



DAILY LIVESTOCK COMMENTARY

Thursday August 29, 2024

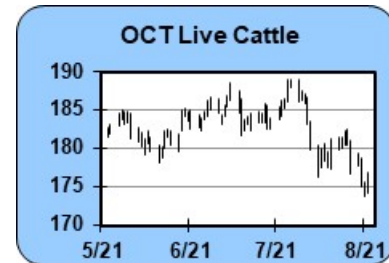
DAILY CATTLE COMMENTARY

8/29/2024

Pullback possible on weak cutout lack of cash bids

December live cattle was unable to build on the strength earlier in the week and prices closed lower yesterday. Moisture is on the way for the southern Plains which will improve pasture conditions. Weekly beef export sales this morning were slightly lower than last week but 4% above the average of the last month. This week's rally stalled at the 20-day moving average and December prices will need to push back above 179.12 to open the door for a rally to 50% retracement resistance at 181.30. Look for nearby support at 176.15. Cash trade has been very light so far this week and mostly at \$184. Cutout prices are weakening.

The 5-area, 5-day weighted average for the week is 183.81, down from 184.92 last week. The USDA estimated cattle slaughter came in at 120,000 head Wednesday. This brings the total for the week so far to 354,000 head, down from 363,000 last week at this time and down from 374,966 a year ago. The USDA boxed beef cutout was down \$2.02 at mid-session Wednesday and closed \$4.68 lower at \$307.29. This was down from \$315.21 the previous week.



TODAY'S MARKET IDEAS:

December live cattle futures were unable to extend the rally and pullback support stands at 176.15. With limited cash trade so far this week, packers are likely waiting to see if futures will pull back further and justify steady cash bids. Important 50% retracement is 181.30 on December. Look for 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) 08/29/2024: 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 positive on the close above the 9-day moving average. 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 near-term upside target is at 181.070. The next area of resistance is around 179.750 and 181.070, while 1st support hits today at 177.520 and below there at 176.600.

FEEDER CATTLE (OCT) 08/29/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The close above the 9-day moving average is a positive short-term indicator for trend. The upside closing price reversal on the daily chart is somewhat bullish. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside target is 241.137.

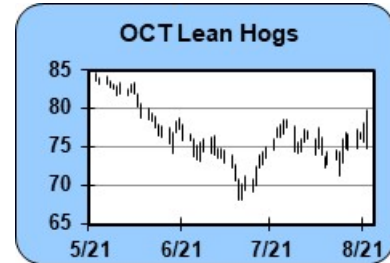
The next area of resistance is around 239.975 and 241.137, while 1st support hits today at 237.175 and below there at 235.538.

DAILY HOGS COMMENTARY

8/29/2024

Weekly export sales outperform

December hogs continued the rally yesterday and reached their highest level since June 18th. Expect a higher start today as weekly export sales were very strong and up nearly 60% from the average of the last month. Look for resistance at 72.50 and extended resistance at the 200-day moving average at 73.90. The average hog weight for Iowa-Southern Minnesota as of August 24 was 282.5 pounds, up from 281.1 pounds the previous week and up from 274.3 a year ago. The 5-year average is 276.8 pounds. The CME Lean Hog Index as of August 26 was 87.82, down from 87.86 the previous session and from 89.71 the previous week. The USDA estimated hog slaughter came in at 483,000 head Wednesday. This brings the total for the week so far to 1.441 million head, down from 1.446 million last week at this time but up from 1.431 million a year ago. The USDA pork cutout, released after the close Wednesday, came in at \$94.16, down \$1.09 from Tuesday but up from \$93.42 the previous week.



TODAY'S MARKET IDEAS:

December hogs closed right on the 100-day moving average resistance yesterday but are expected to open higher this morning on very strong export sales. A close above 72.05 would suggest a run to 200-day moving average resistance at 73.95. Any further rally is expected to run into stronger selling as prices have moved well into overbought territory, although technicals remain bullish.

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) 08/29/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. A positive signal for trend short-term was given on a close over the 9-bar moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside objective is 82.700. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 82.100 and 82.700, while 1st support hits today at 81.220 and below there at 80.950.

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	178.620	48.74	46.14	33.02	43.51	177.68	177.13	178.57	182.57	182.53

FCV24	238.575	48.51	42.91	34.88	48.59	237.20	235.32	237.26	249.51	252.07
LHV24	81.650	71.03	65.80	86.61	92.01	81.18	78.75	76.81	75.25	75.76

Calculations based on previous session. Data collected 08/28/2024

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	176.570	177.500	178.820	179.750	181.070
FCV24	Feeder Cattle	235.537	237.175	238.337	239.975	241.137
LHV24	Lean Hogs	80.900	81.200	81.800	82.100	82.700

Calculations based on previous session. Data collected 08/28/2024

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.*