

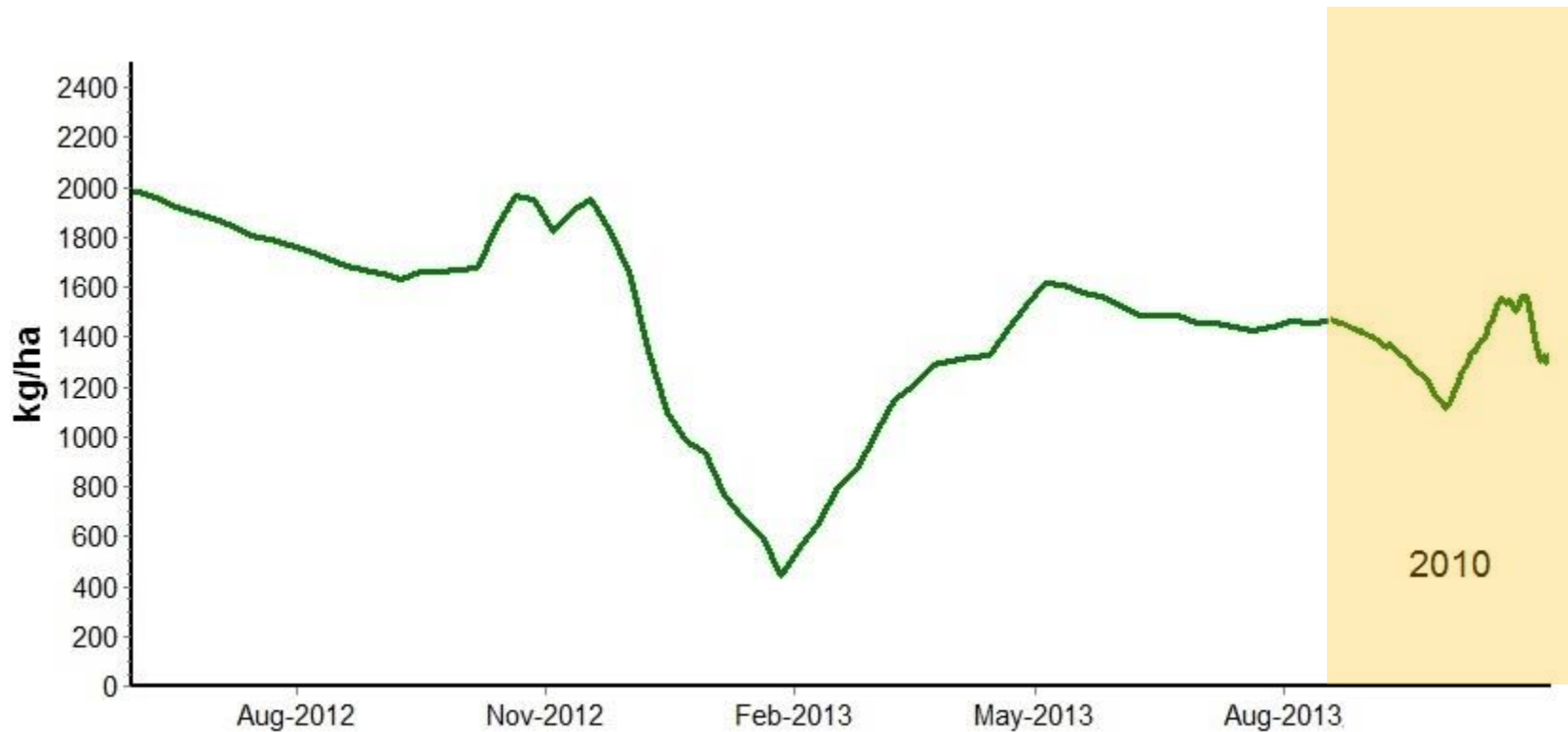
Seasonal Outlook Spring 2013



Doug Alcock

0411 139594

Using GrassGro for Seasonal Projections



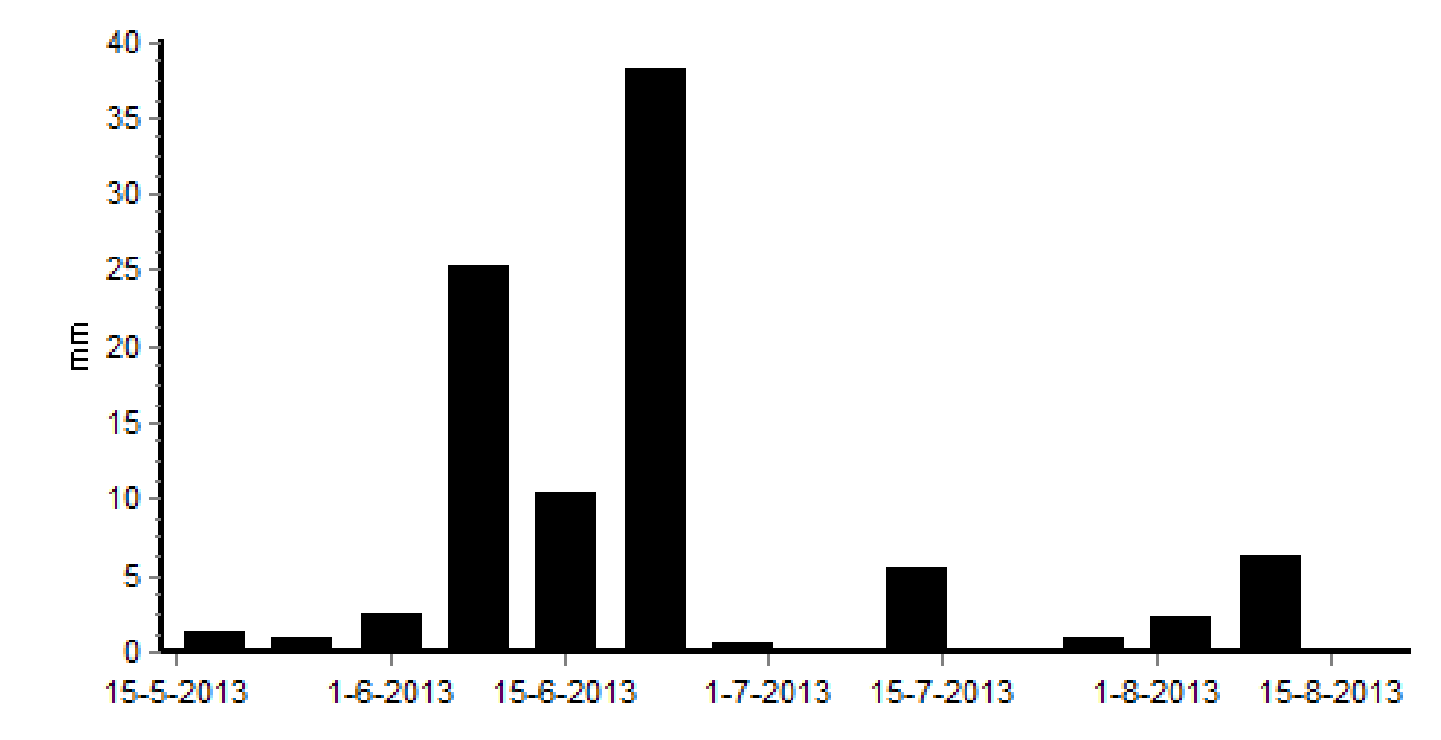
What Systems

- Bungarby Native System (1000ha)
 - 19 micron merino ewes
 - 2 ewes/ha
 - Lamb 1st Sept
- Improved Pasture (1000ha)
 - Same ewes
 - 4.2/ha

