A monthly publication of the USDA AMS Livestock, Poultry, and Seed, Agricultural Analytics Division

Volume 3-15
March 2015

EGGS

Production

Table egg production in January was 619 million dozen, 1 percent higher than last January. Broiler-type hatching egg production in January was up 3 percent compared to 2014. There were 1.0 billion broiler-type hatching eggs produced. Egg-type hatching egg production was 86 million eggs, up 5 percent from last year. Shell eggs broken totaled 199 million dozen during January, up 13 percent from January a year ago, and 6 percent above the 188 million broken in December.

The number of table-egg layers in the national flock on February 1 was up 1 percent compared to 2014. Hatching egg layers for the table egg flock were up 6 percent compared to last year, and the broiler-type hatching egg flock was up 1 percent compared with last year. The number of pullets added during January for all types of egg production was up 2 percent compared with last year.

Price

Table egg prices followed a normal February pattern this year. After a sharp post-holiday fall in January, the wholesale price of a dozen Grade A large eggs in the New York market rose through mid-month and then fell slightly before beginning their pre-Easter rise. Prices reached as high as 149 cents/dozen the sec0nd week of the month, fell, and then rose again to 145 cents/dozen at month's end. Breaking stock prices rose through the first half of February and then plateaued at 82 cents/dozen for the second half of the month.

International Trade

Total U.S. shell egg exports in January were 14 million dozen valued at $15, 6 percent lower in volume and 2 percent lower in value than December 2014, but 39 percent higher in volume and 42 percent higher in value than January 2014. Egg product exports in January totaled $14 million, 12 percent lower than December 2014 and 4 percent lower than December 2014. The top five destinations for U.S. egg exports in January were Mexico, Canada, Hong Kong, Japan, and Jamaica.

LAMB

Production

January 2015 lamb and mutton production, at 11.5 million pounds, was down 14 percent from December and down 7 percent from January 2014. Sheep slaughter totaled 165,700 head, 17 percent below last month and 8 percent below last year. The average live weight was 140 pounds, up 3 pounds from January a year ago. Lamb and mutton in cold storage was 4 percent higher than the month before, and 37 percent higher than year earlier levels.

Price

Negotiated live slaughter lamb prices bounced up and down, but ended up $4 at $151 per cwt, 6 percent below the 2014 price but 2 percent above the 2011-2013 average. The lamb cutout fell, but partially rebounded closing at $366 per cwt, 1 percent below 2014's level but up 5 percent from the historical average. Leg of lamb, trotter off, was also variable, but ended down $27 to $333 per cwt, 9 percent below 2014 and 13 percent below the 2011-2013 average. Boneless lamb shoulder prices varied within a smaller range, and closed the month up $4 to $554 per cwt, 5 percent above the 2014 price, and 36 percent above the historical average.

International Trade

January lamb exports dropped 57 percent from 2014 levels to 114 MT, and 43 percent in value to $903 million. From December, volume and value were lower by 16 percent and 7 percent, respectively. Canada and the Netherlands were the largest markets for U.S. lamb in January. The U.S. imported 6 thousand MT of lamb in January, at a value of $47 million, up 10 percent in volume and down 3 percent in value from 2014. Volume and value decreased compared to December, by 26 and 34 percent, respectively. Australia and New Zealand were the largest importers.

CHICKEN

Production

Producers sharply ramped up production in January, producing 3.3 billion pounds on a ready-to-cook basis, 5 percent more than January 2014 with 1 less slaughter day. On a daily basis, production was up 10 percent year-over-year and up 4 percent compared to December. The majority of the increase came from more birds slaughtered, up 8 percent from 2014, but average live weight also increased by 2 percent. Future production is likely to continue up; both eggs set and chicks placed for the 4 weeks ending February 28 were up 3.5 percent over the same period in 2014.

