

September 15, 2023

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

- ***Wednesday, September 20***
- ***Thursday, September 21***
- ***Friday, September 22***

The Fed Cattle Exchange listed 5,672 head from TX, KS and CO across four sales from Wednesday through Friday. Reserve prices for the week were \$182 – \$186/cwt and strengthened by the end of the week. Bids for the week ranged from \$179.00 – \$184.00/cwt for high performing commodity cattle. In general, bids strengthened by the end of the week, concurrent with this week's strong rally in Live Cattle futures, led by the October LC contract gaining roughly \$4.00/cwt during the week.

This week, the Fed Cattle Exchange sold high performing commodity listings in KS for \$183.50/cwt via both a live weight and their Bid-The-Grid™ marketing methods on Friday. Buying activity on Friday's Fed Cattle Exchange auction was very active with sellers passing bids of \$183.00/cwt on a live-weight marketing method for good, long-fed commodity cattle in TX and passing \$184.00/cwt bids for high performing cattle in CO.

The Fed Cattle Exchange welcomed a total of 14 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 was driven by a major buyer participant.

Overall fed cattle trade for the week exhibited a stronger tone in the market. As of this writing, the North traded mostly even to 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 \$183.00/cwt, notably stronger than last week.

While some cattle producers are feeling a short-term sense of relief from higher feeder cattle prices as well as slightly lower temperatures and much-needed rain showers in cattle country across the Southern states, others across the major cattle feeding regions continue to express concerns about the current market driven pressure points that are real and significant. More specifically, with rising interest rates, cattle feeders are balancing the pressure points of higher break-evens coupled with higher equity requirements for feeder cattle purchases. This reality along with a shrinking gap for fed cattle prices between the North versus the South is a significant market development that will continue to drive disciplined risk management expectations from their ag lenders.

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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