

Poultry Situation and Outlook

Ross Pruitt

Extension Livestock Economist

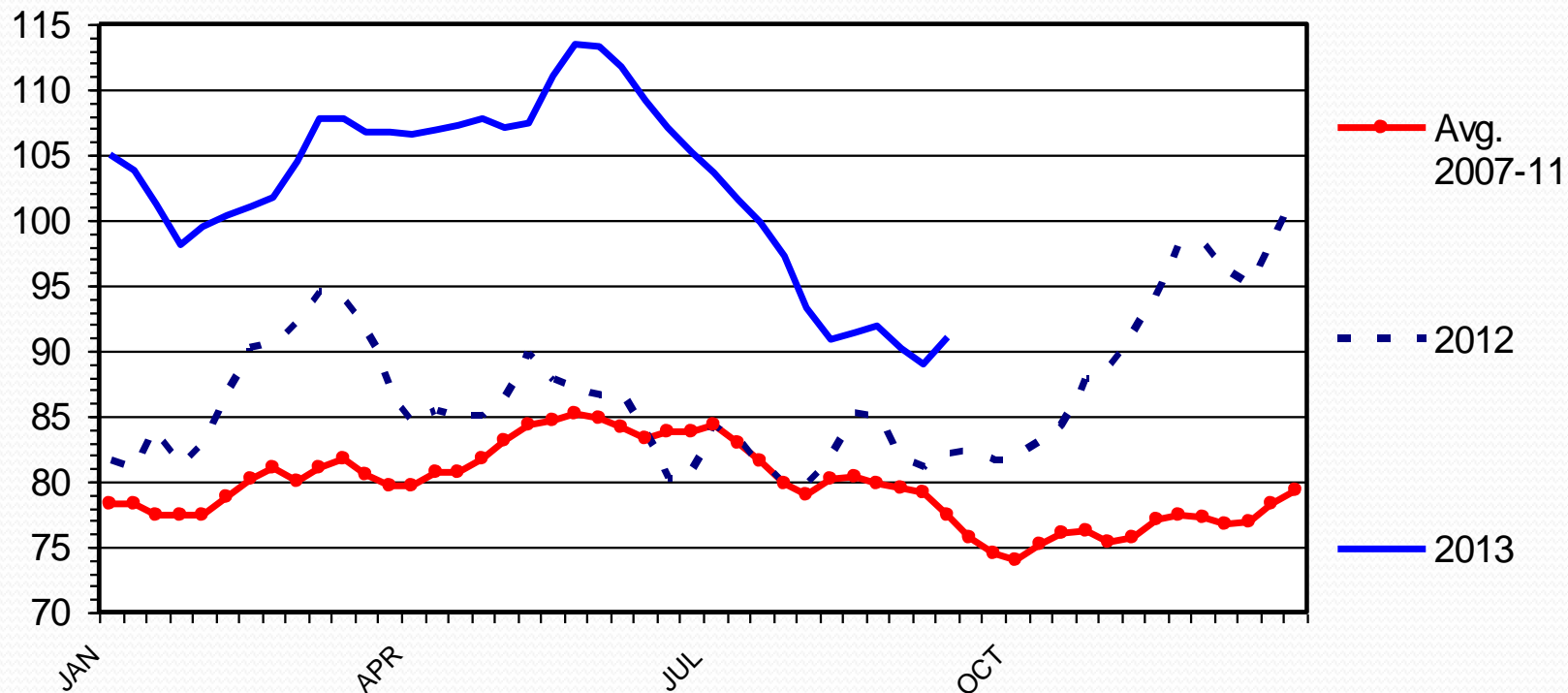
Overview

- High feed costs have not slowed broiler chicken firms
- Strong demand at the beginning of the year has softened somewhat as year has went on
- Expansion is occurring and will continue

