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IFA International Fertiliser Conference 2015

An analysis of fertiliser prices and farm incomes

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Contents

- Overview - Trends in Farm Income - Input Costs – Product Prices
- Comparisons of absolute prices 1995-2014
- Fertiliser Costs and usage
 - Fertiliser price trends
 - Changes in fertiliser use
 - Fertiliser expenditure – costs of production
- Conclusions



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Changes in Product Prices-Farm Income-Input Costs 1995-2014

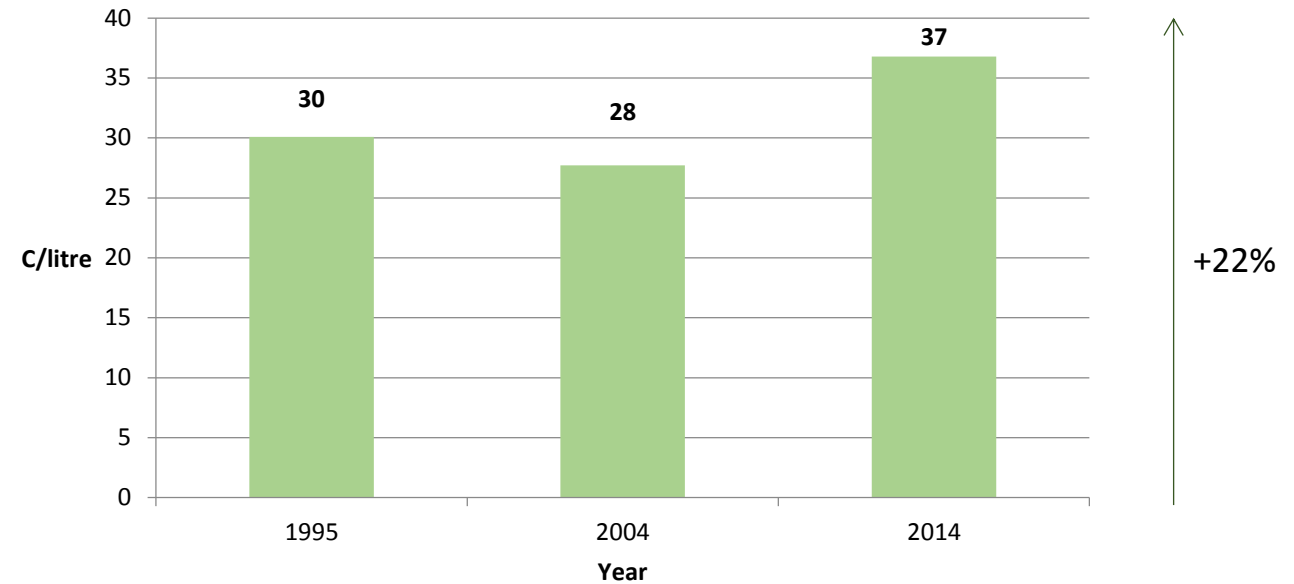


CSO Input-Output Price Index, Operating Surplus 1995-2014

Product Prices - Dairy



Milk Price

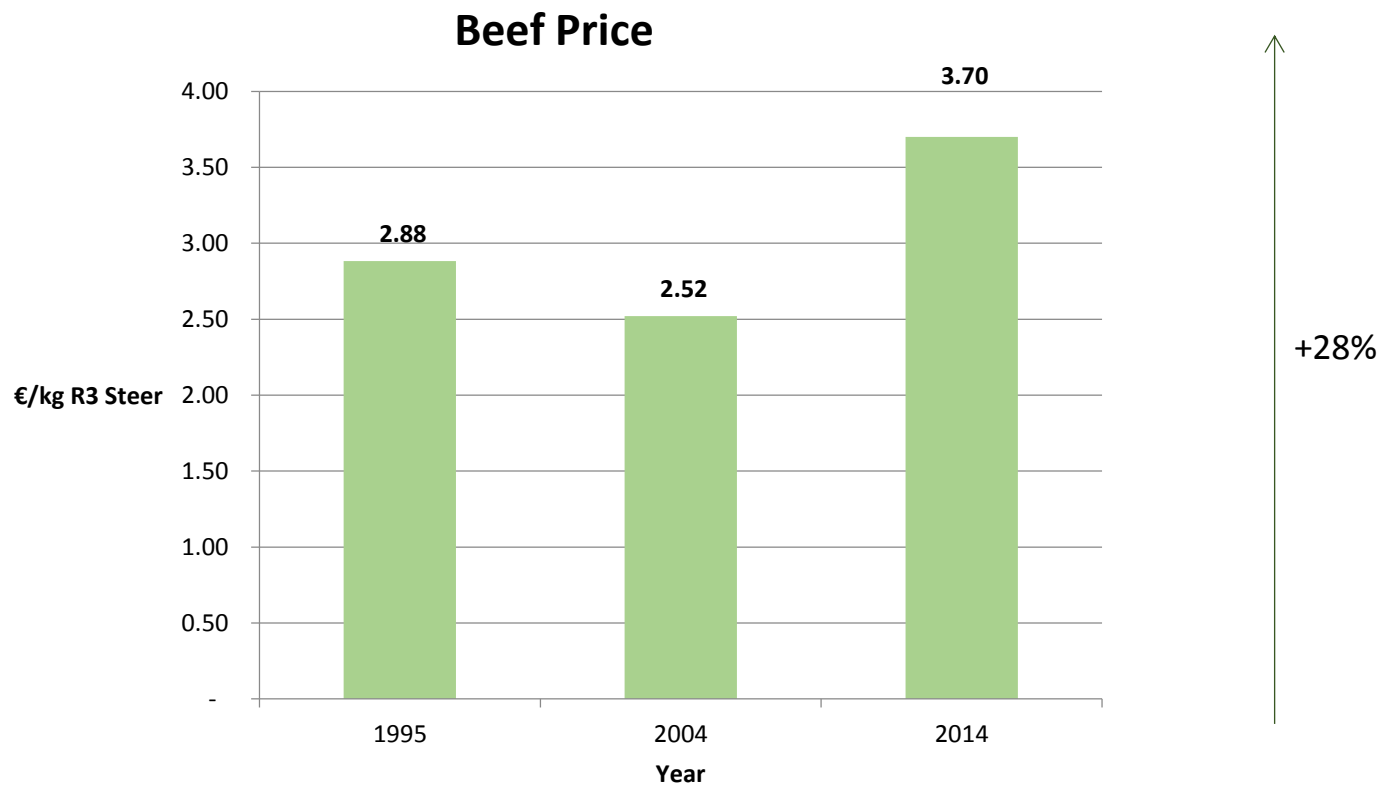




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Product Prices - Beef

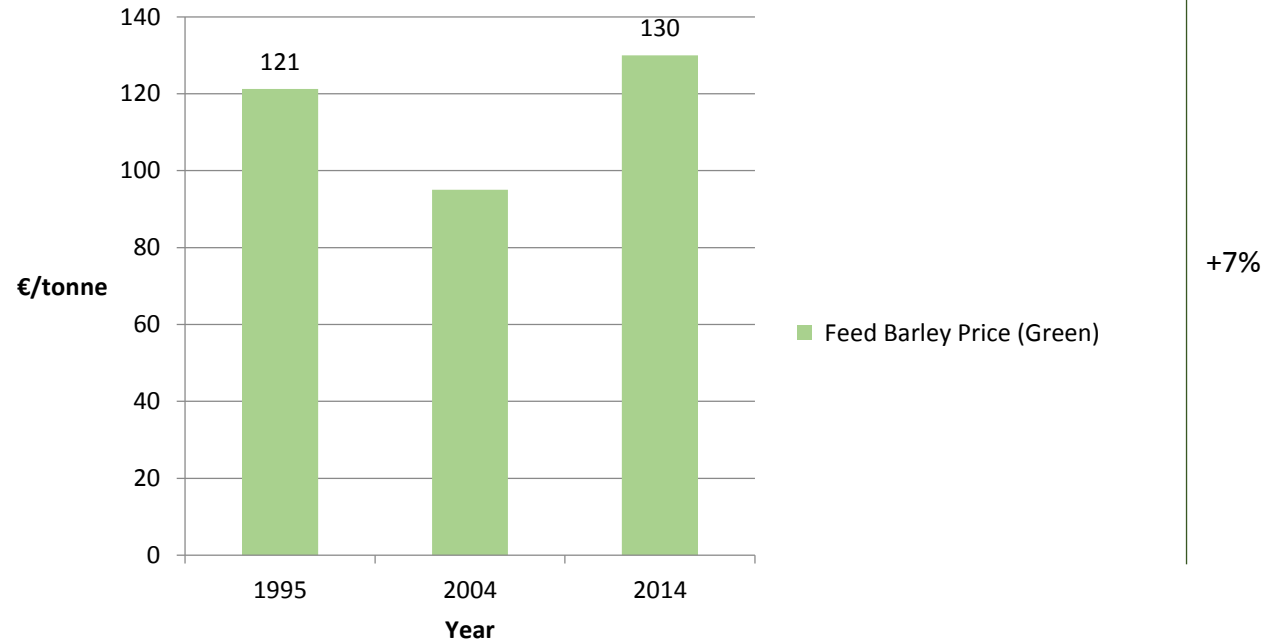


Bord Bia Cattle Prices 1995-2014

Product Prices - Grain



Feed Barley Price (Green)



