

Chicken Fax

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**Chicken Farmers
of Canada**
**Les Producteurs de
poulet du Canada**

Volume 27, Issue 5

**Section 1 - Production, Supply and
Disappearance**

Section 2 - Chicken Prices

Section 3 - Storage Stocks

Section 4 - American Chicken Market

Fresh supply volumes from January to April 2019 totaled 472.7 Mkg, increasing 5.1 Mkg (+1.1%) over the same timeframe a year ago. Providing the majority of fresh product, farmers produced 8.7 Mkg (+2.1%) more than last year. On the flipside, imports and exports were both down over last year, respectively falling 3.6 Mkg (-6.6%) and 5.4 Mkg (-10.0%).

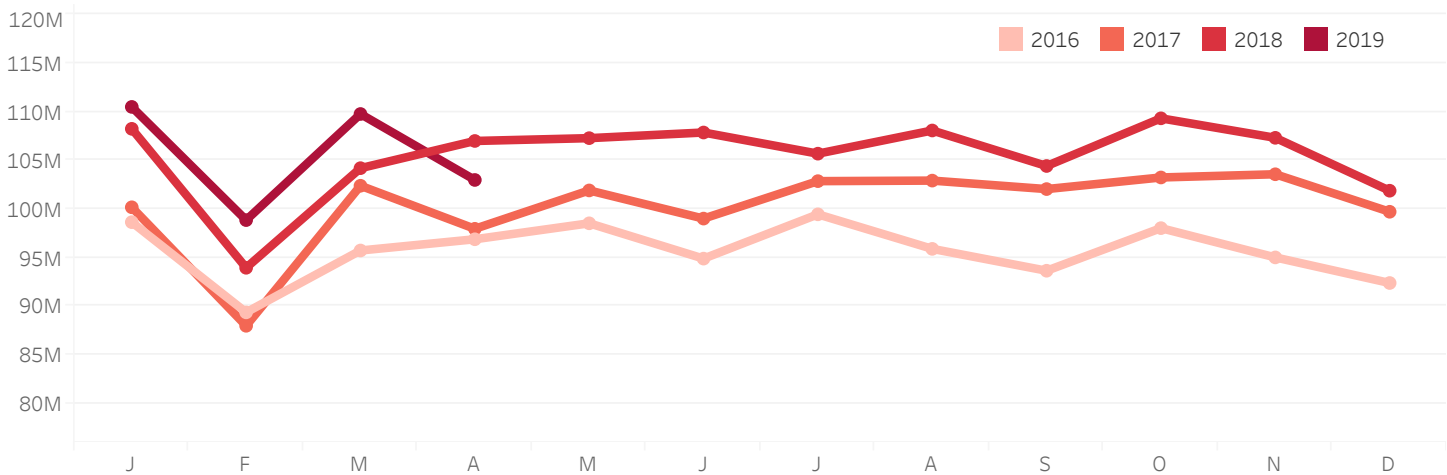
	Supply and Disappearance		Change	
	Jan. - Apr. Mkg			
	2018	2019		
Opening Stocks	44.5M	53.1M	8.6M	19.3%
Production	413.4M	422.1M	8.7M	2.1%
Imports	54.2M	50.6M	-3.6M	-6.6%
Fresh Supply	467.6M	472.7M	5.1M	1.1%
Total Supply	512.1M	525.8M	13.7M	2.7%
Exports	53.7M	48.3M	-5.4M	-10.0%
Closing Stocks	51.4M	53.7M	2.3M	4.5%
Domestic Disappearance	407.0M	423.8M	16.8M	4.1%

Source: Chicken Farmers of Canada, Agriculture and Agri-Food Canada, USDA

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Section 1 - Production, Supply and Disappearance

Canadian Chicken Production (Mkg) Production de poulet au Canada (Mkg)



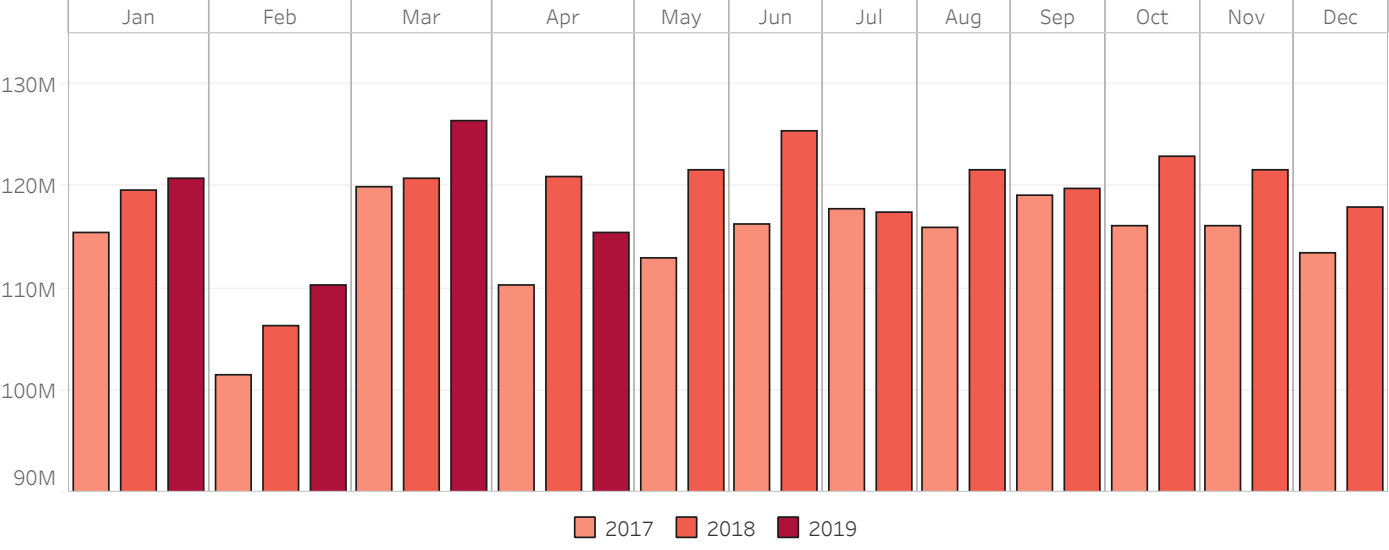
	Production Jan. - Apr. Mkg		Change	
	2018	2019		
BC	60.1M	59.8M	0.4M	0.9%
AB	39.7M	41.4M	1.6M	5.4%
SK	15.3M	15.2M	0.1M	0.8%
MB	16.8M	17.3M	0.7M	5.4%
ON	140.6M	143.1M	4.5M	4.4%
QC	109.4M	113.5M	5.3M	6.6%
NB	10.8M	11.4M	0.1M	1.7%
NS	13.8M	13.7M	0.0M	0.0%
PEI	1.5M	1.4M	-0.1M	-6.5%
NFLD	5.4M	5.4M	0.1M	1.5%
Canada	413.4M	422.1M	12.7M	4.2%

