



Egg Markets Overview

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Wholesale prices for shell eggs posted steady increases through the trading week as buyer interest rises in expectation of rising consumer demand as the market heads towards September. However, some of the steam began to go out of the market as the week closed. Offerings and supplies are light to moderate with sellers hoping for increased demand in coming weeks. The pace of trading is moderate. Prices for national trading of trucklot quantities of graded, loose, White Large shell eggs increased 13 percent (from \$0.907 to \$1.029 per dozen). The wholesale price on the bellwether New York market for Large shell eggs delivered to retailers increased 6 percent but steadied at the week's end (from \$1.19 to \$1.28 per dozen) with a steady undertone. The Midwest wholesale price for Large, white, shell eggs delivered to retailers increased 8 percent (from \$0.97 to \$1.05 per dozen) and the California benchmark for Large shell eggs gained 5 percent (from \$1.51 to \$1.59 per dozen). Both markets reflect the strength seen in the marketplace late last week and are expected to gain into next week. Consumer demand for shell eggs is average for this time of year as summer vacations transition into the new school year. In recent years, demand has risen steadily moving towards September into the start of the new school year and fall demand. However, this trend hit a bump in the road this week as demand softened in the face of wholesale shell egg prices selling at a level nearly twice that of last year while shell eggs at retail are running 14 percent over last year on half of the promotional activity.

Supermarket feature activity for conventional shell eggs retreats from last week's pace. The average ad price decreases 5 percent (from \$1.19 to \$1.13 per dozen). Featuring of specialty shell eggs is about unchanged and comprises 80 percent of ad share, once again, dominated by organic offerings. Offerings of [UEP-defined](#) cage-free eggs decline from the past cycle and accounts for 14 percent of total shell egg featuring this week. The average ad price for Large cage-free loses one percent (from \$2.93 to \$2.89 per dozen). The spread between 12-packs of Large conventional shell eggs and their cage-free counterparts, at \$1.76 per dozen this week, its widest point in 2018 to date, widens by one percent.

The overall inventory of shell eggs gained one percent while the national inventory of Large eggs was up nearly one percent. The inventory of Large eggs in the key Midwest production rose 5 percent as retail promotional activity stalls. The inventory share of Large caged eggs increased slightly to 47.5 percent of stocks. Stocks of Medium eggs gained a half percent this week while stocks of ungraded eggs were about unchanged again this week. Breaking stock inventories were down nearly 10 percent as breakers worked from existing stocks as much as possible to avoid a strengthening spot market. Total table egg production for the week is unchanged from last week and continues to run about 2 percent over last year's rate (about 3.5 million dozen).

