



BEEF CATTLE GROSS MARGIN BUDGET

Farm enterprise Budget Series: June 2009

Enterprise: Local trade/feeders (creep fed)

Enterprise Unit: 100 cows

Pasture: Improved pasture

INCOME:			Standard Budget	Your Budget
45	steer vealers @	\$589 /hd	\$26,505	
27	heifer vealers @	\$537 /hd	\$14,486	
1	CFA Bull @	\$1,102 /hd	\$1,102	
8	CFA cows @	\$608 /hd	\$4,865	
8	Other culls @	\$608 /hd	\$4,865	
A. Total Income:			\$51,823	

VARIABLE COSTS:

Replacements	1 Bull @	\$5,500 /hd	\$5,500	
Livestock and vet costs: see section titled beef health costs for details.			\$1,036	
Ear tags @	\$2.00		\$36	
Fodder crops			\$0	
Supplementary feed: 50 to 60 days of creep feeding			\$3,000	
Droughts can increase feed costs. For example costs see main menu.			\$0	
Pasture maintenance (improved pasture costs for 203 ha per 100 cows)			\$10,150	
Livestock selling cost (see assumptions on next page)			\$4,061	
B. Total Variable Costs:			\$23,783	

	GM including pasture cost	GM excluding pasture cost
GROSS MARGIN (A-B)	\$28,040	\$38,190
GROSS MARGIN/COW	\$280.40	\$381.90
GROSS MARGIN/DSE*	\$17.23	\$23.47
GROSS MARGIN/HA	\$138.13	\$188.13

Change in gross margin (\$/cow) for change in price &/or the weight of sale stock

(Note: Table assumes that the price and weight of other stock changes in the same proportion as steers. As an example if steer sale price falls to 180c/kg and steer weight to 290 kg, gross margin would fall to \$223 per cow. This assumes that price and weight of all other sale stock falls by the same percentage.)

Liveweight (kg's) of Stock sold	Steer sale price cents/kg live				
	170	180	190	200	210
Steer wt.					
-40 kgs 270	169	192	216	239	262
-20 kgs 290	198	223	248	273	298
0 310	227	254	280	307	333
+20 kgs 330	257	285	313	341	369
+40 kgs 350	286	316	345	375	405

GM \$ per Cow

An increase of 5% in weaning percentage increases gross margin per cow by \$25.88

Assumptions Local trade/feeders (creep fed)

Enterprise unit is 100 cows weighing on average 480 kg
 Weaning rate: 90% (95% conception)

Sales

Steers sold at 10 months	310 kg	@190c/kg	live weight
Heifers sold at 10 months	290 kg	@185c/kg	live weight
Cull cows cast for age at 10 years	230 kg	@265c/kg	dressed weight
100% of empty cows culled at weaning	"	"	"
4% cows culled for other reasons	"	"	"
Bulls run at 3% & sold after 4 years use	432 kg	@255c/kg	dressed weight

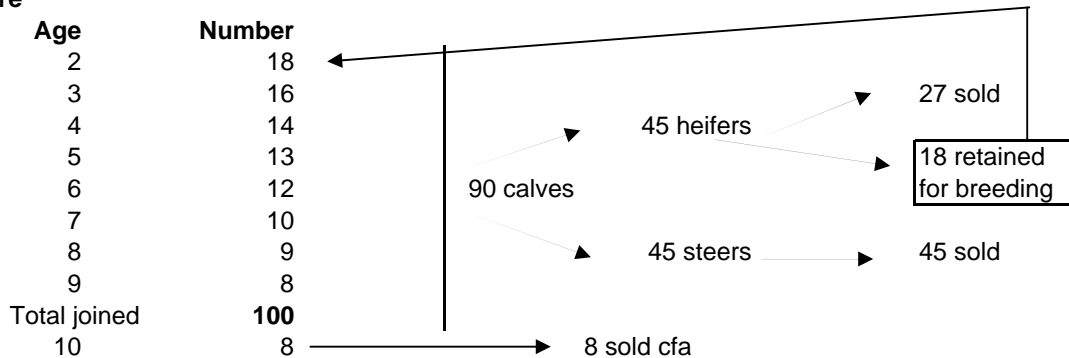
Selling costs include: Commission 5.0% yard dues \$3.00 MLA levy\$5/hd, average freight cost to saleyards \$5.50, tail tags \$0.11 c ea., NLIS tags @ \$2.90 for all sale cattle.

Cows: age at first calf : 24 months

Mortality rate of adult stock: 2%

The average feed requirement of a cow + followers is rated at 16.27 DSEs*. This is an average figure and will vary during the year.

Age structure



Marketing Information:

Tops can go as vealers to local trade categories, balance sold into the feeder market.
 Steer portion may also be suited for the live Japanese feeder steer market (Angus and Murray Grey and Shorthorn breeds preferred).

Production Information:

Cross bred cows are often used. Suited to improved pastures in the south coast area of NSW.
 Some creep feeding of calves is often employed.