

DECEMBER 3RD 2024

OUTLOOK 2025 FARM INCOME



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**
 - a farm's **principal output and its margin**
- To calculate **Farm Income for each Farm type**
 - **Sum margins** from the enterprises by farm type
 - **Add the value of decoupled supports**

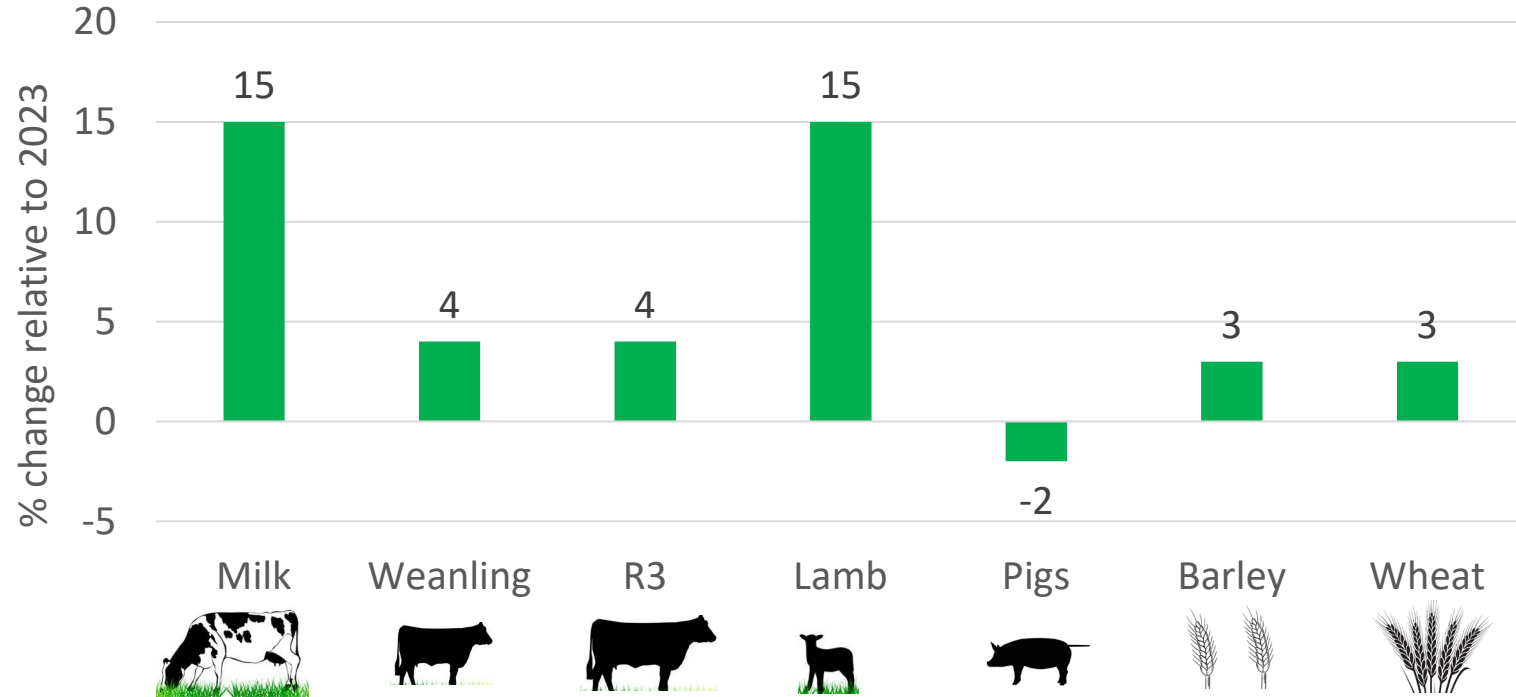


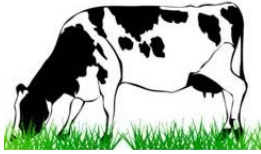
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REVIEW OF 2024



Percentage Price Change 2024e vs 2023f





Review of 2024 (1)



Dairy

- Significant rise in milk price
 - ↑ 15% vs 2023
- Drop in milk production
 - ↓ 2% vs 2023
- Feed prices down significantly
 - ↓ 14% vs 2022
- Fertiliser prices down significantly
 - ↓ 30% respectively vs 2023
- Fertiliser use up
 - ↑ 10% vs 2023
- Fuel prices relatively unchanged
- Recovery in Margins 2024
 - ↑ vs 2023
- *Average Dairy income 2024
 - € 89,000 (↑ 80% vs 2023)

