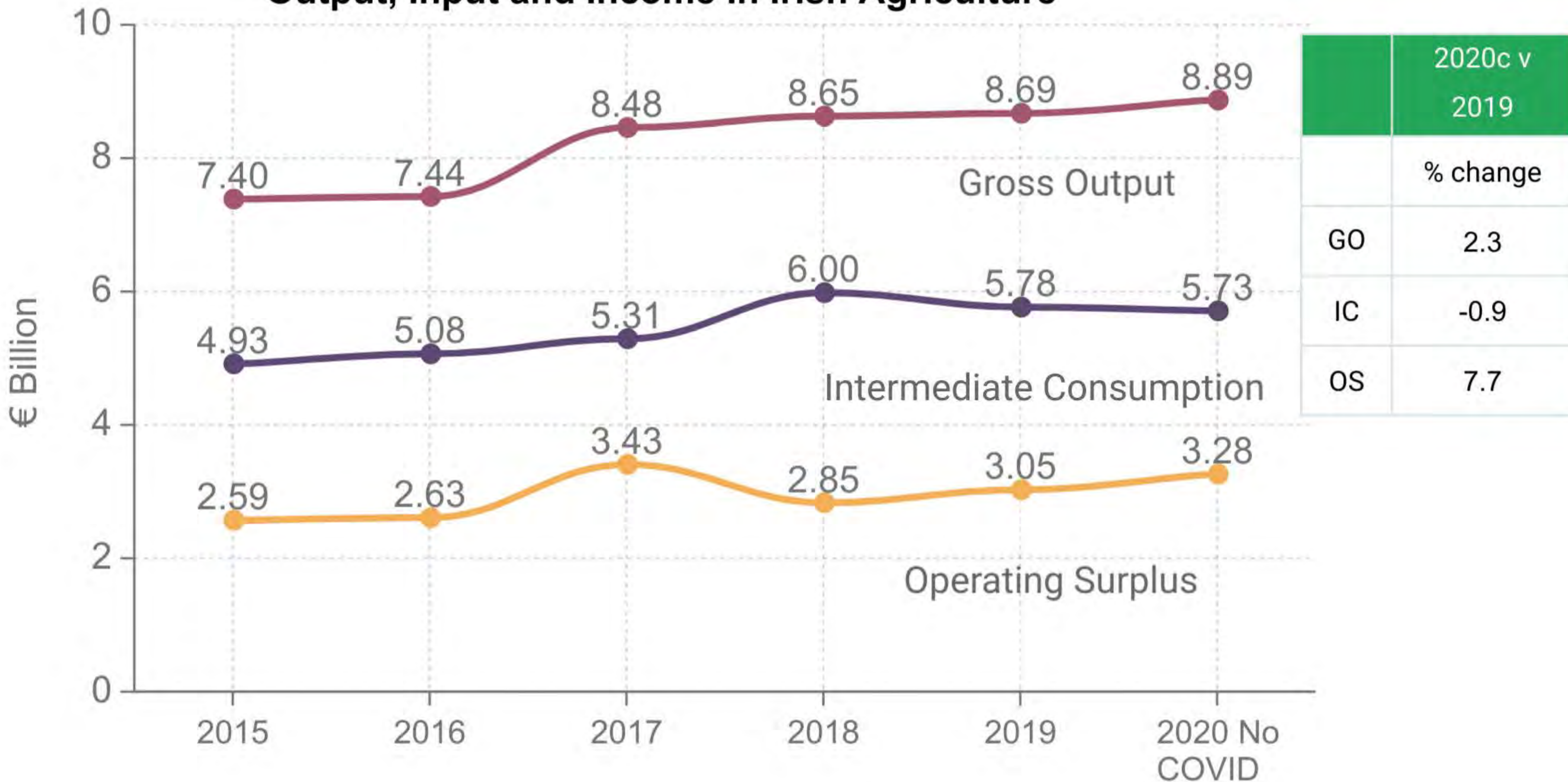


# No COVID-19

Output, Input and Income In Irish Agriculture

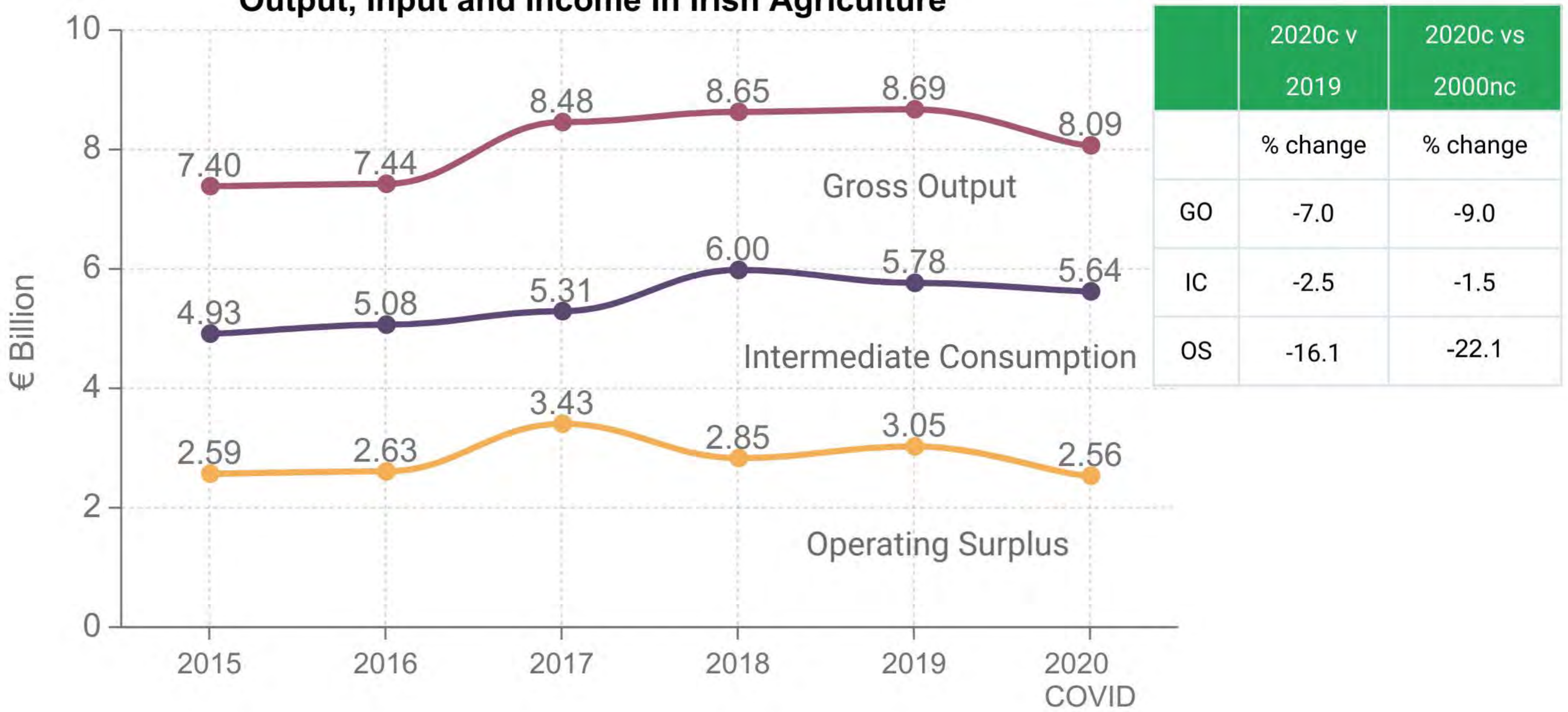


# COVID-19

## Scenario 1



Output, Input and Income In Irish Agriculture



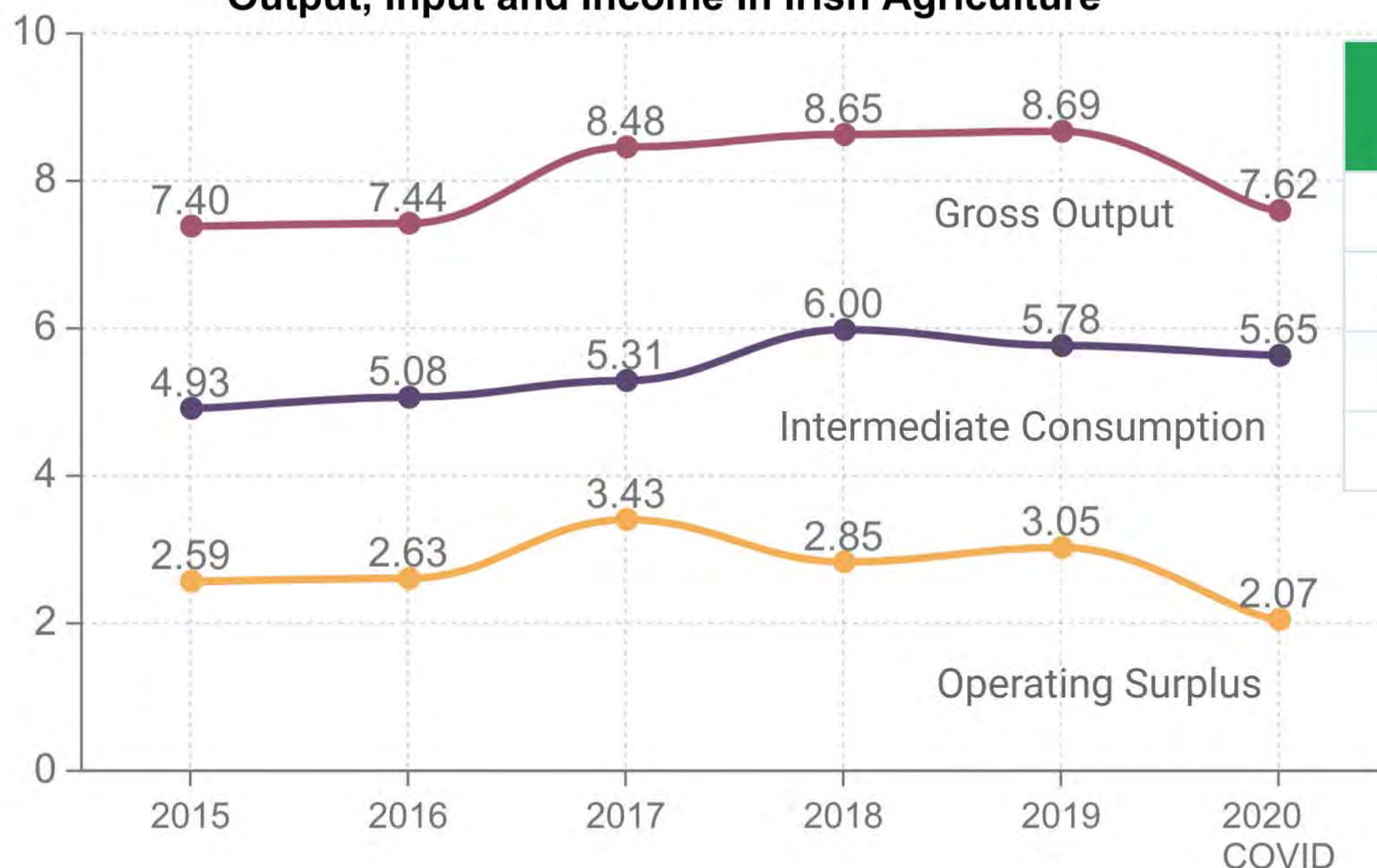


# COVID-19

## Scenario 2



Output, Input and Income In Irish Agriculture



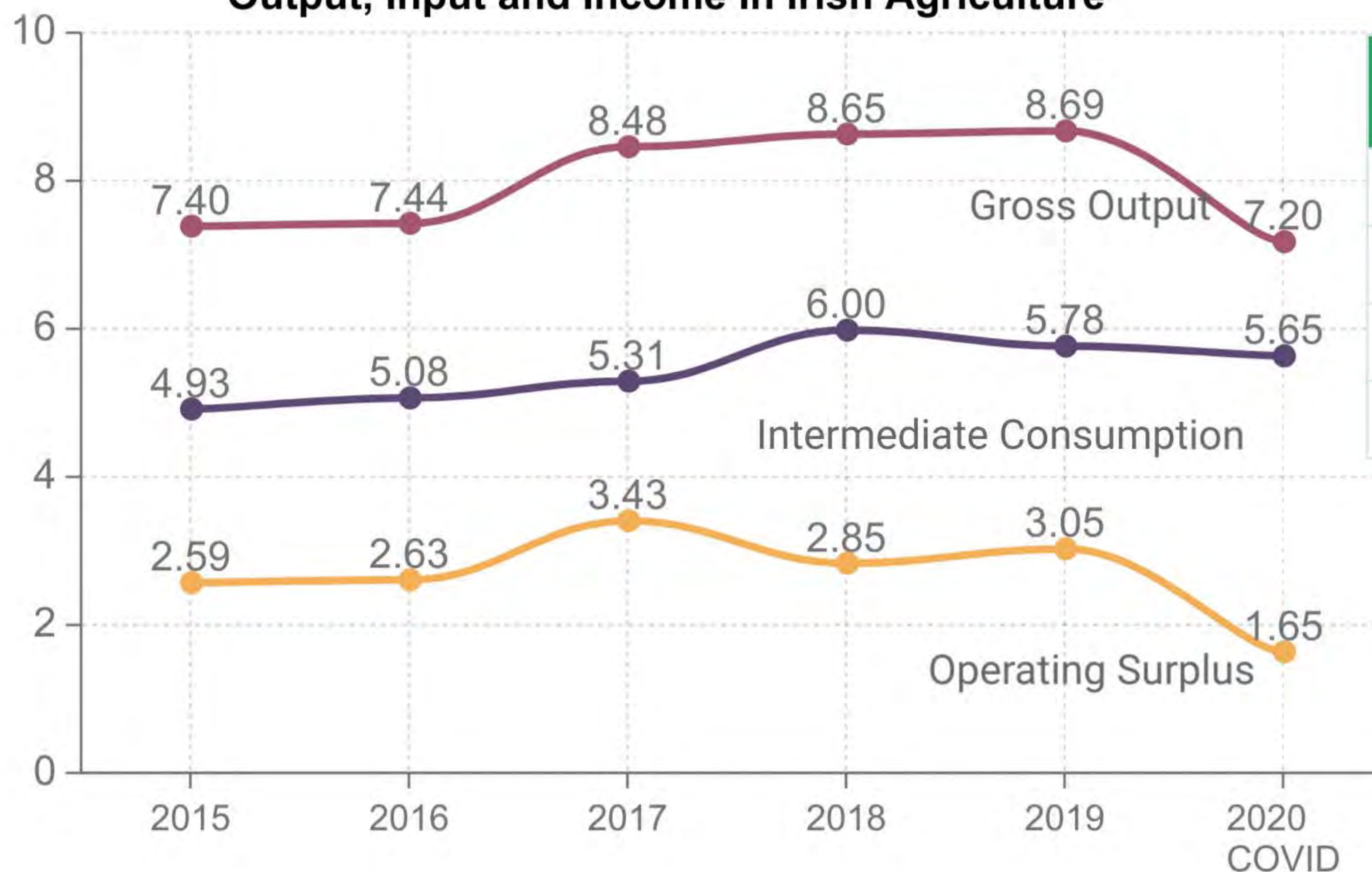
	2020nc vs 2019	2020nc v 2020c
	% change	% change
GO	-12.4	-14.3
IC	-2.3	-1.5
OS	-31.9	-36.8

