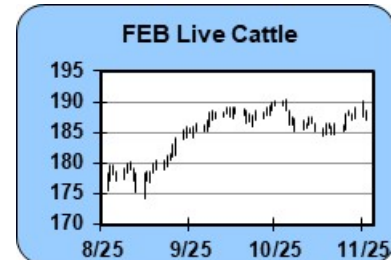


### DAILY CATTLE COMMENTARY

11/27/2024

#### US border remains closed to Mexican cattle imports

Live cattle and feeder markets have regular hours today and then reopen at regular time on Friday morning with a 12:05 PM Chicago time close. Few additional details on the screwworm issue have been released since Monday but the Mexican state of Sonora, where the infection was 1st detected, exported 338,000 head of cattle to the US last year and 408,000 head so far this year. Ag authorities in Sonora say they will be working to convince the government that their animals are free of the screwworm so the border can be reopened. February live cattle ended at unchanged yesterday and more of the same two-sided action can be expected today as light volume is likely to prevail. Feeder cattle continued their strong run higher. Slaughter this week is projected to be sharply lower and the lowest for Thanksgiving week in the last 10 years. Look for minor moving average support at yesterday's low of 187.00 but more important support at 186.60 on February live cattle. Very light cash trade was reported in the north yesterday at 184 but no trade yet in the South this week. The 5 - area, 5 - day weighted average the week remains at 186.44, slightly above the end of last week at 186.41. The USDA estimated cattle slaughter came in at 126,000 head Tuesday. This brings the total for the week so far to 246,000 head, up from 244,000 last week at this time but down from 250,556 a year ago. The USDA boxed beef cutout was up \$3.85 at mid-session Tuesday and closed \$1.86 higher at \$311.57. This was up from \$308.79 the previous week.



#### TODAY'S MARKET IDEAS:

Feeder cattle once again led to the upside yesterday continuing their sharp rally recently as the US border closure to Mexican cattle imports is friendly. February live cattle ended yesterday unchanged and avoided confirming Monday's downside reversal. The technical outlook is in limbo as February prices tested resistance at 190.00 this week and fell back. Major moving average support stands at 184.55. Look for intraday support at 186.60.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

#### CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (FEB) 11/27/2024: Momentum studies are trending higher from mid-range, which should support 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. It is a slightly negative indicator that the close was lower than the pivot swing number. The next upside target is 189.400. The next area of resistance is around 188.500 and 189.400, while 1st support hits today at 186.870 and below there at 186.120.

FEEDER CATTLE (JAN) 11/27/2024: Momentum studies are trending higher but have entered overbought levels. The market's short-term trend is positive on the close above the 9-day moving average. A positive setup occurred with the close over the 1st swing resistance. The next upside target is 261.725. The market is approaching

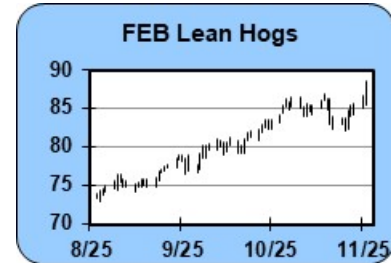
overbought levels with an RSI over 70. The next area of resistance is around 260.100 and 261.725, while 1st support hits today at 256.100 and below there at 253.725.

## DAILY HOGS COMMENTARY

11/27/2024

### Upside breakout confirmed in February hogs

The hog market has regular hours today and will reopen Friday morning at 8:30 AM Chicago time. February hogs yesterday broke out to the upside, moving to a new contract high on the friendly cold storage report Monday afternoon showing a 7.1% decline in October pork stocks from the prior month. In 2022, February hogs hit a high of 93.32 and that level is the next long-term resistance after Tuesday's breakout. Open interest has resumed its rise into all-time highs on this week's rally, which points to further gains. CME Lean Hog Index as of November 22 was 86.46, down -0.55 for the day and down -2.03 versus a week ago. This is the lowest since October 30. The USDA estimated hog slaughter came in at 489,000 head Tuesday. This brings the total for the week so far to 978,000 head, unchanged from last week at this time but up from 958,372 a year ago. The USDA pork cutout, released after the close Tuesday, came in at \$90.40, down \$2.59 from Monday and down from \$93.76 the previous week.



### TODAY'S MARKET IDEAS:

Yesterday's bullish breakout points to further gains today and a sharply lower US dollar is supportive as well. Yesterday's close at a new high for the month means initial support is now at the previous high of 86.90 on February. Moving average support comes in at 85.25. The market shows no signs of a top at this time.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (FEB) 11/27/2024: 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. There could be more upside follow through since the market closed above the 2nd swing resistance. The next upside target is 90.870. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 89.870 and 90.870, while 1st support hits today at 86.670 and below there at 84.450.

### DAILY TECHNICAL STATISTICS

|                     | CLOSE   | 9 DAY<br>RSI | 14 DAY<br>RSI | 14 DAY<br>SLOW<br>STOCH D | 14 DAY<br>SLOW<br>STOCH K | 4 DAY<br>M AVG | 9 DAY<br>M AVG | 18 DAY<br>M AVG | 45 DAY<br>M AVG | 60 DAY<br>M AVG |
|---------------------|---------|--------------|---------------|---------------------------|---------------------------|----------------|----------------|-----------------|-----------------|-----------------|
| <b>MEAT COMPLEX</b> |         |              |               |                           |                           |                |                |                 |                 |                 |
| LCG25               | 187.700 | 56.19        | 54.63         | 58.79                     | 62.24                     | 187.76         | 187.03         | 186.62          | 187.34          | 185.55          |
| FCF25               | 258.100 | 85.43        | 77.66         | 86.58                     | 89.17                     | 255.33         | 251.73         | 247.38          | 245.18          | 241.85          |

LHG25 88.270 73.40 69.15 59.48 75.06 86.13 84.65 85.07 82.72 81.10

Calculations based on previous session. Data collected 11/26/2024

Data sources can & do produce bad ticks. Verify before use.

### DAILY SWING STATISTICS

| Contract            |               | Support 2 | Support 1 | Pivot   | Resist 1 | Resist 2 |
|---------------------|---------------|-----------|-----------|---------|----------|----------|
| <b>MEAT COMPLEX</b> |               |           |           |         |          |          |
| LCG25               | Live Cattle   | 186.100   | 186.850   | 187.750 | 188.500  | 189.400  |
| FCF25               | Feeder Cattle | 253.725   | 256.100   | 257.725 | 260.100  | 261.725  |
| LHG25               | Lean Hogs     | 84.420    | 86.650    | 87.650  | 89.870   | 90.870   |

Calculations based on previous session. Data collected 11/26/2024

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