

June 2, 2023

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

- **Tuesday, June 6**
- **Wednesday, June 7**
- **Thursday, June 8**
- **Friday, June 9 depending upon market conditions and buyer/seller feedback.**

The Fed Cattle Exchange listed 2393 head for the week across two sales. Tuesday's sale was cancelled due to the Memorial Day holiday.

Reserve prices were mostly \$173 for the week and bids across a wide range from \$160 – 174.50 depending upon cattle type and location. The bid/ask trading range remained steady throughout the week. Listings sold online Wednesday at \$174 for heifers. Wednesday also saw offline trades of 280 head. Thursday saw 423 head sell at \$173.50 for heifers and \$174.50 for steers.

Cash trade in the North was \$185 - 188 live and mostly \$292 dressed, \$4 – 7 higher than last week, while Southern trade was mostly \$175 - 180, \$4 - 9 higher than last week.

For the second week in a row, Live and Feeder Cattle futures were each up \$5 – 6 for the week in aggressive trading. The Feeder Cattle Index was also up significantly for the week.

The last two weeks of trade are a great example of data not telling the complete picture of the downstream supply/demand dynamic. Many feeders and packers we spoke with assumed the spring rally was over three weeks ago. We are not aware of any market analysts who predicted another two-week rally to put in yet another series of spring highs.

We all know summer grilling season is upon us. Many had questions about demand considering wholesale beef's premium to alternative proteins and mounting financial stress for consumers. The recent two-week rally, combined with this week's \$3 widening of the Choice/Select spread gives trader some indication that there is, in fact, strong retail demand and packers need market ready cattle to fill beef orders.

We believe the market is still trying to "normalize" around a price range for the early summer period. As we noted last week, we expect short-term volatility to continue as the market continues to settle into new trading ranges with acceptable (or newly acceptable!) spreads between various commodity classes.

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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