

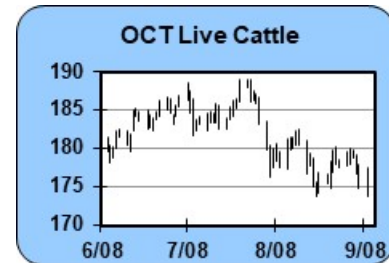


DAILY LIVESTOCK COMMENTARY Wednesday September 11, 2024

DAILY CATTLE COMMENTARY 9/11/2024

Cash trade expected steady/weaker this week

December live cattle pulled back slightly yesterday after the strong rally Monday. Monday's exceptional strength is still unexplained, and fundamentals suggest consumer beef consumption remains at risk and traffic at higher-end steak restaurants remains lighter than normal. December live cattle are expected to have significant headwinds in the 179.00 area. Cash cattle trade was light again yesterday with 405 head traded at \$182 in the north. The 5-area 5-day weighted average for the week is unchanged from yesterday at 181.05, but down from the end of last week at 181.27. Cash ideas for the rest of the week are steady/weaker. Carcass weights continue to be a problem, and last week's weights were a record and 32 pounds above the same week last year. The USDA estimated cattle slaughter came in at 124,000 head Tuesday. This brings the total for the week so far to 238,000 head, up from 127,000 last week at this time but down from 249,225 a year ago. The USDA boxed beef cutout was up \$1.06 at mid-session Tuesday and closed 29 cents lower at \$308.23. This was down from \$310.67 the previous week.



TODAY'S MARKET IDEAS:

Monday's futures bounce was a surprise and if December live cattle is unable to extend higher today, the bear camp may try to push prices back down to the lows of the last month at 173.17 on December. Consumer demand questions remain at the forefront as ground beef prices appear to be weakening. Technically, a close above 179.50, last week's highs, could invigorate the bull camp. However, we side with the bear camp at this point.

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 (OCT) 09/11/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The close below the 9-day moving average is a negative short-term indicator for trend. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside target is now at 175.000. The next area of resistance is around 177.100 and 178.070, while 1st support hits today at 175.570 and below there at 175.000.

FEEDER CATTLE (OCT) 09/11/2024: The crossover up in the daily stochastics is a bullish signal. Positive momentum studies in the neutral zone will tend to reinforce higher price action. The close below the 9-day moving average is a negative 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 237.831. The next area of resistance is around

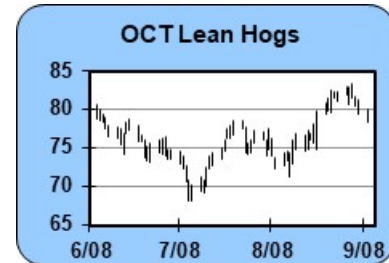
236.637 and 237.831, while 1st support hits today at 234.163 and below there at 232.882.

DAILY HOGS COMMENTARY

9/11/2024

Look for pullback support at 68.80 on Dec

December hogs tried to rally early in the session yesterday but closed back just above unchanged, breaking the streak of 4 consecutive lower closes. The major question for the hog market is whether demand is really shifting from beef to cheaper pork and chicken and if so, is the current pullback a buying opportunity. Pork export demand has been strong over the last month, but we think prices may pull back further, potentially to 50% retracement support at 68.80. The CME Lean Hog Index as of September 6 was 85.74 down from 86.24 the previous session and from 86.47 the previous week. The USDA estimated hog slaughter came in at 484,000 head Tuesday. This brings the total for the week so far to 970,000 head, up from 486,000 last week at this time and up from 946,986 a year ago. The USDA pork cutout, released after the close Tuesday, came in at \$94.31, down 95 cents from Monday and down from \$98.12 the previous week.



TODAY'S MARKET IDEAS:

Bearish longer-term fundamentals suggest that last week's highs of 74.07 on December hogs may be very tough to exceed in the intermediate term. However, there are some initial signs that cheaper pork prices are beginning to pull some consumer demand away from beef. Look for continued weakness on December to retracement support at 70.10 and possibly 68.80.

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 (OCT) 09/11/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The close below the 9-day moving average is a negative short-term indicator for trend. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is 77.370. The next area of resistance is around 79.220 and 80.050, while 1st support hits today at 77.900 and below there at 77.370.

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										
LCV24	176.320	41.80	42.23	46.77	44.55	176.42	177.70	177.53	181.12	182.09
FCV24	235.400	45.61	42.87	48.31	48.55	233.91	236.16	235.87	244.98	249.12
LHV24	78.520	43.30	49.54	71.36	58.36	79.39	80.86	79.52	76.40	76.10

Calculations based on previous session. Data collected 09/10/2024
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						
LCV24	Live Cattle	174.970	175.550	176.520	177.100	178.070
FCV24	Feeder Cattle	232.881	234.162	235.356	236.637	237.831
LHV24	Lean Hogs	77.350	77.870	78.700	79.220	80.050

Calculations based on previous session. Data collected 09/10/2024
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.