The Economic Landscape

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

Volume 12-19
December 2019

EGGS

Production

Table egg production in October was up 5 percent from October at 700.9 million dozen, 3 percent above last year. Broiler-type hatching egg production was 1.11 billion broiler-type hatching eggs produced, up slightly from 2018. In October 92.7 million egg-type hatching eggs were produced, 1 percent more than last year. Shell eggs broken totaled 222 million dozen during October 2019, up 5 percent from October a year ago, and 8 percent above the 205 million dozen broken during the previous month.

The number of table-egg layers in the national flock on November 1 edged up slightly to 336 million birds, rising 1 percent from both October and from the previous November. Hatching egg layers for the table egg flock rose to 3.6 million birds, 9 percent over last November, and the broiler-type hatching egg flock rose to 58.6 million birds, up 1 percent in the same period. The number of pullets added during October for all types of egg production was 26.8 million, falling 2 percent from the previous October.

Price

November was the first month in which 2019 egg prices exceeded their 2018 levels. Prices for one dozen Large Grade A eggs in the New York wholesale market rose 67 cents to average of 144 cents/dozen, 86 percent above the October price and 10 percent above its November 2018 level. Breaking stock prices rose 31 cents to 78 cents per dozen, 73 percent above October's price and 4 above its November 2018 level.

International Trade

U.S. table shell egg exports in October totaled 17.5 million dozen, up 47 percent from September and up 28 percent from October 2018. The export value was $12.1 million, 28 percent higher monthly but down 2 percent yearly. At 3.2 metric tons, the volume of egg products exported was up 30 percent from September and 42 percent above October 2018. Egg product exports in October were valued at $12.1 million, 33 percent above September and 35 percent above last year. Cumulative yearly exports of egg and egg product exports are down slightly in volume and value 4 percent. Mexico, Canada and Hong Kong were the largest export for eggs and egg products.

TURKEY

Production

The U.S. produced 546 million pounds of turkey on a ready-to-cook basis in October, up 18 percent monthly but down 5 percent yearly. Total yearly turkey production is down 1 percent from 2019. Turkey eggs in incubators on the first of October were down 9 percent monthly and 11 percent yearly at 27 million eggs, while October poult placements rose 9 percent monthly but fell 3 percent year-over-year, at 22 million.

Total turkey stocks fell sharply with end-of-October levels being 25 percent less than end-of-September levels and 11 percent less than 2018 end-of-October levels. Whole frozen bird stocks were down 16 from last year with hens down 9 percent and toms down 20 percent. Breast meat stocks were 5 percent lower year-over-year, while leg meat stocks were down 36 percent.

Price

The price of whole frozen hens was 99 cents/lb., up 3 cents (or 2 percent) over the October 2019 price and 21 percent over November 2018 price. The whole frozen toms price was 98 cents/lb., up 2 cents or 1 from October 2019 price and 24 percent from the November 2018 price. For individual cuts, the fresh tom boneless/skinless breast price was 203 cents/lb., down 2 percent on both a monthly and yearly basis. Fresh tom boneless/skinless thigh meat again held mostly steady on a monthly basis at 156 cents/lb., 20 percent higher than November 2018. Fresh tom drumsticks rose a penny to end at 74 cents/lb., 3 percent higher both monthly and yearly.

International Trade

In October, the U.S. exported 28.7 thousand metric tons of turkey products with a value of $68 million. This volume was 27 percent higher than September and the value was 17 percent higher. Compared with October 2018, exports were down less than 1 percent in volume and value. Total 2019 exports to date outpace 2018 by 8 percent in volume and 5 percent in value. Mexico, Canada, Panama, Guatemala and the Dominican Republic were the top export markets for U.S. turkey meat.

CHICKEN

Production

Production volume of young chicken in September, at 4.1 billion pounds on a ready-to-cook basis, up 11 percent from last month and 5 percent yearly. For the year-to-date, young chicken meat production was up 2 percent. For the five weeks ending December 4, eggs set were up 4 percent and chicks placed were up 30 percent compared with the same period last year.

