

December 15, 2023

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

- ***Wednesday, December 20th***
- ***Thursday, December 21st***
- ***Friday, December 22nd (Depending upon market conditions and buyer/seller feedback)***

The Fed Cattle Exchange listed 7,626 head from TX, IA and CA across three sales from Wednesday through Friday. Reserve prices for the week ranged from \$170 – \$172/cwt for high performing commodity cattle and high grading beef-on-dairy cattle. Reserve prices for the week remained steady to slightly lower by Friday. Bids for the week ranged from \$167 – \$169/cwt for high performing commodity cattle and high grading beef-on-dairy cattle.

In general, packer bids across the industry began the week lower versus previous week at mostly \$168/cwt and remained steady to slightly higher by the end of the week with cattle feeders looking for \$170/cwt. Fed cattle prices in the North region traded mostly \$168 - \$170/cwt live weight and \$267/cwt dressed weight. Cattle traded at mostly \$168 - \$170/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 grading beef-on-dairy cattle in IA for \$168/cwt via our Bid-The-Grid™ marketing method. Also, high performing commodity cattle in TX were bid and passed \$169/cwt via our Bid-The-Grid™ marketing method. The Fed Cattle Exchange sold high grading beef-on-dairy cattle in TX via private treaty on Friday afternoon at \$170/cwt via our Bid-The-Grid™ marketing method.

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 primarily by major buyer participant.

The common thread across many buyer and seller discussions this week focused on achieving some level of stability when considering the recent volatility in fed cattle prices. That said, some market participants believe that perhaps the overall bullish tone in the equity markets is beginning to influence near-term Live Cattle and Feeder Cattle futures contracts. Finally, the Federal Reserve has recently decided not to raise interest rates and many feedyard seller customers certainly hope the peak has been reached as they look to 2024 for some relief, especially given the cost of operating capital impact on current fed cattle breakeven projections.

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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