

U.S. Flock Trends and Projections

September 6, 2016



Compiled by
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Sponsored in part by:



American Egg Board

The Egg Industry Center Market Reports & Industry Analysis are compiled in the memory of their creator, Don D. Bell, Poultry Extension Specialist Emeritus - UC Davis.

U.S. EGG INDUSTRY STATISTICAL REPORT SUMMARY

* The July hatch (straight-run chicks) was 0.4% higher than in 2015. This projects forward to a 19.4 million pullet placement for December of 2016 which is 0.1 million larger than December of 2015 placement (19.3).

* Current (July average, 2016) U.S. table egg layer number (299.6 million) is 8.9 million larger than last year's number at this time (275.1 million), and down 1.4 million compared to last month (301.0 million).

* In July, Iowa led the nation with 50.8 million laying hens compared to 30.0 million in Ohio, 28.3 million in Indiana, and 24.8 million in Pennsylvania. California (with 11.5 million layers) lost it's 5th position to Texas with 16.2 million layers.

* The July U.S. rate of lay was estimated to be 79.2% which is 0.8% higher than July 2015 level. The total number of table eggs produced in July 2016 was 11.0% higher than the July 2015 production.

* The July 2016 number of eggs exported was 1% higher than last year (July 2015) and 7% higher than last month (June 2016). The July exports represented 2.5% of the number of eggs produced.

* Shell eggs broken for products in July 2016 totaled 6.464 million cases, 14.6% more than in July 2015 (5.641 million cases).

Monthly Highlights (Compared to July a year ago) (% change) - U.S.

	2014	2015	% Change
Hatch - Egg-Type Straight Run (thousands) (U.S.)	42,790	42,947	0.4
Table Egg Layers (millions) (U.S.)	275.1	299.6	8.9
Rate of lay (percent)	77.7	79.2	1.5
Molting (August 1, 2016) (percent in + out of a molt)	21.9	20.0	-8.7

Year-end layers (millions) - U.S.

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Million	290.6	284.7	285.6	285.2	286.8	290.1	298.6	308.2	311.3	291.1	*

* please see pages 14-16

Special note about table-egg definition

It was brought to our attention that some readers understand that the table-egg layers are the layers dedicated to the shell egg industry only.

The table-egg layers are the ones that produce eggs for both shell eggs and egg products market (all eggs for human consumption).

The total layers include table-egg layers but also include breeding stock for both the table-egg industry and for the broiler industry.

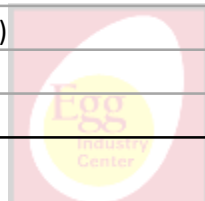
The same distinction is made between table-eggs and total eggs.



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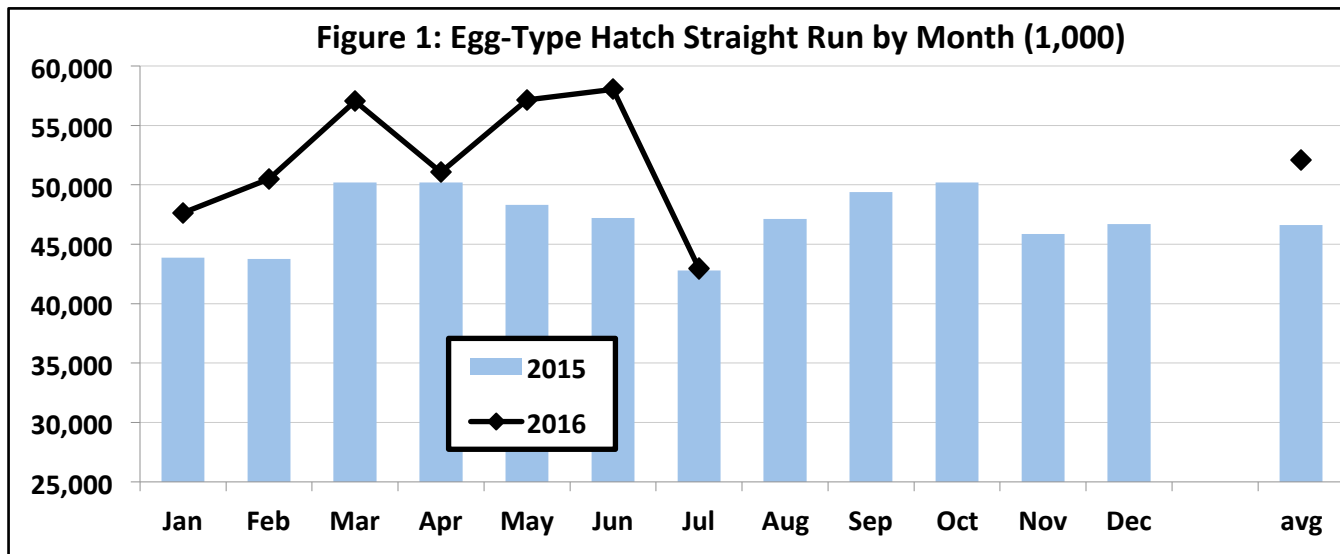
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EGG TYPE: EGGS IN INCUBATORS (on the 1st of the month) and STRAIGHT RUN HATCH (U.S.) **TABLE 1**

EGG-TYPE Eggs in Incubators (thousands)				EGG-TYPE Straight Run Hatch (thousands)			
month	2015	2016	Change (%)	month	2015	2016	Change %
Jan	42,237	47,981	13.6	Jan	43,868	47,645	8.6
Feb	40,709	47,942	17.8	Feb	43,774	50,481	15.3
Mar	45,902	50,402	9.8	Mar	50,187	57,037	13.6
Apr	49,341	50,861	3.1	Apr	50,193	51,052	1.7
May	48,583	53,478	10.1	May	48,315	57,155	18.3
Jun	47,971	54,579	13.8	Jun	47,212	58,040	22.9
Jul	43,647	44,940	3.0	Jul	42,790	42,947	0.4
Aug	44,480	38,223	-14.1	Aug	47,131		
Sep	46,521			Sep	49,391		
Oct	49,648			Oct	50,194		
Nov	47,072			Nov	45,848		
Dec	48,194			Dec	46,695		
8 Month Avg.	45,359	48,551	7.0	7 Month Avg.	46,620	52,051	11.6
8 Month Total	362,870	388,406		7 Month Total	326,339	364,357	
12 Month Total	554,305			12 Month Total	565,598		

Source: USDA NASS Chickens and Eggs

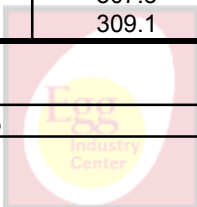


AVERAGE U.S. LAYERS AND TABLE EGG LAYERS 2014/2015 (MILLIONS) **TABLE 2**

month	All Layers			Table Egg Layers			
	2015	2016	Change (%)	2014	2015	2016	Change (%)
Jan	366.7	351.3	-4.2	307.2	309.5	293.1	-5.3
Feb	365.4	357.1	-2.3	306.7	308.1	298.6	-3.1
Mar	366.0	361.2	-1.3	307.7	308.1	302.5	-1.8
Apr	362.0	361.1	-0.2	308.3	303.6	302.4	-0.4
May	345.3	360.6	4.4	307.6	286.8	301.9	5.3
Jun	332.6	359.3	8.0	307.0	274.2	301.0	9.8
Jul	333.3	357.6	7.3	308.2	275.1	299.6	8.9
Aug	334.5			309.6	276.6		
Sep	336.6			310.4	278.9		
Oct	339.4			310.7	281.7		
Nov	343.5			312.7	285.5		
Dec	347.8			313.0	289.7		
7 Month Avg.	353.0	358.3	1.5	307.5	295.0	299.8	1.6
Annual Avg.	347.8			309.1	289.8		

Source: USDA NASS Chickens and Eggs

Table egg layers as a % of all layers to date (2015): 83.7%

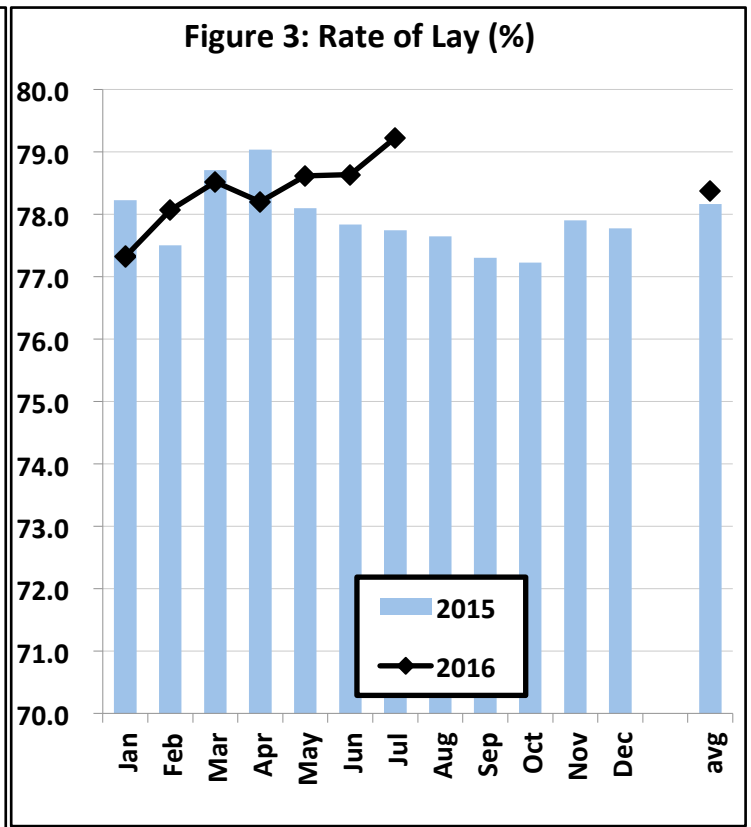
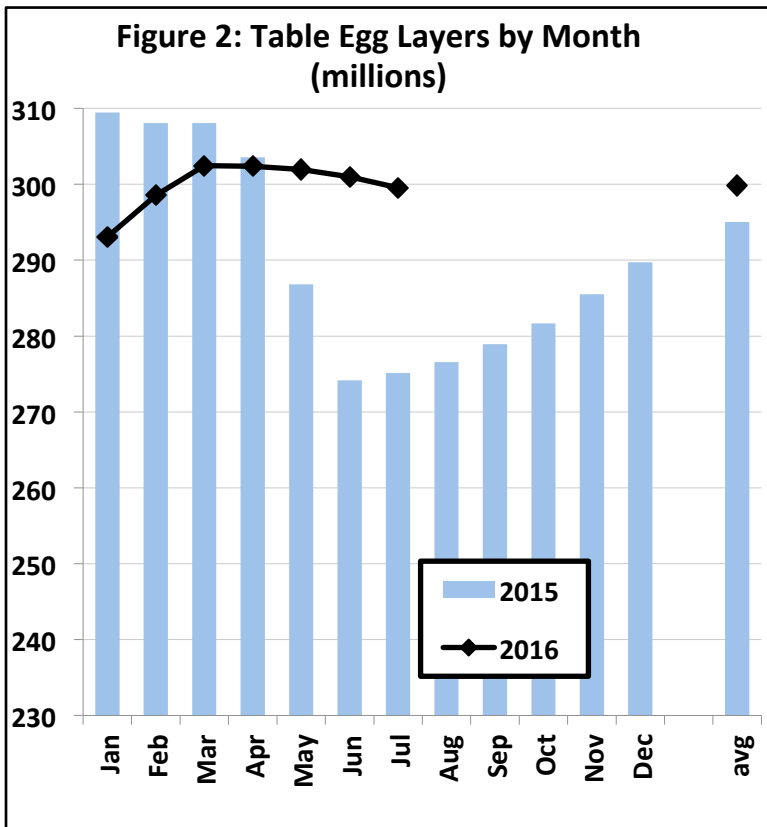


