



DAILY LIVESTOCK COMMENTARY

Tuesday September 17, 2024

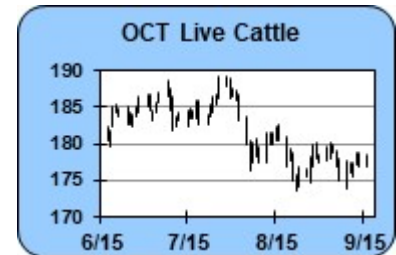
DAILY CATTLE COMMENTARY

9/17/2024

Key breakout resistance on December live cattle at 179.50

December live cattle had a slight pullback yesterday and the trading range was nearly identical to Friday. There was some cash trade reported in lowa yesterday at 183-184 and the 5-day, 5-area weighted average for the week is now 181.99, compared last week at 181.95. Consumer beef demand remains a worrisome issue but the drop in the US dollar, now testing the 2024 lows, is a positive for exports. Look for important breakout resistance at 179.50 and if that is breached, a run to moving average resistance at 181.15 would be possible.

Showlist sizes this week in Texas are expected up 3844 head at 84,184, down 3948 in Kansas at 83,395 and down 4698 in Nebraska/Colorado to 68,328 head. The USDA estimated cattle slaughter came in at 121,000 head Monday. This was up from 114,000 last week and up from 120,948 a year ago. The USDA boxed beef cutout was up 6 cents at mid-session Monday and closed 34 cents lower at \$304.57. This was down from \$308.52 the previous week.



TODAY'S MARKET IDEAS:

December live cattle remains just below the breakout level of 179.50, which has been tested several times over the last couple weeks. A move above that level would open the door for further gains. The lower US Dollar and potential tailwinds from a possible Fed rate cut tomorrow are supportive factors today. Look for support at 176.50.

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) 09/17/2024: The downside crossover of the 9 and 18 bar moving average is a negative signal. Positive momentum studies in the neutral zone will tend to reinforce higher price action. The close below the 18-day moving average is an indication the intermediate-term trend has turned down. It is a slightly negative indicator that the close was under the swing pivot. The near-term upside objective is at 179.070. The next area of resistance is around 178.020 and 179.070, while 1st support hits today at 176.420 and below there at 175.850.

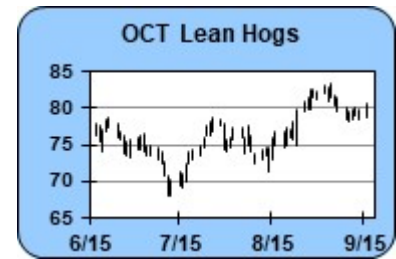
FEEDER CATTLE (OCT) 09/17/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's short-term trend is positive on the close above the 9-day moving average. It is a slightly negative indicator that the close was under the swing pivot. The near-term upside objective is at 242.012. The next area of resistance is around 240.299 and 242.012, while 1st support hits today at 237.700 and below there at 236.813.

DAILY HOGS COMMENTARY

9/17/2024

US Dollar drop supportive for pork exports

December hogs opened on the low of the day yesterday and closed higher after taking out last week's highs. The Fed will likely cut rates tomorrow and the US dollar is sinking for a test of the 2024 lows and that provides a supportive backdrop for pork export sales, which have been strong recently. The recent short-term uptrend remains intact unless the market falls below last week's low of 70.55. The CME Lean Hog Index as of September 12 was 84.87 down from 85.35 the previous session and from 86.24 the previous week. The USDA estimated hog slaughter came in at 486,000 head Monday. This was unchanged from last week but down from 487,021 a year ago. The USDA pork cutout, released after the close Monday, came in at \$93.79, up \$1.02 from Friday but down from \$95.26 the previous week. The previous low was \$92.77 on September 13. The previous high was \$94.31 on September 10.



TODAY'S MARKET IDEAS:

No change in the technical outlook for December hogs with 70.55 as key support and 73.75 as major resistance. US Dollar weakness and the Fed rate cut tomorrow may keep traders in a buying mood today. A drop below 70.55 would point to a test of 68.80 retracement support.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 09/17/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The close above the 9-day moving average is a positive short-term indicator for trend. A positive setup occurred with the close over the 1st swing resistance. The next downside objective is now at 77.720. The next area of resistance is around 80.950 and 81.850, while 1st support hits today at 78.900 and below there at 77.720.

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	177.200	46.62	45.52	52.11	54.77	177.46	177.19	177.32	180.58	181.63
FCV24	239.000	54.95	49.75	66.58	75.24	238.84	236.50	236.50	243.42	247.53
LHV24	79.900	53.97	54.69	47.00	35.80	79.26	79.57	80.20	77.25	76.22

Calculations based on previous session. Data collected 09/16/2024

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	175.820	176.400	177.450	178.020	179.070
FCV24	Feeder Cattle	236.812	237.700	239.412	240.299	242.012
LHV24	Lean Hogs	77.700	78.870	79.770	80.950	81.850

Calculations based on previous session. Data collected 09/16/2024

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