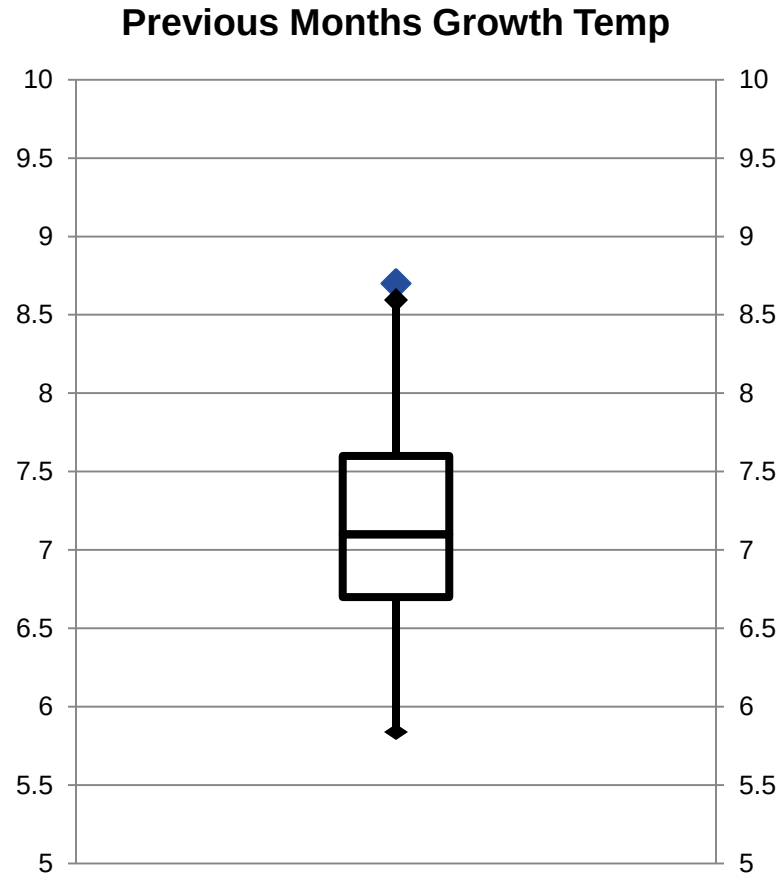


Weekly rain totals for the past 3 Months

■ Silo data drill 36°39' S : 149°00' E

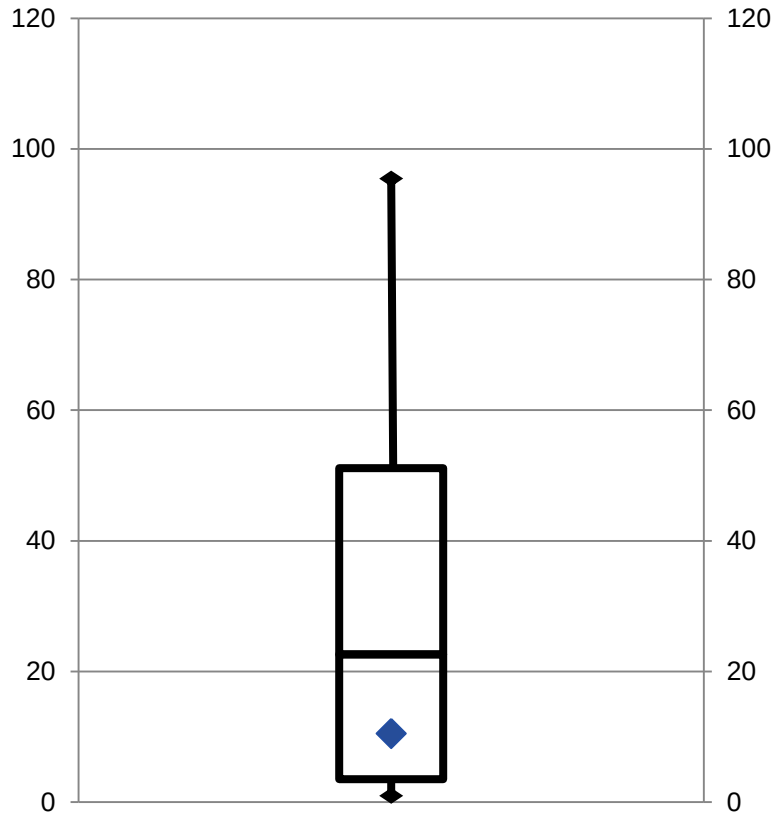


Higher than Average temperatures

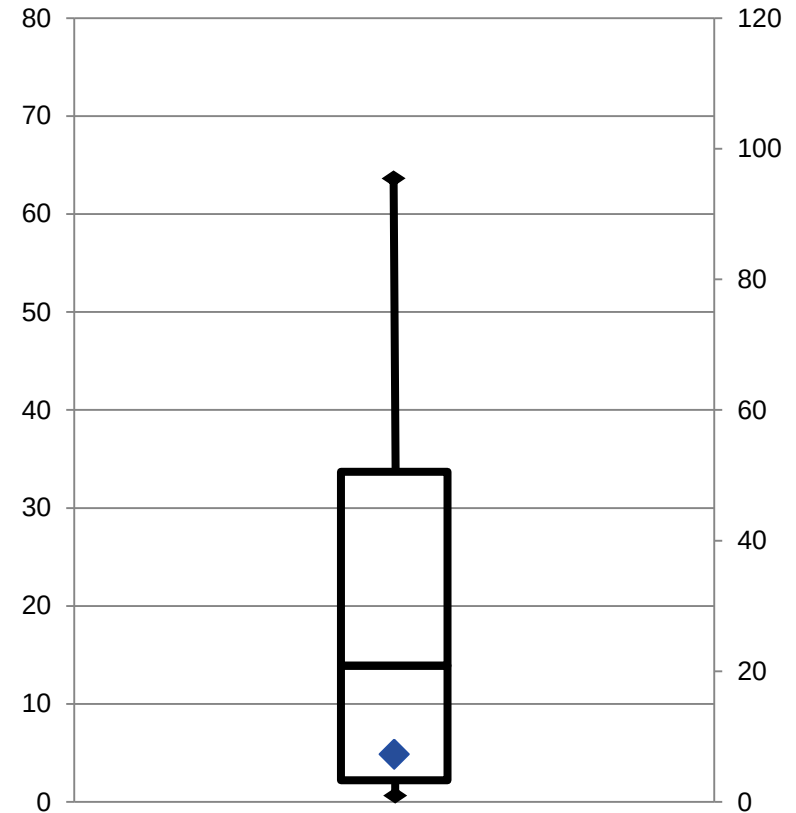


Below Average Plant Available Water

Native

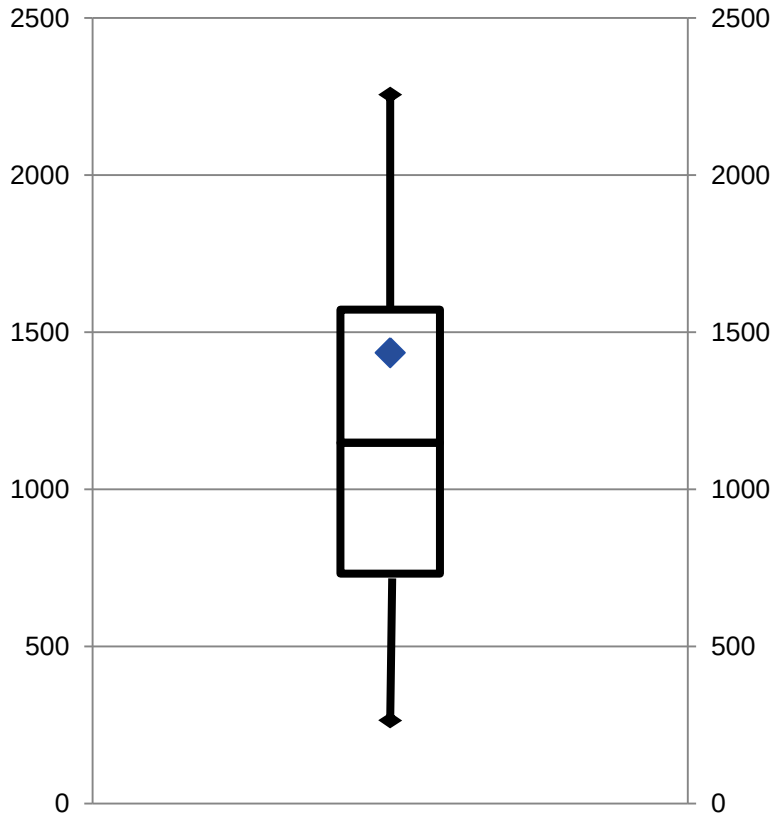


Improved

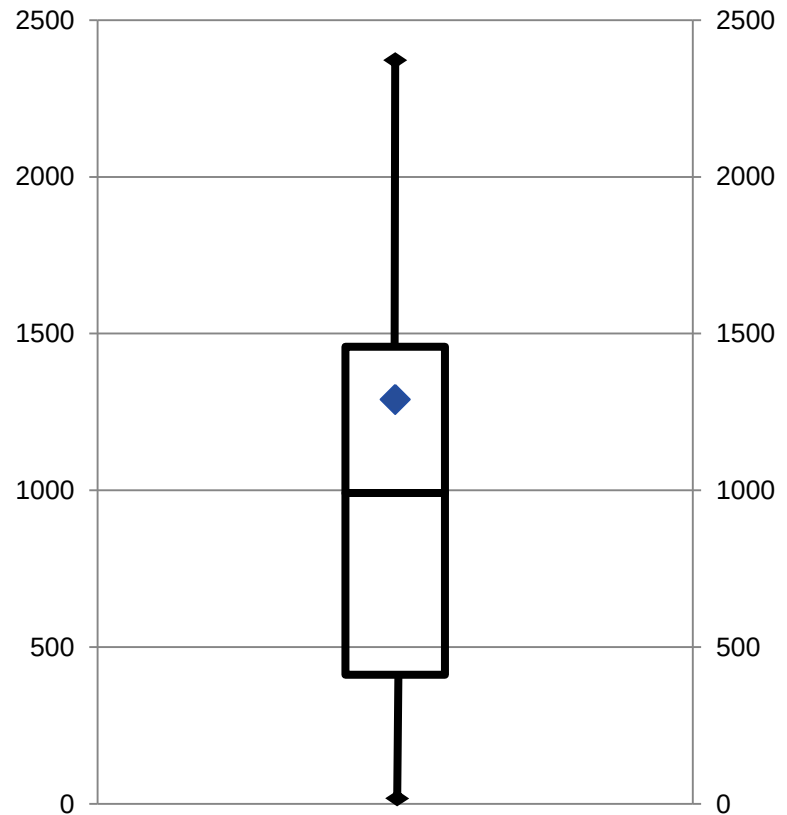


Above Average Green Herbage

Native