U.S. ALL EGGS, TABLE EGGS AND RATE OF LAY (ALL STATES)

TABLE 3

month	All Eggs (millions)			Table Eggs - human consumption (millions)			Rate of Lay (Table)	
	2015	2016	Change (%)	2015	2016	Change (%)	2015	2016
Jan	8,613	8,161	-5.2	7,504	7,024	-6.4	78.2	77.3
Feb	7,688	7,825	1.8	6,685	6,759	1.1	77.5	78.1
Mar	8,635	8,502	-1.5	7,517	7,363	-2.0	78.7	78.5
Apr	8,294	8,208	-1.0	7,198	7,095	-1.4	79.0	78.2
May	8,083	8,514	5.3	6,942	7,359	6.0	78.1	78.6
Jun	7,512	8,210	9.3	6,402	7,099	10.9	77.8	78.6
Jul	7,778	8,503	9.3	6,630	7,356	11.0	77.7	79.2
Aug	7,802			6,656			77.6	
Sep	7,565			6,467			77.3	
Oct	7,874			6,744			77.2	
Nov	7,764			6,673			77.9	
Dec	8,119			6,986			77.8	
7 Month Avg.	8,086	8,275	2.3	6,983	7,151	2.4	78.2	78.4
Annual Avg.	7,977			6,867			77.9	
Total	95,727	57,923		82,404	50,055			

Source: USDA NASS Chickens and Eggs



SHELL EGGS BROKEN UNDER FEDERAL INSPECTION (MILLION CASES)

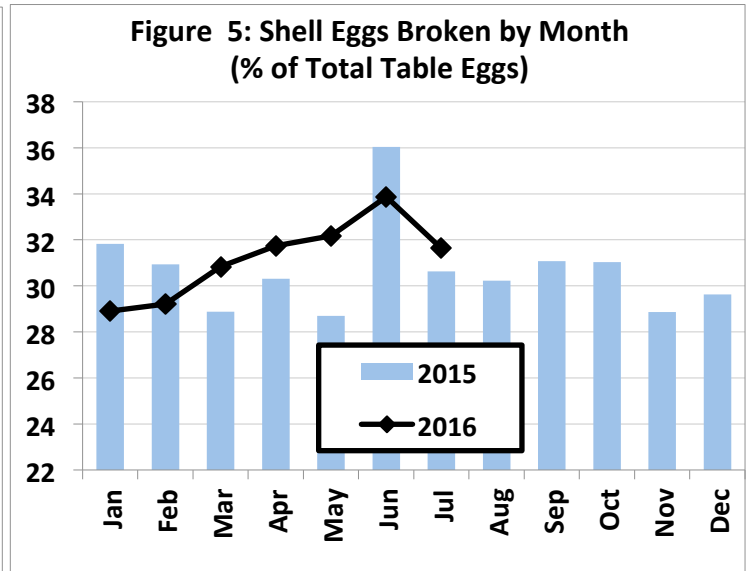
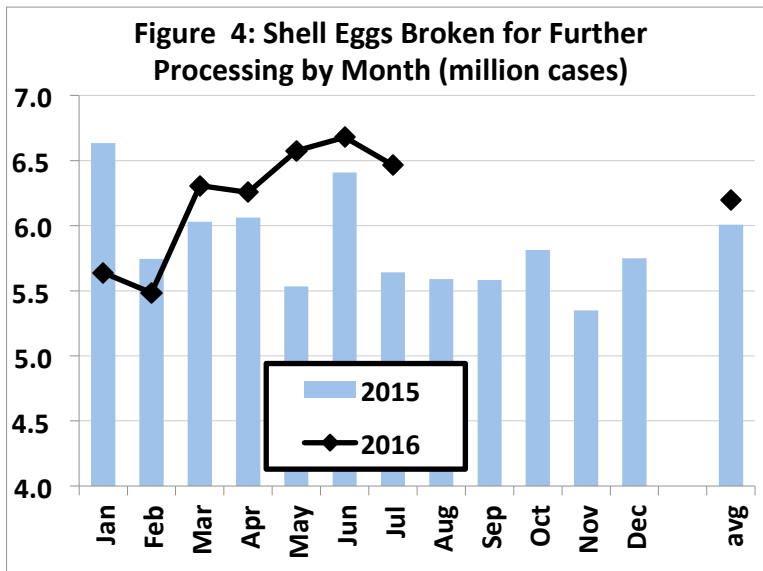
TABLE 4

month	2010	2011	2012	2013	2014	2015	2016	16/15 (%) Change
Jan	5.268	5.668	5.666	5.765	5.865	6.634	5.639	-15.0
Feb	5.013	5.163	5.524	5.374	5.325	5.746	5.484	-4.5
Mar	5.504	6.008	5.715	5.831	6.086	6.030	6.308	4.6
Apr	5.714	5.464	5.634	5.950	6.205	6.061	6.255	3.2
May	5.727	5.838	6.057	5.820	6.514	5.533	6.576	18.9
Jun	6.206	6.167	5.955	6.118	6.532	6.408	6.679	4.2
Jul	5.977	5.988	5.748	6.266	6.618	5.641	6.464	14.6
Aug	5.884	6.061	6.523	6.200	6.596	5.589		
Sep	6.582	5.869	6.005	6.040	6.566	5.583		
Oct	5.842	5.805	6.109	6.289	6.731	5.814		
Nov	5.445	5.786	5.577	5.738	6.086	5.350		
Dec	5.891	5.615	5.964	5.745	6.281	5.749		
7 Month Avg.	5.630	5.757	5.757	5.875	6.164	6.008	6.201	3.2
7 Month Total	39.409	40.296	40.299	41.124	43.145	42.053	43.406	
12 Month Total	69.054	69.431	70.477	71.136	75.405	70.138		

Source: USDA NASS Egg products - monthly

Million Cases Produced
% BROKEN

221.728	228.286	236.092	245.472	228.900	139.042
31.3	30.9	30.1	30.7	30.6	31.2



PER CAPITA EGG CONSUMPTION BY QUARTER

TABLE 5

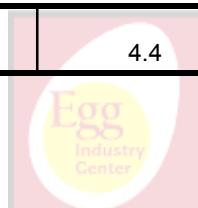
QUARTER	2009	2010	2011	2012	2013	2014	2015	2016*
1	62.0	61.8	61.3	63.2	64.3	65.5	65.0	66.2
2	61.5	61.9	61.5	62.2	63.4	66.2	62.3	66.1
3	61.4	62.5	62.8	63.3	64.7	67.2	61.1	65.9
4	62.9	63.1	64.3	65.6	66.2	67.7	64.5	66.8
Total	247.7	249.3	249.9	254.3	258.6	266.6	252.9	264.0

Change from previous year (eggs)

1.6	0.6	4.4	4.3	8.0	-13.7	11.1
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Source: USDA ERS Livestock and Meat Trade Data.

* Estimates for 2016 (6/2016)

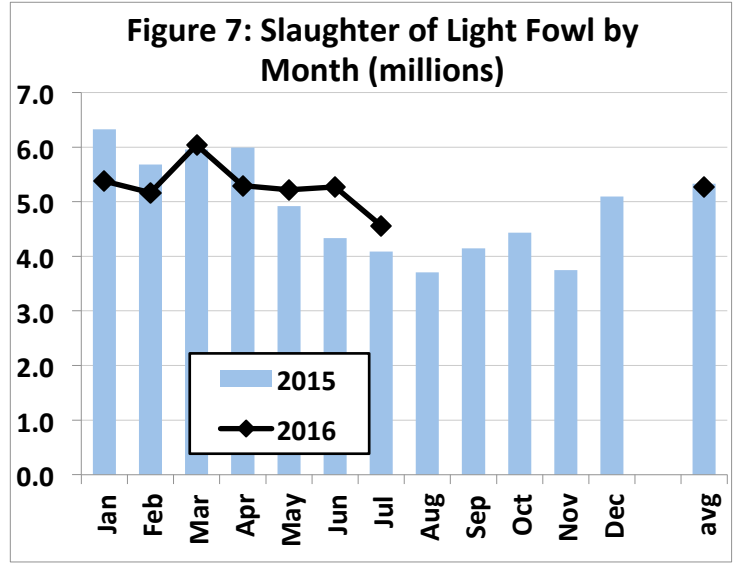
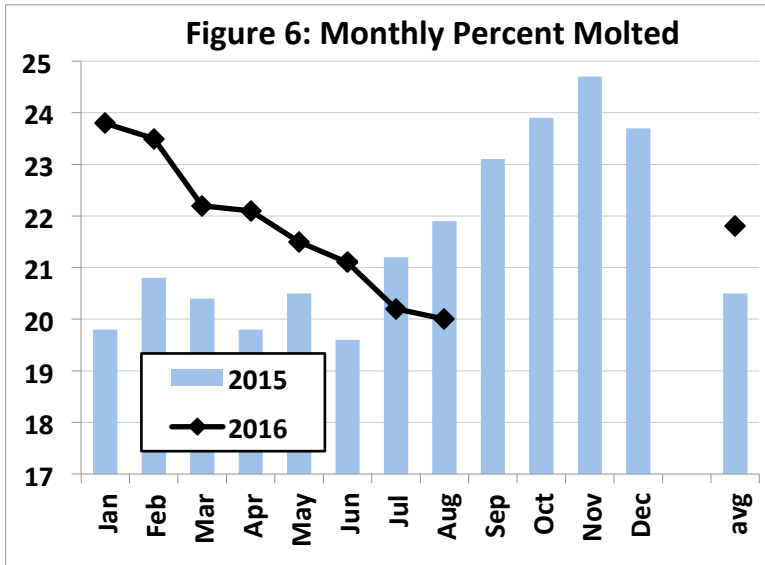