Total chicken held in cold storage on January 31 was up 3 percent from the end of December, mostly on increases in hens and paws. Broiler products were up less than 1 percent for the month. Compared to January 2014, total inventories were up about 6 percent. White meat items were down about 2 percent month-over-month, but were up 37 percent over 2014. Dark meat items were up 10 percent compared to December, and were up only about 1 percent year-over-year. Leg quarter inventories were up 15 percent, likely due to export difficulties tied to the dock work slowdown, but were down 7 percent from year-prior levels. Wing stocks were down 22 percent month-over-month and 26 percent year-over-year.

Price

Whole broiler prices rose in February while parts prices fell. The national composite price for whole broilers rose about 3 cents during the month and closed at 95 cents/lb. Boneless/skinless (B/S) breast meat during the same period fell a nickel and was 138 cents/lb. at month's end. Leg quarter prices fell 3 cents as the West coast port slowdown affected exports and were 31 cents/lb. at the end of February. B/S thigh meat fell below 100 cents/lb. for the first time since February 2011 and closed at 96 cents/lb. Wings also fell during the month, dropping 19 cents, and ending at 185 cents/lb.

International Trade

The United States exported 240 thousand metric tons of chicken and chicken products valued at $288 million in January. This was 7 percent lower in volume and 5 percent lower in value than December 2014 and 12 percent lower in volume and 11 percent lower in volume than January 2014. The month-over-month and year-over-year declines were likely due to the dockworker slowdown that affected West Coast ports. The top five destinations for chicken exports in January were Mexico, Canada, Hong Kong, Taiwan, and Georgia.

BEEF/VEAL

Production

January 2015 beef production totaled 1.96 billion pounds, down 2 percent from December and 8 percent from 2014. Cattle slaughter fell less than 1 percent from the prior month, but was down 10 percent from January 2014 at 2.42 million head. This marks the thirteenth month in a row in which cattle slaughter is down year-over-year. The average live weight was up 24 pounds from the previous year, at 1,358 pounds. Total veal production was 6.8 million pounds, 11 percent below December and 27 percent below last January. Calf slaughter totaled 39,900 head, 7 and 37 percent, respectively, below the prior month and year. The average live weight rose 38 pounds from last year to 291 pounds.

Total stocks of beef in freezers at the end of January were up 10 percent from December and up 14 percent from the previous December. Boneless beef storage was 9 percent higher than the month before, and was 14 percent higher than last year. Inventories of beef cuts were up 21 percent for the month and up 14 percent from year earlier levels. Veal stocks in cold storage were up 29 percent on a month-to-month basis and up 252 percent over inventories at the end of January 2014.

Price

Live cattle prices (FOB, steers and heifers) were relatively flat through the month of February, ending the month down $1 to $158 per cwt, 9 percent above the 2014 price and 30 percent above the 2011-2013 average. The cutout value hit a bottom in mid-February at $239 per cwt, but closed the month at $245 per cwt, 12 percent higher than last year and 32 percent above the historical average. 90 percent lean boneless beef fell $12 to $291 per cwt, 17 and 36 percent above 2014 and the 2011-2013 average, respectively. From a peak of $145 per cwt at the end of January, beef trim, 50 percent lean tumbled more than $60 before rebounding slightly to close at $89 per cwt, 27 percent below 2014 and 6 percent above 2011-2013 average levels. Packer-owned veal carcasses rose $8 to $450 per cwt while non-packer owned veal carcasses increased $4 to $439 per cwt. Veal cutout values continued to hold steady at $583 per cwt, 20 percent above last year and 39 percent over the 2011-2013 average.

International Trade

Compared to 2014, January 2015 beef and veal exports fell 18 percent to 80 thousand MT and the export value decreased 2 percent to $504 million. This volume is down 20 percent from December and is 20 percent lower in value. Mexico, Japan and Canada were our largest export markets in January. Year-over-year beef import volumes in January were 62 percent higher at 103 thousand MT, and were more than doubled (101 percent) in value to $659 million. Compared to December, beef imports were up 3 percent in volume and 2 percent in value. Australia, New Zealand and Canada were the largest importers.

