



## DAILY LIVESTOCK COMMENTARY

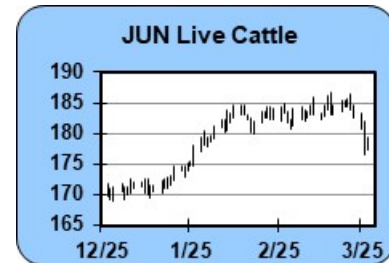
Thursday March 28, 2024

### DAILY CATTLE COMMENTARY

3/28/2024

#### Reality of an almost 10% jump in placements sets in.

The market may have overreacted from the reports of Avian flu showing up in dairy cattle in Texas and New Mexico, but the bearishness of the placements number from last Friday is harder to discount. Placements were almost 10% above a year ago, which was further evidence that the US supply is recovering after falling to record low levels last year. Some traders had worried that cattle movement between states could be restricted because of the Avian flu, but there has been no confirmation of that. There have been no reports of infected beef cattle, either. The USDA estimated cattle slaughter came in at 124,000 head yesterday. This brings the total for the week so far to 367,000, up from 358,000 last week but down from 375,000 a year ago. The USDA boxed beef cutout was down \$1.22 at mid-session yesterday and closed \$2.51 lower at \$308.58. This was down from \$313.44 the previous week and was the lowest it had been since March 8. Cash live cattle traded in moderate volume yesterday at lower prices than last week. Over the past two days, prices have averaged around \$184.85 versus an average of \$189.45 last week.



#### TODAY'S MARKET IDEAS:

A resumption of the downtrend in April cattle would leave a retracement target of 180.775, followed by 177.85. Look for resistance at 184.475.

#### 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) 03/28/2024:** Momentum studies are declining, but have fallen to oversold levels. The market's short-term trend is negative as the close remains below the 9-day moving average. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is now at 176.320. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 179.750 and 180.600, while 1st support hits today at 177.620 and below there at 176.320.

**FEEDER CATTLE (MAY) 03/28/2024:** Daily stochastics are trending lower but have declined into oversold territory. The close below the 9-day moving average is a negative short-term indicator for trend. The market has a slightly positive tilt with the close over the swing pivot. The next downside target is now at 245.075. The 9-day RSI under 30 indicates the market is approaching oversold levels. The next area of resistance is around 249.649 and 250.575, while 1st support hits today at 246.900 and below there at 245.075.

**DAILY HOGS COMMENTARY**  
**3/28/2024**

**Not much change expected for US hog supply.**

The trade is not looking for a big change in supply in this afternoon's Hogs and Pigs report, but we still expect choppy action ahead of its release this afternoon. For the report, the average trade expectation for US all 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%. The average hog weight for Iowa-Southern Minnesota as of March 23 was 287.4 pounds, up from 287.1 pounds the previous week and but down from 287.7 a year ago. The 5-year average is 287.1 pounds. The fact that weights are no longer significantly higher than the year-ago and average levels is a bullish factor. The CME Lean Hog Index as of March 25 was 83.69, up from 83.48 the previous session and 82.82 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 1.457 million head, down from 1.462 million last week but up from 1.442 million a year ago. The USDA pork cutout, released after the close yesterday, came in at \$92.94, down \$1.63 from Tuesday but up from \$90.71 the previous week.



**TODAY'S MARKET IDEAS:**

Look for more choppy action ahead of this afternoon's Hogs and Pigs report. Resistance for April hogs comes in at 86.92 and 87.52, with support at 84.35 and 83.82.

**NEW RECOMMENDATIONS:**

None.

**PREVIOUS RECOMMENDATIONS:**

None.

**PORK COMPLEX TECHNICAL OUTLOOK:**

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LEAN HOGS (JUN) 03/28/2024: The daily stochastics gave a bullish indicator with a crossover up. Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The intermediate trend could be turning up with the close back above the 18-day moving average. It is a slightly negative indicator that the close was lower than the pivot swing number. The next upside target is 102.870. The next area of resistance is around 102.170 and 102.870, while 1st support hits today at 101.020 and below there at 100.550.

**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	178.670	29.73	37.45	38.15	25.71	180.39	182.76	183.26	182.30	179.80
FCK24	248.275	29.51	36.37	30.94	21.34	250.48	254.76	255.99	255.68	251.40

LHM24 101.600 55.51 56.81 49.56 52.54 101.08 101.22 101.37 98.92 97.07

**Calculations based on previous session. Data collected 03/27/2024**

**Data sources can & do produce bad ticks. Verify before use.**

### **DAILY SWING STATISTICS**

<b>Contract</b>		<b>Support 2</b>	<b>Support 1</b>	<b>Pivot</b>	<b>Resist 1</b>	<b>Resist 2</b>
<b>MEAT COMPLEX</b>						
LCM24	Live Cattle	176.300	177.570	178.450	179.750	180.600
FCK24	Feeder Cattle	245.075	246.899	247.825	249.649	250.575
LHM24	Lean Hogs	100.520	101.000	101.700	102.170	102.870

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