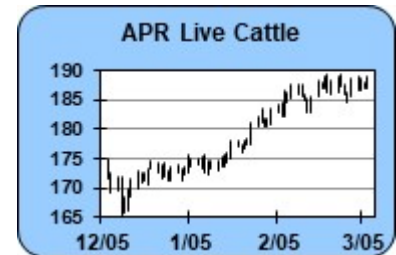




DAILY CATTLE COMMENTARY
3/8/2024

Beef and cash cattle prices higher.

April cattle finished Thursday with a strong gain and near the upper end of the trading range of the past month. Traders were encouraged by a recovery in US beef prices. The USDA boxed beef cutout was \$1.70 higher yesterday at \$306.61, which was up from \$304.20 the previous week and the highest it had been since October 30. Cash live cattle have also firmed this week, which lends support to the futures. The five-area weighted average price yesterday was \$185.21, up from an average of \$183.11 last week. The USDA estimated cattle slaughter came in at 122,000 head yesterday. This brings the total for the week so far to 484,000 head, down from 495,000 last week and 501,000 a year ago. US beef export sales for the week ending February 29 came in at 14,006 tonnes, up from 12,247 the previous week and above the four-week average of 13,861. Cumulative sales for 2024 have reached 268,700 tonnes, down from 298,400 a year ago and the lowest for this point in the year since 2019. The largest buyer was South Korea 4,266 tonnes, followed by Japan at 2,327, Taiwan at 1,713, and China at 1,457. South Korea has the most commitments for 2024 at 76,700 tonnes, followed by Japan at 60,000 and China at 41,000.



TODAY'S MARKET IDEAS:

Key resistance for April live cattle comes in at the three-month from February 27 at 189.51. A breakout above there would leave the next upside target at 190.70. Look for support at 186.60 and 185.15.

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) 03/08/2024: Rising stochastics at overbought levels warrant some caution for bulls. The close above the 9-day moving average is a positive short-term indicator for trend. The market's close above the 2nd swing resistance number is a bullish indication. The near-term upside target is at 190.220. The next area of resistance is around 189.670 and 190.220, while 1st support hits today at 187.770 and below there at 186.400.

FEEDER CATTLE (APR) 03/08/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's short-term trend is negative as the close remains below the 9-day moving average. The daily closing price reversal up is a positive indicator that could support higher prices. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside target is now at 253.638. The next area of resistance is around 257.475 and 258.337, while 1st support hits today at 255.125 and below there at 253.638.

DAILY HOGS COMMENTARY

3/8/2024

Low slaughter and weak pork may spark a bigger correction.

The break below consolidation in April hogs this week suggests a bigger correction of the rally off contract lows may be underway. The slowdown in slaughter this week and a drift lower in pork prices undermine support for the futures. The USDA estimated hog slaughter came in at 474,000 head yesterday. This brings the total for the week so far to 1.909 million head, down from 1.959 million last week and 1.915 million a year ago. The USDA pork cutout, released after the close yesterday, came in at \$89.96, down 44 cents from Wednesday and the lowest it had been since February 29. The CME Lean Hog Index as of March 5 was 81.31, up from 80.78 the previous session and 79.91 the previous week. US pork exports for the month of January totaled 587.765 million pounds, down from 645.843 million in December. Exports to China fell to 26.04 million, the lowest since January 2019. US pork export sales for the week ending February 29 came in at 36,405 tonnes, up from 32,377 the previous week and slightly above the four-week average of 32,844. Cumulative sales for 2024 have reached 525,100 tonnes, up from 497,100 a year ago but below the five-year average of 613,400. The largest buyer this week was China at 12,564 tonnes, followed by Mexico at 11,239 and Vietnam at 4,955. This was China's biggest purchase since January 25.



TODAY'S MARKET IDEAS:

If support at 83.87 in April hogs fails to hold, this could spark a move back to 82.32. Look for resistance at 85.65 and 86.40.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 03/08/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. A negative signal for trend short-term was given on a close under the 9-bar moving average. The daily closing price reversal down puts the market on the defensive. The market tilt is slightly negative with the close under the pivot. The next downside target is now at 83.650. The next area of resistance is around 85.050 and 85.770, while 1st support hits today at 84.000 and below there at 83.650.

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	188.700	60.36	60.75	72.16	75.91	187.66	187.38	186.89	182.09	179.72
FCJ24	256.300	55.37	58.97	68.86	64.85	256.28	256.64	255.33	246.47	241.75
LHJ24	84.520	44.69	51.19	60.61	46.18	85.24	85.98	85.38	82.17	80.68

Calculations based on previous session. Data collected 03/07/2024

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	186.370	187.750	188.300	189.670	190.220
FCJ24	Feeder Cattle	253.637	255.125	255.987	257.475	258.337
LHJ24	Lean Hogs	83.620	83.970	84.700	85.050	85.770

Calculations based on previous session. Data collected 03/07/2024

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