



DEPARTMENT
OF AGRICULTURE
& FISHERIES

Steps towards a profitability barometer

Pacioli meeting 9 octobre 2024
Boris Tacquenier – Goedele Vrints
Belgium

DEPARTMENT
OF AGRICULTURE
& FISHERIES

Objective sector based barometer

- ▶ **To estimate the actual economic situation**
- ▶ **Important in crisis periods**
- ▶ **for breeding, fattening and closed pig farms**

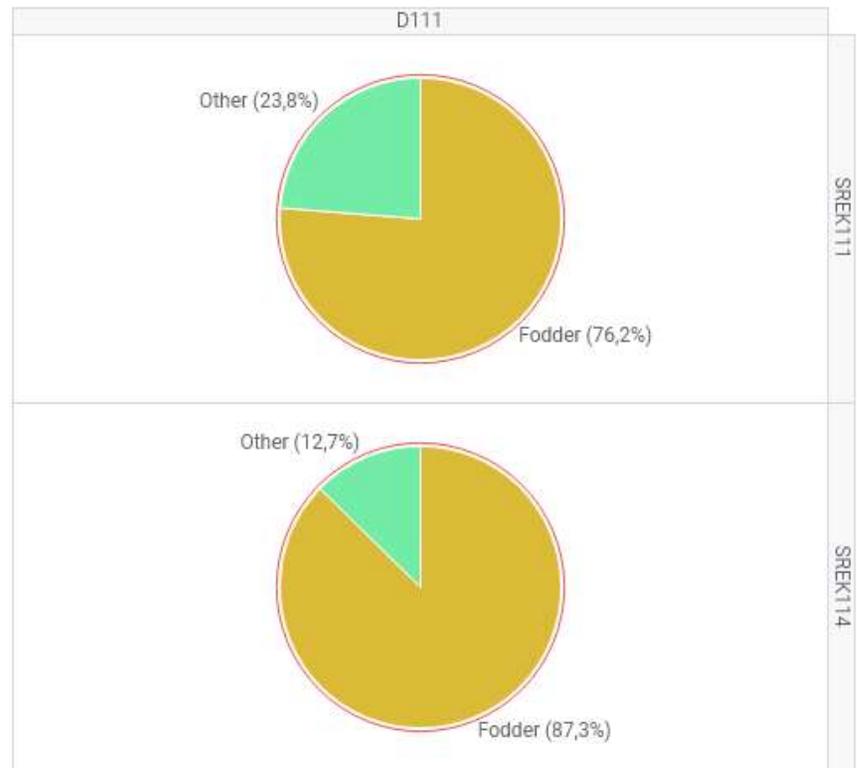
Case study pig farming

► Pig farming statistics 2018-2022

Output



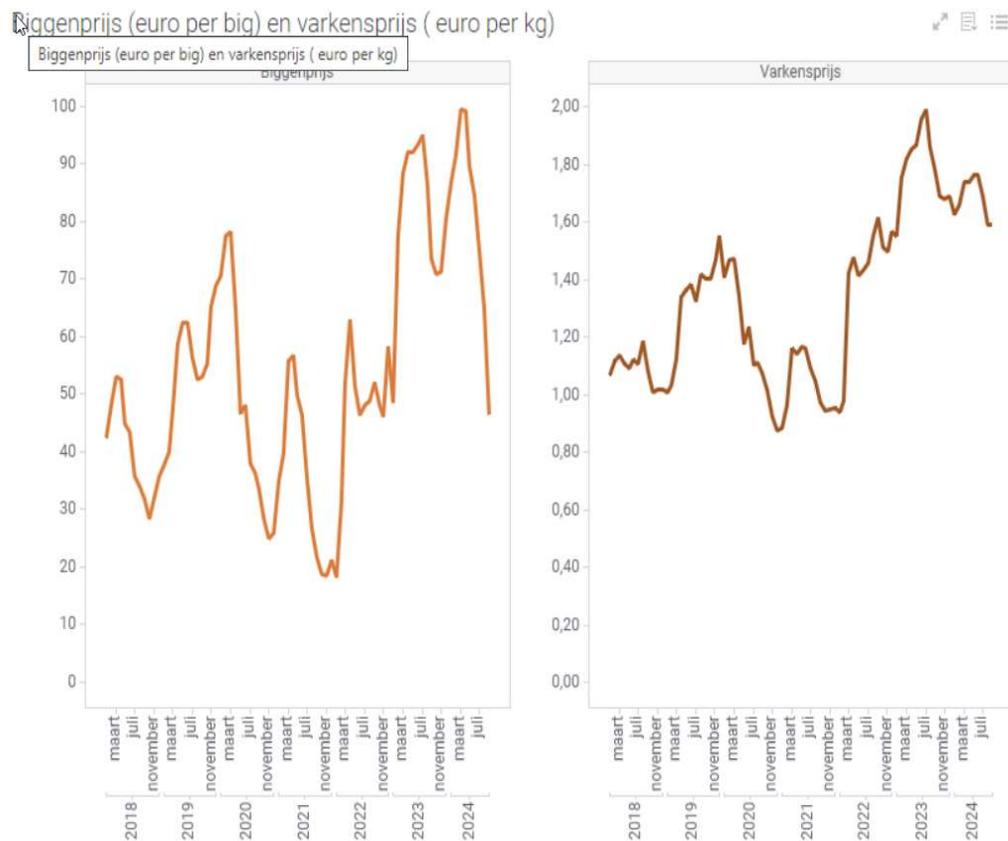
Direct Costs



Methodology:

