

# Teagasc National Farm Survey 2022

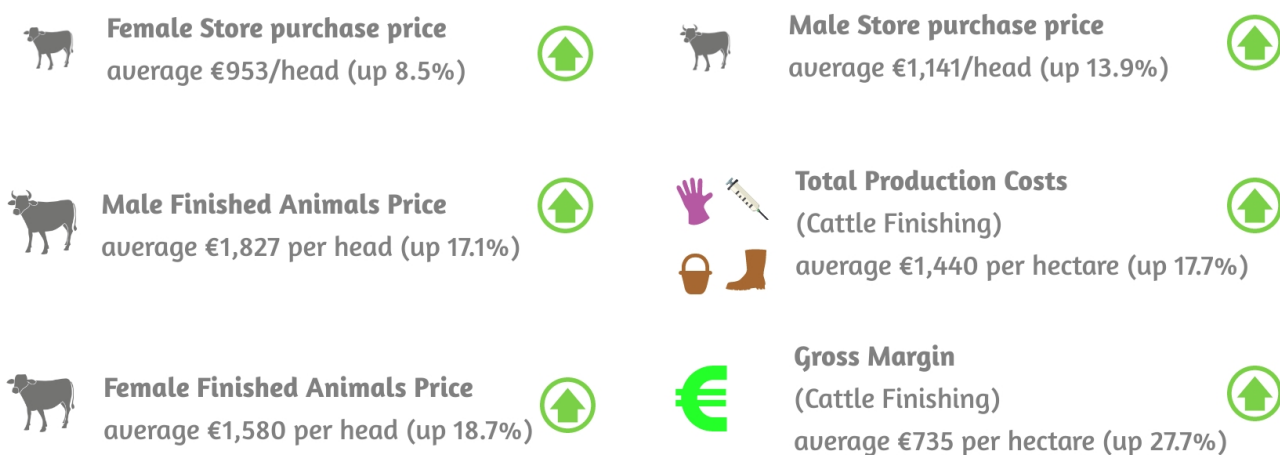
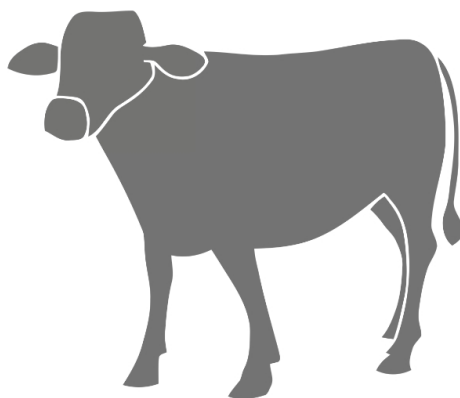
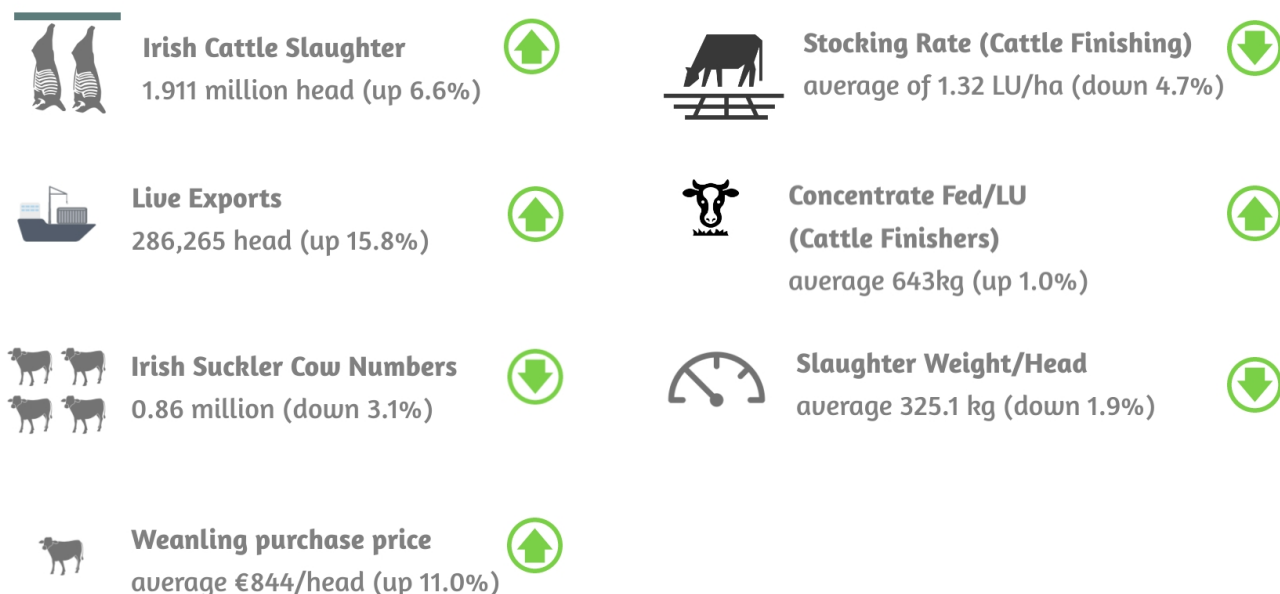
## Cattle Finishing Enterprise Factsheet



