

**May 12, 2023**

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

- **Tuesday, May 16**
- **Wednesday, May 17**
- **Thursday, May 18**
- **Friday, May 19 depending upon market conditions and buyer/seller feedback.**

The Fed Cattle Exchange listed 5,368 head for the week. Reserve prices started the week up to \$176 and bids were mostly \$170 - 171. Bids and reserve prices remained mostly unchanged for the full week. Thursday's online sale had 112 head sell from Texas at \$171.50.

Cash trade in the North was centered around \$176 live and \$281 dressed while Southern trade was mostly \$170, all \$2 lower than last week.

Live Cattle futures were steady to up \$1 for the week while Feeder Cattle futures were up \$1 for May and up \$4 for August and other deferred contracts. The May to August Feeder Cattle Spread is now \$21, nearly 10% of the contract value. The Feeder Cattle Index was steady for the week.

The roughly \$6 bid/ask spread on the Fed Cattle Exchange indicates the market is directionally transitioning and looking to consolidate in a new trading direction. We can't forget that the market rally in March and April was significant and aggressive. The disparity in trade prices shows that quality and volume are still needed in some areas though the broad-based demand for fed cattle is slowing.

This week's USDA WAOB report indicated the old crop corn rollover was higher than expected driving corn prices lower. China cancelled a large corn order which also creates additional carryover supply. Corn farmers have planted more corn acres for the 2023 crop. And, after such a hard, cold winter, many northern feeders have not replenished inventory and there are open pens. Greater corn supplies and lower cattle numbers translates to lower corn demand and lower corn prices, driving cost of gains lower.

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 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**

Forrest Roberts      317-997-3486

Jesse Larios	760-356-0746
Rey Armendariz	620-874-5200
Jonalee Watkins	307-751-0848