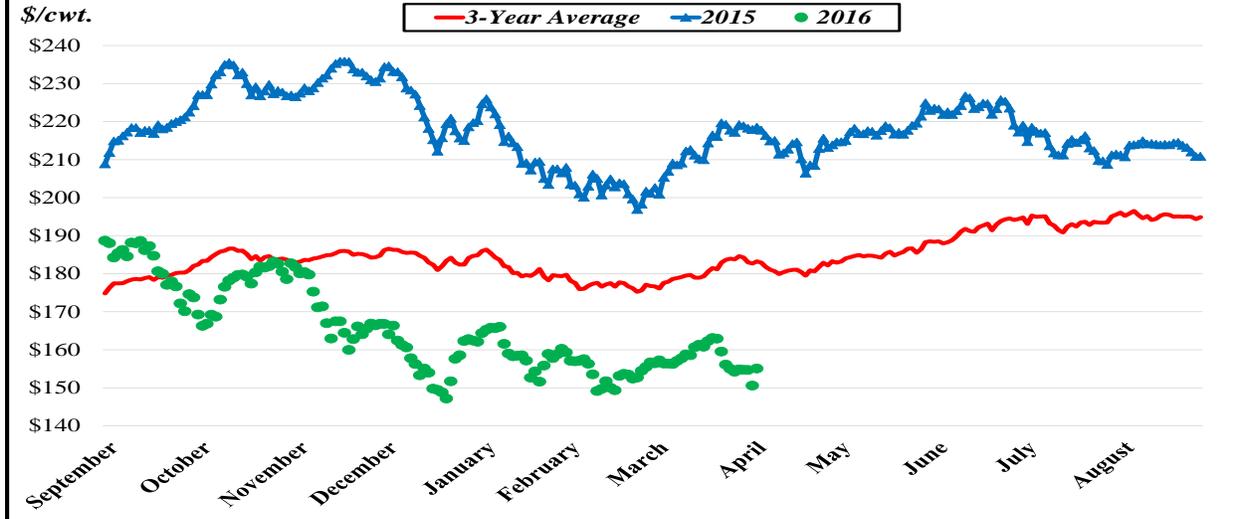




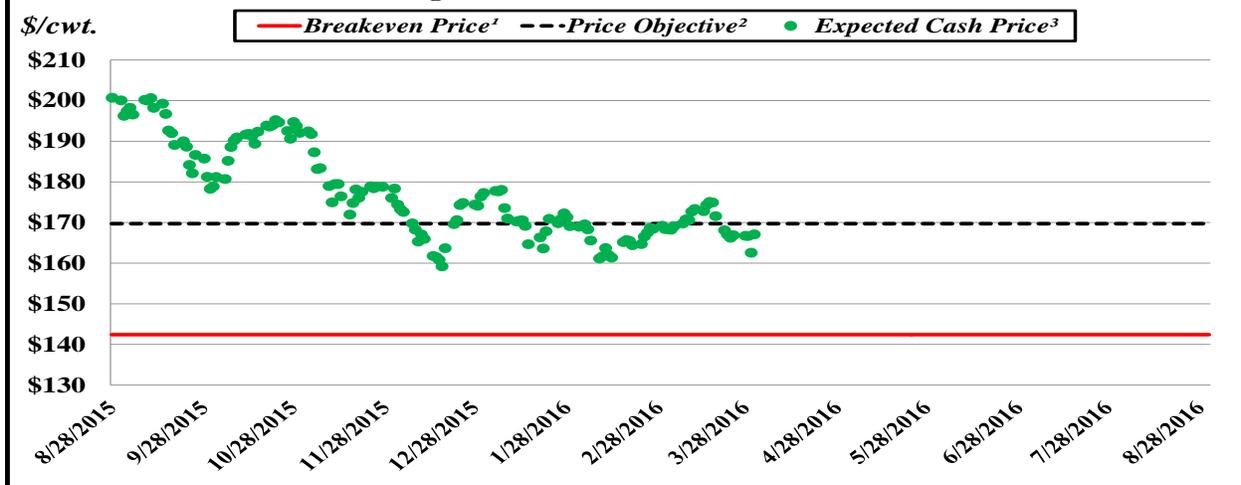
Figure 1. August 2016 Feeder Cattle Futures Prices (CME)



Beginning of March: \$156.38/cwt. End of March: \$155.08/cwt. Price Change: **-\$1.30/cwt.**
August 2016 Low: \$147.20/cwt. August 2016 High: \$188.70/cwt. Price Range: \$41.50/cwt.

The August 2016 Feeder Cattle futures contract declined by \$1.30 *cwt.* during March. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately \$9.75/*hd.* (\$1.30/*cwt.* * 7.5 *cwt.*) on a 750-pound feeder steer which amounts to \$650.00 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, Alabama, Based on August 2016 Feeder Cattle Futures Prices (CME)



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 settlement price plus the expected August 2016 South Florida 550 *lb.* Feeder Calf Basis of \$8/*cwt.*