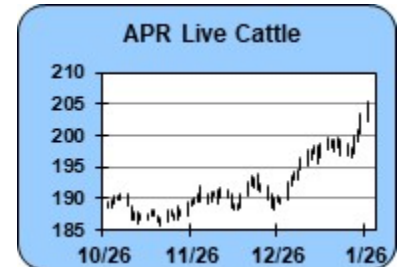


### DAILY CATTLE COMMENTARY

1/28/2025

#### Bullish COF report pushes prices further into all-time highs

Another new all-time high for April live cattle yesterday, boosted by the bullish cattle on feed report last Friday and very strong cash trade to end the week. Cash cattle trade was not established yesterday in any of the major regions. Several weeks back, USDA said an agreement had been made with Mexico on inspection protocols, however, the flow of Mexican cattle into the US has still not resumed as approved inspection facilities are still not fully ready. The lack of Mexican cattle may be an additional reason why futures prices continue to move higher. The USDA estimated cattle slaughter came in at 114,000 head Monday. This was down from 115,000 last week and down from 122,806 a year ago. The USDA boxed beef cutout was up 35 cents at mid-session Monday and closed \$2.16 higher at \$330.08. This was down from \$333.16 the previous week. Showlist sizes this week are expected down 1838 head in Texas to 80,203 head, down 252 in Kansas at 89,086 and down 3938 in Nebraska/Colorado to 62,622.



#### TODAY'S MARKET IDEAS:

Live cattle buyers reacted to the bullish cattle on feed report and prices closed at a new all-time high again yesterday. However, feeder cattle hit new all-time highs early in the morning but closed weaker. The recent sharp rally may be showing initial signs it is ready to take a breather, especially with a high likelihood of tariffs February 1st. Look for retracement support on April live cattle at 201.10.

#### NEW RECOMMENDATIONS:

None.

#### PREVIOUS RECOMMENDATIONS:

None.

#### CATTLE COMPLEX TECHNICAL OUTLOOK:

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**LIVE CATTLE (APR) 01/28/2025:** Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The close above the 9-day moving average is a positive short-term indicator for trend. The close over the pivot swing is a somewhat positive setup. The next upside objective is 207.050. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 205.400 and 207.050, while 1st support hits today at 202.250 and below there at 200.720.

**FEEDER CATTLE (MAR) 01/28/2025:** The daily stochastics have crossed over down which is a bearish indication. Daily stochastics turning lower from overbought levels is bearish and will tend to reinforce a downside break especially if near term support is penetrated. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market could take on a defensive posture with the daily closing price reversal down. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is 270.444. The 9-day RSI over 70 indicates the market is approaching overbought levels. The next area of resistance is around 277.962 and 281.293, while 1st support hits today at 272.538 and below there at 270.444.

## DAILY HOGS COMMENTARY

1/28/2025

### Consumers may turn to cheaper pork as beef soars

April hogs rallied sharply yesterday on better demand ideas for pork due to skyrocketing beef prices. However, US pork exports have been one of the bullish market forces over the past several months but that could be in jeopardy if tariffs are implemented on February 1st as Trump has threatened. If April can move above the mid-January high at 91.37, it would open the door for a test of the contract highs at 93.60 from early December. CME Lean Hog Index as of January 23 was 81.92, down -0.01 for the day and up 0.64 versus a week ago. The USDA estimated hog slaughter came in at 483,000 head Monday. This was up from 422,000 last week but down from 489,224 a year ago. The USDA pork cutout, released after the close Monday, came in at \$91.79, up \$2.20 from Friday but down from \$92.26 the previous week.



### TODAY'S MARKET IDEAS:

Very strong action yesterday but the tariff threat looms just ahead. Trump has threatened a deadline of February 1st but so far traders do not seem overly concerned about a major decline in exports.

April last week held the 100-day moving average support and next resistance is the January high at 91.37. A move above that level would turn the technical outlook bullish again.

### NEW RECOMMENDATIONS:

None.

### PREVIOUS RECOMMENDATIONS:

None.

### PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 01/28/2025: The cross over and close above the 60-day moving average is an indication the longer-term trend has turned positive. A bullish signal was given with an upside crossover of the daily stochastics. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The close above the 9-day moving average is a positive short-term indicator for trend. The market's close above the 2nd swing resistance number is a bullish indication. The next upside objective is 92.400. The next area of resistance is around 91.350 and 92.400, while 1st support hits today at 88.400 and below there at 86.470.

### 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	203.820	77.52	73.30	85.89	86.66	201.84	199.70	198.34	193.70	192.16
FCH25	275.250	70.67	69.31	84.66	83.72	274.74	271.11	268.74	261.34	256.60
LHJ25	89.870	59.67	56.17	55.92	59.41	88.14	88.85	87.81	89.03	88.92

Calculations based on previous session. Data collected 01/27/2025

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	200.700	202.220	203.870	205.400	207.050
FCH25	Feeder Cattle	270.443	272.537	275.868	277.962	281.293
LHJ25	Lean Hogs	86.450	88.370	89.420	91.350	92.400

Calculations based on previous session. Data collected 01/27/2025

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