

March 17, 2023

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

- **Tuesday, March 21**
- **Wednesday, March 22**
- **Thursday, March 23**
- **Friday, March 24 depending upon market conditions and buyer/seller feedback**

The Fed Cattle Exchange listed 3,237 head for the week. Bids on Tuesday began up to \$163.75 against reserve prices of mostly \$165. Bids Wednesday were roughly \$1 softer. Thursday saw 544 head sell for an average of \$164.64. A set of beef-on-dairy heifers topped the market for the week at \$165 as a Bid-the-Grid™ marketing method.

Cash trade in the North was mostly \$164 live and \$264 dressed, \$1 lower than last week. The Southern trade was \$164, also \$1 lower than last week. The earlier trade this was due to political unrest in the Black Sea and changes in market basis which helped some basis traders.

It was a rough week for livestock futures as Live Cattle futures declined \$3 for the week and Feeder Cattle futures declined \$4. The Feeder Cattle Index increased slightly for the week reaching what are likely seasonal highs.

The instability of the banking system and declining economic conditions were in focus this week given the failure of several regional banks. While the failed banks had specialized assets and a unique customer base, these bank failures demonstrate the impact of interest rate risk and exposure to assets and securities that are held for extended periods. For cattle producers and feeders who own and manage risk on inventory over months and years, interest rate risks are very real and have a direct impact on supply chain profitability.

One potential silver lining of the bank failures is that this may be enough to keep the Federal Reserve in check and not increase interest rates at the FOMC meetings next week. If rates are changed, it is likely that the increase will only be 25 basis points.

The March 1 Cattle on Feed Report was released today and was viewed as slightly bullish:

	Industry Estimates	Actual
Cattle on Feed	95.5%	96%
Placements	94%	93%
Marketings	95.6%	95%

We welcome your feedback and suggestions on how to continue improving the Fed Cattle Exchange and its role in providing price discovery to the cattle industry.

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

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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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