



Schwieterman Update

Update for the morning of September 10, 2019

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Corn

Trends – December Contract

Short Term: Down

Long Term: Down

Overnight Trade: Z +4 @7:30 AM

Estimated Fund Position

Net Long Futures and Options: -162000

Change: -7000

The corn market traded higher, and in better volume, overnight thanks to the lower than expected crop condition ratings. Ratings dropped 3 points to 55% Good to Excellent, which was caused largely by an 8 point drop in Illinois. Condition ratings usually decline at this time of year, so it isn't that big of a deal, but it may serve as a reminder that the crop, especially in the eastern Corn Belt, is less than ideal. If gains hold today, it could market a harvest low.

Wheat

Trends – December Contract

Short Term: Down

Long Term: Down

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

Estimated Fund Position

Net Long Futures and Options: -7000

Change: +6000

After a terrible start to the day, the wheat market came alive yesterday, and even had follow through buying overnight. The December Chicago wheat is above trend line resistance and is testing the August 26th high of \$4.81 ¼, which is now our critical resistance. Taking out that high means we have made a low, otherwise, it will be back to the downward grind. For the December KW the numbers to watch are \$4.00 and \$4.09 ¾.

Soybeans

Trends – November Contract

Short Term: Down

Long Term: Down

Overnight Trade: X +5 @7:30 AM

Estimated Fund Position

Net Long Futures and Options: -76000

Change: +2000

November soybeans made a new multi-month low yesterday, but did manage a mid-range close. The market was firm overnight thanks to the crop condition ratings holding steady at 55% Good to Excellent, and the strength in the corn. A close above \$8.61 will give us a solid buy signal and then the \$8.80 area will serve as the next major resistance.

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Live Cattle

Trend

Short Term: Down

Long Term: Down

Opening Calls: Mixed

Live cattle futures finished moderately lower on Monday and traded .60-.70 lower than that in the 5 minute grace period after settlement. Outside markets continue to show support, while cutouts finished modestly weaker to start the week. The cattle are in a tailspin right now, with traders willing to sell any rally attempt. Packer margins remain robust. Saturday's kill of more than 100,000 head was the largest weekend kill in recent history.

Feeder Cattle

Trends

Short Term: Down

Long Term: Down

Opening Call: Mixed

Feeder cattle futures settled moderately lower on Monday and like the fats saw additional selling between 1:00-1:05 of between .60-.70. Corn was weak on Monday, but is garnering a bit of strength overnight, after conditions dropped 3% in the good to excellent categories on Monday afternoon's report. Cash index levels fell nearly .50 for the day, to 137.77 and are 5.50 premium to the spot month futures.

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

Weekly Stocks Report for Week Ending

08/30/19

	Change	DOE			API	
		08/30/19	08/23/19	08/31/18	08/30/19	
Crude	-4.80	423.00	427.80	401.50	+ 401K	
Gasoline	-2.40	229.60	232.00	234.60	- 877K	
Distillates	-2.50	133.50	136.10	133.10	-1.20	
Rates	-0.40 %	94.80	95.20			
Imports	-2.09K	3.84	5.93			
Nat Gas	+ 84	2.941	2.857	2.558	% Above/Below Lst Yr 15.0	5 Yr Avg % A/B 3.023 -2.7

Analysts Estimates for Week Ending 08/30/19

		5 Yr Avg
Crude	-2.50	+ 1.30
Gasoline	-1.50	- 920K
Distillates	+ 485K	+ 800K

Rates

Analysts Estimates for Week Ending 08/30/19

	Avg	5 Yr Avg
Nat Gas		

	Crude Oil	Unleaded	Heating Oil	Natural Gas
Short Term Trend	UP	UP	UP	UP
Long Term Trend	UP	DOWN	UP	UP
O/N Trade @ 6:45 am	+ .58	+ .0143	+ .0150	+ .044

Commentary:

Spot month crude oil posted its 4th consecutive higher close yesterday which is its strongest run in nearly 4 weeks. This has resulted in the strongest technical rally since late June as well. Spot month crude oil was able to close above the important 100 day moving average yesterday and has traded higher in early trade today. The 100-day moving average is resistance that has stopped all rally attempts since early July. Two straight weeks of equity market gains have likely been the most supportive factor in recent days even though OPEC+ production ideas are sparking some chatter this morning. The strength has prompted some in the trade to credit the new Saudi Arabian Energy Minister for indicating OPEC+ is committed to production cuts agreed upon at the beginning of the year. This comes just one week after the trade was disappointed with some members cheating on production quota's. Some additional support could be coming from another round of weekly US supply and demand data set to be released over the next 2 sessions. Crude supplies are expected to have fallen again resulting in the 4th straight week of declines. While these factors have helped bullish sentiment to improve it will still likely be up to equity markets and trade tension ideas with China that are the most critical market influences.

