

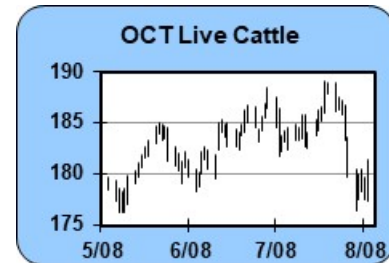


DAILY LIVESTOCK COMMENTARY Tuesday August 13, 2024

DAILY CATTLE COMMENTARY 8/13/2024

December fails to confirm Friday's upside reversal

August live cattle weakened slightly yesterday as higher corn prices pushed feeders lower. December live cattle failed to close higher to confirm Friday's upside reversal. Look for support at 177.80 today. A close above 180 would be bullish. USDA raised 2024 beef production but lowered 2025 production on reduced slaughter estimates for the 1st quarter. US beef exports for the 3rd and 4th quarter of 2024 were raised. The only cash cattle trade we heard of yesterday was in Iowa/Minnesota where a few head traded at 191. The 5-area, 5-day weighted average for the week is now 191.13, up from 191.11 last week. This week's showlist sizes are expected down 5489 in Texas to 84,471, down 2283 in Kansas to 91,703 and up 5328 in Nebraska/Colorado to 68,692. The USDA estimated cattle slaughter came in at 112,000 head yesterday. This was down from 119,000 last week and down from 118,469 a year ago. The USDA boxed beef cutout was up \$2.51 at mid-session yesterday and closed \$3.12 higher at \$315.83. This was down from \$317.94 the previous week.



TODAY'S MARKET IDEAS:

Friday's strong upside reversal on December futures went unconfirmed yesterday as prices pulled back and closed lower, putting the technical outlook back in limbo. Buyers may step up on a pullback today to 177.80. Initial December live cattle retracement resistance is 181.20 and support today is 177.80.

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) 08/13/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. 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. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is 178.720. The next area of resistance is around 180.850 and 182.000, while 1st support hits today at 179.220 and below there at 178.720.

FEEDER CATTLE (SEP) 08/13/2024: Momentum studies are declining, but have fallen to oversold levels. The close below the 9-day moving average is a negative short-term indicator for trend. The daily closing price reversal down is a negative indicator for prices. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is 236.700. Some caution in pressing the downside is warranted with the RSI

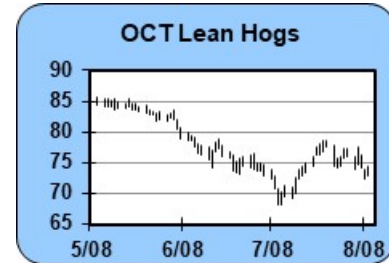
under 30. The next area of resistance is around 241.249 and 243.700, while 1st support hits today at 237.750 and below there at 236.700.

DAILY HOGS COMMENTARY

8/13/2024

USDA lowers US 2024 pork production and 2025 exports

December hogs had a quiet session Monday and trading volume was the lowest since May 24th. Lean hog Index was down for the 6 straight session. The USDA reduced 2024 pork production on lower slaughter and lower weights in the 3rd quarter. Pork production for 2025 was left unchanged from July and 2025 pork exports are forecast to be slightly lower than this year. December futures has gap resistance at 66.80 and prices need to close over that level to open the door for a test of 70.00. The CME Lean Hog Index as of August 9 was 90.92 down from 91.90 the previous session and from 93.64 the previous week. The USDA estimated hog slaughter came in at 483,000 head yesterday. This was up from 411,000 last week and up from 465,578 a year ago. The USDA pork cutout, released after the close yesterday, came in at \$99.24, up \$1.64 from Friday but down from \$103.81 the previous week.



China's national average spot pig price as of August 13 was down 0.1% from the previous day. For the week prices are up 1.4%, up 7.1% for the month and up 46.0% year to date and up 22.0% versus a year ago. Dalian live hog futures as of August 13 were down 0.2% from the previous day. For the week prices are up 0.4% and up 3.01% for the month and up 8.40% year to date.

TODAY'S MARKET IDEAS:

The overhead gap at 6680 remains key resistance on December futures. Technical indicators are in neutral and not yet in oversold territory. Look for next support at 63.25 on December. 50-day moving average resistance stands at 68.80. A close over 66.80 on December would be a bullish signal.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 08/13/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The close below the 9-day moving average is a negative short-term indicator for trend. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is 72.900. The next area of resistance is around 74.950 and 75.420, while 1st support hits today at 73.700 and below there at 72.900.

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	180.020	39.39	41.09	29.25	27.78	179.62	181.00	183.55	183.85	183.41
FCU24	239.500	28.33	30.41	13.96	12.47	239.36	244.03	250.63	256.07	257.06
LHV24	74.320	44.85	46.24	46.87	35.94	74.13	75.35	75.75	74.94	76.83

Calculations based on previous session. Data collected 08/12/2024
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	178.700	179.200	180.350	180.850	182.000
FCU24	Feeder Cattle	236.700	237.749	240.200	241.249	243.700
LHV24	Lean Hogs	72.870	73.670	74.150	74.950	75.420

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