

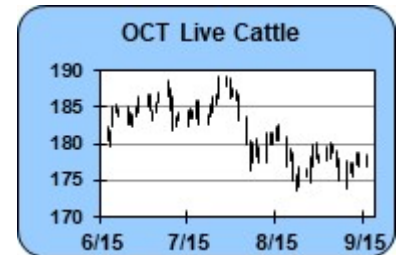


DAILY CATTLE COMMENTARY
9/18/2024

December live cattle closed above key resistance

December live cattle broke out yesterday to their highest level since August 16th. Commodity bullishness from the anticipated Fed rate cut this afternoon likely encouraged buyers as the US Dollar continues to languish near 2024 lows. The market looks poised for further technical gains. China's August US beef imports were 230,000 tonnes, down 13% year-over-year and year-to-date imports are up 5.3% to 1.89 million tonnes. For the 2nd day in a row, the only cash trade was in the north where 62 head sold at an average weight of 177.97.

The 5-area, 5-day weighted average for the week is 181.99, up from 181.95 at the end of last week. Urner Barry Cattle on Feed pre-report estimates show on feed expected at 100.7% of last year, placements at 98.5% and marketings at 96.5%. In August, total feeder cattle sales were 9.4% below the year ago and auction sales were down 7.2%. The USDA estimated cattle slaughter came in at 125,000 head Tuesday. This brings the total for the week so far to 246,000 head, up from 238,000 last week at this time but down from 246,826 a year ago. The USDA boxed beef cutout was down 89 cents at mid-session Tuesday and closed 66 cents lower at \$303.91. This was down from \$308.23 the previous week.



TODAY'S MARKET IDEAS:

December live cattle made a good technical trade yesterday, closing at a 4-week high and above key resistance at 179.50. 50-day moving average resistance is just above the market at 180.90 but yesterday's breakout would suggest prices could test 183.00. Look for support at 177.75.

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) 09/18/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The intermediate trend could be turning up with the close back above the 18-day moving average. A positive setup occurred with the close over the 1st swing resistance. The near-term upside target is at 180.670. The next area of resistance is around 179.900 and 180.670, while 1st support hits today at 177.700 and below there at 176.250.

FEEDER CATTLE (OCT) 09/18/2024: The downside crossover of the 9 and 18 bar moving average is a negative signal. 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. A positive setup occurred with the close over the 1st swing resistance. The next upside objective is 243.081. The next area of resistance is around 242.062 and 243.081, while 1st support hits today at 239.438 and below there at

237.832.

DAILY HOGS COMMENTARY

9/18/2024

December closes on 200-day moving average resistance

December hog prices were very strong yesterday and closed at the 2nd highest level since June 4th, just under the early September highs of 74.07. A close over the September high would open the door for a test of the consolidation area seen back in May in the 76.00-77.50 area on December. The cash hog Index was lower by about \$0.50 and hit its lowest level since March. China's August imports of US pork were 90,000 tonnes, down 15% year-over-year and year-to-date imports are down 40.5% to 700,000 tonnes. The CME Lean Hog Index as of September 13 was 84.38 down from 84.87 the previous session and from 85.74 the previous week. The USDA estimated hog slaughter came in at 474,000 head Tuesday. This brings the total for the week so far to 949,000 head, down from 970,000 last week at this time and down from 972,094 a year ago. The USDA pork cutout, released after the close Tuesday, came in at \$94.30, up 51 cents from Monday but down from \$94.31 the previous week.



TODAY'S MARKET IDEAS:

Yesterday's strong performance in December hogs may propel the market beyond key 200-day moving average resistance. The technicals appear to be driving the market higher and today's Fed rate cut decision is expected to further pressure the US Dollar, which would be bullish for pork exports. A close over 74.07, the early September highs, would point to a further extension of the rally.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 09/18/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market now above the 18-day moving average suggests the intermediate-term trend has turned up. Market positioning is positive with the close over the 1st swing resistance. The next downside objective is now at 79.600. The next area of resistance is around 82.700 and 83.320, while 1st support hits today at 80.850 and below there at 79.600.

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	178.800	55.41	51.01	55.60	62.58	177.93	177.15	177.55	180.47	181.55
FCV24	240.750	60.00	53.19	71.59	81.60	239.66	236.86	237.00	243.02	247.20
LHV24	81.770	63.51	60.79	46.53	45.59	79.76	79.59	80.51	77.52	76.31

Calculations based on previous session. Data collected 09/17/2024
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	176.220	177.670	178.450	179.900	180.670
FCV24	Feeder Cattle	237.831	239.437	240.456	242.062	243.081
LHV24	Lean Hogs	79.570	80.820	81.450	82.700	83.320

Calculations based on previous session. Data collected 09/17/2024
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