Production as of April 2019 reached 422.1 Mkg, up 12.7 Mkg (+4.2%) from last year. Most of the growth came out of Quebec, where there was a year-over-year production increase of 6.6% (+5.3 Mkg). Alberta and Manitoba also saw noteworthy growth of 5.4%, and in volume that meant an additional 1.6 Mkg in Alberta, and 0.7 Mkg in Manitoba.

	Monthly Production Mkg			
	2018		2019	
	March	April	March	April
BC	15.4M	15.7M	15.7M	14.9M
AB	10.2M	10.1M	10.7M	10.1M
SK	3.8M	3.8M	3.9M	3.7M
MB	4.2M	4.4M	4.5M	4.3M
ON	34.7M	36.8M	37.7M	34.7M
QC	27.6M	28.4M	29.6M	27.1M
NB	3.0M	2.6M	2.7M	3.0M
NS	3.5M	3.5M	3.3M	3.4M
PEI	0.4M	0.4M	0.3M	0.4M
NFLD	1.4M	1.4M	1.4M	1.3M
Canada	104.2M	107.0M	109.8M	103.0M

Source: Chicken Farmers of Canada, Agriculture and Agri-Food Canada

Fresh Chicken Supply (Mkg)



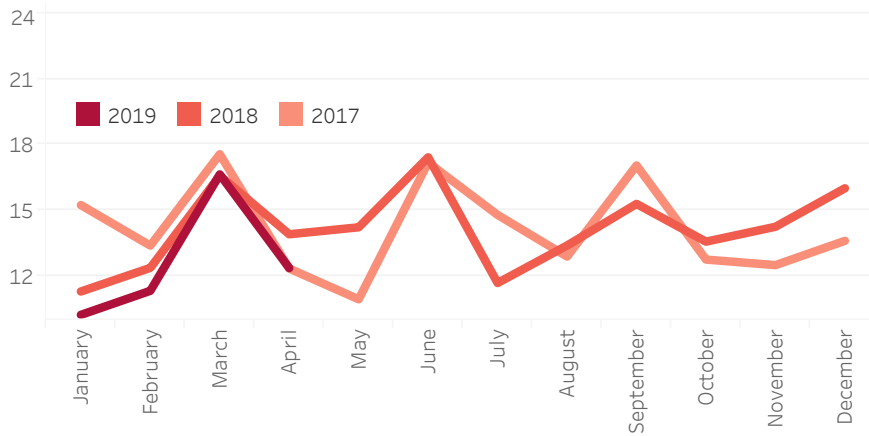
Domestic disappearance as of April 2019 amounted to 423.8 Mkg, seeing an increase of 16.8 Mkg (+4.1%) over the same time last year. Most of the growth can be attributed to March 2019, with a domestic disappearance of 117.2 Mkg, it was the greatest month on record.

	2018	2019
January	119.6M	120.8M
February	106.3M	110.2M
March	120.8M	126.4M
April	120.9M	115.4M
May	121.5M	
June	125.3M	
July	117.4M	
August	121.5M	
September	119.7M	
October	122.9M	
November	121.6M	
December	117.9M	

	2018	2019
January	103.1M	107.9M
February	94.6M	97.4M
March	104.7M	117.2M
April	104.5M	101.3M
May	109.7M	
June	109.7M	
July	109.0M	
August	112.1M	
September	108.0M	
October	112.5M	
November	108.4M	
December	103.3M	

Source: Chicken Farmers of Canada, Agriculture and Agri-Food Canada

Total Chicken Imports (Mkg)



Chicken imports from January to April 2019 were down 3.6 Mkg (-6.6%) over the same timeframe a year ago. The largest drops came from the parts boneless category, which fell 4.0 Mkg (-13.0%), followed by the parts bone-in category, which fell 2.4 Mkg (-20.5%). Additionally, the other category fell 0.2 Mkg (-20.6%). Conversely, the further processed and carcass categories saw strong growth over last year, respectively increasing 2.8 Mkg (+25.8%) and 0.1 Mkg (+187.5%).