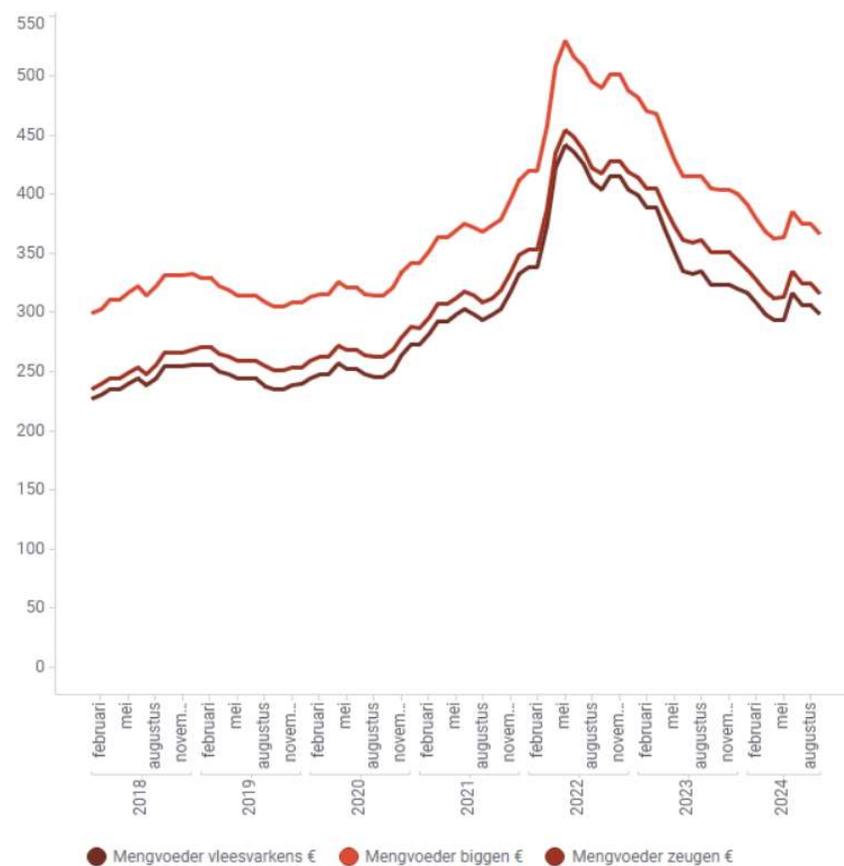
1. Make use of Actual prices

Actual Piglet and Pig prices



Actual Feed prices

Voederprijzen (euro)



Methodology:



1. Actual prices of concentrated feed, piglets and fattening pigs



2. Together with accounting data of last closed year carried forward

e.g. number of piglets per sow, number of kg feed per fattening pig, ...

Other variable costs (excl. concentrated feed cost) and the fixed costs

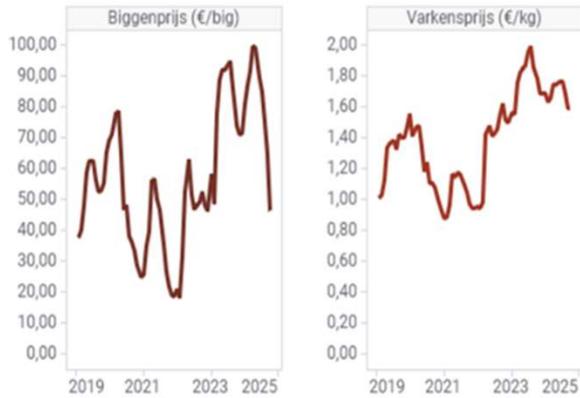


3. Make a correction 'ratio external prices / LMN prices' of the last closed FADN financial year for the external prices

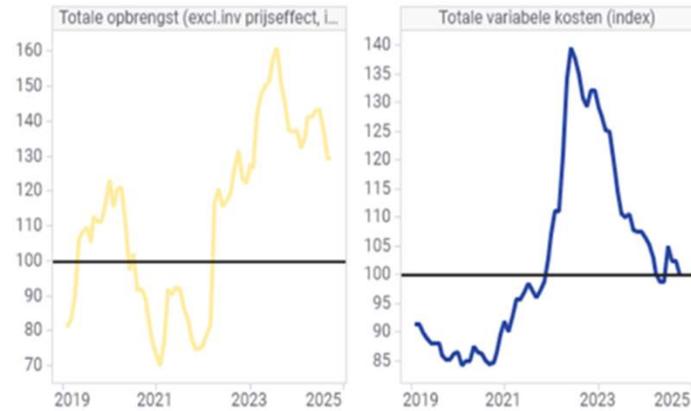
Methodology

- ▶ **Monthly basis**
- ▶ **Results in absolute value and an index**
 - per delivered piglet and per delivered fattening pig
 - index = moving average of last five completed LMN financial years
- ▶ **Estimated data are replaced by FADN data once AY is finished**

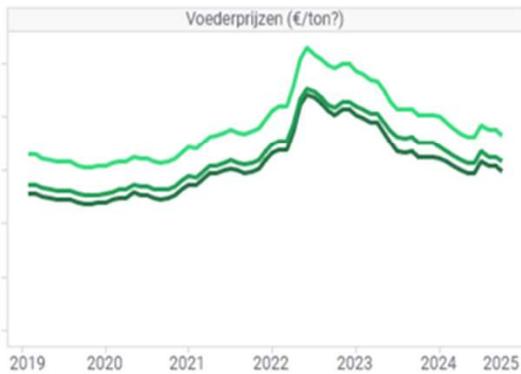
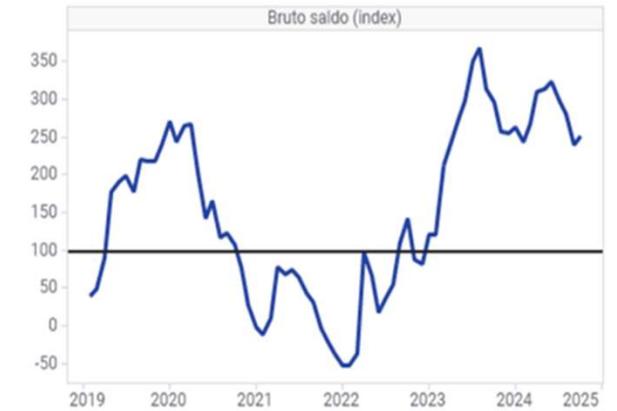
Externe prijzen



