

**Stockering Steers On Hybrid Bermuda Pasture, Summer Annuals and Supplement - Summer 2008
(Variable Cost Budget)**

NUMBER OF ACRES	50.00	In Date	06/01/08
STOCKING RATE (HEAD/ACRE)	2.00	Out Date	10/29/08
NUMBER OF CALVES PLACED	100	Expected Buy-Sell Margin	(\$8.00)
DEATH LOSS (%)	1.00		
NUMBER OF CALVES SOLD	99		
FEEDING PERIOD (DAYS)	150.00		
MARKETING SHRINK(%)	3.00		

	BEST	OPT.	MEDIAN	PESS.	WORST
PAYWEIGHT TO PAYWEIGHT	2.50	2.15	1.80	1.40	1.00
DAILY GAIN (LBS./DAY)					
NET SELLING WEIGHT (CWT.)	8.75	8.23	7.70	7.10	6.50
SELLING PRICE (\$/CWT.)	\$105.00	\$98.50	\$92.00	\$85.00	\$78.00

Item	Unit	Units Per Head	Total Quantity (units)	Unit Price (\$/Unit)	Total Amount
VARIABLE COSTS:					
CALF	CWT.	5.00	500	\$100.00	\$50,000
PROCUREMENT COST	HEAD	1.00	100	\$0.00	\$0
BERMUDA PASTURE	ACRE	0.40	40	\$137.01	\$5,480
SUMMER ANNUAL	ACRE	0.50	50	\$224.93	\$11,247
HAY	TON	0.00	0	\$125.00	\$0
RECEIVING RATION	TONS	0.00	0	\$225.00	\$0
SUPPLEMENTAL FEED	TONS	0.71	71	\$225.00	\$16,073
MINERAL + IONOPHORE	LBS.	37.50	3,750	\$0.28	\$1,050
MEDICATION, WORM, VAC.	HEAD	2.00	200	\$4.00	\$800
GROWTH STIMULANT	IMPLANT	2.00	200	\$1.00	\$200
REPAIRS	HEAD	1.00	100	\$0.80	\$80
LAND RENTAL	ACRE	0.40	40	\$0.00	\$0
LABOR	HRS.	1.00	100	\$9.02	\$902
DEATH LOSS	PERCENT	1.00%	50,000		\$500
INTEREST ON OP. CAP.	PERCENT	8.00%	432	\$14.19	\$2,518
AUCTION AND HAULING	HEAD	1.00	100	\$22.25	\$2,225
TOTAL VARIABLE COST					\$91,076

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	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
TOTAL FIXED COST			\$0.00

COST OF GAIN SUMMARY AND MAX. BREAKEVEN CALF PRICE

FEED ONLY COST OF GAIN (\$/CWT.)	\$130.27
FEEDING COST OF GAIN (\$/CWT.)	\$158.07
TOTAL COST OF GAIN (\$/CWT.)	\$158.07
MAX. BREAKEVEN PURCHASE PRICE OF CALF	\$57.41

EXPECTED BREAKEVEN TABLE

ITEM	TOTAL AMOUNT	\$ / CWT.	\$/HD.
VARIABLE COST	\$91,076	\$118.66	\$919.95
	\$0	\$0.00	\$0.00
	\$0	\$0.00	\$0.00
	\$0	\$0.00	\$0.00
	\$0	\$0.00	\$0.00
	\$0	\$0.00	\$0.00
TOTAL COST	\$91,076	\$118.66	\$919.95

EXPECTED RETURN TABLE

99 head sold

EXP. WEIGHT (cwt./hd.)	TOTAL WEIGHT (cwt.)	EXP. PRICE (\$/cwt.)	TOTAL RETURN
7.68	759.85	\$91.84	\$69,781

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	-\$9,804	-\$13,399	-\$16,994	-\$20,590	-\$24,312	-\$28,033	-\$31,755
Chances	7%	16%	31%	50%	70%	84%	93%
Chances	93%	84%	69%	50%	30%	16%	7%

CHANCE FOR PROFIT	1%	BASE BUDGETED NET REVENUE	(\$20,235.50)
		Profit (Loss) Per Head Placed	(\$202.36)

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

Supplemental feed is a corn gluten/ soy hull 50:50 mix fed at 1% of bodyweight for entire grazing period. 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
--