Total stocks of chicken in cold storage at the end of October were 915 million pounds, up 2 percent from the end of September 2019 and down 4 percent from October 2018. Stocks of whole broilers were up 1 percent from the previous month and 37 percent from the year before. Bone-in thighs in cold storage were up 24 percent from October 2019 and 2 percent year-over-year, while drumstick supplies lost 4 percent monthly and 16 percent yearly. Stocks of b/s breasts in freezers were 2 percent higher yearly and 5 percent higher monthly. Cold storage of wings lost 1 percent for the month and down 30 percent from last year's levels. Leg quarters were down 2 percent from last year and were up 15 percent monthly.

Price

Compared to October, whole broiler prices were down a penny, or 2 percent, closing November at 78 cents/lb., 10 percent below the 2018 monthly average price. Boneless/skinless (B/S) breast prices rose 2 cents/lb. to 89 cents/lb., 2 percent higher monthly and 4 percent higher yearly. Wing prices lost 10 cents through October (6 percent) to 174 cents per pound, but still 20 percent higher yearly. Bulk leg quarter prices lost 5 percent of their value through October, falling 2 cents to 33 cents/lb., but still 18 percent above 2018. Boneless/skinless thigh meat prices was unchanged from October at 112 cents/lb., 5 percent below 2018 November value. Bone-in thighs rose 7 cents/lb. in October to 62 cents/lb., up 12 percent from October 2019 and 26 percent from November 2018. Drumsticks lost 2 cents to 36 cents/lb., a monthly loss of 7 percent but 1 percent below last year's value.

International Trade

October exports of chicken and chicken products totaled 276 thousand metric tons valued at $303 million. This is an increase in volume and value of 6 percent and 8 percent, respectively, relative to September. Year-over-year, this represents a 9 percent lower volume but a 9 percent increase in value. Year-to-date exports of chicken are up 1 percent in volume and up slightly value. Mexico, Canada, the Philippines, Vietnam and Taiwan were the largest importers of U.S. broiler meat.

BEEF/VEAL

Production

October 2019 beef production was up slightly from last year and up 11 percent from last month at 2.44 billion pounds. Cattle slaughter numbers totaled 2.98 million head, up 1 percent year-over-year, and up less than 1 percent monthly. The average live weight was down 3 pounds from last year and up 8 pounds from September at 1,360 pounds. Beef production for the year-to-date is up 1 percent from 2018. Veal production in October 2019 was 7.0 million pounds, down 2 percent yearly and 16 percent monthly. Calf slaughter volume equaled 55,300 head, up 3 percent yearly and up 13 percent from September. The average live weight was up 6 pounds from September at 222 pounds, and but down 9 pounds yearly. Accumulated veal production was down 1 percent from last year.

Total beef in cold storage at the end of October was down 10 percent compared with the end of October 2018, and down 1 percent compared with September. Stocks of boneless beef were down 1 percent monthly and down 8 percent yearly, while beef cuts were up 4 percent month-over-month and down 23 percent year-over-year. Veal stocks in freezers were 1 percent below November and were down 43 percent yearly.

Price

Live cattle prices (FOB, steers and heifers) gained another $5 to $115 per cwt, up 5 percent from October and 1 percent from the November 2018 price. The monthly average beef cutout value jumped $16 per cwt., to $236 per cwt, 7 percent higher monthly and 10 percent higher yearly. The 90 percent lean boneless beef monthly average price also added $16 to close November at $237 per cwt., up 7 percent from October and 24 percent higher year-over-year. The 50 percent lean trim price rose $32 per cwt to $84 per cwt, 61 percent above October and up 24 percent from last year. The average prices for hide-off veal carcasses lost $3 to end at $308 per cwt, down 1 percent monthly and up slightly from last year.

International Trade

Compared to 2018, October 2019 beef and veal exports (including variety meats) were down 2 percent at 108 thousand MT, and the export value was down 2 percent at $649 million. The export volume and value were down 8 and 11 percent from September, respectively. Total exports for 2019 are 3 percent lower in volume and value compared to 2018. In October, South Korea, Japan, Hong Kong, Mexico and Canada were our largest export markets. Year-over-year beef import volumes for October were up percent to 87 thousand MT and were 11 percent higher in value at $520 million. On a monthly basis volume added 2 percent and value rose 3 percent. Year-to-date beef imports are 2 percent higher relative to 2018, with value up 6 percent. Canada, Australia, Mexico, Nicaragua and Brazil were the largest importers of beef to the U.S. in October 2019.

