



BEEF CATTLE GROSS MARGIN BUDGET

April 2023

Enterprise: **Feeder steers**

Enterprise Unit: **100 cows**
Pasture: **Semi improved pasture**

INCOME:			Standard Budget	Your Budget
38 steers 20 months @		\$1,856 /hd	\$70,538	
4 steers 20 months @		\$1,815 /hd	\$7,260	
22 heifers 9 months @		\$784 /hd	\$17,248	
1 CFA Bull @		\$1,935 /hd	\$1,935	
7 CFA cows @		\$1,344 /hd	\$9,406	
11 Other culls @		\$1,344 /hd	\$14,781	
A. Total Income:			\$121,168	
VARIABLE COSTS:				
Replacements	1 Bull @	\$11,000 /hd	\$11,000	
Livestock and vet costs: see section titled beef health costs for details.			\$2,089	
Ear tags @			\$0	
Fodder crops / hay / grain / silage			\$0	
Drought feeding costs.			\$0	
Pasture maintenance 424 Ha native pasture			\$11,483	
Livestock selling cost (see assumptions on next page)			\$8,602	
B. Total Variable Costs:			\$33,175	
GROSS MARGIN (A-B)			\$87,993	
GROSS MARGIN/COW			\$879.93	
GROSS MARGIN/DSE*			\$51.94	
GROSS MARGIN/HA			\$207.53	

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 403c/kg and steer weight to 430 kg, gross margin would fall to \$801 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 wt.	Steer sale price cents/kg live				
		393	403	413	423	433
-40 kgs	410	725	751	777	803	828
-20 kgs	430	775	801	828	855	882
0	450	824	852	880	908	936
+20 kgs	470	873	902	931	961	990
+40 kgs	490	922	953	983	1014	1044

GM \$ per Cow

An increase of 5% in weaning percentage increases gross margin per cow by \$86.85

Assumptions Young cattle (0-2 teeth)

Enterprise unit is 100 cows weighing on average 490 kg
 Weaning rate: 86%, conception rate 92%.

Sales

90% steers sold at 18 months	450 kg	@413c/kg	live weight
10% steers sold at 20 months	440 kg	@413c/kg	live weight
sale heifers sold at 9 months	210 kg	@373c/kg	live weight
20 heifers retained for replacement.			
Cull cows cast for age at 10 years	250 kg	@538c/kg	dressed weight
100% of preg tested empty cows culled	"	"	"
4% cows culled for other reasons	"	"	"
Bulls run at 3% & sold after 4 years use	450 kg	@430c/kg	"

Selling costs include: Commission 4%, yard dues \$3.00/hd, MLA levy \$5/hd, average freight cost to saleyards \$25.00/hd; NLIS tags @ \$3.60 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 2.49 LSU or 17.16 dse's*. This is an average figure and will vary during the year.

Age structure



Marketing Information:

Steers suit export feedlots , 150-200 days on grain at 400kg-480kg entry weight

Traditionally British breed types eg Angus sourced for this market.

Cull heifer portion turned off as weaners into saleyards

Production Information: Relevant to more inland areas with some pastureimprovement and fertiliser use. Note that herd structure table assumes a high culling rate in early years due to the culling of cows that are tested as empty (100% culling assumed on pregnancy test results), poor performers and off types.