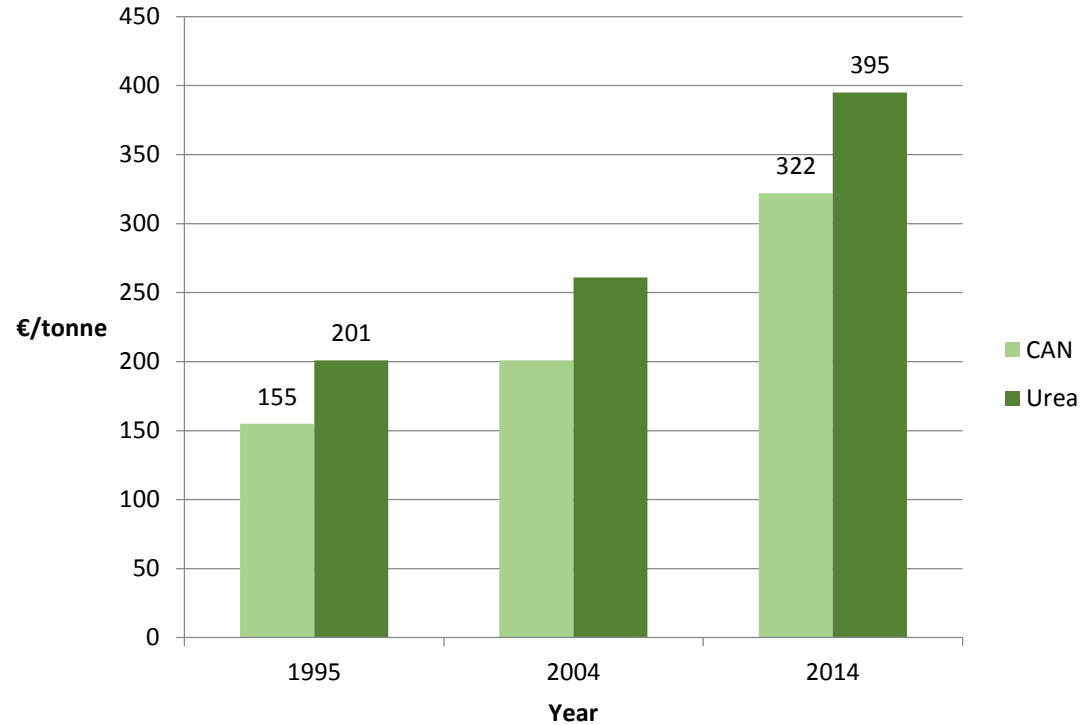


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Input Price - Fertiliser



Fertiliser prices



