



## DAILY LIVESTOCK COMMENTARY

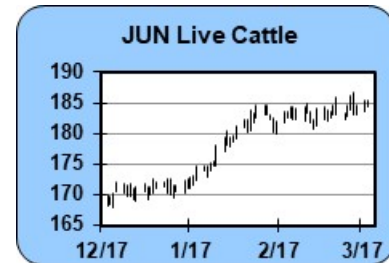
Thursday March 21, 2024

### DAILY CATTLE COMMENTARY

3/21/2024

#### Lower slaughter supports higher cash ideas

Another light volume sideways day Wednesday for April cattle as the consolidation continues. National Beef in Liberal Kansas reported a fire overnight. The extent of damage is not yet known. Slaughter is expected to be lower this week. Bloomberg's Cattle On Feed report estimates for Friday's report are 101.9% on feed, placements 106.2% and marketings 103.9%. The USDA estimated cattle slaughter came in at 116,000 head yesterday. This brings the total for the week so far to 358,000 head, up from 351,000 last week at this time but down from 378,323 a year ago. The USDA boxed beef cutout was down 28 cents at mid-session yesterday and closed 22 cents higher at \$313.44. This was up from \$309.82 the previous week. The previous low was \$313.22 on March 19. The previous high was \$313.57 on September 6, 2023.



#### TODAY'S MARKET IDEAS:

Daily trading volume has been lower for 5 consecutive days as the ongoing 1 1/2 month consolidation gets long in the tooth. The selloff the last couple days has been on waning trading volume, which raises the odds of a move higher. Moving average support stands at 185.45 and 183.35. A move above last week's high at 190.27 is the key to accelerating the uptrend.

#### 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) 03/21/2024: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market's close above the 9-day moving average suggests the short-term trend remains positive. 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 near-term upside target is at 186.100. The next area of resistance is around 185.400 and 186.100, while 1st support hits today at 184.170 and below there at 183.620.

FEEDER CATTLE (MAY) 03/21/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. A positive signal for trend short-term was given on a close over the 9-bar moving average. It is a slightly negative indicator that the close was under the swing pivot. The next upside objective is 260.543. The next area of resistance is around 259.612 and 260.543, while 1st support hits today at 257.988 and below there at 257.294.

## DAILY HOGS COMMENTARY

3/21/2024

### Strong stock market supports meat demand

So far this week, April hogs have remained inside the trading range of last Friday. The Dow Jones index made new contract highs yesterday indicating growing strength in the US economy, which adds a bullish undertone for meat demand. While April futures fell below the short-term uptrend line yesterday, retracement support at 84.85 and 50-day moving average support at 83.45 should hold breaks. A breach of resistance at 87.52 would begin a new rally phase. The CME Lean Hog Index as of March 18 was 82.82, up from 82.54 the previous session and 81.61 the previous week. The USDA estimated hog slaughter came in at 490,000 head yesterday. This brings the total for the week so far to 1.462 million head, up from 1.425 million last week at this time and up from 1.431 million a year ago. The USDA pork cutout, released after the close yesterday, came in at \$90.71, down 85 cents from Tuesday and down from \$90.75 the previous week. The previous low was \$89.96 on March 7. The previous high was \$91.56 on March 19. The average hog weight for Iowa-Southern Minnesota as of March 16 was 287.1 pounds, down from 287.6 pounds the previous week and up from 286.8 a year ago. The 5-year average is 286.6 pounds.



China's national average spot pig price as of March 21 was unchanged from the previous day. For the week prices are up 4.66%, up 7.99% for the month and up 6.19% year to date and up 0.46% versus a year ago. Dalian live hog futures as of March 21 were up 1.1% from the previous day. For the week prices are up 4.7% and up 5.60% for the month and up 4.43% year to date

### TODAY'S MARKET IDEAS:

This week's pullback is nearing retracement support at 84.85 on April and the 3 1/2 month uptrend remains in place unless April futures penetrate 83.15. A move above resistance at 87.52 should trigger a new leg higher.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (JUN) 03/21/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. 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 objective is 99.150. The next area of resistance is around 101.500 and 102.620, while 1st support hits today at 99.770 and below there at 99.150.

### 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	184.770	55.60	56.68	66.40	67.64	184.69	184.29	183.76	181.51	178.90
FCK24	258.800	55.27	55.91	44.79	55.03	258.21	257.23	258.05	254.61	249.96
LHM24	100.620	47.59	53.33	68.36	55.87	101.84	101.73	101.22	97.97	96.25

Calculations based on previous session. Data collected 03/20/2024  
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	183.600	184.150	184.850	185.400	186.100
FCK24	Feeder Cattle	257.293	257.987	258.918	259.612	260.543
LHM24	Lean Hogs	99.120	99.750	100.870	101.500	102.620

Calculations based on previous session. Data collected 03/20/2024  
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