UK National Report
Agrievolution Economic Committee
11 November 2019
Pound recovered as No Deal threat receded and jumped when Brexit deal done.
Economic growth on a downward trend for some years – this year, volatile from month to month.

Left Chart: UK annualised change in UK GDP
Source: Office for National Statistics

Right Chart: Month-on-month change in GDP (overall and manufacturing) in 2019
Source: Office for National Statistics
UK grain prices have fallen sharply this year, partly due to global wheat markets, partly to bigger crop production.
Rapeseed prices up due to UK & EU crop but down as pound gains; UK crop smallest since mid-2000s

Left Chart: UK delivered rapeseed price and Chicago nearby soyabean futures price
Source: AHDB Cereals & Oilseeds

Right Chart: UK oilseed rape production and yield, actual and forecast
Source: ADAS/AHDB Cereals & Oilseeds
Wet weather during the autumn means drilling of winter crops delayed – futures prices up for 2020
Milk prices relatively steady and dairy wholesale market indicators suggest this will continue.

Left Chart: Average UK farmgate milk price
Source: DEFRA

Right Chart: Average UK farmgate milk price and dairy commodity price indices
Source: DEFRA/AHDB Dairy
Cattle prices stabilised at a lower level as demand weak; lamb prices in line with seasonal average.

**Left Chart:** Average GB price for prime cattle (deadweight/carcase price)
*Source: AHDB Beef & Lamb*

**Right Chart:** Average price paid at GB auction markets for lambs for slaughter (liveweight price)
*Source: AHDB Beef & Lamb*
Tractor registrations originally under-reported; revised numbers show year-on-year rise

As published:
Year to date: -3%

Revised:
Year to July: +9%

Left Chart: Monthly UK registrations of agricultural tractors (all powers) as published
Source: AEA/DVLA

Right Chart: Monthly UK registrations of agricultural tractors (all powers) as revised
Source: AEA/DVLA
Machinery market generally holding up ok in first half of year but now starting to decline

% change on 1 year ago

Square balers  +14
Sprayers  +8
Disc harrows  +8
Mowers  +7
Combines  +4
Grain drills  +1
Combi cultivators  +1
Mower conditioners  0
Cambridge rolls  -3
Hay rakes  -3
Foragers  -4
Tractors  0
Fert distributors  -6
Bale choppers  -8
Ploughs  -13
Round balers  -13
Pasture topers  -14
Front loaders  -14
Bale wrappers  -14
Tined cultivators  -15
Flail mowers  -19
Power harrows  -26
Tedders  -27

Chart: Annual change in deliveries of agricultural machinery, January-September
Source: AEA
First projections for size of 2020 deliveries is for slight downturn, in line with 2019 so far

-7 -6 -5 -4 -3 -2 -1 0 1 2 3

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<th>Category</th>
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Chart: Projected annual change in deliveries of agricultural machinery, 2018 - 2019
Source: AEA
Industry sentiment has declined significantly of late but still a balance of positive and negative views

Left Chart: Assessment of current business environment
Source: AEA Farm Equipment Barometer
Right Chart: Average expectation for annual change in UK turnover in coming 6 months
Source: AEA Farm Equipment Barometer
The Brexit countdown clock is back!

81 Days to Brexit
(unless it’s delayed again)
Seven key areas in which Brexit will affect farm machinery companies directly

- Imports and Exports of New Machinery
- Exports of Used Machinery
- Transportation
- Regulatory issues
- Irish border
- People
- Legal and data issues
Thank You

Any Questions?