

Don Bell's Table Egg Layer Flock Projections and Economic Commentary - 2004

This report was written by Don Bell, University of California Poultry Specialist, emeritus, under the sponsorship of United Egg Producers

On the following pages, we have a new presentation format for important flock statistics. The intent is to show the most recently available data with comparisons with the previous month(s) and for the two previous years. This will make “trends” more readily apparent to the reader.

1. MONTHLY HATCH (straight-run) (000's):

Monthly hatches for the first 2 months of 2004 were significantly above year-earlier levels. This followed the year 2003 which experienced a 1.3% reduction in hatch below 2002 levels.

Period	2002	2003	2004	'04/'03 (%)
January	35,647	33,499	35,350	+5.5
February	34,465	29,988	32,078	+7.0
Total to date	70,112	63,487	67,428	+6.2

2. 24-MONTH ACCUMULATED HATCH (females) (millions):

The 24-month previous hatch is one of the most highly correlated statistic associated with “next year’s” egg prices. During the 1996-2002 period, each additional one million female chicks hatched decreased annual Urner-Barry Midwest Large egg prices by 0.38¢/dozen. Recent 24-month totals appear to have “bottomed out” at about 417 to 418 million pullets. As hatch totals start to rise again, egg price projections based solely upon the hatch will start to decrease.

Period	2002	2003	2004	'04/'03 (%)
January	442,340	435,382	418,425	-3.8
February	441,832	431,458	417,232	-3.3

3. PULLET PLACEMENT INTO LAYER HOUSES (millions):

Pullets placed equal pullet chicks hatched minus a mortality factor projected ahead 5 months for placement in layer houses. Currently available hatch data can be projected into July 2004. Through July, pullet placements for 2004 are 1.6% higher than for the same period in 2003.

Period	2002	2003	2004	'04/'03 (%)
Jan	15.87	16.19	14.97	-7.5
Feb	16.51	15.97	16.14	+1.1
Mar	16.47	14.46	15.79	+9.2
Apr	14.28	14.02	13.60	-3.0
May	14.22	14.51	15.28	+5.3
June	16.03	15.12	15.95	+5.5
July	14.82	13.53	14.48	+7.0
7 Month Av.	15.46	14.83	15.17	+1.6

4. TABLE EGG LAYERS (millions):

During the years 2001 to 2002, layer numbers increased a total of 1.7 million. It is estimated that increases in the human population require approximately 3 million per year to provide the same per capita consumption. Layer numbers were below year-earlier numbers for all but two months in 2003. Current Jan/Feb counts are slightly less (-0.6%) than they were for the same period in 2003.

Period	2002	2003	2004	'04/'03 (%)
January	279.4	282.1	279.7	-0.9
February	278.3	281.0	280.1	-0.3
2 Month Average	278.9	281.6	279.9	-0.6

5. TABLE EGGS PRODUCED (millions):

Egg production for 2003 was up almost 1% over 2002 even though the flock size was 0.7% smaller. Egg production per hen increased 4.4 eggs – from 265.2 to 269.6. Egg production for the first two months of 2004 is up 2.0%.

Period	2002	2003	2004	'04/'03 (%)
January	6,154	6,301	6,324	+0.4
February	5,574	5,673	5,890	+3.8
Total to date	11,728	11,974	12,214	+2.0

6. INDUCED MOLTING (% in plus after a molt):

Molting percentages during Jan/Feb of 2004 are down 1.2% (absolute change). This reflects the reluctance of farmers to molt during today's high egg price periods.

Period	2002	2003	2004	'04/'03 (%)
January	26.7	28.1	26.3	-1.8
February	26.7	28.5	27.9	-0.6
Average to date	26.7	28.3	27.1	-1.2

7. SLAUGHTER (millions):

This number represents birds slaughtered in USDA inspected plants - about 45-50% of the total bird disappearance. The counts for 2003 represent a marked 20.8% reduction below year 2002 figures. Slaughter during Jan/Feb of 2004 is down 30.5% from year-earlier figures.

Period	2002	2003	2004	'04/'03 (%)
January	9.81	8.22	5.84	-29.0
February	8.19	6.82	4.61	-32.4
Average to date	9.00	7.52	5.23	-30.5

8. BREAKER EGGS PRODUCED (million cases):

Year 2003 figures represent about 29.2% of the total U.S. production – down from 30.6% in 2002. Total eggs for breaking was down more than 2 million cases in 2003. Current breaking through February is about equal to the same months in 2003.

Period	2002	2003	2004	'04/'03 (%)
January	5.101	5.123	4.850	-5.3
February	4.616	4.417	4.740	+7.3
Year to date	9.717	9.540	9.590	+0.5

9. URNER-BARRY MID-WEST LARGE EGG PRICES (¢/dozen):

Egg prices during the first three months of 2004 have averaged 37.3¢ higher than in 2003. Assuming 5.5 dozen eggs produced in this quarter, egg income per hen is up \$2.00 over 2003 figures.

Period	2002	2003	2004	'04/'03 (¢)
January	74.7	83.4	120.3	+36.9
February	66.2	78.4	110.6	+32.2
March	82.0	84.1	127.1	+43.0
Year to date	74.3	82.0	119.3	+37.3

* Courtesy Urner Barry Publications.

10. COST OF EGG PRODUCTION (FEEDSTUFFS FORMULA) - ALL REGIONS:

Egg production costs for January – March 2004 are 5.2¢/dozen higher than for the same period in 2003. This is a result of higher feed prices since all other factors are standardized.

Period	2002	2003	2004	'04 vs. '03 (¢)
January	41.1	43.4	47.6	+3.2
February	41.3	44.3	49.1	+4.8
March	41.1	44.0	50.7	+6.7
Average to date	41.2	43.9	49.1	+5.2

11. LEADING TABLE EGG STATES (LAYERS IN 30,000+ FLOCKS)(millions)

Iowa continues to lead the nation in total egg production and rate of growth. California is now the 5th largest egg producing state as a result of farm depopulations due to Exotic Newcastle Disease earlier in the year. (February)

State	2002	2003	Rank (2004)	2004	'04/'03 (%)
IOWA	34.76	36.95	1	39.77	+7.6
OHIO	29.30	29.63	2	26.69	-9.9
CALIFORNIA	23.34	20.49	5	20.20	-1.4
PENNSYLVANIA	22.27	23.02	4	22.17	-3.7
INDIANA	21.88	22.23	3	22.33	+0.4
TEXAS	14.50	14.26	6	14.05	-1.5
U.S.	271.30	272.92		273.97	+0.4

The University of California Cooperative Extension Web Site address is:
animalscience.ucdavis.edu/avian. New items are added monthly.