

September 2, 2022

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

- **Wednesday, September 8**
- **Thursday, September 9**

Live cattle traded at mostly \$141 in the South and from \$142 to \$145 in the North, \$228 dressed. This is \$2 - 3 lower than last week in the North while the South was \$1 lower. Live Cattle futures traded mostly steady for the week but closed strong on Friday.

The North/South live cattle price spread has decreased considerably in the last two months, removing the large, favorable basis position for northern feedyard hedgers.

This week's Fed Cattle Exchange saw 3,800 head consigned and 238 head sold Thursday, with an average sale price of \$141 for steers sold Thursday, setting the tone for the week's country trade.

The major news in cattle feeding this week was Walmart's announcement that they are taking a minority stake in Sustainable Beef, LLC, a packer in North Platte, Nebraska. This is Walmart's first direct ownership in a major beef packing plant. In a release, Walmart indicated this a strategy to help ensure control over their protein supply chain. Operations are scheduled to begin in 2024.

Equity markets fell throughout the week as the market continued to digest the Federal Reserve's comments last Friday. Friday's job's report from the Labor Department was a double-edged sword. While the increase in jobs reflects a strong economy, the Federal Reserve will likely use this data to help justify one or more rate increases this fall.

Rains continued across much of the southern U.S. improving winter grazing prospects and providing southern cow/calf operations with some new growth before winter feeding commences. Rains have decreased the number of cows coming to harvest, putting pressure on regional packers to fill shackles with other animals.

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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