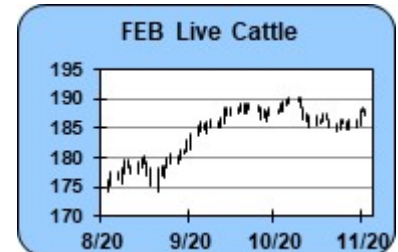


DAILY CATTLE COMMENTARY

11/22/2024

October beef production up 11.8% from prior month

February live cattle had a moderate pullback yesterday but the sharp move up Tuesday turned the technical outlook positive and buying may surface on a break to initial support at 186.55. However, this afternoon's cattle on feed report is likely to dictate market direction early next week. The pre-report estimates are On Feed at 99.9% (range of 99.2% to 101.3%) versus last year at 101.4%. Placement average estimate is 103.4% (range of 100.0% to 107.0%) versus last year at 104.1%. The placement number would be the highest level for October since 2019. The average estimate for Marketings is 105.1% with a range of 104.7% to 105.7%. Last year at this time was 97.8%. There was one extra weekday in October compared to October of last year. October beef production rose to 2.47 billion pounds, up 5.4% year-over-year and up 11.8% from September. Cash cattle bids started yesterday at 185 in the South and we heard of some trade in Texas and Kansas at 186, USDA reported no official trade in the South but that will likely be revised. Trade in the north was reported at 185 - 186. Trade so far this week has been generally \$0.50 to \$1 higher than last week. The 5 - area, 5 - day weighted average is now 184.98, up from 184.79 at the end of last week. The USDA estimated cattle slaughter came in at 125,000 head Thursday. This brings the total for the week so far to 496,000 head, up from 483,000 last week at this time and up from 384,068 a year ago. The USDA boxed beef cutout was up 26 cents at mid-session Thursday and closed 40 cents higher at \$306.79. This was up from \$303.80 the previous week.



TODAY'S MARKET IDEAS:

Feeder cattle strength continues to outpace live cattle as country auctions are seeing aggressive bids. This afternoon's cattle on feed report is expected to show strong placements and marketings above last year but on feed numbers near steady with 2023. Initial moving average support stands at 186.55 and that level may uncover some speculative buyers if the feeder market continues its strength.

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) 11/22/2024: The major trend has turned down with the cross over back below the 40-day moving average. 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 market setup is somewhat negative with the close under the 1st swing support. The near-term upside target is at 186.800. The next area of resistance is around 186.100 and 186.800, while 1st support hits today at 185.120 and below there at 184.820.

FEEDER CATTLE (JAN) 11/22/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market's close above the 2nd swing resistance number is a bullish indication. The near-term upside objective is at 255.162. The market is approaching overbought levels with an RSI over 70. The

next area of resistance is around 254.425 and 255.162, while 1st support hits today at 252.475 and below there at 251.263.

DAILY HOGS COMMENTARY

11/22/2024

October pork production up 13.2% versus Sept and up 4.2% yoy

February hogs closed near unchanged yesterday after testing retracement resistance. The uptrend since early August has shown some cracks over the last week but prices have not confirmed a top formation. If February falls below this week's low, the uptrend would be broken. October pork production hit 2.54 billion pounds, up 13.9% from September and up 5.2% from October of last year. Hog slaughter for October was 11.9 million head, up 13.2% from September and up 4.2% from October 2023. CME Lean Hog Index as of November 19 was 87.83, down -0.26 for the day and down -2.11 versus a week ago. This is the lowest since October 31. The USDA estimated hog slaughter came in at 487,000 head Thursday. This brings the total for the week so far to 1.953 million head, up from 1.924 million last week at this time and up from 1.426 million a year ago. The USDA pork cutout, released after the close Thursday, came in at \$92.48, down \$1.33 from Wednesday and down from \$93.13 the previous week.



TODAY'S MARKET IDEAS:

Cash trade was unchanged yesterday and the cash index was slightly lower. A close above retracement resistance at 85.05 in February hogs would be a friendly technical sign. However, if the market falls below this week's low next week, managed money longs may be more aggressive sellers. If you sold the market yesterday, keep your stop at 85.60.

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) 11/22/2024: Momentum studies are declining, but have fallen to oversold levels. The close above the 9-day moving average is a positive short-term indicator for trend. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside objective is 79.600. The next area of resistance is around 81.420 and 82.120, while 1st support hits today at 80.170 and below there at 79.600.

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	185.570	52.81	51.45	38.19	54.26	185.64	184.51	185.11	186.03	184.02
FCF25	253.450	78.53	71.45	80.47	92.09	251.82	247.46	245.13	243.96	240.67
LHZ24	80.770	51.38	53.38	29.17	26.10	80.23	80.72	81.65	78.62	77.08

Calculations based on previous session. Data collected 11/21/2024
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	184.800	185.100	185.800	186.100	186.800
FCF25	Feeder Cattle	251.262	252.475	253.212	254.425	255.162
LHZ24	Lean Hogs	79.570	80.150	80.850	81.420	82.120

Calculations based on previous session. Data collected 11/21/2024
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.