

EGGS

Production

Egg production showed continued signs of a slow recovery. Table egg production was unchanged monthly to 669 million dozen, 3 percent lower than August 2019 level. Similarly, shell eggs broken fell 1 percent monthly to 188 million dozen, down 11 percent from August 2019. Egg-type hatching eggs grew 2 percent monthly to 7.1 million dozen 3 percent above its August 2019 level. Layers on hand remain down, falling 1 percent monthly and 5 percent yearly to 314 million, but pullets added rose 14 percent monthly to 27.2 million in preparation for the holiday baking season, a level still 6 percent below the August 2019 level. Despite August declines in broiler egg set and chick placement, broiler hatching-egg production was unchanged monthly at 97.4 million, 4 percent above its August 2019 level. Broiler hatching-egg layers on hand were unchanged at 60.1 million, up 3 percent yearly.

Price

Reflecting tight supplies, egg price increases in September exceeded typical seasonal gains. The price for a dozen Large Grade A eggs in the New York wholesale market rose 13 percent to 102 cents per dozen, the National Index Price rose 10 percent to 59 cents per dozen, and the Central States Breaking Stock price rose 29 percent to 53 cents per dozen. Prices were up from September 2019 levels as well, with the New York large egg price up 8 percent, the National Index price up 32 percent, and the Central States price up 18 percent.

International Trade

U.S. table shell egg exports grew 35 percent by volume to 13.9 million dozen, up 14 percent yearly. The export value of \$9.0 million was also up 41 percent monthly and 6 percent yearly. See graph for detail showing the partial recovery of Canadian exports. At 2.3 metric tons, the egg products export volumes were down 36 percent monthly and 14 percent yearly. Egg product export values were valued at \$10.7 million in August, down 37 percent monthly but up 53 percent yearly. While Japan's 21 percent export share made it the top export destination, egg product shipments are highly variable at the country-level across time.

TURKEY

Production

August turkey production fell 6 percent on a monthly basis to 474 million pounds, a volume 5 percent lower than the August 2019 level (which had one fewer slaughter days). Even after correcting for fewer slaughter days in August 2020, future indicators are uniformly down from August 2019. Poultts placed fell 10 percent on a monthly basis to 20.6 million, 9 percent less than last year. Eggs hatched fell 6 percent on a monthly basis to 22.2 million, 8 percent less than last year. Turkey eggs in incubators (which are unaffected by slaughter days) fell 4 percent to 25.9 million, 3 percent less than August 2019. Total turkey in cold storage rose 2 percent on a monthly basis to 531 million pounds, down 6 percent on a yearly basis. Total turkey in cold storage was 13 percent lower on average in the 12 months ending in August 2020 compared to the previous 12 months. Reductions in cold storage stock (compared to August 2019) extended to all parts categories, with whole birds, hens, and toms down 11 percent, 14 percent, and 7 percent and breast, legs, and mechanically deboned meat down 10 percent, 10 percent, and 33 percent respectively.

Price

In the 20 months since January 2019, whole turkey prices have exceeded their previous year's price. September prices of whole fresh hens and toms rose 1 percent on monthly basis to \$1.25 per lb., 16 percent over the September 2019 level. Whole frozen hens and toms were also up 2 percent to \$1.12 per lb., 20 percent over September 2019 levels. In contrast to whole birds, prices for turkey parts remain down from their 2019 highs. Fresh tom boneless, skinless breast and thigh prices were unchanged monthly at \$1.79 per lb. and \$1.16 per lb., respectively 13 percent and 25 percent below their September 2019 levels. Fresh tom drumstick meat rose 1 percent on monthly basis to \$0.54 per lb., 24 percent lower yearly.

International Trade

U.S. exports of turkey totaled 21 thousand metric tons with a value of \$43.8 million, a 2 percent volume increase and 4 percent value increase from the previous month. Compared to August 2019, volume and value were 17 and 29 percent lower. While Mexico remains the top U.S. export market, shipments to China and Hong Kong totaled 11 percent of all exports, up from 2 percent of all exports in August 2019.

