

U.S. Flock Trends and Projections

August 12, 2016



Compiled by
Maro Ibarburu

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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 June hatch (straight-run chicks) was 23.0% higher than in 2015. This projects forward to a 26.2 million pullet placement for November of 2016 which is 4.9 million larger than November of 2015 placement (21.3).
- * Current (June average, 2016) U.S. table egg layer number (301.0 million) is 9.8 million larger than last year's number at this time (274.2 million), and down 0.9 million compared to last month (301.9 million).
- * In June, Iowa led the nation with 49.9 million laying hens compared to 30.6 million in Ohio, 29.0 million in Indiana, and 25.0 million in Pennsylvania. California (with 11.8 million layers) lost it's 5th position to Texas with 16.2 million layers.
- * The June U.S. rate of lay was estimated to be 78.6% which is 0.8% higher than June 2015 level. The total number of table eggs produced in June 2016 was 10.9% higher than the June 2015 production.
- * The June 2016 number of eggs exported was 6% lower than last year (June 2015) and similar to last month (May 2016). The June exports represented 2.5% of the number of eggs produced.
- * Shell eggs broken for products in June 2016 totaled 6.674 million cases, 4.2% more than in June 2015 (6.408 million cases).
- * The egg-type hatchery supply flock is projected to be 9% higher in Jan-Dec 2016 than in Jan-Dec 2015 (table 16).

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

	2014	2015	% Change
Hatch - Egg-Type Straight Run (thousands) (U.S.)	47,212	58,094	23.0
Table Egg Layers (millions) (U.S.)	274.2	301.0	9.8
Rate of lay (percent)	77.8	78.6	0.8
Molting (July 1, 2016) (percent in + out of a molt)	21.2	20.1	-5.2

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	*

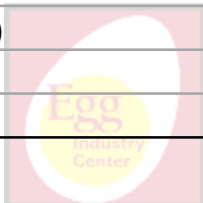
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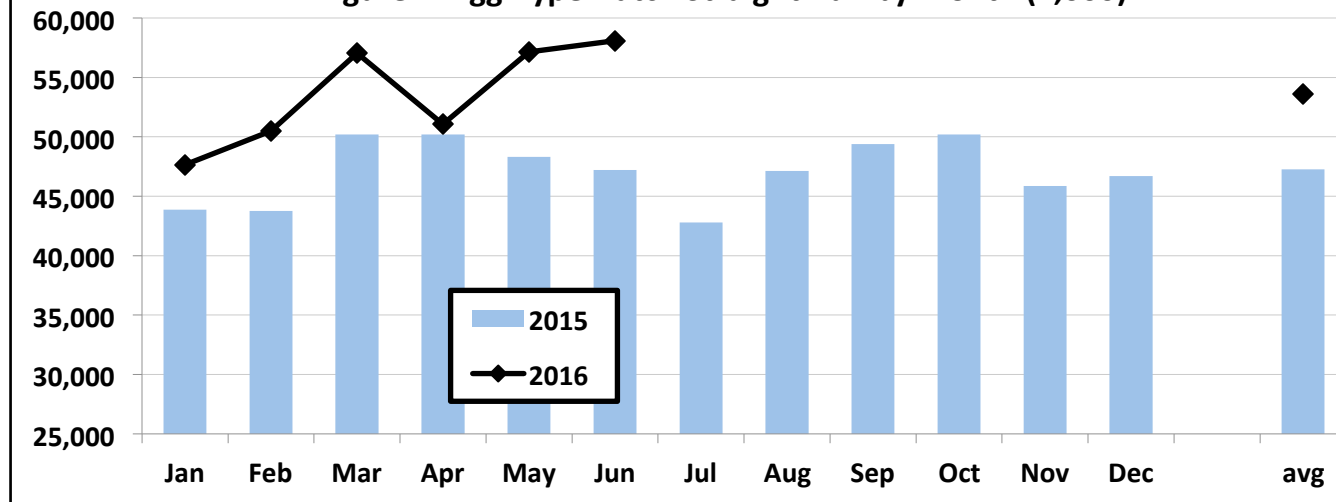
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EGG TYPE: EGGS IN INCUBATORS (on the 1st of the month) and STRAIGHT RUN HATCH (U.S.) **TABLE 1**

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	58,094	23.0
Jul	43,647	44,083	1.0	Jul	42,790		
Aug	44,480			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		
7 Month Avg.	45,484	49,904	9.7	6 Month Avg.	47,258	53,577	13.4
7 Month Total	318,390	349,326		6 Month Total	283,549	321,464	
12 Month Total	554,305			12 Month Total	565,598		

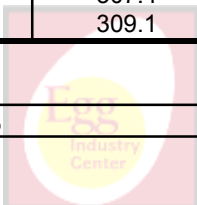
Source: USDA NASS Chickens and Eggs

Figure 1: Egg-Type Hatch Straight Run by Month (1,000)**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			308.2	275.1		
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		
6 Month Avg.	356.3	358.4	0.6	307.4	298.4	299.9	0.5
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%

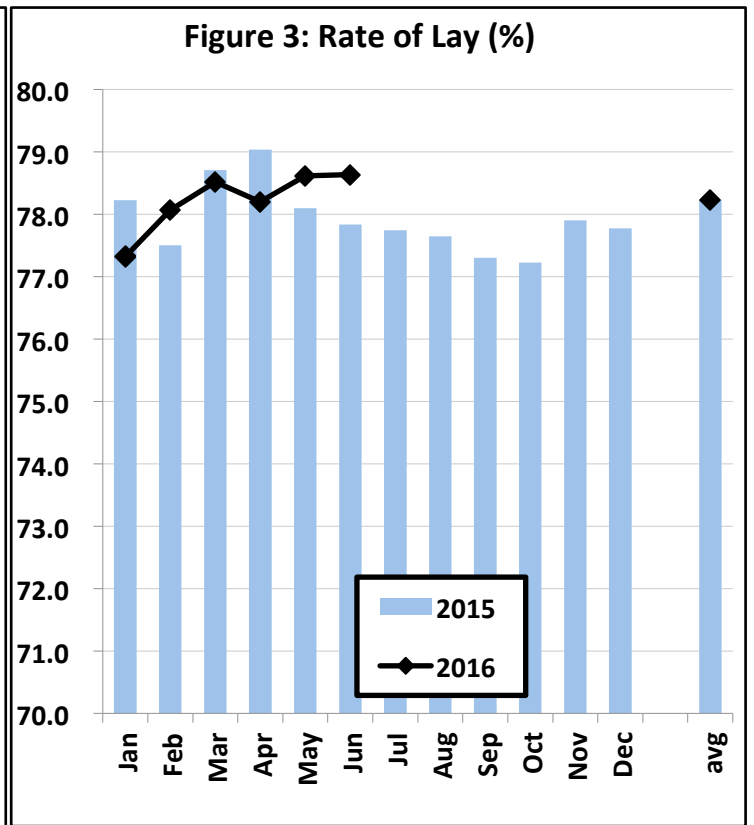
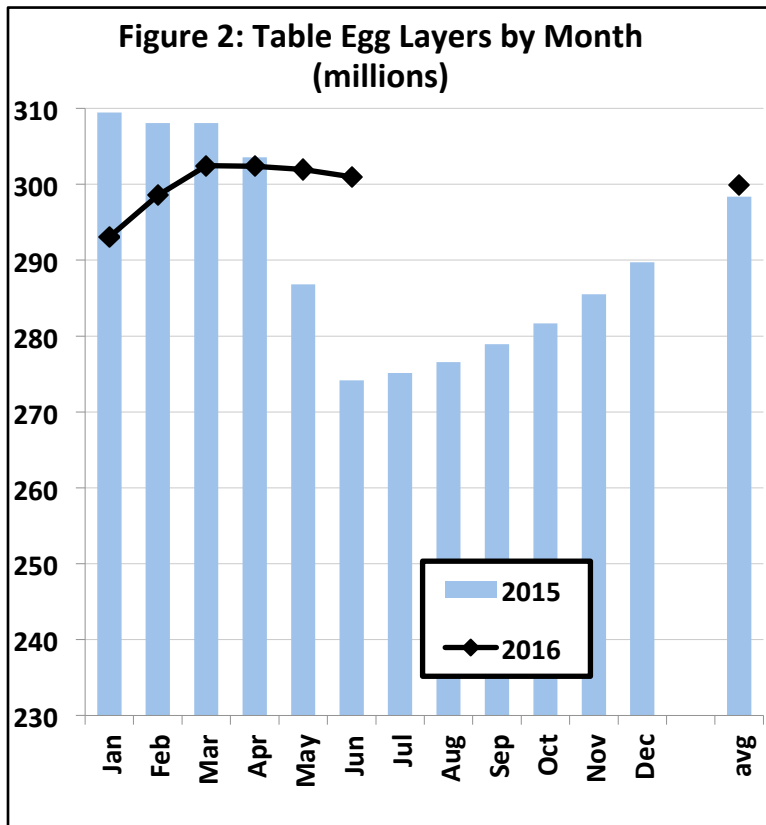