# COVID-19

## Scenario 3



Output, Input and Income In Irish Agriculture



	2020nc vs 2019	2020nc v 2020c
	% change	% change
GO	-12.4	-19.0
IC	-2.3	-1.5
OS	-31.9	-49.6





### Commodity prices in decline

- Food Service Industry shut down
- Lower income because of COVID-19 recession



### Size of full year decline in market prices will depend on

- tackling pandemic
- reopening economies around the world
- getting consumers to resume “social consumption”



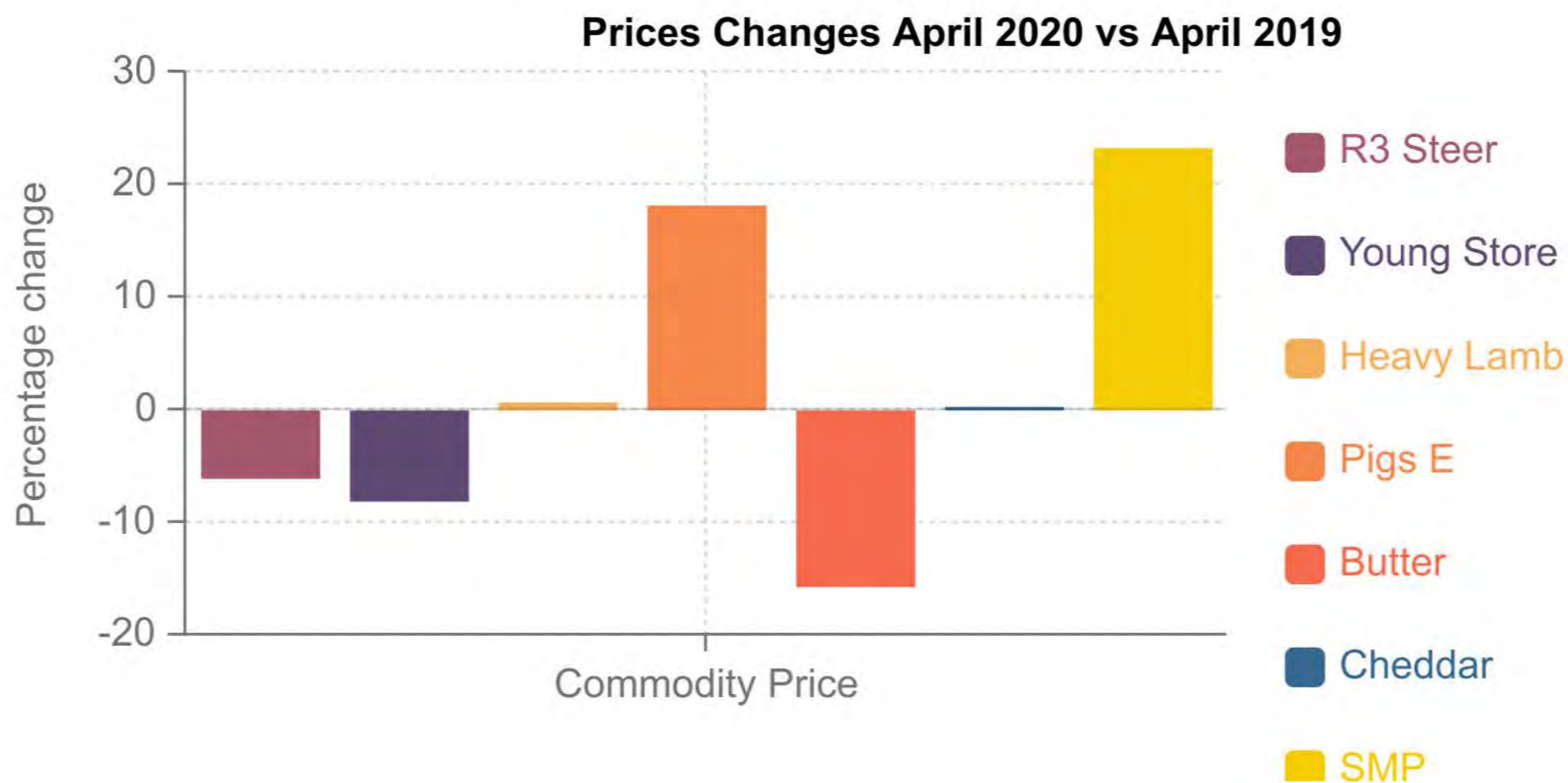
### Seasonality of production very important

- Low prices in peak production period would represent the worst outcome



### How low prices will go in 2020 is uncertain

- Price developments so far provide a guide on how to build our scenario analysis





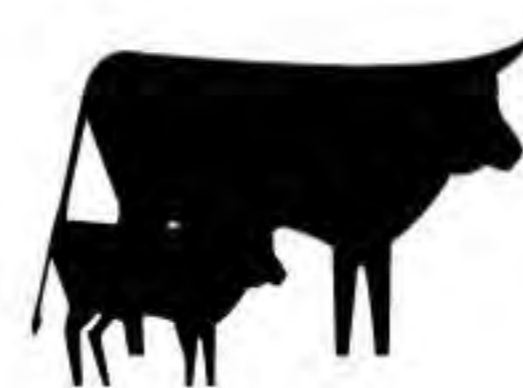
# Forecast 2020 Outcome No COVID-19

## Cattle Rearing Farm Income 2020

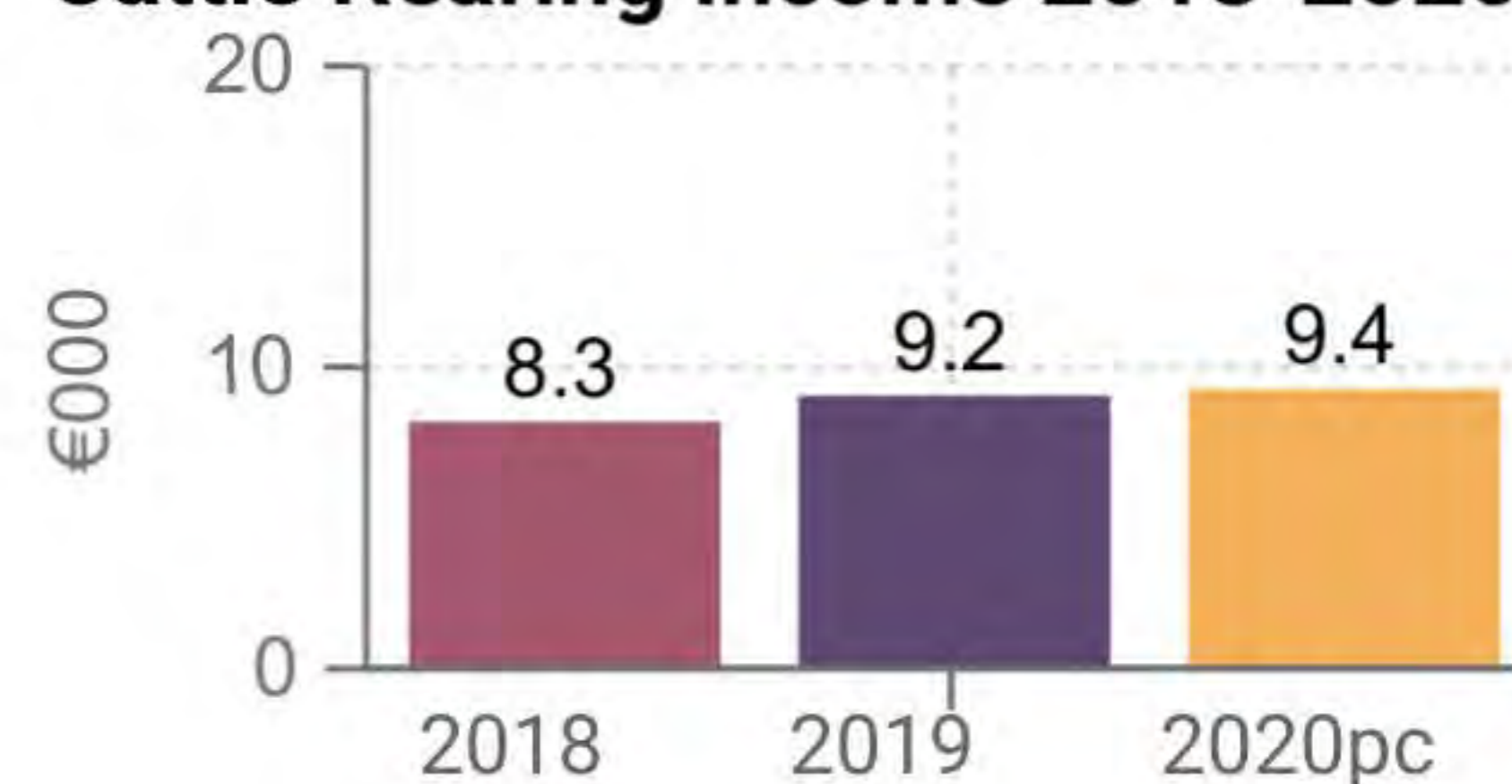
**+2%**

Relative to 2019

Prices: Finished +4%, Weanling +2% vs 2019  
Production -1.5% vs 2019  
Average income of €9,399 in 2020



Cattle Rearing Income 2018-2020



## Cattle Other Farm Income 2020

**-3%**

Relative to 2019

Prices: Finished +4% vs 2019  
Production unchanged vs 2019  
Average income of €15,117 in 2020



Cattle Other Income 2018-2020



## Sheep Farm Income 2020

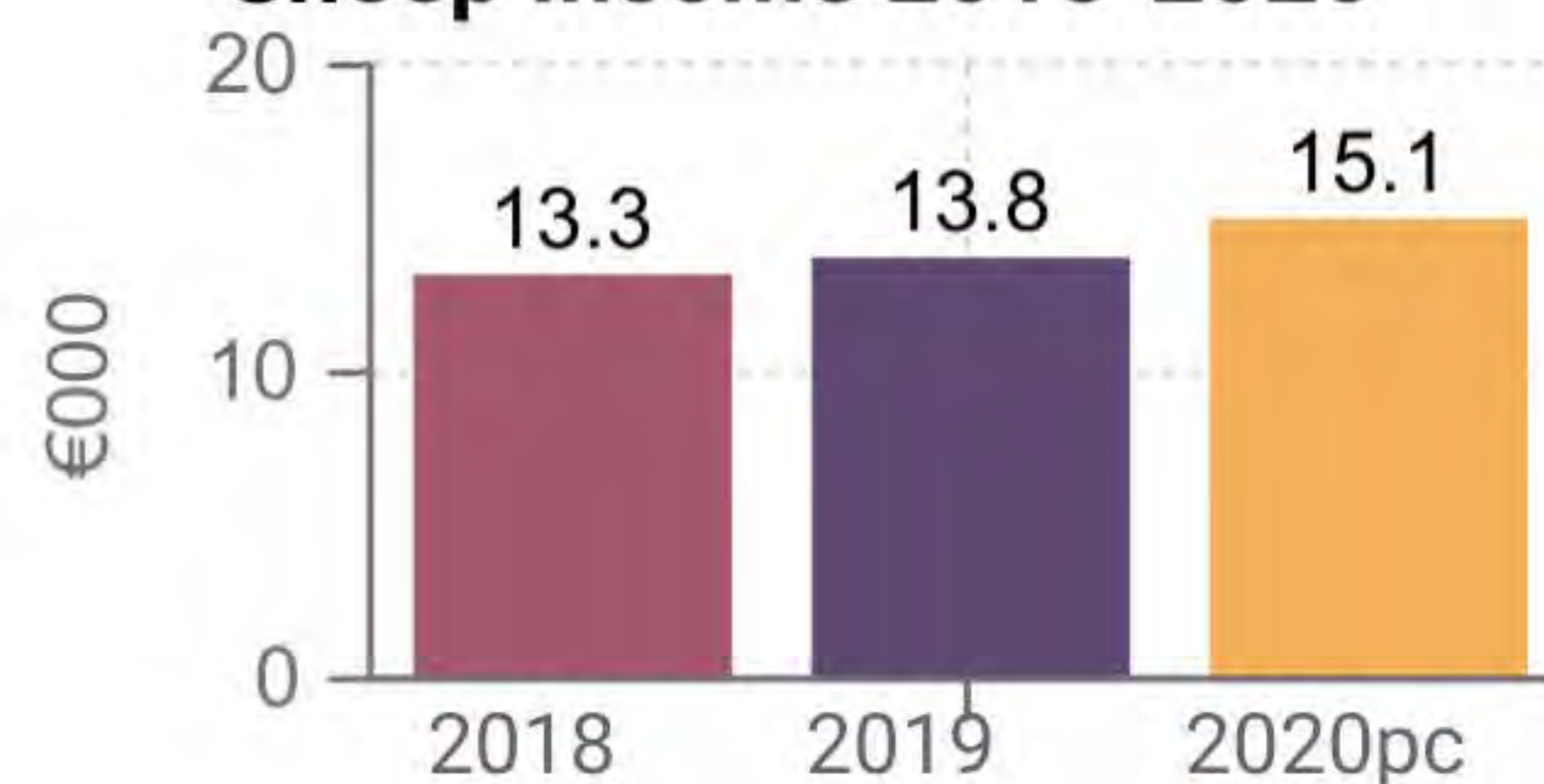
**+9%**

Relative to 2019

Lamb price unchanged vs 2019  
Production +2% vs 2019  
Average income of €15,103 in 2020



Sheep Income 2018-2020



## Dairy Farm Income 2020

**+9%**

Relative to 2019

Milk price unchanged  
Milk Production up 5%  
Average income of €76,750 in 2020



Dairy Income 2018-2020



## Tillage Farm Income 2020

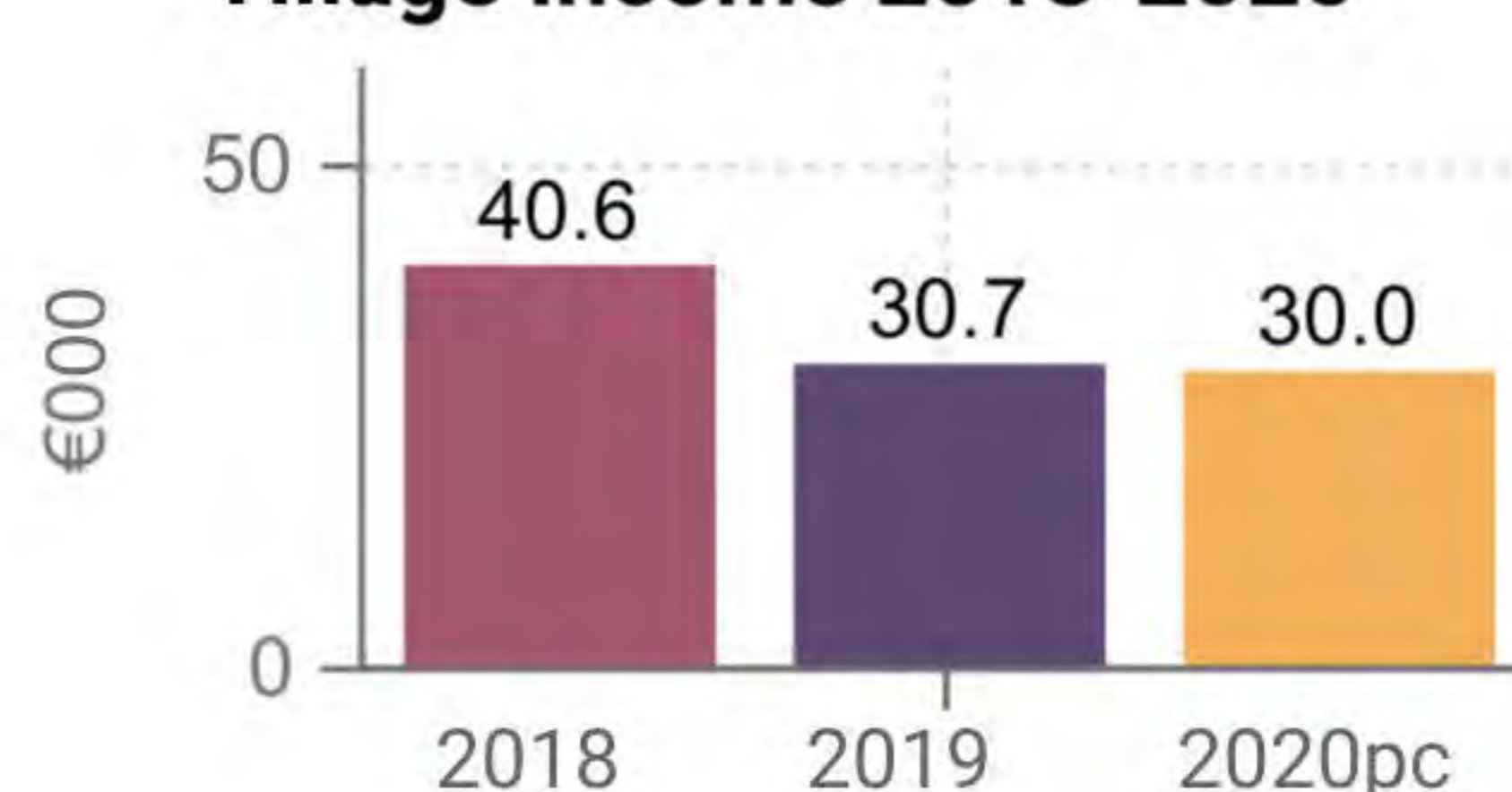
**-2%**

Relative to 2019

Prices: wheat up 10% and barley unchanged  
Cereal production down nearly 20%  
Average income of €30,017 in 2020



