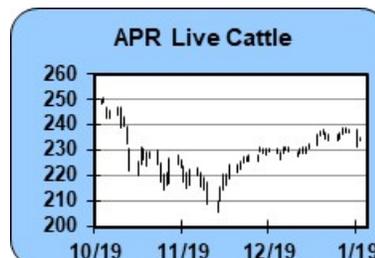


DAILY CATTLE COMMENTARY

1/21/2026

Technical breakdown on Friday, but cattle weather stress increases this week

The cattle complex closed firm yesterday and wintry weather moving into the Plains with frigid temperatures may result in some additional weather premium being built in today and we give the bulls the edge. Open interest rose a little over 1600 contracts in live cattle yesterday and not quite 500 in the feeders. Friday afternoon we'll see the latest cattle on feed and on feed numbers are anticipated at 96.8%, placements 93.1% and marketings 101.7%. China's Stats Bureau says red meat imports in 2025 were up 4.2% year-over-year and beef in particular was up 2.8%. Light cash cattle trade was reported in the north yesterday at 232, unchanged from last week but nothing in the South. The 5 - area, 5 - day weighted average for the week stands at 232.45, down from 232.46 at the end of last week. The USDA estimated cattle slaughter came in at 114,000 head Tuesday. This brings the total for the week so far to 219,000 head, down from 235,000 last week at this time and down from 234,837 a year ago. The USDA boxed beef cutout was up \$1.99 at mid-session Tuesday and closed 43 cents higher at \$364.76. This was up from \$357.99 the previous week.



TODAY'S MARKET IDEAS:

Weather concerns are likely to keep the bull trend intact in the near-term. Friday's April live cattle low now is important support at 231.27. A move back over last week's highs at 239.05 would point to additional upside potential to the gap resistance near the contract highs in mid-October at 249.17.

TRADE IDEAS:

No new recommendations for today.

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 (APR) 01/21/2026: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The close over the pivot swing is a somewhat positive setup. The next downside target is 232.870. The next area of resistance is around 235.420 and 236.300, while 1st support hits today at 233.720 and below there at 232.870.

FEEDER CATTLE (MAR) 01/21/2026: Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The market tilt is slightly negative with the close under the pivot. The next downside target is 353.944. The next area of resistance is around 359.437 and 360.993, while 1st support hits today at 355.913 and below there at 353.944.

DAILY HOGS COMMENTARY

1/21/2026

Strong technical action and rising open interest favor the bull side

April hogs ended unchanged yesterday and stayed within last Friday's trading range. However, open interest jumped nearly 7900 contracts yesterday, an unusually large move, suggesting new buyers even though prices are at new contract highs. Managed money continues to hold a large net long position of over 82,000 contracts and strength over the last few sessions has likely added to that total. China customs says December pork imports were down 38.4% year-over-year and year-to-date imports are down 9%. China shifted to more Russian pork imports in 2025, which were 60% higher than the prior year. The trend remains higher and the bull camp keeps the edge. CME Lean Hog Index as of January 16 was 81.76, up 0.76 for the day and up 1.16 versus a week ago. This is the highest since January 5. The USDA estimated hog slaughter came in at 493,000 head Tuesday. This brings the total for the week so far to 914,000 head, down from 986,000 last week at this time but up from 900,570 a year ago. The USDA pork cutout, released after the close Tuesday, came in at \$93.52, down 65 cents from Monday but up from \$91.92 the previous week.



TODAY'S MARKET IDEAS:

The trend remains strong but overbought and some long liquidation is possible as there has been no meaningful downside correction since late November. Look for support on April on a pullback to 92.50. A further rally should encounter resistance at 97.25.

TRADE IDEAS:

No new recommendations for today.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 01/21/2026: Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. The market's close below the pivot swing number is a mildly negative setup. The near-term upside target is at 96.270. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 95.650 and 96.270, while 1st support hits today at 94.700 and below there at 94.350.

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										
LCJ26	234.570	50.64	53.93	77.84	69.29	236.08	236.16	234.26	227.42	227.04
FCH26	357.675	58.22	60.57	86.09	79.77	359.59	358.29	352.33	335.01	332.94
LHJ26	95.150	74.64	70.15	86.70	88.98	94.52	92.67	91.40	87.98	87.56

Calculations based on previous session. Data collected 01/20/2026

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						
LCJ26	Live Cattle	232.850	233.700	234.570	235.420	236.300
FCH26	Feeder Cattle	353.943	355.912	357.468	359.437	360.993
LHJ26	Lean Hogs	94.320	94.670	95.300	95.650	96.270

Calculations based on previous session. Data collected 01/20/2026

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