

Corn to Cattle Worksheet

Thursday, December 09, 2010

This worksheet attempts to illustrate the value of corn being feed to cattle given today's cattle market. I am calculating the corn value based upon deducting an average "acceptable" expense in the cattle enterprise and applying the balance to corn.

All expense minus corn per head: \$870.00
 Bushels of corn used per head: 70.0
 1250 lb market weight

	Today's Price Cattle:	Today's Price Corn:	Corn price with today's cattle market
Dec '10	\$101.80	\$5.60	\$5.75
Jan '11	\$104.63	\$5.74	\$6.25
Feb '11	\$104.63	\$5.74	\$6.25
Mar '11	\$107.98	\$5.74	\$6.85
Apr '11	\$107.98	\$5.83	\$6.85
May '11	\$105.25	\$5.83	\$6.37
Jun '11	\$105.25	\$5.87	\$6.37
Aug '11	\$105.40	\$5.48	\$6.39
Oct '11	\$107.75	\$5.30	\$6.81
Dec '11	\$108.30	\$5.30	\$6.91
Average	\$105.90	\$5.64	\$6.48



	Price	
Corn Yield: 190	\$6.48	\$1,231.44
Corn Variable Costs:		
Fert:		\$95
Seed:		\$105
Chem:		\$25
Custom Rate:		\$110
Insurance:		\$22
Intrest		\$14
Drying :		\$17

		\$388
Net per acre		\$843.44
With \$6.48 per bushel left to apply to corn from the hogs We then calculated breakeven on corn production. The net per acre represents what value can be placed on the land after an "appropriate" return on investment in both the hog and corn enterprise.		

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