	Jan. - Apr. Kg		Change	
	2018	2019		
Live	0.0M	0.0M	0.0M	
Carcass	0.0M	0.1M	0.1M	187.5%
Parts, Bone-in	11.7M	9.3M	-2.4M	-20.5%
Parts, Boneless	30.7M	26.7M	-4.0M	-13.0%
Other	0.7M	0.6M	-0.2M	-20.6%
Further Processed	11.1M	13.9M	2.8M	25.8%
Total	54.2M	50.6M	-3.6M	-6.6%

	2018		2019	
	March	April	March	April
Live	0.0M	0.0M	0.0M	0.0M
Carcass	0.0M	0.0M	0.0M	0.1M
Parts, Bone-in	3.7M	3.0M	3.3M	2.3M
Parts, Boneless	9.6M	7.8M	8.3M	6.3M
Other	0.1M	0.1M	0.2M	0.1M
Further Processed	3.1M	3.1M	4.8M	3.6M
Total	16.6M	13.9M	16.6M	12.4M

Source: Agriculture and Agri-Food Canada

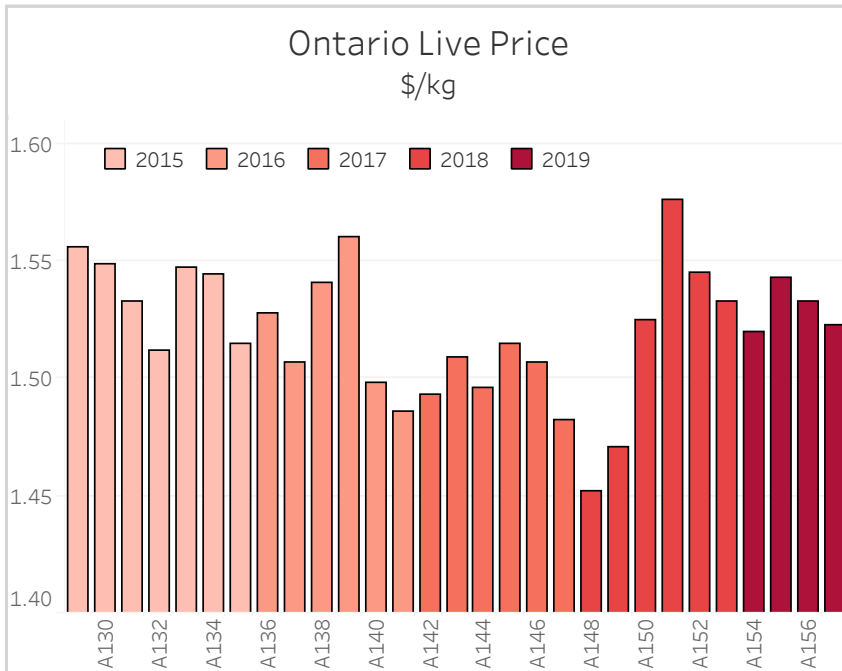
* Chicken imports are reported on eviscerated equivalent basis

Chicken Products Exported

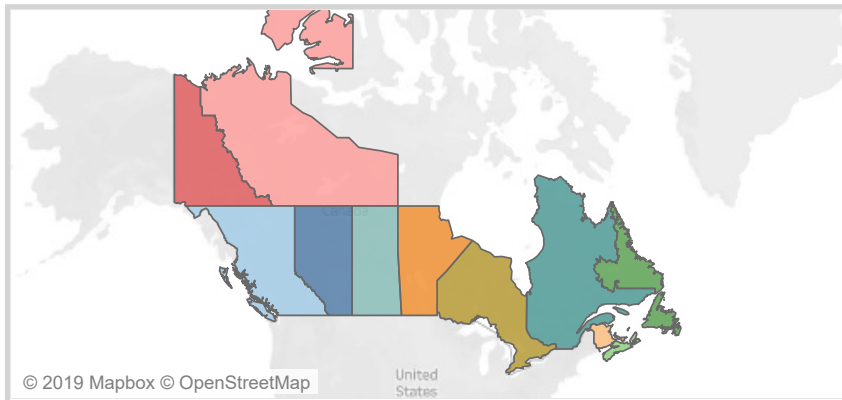
Jan. - Apr. Kg	
2018	2019
53.7M	48.3M

Source: Agriculture and Agri-Food Canada

Section 2 - Chicken Prices

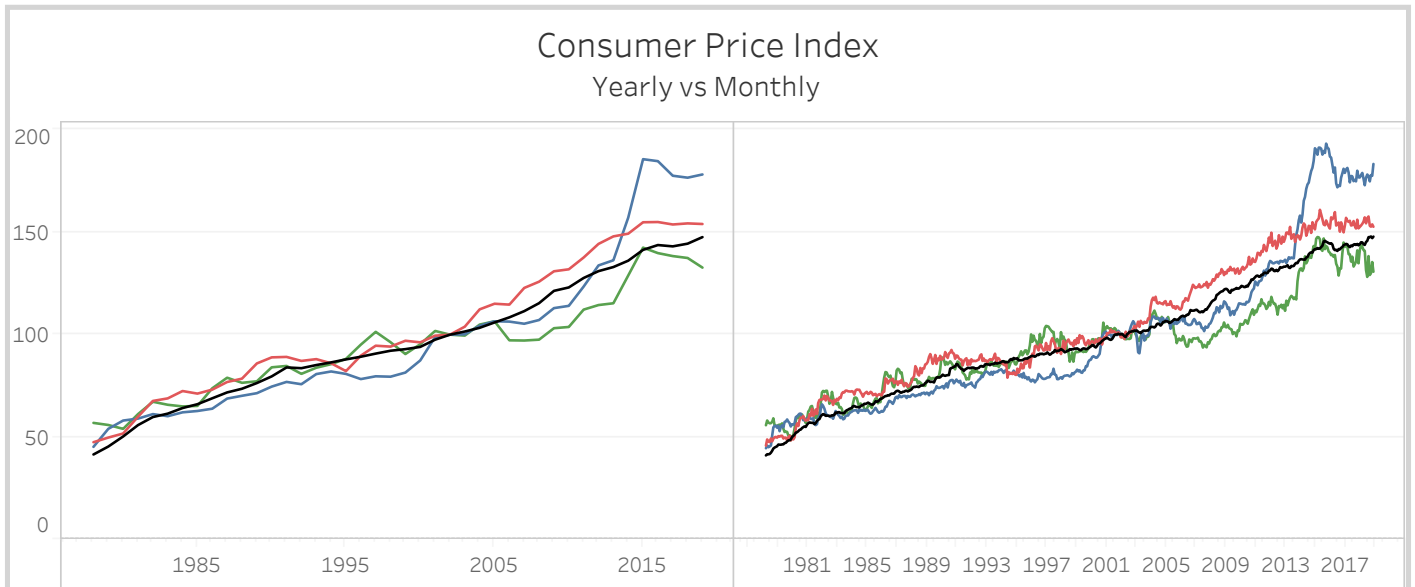


The consumer price index (CPI) for chicken reached 152.8 points as of May 2019, an increase of 0.8, or 0.5% over last year. CPI in beef saw an increase of 6.5 (+3.7%), bringing the basket to 183.5. Meanwhile, the CPI for pork continues to fall, dropping 4.1 (-3.1%) over last year, which brought the CPI to 130.8. The overall CPI for food had increased by 4.3 points since last year, or 3.0%.