INDUCED MOLT PERCENT - U.S. TOTALS (1ST OF MONTH)

TABLE 6

month	In a Molt			Completed a Molt		Total		
	2015	2016	Change	2015	2016	2015	2016	Change
Jan	2.1	2.5	0.4	17.7	21.3	19.8	23.8	4.0
Feb	3.3	2.9	-0.4	17.5	20.6	20.8	23.5	2.7
Mar	1.9	1.5	-0.4	18.5	20.7	20.4	22.2	1.8
Apr	2.1	2.9	0.8	17.7	19.2	19.8	22.1	2.3
May	3.1	2.8	-0.3	17.4	18.7	20.5	21.5	1.0
Jun	2.4	2.9	0.5	17.2	18.2	19.6	21.1	1.5
Jul	3.0	2.5	-0.5	18.2	17.7	21.2	20.2	-1.0
Aug	2.7	2.5	-0.2	19.2	17.5	21.9	20.0	-1.9
Sep	3.4			19.7		23.1		
Oct	3.4			20.5		23.9		
Nov	3.4			21.3		24.7		
Dec	1.8			21.9		23.7		
8 Month Avg.	2.6	2.6	0.0	17.9	19.2	20.5	21.8	1.3
12 Month Avg.	2.7			18.9		21.6		

Source: USDA NASS Chickens and Eggs

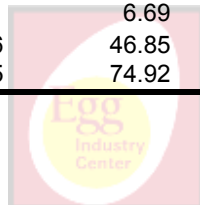


SLAUGHTER OF LIGHT FOWL (MILLIONS)

TABLE 7

month	2010	2011	2012	2013	2014	2015	2016	6 YR (09-14) Month Avg.
Jan	5.80	5.90	6.98	7.63	7.01	6.33	5.38	6.61
Feb	5.22	5.59	5.57	6.20	5.86	5.68	5.17	5.68
Mar	6.50	6.56	7.15	6.49	6.15	5.96	6.04	6.47
Apr	6.59	5.99	7.95	8.31	6.63	5.99	5.30	6.91
May	5.78	6.42	7.91	7.21	7.06	4.92	5.22	6.55
Jun	5.88	5.30	6.25	5.40	6.07	4.33	5.27	5.54
Jul	5.42	5.00	4.45	5.60	5.32	4.09	4.56	4.98
Aug	5.64	5.85	6.00	6.81	6.13	3.71		5.69
Sep	6.12	5.68	5.39	5.50	5.80	4.14		5.44
Oct	5.01	5.56	5.60	5.73	5.57	4.44		5.32
Nov	4.07	4.92	5.12	3.59	3.75	3.75		4.20
Dec	5.63	5.60	6.89	6.45	6.47	5.10		6.02
7 Month Avg.	5.88	5.82	6.61	6.69	6.30	5.33	5.28	6.11
7 Month Total	41.19	40.76	46.26	46.85	44.09	37.29	36.93	42.74
12 Month Total	67.66	68.37	75.25	74.92	71.80	58.42		69.40

Source: USDA NASS Poultry Slaughter



EXPORT OF TABLE EGGS IN THE SHELL IN 2016 (Thousand cases- 30 doz)

TABLE 8

Month \ To	North America	Central America	Caribbean	European Union-28	East Asia	Southeast Asia	Middle East	Total 2016	Total 2015	% of U.S. Production
Jan	97.2	0.9	64.7	0.0	90.3	0.0	7.1	272.3	468.2	1.40
Feb	131.6	4.8	79.1	0.2	68.2	0.2	1.8	298.0	491.3	1.59
Mar	185.6	1.9	89.1	0.1	116.8	0.0	2.4	409.7	525.8	2.00
Apr	130.3	4.6	96.5	0.2	89.5	0.0	1.8	335.2	540.0	1.70
May	99.4	0.1	67.5	0.6	83.8	0.0	4.7	267.3	352.5	1.31
Jun	65.4	1.4	70.0	3.5	86.8	0.0	9.5	243.6	322.4	1.24
Jul	94.3	4.6	67.9	0.8	85.9	0.0	18.1	283.1	321.8	1.39
Aug									421.7	
Sep									305.7	
Oct									328.1	
Nov									279.3	
Dec									262.2	
7 Mo. Total	803.8	18.3	534.8	5.5	621.3	0.2	45.3	2,109.1	3,022.0	1.52
%	38.1	0.9	25.4	0.3	29.5	0.0	2.1			

Source: USDA Foreign Agric. Service from U.S. Dept. of Commerce, U.S. Census Bureau, Foreign Trade Stats

EXPORT OF EGG PRODUCTS IN 2016 (EQUIVALENT: thousand cases- 30 doz)

TABLE 9

Month \ To	North America	Central America	Caribbean	European Union-28	East Asia	Southeast Asia	Middle East	Total 2016	Total 2015	% of U.S. Production
Jan	77.1	7.6	4.8	21.3	43.0	13.3	2.4	169.9	517.3	0.87
Feb	60.6	9.7	5.8	16.4	64.1	4.1	1.1	162.8	436.1	0.87
Mar	104.2	16.9	12.0	6.0	133.0	10.5	4.2	291.3	463.9	1.42
Apr	104.7	5.0	8.7	16.8	77.5	10.5	5.6	233.8	402.1	1.19
May	70.7	5.1	6.0	40.9	92.4	0.8	2.2	221.8	385.0	1.09
Jun	101.2	7.2	3.0	15.4	72.3	13.8	30.4	244.5	194.7	1.24
Jul	79.3	23.4	3.7	42.2	75.6	3.1	3.9	236.7	194.3	1.16
Aug									254.1	
Sep									297.5	
Oct									211.7	
Nov									157.0	
Dec									324.1	
7 Mo. Total	597.8	75.0	43.9	159.0	558.0	56.1	49.8	1,560.7	2,593.3	1.12
%	38.3	4.8	2.8	10.2	35.8	3.6	3.2			

Converted from metric tonnes at a rate of one metric tonne equals approximately 52.4 thirty dozen cases.

Source: USDA Economic Research Service from U.S. Dept. of Commerce, U.S. Census Bureau, Foreign Trade Stats.

TOTAL EGGS EXPORTED - 2016

TABLE 10

	Table Eggs Produced		Table Eggs Exported		Egg Products Exported		Total Exported	
	(000) Cases		Cases	% of U.S.	Cases	% of U.S.	Cases	% of U.S.
Jan	19,511		272.3	1.40	169.9	0.87	442.1	2.27
Feb	18,775		298.0	1.59	162.8	0.87	460.8	2.45
Mar	20,453		409.7	2.00	291.3	1.42	700.9	3.43
Apr	19,708		335.2	1.70	233.8	1.19	569.0	2.89
May	20,442		267.3	1.31	221.8	1.09	489.1	2.39
Jun	19,719		243.6	1.24	244.5	1.24	488.0	2.47
Jul	20,433		283.1	1.39	236.7	1.16	519.8	2.54
Aug								
Sep								
Oct								
Nov								
Dec								
Total/Av	139,042		2,109.1	1.52	1,560.7	1.12	3,669.8	2.64

