



DAILY LIVESTOCK COMMENTARY

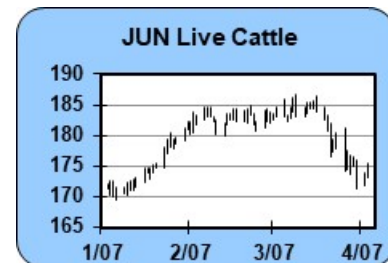
Wednesday April 10, 2024

DAILY CATTLE COMMENTARY

4/10/2024

Dense support between 169.00 and 172.00.

June cattle have taken back a portion of their losses that came in the wake of last week's news of bird flu affecting US dairy herds. So far, the trade's worst fears of USDA quarantine or US consumers rejecting beef have not borne out, and fund liquidation seems to have quieted down as a result. The main trend is still down, but the market had gotten short-term oversold and could be primed for a bounce. The USDA estimated cattle slaughter came in at 125,000 head yesterday. This brings the total for the week so far to 246,000 head, up from 229,000 last week and 236,000 a year ago. The USDA boxed beef cutout was up 63 cents at mid-session yesterday but closed only 2 cents higher at \$302.09. This was down from \$304.16 the previous week but up \$5.54 from the low on Monday. Cash live cattle were quiet on Tuesday with no trades reported. It has been suggested that cattle prices could stabilize after falling some \$4.00 over the past couple of weeks. USDA announced it is cancelling its July cattle inventory report as well as county-level estimates for crops and livestock due to budget constraints. It will continue to produce the January report.



TODAY'S MARKET IDEAS:

It may take a while for June Cattle to fall through the December-January consolidation between 169.00 and 172.00. Look for resistance around 177.50.

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 (JUN) 04/10/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. 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 now at 172.170. The next area of resistance is around 176.050 and 177.020, while 1st support hits today at 173.650 and below there at 172.170.

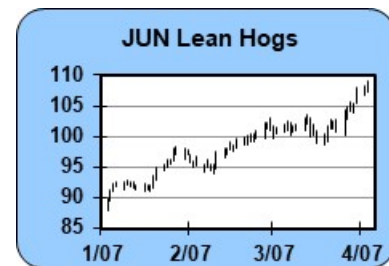
FEEDER CATTLE (MAY) 04/10/2024: Daily stochastics are trending lower but have declined into oversold territory. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The next downside target is now at 235.544. The next area of resistance is around 241.162 and 242.393, while 1st support hits today at 237.738 and below there at 235.544.

DAILY HOGS COMMENTARY

4/10/2024

Strong pork but futures at a stiff premium to cash.

June hogs made new contract highs for the third straight session yesterday, as pork prices continue their march higher. News that Chinese pork producer Tangrenshen's March hog sales were up 20.3% from a year ago at 519.1 million yuan (\$71.78 million) was viewed as bullish for the global market. The USDA pork cutout came in at \$99.74 yesterday, up \$1.35 from Monday and up from \$96.94 the previous week. This was the highest it had been since September 19. It was up from \$74.50 a year ago but down from \$105.33 at this point in 2022. The CME Lean Hog Index as of April 5 was 87.05, up from 86.31 the previous session and 84.78 the previous week. The USDA estimated hog slaughter came in at 480,000 head yesterday. This brings the total for the week so far to 946,000 head, up from 847,000 last week and 833,000 a year ago. June hogs were trading at a \$20.85 premium to the lean index on April 5 versus a premium of \$16.68 a year ago and a five-year average of \$10.24.



TODAY'S MARKET IDEAS:

The larger than normal premium of June hogs to the lean hog index suggests the hogs market needs pork to continue to rally to justify higher prices. The next upside objective in June hogs comes in at 110.70. Look for support at 106.62 and 104.97.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (JUN) 04/10/2024: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's close above the 9-day moving average suggests the short-term trend remains positive. The close over the pivot swing is a somewhat positive setup. The next upside target is 110.370. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 109.570 and 110.370, while 1st support hits today at 107.570 and below there at 106.350.

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										
LCM24	174.820	37.69	38.60	16.62	16.34	174.02	175.81	179.55	181.68	180.36
FCK24	239.450	31.11	33.40	12.78	10.52	239.67	242.86	249.18	254.05	252.19
LHM24	108.570	83.21	77.18	85.99	92.83	107.35	104.94	103.07	100.47	98.99

Calculations based on previous session. Data collected 04/09/2024

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						
LCM24	Live Cattle	172.150	173.620	174.570	176.050	177.020
FCK24	Feeder Cattle	235.543	237.737	238.968	241.162	242.393
LHM24	Lean Hogs	106.320	107.550	108.350	109.570	110.370

Calculations based on previous session. Data collected 04/09/2024

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