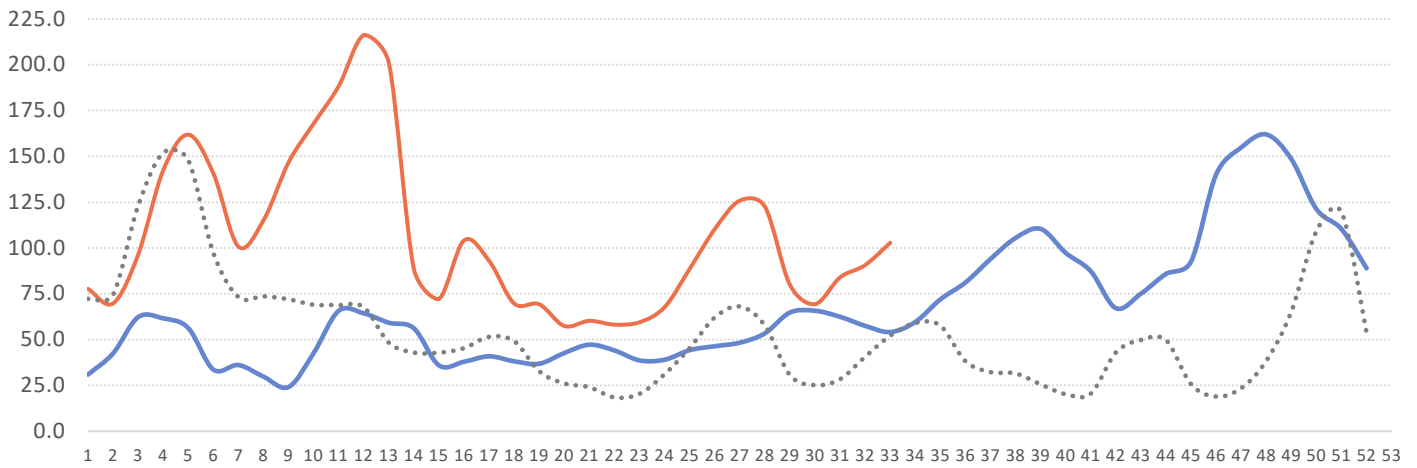
The wholesale price for breaking stock in the Central State was unchanged at \$0.58 per dozen with a firm undertone noted. Offerings are light, supplies are moderate and sufficient for current full-time breaking schedules. Demand is moderate while trading slows. The volume of eggs processed this past week increased one percent and the share of eggs broken of weekly table egg production increased slightly to just over 33.5 percent. The rate of eggs processed is currently 8 percent over the same point in 2017 and continues to press historic high levels. Production of whole egg was down one percent but production of whites and yolk increased, 3 percent for whites and 8 percent for yolks.

Wholesale prices for certified liquid whole eggs were untested this week with a steady to firm undertone. Demand is moderate to good while trading is moderate for light to moderate offerings. Wholesale prices for frozen whole egg products increased 4 percent (from \$0.82 to \$0.85 per pound) while prices for frozen whites were down one percent (from \$0.83 to \$0.82 per pound). Demand is moderate to fairly good for light supplies and moderate offerings. Trading is moderate to active. Wholesale prices for dried eggs are mixed with whole dried egg up 2 percent (from \$3.20 to \$3.25 per pound); dried yolk unchanged at \$3.35 per pound; and dried albumen prices down one percent (from \$6.25 to \$6.20 per pound). Demand is moderate to good, best for yolk. Offerings and supplies are mostly light to moderate. Trading is moderate to active.

The monthly inventory of total dried egg products began to rise, gaining 15 percent in June but 52 percent below June 2017. Stocks of whole dried eggs increased 26 percent from May while stocks of whites were up 21 percent. Stocks of dried yolks were down one percent and stocks of dried blends increased 56 percent but were 56 below June 2017.

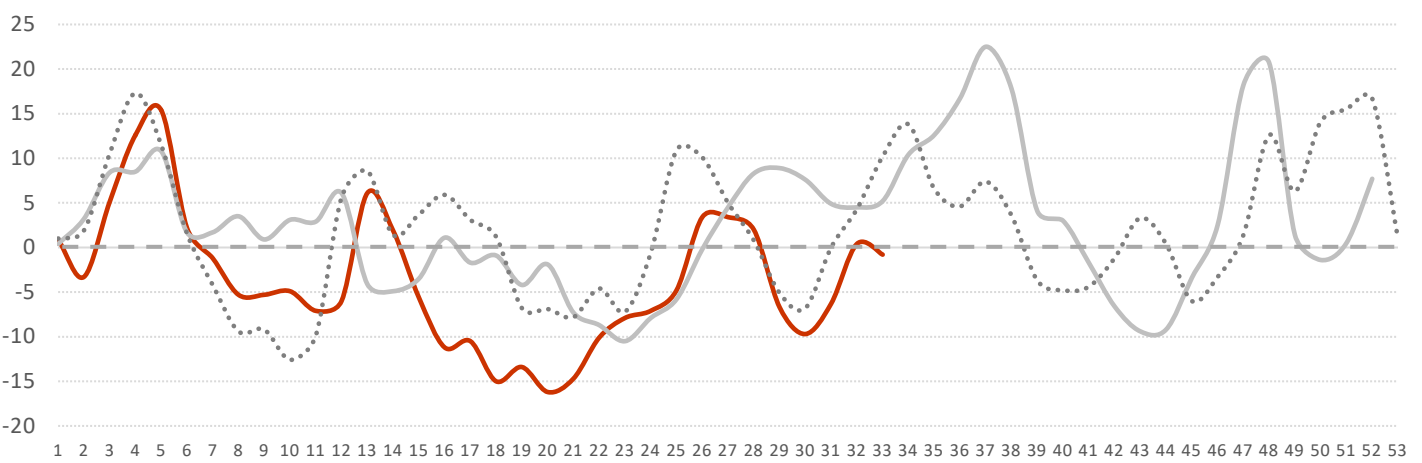
Cage-free commitments stand at 230 companies across 7 egg-consuming sectors. This companies will require 63 billion cage-free eggs per year to fully realize their 100% cage-free commitments. This will require a cage-free flock of over 225 million hens (70% of the U.S. non-organic flock), indicating a shortage of 185 million hens from the current non-organic cage-free flock of just over 40 million hens.