Cattle

- Marginally higher cattle prices
 - ↑ 4% for Prime Cattle & Young Cattle vs 2023
- Production volume
 - ↓ 1% vs 2023 for Prime Beef production
- Feed prices down significantly
 - ↓ 14% vs 2023
- Fertiliser prices down significantly
 - ↓ 30% respectively vs 2023
- Fuel prices relatively unchanged
- Increase in Margins 2024
 - ↑ vs 2023 for both Cattle Rearing and Cattle Other
- *Average Cattle income 2024
 - Cattle Rearing € 9,500 (↑ 28% vs 2023)
 - Cattle Other € 17,000 (↑ 15% vs 2023)

*2024 figures are estimates. Actual figures will be available from NFS in mid 2025

Review of 2024 (2)



Sheep

- Significant increase in lamb price
 - ↑ 15% vs 2023
- Sharp drop in lamb/sheep volume
 - ↓ 10% vs 2023
- Feed prices down significantly
 - ↓ 14% vs 2023
- Fertiliser prices down significantly
 - ↓ 30% respectively vs 2023
- Fuel prices relatively unchanged
- Margins 2024
 - ↑ appreciably vs 2023
- *Average Sheep income 2024
 - **€ 15,000** (↑ 19% vs 2023)



Tillage

- Cereal prices up marginally
 - ↑ 3% vs 2023
- Production down slightly
 - ↓ 1% vs 2023
- Fertiliser prices down significantly
 - ↓ 40% respectively vs 2023
- Fuel prices relatively unchanged
- Margins 2024
 - ↑ vs 2023 but % ↑ is very crop specific
- Support payments
 - ↑ vs 2023 (SIM, TTU, UCL, TIS)
- *Average Tillage income 2024
 - **€ 30,000** (↑ 40% 2023)

*2024 figures are estimates. Actual figures will be available from NFS in mid 2025



Review of 2024 (3)

Pigs

- Slight decrease in pig prices
 - ↓ 2% vs 2023
- Increase in pig slaughter
 - ↑ 3% vs 2023
- Significant drop in Feed prices
 - Feed prices ↓ 14% vs 2023
- Improvement in Margins in 2024 vs 2023
 - 86c per kg dwt (↑ 25% vs 2023)

*2024 figures are estimates. Actual figures will be available in 2025

Income estimate for 2024*



- **Output Prices**

- ↑ substantially for milk & lamb
- ↑ marginally for cattle & cereals
- ↓ marginally for pigs

- **Output Volumes**

- ↑ slightly for pigs
- ↓ marginally for milk, cattle, cereals
- ↓ substantially for sheep

- **Output Value**

- ↑ substantially

- **Input Expenditure**

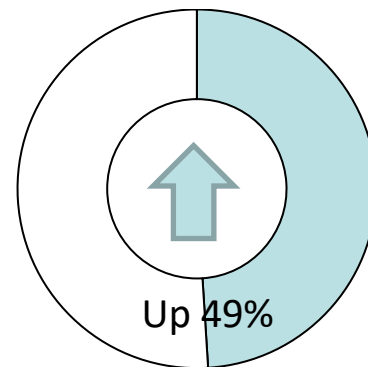
- ↓ slightly for Total Costs
- ↓ prices for feed & fertiliser
- ↑ feed & fertiliser volume

