A late break - the risks and rewards

John Francis

Agrista

meatup FORUM zoetis

mla MEAT & LIVESTOCK AUSTRALIA

Today is a seed tomorrow the learning starts


origin

MR SAM SAMPLE
10 SAMPLE ST
SAMPLETOWN VIC 3000

Tax Invoice: 999999999999

Enquiries & moving address (7AM - 9PM Local Time Mon - Fri) (9AM - 5PM Local Time Saturday)	13 24 61
Faults or emergencies, call ActewAGL (24hrs)	13 10 93
How to pay your account	see reverse for payment options

Account No: 900 000 000 000

Total Amount Due: $325.09

Due Date^ : 05 Nov 15

ELECTRICITY BILL SUMMARY

Supply address	10 SAMPLE ST SAMPLETOWN VIC 3000
Bill period	14 Jul 15 - 14 Oct 15
Issue date	16 Oct 15
Meter read	Actual
Your NMI (National Meter Identifier)	30000000000

Previous Activity	
Opening balance	$573.44
Payments received - thank you	$573.44 CR
Balance carried forward	$0.00
Your New Charges	
Other charges & adjustments	$15.44
Total electricity charges (incl. discounts and rebates)	$309.65
Total amount due	$325.09

Incl. net GST charges of $28.46

^Payments received after the due date may incur a fee of $12.00

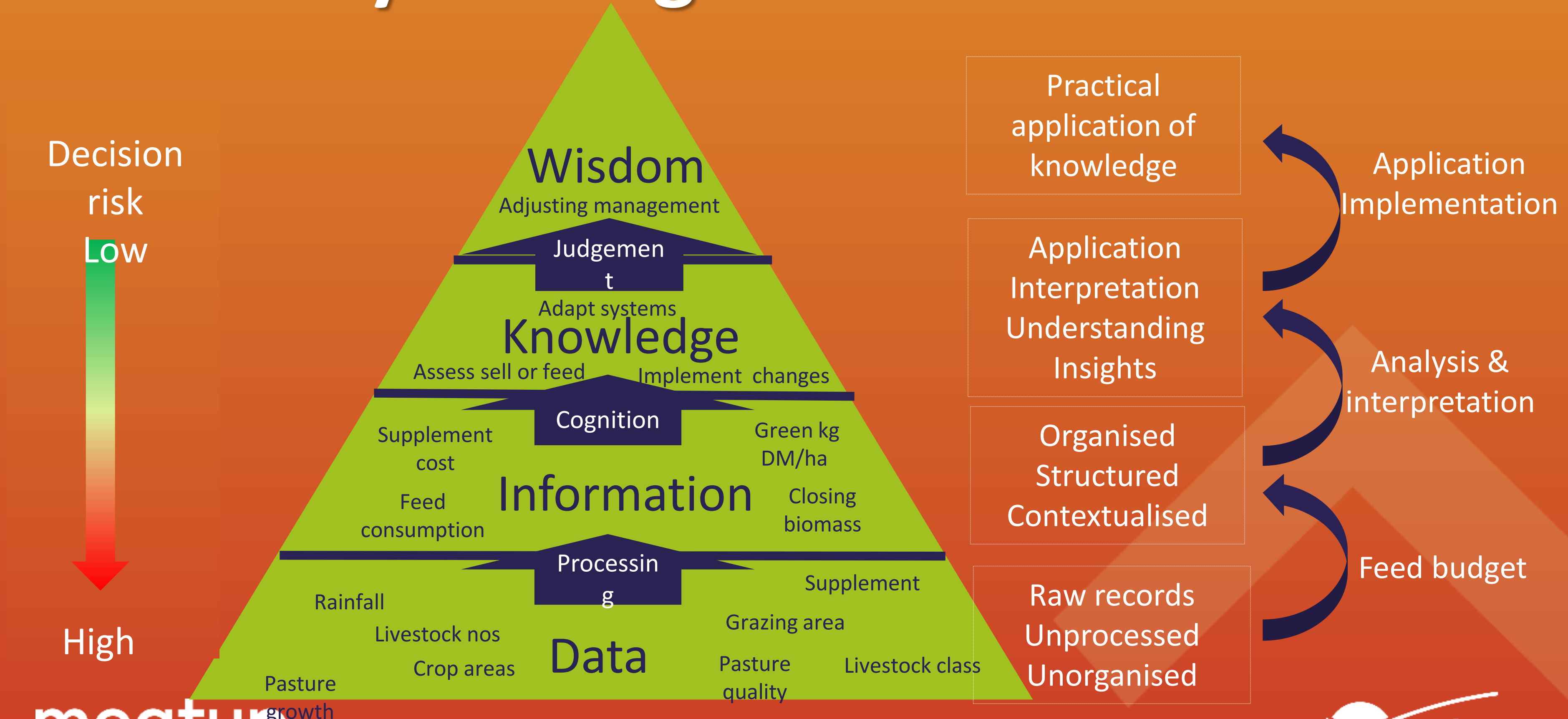
Your Current Agreement:
Origin Standing

Your Average Daily Usage
& Indicative Greenhouse Gas Emissions

kWh

Tonnes

Start by turning data into information



meatup FORUM

Matthew.viel DIKW Adaptation within the U.S. Dept. Of Defence

mla MEAT & LIVESTOCK AUSTRALIA

AGRISTA

The feed budget
- from data to wisdom

Opening pasture inventory + Pasture growth - Pasture consumed - Pasture wasted = Closing pasture inventory

meatup FORUM

mla MEAT & LIVESTOCK AUSTRALIA

AGRISTA

Let's play a game – Choose between:

A certain $40

OR

You can flip a coin where:

 Heads wins $100 

Tails wins $0

meatup FORUM

mla MEAT & LIVESTOCK AUSTRALIA

AGRISTA

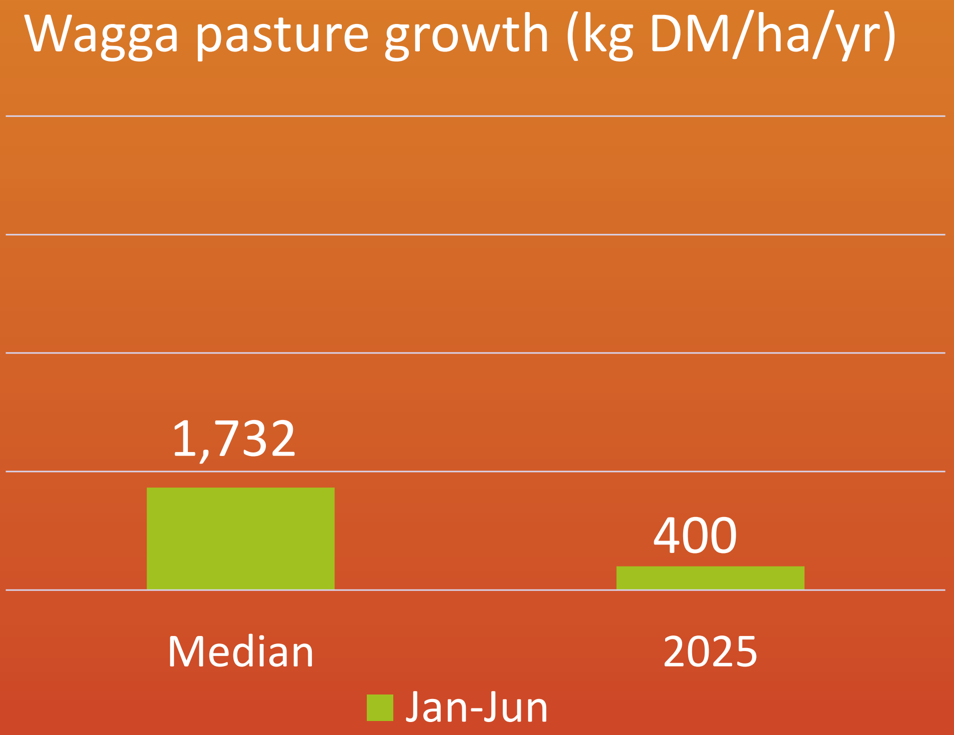
Risk - effect of uncertainty on objectives

