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

Volume 5-15
May 2015

EGGS

Production

Table egg production in March was 618 million dozen, 1 percent higher than last March. Broiler-type hatching egg production in March was up 3 percent compared to 2014. There were 1.0 billion broiler-type hatching eggs produced. Egg-type hatching egg production was 91 million eggs, up 11 percent from last year. Shell eggs broken totaled 181 million dozen during March, down 1 percent from March a year ago, and 5 percent above the 172 million broken in February. The number of table-egg layers in the national flock on April 1 was up 2 percent compared to 2014. Hatching egg layers for the table egg flock were up 9 percent compared to last year while the broiler-type hatching egg flock was up 3 percent. The number of pullets added during March for all types of egg production was up 4 percent compared with last year.

Price

Table egg prices fell sharply the first week of April, as expected, in their seasonal post-Easter drop. From their high of 184 cents/dozen in late March, prices reached 118 cents/dozen by April 9 and stayed at that value for the remainder of the month. Breaking stock prices, in contrast, posted strong gains following their post-Easter fall as supplies tightened with the discovery of High Pathogenic Avian Influenza (HPAI) in two large egg operations in Iowa. Prices initially dropped from their seasonal high of 100 cents/dozen in late March to 64 cents/dozen by mid-April but recovered quickly and reached 72 cents by the end of the month and climbed further to 83 cents/dozen by the first week of May.

International Trade

Exports of shell eggs totaled 16.3 million dozen with a value of $15.2 million in March. This represents a 7 percent increase in volume and a 30 percent increase in value compared to February, and a 35 percent increase in volume and a 58 percent increase in value compared to March 2014. For the first quarter, shell egg exports were up 32 percent in volume and 40 percent in value compared to the same period in 2014. Total exports of egg products in March were valued at $15.9 million, 30 percent above February and 13 percent above March 2014. Year-to-date, total egg products exports were down 4 percent compared to 2014. The top five destinations for egg exports in March were Mexico, Canada, Japan, Hong Kong, and the United Kingdom.

LAMB

Production

Lamb and mutton production in March was 14.3 million pounds, 23 percent higher than February and 8 percent higher than 2014. Sheep slaughter totaled 204,600 head, 24 percent more than in the previous month, and 8 percent above last year. The average live weight was 140 pounds, up 1 pound from March a year ago. Accumulated lamb and mutton production was up 1 percent over last year. Lamb and mutton in cold storage is 7 percent lower than at the close of February, and 22 percent higher than last March.

Price

Negotiated live slaughter lamb prices fell $4 in April, ending at $138 per cwt, 11 percent below the 2014 price and 9 percent below the 2011–2013 average. The lamb cutout fell $16 to $355 per cwt, 3 percent below 2014's level but 4 percent above the historical average. Leg of lamb, trotter off prices lost $16 in value, to $336 per cwt, 12 percent below 2014 and 16 percent below the 2011–2013 average. Boneless lamb shoulder prices gained $8, closing the month at $550 per cwt, 3 percent above the 2014 price, and 28 percent above the historical average.

International Trade

Lamb exports rose 25 percent from 2014 levels to 171 metric tons (MT) in March, and rose 7 percent in value to $1.2 million. From February, volume was down by 9 percent, while value was 30 percent higher. Mexico, Canada, and the Dominican Republic were the largest export markets in March. The U.S. imported 14 percent more lamb than last year, for a total of 11.0 thousand MT, at a value of $85 million, 20 percent higher than in 2014. The volume and value of lamb imports rose by 78 and 80 percent, respectively, from February levels. Australia and New Zealand were the largest exporters to the U.S.

CHICKEN

Production

March broiler production was 3.38 billion pounds (ready-to-cook basis). Daily production was up 2 percent compared to February and up 4 percent compared to March 2014. A little more than 2 percent of the year-over-year increase was due to increases in the number of birds slaughtered. That trend seems likely to continue; for the four weeks ending May 2, eggs set in incubators was up 2 percent compared to the same period in 2014 and chicks placed were up 3 percent.