BROILER PRICES

National Composite, Weekly

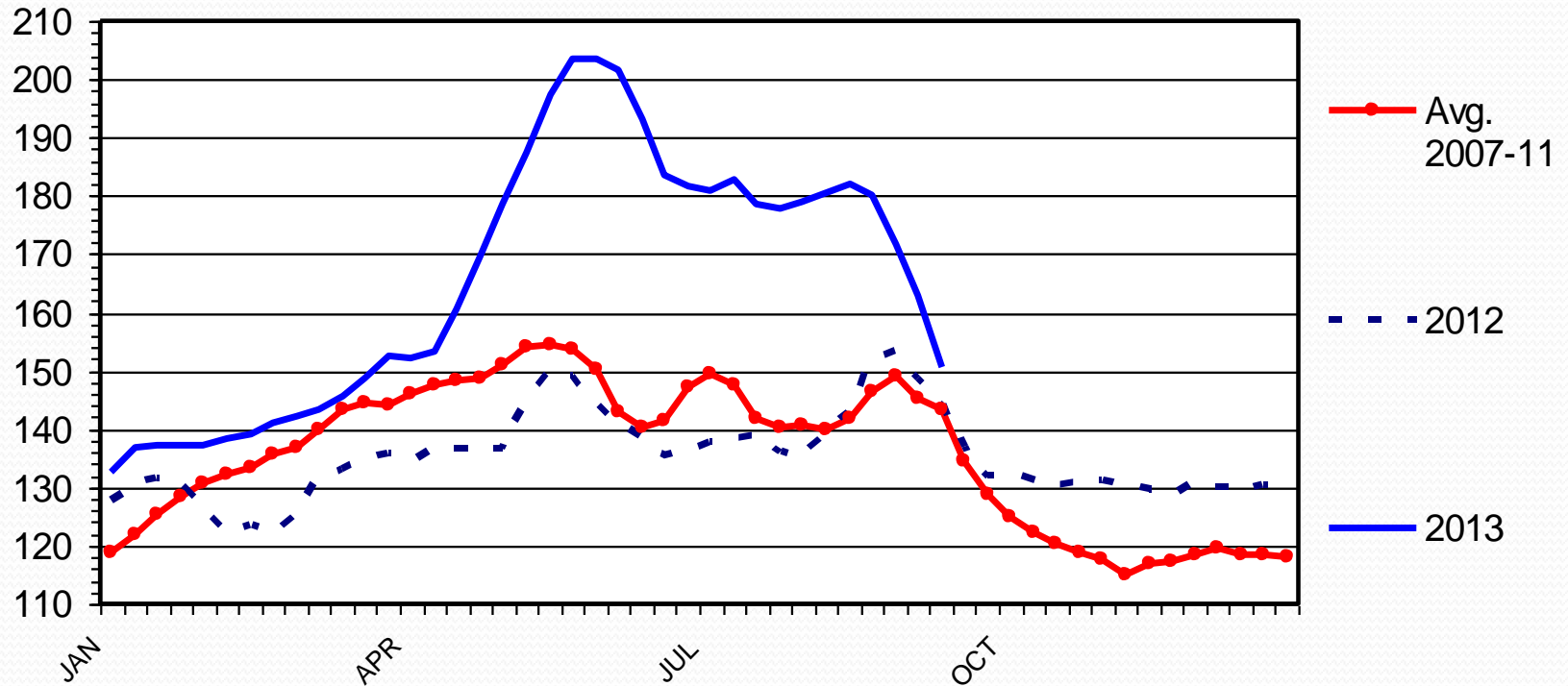
Cents Per Pound



WHOLESALE CHICKEN BREAST PRICES

Skinless/Boneless, Northeast, Truckload, Weekly

Cents Per Pound



Livestock Marketing Information Center

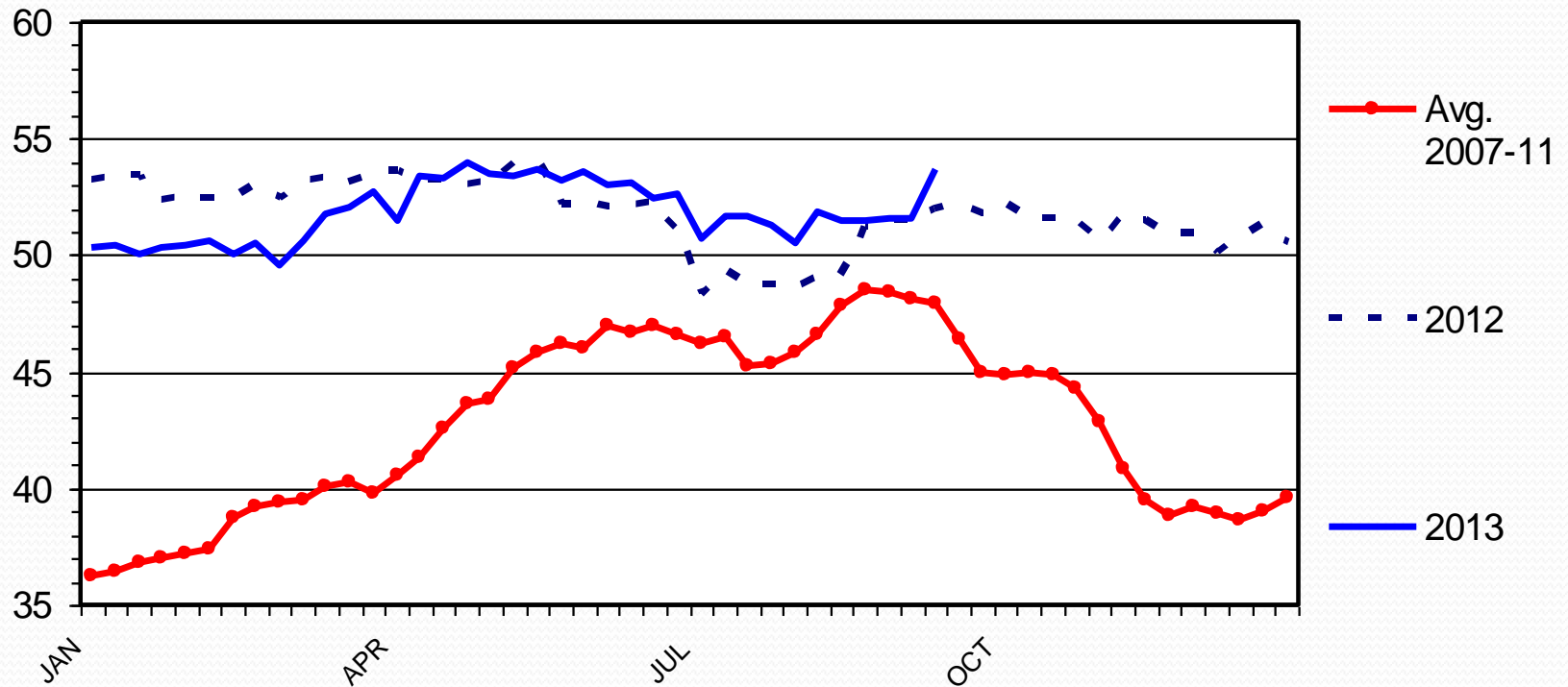
Data Source: USDA-AMS

P-P-02
09/19/13

WHOLESALE CHICKEN LEG QUARTER PRICES

Northeast, Truckload, Weekly

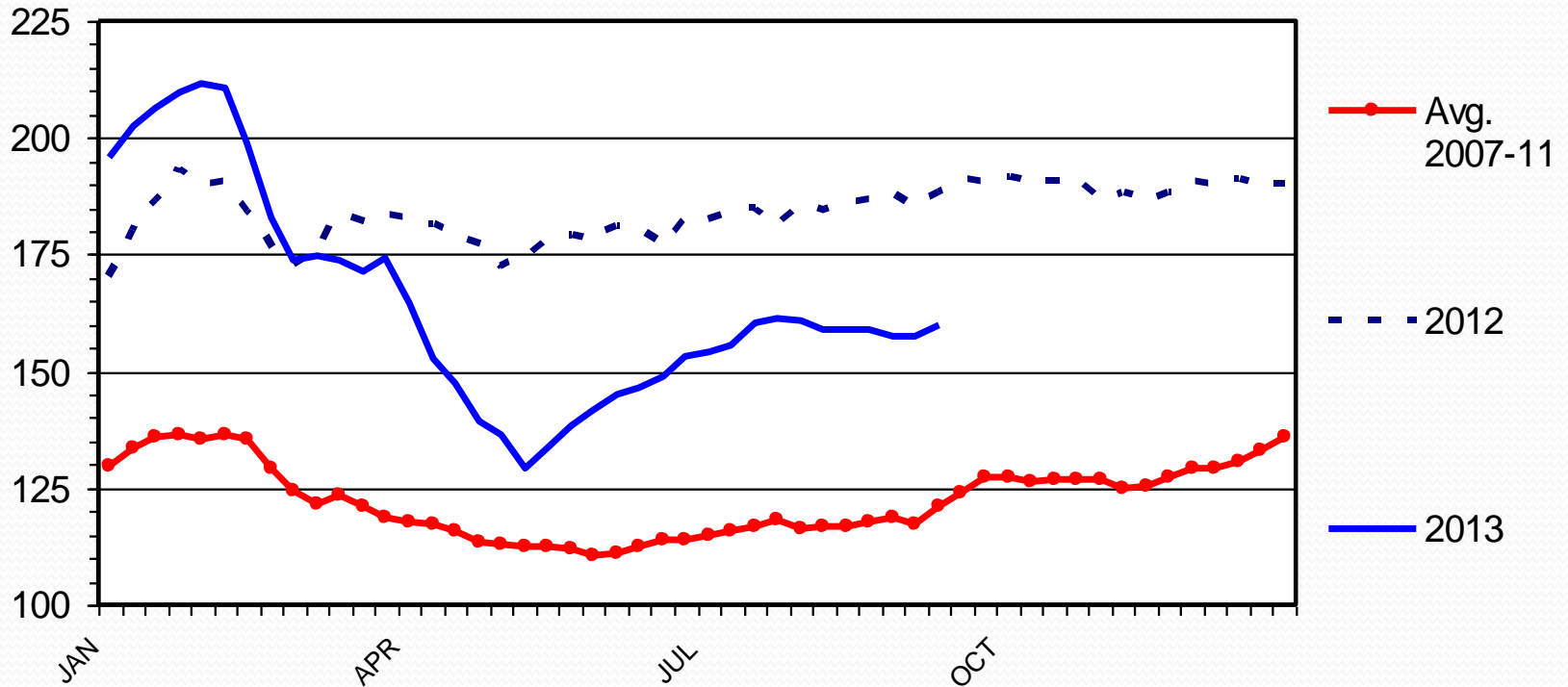
Cents Per Pound



