

DECEMBER 3RD 2024

# CATTLE OUTLOOK 2025

Situation and Outlook for Irish Agriculture

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# REVIEW OF 2024

Situation and Outlook for Irish Agriculture



# Review of Cattle Farming in 2024



4% increase in steer prices



4% increase in weanling and store prices



1% decrease in prime beef production



7% decrease in input costs per hectare



16% increase - gross margin per hectare on single suckling



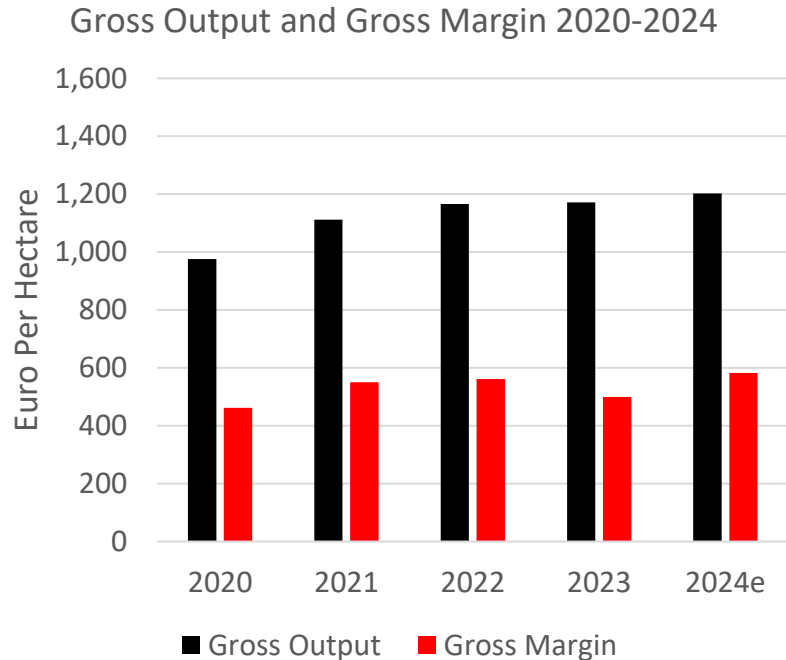
13% increase - gross margin per hectare on cattle finishing



Positive net margins on both enterprises



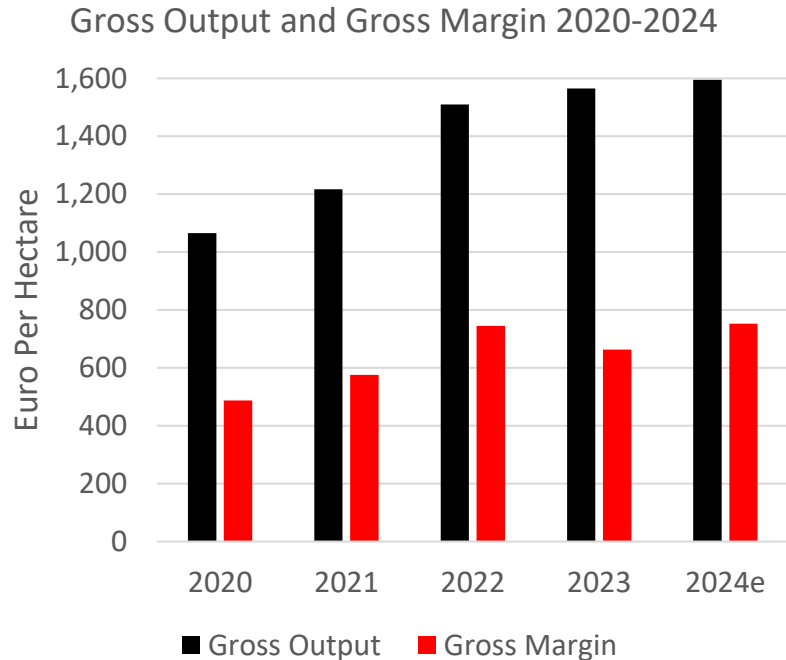
# Single Suckling Enterprise improves in 2024



	2022	2023	2024e
Gross Output	1,166	1,171	1,203
Gross Margin	561	499	582
Net Margin	-77	-5	78

