

The Bank of Ireland Agri Pulse for August 2020 found farming sentiment to be relatively subdued. Market disturbance related to COVID-19 along with drought and storm conditions have impacted production and profitability is an issue for many.

Compared with April – when the survey was last carried out – farmers were more optimistic about the outlook for market prices however. Investment plans and growth ambitions ticked up a notch in August too, albeit the UK's departure from the EU and climate change mitigation actions will pose structural challenges for the sector going forward.



KEY POINTS

- Mixed picture in August
- Farm output down on a year ago
- Expectations for market prices improve



“The virus and weather-related disruption of recent months contributed to the muted farming mood in August”

Dr Loretta O’Sullivan

*Group Chief Economist
Bank of Ireland*

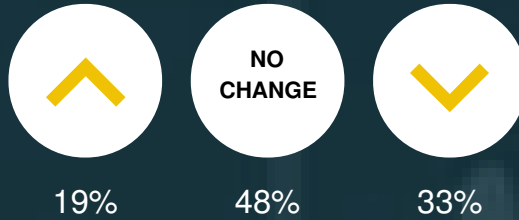


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FARM PROFITABILITY

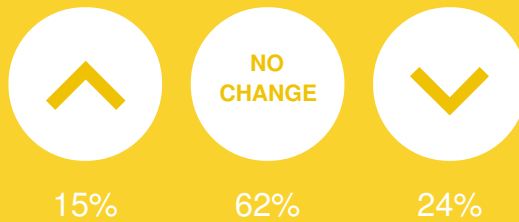
Past 12 Months



Balance -15%
(+8 on previous reading)

FARM OUTPUT

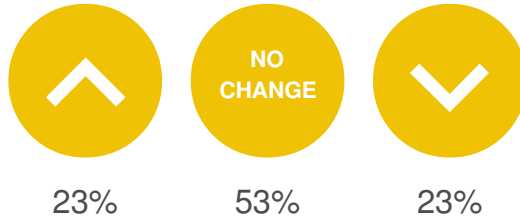
Past 12 Months



Balance -9%
(-10 on previous reading)

FARM OUTPUT

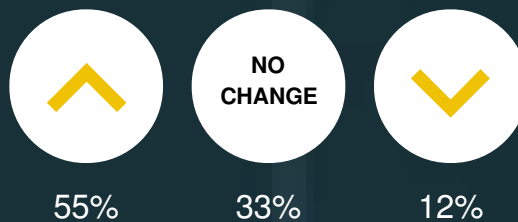
Next 12 Months



Balance 0%
(+13 on previous reading)

INPUT COSTS (EXCLUDING LABOUR)

Past 12 Months



Balance +42%
(+12 on previous reading)

MARKET PRICES

Next 12 Months



23%



46%



31%

Balance -8%
(+59 on previous reading)

INVESTMENT PLANS

Next 12 Months



20%



66%



14%

BUSINESS AMBITIONS NEXT 1 TO 3 YEARS

Plan on growing 36%

Prefer to stay same size 43%

Intend to scale down 22%



BREXIT IMPACT NEXT 12 MONTHS

Significant negative 22%

Some negative 49%

None 22%

Some positive 7%

Significant positive 0%



IMPACT OF CLIMATE CHANGE POLICIES NEXT 1-3 YEARS