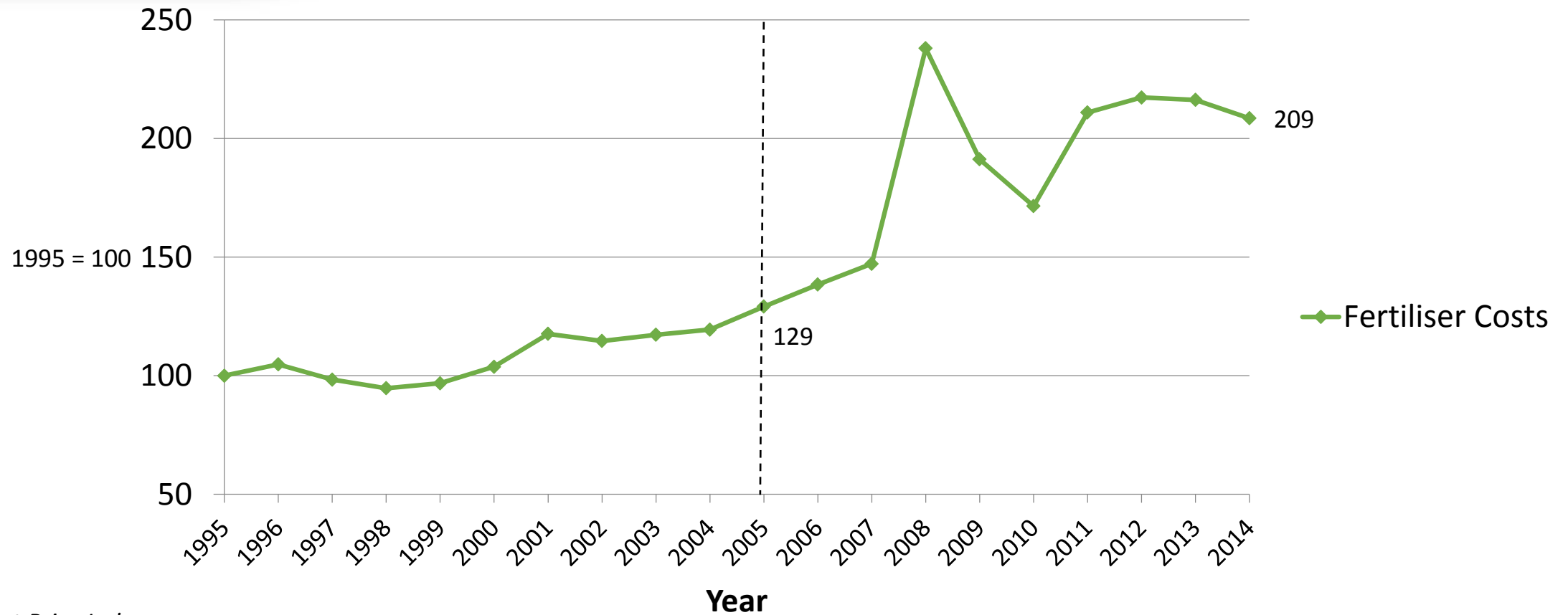
+108% - CAN
+97% - Urea



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Fertiliser Prices 1995-2014

