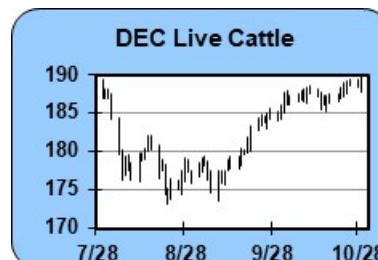


DAILY CATTLE COMMENTARY

10/30/2024

Poor technical action puts bull camp on notice

December live cattle had a significant turn lower yesterday after hitting its highest level since July 5th. December closed just above key 20-day moving average support coming in at 187.60. While it may be premature to call yesterday's action a top, further weakness today below the 20-day moving average would be a very worrisome sign for the bull camp, especially after the increased fund long positioning recently. Significant pasture improvement looks to be on the way for Oklahoma and most of Texas, which could lighten placements later this fall. Some cash cattle trade developed in the north Tuesday at 189 - \$190 and the 5-area, 5-day weighted average for the week is now 190.06 compared to 190.13 at the end of last week. The USDA estimated cattle slaughter came in at 124,000 head Tuesday. This brings the total for the week so far to 245,000 head, up from 243,000 last week at this time but down from 251,229 a year ago. The USDA boxed beef cutout was down 35 cents at mid-session Tuesday and closed \$3.09 lower at \$320.41. This was down from \$323.96 the previous week.



TODAY'S MARKET IDEAS:

Poor technical action yesterday in December live cattle could be a bearish development if prices follow through lower today. The recent addition of heavy managed money longs could provide fuel for a pullback. The market has not seen a major downside reversal since the early September lows and with prices stalling at the significant resistance level at 190.00 after a \$17.00 rally recently, the bull camp is on notice.

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) 10/30/2024: A bearish signal was triggered on a crossover down in the daily stochastics. Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. The market's close below the 9-day moving average is an indication the short-term trend remains negative. A negative signal was given by the outside day down. The market is in a bearish position with the close below the 2nd swing support number. The next downside target is now at 186.450. The next area of resistance is around 188.900 and 190.320, while 1st support hits today at 186.970 and below there at 186.450.

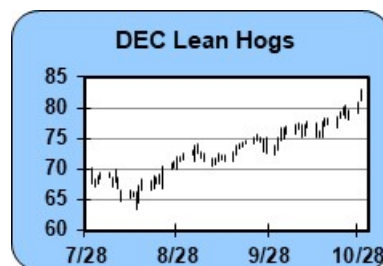
FEEDER CATTLE (JAN) 10/30/2024: The daily stochastics have crossed over down which is a bearish indication. Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The close under the 18-day moving average indicates the intermediate-term trend could be turning down. The outside day down is somewhat negative. There could be some early pressure today given the market's negative setup with the close below the 2nd swing support. The next downside target is 240.944. The next area of resistance is around 245.912 and 248.493, while 1st support hits today at 242.138 and below there at 240.944.

DAILY HOGS COMMENTARY

10/30/2024

Hog open interest hits all-time high

While cattle prices sank yesterday, December hogs were very strong in gap and go action and easily exceeded the previous contract high from June of last year. The cash index remains nearly \$3 higher than December futures. Look for next resistance at 84.00. Hog open interest made a new all-time high this week. The CME Lean Hog Index as of October 25 was 85.55, up from 85.43 the previous session and from 84.23 the previous week. The USDA estimated hog slaughter came in at 488,000 head Tuesday. This brings the total for the week so far to 976,000 head, unchanged from last week at this time but up from 956,943 a year ago. The USDA pork cutout, released after the close Tuesday, came in at \$100.53, down 74 cents from Monday but up from \$96.51 the previous week.



TODAY'S MARKET IDEAS:

A strong breakaway gap yesterday in December hogs as the uptrend accelerates into new contract highs. Hog futures open interest hitting a new all-time high this week is confirmation funds have been aggressively adding long positions recently. Look for pullback support at the bottom of yesterday's gap at 80.82 on December. Next resistance stands at 84.00.

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) 10/30/2024: 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 gap up on the day session chart gave a bullish indicator and more follow through could be seen this session. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The near-term upside objective is at 84.200. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 83.670 and 84.200, while 1st support hits today at 81.950 and below there at 80.750.

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	187.950	54.65	57.94	79.95	77.92	188.91	187.99	187.67	183.42	182.01
FCF25	244.025	48.78	52.62	55.88	49.02	245.53	244.99	245.47	238.65	237.26
LHZ24	82.820	75.77	72.13	89.01	92.95	80.44	79.43	77.99	75.14	73.33

Calculations based on previous session. Data collected 10/29/2024
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	186.420	186.950	188.370	188.900	190.320
FCF25	Feeder Cattle	240.943	242.137	244.718	245.912	248.493
LHZ24	Lean Hogs	80.700	81.920	82.450	83.670	84.200

Calculations based on previous session. Data collected 10/29/2024
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.