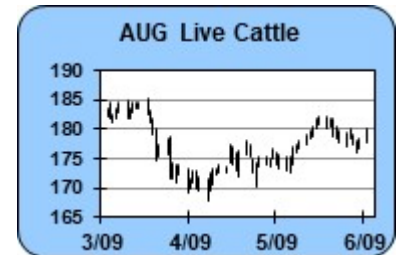




DAILY CATTLE COMMENTARY
6/11/2024

Strong rally Monday supports better cash ideas

Monday's trading action started higher and didn't look back closing near the highs of the day. The strong futures rally has firmed ideas for cash trade this week to steady and maybe even slightly higher. There was no cash trade established on Monday. Last week's cash trade volume was very light and the lowest since late March and may foster ideas that packers will need bit up for additional supplies this week. August cattle tested last week's highs at 180.20 but did not move through that level but is likely do so today. Next significant resistance is 182.15, the May high. The USDA estimated cattle slaughter came in at 121,000 head yesterday. This was up from 120,000 last week but down from 122,718 a year ago. The USDA boxed beef cutout was up \$1.18 at mid-session yesterday and closed 67 cents higher at \$317.42. This was up from \$315.60 the previous week. The previous low was \$316.75 on June 7. The previous high was \$317.90 on August 25, 2023. Cattle showlists this week are expected be up about 4000 head from last week in Texas and Kansas and down 4700 head and Nebraska/Colorado.



TODAY'S MARKET IDEAS:

Monday's strong rally pushed August cattle above the 200-day moving average resistance and appears to have broken out of the upper boundary of a bull flag pattern which would suggest a test of the May high at 182.15. Coming into this week, cash trade was expected to be steady to weaker but after yesterday's rally, traders are looking for steady/slightly stronger cash.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (AUG) 06/11/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market now above the 18-day moving average suggests the intermediate-term trend has turned up. The market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The next downside target is 176.850. The next area of resistance is around 181.250 and 181.970, while 1st support hits today at 178.700 and below there at 176.850.

FEEDER CATTLE (AUG) 06/11/2024: The market now above the 60-day moving average suggests the longer-term trend has turned up. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The intermediate trend could be turning up with the close back above the 18-day moving average. The market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The next downside target is now at 254.150. The next area of resistance is around 260.599 and

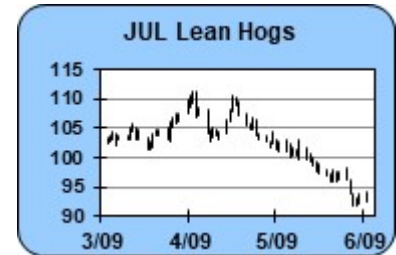
261.949, while 1st support hits today at 256.700 and below there at 254.150.

DAILY HOGS COMMENTARY

6/11/2024

Monday's trading volume highest since March of last year

July hogs ended slightly lower yesterday on weak cash prices and trading volume was very strong, the highest since May 5th of 2023. This week's slaughter is expected to be slightly lower from last week. China's sow herd at the end of April was 39.86 million head, down 7% from the previous quarter but year-to-date hog slaughter was 2.3% above last year at 109.38 million head. The Mexican peso was once again weak yesterday which hurts the buying power of our best customer, Mexico. Oversold technical indicators are still pointing to an extension of the 3-day rally with strong resistance expected at 95.80 on July futures. The CME Lean Hog Index as of June 6 was 91.75, down from 91.92 the previous session but up 91.49 the previous week. The USDA estimated hog slaughter came in at 471,000 head yesterday. This was down from 483,000 last week but up from 458,272 a year ago. The USDA pork cutout, released after the close yesterday, came in at \$99.50, down 80 cents from Friday and down from \$100.48 the previous week.



TODAY'S MARKET IDEAS:

Although prices closed lower yesterday, short-term technical indicators are deep in oversold territory and trying to turn up. Close-in support on July futures is 92.20 and if prices can move above yesterday's high of 94.05, we expect a test of more significant resistance at 95.80. After the significant break since April, an upside recovery is due.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (JUL) 06/11/2024: Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The daily closing price reversal down is a negative indicator for prices. The market tilt is slightly negative with the close under the pivot. The near-term upside objective is at 94.650. Some caution in pressing the downside is warranted with the RSI under 30. The next area of resistance is around 93.670 and 94.650, while 1st support hits today at 92.120 and below there at 91.520.

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
MEAT COMPLEX										
LCQ24	179.950	59.69	57.60	49.53	45.14	178.13	178.69	179.22	175.83	176.40
FCQ24	258.649	55.07	53.18	38.41	37.64	255.31	256.58	258.32	255.35	256.63

LHN24 92.900 24.80 26.61 10.00 12.08 92.89 94.69 96.85 101.75 102.51

Calculations based on previous session. Data collected 06/10/2024

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

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
MEAT COMPLEX						
LCQ24	Live Cattle	176.820	178.670	179.400	181.250	181.970
FCQ24	Feeder Cattle	254.149	256.699	258.049	260.599	261.949
LHN24	Lean Hogs	91.500	92.100	93.070	93.670	94.650

Calculations based on previous session. Data collected 06/10/2024

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