

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Breeding Female
Small Acreage Hair Sheep
West Central Extension District - 7

Breeding Females		12					Enterprise
REVENUE	Head	Quantity Per Head	Units	\$/Unit	Total	Total	Total
Slaughter Lamb - ewe (65lbs)	0.667	0.65	CWT	\$192.00	\$83.20		\$998.40
Slaughter Lamb - ram (65 Lbs)	0.417	0.65	CWT	\$192.00	\$52.00		\$624.00
Cull Ewes	0.167	1.25	CWT	\$71.00	\$14.79		\$177.50
Cull Rams	0.042	2.00	CWT	\$81.00	\$6.75		\$81.00
PRF Income	1.000	3.33	Acre	\$1.96	\$6.53		\$78.32
Total Revenue					\$163.27		\$1,959.22
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Production Costs							
Miscellaneous							
Supplies		0.66666667	Head	\$3.00	\$2.00		\$24.00
PRF Rainfall Ins		3.33333333	Acre	\$1.11	\$3.70		\$44.40
Marketing Expense		1.00	Head	\$5.80	\$5.80		\$69.59
Feed							
Range Cubes 20%		0.4875	CWT	\$16.10	\$7.85		\$94.19
Corn - Sheep and Goat		24.375	Pound	\$0.07	\$1.74		\$20.88
Salt - Sheep		2.70833333	Pound	\$0.11	\$0.30		\$3.58
Mineral - Sheep		1.08333333	Pound	\$0.59	\$0.64		\$7.67
Vet. Medicine							
Soremouth		1.25	Dose	\$0.32	\$0.40		\$4.80
Overeat/Tetnus		1.25	Dose	\$0.27	\$0.34		\$4.05
Fuel		1.0	Head	\$4.30	\$4.30		\$51.60
Lube (As a % of fuel)		10.0%	Percent	\$4.30	\$0.43		\$5.16
Repairs		1	Head	\$32.58	\$32.58		\$390.93
Utilities		1.00	Head	\$6.00	\$6.00		\$72.00
Interest on Credit Line				5.25%	\$3.27		\$39.29
Total Variable Costs					\$69.34		\$832.13
Planned Returns Above Variable Costs:					\$93.92		\$1,127.09
Average Lamb Breakeven Price to Cover Variable Costs				\$58.62	CWT		
FIXED COSTS		Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Depreciation - Equipment		1	Head	\$130.93	\$130.93		\$1,571.19
Depreciation - Livestock		1	Head	\$5.56	\$5.56		\$66.67
Pasture Cost		3.33333333	Acres	\$8.00	\$26.67		\$320.00
Total Fixed Costs					\$163.16		\$1,957.86
Total Costs					\$232.50		\$2,790.00
Planned Returns to Management, Risk, and Profit:					(\$69.23)		(\$830.77)
Average Lamb Breakeven Price to Cover Total Costs				\$290.32	CWT		

Sensitivity Analysis for Example

Example Gross				
Example Weaning Percent	Sales per Breeding Female	Pounds Produced per AU	Example Breakeven Lamb Pay Weight to Cover Total Cost	Example Average Breakeven Price to Cover Total Cost
145%	\$184.90	111	83	\$250.27
135%	\$174.08	105	90	\$268.81
125%	\$163.27	100	98	\$290.32
115%	\$152.45	94	108	\$315.56
105%	\$141.64	88	121	\$345.61

Example Male Lamb Price	\$192.00
Example Female Lamb Price	\$192.00
Example Weighted Average Lamb Price (\$/cwt)	\$192.00

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.