Source: ISO 31000:2018

$1 million

Loss aversion bias is one of the biggest risks in livestock businesses

Quantifying the situation



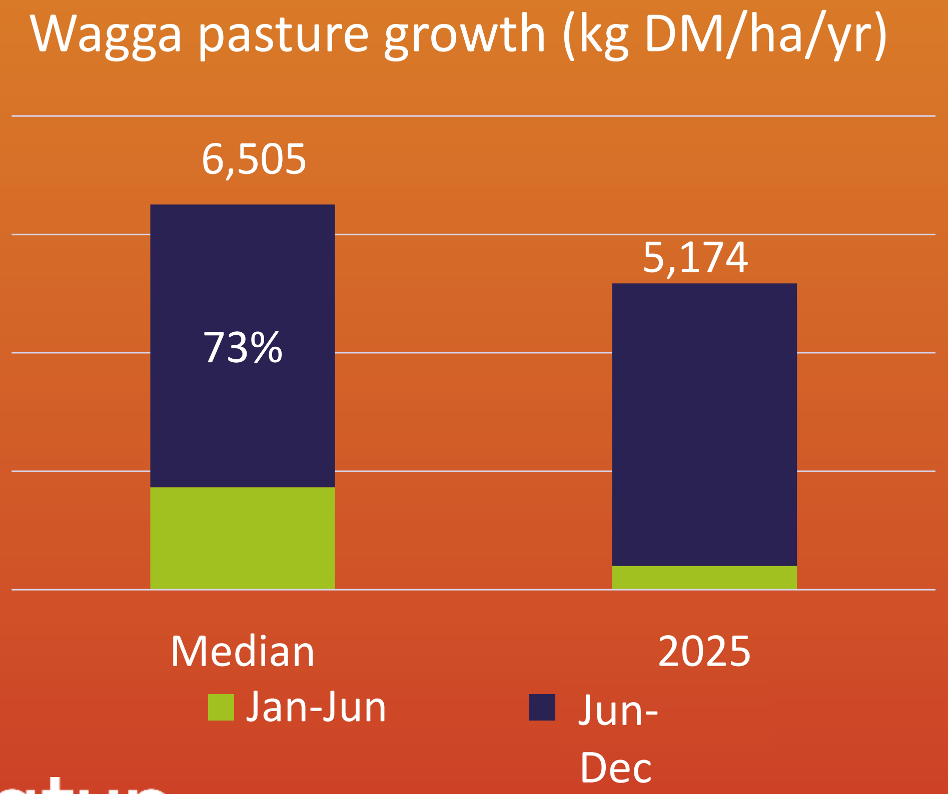
Certain: Jan-Jun (end May)
Shortfall 1,300 kg DM/ha
27% DM produced

meatup FORUM

mla MEAT & LIVESTOCK AUSTRALIA

AGRISTA

Quantifying the situation



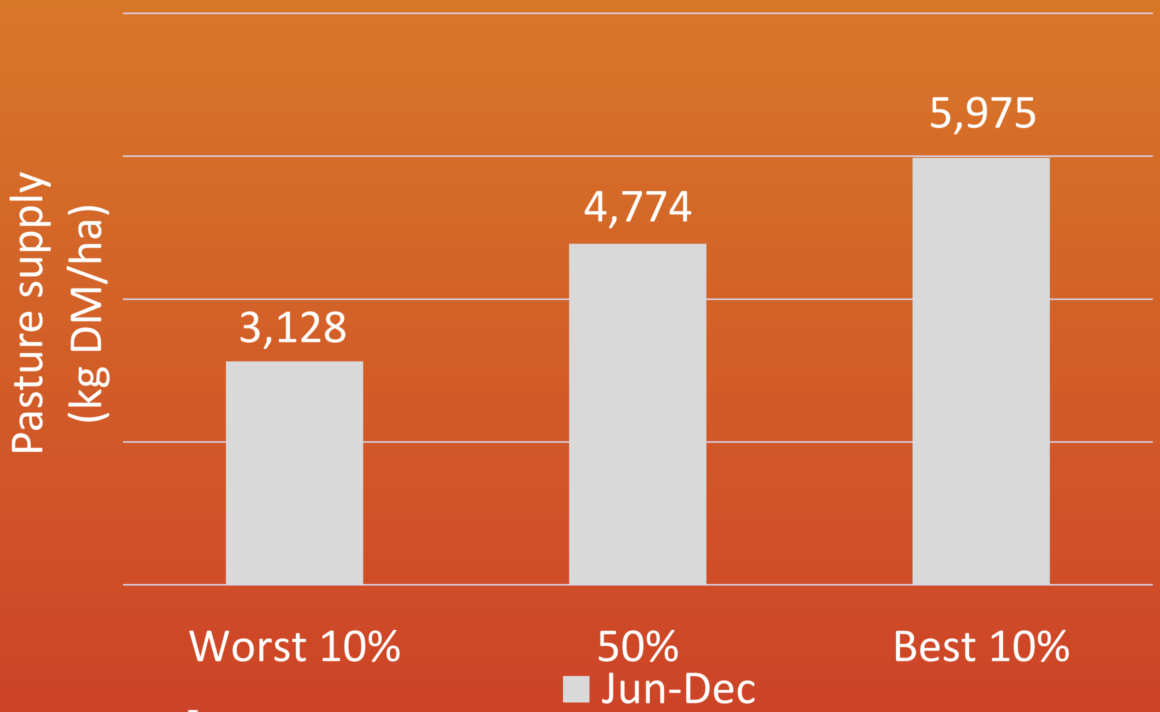
Uncertain: Jun-Dec 50% probability of producing more than 4,774 kg DM/ha

The price of certainty

Sell early
secure
certainty

Retain & feed
Uncertain
future

What does the uncertain future look like?



