
The August 2019 Feeder Cattle futures contract decreased by $16.10/cwt. during May. Based on this futures price decrease, August Feeder Cattle revenues decreased by approximately $128.80/head ($16.10/cwt. * 8.0 cwt.) on an 800-pound feeder steer which amounts to $8,050.00/truckload (50,000 lbs.). The August Feeder Cattle futures contract high, contract low, and price range since September 2018 are $160.68, $133.13, and $27.55/cwt., respectively. The price range of $27.55/cwt. on an 800-pound feeder steer totals $220.40/head and $13,775.00/truckload.

The 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.

The 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).

The 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.