

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2017 Estimated Costs and Returns per Animal Unit**  
**Trans Pecos Hair Sheep, 5 Head per AU - 500 Ewes**  
**Far West Extension District - 6**

Animal Units (AU)	100					
Breeding Females	500					
		Quantity				Enterprise
<b>REVENUE</b>	Head	Per Head	Units	\$/Unit	Total	Total
Lambs	2.330	0.80	CWT	\$184.95	\$344.75	\$34,474.68
Lambs	1.230	0.80	CWT	\$184.95	\$181.99	\$18,199.08
Cull Ewes	1.100	1.25	CWT	\$74.76	\$102.80	\$10,279.50
<b>Total Revenue</b>					<b>\$629.53</b>	<b>\$62,953.26</b>
						Enterprise
<b>VARIABLE COSTS</b>		Quantity	Units	\$/Unit	Total	Total
<b>Production Costs</b>						
Miscellaneous						
Predator Control		65	Acre	\$0.25	\$16.25	\$1,625.00
Parasite Monitoring		1.375	Head	\$2.00	\$2.75	\$275.00
Marketing Expense		1.00	AU	\$24.42	\$24.42	\$2,441.84
Feed						
10-10 Loose Mineral		10.5	Pound	\$0.57	\$5.99	\$598.50
Cottonseed - S&G		150	Pound	\$0.11	\$16.50	\$1,650.00
Vet. Medicine						
Clostridials S&G		5	Dose	\$0.56	\$2.80	\$280.00
Deworm S&G-Ivomec		10	Dose	\$0.71	\$7.10	\$710.00
Lice control - S&G		10	Dose	\$0.46	\$4.60	\$460.00
Repairs		1	AU	\$39.16	\$39.16	\$3,915.60
Labor		3.20	Hours	\$10.00	\$32.00	\$3,200.00
Interest on Credit Line				6.50%	\$14.76	\$1,476.24
<b>Total Variable Costs</b>					<b>\$166.32</b>	<b>\$16,632.18</b>
Planned Returns Above Variable Costs:					\$463.21	\$46,321.08
Average Lamb Breakeven Price to Cover Variable Costs				\$22.31	CWT	
						Enterprise
<b>FIXED COSTS</b>		Quantity	Units	\$/Unit	Total	Total
Depreciation - Equipment		1	AU	\$61.68	\$61.68	\$6,168.00
Depreciation - Livestock		1	AU	\$123.96	\$123.96	\$12,396.00
Equipment Investment		\$515.41	dollars	6.50%	\$33.50	\$3,350.17
Pasture Cost		1	Acres	\$245.00	\$245.00	\$24,500.00
<b>Total Fixed Costs</b>					<b>\$464.14</b>	<b>\$46,414.17</b>
<b>Total Costs</b>					<b>\$630.46</b>	<b>\$63,046.34</b>
Planned Returns to Management, Risk, and Profit:					(\$0.93)	(\$93.08)
Average Lamb Breakeven Price to Cover Total Costs				\$185.28	CWT	

<b>Sensitivity Analysis for Example</b>					
Example Weaning Percent	Example Gross Sales per Animal Unit	Pounds Produced per AU	Example Breakeven Lamb Pay Weight to Cover Total Cost	Example Average Breakeven Price to Cover Total Cost	
113%	\$742.69	483	63	align="right">\$152.51	
103%	\$686.11	453	70	align="right">\$167.31	
93%	\$629.53	422	80	align="right">\$185.28	
83%	\$572.95	392	93	align="right">\$207.57	
73%	\$516.38	361	112	align="right">\$235.97	
	Example Male Lamb Price			align="right">\$184.95	
	Example Female Lamb Price			align="right">\$184.95	
	Example Weighted Average Lamb Price (\$/cwt)			align="right">\$184.95	

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

**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.**