WHOLESALE CHICKEN WING PRICES

Northeast, Truckload, Weekly

Cents Per Pound



Livestock Marketing Information Center

Data Source: USDA-AMS

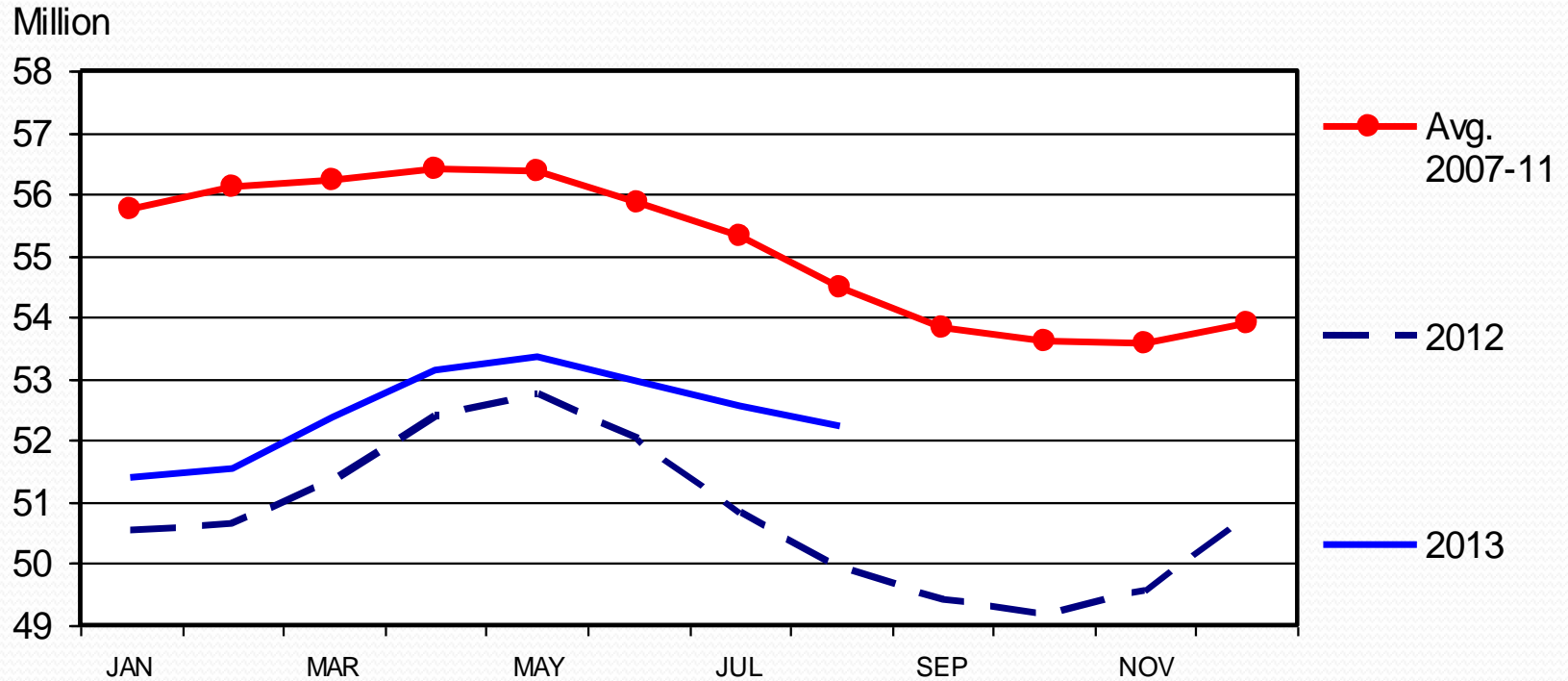
P-P-07
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Consumer Demand

- From recent National Chicken Council consumer survey:
 - Consumers buying more white meat
 - Less wings and dark meat
 - Consumers aged 25 to 34 buying more chicken than other age groups

