

**STOCKERING STEERS ON TEMPORARY WINTER GRAZING, CORN AND HAY**  
**(Variable Cost Budget)**

NUMBER OF ACRES	100.00	In Date	10/15/03
STOCKING RATE (HEAD/ACRE)	2.00	Out Date	03/13/04
NUMBER OF CALVES PLACED	200	Expected Buy-Sell Margin	(\$3.90)
DEATH LOSS (%)	1.00%		
NUMBER OF CALVES SOLD	198		
FEEDING 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.)	8.53	8.15	7.78	7.40	7.03
SELLING PRICE (\$/CWT.)	\$102.47	\$95.29	\$88.10	\$83.49	\$78.87

ITEM	UNIT	UNITS PER HD.	TOTAL QUANTITY	UNIT PRICE	TOTAL AMOUNT
VARIABLE COSTS:					
CALF	CWT.	5.00	(units) 1,000	(\$/unit) \$92.00	\$92,000
PROCUREMENT COST	HEAD	1.00	200	\$9.30	\$1,860
WINTER GRAZING	ACRE	0.50	100	\$137.05	\$13,705
HAY	TON	0.25	50	\$55.00	\$2,750
CORN	BU	9.50	1,900	\$2.80	\$5,320
SOYBEAN MEAL	LBS.	20.00	4,000	\$0.12	\$480
MINERALS	LBS.	25.00	5,000	\$0.15	\$750
MEDICATION,WORM,VAC.	HEAD	1.00	200	\$4.00	\$800
GROW.STIMULANT	IMPLANT	2.00	400	\$1.00	\$400
REPAIRS	HEAD	1.00	200	\$0.98	\$197
LAND RENTAL	ACRE	0.50	100	\$0.00	\$0
LABOR	HRS.	2.00	400	\$9.00	\$3,600
DEATH LOSS	\$		92,000	1.00%	\$920
INTEREST ON OP. CAP.	\$		122,782	7.00%	\$3,532
AUCTION AND HAULING	HEAD	1.00	198	\$11.50	\$2,277

**TOTAL VARIABLE COST** **\$128,591**

**No Fixed Costs for Variable Cost Budget**

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

**COST OF GAIN SUMMARY AND MAX. BREAKEVEN CALF PRICE**

	\$/CWT.
FEED ONLY COST OF GAIN (\$/CWT.)	\$41.45
FEEDING COST OF GAIN (\$/CWT.)	\$62.58
TOTAL COST OF GAIN (\$/CWT.)	\$62.58
MAX. BREAKEVEN PURCHASE PRICE OF CALF	\$101.72

**EXPECTED BREAKEVEN TABLE**

ITEM	TOTAL AMOUNT	\$ / CWT.	\$/HD.
Variable Cost	\$128,591	\$82.70	\$649.45
<b>TOTAL COST</b>	<b>\$128,591</b>	<b>\$82.70</b>	<b>\$642.96</b>

**EXPECTED RETURN TABLE**

200 head sold

EXP. WEIGHT (cwt./hd.)	TOTAL WEIGHT (cwt.)	EXP. PRICE (\$/cwt.)	TOTAL RETURN
7.78	1555.00	\$88.95	\$138,314

**RISK RATED RETURNS OVER CASH FLOW 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	\$26,007	\$20,118	\$14,229	\$8,340	\$2,984	-\$2,373	-\$7,729
Chances	7%	16%	30%	49%	68%	84%	94%
Chances	93%	84%	70%	51%	32%	16%	6%
<b>CHANCE FOR PROFIT</b>	<b>78%</b>		<b>BASE BUDGETED NET REVENUE</b>			<b>\$7,034.47</b>	
			<b>EXPECTED PROFITS PER HEAD</b>			<b>\$35.17</b>	

PROFIT IS RETURN TO RISK AND ALL "ZERO" ITEMS IN THE BUDGET.