

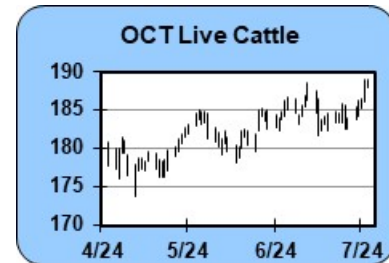


DAILY LIVESTOCK COMMENTARY Tuesday July 30, 2024

DAILY CATTLE COMMENTARY 7/30/2024

Macro concerns hit cattle yesterday

Yesterday's cattle selloff appeared to be partly due to macro commodity market weakness, widening the August futures discount to the cash. In addition, McDonald's quarterly results were poorer than expected as sales declined. December futures took back most of the gains seen late last week but remains in an uptrend. Moving average support is 186.40. Yesterday's high of 189.47 will provide nearby minor resistance. Cash trade was not established yesterday but early expectations for this week's trade is steady. The 5-area, 5-day live sales weighted average after sales were finalized for Friday was 194.74 at the end of last week, up from 193.05 the previous week. Showlist sizes this week are expected be down 4390 head in Texas, up 6943 head in Kansas and up 4371 in Nebraska/Colorado. The USDA estimated cattle slaughter came in at 115,000 head yesterday. This was unchanged from last week but down from 121,098 a year ago. The USDA boxed beef cutout was down 2 cents at mid-session yesterday and closed \$1.04 higher at \$314.81. This was up from \$313.44 the previous week.



TODAY'S MARKET IDEAS:

No cash trade was reported yesterday and ideas for the week are steady. December live cattle futures saw heavy selling yesterday which appeared to be tied to general commodity weakness as specific bearish news on the cattle was hard to find. Look for moving average support at 186.40 and the four-month high at 190.07 is the key to extending the rally further.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (OCT) 07/30/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's short-term trend is positive on the close above the 9-day moving average. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The near-term upside target is at 190.020. The next area of resistance is around 188.220 and 190.020, while 1st support hits today at 185.400 and below there at 184.350.

FEEDER CATTLE (SEP) 07/30/2024: The market back below the 60-day moving average suggests the longer-term trend could be turning down. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market back below the 18-day moving average suggests the intermediate-term trend could be turning down. The outside day down is somewhat negative. There could be

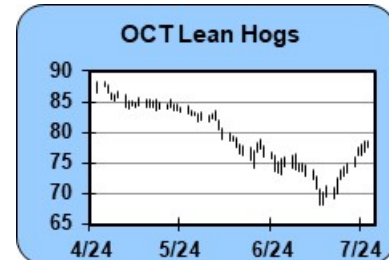
some early pressure today given the market's negative setup with the close below the 2nd swing support. The near-term upside target is at 262.437. The next area of resistance is around 258.825 and 262.437, while 1st support hits today at 253.325 and below there at 251.438.

DAILY HOGS COMMENTARY

7/30/2024

December starts corrective pullback

December hogs turned sharply lower yesterday after a 9-day rally and a further correction may be in the cards. Yesterday's midday cash and cutout were strong but there was no upside reaction as selling pressure continued throughout the day. Some weakness may have come from last week's slaughter hitting a 13-week high and slaughter is expected to stay high again this week. Look for retracement support on December at 67.20 and 66.20. The USDA estimated hog slaughter came in at 482,000 head yesterday. This was up from 453,000 last week and up from 477,242 a year ago. The USDA pork cutout, released after the close yesterday, came in at \$105.81, up \$1.63 from Friday and up from \$104.44 the previous week. The previous low was \$104.18 on July 26. The previous high was \$106.46 on August 17, 2023. The CME Lean Hog Index as of July 25 was 91.85, up from 91.39 the previous session and up 89.80 the previous week.



China's national average spot pig price as of July 30 was up 0.8% from the previous day. For the week prices are up 1.5%, up 9.8% for the month and up 35.0% year to date and up 28.7% versus a year ago. Dalian live hog futures as of July 30 were up 0.4% from the previous day. For the week prices are up 0.9% and up 5.11% for the month and up 9.71% year to date

TODAY'S MARKET IDEAS:

The recent 9-day sharp rally of \$8.72 on the December contract ended and prices closed significantly lower yesterday, beginning a corrective pullback. Minor support stands at the .382 retracement of 67.20 with more important 50% support at 66.20. Further weakness looks likely.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 07/30/2024: The major trend has turned down with the cross over back below the 40-day moving average. Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. A negative signal for trend short-term was given on a close under the 9-bar moving average. There could be some early pressure today given the market's negative setup with the close below the 2nd swing support. The next upside target is 78.800. The next area of resistance is around 76.470 and 78.800, while 1st support hits today at 73.150 and below there at 72.150.

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										
LCV24	186.800	57.15	57.11	64.03	72.97	187.56	185.89	185.26	183.91	182.80
FCU24	256.075	42.92	44.77	40.04	42.47	257.57	257.52	258.25	259.26	258.58
LHV24	74.820	48.53	48.20	81.22	81.46	77.21	76.02	73.61	76.37	78.38

Calculations based on previous session. Data collected 07/29/2024

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						
LCV24	Live Cattle	184.320	185.370	187.170	188.220	190.020
FCU24	Feeder Cattle	251.437	253.325	256.937	258.825	262.437
LHV24	Lean Hogs	72.120	73.120	75.450	76.470	78.800

Calculations based on previous session. Data collected 07/29/2024

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