



The Irish Agriculture and Food Development Authority

## The Outlook for Farm Income



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## Reminder – Main stories 2012

- Falling milk and lamb prices
- Cattle and grain prices strong
- **But** – poor cereal yields, rising input costs and increased feed usage

## Gross Margins 2012 Versus 2011

Enterprise	Gross Output	Direct Costs	Gross Margin
	% change		
Dairy	-9	+14	-21

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<b>Sheep</b>	<b>-5</b>	<b>+9</b>	<b>-12</b>

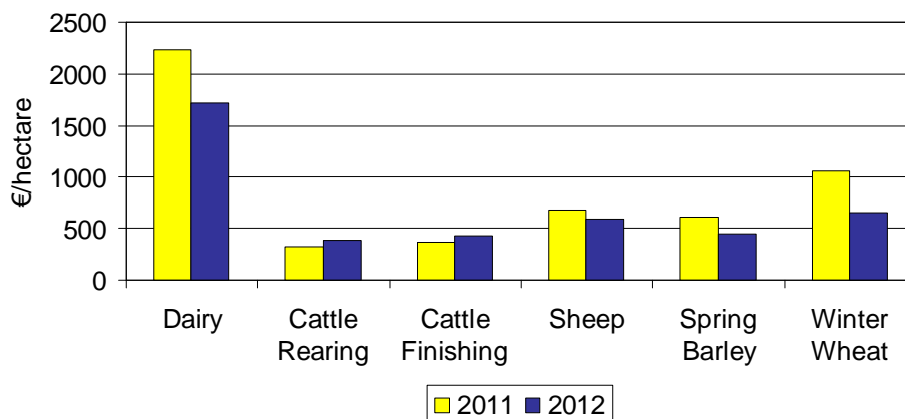
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<b>Sheep</b>	<b>-5</b>	<b>+9</b>	<b>-12</b>
<b>Spring Barley</b>	<b>-11</b>	<b>+4</b>	<b>-26</b>
<b>Winter Wheat</b>	<b>-21</b>	<b>+4</b>	<b>-39</b>



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## Enterprise Gross Margins per Hectare



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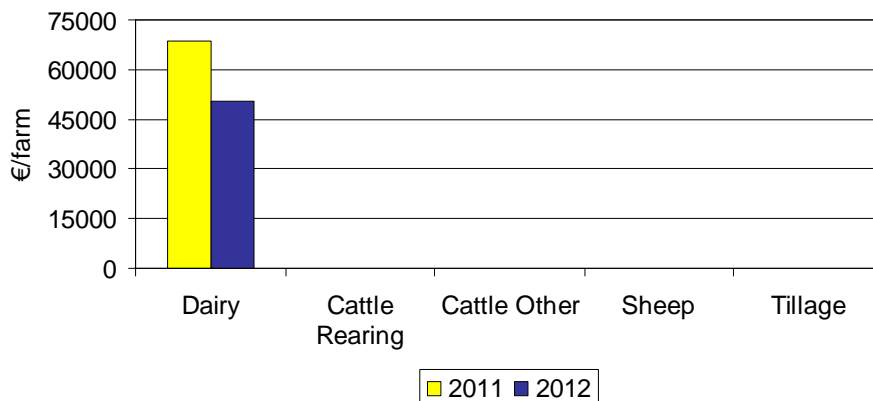
## Net Margins 2012 Versus 2011

Enterprise	Net Margin	Net Margin
	% change	€/hectare
<b>Dairy</b>	<b>-40</b>	<b>715</b>
<b>Cattle</b>	<b>+83</b>	<b>-10</b>
<b>Sheep</b>	<b>-60</b>	<b>55</b>
<b>Spring Barley</b>	<b>-150</b>	<b>-57</b>
<b>Winter Wheat</b>	<b>-112</b>	<b>-47</b>