Production

Production of young chicken on a ready-to-cook basis were unchanged on a monthly basis at 3.7 billion pounds, a 3 percent reduction on a yearly basis. September broiler egg set is down 6 percent on monthly basis to 960 million, a figure less than 1 percent down from the September 2019 level. Chicks placed were down 3 percent down monthly to 792 million, 1 percent lower than its September 2019 level. Total stocks of chicken in cold storage at the end of August were up 1 percent from the previous month at 883 million pounds, down 2 percent from August 2019. Stocks of whole broilers were up 9 percent from the previous month and up 32 percent yearly. Boneless thighs in cold storage were down 6 percent monthly and 27 percent yearly. Drumstick stocks were up 7 percent yearly and down 18 percent monthly. Cold storage of boneless, skinless breasts was unchanged monthly and up 12 percent yearly. Cold stored wings were up 1 percent monthly, but down 27 percent yearly. Leg quarters were up 1 percent monthly yearly and up 10 percent yearly.

Price

Few chicken-part offerings saw price gains in September. Whole broiler prices were down 4 percent monthly at \$0.64 per lb., down 17 percent from the September 2019. Thigh and leg quarter prices are down sharply reflecting the continued weakness of the food service industry. Thigh prices fell 18 percent to \$0.67 per lb. for boneless, skinless preparations and 9 percent to \$0.39 per lb. for bone-in preparations, both levels 40-41 percent below 2019 levels. Similarly, leg quarters prices fell 11 percent monthly to \$0.23 per lb., 42 percent below 2019 levels. Breast meat and drums showed modest declines with boneless breasts falling, on a monthly basis, 14 percent to \$0.99 per lb., bone-in breasts falling 7 percent to \$0.98 per lb., and drumsticks falling 7 percent to \$0.37 per lb. Monthly price gains were modest. Wing prices rose 3 percent to 2.08 per lb., up 10 percent yearly, and tenderloin prices rose 4 percent to \$1.81 per lb., up 15 percent yearly.

International Trade

August chicken exports rose 5 percent by volume to 279 thousand metric tons and 2 percent by value at \$242 million. Volume was 2 percent above its August 2019 value, but value was 22 percent lower in the same period. Despite increasing 38 percent in volume terms, exports to China (including Hong Kong) remained 35 percent below the high point for the year, set in May. By value, Mexico, Canada and China (including Hong Kong) are the top three export destinations with shares of 16 percent, 13 percent, and 10 percent (See graph for detail on share movements).

Production

August 2020 beef production totaled 2.33 billion pounds, 2 percent lower than in 2019 and down 4 percent from July 2020. Cattle slaughter was 2.80 million head, 4 percent lower both year-over-year and monthly. The average live weight added 27 pounds from last year and 2 pounds from July to 1,365 pounds. Veal production in August 2020 was 5.0 million pounds, 17 percent lower year-over-year, and 14 percent below July. Calf slaughter fell to 34,200 head, down 33 percent yearly and 17 percent from July. The average live calf weight gained 47 pounds from 2019 and 9 pounds from July at 253 pounds. Total beef production for the year to date was 1 percent below last year, while veal production lost 10 percent. Total beef in cold storage at the end of August slipped 2 percent compared with the end of August 2019 but increased 5 percent over July's volume. Stocks of boneless beef added 5 percent on a monthly basis but lost 1 percent yearly. Beef cuts were 6 percent lower month-over-month and 13 percent lower year-over-year. Veal stocks in freezers rose 20 percent relative to July and 19 percent yearly.

Price

Live cattle prices (FOB, steers and heifers) strayed little from \$104 per cwt through September 2020, so there was no change from August 2020, though the price increased 2 percent from September 2019. The monthly average beef cutout value rose \$3 per cwt, to \$219 per cwt, 2 percent higher than August but down slightly from last September. The 90 percent lean boneless beef monthly average price lost \$9 per cwt, down 4 percent on a monthly basis and 3 percent yearly at \$218 per cwt. The September 50 percent lean trim average lost \$8 month-over-month (15 percent) to \$52 per cwt. On a yearly basis the price again dropped 40 percent. The average price for hide-off veal carcasses gained \$2 for a September average of \$285 per cwt, up slightly on a month-to-month basis, but down 8 percent yearly.

