

Chicken Fax

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

Fresh supply volumes from January to March 2019 totaled 357.4 Mkg, an increase of 10.7 Mkg (+3.1%) over the same timeframe last year. Production provided the majority of the increase in fresh supply, with a year-to-date (YTD) volume of 319.2 Mkg, up 12.7 Mkg (+4.2%) from last year. Conversely, import volumes amounted to 38.2 Mkg, marking a decline of 2.1 Mkg (-5.1%) over last year. Domestic disappearance up until March 2019 totaled 322.4 Mkg, increasing 20.0 Mkg (+6.6%) from the same time last year.

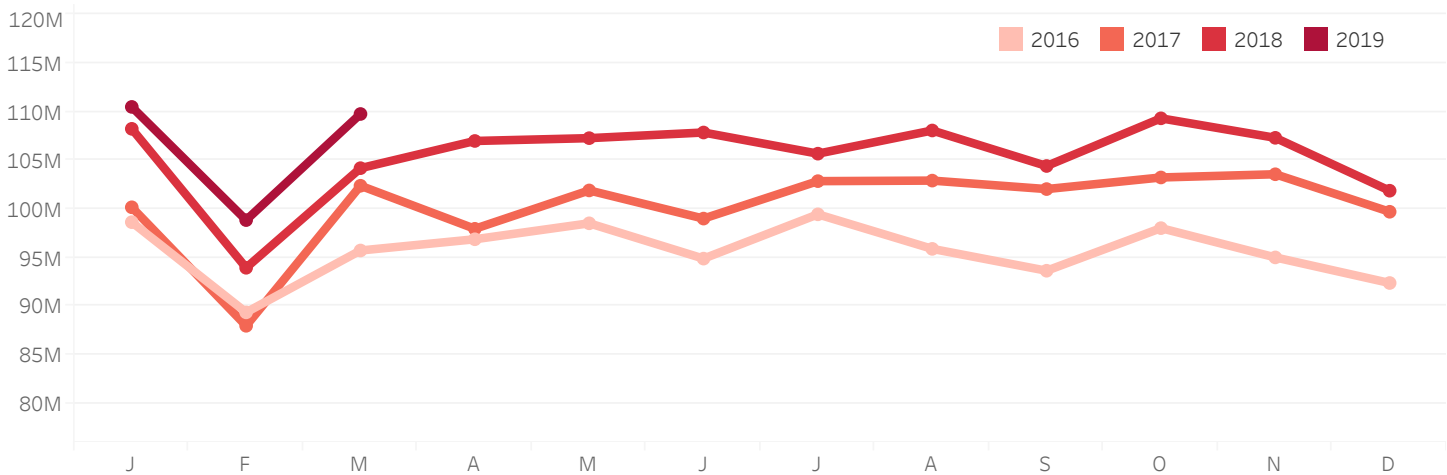
	Supply and Disappearance		Change	
	Jan. - Mar.			
	2018	2019		
Opening Stocks	44.5M	53.1M	8.6M	19.3%
Production	306.4M	319.2M	12.7M	4.2%
Imports	40.3M	38.2M	-2.1M	-5.1%
Fresh Supply	346.7M	357.4M	10.7M	3.1%
Total Supply	391.2M	410.4M	19.3M	4.9%
Exports	39.7M	33.9M	-5.8M	-14.7%
Closing Stocks	49.0M	54.1M	5.1M	10.5%
Domestic Disappearance	302.4M	322.4M	20.0M	6.6%

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)



