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

Volume 11-16
November 2016

EGGS

Production

Table egg production in September was 601 million dozen, 11 percent higher than last September. Broiler-type hatching egg production in September was down 1 percent compared to 2015. There were 1.01 billion broiler-type hatching eggs produced. Egg-type hatching egg production was 86 million eggs, 8 percent above last year. Shell eggs broken totaled 196 million dozen during September, up 17 percent from September a year ago, but 4 percent below the 204 million dozen broken in August. The number of table-egg layers in the national flock on October 1 was up 8 percent compared to 2015. Hatching egg layers for the table egg flock were up 6 percent compared with last year, and the broiler-type hatching egg flock was 1 percent below last year. The number of pullets added during September for all types of egg production was down 5 percent year-over-year.

Price

Table egg prices began October on a down note. The price of one dozen Grade A large eggs in the New York wholesale market fell from 59 cents/dozen to 52 cents/dozen by mid-month. The market then began its traditional fall rally and rose to 80 cents/dozen by month's end and continued rising in early November. Breaking stock prices continue to struggle. After showing small signs of strength in the second half of September, by early October breaking stock prices stabilized at 17 cents/dozen and remained there through the beginning of November.

International Trade

Shell egg exports in September totaled 13.6 million dozen with a value of $13.2 million. Compared to August, shell egg exports were up 37 percent in volume and 30 percent in value. Compared to September 2015, exports were up 43 percent in volume but down 22 percent in value, following 2015's cuts in production and supplies due to HPAI. For the first 9 months of 2016, exports were down 19 percent in volume and 40 percent in value.

September's egg products exports were valued at $10.1 million, up 4 percent from August and up 32 percent compared to last September. Year-to-date, exports were down 24 percent compared to 2015. Mexico, Canada, Japan, Jamaica, and Hong Kong were the five largest importers of U.S. shell eggs and egg products.

TURKEY

Production

Turkey production in September totaled 493 million pounds on a ready-to-cook basis. Daily production was 1 percent above August, 10 percent above September 2015 when the industry was struggling to recover from the HPAI outbreak Most of the increase was driven by more birds slaughtered (6 percent up), but dressed weights were also up 3 percent because last year producers were diverting some toms from processing into meeting retail needs for Thanksgiving. Turkey production continues to expand. While poults placed in September were up 16 percent and eggs in incubators on October 1 were up 17 percent compared to last year, comparisons with 2014 (when HPAI was not a problem) show that poults placed were up 5 percent and eggs in incubators were up 2 percent. As of September 30, overall turkey inventories were 14 percent above September 2015 levels. Whole bird holdings were up 1 percent, but, while whole tom stocks were up 6 percent, whole hens were down 4 percent. White meat inventories were up 40 percent year-over-year, which is reflected in the continuing softness of breast meat prices. Dark meat stocks were down 11 percent compared to last year.

Price

Whole turkey prices continued to be volatile in October. Frozen whole hens appear to have reached their fall peak and dropped slightly during the month, closing at 122 cents/lb. Similarly, frozen whole toms fell to 119 cents/lb. at the end of October. Turkey meat prices, however, were unchanged or up. Boneless/skinless (B/S) breast meat was unchanged at 214 cents/lb. and B/S thigh meat was up 15 cents (14 percent) to 121 cents/lb., its highest value since December 2015. Tom drumsticks were also up, rising 3 cents (7 percent) to 50 cents/lb.

International Trade

The US exported 25,000 metric tons of turkey in September with a value of $57 million, 2 percent below August in volume but even in value. Compared to last year, exports were up 30 percent in volume and 14 percent in value. For the first 3 quarters of 2016, exports were up 5 percent in volume and down 1 percent in value compared to 2015. The top five destinations for exports in September were Mexico, Hong Kong, Japan, Panama, and Canada.

CHICKEN

Production

Total broiler production in September was 3.45 billion pounds on a ready-to-cook basis. September's daily production was 4 percent above August but 1 percent below last September. The year-over-year decline was due equally to decreases in the number of birds slaughtered and in average dressed weights. Production through the end of the year should be higher than last year; for the four weeks ending October 29, the number of eggs in incubators and chicks placed were both 3 percent above the same period last year.

