FED CATTLE: Fed cattle trade appeared to be headed for $2 higher on a live basis compared to last week with live prices expected to be between $185 and $187 while dressed prices were mainly $292 to $293.

The 5-area weighted average prices thru Thursday were $184.35 live, up $0.63 compared to last week and $291.69 dressed, up $1.62 from a week ago. A year ago, prices were $151.91 live and $241.92 dressed.

Finished cattle trade was slow to develop this week with Monday thru Thursday being a wash for cash trade. It is difficult to say what caused packers and feedlot operators slow to trade cattle this week, but it could have simply been reluctance on the packers’ part. Reluctance from packers would stem from December live cattle futures collapsing following the October cattle on feed and then crawling back to where they were prior to the release of the report. Thus, the thought is that packers were probably hoping futures would soften at some point this week, but prices crept higher the first four days of the week. Feedlots are expecting a bump in price as the market moves closer to the holiday season.

BEEF CUTOUT: At midday Friday, the Choice cutout was $302.67 down $1.86 from Thursday and down $5.45 from a week ago. The Select cutout was $272.54 down $1.80 from Thursday and down $7.59 from last week. The Choice Select spread was $30.13 compared to $27.99 a week ago.

Wholesale beef prices have been somewhat stagnant for the better part of two months. The daily Choice boxed beef price over the past eight weeks has been stuck between $300 and $308 for 35 of the past 40 days with a brief hiatus on either side of those values. This is not terribly uncom-

OUTLOOK: Based on Tennessee weekly auction price averages, steers prices were unevenly steady compared to last week while heifer prices were $1 to $3 higher compared to a week ago. Slaughter cow prices were steady to $1 higher than last week’s weighted average price while bull prices were $2 to $3 lower compared to the previous week. The discussion should probably begin with the elephant in the room and that is the precipitous decline in feeder cattle prices. The CME feeder cattle index peaked on September 20th at $254.10 per hundredweight. The market traded in the high $240s to low $250s all of September and half of October, but the market has declined more than $12 per hundredweight the past three weeks. Thus, the total value per head has declined about $100. This certainly is more attractive to cattle feeders as the profit projections were reaching into the red with prices near $250. Many observers and market participants have asked the question of why feeder cattle prices have declined. The first most likely reason is...
Livestock Comments by Dr. Andrew Griffith

(Continued from page 1)

because the market had overvalued feeder cattle to begin
with. The second reason is a data driven reason and that is
the quantity of cattle on feed as of October 1st was the sec-
ond highest quantity of cattle on feed for October since the
beginning of the data series in 1996. The only October with a
greater quantity of cattle on feed was October 2020. At the
same time, heifers on feed as a percent of total cattle on feed
is at a record level, which could lead to even lower beef cow
inventory to start 2025 (That is not a typo). This information
sounds as if it should support prices in the longer run as calf
crops will continue to be smaller in 2024 and even fewer
cattle to place on feed in 2025 if heifer retension is possible.
However, in the near term, it will keep prices muted to some
degree because there should be ample beef production in the
next six to eight months.

ASK ANDREW, TN THINK TANK: The cost of borrowing money
is becoming increasingly expensive in today’s environment.
Many agricultural loan rates are between 7.5 percent and 8.5
percent, which is double what the rate was two years ago.
The ratcheting up of rates has slowed tremendously, but that
does not mean interest rates will not be increased in the com-
ing years. There are many operations that are not in a finan-
cial situation to reduce borrowing needs. However, there are
some operations that could use some capital on hand for op-
erating money and reduce borrowed capital. The use of avail-
able cash could reduce costs tremendously given the current
interest rate environment. This statement is not to insinuate
using all cash on hand in place of borrowing money, but ra-
ther to use a portion of the available capital to replace some
borrowing. For those who do not have cash on hand to re-
place a percentage of borrowed capital, it would be advan-
tageous to establish a goal of putting back some cash in the
coming years for times such as this.

