

June 17, 2022

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

- **Tuesday, June 21**
- **Wednesday, June 22**
- **Thursday, June 23**

Physical live cattle traded \$2 – 3 higher this week, with trade at mostly \$139 in the South and \$145 live and \$232 dressed in the North. Trade strengthened late in the week.

This week's Fed Cattle Exchange saw an active bidding week with more than 3,400 head listed and 836 head sold.

On a positive note, June Live Cattle futures continued their advance for the week to close at \$138.025.

Unfortunately, three major negative stories dominated the week's cattle feeding news:

Heat and humidity in the southern high plains resulted in livestock losses of market-ready cattle. The story made national news and seeing videos of high-quality cattle in large piles makes every cattle feeder sick to their stomach.

The Federal Reserve Bank raised its benchmark rate by 75 basis points this week to a range between 1.5% and 1.75%, a larger increase than the half-point rate rise that most officials had said they expected two weeks ago. All 18 officials at their policy meeting projected rates would need to rise to at least 3% by December, and most projected rates would need to rise to 3.75% next year. The trickle-down effect of interest rate increases on all businesses will be enormous.

The pain at the gas pump is impacting all consumers and, when combined with ongoing equity market volatility, is decreasing customer sentiment at a critical time for beef sales. The beef supply chain needs consumer demand to remain high and it seems as if a worst-case scenario is developing for consumers: high gas prices, ongoing inflation, higher interest rates, and stock market volatility are a bad combination for everyone.

We invite all feedyards to list cattle with Central Stockyards. Whether your feedyard sells on a live basis, negotiated grid, or other marketing method, our Fed Cattle Exchange platform presents your cattle to major and regional packers. If you are interested in transparent, real-time price discovery, we invite you to list a few pens and see how we can help you. Contact us today for more information.

Central Stockyards Team

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