

June 24, 2022

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

- **Tuesday, June 28**
- **Wednesday, June 29**
- **Thursday, June 30**

The South (KS and TX) traded at mostly \$137 – \$138 with instances of trade as high as \$140. The North traded at \$145 - \$146 live and \$234 - \$235 dressed with instances of trade at \$150 - \$151.50. The North is currently trading approximately \$8.00 higher than in the South. The wide Choice-Select spread, a very wide Prime-Choice spread, adequate supplies in the South, and tighter numbers in the North are all contributing to this spread. Trade occurred beginning on Tuesday and was spread over the middle part of the week.

This week's Fed Cattle Exchange saw 3,820 head consigned with a high bid of \$138. Most bids were received during the Tuesday sale.

The U.S. Department of Agriculture (USDA) released the June 1 Cattle on Feed report today. The report showed 11.8 million head on feed as of June 1, 2022, the highest June 1 inventory since the series began in 1996. Placements and marketings were close to pre-report estimates at 98% and 102% of 2021, respectively.

In Washington, D.C., the Senate Agriculture Committee advanced out of committee and prepared for floor action two cattle market reform bills, S. 4030, the Cattle Price Discovery and Transparency Act of 2022, and S. 3870, the Meat and Poultry Special Investigator Act of 2022.

Other key insights this week include the equity markets which seemed to find a short-term bottom as the Federal Reserve contemplates an additional 75-basis point increase in July. Additionally, summer heat continues to bake major cattle feeding regions. We expect hay supplies to become very limited this fall/winter implying additional price increases across all feedstuffs in the short term. Many ranchers are eyeing summer and fall video sales with caution as already-tight grazing options become even more limited. We anticipate placements to increase so long as forage conditions continue to deteriorate.

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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