U.S. ALL EGGS, TABLE EGGS AND RATE OF LAY (ALL STATES)

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			6,630			77.7	
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	
6 Month Avg.	8,138	8,237	1.2	7,041	7,117	1.1	78.2	78.2
Annual Avg.	7,977			6,867			77.9	
Total	95,727	49,420		82,404	42,699			

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	6.674	4.2
Jul	5.977	5.988	5.748	6.266	6.618	5.641		
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		
6 Month Avg.	5.572	5.718	5.758	5.810	6.088	6.069	6.156	1.4
6 Month Total	33.432	34.308	34.551	34.858	36.528	36.412	36.937	
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	118.608
31.3	30.9	30.1	30.7	30.6	31.1

Figure 4: Shell Eggs Broken for Further Processing by Month (million cases)

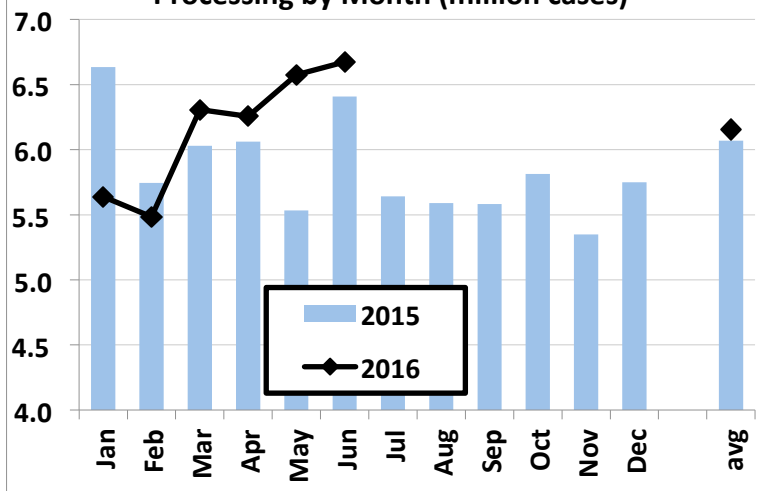
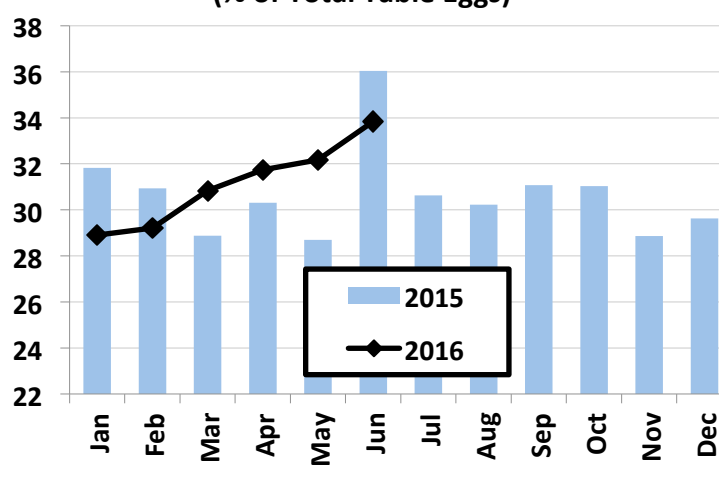


Figure 5: Shell Eggs Broken by Month (% of Total Table Eggs)



PER CAPITA EGG CONSUMPTION BY QUARTER

TABLE 5

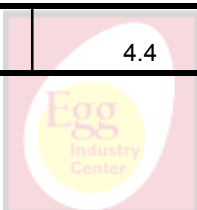
QUARTER	2009	2010	2011	2012	2013	2014	2015	2016*
1	62.0	61.8	61.3	63.2	64.3	65.5	65.0	66.2
2	61.5	61.9	61.5	62.2	63.4	66.2	62.3	65.9
3	61.4	62.5	62.8	63.3	64.7	67.2	61.1	65.5
4	62.9	63.1	64.3	65.6	66.2	67.7	64.5	66.5
Total	247.7	249.3	249.9	254.3	258.6	266.6	252.9	264.0

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 (5/2016)



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	17.6	21.2	20.1	-1.1
Aug	2.7			19.2		21.9		
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		
7 Month Avg.	2.6	2.6	0.0	17.7	19.5	20.3	22.0	1.7
12 Month Avg.	2.7			18.9		21.6		

Source: USDA NASS Chickens and Eggs

Figure 6: Monthly Percent Molted

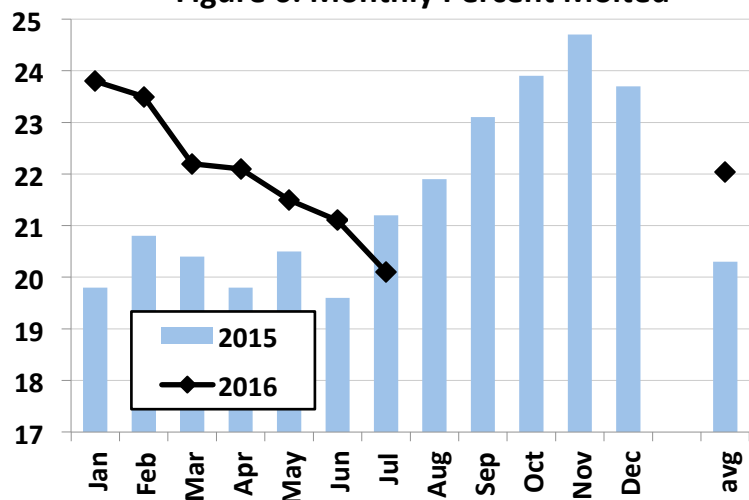
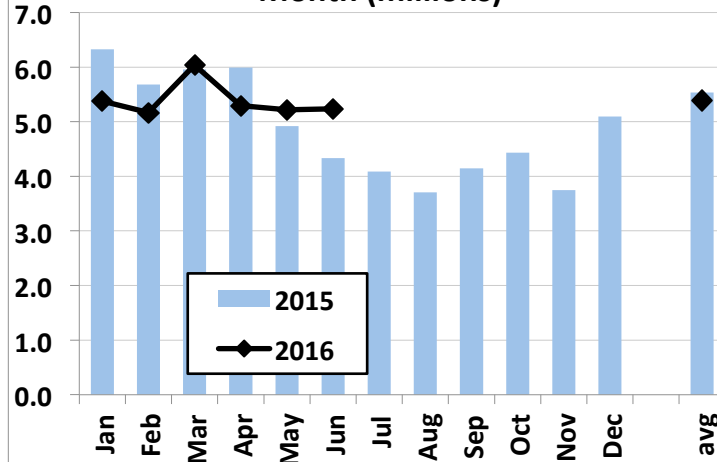


Figure 7: Slaughter of Light Fowl by Month (millions)