PORK

Production

Pork production in January was up less than 1 percent on a monthly basis, and up 1 percent from last year, at 2.10 billion pounds. Hog slaughter was 9.76 million head, 1 percent below December and less than 1 percent below 2014. The average live weight was up 3 pounds from the previous year, at 287 pounds. Pork supplies in cold storage were up 18 percent from December but down 4 percent from last January. Bone-in picnics were 48 percent higher than ending inventory levels for last month, and were up 32 percent from the previous year. Total hams in cold storage were 67 percent higher on a monthly basis but were 5 percent higher on a year-over-year basis. Pork trimmings were 16 percent higher than December, and were up 43 percent for the year. Loins were up 5 percent on a monthly basis but down 7 percent higher from year earlier stocks. Inventories of ribs were 9 percent higher than last month and 15 percent below last year. Pork butts in freezers were 28 percent over levels in December, and 19 percent over the year before. Pork belly stocks were 13 percent higher than last month but down 39 percent from last year.

Price

The negotiated carcass price for barrows and gilts fell most of the month, but returned partially to close at $64 per cwt, 33 percent lower than 2014 and 20 percent below the 2011-2013 average. However, the pork cutout continued to fall through the month, down $10 to $70 per cwt, 31 percent lower than 2014 and 20 percent below the 2011-2013 average. Trimmed, bone-in hams, 23-27 pounds, fell $9 to $57 per cwt, 33 percent below the 2014 value and 23 percent below the historical average. Picnic meat combo, cushion out, fell $12 to $56 per cwt, 44 percent and 30 percent below the 2014 price and the 2011-2013 average, respectively. Pork trim, 72 percent lean, plummeted nearly $20 in February, closing at $41 per cwt, 58 percent below the 2014 price and 41 percent below the 2011-2013 average. Pork belly primals dropped $23 to $77 per cwt, 46 percent lower than in 2014 and 38 percent below the 2011-2013 average.

International Trade

January 2015 pork exports declined 16 percent on a year-over-year basis to 157 thousand MT and the value also fell 16 percent to $441 million. Pork export volume and value were down 12 and 16 percent, respectively, from the prior month. The largest overseas markets for U.S. pork were Japan, Mexico and Canada. Year-over-year imports of pork in January were 30 percent higher in volume to 42 thousand MT, and up 20 percent in value to $136 million. Compared to December, pork imports increased 10 percent in volume and 15 percent in value. Canada, Denmark and Poland were the largest importers.

TURKEY

Production

Turkey production was up considerably in January at 490 million pounds on a ready-to-cook basis; daily production was almost 14 percent above January 2014. The vast majority of this increase was the result of more birds processed as there were more than 12 percent more birds processed this year. Producers appear to be putting the brakes on large production increases as net poult placements in January were up only 1 percent and eggs in incubators on February 1 were up 2 percent from 2014 levels.

Whole turkey inventories were up on January 31 compared to 2014 levels. Toms were up 9 percent and hens were up 7 percent. White meat holdings were down 32 percent while dark meat holdings were up 19 percent.

Price

Whole turkey prices treaded water in February. Frozen whole hen prices ranged between 97 and 100 cents/lb through the month, while whole toms ranged between 97 and 101 cents/lb. Parts prices, on the whole, fell with breast meat falling the most in both absolute and percentage terms. Boneless/skinless (B/S) breast meat fell 20 cents (6 percent) to end the month at 299 cents/lb. B/S thigh meat fell 3 cents to 137 cents/lb and tom drums fell less than a penny and closed at 65 cents/lb.

International Trade

U.S. exports of turkey in January totaled 24 thousand metric tons with a value of $50 million. This was 4 percent lower in volume and 6 percent lower in value than in December 2014 but 2 percent higher in volume and 3 percent higher in value than in January 2014. The five largest destination for turkey exports in January were Mexico, Canada, Hong Kong, Gabon, and Japan.

Questions, comments, or suggestions for articles? Contact Lawrence.Haller@ams.usda.gov or Sherry.Wise@ams.usda.gov.

