



## DAILY LIVESTOCK COMMENTARY

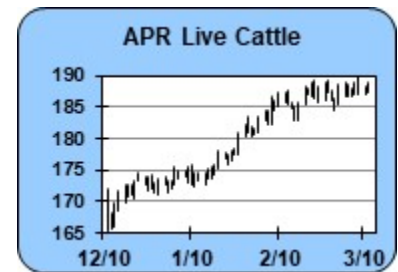
Wednesday March 13, 2024

### DAILY CATTLE COMMENTARY

3/13/2024

#### Beef cutout the highest since September.

April cattle finished Tuesday with a moderate gain but still held below last week's highs and stayed inside the range of the past several weeks. The consolidation is now six weeks old, which suggests there could be a substantial move when the market finally breaks out of the range. US cattle supplies are tight, and we would argue for a resumption of the uptrend. Stronger beef prices this week offer some support. The USDA boxed beef cutout was up \$3.63 at mid-session yesterday and closed \$1.71 higher at \$310.59. This was up from \$304.79 the previous week and was the highest it had been since September 8. However, packer margins remain in the red, which could keep the slaughter down. The USDA estimated cattle slaughter came in at 122,000 head yesterday. This brings the total for the week so far to 233,000 head, down from 238,000 last week and 248,000 a year ago. Last week's total was lower than the previous week. Cash live cattle were quiet yesterday with no trades reported. Prices were roughly \$2/cwt higher last week.



#### TODAY'S MARKET IDEAS:

April live cattle have held above the 21-day moving average for seven straight sessions, which is mildly supportive. The next upside target is 190.70, with support at 187.00.

#### 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 (APR) 03/13/2024:** Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market has a slightly positive tilt with the close over the swing pivot. The next downside target is 186.520. The next area of resistance is around 189.070 and 189.850, while 1st support hits today at 187.420 and below there at 186.520.

**FEEDER CATTLE (APR) 03/13/2024:** 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. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next downside objective is 251.825. The next area of resistance is around 255.175 and 256.024, while 1st support hits today at 253.075 and below there at 251.825.

## DAILY HOGS COMMENTARY

3/13/2024

### Reversal yesterday leaves bulls in charge.

April hogs reversed higher yesterday, keeping the trend of higher lows intact. The 50-day moving average crossed above the 200-day, which is a major technical bullish indicator. A slightly lower slaughter pace this week could be an indication that packer buying is slowing down after a strong pace last week, and this could keep near term action choppy. The CME Lean Hog Index as of March 8 was 81.41, down from 81.48 the previous session but up from 80.41 the previous week. The USDA estimated hog slaughter came in at 491,000 head yesterday. This brings the total for the week so far to 946,000 head, down from 947,000 last week and 972,000 a year ago. The USDA pork cutout, released after the close yesterday, came in at \$91.37, down 77 cents from Monday but up from \$90.36 the previous week. The large net long position held by the funds leaves the market vulnerable to heavy selling if support levels are taken out.



### TODAY'S MARKET IDEAS:

April hogs held above the 0.618 retracement of the February 8-22 rally, and that level, 83.20 acts as key support. Look for resistance at 86.02 and 86.70. The 50-day moving average crossing over the 200-day yesterday is a long-term, bullish technical indicator.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 03/13/2024: Momentum studies are declining, but have fallen to oversold levels. The close below the 9-day moving average is a negative short-term indicator for trend. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next downside objective is 82.600. The next area of resistance is around 86.500 and 87.170, while 1st support hits today at 84.220 and below there at 82.600.

### 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>										
LCJ24	188.250	57.42	58.55	68.62	66.80	188.04	187.54	187.36	183.00	180.53
FCJ24	254.125	48.41	53.49	50.27	37.14	254.41	255.35	255.71	247.98	243.32
LHJ24	85.350	53.00	54.79	38.39	28.75	84.38	85.41	85.73	82.83	81.14

Calculations based on previous session. Data collected 03/12/2024

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>						
LCJ24	Live Cattle	186.500	187.400	188.170	189.070	189.850
FCJ24	Feeder Cattle	251.825	253.075	253.925	255.175	256.024
LHJ24	Lean Hogs	82.570	84.200	84.870	86.500	87.170

**Calculations based on previous session. Data collected 03/12/2024**

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