
The August 2019 Feeder Cattle futures contract increased by $4.85/cwt. during March. Based on this futures price increase, August Feeder Cattle revenues increased by approximately $38.80/head ($4.85/cwt. * 8.0 cwt.) on an 800-pound feeder steer which amounts to $2,425.00/truckload (50,000 lbs.). The August Feeder Cattle futures contract high, contract low, and price range since September 2018 are $159.32, $146.60, and $12.72/cwt., respectively. The price range of $12.72/cwt. on an 800-pound feeder steer totals $101.80/head and $6,362.50/truckload.

Figure 2. Feeder Calf Price Watch for August 2019
550 lb. Feeder Calves, Med. & Lg., #1 & #2, Florida
Based on August 2019 Feeder Cattle Futures Prices (CME)

Breakeven Price¹
Price Objective²
Expected Cash Price³

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.