

June 9, 2023

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

- **Tuesday, June 13**
- **Wednesday, June 14**
- **Thursday, June 15**
- **Friday, June 16 depending upon market conditions and buyer/seller feedback.**

The Fed Cattle Exchange listed 4,212 head for the week across four sales. Reserve prices were mostly \$184 - 185 for the week and bids across a wide range from \$178 – 185 depending upon cattle type and location. Listings sold online Tuesday at \$182 for steers and again Friday at \$185 for steers and heifers in online and offline trades, all in Texas.

Cash trade in the North was mostly \$190 live and \$300 dressed while Southern trade was mostly \$185, \$5 – 8 higher than last week.

Live Cattle futures were volatile all week with nearby contracts rallying \$6 mid-week before falling to close even to \$1.50 higher for the week. Deferred contracts for the balance of 2023 are at a discount to the soon-expiring June contract. Feeder Cattle futures down \$3 for the week. The Feeder Cattle Index was up \$15 week over week.

For those focused on the strong rally in the live trade, don't overlook the rally in boxed beef prices week over week. In the last week, the Choice cutout increased \$19/cwt and the Select cutout increased \$14/cwt. This boxed beef rally and underlying demand for market-ready cattle was the primary reason for the live cattle rally and accompanying futures volatility.

Southern Plains feeders have been struggling to work through muddy pens, an ironic challenge given the drought of recent years. Death losses in isolated feedyards affected by flooding have been significant but will have minimal impact on the overall supply situation in those regions.

The U.S. Drought Monitor has shown amazing improvement in the Southern Plains, eastern Colorado, and western Kansas while the drought has intensified in the Corn Belt. Though farmers planted 4% more corn than 2022, the drought impact on yield can easily reduce overall harvest volumes.

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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