Please send questions and comments to agriff14@utk.edu or
send a letter to Andrew P. Griffith, University of Tennessee,
P.O. Box 160, 1000 Main Entrance Dr., Spring Hill, TN 37174.

FRIDAY’S FUTURES MARKET CLOSING PRICES: Friday’s clos-
ing prices were as follows: Live/fed cattle – December $183.88
-0.80; February $185.23 -1.20; April $187.83 -0.95; Feeder
cattle – November $240.60 -2.03; January $239.75 2.43;
March $242.35 -2.08; April $246.13 -1.90; December corn
closed at $4.77 up 7 cents from Thursday.

Crop Comments by Dr. Aaron Smith

Overview

Corn, cotton, and wheat were down; soybeans were up for the week.

Cotton and wheat prices have declined substantially. Since October 9th,
December cotton futures have fallen from 88.76 to 79.62 cents, a 10%
decline in value in less than a month. The decline in December wheat
futures started earlier, with the December wheat contract peaking on
July 25 at $7.96 before declining to $5.72, a 28% decline in value. One of the key factors in price declines has been poor export
demand.

Exports will continue to be an important factor in determining prices this winter. The USDA currently estimates the US will ex-
port 2.025 billion bushels of corn, 1.755 billion bushels of soybeans, 12.2 million 480 lb bales of cotton, and 700 million bushels
of wheat. Exports and sales are reported on a weekly basis by USDA. To achieve the marketing year totals above average weekly
exports would need to be 39 million bushels for corn, 34 million bushels for soybeans, 235,000 480 lb bales for cotton, and
259,000 bushels for wheat. Weekly sales would actually need to track above these averages to account for end-of-year carry-
over and potential export sales cancellations throughout the marketing year. To date accumulated exports for corn, cotton, soy-
beans, and wheat are 20% higher, 27% lower, 1% higher, and 23% lower than last year, respectively.

One factor hindering US export sales has been a strong US dollar. Over the past five years the USD has appreciated in value rela-
tive to the Brazilian Real by 32% and the Argentine Peso by 887%. Argentina has been plagued by inflation and has multiple
exchange rates, in addition to the official measure, leading some politicians to support adopting the USD or dollarization of the
Argentine currency. These two countries are major export competitors for many US agricultural commodities and products. A
strong USD dollar makes US agricultural commodities less price competitive in global markets. While numerous other factors
will affect export sales, long-term exchange rates will be important in determining US agricultural commodity and product ex-
ports and consequently US farm prices.

(Continued on page 3)
Ethanol production for the week ending October 27 was 1.052 million barrels per day, up 12,000 from the previous week. Ethanol stocks were 21.012 million barrels, down 386,000 barrels compared to last week. Corn net sales reported by exporters for October 20–26 were net sales of 29.5 million bushels for the 2023/24 marketing year and 0.5 million bushels for the 2024/25 marketing year. Exports for the same period were up 5% compared to last week at 19.9 million bushels. Corn export sales and commitments were 36% of the USDA estimated total annual exports for the 2023/24 marketing year (September 1 to August 31) compared to the previous 5-year average of 43%. Across Tennessee, average corn basis (cash price-nearby futures price) strengthened or remained unchanged at West, North-Central, West-Central, and Mississippi River elevators and barge points and weakened at Northwest elevators and barge points. Overall, basis for the week ranged from 90 under to 10 over, with an average of 28 under the December futures at elevators and barge points.

The Crop Progress report estimated corn harvested at 71% compared to 59% last week, 74% last year, and a 5-year average of 66%. In Tennessee, corn harvested was estimated at 92% compared to 88% last week, 97% last year, and a 5-year average of 94%. Cash prices ranged from $4.03 to $5.00 at elevators and barge points. December 2023 corn futures closed at $4.77, down 3 cents since last Friday. For the week, December 2023 corn futures traded between $4.68 and $4.84. Dec/Mar and Dec/May future spreads were 15 and 24 cents. Downside price protection could be obtained by purchasing a $4.80 December 2023 Put Option costing 9 cents establishing a $4.71 futures floor. March 2024 corn futures closed at $4.92, down 3 cents since last Friday. May 2024 corn futures closed at $5.01, down 2 cents since last Friday.