International Trade

Compared to 2019, August 2020 beef and veal exports (including variety meats) were 4 percent below last year at 110 thousand MT, while the export value was down 2 percent at \$674 million. The export volume rose 2 percent on a monthly basis, while the value was up 4 percent. For the year to date beef exports remain down 8 percent from 2019, and the value of exports is down 9 percent. In August South Korea, Japan, Canada, Taiwan and Hong Kong were our largest export markets, with more than half exported to South Korea and Japan. Year-over-year beef import volumes for August rose 30 percent compared to last year for a total of 123 thousand MT and were 28 percent higher in value at \$700 million. On a monthly basis both volume and value fell 7 percent. So far this year 2020 beef imports were up 17 percent in value and 11 percent in volume. Australia, Canada, Mexico each imported about one-fourth of beef sent to the U.S. in August 2020.

Production

Total pork production in August was 2.34 billion pounds, 1 percent lower than the prior month but up 4 percent yearly. The number of hogs slaughtered was 11.1 million head, down slightly from July though up 2 percent from August 2019. Average live hog weight rose 3 pounds over 2019 but lost 1 pound monthly for an average of 282 pounds. Total 2020 pork production to date is up 3 percent from this period in 2019. Stocks of all pork in cold storage at the end of August were 2 percent higher than July but down 23 percent from last year. Ham inventories added 8 percent for the month-over-month volume but fell 27 percent year-over-year, with stocks of bone-in hams up 7 percent monthly, boneless hams up 8 percent monthly but both bone-in and boneless ham stocks down 27 percent from 2019. Belly inventories fell 33 percent monthly and 28 percent yearly. Total loin stocks grew 7 percent from the July inventory and but fell 6 percent yearly. Pork rib stocks lost 1 percent monthly and 21 percent year-over-year. Pork trimmings in freezers fell 9 percent from July and 11 percent from last year.

Price

The monthly average negotiated carcass price for barrows and gilts in September 2020 jumped \$18 per cwt to \$57 per cwt, up 44 percent monthly and 19 percent yearly. The pork cutout value regained \$13 in September, 18 percent higher monthly and up 20 percent yearly at \$85 per cwt. Prices of boneless center cut loin (strap on) rose \$6 to \$116 per cwt, 5 percent above the August price but down 3 percent from 2019. The monthly average price for trimmed, bone-in hams, 23-27 pounds spiked \$19 from the August average to \$61 per cwt, 44 percent higher monthly and up 1 percent yearly. Prices for picnic meat combos, cushion out, added \$2 to a monthly average of \$91 per cwt, up 2 percent monthly and 28 percent yearly. The 72 percent lean pork trimmings price rose \$3 per cwt, adding 3 percent of its August value, and 46 percent to the 2019 value, at \$84 per cwt. Pork belly primal values increased \$31 on a monthly basis to \$138 per cwt, 29 percent higher monthly and up 37 percent yearly.

International Trade

Exports of pork (including variety meats) fell 1 percent from August 2019 to 213 thousand metric tons and lost 9 percent in value to \$507 million. Compared to July, export volume was down 2 percent and value was 3 percent lower. Cumulative exports for 2020 so far remain up 18 percent in volume and up 19 percent in value. Japan, China, Canada, Mexico and South Korea again are our largest export markets, with roughly half the exports sent to Japan, China and Canada. Compared to last year, August pork imports were 3 percent lower in volume at 35 thousand MT and down 2 percent in value at \$131 million. Import volume was increased 8 percent from July and value rose 13 percent. For the year to date, the volume of pork imports was down 11 percent from 2019, and the value down 7 percent. In August Canada was the source of more than half of pork imports.

