

The CPH Report

Kevin Laurent – University Of Kentucky
Tim Dietrich – Kentucky Department of Agriculture

The CPH Report expands the analysis of CPH-45 sales to estimate the economic value of preconditioning calves prior to marketing. This analysis consists of two main components. First, is the **CPH Advantage** – which compares prices received in the CPH Sale to the average weekly statewide prices reported by the Market News Service of the Kentucky Department of Agriculture. The second component is the **Estimated Net Added Value** – which compares the CPH Sale value of a calf with the estimated value of the calf at weaning. In these estimates we use a 60 day preconditioning period and an average daily gain of 2.5 lbs. per day. Costs incurred during the preconditioning period such as feed, health program, interest, death loss and differences in sales commission are subtracted from the added value to arrive at an estimated net return.

The following charts are an analysis of five recent CPH-45 sales held in Owensboro, Guthrie, Stanford (representing the Lexington Yard), Paris and Richmond. Several items specific to certain sale sites are as follows:

- Owensboro sells with a 2% pencil shrink.
- Owensboro and Guthrie charge less commission for CPH calves than at their regular sales.
- Lexington and Richmond 4 weight CPH calves were only given credit for 2.0 lbs. of gain during the preconditioning period due to small beginning weights.
- Paris 4 weight steers were too light to analyze for estimated net added value due to a lack of a reliable beginning value at weaning.
- Only weight classes of 20 or more head were used in comparisons.

More details on how these figures were calculated can be found in the column definitions below. Also, visit the CPH-45 website at www.cph45.com. If you are interested in selling in a CPH-45 sale, contact your local County Extension Agent for Agriculture and Natural Resources.

Column Definitions for summary charts

Start Wt.	Average CPH weight minus 150 lbs.
Avg Price Wean	Average price of calves at weaning for the dates listed (60 days prior to CPH Sale).
Avg CPH Weight	Average weight of the calves at the CPH sale.
CPH Price	Weighted average price of calves at the CPH sale held on the date listed.
State Avg Price	Weighted average price of calves as reported by KDA on the dates listed.
CPH Advantage	Difference between the CPH price and the state average price reported the week of the CPH sale.
Cost of Gain	Average cost of gain using average feed prices for the dates listed. An additional 10% was added to calculate heifer cost of gain.
Net Added Value	The net returns per head after feed, vet/tag (\$12.00), mineral (\$3.75), commission (varies by sale), interest (6.0%) and mortality (0.5%).
Special Note	Labor and equipment costs were not included.

Estimated Added Net Returns Owensboro - CPH-45 12/1/2016
(60 days - 2.5 lbs Average Daily Gain - 150 lbs gain) 771 Head

No Head	Avg. Start Weight	Sex	10/3-10/8 Avg Price Wean	Avg. CPH Weight	12/1 CPH Price	11/28-12/3 State Avg. Price	CPH Advantage	10/3-11/28 Avg. Cost of Gain	Est. Net Add Value
69	416	Hf	106.71	566	127.00	106.28	20.72	0.45	187.62
63	411	St	124.40	561	137.00	124.69	12.31	0.41	176.15
109	493	Hf	102.95	643	122.00	104.09	17.91	0.55	174.08
112	496	St	119.45	646	125.77	117.52	8.25	0.50	125.42
33	578	Hf	98.03	728	111.50	98.05	13.45	0.65	128.01
220	599	St	111.80	749	126.00	121.06	4.94	0.59	164.75
55	686	St	108.03	836	125.00	123.61	1.39	0.68	180.47
					Weighted	Average	\$10.12	\$0.54	\$162.57

Estimated Added Net Returns

Guthrie - CPH-45

12/5/2016

(60 days - 2.5 lbs Average Daily Gain - 150 lbs gain)