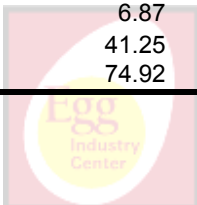


SLAUGHTER OF LIGHT FOWL (MILLIONS)

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	5.24	5.54
Jul	5.42	5.00	4.45	5.60	5.32	4.09		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
6 Month Avg.	5.96	5.96	6.97	6.87	6.46	5.53	5.39	6.29
6 Month Total	35.77	35.75	41.81	41.25	38.77	33.21	32.33	37.76
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									321.8	
Aug									421.7	
Sep									305.7	
Oct									328.1	
Nov									279.3	
Dec									262.2	
6 Mo. Total	709.5	13.7	466.9	4.7	535.5	0.2	27.3	1,826.0	2,700.2	1.54
%	38.9	0.8	25.6	0.3	29.3	0.0	1.5			

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	20.9	43.0	13.3	2.4	169.9	517.3	0.87
Feb	60.6	9.7	5.8	15.9	64.1	4.1	1.1	162.8	436.1	0.87
Mar	104.2	16.9	12.0	4.7	133.0	10.5	4.2	291.3	463.9	1.42
Apr	104.7	5.0	8.7	16.3	77.5	10.5	5.6	233.8	402.1	1.19
May	70.7	5.1	6.0	40.5	92.4	0.8	2.2	221.8	385.0	1.09
Jun	101.2	7.2	3.0	14.4	72.3	13.8	30.4	244.5	194.7	1.24
Jul									194.3	
Aug									254.1	
Sep									297.5	
Oct									211.7	
Nov									157.0	
Dec									324.1	
6 Mo. Total	518.5	51.6	40.2	112.8	482.4	53.0	45.9	1,324.0	2,399.1	1.11
%	39.2	3.9	3.0	8.5	36.4	4.0	3.5			

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 (000) Cases	Table Eggs Exported Cases	% of U.S.	Egg Products Exported Cases	% of U.S.	Total Exported 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							
Aug							
Sep							
Oct							
Nov							
Dec							
Total/Av	118,608	1,826.0	1.54	1,324.0	1.12	3,150.0	2.66

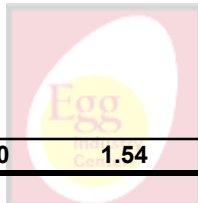
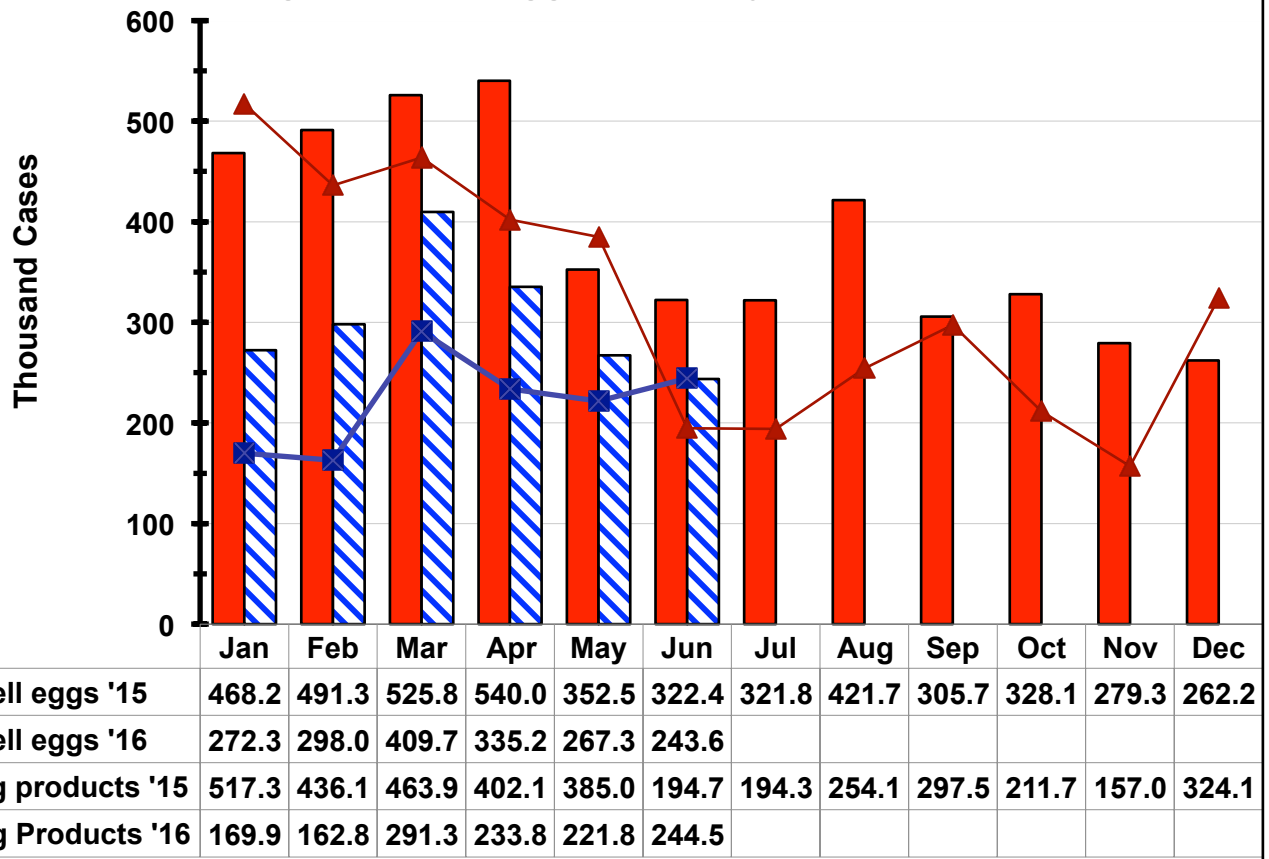
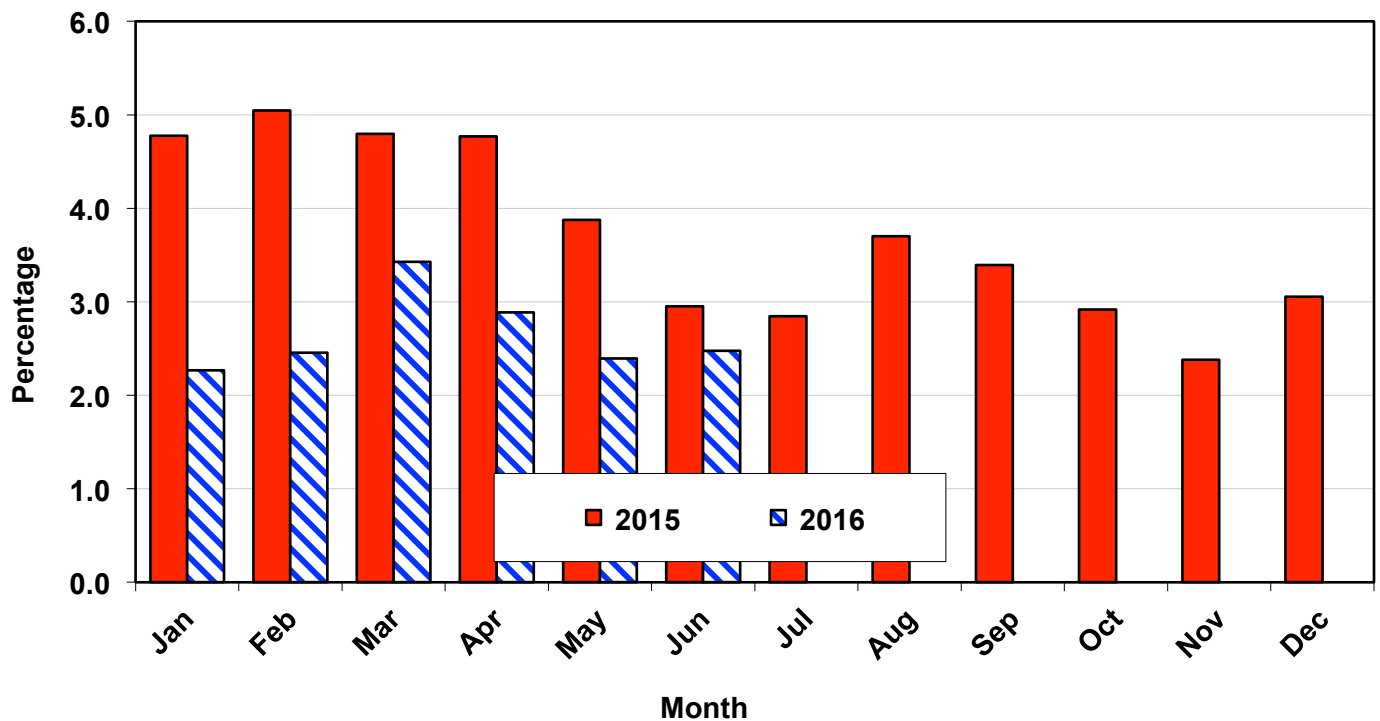


