Teagasc National Farm Survey 2023

Cattle Finishing
Enterprise Factsheet

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Athenry
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Irish Cattle Finishing Enterprise 2023
Average performance

Irish Cattle Slaughter
1.870 million head (down 2.1%)

Stocking Rate (Cattle Finishing)
average of 1.44 LU/ha (up 6.7%)

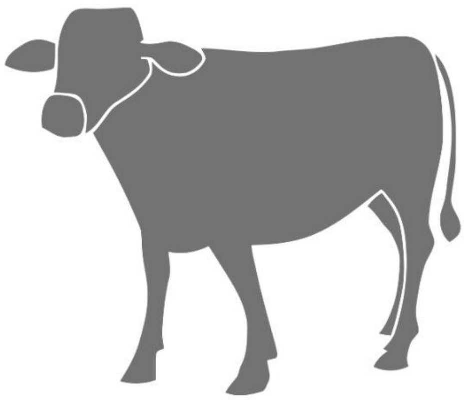
Live Exports
322,684 head (up 12.7%)

Concentrate Fed/LU (Cattle Finishers)
average 701kg (up 12.0%)

Irish Suckler Cow Numbers
0.82 million (down 5.0%)

Slaughter Weight/Head
average 320.5 kg (down 1.4%)

Weanling purchase price
average €844/head (up 0.8%)



Female Store purchase price
average €1,001/head (up 5.4%)

Male Store purchase price
average €1,127/head (down 1.5%)

Male Finished Animals Price
average €1,748 per head (down 4.2%)

Total Production Costs
(Cattle Finishing)
average €1,525 per hectare (up 5.7%)

Female Finished Animals Price
average €1,644 per head (up 4.4%)

Gross Margin
(Cattle Finishing)
average €663 per hectare (down 11.0%)

Source: Teagasc National Farm Survey 2023, Central Statistics Office and Dept. of Agriculture, Food and the Marine

Background

The 2023 Teagasc National Farm Survey (NFS) recorded data on 793 farms. The performance of the cattle finishing enterprise in 2023 is summarised here and is based on data for 80 farms. An enterprise is defined as cattle finishing if over 70% of the animals are sold for slaughter. Approximately 10,100 farms nationally are represented in this analysis. The data presented here are for enterprises with more than 10 livestock units (LU) in 2023.

1. Analysis of Financial Performance

The profit figures reported here exclude all decoupled payments and any costs relating to family labour. In 2023, gross output on cattle finishing farms increased by 4% with an average of €1,565 per hectare. Concentrate costs increased notably by 24% mainly due to higher feed purchases. Pasture and forage costs increased by 9%. The average gross margin was 11% lower in 2023, with an average of €663 per hectare. Total fixed costs decreased by 8% due partly to a 12% decrease in energy and fuel costs. Net margin per hectare on cattle finishing farms was €41 per hectare on average in 2023, a decline on the average negative net margin of €68 per hectare achieved in 2022.

Table 1: Average gross margin and average net margin per hectare 2022 and 2023

	2022 € per hectare	2023 € per hectare	2023/2022 % change
Gross Output	1,510	1,565	4
Concentrate Costs	357	442	24
Pasture and Forage Costs	305	333	9
Other Direct Costs	103	127	24
Total Direct Costs	765	902	18
Gross Margin	745	663	-11
Energy and Fuel	144	127	-12
Other Fixed Costs	533	496	-7
Total Fixed Costs	677	622	-8
Total Costs	1,442	1,525	6
Net Margin	68	41	n/a

Source: Teagasc National Farm Survey 2023

Table 2 illustrates that on a per LU (livestock unit) basis, the average gross output decreased by 3% to €1,023 per LU in 2023. Average gross margin decreased 14% to €434 per LU. However, a 15% decrease in total fixed costs per LU means that the average net margin on a per LU basis was unchanged at €19 in 2023.

