

The August 2021 Feeder Cattle futures contract decreased by $7.67/cwt. during September. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately $61.36/head ($7.67/cwt. * 8.0 cwt.) on an 800-pound feeder steer which amounts to $3,835.00/truckload (50,000 lbs.). The August 2022 Feeder Cattle futures contract high, contract low, and price range since September 2021 are $175.50, $166.08, and $9.42/cwt., respectively. The price range of $9.42/cwt. on an 800-pound feeder steer totals $75.36/head and $4,710.00/truckload.

The breakeven price was estimated to be $773.58/head or $128.93/cwt. The breakeven price includes variable and fixed production costs of $458/head and $315/head, respectively.

The price objective was estimated to be $923.58/head or $153.93/cwt. The price objective includes production costs of $773/head, family living withdrawal ($100/head), and growth capital/retirement ($50/head).

The expected cash price is equal to the daily CME August 2022 Feeder Cattle futures closing price plus an expected August 2021 600 lb. Feeder Steer Basis of $3/cwt., Ona, FL.