

June 3, 2022

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

- **Tuesday, June 7**
- **Wednesday, June 8**
- **Thursday, June 9**

Live cattle traded at \$135 in the south and \$138 – 142 in the north, down \$2 this week.

This week's Fed Cattle Exchange saw an active bidding week with more than 4,000 head consigned and 468 head sold. Bids were as high as \$138 on program export cattle not on beta-agonist and many bids in the South were over \$135.

Live cattle and feeder cattle futures advanced this week and corn futures fell, benefitting feedyards. With feedyard losses projected at more than \$140/head, many feedyards are cautiously managing their inventories to stay as current as possible. CattleFax has forecast that live cattle prices will fall to a summer low of \$128.

The big headline this week is the potential opening of the single largest packing plant operation in South Dakota. Private investors have made a commitment to build an 8,000 head per day packing plant in Rapid City, South Dakota. If built, this plant would be the largest packing plant in the United States. Stay tuned for more information.

Energy prices are a major concern with record-high prices for diesel, gas, and other energy sources. The increase in shipping costs has the potential to reinforce regional differences in markets and create smaller, regional markets.

Equity markets suffered losses for the week after the latest employment report showed the U.S. labor market added jobs at a strong pace but slower pace in May. As we have noted before, consumer sentiment is key right now and the entire supply chain is hoping the consumer can balance simultaneous increases in inflation and wages.

Brief Platform Update

This week Central Stockyards released new features which are available to feedyards who sell cattle on the Central Stockyards platform. The features are designed to give sellers additional control over the selling process.

We invite all feedyards to list cattle with us and experience selling cattle with Central Stockyards. Listings are viewed by and bid on by all major packers as well as regional packers. If you're interested in transparent price discovery, we have a great tool for feedyards to use.

Central Stockyards Team

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