



## Schwieterman Update

Update for the morning of October 22, 2024

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### Corn

Trends – December Contract

Short Term: **Down**

Long Term: **Up**

Overnight Trade: **Z Flat @7:30 AM**

### Estimated Fund Position

Net Long Futures and Options: -79000

Change: +22000

Yesterday, the December corn posted an outside day up on the chart and closed back above the 50-day moving average. Recent strength suggests that the downward move is over and that we are likely to see a move back to at least the \$4.20 and likely a retest of the \$4.35 level. Export sales have been great lately, which increases the likelihood that ending stocks stay below the 2 billion bushel level.

### Wheat

Trends – December Contract

Short Term: **Down**

Long Term: **Up**

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

### Estimated Fund Position

Net Long Futures and Options: -28000

Change: +3000

The December KW made a new low for the move overnight, as did the December Chicago. Both contracts are also trying to slip back below the 50-day moving average, which gives the charts a negative feel. Wheat needs to see some big sales like the corn market to make the shorts a little more nervous again. It's still mostly dry in the HRW Belt, but demand makes for better headlines than any supply side concerns.

### Soybeans

Trends – December Contract

Short Term: **Down**

Long Term: **Down**

Overnight Trade: **X Flat @7:30 AM**

### Estimated Fund Position

Net Long Futures and Options: -38000

Change: +12000

We have been seeing a number of large daily soybean sales announcements recently, which is very, very helpful to the market. Hopefully we can see enough exports to keep ending stocks from getting any worse. The November contract has found some solid support around \$9.68, but we are probably going to have to have a close above \$10.00 to make the bears very nervous.

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### Live Cattle

#### *Trend*

*Short Term: Up*

*Long Term: Up*

*Opening Calls: Mixed*

Live cattle futures finished moderately lower on Monday, with profit taking and spillover from lower equities weighed on the market. Cutouts remain strong, with choice +2.21 and select +2.01 and the spread stretching out to 26.65. Cash trade was quiet, while our show list fell 9% to the lowest level in ten years. Overnight macros are mixed with equities and the Dollar lower in early morning trade.

### Feeder Cattle

#### *Trends*

*Short Term: Up*

*Long Term: Up*

*Opening Call: Mixed*

Feeder cattle futures finished lower on Monday, with the November off an even dollar for the session. Lower fats and a six cent gain in the corn futures weighed on this market. The cash index fell to 250.26 on Monday but remains well supported. Overnight corn values are flat to slightly firmer, as we write.

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Weekly Stocks Report for Week Ending

10/11/24

	Change	DOE			API	
		10/11/24	10/04/24	10/13/23	10/11/24	
Crude	-2.2	420.50	422.70	424.20	-1.58	
Gasoline	-2.2	212.70	214.90	225.70	-5.93	
Distillates	-3.50	115.00	118.50	117.00	-2.67	
Rates	+1.0%	87.70	86.70	89.50		
Imports	-71K	5.53	6.24	7.23		
				% Above/Below Lst Yr	5 Yr Avg	% A/B
Nat Gas	+76	3.705	3.629	3.565	+3.0	3.542 +4.6

Analysts Estimates for Week Ending 10/11/24

		5 Yr Avg
Crude	+ 1.80	+ 1.08
Gasoline	-1.50	-1.74
Distillates	-2.20	-2.82

Analysts Estimates for Week Ending 10/11/24

	Range	Avg	Lst Yr	5 Yr Avg
Nat Gas		+ 77	+ 93	+ 89

	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	+ .66	+ .0183	+ .0234	+ .013

Commentary:

The crude market climbed last night in what might be follow through strength from yesterday's higher close along with some technical house "cleaning". Spot month crude oil stayed within last week's consolidation zone and recovered to close higher on the session yesterday after posting the lowest close in 3 weeks and attempting a downside breakout of the week's consolidation on Friday. In addition to yesterday's recovery, the November contract will expire today which could be giving the market some follow-through strength this morning. Early trade did see the new spot month contract, December, move up to important moving average resistance in early trade, which was just under \$1.00 higher. This is after falling about 75 cents in overnight trade. Headlines are quiet as the trade revisits stories that put the market into consolidation last week. Concerns about global demand along with the ongoing geopolitical threats in the Middle East are still dominating. The US Secretary of State arrived in Israel today in an advertised push for a ceasefire. There could just as easily be an announcement for more arms and financial support forthcoming as well. Industry news is limited to this week's US supply and demand data released over the next 2 sessions which are expected to show an increase in crude supplies.