	OCT	OCT	OCT
	Crude Oil	Unleaded	Heating Oil
Resistance	58.85/60.00	1.6095/1.6485	1.9425/1.9810
Support	57.60/56.25	1.5660/1.5090	1.8860/1.8440

[LM XB403](#)

DAILY ESTIMATED CUTOUT VALUES

	Choice	Select	Choice/Select Spread	
	<u>600-900#</u>	<u>600-900#</u>		
Current Cutout Values:	226.95	201.92	25.03	
Change from prior day:	(0.36)	(0.02)		
Primal Rib	357.34	274.87		
Primal Chuck	185.26	178.04		
Primal Round	185.06	185.42		
Primal Loin	304.67	249.07		
Primal Brisket	205.95	173.28		
Primal Short Plate	155.27	155.27		
Primal Flank	120.58	116.74		
			Load Count:	
			Total	123
			Choice	51
			Select	37
			Trimming	15
			Grinds	21

Fresh 50% Trimmings 15 Loads @ 83.45

[NW LS441](#)

USDA BY-PRODUCT DROP VALUE (STEER) - DAILY

9.18 Change: unchanged

[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	16,991	1,445	101.73
Live Heifer	10,030	1,293	100.60
Dressed Steer	24,078	924	165.83
Dressed Heifer	7,875	823	165.80

[SJ LS710](#)

ESTIMATED DAILY CATTLE SLAUGHTER

Today (est)	115,000		
Week Ago (est)	3,000		
Year Ago (act)	119,000		
Week to Date			
Same Period Last Week			
Same Period Last Year			
Previous Day Estimated		Friday	Saturday
	Steer and Heifer	90,000	86,000
	Cow and Bull	25,000	15,000

[SJ LS712](#)

	9/7/2019	Last Week	Last Year
	(Estimate)	(Estimate)	(Actual)
BEEF PRODUCTION			
Slaughter	565,000	644,000	571,000
Live Weights	1340	1335	1357
Dressed Weights	815	812	827
Beef Production (millions of pounds)	459.3	521.7	471.2

[NW LS410](#)

USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE

	Choice	Select	Dressing percent:	
	<u>600-900#</u>	<u>600-900#</u>	<u>Steer</u>	<u>Heifer</u>
	\$186.26	\$162.47	63.63	63.54
Change	(-1.22)	(-0.25)		

[LM XB405](#)

USDA NATIONAL CUTTER COW CARCASS CUTOUT

176.45 0.01 90% lean: 225.52

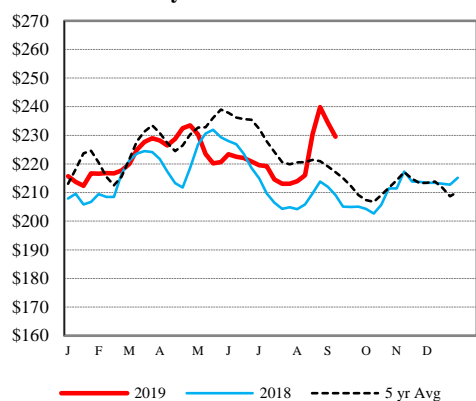
[CME LIVE CATTLE](#)

	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>Change</u>
OCT	95.25	93.40	94.20	(0.67)
DEC	100.13	98.20	99.18	(0.57)
FEB	106.98	105.13	106.08	(0.32)

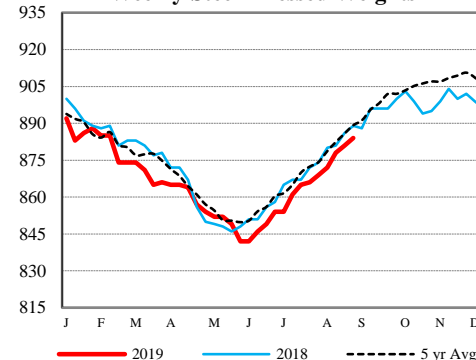
[CME FEEDER CATTLE](#)

	<u>High</u>	<u>Low</u>	<u>Close</u>	<u>Change</u>
SEP	133.58	131.18	132.83	(0.52)
OCT	130.68	127.95	129.83	(1.07)
NOV	130.18	127.55	128.80	(1.57)

