

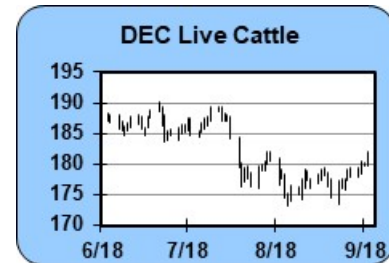


DAILY LIVESTOCK COMMENTARY Friday September 20, 2024

DAILY CATTLE COMMENTARY 9/20/2024

Strong price action ahead of Cattle on Feed today

December live cattle prices traded strong out of the gate yesterday, as expected, after the aggressive Fed rate cut on Wednesday. Prices closed at their 2nd highest level since August 2nd and above the 50-day moving average for the 1st time since August 1. This week's breakout above resistance at 179.50 is bullish and suggest a move higher to the next resistance zone at 182.95-183.40. This afternoon's Cattle on Feed report is expected to show On Feed numbers at 100.9% of last year, Placements 99% of last year and Marketings at 96.6%, according to Reuters estimates. On feed numbers in September are typically the seasonal low point for the year before the fall run begins and grass cattle are moved into feedlots. Cash trade was reported yesterday for the 4th day in a row in the north and Iowa and Nebraska trade was seen at \$182. The 5-area, 5-day weighted average is now 182.46 for the week, up from 181.95 at the end of last week. The USDA estimated cattle slaughter came in at 122,000 head Thursday. This brings the total for the week so far to 493,000 head, up from 485,000 last week at this time but down from 500,412 a year ago. The USDA boxed beef cutout was down \$1.01 at mid-session Thursday and closed \$1.82 lower at \$299.56. This was down from \$307.18 the previous week.



TODAY'S MARKET IDEAS:

This afternoon's Cattle on Feed report will add some volatility to the trade early next week but strong futures price action this week has given the market a bullish technical outlook. Next upside resistance is 182.95 and 183.45. Previous resistance at 179.50 will now become support. Technical action suggests further upside gains.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (OCT) 09/20/2024: The cross over and close above the 40-day moving average indicates the longer-term trend has turned up. Momentum studies are trending higher but have entered overbought levels. The close above the 9-day moving average is a positive short-term indicator for trend. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The near-term upside objective is at 181.720. The next area of resistance is around 181.000 and 181.720, while 1st support hits today at 178.950 and below there at 177.650.

FEEDER CATTLE (OCT) 09/20/2024: The major trend could be turning up with the close back above the 40-day moving average. Momentum studies are trending higher but have entered overbought levels. A positive signal for

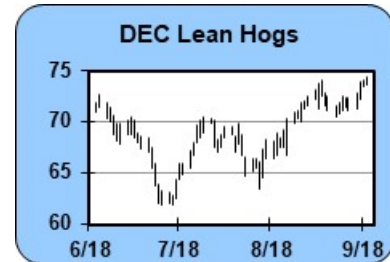
trend short-term was given on a close over the 9-bar moving average. The market's close above the 2nd swing resistance number is a bullish indication. The near-term upside target is at 246.712. The next area of resistance is around 245.624 and 246.712, while 1st support hits today at 241.925 and below there at 239.313.

DAILY HOGS COMMENTARY

9/20/2024

Close over the 200-day moving ave suggests further gains

December hogs closed yesterday at a new 3 1/2 month high, closing above the key 200-day moving average resistance and the early September highs, and increasing the odds of a test of the spring consolidation area of 76.00-77.50. Optimism regarding pork exports is one of the driving factors after weekly export sales hit a 6-week high yesterday and fall and early winter export pace typically trends higher. The CME Lean Hog Index as of September 17 was 84.22 unchanged from the previous session and down from 85.46 the previous week. The USDA estimated hog slaughter came in at 479,000 head Thursday. This brings the total for the week so far to 1.907 million head, down from 1.936 million last week at this time and down from 1.949 million a year ago. The USDA pork cutout, released after the close Thursday, came in at \$94.11, up \$1.16 from Wednesday and up from \$92.76 the previous week.



TODAY'S MARKET IDEAS:

December hogs closed above the 3-month high and the uptrend since early July continues to press higher. Nearby resistance starts at 76.00 and expected weakness in the US dollar after the Fed rate cut this week is a supportive factor for the market. The bullish technical outlook points to further gains. Look for moving average support on a pullback to 72.30.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 09/20/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The close above the 9-day moving average is a positive short-term indicator for trend. The close over the pivot swing is a somewhat positive setup. The next upside target is 82.820. The next area of resistance is around 82.570 and 82.820, while 1st support hits today at 81.920 and below there at 81.500.

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	179.950	60.58	54.75	64.22	74.90	178.58	177.80	177.92	180.21	181.39
FCV24	243.775	66.53	58.43	80.02	88.95	240.87	238.89	237.84	242.25	246.58

LHV24 82.250 65.67 62.24 53.40 61.91 81.50 80.05 80.74 77.93 76.59

Calculations based on previous session. Data collected 09/19/2024
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	177.620	178.920	179.670	181.000	181.720
FCV24	Feeder Cattle	239.312	241.924	243.012	245.624	246.712
LHV24	Lean Hogs	81.470	81.900	82.150	82.570	82.820

Calculations based on previous session. Data collected 09/19/2024
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