

The continued decrease in wheat values has seen sheep out-performing wheat by at least \$88 per hectare. This assumes a wheat price on farm of \$170 per tonne with a yield of 3.0 tonne (Dryland south-east GM) while using a stocking rate of 10 DSE per hectare.

Using a wheat price on farm of \$200 per tonne with a yield of 3.5 tonne/ha sees both wheat and sheep performing equally. The 18-micron ewe enterprise performs to a similar level when wheat is \$230 per tonne of farm.

Sheep enterprises continue to out-perform beef with the southern yearling beef enterprise presented as an example. This assumes a stocking rate of 10 DSE/ha, with steers sold at 205 kg deadweight (dw) @360 cents kg/dw.

There are a number of factors to consider when selecting an enterprise; using price alone is fraught with danger as price can vary both within and between years. Already this year we have seen a reduction in wool prices which has resulted in a fall of approximately 10 per cent with 18 micron and 3% for 20 micron ewe enterprises.

For a full break down of sheep, cattle and cropping enterprise gross margins visit www.dpi.nsw.gov.au/agriculture/farm-business/budgets

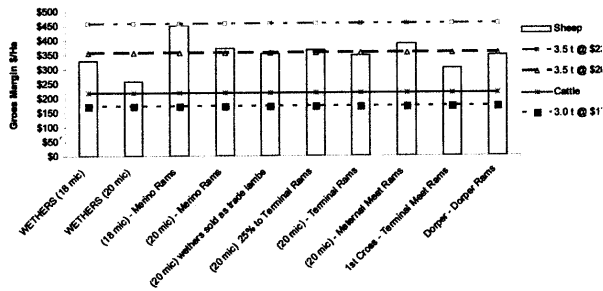


Figure 2: Sheep enterprise gross margins compared to wheat and southern yearling cattle

Thermoskin's improved bottom line

The Henderson family of Grogansworth Merino stud, Bowning, was thrilled with the outcome of using Thermoskin in 2011.

With temperatures dropping to minus five degrees Celsius on the NSW Southern Tablelands in the mildest winter, loss of live weight can occur in freshly shorn sheep.

Having used this product for several years, including in trials before it hit the market, the Hendersons can attest to the fact that the sheep not only cope with the cold conditions, but also feed immediately after being shorn and gain weight.

After last year's treatment, 307 surplus two-year-old ewes were sold off the board for \$191/head, and in the same sale, 429 3-year-old wethers brought \$140 and 483 wether weaners, \$130.

"Not only was the money in our pockets earlier, but we also saved on the feed we would normally have needed if we waited the usual four to six weeks before selling the sheep." Kim Henderson said.

"It was a win-win situation all round."



Grogansworth's three-year-old wethers being shorn last July

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