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## Irish Cattle Finishing Enterprise 2022

### Average performance



Source: Teagasc National Farm Survey 2022, Central Statistics Office and Dept. of Agriculture, Food and the Marine

## Background

The 2022 Teagasc National Farm Survey (NFS) recorded data on 795 farms. The performance of the cattle finishing enterprise in 2022 is summarised here and is based on data for 98 farms. An enterprise is defined as cattle finishing if over 70% of the animals are sold for slaughter. Approximately 12,500 farms nationally are represented in this analysis. The data presented here are for enterprises with more than 10 livestock units (LU) in 2022.

### 1. Analysis of Financial Performance

The profit figures reported here exclude all decoupled payments and any costs relating to family labour. In 2022, gross output on cattle finishing farms increased by 23% with an average of €1,500 per hectare. Concentrate costs increased notably by 32% mainly due to higher concentrate feed prices. Pasture and forage costs increased by 15%. The average gross margin was 28% higher in 2022 with an average of €735 per hectare. Total fixed costs increased by 16% on average in 2022 due partly to a 8% increase in energy and fuel costs. Net margin per hectare on cattle finishing farms was €60 per hectare on average in 2022, an improvement on the average negative net margin (€-6 per hectare) returned in 2021.

**Table 1: Average gross margin and average net margin 2021 and 2022**

|                           | 2021<br>€ per hectare | 2022<br>€ per hectare | 2022/2021<br>% change |
|---------------------------|-----------------------|-----------------------|-----------------------|
| <b>Gross Output</b>       | 1,217                 | 1,500                 | 23                    |
| Concentrate Costs         | 279                   | 368                   | 32                    |
| Pasture and Forage Costs  | 256                   | 295                   | 15                    |
| Other Direct Costs        | 107                   | 102                   | -4                    |
| <b>Total Direct Costs</b> | 642                   | 765                   | 19                    |
| <b>Gross Margin</b>       | 575                   | 735                   | 28                    |
| Energy and Fuel           | 135                   | 146                   | 8                     |
| Other Fixed Costs         | 446                   | 529                   | 18                    |
| Total Fixed Costs         | 582                   | 675                   | 16                    |
| <b>Total Costs</b>        | 1,223                 | 1,440                 | 18                    |
| <b>Net Margin</b>         | -6                    | 60                    | n/a                   |

Source: Teagasc National Farm Survey 2022

Table 2 illustrates that on a per LU basis, the average gross output increased by 28% to €1,062/LU in 2021, with average gross margin increasing 32% to €511/LU. The average net margin on a per LU basis improved from €-23 in 2021 to €18 in 2022.

**Table 2: Average, gross and net margin 2021 and 2022**

|                     | 2021<br>€ per LU | 2022<br>€ per LU | 2022/2021<br>% change |
|---------------------|------------------|------------------|-----------------------|
| <b>Gross Output</b> | 829              | 1,062            | 28                    |
| Total Direct Costs  | 441              | 552              | 25                    |
| Gross Margin        | 388              | 511              | 32                    |
| Total Fixed Costs   | 410              | 492              | 20                    |
| <b>Net Margin</b>   | -23              | 18               | n/a                   |

Source: Teagasc National Farm Survey 2022

Table 3 presents the average purchase and sales prices recorded on cattle finishing farms for the various animal types in 2021 and 2022. Prices for cattle purchases increased by 14% for male stores and 9% for female stores on the levels observed in 2021. Weanling purchase prices increased by 11% between 2021 and 2022. Prices for finished animals increased on the levels observed in 2021 with a 17% increase for male sales and a 19% increase for female sales.