Shell Eggs, Large, White, National Index (f.o.b. dock, cents per dozen) 2018 2017 2016



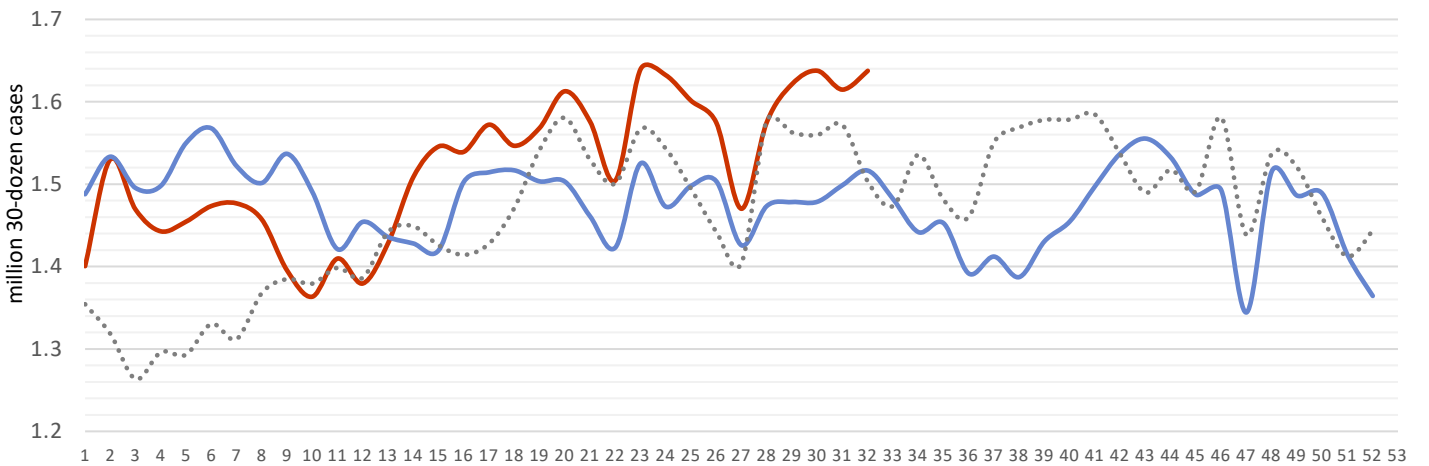
Source: USDA AMS Agricultural Analytics

U.S. Table Egg Demand (Shell Egg Demand Index) 2018 2017 2016



Source: USDA AMS Agricultural Analytics

Weekly Eggs Processed (30-dozen cases) 2018 2017 2016



Source: USDA AMS Agricultural Analytics