All chicken held in cold storage on March 31 was up 3 percent compared to the end of February, and was up 27 percent compared to the end of March 2014. All categories of broiler stocks except wings were up year-over-year, but leg quarter stocks were up the most. Whole broilers were up 6 percent on the month and 34 percent on the year. White meat stocks were down 4 percent compared to February, but up 35 percent compared to 2014. Leg quarter holdings were up 16 percent month-over-month but up 77 percent year-over-year. Wing holdings fell 5 percent during March, and were 23 percent below inventories on March 31, 2014.

Price

April was a mixed month for broiler prices. The National composite price of a whole broiler rose 7 cents to 108 cents/lb. by the end of the month. White meat also showed gains, with boneless/skinless (B/S) breast meat rising 10 cents to 159 cents/lb. Most dark meat items, however, fell due to export restrictions related to High Pathogenic Avian Influenza (HPAI). Leg quarter prices fell 2 cents to 26 cents/lb., their lowest level since December 2006. Drumsticks dropped to 40 cents/lb. B/S thigh meat was the exception, rising a nickel to 109 cents/lb. Wings fell seasonally 12 cents to 173 cents/lb.

International Trade

The U.S. exported 274 thousand metric tons of chicken products in March, valued at $302 million. This was a 21 percent increase in quantity over February as exporters moved more products following resolution of the West Coast dockworkers' slowdown, but was 4 percent below March 2014, as the strong dollar and rising concerns about HPAI limited overseas sales. Year-to-date, exports have been 11 percent below 2014 in volume and 13 percent lower in value. In March the five largest destinations for chicken were Mexico, Canada, Hong Kong, Taiwan, and Angola.

BEEF/VEAL

Production

March beef production, at 1.93 billion pounds, was up 9 percent from February but slightly below 2014. Cattle slaughter totaled 2.38 million head, down 3 percent from March 2014 and 14 percent from the 2011–2013 average. The average live weight was up 30 pounds from last year, at 1,348 pounds. Veal production totaled 6.9 million pounds, 21 percent below March a year ago and 40 percent below the 2011–2013 average. Calf slaughter totaled 39,700 head, down 26 percent from March 2014 and 44 percent from 2011–2013. The average carcass weight was up 6 pounds from last year, at 174 pounds. Accumulated beef production was down 3 percent from last year and veal was down 24 percent. Total pounds of beef in freezers were down 2 percent from February, but were up 18 percent from last year. Boneless beef was 3 percent lower than the month before and 20 percent higher than in 2014. Beef cuts were down 1 percent from the prior month but were nearly identical to the prior year. Veal supplies were down 14 percent monthly, but up 179 percent yearly.

Price

After peaking early in the month at $167 per cwt, live cattle prices (FOB, steers and heifers) slid steadily downward, closing the month of April at $159 per cwt, 13 percent above the 2014 price and 20 percent above the 2011–2013 average. The cutout value held between $257 and $259 per cwt most of the month, closing on the lower end of the range, 11 percent higher than last year and 35 percent above the historical average. The prices of 90 percent lean boneless beef remained flat through the month $296 to $297 per cwt, up 21 and 41 percent from 2014 and the 2011–2013 average, respectively. Beef trim, 50 percent lean shot from $105 per cwt to $122 at mid-month, then closed down at $104, 21 percent lower than in 2014 but up 9 percent from the 2011–2013 average. Packer-owned veal carcasses mostly held steady around $459 per cwt while non-packer owned veal carcasses increased $5 to $449 per cwt. The veal cutout increased $5 to $590 per cwt late in the month, 21 percent above last year and 36 percent over the 2011–2013 average.

International Trade

Compared to 2014, March 2015 beef and veal exports fell 7 percent to 87 thousand metric tons (MT) while the export value increased 2 percent to $527 million. This volume is up 5 percent from but down 2 percent in value. Japan, Hong Kong, and Mexico were our largest export markets in March. Year-over-year beef import volumes were 31 percent higher at 112 thousand MT, and were up 54 percent in value to $685 million. Compared to February, beef imports were up 29 percent in volume and up 28 percent in value. Australia, New Zealand, and Canada were again the largest exporters to the U.S.

