

Outlook for Income

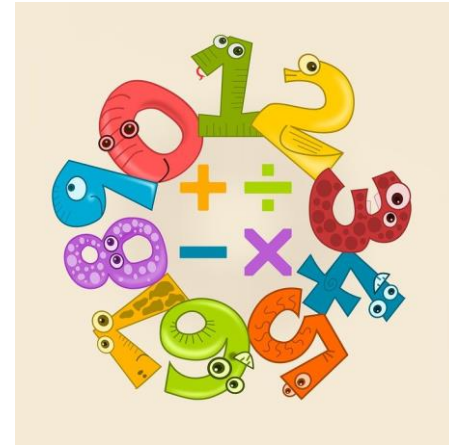
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Key Points to Understand about Farm Income

- Reminder !
- Individual farms have multiple enterprises
 - i.e. a farm can produce multiple outputs
- **Our focus has been enterprise Margin analysis**
 - focuses on a farm's **principal output and its margin**
- To calculate **Farm Income for each Farm type**
 - **Sum the margins** from the enterprises by farm type
 - **Add the value of decoupled supports**



Measuring Income

Output

Value of Production
(Price X Volume)

- Costs

Direct and Overhead Production Costs
(Price X Volume)

+ Supports

BPS, Areas of National Constraint, Beef Genomics, etc

= Income

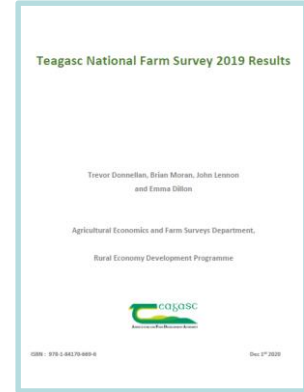
Return to Land, Labour and Capital



National Farm Survey Results 2019

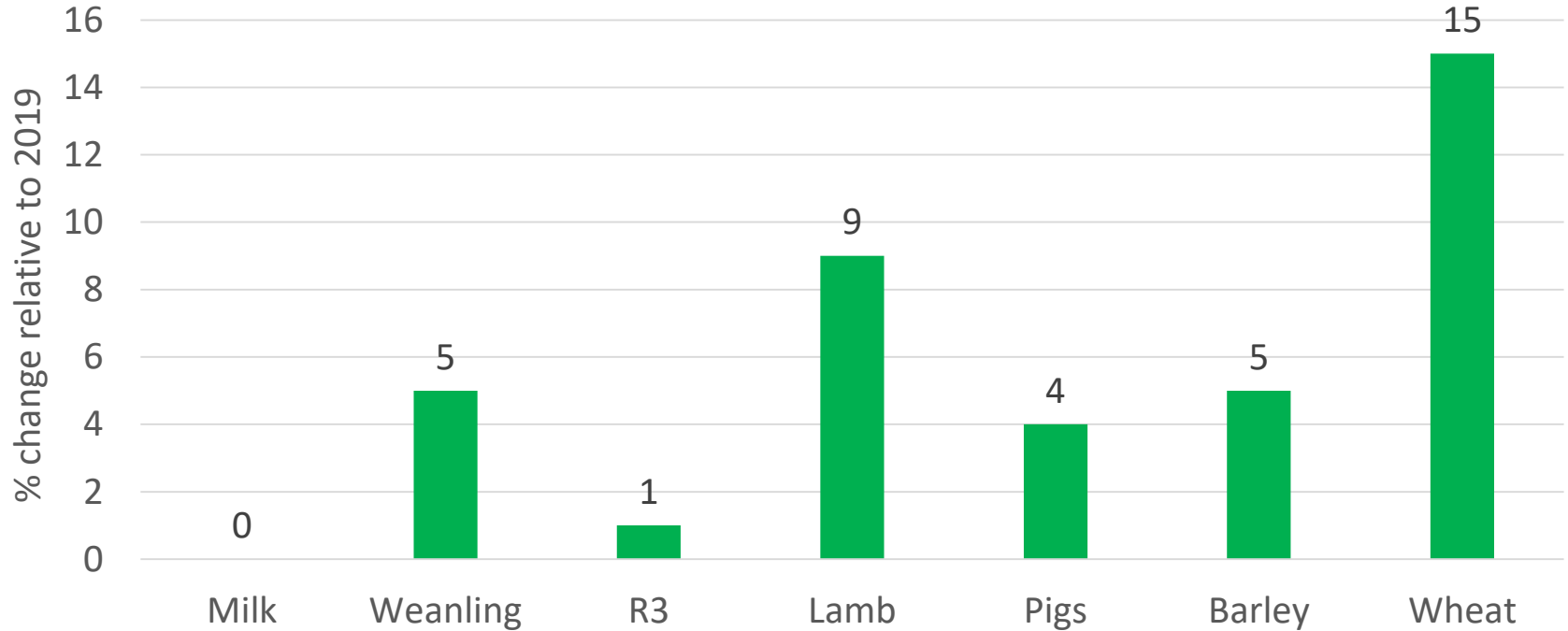
- **Detailed final NFS results for 2019**
 - available at www.teagasc.ie/publications