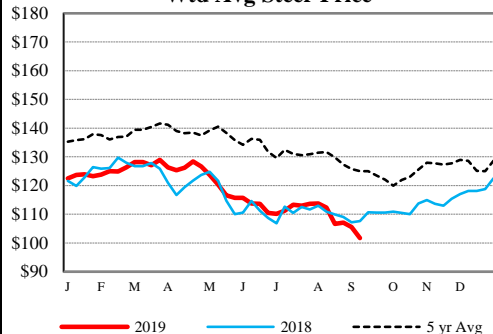
Weekly Choice Cutout



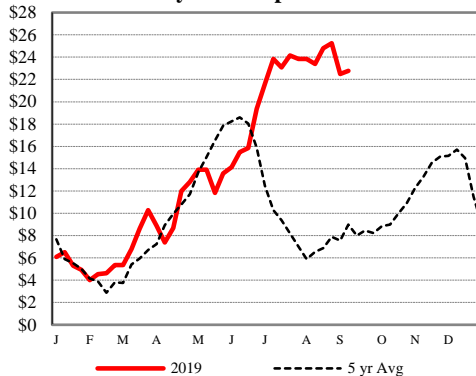
Weekly Steer Dressed Weights



5 Area Weekly Wtd Avg Steer Price



Weekly Ch/Se Spread



DAILY DIRECT HOGS PLANT DELIVERED as of 1:30 PM

Negotiated Barrow and Gilts:	Carcass Base Price	Live Price
NATIONAL - LM_HG203:		
Range:	\$46.00 - \$51.50	\$35.50 - \$42.75
Weighted Average:	\$50.69	\$40.64
Change from Prior Day:	1.42 lower	0.09 lower
Receipts:	15,036	1,259

[IOWA/MINNESOTA - LM_HG206:](#)

Weighted Average:	\$50.72	*Price not reported due to confidentiality*
Change from Prior Day:	1.90 lower	

[WESTERN CORNBELT - LM_HG212:](#)

Weighted Average:	\$50.69	\$41.20
Change from Prior Day:	1.93 lower	0.44 higher

[EASTERN CORNBELT - LM_HG210:](#)

Weighted Average:	*Price not reported due to confidentiality*	*Price not reported due to confidentiality*
Change from Prior Day:		

[NATIONAL DAILY PORK REPORT FOB PLANT- LM_PK602:](#)

Carcass Cutout Values	71.91	(-1.41)
Primal Loin	70.84	(-1.47)
Primal Butt	93.41	(-0.81)
Primal Picnic	48.95	(-1.93)
Primal Rib	105.90	(-3.56)
Primal Ham	60.14	1.23
Primal Belly	105.16	(-3.69)
Total Loads	324.90	
Pork Cuts	304.54 Lds	
Trim/Process Pork	20.36 Lds	

[DAILY EST. HOG SLAUGHTER UNDER FIS - SJ_LS710](#)

Today (est)	485,000
Week Ago (est)	2,000
Year Ago (act)	458,000

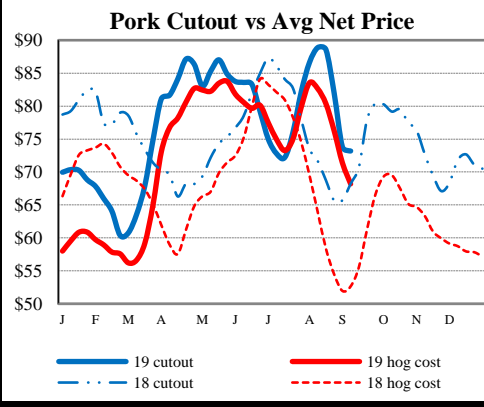
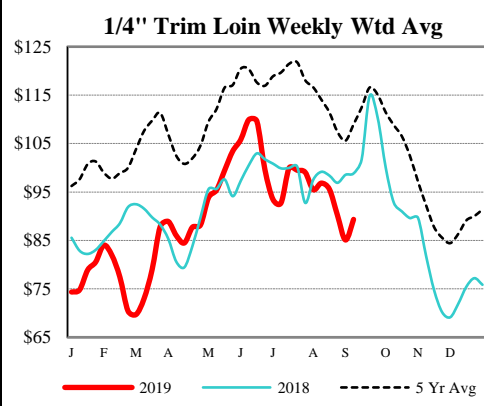
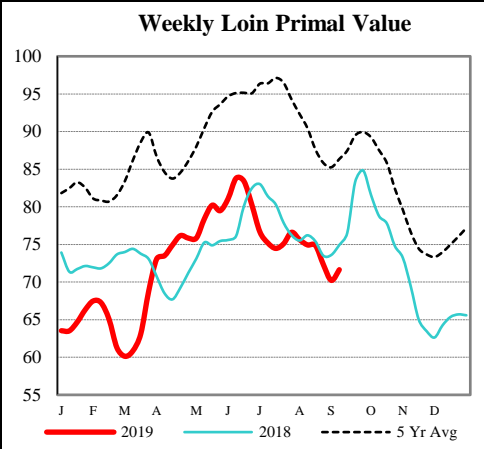
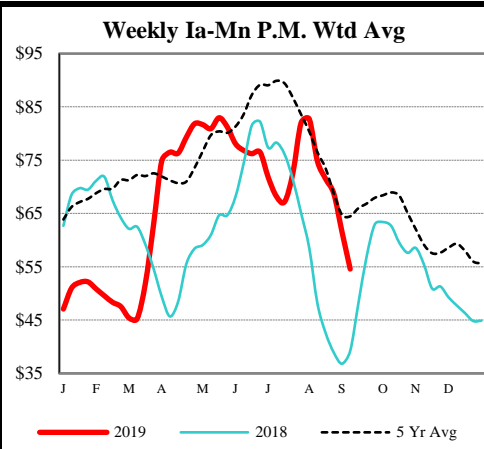
CME Lean Hog CLOSE

