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Don Bell's Table Egg Layer Flock Projections and Economic Commentary - 2005

(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 2005 are significantly above (+2.8%) year-earlier levels. The hatch and eggs in the incubator values, though, have been significantly lower during the last two months.

Period	2003	2004	2005	'05/'04 (%)
May	38,206	38,347	37,449	-2.3
June	36,344	37,508	34,537	-7.9
Total to date	212,294	217,944	223,945	+2.8

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 1996-2004 period, each additional one million female chicks hatched in each 2-year period depressed annual Urner-Barry Midwest Large egg prices by 0.31¢/dozen. 24-month totals appear to have "bottomed out" in early 2004 at about 417 to 418 million pullets from a high in excess of 440 million. Current counts are slightly more than 430 million. Egg prices since August of 2003 have not demonstrated the usual close relationship to the hatch as in earlier periods.

Period	2003	2004	2005	'05/'04 (%)
May	424,710	417,010	433,248	+3.9
June	422,600	418,192	432,215	+3.4

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 November 2005. Through November, pullet placements for 2005 are 4.3% higher than for the same period in 2004 – a significant increase in every month except in Oct/Nov.

Period	2003	2004	2005	'05/'04 (%)
Jan	16.19	14.97	16.26	+8.6
Feb	15.97	16.14	16.58	+2.7
Mar	14.46	15.79	16.23	+2.8
Apr	14.02	13.60	17.34	+27.5
May	14.51	15.28	16.71	+9.4
June	15.12	15.95	16.59	+4.0
July	13.53	14.48	14.85	+2.6
Aug	16.57	16.94	18.00	+6.3
Sept	16.94	16.93	17.27	+2.0
Oct	17.24	17.43	16.90	-3.0
Nov	16.40	17.18	15.58	-9.3
Dec	16.06	15.40		
11 Month Av.	15.54	15.88	16.57	+4.3

4. TABLE EGG LAYERS (monthly averages in millions):

It is estimated that increases in the human population require approximately 3 million new layers per year to provide the same per capita consumption. Layer numbers were above year-earlier numbers for all but two months in 2004. Total counts for the first 6-months of 2005 are up 1.5% compared to 2004. During May/June of the current year, layer counts have adjusted downwards to practically the same levels as in 2004.

Period	2003	2004	2005	'05/'04 (%)
May	275.8	282.6	283.2	+0.2
June	275.1	283.0	282.3	-0.2
6 Month Average	278.7	281.8	285.9	+1.5

5. TABLE EGGS PRODUCED (millions):

Egg production for 2004 was up almost 2.4% over 2003 with a comparable change in flock size (+1.7%) Egg production per hen increased 1.9 eggs – from 267.3 to 269.2. Egg production for 2005 is currently up 1.1% over 2004 – mostly due to an increased flock size.

Period	2003	2004	2005	'05/'04 (%)
May	6,147	6,393	6,425	+0.5
June	5,978	6,209	6,247	+0.6
Total to date	6,051	6,260	6,331	+1.1

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

Molting percentages during 2005 are down 0.6% (absolute change). This represents the percentage of the Nation's flock either in or post-molt.

Period	2003	2004	2005	'05/'04 (%)
May	27.8	26.9	26.3	-0.6
June	28.1	27.9	27.2	-0.7
Average to date	27.2	27.2	26.6	-0.6

7. SLAUGHTER (millions):

This number represents birds slaughtered in USDA inspected plants - about 45-50% of the total bird disappearance. Total slaughter counts through June of 2005 represents an 11.1% increase over 2004 figures. More on-farm disposal continues to take place.

Period	2003	2004	2005	'05/'04 (%)
May	7.17	6.11	6.83	+11.8
June	6.44	6.30	7.18	+14.0
Average to date	7.32	5.86	6.51	+11.1

8. BREAKER EGGS PRODUCED (million cases):

Year 2004 figures represent about 30.3% of the total U.S. production – up from 30.1% in 2003. Total breaking for 2005 so far has averaged more than 103,000 additional cases/week over 2004 figures. Current breakage is up 8.5% - 32.2% of total egg production.

Period	2003	2004	2005	'05/'04 (%)
May	5.259	5.399	5.764	+6.8
June	5.043	5.664	6.162	+8.8
Year to date	29.406	31.320	33.996	+8.5

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

Egg prices during the first 8 months of 2005 averaged 30.2¢ lower than in 2004 and 19.6¢ lower than in 2003. Even with marked decreases in feed costs in 2005 (see Table 11), substantial losses exist throughout all segments of the industry in the current year.