- **Interactive presentation for NFS results 2019**
 - available at <https://bit.ly/TeagascNFS2019>





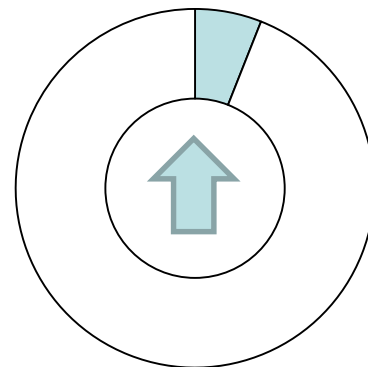
Percentage Price Change 2020 vs 2019



Income estimate for 2020

- **Output Prices**
 - Higher for beef, pigs, lamb, cereals
 - Stable for milk
- **Output Volumes**
 - Higher for milk, cattle, sheep and pigs
 - Down for cereals
- **Output Value**
 - To increase
- **Input Expenditure**
 - Down marginally
 - Prices decrease for feed, fertiliser & fuel
 - Use of feed & fertiliser up marginally
- **Support payments**
 - In line with 2019 level

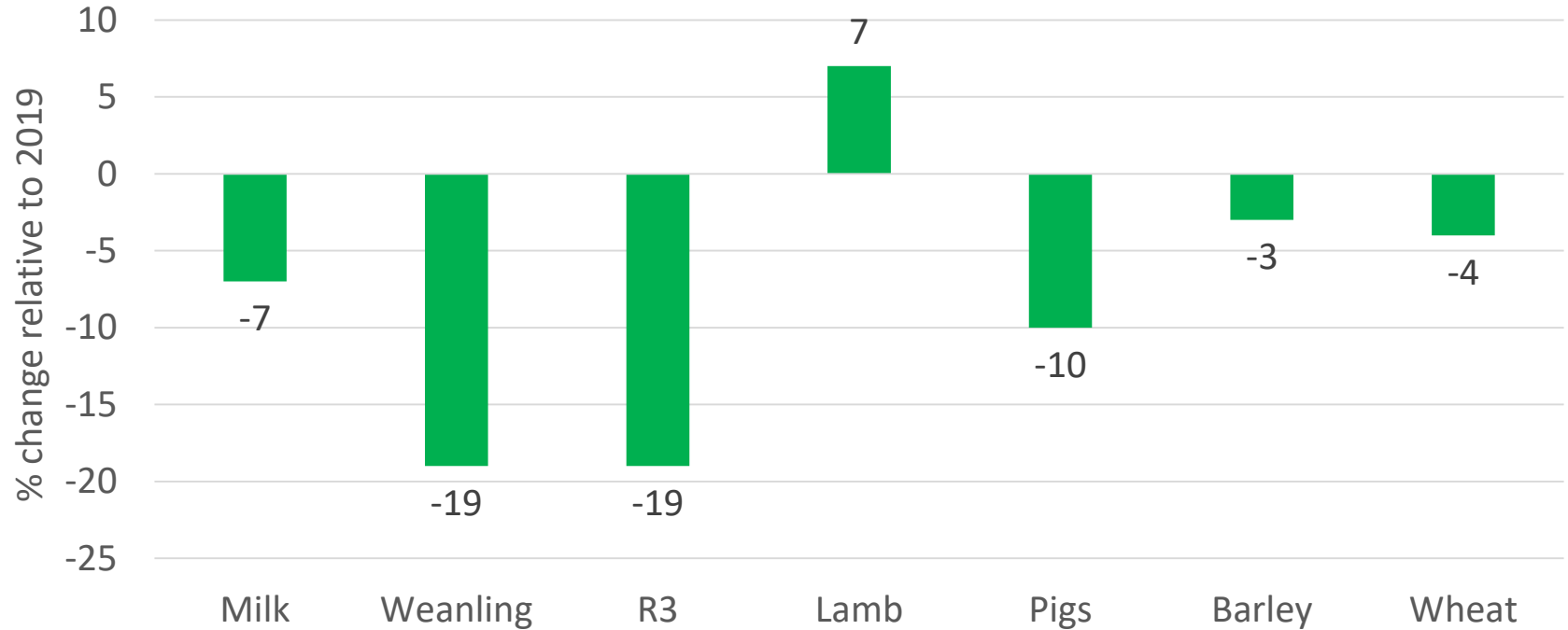
Average NFS Farm Income



UP 6%



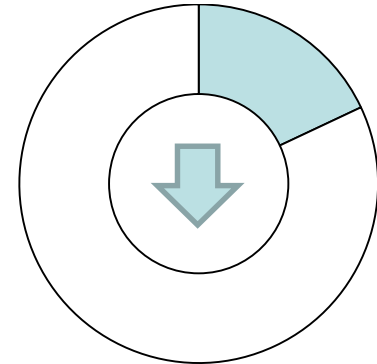
Percentage Price Change 2021 vs 2020



Income forecast for 2021 (No Deal Brexit)

- Output Prices
 - Higher for sheep
 - Down for milk, cattle, cereals, pigs
- Output Volumes