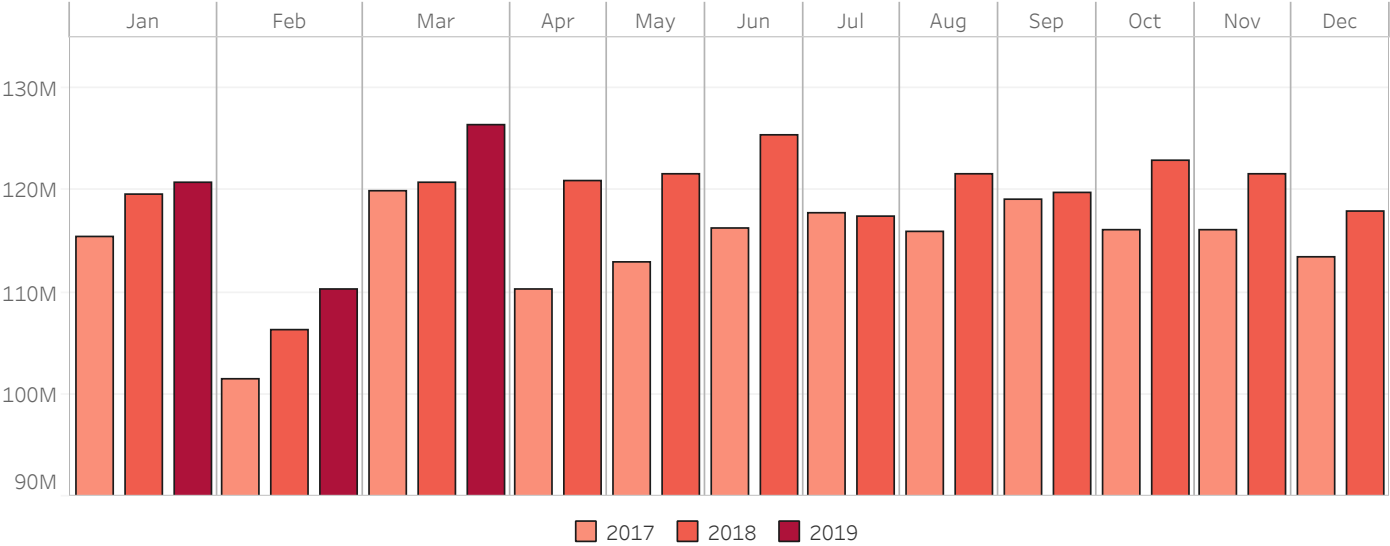
	Production Jan. - Mar. Mkg		Change	
	2018	2019		
BC	44.4M	44.8M	0.4M	0.9%
AB	29.6M	31.3M	1.6M	5.4%
SK	11.4M	11.5M	0.1M	0.8%
MB	12.4M	13.1M	0.7M	5.4%
ON	103.9M	108.4M	4.5M	4.4%
QC	81.1M	86.4M	5.3M	6.6%
NB	8.2M	8.3M	0.1M	1.7%
NS	10.3M	10.3M	0.0M	0.0%
PEI	1.1M	1.1M	-0.1M	-6.5%
NFLD	4.0M	4.1M	0.1M	1.5%
Canada	306.4M	319.2M	12.7M	4.2%

Production as of March 2019 amounted to 319.2 Mkg, up 12.7 Mkg (+4.2%) from last year. On a percentage basis, the provinces with the greatest year-over-year increased were Quebec (+6.6%), Alberta (+5.4%), and Manitoba (+5.4%).

	Monthly Production Mkg			
	2018		2019	
	February	March	February	March
BC	13.5M	15.4M	13.4M	15.7M
AB	8.9M	10.2M	9.6M	10.7M
SK	3.5M	3.8M	3.6M	3.9M
MB	3.8M	4.2M	4.1M	4.5M
ON	31.3M	34.7M	33.5M	37.7M
QC	25.8M	27.6M	27.4M	29.6M
NB	2.3M	3.0M	2.6M	2.7M
NS	3.3M	3.5M	3.2M	3.3M
PEI	0.3M	0.4M	0.4M	0.3M
NFLD	1.3M	1.4M	1.2M	1.4M
Canada	94.0M	104.2M	98.9M	109.8M

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

Fresh Chicken Supply (Mkg)



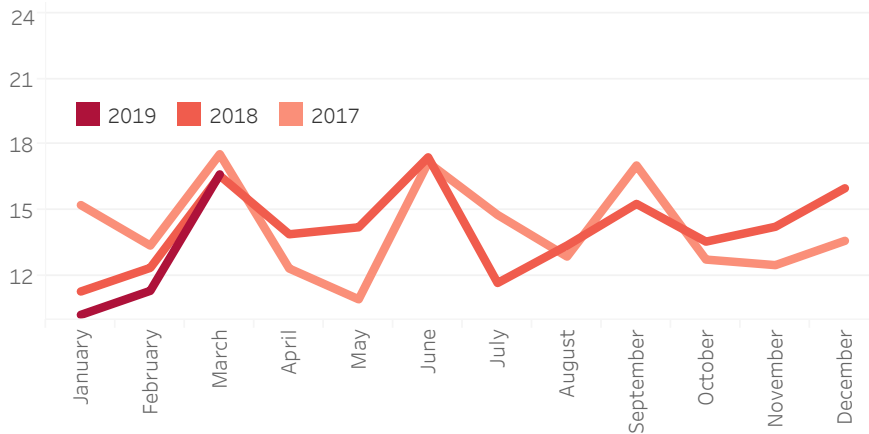
Domestic disappearance for March 2019 amounted to 322.4 Mkg, increasing 20.0 Mkg (6.6%) over the same timeframe a year ago.