- Commodity**
- Food
 - Fresh or frozen chicken
 - Fresh or frozen beef
 - Fresh or frozen pork

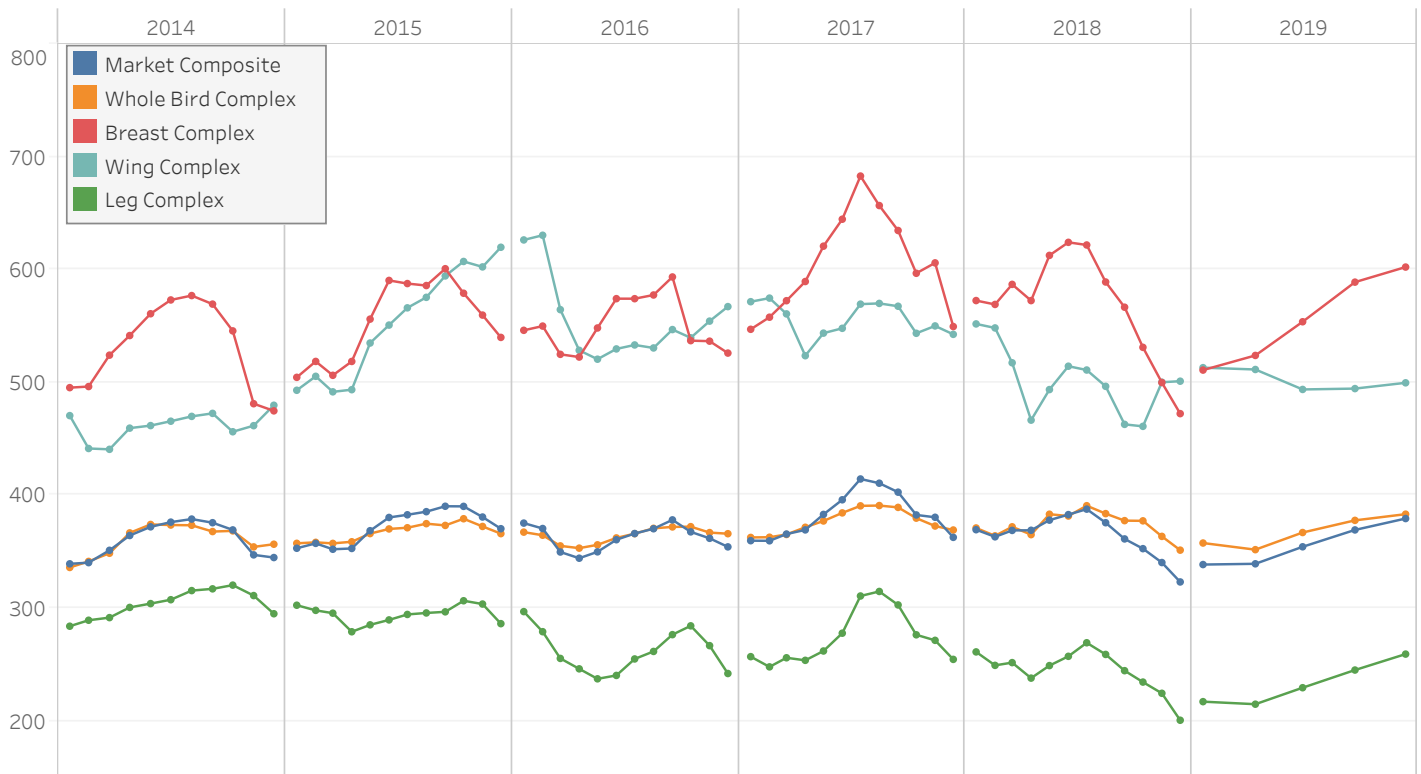
Location
All



Canadian Wholesale Chicken Prices ¢/kg

	2018				2019			
	February	March	April	May	February	March	April	May
Market Composite	363.2	368.9	369.0	378.0	339.3	354.4	369.3	379.4
Whole Bird Complex	364.1	372.1	365.2	383.3	351.9	367.0	377.8	383.3
Breast Complex	569.2	586.9	572.5	612.6	524.0	553.8	588.9	602.3
Wing Complex	548.3	517.4	466.6	493.7	511.5	493.8	494.6	499.7
Leg Complex	249.3	251.8	238.0	249.1	214.9	229.5	245.2	259.3

The monthly average market composite for May 2019 was \$3.79/kg, increasing \$0.01 over May 2018. Wholesale leg prices have seen the greatest momentum this year, averaging \$2.59/kg for May 2019, up \$0.10 from last year. Wing prices are also seeing growth, up \$0.06 from last year, bringing the May 2019 average to \$5.00/kg. Meanwhile, the whole bird complex has seen a change of \$0.00 over last year, with a standstill price of \$3.83/kg. On the flipside, the wholesale breast prices averaged \$6.02/kg, falling \$0.10 over last year.



Source: EMI Express Markets Inc.

