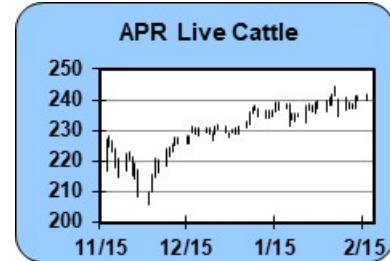


DAILY CATTLE COMMENTARY

2/17/2026

Strong cash late Friday points to higher opening

The cattle complex closed mixed on Friday but additional strong cash trade after Friday's futures close may result in a higher start this morning. Price action late last week was unable to extend to the upside. Open interest was little changed in live cattle on Friday but dropped 1000 contracts in feeders. COT data through mid-last week showed Managed Money reduced their net long by just under 6000 contracts in live cattle to 108,634 and did not make any significant change to their 16,100 contract net long in feeders. Packer margins remain deep in the red. April live cattle was unable to extend beyond the previous week's upside gap last week and will need a close above 241.32 to boost the technical outlook. Cash cattle trade late Friday was as high as 249 in the South, \$4 over the top end the prior week and in the north trade was 242 - 246, \$1 - \$3 higher. The 5 - area, 5 - day weighted average the week ended at 245.75, up from 241.35 the previous week. The USDA estimated cattle slaughter came in at 86,000 head Friday and 1,000 head for Saturday. This brought the total for last week to 541,000 head, up from 536,000 the previous week but down from 562,260 a year ago. The estimated average dressed cattle weight for the week ending February 14 is 895 pounds, up from 893 the previous week and up from 877 a year ago. The 5-year average weight for that week is 844 pounds. Estimated beef production last week was 483.1 million pounds, down from 491.9 million a year ago. The USDA boxed beef cutout was down 45 cents at mid-session Friday and closed 37 cents lower at \$364.47. This was down from \$369.33 the previous week.



The February 10th Commitments of Traders report showed Cattle Managed Money traders are net long 108,634 contracts after net selling 5,897 contracts. CIT traders are net long 91,364 contracts after net selling 730 contracts. Non-Commercial No CIT traders were net long 74,414 contracts after decreasing their long position by 7,586 contracts. Non-Commercial & Non-Reportable traders net sold 8,756 contracts and are now net long 100,833 contracts.

TODAY'S MARKET IDEAS:

April live cattle did not extend above gap resistance at 241.32 last week and will need a close over that level early this week to extend the gains toward recent highs at 244.57. A lower close today in the face of Friday's strong cash trade would be an indication the uptrend is weakening.

TRADE IDEAS:

Speculators that sold April live cattle on the bounce into the gap at 240.42 or better can consider holding the position with stops at 242.00.

Commitment of Traders - Futures and Options - 2/3/2026 - 2/10/2026							
	Non-Commercial		Net Position	Commercial		Non-Reportable	
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	Weekly Net Change	
Livestock							
Feeder Cattle	16,431	-1,385	-8,028	+1,036	-8,403	+349	
Cattle	120,848	-9,111	-100,833	+8,755	-20,015	+355	

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 (APR) 02/17/2026: The daily stochastics have crossed over up which is a bullish indication. Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market's close above the 9-day moving average suggests the short-term trend remains positive. The daily closing price reversal down puts the market on the defensive. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside target is 242.770. The next area of resistance is around 241.700 and 242.770, while 1st support hits today at 239.550 and below there at 238.450.

FEEDER CATTLE (MAR) 02/17/2026: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market has a slightly positive tilt with the close over the swing pivot. The next downside target is now at 361.738. The next area of resistance is around 368.525 and 371.237, while 1st support hits today at 363.775 and below there at 361.738.

DAILY HOGS COMMENTARY 2/17/2026

technical action bearish, fund long liquidation may accelerate

April hogs closed lower each day last week on significant fund selling as technicals turned sour. Open interest dropped nearly 4000 contracts as managed money continued to liquidate positions the 2nd half of last week. However, Friday's COT data showed funds increased their long as of Tuesday of last week by just over 4400 contracts, taking the net long to a little over 133,000. Sharp futures weakness the 2nd half of last week likely reduced that total but there may still be significant fund liquidation on the horizon, which favors the bears. Smithfield Foods announced they will build a large hog slaughterhouse in South Dakota, the 1st new facility built by America's top pork producer in decades and will employ 3000 workers and slaughter 20,000 hogs a day. The project will still have to pass regulations about foreign ownership of meat production, since Smithfield is a subsidiary of a Chinese pork company. CME Lean Hog Index as of February 11 was 86.89, up 0.37 for the day and up 0.51 versus a week ago. This is the highest since November 18. The USDA estimated hog slaughter came in at 446,000 head Friday and 129,000 head for Saturday. This brought the total for last week to 2.497 million head, down from 2.585 million the previous week and down from 2.521 million a year ago. Estimated US pork production for the week ending February 14 is 547.1 million pounds, down from 568.5 the previous week and up from 546.5 a year ago. The USDA pork cutout, released after the close Friday, came in at \$95.10, down 54 cents from Thursday but up from \$93.22 the previous week.



The Commitments of Traders report for the week ending February 10th showed Hogs Managed Money traders are net long 133,281 contracts after net buying 4,424 contracts. CIT traders are net long 109,298 contracts after net selling 445 contracts. Non-Commercial No CIT traders are net long 92,080 contracts after net buying 6,342 contracts. Non-Commercial & Non-Reportable traders added 5,033 contracts to their already long position and are now net long 123,492.

TODAY'S MARKET IDEAS:

Technicals quickly turned bearish last week but fund liquidation may be just getting started based on Fridays COT data. Nearby resistance will now be seen at Thursday's gap at 93.75 on April. Retracement support comes in at 90.45 and 88.25.

TRADE IDEAS:

Aggressive speculators may look to have sell orders in at the gap at 93.65 on April. Risk to 95.10.

	Non-Commercial		Commercial		Non-Reportable	
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Livestock						
Hogs	141,509	+4,445	-123,492	-5,033	-18,017	+588

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 02/17/2026: The downside crossover (9 below 18) of the moving averages suggests a developing short-term downtrend. Momentum studies are declining, but have fallen to oversold levels. A negative signal for trend short-term was given on a close under the 9-bar moving average. It is a slightly negative indicator that the close was lower than the pivot swing number. The next downside objective is now at 90.270. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 91.900 and 92.750, while 1st support hits today at 90.670 and below there at 90.270.

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										
LCJ26	240.620	59.23	58.58	57.40	58.11	239.92	239.35	238.25	234.94	231.04
FCH26	366.150	55.20	57.82	62.54	57.39	366.03	366.78	364.56	354.04	344.90
LHJ26	91.270	26.67	37.16	34.23	13.73	93.11	95.79	95.90	92.71	90.61

Calculations based on previous session. Data collected 02/13/2026
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						
LCJ26	Live Cattle	238.420	239.520	240.600	241.700	242.770
FCH26	Feeder Cattle	361.737	363.775	366.487	368.525	371.237
LHJ26	Lean Hogs	90.250	90.650	91.500	91.900	92.750

Calculations based on previous session. Data collected 02/13/2026
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