

September 8, 2023

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

- **Tuesday, September 12**
- **Wednesday, September 13**
- **Thursday, September 14**
- **Friday, September 15, depending upon market conditions and buyer/seller feedback.**

The Fed Cattle Exchange listed 6,432 head from TX, CA and CO across three sales from Wednesday through Friday. Reserve prices for the week were \$173 – \$184/cwt and strengthened by the end of the week. Bids for the week ranged from \$165/cwt for dairy influenced cattle and \$175.00 – \$182.50/cwt for commodity and high grading beef-on-dairy cattle. In general, bids strengthened by the end of the week.

This week, the Fed Cattle Exchange sold high-grading beef-on-dairy listings in TX for \$182.00 - \$182.50/cwt via their Bid-The-Grid™ marketing method on Friday. Buying activity on Friday's Fed Cattle Exchange auction was followed with sellers passing bids of \$180.00/cwt on a live-weight marketing method for good, long-fed commodity cattle in TX as well as high yielding cattle in CO.

The Fed Cattle Exchange welcomed a total of 13 packer buyers during this week. Active bids were received from both major and regional packer buyers. Cattle purchased on the Fed Cattle Exchange during this week included both major and regional packer buyer participants.

Overall fed cattle trade for the week exhibited a stronger tone in the market. As of this writing, the North traded mostly stronger than last week at \$183 – \$185/cwt live weight and mostly \$292/cwt dressed weight. Fed cattle in the Southern Plains traded this week at mostly \$180 – 182.50/cwt, notably stronger than last week.

A common theme and critical question that we hear in the market can be summarized as another “crossroads” for cattle producers. More specifically, record-high fed cattle prices for feedyards along with record-high production costs in every production segment is now being further confounded by intense drought across major cattle producing areas. The key questions center around how the production cost and drought factors work together to mute the clear expansion signals for upstream operators. Furthermore, will the normal cattle cycle dynamics be such that expansion is delayed/limited and will that create prolonged periods of fewer placements into feedyards and subsequent market-ready fed cattle? The answers to these questions are complex and are certainly weighing heavily on the minds of participants throughout the entire beef value chain.

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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