Source: Author's estimates using Teagasc National Farm Survey data

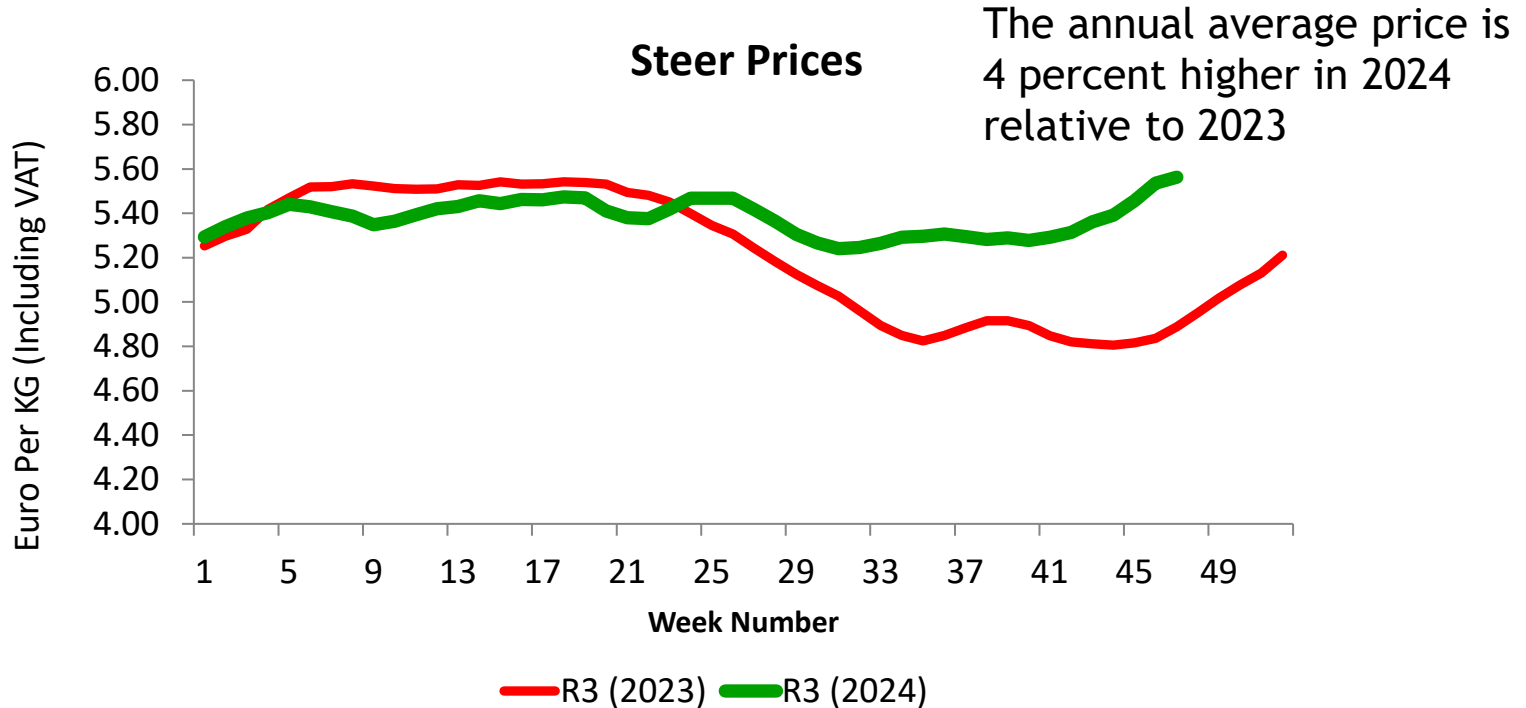
# Cattle Finishing Enterprise improves in 2024



	2022	2023	2024e
Gross Output	1,510	1,565	1,595
Gross Margin	745	663	753
Net Margin	68	41	131