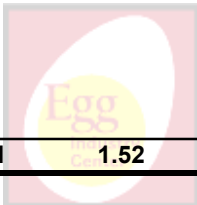
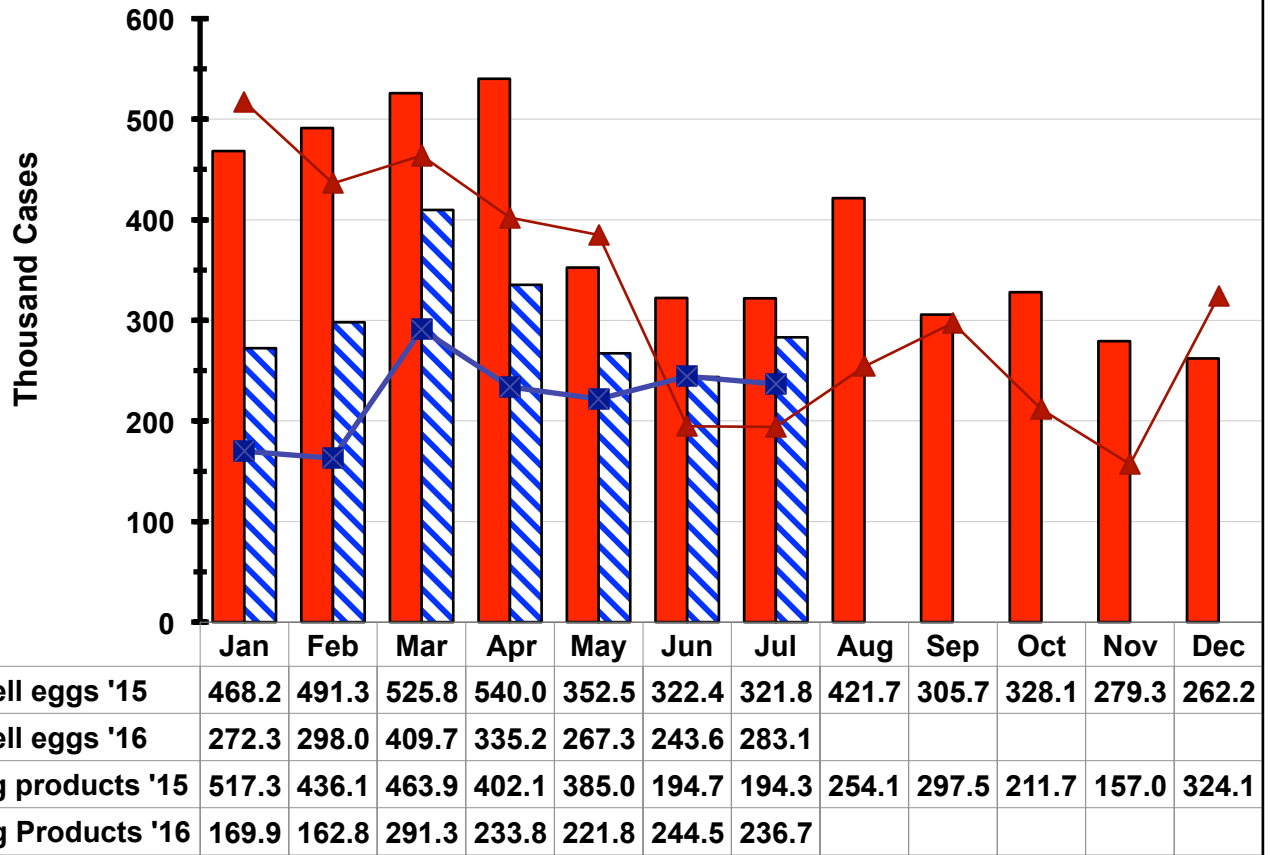
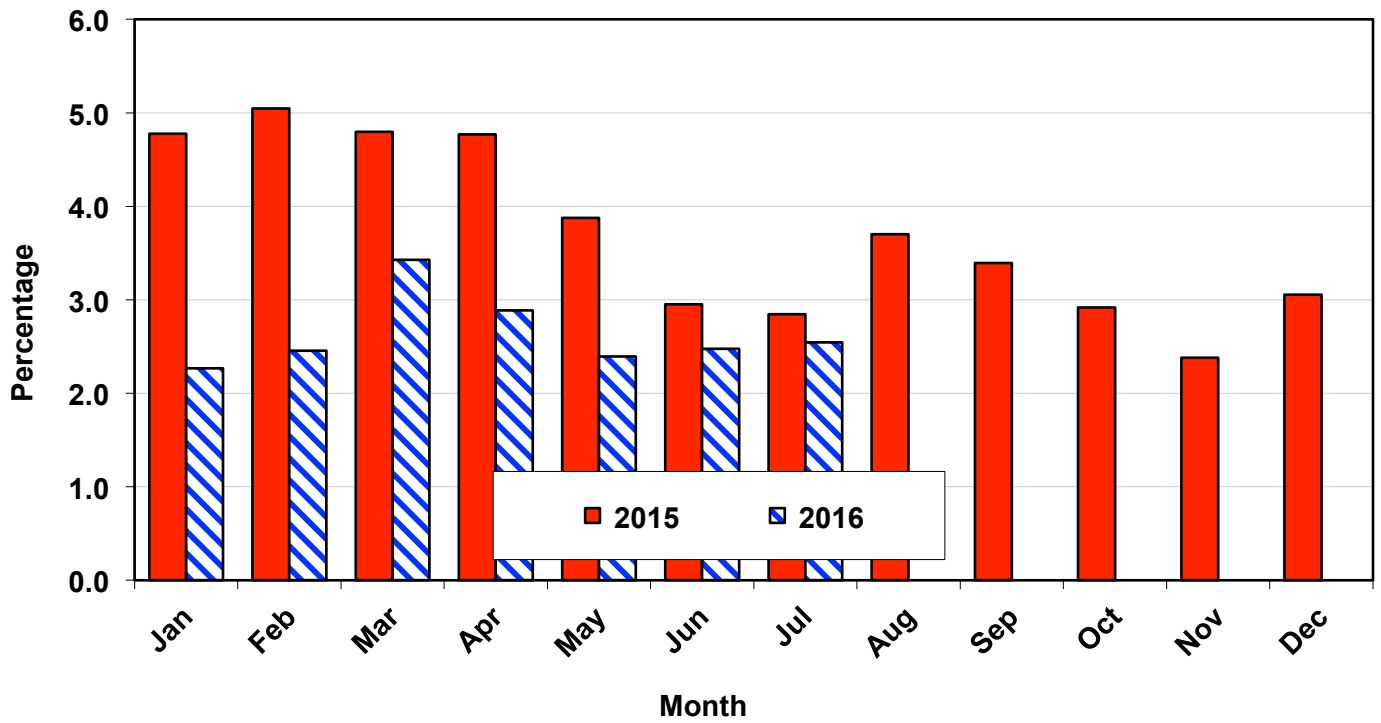


Figure 8: U.S. Egg Exports by Month - 2015 and 2016



Note: Information has been converted from metric tonnes at a rate of 42 lbs. per case of liquid egg (edible + inedibles).

**Figure 9: Exported Eggs by Month - 2015 and 2016
(percentage of eggs produced)**



ALL EGGS PRODUCED, INCLUDING HATCHING EGGS, BY REGION (Million) - 2016

TABLE 11

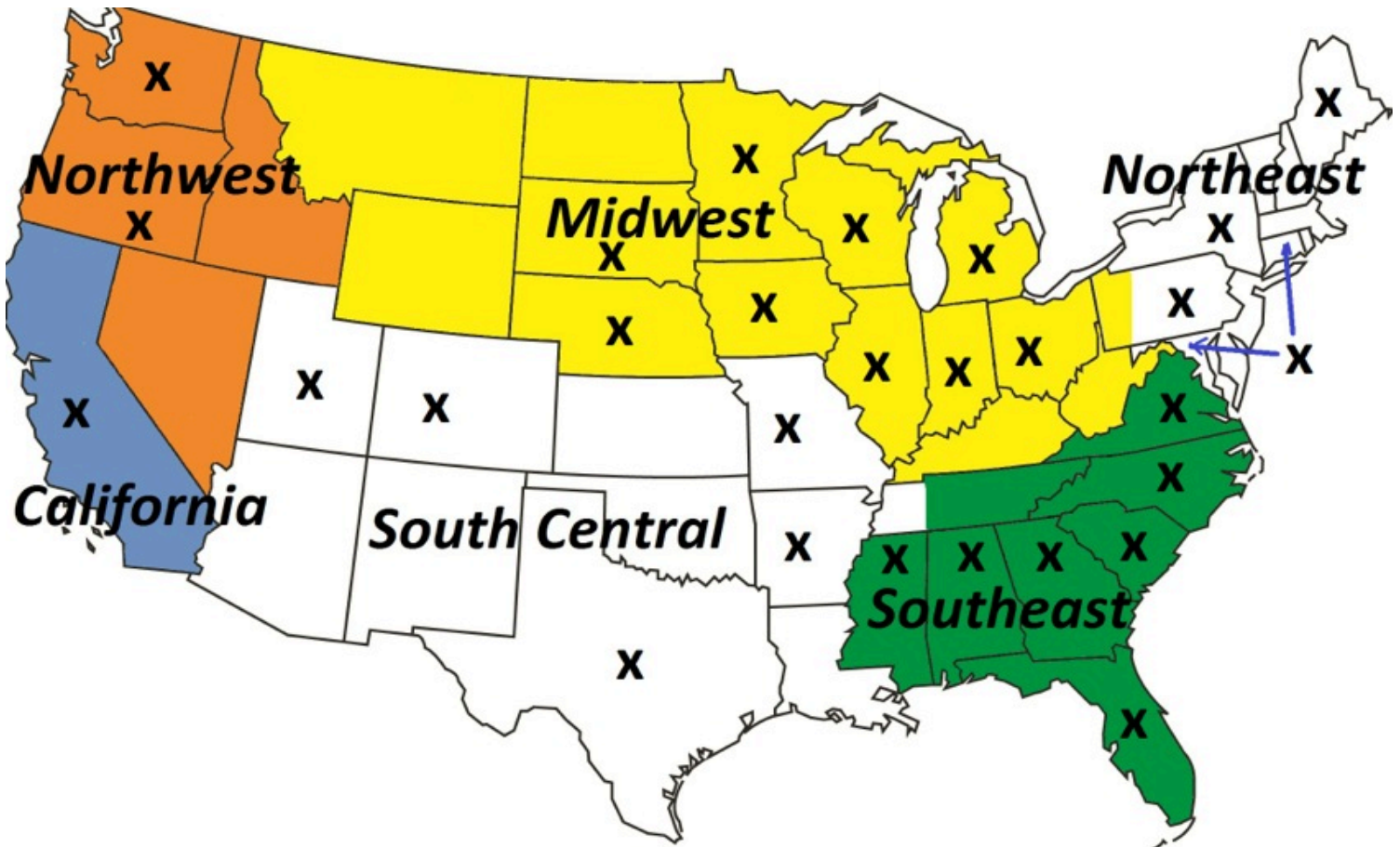
month	Northeast	Southeast	South Central	Midwest	Northwest	California	U.S. Total
Jan	864	1,506	1,210	3,584	227	297	8,161
Feb	841	1,408	1,210	3,457	224	276	7,825
Mar	934	1,486	1,210	3,736	247	297	8,502
Apr	903	1,406	1,210	3,704	226	291	8,208
May	911	1,441	1,210	3,825	226	300	8,514
Jun	883	1,390	1,210	3,705	220	288	8,210
Jul	920	1,448	1,210	3,830	228	292	8,503
Aug							
Sep							
Oct							
Nov							
Dec							
7 Month Avg.	894	1,440	1,210	3,691	228	292	8,275
% of total	10.8	17.4	14.6	44.6	2.8	3.5	

Source: USDA NASS Chickens and Eggs

Note: All States are not represented (see map below)

Note: Year 2015 average for the following States were added: KY, LA, MA, MT, OK, TN, VT and WV

Map of U.S. Regions, as defined by Urner Barry, and the location of information used in this report



Notes

The x's mark the States where there is USDA data available on number of layers, egg production and percent molt.