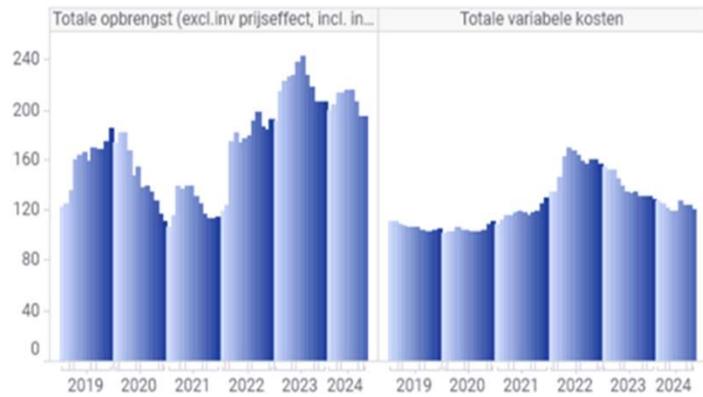
Totale opbrengsten en variabele kosten



Bruto saldo en arbeidsinkomen



● Mengvoeder vleesvarkens ● Mengvoeder biggen
● Mengvoeder zeugen



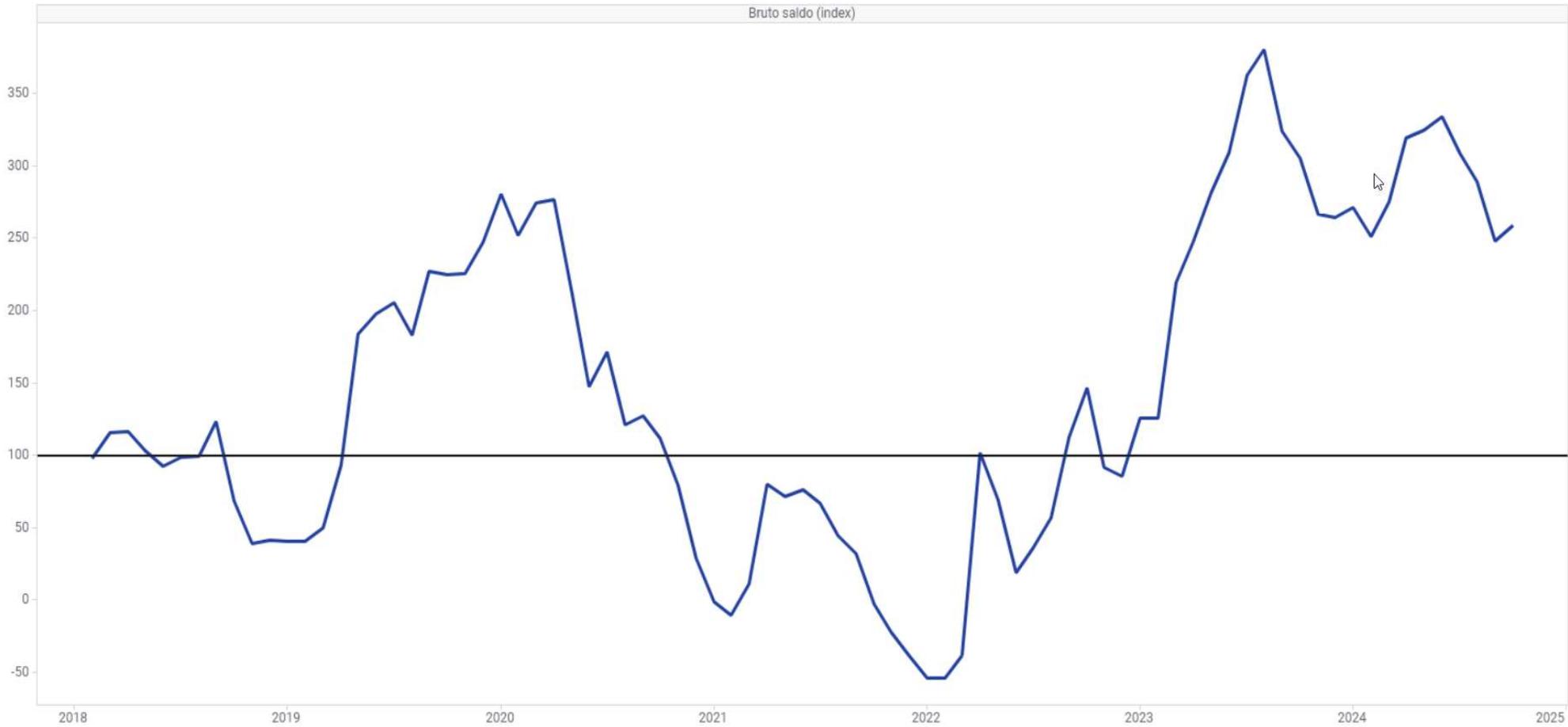
De deler is overal per aantal afgeleverde vleesvarkens. De basis van de index is telkens het gemiddelde van de 5 laatste afgewerkte jaren van het LMN (2018-2022).