PORK

Production

Pork production was a record high for October at 2.6 billion pounds, up 16 percent monthly and up 6 percent from 2018. The number of hogs slaughtered was 12.3 million head, up 6 percent from October 2018 and up 6 percent monthly. The average live weight was up 2 pounds from last year and up 3 pounds from last month at 282. Pork production through October 2019 is up 6 percent from the same period in 2018.

Total stocks of pork in cold storage at the end of October were up 3 percent from September and up 8 percent from last year. Ham inventories dropped 14 percent month-over-month and lost 1 percent year-over-year, with stocks of bone-in hams down 16 percent monthly and down slightly on a yearly basis, and boneless hams down 12 and 2 percent, respectively. Belly inventories were up 13 percent monthly jumped up 72 percent from last year. Boneless loin stocks added 7 percent to the prior month but lost 3 percent yearly. Frozen pork trimmings added 13 percent to September stocks and 4 percent to last year's cold storage.

Price

The monthly average negotiated carcass price for barrows and gilts in November fell $9 per/lb. to $45 per cwt., down 17 percent monthly, and down 20 percent from last year. The pork cutout value rose $6 in November to a monthly average of $82 per cwt., up 8 monthly and 6 percent yearly. The monthly average price for trimmed, bone-in hams, 23-27 pounds jumped $17 to end at $86 per cwt., up 26 percent from last month and 70 percent yearly. Prices for picnic meat combos, cushion out, added $12 to close the month at $96 per cwt., 62 percent above 2018. 72 percent lean pork trimmings prices rose $6 per cwt. to end the month at $55 per cwt, up 23 percent from 2018. Pork belly primal values fell $9 to $116 per cwt., down 1 percent from November 2018.

International Trade

Pork exports (including variety meats) in October 2019 were up 12 percent from September at 219 thousand metric tons, and up 12 percent in value at $559 million. Compared to 2018, exports were 8 percent higher in volume and 12 percent in value. The year-to-date volume and value of pork exports were up 3 and 5 percent, respectively. Japan, China, Mexico, Canada and South Korea were our largest markets. Compared to last year, October pork imports were 4 percent lower in volume at 36 thousand MT, and 2 percent lower in value at $136 million. Import volume and value were up from September by 9 and 14 percent, respectively. Total imports for 2019 to date are down 10 percent in volume and 7 percent in value. Canada, Italy, Poland, Spain and Denmark were the top importers of pork to the U.S.

LAMB

Production

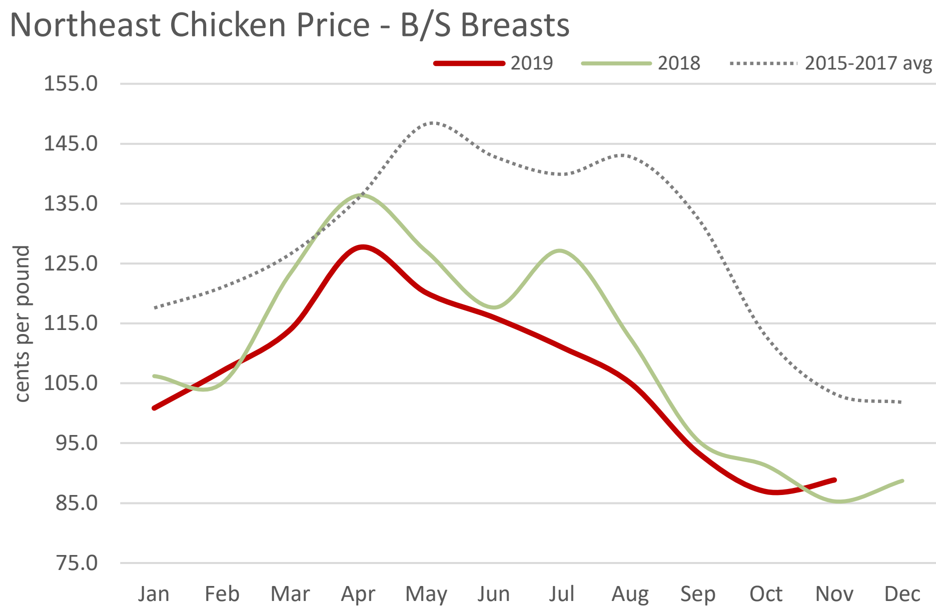
October lamb and mutton production, at 12.7 million pounds, was down 3 percent from October 2018 but up 16 percent from September. Sheep slaughter totaled 205,400 head, up 3 percent from last year and up 14 percent from September. The average live weight was 124 pounds, up 2 pounds from September and down 9 pounds from October 2018. Lamb and mutton production for the year so far is 2 percent lower year-over-year. Lamb stocks in cold storage lost 13 percent on a monthly basis in October but were down 7 percent from a year ago.