Table 2: Average gross margin and average net margin per livestock unit 2022 and 2023

	2022 € per LU	2023 € per LU	2023/2022 % change
Gross Output	1,053	1,023	-3
Total Direct Costs	547	589	8
Gross Margin	506	434	-14
Total Fixed Costs	488	416	-15
Net Margin	19	19	0

Source: Teagasc National Farm Survey 2023

Table 3 presents the average purchase and sales prices recorded on cattle finishing farms for the various animal types in 2022 and 2023. Prices for finished animals changed on the levels observed in 2022, with a 4% decrease for male sales and a 4% increase for female sales. Prices for cattle purchases decreased by 1% for male stores and increased 5% for female stores on the levels observed in 2022. Weanling purchase prices increased by 1% between 2022 and 2023.

Table 3: Animal purchase and sale prices 2022 and 2023

	2022 € per head	2023 € per head	2023/2022 % change
Weanlings Purchases	838	844	1
Male Stores Purchases	1,144	1,127	-1
Female Stores Purchases	950	1,001	5
Finished Males Sales	1,824	1,748	-4
Finished Females Sales	1,575	1,644	4

Source: Teagasc National Farm Survey 2023

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 2023 was more than 8 times higher than for the Bottom group of farms. In 2023, 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 2023

		Top	Middle	Bottom
Stocking rate	LU/hectare	1.89	1.37	1.08
Farms on Very Good soils	% of Farms	76	59	50
Gross Output	€/hectare	2,737	1,275	744
Concentrates	€/hectare	828	280	239
Pasture and Forage	€/hectare	452	283	271
Other Direct Costs	€/hectare	177	117	90
Total Direct Costs	€/hectare	1,457	680	599
Gross Margin	€/hectare	1,280	595	145

Source: Teagasc National Farm Survey 2023

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. The bottom performing group achieved higher average sales prices for finished male cattle relative to the top and middle performing groups. However, the farms in the bottom performing group paid significantly more for purchased cattle (weanlings and stores) relative to the top and middle performing groups. Finished female sales prices are higher for the Top and Middle performing groups relative to the Bottom performing group.

Table 5: Average purchase and sale prices for Top, Middle and Bottom in 2023

	Top	Middle	Bottom
		€ per head	
Weanlings Purchases	833	832	905
Male Stores Purchases	1,069	1,013	1,371
Female Stores Purchases	905	1,066	1,114
Finished Males Sales	1,713	1,690	1,875
Finished Females Sales	1,667	1,687	1,537

Source: Teagasc National Farm Survey 2023

3. Variation in Technical Performance

Table 6 presents selected technical performance indicators for cattle finishing enterprises in 2022 and 2023. Concentrate feed usage (per livestock unit) in 2023 increased 12% year-on-year and labour efficiency (LU per labour unit) increased by 10%. Stocking rate (LU per hectare) increased 7% year-on-year.

Table 6: Technical Performance Indicators 2022 and 2023

		2022	2023	2023/2022 % Change
Concentrate feed usage	kg per LU	628	701	12
Stocking rate	LU per hectare	1.35	1.44	7
Labour efficiency	LU per labour unit	52	57	10

Source: Teagasc National Farm Survey 2023

Table 7 shows that there was a decrease in the proportion of cattle finishing farms earning a gross margin per hectare of €500 or more, with the share declining from 61% to 58%. 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 16% to 13%. There was an increase year-on-year in the proportion of farms earning a gross margin of between €150 and €300 per hectare, where the percentage of farms increased from 5% to 17%. There was a 1 percentage point decrease 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 falling to 5%.

Table 7: Distribution of gross margin per hectare 2022 and 2023

Gross Margin	% of farms 2022	% of farms 2023
<€0 per hectare	6	5
€0 to €149 per hectare	13	7
€150 to €299 per hectare	5	17
€300 to €499 per hectare	16	13
€500 per hectare and above	61	58

Source: Teagasc National Farm Survey 2023

For further information on this publication or other Teagasc National Farm Survey Publications please contact NFS@teagasc.ie