

September 30, 2022

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

- **Tuesday, October 4**
- **Wednesday, October 5**
- **Thursday, October 6**

Live cattle traded at mostly \$143 in the South and from \$144 to \$147 in the North, \$228 - \$232 dressed. This is steady with last week.

The Fed Cattle Exchange listed 3,118 head for the week with winning bids of \$143.50 for non-dairy listings. Trade occurred primarily on Wednesday with overall smaller showlists on the Fed Cattle Exchange and in the country.

Reaction to last Friday's USDA Cattle on Feed Report carried over into this week with Live Cattle futures trending lower for much of the week despite making strong gains Thursday. The entire cattle complex was under pressure this week due to carryover negativity from the equity markets. Equity markets continued their downward trajectory as central banks worldwide wrestled with how to handle a strong U.S. dollar. U.S. stocks fell for the week, sending the S&P 500 to a new low for the year as investors wrestled with worries about a global slowdown. There is growing concern that central bank actions are wholly focused on inflation and may tip the economy into a deep recession.

After some much-needed rainfall in the southern plains a few weeks ago, much of the Midwest is now mired in a deepening drought. This week's drought monitor showed worsening drought conditions directly on top of major cattle feeding regions in Oklahoma, Kansas, and Nebraska.

Friday's WASDE report, ending stocks report, and continued dry weather throughout the Midwest, have pushed corn prices to new, short-term highs. All signs point toward an ongoing increase in corn prices, driving feedyard cost of gains higher and feeder cattle prices lower.

Florida cattle operators have plenty of moisture as Hurricane Ian ravaged the central portion of the state. Early reports from Florida cattle producers were optimistic with minimal cattle losses for ranchers in the primary ranching areas of the state.

From a beef buying standpoint, the domestic consumer is running for cover as facing numerous headwinds. There is little hope that the economy will stabilize before key holiday beef buying begins in earnest.

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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