

**SUMMARY OF CHANGES FOR THE
LIVESTOCK GROSS MARGIN FOR CATTLE
COMMODITY EXCHANGE ENDORSEMENT
(Released April 2024)**

- Added language that clarifies that this endorsement attaches to the Livestock Gross Margin for Cattle Insurance Policy.
- Calculations for expected and actual prices are modified, and examples are provided.

**UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
LIVESTOCK GROSS MARGIN FOR CATTLE
COMMODITY EXCHANGE ENDORSEMENT**



In return for your payment of premium, this Livestock Gross Margin for Cattle, Commodity Exchange Endorsement will be attached to and made part of the Livestock Gross Margin (LGM) for Cattle Insurance Policy subject to the terms and conditions described therein.

This endorsement contains an explanation of the manner in which the data from CME Group are used to set expected and actual prices for Livestock Gross Margin (LGM) for Cattle.

Expected Prices

Expected prices are calculated as described below.

- (a) Cattle
 - (i) For insurance months February, April, June, August, October, and December:
 - Preliminary CME live cattle futures daily settlement prices for the contract month that is equal to the insurance month, observed on the effective date.
 - (ii) For insurance month of January:
 - Preliminary CME live cattle futures daily settlement prices for the contract month of February, observed on the effective date.
 - (iii) For insurance month of March:
 - Preliminary CME live cattle futures daily settlement prices for the contract month of April, observed on the effective date.
 - (iv) For insurance month of May:
 - Preliminary CME live cattle futures daily settlement prices for the contract month of June, observed on the effective date.
 - (v) For insurance month of July:
 - Preliminary CME live cattle futures daily settlement prices for the contract month of August, observed on the effective date.
 - (vi) For insurance month of September:
 - Preliminary CME live cattle futures daily settlement prices for the contract month of October, observed on the effective date.
 - (vii) For insurance month of November:
 - Preliminary CME live cattle futures daily settlement prices for the contract month of December, observed on the effective date.
- (b) Feeder Cattle
 - (i) For insurance months January, March, April, May, August, September, October, and November:
 - Preliminary CME feeder cattle futures daily settlement prices for the contract month that is equal to the insurance month, observed on the effective date.
 - (ii) For insurance month of February:
 - Preliminary CME feeder cattle futures daily settlement prices for the contract month of March, observed on the effective date.
 - (iii) For insurance months of June and July:
 - Preliminary CME feeder cattle futures daily settlement prices for the contract month of August, observed on the effective date.
 - (iv) For insurance month of December:
 - Preliminary CME feeder cattle futures daily settlement prices for the contract month of January of the following year, observed on the effective date.
- (c) Corn
 - (i) For insurance months March, May, July, September, and December:
 - Preliminary CME corn futures daily settlement prices for the contract month that is equal to the insurance month, observed on the effective date.
 - (ii) For insurance months of January and February:
 - Preliminary CME corn futures daily settlement prices for the contract month of March,

25-LGM Cattle-CEE

(Released April 2024)

- observed on the effective date.
- (iii) For insurance month of April:
 - Preliminary CME corn futures daily settlement prices for the contract month of May, observed on the effective date.
 - (iv) For insurance month of June:
 - Preliminary CME corn futures daily settlement prices for the contract month of July, observed on the effective date.
 - (v) For insurance month of August:
 - Preliminary CME corn futures daily settlement prices for the contract month of September, observed on the effective date.
 - (vi) For insurance months of October and November:
 - Preliminary CME corn futures daily settlement prices for the contract month of December, observed on the effective date.

Actual Prices

Actual prices are calculated as described below.

