

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Breeding Female
Small Acreage Hair Sheep
West Central Extension District - 7

Breeding Females		12					Enterprise
REVENUE	Head	Quantity Per Head	Units	\$/Unit	Total	Total	Total
Slaughter Lamb - ewe (65lbs)	0.667	0.65	CWT	\$172.71	\$74.84		\$898.09
Slaughter Lamb - ram (65 Lbs)	0.417	0.65	CWT	\$172.71	\$46.78		\$561.31
Cull Ewes	0.167	1.25	CWT	\$67.12	\$13.98		\$167.80
Cull Rams	0.042	2.00	CWT	\$73.50	\$6.13		\$73.50
PRF Income	1.000	3.33	Acre	\$1.96	\$6.53		\$78.32
Total Revenue					\$148.25		\$1,779.02
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs							Total
Miscellaneous							
Supplies		0.67	Head	\$3.00	\$2.00		\$24.00
PRF Rainfall Ins		3.33	Acre	\$1.11	\$3.70		\$44.40
Marketing Expense		1.00	Head	\$5.80	\$5.80		\$69.59
Feed							
Salt - Sheep		2.71	Pound	\$0.11	\$0.31		\$3.71
Mineral - Sheep		1.08	Pound	\$0.40	\$0.43		\$5.16
Range Cubes 20%		0.49	CWT	\$17.30	\$8.43		\$101.21
Corn - Sheep and Goat		24.38	Pound	\$0.07	\$1.74		\$20.88
Vet. Medicine							
Soremouth		1.25	Dose	\$0.33	\$0.41		\$4.94
Overeat/Tetnus		1.25	Dose	\$0.80	\$1.00		\$12.00
Fuel		1.00	Head	\$4.30	\$4.30		\$51.60
Lube (As a % of fuel)		0.10	Percent	\$4.30	\$0.43		\$5.16
Repairs		1.00	Head	\$32.58	\$32.58		\$390.93
Utilities		1.00	Head	\$6.00	\$6.00		\$72.00
Interest on Credit Line				5.25%	\$3.31		\$39.71
Total Variable Costs					\$70.44		\$845.28
Planned Returns Above Variable Costs:					\$77.81		\$933.74
Average Lamb Breakeven Price to Cover Variable Costs				\$62.21	CWT		
FIXED COSTS		Quantity	Units	\$/Unit	Total	Total	Enterprise
Depreciation - Equipment		1.00	Head	\$130.93	\$130.93		\$1,571.19
Depreciation - Livestock		1.00	Head	\$5.56	\$5.56		\$66.67
Pasture Cost		3.33	Acres	\$8.00	\$26.67		\$320.00
Total Fixed Costs					\$163.16		\$1,957.86
Total Costs					\$233.60		\$2,803.14
Planned Returns to Management, Risk, and Profit:							
Average Lamb Breakeven Price to Cover Total Costs				\$293.91	CWT		
							(\$85.34)
							(\$1,024.12)

Sensitivity Analysis for Example				
Example Weaning Percent	Example Gross Sales per Breeding Female	Pounds Produced per Breeding Female	Example Breakeven Lamb Pay Weight to Cover Total Cost	Example Average Breakeven Price to Cover Total Cost
145%	\$167.71	111	93	\$253.37
135%	\$157.98	105	101	\$272.14
125%	\$148.25	100	111	\$293.91
115%	\$138.52	94	122	\$319.46
105%	\$128.79	88	136	\$349.89

Example Male Lamb Price	\$172.71
Example Female Lamb Price	\$172.71
Example Weighted Average Lamb Price (\$/cwt)	\$172.71

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.