	Nov	Nov	Nov
	Crude Oil	Unleaded	Heating Oil
Resistance	72.25/75.55	2.0750/2.0975	2.2390/2.3620
Support	68.55/66.05	1.9850/1.8800	2.1460/2.1000



## *Schwieterman Update*

*Financial Market Analysis for the morning of Tuesday, October 22, 2024*

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

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

The equities closed mixed as the Dow lost 344, the S&P lost 10, and the Nasdaq gained 50. This morning's futures are all lower with the Dow down 130, the S&P down 20, and the Nasdaq down 80. GM raised its guidance targets for 2024 after easily beating Wall Street's third quarter estimates. Revenue was up to over \$48 billion after expectations were at \$44.5 billion. Disney announced yesterday that James Gorman will replace Mark Parker as the next chairman, starting in January. They also plan to name a new CEO in 2026 replacing Bob Iger. Nvidia's recent rise saw a high at \$143.71, which was a new all-time high and put their market cap at \$3.5 trillion just shy of Apple's at \$3.6 trillion. Nike will be the exclusive uniform and apparel provider for the NBA and WNBA for another 12 years. That contract was signed yesterday, and the previous one was signed in 2017 for \$1 billion. The latest contract is apparently much bigger.

Stock to Watch: Chijet Motor Company is up 15.86% 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:	322.86	296.21	26.65
Change from prior day:	2.21	2.01	
Primal Rib	527.32	440.15	
Primal Chuck	296.54	284.32	
Primal Round	273.51	272.39	
Primal Loin	387.77	329.57	
Primal Brisket	250.76	245.87	
Primal Short Plate	190.98	190.98	
Primal Flank	162.69	155.87	
			<b>Load Count:</b>
			Total 118
			Choice 70
			Select 25
			Trimming 5
			Grinds 18

Fresh 50% Trimmings 5 Loads @ 65.77

[AMS 2829/NW LS441](#)

USDA BY-PRODUCT DROP VALUE (STEER) - DAILY

11.34 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	30,153	1,537	187.61
Live Heifer	9,433	1,345	187.48
Dressed Steer	10,174	997	296.21
Dressed Heifer	2,087	866	296.00

[AMS 3208/SJ LS710](#)

DAILY CATTLE SLAUGHTER

Today	120,000		
Week Ago	120,000		
Year Ago (act)	124,928		
Week to Date			
Same Period Last Week			
Same Period Last Year			
Previous Day		Friday	Saturday
	Steer and Heifer	85,000	11,000
	Cow and Bull	21,000	3,000

[AMS 3209/SJ LS712](#)

BEEF PRODUCTION	10/19/2024 (Estimate)	Last Week (Estimate)	Last Year (Actual)
Slaughter	608,000	586,000	638,000
Live Weights	1414	1411	1379
Dressed Weights	863	862	834
Beef Production (millions of pounds)	523.5	504.1	530.6

[AMS 2825/NW LS410](#)

USDA BEEF CARCASS PRICE EQUIVALENT INDEX VALUE

	Choice 600-900#	Select 600-900#	Dressing percent:	
			Steer	Heifer
Change	\$296.94	\$272.59	63.52	63.43
	1.28	(-1.18)		

[AMS 2455/LM XB405](#)