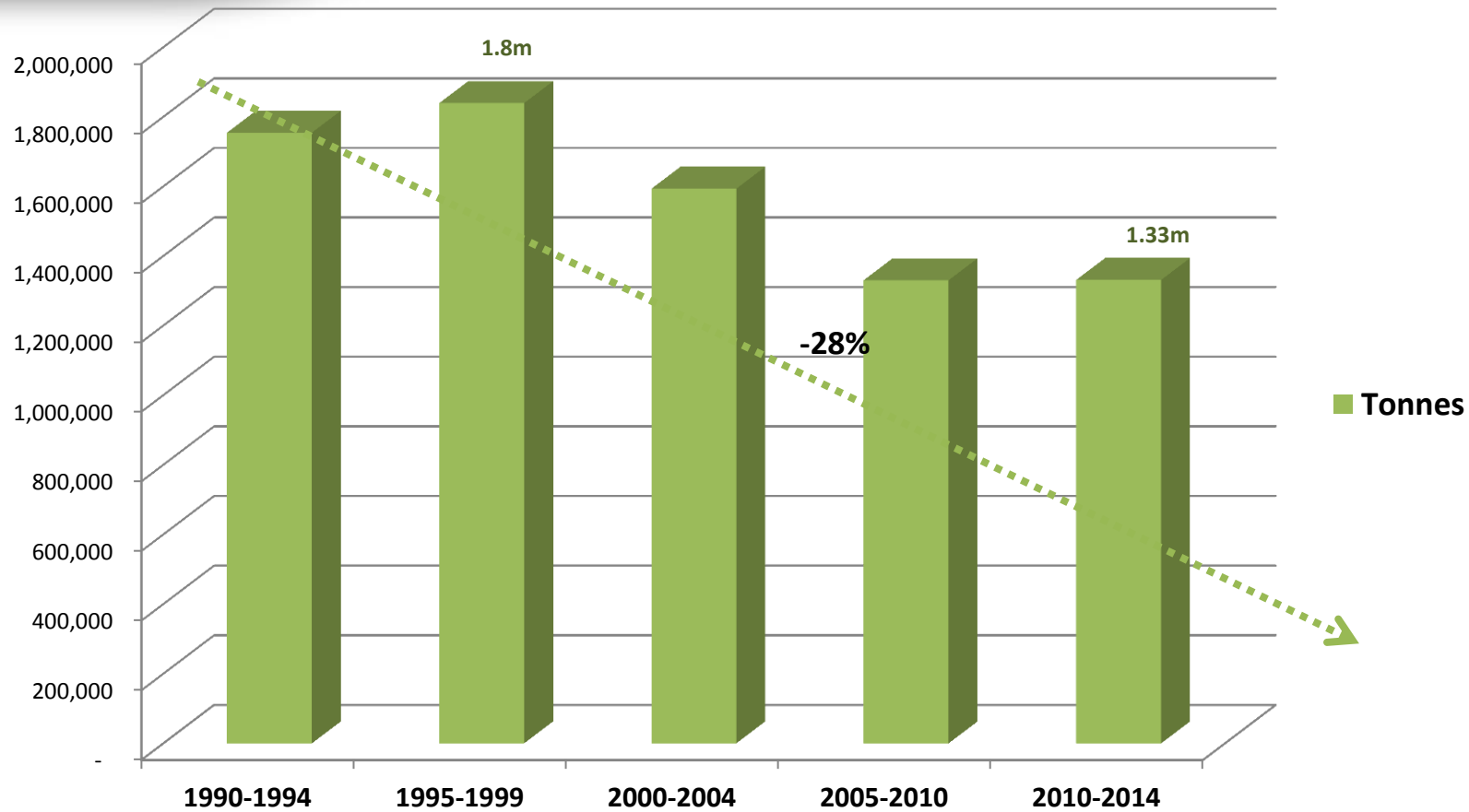




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Trends in Fertiliser Usage 1990-2014

