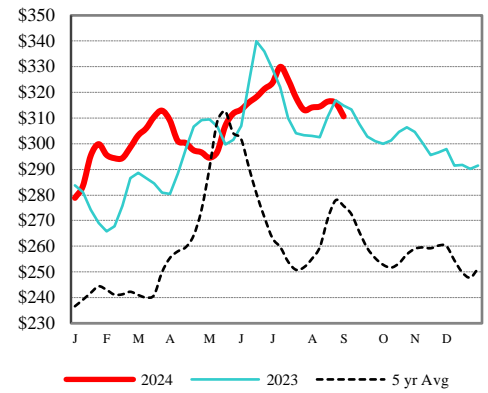
CME LIVE CATTLE

	<u>High</u>	<u>Low</u>	<u>Change</u>	<u>Settle</u>
APR	N/A			
JUN	N/A			
AUG	N/A			

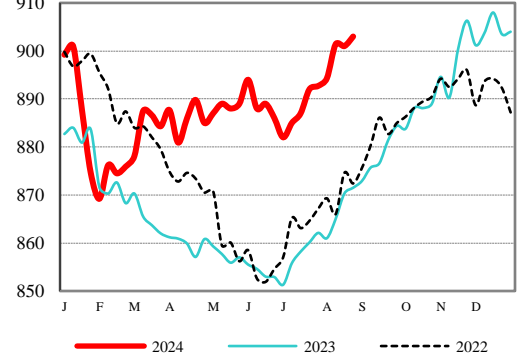
CME FEEDER CATTLE

	<u>High</u>	<u>Low</u>	<u>Change</u>	<u>Settle</u>
APR	N/A			
MAY	N/A			
AUG	N/A			

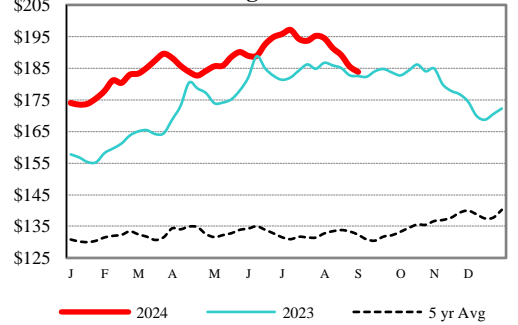
Weekly Choice Cutout



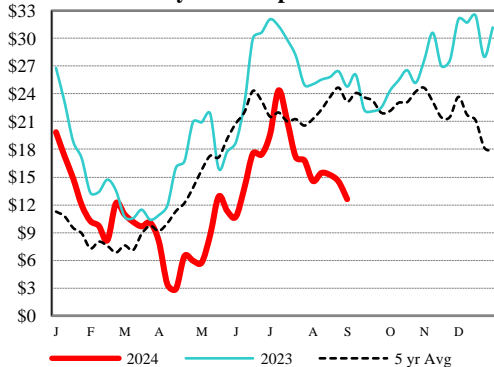
LMR Steer/Heifer Dressed Weights



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

<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:	\$76.00 \$80.00	* *
Weighted Average:	\$78.90	*
Change from Prior Day:	\$2.26	*
Head Count	3,010	878

IOWA/MINNESOTA - AMS 2675/LM_HG206:

Weighted Average:	\$79.01	*
Change from Prior Day:	\$2.03	*

WESTERN CORNBELT - AMS 2675/LM_HG212:

Weighted Average:	\$79.00	*
Change from Prior Day:	\$2.22	*

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		Change:
Primal Loin	98.82	1.59
Primal Butt	95.87	1.17
Primal Picnic	107.95	0.23
Primal Rib	79.67	1.83
Primal Ham	129.23	2.23
Primal Ham	95.28	2.91
Primal Belly	131.64	2.03
Total Loads	337.40	
Pork Cuts	206.60	Lds
Trim/Process Pork	30.80	Lds

DAILY HOG SLAUGHTER UNDER FIS - AMS 3208/SJ_LS710

Today (est)	484,000
Week Ago (est)	479,000
Year Ago (act)	473,302
Week to Date (est)	486,000
Same Period Last Week (est)	958,000
Same Period Last Year (act)	475,612

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

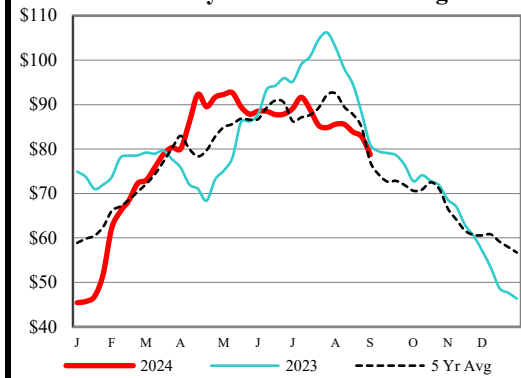
NATIONAL WEEKLY DIRECT HOGS NON-CARCASS MERIT PREMIUM - AMS 2701

For w/e Aug 31, 2024	Value Range*	Average
Volume	0.00 - 0.00	0.00
Transportation	0.43 - 2.41	1.20
Delivery Time	0.25 - 2.75	0.88
Breed	0.00 - 0.00	0.00
Pork Quality Assurance	0.00 - 0.00	0.00
Beta Agonist Free	*** - ***	***
Animal Confinement Legislation	2.43 - 14.13	5.21