USDA NATIONAL CUTTER COW CARCASS CUTOUT

276.90 0.04 90% lean: 352.78

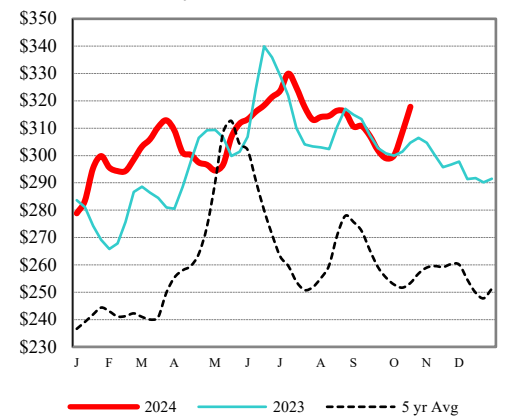
CME LIVE CATTLE

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

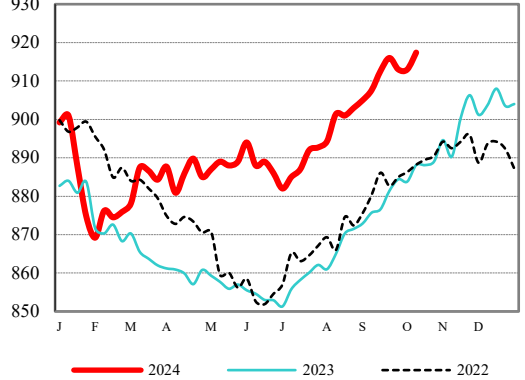
CME FEEDER CATTLE

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

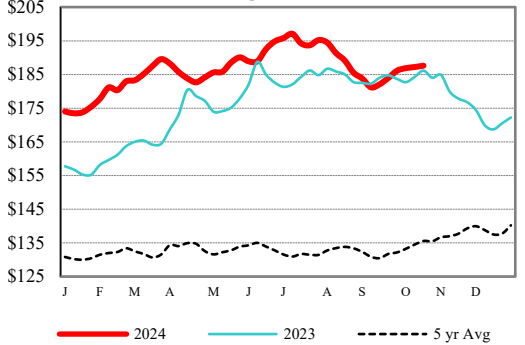
Weekly Choice Cutout



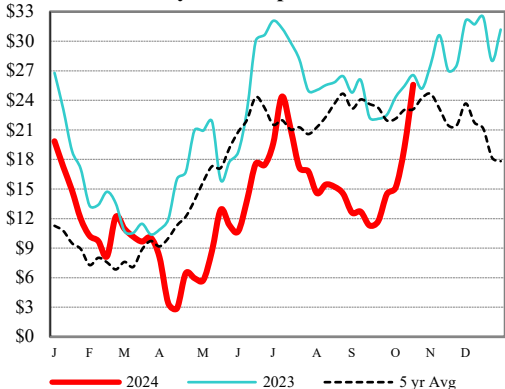
LMR Steer/Heifer Dressed Weights



5 Area Weekly Wtd Avg Steer Price



Weekly Ch/Se Spread



**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:	\$70.00	\$77.00	*	*
Weighted Average:	\$75.22		*	
Change from Prior Day:	\$3.17		*	
Head Count	376		841	

IOWA/MINNESOTA - AMS 2675/LM HG206:

Weighted Average:	*	*
Change from Prior Day:	*	*

WESTERN CORNBELT - AMS 2675/LM HG212:

Weighted Average:	*	*
Change from Prior Day:	*	*

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	92.18		4.25
Primal Butt	107.00		2.71
Primal Picnic	73.91		<b>(-1.34)</b>
Primal Rib	141.67		1.11
Primal Ham	86.61		2.82
Primal Belly	149.40		<b>(-1.91)</b>
Total Loads	269.28		
Pork Cuts	237.06	Lds	
Trim/Process Pork	32.22	Lds	

DAILY HOG SLAUGHTER UNDER FIS - AMS 3208/SJ LS710

Today (est)	488,000
Week Ago (est)	473,000
Year Ago (act)	486,162

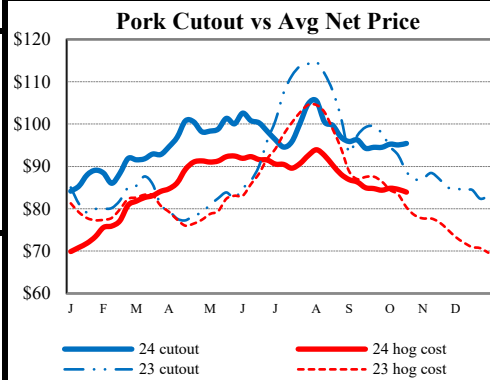
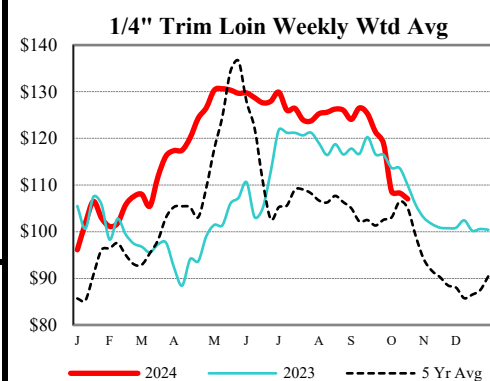
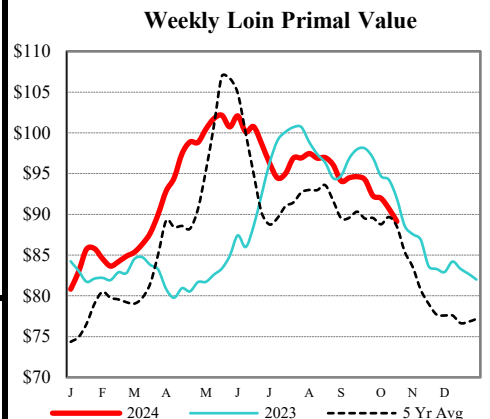
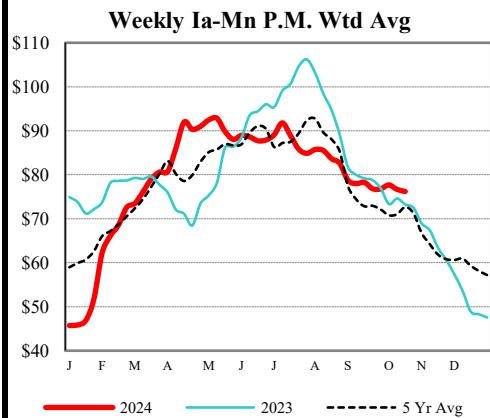
National Daily Direct Hog Prior Day Report - Slaughtered Swine - AMS 2511/LM HG201

