
The August 2015 Feeder Cattle futures contract declined by $7.77/cwt. during July. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately $58.28/hd. ($7.77/cwt. * 7.5 cwt.) on a 750-pound feeder steer which amounts to $3,885 per truckload (50,000 lbs.). The August Feeder Cattle futures contract low, contract high, and price range since September 2014 are $196.88, $235.88, and $39.00/cwt., respectively. The price range of $39.00/cwt. on a 750-pound feeder steer totals $292.50/hd. and $19,500.00 per truckload.

Figure 1. August 2015 Feeder Cattle Futures Prices (CME)


The expected cash price is equal to the daily August 2015 Feeder Cattle Futures closing price plus an expected August 2015 South Florida 525 lb. Feeder Calf Basis of -$2/cwt.