Tillage Income 2018-2020



## Average Farm Income 2020

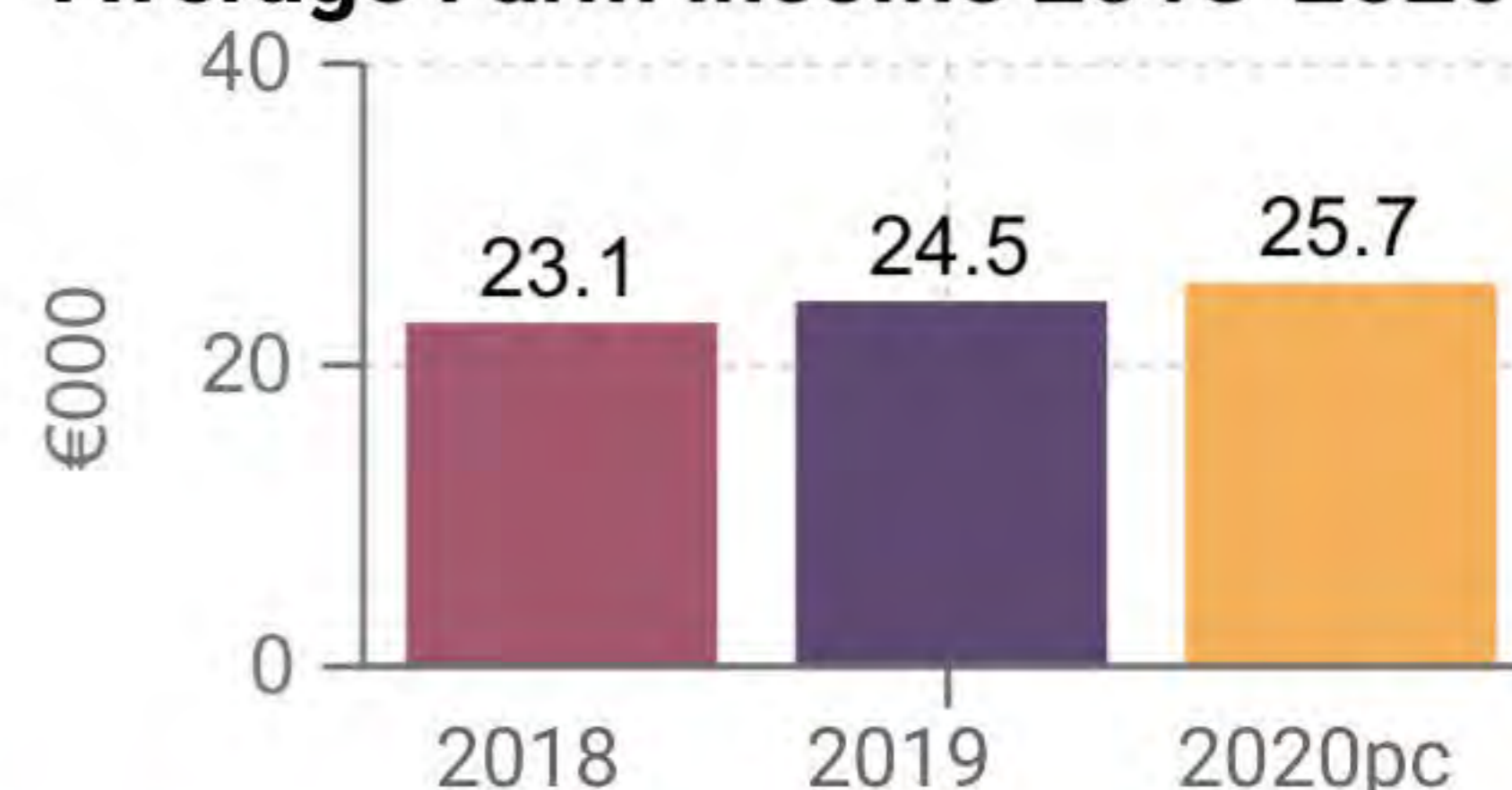
**+5%**

Relative to 2019

Average Income in 2020 of 25,724, up 5%  
on the estimated 2019 level



Average Farm Income 2018-2020

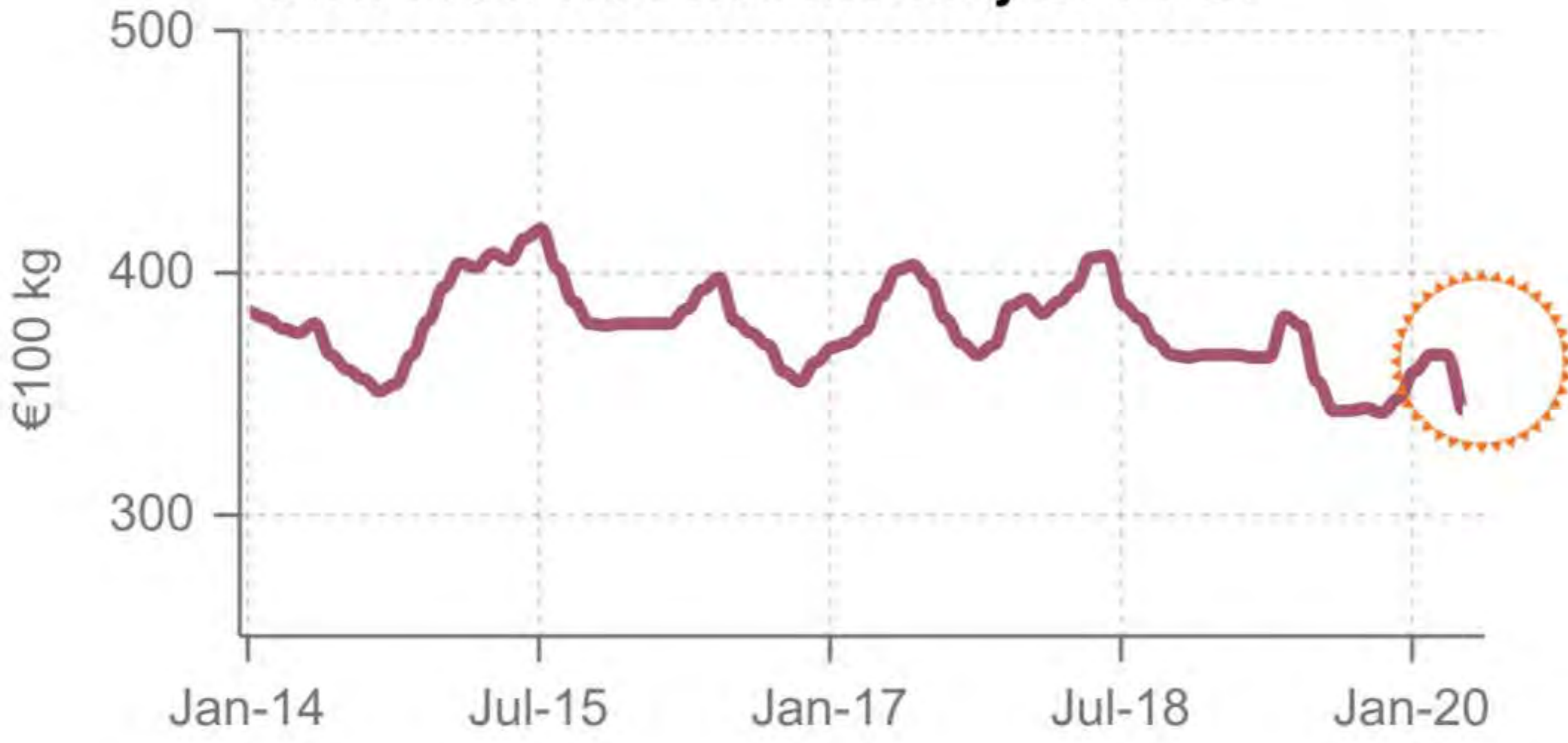


Figures for 2019 represent estimates and figures for 2020 represent pre COVID (pc) projections

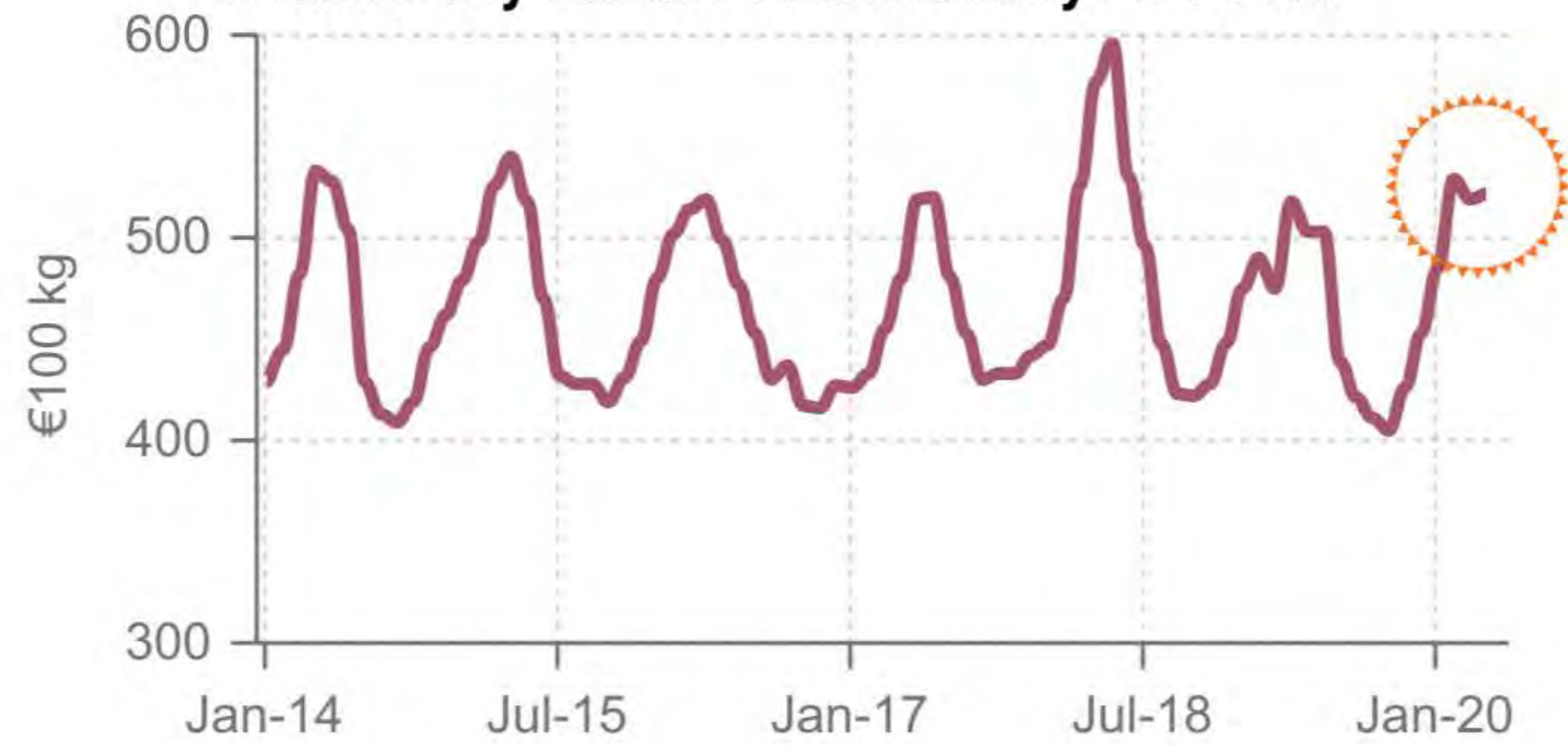




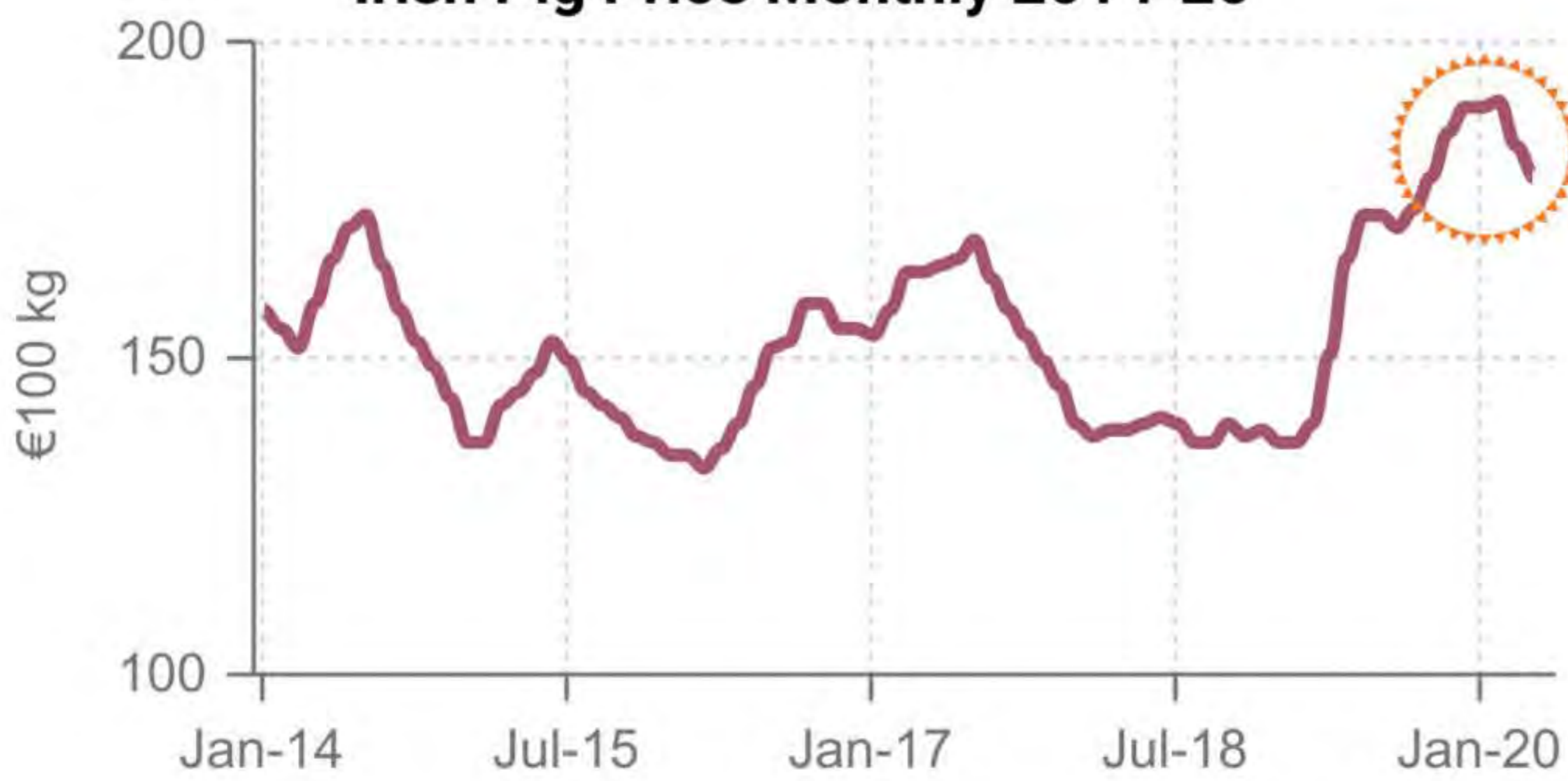
### Irish Steer R3 Price Monthly 2014-20