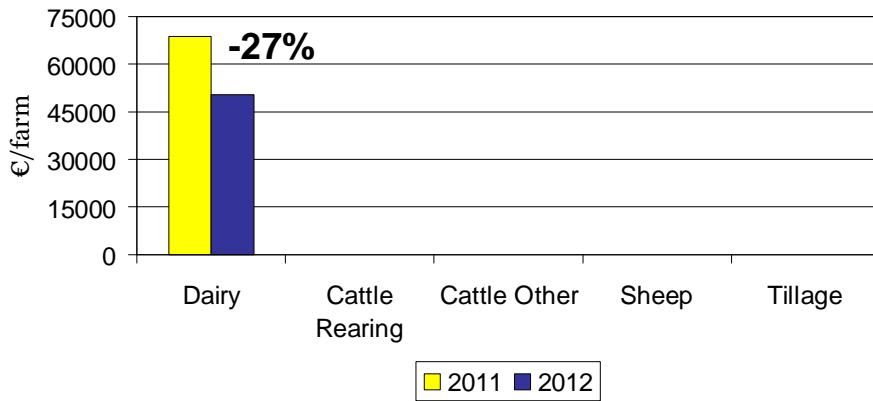
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## Family Farm Income 2011 & 2012



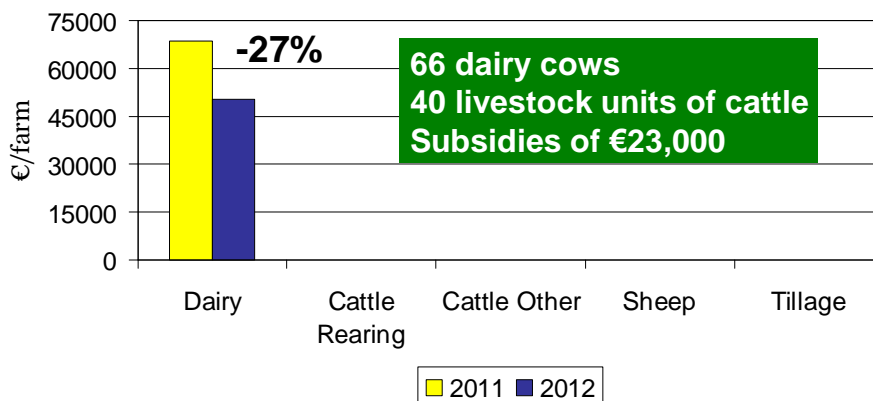
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## Family Farm Income 2011 & 2012



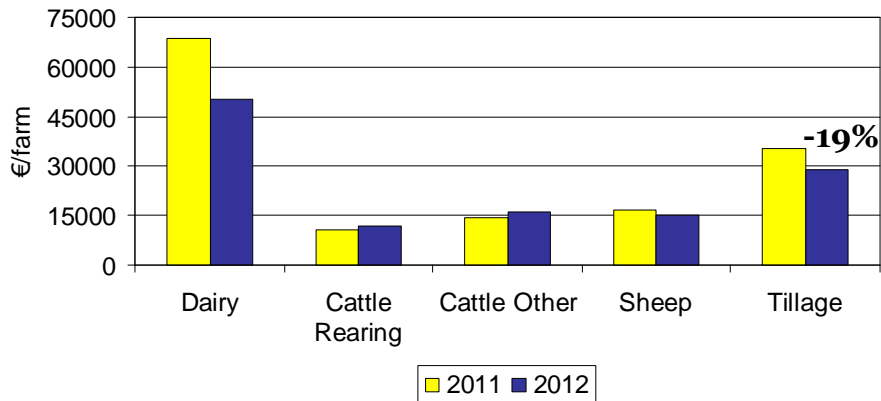
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## Family Farm Income 2011 & 2012



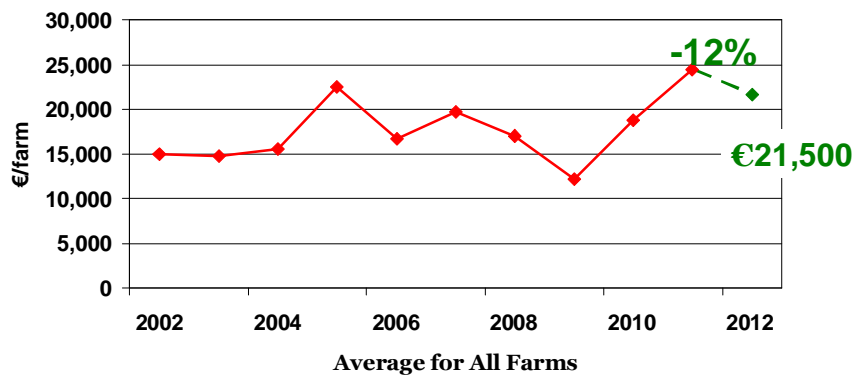
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## Family Farm Income 2011 & 2012