Northwest is the sum of OR and WA

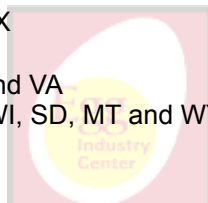
South Central is the sum of AR, UT, CO, MO and TX

Northeast is the sum of CT, MD, ME, NY and PA

Southeast is the sum of AL, FL, GA, MS, NC, SC and VA

Midwest is the sum of IA, IL, IN, MI, MN, NE, OH, WI, SD, MT and WY

California is the state of California only



ALL LAYERS BY REGION, INCLUDING BREEDERS (Million) - 2016

TABLE 12

month	Northeast	Southeast	South Central	Midwest	Northwest	California	U.S. Total
Jan	34.8	68.7	53.1	153.7	9.3	12.4	351.3
Feb	35.5	69.0	53.1	158.1	9.7	12.3	357.1
Mar	36.5	69.0	52.8	161.6	9.8	12.3	361.2
Apr	36.4	68.0	52.4	163.4	9.6	12.4	361.1
May	35.7	67.4	52.5	164.3	9.3	12.5	360.6
Jun	35.7	66.8	52.0	164.4	9.1	12.4	359.3
Jul	35.7	66.4	51.5	164.0	9.2	12.0	357.6
Aug							
Sep							
Oct							
Nov							
Dec							
7 Month Avg.	35.8	67.9	52.5	161.4	9.4	12.3	358.3
% of total	10.0	18.9	14.6	45.0	2.6	3.4	

Source: USDA NASS Chickens and Eggs

Note: Year 2015 average for the following States were added: KY, LA, MA, MT, OK, TN, VT and WV

TABLE EGG LAYERS IN FLOCKS OF 30,000 AND ABOVE BY REGION (Million) - 2016

TABLE 13

month	Northeast	Southeast	South Central	Midwest	Northwest	California	U.S. Total
Jan	31.9	32.9	32.2	142.0	13.4	11.9	283.6
Feb	32.6	33.0	32.0	146.4	13.9	11.8	289.0
Mar	33.5	32.9	31.7	149.8	13.9	11.8	293.0
Apr	33.4	31.9	31.5	151.5	13.6	11.8	292.9
May	32.7	31.5	31.6	152.3	13.4	12.0	292.4
Jun	32.7	31.0	31.2	152.5	13.3	11.8	291.4
Jul	32.7	30.9	30.8	152.1	13.3	11.5	290.0
Aug							
Sep							
Oct							
Nov							
Dec							
7 Month Avg.	32.8	32.0	31.6	149.5	13.5	11.8	290.3
% of total	11.3	11.0	10.9	51.5	4.7	4.1	
Table/total layers (%)	91.7%	47.2%	60.1%	92.6%	144.2%	95.9%	81.0%

Source: USDA NASS Chickens and Eggs

* The drop in the Northeast region number is mostly explained by not having a count for CT and ME for the period after March

TOTAL MOLT (in-molt plus post-molt) BY REGION (Simple average of reporting States, %) - 2016

month	Northeast	Southeast	South Central	Midwest	Northwest	California	Simple avg. of 5 regions
Jan	4.8	21.6	24.4	19.5	21.3	20.0	18.6
Feb	4.4	19.9	23.1	19.9	22.3	22.5	18.7
Mar	5.3	18.1	20.6	18.1	24.3	33.0	19.9
Apr	1.5	19.1	20.1	21.2	24.5	36.0	20.4
May	3.7	18.4	20.4	20.2	24.3	33.5	20.1
Jun	4.2	20.0	21.5	18.4	22.5	32.5	19.9
Jul	5.2	21.7	21.9	18.9	23.3	36.0	21.2
Aug	4.0	22.9	24.0	21.7	23.3	32.5	21.4
Sep							
Oct							
Nov							
Dec							
7 Month Avg.	4.1	20.2	22.0	19.7	23.2	30.8	20.0
year 2015 avg.	3.1	21.2	23.2	20.0	23.4	30.9	19.0

Source: USDA NASS Chickens and Eggs

Note: average molt is estimated as the simple average of the reported States

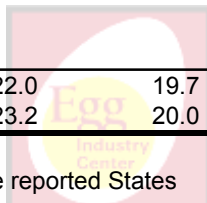


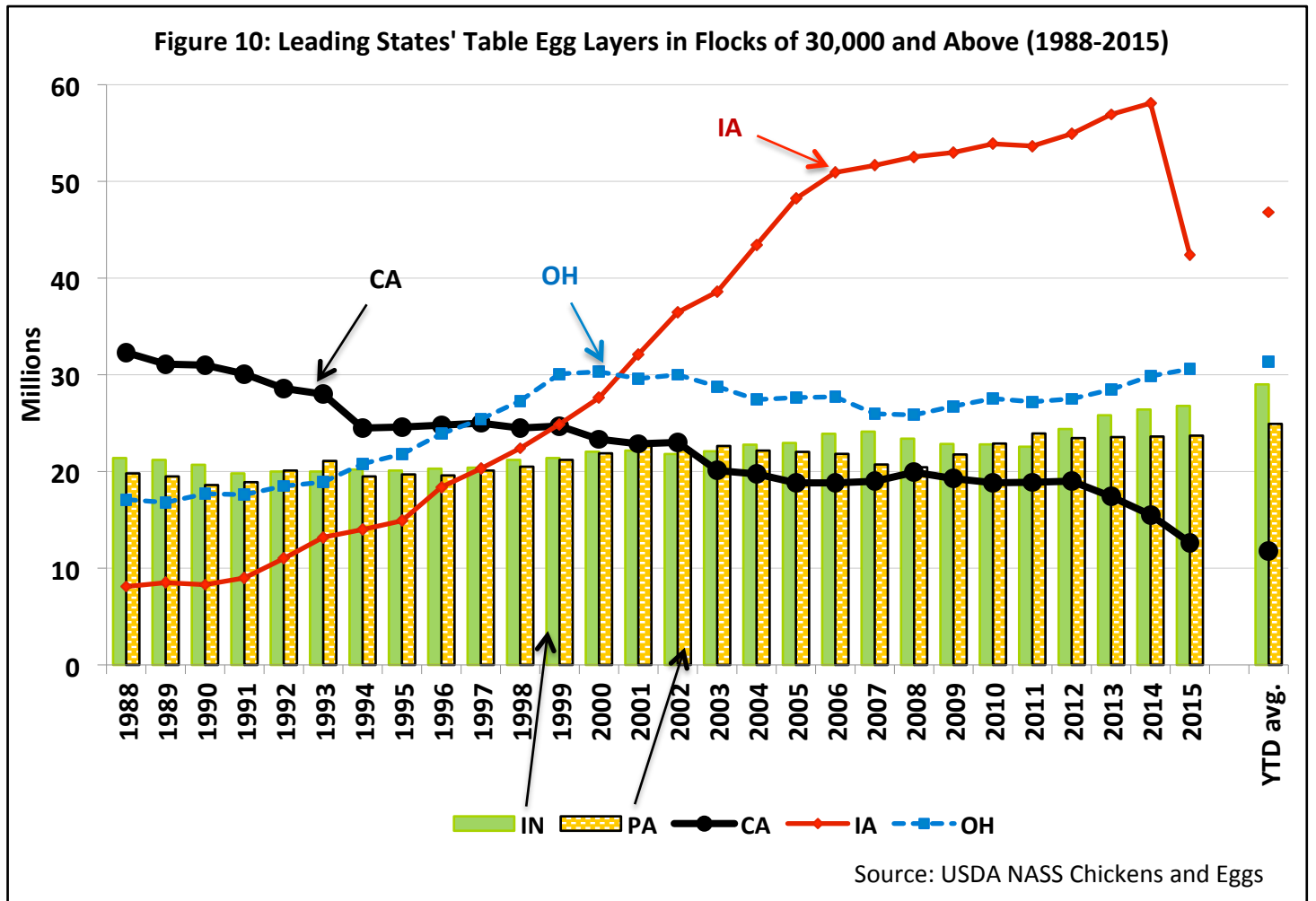
TABLE EGG LAYERS IN LEADING STATES - (LAYERS IN 30,000+ HEN FLOCKS) - 2016

TABLE 15

month	IA	OH	IN	PA	CA	TX	U.S.
Jul-2015	32.45	32.13	27.65	23.84	11.44	15.36	265.62
			(Millions)				
Jan-2016	40.08	32.01	29.07	23.89	11.87	16.55	283.56
Feb-2016	43.85	32.30	28.85	24.70	11.79	16.48	289.04
Mar-2016	46.48	32.02	29.23	25.64	11.81	16.45	292.95
Apr-2016	47.89	31.49	29.27	25.49	11.85	16.40	292.86
May-2016	48.72	31.16	29.28	25.01	12.00	16.33	292.42
Jun-2016	49.92	30.56	29.04	24.95	11.85	16.17	291.45
Jul-2016	50.78	30.00	28.34	24.84	11.46	16.17	290.05
Aug-2016							
Sep-2016							
Oct-2016							
Nov-2016							
Dec-2016							
7 Month Avg.	46.82	31.36	29.01	24.93	11.80	16.36	290.33

Source: USDA NASS Chickens and Eggs

% of all U.S. table egg layers in flocks with 30,000 or more hens = 96.8%



PROJECTED U.S. EGG-TYPE HATCHERY SUPPLY FLOCK (Millions)

TABLE 16

month	2011	2012	2013	2014	2015	2016	2017
Jan	3.087	2.706	2.791	2.436	2.608	2.797	2.836
Feb	3.123	2.659	2.830	2.515	2.535	2.797	
Mar	3.108	2.653	2.786	2.503	2.553	2.857	
Apr	3.039	2.703	2.786	2.468	2.610	2.958	
May	2.998	2.672	2.649	2.555	2.619	2.937	
Jun	2.996	2.657	2.745	2.476	2.664	2.947	
Jul	2.883	2.672	2.579	2.540	2.682	3.081	
Aug	2.848	2.731	2.613	2.536	2.689	3.074	
Sep	2.877	2.732	2.630	2.472	2.605	2.997	
Oct	2.779	2.819	2.588	2.530	2.718	2.840	
Nov	2.755	2.778	2.515	2.497	2.917	2.805	
Dec	2.713	2.791	2.537	2.439	2.892	2.866	
1 month avg.	3.087	2.706	2.791	2.436	2.608	2.797	2.836
12 month avg.	2.934	2.714	2.671	2.497	2.674	2.913	

Source: USDA NASS Chickens and Eggs

Note: The hatchery supply flock estimates are made by using 7 to 18 months prior hatch minus 9% mortality

PULLETS TO BE HOUSED BASED UPON U.S. HATCH 5 MONTH AGO (Millions)

TABLE 17

(47.5% of CHICKS PLACED multiplied by a 95% LIVABILITY FACTOR)

month	2011	2012	2013	2014	2015	2016	2011 to '15 month avg.
Jan	16.7	18.7	19.1	17.5	17.9	21.3	18.0
Feb	16.9	17.4	16.1	17.8	18.4	21.5	17.3
Mar	18.6	17.0	17.1	19.2	20.2	22.7	18.4
Apr	17.5	16.9	16.5	18.9	16.5	20.7	17.3
May	17.0	17.6	18.5	18.6	18.2	21.1	18.0
Jun	17.7	18.0	19.1	19.4	18.0	20.8	18.4
Jul	18.7	19.5	21.1	20.6	20.7	24.4	20.1
Aug	19.7	19.4	19.7	20.2	21.4	25.7	20.1
Sep	19.4	19.5	20.8	20.9	21.4	23.0	20.4
Oct	19.4	20.1	22.6	22.4	21.8	25.8	21.3
Nov	17.6	17.5	19.1	20.0	21.3	26.2	19.1
Dec	16.7	16.2	18.0	19.2	19.3	19.4	17.9
12 month avg.	18.0	18.2	19.0	19.5	19.6	22.7	18.9
Annual Avg.	18.0	18.2	19.0	19.5	19.6		18.9
Total	215.9	218.0	227.7	234.6	235.1		226.3

Source: USDA NASS Chickens and Eggs

% Change to date

15.91

Note: The number of pullets to be housed was reduced by 6 million based on the number reported as lost to avian influenza. We assumed the reduction as evenly spread during the period between May and September 2015 (assuming that the ages of affected birds was evenly distributed).



