

THE MIDWEST

To label this week with just one title wouldn't do the last five days justice. This week has been a quiet week in regards to how many fat cattle have traded, but incredibly interesting when watching live cattle prices and the futures board.

PRICES: At this week's Fed Cattle Exchange, only one pen of cattle sold for \$116. Later in the week, bids of \$117-118 were offered and then sold. Dressed prices are currently at \$188, and carcass weights are up four pounds.

TRENDS: Right now is a pivotal time in the cattle market. Did we see our cash low for 2017 this week? Or will the market continue to stair-step down? And what's even more interesting is that feeder cattle haven't weakened or softened what-so-ever. Typically speaking, feeder cattle prices follow the fat cattle prices. What's giving the feeder cattle market so much strength? Drought, demand, and cheap corn. Feeder cattle have been in hot demand as folks see this as an opportunity to make some money if they can get into them cheap enough. One source explained the future's rally as, "It really comes down to the fact that corn is cheap, the feeders are responding because of the cheap corn, and the fats are more or less tagging along." For the past couple of weeks, the futures board has been within \$2-3 of the cash market, which also helped fat cattle prices mid-week.

Cassie Fish, of The Beef Read, summed up the week by saying, "Whether the market just scored its Q3 low this week or whether it will revisit those lows in September, or make new ones which is believed by some, is the primary topic of market conversations. If the fundamentals allow this market to continue to act better than expectations, then the answer to that question is obvious. This market has faced increased supplies all year with increased demand. Whether for the ribeye, the fed animal or feeder cattle, there is an eagerness to absorb the increase supply fueled by profitability throughout the supply chain over an extended timeframe.

THE WEST

Some of the country in the West was blessed with a break from the heat and had a couple of days of cooler weather. For those folks who don't have their calves sold yet, this week has been a busy week of phone calls from buyers wanting to get their calves bought. Superior Livestock hosted their Video Royale Sale this week in Winnemucca, Nevada. Prices are yet to posted, but talk of a good run is circling around.

PRICES: Weigh-up cows were .68-.72/head, weigh-up bulls sold for .90-.95/head, and drug-free weigh-up bulls brought \$1.00-1.05/head. Steer calves weighing 757 pounds sold for \$1.58, and steers weighing 950 pounds sold for \$1.45, with heifers in most classes being .10-.15 cents back. Bred cows weighing anywhere from 1,300-1,550 sold for \$68-74/CW. Middle aged black cows with 300-pound calves on their sides sold for \$1,350.

THE SOUTH

PRICES: Slaughter cows were \$1-3 better, and this week's run of yearlings offered better quality and a steady to \$1 higher price. Steer calves weight 500 pounds sold for \$.138-1.46, heifers \$1.27-1.37. Steer calves weighing 600 pounds sold for \$1.31.-1.41, and heifers \$1.10-1.26. Four- to eight-year-old pairs weighing 1,000-1,400 pounds with bigger calves on their sides sold for \$1,500.

TRENDS: One source mentioned that the question that he is being asked daily is, "What's going to happen?" and his response is, "I don't know and I'm not ashamed to say I don't know. We will see some hills and we will see some hollow places, but I believe that right now is a time to wait and see what the market will do."