

The Bank of Ireland Agri Pulse for April 2020 paints a subdued picture. The COVID-19 pandemic has imparted a huge shock to the economy and even though farming has been classed as an essential business, reduced demand from overseas customers and the closure of the food service industry at home is taking a toll on the sector.

Production sentiment was at a low ebb in April and compared with August 2019 – when the survey was last carried out – farmers were more pessimistic about the outlook for market prices. Investment plans and growth ambitions held steady though as a no deal Brexit was avoided at the start of this year and the transition period took effect.



KEY POINTS

- Sentiment subdued in April
- COVID-19 concerns to the fore
- Brexit worries take a step back



“The COVID-19 shock is being keenly felt by farmers, with seven in ten reporting a negative impact on their business.”

Dr Loretta O’Sullivan

*Group Chief Economist
Bank of Ireland*

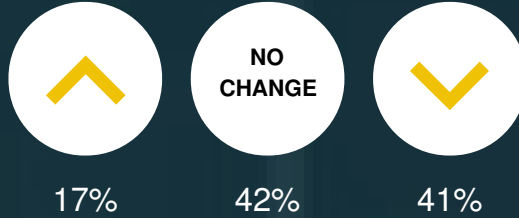


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FARM PROFITABILITY

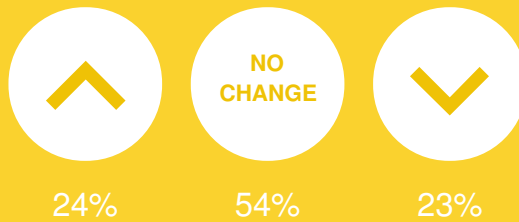
Past 12 Months



Balance -23%
(+15 on previous reading)

FARM OUTPUT

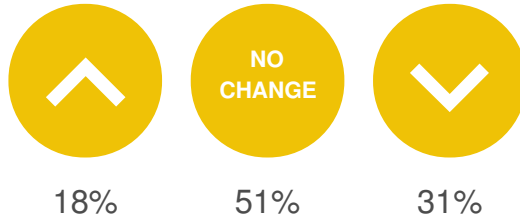
Past 12 Months



Balance +1
(-6 on previous reading)

FARM OUTPUT

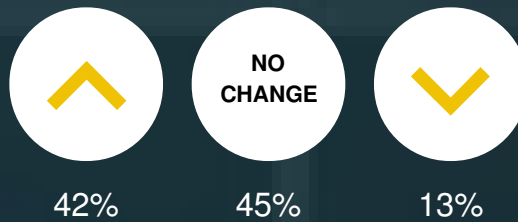
Next 12 Months



Balance -13%
(0 on previous reading)

INPUT COSTS (EXCLUDING LABOUR)

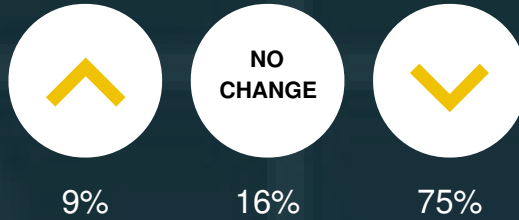
Past 12 Months



Balance +30%
(-27 on previous reading)

MARKET PRICES

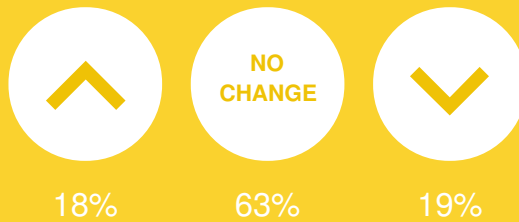
Next 12 Months



Balance -67%
(-17 on previous reading)

INVESTMENT PLANS

Next 12 Months



BUSINESS AMBITIONS NEXT 1 TO 3 YEARS

Plan on growing 30%

Prefer to stay same size 54%

Intend to scale down 15%



BREXIT IMPACT NEXT 12 MONTHS

Significant negative 26%

Some negative 45%

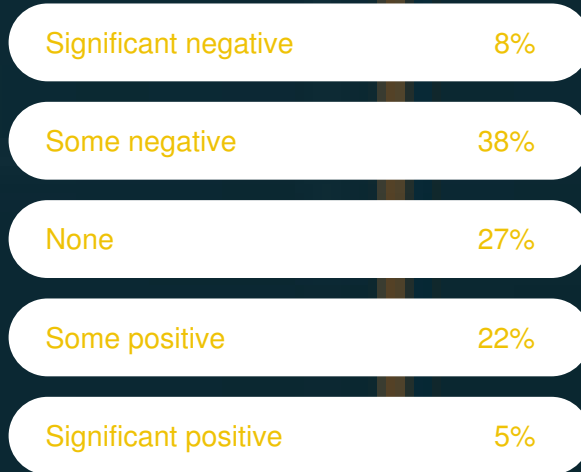
None 25%

Some positive 2%

Significant positive 2%



IMPACT OF CLIMATE CHANGE POLICIES NEXT 1-3 YEARS



COVID-19 IMPACT