**Table 3: Animal purchase and sale prices 2021 and 2022**

|                         | 2021<br>€ per head | 2022<br>€ per head | 2022/2021<br>% change |
|-------------------------|--------------------|--------------------|-----------------------|
| Weanlings Purchases     | 760                | 844                | 11                    |
| Male Stores Purchases   | 1,002              | 1,141              | 14                    |
| Female Stores Purchases | 878                | 953                | 9                     |
| Finished Males Sales    | 1,561              | 1,827              | 17                    |
| Finished Females Sales  | 1,331              | 1,580              | 19                    |

Source: Teagasc National Farm Survey 2022

## 2. Variation in Financial Performance

Table 4 summarises results for farms classified on the basis of gross margin per hectare; with cattle finishing farms broken into the best performing one-third of farms (Top), the middle one-third (Middle) and the poorest performing one-third (Bottom). The value of gross output per hectare varies considerably across the three groups, mostly due to differences in stocking rates (LU/hectare). Gross margin for the Top farms in 2022 was more than 8 times higher than for the Bottom group of farms. In 2022, total direct costs per hectare on the more intensively stocked Top performing farms were more than double the total direct costs per hectare of the less intensively stocked Bottom group.

**Table 4: Costs and profit by Top, Middle and Bottom Cohorts in 2022**

|                          |            | Top   | Middle | Bottom |
|--------------------------|------------|-------|--------|--------|
| Stocking rate            | LU/hectare | 1.85  | 1.23   | 0.93   |
| Farms on Very Good soils | % of Farms | 67    | 61     | 48     |
| Gross Output             | €/hectare  | 2,698 | 1,163  | 739    |
| Concentrates             | €/hectare  | 672   | 214    | 246    |
| Pasture and Forage       | €/hectare  | 436   | 213    | 247    |
| Other Direct Costs       | €/hectare  | 150   | 87     | 74     |
| Total Direct Costs       | €/hectare  | 1,258 | 514    | 567    |
| Gross Margin             | €/hectare  | 1,440 | 648    | 172    |

Source: Teagasc National Farm Survey 2022

The average sale and purchase prices recorded for the various animal types traded by the Top, Middle and Bottom cattle finishing farms are presented in Table 5. Finished male and female sales prices are higher for the Top performing group relative to the Middle and Bottom performing groups. A similar pattern is observed for weanling purchases and male store prices. Female store purchases are higher for the Bottom performing group relative to the Middle and Top performing groups.

**Table 5: Average purchase and sale prices for Top, Middle and Bottom in 2022**

|                         | Top   | Middle     | Bottom |
|-------------------------|-------|------------|--------|
|                         |       | € per head |        |
| Weanlings Purchases     | 861   | 811        | 825    |
| Male Stores Purchases   | 1,205 | 1,047      | 975    |
| Female Stores Purchases | 927   | 922        | 1,064  |
| Finished Males Sales    | 1,849 | 1,769      | 1,785  |
| Finished Females Sales  | 1,626 | 1,485      | 1,529  |

Source: Teagasc National Farm Survey 2022

### 3. Variation in Technical Performance

Table 6 presents selected technical performance indicators for cattle finishing enterprises in 2021 and 2022. Concentrate feed usage (per livestock unit) in 2022 increased 1% year-on-year and labour efficiency (LU per labour unit) increased by 9%. Stocking rate (LU per hectare) decreased 5% year-on-year.

**Table 6: Technical Performance Indicators 2021 and 2022**

|                        |                    | 2021 | 2022 | 2022/20210<br>% Change |
|------------------------|--------------------|------|------|------------------------|
| Concentrate feed usage | kg per LU          | 637  | 643  | 1                      |
| Stocking rate          | LU per hectare     | 1.39 | 1.32 | -5                     |
| Labour efficiency      | LU per labour unit | 49   | 53   | 9                      |

Source: Teagasc National Farm Survey 2022

Table 7 shows that there was an increase in the proportion of cattle finishing farms earning a gross margin per hectare of €500 or more with the share rising from 49% to 59%. There was a decrease in the proportion of farms earning a gross margin between €300 and €500 per hectare with the percentage of farms in this category decreasing from 21% to 19%. There was a decrease year-on-year in the proportion of farms earning a gross margin of between €150 and €300 per hectare, where the percentage of farms decreased from 13% to 6%. There was no change in the share of cattle finishing farms earning negative gross margins (i.e. where output value was less than the direct costs of production) with the share of farms remaining at 3%.

**Table 7: Distribution of gross margin per hectare 2021 and 2022**

| Gross Margin               | % of farms 2021 | % of farms 2022 |
|----------------------------|-----------------|-----------------|
| <€0 per hectare            | 3               | 3               |
| €0 to €149 per hectare     | 14              | 11              |
| €150 to €299 per hectare   | 13              | 6               |
| €300 to €499 per hectare   | 21              | 19              |
| €500 per hectare and above | 49              | 59              |

Source: Teagasc National Farm Survey 2022

For further information on this publication or other Teagasc National Farm Survey Publications please contact [NFS@teagasc.ie](mailto:NFS@teagasc.ie)