

Livestock Risk Protection (LRP)

For Beef Cattle Operations

What is LRP?

LRP protects against a decrease in beef cattle prices while keeping the top side open. Coverage is available for both feeder and fed cattle.

How are expected and actual prices derived?

Expected prices for feeder cattle are derived from the CME Feeder Cattle Futures and ending values are derived from the CME Feeder Index. Expected prices for fed cattle are derived from the CME Live Cattle Futures and are settled on the AMS 5 Area Weekly Weighted Average report (Over 80% Choice).

Expected Prices

Feeder Cattle Futures

MONTH	OPTIONS	CHART	LAST	CHANGE
AUG 2025 GF05	OPT	▲	325.800	+3.525 (+1.09%)
SEP 2025 GFU5	OPT	▲	325.900	+3.525 (+1.09%)
OCT 2025 GFV5	OPT	▲	324.075	+3.600 (+1.12%)

Live Cattle Futures

MONTH	OPTIONS	CHART	LAST	CHANGE
AUG 2025 LEQ5	OPT	▲	223.875	+1.475 (+0.66%)
OCT 2025 LEV5	OPT	▲	228.675	+1.400 (+0.64%)
DEC 2025 LEZ5	OPT	▲	228.975	+1.375 (+0.63%)

Actual Prices

Feeder Cattle – CME Group Feeder Cattle Index

DATE	PRICE
Ju1 10 2025	323.37
Ju1 09 2025	321.84
Ju1 08 2025	316.76

USDA 5 Area Weekly Weighted Average Direct Slaughter Cattle
Agricultural Marketing Service Livestock, Poultry, and Grain Market News

Negotiated Cash Sales

	Head Count	Weight Range	Price Range	Avg Weight	Wtd Avg Price
STEERS: LIVE FOB Over 80% Choice	16,070	1,212 - 1,650	218.00 - 235.00	1,494	230.56

For the 5 Area Report scan code or visit:
[USDA Link to publications](#)



LRP Specifics:

Daily offers are available when the CME is open except for Cattle on Feed Report days.

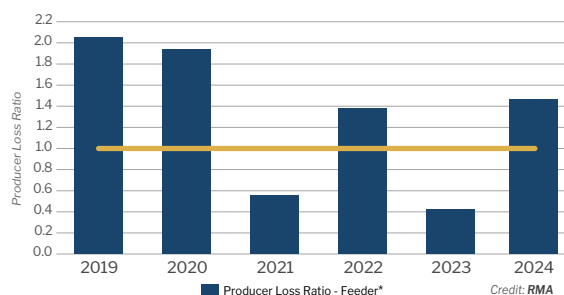
Coverage Level	Subsidy Level <i>(Reducing your cost)</i>
95%-100%	35%
90%-94.9%	40%
85%-89.9%	45%
80%-84.9%	50%
75%-79.9%	55%

- Coverage must be placed prior to 7:25 am MT the following morning.
- Coverage levels range from 75% to 100%.
- Premiums are **subsidized** and due approximately 2 months after the LRP end date.
- Minimum number under one endorsement per type: **1 head**
- Maximum number insured for any crop year per type: **25,000 head** (i.e. 25K Feeder & 25K Fed)

How has LRP Performed?

- **\$119M** net returned to producers in 2024 RY
- ***Producer Loss Ratio: Total Indemnities/Producer Paid Premium. If the loss ratio is higher than 1, on average producers net benefitted**

Producer Net Benefit – Feeder Cattle



For more information on LRP and other crop insurance products, scan code or visit:
AgWest Crop Insurance



The following two hypothetical LRP examples utilize a sales date of **7/11/25** and an end date of **10/10/2025** and apply the applicable Price Adjustment Factor (PAF). The examples assume a 10% market drop from the guaranteed price, which are derived from the CME Cattle Futures Prices.

