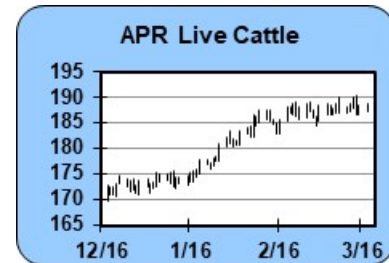




**DAILY CATTLE COMMENTARY**  
3/19/2024

**Firm cash and cutout supportive**

April cattle closed on their highs yesterday and back in the middle of the recent consolidation range. Last week's firmer cash and better-than-expected weekly kill were supportive as were China's February beef imports at 230,000 tonnes, up 16.3% year-over-year. The next Cattle On Feed report will be released this Friday and early estimates for on feed numbers are 101%, placements 105% and marketing's 103%. While most are expecting firmer cash this week, trade will likely be slow to develop due to the report. The USDA estimated cattle slaughter came in at 120,000 head yesterday, up from 111,000 last week time but down from 125,000 a year ago. The USDA boxed beef cutout was up \$1.43 at mid-session yesterday at \$313.33. This was up from \$308.88 the previous week and was the highest it had been since September 6. Cash live cattle trade was quiet yesterday. There were a few head reported in Iowa/Minnesota, but not enough for an adequate test. The five-area weighted average steer price last week was \$187.47, up from \$185.12 the previous week and \$164.17 a year ago.



Friday's Commitments of Traders report showed managed money traders were net buyers of 3,947 contracts of cattle for the week ending March 12, increasing their net long to 63,311. This is their largest net long since October but still well below the 117,000-plus from last July. This indicates there is more buying fuel for the funds if they are interested.

**TODAY'S MARKET IDEAS:**

April prices rejected last Thursday's reversal to the downside and has climbed back into the middle of the consolidation range, keeping the uptrend intact. Moving average support stands at 185.45 and 183.35. A test of last week's high at 190.27 may be seen before Friday's cattle on feed report.

**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) 03/19/2024: A bullish signal was given with an upside crossover of the daily stochastics. Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market's close above the 2nd swing resistance number is a bullish indication. The next upside objective is 186.770. The next area of resistance is around 186.300 and 186.770, while 1st support hits today at 184.500 and below there at 183.150.

**FEEDER CATTLE (MAY) 03/19/2024:** A bullish signal was given with an upside crossover of the daily stochastics. Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The market has a bullish tilt coming into today's trade with the close above the 2nd swing resistance. The next upside target is 261.187. The next area of resistance is around 260.475 and 261.187, while 1st support hits today at 257.775 and below there at 255.788.

## **DAILY HOGS COMMENTARY**

**3/19/2024**

### **Cutout highest since late September**

Yesterdays inside trading range day on April hogs did not change the technical picture which still points higher. China's hog herd in February was down 1.1% from January as they continue to try to bring production down after the oversupply problem last year. Profit margins for US producers have improved since the 1st of the year. Pork cutout is the highest since September 29. A move above Friday's high of 87.52 on April may kickstart a new leg higher. The CME Lean Hog Index as of March 14 was 82.34, up from 82.19 the previous session and 81.48 the previous week. The USDA estimated hog slaughter came in at 486,000 head yesterday, up from 455,000 last week and 460,000 a year ago. The USDA pork cutout, released after the close yesterday, came in at \$91.82, down 69 cents from Friday and down from \$92.14 the previous week.



China's national average spot pig price as of March 19 was up 2.10% from the previous day. For the week prices are up 3.08%, up 6.36% for the month and up 4.59% year to date and down 1.57% versus a year ago. Dalian live hog futures as of March 19 were up 1.0% from the previous day. For the week prices are up 3.4% and up 5.43% for the month and up 4.26% year to date.

### **TODAY'S MARKET IDEAS:**

Stronger seasonal tendencies into summer support a further rally. If resistance at 87.52 is taken out, prices could begin another leg higher. The February high at 88.90 will be the next significant hurdle. Look for nearby support at 86.15.

### **NEW RECOMMENDATIONS:**

None.

### **PREVIOUS RECOMMENDATIONS:**

None.

### **PORK COMPLEX TECHNICAL OUTLOOK:**

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**LEAN HOGS (JUN) 03/19/2024:** Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside target is at 104.270. The next area of resistance is around 103.700 and 104.270, while 1st support hits today at 102.350 and below there at 101.550.

## 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
<b>MEAT COMPLEX</b>										
LCM24	185.400	59.31	59.14	64.49	66.01	184.61	184.08	183.58	180.94	178.43
FCK24	259.125	56.51	56.71	35.53	37.97	257.14	257.07	258.26	253.70	249.13
LHM24	103.020	69.11	68.22	77.27	80.42	102.16	101.71	101.02	97.58	95.96

Calculations based on previous session. Data collected 03/18/2024

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>						
LCM24	Live Cattle	183.120	184.470	184.950	186.300	186.770
FCK24	Feeder Cattle	255.787	257.775	258.487	260.475	261.187
LHM24	Lean Hogs	101.520	102.320	102.900	103.700	104.270

Calculations based on previous session. Data collected 03/18/2024

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