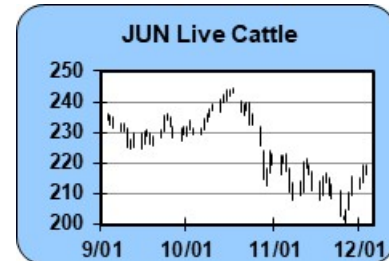


DAILY CATTLE COMMENTARY

12/4/2025

New screwworm detection 120 miles south of US border

A midday rally yesterday pushed cattle prices to a higher close, but upside momentum appears to be slowing. Slaughter rates this week have not ramped up as much is expected despite profitable packer margins. A new detection of screwworm 120 miles south of the US border is likely a major reason why prices have rallied sharply this week, along with bitter cold temperatures in the northern cattle feeding regions. Weekly export sales for the week of October 30 were released this morning, coming in right on the average of the prior 4 weeks. Live cattle open interest was down just over 900 contracts yesterday, and feeders down 455. Packers will likely have to pay up for cattle if futures do not pull back today or tomorrow. The bull camp retains the edge on strong cash trade potential and screwworm fears. No cash cattle trade reports this week other than a light sale in Kansas at 215 back on Monday. The 5 - area, 5 - day weighted average the week is 211.65 down from 211.85 at the end of last week. The USDA estimated cattle slaughter came in at 117,000 head Wednesday. This brings the total for the week so far to 354,000 head, down from 369,000 last week at this time and down from 366,727 a year ago. The USDA boxed beef cutout was up 68 cents at mid-session Wednesday and closed 91 cents lower at \$363.81. This was down from \$370.09 the previous week.



U.S. beef export sales for the week ending October 30 came in at 14,500 tonnes compared with the average of the previous four weeks of 14,000 tonnes. Cumulative sales for the 2025 marketing year have reached 687,200 tonnes, down 0.9% versus last year's pace.

TODAY'S MARKET IDEAS:

February live cattle reached the 0.382% retracement to the contract highs earlier this week and may extend to the 50% retracement level at 227.25. If cash trade develops significantly higher as anticipated, futures could get another boost in addition to the cold temperatures and screwworm concerns.

TRADE IDEAS:

No new recommendations for today.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (FEB) 12/04/2025: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. A positive signal for trend short-term was given on a close over the 9-bar moving average. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside objective is at 225.120. The next area of resistance is around 223.620 and 225.120, while 1st support hits today at 220.150 and below there at 218.150.

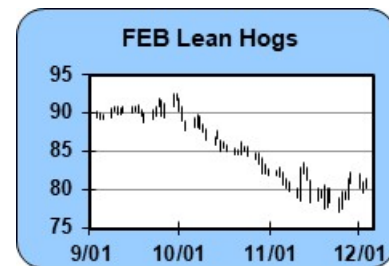
FEEDER CATTLE (JAN) 12/04/2025: Momentum studies are trending higher but have entered overbought levels. The market's close above the 9-day moving average suggests the short-term trend remains positive. The close over the pivot swing is a somewhat positive setup. The next upside target is 338.818. The next area of resistance is around 335.462 and 338.818, while 1st support hits today at 328.238 and below there at 324.369.

DAILY HOGS COMMENTARY

12/4/2025

Rally possible on Spanish ASF concerns

February hogs closed higher yesterday after bouncing off retracement support on Tuesday. Weekly export sales for the week of October 30 were slightly under the average of the prior 4 weeks, with Mexico the largest buyer and China 9th on the list with a small purchase. Brazil's pork exports for 2025 are 10% above a year ago. Bans on the import of Spanish pork by many countries have a chance to boost US exports but with current week export sales reporting still far behind, there is no way to know if the shift is happening. A sharp rally in the futures market may be the 1st clue demand is increasing. Hog open interest dropped a little over 1500 contracts yesterday. China pork prices have been trending lower most of this year on weak consumer confidence. The average hog weight for Iowa-Southern Minnesota as of November 29 was 293.8 pounds, up from 293.4 pounds the previous week and up from 289.1 a year ago. The 5-year average is 289.3 pounds. CME Lean Hog Index as of December 1 was 81.61, down -0.06 for the day and down -1.20 versus a week ago. This is the lowest since January 22. The USDA estimated hog slaughter came in at 492,000 head Wednesday. This brings the total for the week so far to 1.463 million head, down from 1.474 million last week at this time but up from 1.460 million a year ago. The USDA pork cutout, released after the close Wednesday, came in at \$94.13, down 32 cents from Tuesday but up from \$91.78 the previous week.



U.S. pork export sales for the week ending October 30 came in at 28,500 tonnes compared with the average of the previous four weeks of 34,600 tonnes. Cumulative sales for the 2025 marketing year have reached 1,481,900 tonnes, down 3.2% versus last year's pace.

TODAY'S MARKET IDEAS:

February hogs Tuesday pulled back to the top of the retracement support zone between 79.05 - 79.70 and prices bounced yesterday. If new buying continues today, the corrective upside bounce looks set to resume.

TRADE IDEAS:

Prices did not set back to the buy area yesterday but a February hog pullback today below 80.20 can be considered a buying opportunity. Risk the trade to 78.70.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (FEB) 12/04/2025: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. 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 82.170. The next area of resistance is around 81.620 and 82.170, while 1st support hits today at 80.370 and below there at 79.650.

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	221.900	56.17	50.36	44.83	61.28	219.12	214.94	218.38	229.33	231.22
FCF26	331.850	60.12	53.53	56.70	74.51	326.69	318.28	321.24	339.87	341.33
LHG26	81.000	53.78	49.25	46.99	56.55	80.62	79.93	80.06	83.02	84.89

Calculations based on previous session. Data collected 12/03/2025

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	218.120	220.120	221.620	223.620	225.120
FCF26	Feeder Cattle	324.368	328.237	331.593	335.462	338.818
LHG26	Lean Hogs	79.620	80.350	80.900	81.620	82.170

Calculations based on previous session. Data collected 12/03/2025

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