- **Support payments**

- most payments in line with 2023
- additional tillage payments

Average NFS Farm Income

Increase in average income heavily driven by the rise in milk prices

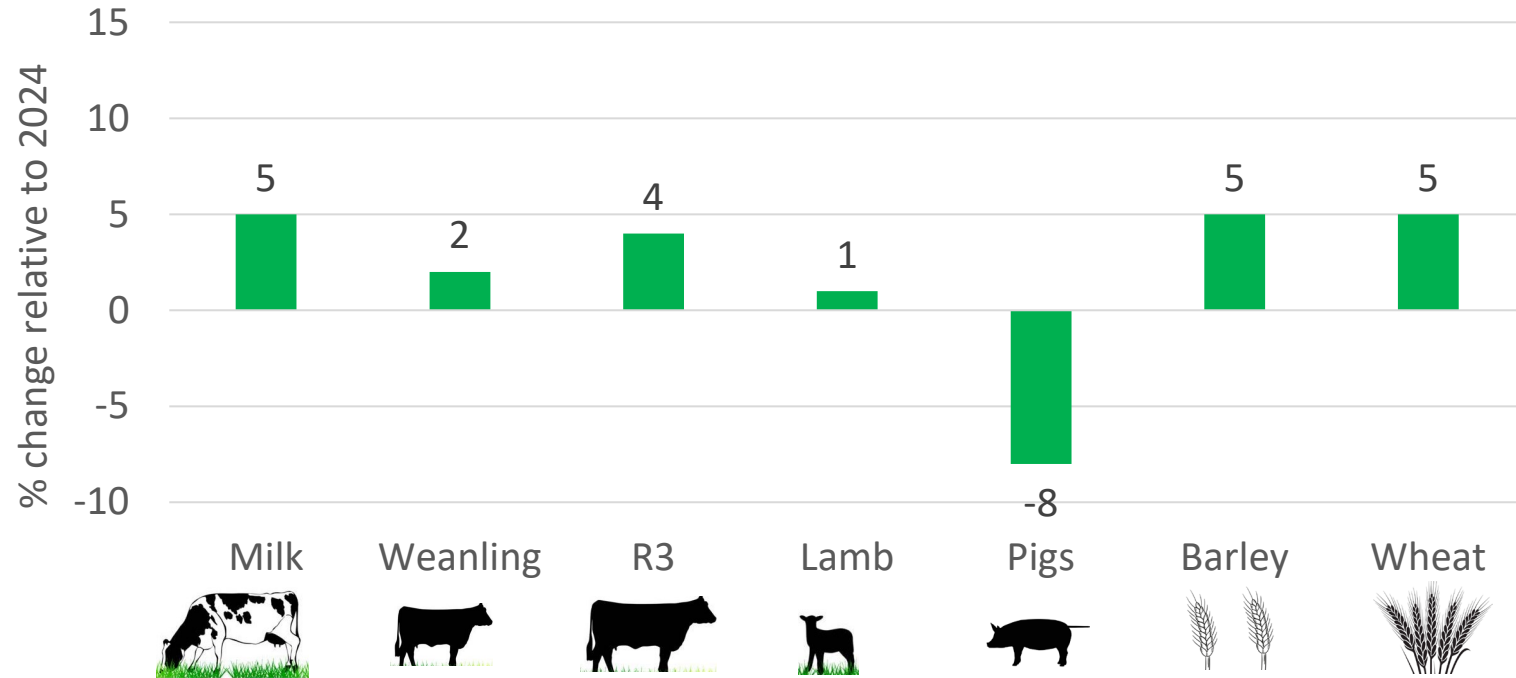


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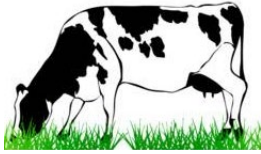
OUTLOOK FOR 2025



Percentage Price Change 2025f vs 2024e



*2025 figures are forecasts contingent on assumptions



Outlook of 2025 (1)



Dairy

- Higher Milk price
 - ↑ 5% vs 2024
- Rise in Milk production (yield recovery)
 - ↑ 4% vs 2024
- Fertiliser prices down slightly
 - ↓ 5% vs 2024
- Feed and Fuel prices unchanged
 - ↔ vs 2024
- Fertiliser use unchanged
 - ↔ vs 2024
- Margins 2025
 - ↑ appreciably vs 2024
- *Average Dairy income 2025
 - **€ 113,000** (↑ 27% vs 2024)

*2025 figures are forecasts contingent on assumptions

Cattle

- Marginally higher cattle prices
 - ↑ 4% Prime Cattle vs 2024
 - ↑ 2% Young Cattle vs 2024
- Production volume
 - ↓ 4% vs 2024 for Prime Beef production
- Fertiliser prices down slightly
 - ↓ 5% vs 2024
- Feed and Fuel prices unchanged
 - ↔ vs 2024
- Margins 2025
 - ↑ vs 2024 for both Cattle Rearing and Cattle Other
- Support payments up slightly
 - Organics and Beef Welfare Scheme
- *Average Cattle income 2025
 - **Cattle Rearing € 10,800** (↑ 14% vs 2024)
 - **Cattle Other € 18,500** (↑ 9% vs 2024)

Outlook for 2025 (2)



Sheep

- Lamb price up marginally
 - 1% vs 2024
- Production volume
 - ↑ 5% vs 2024
- Fertiliser prices
 - ↓ 5% vs 2024
- Feed and Fuel prices unchanged
 - ↔ vs 2024
- Margins 2025
 - ↑ appreciably on the 2024 level
- Support payments ↔
- Average Sheep income 2025
 - **€ 17,250** (↑ 15% vs 2024)



Tillage

- Cereal prices rise
 - ↑ 5% vs 2024
- Yields to increase
 - ↑ vs 2024 as trend yield assumed
- Fertiliser prices
 - ↓ 5% vs 2024
- Fuel prices unchanged
 - ↔ vs 2024
- Margins 2025
 - ↑ vs 2024 but % ↑ is very crop specific
- Support payments
 - ↑ on 2024 (deferred Tillage Support)
- Average Tillage income 2025
 - **€ 42,000** (↑ 40% vs 2024)

*2025 figures are forecasts contingent on assumptions



Outlook for 2025 (3)

Pigs

- Drop in pig prices
 - ↓ 8% vs 2024
- Pig slaughter up slightly
 - ↑ 1% vs 2024
- Feed prices down
 - ↔ vs 2024
- Margins down slightly
 - 72c per kg dwt (↓ 14% vs 2024)

