

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Animal
November- May Stockers - 320 Head
North Texas Extension District - 4

REVENUE	Number of Head Head	320	Pay Weight or Amount	Units	\$/Unit	Total	Enterprise Total
Stocker	0.975		8.40	CWT	\$165.00	\$1,351.35	\$432,432.00
Total Revenue						\$1,351.35	\$432,432.00
VARIABLE COSTS			Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs							
Stocker Purchase			4.50	CWT	\$200.00	\$900.00	\$288,000.00
Grazing							
Acre Lease			0.25	Acre	\$12.00	\$3.00	\$960.00
Gain Contract			378.46	Pounds	\$0.25	\$94.62	\$30,276.92
Health							
Health - Stocker			1	Head	\$30.00	\$30.00	\$9,600.00
Feed							
Bermuda Hay			1	Roll	\$70.00	\$70.00	\$22,400.00
Salt & Minerals -Stockers			15	Pound	\$0.20	\$3.00	\$960.00
Miscellaneous							
Miscellaneous - Stocker			1	Head	\$10.00	\$10.00	\$3,200.00
Fuel			1	Head	\$3.21	\$3.21	\$1,027.50
Lube (As a % of fuel)			10.0%	Percent	\$3.21	\$0.32	\$102.75
Repairs			1	Head	\$0.96	\$0.96	\$307.36
Marketing			0.975	Head	\$11.00	\$10.73	\$3,432.00
Labor			1	Head	\$21.03	\$21.03	\$6,730.02
Interest on Credit Line					4.75%	\$34.18	\$10,937.24
Total Variable Costs						\$1,181.04	\$377,933.80
Planned Returns Above Variable Costs:						\$170.31	\$54,498.20
Breakeven Price to Cover Variable Costs					\$140.60	CWT	Enterprise Total
FIXED COSTS			Quantity	Units	\$/Unit	Total	Enterprise Total
Depreciation			1	Head	\$8.89	\$8.89	\$2,844.29
Equipment Investment			\$162.97	dollars	6.00%	\$9.78	\$3,129.00
Total Fixed Costs						\$18.67	\$5,973.29
Total Costs						\$1,199.71	\$383,907.09
Planned Returns to Management, Risk, and Profit:						\$151.64	\$48,524.91
Breakeven Price to Cover Total Costs					\$142.82	CWT	

Example Break Even Sensitivity Analysis			
	Net Pay Weight	450	
		Sales Price/Cwt 165.00	Bid Price/Cwt 200.00
ADG (Lbs/day)	with Shrink	B/E Purchase Price (\$/CWT)	Price (\$/CWT)
1.85	918	\$261.58	\$134.04
1.70	879	\$247.64	\$139.99
1.54	840	\$233.70	\$146.48
1.39	801	\$219.76	\$153.62
1.23	762	\$205.81	\$161.48

Developed by Blake Bennet, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.