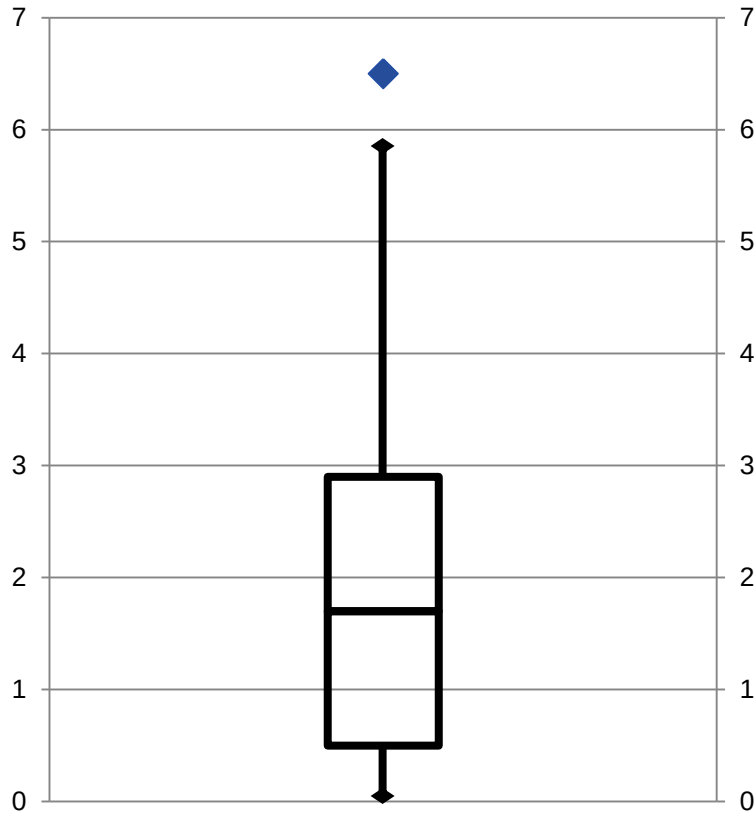


Improved

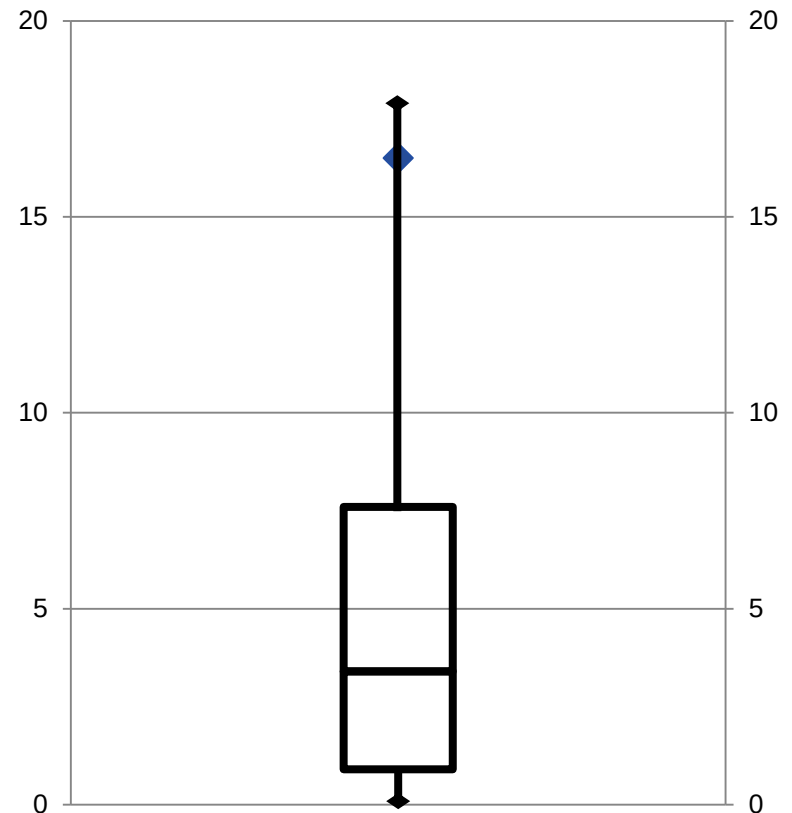


High growth for the month to 18/8/13

Native

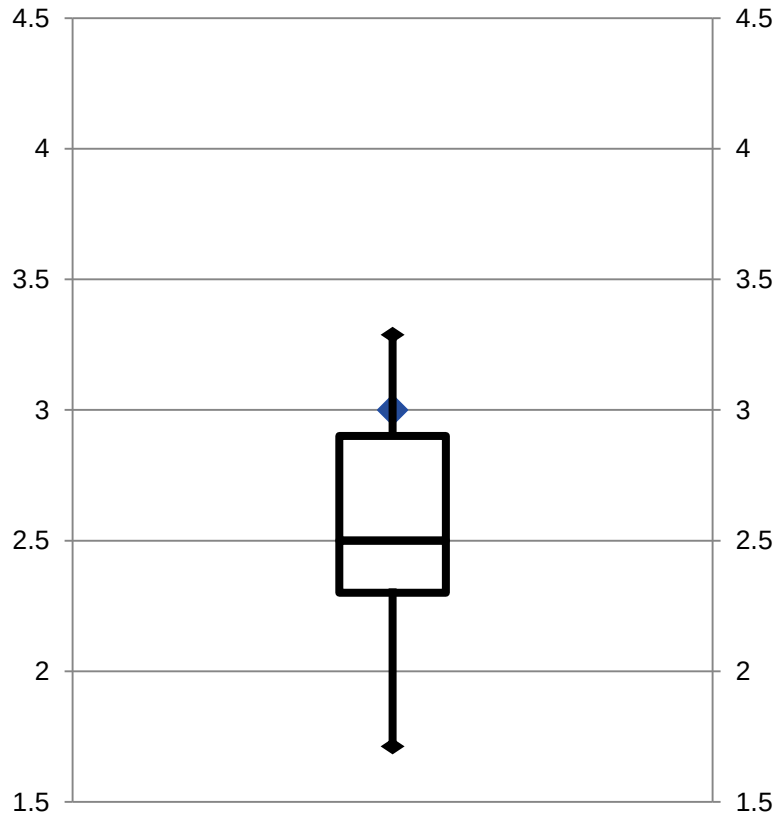


Improved

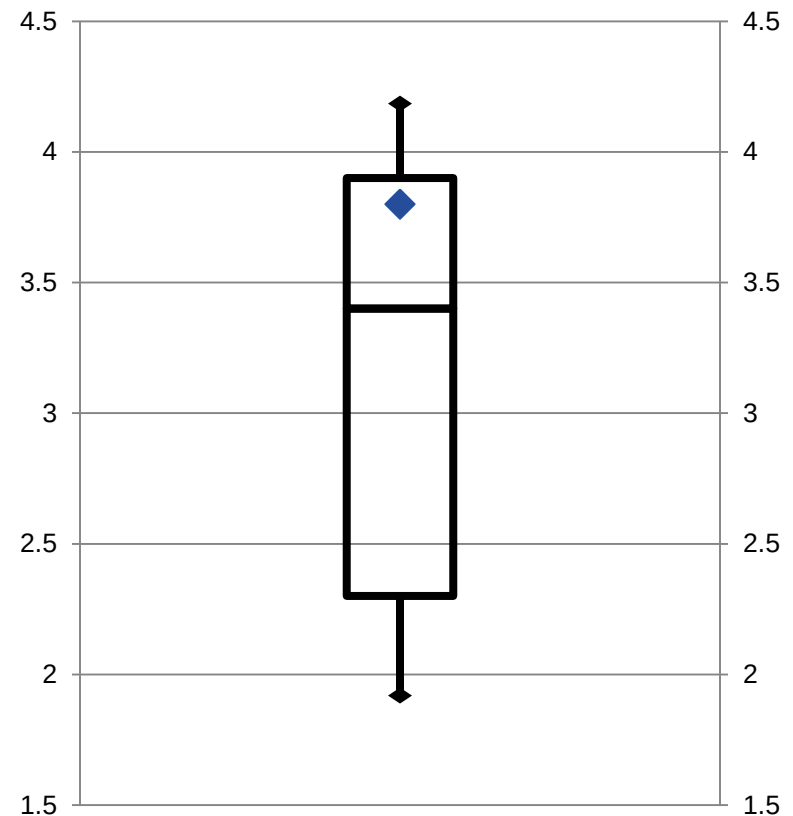


Ewes in good condition

Native

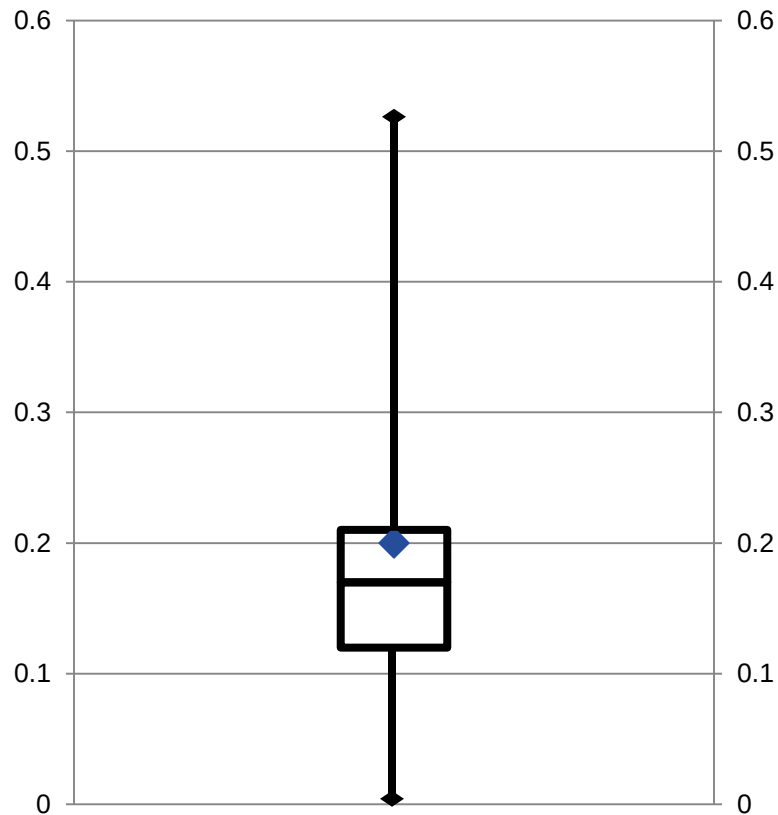


Improved

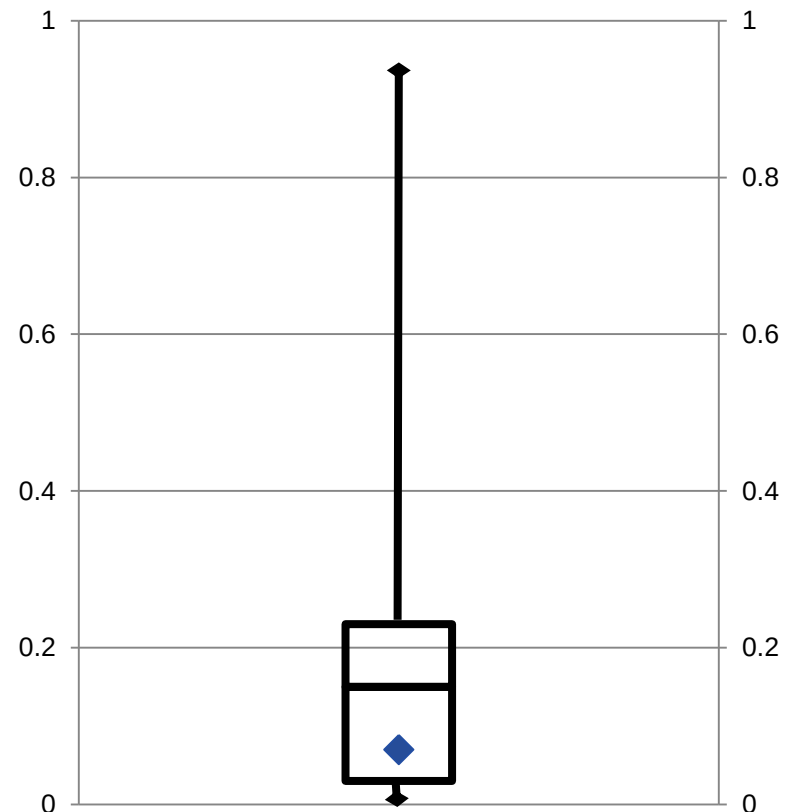


Loss of Ewe CS about ave. for the time of year

Loss of Ewe CS

