

December 9, 2022

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

- **Tuesday, December 13**
- **Wednesday, December 14**
- **Thursday, December 15**

Live cattle traded at \$154 - \$155 in the South while the North traded at \$156 - \$158 live and \$245 - \$249 dressed. This is \$1 lower than last week. Live Cattle futures were down roughly \$2 for the week while Feeder Cattle futures steady to slightly lower for the week.

The Fed Cattle Exchange listed 3,407 head for the week. Bids on Tuesday were \$154 and remained steady through Wednesday's sale until selling 437 head in Thursday's sale at \$154.25 - \$154.50. Fed Cattle Exchange staff also coordinated the sale of additional cattle in Colorado for \$247 dressed on a grid, for delivery next week.

The overall fed cattle market tone is mixed. Fed cattle prices appear to be taking a breather from the recent rally. As holiday rib orders begin to wane and the overall economic picture for consumers faces increasing uncertainty, it's not a surprise to see boxed beef prices and Choice/Select price spreads both declining. Add in the slowing kills in coming weeks due to holiday-shortened plant hours and it's clear that feedyards have work to do to maintain whatever leverage they may have gained in recent months.

While feed costs have fallen slightly in recent weeks, feeder cattle market strength is forcing prices for feedyard placements to higher levels. The CME Feeder Cattle Index price this week is approaching the highs seen in August and early September 2022. These Feeder Cattle Index prices are the highest seen since November 2015 which came on the heels of the record 2014 – 2015 cattle market rally.

One silver lining may come from Chinese markets as they begin to re-open after restrictive COVID lockdowns. China is the world's largest beef and veal importer, estimated to import 2.85 million MT of beef and veal in 2023. As a reference point, the combined beef imports of the U.S., Japan, and Korea are 2.95 million MT over the same time frame.

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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