Period	2003	2004	2005	'05/'04 (¢)
January	83.4	120.3	70.0	-50.3
February	78.4	110.6	71.7	-38.9
March	84.1	127.1	64.0	-63.1
April	81.2	93.4	60.0	-33.4
May	72.5	77.9	57.1	-20.8
June	81.9	80.8	59.6	-21.2
July	85.4	75.1	67.6	-7.5
August	100.0	66.6	60.4	-6.2
September	98.1	68.6		
October	105.0	62.7		
November	126.4	75.4		
December	112.5	80.1		
Year to date	83.4	94.0	63.8	-30.2

* Courtesy Urner Barry Publications.

10. URNER-BARRY MID-WEST BREAKER EGG PRICES (¢/dozen):
(Central, Nest Run Avg, 48-50 Lbs – low side of market)

Breaker egg prices during the first 8 months of 2005 averaged 32.1¢ lower than in 2004. Assuming 15 dozen eggs per hen for 8 months, egg income per hen is down \$4.80 (15 x 32) below 2004 levels. Lower costs in 2005 would offset only a small portion of these differences.

Period	2003	2004	2005	'05/'04 (¢)
January	36.6	72.3	26.8	-45.5
February	38.5	78.0	31.4	-46.6
March	40.4	87.5	26.8	-60.7
April	38.9	61.5	26.4	-35.1
May	38.4	45.8	25.1	-20.7
June	46.7	45.9	21.2	-24.7
July	50.7	39.3	22.3	-17.0
August	66.3	33.0	26.6	-6.4
September	67.8	33.4		
October	75.4	28.6		
November	84.6	26.0		
December	70.4	26.6		
Year to date	44.3	57.9	25.8	-32.1

* Courtesy Urner Barry Publications.

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

Egg production costs for 2005 are 7.4¢/dozen less than for 2004. This is a result of lower feed prices (\$6.60 vs \$8.50/100 lbs) since all other factors are standardized in our calculations.

Period	2003	2004	2005	'05 vs. '04 (¢)
January	43.4	47.6	41.2	-6.4
February	44.3	49.1	42.0	-7.1
March	44.0	50.7	42.7	-8.0
April	43.9	52.5	42.3	-10.2
May	44.4	51.3	42.2	-9.1
June	43.8	49.8	43.6	-6.2
July	42.4	48.0	43.4	-4.6
August	41.3	42.7		
September	43.6	41.7		
October	43.7	39.6		
November	46.2	40.0		
December	45.9	42.1		
Average (to date)	43.7	49.9	42.5	-7.4

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

Iowa continues to lead the nation in total egg production and rate of growth. Its 10.1 million hen increase since 2003 represents 108% of the entire nation's growth for this month.

State	2003	2004	Rank (2005)	2005	'05/'04 (%)
IOWA	37.1	43.5	1	47.2	+8.5
OHIO	28.5	27.8	2	27.5	-1.1
CALIFORNIA	19.0	19.9	5	19.2	-3.5
PENNSYLVANIA	22.7	22.4	4	21.2	-5.4
INDIANA	22.0	22.8	3	22.6	-0.9
TEXAS	14.0	13.6	6	12.9	-4.4
U.S.	267.1	276.6		276.4	n/c

(USDA)

The University of California Cooperative Extension Web Site address is listed below. New items are added monthly.

animalscience.ucdavis.edu/avian

The Table of Contents of this website includes the following categories of information:

1. **What's New** - * (all new items are left on this site until replaced by newer material).
2. **Meeting Schedule**
3. **Quality Assurance Programs**
4. **Publications** (approximately 130 publications on a variety of poultry subjects)
5. **Western Poultry Disease Conference Index** (a listing of reports presented at the Western Poultry Disease Conference – 1966 to 1999 covering 98 papers on health and related subjects).
6. **4-H Poultry Information**
7. **Disease Control and Biosecurity**
8. **UC Diagnostic Laboratories**
9. **Newsletters** - * (includes “An Economics Update”, “The California Poultry Letter”, and “Avian Science Notes”)
10. **Small Flock and Gamebird Information**
11. **Statistics** - * (includes “Egg Industry Statistical Monthly Report”, “Economic Memos”, and “U.S. Flock Projections”)
12. **Computer Programs** - *
13. **Interesting Web Sites**
14. **Mailing Lists**
15. **Extension Educational Programs**
16. **Faculty**

* Items with economic emphasis

9/7/2005

May/June 2005 US Egg Statistics