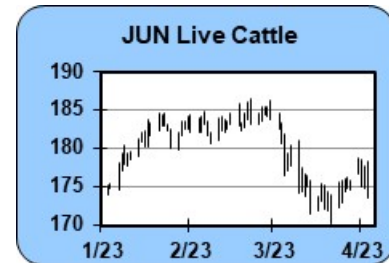




DAILY CATTLE COMMENTARY
4/26/2024

Colombia restricts US beef imports.

June cattle reversed and closed higher yesterday after falling to their lowest level since April 15 earlier in the day. Cash live cattle have turned higher this week, with active trade volume yesterday and Wednesday. The five-area weighted average price across the two sessions was \$183.21 versus an average of \$182.58 last week. After the close yesterday, a story broke that Colombia would restrict the import of beef and beef products from US states where dairy cows have tested positive for bird flu as of April 15, but the official notice cited in the report was from April 22. Still this news could pressure the market on the open, as Colombia is the first country to do so, and it raises concerns about the possibility of more restrictions. Colombia is a small importer of US beef, with only 453 tonnes committed so far for 2024, 0.12% of total US beef sales. South Korea is the biggest buyer so far this year at 102,156 tonnes, 28% of the total. The bird-flu story is starting to show up more in mainstream media, and some of the stories can lean alarmist, with comparisons to slow US response the covid outbreak, etc. Keep in mind that this virus seems to produce only mild symptoms in cows and that the one human that has tested positive for the strain was a farmworker in Texas who contracted conjunctivitis. No beef cattle have been reported as testing positive. The USDA boxed beef cutout was 8 cents lower yesterday at \$295.66. This was down from \$295.80 the previous week and was the lowest it had been since February 15. The USDA estimated cattle slaughter came in at 125,000 head yesterday. This brings the total for the week so far to 488,000 head, up from 487,000 last week but down from 499,000 a year ago. US beef export sales for the week ending April 18 came in at 15,210 tonnes, down from 17,745 the previous week and below the four-week average of 16,319. Cumulative sales for 2024 have reached 368,800 tonnes, down from 396,700 a year ago and the lowest for this point in the season in at least five years. The five-year average is 450,100. The largest buyer this week was China at 4,621 tonnes, followed by Japan at 2,505. South Korea has the most commitments for 2024 at 102,200 tonnes, followed by Japan at 80,400 and China at 57,700.



TODAY'S MARKET IDEAS:

Colombia restricting US beef imports because of concerns over bird flu could make longs nervous and spark a lower open today, despite no beef cattle being reported positive. After a two-day setback, June cattle reversed higher yesterday, putting the market on track to test the 200-day moving average of 180.15. Look for support at 177.85. A break below there would leave the next support at 170.25.

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 (JUN) 04/26/2024: 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. A positive signal was given by the outside day up. Market positioning is positive with the close over the 1st swing resistance. The near-term upside target is at 181.570. The next area of resistance is around 180.150 and 181.570, while 1st support hits today at 175.450 and below there at 172.150.

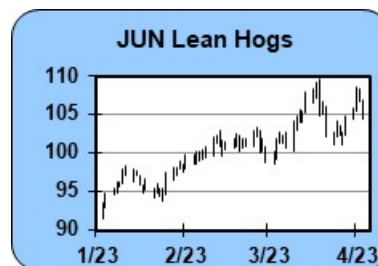
FEEDER CATTLE (AUG) 04/26/2024: Momentum studies are trending higher but have entered overbought levels. The market's close above the 9-day moving average suggests the short-term trend remains positive. The upside daily closing price reversal gives the market a bullish tilt. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside target is 261.962. The next area of resistance is around 260.575 and 261.962, while 1st support hits today at 256.025 and below there at 252.863.

DAILY HOGS COMMENTARY

4/26/2024

Weaker pork values, mediocre exports, and funds overbought.

June hogs are under the influence of a reversal top from the contact high on April 10, and this was brought home with yesterday's steep selloff. Mediocre US export sales, weaker pork prices, and a slower slaughter pace undercut hog values. The USDA estimated hog slaughter came in at 485,000 head yesterday. This brings the total for the week so far to 1.936 million head, down from 1.940 million last week but up from 1.883 million a year ago. The USDA pork cutout came in at \$95.94, down 15 cents from Wednesday and down from \$99.21 the previous week. This was the lowest it had been since April 3. The CME Lean Hog Index as of April 23 was 91.64, up from 91.45 the previous session and 91.36 the previous week. US pork export sales for the week ending April 18 came in at 28,790 tonnes, up from 21,830 the previous week but below the four-week average of 31,685. Cumulative sales for 2024 have reached 765,800 tonnes, down from 771,600 a year ago and below the five-year average 839,400. The largest buyer this week was Mexico at 11,306 tonnes, followed by Japan at 4,224. Mexico has the most commitments for 2024 at 259,300 tonnes, followed by South Korea at 118,200. The USDA pork cutout came in at \$97.62 this morning, up 35 cents from yesterday's AM number and up \$1.53 from the afternoon. Last week's Commitments of Traders report showed managed money traders were net long 86,645 contracts as of April 16, which was close to the all-time high. This suggests the market could be subject to heavy selling if support levels are violated.



TODAY'S MARKET IDEAS:

The fund net long being close to all-time highs suggests the market could be running low on spec buying fuel. Look for support in June hogs at 102.20 and 101.07, with resistance at 107.60.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK 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.

LEAN HOGS (JUN) 04/26/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The close below the 18-day moving average is an indication the intermediate-term trend has turned down. The close below the 2nd swing support number puts the market on the

defensive. The near-term upside target is at 107.820. The next area of resistance is around 106.250 and 107.820, while 1st support hits today at 103.750 and below there at 102.800.

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	177.800	56.00	51.93	60.79	71.75	177.06	176.02	175.03	179.70	180.33
FCQ24	258.300	58.23	53.24	68.33	79.17	258.12	254.95	252.51	260.96	262.98
LHM24	105.000	51.36	53.59	52.39	55.68	106.48	104.60	105.15	102.70	101.15

Calculations based on previous session. Data collected 04/25/2024

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	172.120	175.420	176.850	180.150	181.570
FCQ24	Feeder Cattle	252.862	256.025	257.412	260.575	261.962
LHM24	Lean Hogs	102.770	103.720	105.300	106.250	107.820

Calculations based on previous session. Data collected 04/25/2024

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

***This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of Lakefront Futures is strictly prohibited.