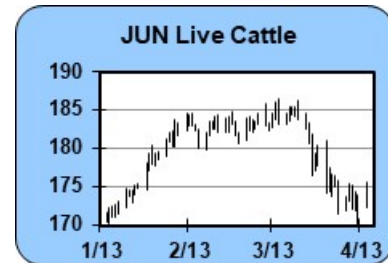




**DAILY CATTLE COMMENTARY**  
4/16/2024

**Oversold; anticipating a seasonal boost in beef consumption.**

Cattle futures may have gotten oversold on the avian flu theme, as cash cattle prices are not down nearly as much, and the approach of a stronger beef demand season may support a recovery. At Friday's low June cattle had fallen 16.375 from the March peak, while cash live cattle prices had fallen only 4.00 during the same period. A decline in cow slaughter suggests more cows are being held back for breeding, which could limit boneless beef supplies over the near term. However, heavy weights mean that beef production can run ahead of a year ago even if slaughter slows. For example, the estimated average dressed cattle weight last week was 847 pounds, up from 845 the previous week, 819 a year ago, and a five-year average for the week of 821 pounds. Estimated beef production last week was 509.8 million pounds, up from 499.7 million a year ago. The USDA estimated cattle slaughter came in at 121,000 head yesterday. This was unchanged from last week but down from 122,000 a year ago. The USDA boxed beef cutout was up 54 cents at mid-session yesterday and closed 31 cents higher at \$300.88. This was down from \$302.07 the previous week.



**TODAY'S MARKET IDEAS:**

An oversold technical condition, the steep decline in the futures relative to cash, and prospects of stronger beef demand could support a bounce to 176.50 or 178.45 in June cattle. Look for support at 172.50 and 169.05.

**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) 04/16/2024:** The daily stochastics gave a bullish indicator with a crossover up. Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The market's short-term trend is positive on the close above the 9-day moving average. Market positioning is positive with the close over the 1st swing resistance. The next upside objective is 177.200. Daily studies suggest buying dips today. The next area of resistance is around 175.470 and 177.200, while 1st support hits today at 172.200 and below there at 170.620.

**FEEDER CATTLE (AUG) 04/16/2024:** The daily stochastics have crossed over up which is a bullish indication. Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. The close above the 9-day moving average is a positive short-term indicator for trend. Market positioning is positive with the close over the 1st swing resistance. The next upside target is 253.906. Daily studies suggest buying dips today. The next area of resistance is around 252.237 and 253.906,

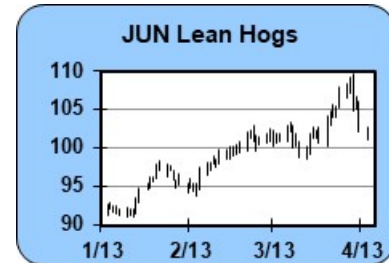
while 1st support hits today at 247.313 and below there at 244.057.

## DAILY HOGS COMMENTARY

4/16/2024

### Pork prices back to 8-month highs.

June hogs fell to their lowest level since April 1 yesterday but reversed and closed higher on the day. Prior to the recovery the market had fallen 8% from contract highs in just four sessions. A positive trend in pork prices is supportive. The USDA pork cutout, released after the close yesterday, came in at \$102.34, up \$2.17 from Friday and up from \$98.39 the previous week. This was the highest it had been since August 24. The CME Lean Hog Index as of April 11 was 90.56, up from 89.84 the previous session and 86.31 the previous week. The USDA estimated hog slaughter came in at 488,000 head yesterday. This was up from 466,000 last week and 466,000 a year ago. China's first-quarter pork production fell 0.4% from a year ago to 15.83 million tonnes, the first quarterly decline in four years. The herd size at the end of March was down 5.2% from a year ago to 408.58 million head. The sow herd was down 6.9% at 40.42 million. The idea that China finally seems to be getting their excess production under control could be viewed as supportive to US pork export prospects.



### TODAY'S MARKET IDEAS:

June hogs are under the influence of a key reversal top from last Wednesday, but they found support at the 0.382 retracement of the rally from the contract low on January 2 to last week's contract high. Look for resistance at 103.32 and 104.82. A resumption of the downtrend would leave the next downside target at 98.60.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK 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.

LEAN HOGS (JUN) 04/16/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The upside daily closing price reversal gives the market a bullish tilt. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is 100.470. The next area of resistance is around 103.300 and 103.900, while 1st support hits today at 101.600 and below there at 100.470.

### 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	173.820	41.79	40.90	16.22	18.67	173.01	173.75	177.03	180.85	180.38
FCQ24	249.775	40.86	39.07	13.43	17.69	247.96	249.53	255.01	263.25	263.86

LHM24 102.450 42.43 48.06 65.34 48.00 103.97 105.56 103.50 101.23 99.78

Calculations based on previous session. Data collected 04/15/2024

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	170.600	172.170	173.900	175.470	177.200
FCQ24	Feeder Cattle	244.056	247.312	248.981	252.237	253.906
LHM24	Lean Hogs	100.450	101.570	102.170	103.300	103.900

Calculations based on previous session. Data collected 04/15/2024

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

\*\*\*This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of Lakefront Futures is strictly prohibited.