



NUTRITION NOTES

Innovation + Research from Kent Nutrition Group

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DO THESE CATTLE WORK?

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We ask ourselves this question nearly every day. And, we don't always have time to fire up our computer and run a projection to answer the question. So it is helpful to have a feel for what kind of cost of gains are associated with various feed prices as well as feeder weights. While you cannot be completely accurate without running a projection, you can get close enough to be helpful if you keep a few things in mind.

Right now, most cattlemen in my area are using \$4 on corn since it has run up a bit in the last while. In general, if you are using \$4 corn and \$85 on modified distillers and around \$65 on wet distillers (which equates to around \$160 DDG), your cost of gain on a 600-lb steer is going to be around \$79-80/cwt. This figure includes feed, yardage and interest.

From there you just need to know the market weight, let's say 1450-lb. So $1450 - 600 = 850$ lb of gain.

Multiply $850 \times \$0.80$ COG and you have \$680. So if your 600-lb steers cost \$275/cwt, you have \$1650 invested in the feeder. Adding $\$680 + \$1650 = \$2330$ total investment.

So now we can divide \$2330 by 1450 lb and come up with our break-even of \$160.69/cwt.

This simple calculation gets done every day. Once you establish that the cost of gain on 600-lb steers is \$80/cwt of gain, you can vary from there based on body weight and corn price.

In general, for every plus or minus 25¢ on corn price, cost of gain will go up or down about \$2/cwt. And for every plus or minus 100 lb of feeder weight purchased, your cost of gain will go up or down about \$3/cwt.

Heifers cost of gain will be about 10% higher than comparable steers.

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