

February 23, 2024

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

- ***Wednesday, February 28th***
- ***Thursday, February 29th***
- ***Friday, March 1st***

The Fed Cattle Exchange listed 5,168 head from KS and TX across four sales from Wednesday through Friday. Reserve prices for the week were higher than the previous week. Reserve prices ranged from \$184-186/cwt for high-performing commodity cattle and high-grading beef-on-dairy cattle. Bids for the week ranged from \$179-184.75/cwt for high-performing commodity cattle and high-grading beef-on-dairy cattle.

In general, packer bids across the industry began the week at \$180/cwt and increased by the end of the week to \$184/cwt, with cattle feeders looking for mostly \$184/cwt or higher early in the week. Fed cattle prices were well established by noon on Friday in the North region at mostly \$182-183/cwt live weight and \$292/cwt dressed weight. Cattle traded at mostly \$182-183/cwt in the Central and Southern regions with a small volume at \$184/cwt in Texas.

The Fed Cattle Exchange welcomed a total of 37 packer buyers during this week. Active bids were received from major and regional packer buyers. Cattle purchased on the Fed Cattle Exchange this week was driven by regional packer buyers.

This week, the Fed Cattle Exchange sold high-grading beef-on-dairy cattle in TX for \$184.75/cwt via our Bid-The-Grid™ marketing method.

The February USDA Cattle-on-Feed report was published late Friday afternoon:

- On Feed = 100.4% as compared to analysts' estimate of 100.1%
- Placements = 92.6% as compared to analysts' estimate of 87.7%
- Marketings = 99.9% as compared to analysts' estimate of 99.8%

Live Cattle futures once again led the way in mid-to-late week trading to set the tone in the negotiated cash fed cattle market this week. Boxed beef prices continue to climb north of \$3.00 per lb for Choice cuts, further accelerating the Choice-Select spread to near \$15/cwt. Many sellers reported more favorable pen conditions coming out of the recent weather events in early 2024, especially in the Central region of cattle feeding country. Some believe this situation coupled with a continued rally in feeder cattle prices could result in earlier than normal spring placements of yearlings into feedyards come March, especially given the recent trend of lower cost of gain in feedyards due to a more favorable corn market and declining cost of roughage. That said, feedyards are cautiously placing cattle of feed with extreme focus on risk management strategies given the challenge of today's breakeven calculations.

We welcome your feedback and suggestions on how to continue improving the Fed Cattle Exchange and its role in providing price 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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