



## DAILY LIVESTOCK COMMENTARY

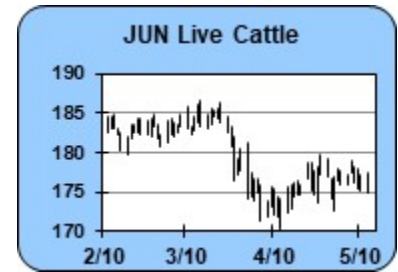
Tuesday May 14, 2024

### DAILY CATTLE COMMENTARY

5/14/2024

#### Beef prices firmer but heavy weights offset.

August cattle have been trading in a sideways pattern for four straight sessions and have been in a coiling pattern for more than a month. Traders expect strong seasonal demand with the approach of summer, but heavy cattle weights support strong beef production. The USDA estimated cattle slaughter came in at 116,000 head yesterday, down from 120,000 last week and 125,000 a year ago. The USDA boxed beef cutout was \$4.38 higher yesterday at \$298.95. This was up from \$298.76 the previous week and the highest it had been since April 15. Cash live cattle were quiet yesterday with no trades reported. The five-area weighted average steer price last week was \$185.94, up from \$185.74 the previous week and \$174.13 a year ago.



#### TODAY'S MARKET IDEAS:

The higher trend in boxed beef is supportive, but carcass weights remain heavy. Look for support in August cattle at 171.75, with resistance at 176.50.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

#### CATTLE COMPLEX TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

**LIVE CATTLE (AUG) 05/14/2024:** Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's short-term trend is negative as the close remains below the 9-day moving average. The daily closing price reversal down puts the market on the defensive. The market tilt is slightly negative with the close under the pivot. The next downside objective is now at 171.150. The next area of resistance is around 174.650 and 176.220, while 1st support hits today at 172.150 and below there at 171.150.

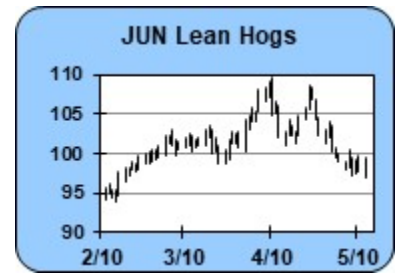
**FEEDER CATTLE (AUG) 05/14/2024:** Daily stochastics are trending lower but have declined into oversold territory. The close below the 9-day moving average is a negative short-term indicator for trend. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside objective is now at 248.057. The next area of resistance is around 253.187 and 255.406, while 1st support hits today at 249.513 and below there at 248.057.

### DAILY HOGS COMMENTARY

5/14/2024

**More tech support is broken.**

July hogs are still under the influence of a key reversal top from April 10, and yesterday's decline below the 50% retracement of the rally from the contract low in May 2023 to the contract high last month leaves 97.90 as the next downside target. Friday's Commitments of Traders report showed managed money traders had lifted approximately one-third of the record net long as of last Tuesday, which eases selling pressure but also leaves open the door for further fund liquidation if they start to bail. The CME Lean Hog Index as of May 9 was 91.32, up from 91.28 the previous session and 90.96 the previous week. The USDA estimated hog slaughter came in at 461,000 head yesterday, down from 481,000 last week and 464,000 a year ago. The USDA pork cutout, released after the close yesterday, came in at \$101.53, up \$2.39 from Friday and up from \$98.50 the previous week. This was the highest it had been since April 15.



**TODAY'S MARKET IDEAS:**

The break in July hogs below the 50% retracement of the rally from the contract low on January 2 to the contract high on April 10 (and below the 100-day moving average) leaves the next downside target at 97.90. However, technical indicators suggest a short-term oversold condition, which could leave room for a bounce to 103.10 or 104.75.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

**PORK COMPLEX TECHNICAL OUTLOOK:**

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LEAN HOGS (JUL) 05/14/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market setup is somewhat negative with the close under the 1st swing support. The next downside objective is now at 98.020. The market is approaching oversold levels on an RSI reading under 30. The next area of resistance is around 101.350 and 103.170, while 1st support hits today at 98.770 and below there at 98.020.

**DAILY TECHNICAL STATISTICS**

	CLOSE	9 DAY RSI	14 DAY RSI	14 DAY SLOW STOCH D	14 DAY SLOW STOCH K	4 DAY M AVG	9 DAY M AVG	18 DAY M AVG	45 DAY M AVG	60 DAY M AVG
<b>MEAT COMPLEX</b>										
LCQ24	173.400	46.02	46.59	54.01	49.76	173.87	173.89	174.39	175.85	177.45
FCQ24	251.350	41.56	43.30	31.58	21.71	251.43	252.75	255.04	257.00	260.00
LHN24	100.020	25.35	32.81	10.30	5.58	101.25	102.18	104.59	104.89	103.97

Calculations based on previous session. Data collected 05/13/2024

Data sources can & do produce bad ticks. Verify before use.

**DAILY SWING STATISTICS**

Contract	Support 2	Support 1	Pivot	Resist 1	Resist 2
<b>MEAT COMPLEX</b>					

LCQ24	Live Cattle	171.120	172.120	173.670	174.650	176.220
FCQ24	Feeder Cattle	248.056	249.512	251.731	253.187	255.406
LHN24	Lean Hogs	97.970	98.750	100.570	101.350	103.170

**Calculations based on previous session. Data collected 05/13/2024**

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