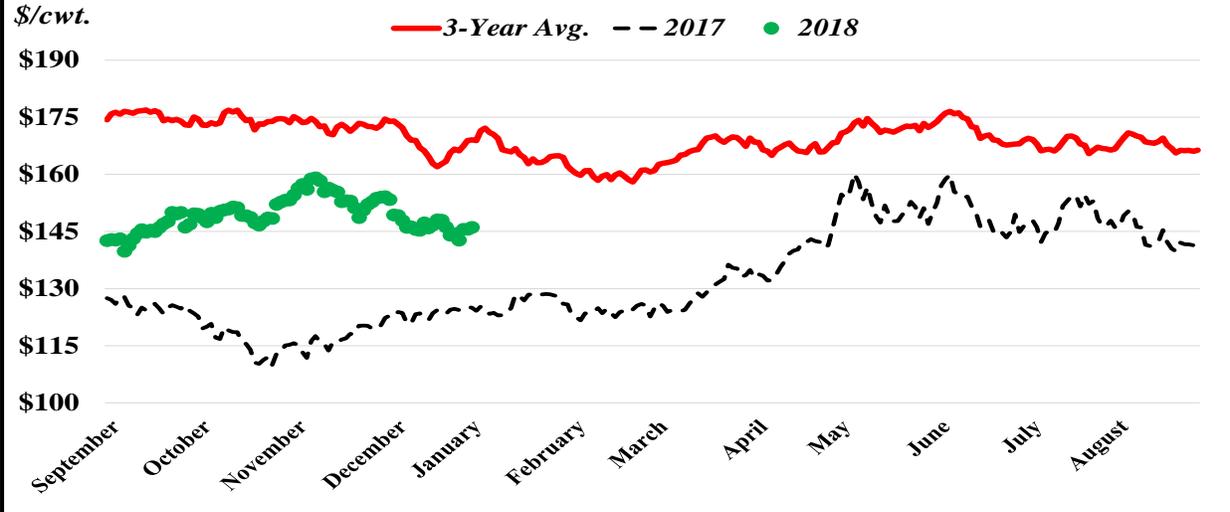




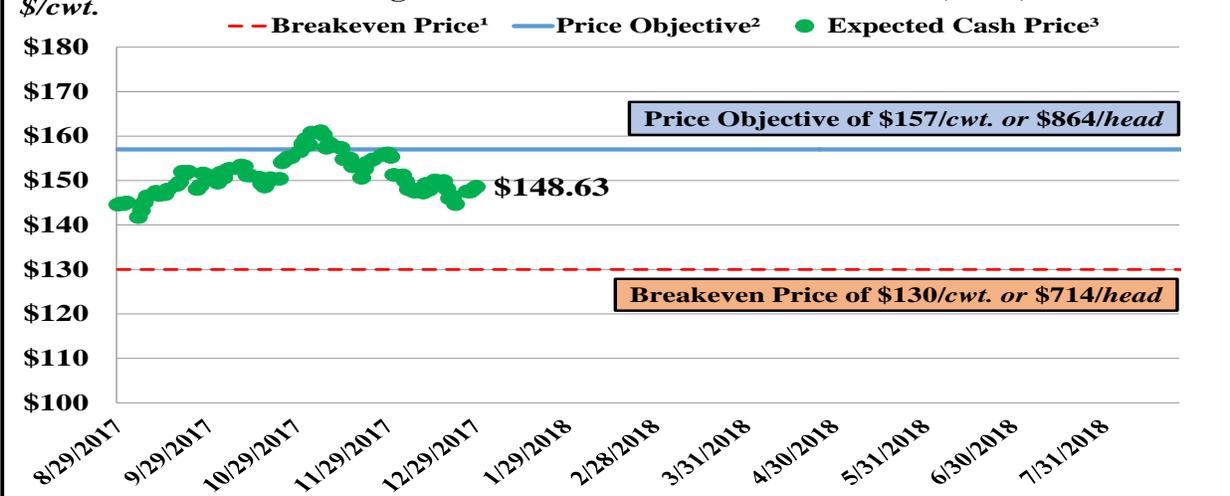
Figure 1. August Feeder Cattle Futures Prices (CME)



Beginning of December: \$149.30/cwt. End of December: \$146.63/cwt. Price Change: -\$2.67/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 \$2.67/cwt. during December. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately \$21.36/head (\$2.67/cwt. * 8.0 cwt.) on a 800-pound feeder steer which amounts to \$1,335.00/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.

Figure 2. Feeder Calf Price Watch for August 2018
550 lb. Feeder Calves, Med. & Lg., #1 & #2, Florida
Based on August 2018 Feeder Cattle Futures Prices (CME)



¹The 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.

²The 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).

³The 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.