

Cattle futures and options

Manage the risk inherent in cattle production and processing with our benchmark Cattle futures and options, including Live Cattle and Feeder Cattle

Overview

The U.S. cattle and beef industry is a big and risky business. Any number of factors, including weather and disease, can lead to an increase or decrease of supply and demand for livestock. Live Cattle and Feeder Cattle futures and options serve commodity producers and users seeking risk management and hedging tools, alongside funds and other traders looking to capitalize on the wide range of opportunities these markets offer.

Contracts

Live Cattle and Feeder Cattle futures and options trade electronically on the CME Globex electronic trading platform or through ClearPort as blocks. Live Cattle are physically delivered contracts, while Feeder Cattle are cash-settled to the CME Feeder Cattle Index.

Benefits

- Facilitate price discovery and manage price risk related to the purchase or sale of cattle
- Arbitrage and spread opportunities with other commodities such as grains
- Calendar spread options on Live Cattle futures
- Transparent, deeply liquid markets
- Financial integrity of CME Clearing
- Live Cattle: Physically delivered;
Feeder Cattle: Cash settled

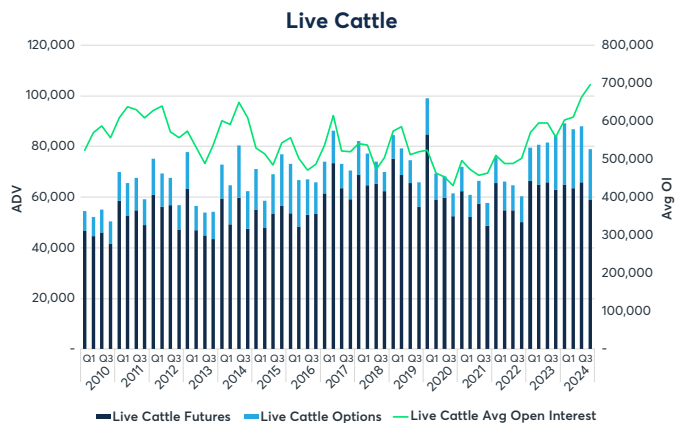
Trading Tools

Get access to real-time quotes at: cmegroup.com/direct

Livestock option pricing and analysis at: cmegroup.com/quickstrike

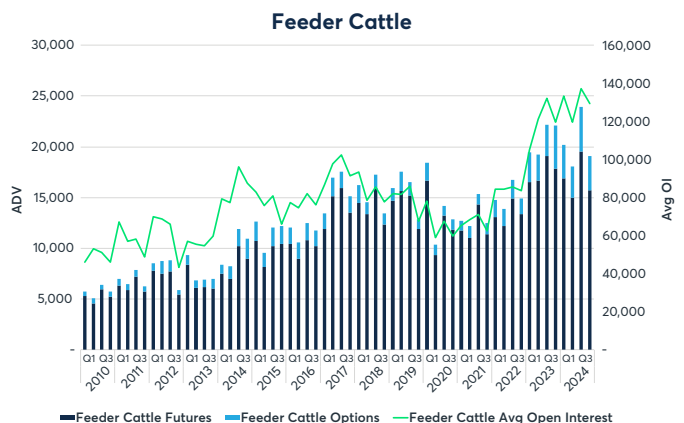
Market commentary on market drivers at: dailylivestockreport.com

Live Cattle futures and options – New record open interest (OI)



Source: CME Group, January 16, 2025

Feeder Cattle futures and options – New record volume and OI



Source: CME Group, January 16, 2025

CONTRACT SPECIFICATIONS - FUTURES

	LIVE CATTLE FUTURES	FEEDER CATTLE FUTURES
TRADE UNIT	40,000 pounds	50,000 pounds
TICK SIZE	Regular: 0.00025/lb = \$10.00	Regular: 0.00025/lb = \$12.50
LIMITS	\$0.0650/lb, expand to \$0.0975/lb	\$0.0825/lb, expand to \$0.1225/lb
CONTRACT LISTING	Nine months in the even monthly cycle: Feb, Apr, Jun, Aug, Oct and Dec	Jan, Mar, Apr, May, Aug, Sep, Oct and Nov eight months listed at a time
LAST TRADING DAY	Last business day of the contract month	Last Thursday of the contract month
TRADING HOURS	CME Globex: Monday – Friday: 8:30 a.m. – 1:05 p.m. CT	
PRODUCT CODE	Clearing = 48 CME Globex = LE TAS = LET	Clearing = 62 CME Globex = GF TAS = GFT

CONTRACT SPECIFICATIONS - OPTIONS

	LIVE CATTLE OPTIONS	FEEDER CATTLE OPTIONS
TRADE UNIT	One Live Cattle futures contract	One Feeder Cattle futures contract
TICK SIZE	Regular: 0.00025/lb = \$10.00	Regular: 0.00025/lb = \$12.50 Cab: 0.000125/lb = \$6.25
LIMITS	N/A	N/A
STRIKE PRICE INTERVAL	\$0.02/lb for all months plus \$0.01/lb for front three months	\$0.02/lb for all months plus \$0.01/lb for front three months \$0.005/lb for spot month
CONTRACT LISTING	Nine months in the even monthly cycle: Feb, Apr, Jun, Aug, Oct and Dec, plus nearest one serial month	Jan, Mar, Apr, May, Aug, Sep, Oct, Nov
LAST TRADING DAY	Standard and serial options: First Friday of the contract month	Last Thursday of the contract month
EXERCISE	American style. Options buyers may exercise an options contract on any business day prior to expiration by giving notice to CME Clearing by 6:00 p.m. CT. Exercised options are randomly assigned to options sellers. Options in the money after the close on the last trading day are automatically exercised.	
EXPIRATION	Unexercised futures options shall expire at 7:00 p.m. CT on the last day of trading	
TRADING HOURS	CME Globex: Monday – Friday: 8:30 a.m. – 1:05 p.m. CT CME ClearPort: Sunday 5:00 p.m. – Friday 5:45 p.m. CT with no reporting Monday – Thursday from 5:45 p.m. – 6:00 p.m. CT	

For more information on Livestock futures and options, visit cmegroup.com/livestock

cmegroup.com

Neither futures trading nor swaps trading are suitable for all investors, and each involves the risk of loss. Swaps trading should only be undertaken by investors who are Eligible Contract Participants (ECPs) within the meaning of Section 1a(18) of the Commodity Exchange Act. Futures and swaps each are leveraged investments and, because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money deposited for either a futures or swaps position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyles and only a portion of those funds should be devoted to any one trade because traders cannot expect to profit on every trade.

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