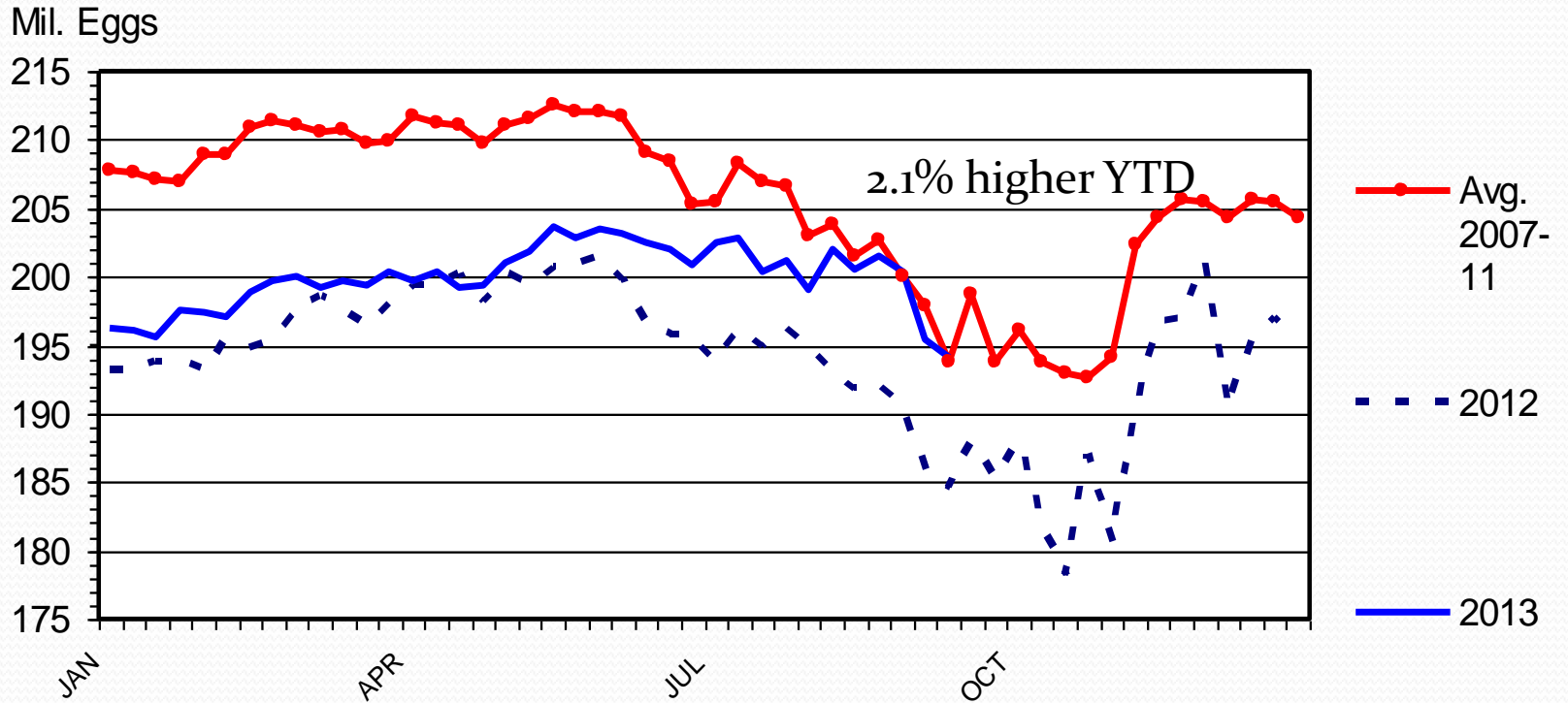
BROILER-TYPE HATCHING LAYERS

Average Number On Hand During Month



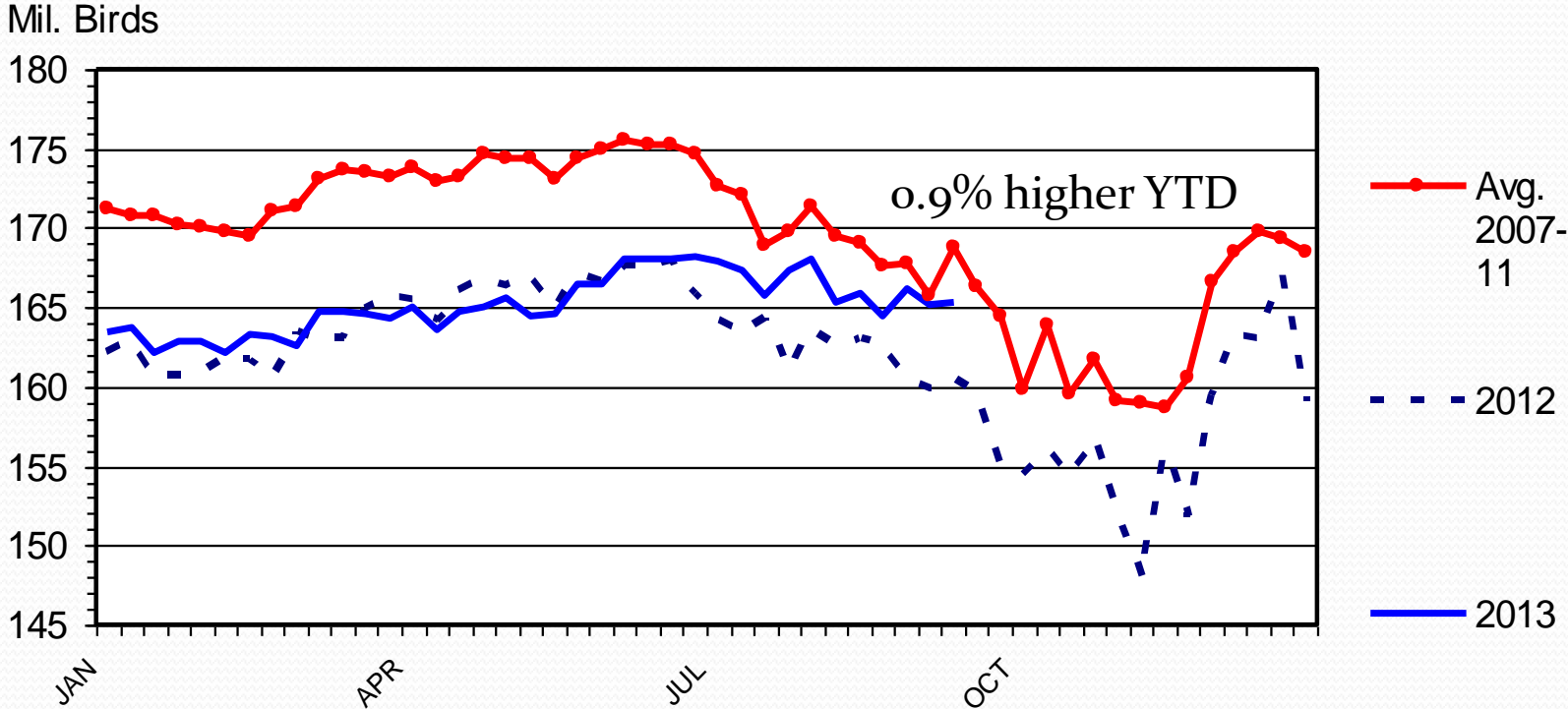
BROILER EGGS SET

Weekly

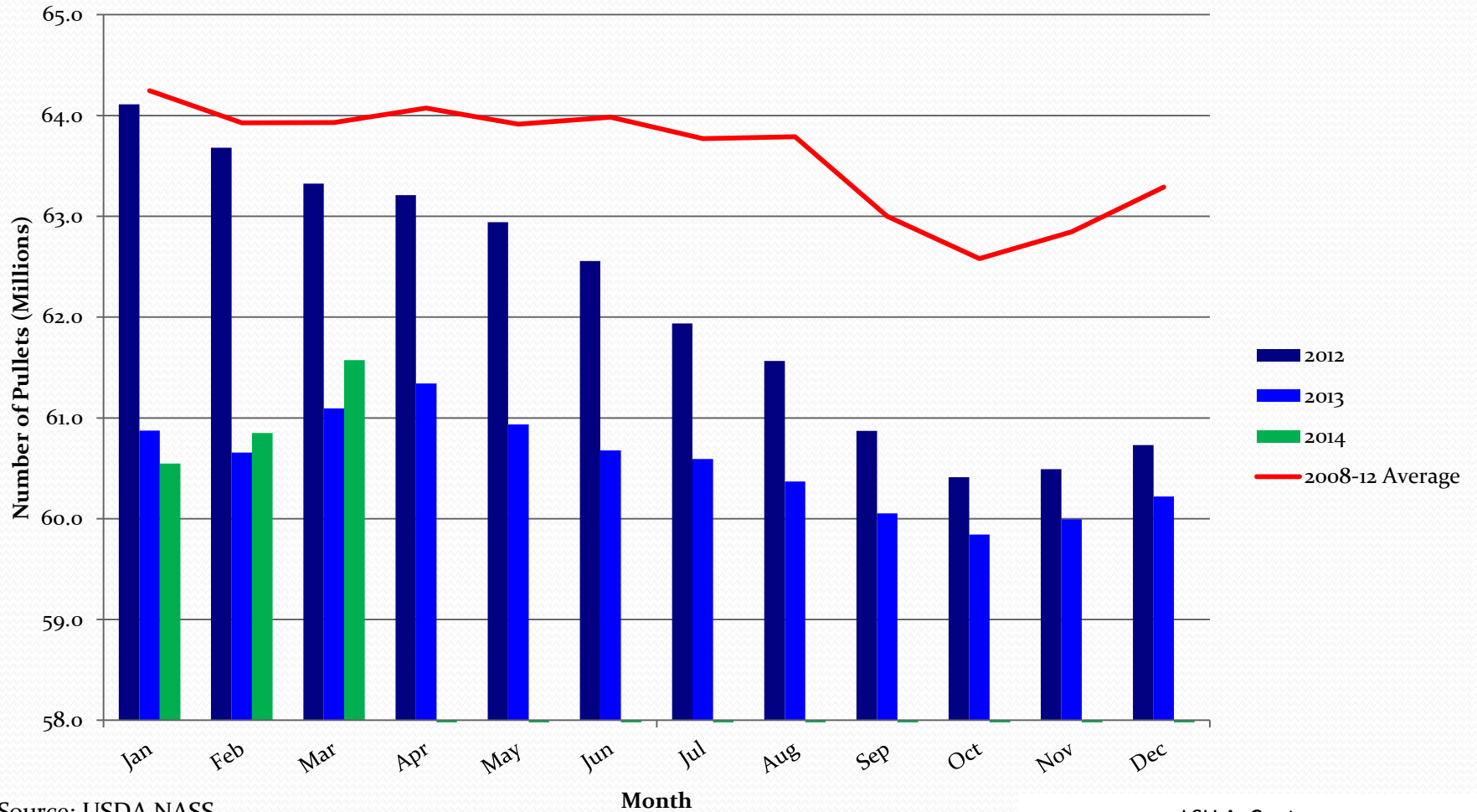