Index

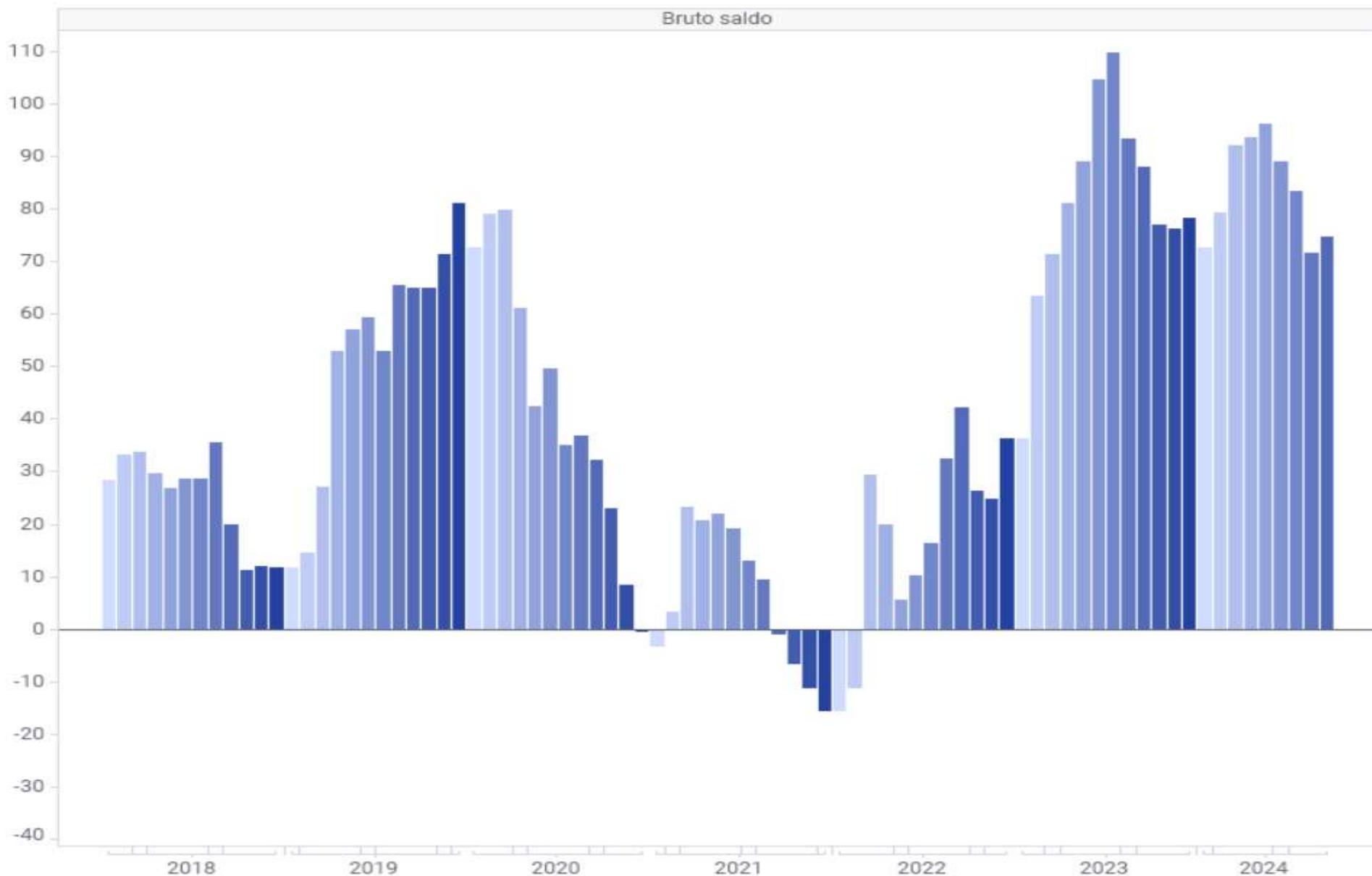
Index



Bruto saldo (index)



Absolute waarden (euro)



Conclusion – Next steps

▶ **Good Results**

- Publicing on our website
- costprice indicators

▶ **Making more barometers**

- Dairy Farms
- Cattle
- Crops?

▶ **Discussions:**

- Incorporate inflation?
- Actual prices vs FADN-prices vs index



DEPARTMENT
OF AGRICULTURE
& FISHERIES

Steps towards a farm specific profitability barometer

Pacioli meeting 9 octobre 2024

DEPARTMENT
OF AGRICULTURE
& FISHERIES

Steps



Objective

Reporting **actual** data to the farmer



Method

Based on a model of the sector-based barometer



Analysis

Reuse of the model on farm level



Results

Extending the Farm Reports with actual data

Objective



LMN Data life cycle FADN 2023

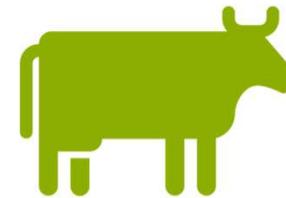
Collecting the data: September 2023 -
September 2024

LMN Quality checks: Continuous

Upload to RICA: December 2024

RICA quality checks: Round 1, 2, 3 till May 2025

Reporting tot the farmer: May 2025 about AY
2023



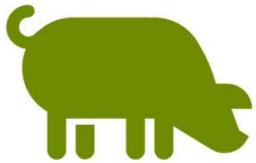
Adding a prognosis of the AY 2024

Not using statistics

Using combination

- External data
- Farm data of previous years

Method



Analogy with the sector barometers (pigs, grazing livestock)

External data

- Actual Market prices: pigs, milk, feed
- Index: energy
- ...