Soybeans

Across Tennessee average soybean basis strengthened or remained unchanged at Northwest, North-Central, West-Central, West, and Mississippi River elevators and barge points. Basis ranged from 97 to 2 under the January futures contract, with an average basis at the end of the week of 40 under. Soybean net weekly sales reported by exporters were net sales of 37.1 million bushels for the 2023/24 marketing year. Exports for the same period were down 16% compared to last week at 73.2 million bushels. Soybean export sales and commitments were 49% of the USDA estimated total annual exports for the 2023/24 marketing year (September 1 to August 31), compared to the previous 5-year average of 59%.
The Crop Progress report estimated soybeans harvested at 85% compared to 76% last week, 87% last year, and a 5-year average of 78%. In Tennessee, the Crop Progress report estimated soybean condition at 78% good-to-excellent and 4% poor-to-very poor; and soybeans harvested at 73% compared to 60% last week, 71% last year, and a 5-year average of 62%. January 2024 soybean futures closed at $13.51, up 32 cents since last Friday. For the week, January 2024 soybean futures traded between $13.00 and $13.55. Cash soybean prices at elevators and barge points ranged from $12.10 to $13.38. March 2024 soybean-to-corn price ratio was 2.78 at the end of the week. Jan/Mar and Jan/Nov future spreads were 15 and -54 cents. March 2024 soybean futures closed at $13.66, up 33 cents since last Friday. November 2024 soybean futures closed at $12.97, up 23 cents since last Friday. Downside price protection could be achieved by purchasing a $13.00 November 2024 Put Option which would cost 89 cents and set a $12.11 futures floor. Nov/Dec soybean-to-corn price ratio was 2.51 at the end of the week.

Cotton

North Delta upland cotton spot price quotes for November 2 were 76.80 cents/lb (41-4.34) and 79.05 cents/lb (31-3.35). Adjusted world price (AWP) was down 0.61 cents at 68.11 cents. Cotton net weekly sales reported by exporters were 457,100 bales for the 2023/24 marketing year – a marketing year high - and 87,800 bales for the 2024/25 marketing year. Exports for the same period were up 35% compared to last week at 132,200 bales. Upland cotton export sales were 57% of the USDA estimated total annual exports for the 2023/24 marketing year (August 1 to July 31), compared to the previous 5-year average of 66%.

The Crop Progress report estimated cotton condition at 29% good-to-excellent and 42% poor-to-very poor; cotton bolls opening at 93% compared to 90% last week, 95% last year, and a 5-year average of 95%; and cotton harvested at 49% compared to 41% last week, 54% last year, and a 5-year average of 47%. In Tennessee, the Crop Progress report estimated cotton condition at 83% good-to-excellent and 3% poor-to-very poor; cotton bolls opening at 98% compared to 96% last week, 99% last year, and a 5-year average of 98%; and cotton harvested at 62% compared to 43% last week, 63% last year, and a 5-year average of 56%. December 2023 cotton futures closed at 79.62 cents, down 4.76 cents since last Friday. For the week, December 2023 cotton futures traded between 79.2 and 85.25 cents. Downside price protection could be obtained by purchasing an 83 cent December 2023 Put Option costing 1.2 cents establishing a 78.8 cent futures floor. March 2024 cotton futures closed at 82.12 cents, down 4.01 cents since last Friday. May 2023 cotton futures closed at 83.18 cents, down 3.8 cents since last Friday. Dec/Mar and Dec/May cotton futures spreads were 2.5 cents and 3.56 cents.