Special Report

Cattle Inventory and Slaughter

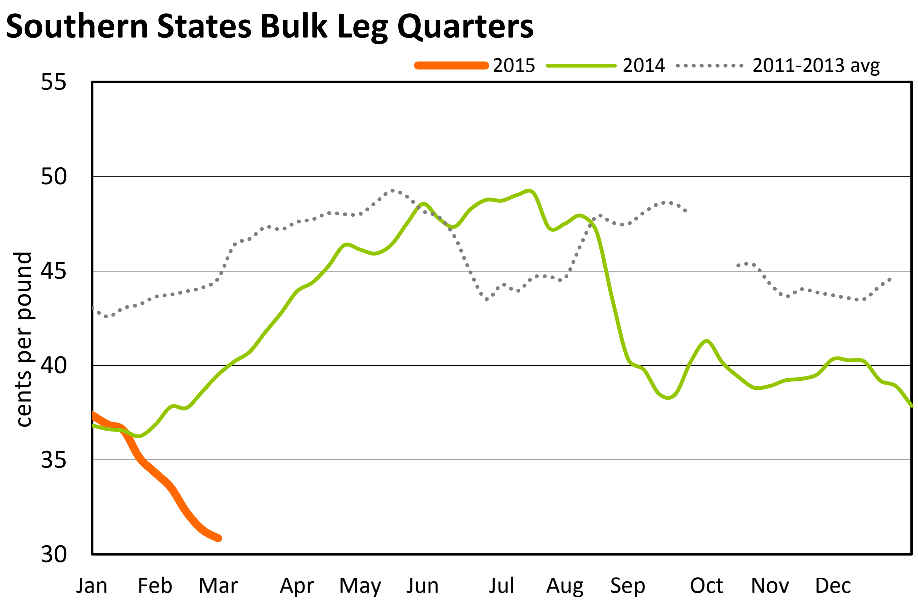
It is well-known that the cattle industry has experienced tough times in the last few years. Declines in exports due to concerns about BSE, changing demands for proteins with the rise and fall of diet trends, competition for grain with renewable energy, and new climate patterns have all impacted the cattle industry in the last decade or more. The cumulative effect has been to reduce cattle inventories to levels equivalent to those of more than 60 years earlier. Despite clear incentives to rebuild the herd, high feed prices combined with extreme drought conditions have limited producers' efforts.

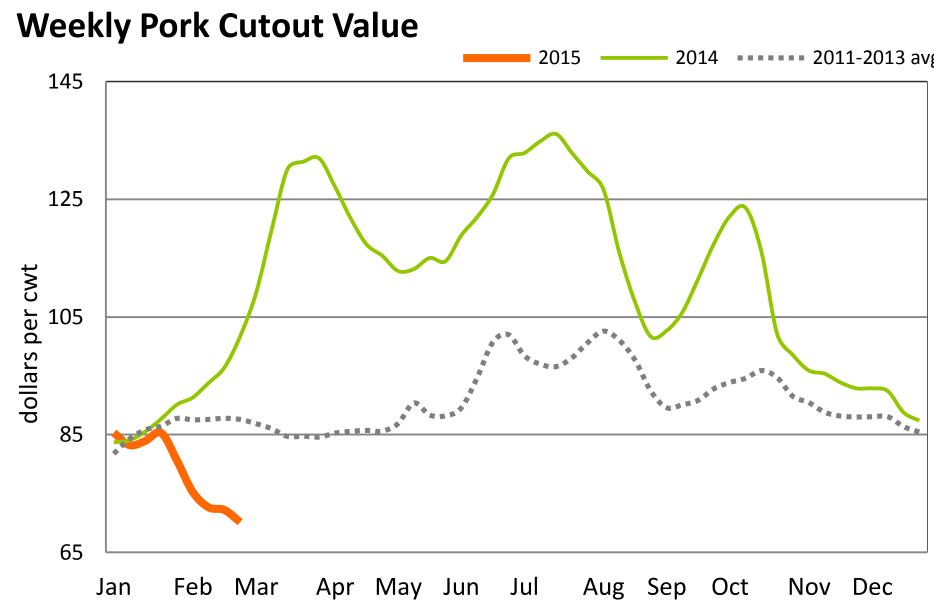
That may be changing. The most recent Cattle Inventory numbers show some encouraging signs. The January 2015 report indicates that the herd has grown for the first time since 2007, by 1.4 percent to 89.8 million head. The beef cow inventory grew for the first time since 2006, at a slightly higher rate of 2 percent, exceeding the 2013 level at 29.7 million head. While the January 1 calf crop is up only slightly, the number of heifers held for beef cow replacements was up 4 percent over last year, to 5.8 million head. This marks a 12.5 percent increase since the low point in 2011.

