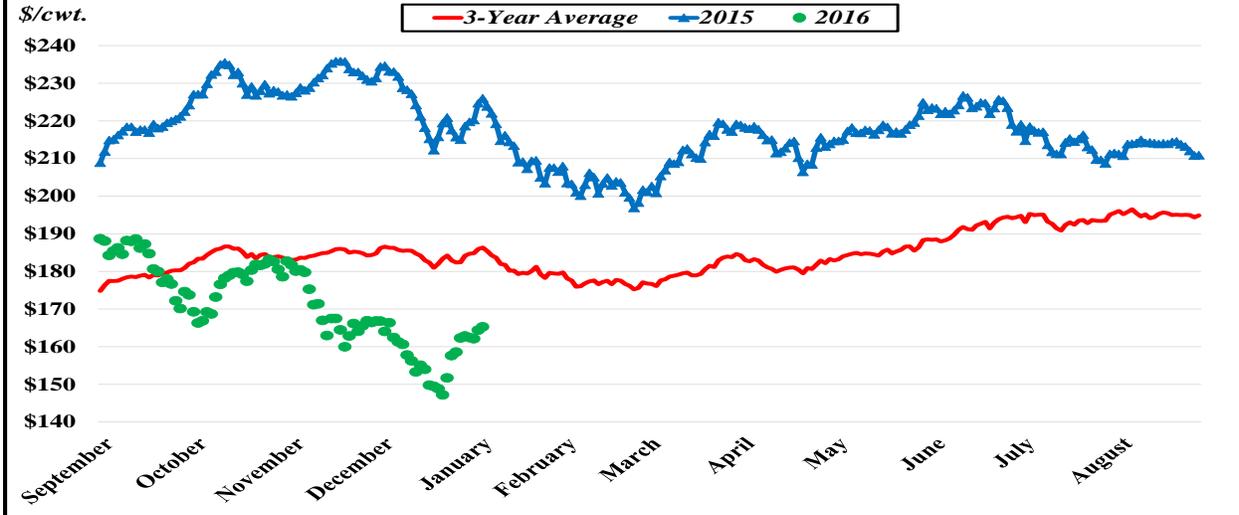




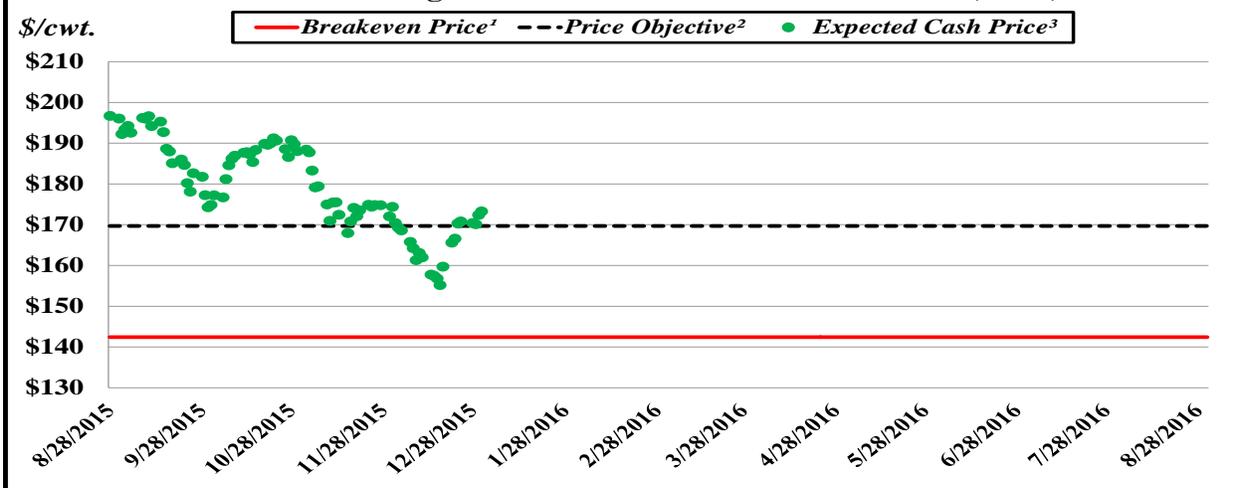
Figure 1. August 2016 Feeder Cattle Futures Prices (CME)



Beginning of December: \$166.38/cwt. End of December: \$165.28/cwt. Price Change: -\$1.10/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 decline by \$1.10/cwt. during December. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately \$8.25/hd. (\$1.10/cwt. * 7.5 cwt.) on a 750-pound feeder steer which amounts to \$550.00 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)



¹The breakeven price was estimated to be \$768.00/hd. or \$146.29/cwt. (\$768.00/hd. divided by 5.25 cwt.). The breakeven price includes production costs of \$750/hd. and death loss of \$18.00/hd.

²The price objective was estimated to be \$918.00/hd. or \$174.86/cwt. (\$918.00/hd. divided by 5.25 cwt.). The price objective includes production costs of \$750/hd., death loss (\$18.00/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 525 lb. Feeder Calf Basis of -\$2/cwt.