Ag Decision Maker

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Live Cattle Basis

Table 1. Iowa/Southern Minnesota live cattle basis, 2011-2017 for 65-80 percent choice steers ($/cwt.)

						(Dollars/cwt.)					
Market Period	Contract for Basis	3-yr Avg Futures	2011 Basis	2012 Basis	2013 Basis	2014 Basis	2015 Basis	2016 Basis	2017 Basis	3-yr Avg Basis	Standard Deviation
January	February	136.79	-1.92	1.04	-4.60	2.07	4.62	-1.69	0.85	1.26	3.33
February	February	136.29	-1.81	-1.58	-3.29	0.86	3.43	-3.34	1.59	0.56	3.17
March	April	137.87	1.36	0.31	-1.88	4.57	4.93	-0.76	9.27	4.48	4.81
April	April	138.14	2.04	3.17	-0.28	4.05	2.63	0.25	4.64	2.51	2.42
May	June	133.62	3.32	4.74	4.75	8.41	6.69	4.24	9.92	6.95	4.75
June	June	132.38	3.17	3.35	2.25	4.60	-0.61	3.71	6.01	3.04	4.12
July	August	125.54	-0.43	-2.66	-0.82	5.23	1.44	5.07	2.51	3.01	2.07
August	August	123.87	-0.88	-2.01	0.96	2.41	0.58	0.97	1.94	1.16	2.02
September	October	117.42	-2.08	-2.48	-2.08	-0.16	-3.94	1.49	-1.77	-1.40	2.67
October	October	114.54	-1.64	-1.24	-0.87	-1.12	-6.54	-1.72	-1.05	-3.10	3.45
November	December	120.34	3.13	-0.93	-1.92	-0.70	-6.38	-1.05	-1.73	-3.05	3.07
December	December	117.87	3.19	-2.16	-0.71	-1.35	-4.93	0.78	0.93	-1.08	3.43

Notes:
1/ Basis is calculated as Cash - Futures. A negative sign means that futures are greater than cash.
2/ Cash price is the live FOB 65-80 percent choice average price.
3/ 68 percent of the time basis is expected to fall within (+) or (-) one standard deviation of the average basis.

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