

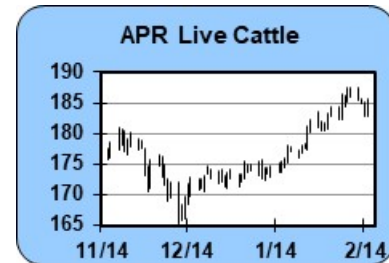


## DAILY LIVESTOCK COMMENTARY Friday February 16, 2024

### DAILY CATTLE COMMENTARY 2/16/2024

#### Boxed beef reversal raises demand hopes.

April cattle reversed yesterday and closed back above the 200-day moving average after closing below it the previous day, as a turnaround in boxed beef prices seemed to offset concerns that low packer margins would slow cattle buying. The USDA boxed beef cutout was up \$1.19 at mid-session yesterday and closed \$1.30 higher at \$295.30. This was up from \$295.01 the previous week and was the highest it had been since January 30. The weekly export sales report showed US beef sales for the week ending February 8 at 16,634 tonnes, down from 20,631 the previous week and below the four-week average of 19,080. Cumulative sales for 2024 have reached 229,900 tonnes, down from 269,300 a year ago and the lowest for this point in the year since 2019. The largest buyer this week was Japan at 4,070 tonnes, followed by China at 3,729 and South Korea at 3,230. South Korea has the most commitments for 2024 at 67,800 tonnes, followed by Japan at 48,700 and China at 38,000. The USDA estimated cattle slaughter came in at 123,000 head yesterday. This brings the total for the week so far to 486,000 head, down from 501,000 last week and 496,000 a year ago. Cash live cattle traded in moderate volume yesterday at an average price of \$180.00 versus an average of \$181.85 for last week.



#### TODAY'S MARKET IDEAS:

April cattle bounced off moving average support yesterday, and they could be tempted to test Monday's high at 187.575. However, the slow demand season may limit that market's ability to build on its gains. A break below 182.60 could set the stage for a more substantial correction of the December-February rally and leave an initial target of 179.20.

#### 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) 02/16/2024: Momentum studies trending lower from overbought levels is a bearish indicator and would tend to reinforce lower price action. The market's close above the 9-day moving average suggests the short-term trend remains positive. Market positioning is positive with the close over the 1st swing resistance. The next downside target is now at 182.100. The next area of resistance is around 187.000 and 187.720, while 1st support hits today at 184.200 and below there at 182.100.

FEEDER CATTLE (MAR) 02/16/2024: Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. The market's close above the 9-day moving average suggests the short-term trend remains positive. With the close higher than the pivot swing number, the market is in a slightly bullish



LCJ24	185.570	62.55	63.41	80.52	74.74	185.16	185.24	183.13	177.51	176.30
FCH24	247.100	66.41	67.40	86.70	82.92	247.54	246.57	243.01	232.44	229.48
LHJ24	85.000	71.10	66.64	52.34	60.18	82.93	81.98	82.59	79.12	78.47

**Calculations based on previous session. Data collected 02/15/2024**  
**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	182.070	184.170	184.900	187.000	187.720
FCH24	Feeder Cattle	243.068	245.437	246.393	248.762	249.718
LHJ24	Lean Hogs	83.970	84.420	85.100	85.550	86.220

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