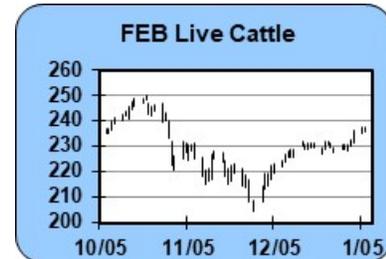


### DAILY CATTLE COMMENTARY

1/8/2026

#### Long liquidation pressure may continue today

The cattle complex pulled back yesterday after upside momentum stalled earlier this week. Speculative funds are already holding a significant long position and may be taking some profits this week, which may continue today. Weekly export sales came in right on the average of the last month after a couple of poor sales weeks in a row and South Korea was the largest buyer. Brazil's beef exports have benefited from US tariffs and were record high in 2025, up 11.6% from the prior year and Brazil unseated the US as the world's top beef producer in 2025. February liquidation continued in live cattle yesterday, but April open interest was up. Another very light cash sale reported yesterday in the north at 232, similar to Monday's trade and USDA inserted a sale on Tuesday in the South at 232 as well, unchanged from last week. The 5 - area, 5 - day weighted average the week now stands at 231.71, up from 231.06 at the end of last week. The USDA estimated cattle slaughter came in at 115,000 head Wednesday. This brings the total for the week so far to 348,000 head, up from 325,000 last week at this time but down from 357,543 a year ago. The USDA boxed beef cutout was up \$1.22 at mid-session Wednesday and closed \$3.03 higher at \$354.28. This was up from \$348.20 the previous week.



U.S. beef export sales for the week ending January 1 came in at 10,600 tonnes compared with the average of the previous four weeks of 10,900 tonnes. Cumulative sales for the 2026 marketing year have reached 102,300 tonnes, down 0.4% versus last year's pace.

#### TODAY'S MARKET IDEAS:

We will move our focus to the April live cattle contract. April turned lower yesterday from overbought levels and stochastics gave a sell signal, suggesting further weakness in the short-term. Initial support comes in at 232.55.

#### TRADE IDEAS:

No new recommendations for today.

#### CATTLE COMPLEX TECHNICAL OUTLOOK:

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**LIVE CATTLE (FEB) 01/08/2026:** The daily stochastics have crossed over down which is a bearish indication. Momentum studies trending lower from overbought levels is a bearish indicator and would tend to reinforce lower price action. The market's short-term trend is positive on the close above the 9-day moving average. There could be some early pressure today given the market's negative setup with the close below the 2nd swing support. The next downside objective is now at 232.350. The next area of resistance is around 235.720 and 237.170, while 1st support hits today at 233.320 and below there at 232.350.

**FEEDER CATTLE (MAR) 01/08/2026:** A bearish signal was triggered on a crossover down in the daily stochastics. Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. The market's short-term trend is positive on the close above the 9-day moving average. The market is in a bearish position with the close below the 2nd swing support

number. The next downside objective is 351.063. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 357.925 and 360.762, while 1st support hits today at 353.075 and below there at 351.063.

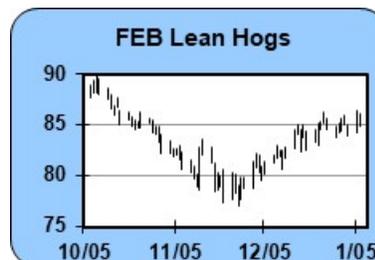
## DAILY HOGS COMMENTARY

1/8/2026

### No follow-through higher on bullish news, near-term tech outlook weakening

April hogs pulled back yesterday after 2 strong closes in a row and are showing signs the uptrend is weakening, especially since prices were unable to follow through higher on additional ASF cases in Spain and the unusually large jump in a national hog base price earlier this week. It will take a move back below last Friday's low at 88.95 to turn the near-term technical outlook lower but yesterday's action was a

disappointment for the bulls. Weekly export sales this morning came in under the average of the last month and Mexico was the top buyer, with China 4th on the list with a small purchase. Open interest in all but the February contract was higher yesterday. CME Lean Hog Index as of January 5 was 81.54, down -0.08 for the day and down -0.71 versus a week ago. This is the lowest since January 22. The USDA estimated hog slaughter came in at 496,000 head Wednesday. This brings the total for the week so far to 1.489 million head, up from 1.360 million last week at this time and up from 1.420 million a year ago. The USDA pork cutout, released after the close Wednesday, came in at \$91.78, up \$1.19 from Tuesday but down from \$93.77 the previous week.



U.S. pork export sales for the week ending January 1 came in at 27,700 tonnes compared with the average of the previous four weeks of 38,000 tonnes. Cumulative sales for the 2025 marketing year have reached 276,800 tonnes, down 1.4% versus last year's pace.

### TODAY'S MARKET IDEAS:

April futures had fundamental and technical reasons to follow through to the upside yesterday but instead closed on the lows of the day. This sets up the potential for a retest of last Friday's low just under 89.00 and that level must hold to keep the uptrend intact.

### TRADE IDEAS:

No new recommendations for today.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (FEB) 01/08/2026: A crossover down in the daily stochastics is a bearish signal. Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. 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 now at 83.850. The next area of resistance is around 85.350 and 86.070, while 1st support hits today at 84.250 and below there at 83.850.

## 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>										
LCG26	234.520	63.00	60.76	82.01	81.72	235.76	232.48	231.34	224.87	228.27
FCH26	355.500	74.07	69.31	92.19	91.96	355.76	348.21	342.66	328.26	334.44
LHG26	84.770	52.06	53.65	73.70	69.96	85.18	85.04	84.76	82.25	82.78

Calculations based on previous session. Data collected 01/07/2026

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>						
LCG26	Live Cattle	232.320	233.300	234.750	235.720	237.170
FCH26	Feeder Cattle	351.062	353.075	355.912	357.925	360.762
LHG26	Lean Hogs	83.820	84.220	84.950	85.350	86.070

Calculations based on previous session. Data collected 01/07/2026

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