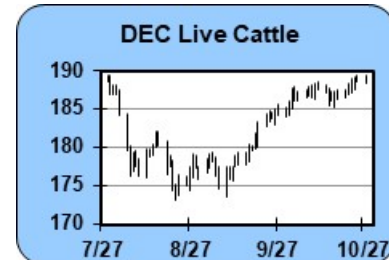


### DAILY CATTLE COMMENTARY

10/29/2024

#### Last week's packer purchases larger than expected

December live cattle closed near steady yesterday and once again showed no sign of a price top. USDA updated last week's numbers and packers bought more than 98,000 head on negotiated trade, the large number likely due to good profit margins. The recent E coli breakout has been traced back to McDonald's onions and not ground beef. Live cattle open interest has risen to its highest level since April of last year. Look for significant resistance as prices get closer to the 2024 highs at 191.62. There was no cash cattle trade established yesterday and the 5-area, 5-day weighted average for last week ended at 190.13, up from 187.57 previous week. The USDA estimated cattle slaughter came in at 121,000 head Monday. This was up from 120,000 last week but down from 124,107 a year ago. The USDA boxed beef cutout was up \$2.37 at mid-session Monday and closed \$1.26 higher at \$323.50. This was up from \$322.86 the previous week. This week's showlist size is expected down 4118 head in Texas to 78,005, down 5457 in Kansas to 69,841 and down 104 in Nebraska/Colorado at 66,304.



#### TODAY'S MARKET IDEAS:

The cattle on feed report had little effect on prices yesterday and the live cattle market held near steady with the uptrend holding firm. Aggressive packer buying last week should have them well supplied and cash trade may be limited until late week. Look for nearby resistance on December live cattle at the July highs of 190.07 with more important resistance at the 2024 highs of 191.62. Key moving average support today is 187.70.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

#### CATTLE COMPLEX TECHNICAL OUTLOOK:

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**LIVE CATTLE (DEC) 10/29/2024:** 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 daily closing price reversal up is a positive indicator that could support higher prices. The market has a slightly positive tilt with the close over the swing pivot. The next upside target is 190.070. The next area of resistance is around 189.750 and 190.070, while 1st support hits today at 188.800 and below there at 188.150.

**FEEDER CATTLE (JAN) 10/29/2024:** 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. A positive signal for trend short-term was given on a close over the 9-bar moving average. A positive setup occurred with the close over the 1st swing resistance. The near-term upside objective is at 248.631. The next area of resistance is around 248.062 and 248.631, while 1st support hits today at 245.838 and below there at 244.182.

## DAILY HOGS COMMENTARY

10/29/2024

### Strong cash hog prices support futures rally

December hogs showed no sign of backing off yesterday and tested the June 2023 contract high at 80.65. Afternoon cash prices were very strong and futures appear to be accelerating higher as December moves above 80.00. Strong pork export sales remain a bullish factor. The CME Lean Hog Index as of October 24 was 85.43, up from 85.20 the previous session and from 83.96 the previous week. The USDA estimated hog slaughter came in at 488,000 head Monday. This was unchanged from last week but up from 474,955 a year ago. The USDA pork cutout, released after the close Monday, came in at \$101.27, up \$2.88 from Friday and up from \$97.60 the previous week.



### TODAY'S MARKET IDEAS:

December hogs had a new contract high close yesterday and show no signs of the rally ending. Strong cash prices and continued fund buying remain bullish factors. Key moving average pullback support today stands at 77.75. The trend remains very strong and rising open interest on the rally suggests a continuation higher.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

## PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (DEC) 10/29/2024: A bullish signal was given with an upside crossover of the daily stochastics. 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 setup is supportive for early gains with the close over the 1st swing resistance. The next upside objective is 81.920. The next area of resistance is around 81.420 and 81.920, while 1st support hits today at 79.820 and below there at 78.700.

## 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	189.270	68.35	66.01	80.96	87.91	188.89	187.84	187.58	183.16	181.85
FCF25	246.950	62.20	61.43	59.31	59.63	245.48	244.91	245.38	238.39	237.11
LHZ24	80.620	68.61	66.81	87.04	89.39	79.78	78.86	77.64	74.87	73.09

Calculations based on previous session. Data collected 10/28/2024

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	188.120	188.770	189.100	189.750	190.070
FCF25	Feeder Cattle	244.181	245.837	246.406	248.062	248.631
LHZ24	Lean Hogs	78.670	79.800	80.300	81.420	81.920

**Calculations based on previous session. Data collected 10/28/2024**

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