

**60 HEAD: STOCKER-STEER BUDGET (STOCKPILED NOVEL ENDOPHYTE FESCUE);**  
 ESTIMATED COSTS AND RETURNS; USING RECOMMENDED MANAGEMENT PRACTICES;  
**400** LBS. BEG. WT.;  
**1.80** LBS. ADG.; **200** TOTAL DAYS STOCKER PROGRAM;  
**675** LBS.STOCKED/AC; **30** DAYS OF BACKGROUNDING FEED REQUIRED;  
**1.69** HD.STOCKED/AC; **60** DAYS OF SUPPLEMENTAL FEED REQUIRED;  
**1.50** % DEATH LOSS; **745** LBS. ENDING WEIGHT W/ 2 % SHRINK

MAY FUTURES CONTRACT PRICE  
**\$143.00** PER CWT.  
 MAY FEEDER CATTLE BASIS  
**-\$11.00** PER CWT.

**ALABAMA, 2016-2017**

ITEM	HEAD	UNIT	QUANTITY	PRICE OR COST/UNIT	TOTAL VALUE/COST	\$/HEAD SOLD	% OF TOTAL
1. GROSS RECEIPTS							
FEEDER CATTLE	59.00	CWT.	7.45	132.00	58,005.02	983.14	100.00%
2. VARIABLE COST							
STOCKER CALVES	60.00	CWT.	4.00	168.00	40,320.00	683.39	66.94%
FESCUE GRAZING		ACRE	36.00	143.00	5,148.00	87.25	8.55%
SALT & MIN.		CWT.	22.50	30.00	675.00	11.44	1.12%
HAY -- BACKGROUNDING		TON	3.60	100.00	360.00	6.10	0.60%
HAY -- SUPPLEMENTAL		TON	9.77	100.00	976.50	16.55	1.62%
BACKGROUNDING FEED		TON	3.60	175.00	630.00	10.68	1.05%
SUPPLEMENTAL FEED		TON	10.80	175.00	1,890.00	32.03	3.14%
VET & MED		HD.	60.00	26.00	1,560.00	26.44	2.59%
LABOR		HR.	240.00	12.50	3,000.00	50.85	4.98%
LAND RENTAL		ACRE	36.00	22.00	792.00	13.42	1.31%
MARKETING EXPENSES		HD.	59.00	19.66	1,160.10	19.66	1.93%
BEEF PROMOTION FEE		HD.	59.00	2.00	118.00	2.00	0.20%
EQUIPMENT (REPAIR)		DOL.			127.15	2.16	0.21%
INTEREST ON OP. CAP.		DOL.	28,697.52	0.0550	1,578.36	26.75	2.62%
TOTAL VARIABLE COSTS					58,335.12	988.73	96.84%
3. INCOME ABOVE VARIABLE COST					-330.09	-5.59	
4. FIXED COST							
GENERAL OVERHEAD		HD.	60.00	2.50	150.00	2.54	0.25%
FESCUE GRAZING		ACRE	36.00	24.68	888.48	24.68	2.42%
INT. ON BLDG. AND EQUIPMENT		DOL.	3,778.38	0.0650	245.59	4.16	0.41%
DEPR. ON BLDG. AND EQUIP.		DOL.			567.90	9.63	0.94%
OTHER F.C. ON BLDG. & EQUIP.		DOL.			49.34	0.84	0.08%
TOTAL FIXED COSTS					1,901.32	32.23	4.10%
5. TOTAL COST OF ALL SPECIFIED EXPENSES					60,236.44	1020.96	100.94%
6. NET RETURN ABOVE TOTAL COSTS					-2,231.41	-37.82	
VALUE OF FEEDER CATTLE PER HEAD (\$/HD SOLD)					983.14		
COST OF PURCHASED STOCKER CALVES PER HEAD (\$/HD SOLD)					683.39		
3.38 CWT. OF GAIN/HD. SOLD; GROSS MARGIN (\$/HD SOLD)					299.75		
TOTAL PRODUCTION COST PER HEAD (\$/HD SOLD)					337.57		
VALUE OF GAIN PER CWT. (\$/CWT)					88.68		
COST OF GAIN PER CWT.: TO COVER VARIABLE COSTS (\$/CWT)					90.33		
TO COVER TOTAL COSTS (\$/CWT)					99.87		
NET RETURNS PER HEAD SOLD: ABOVE VARIABLE COSTS (\$/HD)					-5.59		
ABOVE TOTAL COSTS (\$/HD)					-37.82		
BREAKEVEN FEEDER PRICE: TO COVER VARIABLE COSTS (\$/CWT)					132.75		
TO COVER TOTAL COSTS (\$/CWT)					137.08		
MAXIMUM STOCKER PURCH. PRICE: TO COVER VARIABLE COSTS (\$/CWT)					166.97		
TO COVER TOTAL COSTS (\$/CWT)					159.04		

THESE ESTIMATES SHOULD BE USED AS GUIDES FOR PLANNING PURPOSES ONLY.

**60 HEAD: STOCKER-STEER BUDGET (STOCKPILED NOVEL ENDOPHYTE FESCUE);**

ITEM	ESTIMATED COST	NUMBER	PROPORTION CHARGED	TOTAL CHARGED	SALVAGE VALUE(%)	YEARS OF LIFE
FENCING	2,050	1.00	0.67	1,373.50	0.00	15.00
CORRAL	3,500	1.00	0.67	2,345.00	0.00	15.00
FEED BUNK	450	1.00	0.67	301.50	0.00	10.00
WATER TANK, ETC.	750	1.00	0.67	502.50	0.00	10.00
MINERAL FEEDER	275	1.00	0.67	184.25	0.00	10.00
PICKUP	23,750	1.00	0.10	2,375.00	20.00	7.00
TOTAL				7,081.75		

SENSITIVITY OF NET RETURN PER HEAD ABOVE TOTAL COSTS  
AT VARIOUS WEIGHT GAINS AND PURCHASE/SELLING PRICES(1)

400	Price Paid For # Stocker Calves, Steers, (\$/Cwt.)	Total Weight Gain Per Head (Lbs.)	Price Received For Feeder Cattle, Steers, (\$/Cwt.)				
			122.00	127.00	132.00	137.00	142.00
			----- dollars / head -----				
		295	-131.40	-96.66	-61.92	-27.18	7.56
	158.00	345	-70.40	-33.16	4.08	41.32	78.56
		395	-9.40	30.34	70.08	109.82	149.56
		295	-152.35	-117.61	-82.87	-48.13	-13.39
	163.00	345	-78.90	-41.66	-4.42	32.82	70.06
		395	-17.90	21.84	61.58	101.32	141.06
		295	-173.30	-138.56	-103.82	-69.08	-34.34
	168.00	345	-112.30	-75.06	-37.82	-0.58	36.66
		395	-51.30	-11.56	28.18	67.92	107.66
		295	-194.25	-159.51	-124.77	-90.03	-55.29
	173.00	345	-133.25	-96.01	-58.77	-21.53	15.71
		395	-72.25	-32.51	7.23	46.97	86.71
		295	-215.20	-180.46	-145.72	-110.98	-76.24
	178.00	345	-154.20	-116.96	-79.72	-42.48	-5.24
		395	-93.20	-53.46	-13.72	26.02	65.76

(1) PRODUCTION COSTS ARE HELD CONSTANT.

REFERENCES: KEN KELLEY, REGIONAL EXTENSION AGENT  
KIM MULLENIX, EXTENSION ANIMAL SCIENTIST  
SOREN RODNING, EXTENSION VETERINARIAN  
MAX RUNGE, EXTENSION ECONOMIST