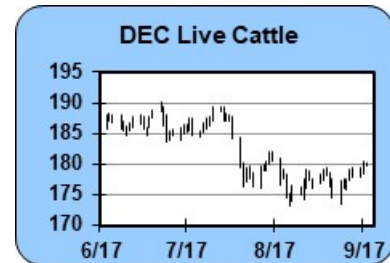




DAILY CATTLE COMMENTARY
9/19/2024

December live cattle closed above key resistance

December live cattle are expected to have a supportive tone on the opening after the aggressive Fed rate cut yesterday and a strong rally in the stock market this morning. Weekly net export sales were 15,500 metric tonnes, well above last week's poor performance but still 2% lower than the average of the last month. However, the expected continuation of the weak trend in the US dollar is likely to benefit US exports. Look for nearby resistance to be tested at 180.80. Pullback support stands at 177.65 For the 3rd day in a row, the only cash trade was reported in the north with 43 head trading at \$180. The 5-area, 5-day weighted average for the week is now 182.35, up from 181.95 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 371,000 head, up from 362,000 last week at this time but down from 374,427 a year ago. The USDA boxed beef cutout was down 36 cents at mid-session Wednesday and closed \$2.53 lower at \$301.38. This was down from \$307.36 the previous week. The previous low was \$298.95 on May 13. The previous high was \$303.91 on September 17.



TODAY'S MARKET IDEAS:

December live cattle prices closed near unchanged yesterday after the Fed rate cut but prices had little time to react as the cut came right at the market close. With a strong stock market rally ongoing this morning, expect a stronger opening in live cattle. December is expected to find good support in the 177.65 area. Look for nearby upside resistance at the 50-day moving average of 180.80 to be tested today.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (OCT) 09/19/2024: 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The near-term upside target is at 179.420. The next area of resistance is around 178.770 and 179.420, while 1st support hits today at 177.850 and below there at 177.550.

FEEDER CATTLE (OCT) 09/19/2024: The moving average crossover up (9 above 18) indicates a possible developing short-term uptrend. Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. It is a slightly negative indicator that the close was under the swing pivot. The next upside

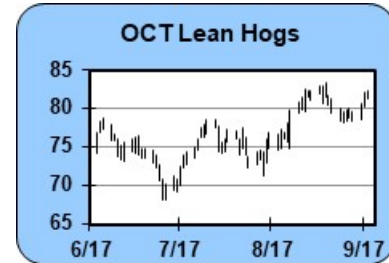
objective is 241.781. The next area of resistance is around 240.762 and 241.781, while 1st support hits today at 239.138 and below there at 238.532.

DAILY HOGS COMMENTARY

9/19/2024

Close over 74.07 on December would suggest further upside

December hogs had a small range yesterday but managed to close slightly higher, its highest close since June 4th. With the Fed rate cut coming right on the closing bell, expect prices to be stronger this morning and if December can close above the early September highs of 74.07, expect a test of the 76.00-77.50 consolidation range seen back in May. Weekly pork export sales this morning were 29,000 metric tonnes, down 3% from the previous week, but up 3% from the average of the last month. Average hog weight for Iowa-Southern Minnesota as of September 14 was 283.5 pounds, down from 284 pounds the previous week and up from 278.9 a year ago. The 5-year average is 280.4 pounds. The CME Lean Hog Index as of September 16 was 84.22 down from 84.38 the previous session and from 85.56 the previous week. The USDA estimated hog slaughter came in at 479,000 head Wednesday. This brings the total for the week so far to 1.428 million head, down from 1.453 million last week at this time and down from 1.460 million a year ago. The USDA pork cutout, released after the close Wednesday, came in at \$92.95, down \$1.35 from Tuesday but up from \$91.24 the previous week.



TODAY'S MARKET IDEAS:

A stronger opening is expected after the Fed's aggressive rate cut yesterday, as pork exports are likely to remain strong in a weakening US dollar environment. December hog prices closed just below the early September highs at 74.07 and a close that level could propel the market another \$2-\$3 higher. Look for moving average support on a pullback to 72.10.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 09/19/2024: A bullish signal was given with an upside crossover of the daily stochastics. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market's close above the 9-day moving average suggests the short-term trend remains positive. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside target is at 82.920. The next area of resistance is around 82.550 and 82.920, while 1st support hits today at 81.550 and below there at 80.900.

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	178.300	52.33	49.31	58.88	65.44	177.99	177.26	177.68	180.33	181.46
FCV24	239.950	56.73	51.46	75.55	83.49	239.71	237.46	237.32	242.59	246.86
LHV24	82.020	64.73	61.62	49.15	54.40	80.55	79.74	80.64	77.73	76.44

Calculations based on previous session. Data collected 09/18/2024
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	177.520	177.820	178.470	178.770	179.420
FCV24	Feeder Cattle	238.531	239.137	240.156	240.762	241.781
LHV24	Lean Hogs	80.870	81.520	81.900	82.550	82.920

Calculations based on previous session. Data collected 09/18/2024
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