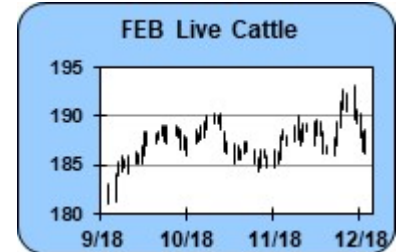


DAILY CATTLE COMMENTARY

12/23/2024

Cattle on Feed holds no major surprise

Friday's cattle on feed report held no major surprises and is unlikely to have much of an effect on this morning's opening. Cattle on Feed supply as of December 1st came in at 99.7% of last year versus average trade estimate of 99.9%. Placements for the month of November were pegged at 96.3% versus trade expectations of 96.1%. The placement number for November was the smallest in 8 years. Marketings came in at 98.5% of last year as compared with the average estimate of 98.1%. The report did not show significant heifer retention occurring yet. Friday's price action on February live cattle was strong after the significant selloff earlier in the week. The weak US stock market was cited as 1 of the reasons for the selloff and stocks are slightly weaker again this morning. As long as key support at 185.90 remains in place, fund longs are likely to sit tight. Retracement resistance to last week's high now stands at 189.75 and 190.57. Cash cattle trade was reported late in the day Friday at 193 - 195 in the north and 191 - 192 in the South, both a \$1 higher than the previous week. The 5 - area, 5 - day weighted average the week ended at 194.60, up from 194.03 the previous week. The USDA estimated cattle slaughter came in at 117,000 head Friday. This brings the total for the week so far to 602,000 head, down from 604,000 last week at this time and down from 613,503 a year ago. The USDA boxed beef cutout was down \$4.42 at mid-session Friday and closed \$4.84 lower at \$315.85. This was down from \$316.39 the previous week. The estimated average dressed cattle weight for the week ending December 21 is 869 pounds, up from 868 the previous week and up from 848 a year ago. The 5-year average weight for that week is 838 pounds. Estimated beef production last week was 534.7 million pounds, up from 525.5 million a year ago.



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TODAY'S MARKET IDEAS:

February live cattle finally bounced Friday after the sharp selloff held 200-day moving average support. 50% Retracement resistance to this month's high is 189.75. Key support remains at the December 9th low of 185.90. The March feeder cattle rally fell just short of filling Thursday's gap lower. A thin holiday shortened week may result in choppy conditions.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 12/10/2024 - 12/17/2024

	Non-Commercial		Commercial	Non-Reportable	
	Net Position	Weekly Net Change		Net Position	Weekly Net Change
Livestock					
Feeder Cattle	18,909	+551	-6,123	+560	-1,111
Cattle	153,033	+8,911	-118,474	-10,233	+1,321

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.

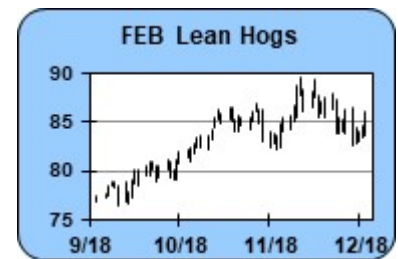
LIVE CATTLE (FEB) 12/23/2024: The cross over and close above the 60-day moving average indicates the longer-term trend has turned up. Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. A negative signal for trend short-term was given on a close under the 9-bar moving average. The daily closing price reversal up is a positive indicator that could support higher prices. A positive setup occurred with the close over the 1st swing resistance. The next downside objective is now at 185.650. The next area of resistance is around 189.520 and 190.170, while 1st support hits today at 187.270 and below there at 185.650.

FEEDER CATTLE (JAN) 12/23/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The market's short-term trend is negative as the close remains below the 9-day moving average. The market has a slightly positive tilt with the close over the swing pivot. The next downside objective is 253.082. The next area of resistance is around 256.712 and 257.531, while 1st support hits today at 254.488 and below there at 253.082.

DAILY HOGS COMMENTARY
12/23/2024

Quarterly Hog and Pig report this afternoon

February hogs had a strong rally Friday, closing with slight gains for the week. Prices nearly reached 50% retracement resistance to the November highs at 86.15. A continuation of the rally today may challenge 61.8% retracement resistance at 86.95. This afternoon the quarterly hog and pig report will be released and is expected to show the December 1 hog inventory increasing to 75.61 million head from 75.46 last year. The breeding herd is expected up .1% and market hogs up .2% year-over-year. The September - November pig crop is seen rising .8% year-over-year to 34.81 million head. CME Lean Hog Index as of December 18 was 84.21, up 0.05 for the day and up 0.29 versus a week ago. This is the highest since December 3. The USDA estimated hog slaughter came in at 483,000 head Friday. This brings the total for the week so far to 2.433 million head, up from 2.410 million last week at this time and up from 2.359 million a year ago. The USDA pork cutout, released after the close Friday, came in at \$96.92, up 47 cents from Thursday and up from \$94.12 the previous week. Estimated US pork production for the week ending December 21 is 557.7 million pounds, up from 551.7 the previous week and up from 523.1 a year ago.



TODAY'S MARKET IDEAS:

Early last week, February hogs were sitting just above resistance and threatening to break down, but Friday's rally kept the bull camp in control. Stochastics approached oversold levels last week and turned higher, pointing to a test of next resistance at 86.95. The longer-term uptrend remains in place until prices take out last week's low at 82.75.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 12/10/2024 - 12/17/2024						
	Non-Commercial		Net Position	Commercial		Non-Reportable
	Net Position	Weekly Net Change		Weekly Net Change	Net Position	
Livestock						
Hogs	138,833	-11,359	-118,106	+10,030	-20,726	+1,330

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (FEB) 12/23/2024: The cross over and close above the 40-day moving average is an indication the longer-term trend has turned positive. The crossover up in the daily stochastics is a bullish signal. Daily momentum studies are on the rise from low levels and should accelerate a move higher on a push through the 1st swing resistance. The market now above the 18-day moving average suggests the intermediate-term trend has turned up. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The near-term upside objective is at 87.700. The next area of resistance is around 87.070 and 87.700, while 1st support hits today at 84.770 and below there at 83.070.

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										
LCG25	188.400	48.98	50.42	47.95	36.38	188.26	189.59	188.67	187.85	187.79
FCF25	255.600	49.40	53.70	41.51	30.92	256.14	256.94	257.14	250.41	248.77
LHG25	85.900	56.24	54.34	24.62	27.54	84.11	84.34	85.77	84.97	83.69

Calculations based on previous session. Data collected 12/20/2024
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						
LCG25	Live Cattle	185.620	187.250	187.900	189.520	190.170
FCF25	Feeder Cattle	253.081	254.487	255.306	256.712	257.531
LHG25	Lean Hogs	83.050	84.750	85.370	87.070	87.700

Calculations based on previous session. Data collected 12/20/2024
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