- (a) Cattle
 - (i) For insurance months February, April, June, August, October, and December:
 - Simple average of final CME live cattle futures daily settlement prices for the contract month that is equal to the insurance month, observed over three trading days prior to the contract first notice date.
 - For example, for August 2025, the first notice date is August 4, 2025. The actual price is the simple average of daily settlement prices for July 30th, 31st, and August 1st, 2025.
 - (ii) For insurance month of January:
 - Simple average of final CME live cattle futures daily settlement prices for the contract month of February, observed over three trading days prior to January 31st.
 - For example, for January 2025, February 2025 live cattle futures, simple average of daily settlement prices for January 28th, 29th, and 30th, 2025.
 - (iii) For insurance month of March:
 - Simple average of final CME live cattle futures daily settlement prices for the contract month of April, observed over three trading days prior to March 31st.
 - For example, for March 2025, April 2025 live cattle futures, simple average of daily settlement prices for March 26th, 27th, and 28th, 2025.
 - (iv) For insurance month of May:
 - Simple average of final CME live cattle futures daily settlement prices for the contract month of June, observed over three trading days prior to May 31st.
 - For example, for May 2025, June 2025 live cattle futures, simple average of daily settlement prices for May 28th, 29th, and 30th, 2025.
 - (v) For insurance month of July:
 - Simple average of final CME live cattle futures daily settlement prices for the contract month of August, observed over three trading days prior to July 31st.
 - For example, for July 2025, August 2025 live cattle futures, simple average of daily settlement prices for July 28th, 29th, and 30th, 2025.
 - (vi) For insurance month of September:
 - Simple average of final CME live cattle futures daily settlement prices for the contract month of October, observed over three trading days prior to September 30th.
 - For example, for September 2025, October 2025 live cattle futures, simple average of daily settlement prices for September 25th, 26th, and 29th, 2025.
 - (vii) For insurance month of November:
 - Simple average of final CME live cattle futures daily settlement prices for the contract month of December, observed over three trading days prior to November 30th.
 - For example, for November 2025, December 2025 live cattle futures, simple average of daily settlement prices for November 25th, 26th, and 28th, 2025.
- (b) Feeder Cattle
 - (i) For insurance months January, March, April, May, August, September, October, and November:

25-LGM Cattle-CEE

(Released April 2024)

- Simple average of final CME feeder cattle futures daily settlement prices for the contract month that is equal to the insurance month, observed over three trading days prior to the contract expiration date.
 - For example, for January 2025, the expiration date is January 30, 2025. The actual price is the simple average of daily settlement prices for January 27th, 28th, and 29th, 2025.
 - (ii) For insurance month of February:
 - Simple average of final CME feeder cattle futures daily settlement prices for the contract month of March, observed over three trading days prior to February 1st.
 - For example, for February 2025, March 2025 feeder cattle futures, simple average of daily settlement prices for January 29th, 30th, and 31st, 2025.
 - (iii) For insurance month of June:
 - Simple average of final CME feeder cattle futures daily settlement prices for the contract month of August, observed over three trading days prior to June 1st.
 - For example, for June 2025, August 2025 feeder cattle futures, simple average of daily settlement prices for May 28th, 29th, and 30th, 2025.
 - (iv) For insurance month of July:
 - Simple average of final CME feeder cattle futures daily settlement prices for the contract month of August, observed over three trading days prior to July 1st.
 - For example, for July 2025, August 2025 feeder cattle futures, simple average of daily settlement prices for June 26th, 27th, and 30th, 2025.
 - (v) For insurance month of December:
 - Simple average of final CME feeder cattle futures daily settlement prices for the contract month of January of the following year, observed over three trading days prior to December 1st.
 - For example, for December 2025, January 2026 feeder cattle futures, simple average of daily settlement prices for November 25th, 26th, and 28th, 2025.
- (c) Corn
- (i) For insurance months March, May, July, September, and December:
 - Simple average of final CME corn futures daily settlement prices for the contract month that is equal to the insurance month, observed over three trading days prior to the contract first notice date.
 - For example, for July 2025, the first notice date is June 30, 2025. The actual price is the simple average of daily settlement prices for June 25th, 26th, and 27th, 2025.
 - (ii) For insurance month of January:
 - Simple average of final CME corn futures daily settlement prices for the contract month of March, observed over three trading days prior to January 1st.
 - For example, for January 2025, March 2025 corn futures, simple average of daily settlement prices for December 27th, 30th, and 31st, 2024.
 - (iii) For insurance month of February:
 - Simple average of final CME corn futures daily settlement prices for the contract month of March, observed over three trading days prior to February 1st.
 - For example, for February 2025, March 2025 corn futures, simple average of daily settlement prices for January 29th, 30th, and 31st, 2025.
 - (iv) For insurance month of April:
 - Simple average of final CME corn futures daily settlement prices for the contract month of May, observed over three trading days prior to April 1st.
 - For example, for April 2025, May 2025 corn futures, simple average of daily settlement prices for March 27th, 28th, and 31st, 2025.
 - (v) For insurance month of June:
 - Simple average of final CME corn futures daily settlement prices for the contract month of July, observed over three trading days prior to June 1st.
 - For example, for June 2025, July 2025 corn futures, simple average of daily settlement prices for May 28th, 29th, and 30th, 2025.
 - (vi) For insurance month of August:
 - Simple average of final CME corn futures daily settlement prices for the contract month of September, observed over three trading days prior to August 1st.
 - For example, for August 2025, September 2025 corn futures, simple average of daily