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

Domestic Disappearance Mkg		
	2018	2019
January	103.1M	107.9M
February	94.6M	97.4M
March	104.7M	117.2M
April	104.5M	
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 as of March 2019 YTD were down 2.1 Mkg (-5.1%) over last year. The declines were felt most in the parts bone-in imports, which were down 20.3%, or 1.8 Mkg, followed by parts boneless, which were down 2.4 Mkg (-10.7%). Additionally, the other category saw a decline of 0.2 Mkg (-26.5%). Meanwhile, imports under the further processed category increased by 2.3 Mkg (+29.1%).

	Jan. - Mar. Kg		Change	
	2018	2019		
Live	0.0M	0.0M	0.0M	
Carcass	0.0M	0.0M	0.0M	22.5%
Parts, Bone-in	8.7M	6.9M	-1.8M	-20.3%
Parts, Boneless	22.9M	20.4M	-2.4M	-10.7%
Other	0.7M	0.5M	-0.2M	-26.5%
Further Processed	8.0M	10.3M	2.3M	29.1%
Total	40.3M	38.2M	-2.1M	-5.1%

	2018		2019	
	February	March	February	March
Live	0.0M	0.0M	0.0M	0.0M
Carcass	0.0M	0.0M	0.0M	0.0M
Parts, Bone-in	2.5M	3.7M	1.9M	3.3M
Parts, Boneless	6.9M	9.6M	6.4M	8.3M
Other	0.3M	0.1M	0.1M	0.2M
Further Processed	2.7M	3.1M	3.0M	4.8M
Total	12.4M	16.6M	11.3M	16.6M

Source: Agriculture and Agri-Food Canada

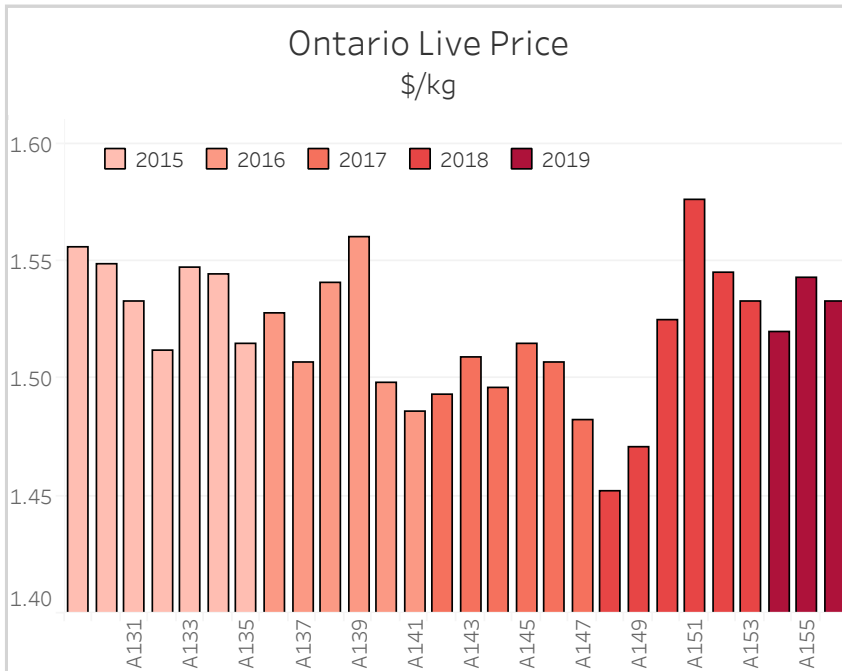
* Chicken imports are reported on eviscerated equivalent basis