PORK

Production

Pork production grew at a rapid rate, up 9 percent from February and up 14 percent from the last year to 2.11 billion pounds. Hog slaughter was also up 9 percent on a monthly basis and 14 percent yearly, at 9.89 million head. The average live weight was unchanged from the previous year, at 285 pounds. Accumulated pork production was up 7 percent from 2014. Frozen pork supplies were down 3 percent from the February but up 16 percent from last year. Bone-in picnic stocks were 1 percent higher for the month and up 116 percent yearly. Total hams in freezers were 21 percent lower than the prior month and 13 percent higher than in 2014. Cold storage of loins were down 8 percent monthly, but up 2 percent yearly, with ribs up 6 percent monthly and down 6 percent yearly, and butts 3 percent lower than the prior month but 71 percent higher than last year. The inventory of pork trimmings was 2 percent higher month-over-month, but 87 percent higher than in 2014. Stocks of pork bellies were up 1 percent from last month but down 14 percent from last year.

Price

The negotiated carcass price for barrows and gilts started the month down at $56 per cwt, but gained through the month to close at $70 per cwt, 37 percent lower than 2014 and 17 percent below the 2011-2013 average. The pork cutout gained $7 through the month to $72 per cwt, still 38 percent below 2014 and 16 percent lower than the 2011–2013 average. After hitting a bottom of $41 per cwt, trimmed, bone-in hams, 23–27 pounds, gained $16 by the end of the month, 43 percent below the 2014 value and 23 percent below the historical average. Picnic meat combos, cushion out, also gained some strength, rising $13 to $62 per cwt, 54 percent below the 2014 price, and down 24 percent from the 2011–2013 average. Pork trim, 72 percent lean, showed remarkable growth, starting from $35 in early April, to close at nearly $60 per cwt, 49 percent below the 2014 price but only 2 percent below the 2011-2013 average. Pork belly primals continued in the doldrums, ending down $2 to $67 per cwt, 53 percent lower than in 2014.

International Trade

March 2015 pork exports (including variety meats) fell 9 percent on a year-over-year basis to 187 thousand metric tons (MT) and the value fell 19 percent to $480 million. Pork export volume and value were up 10 and 5 percent, respectively, from February. The largest overseas markets for U.S. pork were Japan, Mexico, and Canada. Compared to March 2014, pork imports were 26 percent higher in volume to 46 thousand MT, and down 5 percent in value to $141 million. Month-over-month, pork imports rose 19 percent in volume and 14 percent in value. Canada, Denmark, and Poland were the largest exporters to the U.S.

TURKEY

Production

Turkey production was 499 thousand pounds in March (ready-to-cook basis). Average daily production in March was up 5 percent compared to both February and to March 2014. Increases in production were all attributable to increases in the number of birds slaughtered. Both poults placed in March and eggs in incubators on April 1 were up 5 percent, indicating that producers hope to keep production running above last year's levels. However, whether that occurs depends on the extent of damage done by outbreaks of HPAI in major turkey producing states.

Total turkey stocks held in cold storage as of March 31 were up 3 percent from 2014 levels, about the same as at the end of February. Whole turkeys were up 11 percent, mainly due to increased holdings of whole toms, up 16 percent. White meat stocks were down 12 percent year-over-year, while dark meat stocks were up 28 percent.