FADN statistics (LMN)

- Historical data past years



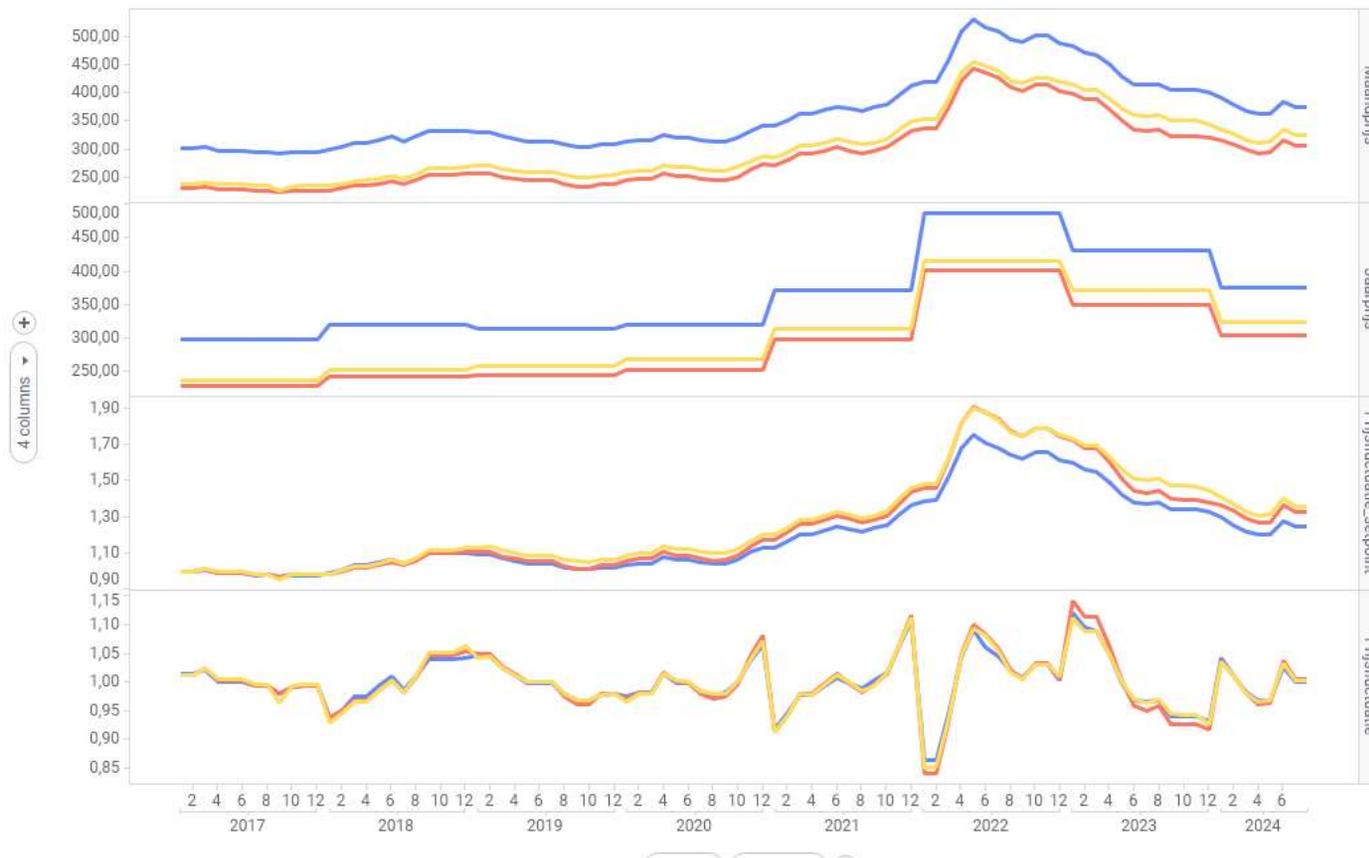
Model

Ratio between external data and FADN data

External data

▶ Market price Feed for pigs, piglets and sows

Maandprijs, Jaarprijs, Prijsfluctuatie_setpoint, Prijsfluctuatie – Jaar, Maand

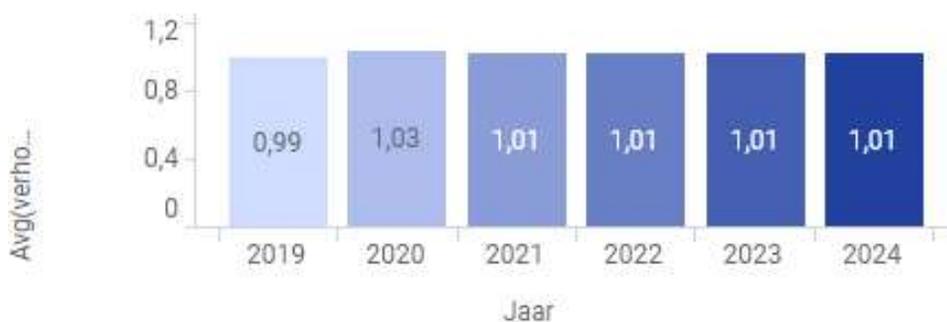


Model

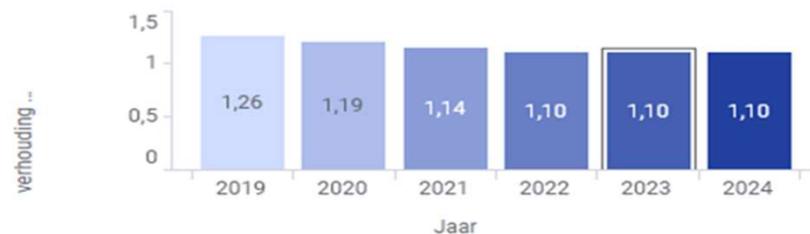
► Ratio Market prices vs FADN statistics