*2025 figures are forecasts contingent on assumptions

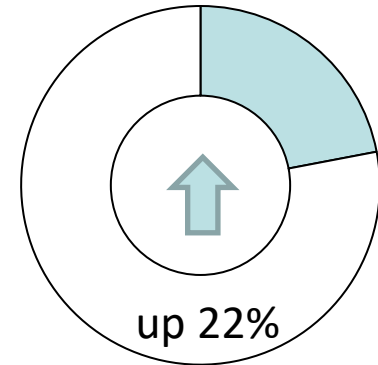
Income forecast for 2025f*



- **Output Prices**
 - ↑ for milk, cattle, sheep & cereals
 - ↓ for pigs
- **Output Volumes**
 - ↑ milk, sheep, pigs & cereals
 - ↓ for cattle
- **Output Value**
 - ↑ appreciably
- **Input expenditure**
 - ↓ Total Costs down slightly
 - ↔ feed price
 - ↔ fertiliser price
 - ↔ fuel price
 - ↓ feed and fertiliser use
 - Other volume changes limited

- **Support payments**
 - Broadly in line with the 2024 level
 - Exception is deferred Tillage Support

Average NFS Farm Income

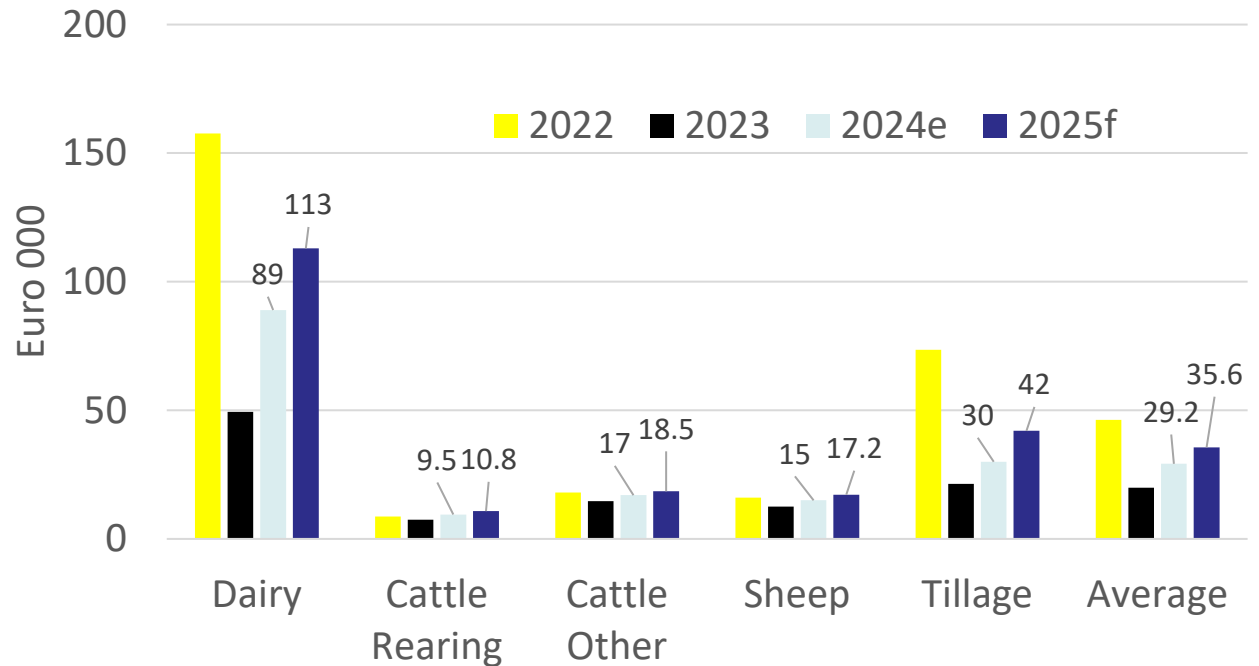


Increase in average income driven mainly by improvements in output value

*2025 figures are forecasts contingent on assumptions



NFS Family Farm Income 2022, 2023, 2024e & 2025f



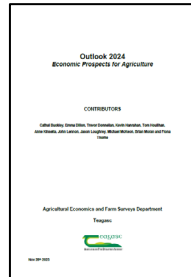
NFS Family Farm Income

2023, 2024e & 2024f

	2023	2024e	2025f		24 vs 23	25 v 24
	€	€	€		%	%
Dairy	49,432	89,000	113,000		80%	27%
Cattle Rearing	7,425	9,500	10,800		28%	14%
Cattle Other	14,735	17,000	18,500		15%	9%
Sheep	12,625	15,000	17,250		19%	15%
Tillage	21,398	30,000	42,000		40%	40%

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Detailed report



Slides



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THANK YOU



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QUESTIONS AND DISCUSSION