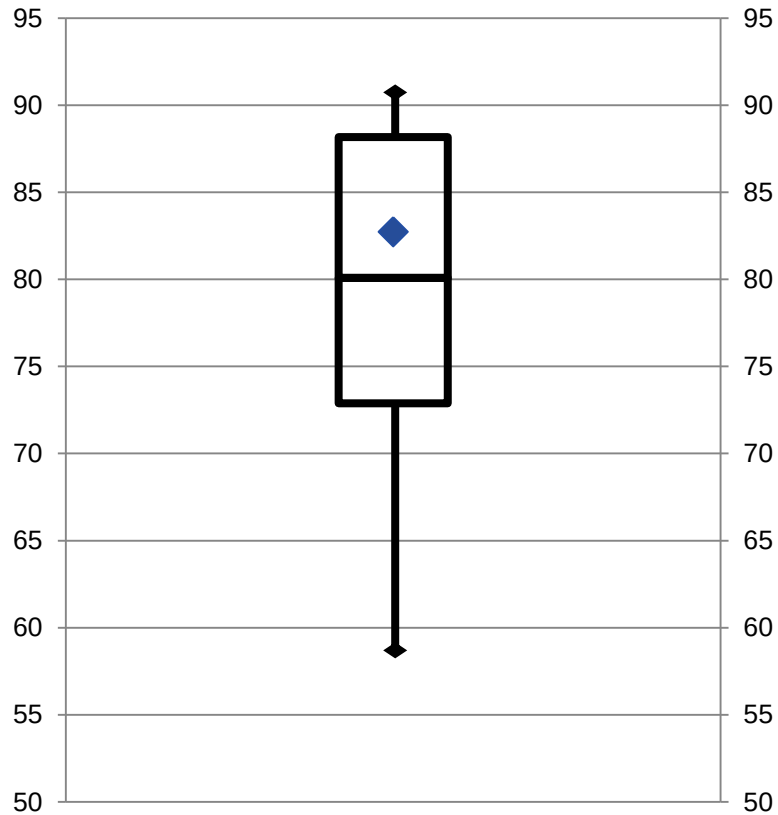


Loss of Ewe CS

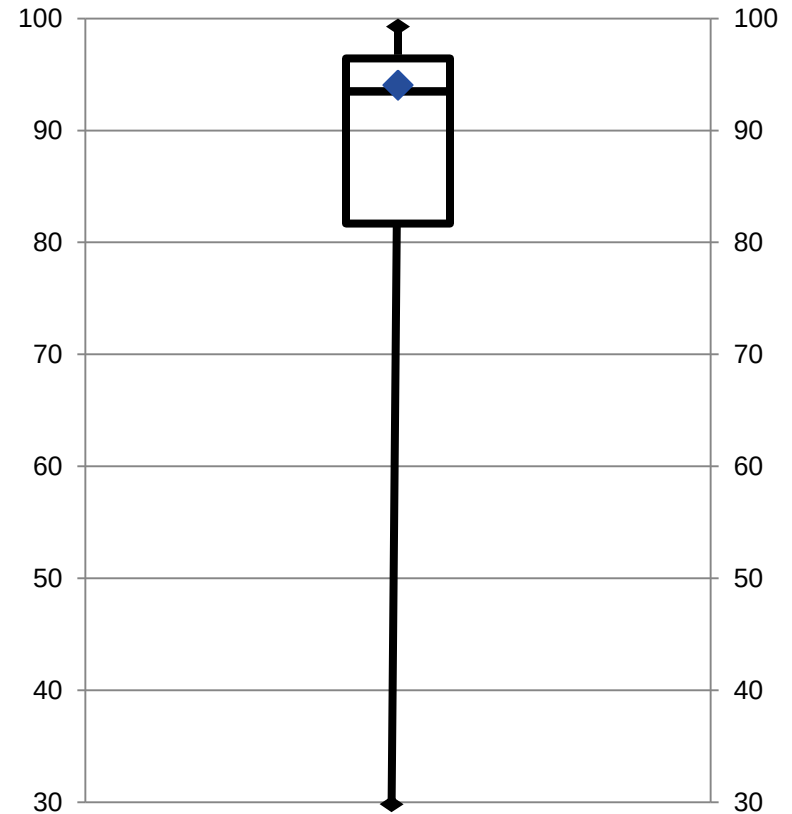


Good Ground Cover

Native



Ground Cover



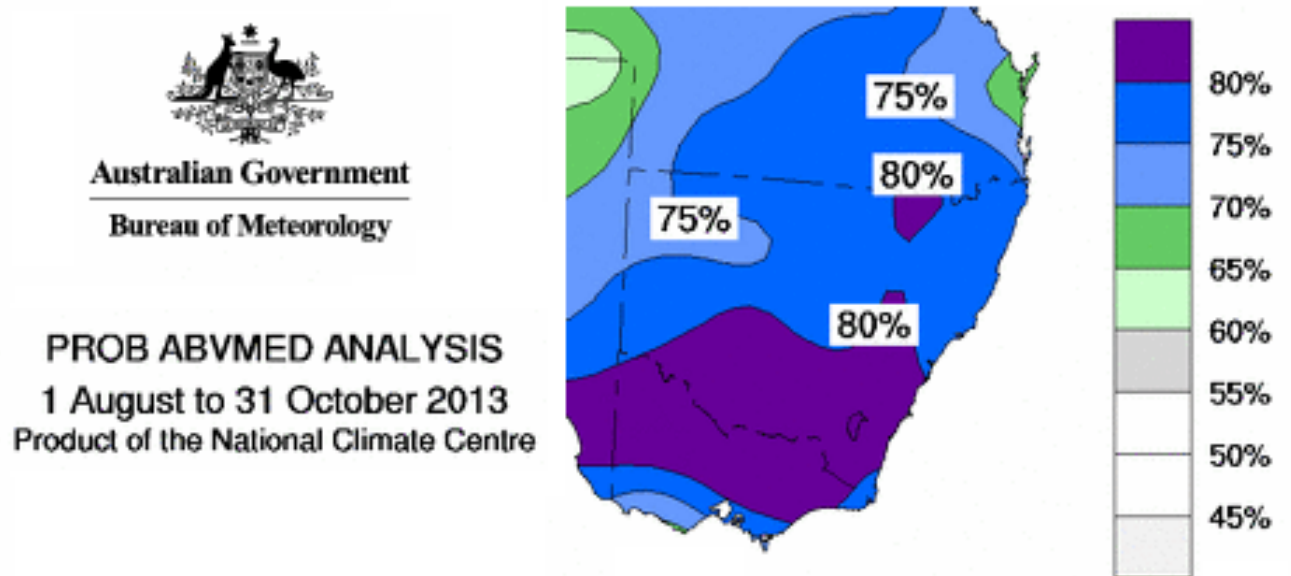
Seasonal Projections for Bungarby

- Projecting from 19 Aug to 30 Nov
- Applying seasonal rainfall patterns from each year 1960 – 2012.
- Uses a GrassGro tactical simulation

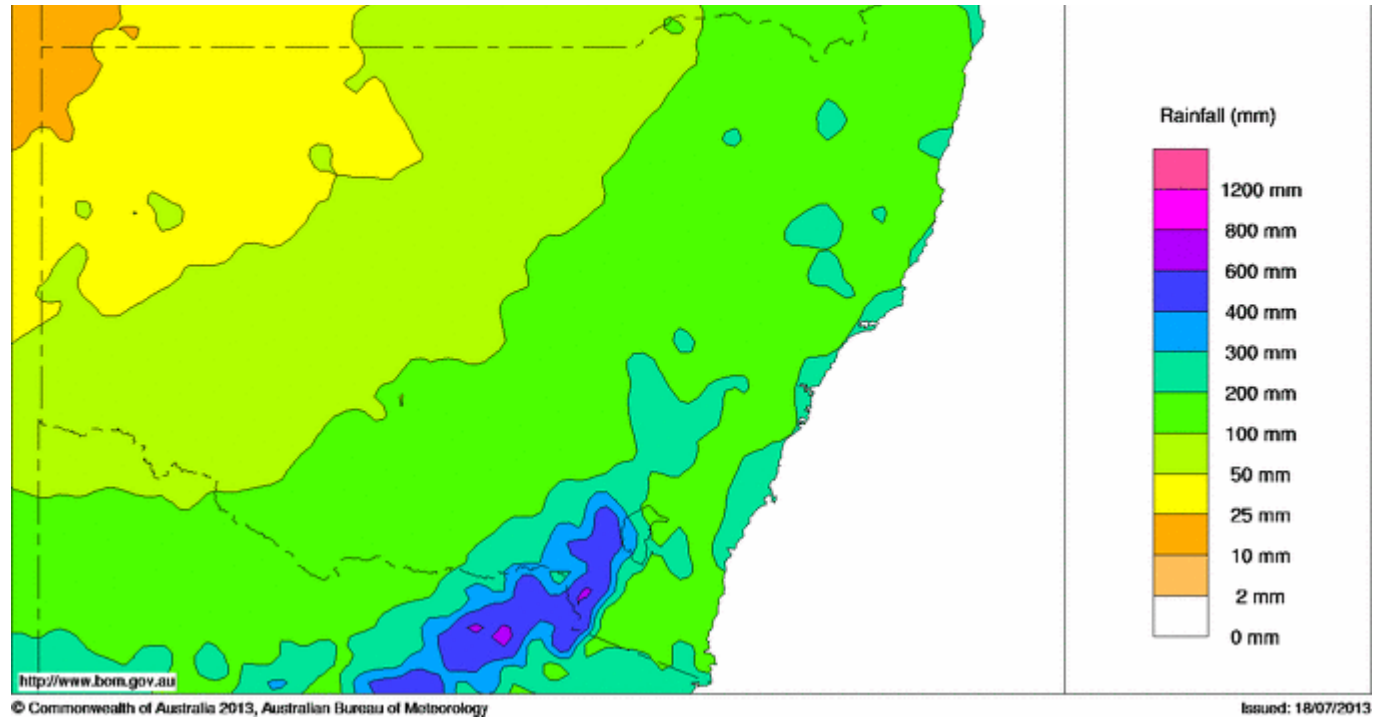
–BUT is any one outcome more likely than another?