BROILER CHICKS PLACED

Weekly



Cumulative Potential Broiler Type Pullet Placements, 7-15 Months Earlier

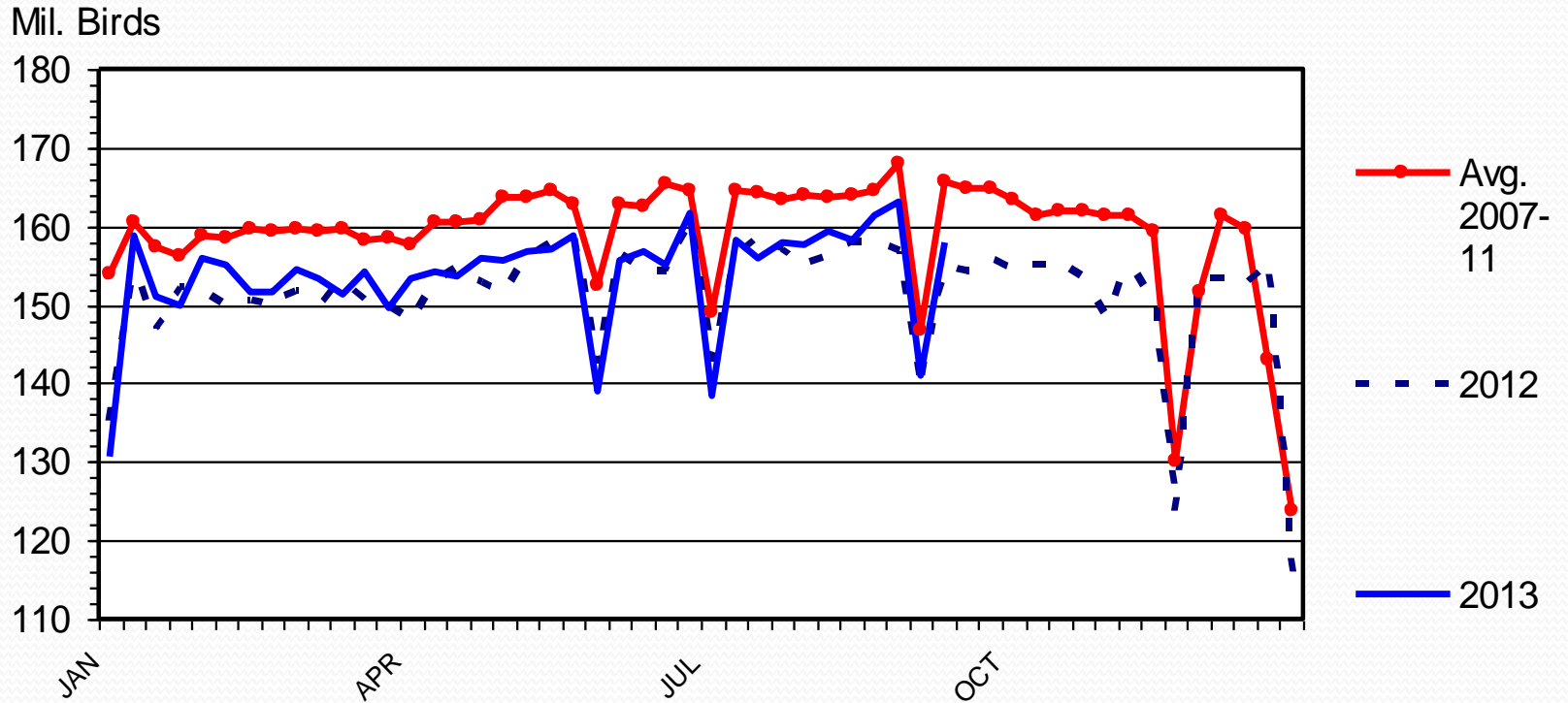


Source: USDA NASS
Compiled by LMIC

