
The August 2016 Feeder Cattle futures contract decline by $17.95/cwt. during September. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately $134.63/hd. ($17.95/cwt. * 7.5 cwt.) on a 750-pound feeder steer which amounts to $8,975 per truckload (50,000 lbs.). The August Feeder Cattle futures contract low, contract high, and price range since September 2015 are $166.30, $188.70, and $22.40/cwt., respectively. The price range of $22.40/cwt. on a 750-pound feeder steer totals $168.00/hd. and $11,200 per truckload.

1The breakeven price was estimated to be $783.30/hd. or $142.42/cwt. ($783.30/hd. divided by 5.50 cwt.). The breakeven price includes production costs of $765/hd. and death loss of $18.30/hd.
2The price objective was estimated to be $933.30/hd. or $169.69/cwt. ($933.30/hd. divided by 5.50 cwt.). The price objective includes production costs of $765/hd., death loss ($18.30/hd.), family living withdrawal ($100/hd.), and growth capital/retirement ($50/hd.).
3The expected cash price is equal to the daily August 2016 Feeder Cattle futures closing price plus an expected August 2016 South Florida 550 lb. Feeder Calf Basis of $8/cwt.