Total chicken in cold storage on September 30 was 1 percent below levels on August 31 and were 4 percent below September 30, 2015. Inventories of whole broilers dropped 3 percent compared with August, but were 72 percent over one year earlier. While both breast meat and overall dark meat supplies were unchanged from August, the year-over changes were very different. White meat holdings increased 7 percent year-over-year, while dark meat holdings fell 20 percent. Individual dark meat items all behaved similarly, with leg quarter holdings down 19 percent, legs down 24 percent, thighs and thigh meat down 26 percent, and drumsticks down 13 percent. Wing stocks fell 1 percent for the month but rose 26 percent compared with 2015 levels.

Price

Whole broiler prices fell a penny (2 percent) in October and were 71 cents/lb. at the end of the month. Breast meat prices fell sharply in October. Boneless/skinless (B/S) breast meat fell 18 cents (16 percent) to close at 111 cents/lb. Dark meat prices were relatively stronger. B/S thigh meat prices were essentially unchanged, and at 124 cents/lb., were greater than B/S breast prices for most of the month, the first time that has occurred since January 2014. Leg quarter prices fell one cent (4 percent) to 26 cents/lb. after remaining at 27 cents/lb. since late August. Drumsticks also dropped a penny (2 percent) to40 cents/lb. Wings were unchanged at 182 cents/lb.

International Trade

Total chicken exports in September were 268 thousand metric tons, valued at $247 million. This was an increase of 2 percent in volume but a decrease of 2 percent in value compared to August and an increase of 22 percent in volume and a 12 percent increase in value. The year-over-year increases are due to trade restrictions put in place in the summer of 2015 by many trading partners in the wake of the HPAI outbreaks in turkey and egg laying flocks. These restrictions have since been largely lifted, allowing a greater flow of exports to return. Year-to-date, exports have been up 2 percent in volume and down 9 percent in volume compared to 2015. In September, our five largest export destinations were Mexico, Canada, Cuba, Hong Kong, and Angola.

BEEF/VEAL

Production

Beef production in September was 2.18 billion pounds up 4 percent from both 2015 and from August 2016. At 2.62 million head, cattle slaughter was up 6 percent from last year, but was down 5 percent from the prior month. The average live weight was down 12 pounds yearly, at 1,370 pounds. Veal production totaled 6.2 million pounds, 10 percent below year earlier but up 2 percent from August. Calf slaughter came to 42,500 head, up 14 percent from 2015 and up 8 percent monthly. The average live weight was down 61 pounds from the year before, at 251 pounds. Beef production for 2016 so far was 6 percent higher than last year and veal was down 8 percent. Total stocks of beef in freezers at the end of September were up 9 percent from August and up 4 percent from last September. Boneless beef storage was also 9 percent higher monthly and up 4 percent yearly. Frozen inventories of beef cuts were up 13 percent from the month before and up 7 percent from 2015. Beef inventories were a record high for the month of September since the data was first recorded in 1932. Veal supplies in cold storage were 33 percent higher on a month-to-month basis, and 87 percent higher yearly.

Price

Live cattle prices (FOB, steers and heifers) continued to drop in October, falling to a 6-year low of $98 per cwt before closing up at $104 per cwt, 23 percent below last year. The beef cutout value hit a monthly bottom at $180 per cwt, but ended up slightly to $182 per cwt, 17 percent below the 2015 value. The 90 percent lean boneless beef price fell steadily through October, losing $7 to close at $192 per cwt, 13 percent below the 2015 price. 50 percent lean trim saw a $1-$2 dip in the price, but closed up slightly at $35 per cwt, 45 percent below the 2015 level. Packer-owned veal carcasses fell $4 to $312 per cwt, down 32 percent from 2015, while non-packer owned veal carcasses fell $8 to close at $312 per cwt, 29 percent below 2015. The veal cutout average was steady at $513 per cwt, until the last week of October, when it closed at $483 per cwt, down 18 percent from 2015.

International Trade

Compared to September 2015, beef and veal exports (including variety meats) rose 27 percent to 101 thousand MT and the export value rose 17 percent to $533 million. The export volume was down 5 percent and the value was down 6 percent from August. 2016 exports for the year to date are 9 percent higher than in 2015, but the value is down 5 percent. Japan, South Korea and Mexico were our largest export markets in September. Year-over-year beef import volumes were down 23 percent to 78 thousand MT, and were down 30 percent in value to $410 million. Compared to August, beef imports were down 16 percent and value was down 17 percent. Total yearly imports for 2016 so far were 12 percent lower in volume and 23 percent lower in value than in 2015. Canada, Australia and Mexico were the largest importers of beef

PORK

Production

September pork production equaled 2.13 billion pounds, up 4 percent from last year but down 1 percent from August. 10.2 million head of hogs were slaughtered, up 5 percent from 2015 but 2 percent fewer than the month before. The average live weight was unchanged from last year, at 280 pounds. Accumulated pork production was up 1 percent on a yearly basis.