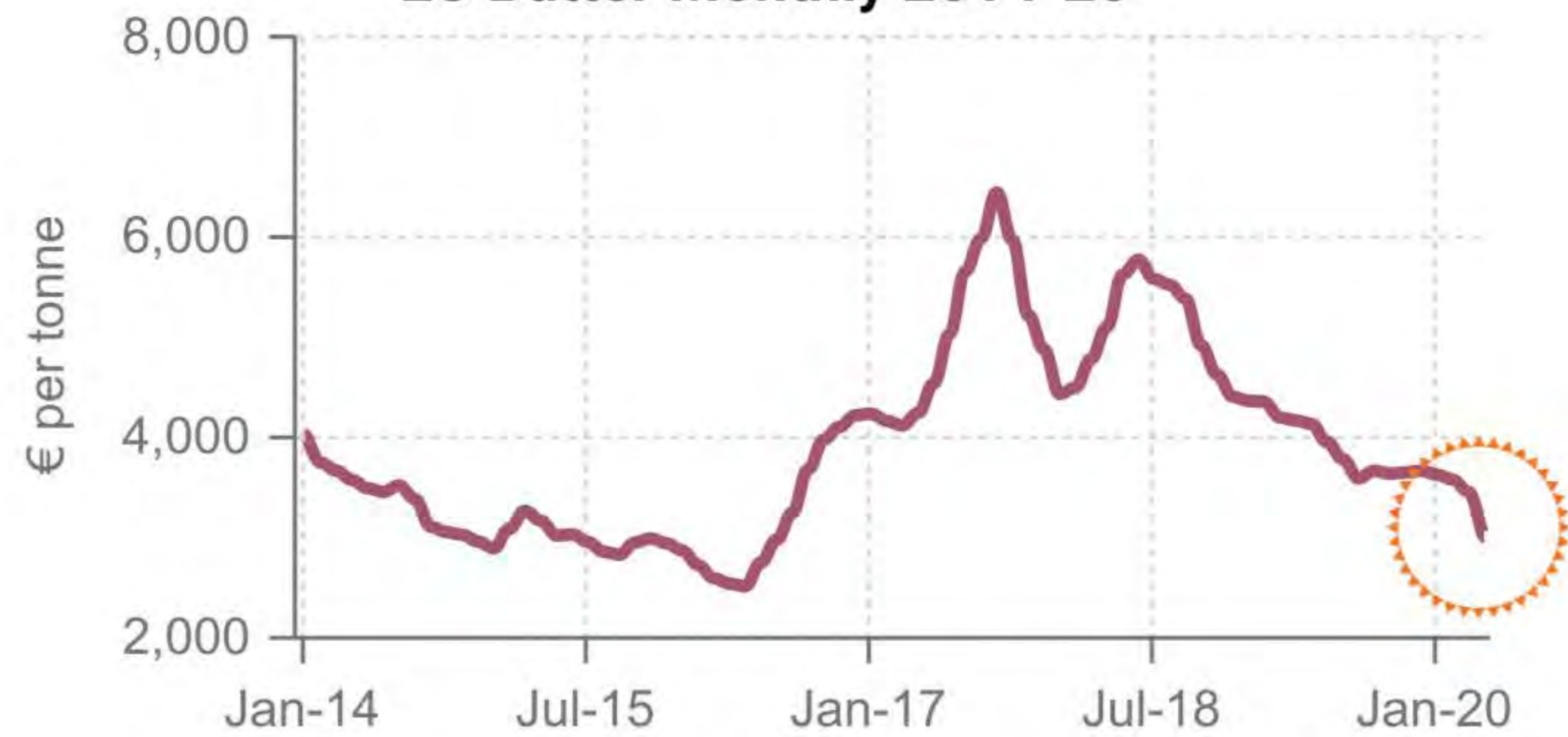
### Irish Heavy Lamb Price Monthly 2014-20



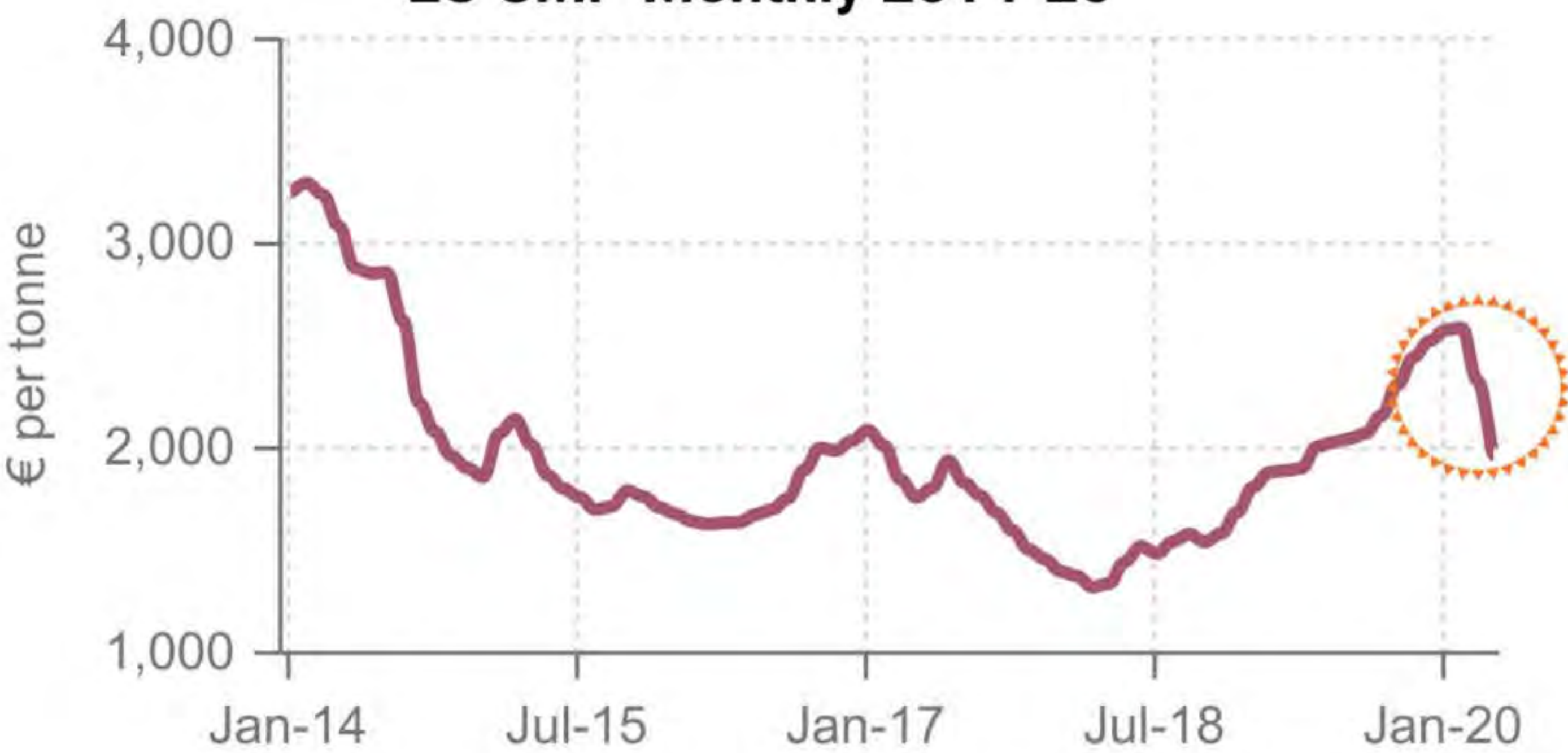
### Irish Pig Price Monthly 2014-20



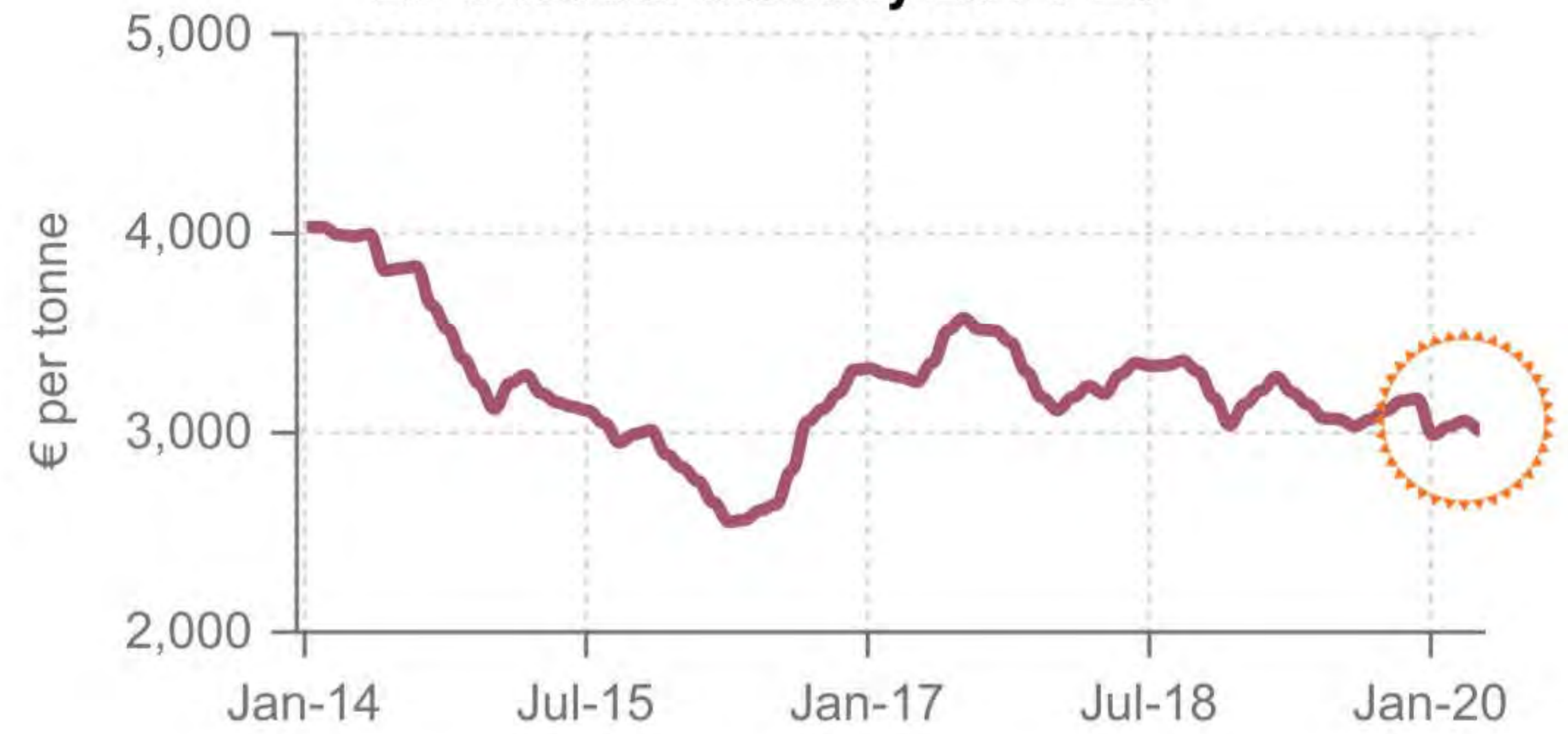
### EU Butter Monthly 2014-20



### EU SMP Monthly 2014-20



### EU Cheddar Monthly 2014-20





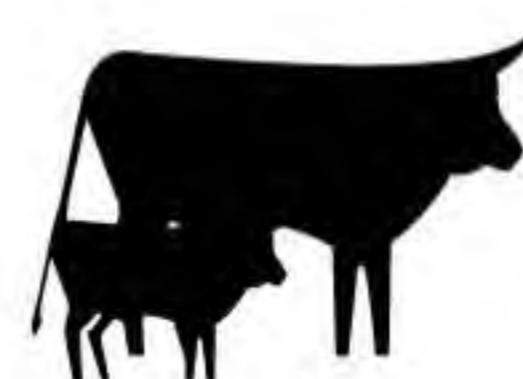


### Cattle Rearing Farm Income 2020

**-39%**

Finished cattle price -10% vs 2019  
Cattle sales volume off farm -4% vs 2019  
Average 2020 income €5,689 COVID-19

