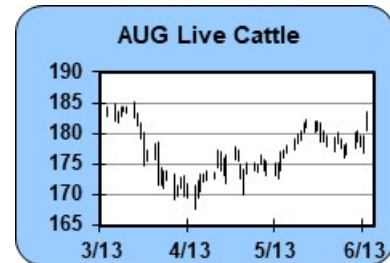




DAILY CATTLE COMMENTARY
6/18/2024

Cash trade starts the week higher

August cattle took a breather yesterday after the very strong action late last week. The Cattle On Feed report will be out Friday afternoon and expectations are for on feed at 98.9% of last year, placements at 98.3% and marketings at 100.3%. Cash trade is expected steady/higher this week and tighter supplies in the north may pull cattle from the southern areas. Friday's gap higher trade looks bullish and points to a test of 185.05, which is the 2024 highs. China's May beef imports were up 31% from May of last year and year-to-date imports are up 24%. Cash cattle trade yesterday was very light in the north at \$192 and in the South at \$188 with the 5-day, 5-area weighted average for the week at 192.00. The USDA estimated cattle slaughter came in at 119,000 head yesterday. This was down from 121,000 last week and down from 122,443 a year ago. The USDA boxed beef cutout was up 75 cents at mid-session yesterday and closed 58 cents higher at \$320.47. This was up from \$317.42 the previous week and the highest since July 5, 2023.



Cattle positioning in the Commitments of Traders for the week ending June 11th showed Managed Money traders net sold 4,252 contracts and are now net long 48,489 contracts. CIT traders are net long 78,496 contracts after net selling 3,161 contracts. Non-Commercial No CIT traders net sold 2,538 contracts and are now net long 36,574 contracts. Non-Commercial & Non-Reportable traders net sold 1,109 contracts and are now net long 61,800 contracts.

TODAY'S MARKET IDEAS:

Light cash trade yesterday was slightly higher than last week and the lower close may have been a little disappointing to the bulls. However, yesterday's opening gap higher is a strong sign for continued gains and we expect prices to test the 2024 highs at 185.05 on August futures. Friday's gap higher shifts support to 180.35-179.67 on August futures.

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 (AUG) 06/18/2024: Momentum studies are trending higher but have entered overbought levels. A positive signal for trend short-term was given on a close over the 9-bar moving average. The daily closing price reversal down is a negative indicator for prices. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 184.170. The next area of resistance is around 183.400 and 184.170, while 1st support hits today at 182.170 and below there at 181.700.

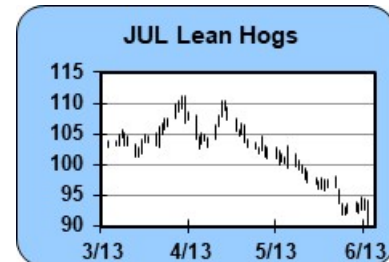
FEEDER CATTLE (AUG) 06/18/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The close above the 9-day moving average is a positive short-term indicator for trend. The daily closing price reversal down is a negative indicator for prices. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 264.056. The next area of resistance is around 262.562 and 264.056, while 1st support hits today at 260.088 and below there at 259.107.

DAILY HOGS COMMENTARY

6/18/2024

Strong close confirms reversal higher

July hogs followed through with a strong close Monday after Friday's significant reversal higher and confirmed the likelihood Friday's low was an important turning point. Cash trade was slightly weaker and cutout values were down but persistent oversold conditions over the last week finally encouraged some significant short covering and breaks should now find support. The CME Lean Hog Index as of June 13 was 91.44, down from 91.58 the previous session and from 91.92 the previous week. USDA estimated hog slaughter came in at 459,000 head yesterday. This was down from 463,000 last week but up from 456,693 a year ago. The USDA pork cutout, released after the close yesterday, came in at \$98.22, down \$2.49 from Friday and down from \$99.49 the previous week.



China's national average spot pig price as of June 18 was down 0.91% from the previous day. For the week prices are up 0.27%, up 6.29% for the month and up 29.35% year to date and up 27.48% versus a year ago. Dalian live hog futures as of June 18 were down 0.6% from the previous day. For the week prices are down 1.5% and down 2.20% for the month and up 3.91% year to date

The Commitments of Traders report for the week ending June 11th showed Hogs Managed Money traders were net long 6,171 contracts after decreasing their long position by 10,083 contracts. CIT traders net sold 14,732 contracts and are now net long 88,313 contracts. Non-Commercial No CIT traders were net short 14,861 contracts after increasing their already short position by 8,666 contracts. Non-Commercial & Non-Reportable traders were net long 20,352 contracts after decreasing their long position by 10,065 contracts.

TODAY'S MARKET IDEAS:

Friday's reversal higher was confirmed with yesterday's strong close and we look for further gains to the upside. Gap resistance stands at 95.80 to 96.22 on July and beyond that 97.85 is moving average resistance. Look for pullback support today at 93.70.

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 (AUG) 06/18/2024: Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. A positive signal for trend short-term was given on a close over the

9-bar moving average. The close over the pivot swing is a somewhat positive setup. The next upside objective is 93.170. The next area of resistance is around 92.550 and 93.170, while 1st support hits today at 91.170 and below there at 90.400.

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
MEAT COMPLEX										
LCQ24	182.800	67.47	63.40	59.95	73.74	180.95	179.47	179.82	176.90	176.15
FCQ24	261.325	61.67	57.69	51.97	62.30	259.59	257.47	258.58	256.59	255.82
LHQ24	91.870	43.53	38.17	15.38	27.76	90.22	90.58	93.37	98.59	100.09

Calculations based on previous session. Data collected 06/17/2024
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						
LCQ24	Live Cattle	181.670	182.150	182.920	183.400	184.170
FCQ24	Feeder Cattle	259.106	260.087	261.581	262.562	264.056
LHQ24	Lean Hogs	90.370	91.150	91.770	92.550	93.170

Calculations based on previous session. Data collected 06/17/2024
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.