

May 27, 2022

Sale Schedule for next week (all sales start at 10:00 AM Central):

- **There will be no Tuesday sale due to the Memorial Day holiday.**
- **Wednesday, June 1**
- **Thursday, June 2**

Live cattle were down \$1 – 2 this week, with the South trading at mostly \$137 and the north trading at mostly \$140-141. Trade occurred again across most weekdays, with most trade completed by Thursday in advance of a long holiday weekend.

The week was framed early in the week by traders and markets adjusting to last Friday's May Cattle on Feed report and both sides of the market assessing the report's effect and impact on their respective segment.

This week's Fed Cattle Exchange saw an active bidding week with more than 3,200 head consigned.

As reported via Cattle-Fax, placement and shipment data show lower numbers than last year. Placements are reported as down 8% year over year, and shipments are also reported down 8% year over year.

The slip in Open Interest slowed this week, with Live Cattle only losing 831 loads week over week and Feeder Cattle gaining 816 loads week over week.

Official weights came in with steers down 7 pounds, which is lower than last year's weights.

Equity market volatility continued to frustrate investors, but most major indices were up for the week, bolstering confidence ahead of the holiday weekend.

A critical US measure of inflation eased as households continuously increased spending for four months; however, the measure remains near four-decade highs.

As noted last week, we are entering a critical time of year for beef demand. The beef supply chain relies on consumer demand to remain high to maintain price stability and pass dollars upstream. Though most consumers have record savings, the average consumer feels inflationary pressure and could likely begin modifying their spending patterns.

Much of the country has received some beneficial moisture in the last week though it is a minor amount relative to what is needed to escape the clutches of the current drought.

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