

## MERINO WETHERS (20 micron)

Farm Enterprise Budget Series - Oct 2024 (ave. wool and sheep price Apr to Sep )

Flock size: 1000 wethers  
Wether body weight: 59 kgs  
DSE rating: 1.18 DSEs/wether

### INCOME

| Wool   | number | class           | kg /hd | \$/kg  |
|--------|--------|-----------------|--------|--------|
| Shear  | 980    | wethers         | 6.06   | \$8.17 |
|        | 174    | wethers 4 month | 1.26   | \$3.26 |
| Crutch | 990    | wethers         | 0.40   | \$5.30 |

| Sheep Sales | number | class       | \$ /hd  |               |
|-------------|--------|-------------|---------|---------------|
|             | 159    | CFA wethers | \$95.53 | (26.0 kg cwt) |

| Fodder           | tonnes | type | value per tonne |
|------------------|--------|------|-----------------|
| Graz/fodder crop | 0 t    | 0    | \$0 /t          |

**A. Total Income:**

### VARIABLE COSTS

| Replacements | number | class   | cost (\$)/hd |            |
|--------------|--------|---------|--------------|------------|
|              | 174    | wethers | \$63.00      | (4 months) |
| Cartage      | 174    | wethers | \$1.66       |            |

| Wool Harvesting & Selling Costs        |      |         |               | reps |
|----------------------------------------|------|---------|---------------|------|
| Shearing                               | 1154 | wethers | \$9.81        | 1    |
| Crutching                              | 990  | wethers | \$2.02        | 1    |
| Wool tax                               |      |         | 1.50%         |      |
| Commission, warehouse, testing charges |      |         | \$45.62/ bale |      |
| Wool - cartage                         | 36   | bales   | \$16.00       |      |
| - packs                                | 36   | packs   | \$14.00       |      |

### Sheep Health

|                           |      |         |        |   |
|---------------------------|------|---------|--------|---|
| Broadspectrum             | 826  | wethers | \$1.59 | 2 |
|                           | 174  | weaners | \$0.74 | 2 |
| Narrowspectrum            | 1000 | wethers | \$0.47 | 1 |
| Lice control              | 1154 | wethers | \$1.62 | 1 |
| Fly control (long acting) | 1000 | wethers | \$2.39 | 1 |
| Vaccination- 6 in 1       | 1000 | wethers | \$0.43 | 1 |

### Livestock Selling Costs

|                                                        |     |             |        |
|--------------------------------------------------------|-----|-------------|--------|
| Livestock cartage                                      | 159 | CFA wethers | \$1.66 |
| Commission on sheep sales                              |     |             | 4.50%  |
| Levies (Yard dues, MLA Transaction levy and LLS rates) |     |             |        |

|                            |        |   |          |
|----------------------------|--------|---|----------|
| <b>Pasture maintenance</b> | 118 ha | @ | \$52 /ha |
|----------------------------|--------|---|----------|

### Fodder

|                   |      |                |                               |          |
|-------------------|------|----------------|-------------------------------|----------|
|                   |      |                | Supplementary feed @ \$280 /t |          |
| Wethers           | 826  | 3.5 kg/hd/week | \$0.28 /kg                    | 4 weeks  |
| Wether weaners    | 174  | 2.8 kg/hd/week | \$0.28 /kg                    | 10 weeks |
| <b>Total feed</b> |      | 16,308 kg      | @                             | \$280    |
| Graz/fodder crop  | 0 ha | @              | \$0 /ha                       |          |

**B. Total Variable Costs:**

|                             | excl. fodder       | incl. fodder       |
|-----------------------------|--------------------|--------------------|
| <b>GROSS MARGIN (A-B)</b>   | <b>\$22,675.88</b> | <b>\$18,109.71</b> |
| <b>GROSS MARGIN /WETHER</b> | <b>\$22.68</b>     | <b>\$18.11</b>     |
| <b>GROSS MARGIN /DSE</b>    | <b>\$19.22</b>     | <b>\$15.35</b>     |
| <b>GROSS MARGIN /HA</b>     | <b>\$192.17</b>    | <b>\$153.47</b>    |

## ASSUMPTIONS MERINO WETHERS (20 micron)

### 1. Flock Parameters

|                  |           |                 |       |
|------------------|-----------|-----------------|-------|
| Cull age         | 6.5 years | Adult mortality | 2%    |
| Replacement age  | 1.5 years | Body weight     | 59 kg |
| Productive life  | 5.0 years | DSE rating      | 1.2   |
| Stocking rate/ha | 10 dse's  |                 |       |

Sheep and wool prices thanks to MLA market reporting, AuctionsPlus and AWEX. Wool cuts based on wether trial data  
Pasture maintenance = 90kg/ha single super @ \$500t + \$7.00/ha application

### 2. Flock Structure

Sheep numbers are modified to reflect mortality throughout the year.

| Age          | No. of wethers |
|--------------|----------------|
| 0.5          | 174            |
| 1.5          | 172            |
| 2.5          | 169            |
| 3.5          | 165            |
| 4.5          | 162            |
| 5.5          | 159            |
| 6.5          | 0              |
| <b>Total</b> | <b>1000</b>    |