Producer Sold:	NEG	OMF	SPMF	OPA	Total
Head Count	6,817	41,890	176,333	97,596	332,891
Carcass Base Price	75.65	76.48	82.91	82.45	81.85
Average Net Price	77.37	79.27	84.69	84.08	83.71

\*\*\*Negotiated Formula included in total\*\*\* \*Price not reported due to confidentiality.

ESTIMATED WEEKLY PORK PRODUCTION UNDER FIS - AMS 3209/SJ LS712

Week Ending	Hog Slaughter	Million Pounds	Live Weight	Dressed Weight
10/19/24	2,613,000	555.7	286	213
10/12/24	2,584,000	548.7	285	212
2024 YTD	103,020,000	22051.7		
2023 YTD	101,918,000	21709.3		



**AUCTION SUMMARY**

<a href="#">AMS 2021</a>		8,484		Friday	
<b>Ft. Pierre Livestock Auction</b>					
Feeder Steers 400-500 lbs		337.00-394.00	Feeder Heifers 300-400 lbs		350.00-397.50
Medium & 500-600 lbs		298.00-350.50	Medium & 400-500 lbs		291.00-352.50
Large #1 600-700 lbs		273.00-312.50	Large #1 500-600 lbs		275.00-296.00
700-800 lbs		256.00	600-700 lbs		261.50
800-900 lbs		238.00-264.00	700-800 lbs		237.00-250.00

<a href="#">AMS 2024</a>		5,364		Friday	
<b>Herreid Livestock Market</b>					
Feeder Steers 500-600 lbs		300.00-320.00	Feeder Heifers 500-600 lbs		251.00-290.00
Medium & 600-700 lbs		287.00-311.25	Medium & 600-700 lbs		257.00-260.00
Large #1 700-800 lbs		254.00-273.50	Large #1 700-800 lbs		238.75-254.00
800-900 lbs		250.50-270.25	800-900 lbs		229.50-242.00
900-1000 lbs		237.00-256.50	900-1000 lbs		224.00-242.50

<a href="#">AMS 1857</a>		4,150		Friday	
<b>Crawford Livestock Market</b>					
Feeder Steers 300-400 lbs		360.00-392.00	Feeder Heifers 300-400 lbs		326.00-355.00
Medium & 400-500 lbs		315.00-359.00	Medium & 400-500 lbs		289.00-330.00
Large #1 500-600 lbs		300.00-346.00	Large #1 500-600 lbs		276.00-300.50
600-700 lbs		278.00-309.00	600-700 lbs		255.00-266.50
700-800 lbs			700-800 lbs		

**CHICAGO MERCANTILE EXCHANGE LIVESTOCK FUTURES SETTLEMENT**

Live Cattle			Feeder Cattle		
		Change			Change
Oct	187.000	(0.625)	Oct	247.575	(0.750)
Dec	186.825	(0.500)	Nov	246.600	(1.000)
Feb	187.625	(0.500)	Jan	244.250	(1.250)

**CHICAGO BOARD OF TRADE GRAIN FUTURES SETTLEMENTS**

Corn			Soybeans		
		Change			Change
Dec	4.0950	0.0475	Nov	9.8100	0.1100
Mar	4.2325	0.0425	Jan	9.8975	0.0700
May	4.3050	0.0400	Mar	10.0200	0.0575

