

**September 23, 2022**

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

- **Tuesday, September 27**
- **Wednesday, September 28**
- **Thursday, September 29**

Live cattle traded at mostly \$143 in the South and from \$143 to \$147 in the North, \$227 - \$232 dressed. This is \$1 – 2 higher than last week.

The Fed Cattle Exchange listed 5,046 head for the week with winning bids from \$143 - \$145 for non-dairy sale lots. Bidding action was strongest in Thursday sale with cash trade immediately following the conclusion of the sale at price points around those seen in the auction. Once again, the Fed Cattle Exchange helped set the week's trading range.

Friday's USDA Cattle on Feed Report was regarded as neutral to slightly bearish. Actual cattle on feed (100%) and higher marketings (106%) were in line with pre-report estimates. Placements were higher than expected at 100% as compared to pre-report estimates of 97.3%.

The Federal Reserve increased the benchmark interest rates by 75 basis points and signaled future increases were likely to slow inflation. This action, combined with lower corporate earnings, sent equity markets dramatically lower for the week. The negative market directions carried over to agricultural futures as Live Cattle futures ended down for the week.

The Dow Jones Industrial Average approached bear market territory early Friday afternoon. Indicating a fall of 20% from recent highs. If confirmed, this will mark the first bear market for the blue-chip index time since COVID-19 sent stocks spiraling in 2020.

Corporate earnings are painting a clear picture of a consumer who is spending less and being very selective about their purchasing choices. Interest rate increases and stock market declines are a one-two punch which has the potential to dramatically reduce beef demand from the average consumer.

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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