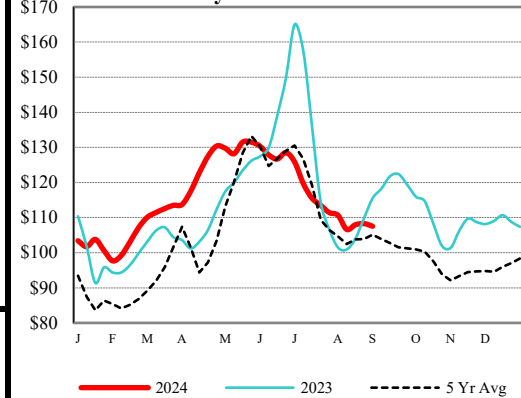
* Values reflect U.S. dollars per 100 pounds.

*** Price not reported due to confidentiality.

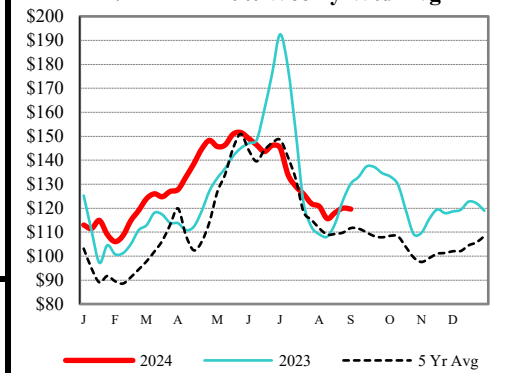
Weekly WCB P.M. Wtd Avg



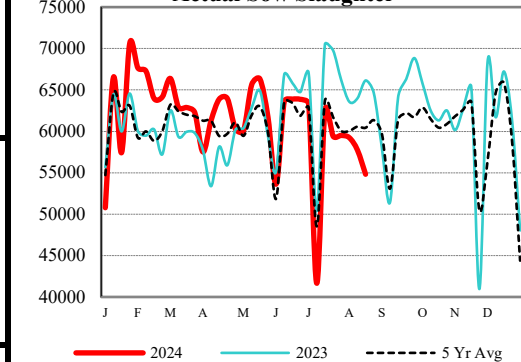
Weekly Butt Primal Value



1/4" Trim Butt Weekly Wtd Avg



Actual Sow Slaughter



USDA Livestock, Poultry & Grain Market News

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AUCTION SUMMARY

AMS 2021		3,142	Friday		
Ft. Pierre Livestock Auction Ft. Pierre, SD					
Feeder Steers	500-600 lbs	293.00-307.00	Feeder Heifers	500-600 lbs	
Medium &	600-700 lbs	247.50-264.00	Medium &	600-700 lbs	248.00-280.00
Large #1	700-800 lbs	253.50-274.00	Large #1	700-800 lbs	236.00-257.50
	800-900 lbs	247.50-260.00		800-900 lbs	229.00-248.00
	900-1000 lbs	225.00-244.00		900-1000 lbs	215.50-234.50

AMS 1857		2,621	Friday		
Crawford Livestock Market Crawford, NE					
Feeder Steers	600-700 lbs	255.50-277.00	Feeder Heifers	600-700 lbs	241.00-260.75
Medium &	700-800 lbs	235.00-264.00	Medium &	700-800 lbs	227.00-248.50
Large #1	800-900 lbs	239.75-245.50	Large #1	800-900 lbs	226.50-230.75
	900-1000 lbs	229.00-241.50		900-1000 lbs	221.00-229.50
	1000-1100 lbs	211.50-233.25		1000-1100 lbs	213.50-220.50

AMS 1849		1,950	Friday		
Lexington Livestock Market Lexington, NE					
Feeder Steers	600-700 lbs		Feeder Heifers	600-700 lbs	
Medium &	700-800 lbs		Medium &	700-800 lbs	233.00-236.00
Large #1	800-900 lbs	235.50-237.50	Large #1	800-900 lbs	227.00-241.00
	900-1000 lbs	233.00-239.00		900-1000 lbs	228.50-231.00
	1000-1100 lbs	228.75		1000-1100 lbs	219.50-220.50

CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT Tuesday

<u>Live Cattle</u>			<u>Feeder Cattle</u>		
		<u>Change</u>			<u>Change</u>
Oct	179.275	0.675	Sep	241.375	0.900
Dec	178.850	1.300	Oct	239.325	1.575
Feb	179.575	1.125	Nov	236.625	1.375

CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENTS Tuesday

<u>Corn</u>			<u>Soybeans</u>		
		<u>Change</u>			<u>Change</u>
Sep	3.8650	0.0850	Sep	9.9700	0.1500
Dec	4.0925	0.0825	Nov	10.1200	0.1200
Mar	4.2725	0.0825	Jan	10.2950	0.1250

KANSAS CITY BOARD OF TRADE		<u>Wheat</u>		<u>Change</u>
		Sep	5.6650	0.1400
		Dec	5.7625	0.1100
		Mar	5.8975	0.1200

AMS 2466 Tuesday

5 AREA WKLY ACCUMULATED WTD AVG SLAUGHTER CATTLE PRICE

	<u>Head Count</u>	<u>Avg Weight</u>	<u>Avg Price</u>
Live Steer			
Live Heifer			
Dressed Steer			
Dressed Heifer			

AMS 2453 Tuesday

DAILY ESTIMATED BOXED BEEF CUTOUT VALUES

Choice	Select	Choice Cuts	78 loads
600-900#	600-900#	Select Cuts	16 loads
310.67	300.11	Trimming	0 loads
1.33	4.29	Grinds	11 loads

AMS 3208 Friday

ESTD DAILY CATTLE SLAUGHTER

Monday	2,000	Tue-125,000
Week Ago (est)	116,000	118,000
Year Ago (act)	1,600	128,000
Wk to date (est)		127,000
Last Week (est)		234,000
Last Year (est)		130,000

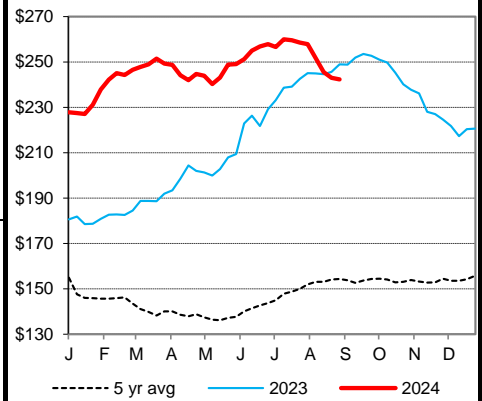
AMS 2101 Friday

Torrington Livestock Auction Torrington, WY

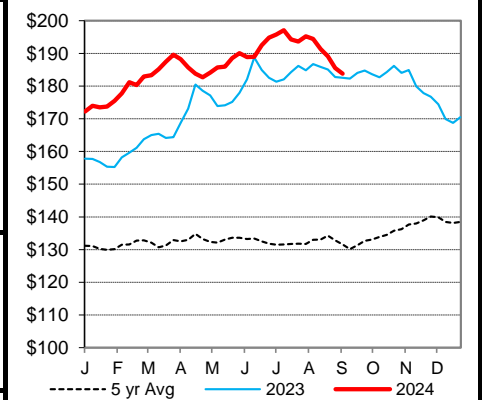
	<u>Pct Lean</u>	<u>Price</u>
Breaking	75-80	129.00-131.00
Boning	80-85	135.00-142.00
Lean	85-90	126.00-132.00

	Monday	Friday	Saturday	
Previous Day Estimated:	Steer and Heifer	98,000	100,000	13,000
	Cow and Bull	25,000	20,000	1,000

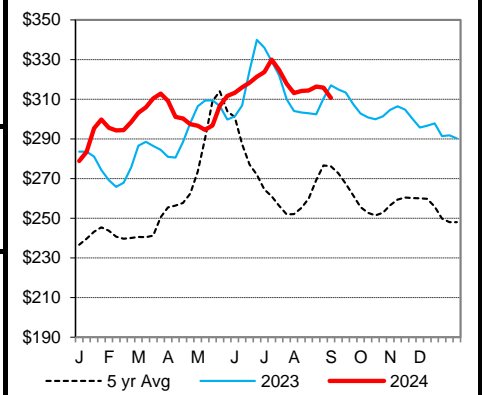
CME Feeder Cattle Index



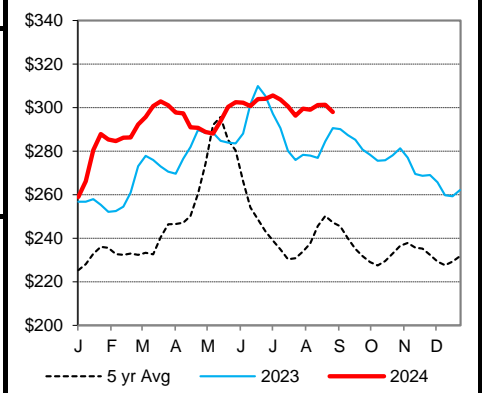
5 Area Wkly Wtd Avg Sltr Steer Price



Weekly Choice Cutout



Weekly Select Cutout





Schwieterman Update

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