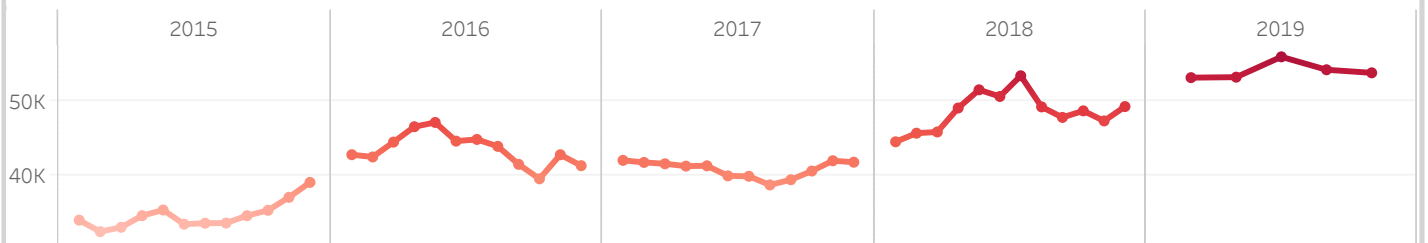
* The Market Composite price is the simple average of 5 sub-composites, which are the weighted average of individual products, further weighted by each product's percentage make-up of WOG

Section 3 - Storage Stocks

by Province '000 Kg

	2017		2018		2019	
	April	May	April	May	April	May
BC	4,869	4,518	5,013	5,076	4,111	4,074
AB	2,949	2,895	2,655	2,459	2,357	2,154
SK	398	379	685	404	297	432
MB	1,183	1,200	1,150	1,251	1,371	1,252
ON	18,245	18,457	24,041	26,684	29,866	29,591
QC	13,185	13,376	14,874	15,036	15,659	15,745
Atlantic	377	422	577	523	458	459

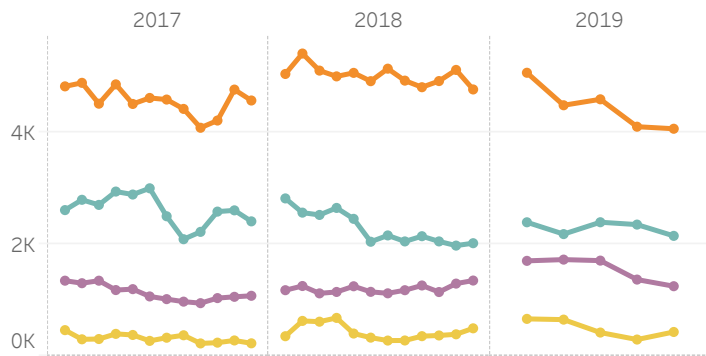
Canada Stocks



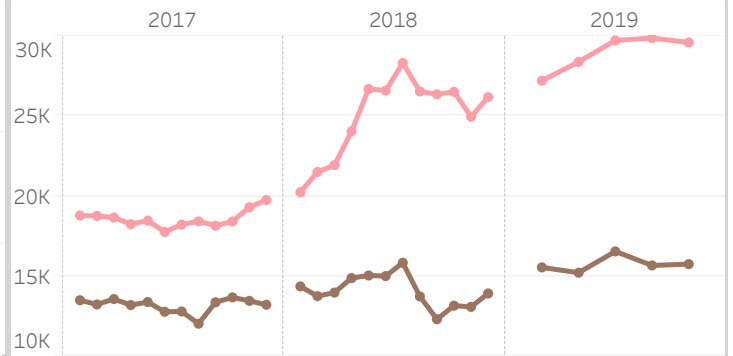
Stocks by Province
Canada Stocks

■ BC
 ■ AB
 ■ SK
 ■ MB
 ■ ON
 ■ QC

Western Canada



Central Canada

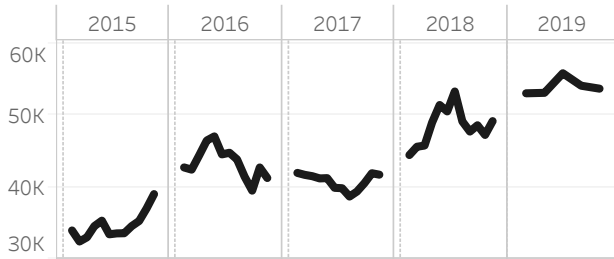


Atlantic Canada



Source: Agriculture and Agri-Food Canada

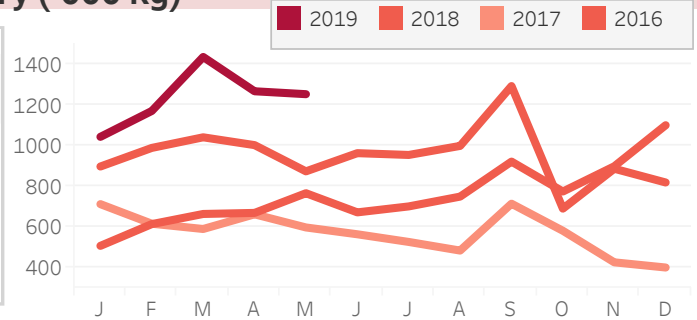
Total Chicken Storage Stocks ('000 Kg)



May 2019 storage stock levels totaled 53.7 Mkg, down 0.4 Mkg from last month, and up 2.3 Mkg from last year. Most of the increase came from the cut-up category, which saw a year-over-year increase of 2.8 Mkg (+12.9%) over last year. The whole category also saw a noteworthy increase of 0.5 Mkg (+63.6%). Meanwhile, year-over-year declines were experienced in the further processed category, which was down 0.5 Mkg (-2.0%), and the miscellaneous category, which fell 0.5 Mkg (-14.1%).