BOM Chance of exceeding median rainfall



75% Chance of exceeding 100-200mm



On average 1960 – 2012: 75% Chance of exceeding 88mm



What About Temperatures

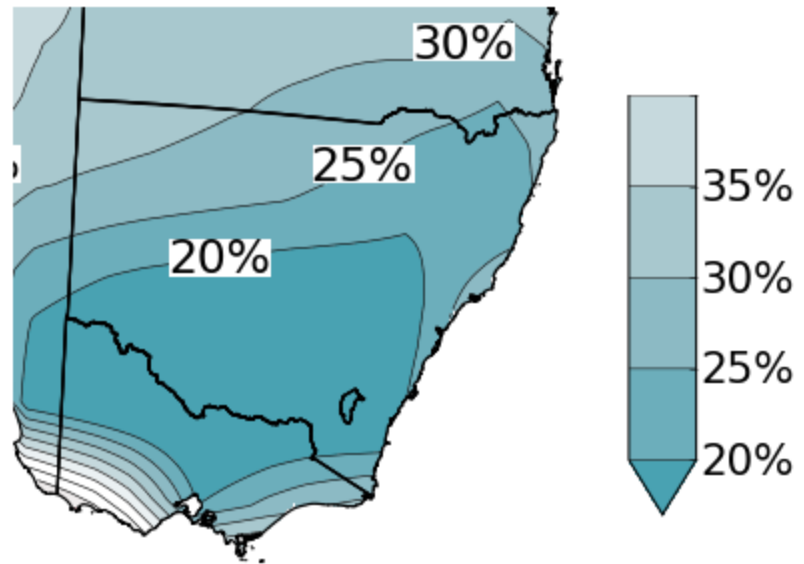


Australian Government
Bureau of Meteorology

Chance of exceeding
the median Max Temp

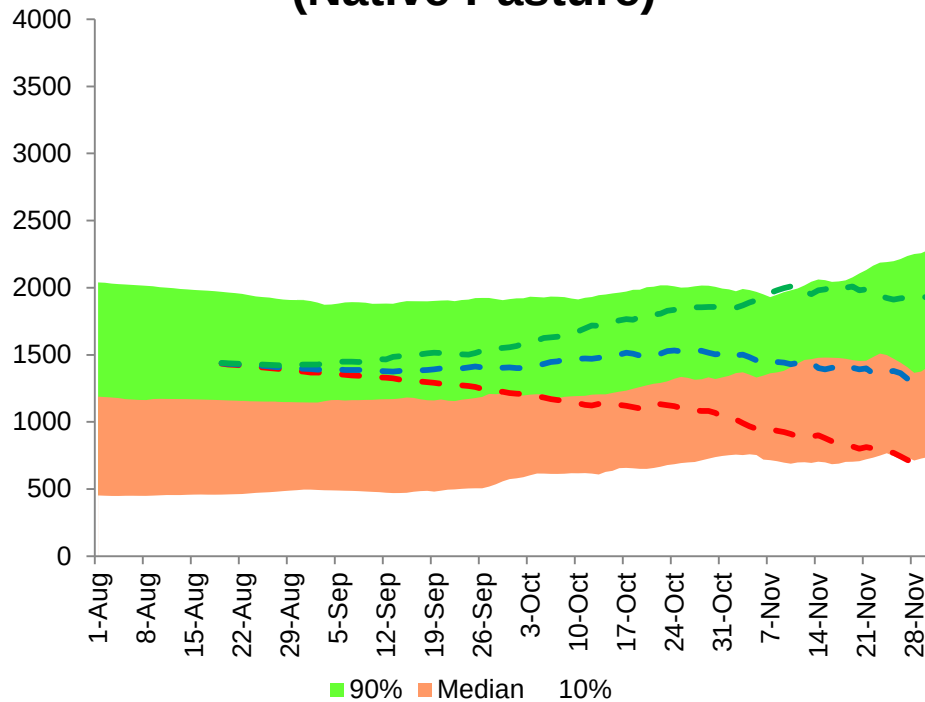
August to October 2013

Product of the National Climate Centre

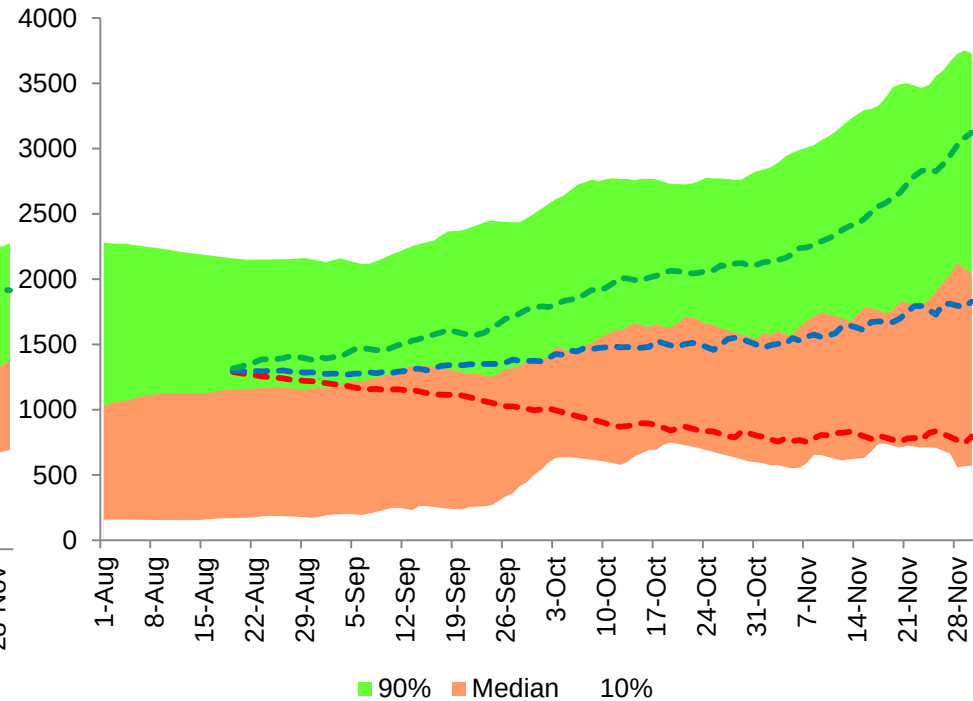


Seasonal Projections

Green Herbage Mass (Native Pasture)

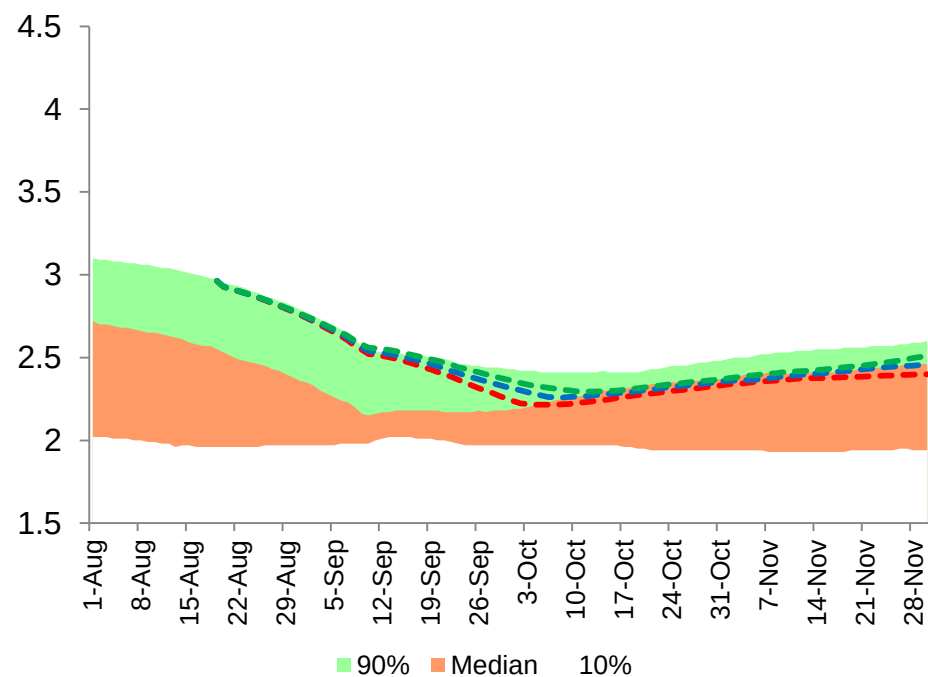


Green Herbage mass (improved pasture)

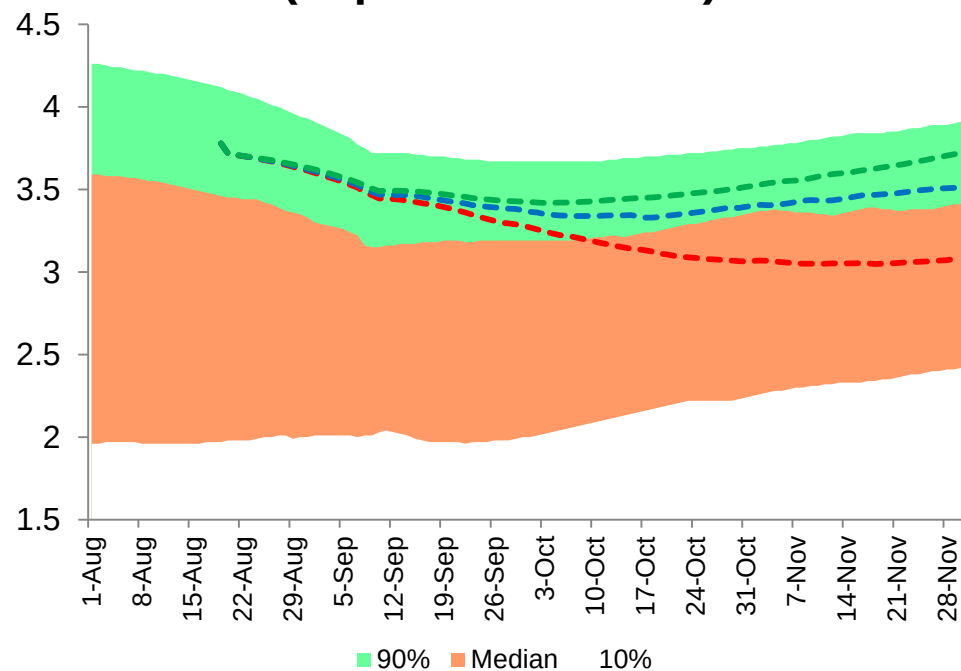


Seasonal Projections

Ewe Condition Score (Native)



Ewe Condition Score (Improved Pasture)



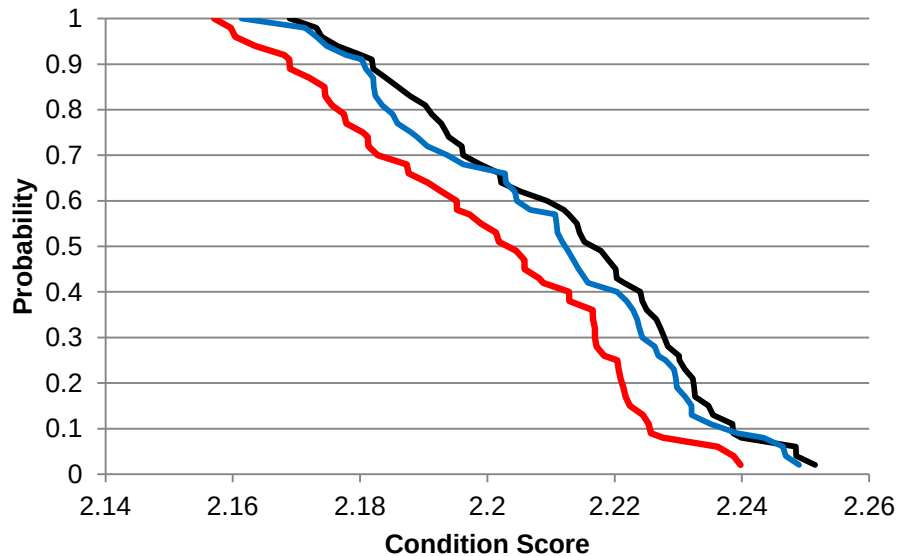
Is there any spare capacity this year?