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## Family Farm Income (FFI) 2002 -2012



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# Looking Ahead to 2013



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## Reminder – Main stories 2013

- Milk prices up 5%
- Cattle and sheep prices to remain stable
- Losses on suckler cow & sheep grassland payments
- Cereal yields to recover – prices declining
- Some savings on inputs assuming more normal weather



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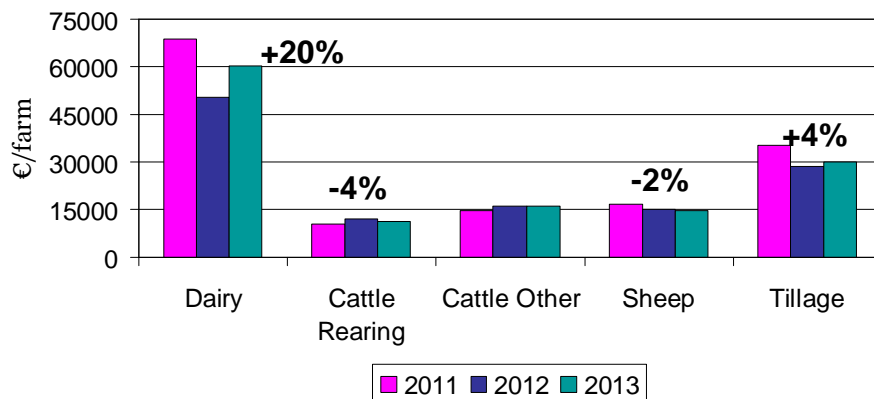
## Gross Margins 2013 Versus 2012

Enterprise	Gross Output	Direct Costs	Gross Margin
	% change		
<b>Dairy</b>	<b>+6</b>	<b>-5</b>	<b>+13</b>
<b>Cattle (suckling)</b>	<b>-1</b>	<b>-</b>	<b>-3</b>
<b>Cattle (finishing)</b>	<b>-</b>	<b>-2</b>	<b>+2</b>
<b>Sheep</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>
<b>Spring Barley</b>	<b>-1</b>	<b>+4</b>	<b>-8</b>
<b>Winter Wheat</b>	<b>+28</b>	<b>+4</b>	<b>+58</b>



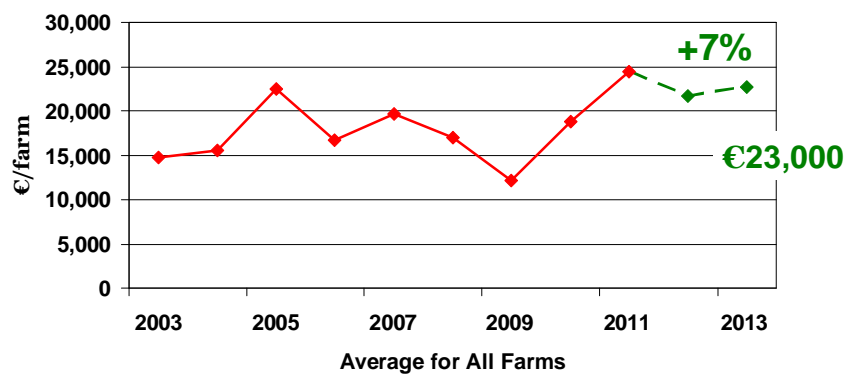
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## Family Farm Income 2011, 2012 & 2013



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## Family Farm Income (FFI) 2003 -2013



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## Conclusions

- Average family farm income down 12% in 2012
  - Dairy down 27%, tillage down 19%
- CSO estimate income down 10.4%
- 2013 – positive for milk price, some reductions in feed costs and coupled subsidies
- Average family farm income up 7% in 2013
  - Dairy income up 20%



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