→ Continuous tendencies

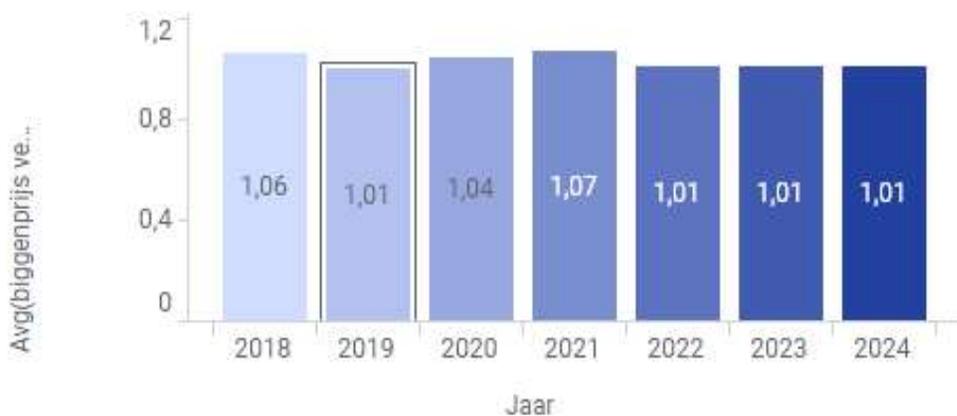
verhouding vleesvarkensprijs per Jaar



verhouding biggenmeel per Jaar



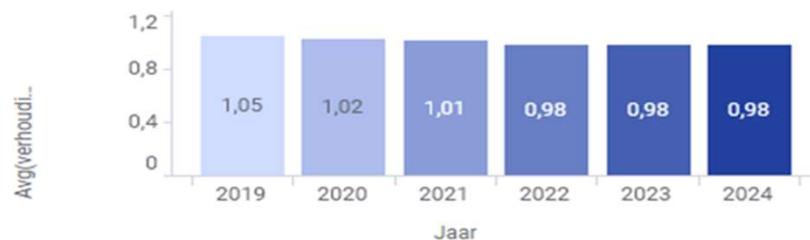
biggenprijs verhouding per Jaar



verhouding zeugenmeel per Jaar



verhouding vleesvarkensmeel per Jaar



Visualisation

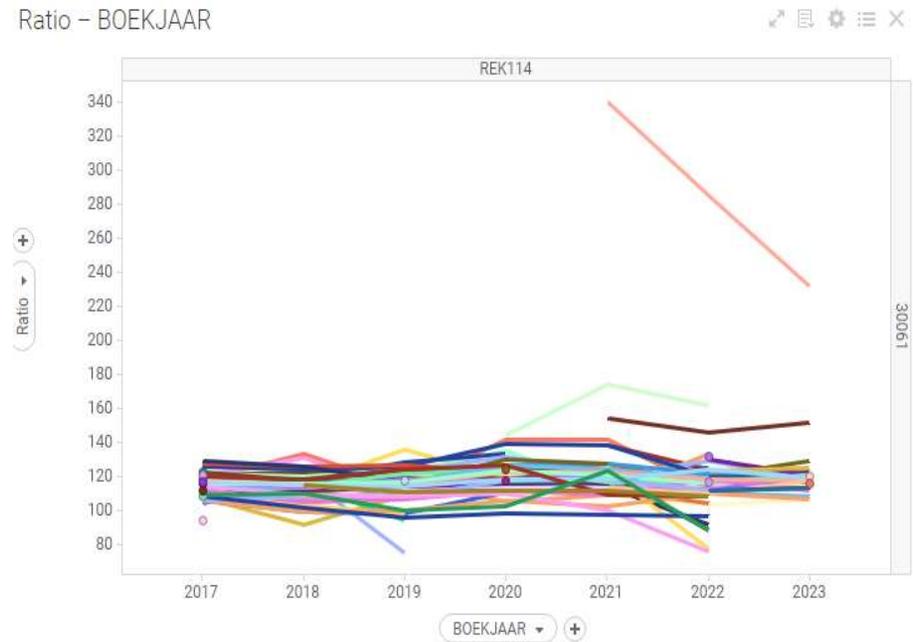
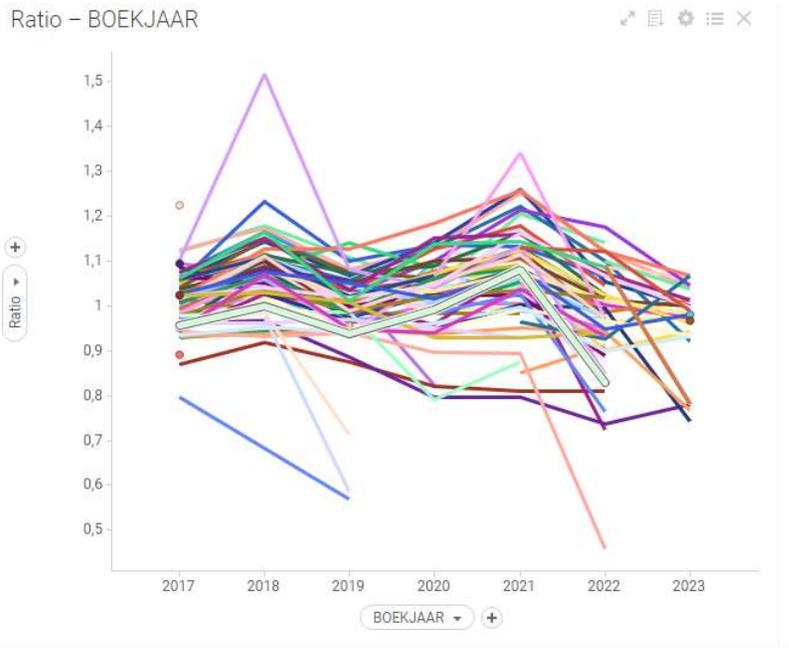
► Pig farming statistics

