



DAILY LIVESTOCK COMMENTARY

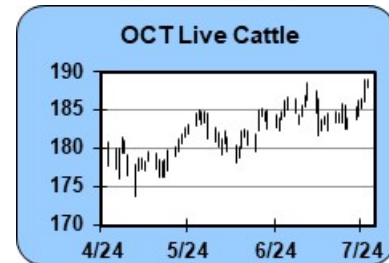
Thursday August 01, 2024

DAILY CATTLE COMMENTARY

8/1/2024

Weekly export sales outperform 4-week average

December cattle bounced back from early session lows yesterday but still closed lower on the day. Prices have traded in a 1 1/2 month range of 184-190 and we may see more of the same today and tomorrow unless cash trade is much different than expected. Cash cattle trade remains light and 180 head traded in Iowa yesterday at \$196. The 5-area, 5-day weighted average for the week is now 195.08, up from 194.74 at the end of last week. Look for support on December live cattle at 186.52 and 185.82. USDA estimated cattle slaughter came in at 122,000 head yesterday. This brings the total for the week so far to 360,000 head, unchanged from last week at this time but down from 368,900 a year ago.



U.S. beef export sales for the week ending July 25 came in at 17,700 tonnes compared with the average of the previous four weeks of 13,200 tonnes. Cumulative sales for the 17.7 have reached 584,400 tonnes, up 0.7% versus last year's pace.

TODAY'S MARKET IDEAS:

December cattle prices are trading in a broad range and we anticipate initial retracement support 186.52. Key resistance is 190.07. Macro markets failed to strengthen much after yesterday's Fed rate announcement. Cash cattle bids are expected by this afternoon and if packers once again bid up, prices could easily test recent highs in the 190 area.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (OCT) 08/01/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The close above the 9-day moving average is a positive short-term indicator for trend. The market setup is somewhat negative with the close under the 1st swing support. The next upside target is 187.970. The next area of resistance is around 187.350 and 187.970, while 1st support hits today at 186.020 and below there at 185.250.

FEEDER CATTLE (SEP) 08/01/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 259.168. The next area of resistance is around 258.237 and 259.168, while 1st support

hits today at 255.963 and below there at 254.619.

DAILY HOGS COMMENTARY

8/1/2024

Dec bounces off initial support, but correction may not be over

December hogs closed strong yesterday bouncing back after the sharp fall earlier this week. The CME cash hog Index was higher again for the 13th consecutive day. December nearly hit first retracement resistance at 68.90 yesterday. If December can continue the rally, look for another layer of resistance at 69.20. Weekly export sales were weaker than expected this morning. If prices falter today, another leg down may be coming. The average hog weight for Iowa-Southern Minnesota as of July 27 was 282.7 pounds, down from 283.6 pounds the previous week and up from 276.8 a year ago. The 5-year average is 278.0 pounds.

The USDA estimated hog slaughter came in at 481,000 head yesterday. This brings the total for the week so far to 1.435 million head, up from 1.413 million last week at this time and up from 1.430 million a year ago.

U.S. pork export sales for the week ending July 25 came in at 31,500 tonnes compared with the average of the previous four weeks of 35,000 tonnes. Cumulative sales for the 2024 marketing year have reached 1,207,200 tonnes, down 1.2% versus last year's pace.

China's national average spot pig price as of August 1 was up 1.2% from the previous day. For the week prices are up 3.8%, up 12.3% for the month and up 38.0% year to date and up 18.0% versus a year ago. Dalian live hog futures as of August 01 were up 0.1% from the previous day. For the week prices are up 1.5% and up 0.05% for the month and up 10.19% year to date

TODAY'S MARKET IDEAS:

Yesterday's rebound may be short-lived as the technicals on December hogs still point to a further pullback, possibly to the 50% retracement level of 66.20. Short-term technical indicators, which turned lower earlier this week, point to more weakness. Look for resistance at 69.20.

NEW RECOMMENDATIONS:

None.

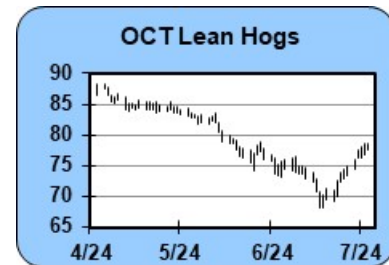
PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 08/01/2024: The major trend could be turning up with the close back above the 40-day moving average. Momentum studies are trending lower from high levels which should accelerate a move lower on a break below the 1st swing support. A negative signal for trend short-term was given on a close under the 9-bar moving average. Market positioning is positive with the close over the 1st swing resistance. The next downside objective is 74.070. The next area of resistance is around 76.670 and 77.120, while 1st support hits today at 75.150 and below there at 74.070.



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	186.670	54.94	55.75	68.51	70.85	187.37	186.51	185.27	184.05	183.12
FCU24	257.100	46.85	47.23	40.99	41.79	257.43	257.24	257.59	259.02	258.62
LHV24	75.900	54.47	52.16	77.38	73.76	75.93	76.36	73.78	76.03	78.06

Calculations based on previous session. Data collected 07/31/2024

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	185.220	185.970	186.600	187.350	187.970
FCU24	Feeder Cattle	254.618	255.962	256.893	258.237	259.168
LHV24	Lean Hogs	74.020	75.120	75.570	76.670	77.120

Calculations based on previous session. Data collected 07/31/2024

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