Locality: Wagga Wagga NSW

Source: Aussie grass

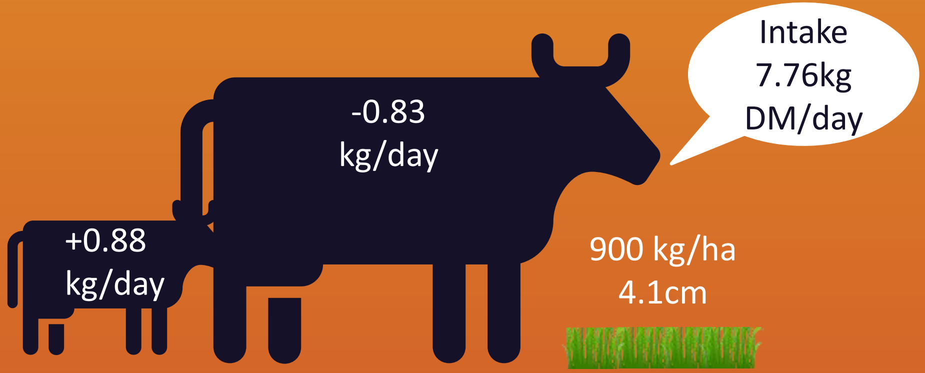
meatup FORUM

mla MEAT & LIVESTOCK AUSTRALIA

AGRISTA

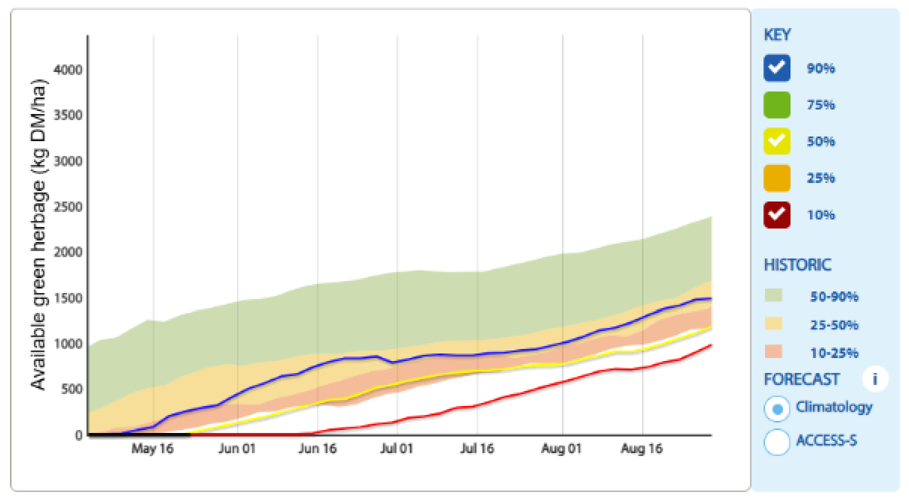
The value of alternative feed supplements

