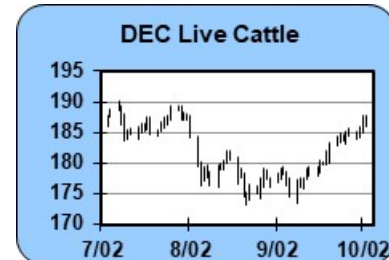


### DAILY CATTLE COMMENTARY

10/4/2024

#### Port strike suspended, lower opening expected

The US dockworkers strike has been suspended overnight as a tentative agreement has been reached. Negotiations will continue to ratify the deal, but port operations should slowly begin to return to normal. If the disruption of beef imports was a legitimate reason for this week's futures rally, we would expect a sharply lower opening today. After the steep rally in September, prices may be ready for a pullback and December live cattle nearby support begins at 183.90. There was no cash cattle trade in the major feeding areas yesterday and the 5-area, 5-day weighted average for the week remains at 186.07, up from 186.05 last week. The USDA estimated cattle slaughter came in at 124,000 head Thursday. This brings the total for the week so far to 491,000 head, up from 487,000 last week at this time but down from 498,753 a year ago. The USDA boxed beef cutout was down 32 cents at mid-session Thursday and closed 1 cents lower at \$299.80. This was up from \$296.37 the previous week.



U.S. beef export sales for the week ending September 26 came in at 22,500 tonnes compared with the average of the previous four weeks of 13,600 tonnes. Cumulative sales for the 22.5 have reached 731,600 tonnes, up 0.1% versus last year's pace.

#### TODAY'S MARKET IDEAS:

With the port strike now suspended, beef imports should quickly return to normal, and today's opening may start out under pressure. No cash trade was reported yesterday. December live cattle has pullback support at 183.90 and long liquidation is expected today before the weekend.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

#### CATTLE COMPLEX TECHNICAL OUTLOOK:

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**LIVE CATTLE (DEC) 10/04/2024:** A bearish signal was triggered on a crossover down in the daily stochastics. Momentum studies trending lower from overbought levels is a bearish indicator and would tend to reinforce lower price action. The close above the 9-day moving average is a positive short-term indicator for trend. The downside closing price reversal on the daily chart is somewhat negative. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is 184.870. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 187.300 and 188.500, while 1st support hits today at 185.500 and below there at 184.870.

**FEEDER CATTLE (NOV) 10/04/2024:** Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's short-term trend is positive on the close above the 9-day moving average. The downside closing price reversal on the daily chart is somewhat negative. It is a mildly bullish

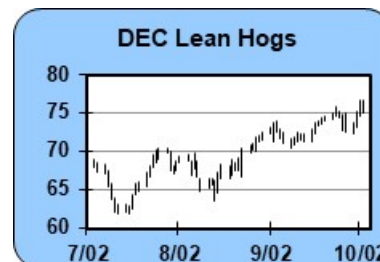
indicator that the market closed over the pivot swing number. The near-term upside objective is at 250.474. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 249.324 and 250.474, while 1st support hits today at 246.925 and below there at 245.675.

## DAILY HOGS COMMENTARY

10/4/2024

### Suspension of Dockworkers strike may pressure futures

December hogs sold off early in the session yesterday but closed in the upper end of the range. The US dockworkers strike has been suspended and port operations are expected to slowly return to normal and that may result in pressure on the hog market today. To reverse the uptrend since early July, December prices need to fall below 72.40 support, although nearby support stands at 73.75. Upside resistance stands at 77.75. The CME Lean Hog Index as of October 1 was 84.45, up from 84.13 the previous session and from 84.05 the previous week. The USDA estimated hog slaughter came in at 481,000 head Thursday. This brings the total for the week so far to 1.938 million head, up from 1.933 million last week at this time but down from 1.938 million a year ago. The USDA pork cutout, released after the close Thursday, came in at \$93.86, down 85 cents from Wednesday but up from \$93.05 the previous week.



U.S. pork export sales for the week ending September 26 came in at 43,400 tonnes compared with the average of the previous four weeks of 27,000 tonnes. Cumulative sales for the 2024 marketing year have reached 1,475,200 tonnes, down 0.4% versus last year's pace.

### TODAY'S MARKET IDEAS:

The recent uptrend in December hogs may be put to the test today as the suspension of the dockworkers strike is expected to allay fears of further pork import disruptions. A sharply lower opening could push prices down to pullback support at 73.75. Initial resistance is 77.75 on December.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (DEC) 10/04/2024: Momentum studies are trending higher but have entered overbought levels. The market's short-term trend is positive on the close above the 9-day moving average. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 77.920. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 77.270 and 77.920, while 1st support hits today at 75.520 and below there at 74.400.

## 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>										
LCZ24	186.400	70.96	66.56	92.36	91.27	186.02	185.10	182.17	179.73	181.50
FCX24	248.125	76.79	68.43	92.28	92.46	246.56	245.24	241.07	237.98	242.60
LHZ24	76.400	70.48	67.48	75.92	83.10	75.26	74.79	73.76	71.17	70.08
<b>Calculations based on previous session. Data collected 10/03/2024</b>										
<b>Data sources can &amp; do produce bad ticks. Verify before use.</b>										

## DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
<b>MEAT COMPLEX</b>						
LCZ24	Live Cattle	184.850	185.470	186.670	187.300	188.500
FCX24	Feeder Cattle	245.675	246.924	248.075	249.324	250.474
LHZ24	Lean Hogs	74.370	75.500	76.150	77.270	77.920
<b>Calculations based on previous session. Data collected 10/03/2024</b>						
<b>Data sources can &amp; do produce bad ticks. Verify before use.</b>						

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