



DAILY LIVESTOCK COMMENTARY

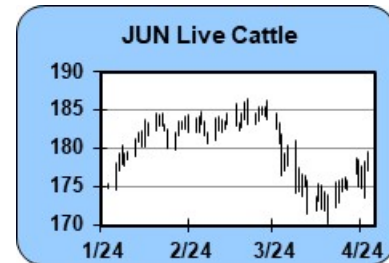
Monday April 29, 2024

DAILY CATTLE COMMENTARY

4/29/2024

Heavy cattle weights keep beef production high.

June live cattle could test the 200-day moving average up at 180.125 today. However, upside potential looks limited, with heavy cattle weights boosting beef production and a seasonal tendency for more cattle to become available. We are approaching a strong seasonal period for beef demand as well, but strong production provides an offset. The USDA estimated cattle slaughter came in at 613,000 head last week, down from 620,000 the previous week and 627,000 a year ago. The estimated average dressed cattle weight was 848 pounds, up from 847 the previous week and 816 a year ago. The 5-year average weight for that week is 817 pounds. Estimated beef production last week was 518.6 million pounds, up from 510.4 million a year ago. The USDA boxed beef cutout was up \$1.50 at mid-session Friday and closed 22 cents higher at \$297.14. This was up from \$295.67 the previous week. Cash live cattle traded in moderate volume for Friday at slightly higher prices than Thursday. As of Friday afternoon, the five-day, five area weighted average price was \$183.95, up from \$182.58 the previous week. Friday's Commitments of Traders report showed managed money traders were net buyers of 3,353 contracts of live cattle for the week ending April 23, increasing their net long to 35,654. This is still near the low end of the historic range and does not present a burdensome position. Colorado became the ninth state to report a dairy herd infected with bird flu on Friday. Tests of milk last week suggested the outbreak is more widespread than previously thought.



TODAY'S MARKET IDEAS:

June cattle could encounter heavy resistance around the 179.95-180.40 area, where the 50-day and 200-day moving averages converge, along with the 0.61 retracement of the selloff from the March high to April 12 low. Look for support at 176.80 and 175.475.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 4/16/2024 - 4/23/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
Livestock						
Feeder Cattle	1,513	+1,690	4,511	-492	-6,023	-1,197
Cattle	65,316	+3,725	-51,454	-2,926	-13,861	-799

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) 04/29/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. A positive signal for trend short-term was given on a close over the 9-bar moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside objective is at 181.050. The next area of resistance is around 179.870 and 181.050, while 1st support hits today at 177.300 and below there at 175.870.

FEEDER CATTLE (AUG) 04/29/2024: The market now above the 40-day moving average suggests the longer-term trend has turned up. Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The close above the 9-day moving average is a positive short-term indicator for trend. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside target is at 263.450. The next area of resistance is around 262.150 and 263.450, while 1st support hits today at 258.950 and below there at 257.050.

DAILY HOGS COMMENTARY

4/29/2024

Huge fund net long leaves market vulnerable to heavy selling.

June hogs fell to their lowest level since April 18 on Friday after a failure to even test the April 10 contract high last week reinforced the dominance of the reversal top signal. Friday's Commitments of Traders report showed managed money traders were net buyers of 5,742 contracts of lean hogs for the week ending April 23, increasing their net long to 92,387. The is close to a record, which leaves the market vulnerable to heavy selling if support levels are taken out. The USDA estimated hog slaughter came in at 2.379 million head last week, down from 2.487 million the previous week and 2.380 million a year ago.

Estimated US pork production last week was 513.3 million pounds, down from 536.0 million the previous week and 515.0 million a year ago. The USDA pork cutout, released after the close Friday, came in at \$97.11, up \$1.17 from Thursday but down from \$99.17 the previous week. The CME Lean Hog Index as of April 24 was 91.43, down from 91.64 the previous session and 91.46 the previous week.



TODAY'S MARKET IDEAS:

June hogs managed to hold support at the 50-day moving average at the close on Friday, but they move below that level (102.30) today, it could initiate a round of heavy selling. Look for additional support at 101.07, with resistance at 104.45.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 4/16/2024 - 4/23/2024						
	Non-Commercial		Commercial		Non-Reportable	
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Livestock						
Hogs	104,953	+3,825	-89,087	-269	-15,866	-3,557

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (JUN) 04/29/2024: The close under the 40-day moving average indicates the longer-term trend could be turning down. A bearish signal was triggered on a crossover down in the daily stochastics. Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market's short-term trend is negative as the close remains below the 9-day moving average. There could be some early pressure today given the market's negative setup with the close below the 2nd swing support. The next downside target is now at 100.620. The next area of resistance is around 103.620 and 105.250, while 1st support hits today at 101.320 and below there at 100.620.

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	178.570	58.59	53.78	66.39	77.58	177.19	176.55	175.15	179.60	180.32
FCQ24	260.550	62.68	56.51	73.73	84.52	258.64	256.14	252.83	260.79	262.88
LHM24	102.470	40.89	45.73	49.16	42.70	105.72	104.61	105.08	102.78	101.22

Calculations based on previous session. Data collected 04/26/2024

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	175.850	177.270	178.450	179.870	181.050
FCQ24	Feeder Cattle	257.050	258.950	260.250	262.150	263.450
LHM24	Lean Hogs	100.600	101.300	102.920	103.620	105.250

Calculations based on previous session. Data collected 04/26/2024

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