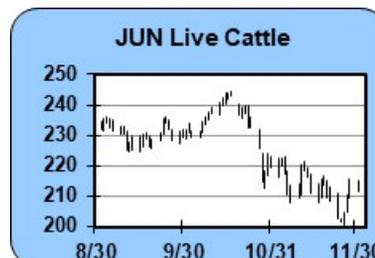


DAILY CATTLE COMMENTARY

12/2/2025

US red meat production fell 2.6% year-over-year in October

The cattle complex was moderately weaker yesterday, following 3 days of strong buying. Slaughter this week is expected to jump significantly on positive packer margins from last week's light holiday kill. Open interest was near unchanged on live cattle yesterday but dropped 750 contracts on feeders. Live cattle open interest has moved steadily lower since the mid-October highs. The sharp bounce off last week's lows formed a weekly reversal higher and is a positive for additional upside correction potential. Buyers may find prices attractive again if the market pulls back further. October beef production in the US was down 5.7% from October a year ago but up 7.8% from September. No cash trade reports in the major regions yesterday and the 5 - area, 5 - day weighted average for the week remains unchanged from last week at 211.85, down from 218.02 the prior week. The USDA estimated cattle slaughter came in at 115,000 head Monday. This was down from 120,000 last week and down from 116,388 a year ago. The USDA boxed beef cutout was up \$3.83 at mid-session Monday and closed \$2.07 higher at \$368.89. This was down from \$371.48 the previous week.



U.S. beef export sales for the week ending October 23 came in at 10,900 tonnes compared with the average of the previous four weeks of 14,800 tonnes. Cumulative sales for the 2025 marketing year have reached 672,700 tonnes, down 1.6% versus last year's pace.

TODAY'S MARKET IDEAS:

The corrective rebound that started last week may find support if prices pull back toward 212.00 on February live cattle. Stochastics turned higher early last week and upside resistance levels are 221.85 and 227.25, the 50% retracement to the contract highs.

TRADE IDEAS:

No new recommendations for today.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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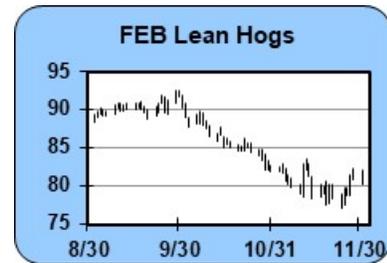
LIVE CATTLE (FEB) 12/02/2025: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The close above the 9-day moving average is a positive short-term indicator for trend. It is a slightly negative indicator that the close was under the swing pivot. The near-term upside target is at 221.020. The next area of resistance is around 218.220 and 221.020, while 1st support hits today at 213.620 and below there at 211.800.

FEEDER CATTLE (JAN) 12/02/2025: Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The market's short-term trend is positive on the close above the 9-day moving average. The daily closing price reversal down puts the market on the defensive. It is a slightly negative indicator that the close was lower than the pivot swing number. The next upside objective is 327.768. The next area of resistance is around 324.062 and 327.768, while 1st support hits today at 318.088 and below there at 315.819.

DAILY HOGS COMMENTARY
12/2/2025

ASF may disrupt Spanish pork exports, the #1 EU pork producer

February hogs pulled back yesterday and closed modestly lower, following the 1st higher weekly close last week in 8 weeks. October US pork production rose 0.3% from October a year ago but was up 9.1% from September. China's sow herd at the end of October was 39.9 million head, down 2.1% year-over-year. Spain is grappling with their 1st cases of African Swine Fever since the 1990s. If the disease spreads further, it could affect Spain's pork exports and potentially increase US demand as countries, including China, are beginning to pull their export certificates for Spanish pork. If the corrective rally to the upside is going to continue, February hogs need to uncover new buying as prices drop below 80.00. CME Lean Hog Index as of November 26 was 81.92, down -0.35 for the day and down -2.89 versus a week ago. This is the lowest since January 23. The USDA estimated hog slaughter came in at 492,000 head Monday. This was down from 495,000 last week but up from 485,759 a year ago. The USDA pork cutout, released after the close Monday, came in at \$95.05, up \$1.03 from Friday and up from \$93.40 the previous week.



U.S. pork export sales for the week ending October 23 came in at 38,800 tonnes compared with the average of the previous four weeks of 36,600 tonnes. Cumulative sales for the 2025 marketing year have reached 1,453,300 tonnes, down 4.6% versus last year's pace.

TODAY'S MARKET IDEAS:

February hogs pulled back to initial support yesterday at 80.20 and if the pullback continues, better support may be found in the 79.05 - 79.70 retracement zone. If strong buying materializes in that zone, the upside correction is likely to continue as stochastics are still pointing higher.

TRADE IDEAS:

No new recommendations for today.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (FEB) 12/02/2025: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market's close below the pivot swing number is a mildly negative setup. The near-term upside objective is at 82.570. The next area of resistance is around 81.200 and 82.570, while 1st support hits today at 79.400 and below there at 78.920.

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										
LCG26	215.920	45.43	42.71	29.91	39.27	213.51	214.43	217.95	230.01	231.70

FCF26	321.075	49.35	45.71	38.96	50.77	316.81	316.70	319.79	340.73	341.90
LHG26	80.270	49.42	46.22	38.91	47.12	80.42	79.47	80.03	83.48	85.22

Calculations based on previous session. Data collected 12/01/2025

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						
LCG26	Live Cattle	211.770	213.600	216.400	218.220	221.020
FCF26	Feeder Cattle	315.818	318.087	321.793	324.062	327.768
LHG26	Lean Hogs	78.900	79.370	80.750	81.200	82.570

Calculations based on previous session. Data collected 12/01/2025

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