Wheat

Wheat net weekly sales reported by exporters were net sales of 10.1 million bushels for the 2023/24 marketing year. Exports for the same period were down 24% compared to last week at 3.7 million bushels – a marketing year low. Wheat export sales were 60% of the USDA estimated total annual exports for the 2023/24 marketing year (June 1 to May 31), compared to the previous 5-year average of 63%. Wheat cash prices at elevators and barge points ranged from $4.71 to $5.46. December 2023 wheat futures closed at $5.72, down 3 cents since last Friday. December 2023 wheat futures traded between $5.54 and $5.77 this week. December wheat-to-corn price ratio was 1.20. Dec/Mar and Dec/Jul future spreads were 27 and 60 cents. March 2024 wheat futures closed at $5.99, down 3 cents since last Friday.
The Crop Progress report estimated winter wheat condition at 47% good-to-excellent and 18% poor-to-very poor; winter wheat planted at 84% compared to 77% last week, 86% last year, and a 5-year average of 85%; and winter wheat emerged at 64% compared to 53% last week, 60% last year, and a 5-year average of 64%. In Tennessee, winter wheat condition was estimated at 62% good-to-excellent and 6% poor-to-very poor; winter wheat planted at 49% compared to 35% last week, 61% last year, and a 5-year average of 56%; and winter wheat emerged at 25% compared to 13% last week, 34% last year, and a 5-year average of 34%. July 2024 wheat futures closed at $6.32, down 1 cent since last Friday. Downside price protection could be obtained by purchasing a $6.40 July 2024 Put Option costing 58 cents establishing a $5.82 futures floor. New crop wheat cash prices at elevators and barge points ranged from $5.89 to $6.03.

Additional Information:
Links for data presented:
EIA: Weekly ethanol Plant Production - https://www.eia.gov/dnav/pet/pet_pnp_wprobe_s1_w.htm
EIA: Weekly Supply Estimates - https://www.eia.gov/dnav/pet/pet_sum_sndw_a_EPOOXE_sae_mbbl_w.htm

If you would like further information or clarification on topics discussed in the crop comments section or would like to be added to our free email list please contact me at aaron.smith@utk.edu.
**Prices Paid to Farmers by Elevators**

**Friday, October 27, 2023—Thursday, November 2, 2023**

<table>
<thead>
<tr>
<th>No. 2 Yellow Soybeans</th>
<th>Friday Average</th>
<th>Monday Average</th>
<th>Tuesday Average</th>
<th>Wednesday Average</th>
<th>Thursday Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northwest</td>
<td>12.25</td>
<td>12.10</td>
<td>12.15</td>
<td>12.33</td>
<td>12.51</td>
</tr>
<tr>
<td>North Central</td>
<td>12.77</td>
<td>12.67</td>
<td>12.71</td>
<td>12.85</td>
<td>12.98</td>
</tr>
<tr>
<td>West Central</td>
<td>12.95</td>
<td>12.81</td>
<td>12.85</td>
<td>13.13</td>
<td>13.18</td>
</tr>
<tr>
<td>Mississippi River</td>
<td>12.67</td>
<td>12.55</td>
<td>12.60</td>
<td>12.70</td>
<td>12.85</td>
</tr>
</tbody>
</table>

**Yellow Corn**

| Northwest             | 4.41           | 4.33           | 4.34            | 4.25              | 4.25              |
| North Central         | 3.91           | 3.88           | 3.89            | 4.10              | 4.05              |
| West Central          | 4.91           | 4.88           | 4.89            | 4.85              | 4.80              |
| Mississippi River     | 4.71           | 4.69           | 4.69            | 4.65              | 4.60              |

**Wheat**

| Northwest             | 4.91           | 4.81           | 4.71            | 4.97              | 5.01              |
| North Central         | 5.26           | 5.16           | 5.06            | 5.27              | 5.31              |
| West                 | 5.56           | 5.46           | 5.36            | 5.42              | 5.46              |
| Mississippi River     | 5.56           | 5.46           | 5.36            | 5.42              | 5.46              |