Source: Author's estimates using Teagasc National Farm Survey data

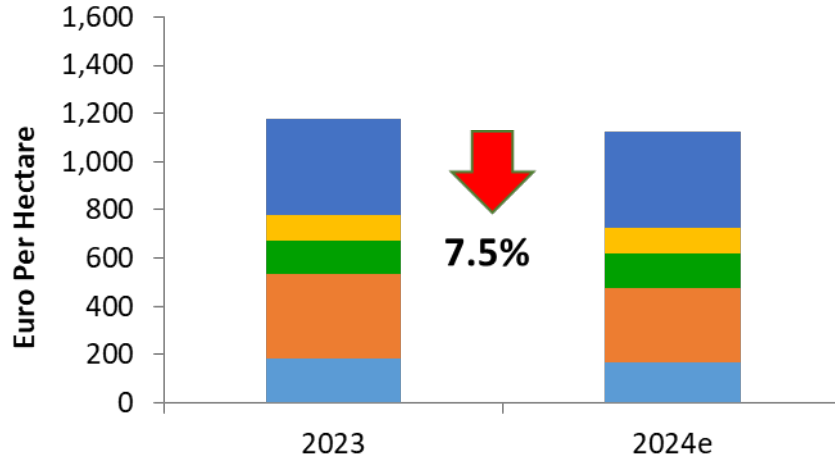
# Irish Beef Prices are higher in 2024



Source: European Commission and DAFM for the period up to week 47 of 2024

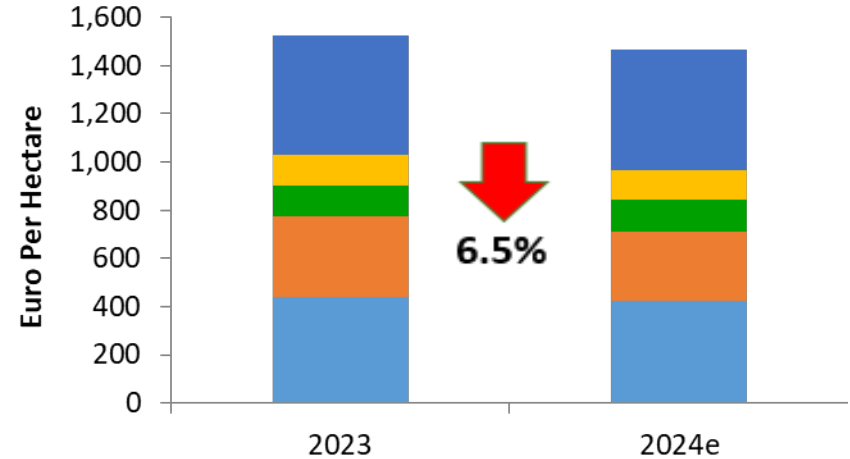
# Input expenditures are down in 2024

## Single Suckling Enterprise



- Concentrate Feeds
- Pasture and Forage
- Other Direct Costs
- Energy & Fuel
- Other Overhead Costs

## Cattle Finishing Enterprise



- Concentrate Feeds
- Pasture and Forage
- Other Direct Costs
- Energy & Fuel
- Other Overhead Costs



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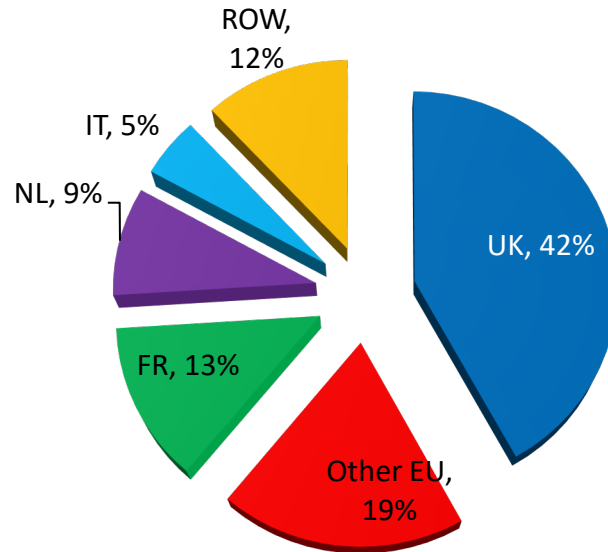
# OUTLOOK FOR 2025