Price

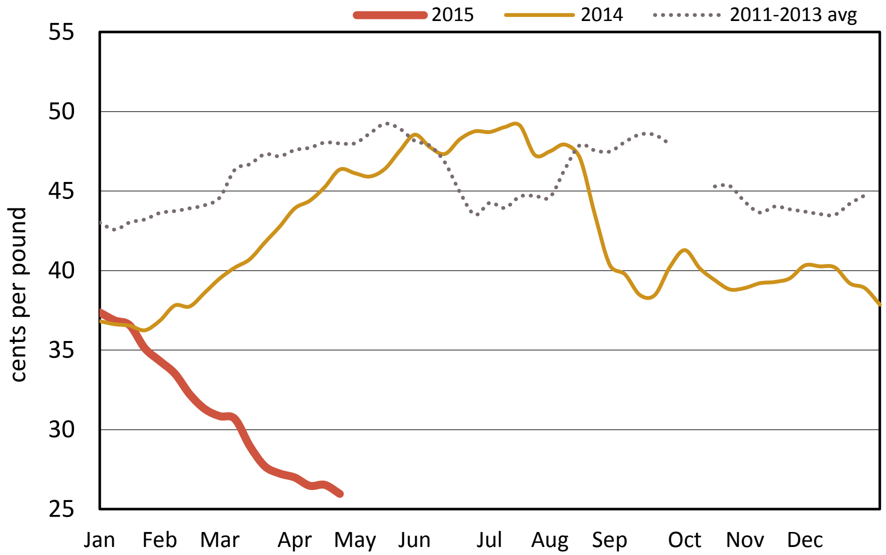
Whole turkey prices rose seasonally in April. Frozen whole hens rose 6 cents to close the month at 105 cents/lb. Boneless/skinless (B/S) breast meat rose sharply, gaining 37 cents over the month, and reached 330 cents/lb. by month's end. Dark meat items, however, were flat or down. B/S thigh meat traded within a penning of its 137 cents/lb. closing price. Tom drumsticks fell 3 cents to 61 cents/lb.

International Trade

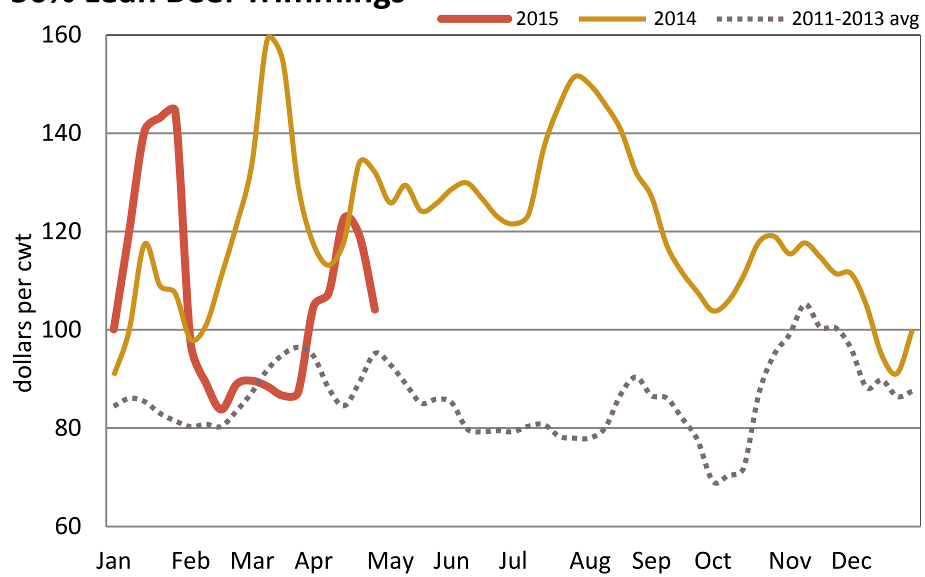
March turkey exports totaled 24.6 thousand metric tons with a value of $52.3 million. This was an increase of 13 percent in volume and 14 percent in value compared to February as exports recovered following resolution of the West Coast dockworkers' slowdown, but was 11 percent below March 2014 in volume and 10 percent lower in value as the strong dollar and rising concerns about HPAI-limited overseas sales. For the first 3 months of 2015, exports were down 6 percent in both volume and value compared to 2014. The five largest export markets for turkey in March were Mexico, Canada, Hong Kong, South Korea, and Benin.

