

Supporting Information

Exam 2

Econ 330
Fall 2008

Corn following Soybeans

	140 bu. per acre		
	Fixed	Variable	
Preharvest Machinery ^{1/}	\$17.10	\$15.60	_____
Seed, Chemical, etc.	Units		
Seed @ \$2.10 per 1000 k.	25,000	\$52.50	_____
Nitrogen @ \$0.46 per lb.	120	\$55.20	_____
Phosphate @ \$0.50 per lb.	55	\$27.50	_____
Potash @ \$0.27 per lb.	40	\$10.80	_____
Lime (yearly cost)		7.00	_____
Herbicide		25.20	_____
Crop Insurance		15.00	_____
Miscellaneous		8.00	_____
Interest on preharvest variable costs (8 months @ 8%)		<u>11.56</u>	_____
Total		\$212.76	_____
Harvest Machinery			
Combine	\$14.10	\$11.00	_____
Haul	3.22	3.50	_____
Dry (LP Gas @ \$1.75/gal.)	5.60	29.40	_____
Handle	1.40	0.70	_____
Total	\$24.32	\$44.60	_____
Labor			
2.6 hours @ \$11.00	\$28.60		_____
Land			
Cash rent equivalent	\$155.00		_____
Total fixed, variable			=====
Per acre	\$225.02	\$272.96	
Per bushel			e_____
Total cost per acre	\$497.98		_____
Total cost per bushel			_____

^{1/}Apply N, tandem disk, field cultivate, plant, cultivate, and spray. See the Estimated Machinery Costs table.

Swine Production — One Litter

	Farrow-to-Finish Total Confinement	Your Farm
Income ^v		
Market hogs (260 lbs x \$ _____/lb)	Quantity 8.50 head	\$ _____
Cull sows (400 lbs x \$ _____/lb)	0.25 head	\$ _____
Gross Income	\$ _____	\$ _____
Variable Costs		
Feed Costs		
Corn @ \$3.45 per bushel	105 bu	\$362.25
Soybean meal @ \$0.09 per lb		91.17
Dried distiller grain @ \$0.05 per lb	288 lbs	14.40
Vitamin & minerals @ \$0.45 per lb	36 lbs	16.20
Vitamin & minerals @ \$0.30 per lb	110 lbs	33.00
Pasture @ \$30.00 per acre		
Feed Additives		25.00
Total Feed Costs		\$542.02
Veterinary and health		\$25.00
Fuel, repairs, utilities		50.00
Bedding, marketing, miscellaneous		30.00
Interest on variable costs @ 9%		24.26
Labor @ _____ per hour	5 months 6 hours	84.00
Total Variable Costs		\$755.28
Income over Variable Costs		\$ _____
Fixed Costs		
Machinery, facilities		\$130.00
Breeding costs, boar/semen		13.00
Replacement gilts @ \$155 head	0.28 head	43.40
Interest, insurance on breeding herd @ 10%		9.02
Total Fixed Costs		\$195.42
Total of All Costs		\$950.07
Income over All Costs		\$ _____
Break-even selling price for variable costs per cwt ^w		\$ _____
Break-even selling price for all costs per cwt ^w		\$ _____

^v For pasture, a weaning average of 8.3 pigs is assumed, minus 0.40 death loss and 0.60 for replacement. For confinement, a weaning average of 9 pigs is assumed, minus 0.5 death loss. Sow death loss is 5%.

^w Cull sow income of \$70 per litter is assumed for pasture (sows sold after 2 litters) and \$35 per litter for total confinement (sows sold after 4 litters).