

FARM MANAGEMENT GUIDE

KSU Farrow-to-Wean Swine Budget

Current Prices

(as of Dec. 4th, 2017)

Production Efficiency Information

Weaned Pigs/Mated Sow/Year	23.60
Litters/Mated Sow/Year	2.28
Weaning Weight (lbs)	13.90
Sow Replacement Rate	50%
Sow Mortality (%)	8%

Revenue	Price	Unit	Qty	Unit		Total per Year per Sow	Total per Year per Pig Sold
Weaned Pig	\$ 55.51	per hd	x 1	hd	=	\$ 1,310.04	\$ 55.51
Cull Sows	\$ 46.16	per cwt	x 400	lbs	x 0.42 =	\$ 77.55	\$ 3.29
Manure Credit						\$ 11.80	\$ 0.50
Other revenue						\$ -	\$ -
Gross Income						\$ 1,399.38	\$ 59.30
Variable Costs							
Sow Feed	\$ 0.09	per lb	x 125.0	lbs	=	\$ 255.63	\$ 10.83
Feed Processing	\$ 17.00	per ton	x 0.1	ton	=	\$ 25.07	\$ 1.06
Labor	\$ 15.00	per hour	x 6.8	hours	=	\$ 102.60	\$ 4.35
Vet Medicine/Drugs						\$ 58.86	\$ 2.49
Replacement Females	\$ 202.63	per head	x 0.50	hd	=	\$ 101.31	\$ 4.29
Semen Cost & Genetic Fee						\$ 29.64	\$ 1.26
Marketing, Bedding, and Misc						\$ 3.36	\$ 0.14
Utilities, Gas, Fuel, Oil						\$ 18.23	\$ 0.77
Machinery, Facility/Equip. Repairs						\$ 11.05	\$ 0.47
Other variable costs						\$ -	\$ -
Total Variable Costs						\$ 605.75	\$ 25.67
Fixed Costs							
Machinery, Facilities, General Overhead						\$ 174.87	\$ 7.41
Taxes and Insurance						\$ 5.96	\$ 0.25
Legal, Accounting, etc.						\$ 11.80	\$ 0.50
Other fixed costs						\$ -	\$ -
Total Fixed Costs						\$ 192.63	\$ 8.16
Total Costs						\$ 798.38	\$ 33.83
Income Over Variable Costs						\$ 793.64	\$ 33.63
Income Over Total Costs						\$ 601.00	\$ 25.47

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K-State's Agricultural Economics Department publishes *Farm Management Guides* to estimate the current profitability of different agricultural enterprises. This format for livestock enterprises allows the user to change certain key inputs to cater the budget to their production situation. Climate, genetics, local cash prices, and a variety of other factors makes budgeting to the entire state of Kansas difficult. While defaults in the spreadsheet are research-based estimates, users should enter their own performance, price and cost information using the cells in **blue**. Base input and output prices are currently updated quarterly. Users are encouraged to update prices to best reflect their specific situation.

Three different sets of price forecasts are available in the spreadsheet. By clicking the dropdown menu at the top of the budget, a user can select "Current Prices", "One Year Out Prices", or "Five Year Out Prices". All price assumptions can be viewed in the *Prices* tab.

Feed assumptions can be viewed in the *Feed* tab.

Base production/situation values are derived (except for sow replacement and mortality rates) from the most recent *U.S. Pork Industry Productivity Analysis* published by the National Pork Board and authored by Dr. Stalder, Iowa State University.

Most non-feed variable and fixed costs are derived from USDA ERS Cost of Production Estimates (provided in on \$/cwt gain units) last updated October 2, 2017. Farrow-Weanling COP estimates ended in 2014 so 2014 Farrow-Weanling to Weanling-Feeder ratios used with most recent Weanling-Feeder estimates.

Production Efficiency Measures

Weaned Pigs/Mated Sow/Year: Default of 23.6 pigs.

Litters/Mated Sow/Year: Default value of 2.28 litters.

Weaning Weight: Default value of 13.9 lbs.

Sow Replacement Rate: Default value of 50% of herd being replaced each year.

Sow Mortality (%): Default value of 8%.

Revenue

Weaned Pigs: Price is \$/hd and can be adjusted. Current Price is based upon the USDA NW_LS255 Report while One Year and Five Year Out Prices are derived from a regression using expected Market Hog and Corn Prices ($71.04 + 0.11 * \text{Market Hogs Price} - 5.50 * \text{Corn Price}$).

Cull Sows: Price \$/cwt live weight and based upon the USDA LM_HG230 Report with a default weight which can be adjusted.

Manure Credit: Default value is set at \$0.50/pig sold.

Other Revenue: Placeholder for other revenue to be entered.

Variable Costs

Sow Feed: See *Feed* tab for ration assumptions.

Feed Processing: Reflects \$17/ton feed hauling, grinding, etc.

Labor: Default of 3 hours/litter valued at \$15/hour.

Replacement Females: Reflects a \$75/head premium over the Market Hog price.

Semen Cost and Genetic Fee: Reflects \$13/litter.

Other Variable Costs: Placeholder for other variable costs to be entered.

Vet Medicine/Drugs; Marketing, Bedding, Misc.; Utilities, Gas, Fuel, Oil; and Machinery, Facility/Equip. Repairs: Defaults of these four categories reflect USDA ERS Weanling-Feeder \$/cwt produced estimate adjusted given 2014 Farrow-Weanling relationships.

Fixed Costs

Machinery, Facilities, and General Overhead; Taxes and Insurance: Defaults of these four categories reflect USDA ERS Weanling-Feeder \$/cwt produced estimate adjusted given 2014 Farrow-Weanling relationships.

Legal, Accounting, etc.: Reflects \$0.50 per pig sold, per year.

Other Fixed Costs: Placeholder for other fixed costs to be entered.

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Budget Assumptions

Feed Ration

Ingredient	Qty	Unit
Corn, Yellow Dent	97.56	lbs
Soybean Meal, Dehull, Sol Extr	22.70	lbs
Calcium phosphate (monocalcium)	1.63	lbs
Limestone, ground	1.60	lbs
Sodium chloride	0.58	lbs
L-Lys-HCL	0.09	lbs
DL-Met	0.01	lbs
L-Thr	0.01	lbs
Vitamin premix with phytase	0.31	lbs
Trace mineral premix	0.19	lbs
Sow add pack	0.31	lbs

Farrow-Wean Prices

	Current	One Year Out	Five Years Out
Weaned Pig (\$/hd)	\$ 55.51	\$ 55.70	\$ 57.73
Cull Sows (\$/cwt)	\$ 46.16	\$ 47.47	\$ 48.42
Replacement Gilts (\$/hd)	\$ 202.63	\$ 208.36	\$ 212.54
Swine Feed processing (\$/ton) charge	\$ 17.00	\$ 17.00	\$ 17.00
Sow Feed (\$/lb)	\$ 0.09	\$ 0.09	\$ 0.09
Corn (\$/bu)	\$ 3.30	\$ 3.75	\$ 3.40
Soybean Meal (\$/ton)	\$ 314.00	\$ 318.20	\$ 339.00
DDGS (\$/ton)	\$ 152.50	\$ 173.30	\$ 157.12
Other Feed Ingredients	\$ 0.20	\$ 0.20	\$ 0.21

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The K-State Swine Team
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