- Run another tactical simulation at increased stocking rates.
- Quarantine 25% and 50% of the land.
- Native 2/ha, 2.7/ha and 4/ha.
- Improved 4.2/ha 5.6/ha and 8.4/ha



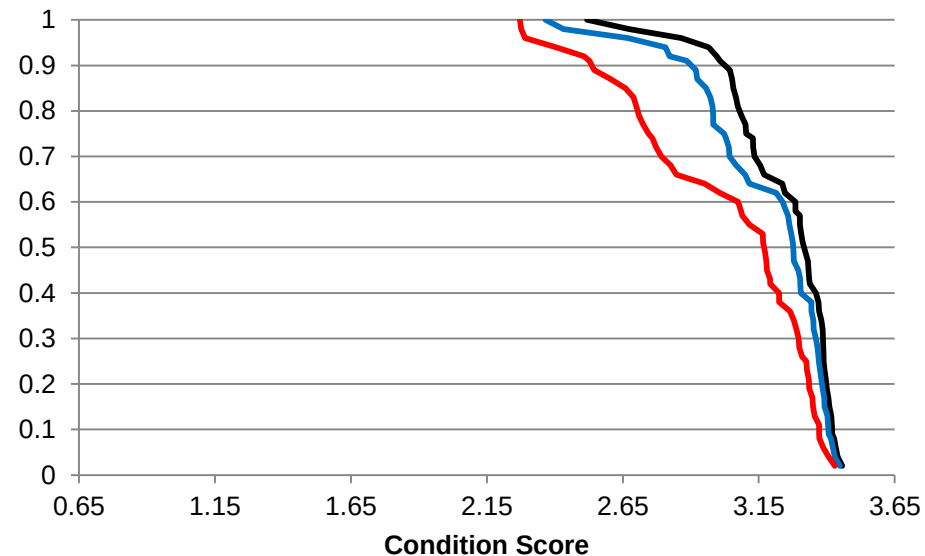
Is there any spare capacity this year?

Effect of stocking rate on ewe condition score (Native Pasture)



— 2/ha — 2.7/ha — 4/ha

Effect of stocking rate on ewe condition score (Improved Pasture)

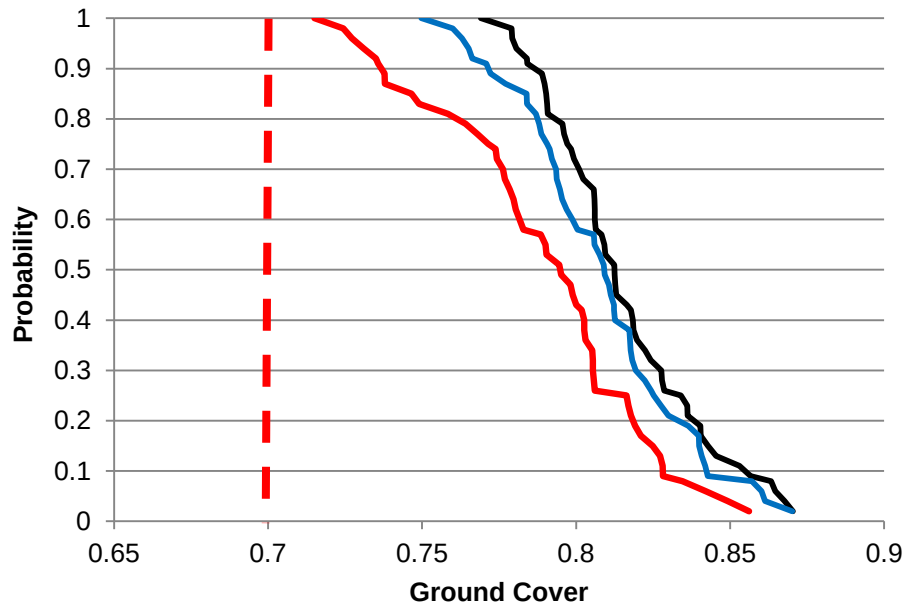


— 4.2/ha — 5.6/ha — 8.4/ha



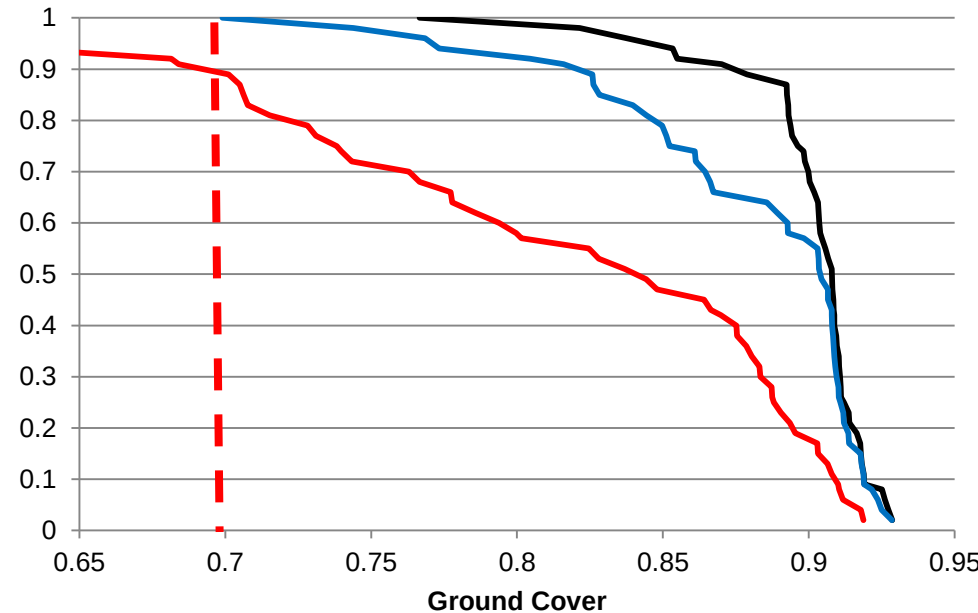
Is there any spare capacity this year?

Effect of stocking rate on ground cover (Native Pasture)



— 2/ha — 2.7/ha — 4/ha

Effect of stocking rate on ground cover (Improved Pasture)



— 4.2/ha — 5.6/ha — 8.4/ha



What can we do with the extra capacity?

- Move 675 ewes off the improved pasture onto the native pasture.
 - (2.7 ewes/ha)
- Stock the improved pasture at 4.9 ewes/ha.
- Frees up 370ha of improved pasture.
 - 18% of the farm



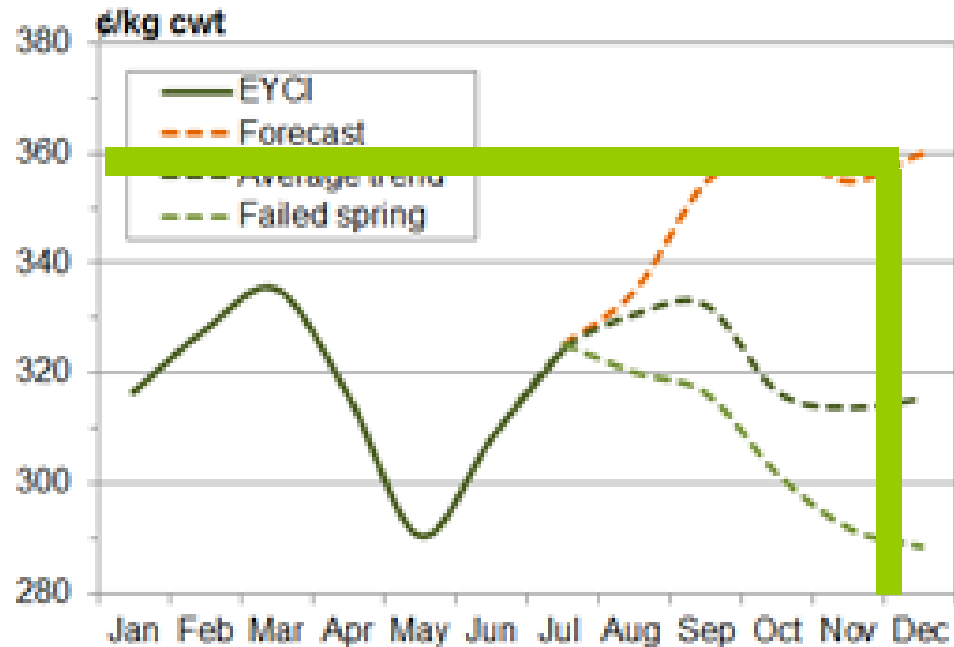
Trade light weight yearling steers

- Trade @ 0.5, 0.8 and 1.1 steers/ha.
- Buy 280kg yearling steers at 188 c/kg Lwt
 - (NLRs Domestic Feeder Steer Price -- Mecardo)
- Sell 30 Nov at EYCI projection 360c/kg cwt (Mecardo) plus hide ie approx 200c/kg Lwt



