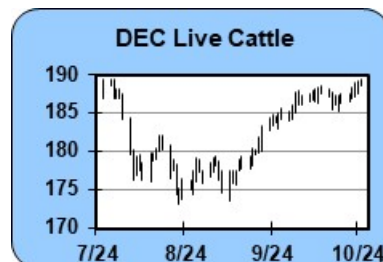


### DAILY CATTLE COMMENTARY

10/28/2024

#### Cattle on Feed neutral/slightly bearish

December live cattle closed out last week very strong but a slightly bearish cattle on feed report Friday may result in a lower opening this morning. Friday's cattle on feed report numbers were near guesses, except for placements. On feed was 100% of last year, compared to the average guess of 99.8 and placements were 98%, compared to the average guess of 95.9. Marketings were also very near the guesses at 102% compared to the estimate of 101.6. Beef in cold storage in September was 1.7% below a year ago. Cash cattle trade last week was above 93,000 head and packers are expected to be well supplied



for this week. December live cattle are in the strong resistance zone of 189 - 191 and we would not be surprised if the current rally since early September falters in this area. The 5-area, 5-day weighted average for last week ended at 190.14, up from 187.57 the previous week. The estimated average dressed cattle weight for the week ending October 26 is 864 pounds, up from 863 the previous week and up from 835 a year ago. The 5-year average weight for that week is 834 pounds. Estimated beef production last week was 537.2 million pounds, up from 528.5 million a year ago. The USDA estimated cattle slaughter came in at 113,000 head Friday and 19,000 head for Saturday. This brought the total for last week to 623,000 head, up from 608,000 the previous week but down from 634,701 a year ago. The USDA boxed beef cutout was up 92 cents at mid-session Friday and closed \$1.07 higher at \$322.24. This was up from \$320.65 the previous week. The previous low was \$321.17 on October 24. The previous high was \$323.96 on October 22.

The Commitments of Traders report for the week ending October 22nd showed Cattle Managed Money traders net bought 4,662 contracts and are now net long 90,391 contracts. CIT traders net bought 395 contracts and are now net long 98,086 contracts. Non-Commercial No CIT traders net bought 4,076 contracts and are now net long 68,125 contracts. Non-Commercial & Non-Reportable traders added 4,483 contracts to their already long position and are now net long 81,157.

#### TODAY'S MARKET IDEAS:

Friday's cattle on feed report may put some pressure on today's opening but last week's trade ended right on the highs of the week and show no technical signs of a top yet. December live cattle prices are in a strong resistance zone and are expected to find more aggressive selling as prices near the 191.62 contract highs made back in March. Key moving average support today is 187.50.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 10/15/2024 - 10/22/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
<b>Livestock</b>						
Feeder Cattle	5,923	+1,017	1,754	-95	-7,676	-922
Cattle	114,394	+4,203	-81,157	-4,484	-33,237	+280

## 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) 10/28/2024:** Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's short-term trend is positive on the close above the 9-day moving average. The market could take on a defensive posture with the daily closing price reversal down. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside target is at 189.970. The next area of resistance is around 189.570 and 189.970, while 1st support hits today at 188.720 and below there at 188.250.

**FEEDER CATTLE (NOV) 10/28/2024:** The daily stochastics gave a bullish indicator with a crossover up. Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's close above the 9-day moving average suggests the short-term trend remains positive. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 250.850. The next area of resistance is around 249.800 and 250.850, while 1st support hits today at 247.350 and below there at 245.950.

## DAILY HOGS COMMENTARY

10/28/2024

### September pork in Cold Storage down.3% year over year

December hogs rallied Friday and avoided confirmation of Thursday's reversal down and the uptrend remains intact. The market is acting as though hog numbers are much tighter than USDA suggests as each minor price break finds solid buying. Key moving average support today is 77.40 on December. Pork in cold storage was down.3% from year ago while frozen bellies in storage were down 40% year-over-year.

Estimated US pork production for the week ending October 26 is 552.4 million pounds, down from 553.4 the previous week and down from 555.3 a year ago. The CME Lean Hog Index as of October 23 was 85.20, up from 84.66 the previous session and from 83.84 the previous week. The USDA estimated hog slaughter came in at 485,000 head Friday and 156,000 head for Saturday. This brought the total for last week to 2.593 million head, down from 2.602 million the previous week and down from 2.611 million a year ago. The USDA pork cutout, released after the close Friday, came in at \$98.39, up 64 cents from Thursday and up from \$95.83 the previous week.



The October 22nd Commitments of Traders report showed Hogs Managed Money traders were net long 87,126 contracts after increasing their already long position by 12,139 contracts. CIT traders added 5,785 contracts to their already long position and are now net long 109,293. Non-Commercial No CIT traders net bought 14,120 contracts and are now net long 54,658 contracts. Non-Commercial & Non-Reportable traders are net long 94,895 contracts after net buying 13,454 contracts.

### TODAY'S MARKET IDEAS:

Managed Money traders added another 12,000 contracts to their long position as of Tuesday of last week and December hogs continue to move higher, showing no signs of a technical top yet. Contract high resistance remains at 80.65 on December. Look for pullback support at 77.40.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

	Non-Commercial		Commercial		Non-Reportable	
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
<b>Livestock</b>						
Hogs	110,911	+14,165	-94,894	-13,453	-16,016	-711

## 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) 10/28/2024: Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. A positive signal for trend short-term was given on a close over the 9-bar moving average. The upside daily closing price reversal gives the market a bullish tilt. Market positioning is positive with the close over the 1st swing resistance. The next downside objective is now at 77.770. The next area of resistance is around 80.450 and 80.850, while 1st support hits today at 78.900 and below there at 77.770.

## 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
<b>MEAT COMPLEX</b>										
LCZ24	189.150	67.67	65.59	77.49	84.32	188.60	187.54	187.49	182.85	181.73
FCX24	248.575	57.38	57.91	51.65	52.24	248.31	247.24	248.25	241.85	240.52
LHZ24	79.650	64.60	64.05	85.87	85.35	79.41	78.26	77.42	74.65	72.90

Calculations based on previous session. Data collected 10/25/2024

Data sources can & do produce bad ticks. Verify before use.

## DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
<b>MEAT COMPLEX</b>						
LCZ24	Live Cattle	188.220	188.700	189.100	189.570	189.970
FCX24	Feeder Cattle	245.950	247.350	248.400	249.800	250.850
LHZ24	Lean Hogs	77.750	78.870	79.300	80.450	80.850

Calculations based on previous session. Data collected 10/25/2024

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.