

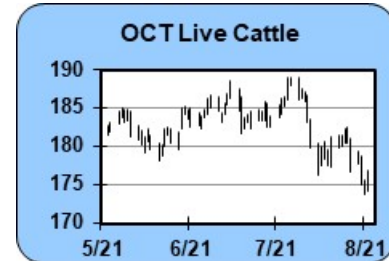


DAILY LIVESTOCK COMMENTARY Wednesday August 28, 2024

DAILY CATTLE COMMENTARY 8/28/2024

Cattle feeders may hold out for higher cash due to futures rally

Very strong trade in the December live cattle market yesterday with aggressive buying coming in just after the opening and prices rallied to 20-day moving average resistance at 178.90. Cash trade has yet to be established this week, but the futures rally is raising ideas the packer may need to pay up \$2-\$3 this week to buy cattle. Even so, fed cattle cash prices likely have topped, and this week's rally appears to be corrective. Look for 50% retracement resistance to the late July highs at 181.30, if prices can extend yesterday's gains. The USDA estimated cattle slaughter came in at 121,000 head Tuesday. This brings the total for the week so far to 237,000 head, down from 241,000 last week at this time and down from 251,583 a year ago. The USDA boxed beef cutout was up 38 cents at mid-session Tuesday and closed \$3.93 lower at \$311.97. This was down from \$315.08 the previous week.



TODAY'S MARKET IDEAS:

Strong market action yesterday as concerns about hot temperatures in the southern Plains were a supportive factor as heat can slow weight gains in cattle. Stronger consumer confidence numbers yesterday also relieved some fears of fading consumer beef demand. First retracement resistance is 179.40 and more important 50% retracement is 181.30. Look for December live cattle to encounter heavier selling if prices move above 180.

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.

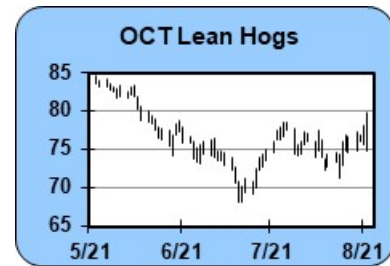
LIVE CATTLE (OCT) 08/28/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The intermediate trend could be turning up with the close back above the 18-day moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside target is at 181.950. The next area of resistance is around 180.920 and 181.950, while 1st support hits today at 177.870 and below there at 175.820.

FEEDER CATTLE (OCT) 08/28/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The cross over and close above the 18-day moving average is an indication the intermediate-term trend has turned positive. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside objective is at 241.218. The next area of resistance is around 239.787 and 241.218, while 1st support hits today at 236.963 and below there at 235.569.

DAILY HOGS COMMENTARY
8/28/2024

December futures nearing significant moving average resistance

December hogs had another strong day Tuesday and reached their highest level since June 24th. The recent lower US Dollar has helped boost exports. December prices reached the 100-day moving average resistance yesterday at 71.92 and if prices can continue the rally, important 200-day moving average resistance stands at 73.90. We expect significant resistance as prices move above 72.50, as it would make the current rally nearly equal to the \$9 bounce seen in the 2nd half of July. The CME Lean Hog Index as of August 23 was 87.86 down from 88.22 the previous session and from 89.95 the previous week. The USDA estimated hog slaughter came in at 479,000 head Tuesday. This brings the total for the week so far to 958,000 head, down from 965,000 last week at this time but up from 955,282 a year ago. The USDA pork cutout, released after the close Tuesday, came in at \$95.25, up 70 cents from Monday but down from \$96.61 the previous week.



TODAY'S MARKET IDEAS:

Strong buying in hogs this week has pushed prices up into a significant resistance area and the December contract has moved into overbought territory. Technicals remain bullish but the rally may be close to running its course. Look for layers of resistance starting at yesterday's high of 71.92, then 72.50 and extended resistance at 73.90.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK 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.

LEAN HOGS (OCT) 08/28/2024: Momentum studies are trending higher but have entered overbought levels. The market's short-term trend is positive on the close above the 9-day moving average. The outside day up is somewhat positive. A positive setup occurred with the close over the 1st swing resistance. The next upside target is 84.370. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 83.470 and 84.370, while 1st support hits today at 80.700 and below there at 78.770.

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	179.400	51.96	48.12	27.77	37.73	176.99	177.36	178.76	182.69	182.56
FCV24	238.375	47.88	42.48	28.02	41.12	236.12	235.58	237.70	250.00	252.41
LHV24	82.070	73.99	67.55	83.91	91.54	80.66	78.18	76.53	75.07	75.77

Calculations based on previous session. Data collected 08/27/2024
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	175.800	177.850	178.870	180.920	181.950
FCV24	Feeder Cattle	235.568	236.962	238.393	239.787	241.218
LHV24	Lean Hogs	78.750	80.650	81.570	83.470	84.370

Calculations based on previous session. Data collected 08/27/2024
Data sources can & do produce bad ticks. Verify before use.

***This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of Lakefront Futures is strictly prohibited.