Production

August lamb and mutton production, at 10.8 million pounds, was 15 percent below August 2019 and down 11 percent from July. Sheep slaughter totaled 174,800 head, 10 percent lower than July, dropping 14 percent off last year's slaughter. The average live weight lost 2 pounds compared to last month and 3 pounds below last year. January to August 2020 commercial lamb and mutton production fell 8 percent from 2019. Lamb stocks in cold storage were down 9 percent from 2019 and 5 percent lower on a monthly basis.

Price

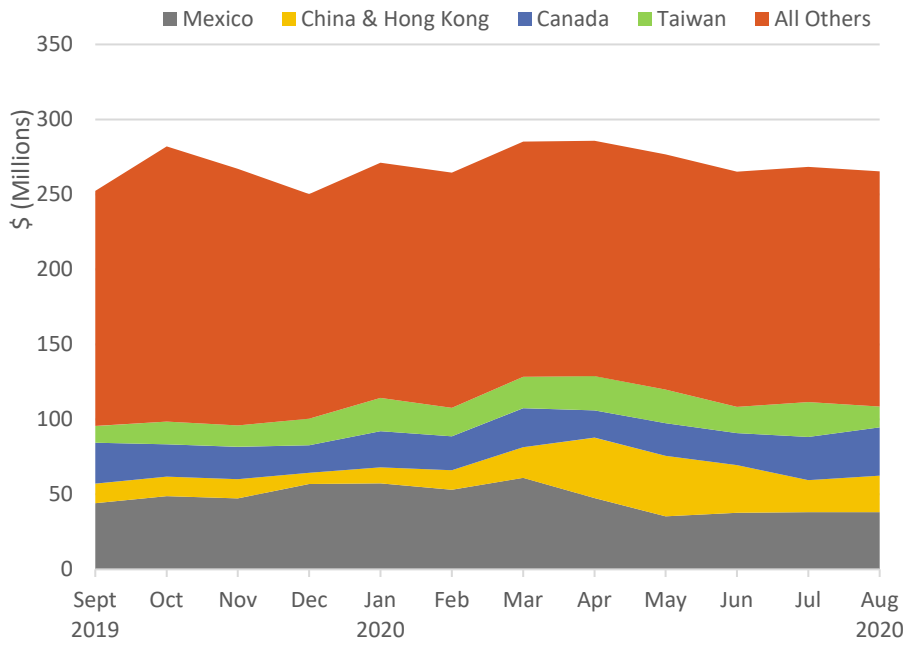
Negotiated live slaughter lamb prices continue to not be reported due to confidentiality. The average lamb cutout value added \$6 on a monthly basis to average \$424 per cwt, up 1 percent monthly and 7 percent above last September. Leg of lamb, trotter-off (233A) gained \$2 for an average of \$366 per cwt, 1 percent higher monthly but down 5 percent yearly. The average price for lamb shoulder (IMPS 207) in September increased \$11 to \$340 per cwt, up 3 percent from the month before and up 5 percent from September 2019. Trimmed 4x4 loins spiked \$39 to \$651 per cwt, 6 percent higher than August and 26 percent above last year.