EYCI Projections

Figure 3. EYCI forecast



Source: ACU

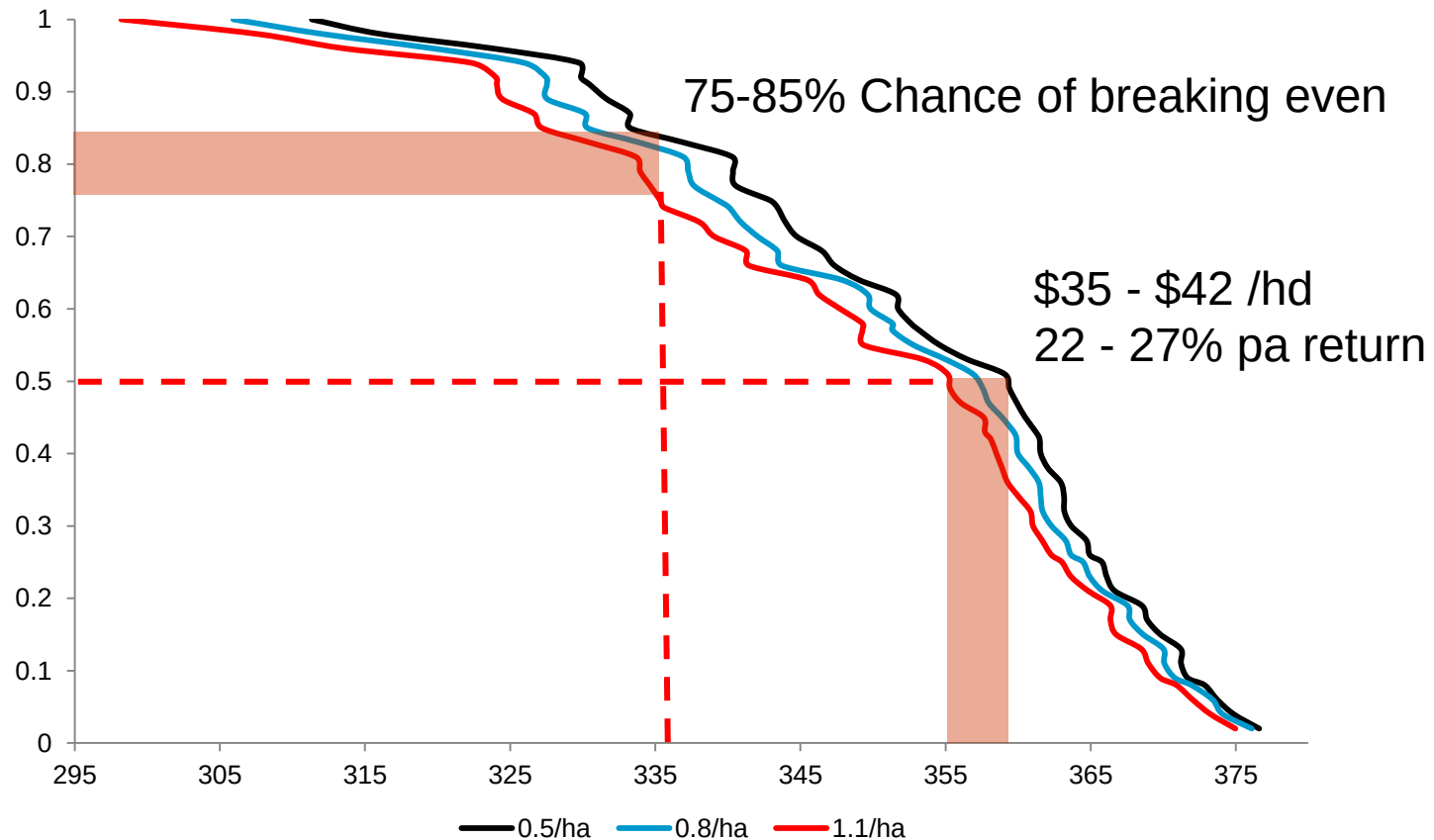


Costs

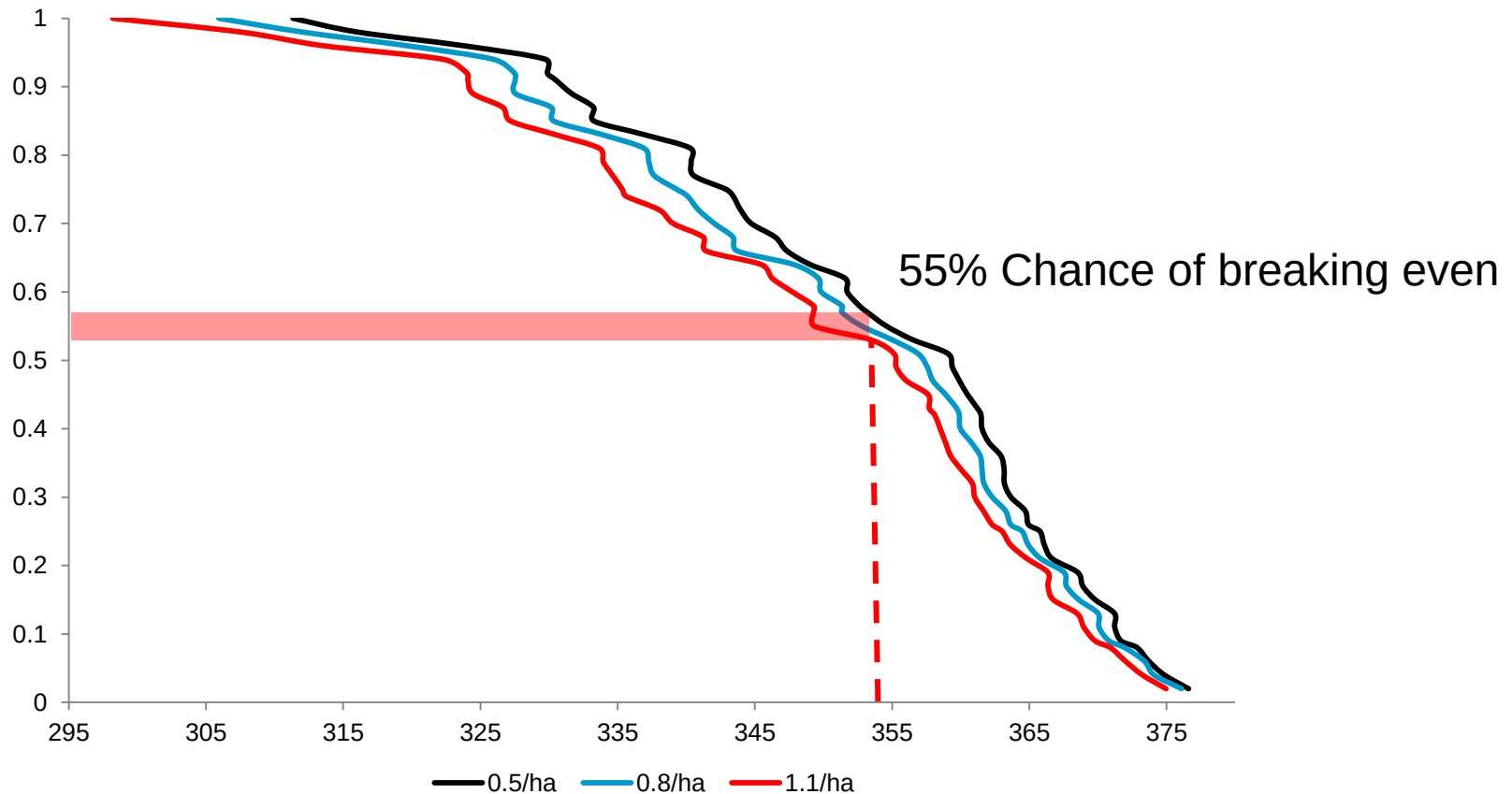
■ Husbandry	\$9.30/hd
■ Purchase Price	\$530/hd
■ Fixed Selling Costs	\$21/hd
■ Sale Commissions	3.5%
■ Purchase Cartage	\$35/hd
■ Interest on capital	7% pa
■ Deaths	2% pa



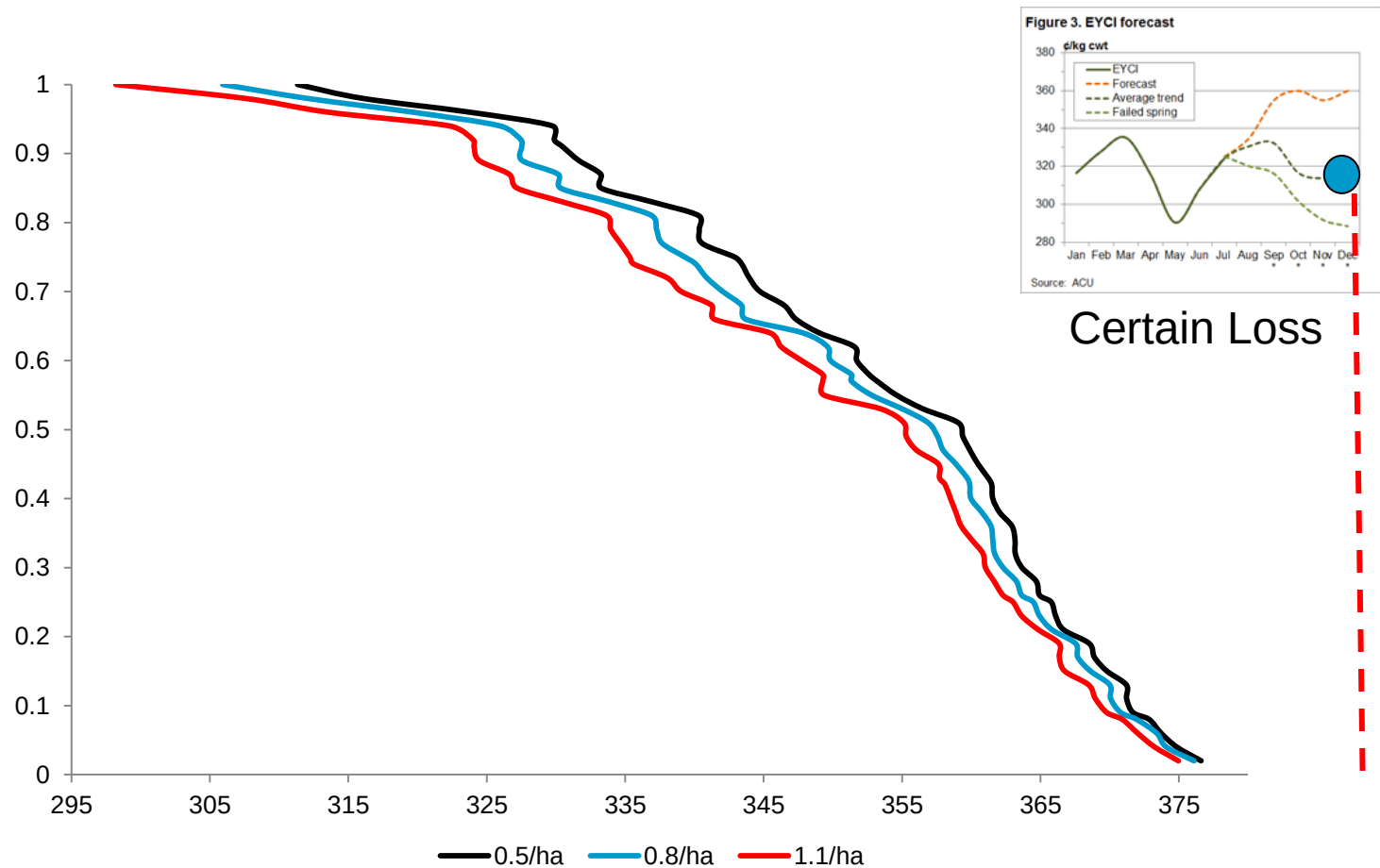
How much weight gain?



\$560 Buy in price (\$2/kg Lwt)?



Mecado EYCI average trend (\$3.15/kg)?



