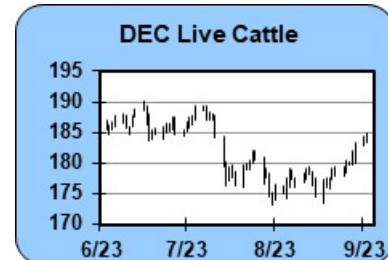


DAILY CATTLE COMMENTARY

9/25/2024

Light cash trade in the north steady with last week

December live cattle pushed to a new high for the move yesterday and are showing no sign yet of a technical top. Monday's unusually low slaughter reported at 107,000 head was revised yesterday to 118,000 head. There was some light cash cattle trade in the north reported at \$184.50 yesterday, steady with last week. The 5-area, 5-day weighted average for the week is 183.95, compared to 183.93 at the end of last week. The looming US East Coast and Gulf port strike is likely to affect US beef exports, especially if it lasts more than a couple days. Last week, steer carcass weights gained another 3 pounds from the week prior and are now 35 pounds above last year. Look for December live cattle resistance at 185.50 and pullback support at 180.75. The USDA estimated cattle slaughter came in at 125,000 head Tuesday. This brings the total for the week so far to 243,000 head, down from 246,000 last week at this time and down from 253,766 a year ago. The USDA boxed beef cutout was up 98 cents at mid-session Tuesday and closed 8 cents higher at \$301.89. This was down from \$303.91 the previous week.



TODAY'S MARKET IDEAS:

Another strong close for December live cattle yesterday and the uptrend continues. The rally since September 9th has now reached a little over \$11.00. The technical outlook is still pointing higher. Significant chilled beef exports move out of the US East Coast and a looming longshoreman's strike in early October could become a negative headwind next week for futures prices.

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 (DEC) 09/25/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside objective is at 185.850. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 185.170 and 185.850, while 1st support hits today at 183.600 and below there at 182.670.

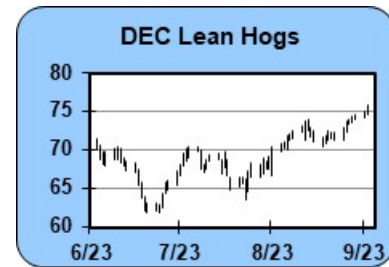
FEEDER CATTLE (NOV) 09/25/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The close above the 9-day moving average is a positive short-term indicator for trend. The close over the pivot swing is a somewhat positive setup. The near-term upside target is at 245.712. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 244.600 and 245.712, while 1st support hits today at 242.200 and below there at 240.913.

DAILY HOGS COMMENTARY

9/25/2024

Low range close on December warning sign for uptrend

The September 1 Quarterly Hog and Pig report will be released this afternoon and expectations for all hogs and pigs is 100.2% of last year, kept for breeding 97.9% and kept for marketing 100.4%. The breeding herd is expected to be the smallest since 2016. December hogs continued the rally yesterday but closed low range, which could be an early warning sign the rally is stalling. Prices stopped just short of testing resistance at 76.00 and a lower close today could start a pullback. A potential US longshoreman strike on the East Coast could be a significant problem for pork exports next week. The USDA estimated hog slaughter came in at 487,000 head Tuesday. This brings the total for the week so far to 966,000 head, up from 949,000 last week at this time and up from 960,187 a year ago. The USDA pork cutout, released after the close Tuesday, came in at \$92.62, down 75 cents from Monday and down from \$94.30 the previous week. The previous low was \$91.24 on September 11. The previous high was \$93.37 on September 23. The CME Lean Hog Index as of September 20 was 84.29, down from 84.36 the previous session and from 84.38 the previous week.



TODAY'S MARKET IDEAS:

December hogs continued their upside gains yesterday with the 7th consecutive day of higher daily lows. However, the low range close may increase the chances of a pullback if prices weaken again today. The potential East Coast longshoremen strike for 1st of October could significantly backup US pork export shipments and add a negative element to the trade. Look for moving average support at 72.90.

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 (DEC) 09/25/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside objective is at 76.150. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 75.500 and 76.150, while 1st support hits today at 74.470 and below there at 74.100.

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										
LCZ24	184.400	76.45	66.30	88.04	93.31	183.14	180.86	178.98	180.15	181.68
FCX24	243.400	73.20	62.52	89.66	94.07	242.32	239.11	236.18	239.55	244.20

LHZ24 74.970 73.75 68.08 81.30 85.98 74.59 73.44 72.81 70.30 69.09

Calculations based on previous session. Data collected 09/24/2024

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						
LCZ24	Live Cattle	182.650	183.570	184.250	185.170	185.850
FCX24	Feeder Cattle	240.912	242.200	243.312	244.600	245.712
LHZ24	Lean Hogs	74.070	74.450	75.120	75.500	76.150

Calculations based on previous session. Data collected 09/24/2024

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.