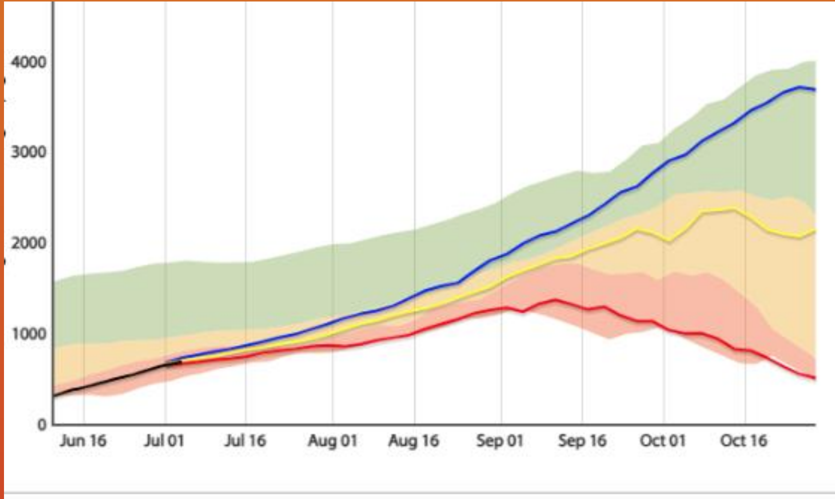
eg Gibberellic acid



$82/ha
@
15 DSE/ha

Things change – watch the indicators





Source: Farming Forecaster

Current - Borambola

Soil Moisture

	Soil Moisture
20cm	98%
30cm	100%
40cm	100%
50cm	100%
60cm	100%

Change

	Change
7 days	▲ 3%
30 days	▲ 5%

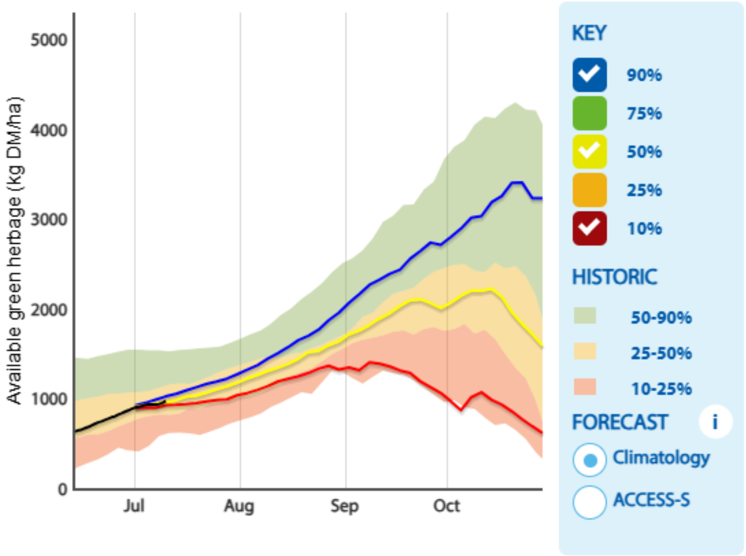
Rainfall

Since 9am	Yesterday