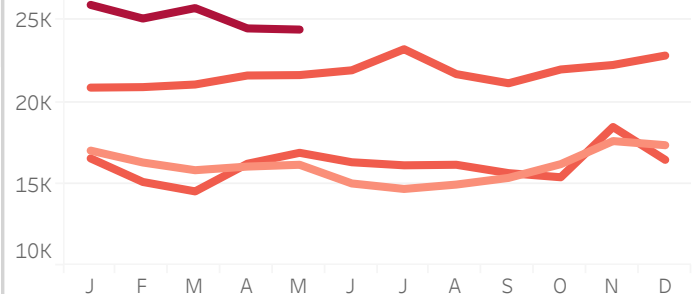
Whole Category ('000 Kg)

	2018		2019	
	April	May	April	May
< 2 kg	360	365	833	862
> 2 kg	309	400	435	391



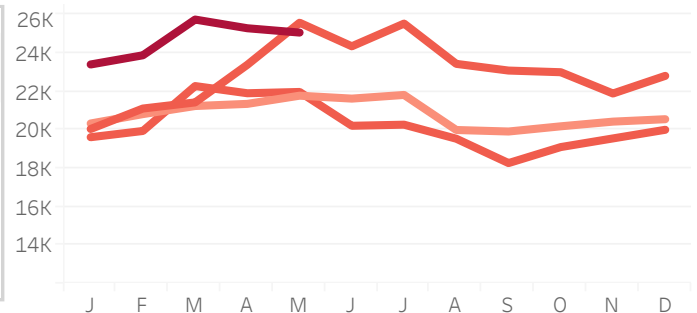
Cut-up Category ('000 Kg)

	2018		2019	
	April	May	April	May
Legs	5,194	4,592	4,449	4,144
Breasts	6,721	6,562	8,279	8,286
Wings	4,635	4,610	5,145	5,458
Other	5,072	5,882	6,631	6,544



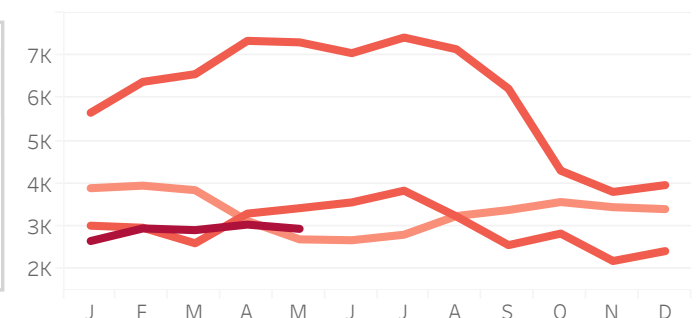
Further Processed Category ('000 Kg)

	2018		2019	
	April	May	April	May
Breasts	2,726	2,759	2,583	2,405
Other	20,672	22,829	22,717	22,669



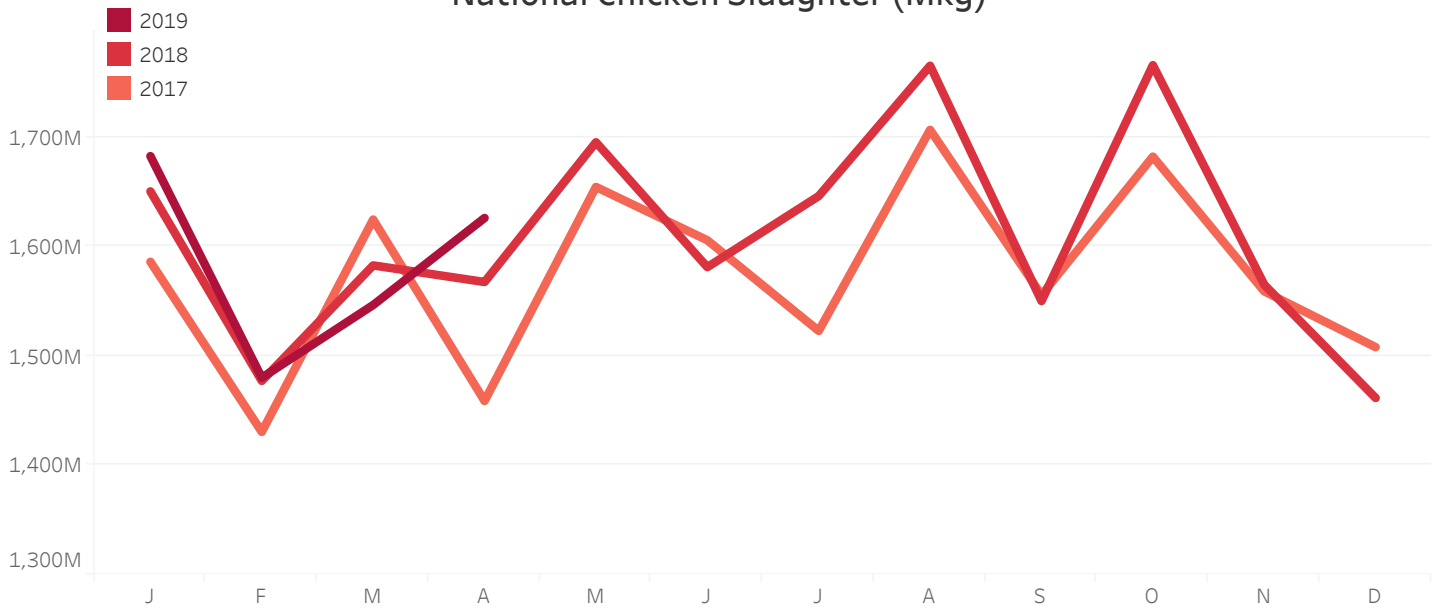
Miscellaneous Category ('000 Kg)

	2018		2019	
	April	May	April	May
Miscellaneous	3,305.4	3,432.4	3,048.9	2,948.8



Section 4 - American Chicken Market

National Chicken Slaughter (Mkg)