Relative to 2020 No COVID



Cattle Rearing Income 2018-2020



### Cattle Other Farm Income 2020

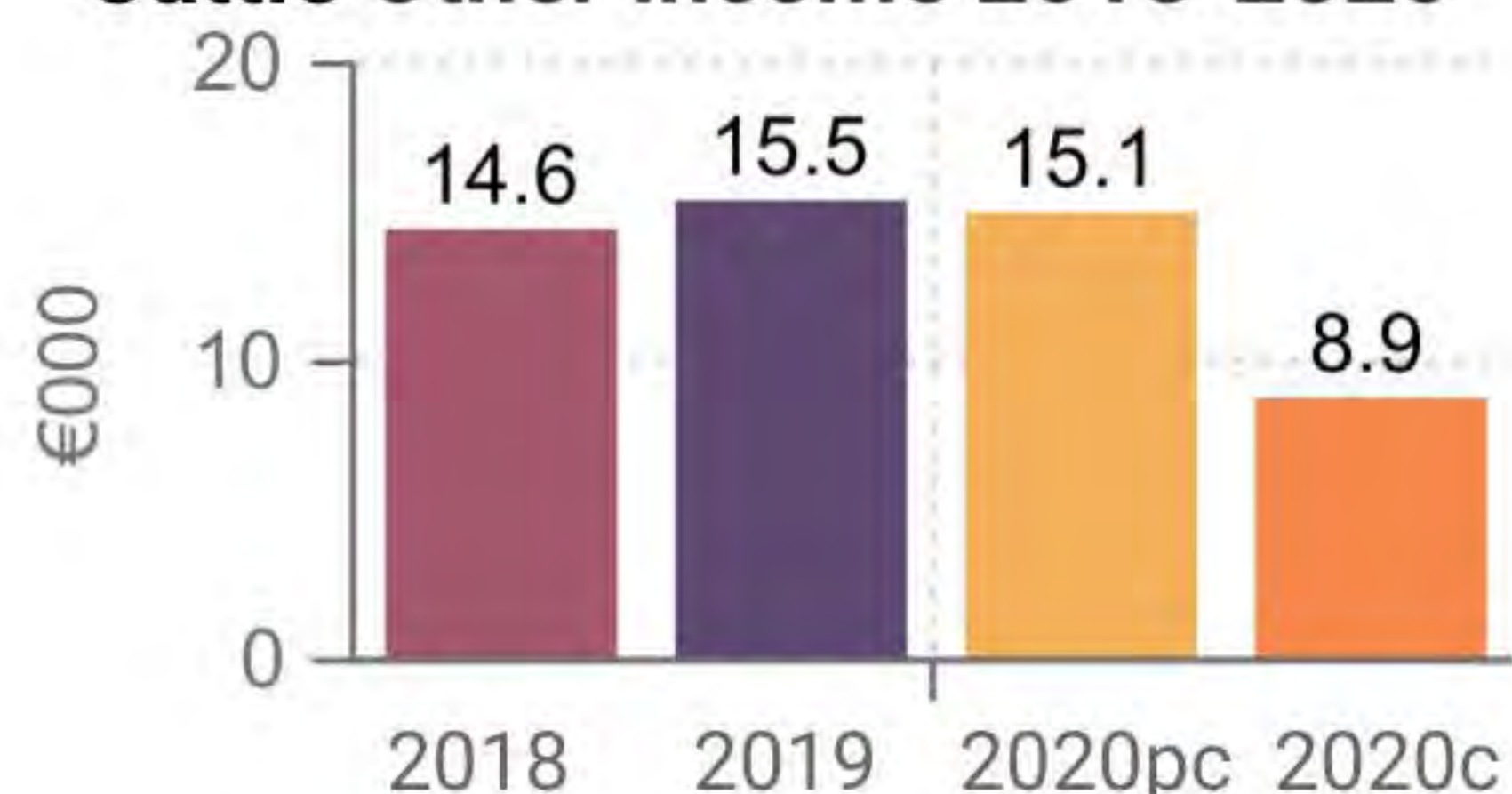
**-41%**

Finished cattle price -10% vs 2019  
Cattle sales volume off farm -4% vs 2019  
Average 2020 income €8,922 COVID-19.

Relative to 2020 No COVID



Cattle Other Income 2018-2020



### Sheep Farm Income 2020

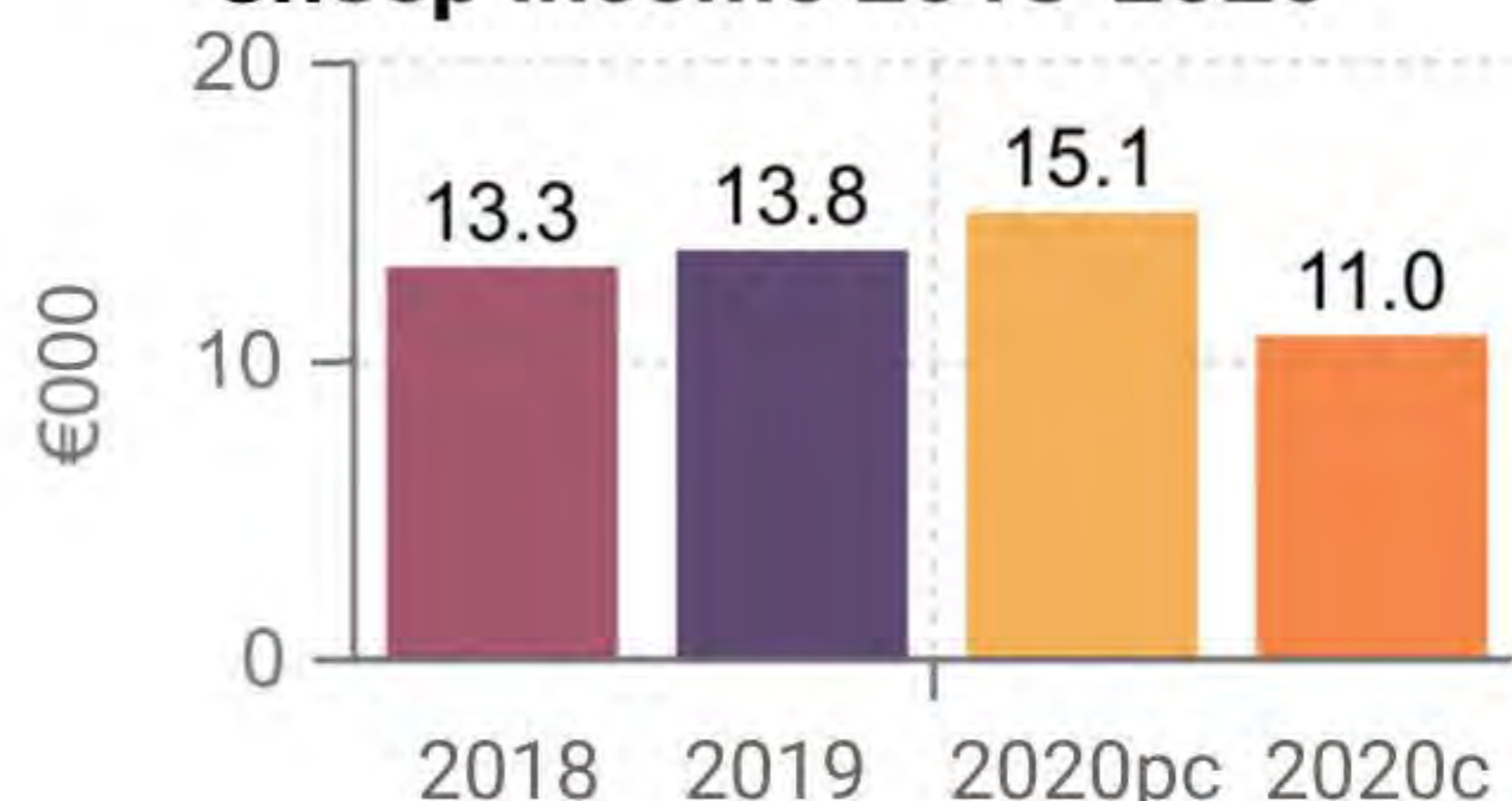
**-27%**

Finished lamb price -10% vs 2019  
Fat lamb sales volume off farm -4% vs 2019  
Average 2020 income €10,989 COVID-19

Relative to 2020 No COVID



Sheep Income 2018-2020



### Dairy Farm Income 2020

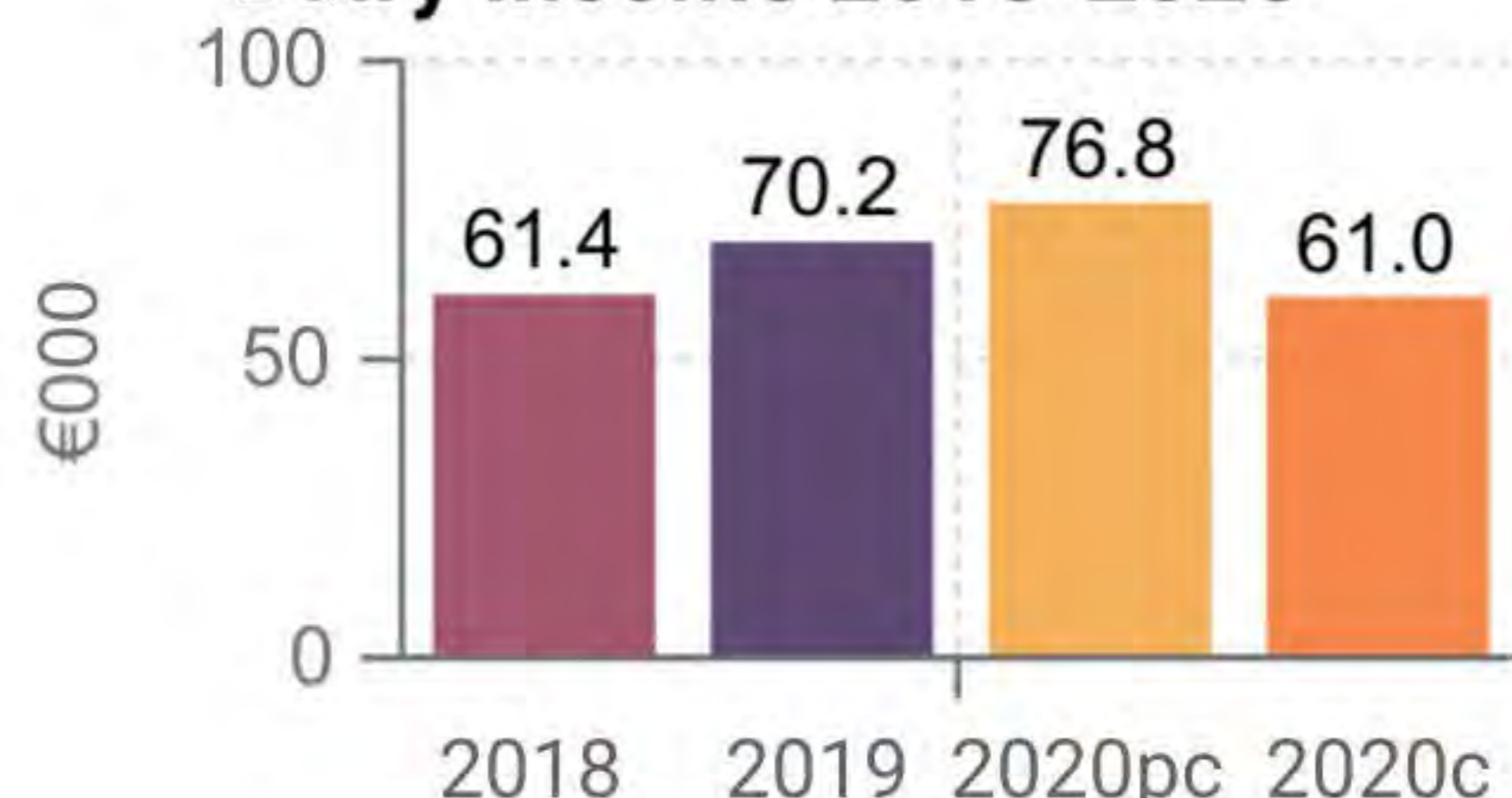
**-21%**

Milk price -10% vs 2019  
Milk production +2%, vs 2019  
Average 2020 income €60,985 COVID-19

Relative to 2020 No COVID



Dairy Income 2018-2020



### Tillage Farm Income 2020

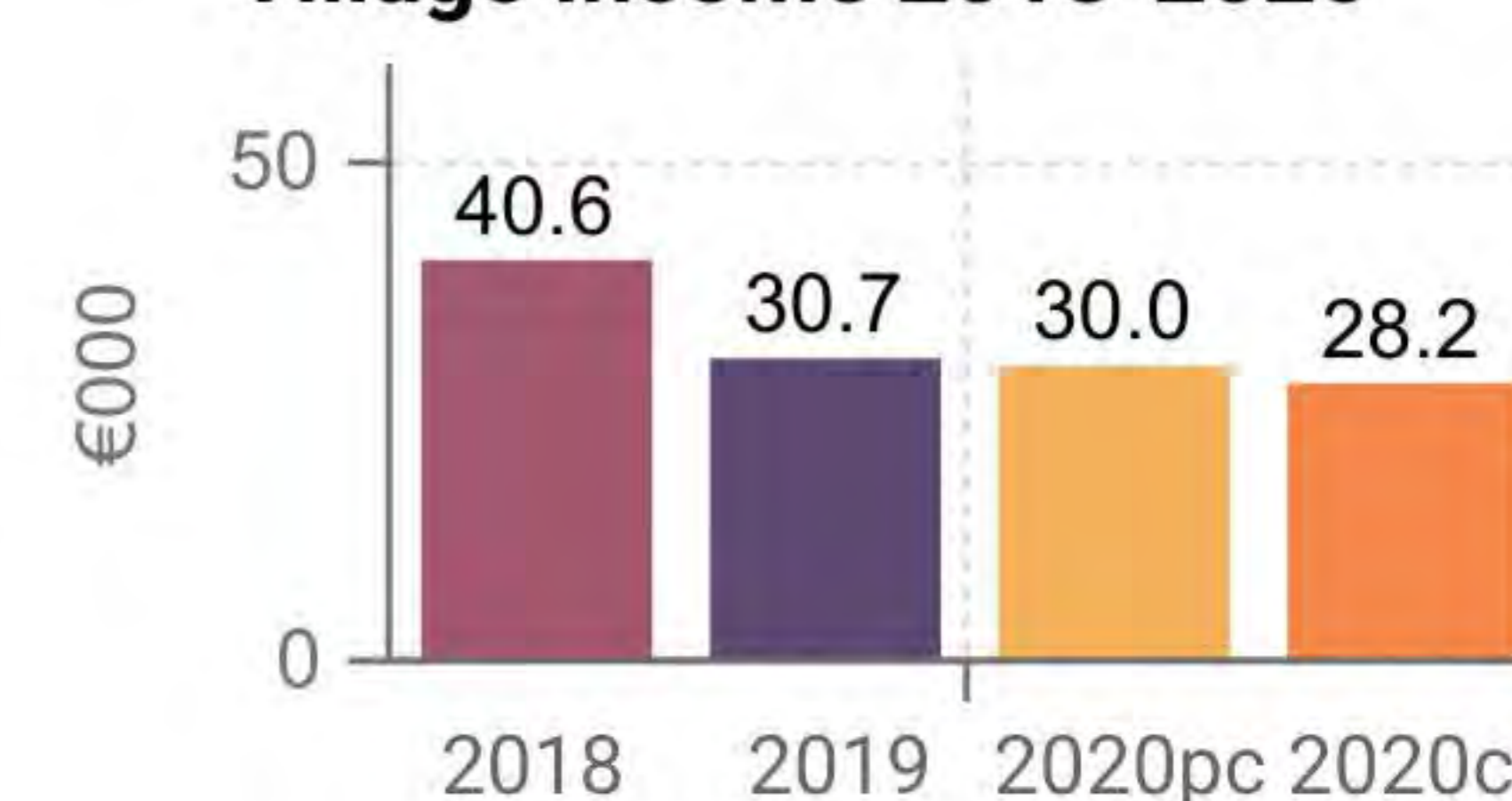
**-6%**

Price wheat up 10%, barley 0% vs 2019  
Production little affected by COVID-19  
Average 2020 income €28,198 COVID-19

Relative to 2020 No COVID



Tillage Income 2018-2020



### Average Farm Income 2020

**-26%**

Average Income in 2020 under COVID-19  
Scenario 1 of €19,112, down 26% on the Pre  
COVID-19 forecast for 2020

Relative to 2020 No COVID



Average Farm Income 2018-2020



Figures for 2019 are estimates. Figures for 2020 represent pre COVID (pc) and COVID (c) projections





