

December 08, 2023

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

- ***Wednesday, December 13th***
- ***Thursday, December 14th***
- ***Friday, December 15th (Depending upon market conditions and buyer/seller feedback)***

The Fed Cattle Exchange listed 5,880 head from TX and CA across three sales from Wednesday through Friday. Reserve prices for the week ranged from \$169 – \$174/cwt for high performing commodity cattle and high grading beef-on-dairy cattle. Reserve prices traveled lower with the weaker move in the live and feeder cattle futures. Bids for the week ranged from \$165 – \$170/cwt for high performing commodity cattle and high grading beef-on-dairy cattle.

In general, packer bids across the industry were lower at \$171/cwt and slightly lower by the end of the week given the volatile activity in both Live Cattle and Feeder Cattle futures contracts. Fed cattle prices again declined week-over-week to mostly \$171/cwt live weight and \$271-\$272/cwt dressed weight in the North region. Cattle traded at mostly \$171/cwt in the Southern region. Again, the North-South basis for this week was zero.

This week, the Fed Cattle Exchange on Friday sold high performing commodity cattle in TX for \$169/cwt via live weight marketing method.

The Fed Cattle Exchange welcomed a total of 11 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 primarily by major buyer participant.

The tone this week was that of questions, questions, and more questions. Many customer discussions this week quickly centered on questions from industry participants regarding current market & cattle supply fundamentals versus the extreme live cattle and feeder cattle futures volatility. Further conversations focused on questions stemming from recently presented beef-on-dairy production data & subsequent impact on the current cattle cycle and compared to USDA's reporting of cattle inventory, etc. Lastly, questions specific to beef demand expectations in early 2024 due to the current state of the economy and consumer buying behaviors coming out of the Christmas holiday. The questions offered the opportunity to listen, ruminate and consider multiple perspectives knowing full well that time and further objective research & analysis will certainly show us the answers to these critical questions.

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

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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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