PROJECTED U.S. TABLE EGG FLOCK LESS THAN 72 WEEKS OF AGE (Millions)

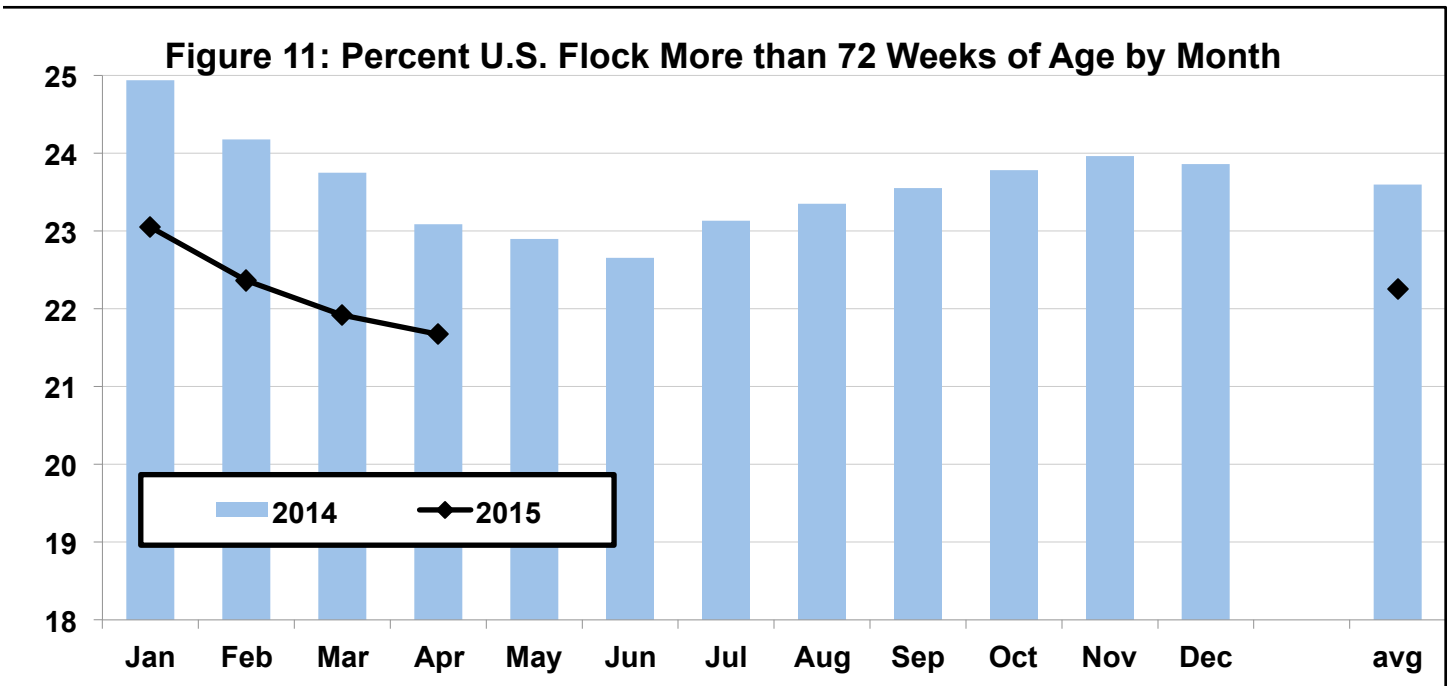
TABLE 18

month	Number				% of National Flock over 72 wks.		
	2012	2013	2014	2015	2013	2014	2015
Jan	219.7	220.1	227.7	235.8	26.3	24.9	23.1
Feb	219.6	219.4	229.5	236.5	26.8	24.2	22.4
Mar	217.9	219.6	231.6	237.4	26.9	23.7	21.9
Apr	217.3	219.1	234.0	235.0	26.5	23.1	21.7
May	217.9	220.0	234.1	*	25.8	22.9	
Jun	218.2	221.1	234.4	*	25.5	22.7	
Jul	219.6	221.9	233.8	*	25.4	23.1	
Aug	219.4	222.1	234.1	*	25.8	23.4	
Sep	219.5	223.4	234.0	*	25.6	23.6	
Oct	220.2	226.0	233.5	*	25.0	23.8	
Nov	220.2	227.5	234.3	*	25.3	24.0	
Dec	219.7	229.3	235.4	*	24.9	23.9	
4 month avg.	218.6	221.8	232.8	237.8			
4 month avg.					26.6	24.0	22.3
12 month avg.	219.1	222.5	233.0		25.8	23.6	

Source: Egg Industry Center based on USDA NASS Chickens and Eggs data

Note: The number of layers younger than 72 weeks of age are estimated as the sum of the Egg-Type Chicks Hatched between 5 and 17 months before adjusted by a 9% loss

* Special note: A special adjustment to this calculation will be needed as a result of the avian influenza outbreak, but it will depend on some assumptions about the ages of the layers affected.

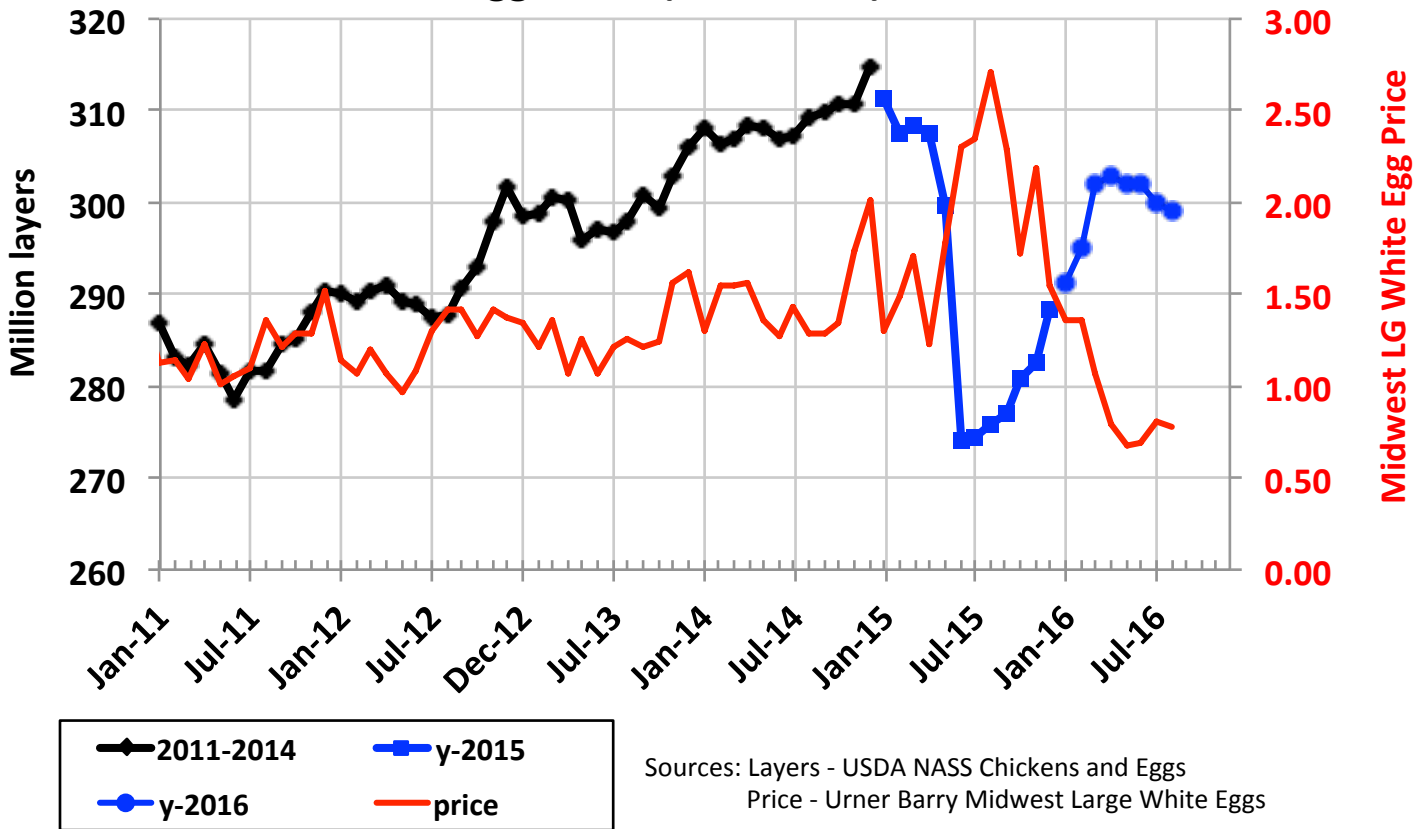


Some new uncertainties about the flock projection

Very few things changed from last month when we wrote the report below. The main change was a reduction of the baby chicks hatched, that brings the July values closer to the years 2014 and 2015 values for the month of July. Here are the updated figures.

U.S. egg producers are facing very low prices. At the same time, in the last few months there were a higher number of baby chicks hatched than usual (except the last value for July), which under normal circumstances would result in a large increase on the number of layers in the near months, and our model indicates that. We are very skeptical this big increase in the flock size is going to happen with the price levels we are seeing lately. Especially after many months of depressed prices. Here are some trends that describe what's going on.

