



## DAILY LIVESTOCK COMMENTARY

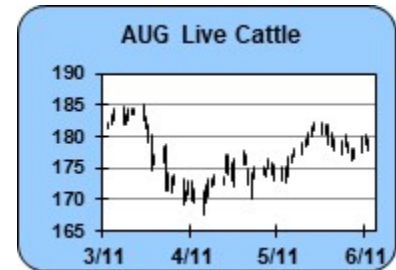
Thursday June 13, 2024

### DAILY CATTLE COMMENTARY

6/13/2024

#### Expected higher packer bids may support futures

August cattle were weak yesterday, likely waiting for some cash trade to develop. Some light trade developed in Nebraska at \$190 and a few cattle sold on the Fed Cattle Exchange at \$188 with live bids of \$185 in Texas and Kansas passed. We expect packer bids will get more aggressive today, which may support August futures. The 5 - area, 5 - day weighted average is 188.22. The USDA estimated cattle slaughter came in at 123,000 head yesterday. This brings the total for the week so far to 367,000 head, unchanged from last week at this time but down from 376,757 a year ago. The USDA boxed beef cutout was down 45 cents at mid-session yesterday and closed 61 cents lower at \$317.60. This was up from \$314.79 the previous week.



#### TODAY'S MARKET IDEAS:

Significant support remains at last week's lows of 176.05. August futures closed right on near-term moving average support at 178.30, where the 100 and 200-moving averages have converged. If packer bids are more aggressive today, August futures may see a rebound. The medium-term technical picture still points to an eventual test of the May high at 182.15.

#### 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 (AUG) 06/13/2024:** Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The close below the 9-day moving average is a negative short-term indicator for trend. It is a slightly negative indicator that the close was under the swing pivot. The next downside target is now at 176.820. The next area of resistance is around 179.170 and 180.250, while 1st support hits today at 177.470 and below there at 176.820.

**FEEDER CATTLE (AUG) 06/13/2024:** Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market's close below the pivot swing number is a mildly negative setup. The next upside objective is 260.087. The next area of resistance is around 258.725 and 260.087, while 1st support hits today at 256.425 and below there at 255.488.

# DAILY HOGS COMMENTARY

6/13/2024

## Short-term technical indicators turn higher

July hogs finally got some bullish momentum yesterday on another strong volume day, despite weak cutout values. USDA raised pork production for the 2nd quarter but also raised pork exports, as lower hog prices compete well with strong beef prices. Short-term technical indicators turned higher yesterday and suggest a move to the next significant resistance level on July at 95.80. In addition, further resistance is expected at the small downside gap at 96.22 from early last week. The CME Lean Hog Index as of June 10 was 91.32, down from 91.52 the previous session but up 91.93 the previous week. The USDA pork cutout, released after the close yesterday, came in at \$97.51, down \$5.06 from Tuesday and down from \$99.03 the previous week. The previous low was \$97.46 on May 9. The previous high was \$102.57 on June 11.



China's national average spot pig price as of June 13 was down 1.47% from the previous day. For the week prices are up 0.16%, up 6.97% for the month and up 30.18% year to date and up 31.28% versus a year ago. Dalian live hog futures as of June 13 were down 2.1% from the previous day. For the week prices are down 0.8% and down 0.67% for the month and up 5.54% year to date. The average hog weight for Iowa-Southern Minnesota as of June 8 was 289.0 pounds, down from 290.4 pounds the previous week and up from 279.9 a year ago.

### TODAY'S MARKET IDEAS:

July hogs saw its best close in 6 sessions and trading volume was once again strong. With short-term technical indicators now turning higher, a further rally is anticipated and next resistance stands at 95.80 to 96.22 on July. Back month hogs featured technical upside reversals yesterday, offering further support for rally.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (JUL) 06/13/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The near-term upside target is at 95.870. The next area of resistance is around 94.800 and 95.870, while 1st support hits today at 92.600 and below there at 91.450.

### 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
<b>MEAT COMPLEX</b>										
LCQ24	178.320	49.01	51.17	46.53	43.02	178.60	178.39	179.40	176.13	176.24
FCQ24	257.575	51.61	51.07	40.76	43.52	257.20	256.12	258.43	255.73	256.26
LHN24	93.700	36.57	34.04	11.79	15.14	93.09	93.88	95.93	100.98	102.11

Calculations based on previous session. Data collected 06/12/2024

Data sources can & do produce bad ticks. Verify before use.

### DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
<b>MEAT COMPLEX</b>						
LCQ24	Live Cattle	176.800	177.450	178.520	179.170	180.250
FCQ24	Feeder Cattle	255.487	256.425	257.787	258.725	260.087
LHN24	Lean Hogs	91.420	92.570	93.650	94.800	95.870

Calculations based on previous session. Data collected 06/12/2024

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