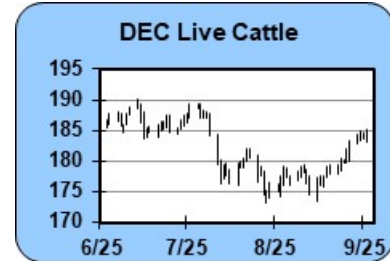


DAILY CATTLE COMMENTARY

9/30/2024

Longshoremen strike expected to start tomorrow

December live cattle hit a new 2-month high Friday before closing lower. Last week's cash trade ended 2-\$3 higher in the north and 1-\$2 higher in the South. Cash cattle traded in the north on Friday at \$185-\$187 and the 5-area, 5-day weighted average for the week rose to 186.00, up from 183.93 at the end of the prior week. CFTC data showed managed Money increased their net long in live cattle to a 7-week high. Overbought technical conditions suggest prices are due a pullback. Thursday's December live cattle low was right on 100-day moving average support and if prices close below 183.00, a significant pullback could begin. The estimated average dressed cattle weight for the week ending September 28 is 858 pounds, up from 855 the previous week and up from 828 a year ago. The 5-year average weight for that week is 832 pounds. Estimated beef production last week was 524.1 million pounds, up from 505.1 million a year ago. The USDA estimated cattle slaughter came in at 116,000 head Friday and 9,000 head for Saturday. This brought the total for last week to 612,000 head, up from 610,000 the previous week and up from 611,682 a year ago. The USDA boxed beef cutout was up 50 cents at mid-session Friday and closed 32 cents higher at \$296.69. This was down from \$300.19 the previous week.



The Commitments of Traders report for the week ending September 24th showed Cattle Managed Money traders are net long 52,224 contracts after net buying 13,893 contracts. CIT traders were net long 92,411 contracts after increasing their already long position by 6,625 contracts. Non-Commercial No CIT traders were net long 25,574 contracts after increasing their already long position by 5,035 contracts. Non-Commercial & Non-Reportable traders were net long 44,501 contracts after increasing their already long position by 6,091 contracts.

TODAY'S MARKET IDEAS:

Stronger-than-expected cash trade last week kept the bull camp in control. However, December live cattle tested resistance at 185.50 Friday and pulled back as short-term technicals are overbought. Furthermore, the East Coast and Gulf longshoreman strike expected to start tomorrow could negatively affect beef exports. A close below 183.00 on December live cattle would confirm the pullback has begun.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 9/17/2024 - 9/24/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
Livestock						
Feeder Cattle	-2,772	+3,634	5,915	-2,483	-3,143	-1,150
Cattle	67,947	+8,825	-44,501	-6,091	-23,446	-2,734

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.

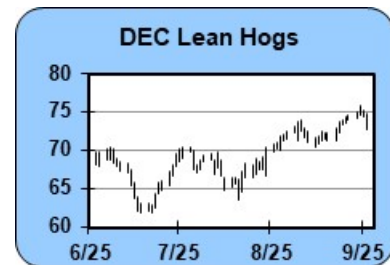
LIVE CATTLE (DEC) 09/30/2024: Rising stochastics at overbought levels warrant some caution for bulls. The close above the 9-day moving average is a positive short-term indicator for trend. The market could take on a defensive posture with the daily closing price reversal down. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside target is at 186.000. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 185.100 and 186.000, while 1st support hits today at 183.820 and below there at 183.420.

FEEDER CATTLE (NOV) 09/30/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. A positive signal for trend short-term was given on a close over the 9-bar moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 248.150. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 246.900 and 248.150, while 1st support hits today at 244.500 and below there at 243.350.

DAILY HOGS COMMENTARY
9/30/2024

Pork production jumps week over week

December hogs had a wide trading range Friday but closed lower. CFTC data showed Managed Money increased their net long in the hog market to a 19-week high. Funds have been significant buyers recently on the uptrend, supporting any minor breaks. If prices begin to break down, fund selling could exacerbate the pullback. Look for key support at Friday's low of 72.60. Estimated US pork production for the week ending September 28 is 543.3 million pounds, up from 528.6 the previous week and down from 548.9 a year ago. The CME Lean Hog Index as of September 25 was 84.07, up from 84.05 the previous session but down from 84.38 the previous week. The USDA estimated hog slaughter came in at 484,000 head Friday and 152,000 head for Saturday. This brought the total for last week to 2.569 million head, up from 2.506 million the previous week but down from 2.617 million a year ago. The USDA pork cutout, released after the close Friday, came in at \$94.85, up \$1.80 from Thursday and up from \$93.44 the previous week.



The September 24th Commitments of Traders report showed Hogs Managed Money traders added 11,890 contracts to their already long position and are now net long 51,605. CIT traders net bought 5,971 contracts and are now net long 102,827 contracts. Non-Commercial No CIT traders net bought 9,274 contracts which moved them from a net short to a net long position of 8,974 contracts. Non-Commercial & Non-Reportable traders were net long 51,454 contracts after increasing their already long position by 14,032 contracts.

TODAY'S MARKET IDEAS:

December hogs continue to hold the 20-day moving average, supported by strong fund buying lately. However, a close below 72.60 would be a negative technical signal and suggest a more significant pullback has started. Stochastics have given a sell signal and are pointing lower. If US East Coast/Gulf ports are shut down by a longshoreman strike this week, it would be a major headwind for pork exports.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 9/17/2024 - 9/24/2024					
Non-Commercial		Commercial		Non-Reportable	
Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change

Livestock						
Hogs	62,762	+15,167	-51,453	-14,031	-11,308	-1,135

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (DEC) 09/30/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's short-term trend is negative as the close remains below the 9-day moving average. The downside closing price reversal on the daily chart is somewhat negative. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is 71.150. The next area of resistance is around 74.600 and 76.070, while 1st support hits today at 72.150 and below there at 71.150.

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	184.450	73.58	65.38	92.15	93.08	184.51	182.88	180.12	179.93	181.54
FCX24	245.700	78.16	66.57	93.73	94.98	244.53	242.27	237.76	238.77	243.41
LHZ24	73.370	52.05	56.10	76.83	68.80	74.29	74.24	72.98	70.58	69.38

Calculations based on previous session. Data collected 09/27/2024

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	183.400	183.800	184.700	185.100	186.000
FCX24	Feeder Cattle	243.350	244.500	245.750	246.900	248.150
LHZ24	Lean Hogs	71.120	72.120	73.600	74.600	76.070

Calculations based on previous session. Data collected 09/27/2024

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