

December 16, 2022

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

- **Tuesday, December 20**
- **Wednesday, December 21**
- **Thursday, December 22**

The Fed Cattle Exchange will have no sales December 27, 28, or 29. Our next sale after this week will be Tuesday, January 3, 2023.

Live cattle traded at \$154 - \$155.50 in the South while the North traded at \$155 - \$159 live and \$245 - \$248 dressed. This is steady for northern traders and steady to \$1 lower than last week. After a mid-week rally, Live Cattle futures declined later in the week but nearby contracts ended steady to slightly lower for the week while Feeder Cattle futures followed the same pattern and were steady to slightly lower for the week.

The Fed Cattle Exchange listed 2,716 head for the week. Bids on Tuesday were \$154.25 and increased to \$154.75 in Wednesday's sale. Thursday's sale saw bids of \$155.50 and resulted in the sale of fed heifers in the south at \$155.50. The Fed Cattle Exchange set the tone for the week as country trade occurred after the sale ended.

The weather seemed to be the major story for the week as a major winter storm barreled into northern feeding regions. Slaughter weights are expected to fall and gains will be reduced for several weeks leading to lower out weights.

Some packers appear to have locked in enough cattle supply to get through the holiday-shortened kill weeks and have stopped bidding on cattle, indicating they have sufficient supply for the next 30 days. Additionally, chain speeds are slowing which serves to slow overall supply throughput. The volatility in boxed beef prices has added another factor to beef demand calculus as it is hard to gauge customer sentiment and demand for the post-holiday period.

On Wednesday, the Federal Reserve approved an interest-rate increase of 0.5 percentage point while also signaling plans to continue increasing rates through the spring to combat high inflation. The spring increases would possibly be in smaller increments. The Federal Reserve's next meeting is in late January 2023 and the consensus is that a smaller increase of 25 basis points is likely.

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.

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