Figure 8: U.S. Egg Exports by Month - 2015 and 2016



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

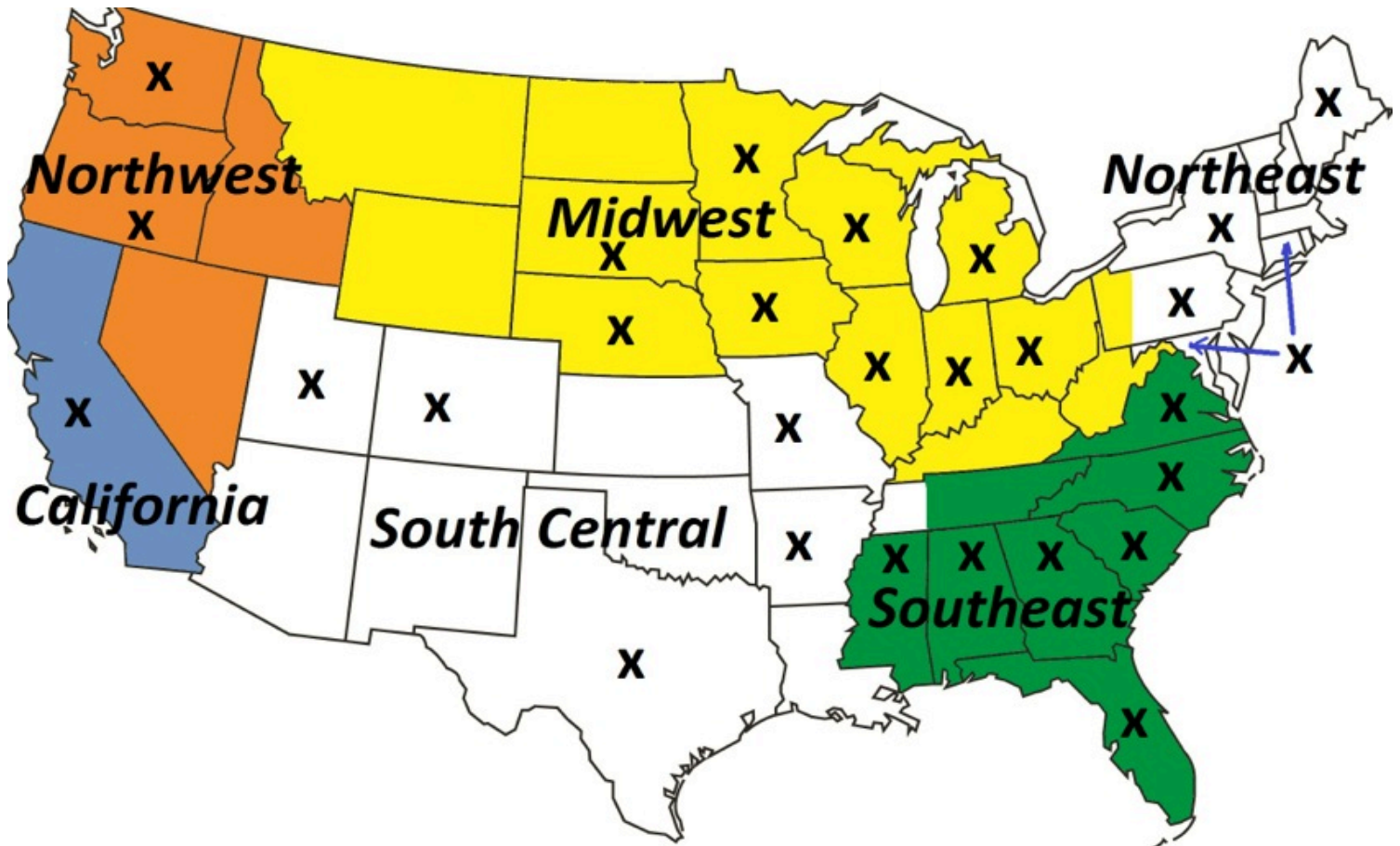
month	Northeast	Southeast	South Central	Midwest	Northwest	California	U.S. Total
Jan	864	1,506	1,210	3,584	227	297	8,161
Feb	841	1,408	1,210	3,457	224	276	7,825
Mar	934	1,486	1,210	3,736	247	297	8,502
Apr	903	1,406	1,210	3,704	226	291	8,208
May	911	1,441	1,210	3,825	226	300	8,514
Jun	883	1,390	1,210	3,705	220	288	8,210
Jul							
Aug							
Sep							
Oct							
Nov							
Dec							
6 Month Avg.	889	1,439	1,210	3,668	228	292	8,237
% of total	10.8	17.5	14.7	44.5	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

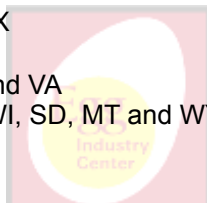
South Central is the sum of AR, UT, CO, MO and TX

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							
Aug							
Sep							
Oct							
Nov							
Dec							
6 Month Avg.	35.8	68.1	52.6	160.9	9.4	12.4	358.4
% of total	10.0	19.0	14.7	44.9	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	9.0	11.9	283.6
Feb	32.6	33.0	32.0	146.4	9.4	11.8	289.0
Mar	33.5	32.9	31.7	149.8	9.5	11.8	293.0
Apr	33.4	31.9	31.5	151.5	9.2	11.8	292.9
May	32.7	31.5	31.6	152.3	9.0	12.0	292.4
Jun	32.7	31.0	31.2	152.5	8.8	11.8	291.4
Jul							
Aug							
Sep							
Oct							
Nov							
Dec							
6 Month Avg.	32.8	32.2	31.7	149.1	9.1	11.9	290.4
% of total	11.3	11.1	10.9	51.3	3.1	4.1	
Table/total layers (%)	91.7%	47.3%	60.2%	92.6%	96.8%	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							
Sep							
Oct							
Nov							
Dec							
6 Month Avg.	4.1	19.8	21.7	19.5	23.2	30.5	19.8
year 2015 avg.	3.1	21.2	23.2	20.0	23.4	30.9	19.0

