



## DAILY LIVESTOCK COMMENTARY

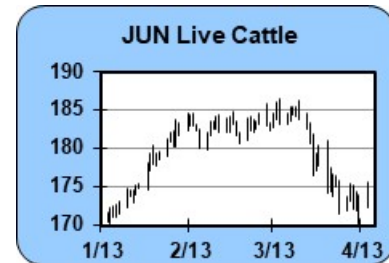
Wednesday April 17, 2024

### DAILY CATTLE COMMENTARY

4/17/2024

#### Rejecting last week's low.

June cattle reached their highest level since April 5 yesterday, and the market appears to have temporarily rejected Friday's low. The avian flu story that instigated the selloff seems to be drifting further into the background. Cash cattle prices held much better than the futures, and the trade is optimistic that a seasonal pickup in beef demand is around the corner. Unfortunately for the bulls, that does not appear to be showing up in the cash beef market this week. The USDA boxed beef cutout closed \$2.86 lower yesterday at \$298.02. This was down from \$302.09 the previous week and was the lowest it had been since April 5. The USDA estimated cattle slaughter came in at 124,000 head yesterday. This brings the total for the week so far to 245,000 head, down from 246,000 last week and 251,000 a year ago. Cash live cattle were quiet with no trades reported.



#### TODAY'S MARKET IDEAS:

Retracement objectives of the selloff from the March high to last week's low in June cattle leave near term upside targets at 176.50 and 178.45. Look for support at 170.25 and 169.05.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

#### CATTLE COMPLEX TECHNICAL OUTLOOK:

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**LIVE CATTLE (JUN) 04/17/2024:** Daily stochastics are showing positive momentum from oversold levels, which should reinforce a move higher if near term resistance is taken out. A positive signal for trend short-term was given on a close over the 9-bar moving average. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next upside objective is 177.970. Short-term indicators suggest buying dips today. The next area of resistance is around 177.200 and 177.970, while 1st support hits today at 174.270 and below there at 172.100.

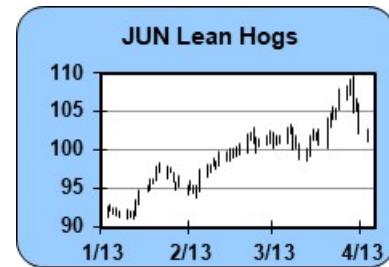
**FEEDER CATTLE (AUG) 04/17/2024:** Rising from oversold levels, daily momentum studies would support higher prices, especially on a close above resistance. A positive signal for trend short-term was given on a close over the 9-bar moving average. Market positioning is positive with the close over the 1st swing resistance. The next upside target is 255.475. Short-term indicators suggest buying dips today. The next area of resistance is around 254.350 and 255.475, while 1st support hits today at 250.350 and below there at 247.475.

## DAILY HOGS COMMENTARY

4/17/2024

### Fund liquidation potential.

The hog market remains under the influence of last week's key reversal top from a contract high. June hogs did manage a bounce off Monday's low yesterday, but they gave back most of those gains by the close. Pork prices, which recently reached their highest level since last summer, turned lower yesterday. The USDA pork cutout, released after the close yesterday, came in at \$99.00, down \$3.34 from Monday and down from \$99.74 the previous week. This was the lowest it had been since April 8. The USDA estimated hog slaughter came in at 486,000 head yesterday. This brings the total for the week so far to 968,000 head, up from 939,000 last week and 948,000 a year ago. The CME Lean Hog Index as of April 12 was 90.73, up from 90.56 the previous session and 87.05 the previous week. The market received its first bullish news from China in a long time this week with reports that their first-quarter pork production fell 0.4% from a year ago to 15.83 million tonnes, the first quarterly decline in four years. Prior to last week's selloff, the managed money net long had reached 92,731 contracts, which was very close to the all-time high of 97,952. This suggests there should still be plenty of long liquidation potential.



### TODAY'S MARKET IDEAS:

June hogs found support at the 0.382 retracement of the rally from the contract low on January 2 to last week's contract high, but that level could be in jeopardy. Look for support in June hogs at 101.20 and 100.80. A break below there could trigger an eventual move back to 98.60. Look for resistance at 104.20 and 105.35.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (JUN) 04/17/2024: 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 close over the pivot swing is a somewhat positive setup. The next downside target is 101.000. The next area of resistance is around 103.820 and 105.020, while 1st support hits today at 101.820 and below there at 101.000.

### DAILY TECHNICAL STATISTICS

|                     | CLOSE   | 9 DAY<br>RSI | 14 DAY<br>RSI | 14 DAY<br>SLOW<br>STOCH D | 14 DAY<br>SLOW<br>STOCH K | 4 DAY<br>M AVG | 9 DAY<br>M AVG | 18 DAY<br>M AVG | 45 DAY<br>M AVG | 60 DAY<br>M AVG |
|---------------------|---------|--------------|---------------|---------------------------|---------------------------|----------------|----------------|-----------------|-----------------|-----------------|
| <b>MEAT COMPLEX</b> |         |              |               |                           |                           |                |                |                 |                 |                 |
| LCM24               | 175.700 | 48.81        | 45.89         | 20.15                     | 28.00                     | 173.73         | 173.76         | 176.53          | 180.66          | 180.40          |
| FCQ24               | 252.350 | 47.26        | 43.66         | 18.12                     | 27.49                     | 249.14         | 249.51         | 254.07          | 262.87          | 263.77          |
| LHM24               | 102.820 | 44.58        | 49.41         | 57.41                     | 41.54                     | 103.29         | 105.34         | 103.62          | 101.41          | 99.97           |

Calculations based on previous session. Data collected 04/16/2024  
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   | 172.070   | 174.250   | 175.020 | 177.200  | 177.970  |
| FCQ24               | Feeder Cattle | 247.475   | 250.350   | 251.475 | 254.350  | 255.475  |
| LHM24               | Lean Hogs     | 100.970   | 101.800   | 103.000 | 103.820  | 105.020  |

Calculations based on previous session. Data collected 04/16/2024  
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