

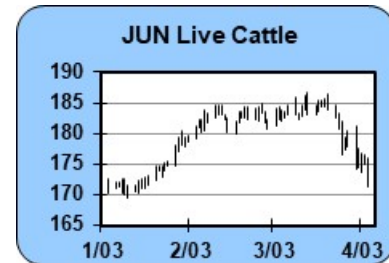


DAILY LIVESTOCK COMMENTARY Tuesday April 09, 2024

DAILY CATTLE COMMENTARY 4/9/2024

Oversold on Avian flu story.

June cattle had gotten oversold on the Avian flu story, and they found support at the 0.618 retracement of the December-March recovery. The USDA estimated cattle slaughter came in at 121,000 head yesterday. This was up from 109,000 last week and 112,000 a year ago. The USDA boxed beef cutout was up \$4.59 at mid-session yesterday and closed \$4.90 higher at \$302.07. This was down from \$305.74 the previous week. Cash live cattle were typically quiet for a Monday, but there were 150 head reported in Kansas at \$182 versus an average of \$183.75 on Friday. The five-area weighted average steer price last week was \$185.73, down from \$188.23 the previous week but up from \$173.10 a year ago. The US CDC said yesterday that bird flu risk remains low, but it also asked state public health agencies to be ready with rapid testing.



TODAY'S MARKET IDEAS:

June Cattle have moved into a consolidation area that extended from mid-December to mid-January, and this should provide stout support around 170.00. Look for resistance around 175.00 and 177.00.

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) 04/09/2024: Momentum studies are declining, but have fallen to oversold levels. The close below the 9-day moving average is a negative short-term indicator for trend. It is a mildly bullish indicator that the market closed over the pivot swing number. The next downside target is now at 171.170. The next area of resistance is around 174.270 and 175.020, while 1st support hits today at 172.370 and below there at 171.170.

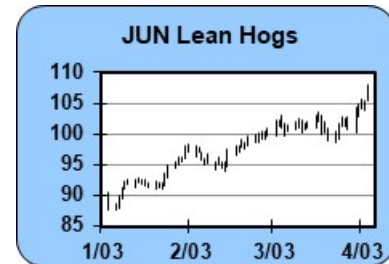
FEEDER CATTLE (MAY) 04/09/2024: Momentum studies are still bearish but are now at oversold levels and will tend to support reversal action if it occurs. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 233.900. With a reading under 30, the 9-day RSI is approaching oversold levels. The next area of resistance is around 239.050 and 241.400, while 1st support hits today at 235.300 and below there at 233.900.

DAILY HOGS COMMENTARY

4/9/2024

Pork prices continue to climb.

Pork prices have reached their highest level 6 1/2 months, and there is no technical sign of a top in the hog market. Bullish traders might have been disappointed with the market's performance yesterday after June hogs pushed slightly above Friday's high and closed only 0.02 higher on the day, but the market also avoid a steep correction despite a technically overbought setup. The USDA pork cutout came in at \$98.39 yesterday, up 55 cents from Friday and up from \$96.52 the previous week. This was the highest it had been since September 25, 2023. The CME Lean Hog Index as of April 4 was 86.31, up from 85.88 the previous session and 84.60 the previous week. The USDA estimated hog slaughter came in at 472,000 head yesterday. This was up from 358,000 last week and 350,000 a year ago. Friday's Commitments of Traders report showed managed money traders were net long 76,928 contracts of lean hogs as of April 2, their largest since February 2022, and this leaves the market vulnerable to heavy selling if support levels are taken out.



TODAY'S MARKET IDEAS:

Strong pork prices support packer margins. The next upside objective in June hogs comes in at 110.70. Look for support at 104.97.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (JUN) 04/09/2024: Momentum studies are trending higher but have entered overbought levels. 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 109.420. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 108.770 and 109.420, while 1st support hits today at 107.070 and below there at 106.000.

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										
LCM24	173.320	30.17	33.62	16.76	12.62	174.21	176.20	180.17	181.83	180.31
FCK24	237.175	22.89	28.11	13.91	9.05	240.45	243.73	250.24	254.41	252.16
LHM24	107.900	81.68	75.83	82.58	91.87	106.39	104.13	102.69	100.23	98.73

Calculations based on previous session. Data collected 04/08/2024

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						
LCM24	Live Cattle	171.150	172.350	173.070	174.270	175.020
FCK24	Feeder Cattle	233.900	235.300	237.650	239.050	241.400
LHM24	Lean Hogs	105.970	107.050	107.700	108.770	109.420

Calculations based on previous session. Data collected 04/08/2024

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