 - Higher for milk, cereals, pigs
 - Stable for cattle and sheep
- Output Value
 - To decrease
- Input expenditure
 - Input spending to increase
 - Price increases for feed, fertiliser and fuel
 - Volumes to remain stable
- Support payments
 - Broadly in line with 2020
 - no Brexit specific aid assumed

Average NFS Farm Income



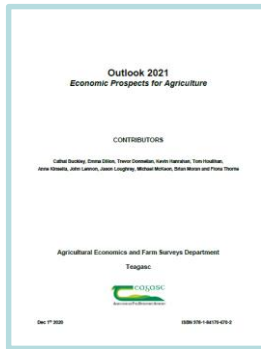
down 18%

NFS Family Farm Income 2018, 2019, 2020e & 2021f

	2019	2020e	2021f		2020e vs 2019	2021f vs 2020e
		000 Euro			% change	% change
Dairy	65.9	69.0	60.0		5	-13
Cattle Rearing	9.0	10.6	6.4		+17	-40
Cattle Other	13.8	13.8	8.4		0	-40
Sheep	14.8	19.2	18.5		+30	-4
Tillage	32.7	29.0	30.0		-11	+3
Average	23.4	24.7	20.2		+6	-18

Need to know more?

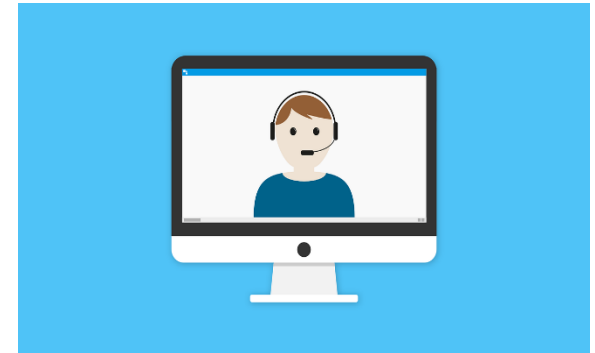
- All of today's content will be available at
 - www.teagasc.ie/publications



Detailed report



Powerpoints



Webinar

