

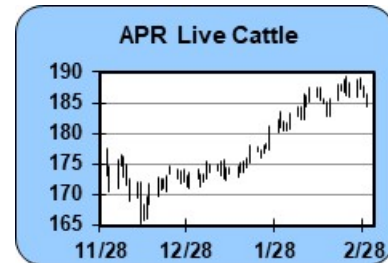


DAILY CATTLE COMMENTARY
3/1/2024

Flat beef and cattle prices could leave the bulls wanting.

February live cattle bounced off the 200-day moving average yesterday, and that level could be a key bull bear line today. The Texas state Agriculture Minister said in a Reuters interview yesterday that the Smokehouse Creek fire has destroyed grain in storage bins, burnt up more than 1 million acres of land, and likely killed thousands of head of livestock, but the cattle market has responded to the news of the fires with three days of lower closes. Yesterday's export sales report showed US beef sales for the week ending February 22 at 12,247 tonnes, down from 12,556 the previous week and the lowest since January 4.

Cumulative sales for 2024 have reached 254,700 tonnes, down from 292,800 a year ago and the lowest for this point in the year since 2019. The largest buyer this week was Japan at 4,334 tonnes, followed by South Korea at 1,972 and Mexico at 1,250. China bought 748 tonnes. The USDA estimated cattle slaughter came in at 123,000 head yesterday. This brings the total for the week so far to 495,000 head, up from 472,000 last week but down from 499,000 a year ago. The USDA boxed beef cutout was up 40 cents at mid-session yesterday and closed \$1.17 higher at \$304.20. This was the highest it had been since November 2. Cash live cattle have traded in active volume this week, mostly steady with last week. As of Thursday afternoon, the five-day, five-area weighted average cattle price was \$182.96 versus \$182.91 last week.



TODAY'S MARKET IDEAS:

Beef and live cattle prices are holding firm, but the market may need a bigger catalyst to extend the current rally. A break below yesterday's low at 184.475 in April cattle would leave 182.825 as the next downside target. Look for resistance at 187.95.

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) 03/01/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The close under the 18-day moving average indicates the intermediate-term trend could be turning down. The market's close below the pivot swing number is a mildly negative setup. The next downside target is 183.500. The next area of resistance is around 186.270 and 187.270, while 1st support hits today at 184.400 and below there at 183.500.

FEEDER CATTLE (APR) 03/01/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The intermediate trend has turned down with the cross over back below the 18-day moving average.

The market tilt is slightly negative with the close under the pivot. The next downside target is now at 250.132. The next area of resistance is around 255.537 and 257.381, while 1st support hits today at 251.913 and below there at 250.132.

DAILY HOGS COMMENTARY

3/1/2024

Export sales are unexciting, and pork prices are soft.

April hogs have traded in a sideways pattern since Monday, and they may be attempting to build support for a resumption of the uptrend. Yesterday's export sales report showed US pork sales for the week ending February 22 at 32,377 tonnes, up from 28,902 the previous week and slightly below the four-week average of 33,548. Cumulative sales for 2024 have reached 488,700 tonnes, up from 475,000 a year ago but below the five-year average of 585,000. The largest buyer this week was Mexico at 14,532 tonnes, followed by South Korea at 5,184 and Canada at 3,531. China bought 977 tonnes. The CME Lean Hog Index as of February 27 was 79.91, up from 79.78 the previous session and 77.97 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 1.965 million head, up from 1.960 million last week and 1.930 million a year ago. The USDA pork cutout, released after the close yesterday, came in at \$89.28, down 28 cents from Wednesday and down from \$90.92 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 1.965 million head, up from 1.960 million last week and 1.930 million a year ago. The USDA pork cutout, released after the close yesterday, came in at \$89.28, down 28 cents from Wednesday and down from \$90.92 the previous week.

TODAY'S MARKET IDEAS:

Look for support in April hogs at 85.37, followed by 84.30. A move below those levels could indicate a near term top. A move above 87.20 could set the stage for a test of last week's high of 88.90.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 03/01/2024: Momentum studies trending lower from overbought levels is a bearish indicator and would tend to reinforce lower price action. The market's short-term trend is positive on the close above the 9-day moving average. The market has a slightly positive tilt with the close over the swing pivot. The next downside target is 85.320. The next area of resistance is around 87.250 and 87.800, while 1st support hits today at 86.020 and below there at 85.320.

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										
LCJ24	185.320	47.96	54.26	71.36	60.70	186.83	187.15	186.19	180.45	178.12

FCJ24	253.725	50.89	57.64	78.10	67.37	256.67	256.46	253.77	243.54	238.50
LHJ24	86.620	68.50	66.72	73.37	72.54	86.20	86.23	84.10	80.96	79.87

Calculations based on previous session. Data collected 02/29/2024

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	183.470	184.370	185.370	186.270	187.270
FCJ24	Feeder Cattle	250.131	251.912	253.756	255.537	257.381
LHJ24	Lean Hogs	85.300	86.000	86.550	87.250	87.800

Calculations based on previous session. Data collected 02/29/2024

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