25-LGM Cattle-CEE

(Released April 2024)

settlement prices for July 29th, 30th, and 31st, 2025.

(vii) For insurance month of October:

- Simple average of final CME corn futures daily settlement prices for the contract month of December, observed over three trading days prior to October 1st.
- For example, for October 2025, December 2025 corn futures, simple average of daily settlement prices for September 26th, 29th, and 30th, 2025.

(viii) For insurance month of November:

- Simple average of final CME corn futures daily settlement prices for the contract month of December, observed over three trading days prior to November 1st.
- For example, for November 2025, December 2025 corn futures, simple average of daily settlement prices for October 29th, 30th, and 31st, 2025.

Offer Availability

Available insurance months are determined by the closing month of the policy. The closing month is determined by the month of the first day of the sales period. For example, if LGM for Cattle has sales periods that begin on January 7, 14, 21, and 28, the closing month of all of these sales periods is January. Table 1 presents the information on insurable months based on the closing month (in Column 1). The closing month determines the insurance period (in Column 2). Within each insurance period, the insurance months are shown in Column 3, and the relevant cattle and feed months are shown in Columns 4-9 (Columns 4-6 for yearling finishing operations, Columns 7-9 for calf finishing operations). Commodity exchange contract months are shown in **bold**. All cattle prices are expressed in dollars per hundredweight; all corn prices are expressed in dollars per bushel.

The sales period begins on the Thursday of the week when the coverage prices and rates are posted on the RMA website and ends at 8:25 AM Central Time of the following calendar day. Sales will not be available for purchase if the Thursday of the sales period is a CME holiday. If the expected gross margins are not available on the RMA website by 4:30 PM Central Time on the effective date, LGM for Cattle will not be offered for sale for that effective date.

Table 1. Cycles within the insurance periods for LGM for Cattle Insurance

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9		
Sales Closing Month	Insurance Period	Insurance Month	Yearling Finishing			Calf Finishing				
			Live Cattle Price	Feeder Cattle Price	Corn Price	Live Cattle Price	Feeder Cattle Price	Corn Price		
January	February-December	March	March	October	January	March	July	November		
		April	April	November	February	April	August	December		
		May	May	December	March	May	September	January		
		June	June	January	April	June	October	February		
		July	July	February	May	July	November	March		
		August	August	March	June	August	December	April		
		September	September	April	July	September	January	May		
		October	October	May	August	October	February	June		
		November	November	June	September	November	March	July		
		December	December	July	October	December	April	August		
		February	March-January	April	April	November	February	April	August	December
				May	May	December	March	May	September	January
June	June			January	April	June	October	February		
July	July			February	May	July	November	March		
August	August			March	June	August	December	April		
September	September			April	July	September	January	May		
October	October			May	August	October	February	June		
November	November			June	September	November	March	July		
December	December			July	October	December	April	August		
January	January			August	November	January	May	September		
March	April-February			May	May	December	March	May	September	January
				June	June	January	April	June	October	February
		July	July	February	May	July	November	March		
		August	August	March	June	August	December	April		
		September	September	April	July	September	January	May		
		October	October	May	August	October	February	June		
		November	November	June	September	November	March	July		
		December	December	July	October	December	April	August		
		January	January	August	November	January	May	September		
		February	February	September	December	February	June	October		