### Cattle Rearing Farm Income 2020

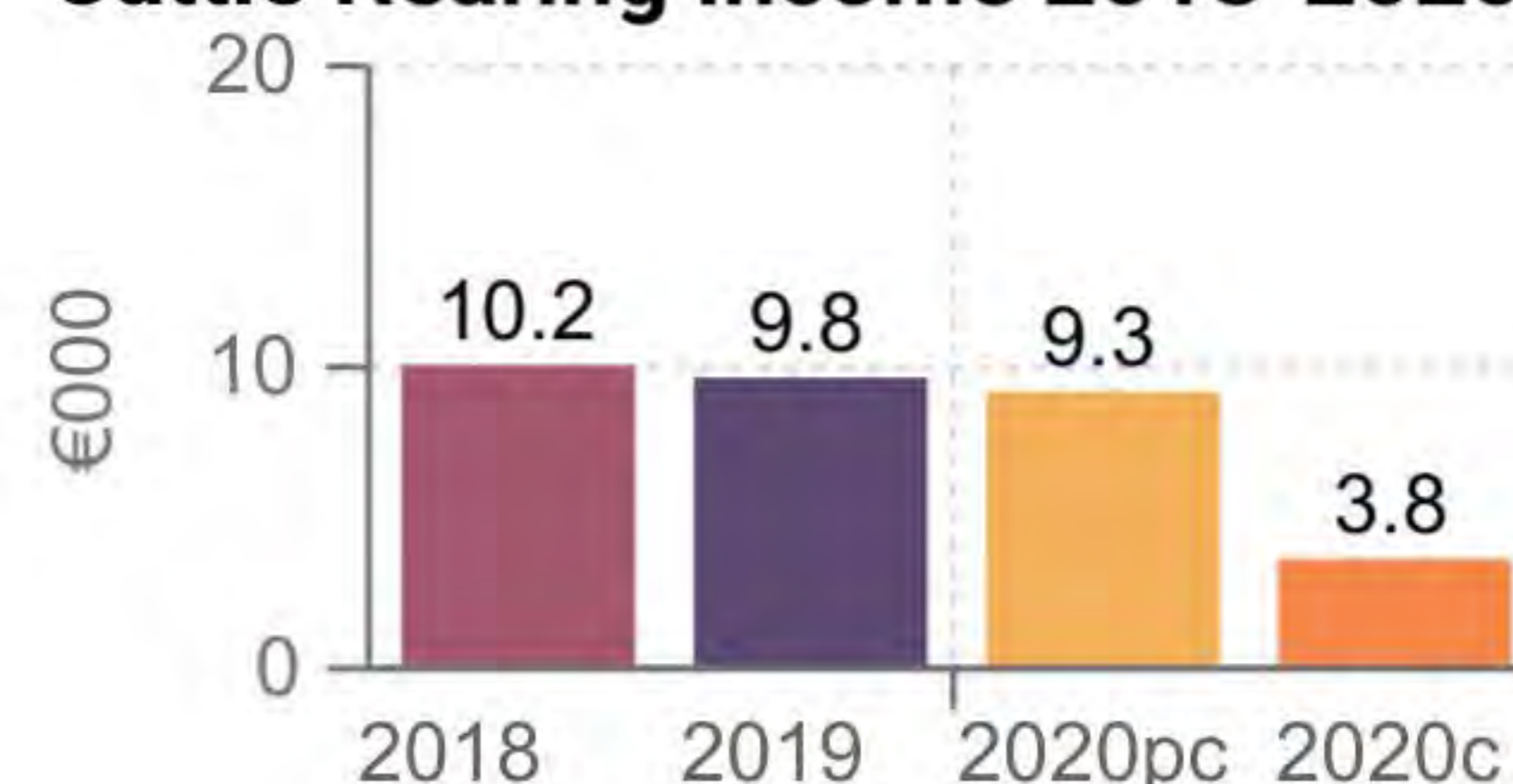
**-60%**

Finished cattle price -15% vs 2019  
Cattle sales volume off farm -7% vs 2019  
Average 2020 income €3,756 COVID-19

Relative to 2020 No COVID



Cattle Rearing Income 2018-2020



### Cattle Other Farm Income 2020

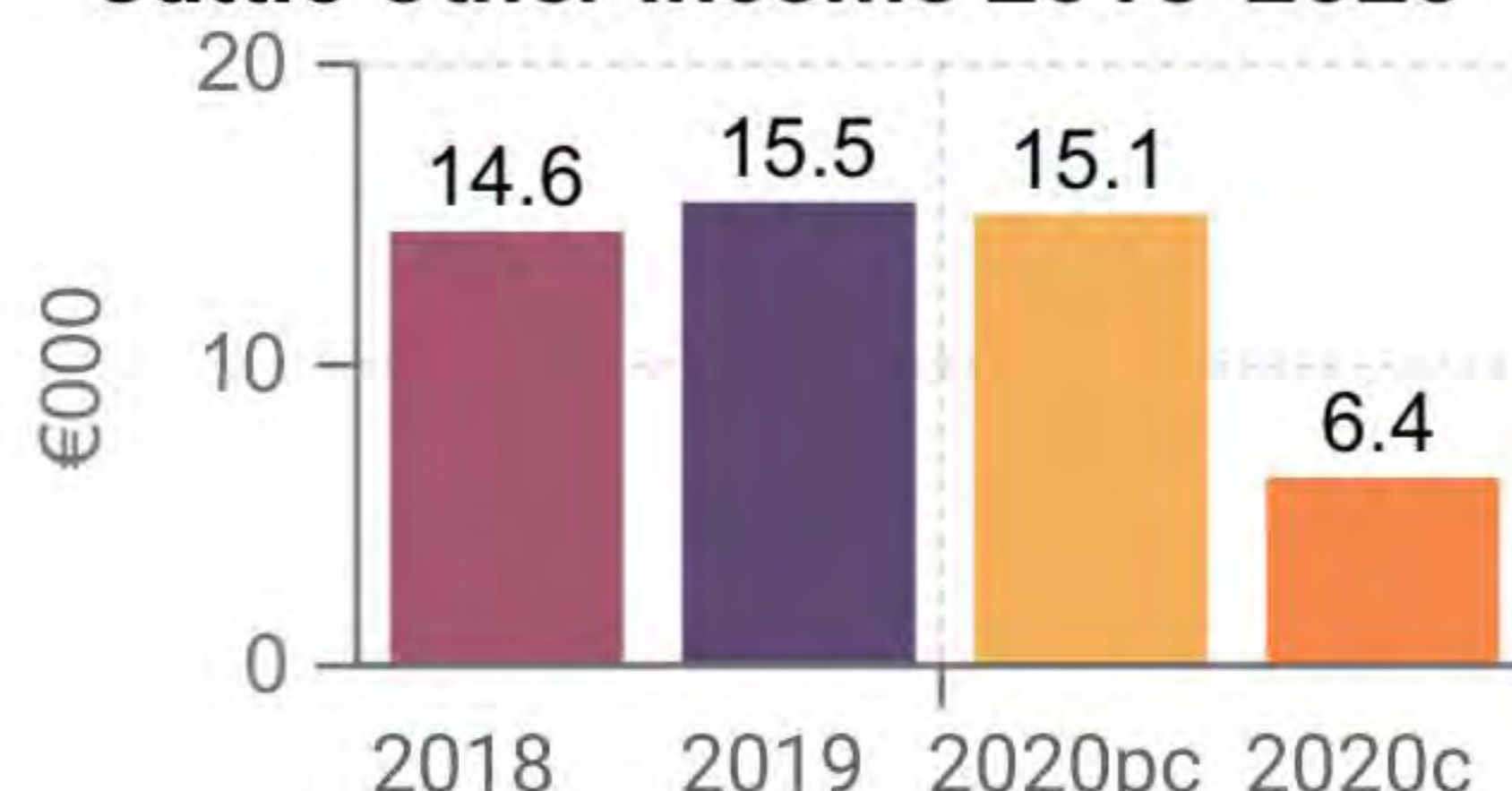
**-58%**

Finished cattle price -15% vs 2019  
Cattle sales volume off of farm -7% vs 2019  
Average 2020 €6,360 COVID-19

Relative to 2020 No COVID



Cattle Other Income 2018-2020



### Sheep Farm Income 2020

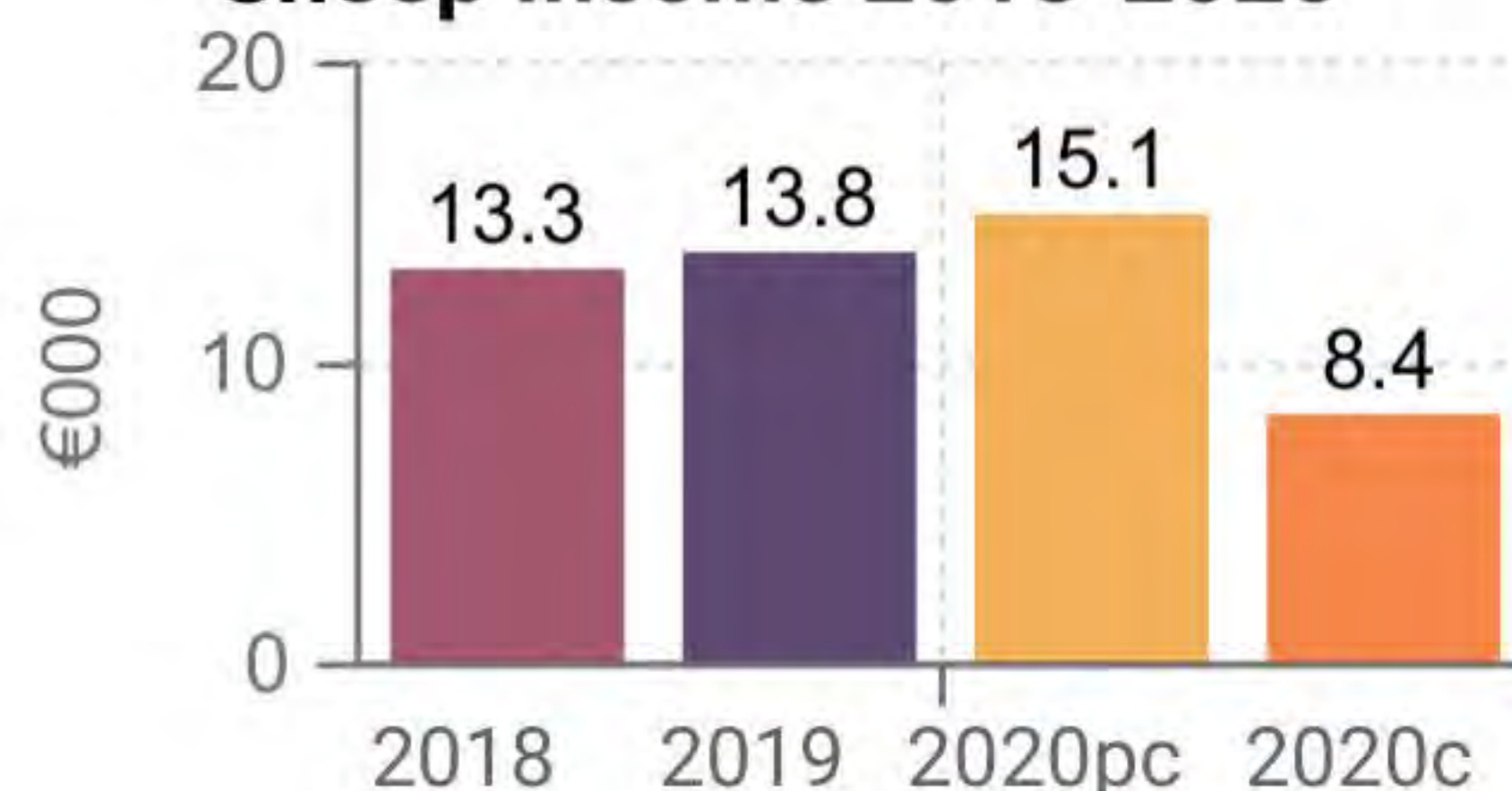
**-44%**

Finished lamb price 15% vs 2019  
Fat lamb sales volume off farm -4% vs 2019  
Average 2020 income €8,448 COVID-19

Relative to 2020 No COVID



Sheep Income 2018-2020



### Dairy Farm Income 2020

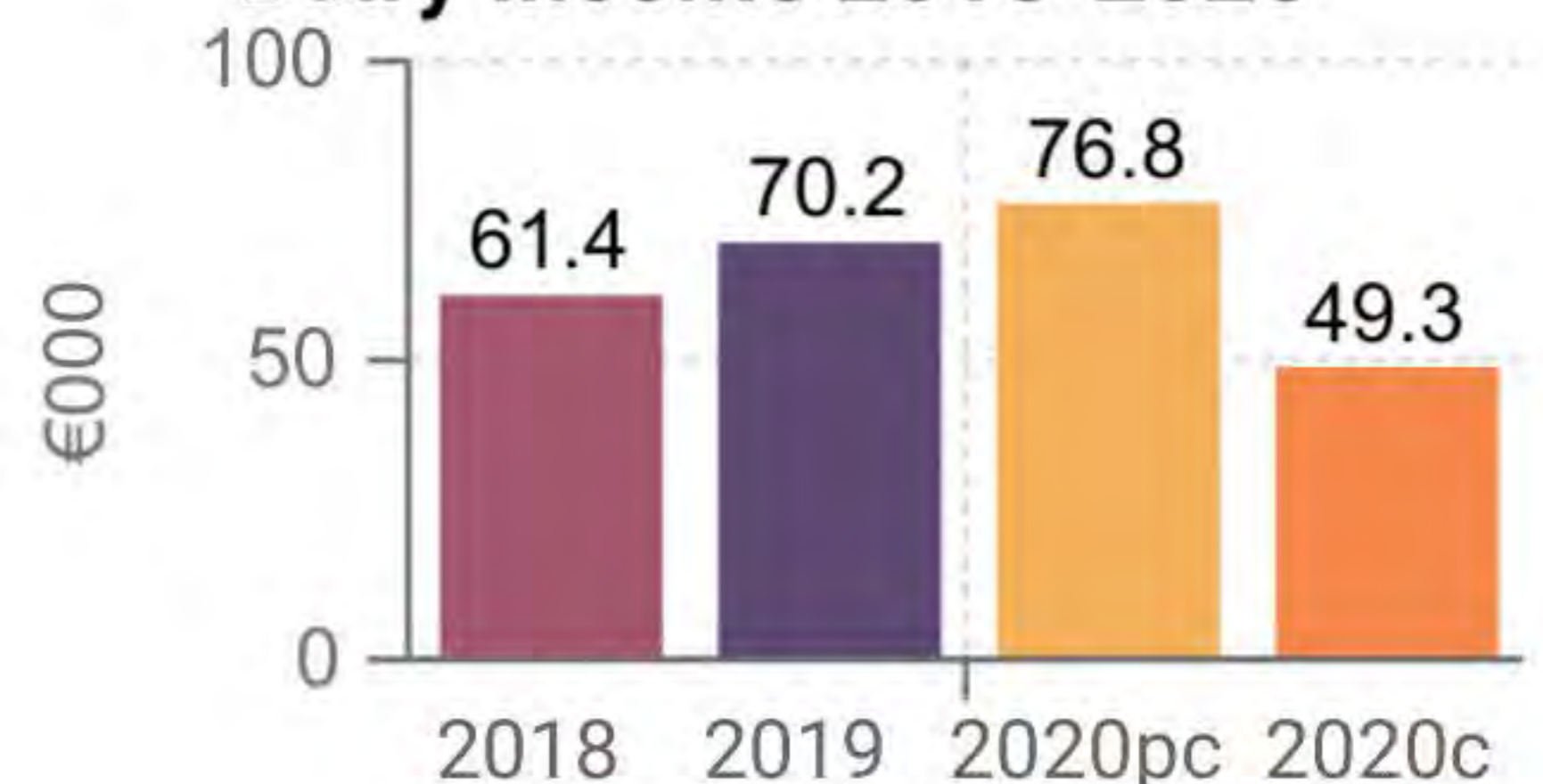
**-36%**

Milk price down 15%, vs 2019  
Production +1%, vs 2019  
Average 2020 income €49,346 COVID-19