Chicken Products Exported

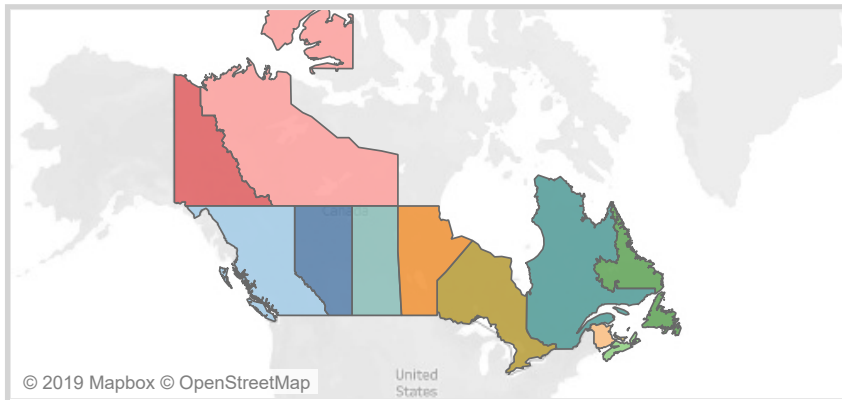
Jan. - Mar. Kg	
2018	2019
39.7M	33.9M

Source: Agriculture and Agri-Food Canada

Section 2 - Chicken Prices

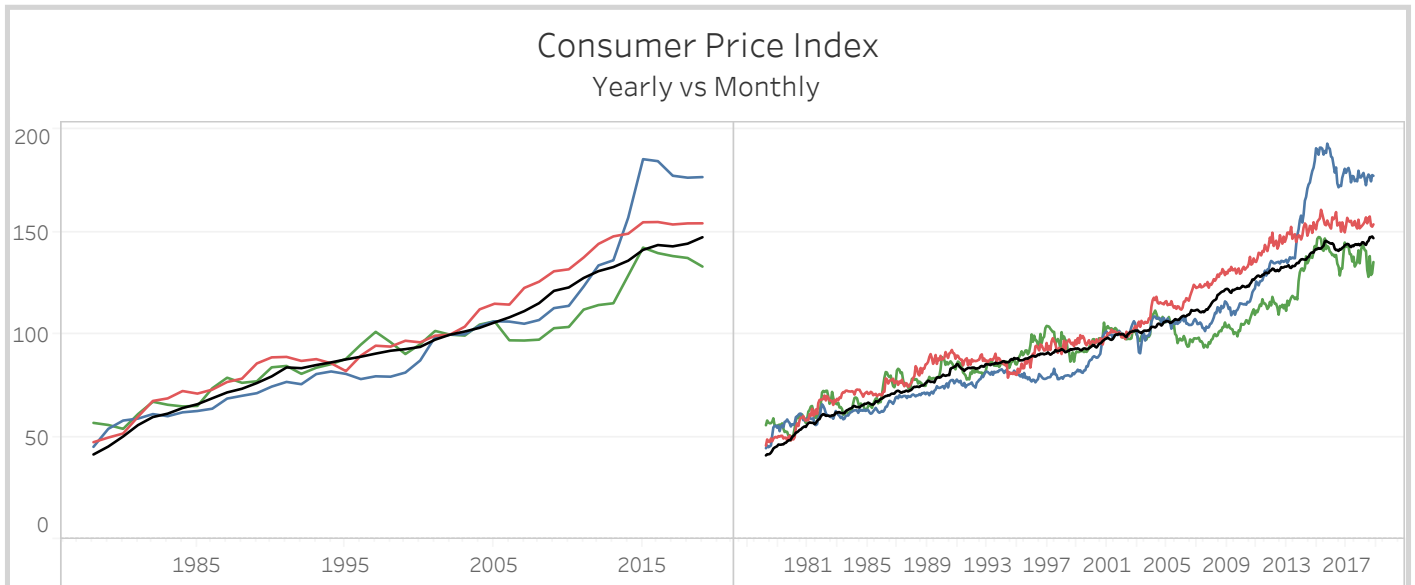


The consumer price index (CPI) for chicken as of April 2019 was 153.9, down 2.3 points from April 2018. The CPI for beef was down 2.5 points over last year, bringing the March 2019 number to 177.7. Lastly, the March 2019 CPI for pork stood at 135.5, down 5.7 points from last year.