Situation and Outlook for Irish Agriculture



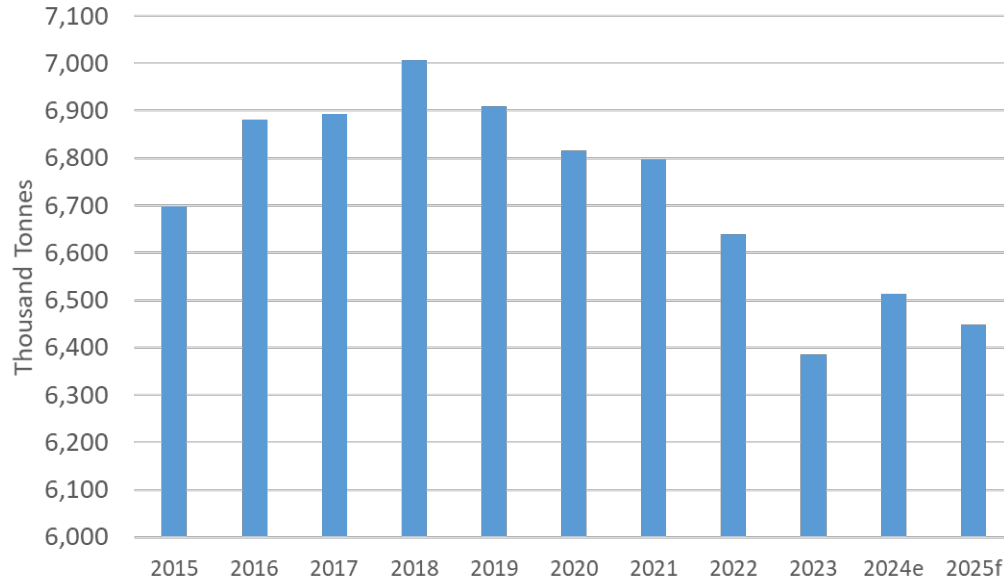


# Beef Exports in 2024



Source: Eurostat COMEXT (year through August)

# Beef Production in the European Union

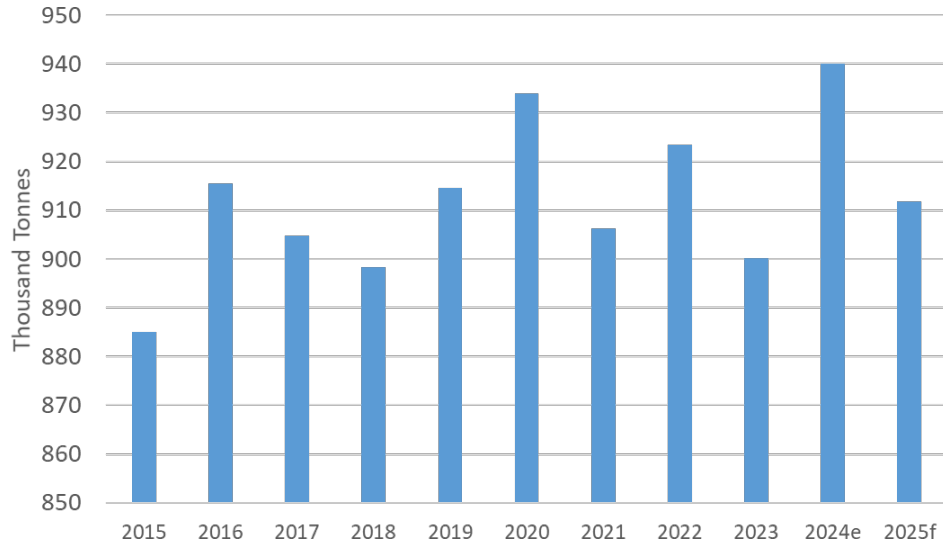


Source: European Commission (2024)

Note: Estimate for 2024 based on data from January to August

- **European Commission forecasts that beef production in the European Union will decline by 1% in 2025.**
- Beef production in the European Union is estimated to be 2% higher in 2024 relative to 2023 but 2% lower than in 2022.
- Beef production is estimated to be 6,513 thousand tonnes in 2024.
- Beef production in the European Union peaked in 2018 and subsequently declined.

