



Schwieterman Update

Update for the morning of July 23, 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 +3** @7:30 AM

Estimated Fund Position

Net Long Futures and Options: -340000

Change: +16000

Corn traded both sides of unchanged overnight, and finished the overnight session near the highs. The December contract has taken out last week's highs, which makes the \$4.20 and \$4.30 areas the next two upside targets. We had a sale of 200,000 MT of new crop corn going to "unknown destinations" announced this morning, which is definitely helpful. The weather is still mostly non-threatening.

Wheat

Trends – July Contract

Short Term: **Up**

Long Term: **Down**

Overnight Trade: Chicago: **U -3** KC: **U -4** @7:30 AM

Estimated Fund Position

Net Long Futures and Options: -60000

Change: +4000

The wheat futures didn't do the best job holding gains yesterday and spent the overnight session trading lower. The news remains the same with plenty of wheat in the US and hopes that we export it because of problems in the Black Sea region. Strength in the corn relative to the wheat will keep wheat in the feed mix a little longer, so there is a little bit of help on the demand side of the equation from that.

Soybeans

Trends – July Contract

Short Term: **Up**

Long Term: **Down**

Overnight Trade: **X +8** @7:30 AM

Estimated Fund Position

Net Long Futures and Options: -171000

Change: +9000

November soybean saw some follow through buying overnight and the market made a new high for the move, which puts it at the highest level since July 10th. Both of the product markets have found some support, which is obviously helpful, but in order to sustain strength we are going to have to see some demand or a weather scare very soon.

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Live Cattle

Trend

Short Term: Down

Long Term: Up

Opening Calls: Mixed

Live cattle futures opened with triple digit gains on Monday and closed with mostly triple digit gains. The December was the upside leader through most of the session, fueled by the lower than expected placement number in Friday's report. Sharply higher equities and a modestly lower Dollar helped the upward momentum. Overnight equities are mixed and the Dollar is firmer.

Feeder Cattle

Trends

Short Term: Down

Long Term: Down

Opening Call: Mixed

Feeder cattle futures posted moderate gains on Monday but finished more than 2.00 off of early session highs. Sharply higher corn futures for the day kept feeders a bit more on the defensive than the fats. The cash index dropped to 256.67 on Monday, the lowest level in nearly three weeks. Overnight corn values are modestly lower.

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Weekly Stocks Report for Week Ending

07/05/24

	Change	DOE			API		
		07/05/24	06/28/24	07/07/23	07/12/24		
Crude	- 3.40	445.10	448.50	458.10	-4.44		
Gasoline	- 2.00	229.70	231.70	219.50	+ 365K		
Distillates	+ 4.90	124.60	119.70	118.20	+ 4.92		
Rates	+1.90%	95.40	93.50	91.00			
Imports	+21K	6.76	6.55	5.55			
					% Above/Below Lst Yr	5 Yr Avg	% A/B
Nat Gas	+ 10	3.209	3.199	2.959	+ 8.4	2.744	+ 16.9

Analysts Estimates for Week Ending 07/12/24

		5 Yr Avg
Crude	- 3K	-1.68
Gasoline	-1.60	- 760K
Distillates	- 800K	- 460K

Rates

Analysts Estimates for Week Ending 07/12/24

	Range	Avg	Lst Yr	5 Yr Avg
Nat Gas	12 48	+ 27	+ 43	+ 49

	Crude Oil	Unleaded	Heating Oil	Natural Gas
Short Term Trend	DOWN	DOWN	DOWN	DOWN
Long Term Trend	DOWN	DOWN	DOWN	DOWN
O/N Trade @ 6:30 am	-0.39	-0.0082	+ .0014	-0.021

Commentary:

The crude oil market continues to fall as it has now broken below the consolidation lows posted in late June. The weakness that started the final 2 days of trading last week has been the most severe since after the Memorial Day weekend. This morning's technical picture for spot month crude oil looks pretty dire thanks to yesterday's expiration of the August contract. The market is set in a backwardation phase as futures prices are lower each month out for more than 2 years. This created a gap lower today as the September contract was at a discount to the spot month. This gap looks very negative at the moment but could easily be filled on an intraday basis from volatility alone. Crude stocks are expected to fall this week when supply and demand data is released starting this afternoon from private industry sources. News is still limited with the recent weakness slating slack global demand and now this morning headlines that yet another ceasefire deal is in the works for an Israeli-Gaza conflict. The long awaited (and forecasted) interest rate pivot to lower rates is getting closer to reality, according to analysts, which could give the market a speculative boost at some point. The European Central Bank is hinting that they will lower interest rates in September along with the US. That alone could fill the gap left today.