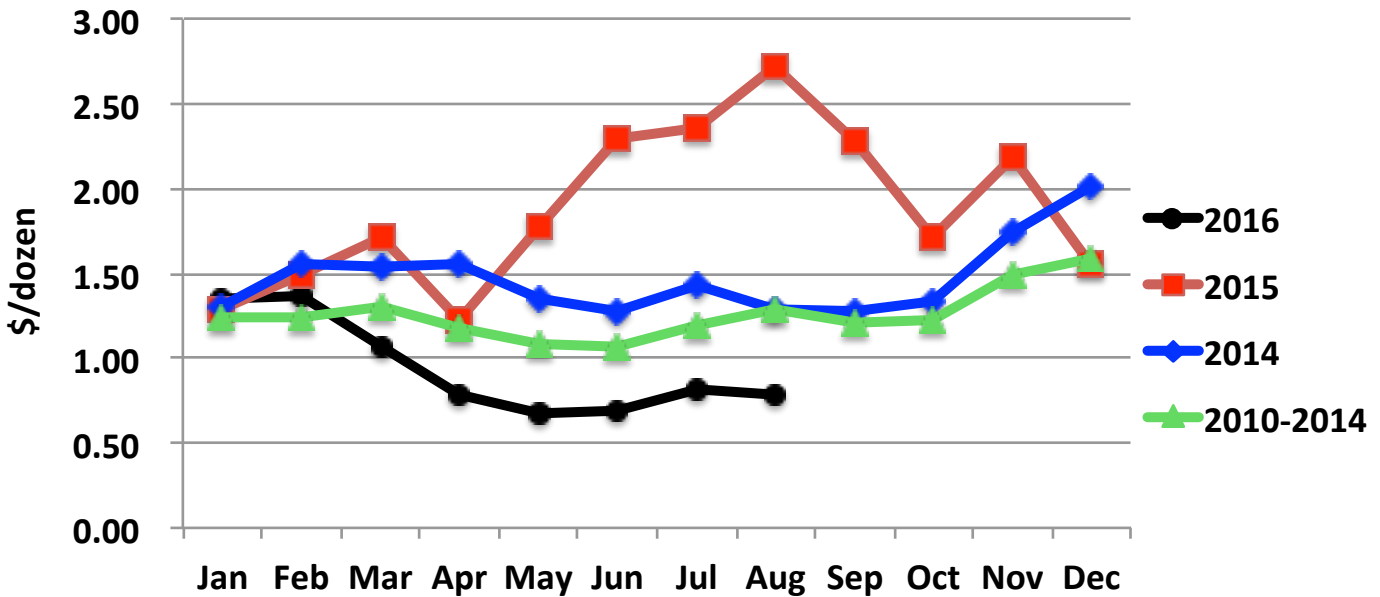
U.S. Table-Egg Layers on 1st of the Month and Egg Prices (2011-2016)



It is shown in the figure above that the U.S. flock was recuperating at a very good rate from the losses experienced last year even though the prices were going down, as more supply was available. But the growth stopped in April, which coincided with the month the prices reached levels close to the 10-year low prices as shown in the figure below.



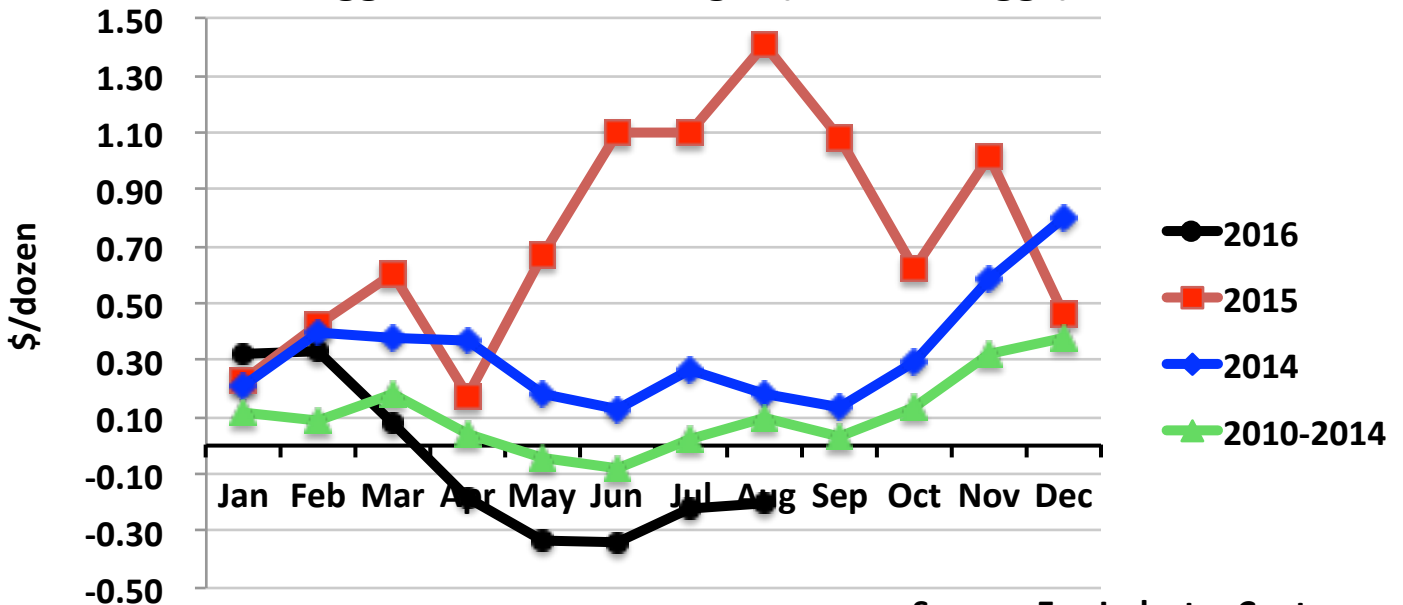
Midwest Large White Egg Prices



Source: Urner Barry

The low prices resulted in the lowest production margins of the last 10 years (see figure below). To the point that June and July prices were not enough to pay for the feed cost.

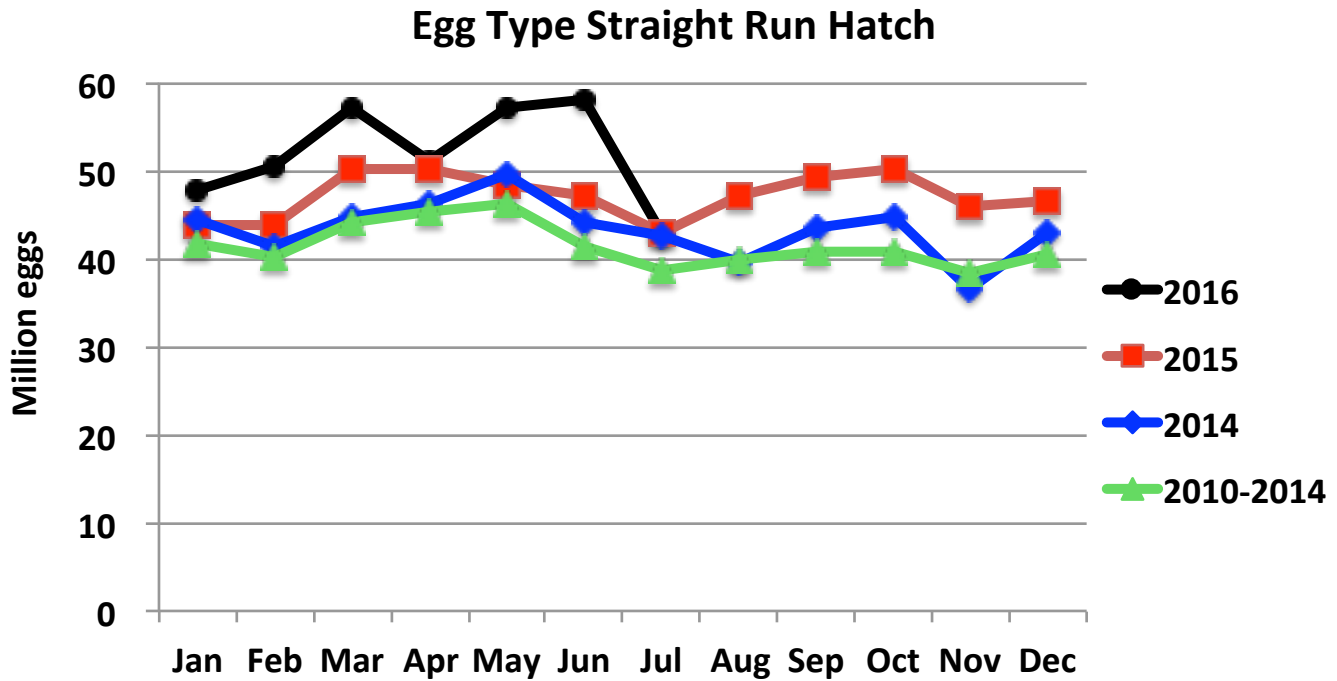
Egg Production Margin (nest run eggs)



Source: Egg Industry Center



The number of egg-type eggs hatched had been at the highest historical levels from January through June 2016 (see figure below). This would result in a big increase in the flock size unless a much larger proportion of the flock is culled. That's a possibility given the very low prices (and margins) the industry is facing right now. [The July 2016 value was close to the years 2014 and 2015 July values.](#)



Source: USDA NASS

One alternative is that producers would cull some of the older (less efficient) flocks to give space to the younger birds coming into production, which would result in a larger number of birds coming out of production as well. [The number of layers coming out of production in the last 2 months \(June and July 2016\) are among the top 10 highest values of the last 15 years.](#) Maybe some producers are transitioning from 2-cycle production systems to 1-cycle production systems. Therefore, we decided not to publish the flock projection results until we have a better understanding of what's going on in the industry.



