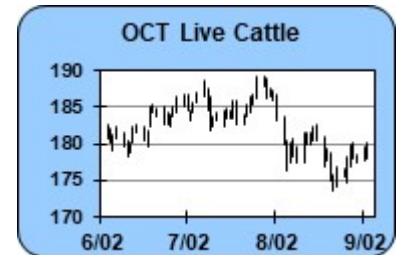




DAILY CATTLE COMMENTARY
9/5/2024

Cash cattle trade expected steady/weaker

December live cattle closed near steady yesterday, while feeder cattle were lower on higher grain prices. With cash trade expected steady at best this week, prices may be ready to pull back. The recent 2 1/2 week rally of \$6.32 is similar to the previous rally earlier in August of \$6 on December live cattle. Census Bureau export data showed July beef exports were 94 million tonnes, compared to 87 million in July year ago. USDA reported light cash cattle trade in Kansas yesterday at \$180 and the 5-area, 5-day weighted average the week is now 183.44, down from 183.57 at the end of last week. The USDA estimated cattle slaughter came in at 125,000 head Wednesday. This brings the total for the week so far to 252,000 head, down from 354,000 last week at this time and down from 258,554 a year ago. The USDA boxed beef cutout was up 61 cents at mid-session Wednesday and closed 93 cents higher at \$311.60. This was down from \$311.97 the previous week.



TODAY'S MARKET IDEAS:

The lack of rally extension yesterday puts December live cattle in position for a pullback. Look for retracement support at 177.10 and 176.40. Cash trade is expected steady/weaker this week and ongoing debate about consumer beef demand continues, which may keep sellers active on rallies.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (OCT) 09/05/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market's short-term trend is positive on the close above the 9-day moving average. The close over the pivot swing is a somewhat positive setup. The next upside objective is 180.450. The next area of resistance is around 179.800 and 180.450, while 1st support hits today at 178.650 and below there at 178.120.

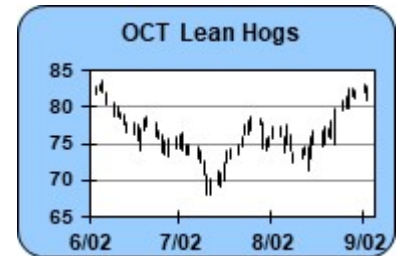
FEEDER CATTLE (OCT) 09/05/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market setup is somewhat negative with the close under the 1st swing support. The next upside target is 240.412. The next area of resistance is around 238.700 and 240.412, while 1st support hits today at 236.200 and below there at 235.413.

DAILY HOGS COMMENTARY

9/5/2024

December turns down from resistance

Cutout values weakened yesterday and futures closed lower on December hogs, resulting in a reversal down after hitting key 200-day moving average resistance. A pullback looks to be starting after the slightly more than \$10 rally since mid-August. Look for retracement support of the recent rally at 70.10 on December. The average hog weight for Iowa-Southern Minnesota as of August 31 was 280.7 pounds, down from 282.5 pounds the previous week and up from 275.7 a year ago. The 5-year average is 277.1 pounds. The CME Lean Hog Index as of August 30 was 86.15 down from 86.47 the previous session and from 87.86 the previous week. The USDA estimated hog slaughter came in at 485,000 head Wednesday. This brings the total for the week so far to 971,000 head, down from 1.431 million last week at this time but up from 954,843 a year ago. The USDA pork cutout, released after the close Wednesday, came in at \$94.12, down \$4.00 from Tuesday and down from \$95.25 the previous week.



TODAY'S MARKET IDEAS:

200-day moving average proved to be significant resistance yesterday on December hogs and prices turned lower. The rally since mid-August may be coming to an end after 10 consecutive days of new daily highs. Look for a further pullback to first retracement support at 70.10 and possibly 68.80.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 09/05/2024: A bearish signal was triggered on a crossover down in the daily stochastics. Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. The market's short-term trend is positive on the close above the 9-day moving average. The downside closing price reversal on the daily chart is somewhat negative. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is now at 80.170. The next area of resistance is around 82.500 and 83.850, while 1st support hits today at 80.670 and below there at 80.170.

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	179.200	52.09	48.48	48.66	56.25	178.75	177.96	178.55	181.99	182.44
FCV24	237.450	45.97	42.54	52.08	58.26	237.80	237.14	237.19	247.47	250.81
LHV24	81.570	64.85	62.92	91.15	89.85	82.13	81.43	78.38	75.88	75.93

Calculations based on previous session. Data collected 09/04/2024

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	178.100	178.620	179.270	179.800	180.450
FCV24	Feeder Cattle	235.412	236.200	237.912	238.700	240.412
LHV24	Lean Hogs	80.150	80.650	82.000	82.500	83.850

Calculations based on previous session. Data collected 09/04/2024

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