

# LIVESTOCK PRODUCTION COSTS

## HOG PRODUCTION COSTS AND RETURNS HEARTLAND REGION <sup>1</sup>, 2023

Item	All Hogs	Farrow to Finish	Farrow to Feeder Pig <sup>2</sup>	Feeder Pig to Finish
<b>Dollars per Cwt Gain <sup>3</sup></b>				
<b>Gross Value of Production:</b>				
Market Hogs	68.16	60.45	0.04	71.86
Feeder Pigs	6.09	0.20	146.65	0.37
Nursery Pigs	1.33	0.48	0.00	0.03
Cull Stock	0.27	1.20	3.92	0.00
Breeding Stock	1.49	2.07	0.20	0.07
Inventory Change	1.30	0.27	1.04	1.54
Other Income <sup>4</sup>	6.84	5.82	4.96	6.97
Total, Gross Value of Production	85.48	70.49	156.81	80.84
<b>Operating Costs:</b>				
<b>Feed--</b>				
Purchased Feed	32.35	32.62	44.66	31.26
Homegrown Harvested Feed	1.22	6.73	0.82	0.70
Total, Feed Costs	33.57	39.35	45.48	31.96
<b>Other--</b>				
Feeder Pigs	19.69	0.16	0.03	23.18
Nursery Pigs	8.65	0.17	0.04	6.19
Veterinary and Medicine	3.63	3.29	9.70	3.59
Bedding and Litter	0.01	0.02	0.07	0.01
Marketing	0.18	0.58	0.12	0.07
Custom Services	1.38	1.29	1.38	1.43
Fuel, Lube, and Electricity	3.08	2.12	3.57	1.68
Repairs	1.42	1.58	2.20	1.26
Interest on Operating Capital	1.79	1.22	0.64	1.74
Total, Operating Costs	73.40	49.78	63.23	71.11
<b>Allocated Overhead:</b>				
Hired Labor	2.16	3.61	11.31	2.02
Opportunity Cost of Unpaid Labor	1.67	2.00	7.22	1.55
Capital Recovery of Machinery and Equipment <sup>5</sup>	10.55	14.94	33.01	8.40
Opportunity Cost of Land (rental rate)	0.03	0.04	0.10	0.03
Taxes and Insurance	0.99	0.84	1.73	1.01
General Farm Overhead	1.61	1.59	2.74	1.47
Total, Allocated Overhead	17.01	23.02	56.11	14.48
Total Costs Listed	90.41	72.80	119.34	85.59
Value of Production Less Total Costs Listed	-4.93	-2.31	37.47	-4.75
Value of Production Less Operating Costs	12.08	20.71	93.58	9.73
<b>Supporting Information:</b>				
<b>Production Arrangement (percent of production)</b>				
Independent	24	98	62	14
Under Contract	76	2	38	86
<b>Size of Operation (head sold/removed)</b>				
Market Hogs	7,356	5,045	2	10,217
Feeder Pigs	1,349	20	12,293	110
Nursery Pigs	645	165	0	15

<sup>1</sup> Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota. Developed from survey base year, 2020.

<sup>2</sup> Data published is for the United States, data for Heartland Region not available. Developed from survey base year, 2015.

<sup>3</sup> Cwt. gain = (cwt. sold - cwt. purchased) + cwt. inventory change.

<sup>4</sup> Value of manure production.

<sup>5</sup> Machinery and equipment, housing, manure handling, feed storage structures, and the breeding herd.

Source: Economic Research Service

# LIVESTOCK PRODUCTION COSTS

## COW-CALF, AND MILK PRODUCTION, COSTS AND RETURNS HEARTLAND REGION <sup>1</sup>, 2023

Cow-Calf Production <sup>2</sup>	Dollars Per Bred Cow	Milk Production <sup>3</sup>	Dollars Per Cwt
Gross Value of Production:		Gross Value of Production:	
Calves	768.31	Milk Sold	19.81
Stockers and Yearlings	107.96	Cattle	1.76
Other Cattle <sup>4</sup>	137.69	Other Income <sup>6</sup>	0.74
Total, Gross Value of Production	1,013.96	Total, Gross Value of Production	22.31
Operating Costs:		Operating Costs:	
Feed--		Feed--	
Purchased Feed	115.44	Purchased Feed	6.63
Homegrown Harvested Feed	328.60	Homegrown Harvested Feed	5.73
Grazed Feed	124.07	Grazed Feed	0.04
Total, Feed Costs	568.11	Total, Feed Costs	12.40
Other--		Other--	
Cattle for Backgrounding	4.54	Veterinary and Medicine	0.83
Veterinary and Medicine	39.82	Bedding and Litter	0.27
Bedding and Litter	1.47	Marketing	0.08
Marketing	5.17	Custom Services	0.75
Custom Services	9.45	Fuel, Lube, and Electricity	0.93
Fuel, Lube, and Electricity	42.85	Repairs	1.00
Repairs	57.29	Other Operating Costs <sup>7</sup>	0.02
Interest on Operating Capital	18.24	Interest on Operating Capital	0.41
Total, Operating Costs	746.94	Total, Operating Costs	16.69
Allocated Overhead:		Allocated Overhead:	
Hired Labor	25.96	Hired Labor	1.87
Opportunity Cost of Unpaid Labor	541.21	Opportunity Cost of Unpaid Labor	3.38
Capital Recovery Cost (Machinery & Equipment) <sup>5</sup>	407.08	Capital Recovery of Machinery and Equipment <sup>8</sup>	5.01
Opportunity Cost of Land (rental rate)	3.74	Opportunity Cost of Land (rental rate)	0.07
Taxes and Insurance	36.66	Taxes and Insurance	0.24
General Farm Overhead	59.48	General Farm Overhead	0.55
Total, Allocated Overhead	1,074.13	Total, Allocated Overhead	11.12
Total Cost Listed	1,821.07	Total Costs Listed	27.81
Value of Production Less Total Costs Listed	-807.11	Value of Production Less Total Costs Listed	-5.50
Value of Production Less Operating Costs	267.02	Value of Production Less Operating Costs	5.62

<sup>1</sup> Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota.

<sup>2</sup> Developed from survey base year, 2018. Includes operations with at least 20 beef cows.

<sup>3</sup> Developed from survey base year, 2021.

<sup>4</sup> Other cattle includes the value of cull cattle and breeding stock sales.

<sup>5</sup> Machinery and equipment, beef cattle housing and holding facilities, feed storage structures, and beef cattle breeding herd.

<sup>6</sup> Income from renting or leasing dairy stock to other operations; renting space to other dairy operations; co-op patronage dividends associated with the dairy; assessment rebates, refunds, and other dairy-related resources; and the fertilizer value of manure production.

<sup>7</sup> Costs for third party organic certification.

<sup>8</sup> Machinery and equipment, housing, manure handling, and feed storage structures, and dairy breeding herd.