**Cotton**

| Memphis               | 81.38-83.63    | 79.91-82.16    | 78.22-80.47     | 76.44-78.69       | 76.80-79.05       |

---

**Futures Settlement Prices: Crops & Livestock**


<table>
<thead>
<tr>
<th></th>
<th>This Week</th>
<th>Last Week's</th>
<th>Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
<td>Weighted Average</td>
</tr>
<tr>
<td>---------------------------------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steers: Medium/Large Frame #1-2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300-400 lbs</td>
<td>217.50</td>
<td>305.00</td>
<td>265.68</td>
</tr>
<tr>
<td>400-500 lbs</td>
<td>200.00</td>
<td>280.00</td>
<td>248.39</td>
</tr>
<tr>
<td>500-600 lbs</td>
<td>207.00</td>
<td>270.00</td>
<td>240.52</td>
</tr>
<tr>
<td>600-700 lbs</td>
<td>190.00</td>
<td>253.00</td>
<td>230.49</td>
</tr>
<tr>
<td>700-800 lbs</td>
<td>181.00</td>
<td>241.00</td>
<td>213.27</td>
</tr>
<tr>
<td>Steers: Small Frame #1-2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300-400 lbs</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>400-500 lbs</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>500-600 lbs</td>
<td>192.50</td>
<td>212.50</td>
<td>199.38</td>
</tr>
<tr>
<td>600-700 lbs</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Steers: Medium/Large Frame #3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300-400 lbs</td>
<td>157.50</td>
<td>262.00</td>
<td>223.64</td>
</tr>
<tr>
<td>400-500 lbs</td>
<td>187.50</td>
<td>240.00</td>
<td>215.22</td>
</tr>
<tr>
<td>500-600 lbs</td>
<td>185.00</td>
<td>235.00</td>
<td>206.98</td>
</tr>
<tr>
<td>600-700 lbs</td>
<td>180.00</td>
<td>217.50</td>
<td>207.14</td>
</tr>
<tr>
<td>700-800 lbs</td>
<td>160.00</td>
<td>186.00</td>
<td>172.00</td>
</tr>
<tr>
<td>Holstein Steers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300-400 lbs</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>500-600 lbs</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>700-800 lbs</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Slaughter Cows &amp; Bulls</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Breakers 75-80%</td>
<td>71.00</td>
<td>103.00</td>
<td>90.79</td>
</tr>
<tr>
<td>Boners 80-85%</td>
<td>73.00</td>
<td>99.00</td>
<td>87.98</td>
</tr>
<tr>
<td>Lean 85-90%</td>
<td>62.50</td>
<td>87.00</td>
<td>77.53</td>
</tr>
<tr>
<td>Bulls YG 1</td>
<td>94.00</td>
<td>215.00</td>
<td>117.43</td>
</tr>
<tr>
<td>Heifers: Medium/Large Frame #1-2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300-400 lbs</td>
<td>160.00</td>
<td>262.00</td>
<td>219.53</td>
</tr>
<tr>
<td>400-500 lbs</td>
<td>175.00</td>
<td>245.00</td>
<td>209.92</td>
</tr>
<tr>
<td>500-600 lbs</td>
<td>160.00</td>
<td>239.00</td>
<td>207.06</td>
</tr>
<tr>
<td>600-700 lbs</td>
<td>138.00</td>
<td>231.00</td>
<td>191.77</td>
</tr>
<tr>
<td>Heifers: Small Frame #1-2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300-400 lbs</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>400-500 lbs</td>
<td>140.00</td>
<td>210.00</td>
<td>180.48</td>
</tr>
<tr>
<td>500-600 lbs</td>
<td>100.00</td>
<td>190.00</td>
<td>158.68</td>
</tr>
<tr>
<td>600-700 lbs</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Heifers: Medium/Large Frame #2-3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>300-400 lbs</td>
<td>151.00</td>
<td>222.00</td>
<td>193.64</td>
</tr>
<tr>
<td>400-500 lbs</td>
<td>152.00</td>
<td>241.00</td>
<td>192.87</td>
</tr>
<tr>
<td>500-600 lbs</td>
<td>136.00</td>
<td>210.00</td>
<td>184.74</td>
</tr>
<tr>
<td>600-700 lbs</td>
<td>152.50</td>
<td>198.00</td>
<td>173.15</td>
</tr>
</tbody>
</table>