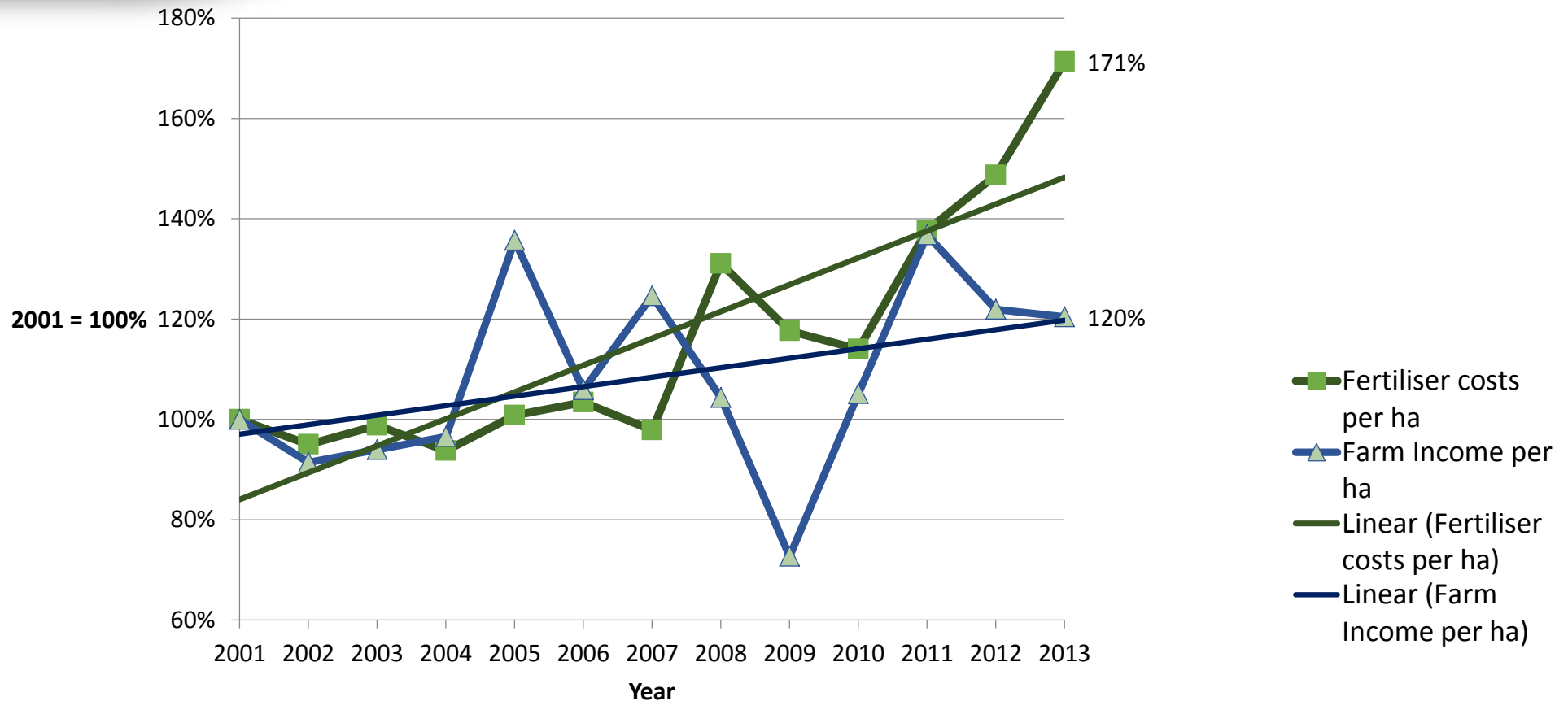


Fertiliser expenditure

- Despite the reduction in use
- Expenditure on fertiliser at national level has increased from €350m in 2001 to €565m in 2014
- Fertiliser expenditure as a % of total input spend has actually increased

Impact – increase in costs of production

Fertiliser spend per ha vs Farm Income per ha



Tillage farms

- Impact even more extreme
- Fertiliser costs per ha up by 82% since 2001
- By contrast – farm income per ha has only increased by 7%



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Conclusions

- Increased volatility in input costs, product prices and farm income a reality of last decade in particular
- However fertiliser prices in last decade not in line with general trend – price increases far above the average
- While usage has reduced significantly – overall spend has increased
- Costs of production for fertiliser use (per ha) are increasing at a far greater rate than income (per ha)
- Overall - reducing the competitiveness of Irish primary production



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Thank you for listening