

**SOUTHWEST REGION
LARGE COW/CALF BUDGET 2012**

	BREED HERD SIZE CULL RATE	350 15%	COW to BULL	15	CALF CROP PERCENT ¹ REPLACEMENT HEIFER'S KEPT	84% 52.5
VALUE OF PRODUCTION						
	<u>QUANTITY</u>	<u>WEIGHT</u>	<u>PRICE²</u>	<u>VALUE</u>	<u>VALUE PER COW</u>	
STEER CALVES	147	500	\$1.32	\$97,020	\$277.20	
HEIFER CALVES	95	475	\$1.24	\$55,661	\$159.03	
CULL COWS	53	900	\$0.60	\$28,350	\$81.00	
CULL BULLS	1	1200	\$0.68	\$816	\$2.33	
	TOTAL			\$181,847	\$519.56	
VARIABLE COSTS						
1. FEED COSTS	UNITS	QUANTITY/PERCENT	PRICE	COST	VALUE PER COW	
	TON	22.00	\$245	\$5,390	\$15.40	
	AUY	40.0%	\$38.04	\$5,326	\$15.22	
	AUY	40.0%	\$21.60	\$7,560	\$21.60	
	AUY	20.0%	\$0.00	\$0	\$0.00	
	AUY	0.0%	\$0.00	\$0	\$0.00	
	TON	5.00	\$315	\$1,575	\$4.50	
	TON	10.00	\$540	\$5,400	\$15.43	
	OTHER	0.00	\$0	\$0	\$0.00	
	TOTAL			\$25,251	\$72.14	
2. OTHER VARIABLE COSTS				COST		
				\$5,246	\$14.99	
				\$1,447	\$4.13	
				\$12,000	\$34.29	
				\$4,428	\$12.65	
				\$4,428	\$12.65	
				\$3,383	\$9.66	
				\$242	\$0.69	
				\$15,000	\$42.86	
	TOTAL			\$46,173	\$131.92	
3. INTEREST ON VARIABLE COSTS						
					VALUE PER COW	
				7.00%		
				6		
				\$2,500	\$7.14	
	TOTAL			\$73,923	\$211.21	
				\$107,923	\$308.35	
OWNERSHIP COSTS						
		Annual Capital Recovery ⁴ (At Replacement Value):			Represents 65% Asset Ownership ⁵	VALUE PER COW
CASH COSTS						
				\$12,332		\$35.23
				\$2,000		\$5.71
				\$14,332		\$40.95
NON CASH COSTS						
				\$14,527		\$41.50
				\$12,332		\$35.23
				\$20,141		\$57.55
				\$22,218		\$63.48
				\$10,911		\$31.17
				\$80,129		\$228.94
TOTAL FIXED COSTS				\$94,461		\$269.89
TOTAL CASH AND VARIABLE COSTS				\$88,255		\$252.16
TOTAL COSTS				\$168,384		\$481.10
RETURN ABOVE TOTAL CASH COSTS				\$93,591		\$267.40
RETURN ABOVE TOTAL COSTS				\$13,463		\$38.46
BREAKEVEN CALCULATIONS						
		VARIABLE COSTS	TOTAL COSTS			
REQUIRED AVERAGE CALF PRICES CASH COST (cwt)		\$51.58	\$61.58			
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1) Calf crop is defined as the actual number of calves sold divided, by the total number of cows (assuming all cows were exposed).

2) Prices represent 2012 price projections from Cattle Fax, Doanes reports for New Mexico feeder cattle cash prices.

3) Market prices include commissions, brand inspections, beef council, yardage, feed, and insurance

4) Annual capital recovery is the method of calculating depreciation and interest recommended by the National Task Force on Commodity Costs and Returns Measurement Methods.

5) The 35% reduction in asset values which represent a mix of new and used machinery.

6) Interest on average investment.