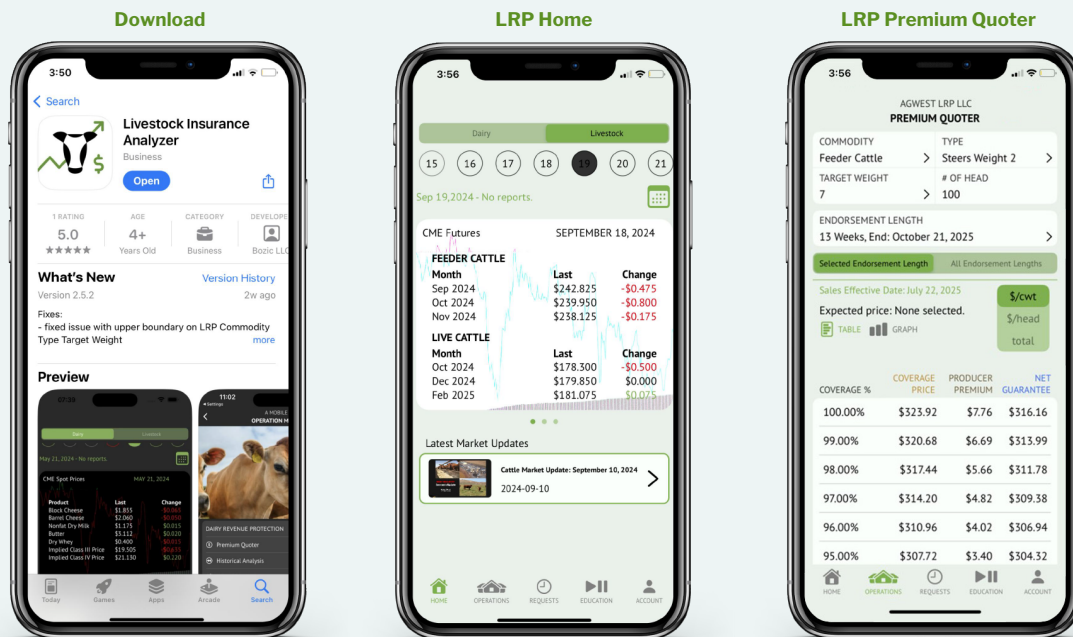
Raising Dairy-Beef Cross Calves				Steers Weight 2 Example		
Feeder Cattle Types	Target Weight	PAF	Endorsement Lengths (week)		Per CWT	Per Head
Unborn Bulls & Heifers (2)	6-9 cwt	.95	30, 34, 39, 43, 47, 52	Guarantee Price Elected	\$ 323.92	\$ 2,267
Unborn Bulls & Heifers (1)	< 6 cwt	1.05		Producer Premium	\$ 7.76	\$ 54
Heifers Weight 1	< 6 cwt	1		Net Guarantee	\$ 316.16	\$ 2,213
Heifers Weight 2	6-10 cwt	0.9		Hypothetical Ending Value	\$ 291.53	\$ 2,041
Steers Weight 1	< 6 cwt	1.1		Net Indemnity	\$ 24.63	\$ 172
Steers Weight 2	6-10 cwt	1				
Target Lbs Elected			700			
Price Adjustment Factor			100%			

- Must ownership of calves at least 60 days prior to end date, and you can maintain ownership after end date.

Fed Cattle				Steers & Heifers Examples		
Feeder Cattle Type	Target Weight	PAF	Endorsement Lengths (week)		Per CWT	Per Head
Steers & Heifers	10-18 cwt	100	13, 17, 21, 26, 30, 34, 39, 43, 47, 52	Guarantee Price Elected	\$220.80	\$3,533
Target Lbs Elected				Producer Premium	\$5.85	\$94
				Net Guarantee	\$214.95	\$3,439
				Hypothetical Ending Value	\$198.72	\$3,180
				Net Indemnity	\$16.23	\$260

- Must market fed cattle no earlier than 60 days before the end date and no later than 60 days after the end date.

Download the AgWest Farm Credit LRP App to access CME prices, cattle market update videos, request LRP coverage from daily quotes, track your endorsements and more.



Please contact an AgWest Farm Credit Agent today to learn more about LRP and how to utilize our technology to efficiently make LRP purchasing decisions.

www.AgWestFC.com

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