	High	Low	Settle	Change
OCT	65.13	62.28	62.60	(-0.90)
DEC	62.65	59.73	59.95	(-2.52)
FEB	70.98	68.00	68.28	(-2.57)
APR	77.03	74.65	74.98	(-1.42)

[CME Lean Hog Delayed Futures](#)

[ESTIMATED WEEKLY PORK PRODUCTION UNDER FIS - SJ_LS712](#)

Week Ending	Hog Slaughter	Million Pounds	Live Weight	Dressed Weight
09/07/19	2,204,000	458.2	279	208
08/31/19	2,461,000	511.5	278	208
2019 YTD	85,976,000	18288.0		
2018 YTD	83,528,000	17675.9		



National Daily Feeder and Stocker Cattle PM Summary
St. Joseph, Missouri **Monday, September 9, 2019**

USDA Livestock, Poultry & Grain Market News

AUCTION SUMMARY

LSD MARS 2024		3,761	Friday
HERREID LIVESTOCK MARKET Herreid, SD			
Feeder Steers	500-600 lbs	Feeder Heifers	500-600 lbs
Medium &	600-700 lbs	Medium &	600-700 lbs
Large #1	700-800 lbs	Large #1	700-800 lbs
	800-900 lbs		124.00
	900-1000 lbs		112.75-119.00

LSD MARS 1857		2,610	Friday		
CRAWFORD LIVESTOCK MARKET Crawford, NE					
Feeder Steers	600-700 lbs	144.00-145.00	Feeder Heifers	600-700 lbs	139.00-141.00
Medium &	700-800 lbs	135.50-145.00	Medium &	700-800 lbs	128.00-138.75
Large #1	800-900 lbs	131.50-136.50	Large #1	800-900 lbs	122.25-129.00
	900-1000 lbs	125.25-127.50		900-1000 lbs	119.00-124.00
	1000-1100 lbs	117.50-120.50		1000-1100 lbs	113.50-118.75

LSD MARS 2155		959	Friday		
DUNLAP LIVESTOCK CATTLE AUCTION Dunlap, IA					
Feeder Steers	500-600 lbs	150.00-165.50	Feeder Heifers	500-600 lbs	126.00-138.00
Medium &	600-700 lbs	139.00-165.00	Medium &	600-700 lbs	134.50-137.00
Large #1	700-800 lbs	132.50-153.50	Large #1	700-800 lbs	120.00-127.00
	800-900 lbs	137.00-139.00		800-900 lbs	123.00-125.50
	900-1000 lbs	127.50-133.50		900-1000 lbs	116.00-117.50

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

CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT			CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT		
Live Cattle	Change		Feeder Cattle	Change	
Oct	94.20	(0.67)	Sep	132.82	(0.52)
Dec	99.17	(0.57)	Oct	129.82	(1.07)
Feb	106.07	(0.32)	Nov	128.80	(1.57)

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

CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENT			CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENT		
Corn	Change		Soybeans	Change	
Sep	3.4075	(0.0175)	Sep	8.4500	Unch
Dec	3.5425	(0.0125)	Nov	8.5775	Unch
Mar	3.6725	(0.0150)	Jan	8.7200	Unch