	Sep	Aug	Aug
	Crude Oil	Unleaded	Heating Oil
Resistance	79.70/80.80	2.4750/2.5155	2.4830/2.5400
Support	77.10/72.25	2.4270/2.3545	2.3960/2.3730



Schwieterman Update

Financial Market Analysis for the morning of Tuesday, July 23, 2024

Wichita, KS 800-972-9131 620-275-4100

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U.S. Stock Futures

The equities closed higher as the Dow gained 127 points, the S&P gained 59, and the Nasdaq gained 280. This morning's futures are mixed with the Dow up 19, the S&P up 1, and the Nasdaq down 31. Nvidia gained 4.8% yesterday regaining some of last week's losses. Meta and Alphabet gained just over 2%. CrowdStrike is still suffering after last week's IT Outage as it dropped 13.5%. It was the worst performer in the S&P 500. GM beat Wall Street's expectations driven by truck sales. The dark spot of their report was they have yet to return to profitable in China, where it's seen significant declines. Cybersecurity firm Wiz walked away from a \$23 billion deal to be acquired by Google and plans to pursue an IPO instead. Comcast reported mixed earnings results on Tuesday, beating on the top line but missing revenue estimates, as they face tough year over year comparisons. Revenue fell 3% to \$29.69 billion compared with the same period a year ago.

Stock to Watch: Serve Robotics is up 5.82% 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:	313.44	298.33	15.11
Change from prior day:	(-0.39)	(-0.47)	
Primal Rib	444.62	410.02	
Primal Chuck	260.59	264.74	
Primal Round	279.85	280.12	
Primal Loin	419.95	359.26	
Primal Brisket	256.92	266.72	
Primal Short Plate	210.47	210.47	
Primal Flank	183.78	182.70	
			Load Count:
			Total 149
			Choice 85
			Select 27
			Trimming 11
			Grinds 26

Fresh 50% Trimmings 11 Loads @ 135.81

[AMS 2829/NW LS441](#)

USDA BY-PRODUCT DROP VALUE (STEER) - DAILY

11.57 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	23,706	1,451	193.67
Live Heifer	9,042	1,293	192.40
Dressed Steer	11,295	940	310.04
Dressed Heifer	1,115	873	310.00

[AMS 3208/SJ LS710](#)

DAILY CATTLE SLAUGHTER

Today	115,000		
Week Ago	118,000		
Year Ago (act)	122,865		
Week to Date	115,000		
Same Period Last Week	118,000		
Same Period Last Year	122,865	Friday	Saturday
Previous Day	Steer and Heifer	82,000	4,000
	Cow and Bull	17,000	6,000

[AMS 3209/SJ LS712](#)

BEEF PRODUCTION

	7/20/2024 (Estimate)	Last Week (Estimate)	Last Year (Actual)
Slaughter	584,000	601,000	626,000
Live Weights	1382	1383	1344
Dressed Weights	844	844	813
Beef Production (millions of pounds)	491.7	506.0	508.0

[AMS 2825/NW LS410](#)

USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE

	Choice 600-900#	Select 600-900#	Dressing percent:	
			Steer	Heifer
Change	(-0.40)	0.60	63.63	63.37

[AMS 2455/LM XB405](#)

USDA NATIONAL CUTTER COW CARCASS CUTOUT

295.01 (-0.03) 90% lean: 375.44

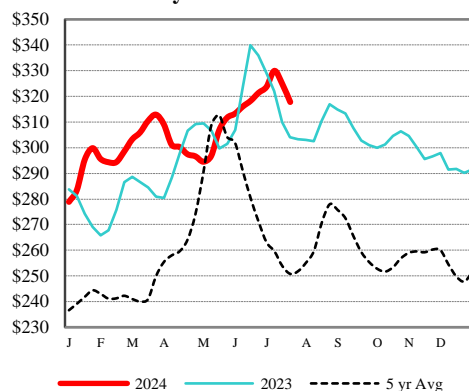
[CME LIVE CATTLE](#)

