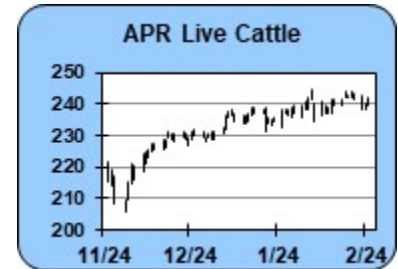


DAILY CATTLE COMMENTARY

2/26/2026

February futures expire, April's significant discount to cash supportive

The cattle complex closed higher yesterday but did pullback off the midsession highs. This week seems to be following the recent trend of weakness early in the week and strength late in the week as cash trade comes into focus. Live cattle and feeder open interest rose on yesterday's rally. The bullish cold storage report was a factor in yesterday's strength as US beef stocks hit their lowest total for January since 2017. February futures went off the board yesterday and April futures are a significant \$8 - \$9 below cash prices. The discount could be a supportive factor in the near-term, especially if cash prices are steady to higher this week. No reports of cash cattle trade yet this week and the 5 - area, 5 - day weighted average remains unchanged at 246.92. The USDA estimated cattle slaughter came in at 110,000 head Wednesday. This brings the total for the week so far to 327,000 head, up from 315,000 last week at this time but down from 340,807 a year ago. The USDA boxed beef cutout was up \$1.92 at mid-session Wednesday and closed \$1.80 higher at \$379.23. This was up from \$363.80 the previous week.



TODAY'S MARKET IDEAS:

April live cattle are holding the uptrend so far this week and trendline support across the lows since mid-December comes in at 237.70. If that level is broken, a larger pullback to retrace the upmove since late November could follow. However, April's significant discount to cash is a supportive factor and if cash cattle trades today or tomorrow at steady or higher, it may be difficult for April to break significantly.

TRADE IDEAS:

No new recommendations today.

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) 02/26/2026: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The intermediate trend could be turning up with the close back above the 18-day moving average. Market positioning is positive with the close over the 1st swing resistance. The next downside objective is now at 237.850. The next area of resistance is around 241.550 and 243.020, while 1st support hits today at 239.000 and below there at 237.850.

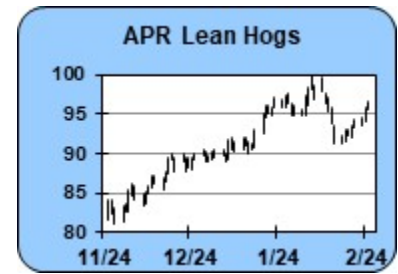
FEEDER CATTLE (APR) 02/26/2026: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The cross over and close above the 18-day moving average is an indication the intermediate-term trend has turned positive. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next downside target is 359.394. The next area of resistance is around 366.312 and 368.543, while 1st support hits today at 361.738 and below there at 359.394.

DAILY HOGS COMMENTARY

2/26/2026

April testing retracement resistance

April hogs had minor upside follow-through yesterday after the strong action on Tuesday and are testing the retracement support band to the contract highs early this month. The market shrugged off the increase in freezers stocks in the cold storage report. The market faces a key test late this week whether retracement resistance will stall the advance. Open interest jumped another 3300 contracts yesterday as fund buyers seem to be moving back into the long side after liquidating on the break 2 weeks ago. Technically, a close over 96.45 would be a strong sign. The average hog weight for Iowa-Southern Minnesota as of February 21 was 291.4 pounds, down from 292 pounds the previous week and up from 288.1 a year ago. The 5-year average is 287.2 pounds. CME Lean Hog Index as of February 23 was 88.35, up 0.18 for the day and up 1.22 versus a week ago. This is the highest since November 14. The USDA estimated hog slaughter came in at 492,000 head Wednesday. This brings the total for the week so far to 1.458 million head, up from 1.427 million last week at this time but down from 1.458 million a year ago.



TODAY'S MARKET IDEAS:

Following the significant pullback 2 weeks ago, April has moved up to test key retracement resistance at 96.45. If the market extends beyond that level, gap resistance from February 9th comes in at 97.87. Stochastics are still pointing higher, suggesting the upside action may not be over.

TRADE IDEAS:

No new recommendations for today.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 02/26/2026: Momentum studies are trending higher from mid-range, which should support 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. It is a mildly bullish indicator that the market closed over the pivot swing number. The next upside objective is 97.120. The next area of resistance is around 96.700 and 97.120, while 1st support hits today at 95.720 and below there at 95.150.

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	240.270	51.84	54.05	63.61	59.42	240.16	241.18	239.99	236.79	234.19
FCJ26	364.025	52.10	54.87	52.51	47.02	363.16	364.80	363.97	357.15	350.20
LHJ26	96.200	62.73	59.23	32.20	42.81	94.84	93.42	95.09	93.51	91.89

Calculations based on previous session. Data collected 02/25/2026

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	237.820	238.950	240.420	241.550	243.020
FCJ26	Feeder Cattle	359.393	361.737	363.968	366.312	368.543