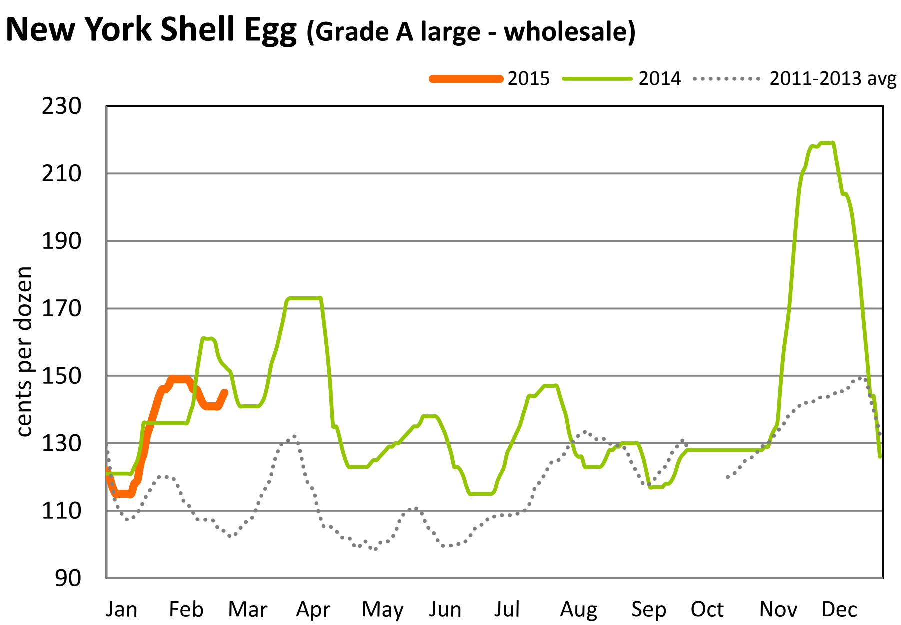
Positive signs for growth can also be seen in the most recent monthly cattle slaughter figures. The breakdown of cattle slaughtered by type of cow (dairy vs. beef) has been kept since 1986. For nearly 30 years of this data, the share of slaughter from beef cows was on average 9.5 percent, with a minimum share of 6.5 percent, and a maximum share of 14.3 percent. In 2014, the share of slaughter attributable to beef cows ranged from 7.4 to 10.2 percent, and averaged 8.6 percent. However, the share of slaughter comprised of both heifers and calves was even lower. In fact, both heifers and calves had historically low slaughter shares, with levels not seen since 1984 in the case of heifers, and for calves, never since the start of the statistic in 1950. The thirty-year record low share of slaughter for heifers was set in 2014 at 26.3 percent, with an average for the year of 28.2 percent, compared to the average 30.3 percent share over thirty years. Calf slaughter ranged from 1.6 to 2.4 percent in 2014, and averaged 1.9 of total slaughter. Compared to the historical average of 3.8 percent of slaughter, the calf slaughter share was cut in half. In addition, the high for calf slaughter share in 2014 was 2.4 percent, less than one-fourth the historical high of 10.1 percent. These figures are shown in the table below, along with values for the three year period of 2011-2013.