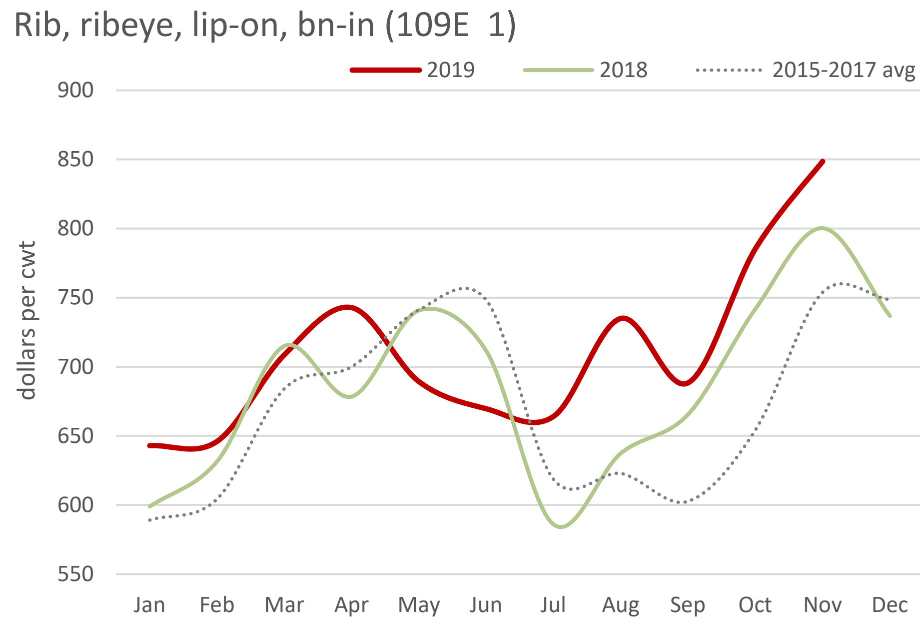
Price

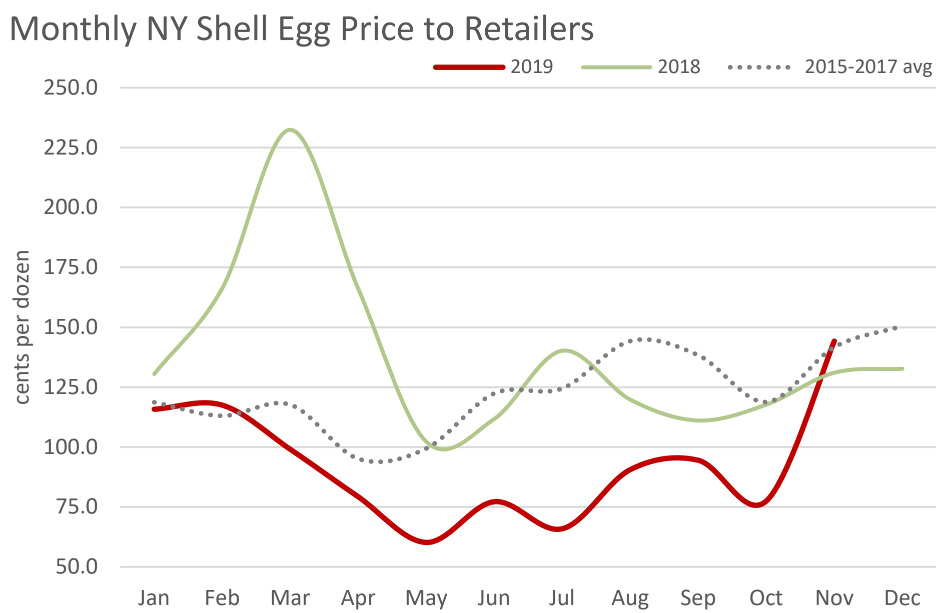
The negotiated live slaughter lamb price gained $2, or 2 percent from October to $152 per cwt., up 13 percent from last year. The average lamb cutout value fell $4 closing at $394 per cwt, down 1 percent monthly, but 4 percent above 2018. The monthly average price for leg of lamb, trotter-off lost $9 to $379 per cwt., down 2 percent from October, but 6 percent above November 2018. The average price for boneless lamb shoulder (IMPS 208) in November gained $32, or 6 percent to $613 per cwt., 11 percent above November 2018. Trimmed 4x4 loins added $18 to close at $527 per cwt., up 4 percent from October but down 5 percent from last year.

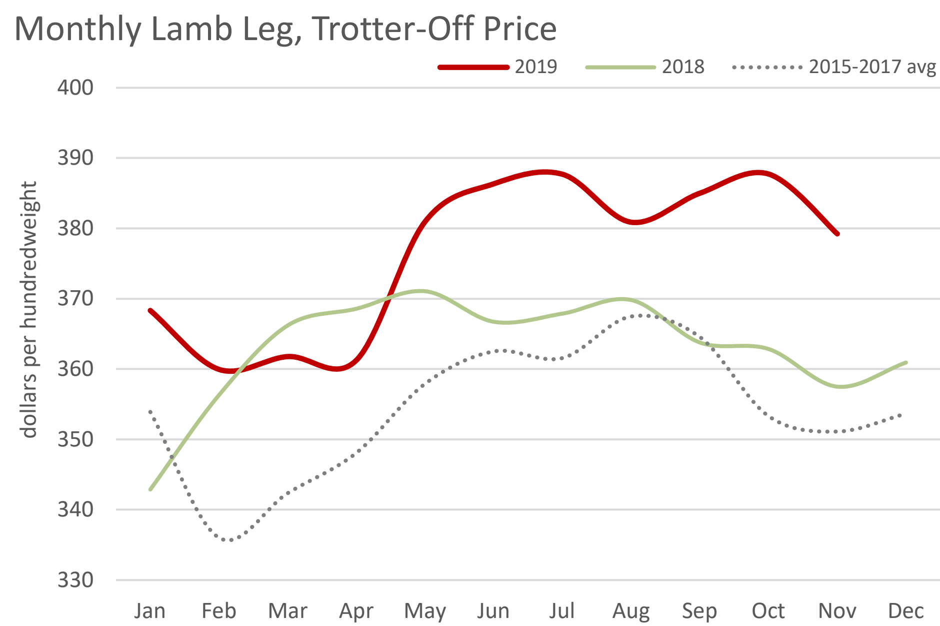
International Trade

The U.S. lamb export volume fell 42 percent in October relative to September, at 150 metric tons, with a value of $1.4 million, up 87 percent. This represents a 28 percent rise in export volume year-over-year, and a 20 percent jump in value. Year-to-date export volumes are up 4 percent, but down in value by 11 percent. Mexico, Trinidad and Tobago, and Netherlands Antilles were the top destinations for U.S. lamb and mutton. Imports of lamb to the U.S. were up 42 percent in October compared to September at 7.7 thousand metric tons, while the value of imports rose 41 percent to $65 million. Year-over-year imports were up 15 percent in volume and 17 percent in value. Cumulative imports were down 5 percent and value up 9 percent. Australia, New Zealand and Mexico are the top three importing countries to the U.S.









Source: USDA AMS Agricultural Analytics Division