



**Case study - Investment 1**

**Weights and growth rates of cattle (Kg)**

Cow	28-Aug	29-Oct	03-Jan	27-Jan	03-Feb	Average weight gain per day (Kg)
1	233	305	430		470	1.5
2	232	360	430		484	1.6
3	210	300	400		435	1.4
4	239	390	485		530	1.9
5	285	350	445		490	1.3
6	240	360	500		555	2.0
7	200	275	385		435	1.5
8	185	320	410		445	1.7
9	216	350	480		530	2.0
10	250	340	430		500	1.6
11	200	260	360		415	1.4
12	240	280	350		395	1.0
13	210	292	375		410	1.3
14	198	320	460		495	1.9
15	236	301	400		455	1.4
16	237	330	400		490	1.6
17	270	400	535		565	1.9
18	200	305	370		405	1.3
19	204	285	450		475	1.7
20	191	324	440		480	1.9
21	285	390	510		555	1.7
22	300	340	440		495	1.3
23	234	316	420		455	1.4
24	269	340	365		405	0.9
25	335	345	470		445	0.7
26	253	363	430		485	1.5
27	230	288	395		455	1.4
28	190	278	350		430	1.5
29	200	335	485		415	1.4
30	232	318	345		390	1.0
31	185	321	435		490	2.0
32	250	280	370		415	1.1
33	260	320	400		440	1.2
34	205	301	420		490	1.8
35	198	330	500		545	2.2
36	295	355	400		475	1.2
37	230	310	375	391		1.1
38	225	336	495		520	1.9
39	222	316	385		440	1.4
40	218	295	385		465	1.6
Average weight on the above dates (Kg)	232	323	423	391	468	
Average growth rates (Kg)		1.5	1.6			1.5

Date on which cattle were started on finishing ration.  
Date on which cattle were slaughtered.

**Investment on 28 August 2019**

Average weight of calves (Kg)	232
Number of calves	40
Price per Kg	R28.50
Cost per calf (R28.50 X 232Kg)	R6 612.00
Cost per calf including VAT (R6 612.00 X 1.15)	R7 603.80
<b>Total investment (R7 603.80 X 40)</b>	<b>R304 152.00</b>

**Processing and feed costs**

Processing cost per calf	R350.00
<b>Total processing cost (R350.00 X 40)</b>	<b>R14 000.00</b>
Feed cost per calf per day	R24.00
Feed days	156
Total feed cost per calf (R24.00 X 156)	R3 744.00
<b>Total feed cost (R3 744.00 X 40)</b>	<b>R149 760.00</b>

**Revenue**

Sale - 27 January 2020	R10 545.27
Sale - 03 February 2020 (R12 809.00 X 39)	R499 551.00
<b>Total revenue received (R10 545.27 + R499 551.00)</b>	<b>R510 096.27</b>

**Investment returns**

Total costs [(R6 612.00 X 40) + R14 000.00 + R149 760.00]	R428 240.00
Profit (R510 096.27 - R428 240.00)	R81 856.27
Investors return (R81 856.27/2)	R40 928.14
<b>Projected ROI per annum [(R40 928.14/R304 152.00) X (365/156) X 100]</b>	<b>31.48%</b>

**29-Oct**

- Average daily weight gain (ADG) is on par with expectations. Research shows weight gain improves towards the end of the cycle.
- First 14 should be sold on the 8th of January 2020 which is 2 weeks earlier than expected.
- Second 26 should be sold on the 29th of January 2020.
- Next weighing session is scheduled for the first week of Decemeber 2020. Cattle that exceed 400Kg will be put on finishing ration.
- It should be noted that meat prices are slightly down.

**03-Jan**

- Heavy rain in December 2020 affected the growth rate negatively.
- The overall ADG is good despite the high ranifall recorded.
- 28 cattle are performing very well and the remainder average.
- 28 will be sold on the 28th of January 2020 and the remainder on the 11th of February 2020.
- Meat prices have recovered and the sentiment in the market is that prices should hold.

**03-Feb**

- A very good result was achieved due to favorable market conditions and good feedlot performance.
- Beef demand and prices were above average.
- No cattle died during the cycle.

-Thanks for the oppurtunity to create wealth for you. We trust the next cycle will be as favorable.

The A2 Beef team