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BROILER SLAUGHTER

Federally Inspected, Weekly

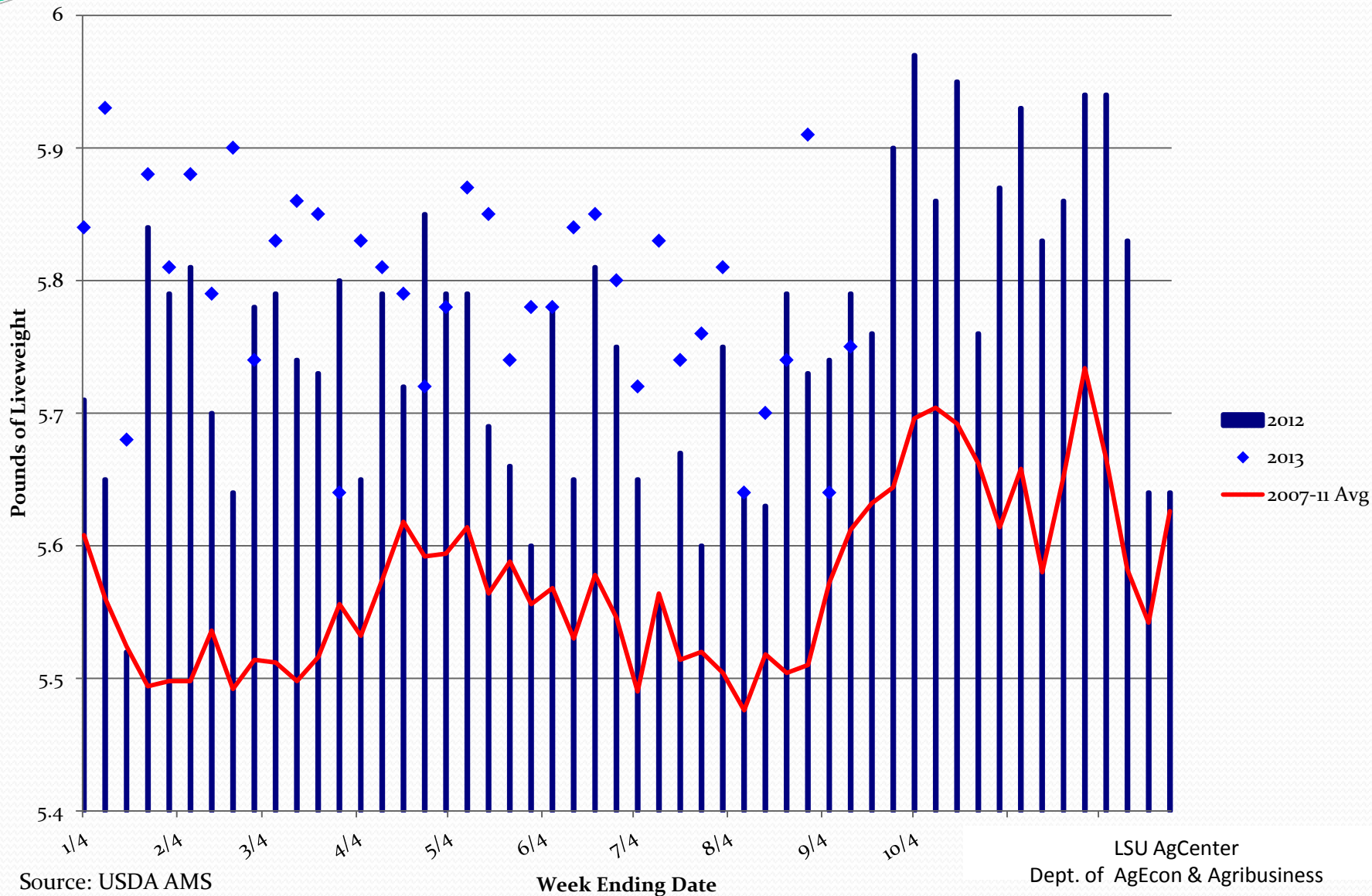


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Data Source: USDA-AMS & USDA-NASS