International Trade

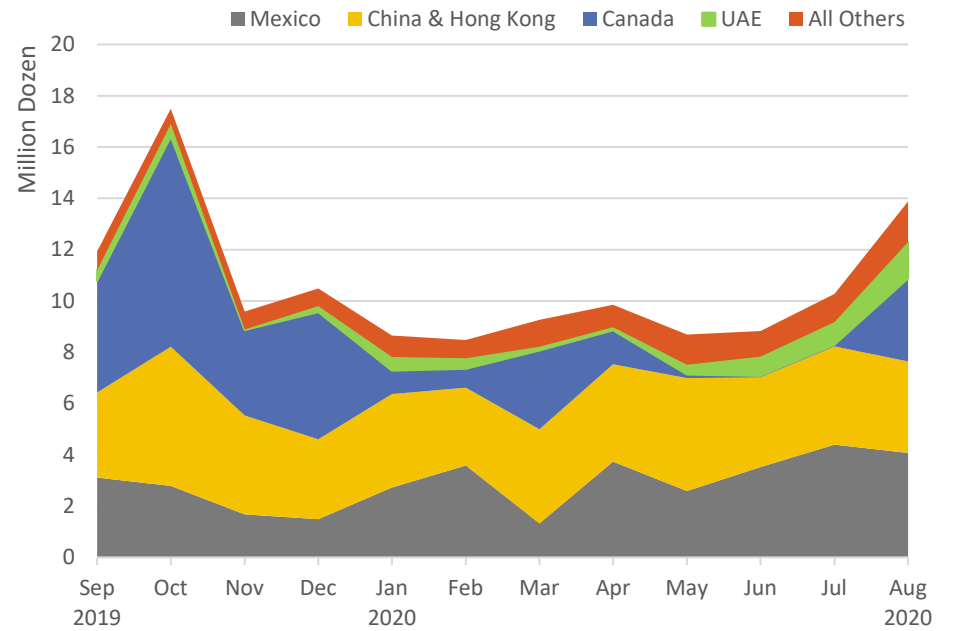
The U.S. lamb export volume lost 20 percent in August relative to July, and spiked 1,130 percent yearly, with exports at 1,675 metric tons. The monthly export sales value fell 21 percent but on a yearly basis rose 99 percent to \$1.27 million. For the year 2020 so far, lamb exports were 352 percent above the 2019 volume, but the value of exports was up a mere 6 percent. The vast majority of lamb exports went to Mexico, with Bermuda and the Dominican Republic the next highest destinations for U.S. lamb and mutton. Imports of lamb to the U.S. increased 21 percent in August compared to July at 9 thousand metric tons, while the value of imports lost 4 percent to \$62 million. Year-over-year imports were down 5 percent in volume and down 24 percent in value. Total lamb imports for 2020 so far are up 6 percent in volume, but down 16 percent relative to 2019. More than three-fourths of August imports were from Australia. New Zealand imported 22 percent of the lamb to the U.S.

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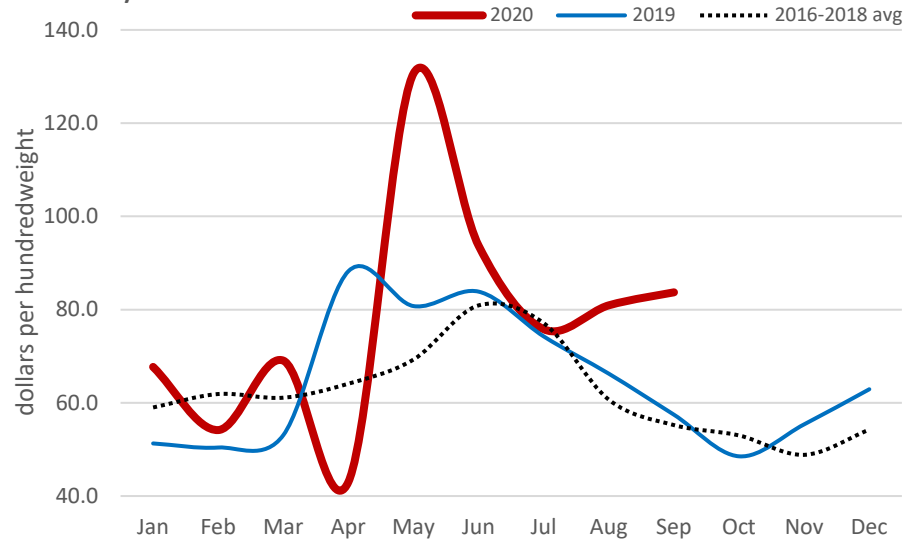
2020 Chicken Exports in Millions of Dollars



Shell Egg Exports (Million Dozens Eggs)



Monthly Pork 72% Trim Combo Price



Monthly 50% Beef Trimmings Price