Lamb Trade

- Stock at 6, 8 or 10 lambs /ha.
- Buy in D x Mer lambs at 32kg Lwt at \$5.50/kg cwt (\$77/hd)
- Sell out at \$5.00 /kg cwt
 - projections for weak supply will mean stronger prices later in the year. Mecado says prices could approach \$6/kg cwt

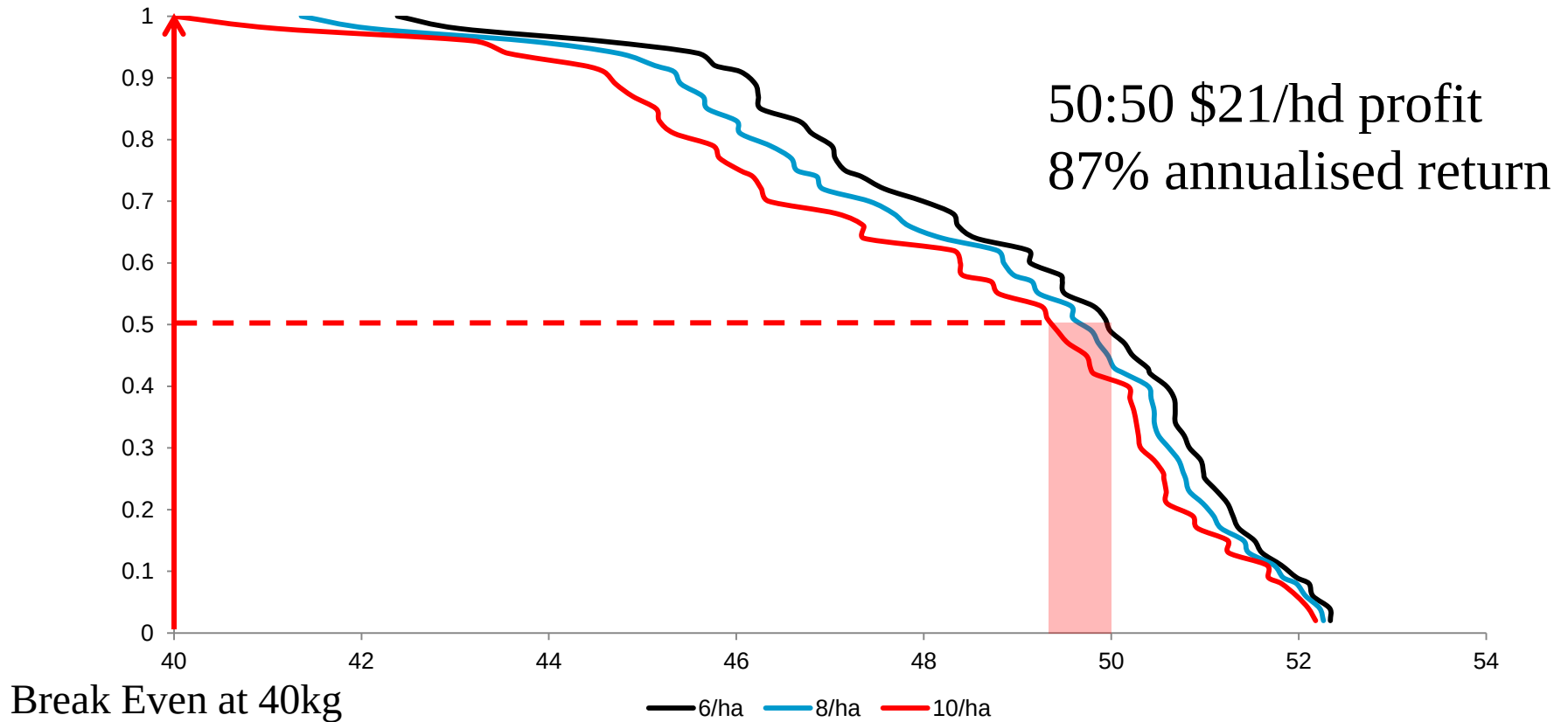


Costs

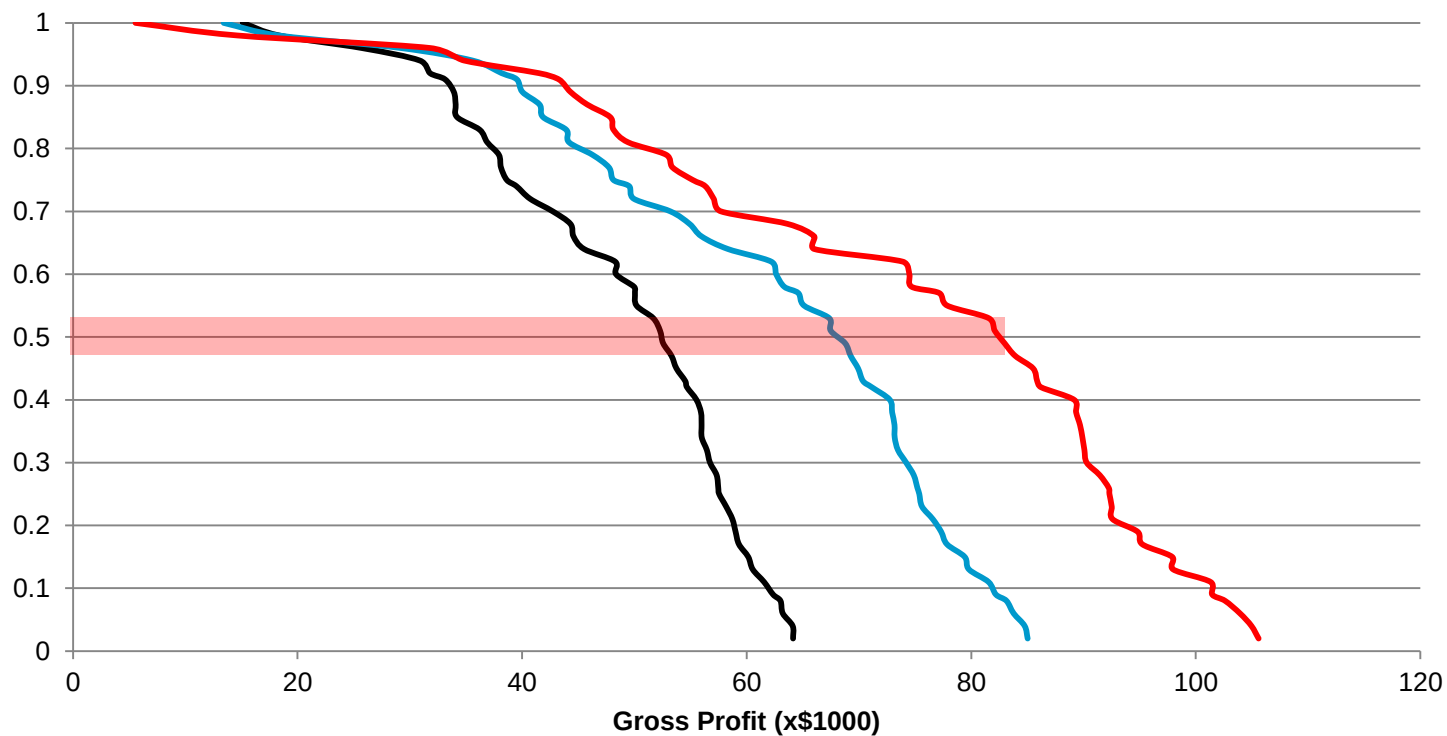
■ Husbandry	\$4/hd
■ Purchase Price	\$77/hd
■ Fixed Selling Costs	\$4/hd
■ Sale Commissions	5%
■ Purchase Cartage	\$5/hd
■ Interest on capital	7% pa
■ Deaths	4% pa



How much weight gain?



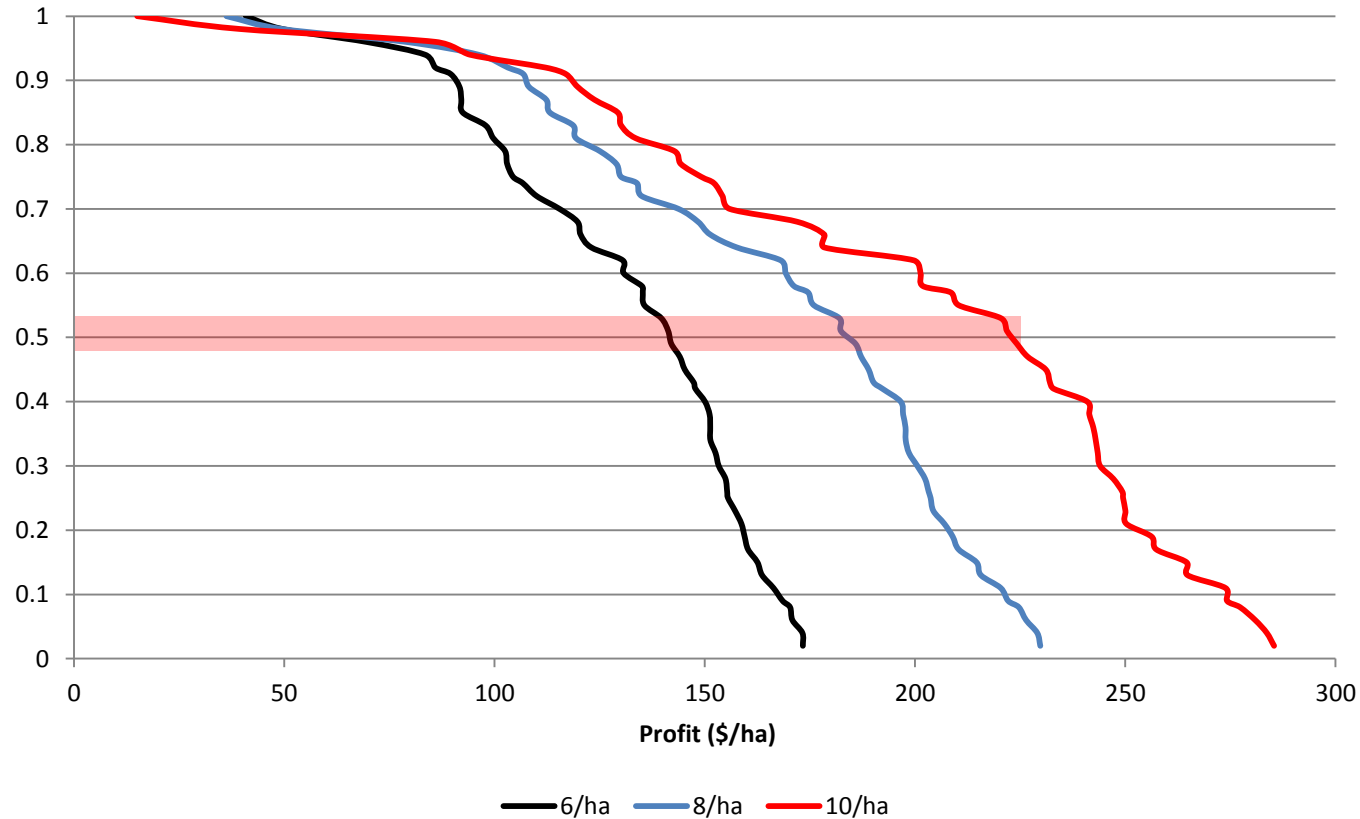
Gross Profit on Transaction



— 6/ha — 8/ha — 10/ha



Transaction Profit / ha.



Conclusion

- Projected rainfall along with the current pasture conditions suggest some excess carrying capacity this spring.
- Economic use of this spare capacity will require astute trading to ensure buying at the right price.
- If disease risks can be managed trading lambs will be more profitable

