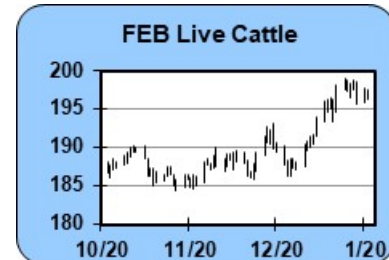


DAILY CATTLE COMMENTARY

1/22/2025

Cash trade reported in the South steady with last week

April live cattle had a rather quiet day yesterday and there was some light cash trade reported in the South at 201, steady with last week. Cold temperatures this week will give way to a warmer spell starting mid-next week for the Plains, reducing cattle stress. Bloomberg reported China's beef imports reached a record high in 2024, but demand is slowing, and beef prices have hit a 5-year low. There is talk that the country could put limits on beef imports until demand increases again. The uptrend remains in place on live cattle but warming temperatures and anticipated next week could add some light pressure today. The USDA estimated cattle slaughter came in at 124,000 head Tuesday. This brings the total for the week so far to 239,000 head, down from 242,000 last week at this time but up from 236,596 a year ago. The USDA boxed beef cutout was down 60 cents at mid-session Tuesday and closed \$1.11 lower at \$332.05. This was down from \$332.98 the previous week.



TODAY'S MARKET IDEAS:

Live cattle open interest yesterday fell in the February contract but rose in the other months, indicating funds are holding on to their large net long, the highest in 6 years. Temperatures will be warming across the Plains next week but cash price direction this week will likely be the main driver for price direction. Light trade in the South yesterday was steady with last week. Look for support on April live cattle starting at 196.40 and 195.60.

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 (APR) 01/22/2025: Stochastics turning bearish at overbought levels will tend to support lower prices if support levels are broken. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 195.700. The next area of resistance is around 198.150 and 199.020, while 1st support hits today at 196.500 and below there at 195.700.

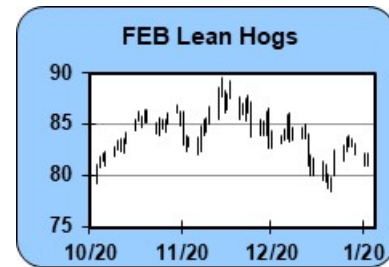
FEEDER CATTLE (MAR) 01/22/2025: Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. The market's close below the 9-day moving average is an indication the short-term trend remains negative. The daily closing price reversal down puts the market on the defensive. The market's close below the pivot swing number is a mildly negative setup. The next downside objective is now at 264.669. The next area of resistance is around 268.812 and 270.918, while 1st support hits today at 265.688 and below there at 264.669.

DAILY HOGS COMMENTARY

1/22/2025

April hits 100-day moving average support

April hog prices yesterday were significantly weaker as some fund liquidation was seen following the weak close last Friday. April touched 100-day moving average support which held yesterday's low but if the break extends lower, a retest of the early January low at 84.50 would be next. If prices fall below the January low, look for the pullback to extend lower on much more aggressive managed money liquidation. CME Lean Hog Index as of January 17 was 81.40, up 0.12 for the day and up 0.64 versus a week ago. This is the highest since January 8. The USDA estimated hog slaughter came in at 489,000 head Tuesday. This brings the total for the week so far to 911,000 head, down from 963,000 last week at this time and down from 961,746 a year ago. The USDA pork cutout, released after the close Tuesday, came in at \$89.07, down \$3.19 from Monday but up from \$89.04 the previous week.



TODAY'S MARKET IDEAS:

While the 100-day moving average support held on April hogs at yesterday's low, further Managed Money liquidation could push prices down to the 3-month low at 84.50. Stochastics are pointing lower and if prices do move below 84.50, the risk dramatically increases for heavy fund liquidation.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 01/22/2025: A crossover down in the daily stochastics is a bearish signal. Declining momentum studies in the neutral zone will tend to reinforce lower price action. The intermediate trend has turned down with the cross over back below the 18-day moving average. The swing indicator gave a moderately negative reading with the close below the 1st support number. The next downside objective is now at 84.320. The next area of resistance is around 88.200 and 90.370, while 1st support hits today at 85.170 and below there at 84.320.

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										
LCJ25	197.320	55.95	58.65	82.46	76.33	197.96	197.94	196.19	192.46	191.38
FCH25	267.250	57.18	60.21	81.04	75.95	268.21	267.96	265.25	258.86	254.54
LHJ25	86.700	39.70	42.94	64.44	58.61	89.15	88.61	87.94	88.96	88.84

Calculations based on previous session. Data collected 01/21/2025

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						
LCJ25	Live Cattle	195.670	196.470	197.350	198.150	199.020
FCH25	Feeder Cattle	264.668	265.687	267.793	268.812	270.918
LHJ25	Lean Hogs	84.270	85.150	87.320	88.200	90.370

Calculations based on previous session. Data collected 01/21/2025

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