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09/19/13

Average Young Chicken Liveweight Weekly, Federally Inspected

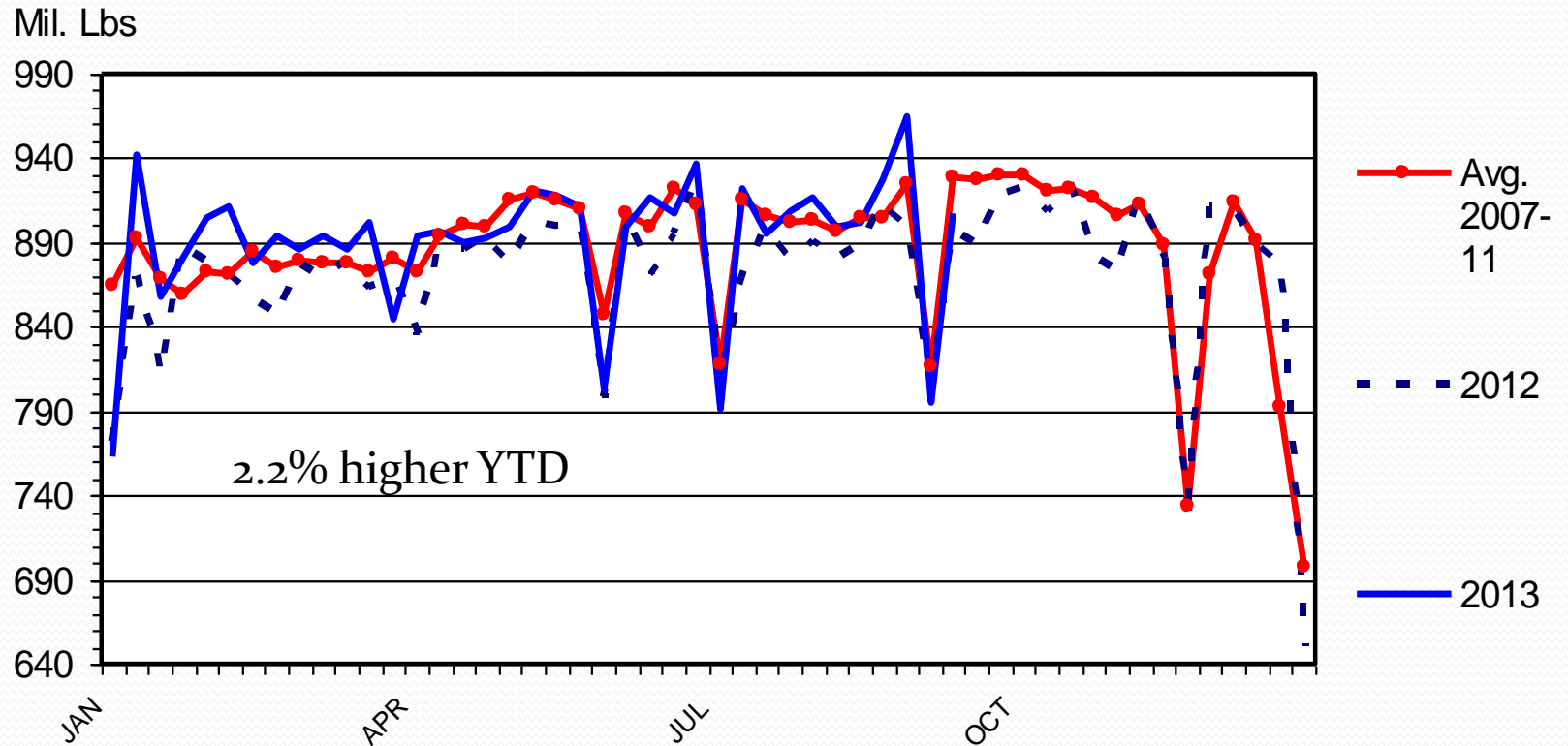


Source: USDA AMS
Compiled by LMIC

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BROILER PRODUCTION

Federally Inspected, Weekly



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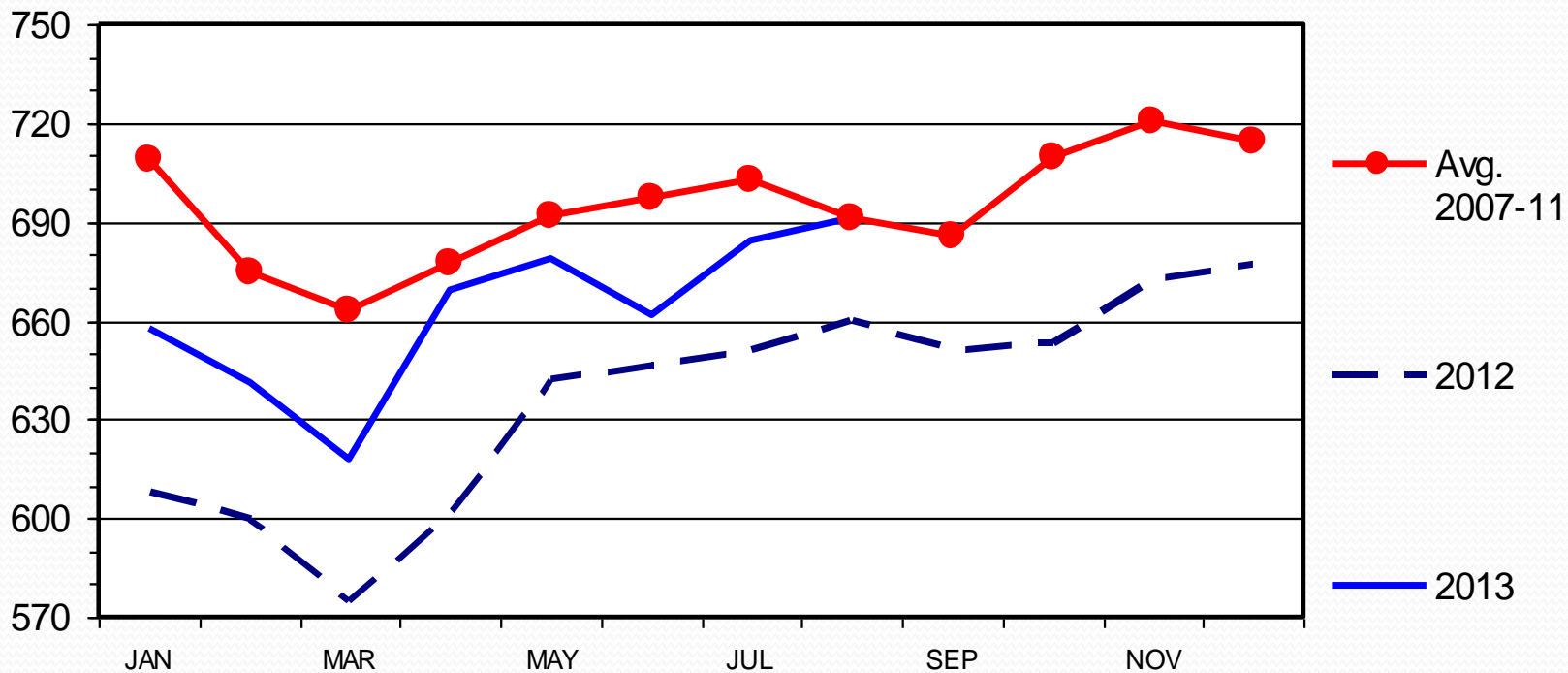
Data Source: USDA-AMS & USDA-NASS

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09/19/13

CHICKEN IN COLD STORAGE

End of the Month

Mil. Pounds



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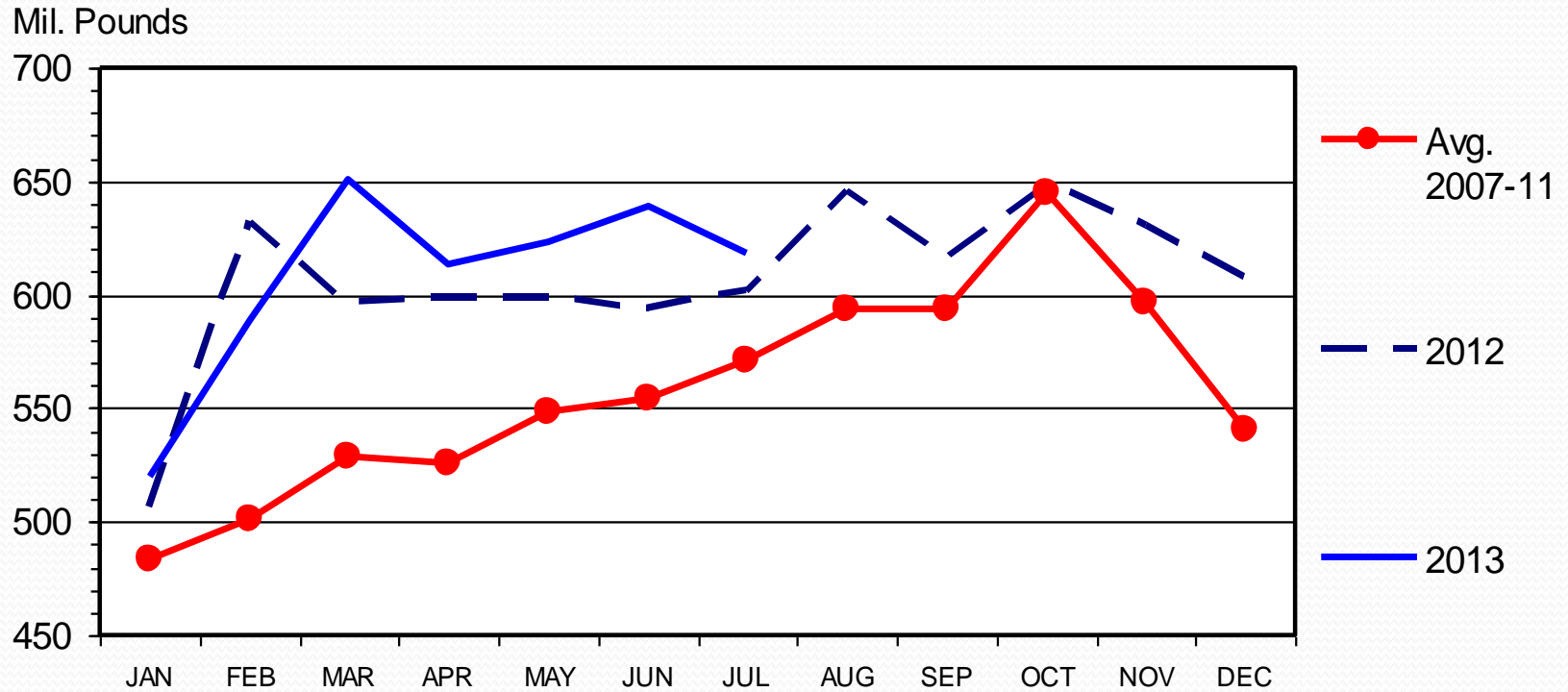
Data Source: USDA/NASS

