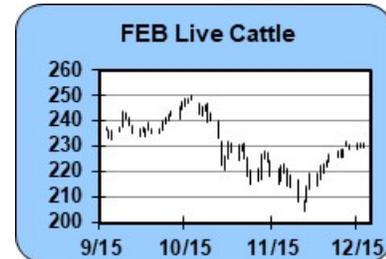


DAILY CATTLE COMMENTARY

12/18/2025

COF tomorrow, tight consolidation seen this week

The cattle complex was slightly weaker yesterday ahead of tomorrow afternoon's cattle on feed report. Pre-report Dow Jones estimates are 98.2% on feed, 90.9% placed and 88.5% marketed. The placement number would be the lowest in 10 years, which is not unexpected since the Mexican border remains closed. February live cattle have been range-bound this week between 100-day moving average resistance at 231.92 and 50-day moving average support at 228.30. Until prices close below the recent gap at 228.70, the bull camp retains the edge. China customs reports beef imports in November were down 28.3% from November a year ago but year-to-date are only down 0.3%. COT data for the week ended December 2 showed a nearly 11,000 contract reduction in the managed money net long to just over 82,000 contracts. No cash cattle trade reports yesterday but USDA did add a late trade in Kansas on Tuesday at 229, \$1 lower than the prior week. The 5 - area, 5 - day weighted average the week now stands at 229.78, up from 228.09 the end of last week. The USDA estimated cattle slaughter came in at 118,000 head Wednesday. This brings the total for the week so far to 349,000 head, down from 361,000 last week at this time and down from 362,062 a year ago. The USDA boxed beef cutout was down \$1.96 at mid-session Wednesday and closed \$2.79 lower at \$356.09. This was down from \$359.36 the previous week.



The Commitments of Traders report for the week ending December 2nd showed Cattle Managed Money traders reduced their net long position by 10,703 contracts to a net long 82,208 contracts. CIT traders net sold 724 contracts and are now net long 91,891 contracts. Non-Commercial No CIT traders are net long 49,882 contracts after net selling 9,125 contracts. Non-Commercial & Non-Reportable traders are net long 80,796 contracts after net selling 8,177 contracts.

TODAY'S MARKET IDEAS:

February live cattle found support near last Thursday's gap at 228.70 this week and the technical outlook remains positive. A move back above last week's high at 231.77, which is also 100-day moving average resistance, would point to a continuation of the uptrend. Next upside resistance beyond that is the late October gap at 231.77 - 233.42.

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 (FEB) 12/18/2025: The close below the 60-day moving average is an indication the longer-term trend has turned down. Rising stochastics at overbought levels warrant some caution for bulls. The market's close above the 9-day moving average suggests the short-term trend remains positive. The outside day down and close below the previous day's low is a negative signal. The swing indicator gave a moderately negative reading with the close below the 1st support number. The near-term upside target is at 232.370. The next area of resistance is around 230.720 and 232.370, while 1st support hits today at 228.370 and below there at 227.650.

FEEDER CATTLE (JAN) 12/18/2025: Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The close above the 9-day moving average is a positive short-term indicator for trend. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next upside objective is 344.593. The next area of resistance is around 342.787 and 344.593, while 1st support hits today at 340.263 and below there at 339.544.

DAILY HOGS COMMENTARY

12/18/2025

Mexico antidumping investigation pressures prices

February Hogs pulled back sharply yesterday for the 2nd time this week, and the weakness is likely tied to reports Mexico was opening an antidumping investigation into US pork at the request of Mexican pork producers. Monday's pullback found support at the 50-day moving average and yesterday's low was also right on the average. A move below support at 82.40 would suggest further downside possibilities. China customs reports pork imports in November were down 34.3% from November a year ago and year-to-date imports are down 6.2%. COT data for the week of December 2 showed a minor reduction in the net managed money long in hogs to 46,650. ASF in Spain is still an underlying bullish issue and for now, the uptrend remains in place. The average hog weight for Iowa-Southern Minnesota as of December 13 was 294.1 pounds, down from 295.1 pounds the previous week and up from 289.5 a year ago. The 5-year average is 289.2 pounds. CME Lean Hog Index as of December 15 was 83.30, up 0.31 for the day and up 1.41 versus a week ago. This is the highest since November 25. The USDA estimated hog slaughter came in at 494,000 head Wednesday. This brings the total for the week so far to 1.462 million head, down from 1.471 million last week at this time but up from 1.461 million a year ago. The USDA pork cutout, released after the close Wednesday, came in at \$97.87, down 96 cents from Tuesday but up from \$96.87 the previous week.



The Commitments of Traders report for the week ending December 2nd showed Hogs Managed Money traders are net long 46,650 contracts after net selling 3,543 contracts. CIT traders reduced their net long position by 159 contracts to a net long 99,928 contracts. Non-Commercial No CIT traders net sold 795 contracts and are now net long 18,196 contracts. Non-Commercial & Non-Reportable traders net sold 2,959 contracts and are now net long 55,615 contracts.

TODAY'S MARKET IDEAS:

February hogs found buyers on Monday's break to 50-day moving average support and that may be the case again after yesterday's test of the 50-day. Next resistance is the 200-day moving average at 85.40 and the mid-October gap at 86.42 - 86.70.

TRADE IDEAS:

No new recommendations for today.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (FEB) 12/18/2025: The close below the 60-day moving average is an indication the longer-term trend has turned down. A crossover down in the daily stochastics is a bearish signal. 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. 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 81.420. The next area of resistance is around 83.900 and 85.070, while 1st support hits today at 82.100 and below there at 81.420.

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	229.550	62.65	57.58	92.04	92.74	230.09	228.96	222.42	226.38	229.82
FCF26	341.525	61.86	57.72	89.91	90.31	340.97	339.54	330.03	334.83	340.54
LHG26	83.000	53.74	53.14	84.30	81.30	84.04	83.26	81.72	81.97	83.68

Calculations based on previous session. Data collected 12/17/2025

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	227.620	228.350	230.000	230.720	232.370
FCF26	Feeder Cattle	339.543	340.262	342.068	342.787	344.593
LHG26	Lean Hogs	81.400	82.070	83.250	83.900	85.070

Calculations based on previous session. Data collected 12/17/2025

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