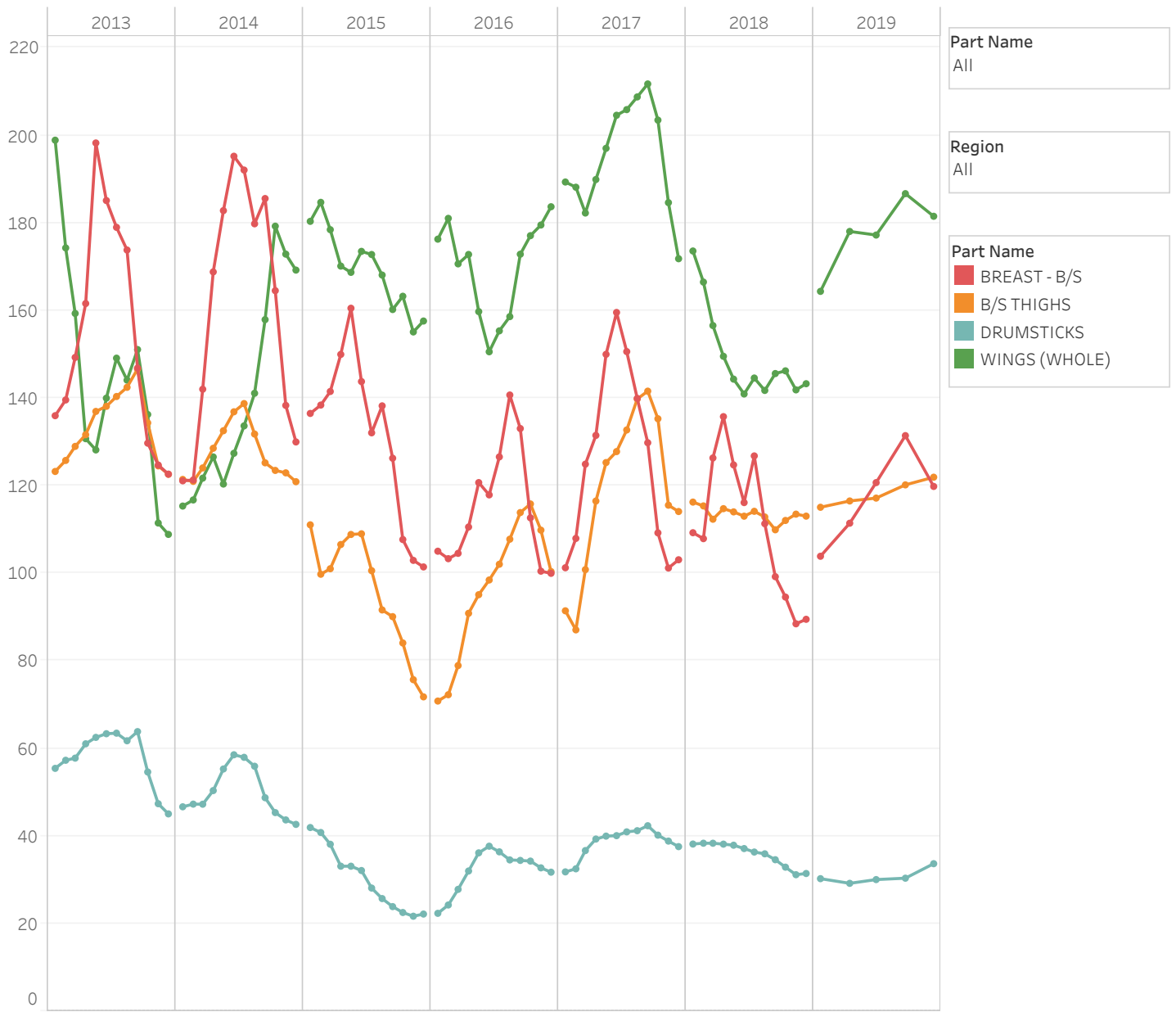
National Chicken Slaughter (Mkg)

	2018	2019
January	1,650.6M	1,682.9M
February	1,477.2M	1,480.1M
March	1,582.9M	1,546.7M
April	1,567.7M	1,626.3M
May	1,695.5M	
June	1,581.3M	
July	1,646.3M	
August	1,765.5M	
September	1,550.3M	
October	1,766.0M	
November	1,565.2M	
December	1,461.6M	