174 replacements bought

159 CFA's sold

### 3. Wool Prices

| Merino Wether       | Micron | AWEX Type | Clean price | Yield | Greasy price  | Specifications (all 35n/ktex) | Proportion of Clip |
|---------------------|--------|-----------|-------------|-------|---------------|-------------------------------|--------------------|
| - Fleece GTM        | 20     | MF5B.     | \$13.30     | 65%   | \$8.67        | 1%VMB, 90mm                   | 80%                |
| - Skirtings/bellies | 19     | MP5B.     | \$12.86     | 56%   | \$7.18        | 4.8%VMB, 80mm                 | 15%                |
| - Cardings          | 20     | MZ2B.     | \$6.05      | 52%   | \$3.14        | 2.9%VMB.                      | 5%                 |
|                     |        |           |             |       | <b>\$8.17</b> | used in budget                |                    |

### 4. Sensitivity Tables - Changes in Gross Margin \$/DSE (includes fodder)

| Wool Cut kg/hd | Wether Greasy Wool Price \$/Kg greasy |         |                |         |         |
|----------------|---------------------------------------|---------|----------------|---------|---------|
|                | \$4.09                                | \$6.13  | <b>\$8.17</b>  | \$10.21 | \$12.26 |
| 3.03 kg        | -\$14.03                              | -\$8.96 | -\$3.89        | \$1.17  | \$6.24  |
| 4.55 kg        | -\$9.47                               | -\$1.87 | \$5.73         | \$13.33 | \$20.93 |
| <b>6.06 kg</b> | -\$4.92                               | \$5.21  | <b>\$15.35</b> | \$25.48 | \$35.61 |
| 7.58 kg        | -\$0.43                               | \$12.24 | \$24.90        | \$37.57 | \$50.24 |
| 9.10 kg        | \$4.12                                | \$19.32 | \$34.52        | \$49.73 | \$64.93 |

| Crutching \$/hd | Total shearing Cost \$/hd |         |                |         |         |
|-----------------|---------------------------|---------|----------------|---------|---------|
|                 | \$4.90                    | \$7.36  | <b>\$9.81</b>  | \$12.26 | \$14.71 |
| \$1.01          | \$20.99                   | \$18.59 | \$16.19        | \$13.79 | \$11.40 |
| \$1.51          | \$20.57                   | \$18.17 | \$15.77        | \$13.37 | \$10.97 |
| <b>\$2.02</b>   | \$20.14                   | \$17.75 | <b>\$15.35</b> | \$12.95 | \$10.55 |
| \$2.52          | \$19.72                   | \$17.32 | \$14.92        | \$12.53 | \$10.13 |
| \$3.02          | \$19.30                   | \$16.90 | \$14.50        | \$12.10 | \$9.71  |

| CFA wethers \$/hd | Replacement wethers \$/Hd |         |                |         |         |
|-------------------|---------------------------|---------|----------------|---------|---------|
|                   | \$31.50                   | \$47.25 | <b>\$63.00</b> | \$78.75 | \$94.50 |
| \$47.77           | \$13.86                   | \$11.54 | \$9.21         | \$6.89  | \$4.57  |
| \$71.65           | \$16.93                   | \$14.60 | \$12.28        | \$9.96  | \$7.64  |
| <b>\$95.53</b>    | \$19.99                   | \$17.67 | <b>\$15.35</b> | \$13.02 | \$10.70 |
| \$119.42          | \$23.06                   | \$20.74 | \$18.41        | \$16.09 | \$13.77 |
| \$143.30          | \$26.13                   | \$23.80 | \$21.48        | \$19.16 | \$16.84 |

Note: The above sensitivity tables vary price and quantities by +/- 25% and +/- 50%.

| M.Weth. Wean. kg/Hd/wk | Feeding Adult Wethers kg/Hd/week |         |                |         |         |
|------------------------|----------------------------------|---------|----------------|---------|---------|
|                        | 1.73 kg                          | 2.60 kg | <b>3.46 kg</b> | 4.33 kg | 5.19 kg |
| 1.4 kg                 | \$17.28                          | \$16.60 | \$15.93        | \$15.25 | \$14.57 |
| 2.1 kg                 | \$16.99                          | \$16.31 | \$15.64        | \$14.96 | \$14.28 |
| <b>2.8 kg</b>          | \$16.70                          | \$16.03 | <b>\$15.35</b> | \$14.67 | \$13.99 |
| 3.5 kg                 | \$16.41                          | \$15.74 | \$15.06        | \$14.38 | \$13.70 |
| 4.2 kg                 | \$16.13                          | \$15.45 | \$14.77        | \$14.09 | \$13.41 |

| Adult Wethers kg/hd/wk | Grain price \$/Tonne |          |                 |          |          |
|------------------------|----------------------|----------|-----------------|----------|----------|
|                        | \$140.00             | \$210.00 | <b>\$280.00</b> | \$350.00 | \$420.00 |
| 1.7 kg                 | \$17.96              | \$17.33  | \$16.70         | \$16.08  | \$15.45  |
| 2.6 kg                 | \$17.62              | \$16.82  | \$16.03         | \$15.23  | \$14.43  |
| <b>3.5 kg</b>          | \$17.28              | \$16.31  | <b>\$15.35</b>  | \$14.38  | \$13.41  |
| 4.3 kg                 | \$16.94              | \$15.81  | \$14.67         | \$13.53  | \$12.39  |
| 5.2 kg                 | \$16.60              | \$15.30  | \$13.99         | \$12.68  | \$11.38  |

Note: The feeding sensitivity tables vary quantities/cost by +/- 25% and +/- 50%.