0mm	1mm

Soil Temperature

@ 20cm
9.3°C

Projected green herbage available relative to historic variation



Current Growth (modelled) 14 kg/ha/day

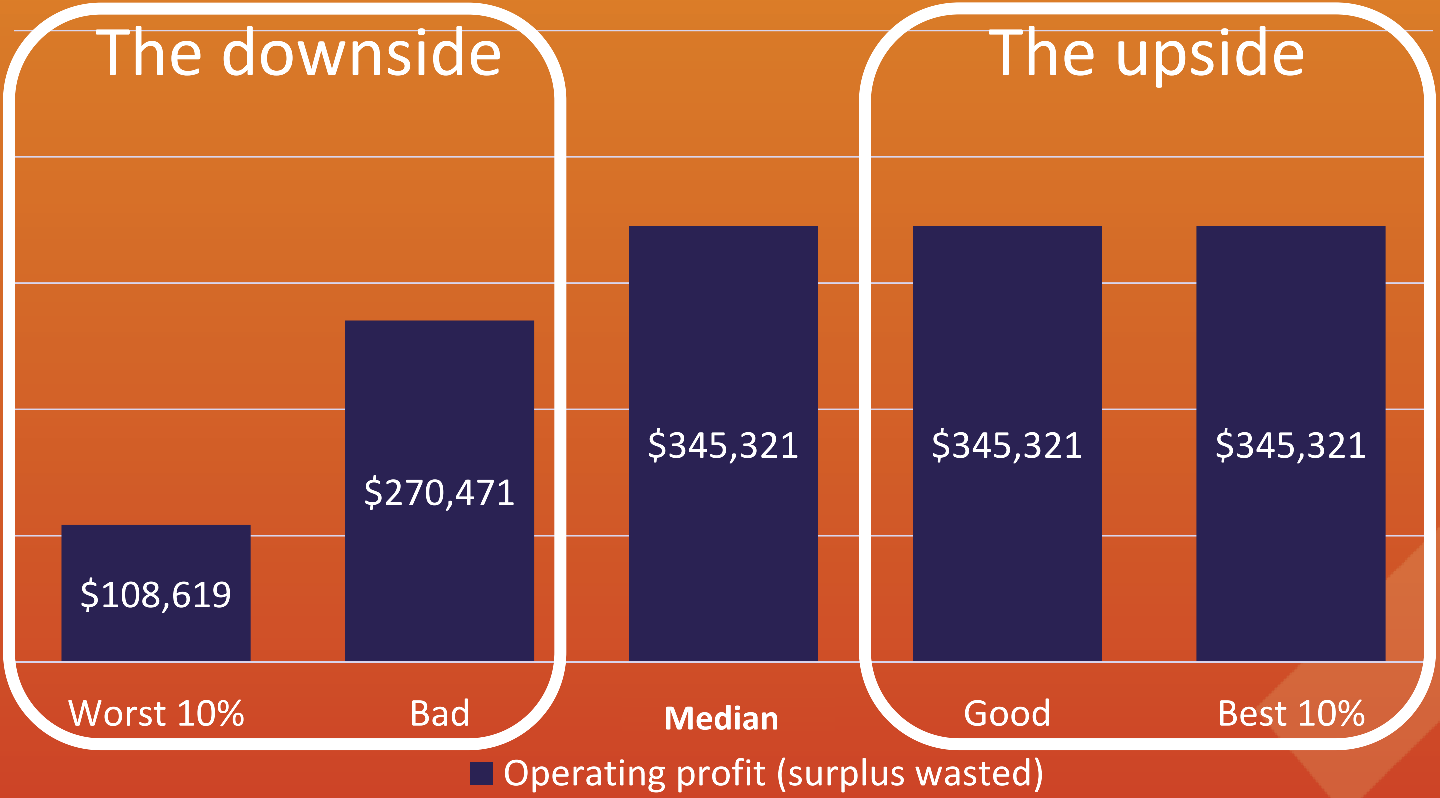
meatup FORUM

Source: Farming Forecaster

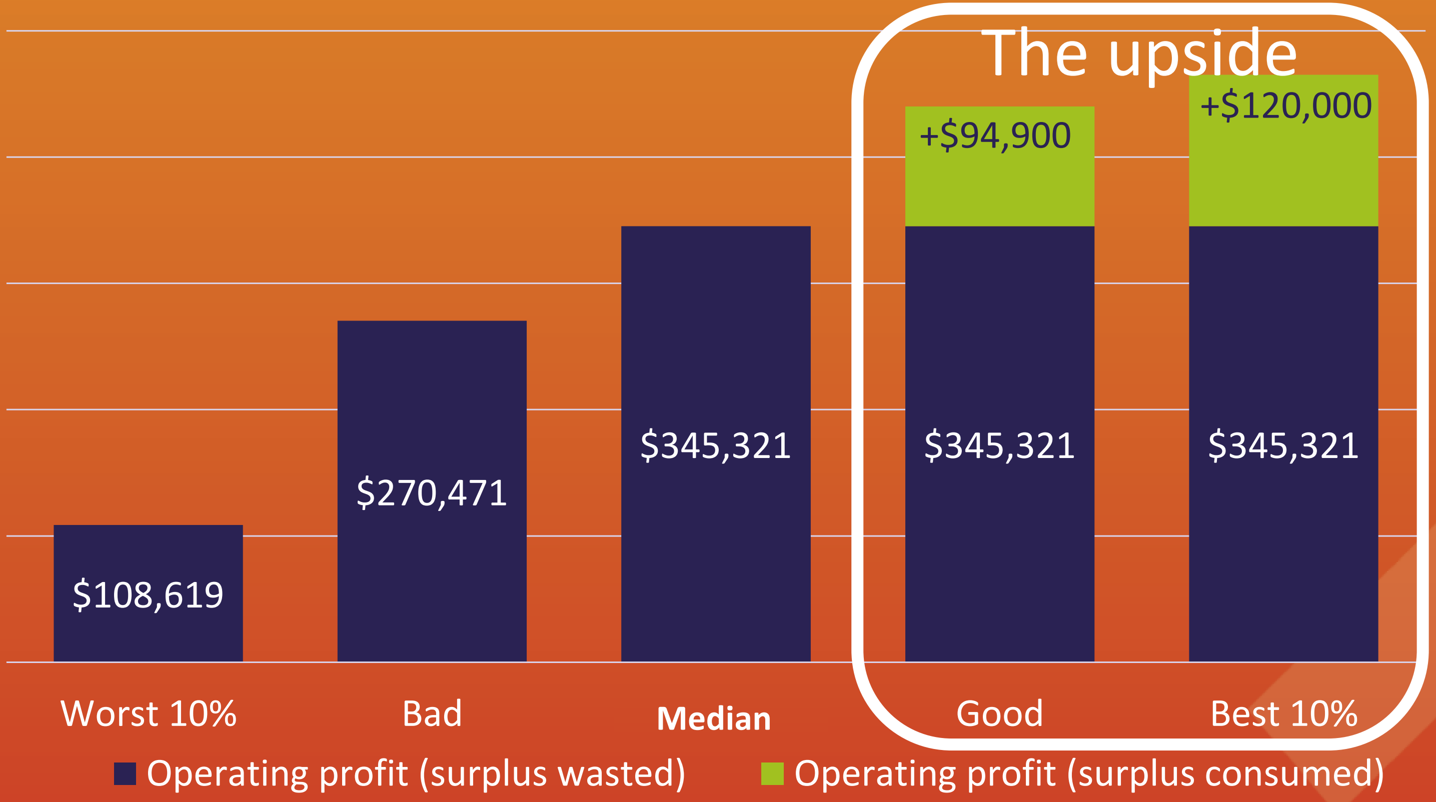
mla MEAT & LIVESTOCK AUSTRALIA

AGRISTA

Profits over 15,000 DSE