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

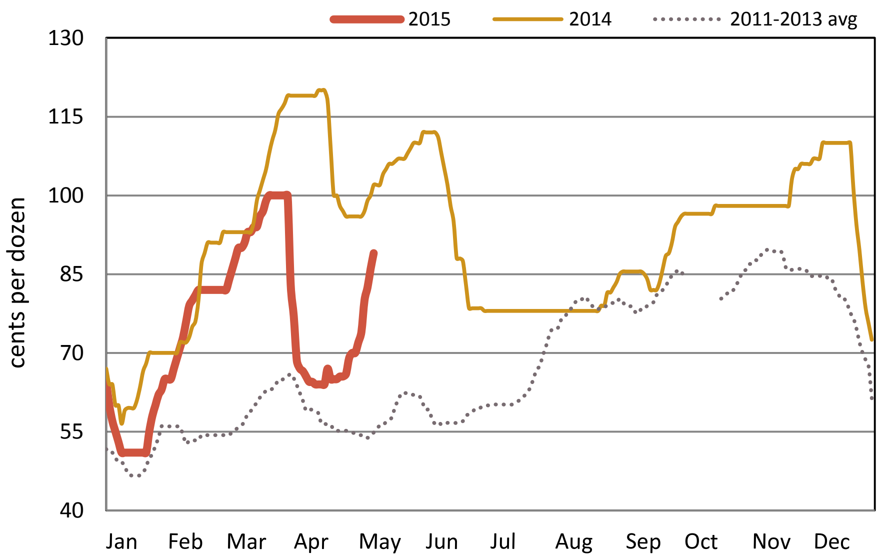
Southern States Bulk Leg Quarters



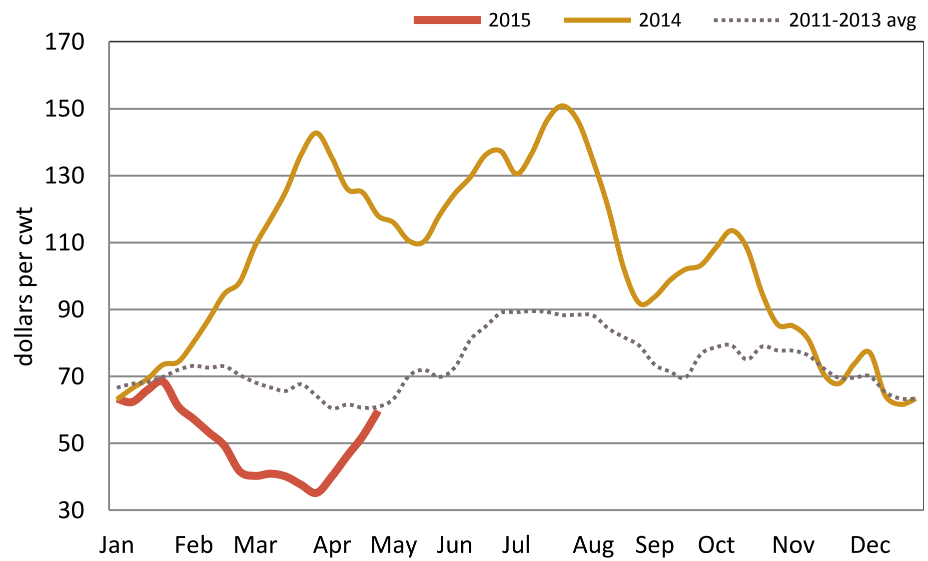
50% Lean Beef Trimmings



Central States Egg Breaking Stock



Boneless Pork Trimmings, Fresh 72% Combo



THE HPAI TOLL

HIGHLY PATHOGENIC AVIAN INFLUENZA - H5N2

In April 2015, over 140 outbreaks of HPAI occurred in more than 50 sites across the Upper Midwest, decimating the commercial market turkey and table egg industries. This is the toll as of May 08, 2015.

EGG LAYERS

22,800,000 BIRDS LOST

7.5% OF U.S. FLOCK ON APRIL 1

101,000,000 LESS EGGS PER WEEK

TURKEYS

BIRDS LOST 5,900,000

OF TURKEYS RAISED IN 2014 8.6%

DECLINE IN TURKEYS PROCESSED W/E MAY 2 2.3%

28,700,000

TOTAL MARKET BIRDS LOST

LOST CORN CONSUMPTION

630,000

BUSHELS/WEEK

Source: USDA AMS Agricultural Analytics Division