# DAILY CATTLE COMMENTARY
11/19/2024

Cash trade this week expected steady/lower

December live cattle closed back above the 100-day moving average yesterday, supported by strength in the feeder cattle. Much improved pasture conditions are supporting the feeder market. Look for resistance if December prices try to fill the gap from November 8 at 185.27. Brazil's Ag Minister yesterday afternoon said they will be announcing new Ag agreements with China which are expected to include additional approved Brazilian meatpackers for beef exports to China. No doubt Brazil is planning to step in to improve export market share if Trump follows through with tariffs. China will account for 18% of global meat imports in 2025. In addition, Australia says they are increasing their cattle slaughter to meet increased global demand for beef. Showlist sizes this week are expected down 6464 head in Texas to 76,664, up 2691 in Kansas at 72,750 and down 2197 in Nebraska/Colorado to 63,115. Cash cattle trade was not established yesterday and the 5 - area, 5 - day weighted average remains unchanged from last week at 184.79. The USDA estimated cattle slaughter came in at 118,000 head Monday. This was up from 112,000 last week but down from 127,210 a year ago. The USDA boxed beef cutout was up $4.48 at mid-session Monday and closed $3.94 higher at $307.28. This was down from $308.21 the previous week.
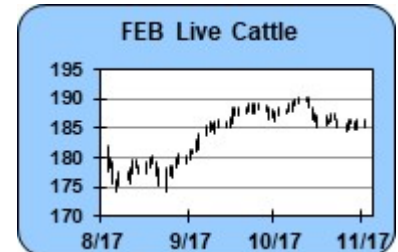
TODAY'S MARKET IDEAS:
Packers are buying for a short holiday week next week and cash trade is expected steady/lower. Key resistance remains at the top of gap at 185.27 and a test of the gap would be a selling opportunity. The 50% retracement of the September low to October 29 high stands at 181.65 with additional support at 180.50.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None.

CATTLE COMPLEX TECHNICAL OUTLOOK:
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LIVE CATTLE (DEC) 11/19/2024: The major trend could be turning up with the close back above the 60-day moving average. A bullish signal was given with an upside crossover of the daily stochastics. The stochastics indicators are rising from oversold levels, which is bullish and should support higher prices. The market's close below the 9-day moving average is an indication the short-term trend remains negative. A positive setup occurred with the close over the 1st swing resistance. The near-term upside objective is at 185.200. The next area of resistance is around 184.770 and 185.200, while 1st support hits today at 183.450 and below there at 182.520.

FEEDER CATTLE (JAN) 11/19/2024: The upside crossover (9 above 18) of the moving averages suggests a developing short-term uptrend. Daily stochastics have risen into overbought territory which will tend to support reversal action if it occurs. The market's close above the 9-day moving average suggests the short-term trend remains positive. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The near-term upside objective is at 252.075. The market is approaching overbought levels with an RSI over 70. The next area of resistance is around 251.100 and 252.075, while 1st support hits today at 247.900 and below

there at 245.675.

DAILY HOGS COMMENTARY
11/19/2024

Funds longs yet to aggressively liquidate

December hogs had a small trading range yesterday and the technical outlook remains weak after last week's poor action. Brazil's Ag Minister says he will announce new agreements on pork exports to China as they look to improve market share if Trump goes ahead with his tariff plans. China is expected to account for 18% of global meal imports in 2025. Hog open interest has fallen back over the last few days from its all-time highs set last week but Managed Money traders are still holding an impressive net long position, which could fuel a further break if prices push below last week's lows. Look for resistance on a bounce to 81.40 on December. The CME Lean Hog Index as of November 14 was 89.27, down from 89.78 the previous session and from 90.43 the previous week. The USDA estimated hog slaughter came in at 489,000 head Monday. This was up from 458,000 last week and up from 486,404 a year ago. The USDA pork cutout, released after the close Monday, came in at $96.74, up 8 cents from Friday but down from $100.84 the previous week.
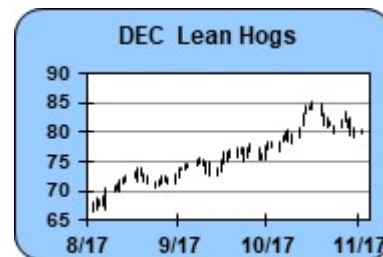
TODAY'S MARKET IDEAS:
December prices are now well below key 20-day moving average support and next support stands at 77.75. While managed money has liquidated some longs over the last few days, much more aggressive long liquidation could occur if prices fall below last week's lows. Speculators can look to sell a rally to 1st resistance at 81.25 on December this week, risking a $1.00.

NEW RECOMMENDATIONS:
None.

PREVIOUS RECOMMENDATIONS:
None.

PORK COMPLEX TECHNICAL OUTLOOK:
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LEAN HOGS (DEC) 11/19/2024: Daily stochastics are trending lower but have declined into oversold territory. 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 79.120. The next area of resistance is around 80.500 and 81.000, while 1st support hits today at 79.570 and below there at 79.120.

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										
LCZ24	184.070	43.19	44.68	14.77	15.03	183.51	184.12	185.62	185.63	183.60
FCF25	249.500	71.00	65.21	58.78	75.43	245.89	244.35	244.03	242.72	239.70
LHZ24	80.020	45.30	50.25	40.73	27.27	80.38	81.04	81.54	78.20	76.63

Calculations based on previous session. Data collected 11/18/2024

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						
LCZ24	Live Cattle	182.500	183.420	183.850	184.770	185.200
FCF25	Feeder Cattle	245.675	247.900	248.875	251.100	252.075
LHZ24	Lean Hogs	79.100	79.550	80.050	80.500	81.000

Calculations based on previous session. Data collected 11/18/2024
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