KANSAS CITY BOARD OF TRADE		Wheat	
			Change
Dec	5.8225		0.0150
Mar	5.9700		0.0125
May	6.0650		0.0150

[AMS 2466](#) Monday

**5 AREA WKLY ACCUMULATED WTD AVG SLAUGHTER CATTLE PRICE**

	Head Count	Avg Weight	Avg Price
Live Steer	30,153	1,529	187.61
Live Heifer	9,433	1,345	187.48
Dressed Steer	10,174	997	296.21
Dressed Heifer	2,087	866	296.00

[AMS 2453](#) Monday

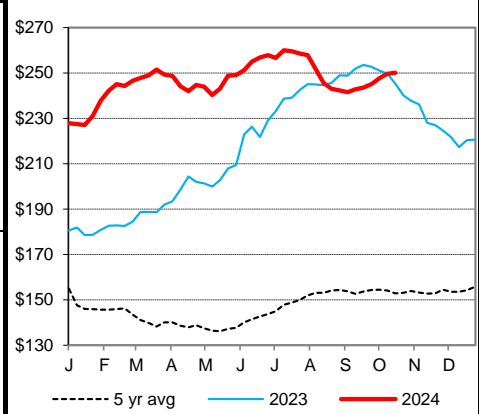
**DAILY ESTIMATED BOXED BEEF CUTOUT VALUES**

Choice	Select	Choice Cuts	70 loads
600-900#	600-900#	Select Cuts	25 loads
322.86	296.21	Trimming	5 loads
2.21	2.01	Grinds	18 loads

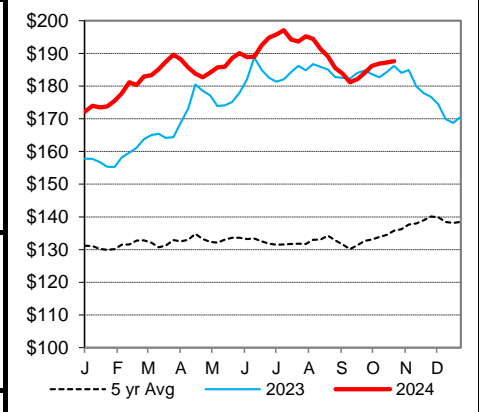
[AMS 3208](#) Friday

<b>ESTD DAILY CATTLE SLAUGHTER</b>		<a href="#">AMS 2101</a> Friday	
		Torrington Livestock Auction Torrington, WY	
		Avg Dressing	
Monday	120,000	Pct Lean	
Week Ago (est)	120,000	Price	
Year Ago (act)	125,000	Breaking	75-80 134.00-136.00
Wk to date (est)		Boning	80-85 131.00-140.00
Last Week (est)		Lean	85-90 112.00-120.00
Last Year (est)		Friday	Saturday
Previous Day Estimated:	Steer and Heifer	85,000	11,000
	Cow and Bull	21,000	3,000

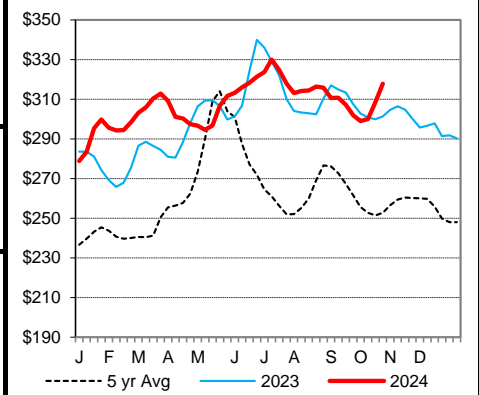
**CME Feeder Cattle Index**



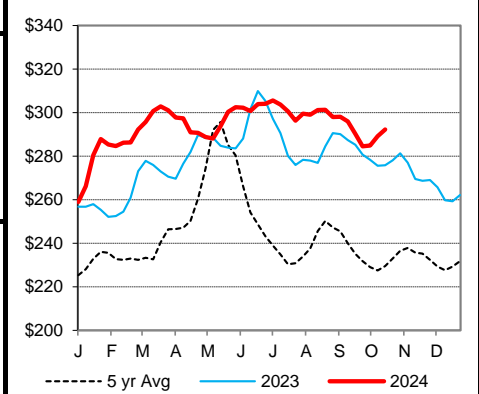
**5 Area Wkly Wtd Avg Sltr Steer Price**



**Weekly Choice Cutout**



**Weekly Select Cutout**



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## *Schwieterman Update*

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