

November 4, 2022

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

- **Tuesday, November 8**
- **Wednesday, November 9**
- **Thursday, November 10**

Live cattle traded at mostly \$150 in the South, steady with last week. Trade was \$152 - \$155 in the North, \$238 - 242 dressed, \$1 – 2 higher than last week.

The Fed Cattle Exchange listed 4,050 head for the week with southern bids up to \$149.50 on Thursday which led to \$150 being offered immediately after the sale. The Central Stockyards team received bids of \$150 for Kansas cattle sold by private treaty immediately after the sale.

Live Cattle futures traded mostly sideways for the week as they found a middle ground between cash advances and equity market declines. Feeder Cattle futures were mostly steady for the week. Stocker and feeder cattle prices remained strong in the country trade and livestock markets with advances of \$8 – 12/cwt reported for good, pre-conditioned cattle as live cattle price advances started working their way up the supply chain.

USDA announced more than \$223 million in grants and loans designed to increase competition and economic opportunities for meat and poultry processors and producers around the country, with a core objective of expanding meat and poultry processing capacity. The three primary programs for these funds include the Meat and Poultry Processing Expansion Program, Meat and Poultry Intermediary Lending Program, and Food Supply Chain Guaranteed Loan Program.

Equity markets were down for the week, ending a four-week rally. The Federal Reserve raised its key interest rate another 75 basis points as it continues to fight inflation. This marks the sixth interest rate increase this year and the fourth consecutive 75 basis point jump since June. The Fed's target rate is now in the range between 3.75% and 4%. There are mixed opinions on whether the Federal Reserve will continue raising rates at the December meeting. There is hope that any additional increase will be lower, perhaps only 50 basis points. However, many agricultural lenders anticipate that it is a matter of time until effective interest rates reach double-digits.

Numerous companies are reporting layoffs and/or hiring freezes but Friday's jobs report showed U.S. employers added more jobs than consensus estimates, showing an underlying strength of the U.S. economy.

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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