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

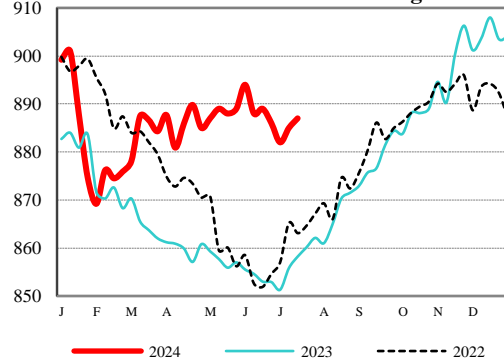
[CME FEEDER CATTLE](#)

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

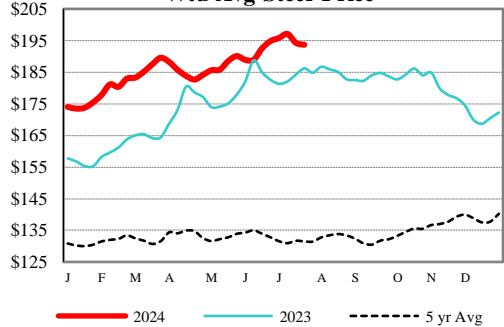
Weekly Choice Cutout



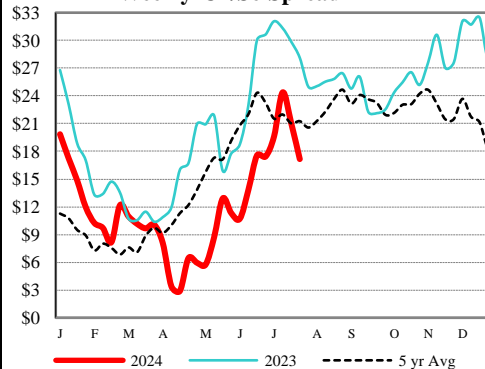
LMR Steer/Heifer Dressed Weights



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

<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 Gilts:	Carcass Base Price		Live Price	
<u>NATIONAL - AMS 2675/LM HG203:</u>				
Range:	\$78.00	\$85.00	\$59.25	\$65.60
Weighted Average:	\$84.04		\$64.28	
Change from Prior Day:	\$1.62		-\$1.02	
Head Count	2,263		583	

IOWA/MINNESOTA - AMS 2675/LM HG206:

Weighted Average:	\$84.38	*
Change from Prior Day:	\$2.61	*

WESTERN CORNBELT - AMS 2675/LM HG212:

Weighted Average:	\$84.38	*
Change from Prior Day:	\$2.50	*

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		Chg:	
Primal Loin	97.49		(-1.41)
Primal Butt	113.55		0.16
Primal Picnic	76.85		1.37
Primal Rib	131.56		(-3.02)
Primal Ham	110.55		6.13
Primal Belly	137.20		5.01
Total Loads	263.35		
Pork Cuts	236.83	Lds	
Trim/Process Pork	26.52	Lds	

