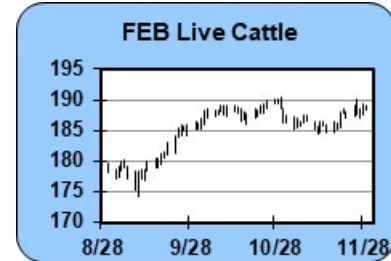


DAILY CATTLE COMMENTARY

12/2/2024

Little fresh news on Mexican screwworm

No new news out of Mexico on the screwworm situation but support for feeder cattle remains strong the longer the US border is closed. March feeders hit their highest level on Friday since July 8th. The cash feeder index hit a four-month high last week. February live cattle ended unchanged on Friday after bouncing off moving average support earlier in the week. Look for resistance at 190.00 and nearby support at 187.32. It is doubtful prices can fall very far until more is known about the screwworm outbreak. Some cash cattle trade was reported in the South at 190 on Friday and in the north at 188 - 190, up \$2 - \$4 for the week. The 5-area, 5-day weighted average for the week ended at 189.20, up from 186.41 the prior week. The estimated average dressed cattle weight for the week ending November 30 is 868 pounds, down from 869 the previous week and up from 846 a year ago. The 5-year average weight for that week is 843 pounds. Estimated beef production last week was 457.3 million pounds, down from 540.4 million a year ago. The USDA estimated cattle slaughter came in at 117,000 head Friday and 39,000 head for Saturday. This brought the total for last week to 528,000 head, down from 631,000 the previous week and down from 639,915 a year ago. The USDA boxed beef cutout was down 4 cents at mid-session Friday and closed 74 cents lower at \$310.52. This was up from \$306.79 the previous week.



TODAY'S MARKET IDEAS:

Traders are awaiting further details on the Mexican screwworm problem and how long the US border will be closed. The uncertainty has kept a bid under feeder cattle which hit a 5-month high on Friday. February live cattle moving average support is 187.32 and as long as the market holds that level, the edge stays with the bull camp. A breakout above 190.00 would be a bullish technical trade.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

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) 12/02/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. 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 near-term upside target is at 189.420. The next area of resistance is around 188.970 and 189.420, while 1st support hits today at 188.270 and below there at 188.000.

FEEDER CATTLE (JAN) 12/02/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. The market has a slightly positive tilt with the close over the swing pivot. The next upside target is 261.356. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area

of resistance is around 260.487 and 261.356, while 1st support hits today at 258.463 and below there at 257.307.

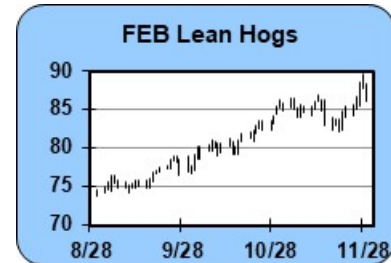
DAILY HOGS COMMENTARY

12/2/2024

Weak close Friday confirms downside reversal

February hogs fell sharply Friday, following through after Wednesday's reversal down. The selloff is likely to continue early this week as funds remain heavily long. Commitment of Traders data will be released this afternoon. China's sow herd at the end of October fell 3.3% year-over-year to 40.7 million head, according to the agriculture ministry. The number of pigs slaughtered in China fell 2.6% from the previous year to 264.21 million head for the 1st 10 months of 2024. Estimated US pork production for the week ending November 30 is 492.7 million pounds, down from 549.9 the previous week and down from 582.4 a year ago.

The USDA estimated hog slaughter came in at 438,000 head Friday and 388,000 head for Saturday. This brought the total for last week to 2.293 million head, down from 2.565 million the previous week and down from 2.687 million a year ago. CME Lean Hog Index as of November 26 was 85.51, down -0.39 for the day and down -1.93 versus a week ago. This is the lowest since October 28. The USDA pork cutout, released after the close Friday, came in at \$90.05, up \$1.45 from Wednesday but down from \$92.42 the previous week.



TODAY'S MARKET IDEAS:

Although last week featured shortened holiday trading hours, Friday's poor close confirmed Wednesday's downside reversal and suggests further technical weakness this week. February hogs closed slightly below support at 86.90 and prices are likely to test 50% retracement support of the recent 2 week run up, which stands at 85.85 and possibly 84.95. If Managed Money net longs decide to exit positions before the end of the year, more aggressive selling could develop.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (FEB) 12/02/2024: A positive indicator was given with the upside crossover of the 9 and 18 bar moving average. 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 market is in a bearish position with the close below the 2nd swing support number. The near-term upside objective is at 88.950. The next area of resistance is around 87.400 and 88.950, while 1st support hits today at 85.250 and below there at 84.620.

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
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MEAT COMPLEX

LCG25	188.620	63.24	59.15	64.05	69.40	188.16	187.79	186.86	187.47	185.89
FCF25	259.475	87.02	79.22	89.66	92.93	257.96	254.82	249.19	246.09	242.82
LHG25	86.320	56.44	57.95	66.21	68.58	87.11	85.49	85.23	83.12	81.48

Calculations based on previous session. Data collected 11/29/2024

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						
LCG25	Live Cattle	187.970	188.250	188.700	188.970	189.420
FCF25	Feeder Cattle	257.306	258.462	259.331	260.487	261.356
LHG25	Lean Hogs	84.600	85.220	86.770	87.400	88.950

Calculations based on previous session. Data collected 11/29/2024

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