Source: United States Department of Agriculture

USDA - Wholesale prices

Weighted Average - Cents per pound



Source: United States Department of Agriculture

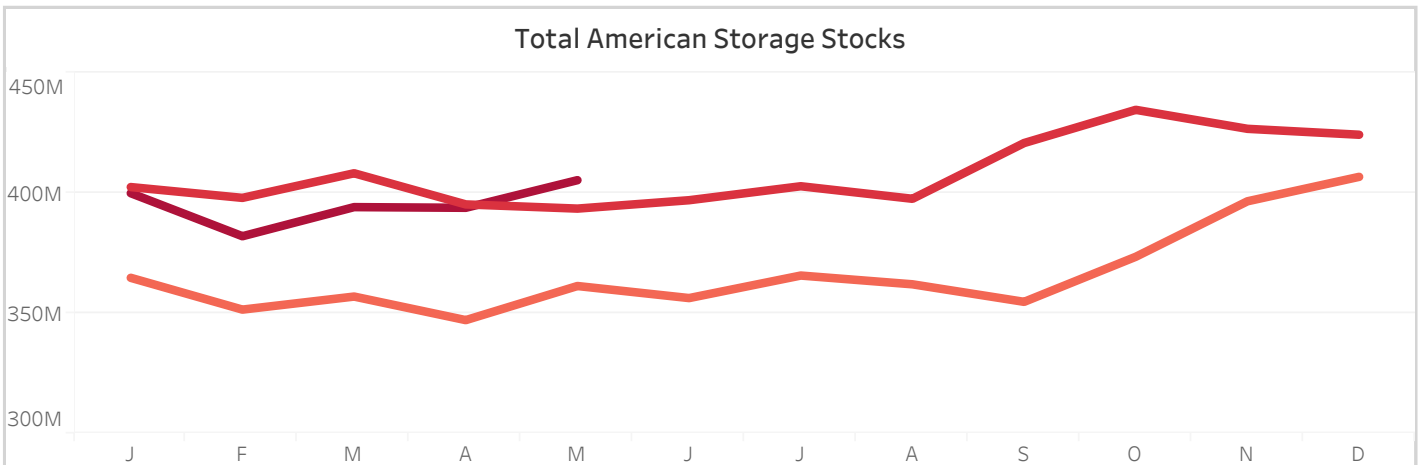
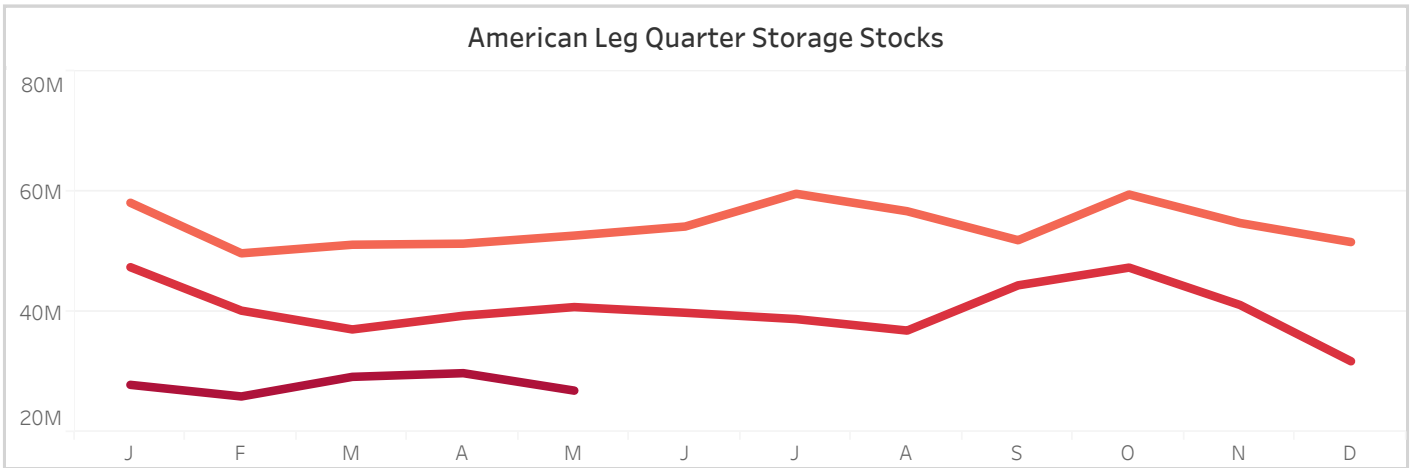
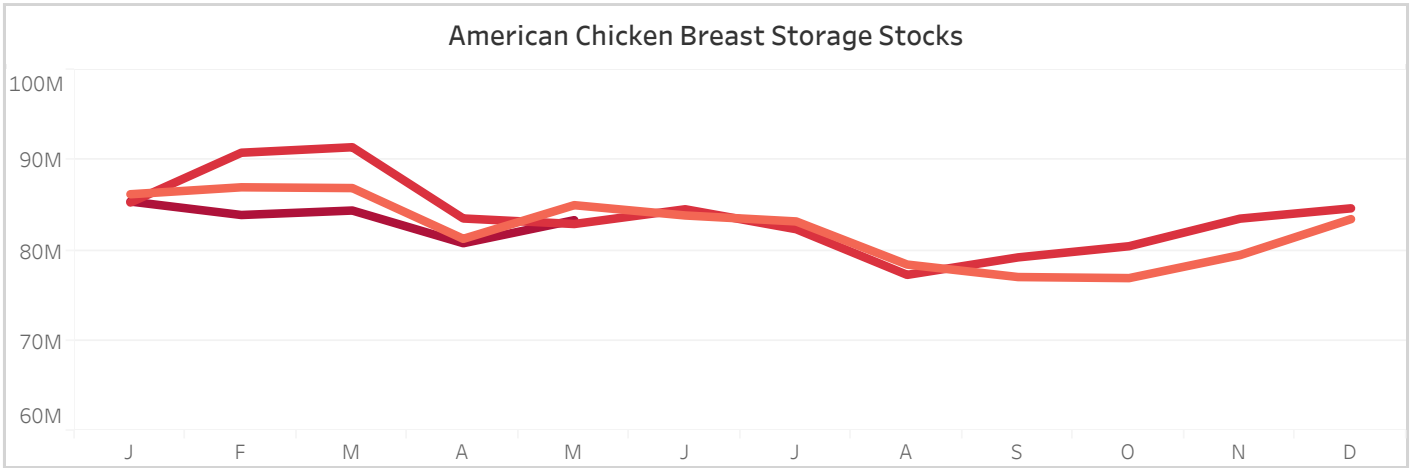
US wholesale prices for May 2019 saw some positive momentum in both boneless thighs and wings. The May 2019 wholesale price for wings averaged \$1.82/lb, up \$0.37 (+25.8%) over the same time last year. Additionally, the wholesale price for boneless thighs averaged \$1.22/lb, up \$0.08 (+6.9%). Wholesale prices for boneless breasts were down \$0.05 (-3.9%), bringing the price to \$1.20/lb, while drumsticks were down \$0.04 (-11.1%), with a price of \$0.34/lb.

American Chicken Storage Stocks

Mkg

	2018			2019		
	March	April	May	March	April	May
Breast	91.4M	83.5M	82.9M	84.4M	80.8M	83.4M
Leg	37.1M	39.4M	40.8M	29.2M	29.8M	26.9M
Total Stocks	408.2M	395.2M	393.5M	394.1M	393.8M	405.3M

2017 2018 2019



Source: United States Department of Agriculture



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