Frozen pork supplies were up 5 percent from August and down 2 percent from September 2015. Bone-in picnics were down slightly from ending inventory levels for August, but were down 20 percent monthly. Total hams in cold storage were up 10 percent from last month, and up 1 percent year-over-year. Pork trimmings were 8 percent higher than in August and were down 11 percent yearly. Inventories of ribs were 10 percent higher than last month and 2 percent below year earlier levels. Pork butts in freezers were up 19 percent from the August volume but down 3 percent from last September. Stocks of pork bellies were down 22 percent from last month but up 130 percent from last year.

Price

The negotiated carcass price for barrows and gilts continued its descent, losing $5 to $44 per cwt, 36 percent below the 2015 price. The pork cutout value fell $3 to end October at $73 per cwt, 17 percent below 2015. Trimmed, bone-in hams, 23-27 pounds, regained $6 to close at $57 per cwt, down 1 percent from 2015. Picnic meat combos, cushion out, added $10 to $79 per cwt, 5 percent above last year. Pork trim, 72 percent lean fell $6 to $43 per cwt, down 27 percent from the 2015 value. Pork belly primals gained $5 to end at $111 per cwt, down 26 percent yearly.

International Trade

Pork exports in September (including variety meats) were up 7 percent from 2015 to 180 thousand MT and the value was up 8 percent to $474 million. Pork export volume was down 1 percent, and the value was down 4 percent from August. For 2016 to date, the total export volume was up 5 percent and up 1 percent in value from last year. The largest overseas markets for U.S. pork were Japan, Mexico and Canada. Compared to 2015, September pork imports were down 11 percent in volume to 38 thousand MT and down 13 percent to $126 million. The volume of pork imports fell 6 percent from August, and 7 percent in value. Year-to-date measures showed pork import volume down 2 percent, but the value was up 3 percent from 2015. Canada, Denmark and Italy were the largest importers of pork.

LAMB

Production

Lamb and mutton production in September was down 2 percent from 2015 and 5 percent from August at 12.0 million pounds. Sheep slaughter totaled 193,300 head, slightly above last year and below last month. The average live weight was 125 pounds, down 3 pounds from the year before. Accumulated lamb and mutton production for the year to date was down 1 percent from 2015. Lamb and mutton freezer stocks were 11 percent lower than the close of August, and 22 percent below last year.