Figure 12: U.S. Monthly Table-Egg Layers (2006-2016)

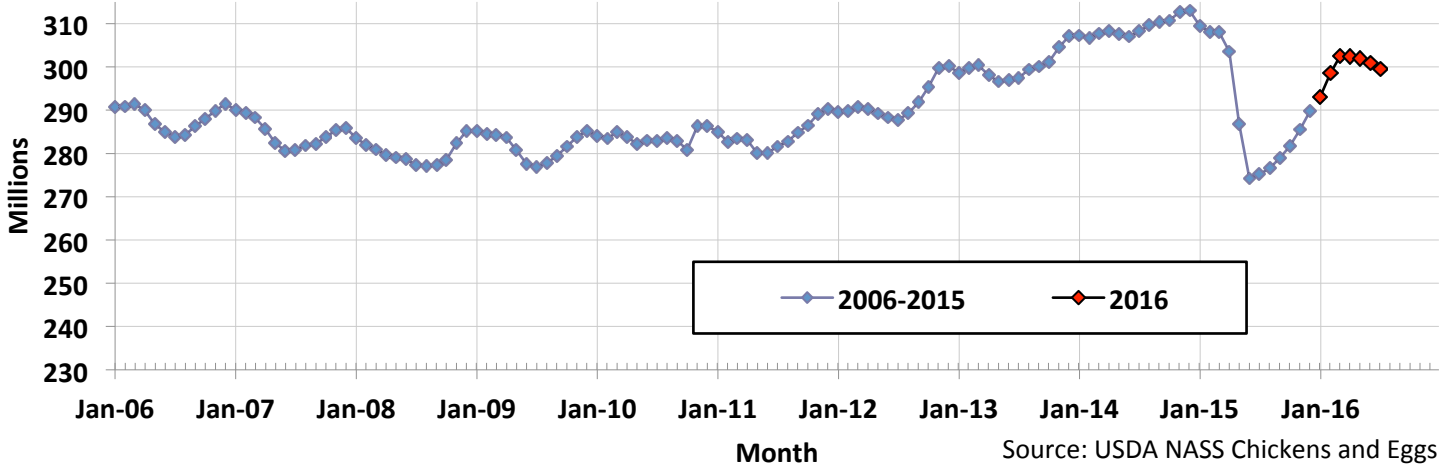


Figure 13: U.S. Table Eggs per Hundred Hens per Day by Month (2006-2016)

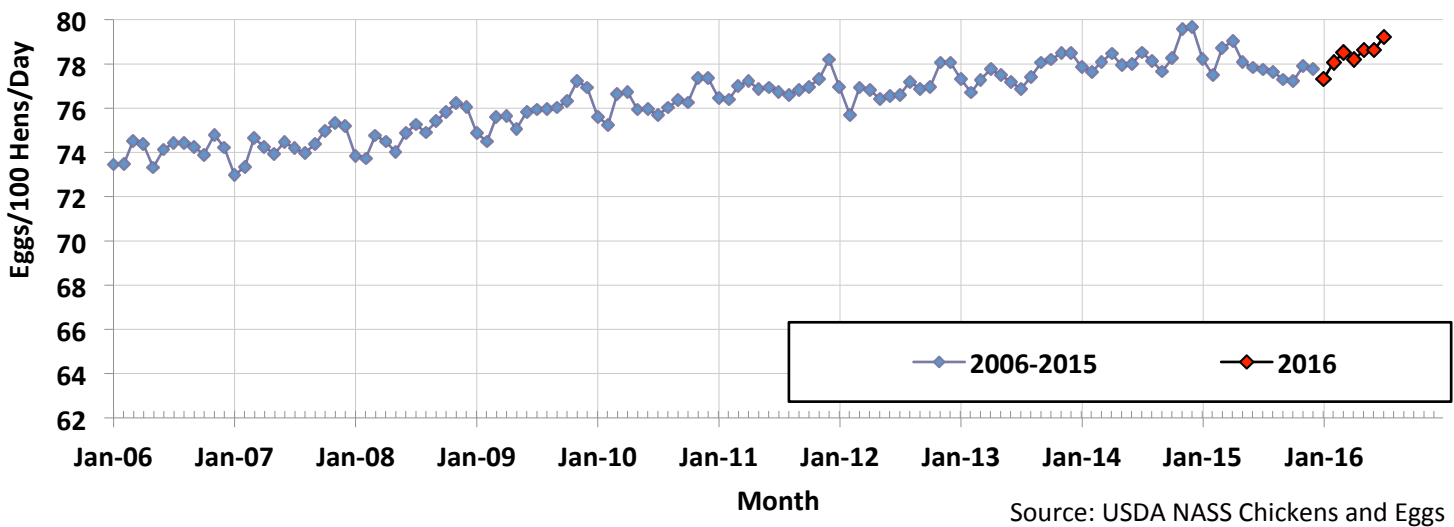
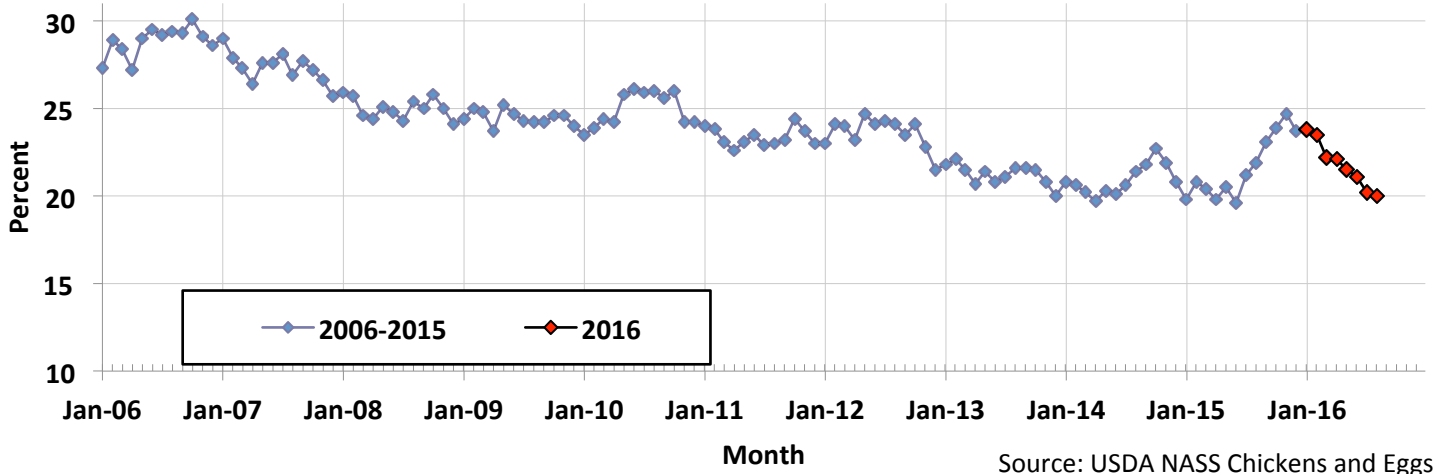
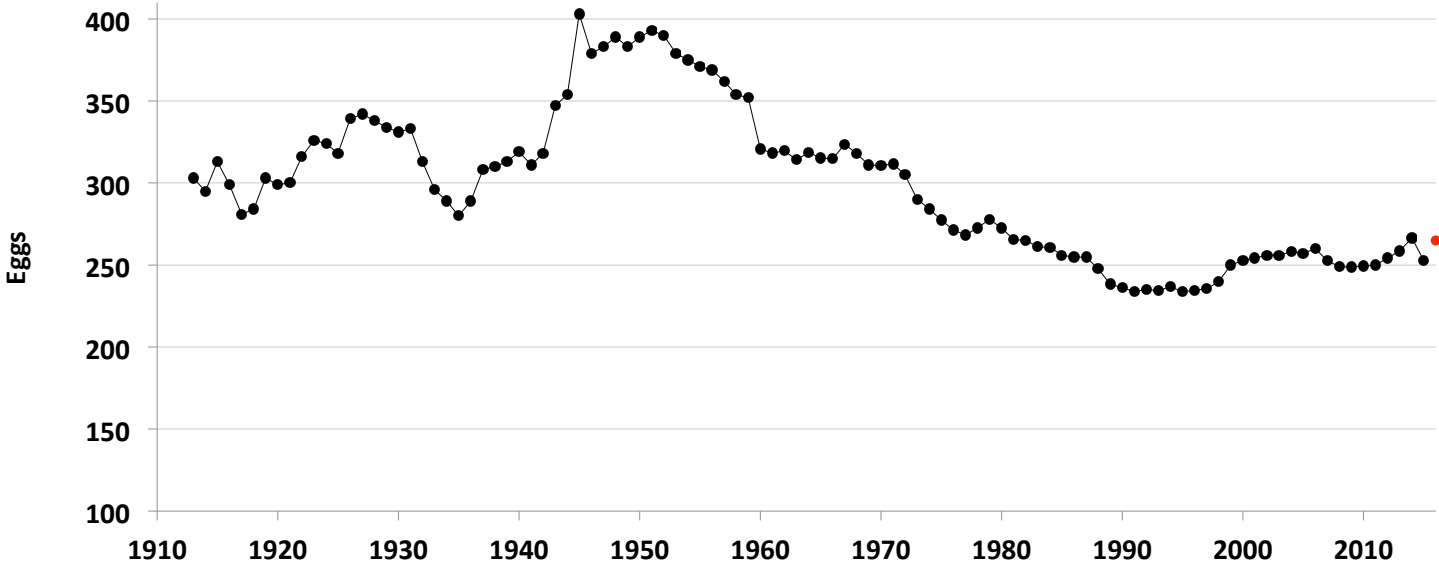


Figure 14: Monthly Percent of U.S. Flock Molted (2006-2016)



Source: USDA NASS Chickens and Eggs

Figure 15: U.S. Per Capita Egg Consumption by Year (1913-2016)



Source: USDA ERS



SUMMARY TO DATE

Table 23

		2015	2016	% Change
HATCH of EGG-TYPE STRAIGHT RUN (THOUSANDS) (U.S.) (Total)	Jan to Jul	326,339	364,357	11.6
TABLE-EGG LAYERS (MILLIONS) (U.S.) (Avg.)	Jan to Jul	295.0	299.8	1.6
TABLE EGGS (MILLIONS/MONTH) (U.S.) (Avg.)	Jan to Jul	6,983	7,151	2.4
RATE OF LAY (%) (Avg.)	Jan to Jul	78.2	78.4	0.2
U.S. TABLE EGG AVG. CASES/WEEK (THOUSANDS)	Jan to Jul	1,614	1,653	2.4
AVG MONTHLY CASES OF EGGS BROKEN (MILLION) (U.S.)	Jan to Jul	6.008	6.201	3.2
		2013	2014	Difference
PERCENT OF U.S. FLOCK IN or POST MOLT (Avg.)	Jan to Aug	20.5	21.8	1.3
AVVERAGE PULLETS ADDED/MONTH (MILLIONS) (U.S.)	Jan to Dec	19.6	22.7	3.1

Note: U.S. cost of production and egg prices are published in another Egg Industry Center report. Contact Maro Ibarburu at maro@iastate.edu to be placed on the mailing list to receive monthly copies of these reports.

Webpages of some of the sources of information,

Access these sites by clicking on the blue addresses below:

- University of California Poultry Page <http://animalscience.ucdavis.edu/avian/>
- USDA NASS Chickens and Eggs <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1028>
- USDA NASS Poultry Slaughter <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1131>
- USDA NASS Egg Products <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1057>
- USDA ERS Livestock and Meat Trade Data. <http://www.ers.usda.gov/data/MeatTrade/BroilerTurkeyMonthly.htm>
- USDA FAS <http://www.fas.usda.gov/gats/ExpressQuery1.aspx>
- USDA NASS Cold Storage <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1034>
- USDA AMS Poultry Market News and Analysis <http://marketnews.usda.gov/portal/py>

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