

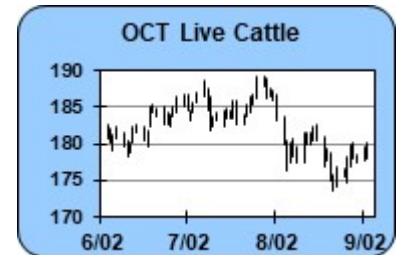


DAILY LIVESTOCK COMMENTARY Wednesday September 04, 2024

DAILY CATTLE COMMENTARY 9/4/2024

Cattle futures rally despite acute weakness in stock market

December live cattle closed at a 2-week high yesterday and packers will be needing cattle for a full slaughter week next week with cash ideas steady/higher. Yesterday's rally was all the more impressive since the stock market was extremely weak. Showlist sizes this week are expected to be down in Texas by 2689 head to 83,178, also down in Kansas by 3715 to 88,572 and up 7588 head in Nebraska/Colorado to 76,080. A close above 179.12 on December would point to a further rally to 50% retracement resistance of the late July high to the August low, which stands at 181.32. Look for pullback support at 176.15. Cash cattle trade was not established yesterday. The USDA estimated cattle slaughter came in at 125,000 head Tuesday. This brings the total for the week so far to 127,000 head, down from 234,000 last week at this time and down from 130,035 a year ago. The USDA boxed beef cutout was up \$2.14 at mid-session Tuesday and closed \$1.33 higher at \$310.67. This was down from \$315.90 the previous week.



TODAY'S MARKET IDEAS:

December live cattle moved above resistance by a few points yesterday but was unable to hold the gains, keeping 179.12 as important pivot point resistance. If prices can exceed that level a run to retracement resistance at 181.32 would be expected. Pullback support stands at 176.15 and 175.45.

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) 09/04/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. 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 near-term upside objective is at 181.250. The next area of resistance is around 180.300 and 181.250, while 1st support hits today at 178.250 and below there at 177.120.

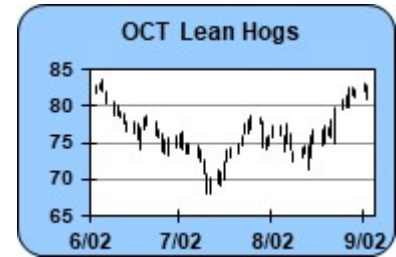
FEEDER CATTLE (OCT) 09/04/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. A positive signal for trend short-term was given on a close over the 9-bar moving average. Market positioning is positive with the close over the 1st swing resistance. The next upside objective is 242.231. The next area of resistance is around 240.987 and 242.231, while 1st support hits today at 237.663 and below there at 235.582.

DAILY HOGS COMMENTARY

9/4/2024

December testing 200-day moving average resistance

Despite December hogs starting off weak yesterday morning, prices ended the day very strong, having tested the important 200-day moving average resistance at 73.90 and hitting a new 3-month high. Stronger pork demand seems to be the driver for this current rally which has now reached a little over \$10 since mid-August. The CME Lean Hog Index as of August 29 was 86.47 down from 87.04 the previous session and from 88.22 the previous week. The USDA estimated hog slaughter came in at 484,000 head Tuesday. This brings the total for the week so far to 486,000 head, down from 958,000 last week at this time but up from 475,612 a year ago. The USDA pork cutout, released after the close Tuesday, came in at \$98.12, up \$1.35 from Friday and up from \$94.55 the previous week.



TODAY'S MARKET IDEAS:

For the 9th consecutive session, December hogs made a new daily high and extended upward to the 200-day moving average resistance at 73.90. Any and all minor pullbacks over the last couple of weeks have uncovered strong buying. Technical indicators are reaching extremely overbought levels and if the market can move above the 200-day, next resistance would be 75.40.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 09/04/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. 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. The close over the pivot swing is a somewhat positive setup. The next upside target is 84.320. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 83.600 and 84.320, while 1st support hits today at 81.470 and below there at 80.050.

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	179.270	52.36	48.63	44.86	53.15	178.60	177.44	178.49	182.10	182.44
FCV24	239.325	52.21	45.89	48.99	58.66	238.08	236.50	237.11	247.93	251.12
LHV24	82.520	73.79	67.83	91.80	94.20	82.15	80.82	77.94	75.72	75.89

Calculations based on previous session. Data collected 09/03/2024

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	177.100	178.220	179.170	180.300	181.250
FCV24	Feeder Cattle	235.581	237.662	238.906	240.987	242.231
LHV24	Lean Hogs	80.020	81.450	82.170	83.600	84.320

Calculations based on previous session. Data collected 09/03/2024

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