Relative to 2020 No COVID



Dairy Income 2018-2020



### Tillage Farm Income 2020

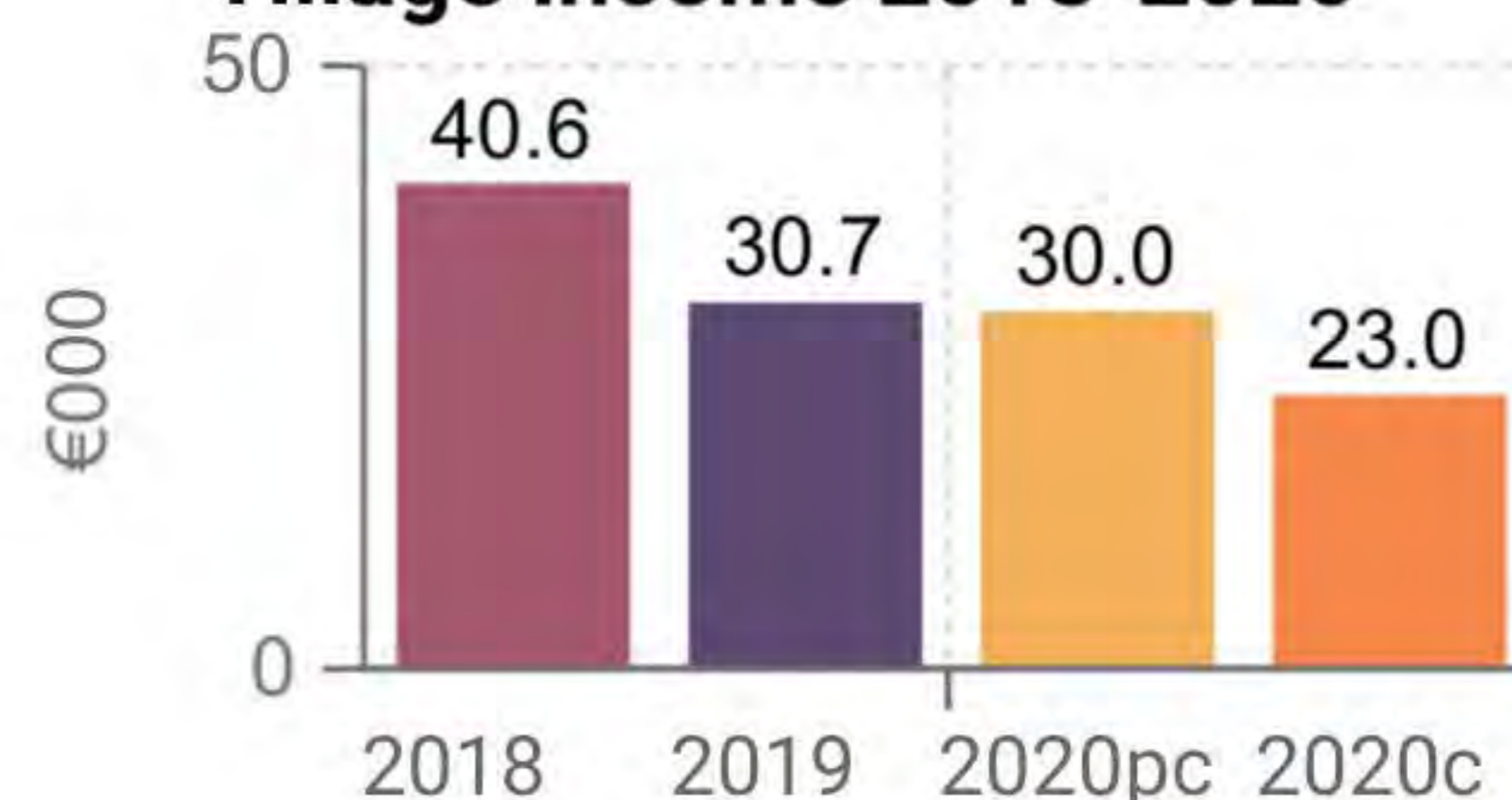
**-23%**

Prices: wheat 0%, barley -10% vs 2019  
Production largely unaffected by COVID-19  
Average 2020 income €23.031 COVID-19

Relative to 2020 No COVID



Tillage Income 2018-2020



### Average Farm Income 2020

**-42%**

Average Income in 2020 under COVID-19  
Scenario 1 of €14,906, down 42% on the Pre  
COVID forecast for 2020

Relative to 2020 No COVID



Average Farm Income 2018-2020



Figures for 2019 are estimates. Figures for 2020 represent pre COVID (pc) and COVID (c) projections



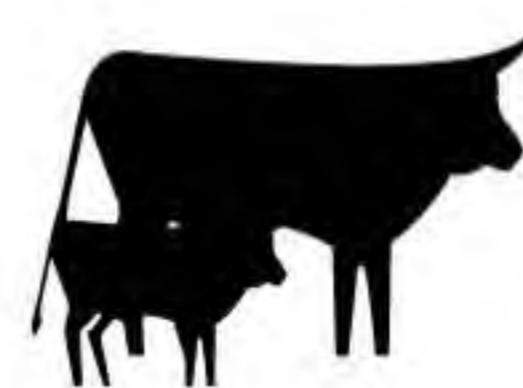


### Cattle Rearing Farm Income 2020

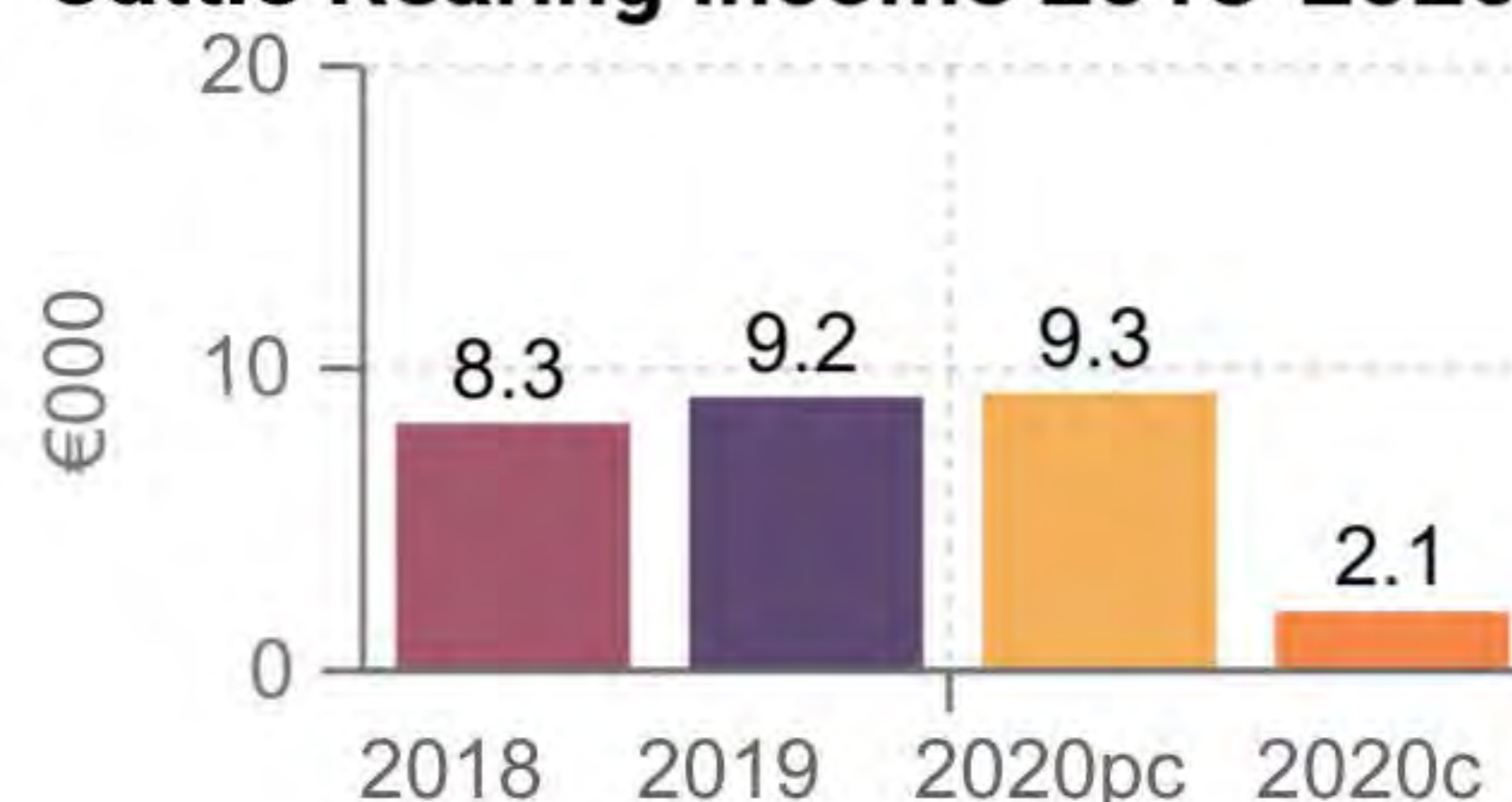
**-78%**

Finished cattle price -20% vs 2019  
Cattle sales volume off farm -10% vs 2019  
Average 2020 income €2,085 COVID-19

Relative to 2020 No COVID



Cattle Rearing Income 2018-2020



### Cattle Other Farm Income 2020

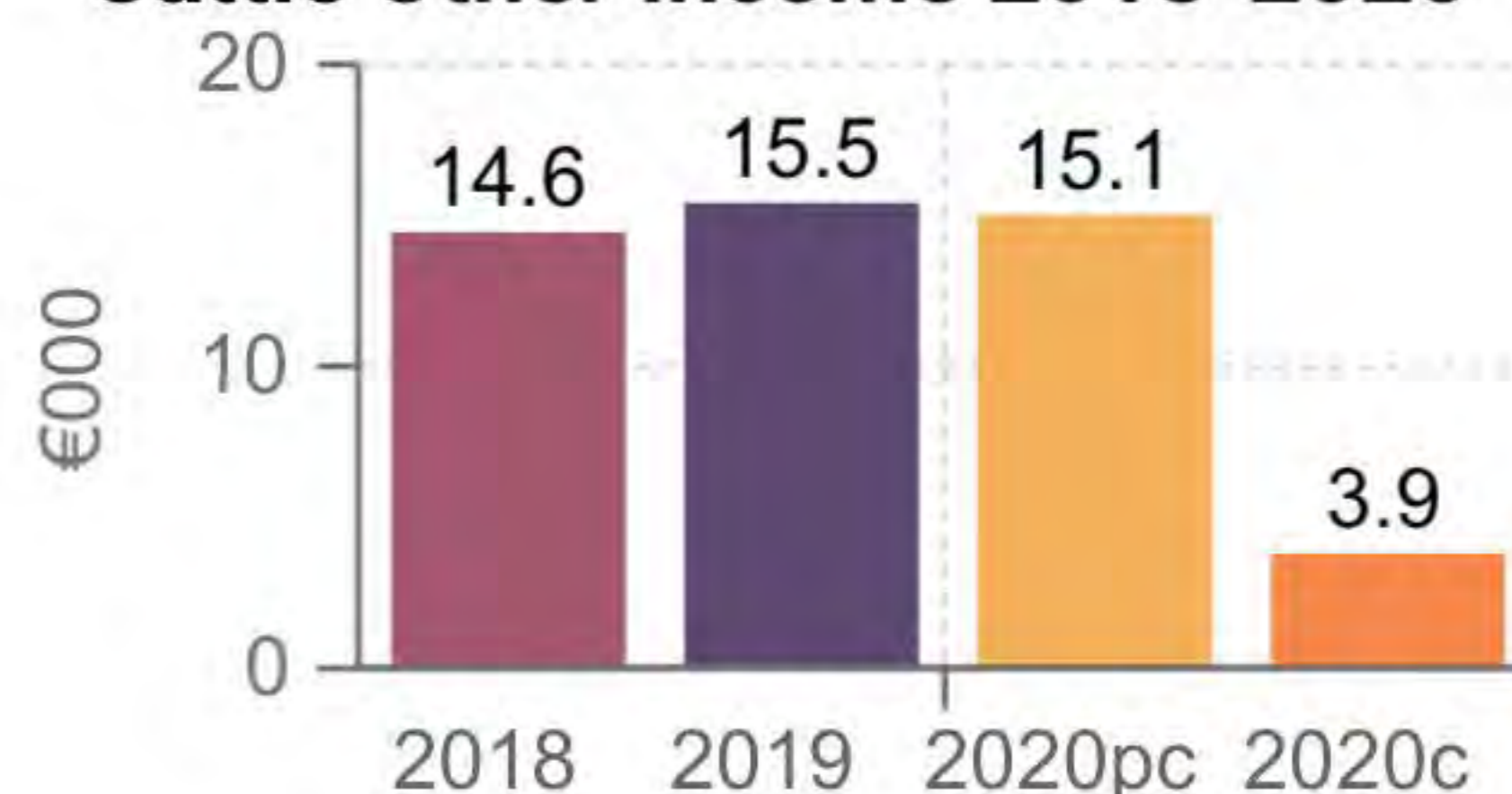
**-74%**

Finished cattle price -20% vs 2019  
Cattle sales volume off farm -10% vs 2019  
Average 2020 income €3,896 COVID-19

