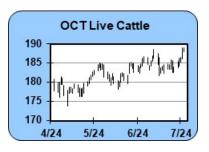


DAILY LIVESTOCK COMMENTARY Wednesday July 31, 2024

DAILY CATTLE COMMENTARY 7/31/2024

Macro pressure fading, lower US Dollar supportive

December live cattle spent most of the day lower but rebounded late in the session yesterday to close higher on the day. Commodity markets in general are rebounding today as the Fed makes its rate announcement this afternoon and may hint at rate cuts. The US stock market is also strong to start the day may be a supportive factor for the meat complex. December cattle moving average support is 186.45. Look for prices to retest this week's highs at 189.47 with key resistance at the four-month high of 190.07. Cash cattle trade has been slow this week with the only live sales USDA reported was 336 head in the South on Monday at



\$188. The 5-area 5-day weighted average is now 194.68, compared to 194.74 at the end of last week. The USDA estimated cattle slaughter came in at 123,000 head yesterday. This brings the total for the week so far to 238,000 head, unchanged from last week at this time but down from 245,843 a year ago. The USDA boxed beef cutout was up 91 cents at mid-session yesterday and closed 33 cents lower at \$314.48. This was up from \$313.21 the previous week.

TODAY'S MARKET IDEAS:

After seeing heavy macro selling on Monday in live cattle, the opposite may be true today as prices may find support with the Fed potentially hinting at rate cuts following the conclusion of the FOMC meeting this afternoon. Cash trade is likely to hold off until later in the week and is expected to be steady with last week. 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:

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 (OCT) 07/31/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. A positive signal for trend short-term was given on a close over the 9-bar moving average. The close over the pivot swing is a somewhat positive setup. The near-term upside target is at 188.450. The next area of resistance is around 188.070 and 188.450, while 1st support hits today at 186.850 and below there at 185.970.

FEEDER CATTLE (SEP) 07/31/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside target is at 259.056. The next area of resistance is around 258.162 and 259.056, while 1st support hits today at 255.738

DAILY HOGS COMMENTARY 7/31/2024

Pullback likely to continue

December hogs continued their pullback yesterday and reached the 382% retracement support at 67.20. The cash hog Index was higher for the 12th consecutive day. Seasonal tendencies favor the downside in August and the pullback may continue. 50% retracement support is 66.20. USDA estimated hog slaughter came in at 481,000 head yesterday. This brings the total for the week so far to 954,000 head, up from 934,000 last week at this time but down from 955,562 a year ago. The USDA pork cutout, released after the close yesterday, came in at \$104.77, down \$1.04 from Monday but up from \$102.98 the previous



week. The CME Lean Hog Index as of July 26 was 92.29 up from 91.85 the previous session and up from 90.08 the previous week.

China's national average spot pig price as of July 31 was up 1.0% from the previous day. For the week prices are up 2.5%, up 10.9% for the month and up 36.3% year to date and up 19.7% versus a year ago. Dalian live hog futures as of July 31 were up 0.5% from the previous day. For the week prices are up 1.4% and up 5.96% for the month and up 10.60% year to date

TODAY'S MARKET IDEAS:

The pullback of the recent 9-day sharp rally in December hogs reached 38% yesterday and 66.20 is the 50% retracement support level. Stochastics crossed to the downside yesterday indicating further pullback potential. Look for resistance on a rebound to 68.90.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 07/31/2024: A crossover down in the daily stochastics is a bearish signal. Momentum studies are trending lower from high levels which should accelerate a move lower on a break below the 1st swing support. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market tilt is slightly negative with the close under the pivot. The next downside target is 73.400. The next area of resistance is around 75.500 and 76.270, while 1st support hits today at 74.070 and below there at 73.400.

DAILY TECHNICAL STATISTICS

MEAT COMPLEX									
CLOSE	RSI	RSI	STOCH D	STOCH K	M AVG	M AVG	M AVG	M AVG	M AVG
	9 DAY	14 DAY	SLOW	SLOW	4 DAY	9 DAY	18 DAY	45 DAY	60 DAY
			ITDAI	ITDAI					

14 DAY

14 DAV

LCV24	187.450	60.22	59.14	67.34	73.96	187.85	186.10	185.30	183.99	182.97
FCU24	256.950	46.25	46.86	40.60	41.71	257.63	257.23	257.88	259.13	258.59
LHV24	74.770	48.27	48.03	79.19	75.12	76.40	76.14	73.64	76.19	78.21

Calculations based on previous session. Data collected 07/30/2024 Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract Supp		Support 2	Support 1	Pivot	Resist 1	Resist 2			
MEAT COMPLEX									
LCV24	Live Cattle	185.950	186.820	187.200	188.070	188.450			
FCU24	Feeder Cattle	254.206	255.737	256.631	258.162	259.056			
LHV24	Lean Hogs	73.370	74.020	74.820	75.500	76.270			

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