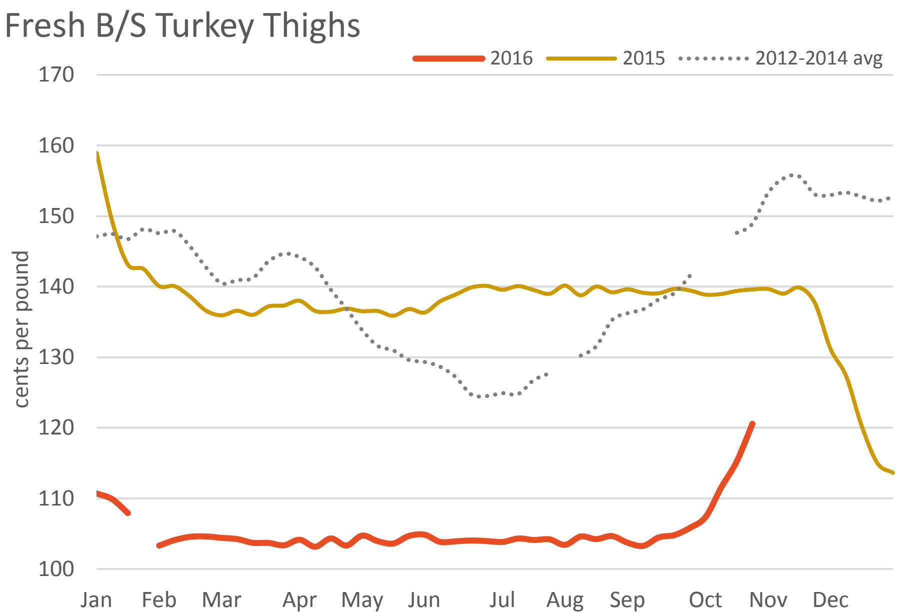
Price

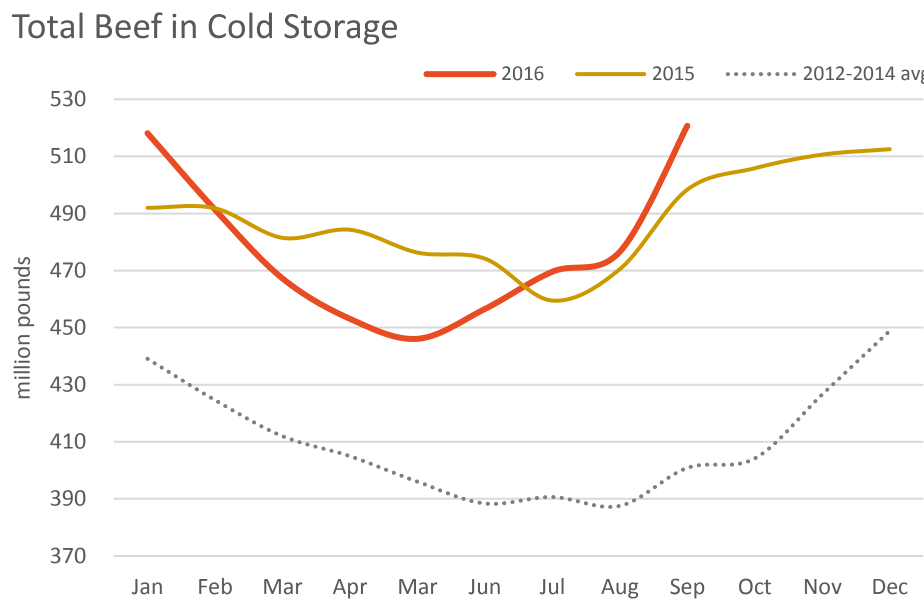
Negotiated live slaughter lamb lost another $10 through the month, closing at $145 per cwt, down 7 percent from the 2015 value. The lamb cutout fell $3, at $350 cwt, 2 percent below the 2015 value. Leg of lamb, trotter off prices were up briefly in mid-October, but ended down $2 to $346 per cwt, 1 percent above the 2015 price. Boneless lamb shoulder prices lost $5 per cwt, to $556, up 1 percent from last year.

