



## Schwieterman Update

Update for the morning of September 21, 2022

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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: 225000

Change: +10000

Corn traded both sides of unchanged overnight in much better volume. Last week's post report highs are now the key resistance levels to watch going forward. It will be interesting to see if we can muster two days in a row of buying enthusiasm with the Dollar so strong and with this being the Fed rate hike day.

### Wheat

Trends – December Contract

Short Term: **Up**

Long Term: **Up**

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

### Estimated Fund Position

Net Long Futures and Options: -21000

Change: +20000

After not really caring about Ukraine for a while, traders suddenly got very excited about the war again. It doesn't appear that anything has changed besides rhetoric, but it has apparently served to remind the world that wheat production in Ukraine will be down and that shipping grain out of Ukraine will be tenuous at best for a long time. Wheat futures in general are headed for a test of the July 11<sup>th</sup> spike highs.

### Soybeans

Trends – November Contract

Short Term: **Up**

Long Term: **Up**

Overnight Trade: **X -6** @7:30 AM

### Estimated Fund Position

Net Long Futures and Options: 111000

Change: +6000

Like the corn, the key resistance for the November soybeans is at last week's high. The market traded both sides of unchanged overnight and finished the session near the lows, but that was basically the case yesterday as well. Tomorrow's export sales report will be important to the bull camp because demand is what will draw our stocks down to uncomfortable levels.

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## Live Cattle

### *Trend*

*Short Term: Up*

*Long Term: Up*

*Opening Calls: Mixed*

Live cattle futures closed mostly higher on Tuesday, with the front end of the market leading the advance. Some of the deferred contract scored new contract highs prior to retreating to near unchanged late in the session. Cutouts were mixed on the day, with choice -.81 and select +1.34. Cash trade saw 2,200 head trade in the north for \$145 in the cash and \$227 in the beef. Our showlist is off 12% from last week and 13% below a year ago this week. Equities and the Dollar are stronger overnight.

## Feeder Cattle

### *Trends*

*Short Term: Down*

*Long Term: Down*

*Opening Call: Mixed*

Feeder cattle futures got pressured by higher grain prices on Tuesday, with October falling 2.27 for the session. Overnight corn values are up another couple of cents. The cash index climbed modestly to 178.20 on Tuesday. The Fed monthly meeting will have results out after 1 pm.

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