DAILY HOG SLAUGHTER UNDER FIS - AMS 3208/SJ_LS710

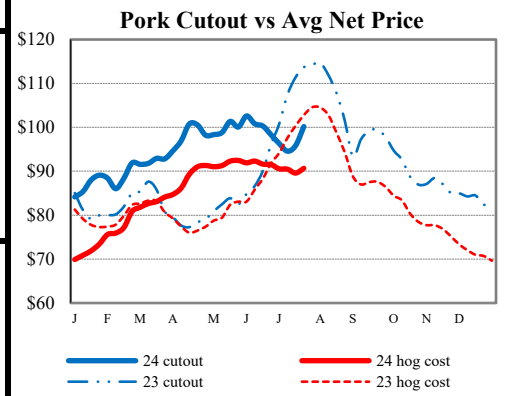
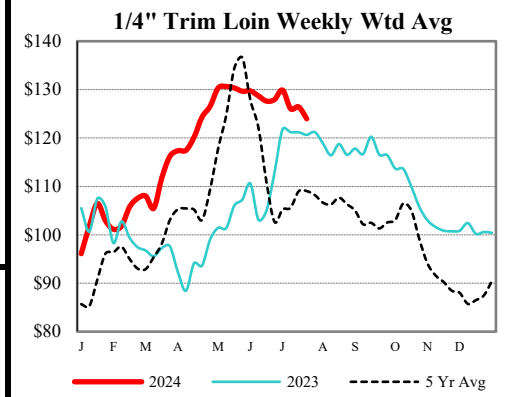
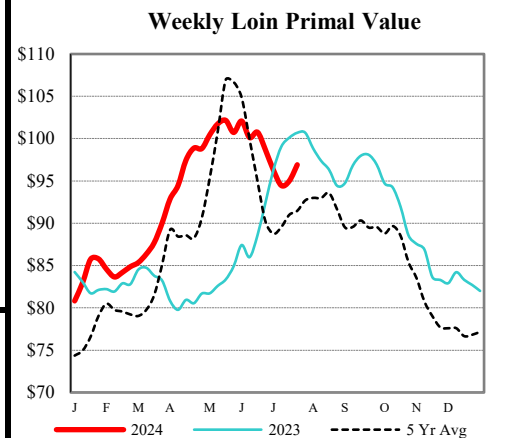
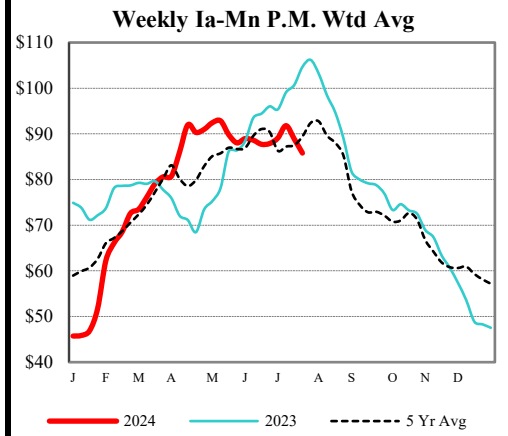
Today (est)	459,000
Week Ago (est)	478,000
Year Ago (act)	459,967

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

ESTIMATED WEEKLY PORK PRODUCTION UNDER FIS - AMS 3209/SJ_LS712

Week Ending	Hog Slaughter	Million Pounds	Live Weight	Dressed Weight
07/20/24	2,371,000	502.8	284	212
07/13/24	2,364,000	503.5	286	213
2024 YTD	70,519,000	15184.8		
2023 YTD	69,750,000	15005.9		



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USDA AMS Livestock, Poultry & Grain Market News

AUCTION SUMMARY

AMS 1290		2,837	Friday
Santa Teresa Livestock Auction			
Santa Teresa, NM			
Feeder Steers 300-400 lbs	335.00-344.50	Feeder Heifers 300-400 lbs	289.00-296.00
Medium & 400-500 lbs	319.00-321.50	Medium & 400-500 lbs	266.00-284.00
Large #1 500-600 lbs	274.00-293.00	Large #1 500-600 lbs	252.00-260.00
600-700 lbs	247.00-255.00	600-700 lbs	238.00-242.00
700-800 lbs	219.00-223.00	700-800 lbs	213.00-213.50

AMS 1849		1,035	Friday
Lexington Livestock Market			
Lexington, NE			
Feeder Steers 600-700 lbs		Feeder Heifers 600-700 lbs	
Medium & 700-800 lbs		Medium & 700-800 lbs	
Large #1 800-900 lbs		Large #1 800-900 lbs	239.50-246.00
900-1000 lbs	251.00-261.50	900-1000 lbs	227.50-240.75
1000-1100 lbs		1000-1100 lbs	211.00

AMS 1892		2,837	Thursday
Farmers and Ranchers Livestock Commission Co			
Salina, KS			
Feeder Steers 500-600 lbs	327.00-350.00	Feeder Heifers 400-500 lbs	289.00-309.00
Medium & 600-700 lbs	294.00-328.00	Medium & 500-600 lbs	280.00-311.00
Large #1 700-800 lbs	259.00-297.00	Large #1 600-700 lbs	257.00-279.00
800-900 lbs	240.00-262.00	700-800 lbs	253.00-262.00
900-1000 lbs	232.00-235.50	800-900 lbs	226.50-239.25

CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT Monday

<u>Live Cattle</u>			<u>Feeder Cattle</u>		
		<u>Change</u>			<u>Change</u>
Aug	183.925	0.825	Aug	256.400	0.800
Oct	184.600	1.125	Sep	256.500	0.725
Dec	186.025	1.350	Oct	256.250	0.600

CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENTS Monday

<u>Corn</u>			<u>Soybeans</u>		
		<u>Change</u>			<u>Change</u>
Jul	4.0025	0.0975	Jul	11.1775	0.2050
Sep	4.1500	0.1025	Aug	10.6475	0.2800
Dec	4.2925	0.1075	Sep	10.6875	0.3275