Have you planned for the upside?



Profit without a dry Autumn $665,000

Buy 320 Steers

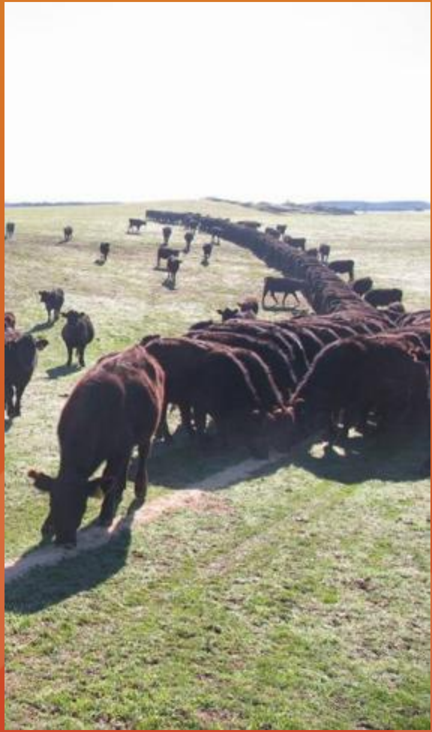
Buy 410 Steers

Key messages

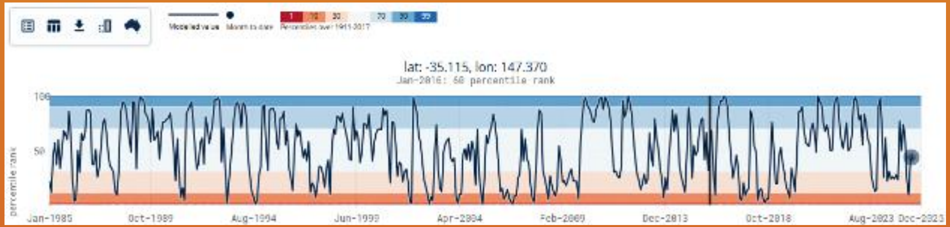
Start with the feed budget

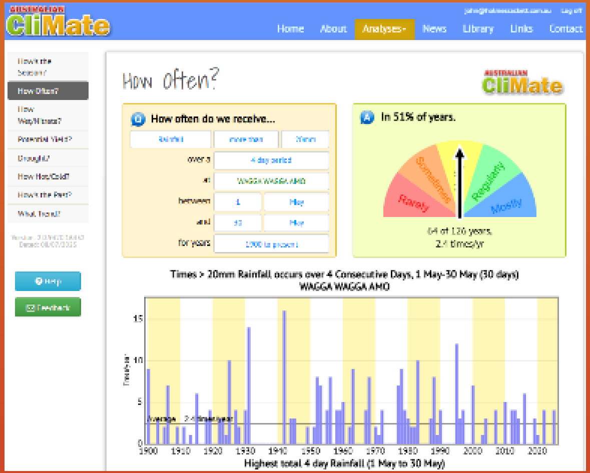
Watch the indicators

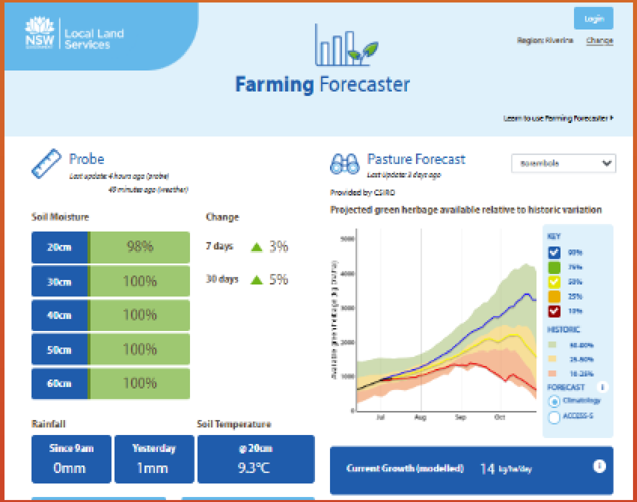
Are you overvaluing certainty?

