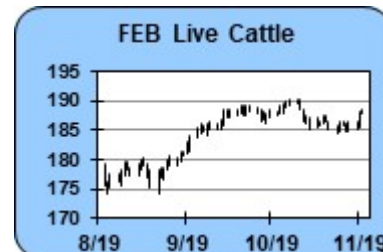


DAILY CATTLE COMMENTARY

11/21/2024

Cash trade in the South not established yet this week

February live cattle yesterday did not give back any of Tuesday's strong gains, keeping the edge with the bull camp. Futures prices still looked to be on track for a possible test of the October highs at 190.32. A turn back down below 184.00 would significantly weaken the technical outlook. Weekly export sales morning were just under the average of the last month. Very light cash trade was seen in the north yesterday at \$185 but no trade has been established in the South this week. Expectations are for cash to be steady in the South and \$1 down in the north. The 5 - area, 5 - day weighted average for the week is 184.77, down from 184.79 at the end of last week. Tomorrow afternoon's cattle on feed report estimates are On Feed at 99.9% (range of 99.2% to 101.3%) versus last year at 101.4%. Placement average estimate is 103.4% (range of 100.0% to 107.0%) versus last year at 104.1%. The placement number would be the highest level for October since 2019. The average estimate for Marketings is 105.1% with a range of 104.7% to 105.7%. Last year at this time was 97.8%. The USDA estimated cattle slaughter came in at 127,000 head Wednesday. This brings the total for the week so far to 371,000 head, up from 358,000 last week at this time but down from 381,485 a year ago. The USDA boxed beef cutout was down 48 cents at mid-session Wednesday and closed \$2.40 lower at \$306.39. This was down from \$306.94 the previous week.



U.S. beef export sales for the week ending November 14 came in at 14,300 tonnes compared with the average of the previous four weeks of 16,100 tonnes. Cumulative sales for the 14.3 have reached 826,300 tonnes, up 2.1% versus last year's pace.

TODAY'S MARKET IDEAS:

Strength in the feeder cattle market remains a supportive factor for live cattle and tomorrow afternoon's cattle on feed report will dictate market direction early next week. Tuesday's close above gap resistance was a friendly sign for further upside potential. Initial moving average support stands at 186.50.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (DEC) 11/21/2024: Positive momentum studies in the neutral zone will tend to reinforce higher price action. The market's short-term trend is positive on the close above the 9-day moving average. The daily closing price reversal down is a negative indicator for prices. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside target is 187.270. The next area of resistance is around 186.750 and 187.270, while 1st support hits today at 185.870 and below there at 185.500.

FEEDER CATTLE (JAN) 11/21/2024: Rising stochastics at overbought levels warrant some caution for bulls. A positive signal for trend short-term was given on a close over the 9-bar moving average. The close over the pivot

swing is a somewhat positive setup. The near-term upside target is at 253.393. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 252.912 and 253.393, while 1st support hits today at 251.738 and below there at 251.044.

DAILY HOGS COMMENTARY

11/21/2024

February tests retracement resistance

February hogs closed strong yesterday and tested moving average and retracement resistance at 84.60. The market is at a critical pivot point as the rally since mid-August finally had its 1st reasonable pullback. If prices fall back below this week's low, the 3-month uptrend would be in jeopardy. On the other hand, if February retracement resistance at 85.05 does not stop the rally, a test of last week's highs at 86.90 would be possible. U.S. pork export sales for the week ending November 14 came in at 18,100 tonnes compared with the average of the previous four weeks of 19,000 tonnes. Cumulative sales for the 2024 marketing year have reached 1,654,100 tonnes, down 1.9% versus last year's pace. CME Lean Hog Index as of November 18 was 88.09, down -0.40 for the day and down -1.79 versus a week ago. This is the lowest since November 1. The USDA estimated hog slaughter came in at 488,000 head Wednesday. This brings the total for the week so far to 1.466 million head, up from 1.436 million last week at this time and up from 1.426 million a year ago. The USDA pork cutout, released after the close Wednesday, came in at \$93.81, up 5 cents from Tuesday but down from \$96.28 the previous week. The average hog weight for Iowa-Southern Minnesota as of November 16 was 287.4 pounds, up from 286.6 pounds the previous week and down from 288 a year ago. The 5-year average is 287.8 pounds.



TODAY'S MARKET IDEAS:

After a new 3-week low earlier this week, February hogs shot higher yesterday and tested retracement resistance. So far, managed money longs have not aggressively liquidated and if 618% retracement resistance at 85.05 does not stop the rally, funds may add more longs and push prices up to last week's highs at 86.90. However, if the market stalls and moves back below yesterday's low, that would likely be a significant disappointment to the bull camp. Aggressive speculators can sell February hogs today at 84.85, risking \$0.80.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (DEC) 11/21/2024: Daily stochastics are trending lower but have declined into oversold territory. The market's close below the 9-day moving average is an indication the short-term trend remains negative. With the close over the 1st swing resistance number, the market is in a moderately positive position. The next downside objective is now at 78.770. The next area of resistance is around 81.270 and 81.750, while 1st support hits today at 79.800 and below there at 78.770.

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										
LCZ24	186.300	58.41	54.90	30.15	48.08	184.98	184.30	185.31	185.93	183.89
FCF25	252.325	76.51	69.75	74.66	89.37	250.26	246.13	244.76	243.57	240.34
LHZ24	80.520	49.52	52.30	30.70	23.27	79.90	80.68	81.64	78.48	76.93
Calculations based on previous session. Data collected 11/20/2024										
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						
LCZ24	Live Cattle	185.470	185.850	186.370	186.750	187.270
FCF25	Feeder Cattle	251.043	251.737	252.218	252.912	253.393
LHZ24	Lean Hogs	78.750	79.770	80.250	81.270	81.750
Calculations based on previous session. Data collected 11/20/2024						
Data sources can & do produce bad ticks. Verify before use.						

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