Table 1. continued

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9		
Sales Closing Month	Insurance Period	Insurance Month	Yearling Finishing			Calf Finishing				
			Live Cattle Price	Feeder Cattle Price	Corn Price	Live Cattle Price	Feeder Cattle Price	Corn Price		
April	May-March	June	June	January	April	June	October	February		
		July	July	February	May	July	November	March		
		August	August	March	June	August	December	April		
		September	September	April	July	September	January	May		
		October	October	May	August	October	February	June		
		November	November	June	September	November	March	July		
		December	December	July	October	December	April	August		
		January	January	August	November	January	May	September		
		February	February	September	December	February	June	October		
		March	March	October	January	March	July	November		
		May	June-April	July	July	February	May	July	November	March
				August	August	March	June	August	December	April
September	September			April	July	September	January	May		
October	October			May	August	October	February	June		
November	November			June	September	November	March	July		
December	December			July	October	December	April	August		
January	January			August	November	January	May	September		
February	February			September	December	February	June	October		
March	March			October	January	March	July	November		
April	April			November	February	April	August	December		
June	July-May			August	August	March	June	August	December	April
				September	September	April	July	September	January	May
		October	October	May	August	October	February	June		
		November	November	June	September	November	March	July		
		December	December	July	October	December	April	August		
		January	January	August	November	January	May	September		
		February	February	September	December	February	June	October		
		March	March	October	January	March	July	November		
		April	April	November	February	April	August	December		
		May	May	December	March	May	September	January		

Table 1. continued

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9		
Sales Closing Month	Insurance Period	Insurance Month	Yearling Finishing			Calf Finishing				
			Live Cattle Price	Feeder Cattle Price	Corn Price	Live Cattle Price	Feeder Cattle Price	Corn Price		
July	August-June	September	September	April	July	September	January	May		
		October	October	May	August	October	February	June		
		November	November	June	September	November	March	July		
		December	December	July	October	December	April	August		
		January	January	August	November	January	May	September		
		February	February	September	December	February	June	October		
		March	March	October	January	March	July	November		
		April	April	November	February	April	August	December		
		May	May	December	March	May	September	January		
		June	June	January	April	June	October	February		
		August	September-July	October	October	May	August	October	February	June
				November	November	June	September	November	March	July
December	December			July	October	December	April	August		
January	January			August	November	January	May	September		
February	February			September	December	February	June	October		
March	March			October	January	March	July	November		
April	April			November	February	April	August	December		
May	May			December	March	May	September	January		
June	June			January	April	June	October	February		
July	July			February	May	July	November	March		
September	October-August			November	November	June	September	November	March	July
				December	December	July	October	December	April	August
		January	January	August	November	January	May	September		
		February	February	September	December	February	June	October		
		March	March	October	January	March	July	November		
		April	April	November	February	April	August	December		
		May	May	December	March	May	September	January		
		June	June	January	April	June	October	February		
		July	July	February	May	July	November	March		
		August	August	March	June	August	December	April		

Table 1. continued

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9
Sales Closing Month	Insurance Period	Insurance Month	Yearling Finishing			Calf Finishing		
			Live Cattle Price	Feeder Cattle Price	Corn Price	Live Cattle Price	Feeder Cattle Price	Corn Price
October	November-September	December	December	July	October	December	April	August
		January	January	August	November	January	May	September
		February	February	September	December	February	June	October
		March	March	October	January	March	July	November
		April	April	November	February	April	August	December
		May	May	December	March	May	September	January
		June	June	January	April	June	October	February
		July	July	February	May	July	November	March
		August	August	March	June	August	December	April
		September	September	April	July	September	January	May
November	December-October	January	January	August	November	January	May	September
		February	February	September	December	February	June	October
		March	March	October	January	March	July	November
		April	April	November	February	April	August	December
		May	May	December	March	May	September	January
		June	June	January	April	June	October	February
		July	July	February	May	July	November	March
		August	August	March	June	August	December	April
		September	September	April	July	September	January	May
		October	October	May	August	October	February	June
December	January-November	February	February	September	December	February	June	October
		March	March	October	January	March	July	November
		April	April	November	February	April	August	December
		May	May	December	March	May	September	January
		June	June	January	April	June	October	February
		July	July	February	May	July	November	March
		August	August	March	June	August	December	April
		September	September	April	July	September	January	May
		October	October	May	August	October	February	June
		November	November	June	September	November	March	July