

MERINO EWES (20 micron) - Terminal Rams

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

Flock size: 1000 ewes
Ewe body weight: 59 kgs
DSE rating: 2.30 DSEs/ewe

INCOME

Wool	number	class	kg /hd	\$/kg
Shear	940	ewes	5.16	\$8.10
	20	rams	3.50	\$2.13
Crutch	1000	mixed ages	0.40	\$5.30
	893	xb lambs/rams	0.25	\$2.03

Sheep Sales	number	class	\$ /hd	
	165	CFA ewes	\$91.38	(26.0 kg cwt)
	4	CFA rams	\$57.02	
8 months	437	mixed sex lambs	\$150.40	(20.0 kg cwt)
10 months	437	mixed sex lambs	\$165.22	(22.0 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	reps
	5	rams	\$2,000.00	
	225	ewes	\$136.00	
Cartage	225	ewes	\$1.66	
Cartage	5	rams	\$55.00	

Wool Harvesting & Selling Costs

Shearing	940	ewes	\$9.81	1
	20	rams	\$13.62	1
Crutching	1000	ewes	\$1.92	1
	20	rams	\$3.31	1
	873	weaners	\$1.92	1
Wool tax			1.50%	
Commission, warehouse, testing charges			\$45.62/ bale	
Wool - cartage	33	bales	\$16.00	
- packs	33	packs	\$14.00	

Sheep Health	number	class		
Broadspectrum	1020	adults/hoggets	\$1.59	2
	900	lambs	\$0.74	3
Narrowspectrum	1020	adults/hoggets	\$0.47	1
	900	lambs	\$0.24	1
Lice control	960	adults	\$1.62	1
Fly control (long acting)	1020	adults	\$2.39	1
Fly control (short acting)	900	weaners	\$0.46	1
Vaccination- 6 in 1	1020	adults	\$0.43	1
	930	lambs	\$0.43	2
Mark	930	lambs	\$3.03	1
Scanning	1000	ewes	\$1.05	1

Livestock Selling Costs

Livestock cartage	1,042	sale sheep	\$1.66
Commission on sheep sales			4.50%
Levies (Yard dues, MLA Transaction levy and LLS rates)			

Pasture maintenance	230 ha	@	\$52 /ha
---------------------	--------	---	----------

Fodder

		Supplementary feed @ \$280 /t	
Ewes/rams	960	3.5 kg/hd/week	\$0.28 /kg
Mixed sex lambs	873	5.0 kg/hd/week	\$0.28 /kg
Total feed	85,596 kg	@	\$280.00

Graz/fodder crop	0 ha	@	\$106 /ha
------------------	------	---	-----------

B. Total Variable Costs:

	excl. fodder	incl. fodder
GROSS MARGIN (A-B)	\$97,776.67	\$73,809.79
GROSS MARGIN /EWE	\$97.78	\$73.81
GROSS MARGIN /DSE	\$42.51	\$32.09
GROSS MARGIN /HA	\$425.12	\$320.91

ASSUMPTIONS MERINO EWES (20 micron) - Terminal Rams

1. Flock Parameters

Flock mortality	6%	Ram %	2%
Productive life	5 years	Marking %	93%
Ewe body weight	59 kg	Weaning %	90%
DSE rating /ewe	2.3	Weaning age	3 months
Stocking rate/ha	10 dse's		

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	Number of ewes				
1.5	225				
2.5	212				
3.5	199				
4.5	187				
5.5	176				
6.5	0				
Total	1000				

225 replacements bought
 930 lambs → 900 weaners → 873 mixed sex lambs sold
 165 CFA's sold

3. Wool Prices

Merino Ewe	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	75%
- Skirtings/bellies	19	MP5B.	\$12.86	56%	\$7.18	4.8%VMB, 80mm	20%
- Cardings	20	MZ2B.	\$6.05	52%	\$3.14	2.9%VMB.	5%
					\$8.10		used in budget

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

Wool Cut kg/hd	Adult Greasy Wool Price \$/Kg greasy				
	\$4.05	\$6.08	\$8.10	\$10.13	\$12.15
2.58 kg	\$19.91	\$22.01	\$24.11	\$26.21	\$28.32
3.87 kg	\$21.78	\$24.93	\$28.09	\$31.24	\$34.39
5.16 kg	\$23.69	\$27.89	\$32.09	\$36.29	\$40.50
6.44 kg	\$25.56	\$30.81	\$36.06	\$41.32	\$46.57
7.73 kg	\$27.43	\$33.73	\$40.04	\$46.34	\$52.64

Cast for age \$/Hd	Replacement ewe cost \$/Hd				
	\$68.00	\$102.00	\$136.00	\$170.00	\$204.00
\$45.69	\$35.61	\$32.29	\$28.96	\$25.63	\$22.31
\$68.53	\$37.18	\$33.85	\$30.53	\$27.20	\$23.87
\$91.38	\$38.74	\$35.42	\$32.09	\$28.77	\$25.44
\$114.22	\$40.31	\$36.98	\$33.66	\$30.33	\$27.00
\$137.07	\$41.87	\$38.55	\$35.22	\$31.90	\$28.57

Domestic Lamb \$/Hd	Weaning %				
	45%	68%	90%	113%	135%
\$75.20	\$2.46	\$10.46	\$18.46	\$26.46	\$34.51
\$112.80	\$5.87	\$15.57	\$25.28	\$34.98	\$44.73
\$150.40	\$9.28	\$20.69	\$32.09	\$43.50	\$54.96
\$188.00	\$12.69	\$25.80	\$38.91	\$52.01	\$65.18
\$225.60	\$16.10	\$30.91	\$45.72	\$60.53	\$75.41

Domestic Lamb \$/Hd	Export Lamb \$/Hd				
	82.61	123.92	165.22	206.53	247.83
\$75.20	\$3.49	\$10.98	\$18.46	\$25.95	\$33.43
\$112.80	\$10.30	\$17.79	\$25.28	\$32.76	\$40.25
\$150.40	\$17.12	\$24.60	\$32.09	\$39.58	\$47.06
\$188.00	\$23.93	\$31.42	\$38.91	\$46.39	\$53.88
\$225.60	\$30.75	\$38.23	\$45.72	\$53.21	\$60.69

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

Crutching \$/hd	Total shearing cost \$/hd				
	\$4.90	\$7.36	\$9.81	\$12.26	\$14.71
\$0.96	\$34.88	\$33.88	\$32.87	\$31.87	\$30.87
\$1.44	\$34.49	\$33.48	\$32.48	\$31.48	\$30.48
\$1.92	\$34.10	\$33.09	\$32.09	\$31.09	\$30.09
\$2.40	\$33.70	\$32.70	\$31.70	\$30.70	\$29.70
\$2.89	\$33.31	\$32.31	\$31.31	\$30.31	\$29.30

Feed m/sex lamb kg/hd/wk	Grain price \$/Tonne				
	\$140.00	\$210.00	\$280.00	\$350.00	\$420.00
2.5 kg	\$38.90	\$37.09	\$35.28	\$33.47	\$31.66
3.8 kg	\$38.10	\$35.89	\$33.69	\$31.48	\$29.27
5.0 kg	\$37.30	\$34.70	\$32.09	\$29.49	\$26.88
6.3 kg	\$36.50	\$33.50	\$30.50	\$27.49	\$24.49
7.5 kg	\$35.71	\$32.31	\$28.90	\$25.50	\$22.10

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

Sheep and wool prices thanks to MLA market reporting, AuctionsPlus and AWEX. Wool cuts based on wether trial data