

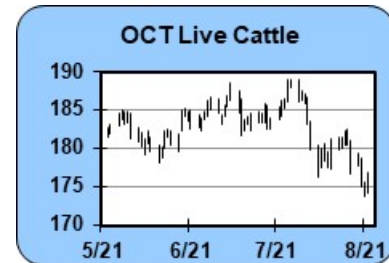


DAILY LIVESTOCK COMMENTARY Tuesday August 27, 2024

DAILY CATTLE COMMENTARY 8/27/2024

Strong close yesterday suggests further technical gains

December live cattle had a wide trading range yesterday after opening lower on the slightly bearish Cattle on Feed report Friday afternoon but closing strong. December tested retracement resistance yesterday and if prices can close over 177.65, it would open the door for a run to the .382% retracement of the late July high to last week's low, which stands at 179.40. A pattern change for the southern Plains will usher in better chances for rain by this weekend, which could improve pasture conditions. This week's slaughter is likely to be larger than last week with the shortened Labor Day holiday kill next week and profitable margins. Cash live cattle trade Monday was not established and the 5-area, 5-day weighted average at the end of last week was 184.92, down from 188.68 the previous week. Showlist sizes this week are expected up 755 in Texas to 85,867, up 5508 in Kansas at 92,287 and up 404 in Nebraska/Colorado to 68,492. The USDA estimated cattle slaughter came in at 116,000 head Monday. This was down from 117,000 last week and down from 125,036 a year ago. The USDA boxed beef cutout was down 36 cents at mid-session Monday and closed \$1.44 lower at \$315.90. This was up from \$315.55 the previous week.



TODAY'S MARKET IDEAS:

Friday's slightly bearish Cattle on Feed was not able to hold prices lower yesterday and the bull camp prevailed with a strong close. The short-term technical outlook points to a further bounce. December prices tested 50% retracement resistance yesterday at 177.60 and a move above that level would target the larger retracement resistance at 179.40. Key contract low support remains at 172.25 with minor support now at 174.75.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (OCT) 08/27/2024: The daily stochastics have crossed over up which is a bullish indication. The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The outside day up is a positive signal. The market setup is supportive for early gains with the close over the 1st swing resistance. The next upside target is 180.250. The next area of resistance is around 178.700 and 180.250, while 1st support hits today at 175.220 and below there at 173.270.

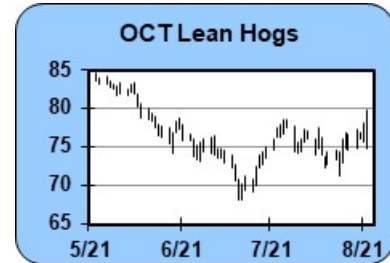
FEEDER CATTLE (OCT) 08/27/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The market's close above the 9-day moving average

suggests the short-term trend remains positive. The outside day up is a positive signal. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The next upside target is 242.418. The next area of resistance is around 240.362 and 242.418, while 1st support hits today at 234.588 and below there at 230.869.

DAILY HOGS COMMENTARY
8/27/2024

Cash index and cutout values weak but futures holds gains

Cash Hog Index fell again yesterday but December hog futures prices held recent gains, hitting a new 2-month high. December has had a \$7.50 run up since August 13th. The previous similar rally in the last half of July gained \$9. Technicals point to further gains to resistance at 72.15. Look for moving average support at 68.25. The CME Lean Hog Index as of August 22 was 88.22 down from 88.83 the previous session and from 90.09 the previous week. The USDA estimated hog slaughter came in at 484,000 head Monday. This was up from 483,000 last week and up from 477,386 a year ago. The USDA pork cutout, released after the close Monday, came in at \$94.55, down \$3.80 from Friday and down from \$96.19 the previous week.



TODAY'S MARKET IDEAS:

December futures had a small trading range yesterday but still closed near unchanged and did not give up any of the recent gains, despite weak cutout and cash index values. Bullish technicals are expected to push prices to next resistance at 72.15 On December. In addition, significant 100-day moving average resistance stands at 72.05.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 08/27/2024: 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 daily closing price reversal down puts the market on the defensive. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside objective is at 82.170. The next area of resistance is around 81.220 and 82.170, while 1st support hits today at 79.570 and below there at 78.850.

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	176.950	41.12	40.74	22.79	25.33	175.80	177.67	179.00	182.79	182.59
FCV24	237.475	45.17	40.61	21.47	31.51	234.44	235.99	238.40	250.50	252.75

LHV24 80.400 69.20 63.80 80.09 88.41 79.18 77.49 76.25 74.89 75.78

Calculations based on previous session. Data collected 08/26/2024

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	173.250	175.200	176.750	178.700	180.250
FCV24	Feeder Cattle	230.868	234.587	236.643	240.362	242.418
LHV24	Lean Hogs	78.820	79.550	80.500	81.220	82.170

Calculations based on previous session. Data collected 08/26/2024

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