

Feeder Cattle Basis

Table 1. St. Joseph, MO, 2005-2008

(500-600 lb. No. 1 Steers, Dollar/cwt.)								
Market period	Contract for basis	3-yr avg futures	2005 basis	2006 basis	2007 basis	2008 basis	3 yr avg basis *	Std dev
January	January	103.15	17.44	22.56	15.90	12.94	17.13	6.59
February	March	103.59	28.90	33.86	15.96	19.46	23.09	8.28
March	March	103.33	31.57	33.32	20.72	21.75	25.26	5.89
April	April	103.40	31.16	30.17	22.08	23.71	25.32	5.26
May	May	107.50	34.48	28.95	19.02		27.48	6.99
June	August	80.65	30.09	22.60	20.11		24.27	5.88
July	August	112.80	17.15	20.21	12.13		16.50	5.13
August	August	114.03	16.31	2.17	8.99		9.16	5.78
September	September	116.11	19.51	5.04	11.83		12.12	6.82
October	October	112.15	14.34	5.11	10.48		9.98	4.93
November	November	108.21	9.88	-0.02	15.31		8.39	8.05
December	January	106.74	12.81	5.64	8.20		8.88	4.83

(700-800 lb. No. 1 Steers, Dollar/cwt.)								
Market period	Contract for basis	3-yr avg futures	2005 basis	2006 basis	2007 basis	2008 basis	3 yr avg basis *	Std dev
January	January	103.15	1.00	0.07	0.76	-2.10	-0.42	1.83
February	March	103.59	5.18	1.96	-0.36	-0.87	0.24	1.78
March	March	103.33	5.19	2.87	2.01	0.51	1.80	2.22
April	April	103.40	4.63	6.46	3.26	2.69	4.14	2.90
May	May	107.50	6.63	7.59	4.28		6.17	4.18
June	August	80.65	4.54	3.15	4.36		4.01	3.20
July	August	112.80	1.91	5.02	1.01		2.65	3.69
August	August	114.03	3.80	2.17	6.17		4.05	4.14
September	September	116.11	10.27	5.04	3.88		6.39	3.31
October	October	112.15	-2.19	5.11	2.45		1.79	5.60
November	November	108.21	-1.36	-0.02	1.21		-0.06	5.27
December	January	106.74	-1.06	-3.11	1.70		-0.82	4.07

Note:

- * Three year basis has been calculated from May 2005 through April 2008.
- Basis is calculated as cash - futures. Negative sign means that futures are greater than cash.
- 68% of the time the basis is expected to fall within plus or minus one standard deviation of the average basis.

... and justice for all

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten

Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964.

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Jack M. Payne, director, Cooperative Extension Service, Iowa State University of Science and Technology, Ames, Iowa.