Relative to 2020 No COVID



Cattle Other Income 2018-2020



### Sheep Farm Income 2020

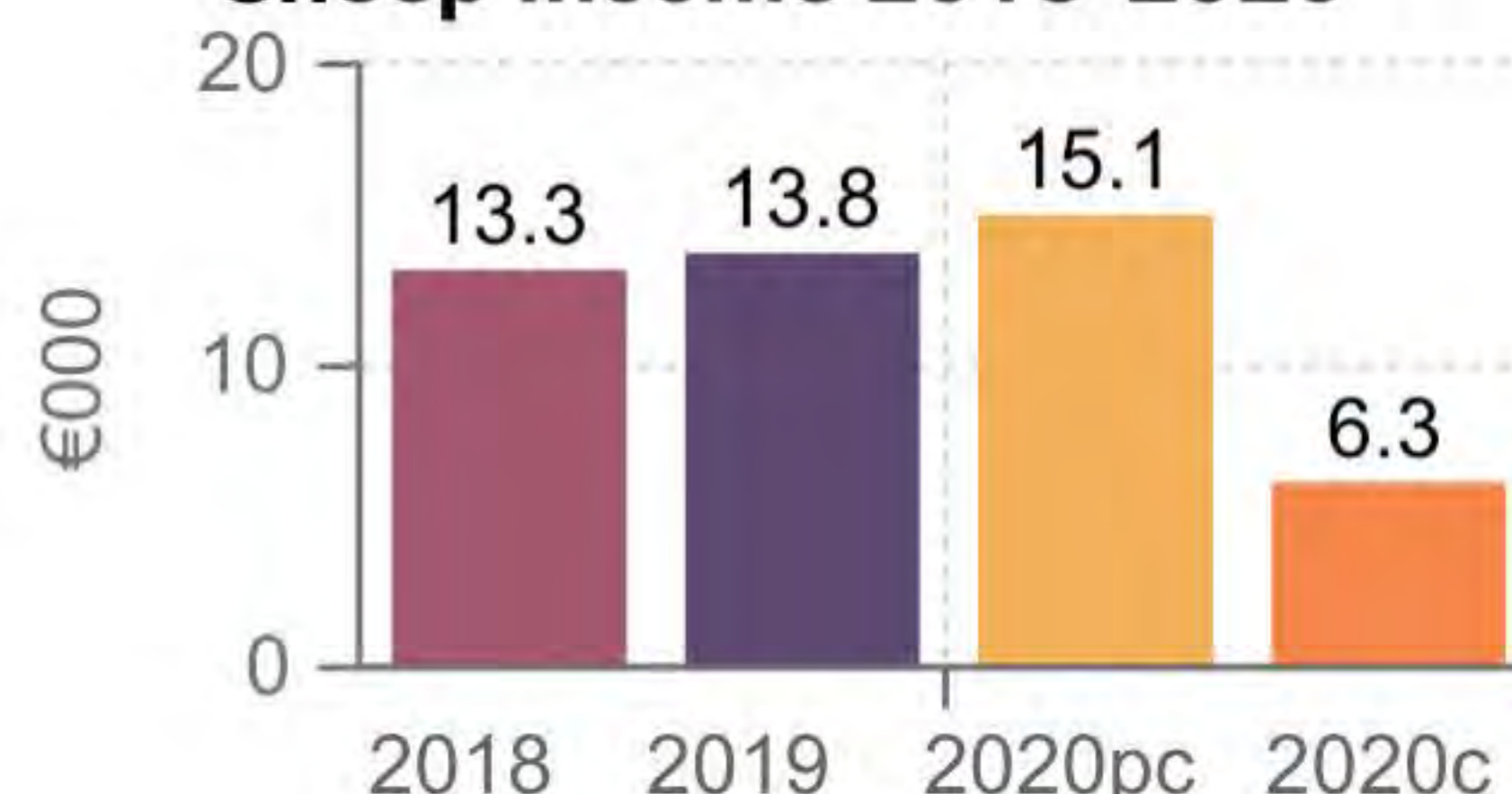
**-59%**

Finished lamb price -20% vs 2019  
Lamb sales volume off farm -10% vs 2019  
Average 2020 income €6,252 COVID-19

Relative to 2020 No COVID



Sheep Income 2018-2020



### Dairy Farm Income 2020

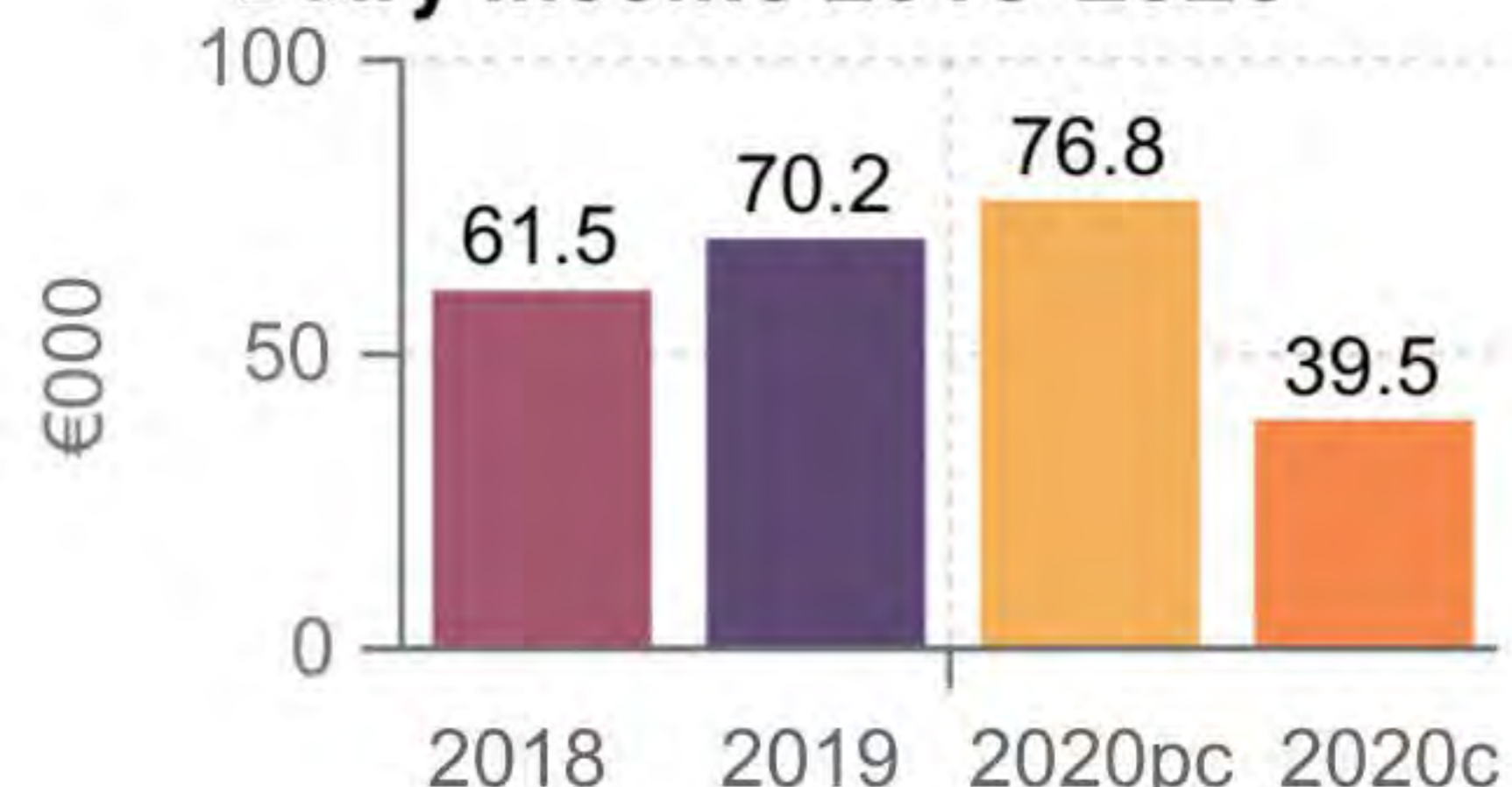
**-49%**

Milk price -20% vs 2019  
Milk production -3% vs 2019  
Average 2020 income €39,505 COVID-19

Relative to 2020 No COVID



Dairy Income 2018-2020



### Tillage Farm Income 2020

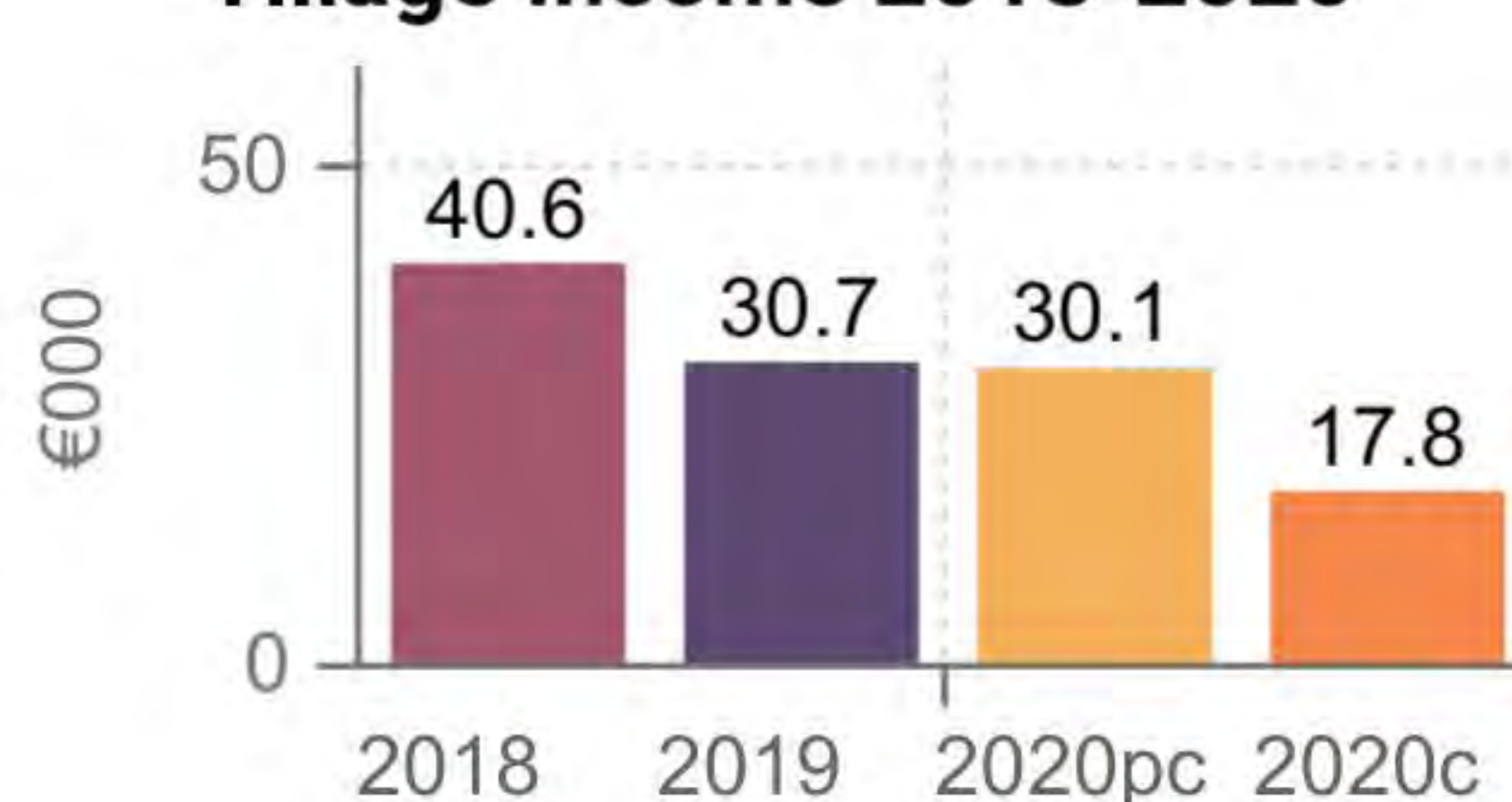
**-41%**

Prices: wheat -10%, barley -20% vs 2019  
Production largely unaffected by COVID  
Average income of €17,829 in 2020 COVID

Relative to 2020 No COVID



Tillage Income 2018-2020



### Average Farm Income 2020

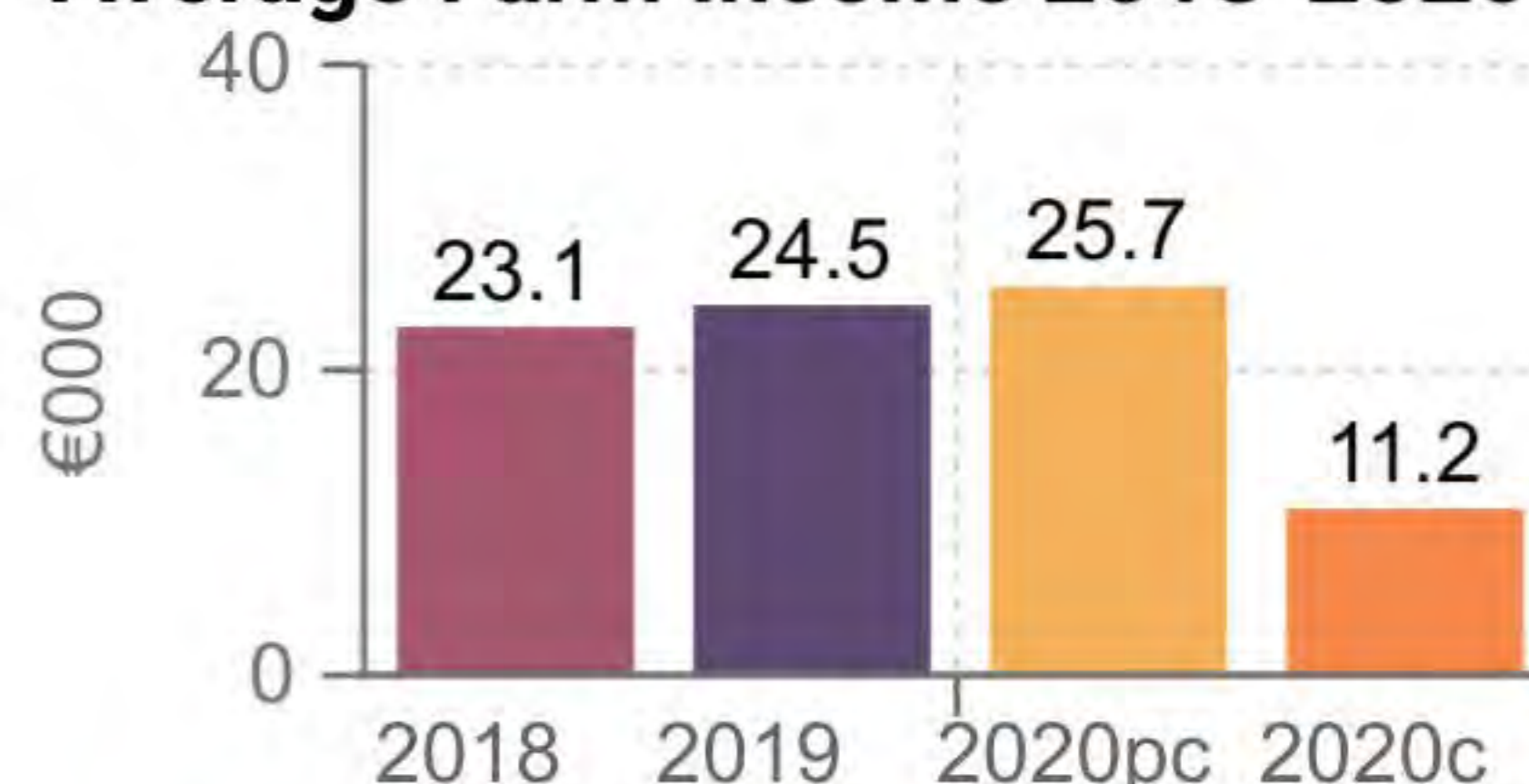
**-57%**

Average Income in 2020 under COVID-19 Scenario 1 of €11,167, down 57% on the Pre-COVID forecast for 2020.

Relative to 2020 No COVID



Average Farm Income 2018-2020



Figures for 2019 are estimates. Figures for 2020 represent pre COVID (pc) and COVID (c) projections





### 3 Scenario analysed

Mainly relate to output price changes relative to 2019 average

#### Scenario 1: Price reduction in 2020

- Cattle, sheep and milk prices -10%
- Pig prices +13%
- Cereal prices\* +10% (Wheat), 0% Barley

#### Scenario 2: Price reduction in 2020

- Cattle, Sheep and farm gate milk prices - 15%
- Pig prices +5%
- Cereal prices\* 0% (Wheat), -10% Barley

#### Scenario 3: Price reduction in 2020

- Cattle, Sheep and farm gate milk prices -20%
- Pig prices 0%
- Cereal prices\* -10% (Wheat), -20% Barley

#### Volume Adjustments:

In response to lower prices, only minor volume reductions are factored in, reflecting the relatively fixed nature of supply in the short term

#### Important:

Given price developments as of April 2020 and the seasonality in production, the most probable outcome across the 3 scenarios may vary by subsector

\* Futures market prices (MATIFF) for cereals harvest 2020 currently indicate that prices will not decline relative to 2019 prices. However, price reduction have been explored as part of the scenario analysis