→ Prognoses of the actual months in 2024



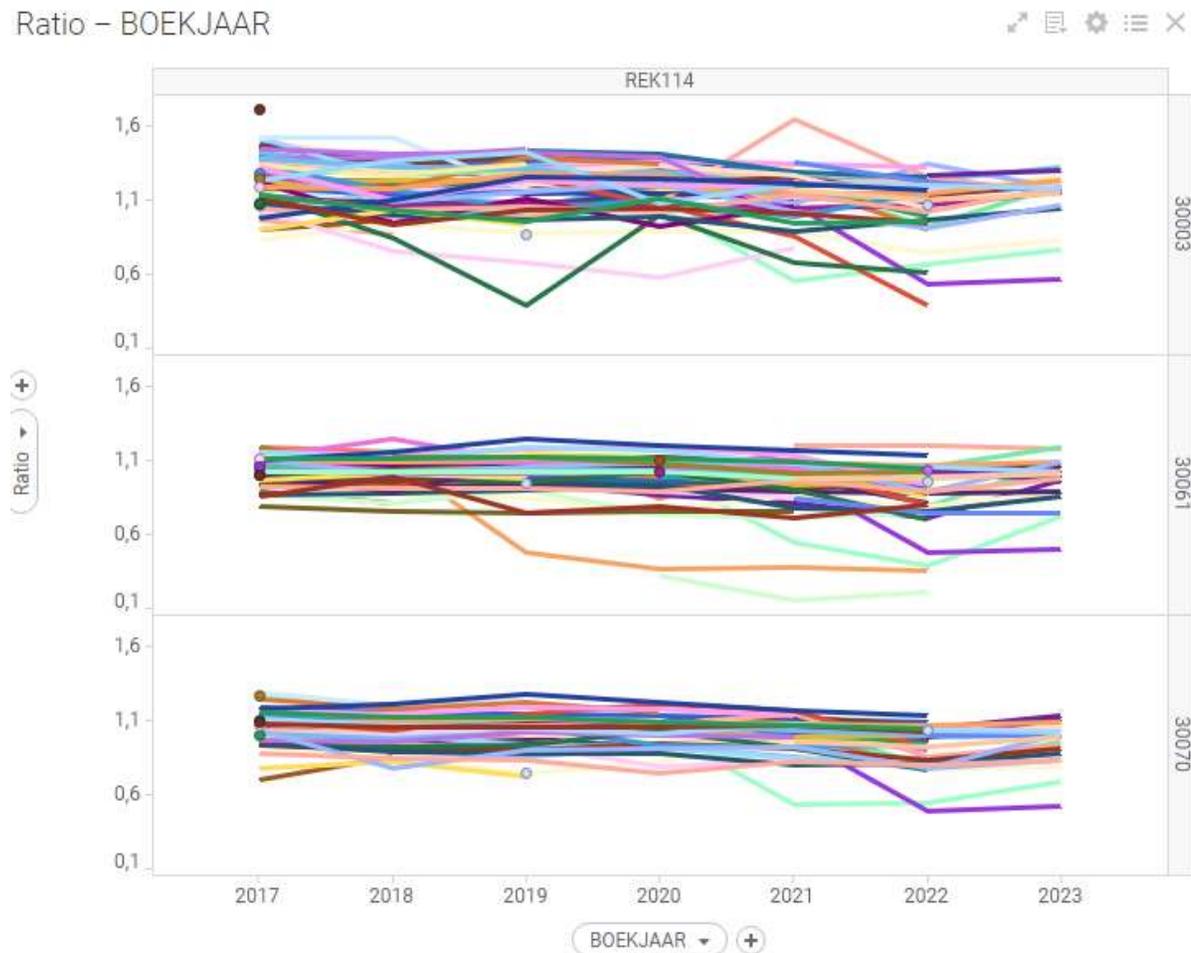
Analysis farm specific barometer

- ▶ **Ratio Market prices vs FADN individual data**
 - Some ratios are problematic



Analysis farm specific barometer

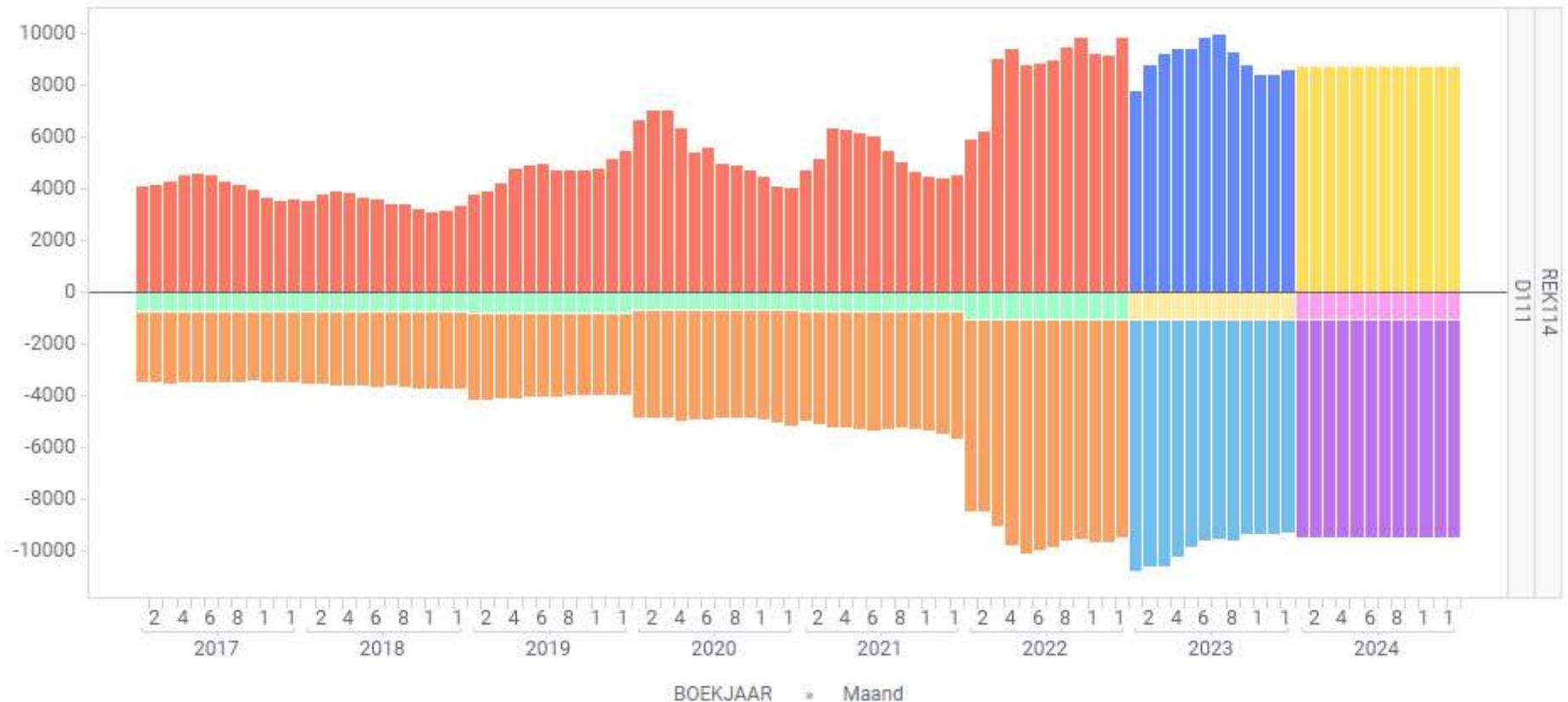
- ▶ **Individual Ratio Market price Fodder vs FADN individual data**
 - Some ratios are problematic