[KC Wheat](#) [Wheat](#) Monday

KANSAS CITY BOARD OF TRADE			KANSAS CITY BOARD OF TRADE		
		Change			Change
Sep	4.7450	0.1425	Sep	4.7450	0.1075
Dec	4.7450	0.1075	Dec	4.7450	0.1075
Mar	4.7900	0.0850	Mar	4.7900	0.0850

[LM CT100](#) Monday

5 AREA WKLY ACCUMULATED WTD AVG SLAUGHTER CATTLE PRICE			
Avg Weight	Head Count	Avg Weight	Avg Price
Live Steer	16,991	1,445	101.73
Live Heifer	10,030	1,293	100.60
Dressed Steer	24,078	924	165.83
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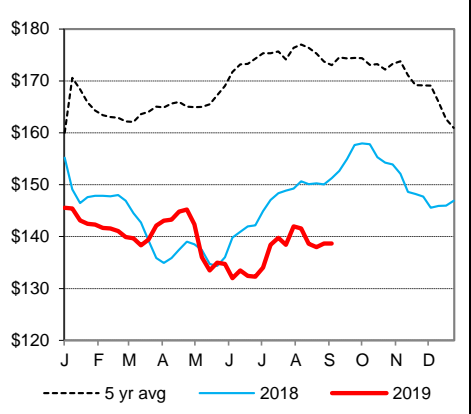
[LM XB403](#) Monday

DAILY ESTIMATED BOXED BEEF CUTOUT VALUES				
Choice	Select	Choice Cuts	51	loads
600-900#	600-900#	Select Cuts	37	loads
226.95	201.92	Trimming	15	loads
(0.36)	(0.02)	Grinds	21	loads

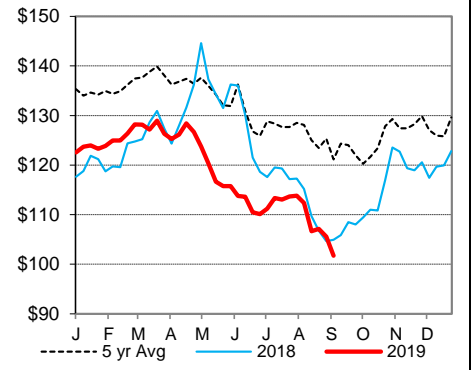
[SJ LS710](#) [LSD MARS 2101](#)

ESTD DAILY CATTLE SLAUGHTER		SLAUGHTER COW MARKET		
Monday	115,000	Torrington Livestock Auction		
Week Ago (est)	3,000	Friday	Pct Lean	Price
Year Ago (act)	119,000	Breaking	75-80	67.50-68.00
Wk to date (est)	115,000	Boning	80-85	61.50-62.00
Last Week (est)	3,000	Lean	85-90	50.50-57.00
Last Year (act)	119,000	Friday	Saturday	
Previous Day Estimated:	Steer and Heifer	90,000	86,000	
	Cow and Bull	25,000	15,000	

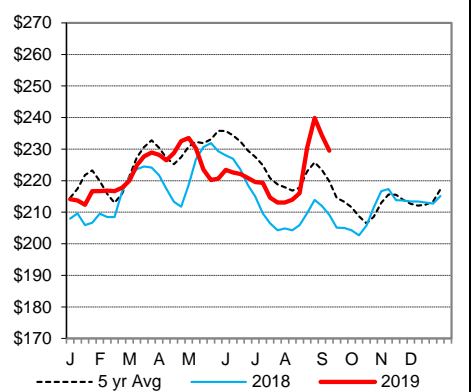
CME Feeder Cattle Index



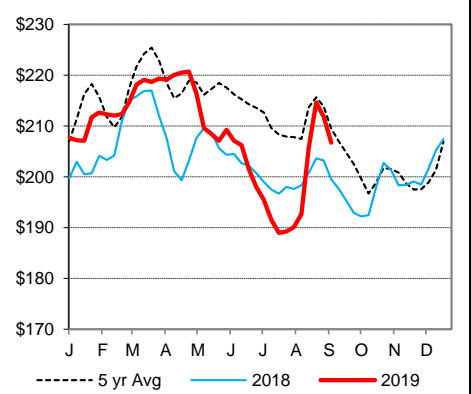
5 Area Wkly Wtd Avg Sltr Steer Price



Weekly Choice Cutout



Weekly Select Cutout



USDA Livestock, Poultry & Grain Market News

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Schwieterman Update

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