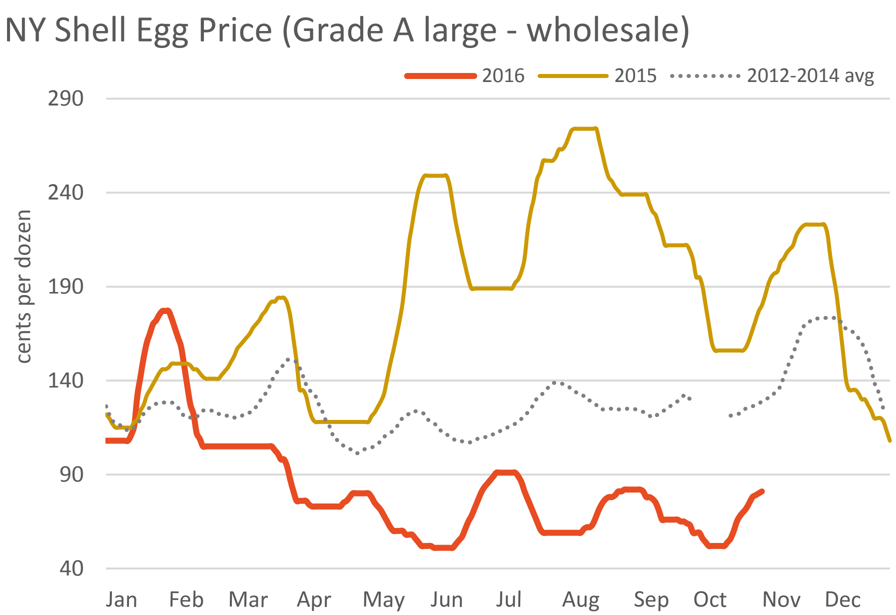
International Trade

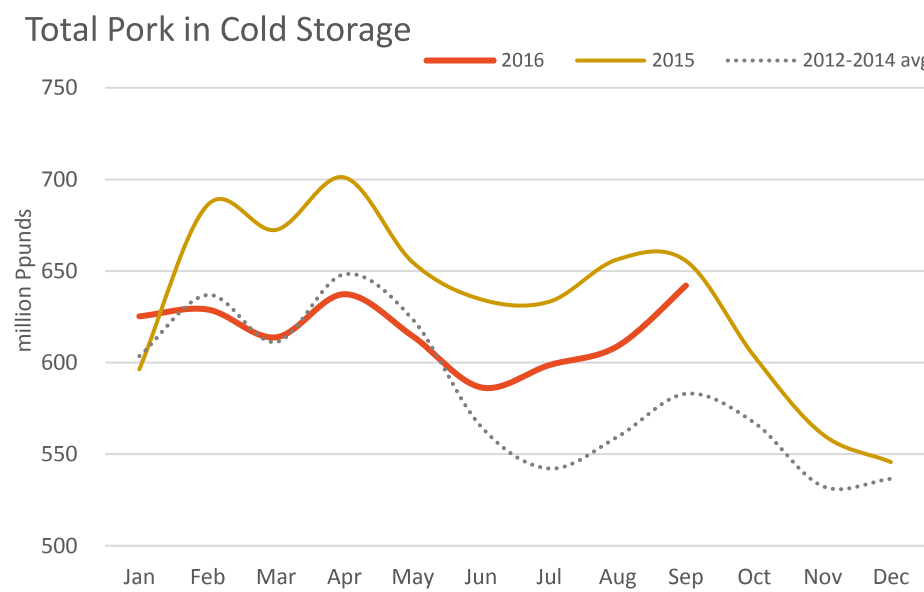
September lamb exports were up 63 percent from 2015 levels to 156 MT, and up 38 percent in value to $1 million. Compared to August, export volume was down 11 percent but the value was up 16 percent. Total exports for 2016 are higher by 10 percent in volume and 6 percent in value compared to 2015. The Netherlands, Mexico and Canada were the largest export markets of lamb and mutton. U.S. lamb imports in September were down 36 percent from 2015 to 5 thousand MT, with the value of imports down 31 percent to $38 million. The import volume and value were both down 23 percent from August. For 2016 to date, imports are up 6 percent in volume but down 1 percent in value from 2015. Australia and New Zealand were the largest importers.

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


Fresh B/S Turkey Thighs
2016
2015
2012-2014 avg
170
160
150
140
130
120
110
100
cents per pound
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec


Total Beef in Cold Storage
2016
2015
2012-2014 avg
530
510
490
470
450
430
410
390
370
million pounds
Jan
Feb
Mar
Apr
Mar
Jun
Jul
Aug
Sep
Oct
Nov
Dec


NY Shell Egg Price (Grade A large - wholesale)
2016
2015
2012-2014 avg
290
240
190
140
90
40
cents per dozen
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec


Total Pork in Cold Storage
2016
2015
2012-2014 avg
750
700
650
600
550
500
million Ppunds
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec

Turkey Time

Conventional

Turkeys are raised in climate-controlled barns that provide protection from predators, disease and bad weather. They are given medications to prevent illness and to suppress organisms that are potentially harmful.

$1.81 fresh/$1.11 frozen*
75% of offerings

Antibiotic-Free

Turkeys are raised in climate-controlled barns without the use of antibiotics except in the case of illness. Birds given antibiotics are not sold as antibiotic-free. Birds are fed a vegetarian diet. Sometimes called "Natural".

$2.58 fresh/$2.34 frozen*
12% of offerings

Fresh offerings
40%
at Thanksgiving 2015

61%
of 2015 turkey marketing occurred during Thanksgiving

Frozen offerings
60%
at Thanksgiving 2015

Free-Range

Turkeys are given access to the outdoors for at least part of the day with housing provided for protection from climate and predators.

$3.04 fresh*
2.6% of offerings

Heritage

Turkeys from breeds indigenous to the Americas, dating to early Colonial times. They grow at a slower rate resulting in a smaller bird.

$5.46 fresh*
1% of offerings

At Thanksgiving, offerings of frozen whole birds begin to flood supermarket circulars two weeks out and continue into the week before the holiday when fresh offerings arrive in force.

During Thanksgiving 2015, offerings of whole hens accounted for 51% of supermarket features and toms 49%. At Easter 2015, hens outpaced toms by 52% to 48%

Organic

Turkeys are raised in accordance with the USDA organic standards, are antibiotic-free, free-range, and non-GMO.

$4.01 fresh*
6.2% of offerings

Kosher

Turkeys are processed in accordance with Jewish dietary laws (Kashrut). The process requires soaking and salting and the birds are higher in sodium even after being rinsed.

$3.25 fresh*
3% of offerings

* Thanksgiving 2015 - average sale price per pound/percentage of holiday ads.
Source: USDA Agricultural Analytics; National Turkey Federation