KANSAS CITY BOARD OF TRADE		<u>Wheat</u>		<u>Change</u>
		Jul	5.7175	0.0175
		Sep	5.8800	0.0125
		Dec	6.0150	0.0175

[AMS 2466](#) Monday

5 AREA WKLY ACCUMULATED WTD AVG SLAUGHTER CATTLE PRICE

	<u>Head Count</u>	<u>Avg Weight</u>	<u>Avg Price</u>
Live Steer	23,706	1,451	193.67
Live Heifer	9,042	1,293	192.40
Dressed Steer	11,295	940	310.04
Dressed Heifer	1,115	873	310.00

[AMS 2453](#) Monday

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>	
313.44	298.33	<u>Trimming</u>	11 loads
(0.39)	(0.47)	<u>Grinds</u>	26 loads

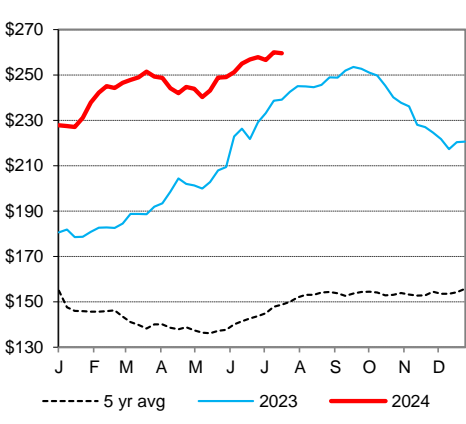
[AMS 3208](#) Friday

ESTD DAILY CATTLE SLAUGHTER	
Monday	115,000
Week Ago (est)	118,000
Year Ago (act)	123,000
Wk to date (est)	
Last Week (est)	
Last Year (est)	
Previous Day Estimated:	Steer and Heifer
	82,000
	Cow and Bull
	17,000

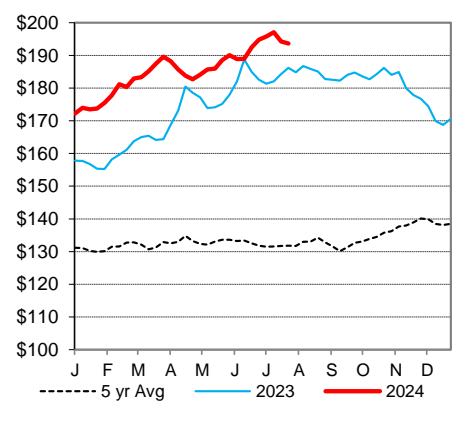
[AMS 2101](#) Friday

Torrington Livestock Auction		Torrington, WY	
		Avg Dressing	
	<u>Pct Lean</u>	<u>Price</u>	
Breaking	75-80	140.00-158.00	
Boning	80-85	140.00-150.00	
Lean	85-90	135.00-141.00	
	Friday	Saturday	
	82,000	4,000	
	17,000	6,000	

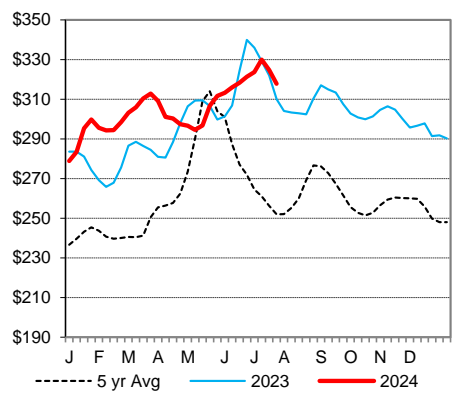
CME Feeder Cattle Index



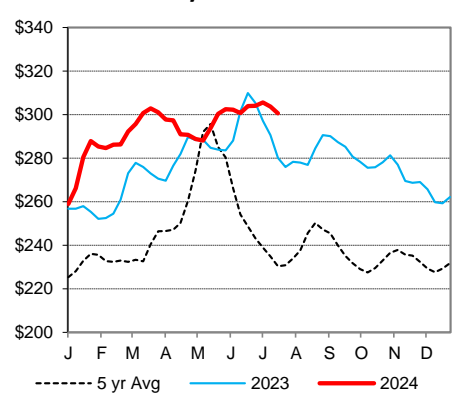
5 Area Wkly Wtd Avg Sltr Steer Price



Weekly Choice Cutout



Weekly Select Cutout





Schwieterman Update

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