Assessing the economic importance of traits is crucial for defining appropriate breeding goals in dairy cattle breeding. The objective of the present study was to calculate economic values (EV) for the two dairy cattle breeds Lithuanian Black and White (LBW) and Lithuanian Red (LR).

For each trait, two scenarios were simulated with the respective trait at different phenotypic levels. To obtain the EV, the scenarios were compared with each other in terms of their economic outcomes. In order to avoid double counting of effects, the economic outcome was corrected using a multiple regression analysis.

The EV were derived for traits related to production, fertility, direct health and calving traits. The results showed high economic importance of functional traits in the cattle breeds.

The bio-economic simulation model SimHerd appeared to be a suitable tool for the EV derivation of the functional traits of Lithuanian dairy breeds.

Overall, the results of this study allow to set up new breeding goals for the all breeds.