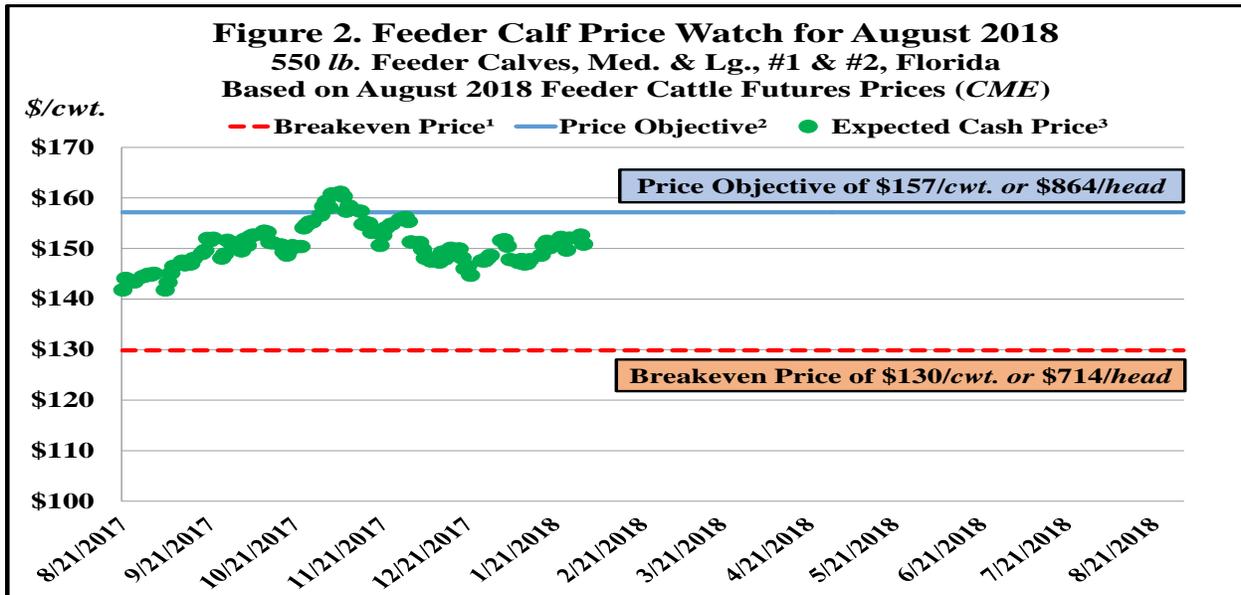


**Beginning of January: \$149.60/cwt.    End of January: \$148.88/cwt.    Price Change: **-\$0.72/cwt.****  
**August 2018 High: \$159.10/cwt.    August 2018 Low: \$139.80/cwt.    Price Range: \$19.30/cwt.**

The August 2018 Feeder Cattle futures contract decreased by \$0.72/cwt. during December. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately \$5.76/head (\$0.72/cwt. \* 8.0 cwt.) on a 800-pound feeder steer which amounts to \$360.00/truckload (50,000 lbs.). The August Feeder Cattle futures contract high, contract low, and price range since September 2017 are \$159.10, \$139.80, and \$19.30/cwt., respectively. The price range of \$19.30/cwt. on a 800-pound feeder steer totals \$154.40/head and \$9,650.00/truckload.



<sup>1</sup>The breakeven price was estimated to be \$714.13/head or \$129.84/cwt. (\$714.13/head divided by 5.50 cwt.). The breakeven price includes variable and fixed production costs of \$419/head and \$295/head, respectively.

<sup>2</sup>The price objective was estimated to be \$864.36/head or \$157.16/cwt. (\$864.36/head divided by 5.50 cwt.). The price objective includes production costs of \$714/head, family living withdrawal (\$100/head), and growth capital/retirement (\$50/head).

<sup>3</sup>The expected cash price is equal to the daily August 2018 Feeder Cattle futures closing price plus an expected August 2018 South Florida 550 lb. Feeder Calf Basis of \$2/cwt.