1099 Head

No Head	Avg. Start Weight	Sex	10/3-10/8 Avg Price Wean	Avg. CPH Weight	12/5 CPH Price	12/5-12/12 State Avg. Price	CPH Advantage	10/3-11/28 Avg. Cost of Gain	Est. Net Add Value
77	407	Hf	107.90	557	116.81	107.80	9.01	0.45	123.21
53	407	St	124.85	557	138.96	124.77	14.19	0.41	179.69
176	502	Hf	102.51	652	116.86	104.53	12.33	0.55	142.23
167	504	St	118.57	654	127.41	119.65	7.76	0.50	137.57
124	586	Hf	97.89	736	115.65	102.00	13.65	0.65	156.51
187	591	St	111.85	741	121.59	117.26	4.33	0.59	127.84
147	681	St	108.11	831	119.86	119.06	0.80	0.68	133.27
					Weighted	Average	\$8.09	\$0.56	\$139.55

Estimated Added Net Returns

Paris - CPH-45

12/6/2016

(60 days - 2.5 lbs Average Daily Gain - 150 lbs gain)

1468 Head

No Head	Avg. Start Weight	Sex	10/3-10/8 Avg Price Wean	Avg. CPH Weight	12/6 CPH Price	12/5-12/12 State Avg. Price	CPH Advantage	10/3-11/28 Avg. Cost of Gain	Est. Net Add Value
26	N/A	St	N/A	404	159.32	132.98	26.34	N/A	N/A
350	413	Hf	107.11	563	114.91	107.80	7.11	0.45	112.27
95	368	St	129.26	518	131.99	124.77	7.22	0.41	119.25
140	530	Hf	101.04	680	110.40	104.53	5.87	0.55	106.06
545	511	St	117.81	661	123.52	119.65	3.87	0.50	111.85
195	610	St	111.72	760	122.12	117.26	4.86	0.59	128.75
					Weighted	Average	\$5.73	\$0.49	\$112.17

Estimated Added Net Returns

Lexington (Stanford) - CPH-45

12/6/2016

(60 days - 2.5 lbs Average Daily Gain - 150 lbs gain)

705 Head

No Head	Avg. Start Weight	Sex	10/3-10/8 Avg Price Wean	Avg. CPH Weight	12/6 CPH Price	12/5-12/12 State Avg. Price	CPH Advantage	10/3-11/28 Avg. Cost of Gain	Est. Net Add Value
78	345	Hf	112.42	465	116.27	111.07	5.20	0.40	82.13
20	351	St	131.18	471	140.61	132.98	7.63	0.36	133.20
61	391	Hf	110.00	541	112.68	107.80	4.88	0.45	87.99
38	391	St	126.66	541	133.26	124.77	8.49	0.41	136.19
101	487	Hf	103.25	637	111.63	104.53	7.10	0.55	99.75
271	492	St	119.88	642	123.00	119.65	3.35	0.50	97.78
96	611	St	111.71	761	123.40	117.26	6.14	0.59	138.40
					Weighted	Average	\$5.10	\$0.49	\$104.47

Estimated Added Net Returns

Richmond - CPH-45

12/7/2016

(60 days - 2.5 lbs Average Daily Gain - 150 lbs gain)

1253 Head

No Head	Avg. Start Weight	Sex	10/3-10/8 Avg Price Wean	Avg. CPH Weight	12/6 CPH Price	12/5-12/12 State Avg. Price	CPH Advantage	10/3-11/28 Avg. Cost of Gain	Est. Net Add Value
86	331	Hf	112.55	451	117.51	111.07	6.44	0.40	86.86
62	331	St	133.44	451	147.2	132.98	14.22	0.36	153.32
171	407	Hf	107.90	557	116.46	107.80	8.66	0.45	117.14
156	411	St	124.40	561	139.63	124.77	14.86	0.41	181.15
164	506	Hf	102.31	656	111.26	104.53	6.73	0.55	103.36
383	521	St	116.73	671	121.71	119.65	2.06	0.50	105.96
101	630	St	111.27	780	119.38	117.26	2.12	0.59	112.42
					Weighted	Average	\$6.54	\$0.48	\$119.46