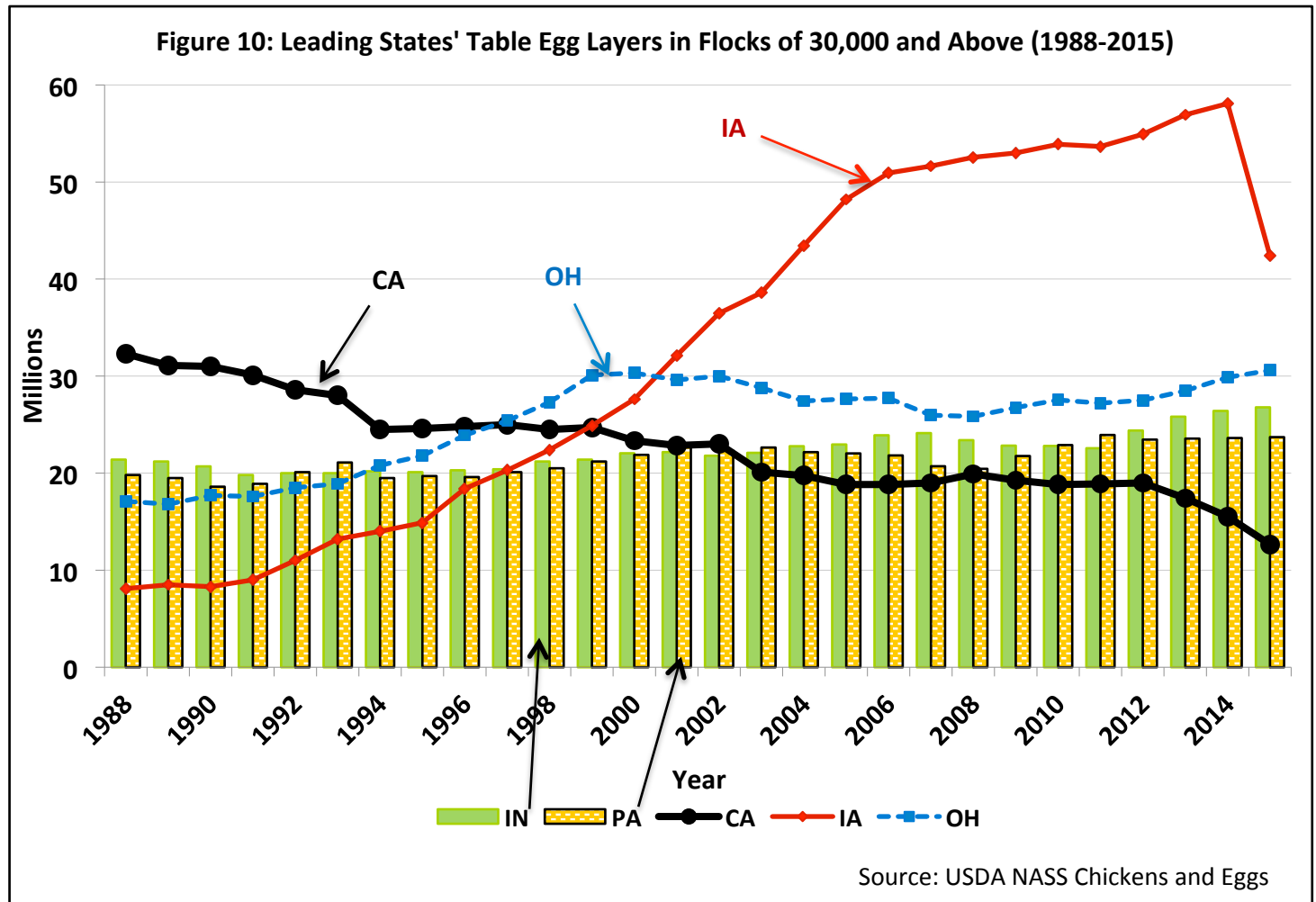
Source: USDA NASS Chickens and Eggs

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.
Jun-2015	33.24	31.73	27.13	23.75	11.29	15.04	264.65
			(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							
Aug-2016							
Sep-2016							
Oct-2016							
Nov-2016							
Dec-2016							
6 Month Avg.	46.16	31.59	29.12	24.95	11.86	16.40	290.38
Source: USDA NASS Chickens and Eggs							% of all U.S. table egg layers
							96.8



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

TABLE 16

month	2010	2011	2012	2013	2014	2015	2016
Jan	2.730	3.087	2.706	2.791	2.436	2.608	2.797
Feb	2.716	3.123	2.659	2.830	2.515	2.535	2.797
Mar	2.745	3.108	2.653	2.786	2.503	2.553	2.857
Apr	2.785	3.039	2.703	2.786	2.468	2.610	2.958
May	2.828	2.998	2.672	2.649	2.555	2.619	2.937
Jun	2.910	2.996	2.657	2.745	2.476	2.664	2.947
Jul	2.999	2.883	2.672	2.579	2.540	2.682	3.081
Aug	3.010	2.848	2.731	2.613	2.536	2.689	3.074
Sep	3.019	2.877	2.732	2.630	2.472	2.605	2.997
Oct	3.023	2.779	2.819	2.588	2.530	2.718	2.840
Nov	2.998	2.755	2.778	2.515	2.497	2.917	2.805
Dec	3.099	2.713	2.791	2.537	2.439	2.892	2.866
12 month avg.	2.905	2.934	2.714	2.671	2.497	2.674	2.913
12 month avg.	2.905	2.934	2.714	2.671	2.497	2.674	

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		17.9
11 month avg.	18.1	18.3	19.1	19.6	19.6	23.0	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

17.31

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

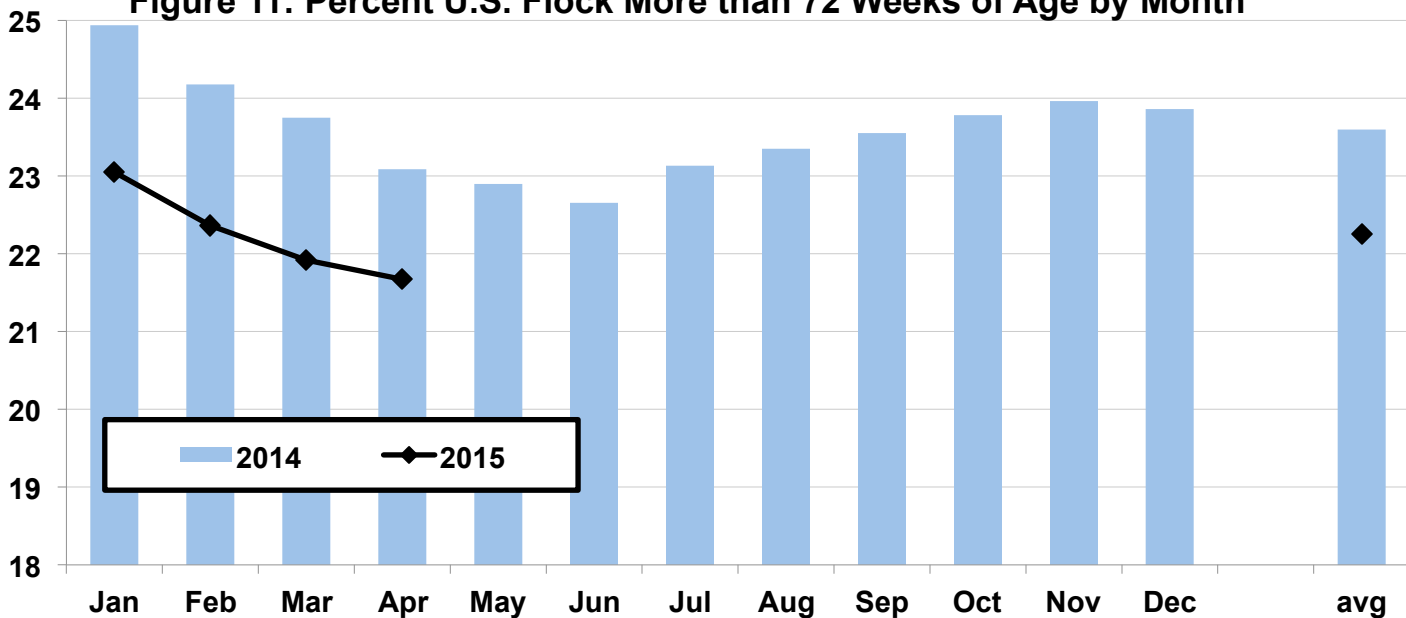
month	Number				% of National Flock over 72 wks.		
	2012	2013	2014	2015	2013	2014	2015
Jan	219.7	220.1	227.7	235.8	26.3	24.9	23.1
Feb	219.6	219.4	229.5	236.5	26.8	24.2	22.4
Mar	217.9	219.6	231.6	237.4	26.9	23.7	21.9
Apr	217.3	219.1	234.0	235.0	26.5	23.1	21.7
May	217.9	220.0	234.1	*	25.8	22.9	
Jun	218.2	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.

