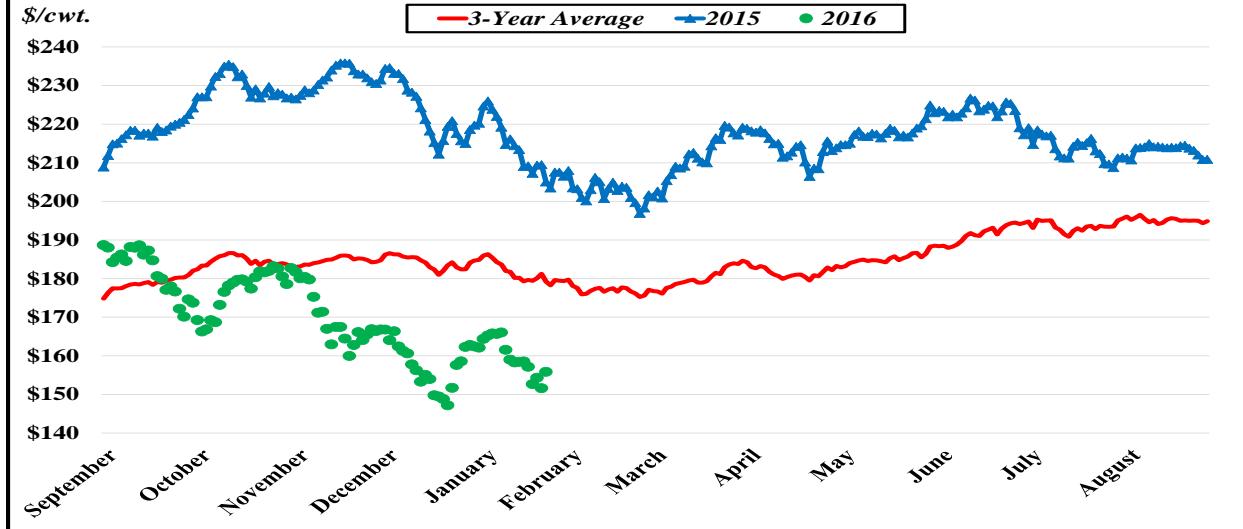




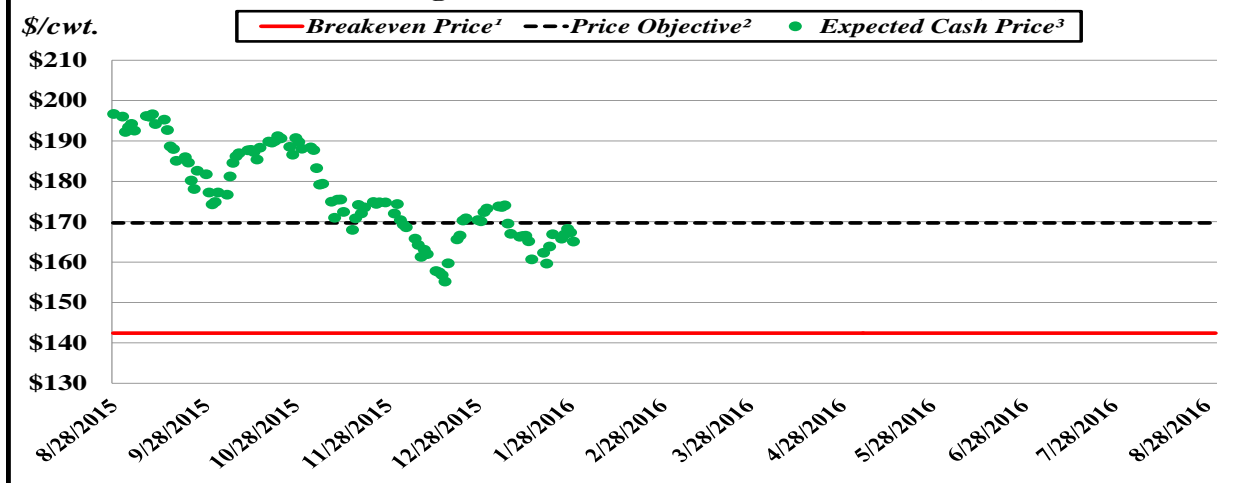
**Figure 1. August 2016 Feeder Cattle Futures Prices (CME)**



**Beginning of January: \$165.80/cwt.    End of January: \$157.10/cwt.    Price Change: -\$8.70/cwt.**  
**August 2016 High: \$188.70/cwt.    August 2016 Low: \$147.20/cwt.    Price Range: \$41.50/cwt.**

The August 2016 Feeder Cattle futures contract declined by \$8.70/cwt. during January. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately \$65.25/hd. (\$8.70/cwt. \* 7.5 cwt.) on a 750-pound feeder steer which amounts to \$4,350.00 per truckload (50,000 lbs.). The August Feeder Cattle futures contract low, contract high, and price range since September 2015 are \$147.20, \$188.70, and \$41.50/cwt., respectively. The price range of \$41.50/cwt. on a 750-pound feeder steer totals \$311.25/hd. and \$20,750.00 per truckload.

**Figure 2. Expected Cash Price for August 2016, 550 lb. Feeder Calves, Med. & Lg., #1 & #2, Florida, Based on August 2016 Feeder Cattle Futures Prices (CME)**



<sup>1</sup>The 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.

<sup>2</sup>The 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.).

<sup>3</sup>The expected cash price is equal to the daily August 2016 Feeder Cattle futures settlement price plus the expected August 2016 South Florida 550 lb. Feeder Calf Basis of \$8/cwt.