

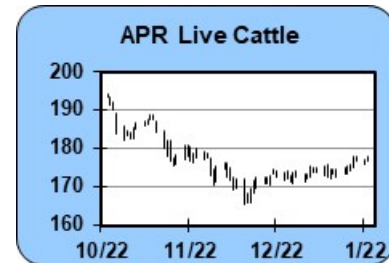


DAILY LIVESTOCK COMMENTARY Wednesday January 24, 2024

DAILY CATTLE COMMENTARY 1/24/2024

Muddy pens and strong beef prices.

April cattle traded to their highest level since November 22 yesterday after weathering a disappointing Cattle on Feed Report from last week. The On-Feed report came in as expected, but it did confirm lower placements for December. The market has been lifted by wintry weather in the Plains that reduced cattle weights and limited the movement of animals to processing plants. The slaughter pace has recovered, but milder temperatures can result in muddy pens, which is another source of stress for cattle. The USDA estimated cattle slaughter came in at 125,000 head yesterday. This brings the total for the week so far to 240,000 head, up from 223,000 last week but down from 248,648 a year ago. The USDA boxed beef cutout was up \$2.34 at mid-session yesterday and closed \$2.99 higher at \$301.66. This was up from \$294.99 the previous week and was the highest the cutout had been since November 6. Cash live cattle were quiet with no trades reported.



TODAY'S MARKET IDEAS:

April cattle are approaching 178.525, the 0.382 retracement of the September-December decline, and they need a close above there to verify the uptrend. Look for support at 175.925.

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) 01/24/2024: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next upside objective is 179.120. The next area of resistance is around 178.570 and 179.120, while 1st support hits today at 177.070 and below there at 176.100.

FEEDER CATTLE (MAR) 01/24/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. A positive signal for trend short-term was given on a close over the 9-day moving average. The market setup is supportive for early gains with the close over the 1st swing resistance. The next upside target is 236.268. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 235.212 and 236.268, while 1st support hits today at 232.088 and below there at 230.019.

LCJ24	177.820	69.97	61.91	83.81	88.24	177.44	175.89	174.67	173.67	175.95
FCH24	233.650	73.93	65.56	85.30	88.10	232.36	229.92	227.45	224.21	227.17
LHJ24	80.320	67.26	61.65	82.64	85.85	78.64	78.53	76.92	77.00	77.89

Calculations based on previous session. Data collected 01/23/2024

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						
LCJ24	Live Cattle	176.070	177.050	177.600	178.570	179.120
FCH24	Feeder Cattle	230.018	232.087	233.143	235.212	236.268
LHJ24	Lean Hogs	76.070	78.500	79.700	82.120	83.320

Calculations based on previous session. Data collected 01/23/2024

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