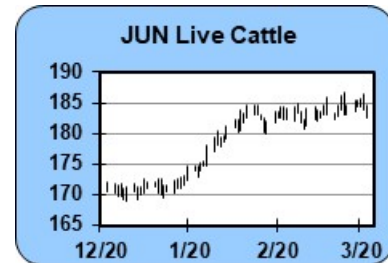




**DAILY CATTLE COMMENTARY**  
3/26/2024

**Beef in cold storage lowest since 2014.**

Friday's Cattle on Feed report was a big enough shock to send April cattle below the recent consolidation range and back to a key long-term moving average. However, a supportive monthly Cold Storage report, released after the close yesterday, may lend some support on the open today. The Cold Storage report showed there were 442.751 million pounds of frozen beef in US storage as of February 29, down from 471.261 million the previous month and 500.786 million a year ago. Stocks were the lowest for that date since 2014. Friday's Cattle on Feed report showed placements for the month of February at 109.7%, which was above the high end of expectations and the highest placements as percent of the previous year since February 2022. The 90-day cattle supply was 6.656 million head, the highest since June 2020. USDA reported that avian flu has been detected in dairy cows in Kansas and Texas, but the nation's milk supply is safe. Samples of milk collected from the cows indicated the virus was present, but pasteurization kills bacteria and viruses. The disease is not regarded as fatal to cows, but it can slow growth and interrupt milk production. The USDA estimated cattle slaughter came in at 118,000 head yesterday, down from 120,000 last week and 124,000 a year ago. The USDA boxed beef cutout was up 29 cents at mid-session yesterday and closed 17 cents higher at \$310.89. This was down from \$313.33 the previous week. Cash live cattle were quiet on Monday with no trade reported. The five-area weighted average steer price last week was \$189.56, up from \$187.47 the previous week and \$164.41 a year ago.



**TODAY'S MARKET IDEAS:**

April cattle may find some support this morning from yesterday's Cold Storage report, but the jump in placements last month could be the dominating factor over the next several weeks. The market broke below a two-week consolidation pattern yesterday, leaving the next key support at 185.45, followed by 182.825. A move above the March 14 high at 194.850 is needed to reestablish 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) 03/26/2024: The close under the 40-day moving average indicates the longer-term trend could be turning down. Declining momentum studies in the neutral zone will tend to reinforce lower price action. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The close below the 1st swing support could weigh on the market. The next downside target is 179.250. The next area of resistance is around 182.870 and 184.400, while 1st support hits today at 180.300 and below there at 179.250.

FEEDER CATTLE (MAY) 03/26/2024: Declining momentum studies in the neutral zone will tend to reinforce lower price action. The close below the 9-day moving average is a negative short-term indicator for trend. The market's close below the pivot swing number is a mildly negative setup. The next downside target is 247.369. The next area of resistance is around 255.387 and 258.418, while 1st support hits today at 249.863 and below there at 247.369.

## DAILY HOGS COMMENTARY

3/26/2024

### Cold Storage report bullish but Hogs and Pigs looms.

A rally in April hogs yesterday is helping the market cling to its uptrend after working lower every day last week, and a supportive monthly Cold Storage report that was released after the close yesterday could provide support on the open today. The report showed there were 456.499 million pounds of frozen pork in US storage as of February 29, down from 463.308 million the previous month and 521.606 million a year ago. This was the lowest for the end of February since 1997. However, rallies could be limited ahead of the quarterly USDA Hogs and Pigs report, which will be released after the close on Thursday. For the report, the average trade expectation for all US hogs and pigs on March 1 is 100.1% of a year ago, with kept for breeding at 97.1%. The December-February pig crop is expected to come in around 101.4% of a year ago, with pigs per litter at 103.3%. Strong pork values provide underlying support. The USDA pork cutout, released after the close yesterday, came in at \$94.96, up \$2.15 from Friday and up from \$91.82 the previous week. This was the highest the cutout had been since September 29. The CME Lean Hog Index as of March 21 was 83.59, up from 83.54 the previous session and 82.34 the previous week. The USDA estimated hog slaughter came in at 484,000 head yesterday, up from 481,000 last week and 483,729 a year ago. China's national average spot pig price is up 1.0% from yesterday, 1.5% for the week and 9% for the month. China's hog herd fell to 40.42 million sows at the end of February, down 0.6% from January and down 6.9% from the year before, according to their Ministry of Agricultural and Rural Affairs.



### TODAY'S MARKET IDEAS:

The Cold Storage report was supportive, but the market may see consolidation ahead of the Hogs and Pigs report on Thursday. Look for resistance in April hogs at 86.22 and 87.52, with support at 87.12.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (JUN) 03/26/2024: The downside crossover (9 below 18) of the moving averages suggests a developing short-term downtrend. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The market's close above the 2nd swing resistance number is a bullish indication. The next downside objective is now at 98.450. The next area of resistance is around 102.970 and 103.750, while 1st support hits today at 100.350 and below there at 98.450.

## 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	181.570	38.32	44.90	52.43	36.83	183.44	184.13	183.71	182.12	179.52
FCK24	252.625	35.20	42.13	42.03	33.42	255.82	256.75	257.14	255.49	250.96
LHM24	101.650	56.26	57.44	48.11	43.70	100.33	101.24	101.33	98.52	96.69

Calculations based on previous session. Data collected 03/25/2024

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	179.200	180.270	181.800	182.870	184.400
FCK24	Feeder Cattle	247.368	249.862	252.893	255.387	258.418
LHM24	Lean Hogs	98.420	100.320	101.070	102.970	103.750

Calculations based on previous session. Data collected 03/25/2024

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