

# 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

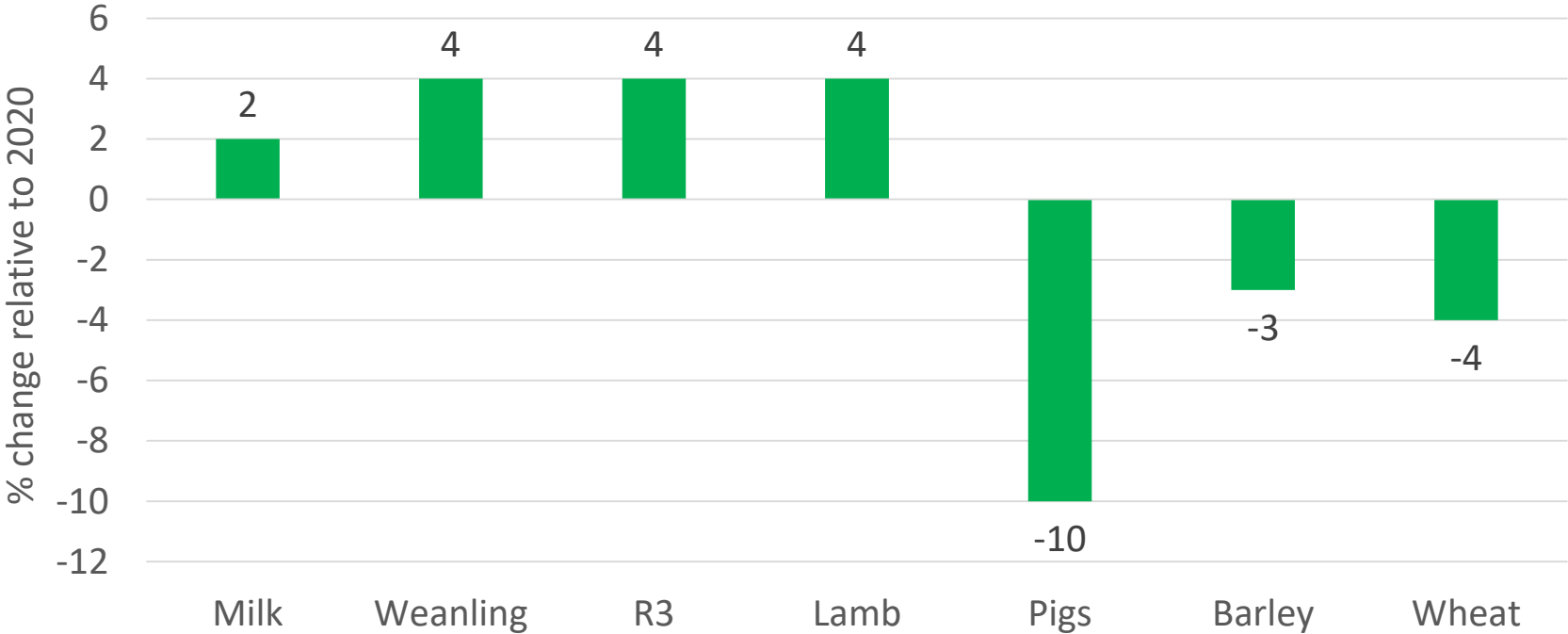
= Income

Return to Land, Labour and Capital





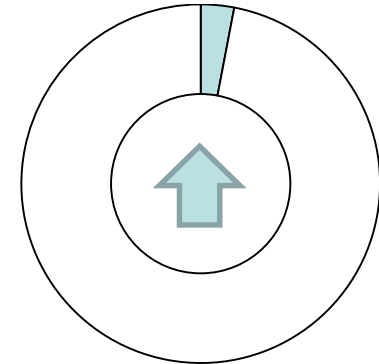
# Percentage Price Change 2021 vs 2020



# Income forecast for 2021 (No Deal Brexit)

- **Output Prices**
  - Higher for milk, cattle, sheep
  - Down for cereals, pigs
- **Output Volumes**
  - Higher for milk, cereals, pigs
  - Stable for cattle and sheep
- **Output Value**
  - To increase
- **Input expenditure**
  - Input spending to increase
  - Price increases for feed, fertiliser and fuel
  - Volumes to remain stable
- **Support payments**
  - Broadly in line with 2020

## Average NFS Farm Income



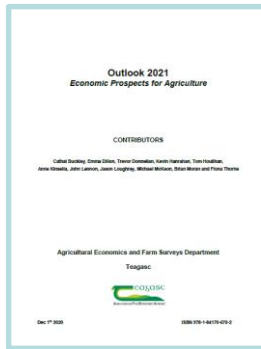
up 3%

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

	2019	2020e	2021f		2020e vs 2019	2021f vs 2020e
		000 Euro			% change	% change
<b>Dairy</b>	65.9	69.0	69.0		5	+0
<b>Cattle Rearing</b>	9.0	10.6	11.2		+17	+6
<b>Cattle Other</b>	13.8	13.8	14.3		0	+4
<b>Sheep</b>	14.8	19.2	20.4		+30	+6
<b>Tillage</b>	32.7	29.0	34.0		-11	+17
<b>Average</b>	23.4	24.7	25.6		+6	+3

# Need to know more?

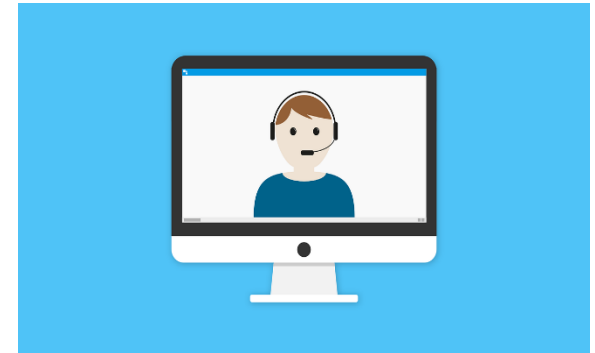
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  - [www.teagasc.ie/publications](http://www.teagasc.ie/publications)



Detailed report



Powerpoints



Video Summaries