**Cattle Receipts**

This week: 7,270
Week ago: 9,363
Year ago: 6,877

**Link to report:** [https://www.ams.usda.gov/mnreports/ams_2063.pdf](https://www.ams.usda.gov/mnreports/ams_2063.pdf)
**Graded Sales, Video Board Sales, Video Sales & Loads**

**Warren Co. Livestock Graded Sale- McMinnville, TN**
10/25/23  
Total Receipts: 1,330  
For complete report:  

**Dickson Regional Livestock Center - Dickson, TN**
10/30/23  
55 Steers, 936 lbs, M&L 1, 100% Black/BWF, 5-6 Flesh, $225.00  
55 Steers, 972 lbs, M&L 1, 54-Black/BWF 1-Red, 4-5 Flesh, $224.50

**Knoxville Livestock Center - Knoxville, TN**
10/31/23  
1 load ML 1 preconditioned Steers, 820 lbs., medium flesh, all black; $241.00

**Browning Livestock Market Video/Internet Auction - Lafayette, TN**
11/1/23  
Total Receipts: 137  
For complete report:  

**Hodge Livestock Network-November 2, 2023**
2 loads of steers; est. wt. 900 lbs. Range 850-1,000 lbs.; All Black & BWF; 80% #1s and 20% #1 ½; 70% Medium and 30% Large; Medium flesh; $224.50  
2 loads of steers; est. wt. 850 lbs. Range 800-925 lbs.; All Black & BWF; 80% #1s and 20% #1 ½; 70% Medium and 30% Large; Medium flesh; $234.50

1 load of heifers; est. wt. 750 lbs. Range 700-825 lbs.; Approx. 50% Black & BWF, 20% Char-X, 5% Reds; 80% #1s and 20% #1 ½; 80% Medium and 20% Large; Medium grass flesh; $221.50

1 load of heifers; est. wt. 700 lbs. Range 640-770 lbs.; All Black & BWF; 80% #1s and 20% #1 ½; 80% Medium and 20% Large; Medium grass flesh; $228.00

1 load of steers; est. wt. 750 lbs. Range 700-825 lbs.; All Black & BWF; 80% #1s and 20% #1 ½; 80% Medium and 20% Large; Medium grass flesh; $225.00

1 load of steers; est. wt. 875 lbs. Range 800-950 lbs.; Approx. 95% Char-X, and 5% Exotic blacks; 80% #1s and 20% #1 ½; 70% Medium and 30% Large; Medium flesh; $229.50

1 load of steers; est. wt. 850 lbs. Range 700-900 lbs.; Approx. 70% Black & BWF, 20% Char-X, 10% Reds; 70% #1s, 20% #1 ½ and 10% good #2s; 80% Medium and 20% Large; Light Medium to Medium; $222.00

1 load of steers; est. wt. 750 lbs. Range 600-800 lbs.; Approx. 70% Black & BWF, 20% Char-X, 10% Reds; 70% #1s, 20% #1 ½ and 10% good #2s; 80% Medium and 20% Large; Light Medium to Medium; $203.00

**Lower Middle Tennessee Cattlemen’s Association-Video Board Sale-Columbia, TN**
Weighted Average Report for 11/3/23  
For complete report:  