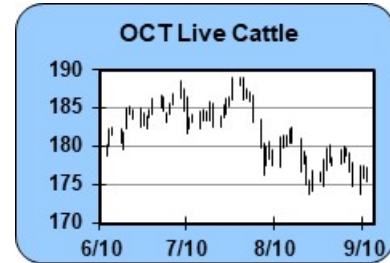




DAILY CATTLE COMMENTARY
9/16/2024

Last week's beef production up 14.5% from prior week

December live cattle prices closed last week in the upper end of the recent 30-day range. The fall calf run is putting pressure on cattle auction prices, but futures have found support on breaks below 175.00 on December live cattle over the last few weeks. CFTC data showed little change in the managed money net long as of Tuesday of last week. Beef production jumped 14.5% last week from the week prior to 527 million pounds, and above this week last year at 522. Carcass weights continue well above average. Cash cattle trade Friday was slightly higher than earlier in the week in some of the regions and pulled the 5-area, 5-day weighted average up to 181.39, slightly above the prior week at 181.27. An upside breakout above 179.50 on December live cattle would be a bullish technical development. The USDA estimated cattle slaughter came in at 118,000 head Friday and 17,000 head for Saturday. This brought the total for last week to 620,000 head, up from 542,000 the previous week but down from 631,200 a year ago. The USDA boxed beef cutout was down \$2.11 at mid-session Friday and closed \$2.27 lower at \$304.91. This was down from \$309.41 the previous week. The cattle on feed report will be out on Friday of this week.



The September 10th Commitments of Traders report showed Cattle Managed Money traders are net long 38,690 contracts after net buying 632 contracts. CIT traders are net long 85,896 contracts after net selling 655 contracts. Non-Commercial No CIT traders are net long 21,494 contracts after net buying 2,779 contracts. Non-Commercial & Non-Reportable traders were net long 41,061 contracts after increasing their already long position by 1,834 contracts.

TODAY'S MARKET IDEAS:

December live cattle closed Friday \$1 below key resistance at 179.50. With a potential Fed rate cut this week generally seen as positive for commodity prices, December may try to penetrate resistance and move to next resistance at 181.35. Look for support at 175.50.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 9/3/2024 - 9/10/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
Livestock						
Feeder Cattle	-8,273	-1,847	9,308	+1,162	-1,036	+684
Cattle	60,991	+2,317	-41,061	-1,834	-19,930	-483

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) 09/16/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. 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 tilt is slightly negative with the close under the pivot. The next upside target is 179.700. The next area of resistance is around 178.600 and 179.700, while 1st support hits today at 176.720 and below there at 175.920.

FEEDER CATTLE (OCT) 09/16/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The close above the 9-day moving average is a positive short-term indicator for trend. The market could take on a defensive posture with the daily closing price reversal down. The market's close below the pivot swing number is a mildly negative setup. The near-term upside objective is at 242.556. The next area of resistance is around 240.662 and 242.556, while 1st support hits today at 237.588 and below there at 236.407.

DAILY HOGS COMMENTARY

9/16/2024

Pork production jumps 10.5% last week

December hogs had their lowest close in 4 weeks but still remain in an intermediate uptrend. But a drop below last week's low of 70.55 could turn the trend down. CFTC data did not show a major change in fund net longs. Pork production last week jumped to 540 million pounds, up from 489 the prior week and from 527 million this week year ago. Year-to-date pork production is up 1.7% from 2023. Daily trading volume trailed off late last week and may be an indication that price strength is fading.

The CME Lean Hog Index as of September 11 was 85.35 up from 85.46 the previous session but down from 86.43 the previous week. The USDA estimated hog slaughter came in at 480,000 head Friday and 155,000 head for Saturday. This brought the total for last week to 2.571 million head, up from 2.327 million the previous week and up from 2.535 million a year ago. The USDA pork cutout, released after the close Friday, came in at \$92.77, up 1 cents from Thursday but down from \$94.72 the previous week. The previous low was \$92.76 on September 12. The previous high was \$94.31 on September 10.

The September 10th Commitments of Traders report showed Hogs Managed Money traders net sold 1,348 contracts and are now net long 37,712 contracts. CIT traders were net long 100,405 contracts after decreasing their long position by 4,568 contracts. Non-Commercial No CIT traders net bought 301 contracts and are now net short 6,842 contracts. Non-Commercial & Non-Reportable traders were net long 32,413 contracts after decreasing their long position by 512 contra

TODAY'S MARKET IDEAS:

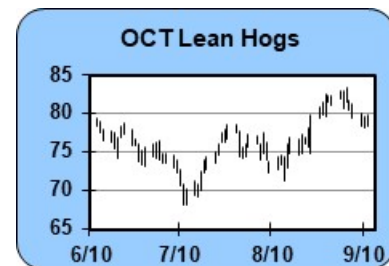
December hogs may see pressure to start the week and if prices fall below last week's low of 70.55 on December, the short-term trend turns lower and points to a drop to 68.80 retracement support. Significant upside resistance is at the 200-day moving average of 73.75.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.



Commitment of Traders - Futures and Options - 9/3/2024 - 9/10/2024

Non-Commercial

Commercial

Non-Reportable

	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Livestock						
Hogs	43,324	-964	-32,413	+512	-10,911	+452

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (OCT) 09/16/2024: The moving average crossover down (9 below 18) indicates a possible developing short-term downtrend. 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. The market's close below the pivot swing number is a mildly negative setup. The next downside target is now at 77.420. The next area of resistance is around 79.120 and 80.100, while 1st support hits today at 77.800 and below there at 77.420.

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	177.650	48.93	46.84	50.78	55.19	177.24	177.42	177.23	180.73	181.74
FCV24	239.125	55.40	49.99	62.25	72.84	237.94	236.53	236.07	243.83	247.92
LHV24	78.450	43.51	48.78	52.59	36.75	78.91	79.86	80.00	77.03	76.16

Calculations based on previous session. Data collected 09/13/2024

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	175.900	176.700	177.800	178.600	179.700
FCV24	Feeder Cattle	236.406	237.587	239.481	240.662	242.556
LHV24	Lean Hogs	77.400	77.770	78.750	79.120	80.100

Calculations based on previous session. Data collected 09/13/2024

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