

THE MIDWEST

Prices: Ladies and gentlemen this week was one for the books! On Wednesday at the Fed Cattle Exchange there were 1,515 head of cattle consigned to the sale, and of that 274 head sold for \$120. Futures dipped down \$2 on Thursday, but then made a comeback for Friday. On Friday dressed cattle were bought for \$190-192, and live fat cattle traded for a high of \$124. To say that this week was crazy is an understatement. Compared to last week the fat cattle market is up \$6, and compared to two weeks ago fat cattle are trading for \$15 more than what they were.

Currently exports are 77-78% higher than what they were at this time a year ago. Carcass weights are up three pounds from last week, but still remain 16 pounds lighter than what they were a year ago. And the choice/select is sitting at \$15.66.

Trends: As one expert put it, "These last couple of weeks have been an absolute gift to the feeders." As folks continue to analyze why the market is rallying, this is what experts have to say, "It looks as though packers are short bought, and the funds were looking for a buying opportunity. The biggest concern that needs to be on peoples' minds right now is how to manage their margins. What are you getting calves bought for? How long are you going to feed them? What does that feed cost? When are you aiming to selling them? And what does that board look like for that time? We are lucky right now because even though calves are a little more expensive to get into that what we may have anticipated, the futures board for February through April is looking great."

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Prices: Folks in the Mid-West are singing songs, but I wonder if producers in the West aren't maybe singing even louder?! Heifer calves weighing 500 pounds sold for \$1.60-1.70. Steer calves weighing 523 pounds sold for \$1.80-2.03, and heifers of the same class went for \$1.60-1.74. Steer calves weighing 878 pounds sold for \$1.64, and heifers coming in a little lighter at 863 pounds sold for \$1.53-1.64. Some young, home raised, baldy cows weighing 1,380 pounds sold for \$1,030. The better end of weigh up cows brought .63-.70/pounds, and weigh up bulls sold for .75-.83/pound.

Trends: As one expert said, "The fall has been utterly amazing, things have been clicking along better than we could have ever imagined. This is the first time in a long time that the calf market has gotten stronger $\frac{3}{4}$ of the way through the season." Harvest has treated most agriculturists well this fall and there appears to be plenty of corn to go around this year. Bred cows are expected to hit the market heavy next week. Young cows and short-term cows are expected to do particularly well. The unanswered question is how will middle aged cows be received next week?