

September 22, 2023

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

- ***Wednesday, September 27***
- ***Thursday, September 28***
- ***Friday, September 29***

The Fed Cattle Exchange listed 3,946 head from TX, CA and CO across three sales from Wednesday through Friday. Reserve prices for the week were \$184 – \$189.50/cwt and declined slightly 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 resurgence in Live Cattle futures, led by the October LC contract re-gaining roughly \$3.00/cwt lost in early week trading that was partially driven by anticipation of a neutral to bullish Cattle-On-Feed (COF) report published late on Friday.

This week, the Fed Cattle Exchange sold high grading beef-on-dairy cattle in TX for \$184.00/cwt via their Bid-The-Grid™ marketing method on Friday. Buying activity on Friday's Fed Cattle Exchange auction was very active with sellers passing bids of \$181.25/cwt on a live-weight marketing method for good, long-fed commodity cattle in TX given the established trade of \$183.00/cwt late in the day on Thursday in both TX and KS.

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 was driven again by a major buyer participant.

Overall fed cattle trade for the week exhibited a steady to positive tone in the market. As of this writing, the North traded mostly even to last week at \$184 – \$187/cwt live weight and mostly \$292-\$293/cwt dressed weight. Fed cattle in the Southern Plains traded this week at mostly \$183/cwt, steady to positive \$1.00/cwt with last week.

Friday's COF report was aligned with pre-report estimates by industry economists.

- On Feed: 97.8% (compared to 97.8% estimate)
- Placed: 94.9% (compared to 94.8% estimate)
- Marketed: 94.0% (compared to 94.4% estimate)

Some industry analysts are projecting a \$180 - \$210/cwt fed cattle price range in 2024. That sentiment is being reflected in how today's Live Cattle futures market is performing as the deferred Live Cattle futures contracts are pulling the cash market higher. As we've noted in previous weekly Market Insights, interest rates will be a critical success factor for all participants in the beef supply chain to navigate given the news published by the Central Bank this week indicating one more increase to be likely yet this year, reflecting that interest rates will stay higher for longer in 2024.

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

Forrest Roberts	317-997-3486
Jesse Larios	760-356-0746
Rey Armendariz	620-874-5200