Reporting

► Pig farming individual reporting

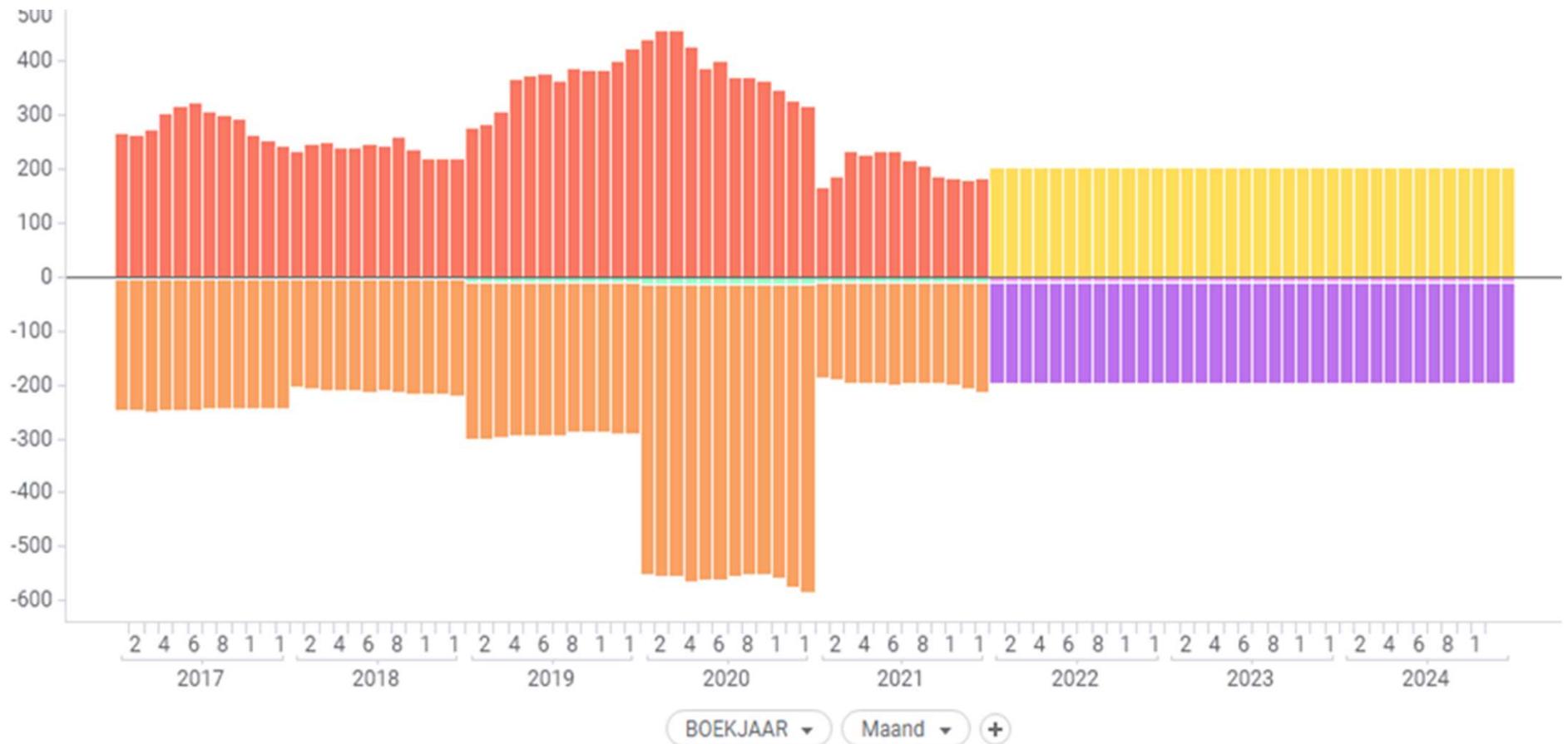
→ Prognoses of the actual months in 2024



Reporting

► Pig farming individual reporting

- Prognoses of the actual months in 2024



Conclusions

- ▶ **Easy model**
- ▶ **External prices from statistical offices: good quality**
- ▶ **FADN statistics: good quality**
- ▶ **Sector based barometer: Good results**
- ▶ **Farm level barometer: Results are depending on the fluctuations of the ratio's in the model for individual farms**

Work in progress

- ▶ **External data needs to be consistent**
- ▶ **Automisation**
- ▶ **Use of indexes for 'other' output and costs**
- ▶ **Analysis and implementing barometers of the other activities of the farm**