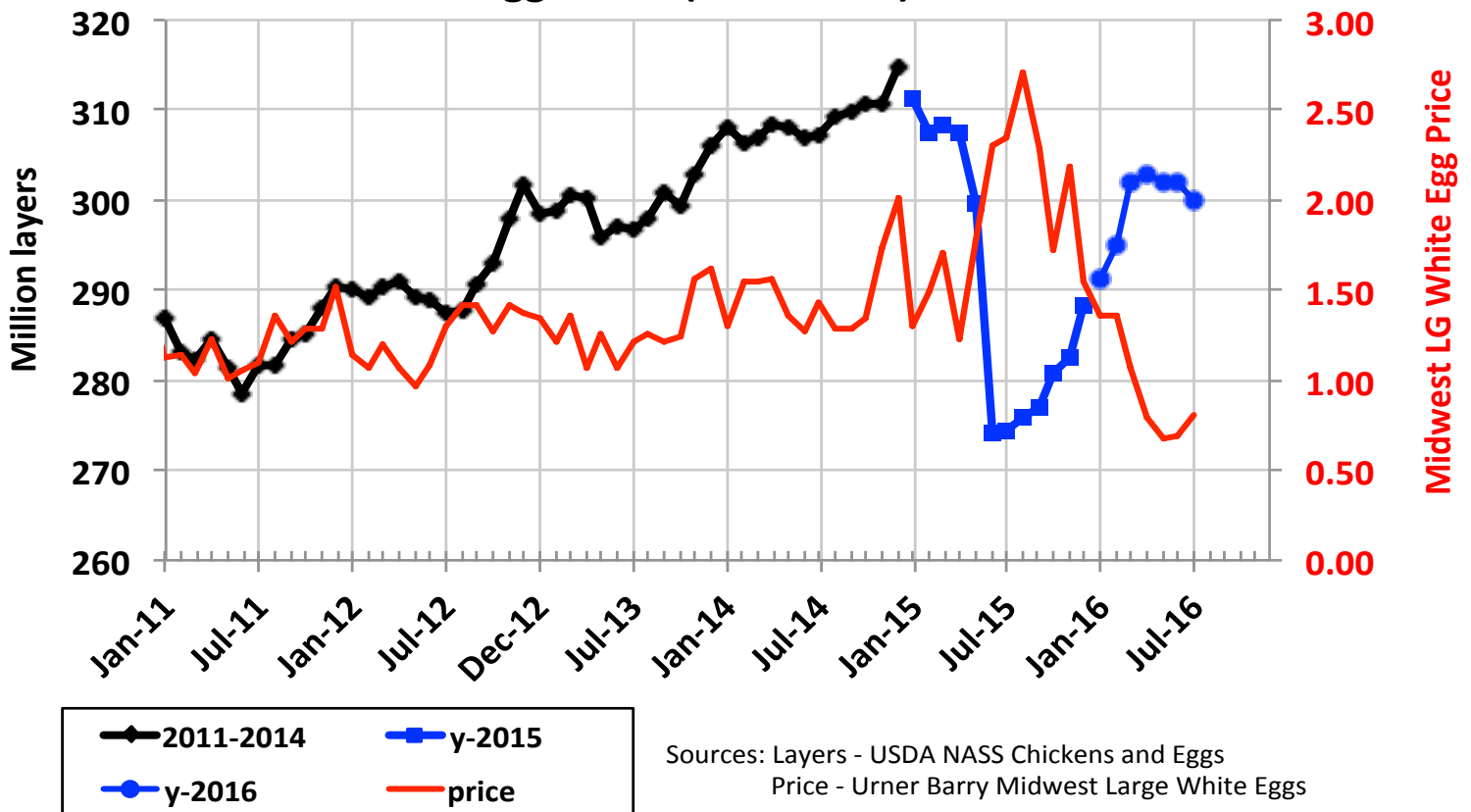
Figure 11: Percent U.S. Flock More than 72 Weeks of Age by Month



Some new uncertainties about the flock projection

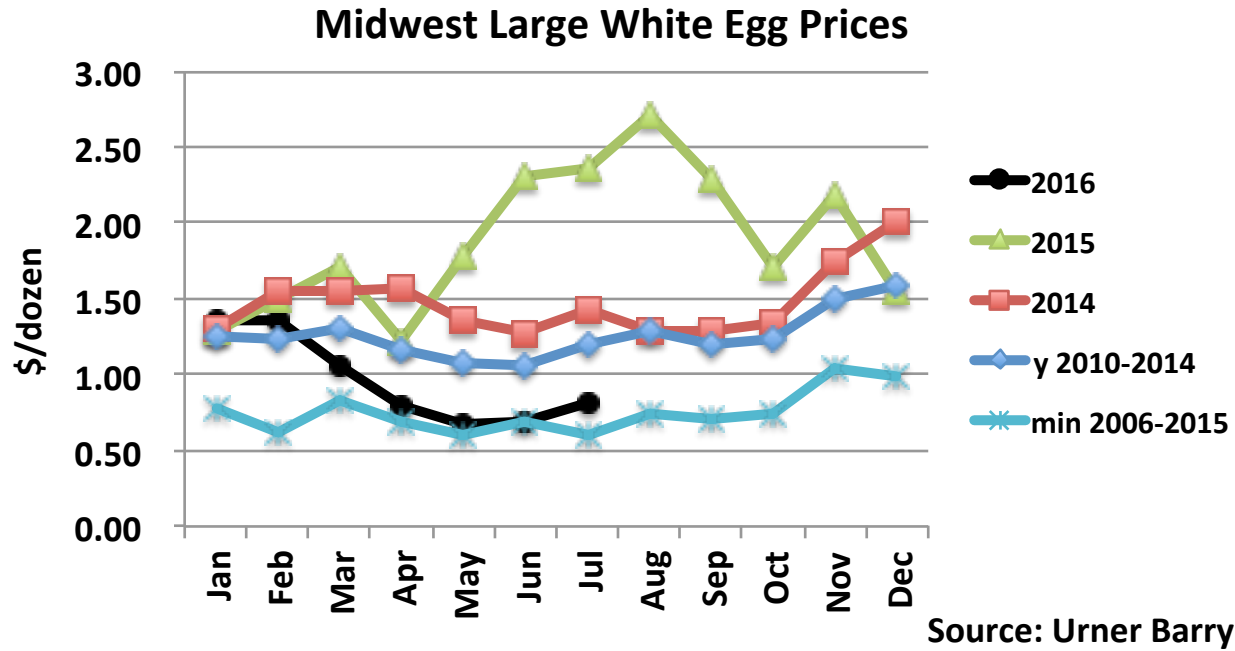
U.S. egg producers are facing very low prices. At the same time, in the last few months there were a higher number of baby chicks hatched than usual, which under normal circumstances would result in a large increase on the number of layers in the near months, and our model indicates that. We are very 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)**

