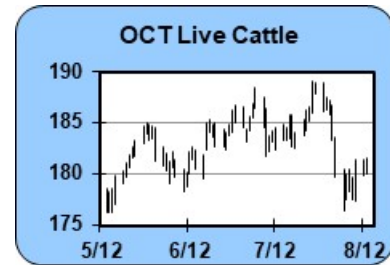




DAILY CATTLE COMMENTARY
8/15/2024

Beef weekly export sales a marketing year high

Last week's recession fears that weighed on cattle seem to have disappeared and buyers have returned this week. December looks headed toward 50% retracement to the late July highs at 182.80. This morning's weekly export sales of 28,100 metric tonnes were a marketing year high and nearly double the prior 4-week average. It appears the lower US dollar is boosting beef exports. A few cash cattle traded in the north at \$190 and the 5-day, 5-area weighted average is now 189.71, down from 191.11 at the end of last week. USDA estimated cattle slaughter came in at 122,000 head yesterday. This brings the total for the week so far to 356,000 head, down from 363,000 last week at this time and down from 366,991 a year ago. The USDA boxed beef cutout was down \$2.30 at mid-session yesterday and closed \$2.05 lower at \$314.88. This was up from \$313.85 the previous week.



TODAY'S MARKET IDEAS:

December live cattle have gained \$6 this week as recession fears have faded. This morning's very strong weekly export sales may give prices an additional boost but important 50% retracement resistance to the late July high is not far away at 182.75. Look for initial support at 179.90.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (OCT) 08/15/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The close above the 9-day moving average is a positive short-term indicator for trend. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next upside target is 183.700. The next area of resistance is around 183.070 and 183.700, while 1st support hits today at 181.170 and below there at 179.850.

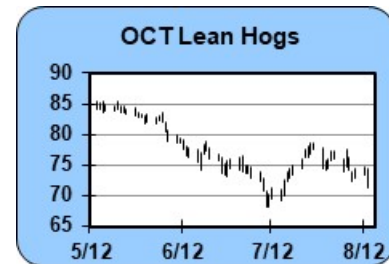
FEEDER CATTLE (SEP) 08/15/2024: Daily momentum studies are on the rise from low levels and should accelerate a move higher on a push through the 1st swing resistance. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside target is at 247.218. Consider buying pull-backs since daily studies are bullish. The next area of resistance is around 245.937 and 247.218, while 1st support hits today at 242.763 and below there at 240.869.

DAILY HOGS COMMENTARY

8/15/2024

Weekly pork export sales weaker than expected

December hogs turned back sharply higher yesterday after weakness earlier this week and closed above last week's downside gap at 66.80. The lean hog Index continues to move lower. This morning's pork weekly export sales were lower than expected and down 40% from last week and 30% lower from the 4-week average. This may put a damper on this morning's opening. This week's kill is expected to be nearly 100,000 head larger than last week. 20-day moving average resistance stands at 68.00 on December and fundamental data does not look very bullish but short-term technicals still point to some additional gains. The average hog weight for Iowa-Southern Minnesota as of August 10 was 281.0 pounds, down from 281.6 pounds the previous week and up from 277.2 a year ago. The 5-year average is 277.7 pounds. The CME Lean Hog Index as of August 12 was 90.34 down from 90.92 the previous session and from 93.33 the previous week. The USDA estimated hog slaughter came in at 481,000 head yesterday. This brings the total for the week so far to 1.446 million head, up from 1.374 million last week at this time and up from 1.418 million a year ago. The USDA pork cutout, released after the close yesterday, came in at \$98.07, down \$1.35 from Tuesday but up from \$98.04 the previous week.



TODAY'S MARKET IDEAS:

The market quickly reversed from Tuesday's selloff with strong gains yesterday and December closed above gap resistance relieving some of the technical bearish pressure. Fundamental data does not suggest any major run to the upside, but December could move higher in the short-term. Significant resistance in the \$70 area is unlikely to be exceeded.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 08/15/2024: The cross over and close above the 40-day moving average indicates the longer-term trend has turned up. A bullish signal was given with an upside crossover of the daily stochastics. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The intermediate trend could be turning up with the close back above the 18-day moving average. Market positioning is positive with the close over the 1st swing resistance. The near-term upside target is at 78.320. The next area of resistance is around 77.470 and 78.320, while 1st support hits today at 74.400 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	182.120	49.79	48.05	31.47	35.34	181.01	180.16	183.35	183.87	183.42
FCU24	244.350	43.33	40.66	17.09	21.81	241.91	241.55	249.18	255.43	256.51
LHV24	75.900	55.18	52.76	41.58	41.97	74.27	74.89	75.76	74.76	76.50

Calculations based on previous session. Data collected 08/14/2024
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	179.820	181.150	181.770	183.070	183.700
FCU24	Feeder Cattle	240.868	242.762	244.043	245.937	247.218
LHV24	Lean Hogs	72.120	74.370	75.220	77.470	78.320

Calculations based on previous session. Data collected 08/14/2024
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