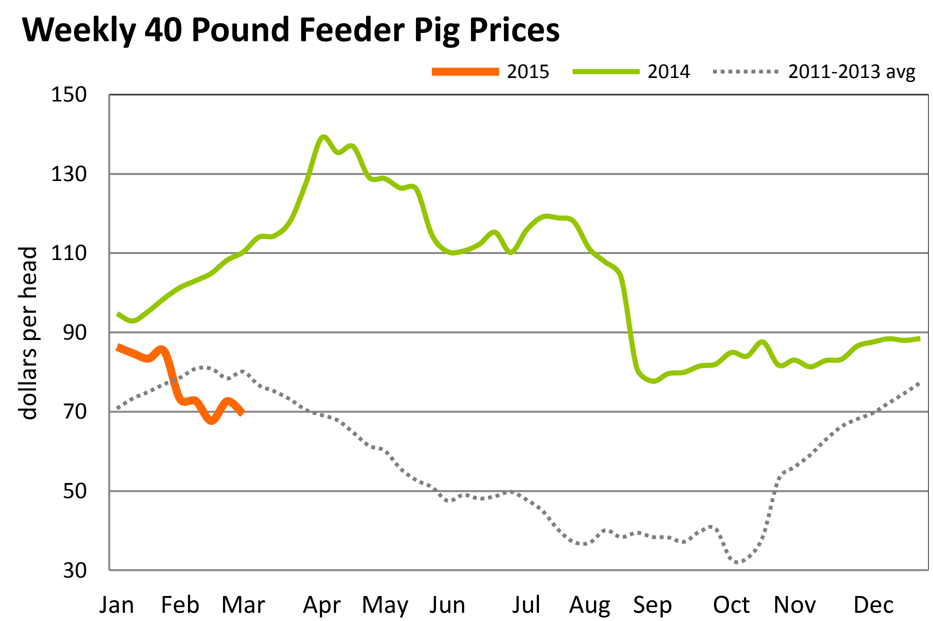
Category	Share of Slaughter	Time Period		
		All 2014	2011-2013	1986-2014
Beef Cow	Minimum	7.4%	8.7%	6.5%
	Average	8.6%	10.5%	9.5%
	Maximum	10.2%	13.1%	14.3%
Heifer	Minimum	26.3%	26.4%	26.3%
	Average	28.2%	28.7%	30.3%
	Maximum	29.8%	31.7%	35.6%
Calf	Minimum	1.6%	1.9%	1.6%
	Average	1.9%	2.4%	3.8%
	Maximum	2.4%	2.7%	10.1%

The lower share of calf slaughter is in part due to demand issues in the veal market. However, in combination with the lower slaughter shares of beef cows and heifers, these data suggest that producers are continuing to pursue growth in cattle reproductive capacity, with the ultimate aim of increasing the beef supply.


Southern States Bulk Leg Quarters
2015
2014
2011-2013 avg
55
50
45
40
35
30
cents per pound
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec


Weekly Pork Cutout Value
2015
2014
2011-2013 avg
145
125
105
85
65
dollars per cwt
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec


New York Shell Egg (Grade A large - wholesale)
2015
2014
2011-2013 avg
230
210
190
170
150
130
110
90
cents per dozen
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec


Weekly 40 Pound Feeder Pig Prices
2015
2014
2011-2013 avg
150
130
110
90
70
50
30
dollars per head
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec

March Madness!

Peanut Month

76,400,000,000

Number of edible shelled Runner peanuts used in food products in March 2014

1.25 Number of roundtrips to the Moon if laid end-to-end.

St. Patrick's

63,100,000

Pounds of Beef BRISKETS marketed during the 2014 St. Paddy's Day celebration

NCAA

Est. Chicken wing portions to be marketed during the 1st & 2nd rounds of the 2015 tournament

1,200,000,000

In like a Lion…

327,000

Spring Lamb inventory on January 1, 2015
26% of lambs

$6.49

Whole semi-bnls legs per pound in stores during Easter 2014

out like a Lamb

March "Hares"

$3.96

Avg. sale price per pound in supermarkets during Easter 2014.

616,000

Pounds of commercial rabbit meat produced in the U.S. in 2014.

Source: USDA, AMS Agricultural Analytics; NASS