# Beef Production in the United Kingdom



Source: AHDB (2024)

Note: Author's estimate for 2024 based on data from January to October

- **AHDB forecast a 1% decline in beef production the UK in 2025.**
- Beef production in the UK is 4.8% higher in the first ten months of 2024 relative to the same period in 2023.
- Beef production is estimated to be approximately 940 thousand tonnes in 2024.

# UK and Irish Finished Cattle Prices (Exclude VAT)



Source: DAFM, AHDB and ECB. Ireland and UK Steer R3.

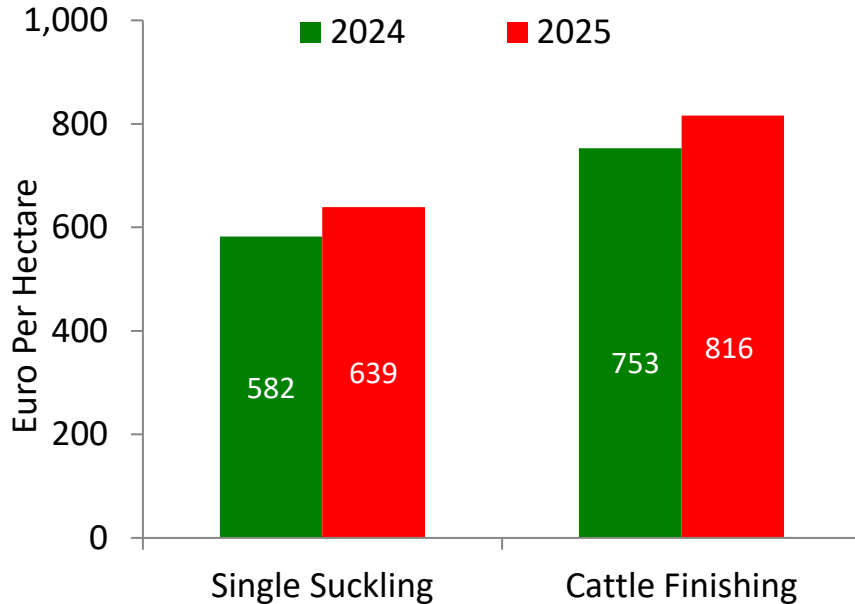
# Outlook for 2025

- **Cattle Finishing**
  - 4% increase in finished cattle prices
  - 2% increase in weanling prices
  - 4% decrease in prime beef production
  - 3% decrease in total costs
  - 8% increase in gross margin
- **Cattle Rearing**
  - 4% increase in store cattle prices
  - 2% increase in weanling prices
  - 1% decrease in total costs
  - 10% increase in gross margin

