

July 21, 2023

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

- **Tuesday, July 25**
- **Wednesday, July 26**
- **Thursday, July 27**
- **Friday, July 28, depending upon market conditions and buyer/seller feedback.**

The Fed Cattle Exchange listed 6,174 head for the week across four sales, from Tuesday through Friday. Reserve prices were mostly \$180 – 182 early in the week, widening to \$180 – 184 by Friday's sale. Bids for the week began with a wide range of \$178 – 182 on Tuesday and consolidated to \$177 – 178 mid-week before ending the week at \$178 – 180. Listings sold in Tuesday and Friday sales, starting at \$182 for Bid-the-Grid™ steers on Tuesday to \$180 for heifers and mixed pens on Friday.

Cash trade again occurred across a wide range of prices across each region. Northern live trade was \$183 – 188.50 live and \$291 dressed, mostly steady with last week. The Southern Plains traded at mostly \$178 – 180, also steady with last week.

Live and Feeder Cattle futures traded choppy but sideways all week with Live Cattle futures steady for the week while Feeder Cattle futures and the Feeder Cattle Index were both \$1 lower for the week. Corn futures were up \$0.26/bu for the week to \$5.3775.

Choice boxed beef decreased \$3.50 for the week while Select boxed beef decreased \$2, maintaining a Choice/Select spread of \$27.85.

Today's USDA Cattle on Feed Report for July 1, 2023 was as follows:

- Cattle on Feed: 97% compared to trade estimates of 97.6%
- Placements: 103% compared to trade estimates of 98.1%
- Marketings: 95% compared to trade estimates of 95.2%

Placements were the major surprise in the report, coming in above the highest analyst estimate of 102.7%. Only Texas had fewer placements in June as compared to July. Kansas and Nebraska placements in June were both 5% more than May 2023. This placement surprise is largely due to the persistent drought in the Midwest and Northern Plains. We expect this report may pressure deferred Live Cattle Futures contracts on Monday morning.

The semi-annual July 1 USDA Cattle Inventory was released and was in-line with analyst estimates. Report highlights included the following:

- There are 29.4 million beef cows in the United States as of July 1, 2023, down 3% from last year.
- The number of milk cows in the United States remained unchanged at 9.4 million.
- The U.S. calf crop was estimated at 33.8 million head, down 2% from 2022.

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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