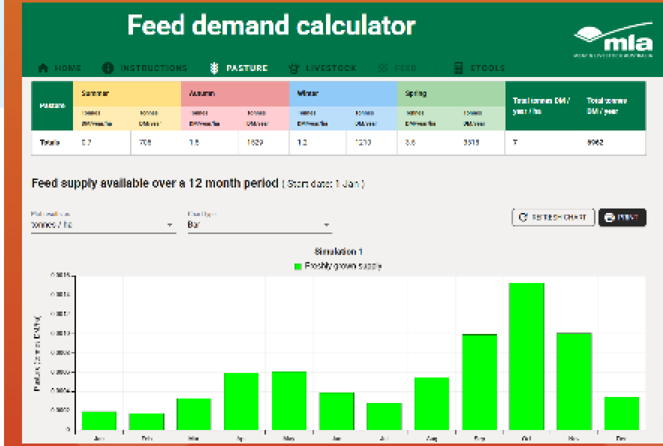


Tools to assist

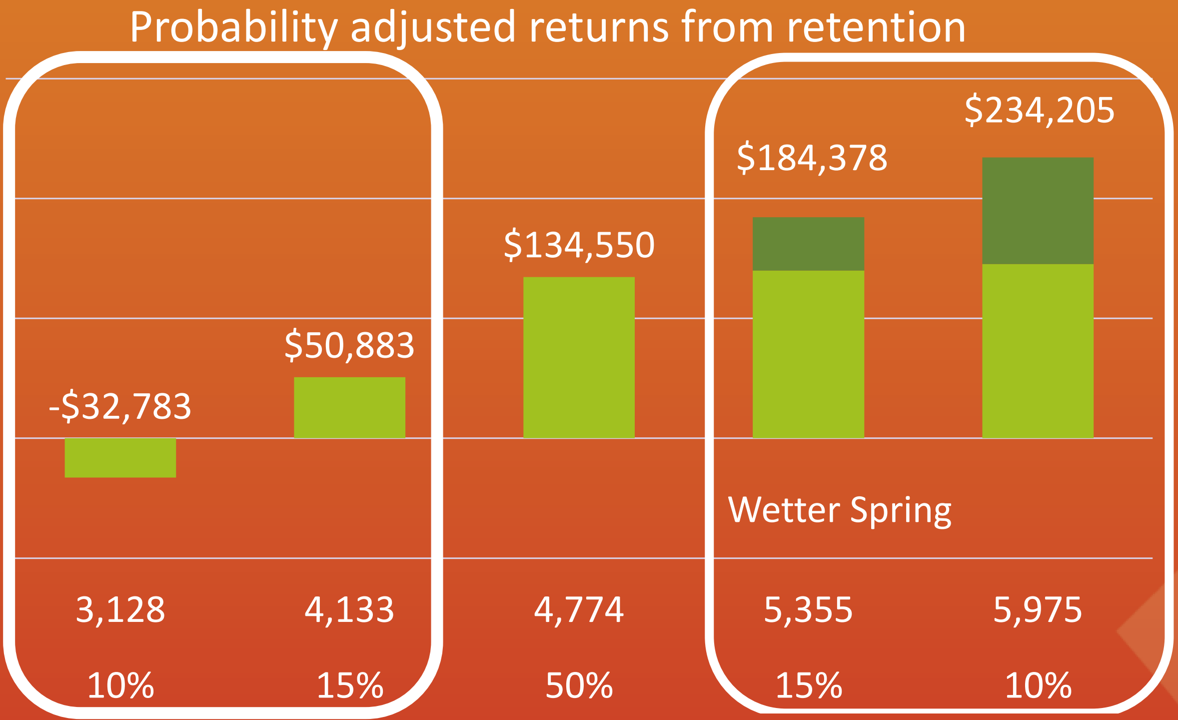








How do I capture value?



Expected value of retention

$123,000

meatup FORUM

mla MEAT & LIVESTOCK AUSTRALIA

AGRISTA