

May 19, 2023

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

- **Tuesday, May 23**
- **Wednesday, May 24**
- **Thursday, May 25**
- **Friday, May 26 depending upon market conditions and buyer/seller feedback.**

The Fed Cattle Exchange listed 5,699 head for the week. Reserve prices were mostly \$170 – 171 for the week and bids were mostly \$167 – 172.50. The bid/ask trading range moved roughly \$1 higher throughout the week. Listings sold online Wednesday at \$170 and Thursday at \$171 for beef-on-dairy cattle. Thursday also saw offline trades of 551 head at prices ranging from \$158 for dairy cattle, \$170 for dairy-cross cattle, and \$175 for Angus cattle.

Cash trade in the North was \$178 live and \$282 dressed, \$1 – 2 higher than last week, while Southern trade was mostly \$170 on light trade as of this writing.

Live Cattle futures were up \$1 for the week while Feeder Cattle futures were choppy and mostly traded sideways. The Feeder Cattle Index was up over \$2 for the week.

The wide bid/ask spreads on the Fed Cattle Exchange continue to indicate the market is directionally transitioning and looking to consolidate in a new trading direction. The market is behaving differently across the north and south as supply/demand dynamics vary across cattle feeding regions.

Today's April 1 USDA Cattle On Feed Report was in-line with pre-report analyst estimates. The report showed April 1 cattle on feed inventory, placements, and marketings at 97, 96, and 90% of April 2022, respectively. Pre-market analyst estimates were for 96.5, 96.3, and 90.3% for total inventory, placements, and marketings, respectively.

Also, this week, STX Beef Company, LLC (STX) announced the purchase of Missouri Prime Beef Packers. The consolidation of two regional packers is noteworthy because STX acquires a company with a greater degree of vertical integration and a very new and efficient packing plant.

The news (or hope) of a bipartisan debt ceiling deal has provided confidence in equity markets. Continued declines in inflation are also supportive to overall investor sentiment.

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

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