

**Stockering Steers On Max-Q Fescue, Hay & Supplement
(Variable Cost Budget)**

NUMBER OF ACRES	100.00	In Date	10/15/04
STOCKING RATE (HEAD/ACRE)	1.90	Out Date	03/14/05
NUMBER OF CALVES PLACED	190	Expected Buy-Sell Margin	(\$5.40)
DEATH LOSS (%)	1.00		
NUMBER OF CALVES SOLD	188		
STOCKERING PERIOD (DAYS)	150.00		
MARKETING SHRINK(%)	3.00%		

	BEST	OPT.	MEDIAN	PESS.	WORST
PAYWEIGHT TO PAYWEIGHT	2.35	2.10	1.85	1.60	1.35
DAILY GAIN (LBS./DAY)					
NET SELLING WEIGHT (CWT.)	8.78	8.40	8.03	7.65	7.28
SELLING PRICE (\$/CWT.)	\$114.24	\$106.92	\$99.60	\$97.14	\$94.67

Item	Unit	Units Per Head	Total Quantity (units)	Unit Price (\$/Unit)	Total Amount
VARIABLE COSTS:					
CALF	CWT.	5.25	998	\$105.00	\$104,738
PROCUREMENT COST	HEAD	1.00	190	\$8.79	\$1,670
TALL FESCUE GRAZING	ACRE	0.53	100	\$109.93	\$10,993
HAY	TON	0.15	29	\$65.00	\$1,853
RECEIVING RATION	TONS	0.18	33	\$175.00	\$5,819
SUPPLEMENTAL FEED	TONS	0.33	62.70	\$105.00	\$6,584
MINERAL + IONOPHORE	LBS.	37.50	7,125	\$0.28	\$1,995
MEDICATION,WORM,VAC.	HEAD	2.00	380	\$4.00	\$1,520
GROW.STIMULANT	IMPLANT	2.00	380	\$1.00	\$380
REPAIRS	HEAD	1.00	190	\$0.55	\$104
LAND RENTAL	ACRE	0.53	100	\$0.00	\$0
LABOR	HRS.	2.00	380	\$9.02	\$3,428
DEATH LOSS	PERCENT	1.00%	732	\$7.32	\$5,358
INTEREST ON OP. CAP.	PERCENT	8.00%	380	\$12.50	\$1,952
AUCTION AND HAULING	HEAD	1.00	190	\$24.63	\$4,680

TOTAL VARIABLE COST **\$151,073**

No Fixed Costs for Variable Cost Budget

	0.00	\$0.00	\$0.00
	0.00	\$0.00	\$0.00
	0.00	\$0.00	\$0.00
	\$0.00	6.00%	\$0.00
	0.00	\$0.00	\$0.00

TOTAL FIXED COST **\$0.00**

COST OF GAIN SUMMARY AND MAX. BREAKEVEN CALF PRICE

	\$/CWT.
FEED ONLY COST OF GAIN (\$/CWT.)	\$53.21
FEEDING COST OF GAIN (\$/CWT.)	\$87.24
TOTAL COST OF GAIN (\$/CWT.)	\$87.24
 MAX. BREAKEVEN PURCHASE PRICE OF CALF	 \$106.70

EXPECTED BREAKEVEN TABLE

ITEM	TOTAL AMOUNT	\$ / CWT.	\$/HD.
VARIABLE COST	\$151,073	\$99.08	\$803.15
	\$0	\$0.00	\$0.00
	\$0	\$0.00	\$0.00
	\$0	\$0.00	\$0.00
	\$0	\$0.00	\$0.00
TOTAL COST	\$151,073	\$99.08	\$803.15

EXPECTED RETURN TABLE

188 head sold

EXP. WEIGHT (cwt./hd.)	TOTAL WEIGHT (cwt.)	EXP. PRICE (\$/cwt.)	TOTAL RETURN
8.03	1509.50	\$101.20	\$152,765

RISK RATED RETURNS OVER VARIABLE COST

Net return levels (TOP ROW);
 The chances of obtaining this level or more (MIDDLE ROW); and
 The chances of obtaining this level or less (BOTTOM ROW).

	<u>Optimistic</u>	<u>Expected</u>	<u>Pessimistic</u>	
Returns	\$20,242	\$14,573	\$8,904	\$3,235
Chances	7%	16%	29%	48%
Chances	93%	84%	71%	52%

CHANCE FOR PROFIT	61%	BASE BUDGETED NET REVENUE	\$792.39
		Profit (Loss) Per Head Placed	\$4.17

PROFIT IS RETURN TO RISK AND ALL "ZERO" ITEMS IN THE BUDGET.
 MAY ENTER YOUR OWN VALUES.

Hay figured as 5 lbs/day for 60 days when grazing no is available
 Receiving Ration figured as 12.5 lbs./day for 4 weeks
 Supplemental feed is a corn, corn gluten, and soybean meal ration fed at 11 lbs./day for 60 days during stockering period when no grazing is available
 Mineral+ Ionophore(Bovatec, Rumensin, or GainPro) figured as 4 ozs/day for stockering period
 Use of Ionophores & implants significantly increase rate of gain

Stocking rates will affect forage availability and supplemental feed needs
This budget assumes Max-Q or similar novel endophyte fescue. Grazers placed on toxic (KY 31) fescue will gain approximately 1/2 to 3/4 pound per day less.