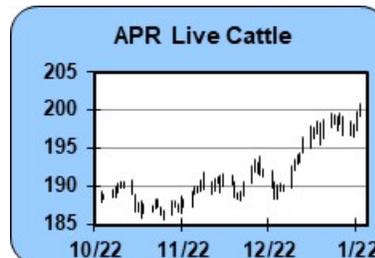


### DAILY CATTLE COMMENTARY

1/24/2025

#### December US beef production down 0.7% from November

New all-time highs in the live and feeder cattle markets yesterday as strong cash trade continues to drive the futures higher. This week's cold temperatures have slowed cattle weight gains but the 6 to 10 day outlook shows a significant warm up to above normal temperatures in most of the Plains. The strong stock market also reinforces ideas consumer demand will at least stay steady. Cattle on feed report this afternoon is anticipated to show on feed at 99.7% of last year, placements at 101.2% and marketings 101.4. Look for next upside resistance on April live cattle at 201.75. Cash trade in the north continues to climb and light volume was reported yesterday at 207 with trade in the South at 201 - 202. The 5 - area, 5 - day weighted average the week now stands at 202.92, down from 203.41 at the end of last week. US beef production in 2024 was up 0.5% and slaughter was down 2% year-over-year. The USDA estimated cattle slaughter came in at 123,000 head Thursday. This brings the total for the week so far to 486,000 head, down from 488,000 last week at this time and down from 487,658 a year ago. The USDA boxed beef cutout was down 50 cents at mid-session Thursday and closed \$1.06 lower at \$330.96. This was down from \$333.41 the previous week.



U.S. beef export sales for the week ending January 16 came in at 15,100 tonnes compared with the average of the previous four weeks of 9,400 tonnes. Cumulative sales for the 15.1 have reached 153,900 tonnes, down 0.0% versus last year's pace.

#### TODAY'S MARKET IDEAS:

Very strong market action the last couple of days but some profit-taking before the weekend and before this afternoon's cattle on feed report is likely today. CFTC data later this afternoon is unlikely to show much of an increase in managed money longs as it will not include major rally late this week. Weekly export sales morning were above average. Look for the next upside target on April live cattle at 201.75. Support has now moved up to 198.20.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

#### CATTLE COMPLEX TECHNICAL OUTLOOK:

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LIVE CATTLE (APR) 01/24/2025: The daily stochastics have crossed over up which is a bullish indication. Rising stochastics at overbought levels warrant some caution for bulls. The market's short-term trend is positive on the close above the 9-day moving average. The market has a slightly positive tilt with the close over the swing pivot. The next upside objective is 202.100. The next area of resistance is around 201.570 and 202.100, while 1st support hits today at 199.870 and below there at 198.670.

FEEDER CATTLE (MAR) 01/24/2025: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's short-term trend is positive on the close above the 9-day moving average. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside objective is at 276.481. With a reading over 70, the 9-day RSI is approaching overbought levels. The next area of resistance is around 275.487 and 276.481, while 1st support hits today at 272.663 and below there at 270.832.

## DAILY HOGS COMMENTARY

1/24/2025

### US pork production in December down 0.2% from November

April hogs ended near unchanged yesterday after once again bouncing off the 100-day moving average support. The technical pattern suggests the 100-day is a key pivot point and if prices close below that level, which stands at 86.65 today, the technical outlook weakens. On the other hand, if April hogs can continue to hold support, look for a test of upside resistance at 88.90 and possibly higher. US pork production for December was 2.329 billion pounds, down 0.2% month over month and down 0.6% for the year. Hog slaughter in December fell to 10.748 million head down 0.9% month over month and down 0.7% for the year.



Weekly export sales this morning came in slightly above average. CME Lean Hog Index as of January 21 was 81.72, up 0.26 for the day and up 0.62 versus a week ago. The USDA estimated hog slaughter came in at 472,000 head Thursday. This brings the total for the week so far to 1.820 million head, down from 1.929 million last week at this time and down from 1.930 million a year ago. The USDA pork cutout, released after the close Thursday, came in at \$90.75, up \$2.33 from Wednesday and up from \$89.45 the previous week.

U.S. pork export sales for the week ending January 16 came in at 37,700 tonnes compared with the average of the previous four weeks of 34,600 tonnes. Cumulative sales for the 2025 marketing year have reached 293,200 tonnes, down 0.8% versus last year's pace.

### TODAY'S MARKET IDEAS:

Above average weekly export sales and the lower US dollar this morning are supportive factors for today's opening. April hogs have tested and bounced off 100-day moving average support 3 times this week and next upside resistance is 88.90. April Hogs have closed below the 100-day only once since September 2024. Look for CFTC data later this afternoon to show a possible increase in fund net longs due to the rally in the 2nd half of last week.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 01/24/2025: Declining momentum studies in the neutral zone will tend to reinforce lower price action. A negative signal for trend short-term was given on a close under the 9-bar moving average. The market has a slightly positive tilt with the close over the swing pivot. The next downside target is now at 85.350. The next area of resistance is around 88.070 and 88.870, while 1st support hits today at 86.320 and below there at 85.350.

## 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
<b>MEAT COMPLEX</b>										
LCJ25	200.700	69.54	67.36	83.62	86.29	198.83	198.68	197.21	193.05	191.71
FCH25	274.075	72.80	70.26	82.96	86.20	270.61	269.50	267.07	260.19	255.53
LHJ25	87.200	43.21	45.20	56.29	48.00	87.38	88.84	87.73	88.95	88.86

Calculations based on previous session. Data collected 01/23/2025

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>						
LCJ25	Live Cattle	198.650	199.850	200.370	201.570	202.100
FCH25	Feeder Cattle	270.831	272.662	273.656	275.487	276.481
LHJ25	Lean Hogs	85.320	86.300	87.100	88.070	88.870

Calculations based on previous session. Data collected 01/23/2025

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