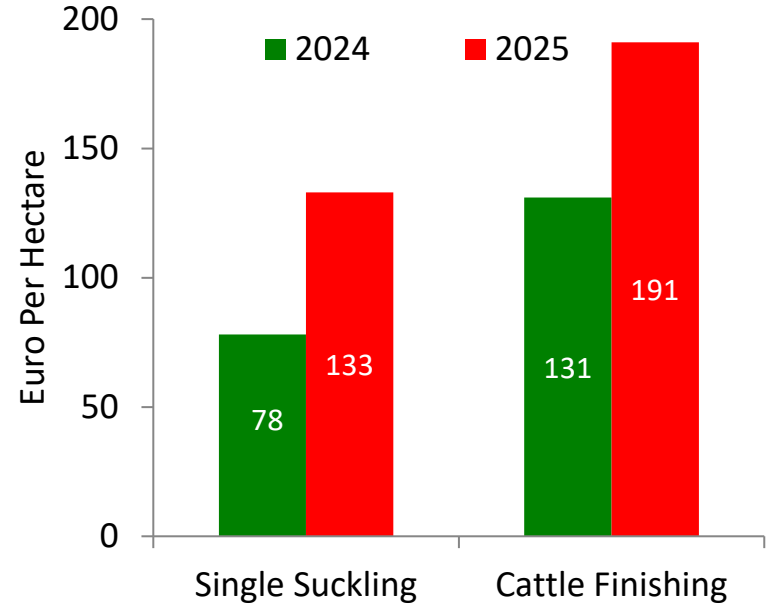


# Cattle Margins forecast to improve in 2025

## Gross Margin per hectare forecast Single Suckling and Cattle Finishing



## Net Margin per hectare forecast Single Suckling and Cattle Finishing

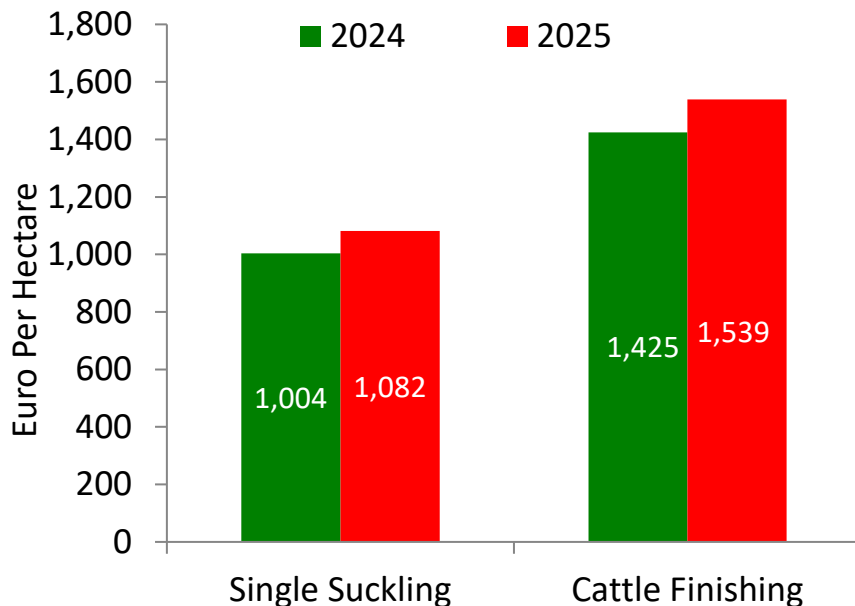


Source: Authors' estimate for 2024 and forecast for 2025

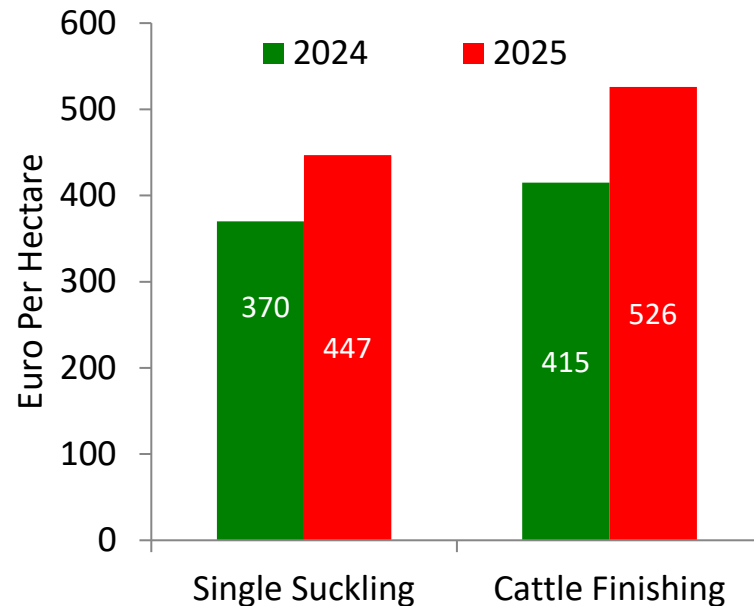


# Cattle Margins for the top one-third in 2025

Gross Margin per hectare forecast  
Single Suckling and Cattle Finishing



Net Margin per hectare forecast  
Single Suckling and Cattle Finishing



Source: Authors' estimate for 2024 and forecast for 2025

# Conclusion

## Review of 2024

- Higher cattle farm income
- Some declines in costs
- Finished cattle prices are higher
- Steer production declines
- Heifer production increases
- Global markets for beef are strong

## Forecast for 2025

- Domestic production declines
- EU production declines
- UK production declines
- Moderately rising cattle prices
- Slight decline in costs
- Improved margins for cattle farms

# Thank You

