

The Bank of Ireland Agri Pulse finds that sentiment was at a low ebb in August 2019. Growing fears that the UK will leave the EU without a deal at the end of October, protests at the gates of beef processing factories and a renewed focus on agricultural emissions made for an unsettled backdrop and compared with April – when the survey was last carried out – farmers were more downbeat about production and the outlook for market prices. Investment intentions for the coming year and growth ambitions further out were also softer, with eight in ten expecting Brexit and one in two expecting climate change policies to negatively impact their business.



KEY POINTS

- Sentiment subdued in August
- Farm profitability under pressure
- Production expectations in the red



“Agri has been in the eye of the storm lately and unsurprisingly the mood among farmers took a turn for the worse in August.”

Dr Loretta O’Sullivan

*Group Chief Economist
Bank of Ireland*



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FARM PROFITABILITY

Past 12 Months



11%



40%



49%

Balance -38%
(-6 on previous reading)



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FARM OUTPUT

Past 12 Months



27%



53%



20%

Balance +7%
(-5 on previous reading)

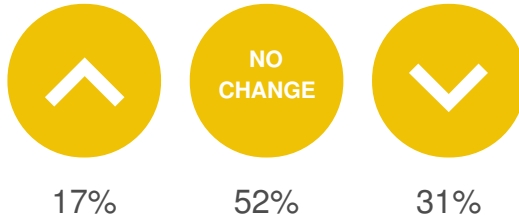


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economic pulse

FARM OUTPUT

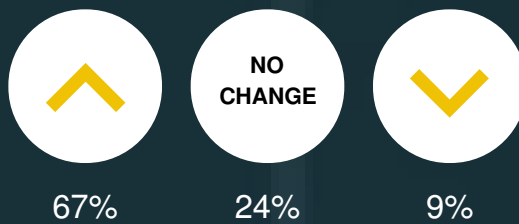
Next 12 Months



Balance -13%
(-31 on previous reading)

INPUT COSTS (EXCLUDING LABOUR)

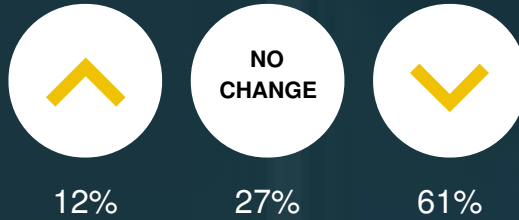
Past 12 Months



Balance +57%
(-15 on previous reading)

MARKET PRICES

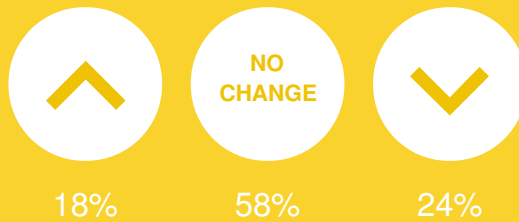
Next 12 Months



Balance -50%
(-17 on previous reading)

INVESTMENT PLANS

Next 12 Months



BUSINESS AMBITIONS NEXT 1 TO 3 YEARS

Plan on growing 29%

Prefer to stay same size 49%

Intend to scale down 23%



BREXIT IMPACT NEXT 12 MONTHS

Significant negative 47%

Some negative 35%

None 12%

Some positive 3%

Significant positive 3%



IMPACT OF CLIMATE CHANGE POLICIES NEXT 1-3 YEARS

