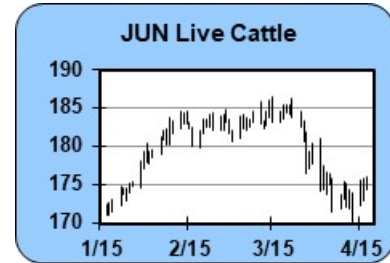




DAILY CATTLE COMMENTARY
 4/22/2024

Bullish on feed report, especially placements.

Friday's Cattle on Feed Report showed placements for the month of March at 87.7% of last year versus an average trade expectation of 92.3% and a range of estimates from 89.3% to 94.7%. Marketings came in at 86.3% versus 88.6% expected (range 86.5%-91.3%). On feed supply as of April 1 came in at 101.5% of last year versus 102.0% expected (range 101.6%-102.5%). Placements coming in below the lower end of pre-report estimates put a bullish spin on the report.



However, a report after the close on Friday that the USDA had confirmed cow-to-cow transmission in the spread of bird flu virus in dairy herds could undermine support. The USDA also confirmed that the virus has been detected in dairy cattle in eight states and that the virus is still spreading. The USDA has not imposed any quarantines. USDA estimated cattle slaughter totaled 620,000 head last week, up from 603,000 the previous week but down from 625,000 a year ago. The estimated average dressed cattle weight last week was 847 pounds, unchanged from the previous week and up from 815 a year ago. The 5-year average weight for that week is 819 pounds. Estimated beef production last week was 524.3 million pounds, up from 508.8 million a year ago. Cash cattle traded in strong volume on Friday. As of Friday afternoon, the five-day, five-area weighted average price was \$182.40, down from \$183.49 the previous week. The USDA boxed beef cutout was down 13 cents on Friday at \$295.67. This was down from \$300.57 the previous week and was the lowest it had been since February 15. Friday's Commitments of Traders report showed managed money traders were net sellers of 4,675 contracts of cattle for the week ending April 16, reducing their net long to 32,301. This was the lowest it had been since January 30 and was far from overbought. The selling trend is short-term negative.

TODAY'S MARKET IDEAS:

The low placements number in Friday's Cattle on Feed report suggests June cattle could open 0.50-1.00 higher today, provided the market is not too spooked by the confirmation of cow-to-cow transmission of bird flu. A move above 176.275 in June cattle would leave the next upside target at 178.45. Look for support at 174.375 and 171.575.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 4/9/2024 - 4/16/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Livestock						
Feeder Cattle	-177	-1,516	5,003	+1,033	-4,826	+485
Cattle	61,591	-6,559	-48,528	+6,760	-13,062	-200

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 (JUN) 04/22/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market now above the 18-day moving average suggests the intermediate-term trend has turned up. The daily closing price reversal up is a positive indicator that could support higher prices. The close over the pivot swing is a somewhat positive setup. The next upside objective is 176.670. The next area of resistance is around 176.270 and 176.670, while 1st support hits today at 175.050 and below there at 174.200.

FEEDER CATTLE (AUG) 04/22/2024: Momentum studies are trending higher from mid-range, which should support 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. The downside closing price reversal on the daily chart is somewhat negative. It is a slightly negative indicator that the close was under the swing pivot. The next upside target is 255.968. The next area of resistance is around 254.662 and 255.968, while 1st support hits today at 252.338 and below there at 251.319.

DAILY HOGS COMMENTARY

4/22/2024

Fund net long remains close to record levels.

The hog market appears to have moved into a consolidation mode after its quick selloff from contract highs at 111.25 on April 10, but it also found support last week at the 0.382 retracement of the rally from the contract low on January 2 to that contract high. A report Friday that China's sow herd at the end of March was down 7.3% from a year ago provided a bit of bullish fundamental news. The CME Lean Hog Index as of April 17 was 91.46, up from 91.36 the previous session and 89.84 the previous week. The USDA estimated hog slaughter came in at 2.487 million head last week, up from 2.485 million the previous week and 2.453 million a year ago. Estimated US pork production last week was 536.0 million pounds, up from 534.6 million the previous week and 532.1 million a year ago. The USDA pork cutout, released after the close Friday, came in at \$99.17, down 4 cents from Thursday and down from \$100.17 the previous week. Friday's Commitments of Traders report showed managed money traders were net sellers of 6,006 contracts of lean hogs for the week ending April 16, reducing their net long to 86,645. This was coming off the record net long of 92,731 from the previous week. The relatively modest managed money selling indicates that fund liquidation was not a big factor in the selloff from the record high.



TODAY'S MARKET IDEAS:

Funds appear to be holding onto their long position despite the heavy selling in the wake of the key reversal top. Look for resistance in June hogs at 106.92 and 107.95, with support at 103.60 and 101.27.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 4/9/2024 - 4/16/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
Livestock						
Hogs	101,128	-8,974	-88,818	+5,811	-12,309	+3,165

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (JUN) 04/22/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The intermediate trend could be turning up with the close back above the 18-day moving average. The market's close above the 2nd swing resistance number is a bullish indication. The next downside target is now at 101.570. The next area of resistance is around 106.120 and 106.800, while 1st support hits today at 103.520 and below there at 101.570.

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										
LCM24	175.670	49.00	46.04	34.99	46.78	175.53	174.33	175.27	180.20	180.43
FCQ24	253.500	50.10	45.98	37.74	53.03	253.07	250.47	252.12	261.85	263.46
LHM24	104.820	56.80	56.82	42.10	36.62	103.27	104.17	104.15	101.94	100.47

Calculations based on previous session. Data collected 04/19/2024

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						
LCM24	Live Cattle	174.170	175.020	175.420	176.270	176.670
FCQ24	Feeder Cattle	251.318	252.337	253.643	254.662	255.968
LHM24	Lean Hogs	101.550	103.500	104.170	106.120	106.800

Calculations based on previous session. Data collected 04/19/2024

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