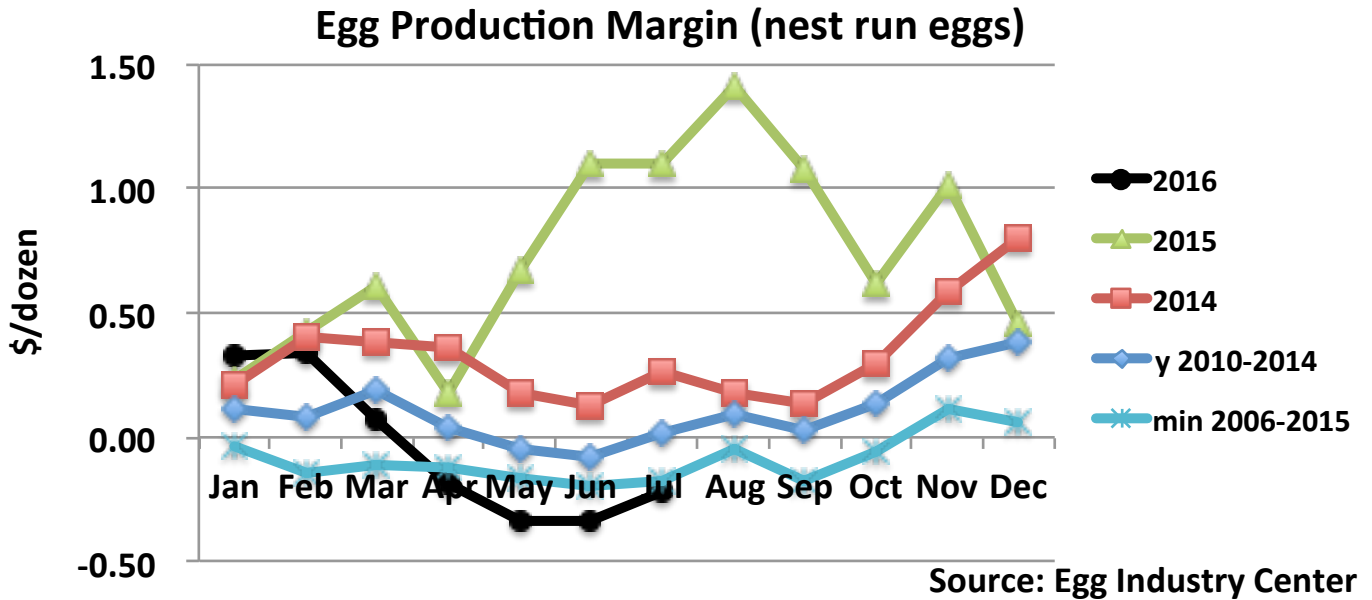


It is shown in the figure above that the U.S. flock was recuperating at a very good rate from the losses experienced last year even though the prices were going down, as more supply was available. But the growth stopped in April, which coincided with the month the prices reached levels close to the 10-year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

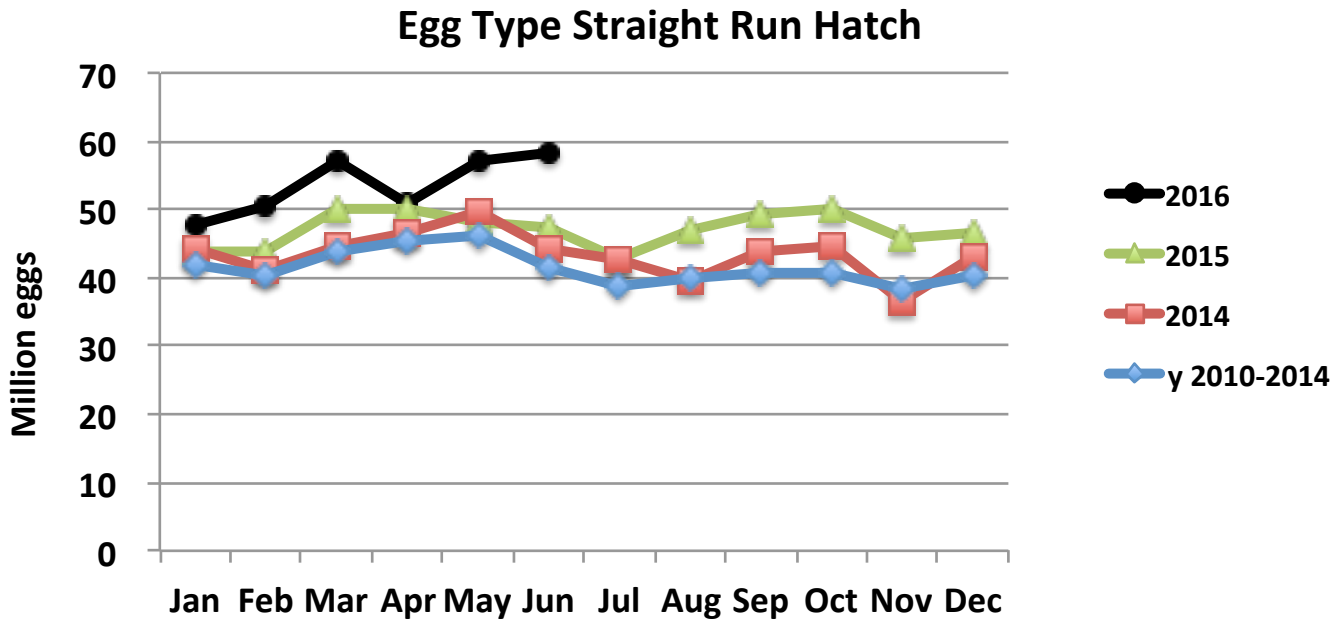




The low prices resulted in the lowest production margins of the last 10 years (see figure below). To the point that June and July prices were not enough to pay for the feed cost.



The number of egg-type eggs hatched had been at the highest historical levels throughout the year 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.



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. 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)

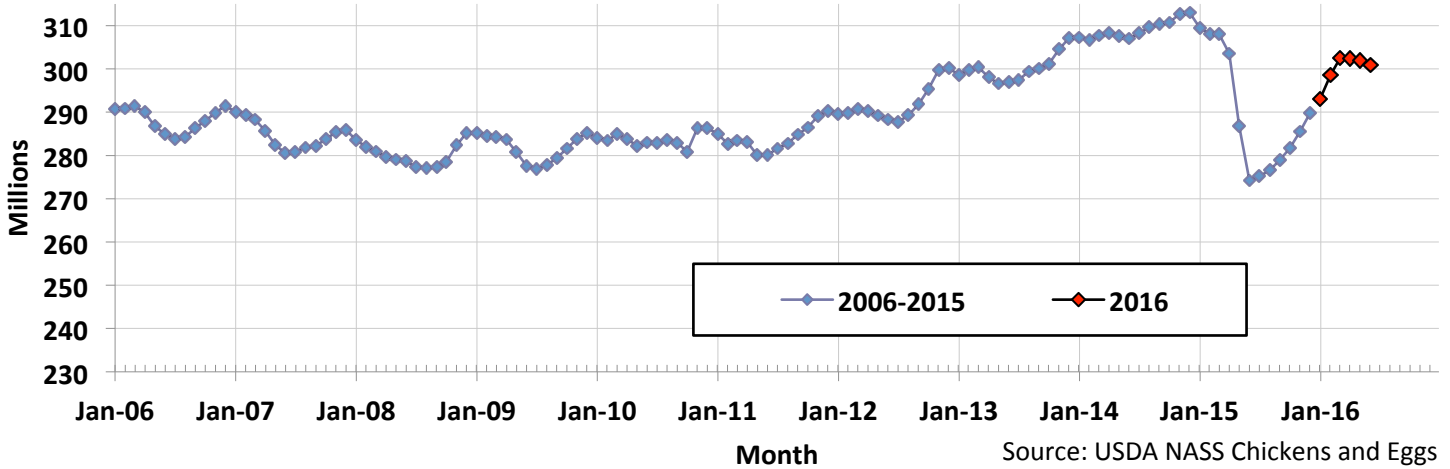


Figure 13: U.S. Table Eggs per Hundred Hens per Day by Month (2006-2016)

