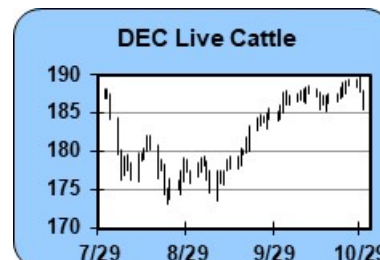


### DAILY CATTLE COMMENTARY

10/31/2024

#### Technical action suggests interim top may be in

December live cattle closed weak yesterday for the 2nd day in a row and confirmed the outside reversal to the downside earlier this week. The technicals suggest we have made at least an interim high and a further pullback is likely. 1st retracement support from the early September lows to this week's high stands at 183.60. Weekly export sales this morning were under the average of the last month. Election uncertainty is likely to ramp up volatility next week. Cash trade was active in all major areas yesterday and prices were 187-191 in the north and 189-190 in the South, steady with last week. The 5-area, 5-day weighted average for the week is now 190.04, slightly below last week at 190.13. The USDA estimated cattle slaughter came in at 124,000 head Wednesday. This brings the total for the week so far to 369,000 head, up from 367,000 last week at this time but down from 373,972 a year ago. The USDA boxed beef cutout was down \$1.09 at mid-session Wednesday and closed \$1.17 lower at \$319.44. This was down from \$321.41 the previous week. US beef export sales for the week ending October 24 came in at 13,900 tonnes compared with the average of the previous four weeks of 17,600 tonnes. Cumulative sales for the 13.9 have reached 790,000 tonnes, up 1.9% versus last year's pace.



#### TODAY'S MARKET IDEAS:

The technical picture weakened significantly after yesterday's close, which confirmed Tuesday's bearish outside reversal lower, suggesting a top may be in after the 17.00 rally over the last nearly 2 months. The recent addition of heavy managed money longs may provide fuel for a pullback of the rally since early September. Pullback support starts at 183.60 and then the 50% retracement at 181.65 on December.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

#### CATTLE COMPLEX TECHNICAL OUTLOOK:

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**LIVE CATTLE (DEC) 10/31/2024:** Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The intermediate trend has turned down with the cross over back below the 18-day moving average. The defensive setup, with the close under the 2nd swing support, could cause some early weakness. The next downside objective is now at 184.120. The next area of resistance is around 187.650 and 189.020, while 1st support hits today at 185.200 and below there at 184.120.

**FEEDER CATTLE (JAN) 10/31/2024:** Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The gap lower price action on the day session chart is a bearish indicator for trend. The close below the 1st swing support could weigh on the market. The next downside target is 239.332. The next area of resistance is around 243.337 and 244.781, while 1st support hits today at 240.613 and below

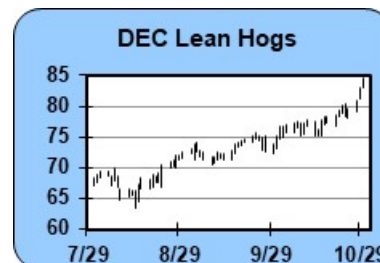
there at 239.332.

## DAILY HOGS COMMENTARY

10/31/2024

### Funds load up as prices go vertical

December hogs rocketed higher again yesterday for the 3rd straight session of new contract highs. With open interest hitting a new all-time high this week, managed money longs have been aggressively buying. The cash hog Index continues to move higher, and this morning's weekly export sales were above the average of the last month. The vertical price move this week means a challenge of the highs of the last 8 years at 90.00 and 91.35 on December could be in the cards, although the bull camp's ship may be getting a bit crowded. The CME Lean Hog Index as of October 28 was 85.73, up from 85.55 the previous session and from 84.34 the previous week. The USDA estimated hog slaughter came in at 488,000 head Wednesday. This brings the total for the week so far to 1.464 million head, down from 1.465 million last week at this time but up from 1.439 million a year ago. The USDA pork cutout, released after the close Wednesday, came in at \$100.61, up 7 cents from Tuesday and up from \$97.67 the previous week.



U.S. pork export sales for the week ending October 24 came in at 44,800 tonnes compared with the average of the previous four weeks of 39,100 tonnes. Cumulative sales for the 2024 marketing year have reached 1,630,900 tonnes, up 0.6% versus last year's pace.

### TODAY'S MARKET IDEAS:

This week's sharp rally into new contract highs shows no signs of ending but savvy traders know once a market goes vertical, it is likely in the final throes of the uptrend. However, significant long-term resistance is above the market at 90.00 on December and it is certainly not out of the question to test that level. Long speculators may consider using trailing stops to protect profits as vertical uptrends often collapse on themselves with little warning.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (DEC) 10/31/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's close above the 9-day moving average suggests the short-term trend remains positive. There could be more upside follow through since the market closed above the 2nd swing resistance. The next upside target is 85.750. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 85.170 and 85.750, while 1st support hits today at 83.550 and below there at 82.450.

## 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	186.420	43.39	50.31	73.33	60.10	188.20	188.02	187.63	183.59	182.15
FCF25	241.975	41.69	47.48	49.43	36.53	244.64	244.86	245.33	238.83	237.37
LHZ24	84.370	79.48	75.16	90.93	94.76	81.88	80.17	78.45	75.42	73.58

Calculations based on previous session. Data collected 10/30/2024

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	184.100	185.170	186.550	187.650	189.020
FCF25	Feeder Cattle	239.331	240.612	242.056	243.337	244.781
LHZ24	Lean Hogs	82.420	83.520	84.070	85.170	85.750

Calculations based on previous session. Data collected 10/30/2024

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