
The August 2019 Feeder Cattle futures contract increased by $2.90/cwt. during February. Based on this futures price increase, August Feeder Cattle revenues increased by approximately $23.20/head ($2.90/cwt. * 8.0 cwt.) on an 800-pound feeder steer which amounts to $1,450.00/truckload (50,000 lbs.). The August Feeder Cattle futures contract high, contract low, and price range since September 2018 are $156.93, $146.60, and $10.32/cwt., respectively. The price range of $10.32/cwt. on an 800-pound feeder steer totals $82.60/head and $5,162.50/truckload.

1The breakeven price was estimated to be $726.57/head or $132.10/cwt. ($726.57/head divided by 5.50 cwt.). The breakeven price includes variable and fixed production costs of $421/head and $305/head, respectively.
2The price objective was estimated to be $876.41/head or $159.35/cwt. ($876.41/head divided by 5.50 cwt.). The price objective includes production costs of $726/head, family living withdrawal ($100/head), and growth capital/retirement ($50/head).

3The expected cash price is equal to the daily August 2019 Feeder Cattle futures closing price plus an expected August 2019 South Florida 550 lb. Feeder Calf Basis of $3/cwt.