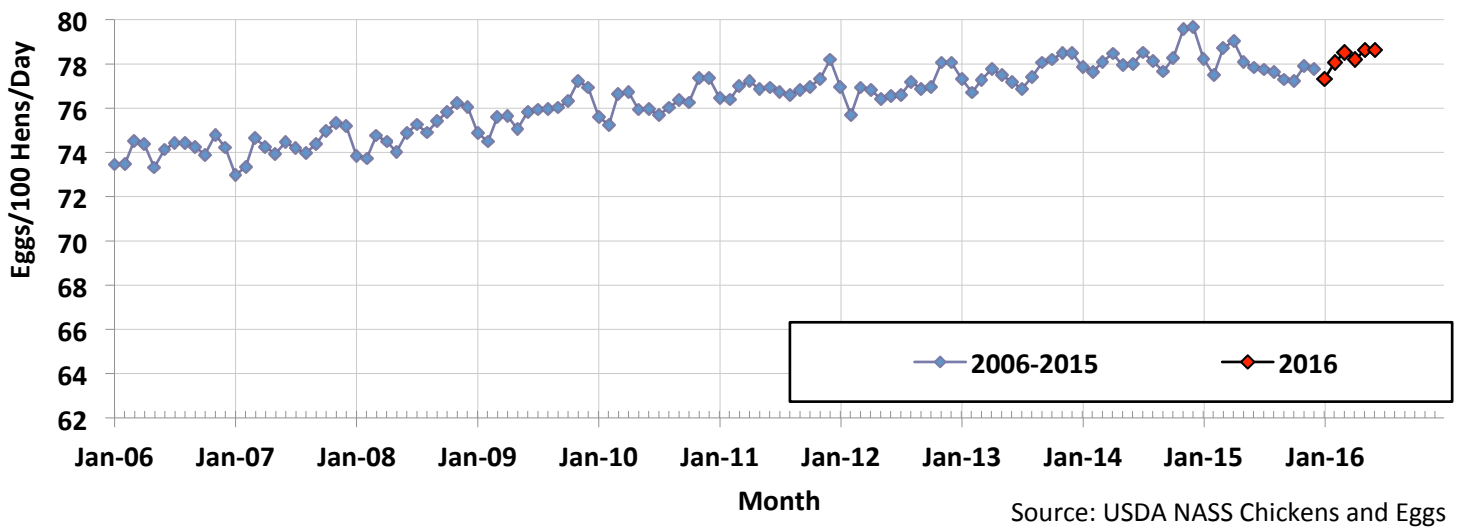
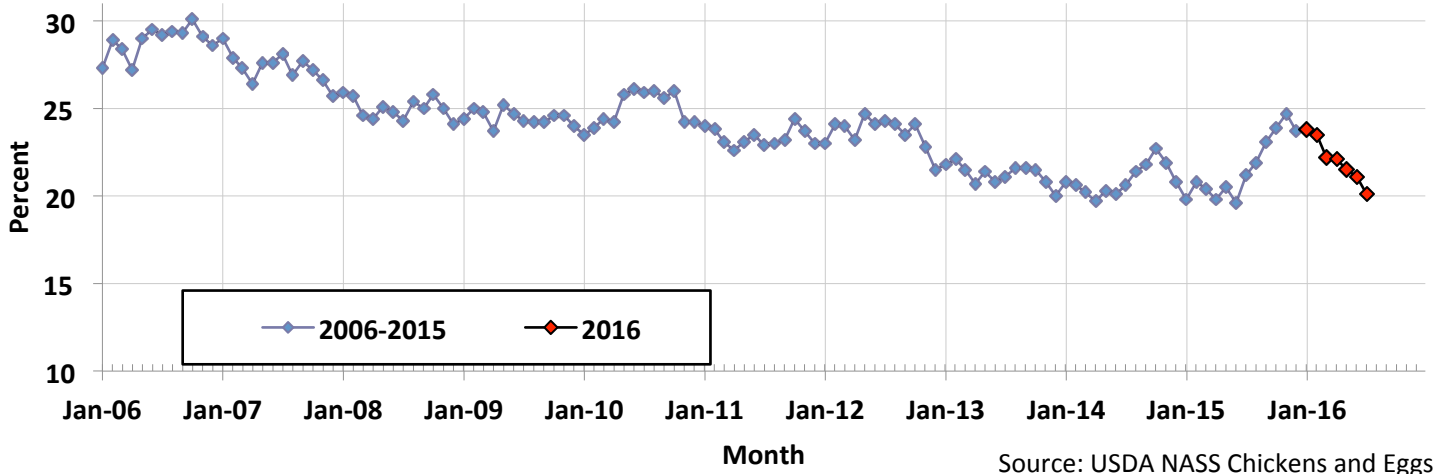
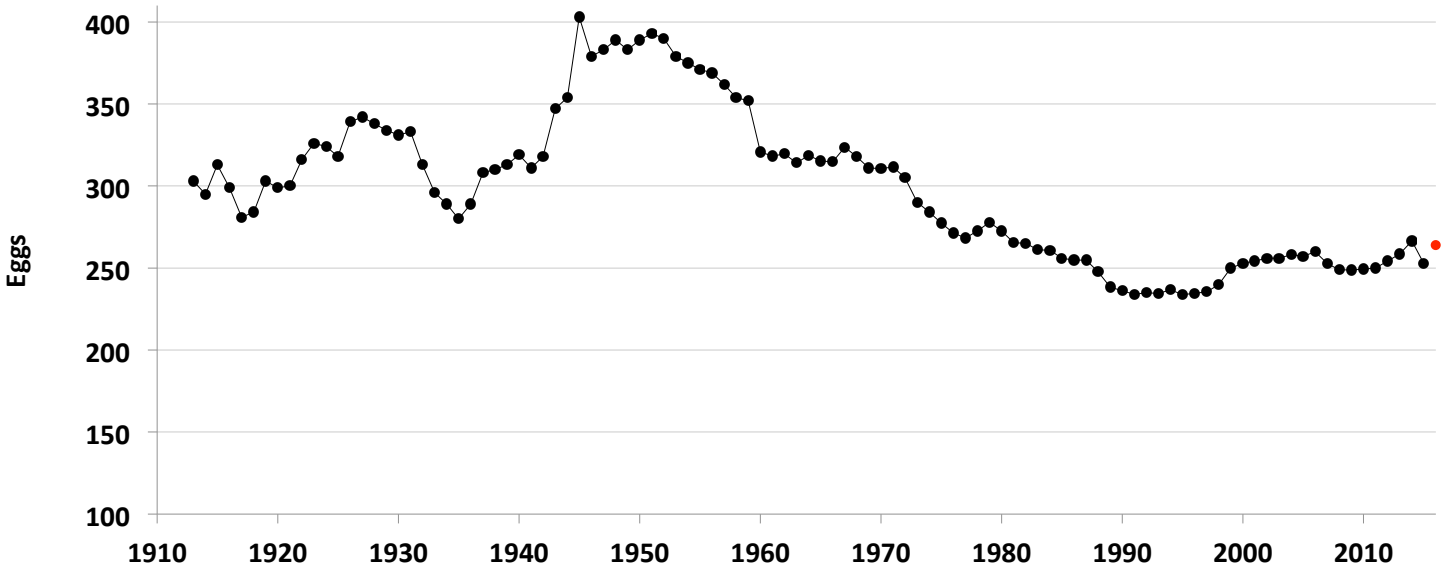


Figure 14: Monthly Percent of U.S. Flock Molted (2006-2016)



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 Jun		283,549	321,464	13.4
TABLE-EGG LAYERS (MILLIONS) (U.S.) (Avg.)	Jan to Jun		298.4	299.9	0.5
TABLE EGGS (MILLIONS/MONTH) (U.S.) (Avg.)	Jan to Jun		7,041	7,117	1.1
RATE OF LAY (%) (Avg.)	Jan to Jun		78.2	78.2	0.0
U.S. TABLE EGG AVG. CASES/WEEK (THOUSANDS)	Jan to Jun		1,634	1,651	1.1
AVG MONTHLY CASES OF EGGS BROKEN (MILLION) (U.S.)	Jan to Jun		6.069	6.156	1.4
			2013	2014	Difference
PERCENT OF U.S. FLOCK IN or POST MOLT (Avg.)	Jan to Jul		20.3	22.0	1.7
AVERAGE PULLETS ADDED/MONTH (MILLIONS) (U.S.)	Jan to Nov		19.6	23.0	3.4

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

Maro Ibarburu, EIC Business Analyst
Iowa State University, Ames, IA
Phone (515) 294-8132
E-mail: maro@iastate.edu