P-S-05

09/23/13

U S BROILER EXPORTS

RTC Weight, Monthly

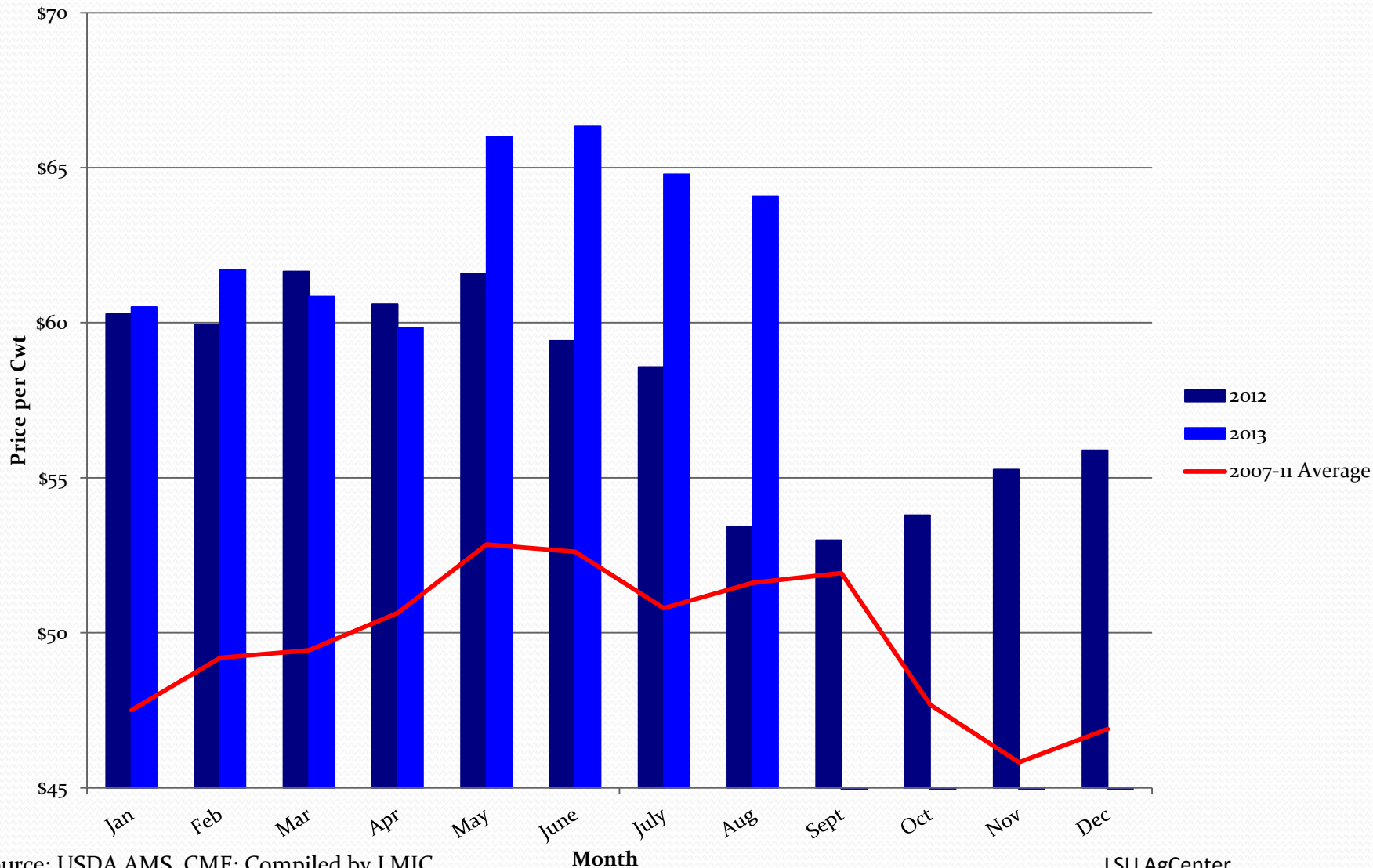


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Data Source: USDA-ERS & USDA-FAS

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Estimated Broiler Chicken Gross Margins



Source: USDA AMS, CME; Compiled by LMIC

Note: Returns are what firm has to pay grower, feedmill, and processing costs

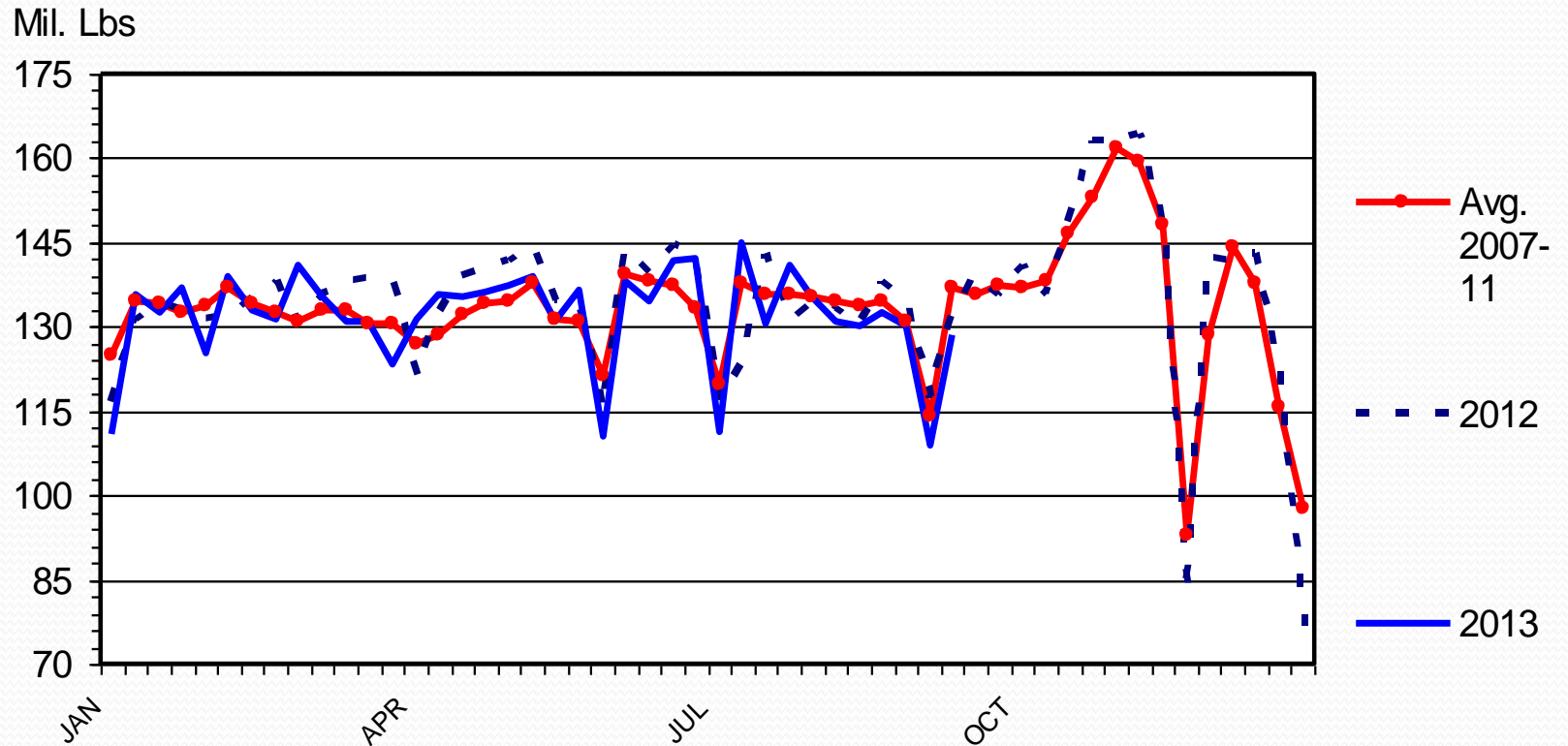
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Turkey Production

- Total production is lower even though average lightweight is slightly higher
- Prices below year ago levels
 - Good ground turkey demand
- May not see year-on-year growth until 4Q 2014

TURKEY PRODUCTION

Federally Inspected, Weekly



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Data Source: USDA-AMS & USDA-NASS

P-S-21
09/19/13

Other Considerations

- HACCP Based Inspection Models Project (HIMP) delayed
- New GIPSA regulations on weighing of birds and feed
 - Only apply to contract broiler growers
- At least one firm is building new processing facility

Final Thoughts

- Broiler production growth appears to be limited through first of next year
 - Layers being kept longer
- Can prices stay strong as more production arrives?
- Can export markets stay robust?