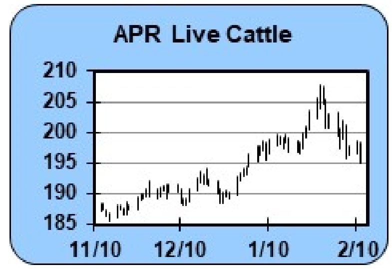
DAILY LIVESTOCK COMMENTARY
Wednesday February 12, 2025

DAILY CATTLE COMMENTARY
2/12/2025

Fund liquidation of record net long ongoing



Live cattle and feeders turned sharply lower yesterday and Monday's strength was short-lived. More worries about bird flu in dairy cattle and additional aggressive fund long liquidation is keeping the bear camp in control. The current break since late January has now stretched to almost $13.00 on April live cattle. With funds coming out of their record longs, additional weakness may be in the cards. Cash trade yesterday in the South was reported at 203, $2 - $3 lower than last week. The 5 - area, 5 - day weighted average the week now stands at 206.70, down from 206.92 at the end last week. The USDA estimated cattle slaughter came in at 122,000 head Tuesday. This brings the total for the week so far to 217,000 head, down from 237,000 last week at this time and down from 238,941 a year ago. The USDA boxed beef cutout was down 88 cents at mid-session Tuesday and closed $1.04 lower at $322.46. This was down from $330.73 the previous week.

TODAY'S MARKET IDEAS:
Significant chart weakness this month has given funds a reason to reconsider their record net long positions and liquidation has pushed April live cattle down to the 0.382% retracement at 195.40 from the late August lows of last year to the late January highs this year. Further aggressive fund liquidation could push the market down to the 50% retracement at 191.60. Stochastics is still pointing lower but is approaching oversold levels.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None.

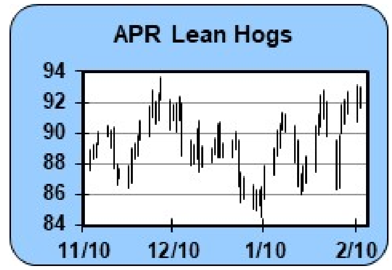
CATTLE COMPLEX TECHNICAL OUTLOOK:
Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

LIVE CATTLE (APR) 02/12/2025: The market back below the 40-day moving average suggests the longer-term trend could be turning down. Daily stochastics declining into oversold territory suggest the selling may be drying up soon. The market's short-term trend is negative as the close remains below the 9-day moving average. The market's close below the 1st swing support number suggests a moderately negative setup for today. The next downside target is 193.020. The next area of resistance is around 197.620 and 199.550, while 1st support hits today at 194.370 and below there at 193.020.

FEEDER CATTLE (MAR) 02/12/2025: The close under the 40-day moving average indicates the longer-term trend could be turning down. Momentum studies are declining, but have fallen to oversold levels. The market's short-term trend is negative as the close remains below the 9-day moving average. The market setup is somewhat negative with the close under the 1st swing support. The next downside target is now at 260.082. The next area of resistance is around 267.362 and 270.431, while 1st support hits today at 262.188 and below there at 260.082.

DAILY HOGS COMMENTARY
2/12/2025

Contract high settlement in April hogs yesterday



April hogs this week took out last month's high and yesterday's strong settlement suggests more upside. The Cash Hog Index and cutout were higher again yesterday. Next upside target on April is the contract high from early December at 93.60. Look for gap support at 89.90. CME Lean Hog Index as of February 7 was 85.75, up 0.36 for the day and up 1.98 versus a week ago. This is the highest since November 27. The USDA estimated hog slaughter came in at 491,000 head Tuesday. This brings the total for the week so far to 982,000 head, up from 975,000 last week at this time and up from 967,770 a year ago. The USDA pork cutout, released after the close Tuesday, came in at $97.34, down 12 cents from Monday but up from $92.97 the previous week.

TODAY'S MARKET IDEAS:

Last week's 2-day island and gap higher continues to propel April hogs toward the contract highs at 93.60. The technical outlook remains bullish and if prices can exceed the contract high and breakout of the nearly four-month consolidation range, technicals would suggest a test of the upper 90's and possibly 100.00. The bull camp remains in control.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

PORK COMPLEX TECHNICAL OUTLOOK:

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LEAN HOGS (APR) 02/12/2025: Momentum studies are trending higher but have entered overbought levels. A positive signal for trend short-term was given on a close over the 9-bar moving average. With the close over the 1st swing resistance number, the market is in a moderately positive position. The near-term upside objective is at 94.050. The next area of resistance is around 93.670 and 94.050, while 1st support hits today at 92.270 and below there at 91.220.

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	196.000	39.62	44.55	27.00	16.58	196.92	199.06	200.20	196.23	194.53
FCH25	264.775	40.13	44.98	28.28	18.21	265.78	269.06	270.95	265.11	262.04
LHJ25	92.970	62.89	60.11	76.11	85.01	92.13	90.94	89.93	89.08	89.28

Calculations based on previous session. Data collected 02/11/2025

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	193.020	194.350	196.270	197.620	199.550
FCH25	Feeder Cattle	260.081	262.187	265.256	267.362	270.431
LHJ25	Lean Hogs	91.200	92.250	92.620	93.670	94.050

Calculations based on previous session. Data collected 02/11/2025

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