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

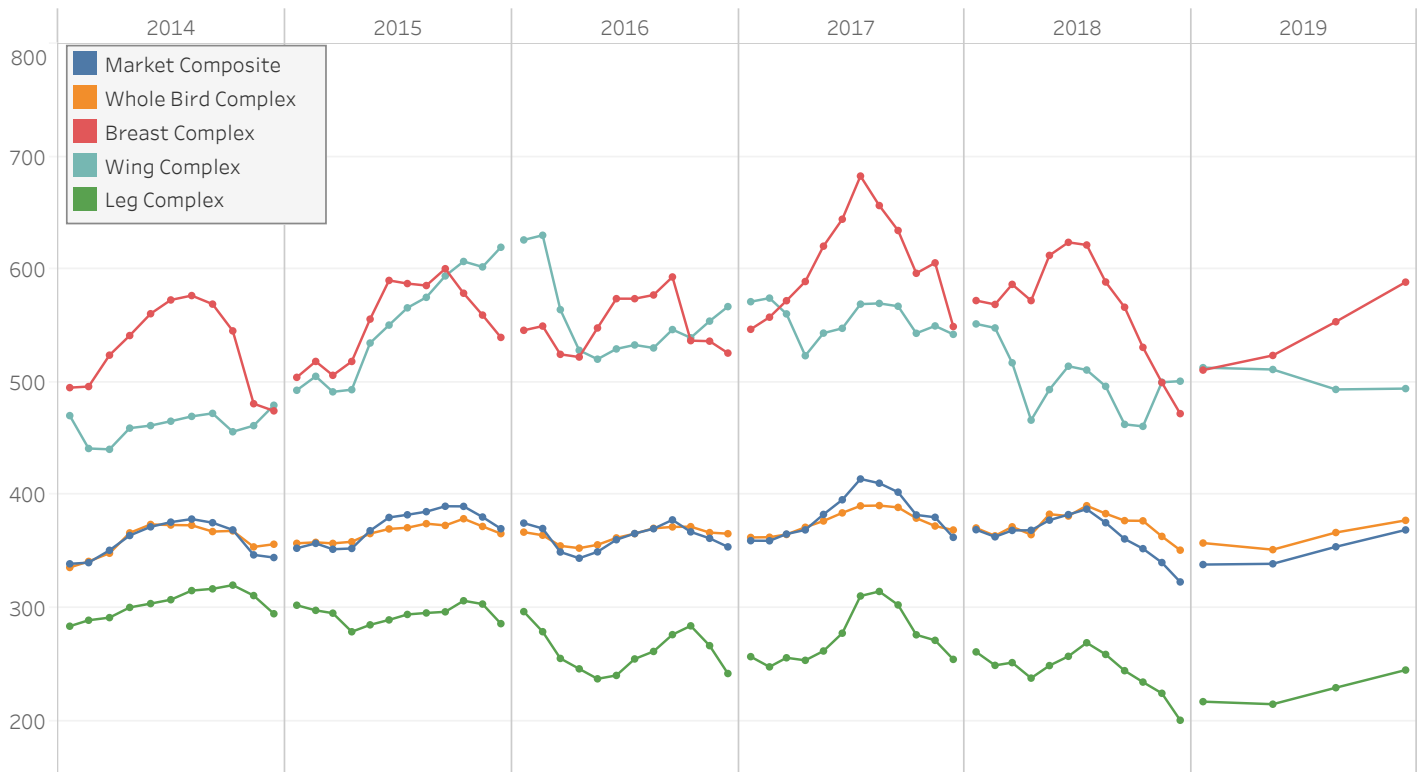
Location
All



Canadian Wholesale Chicken Prices ¢/kg

	2018				2019			
	January	February	March	April	January	February	March	April
Market Composite	369.5	363.2	368.9	369.0	338.7	339.3	354.4	369.3
Whole Bird Complex	371.1	364.1	372.1	365.2	357.7	351.9	367.0	377.8
Breast Complex	572.6	569.2	586.9	572.5	511.0	524.0	553.8	588.9
Wing Complex	551.9	548.3	517.4	466.6	513.1	511.5	493.8	494.6
Leg Complex	261.3	249.3	251.8	238.0	217.2	214.9	229.5	245.2

The monthly average market composite for April 2019 was 3.69/kg, seeing virtually no change from April 2018. Wholesale wing prices have seen the strongest increase over last year, at an average price of \$4.95/kg for April 2019, the complex saw a \$0.28 increase over the same time last year. Meanwhile, breast prices were up \$0.16, bringing the April 2019 price to \$5.89/kg, and whole bird prices were up \$0.13, bringing the price to \$3.78/kg. The leg complex experienced the smallest increase, gaining \$0.07 on the April 2018 wholesale price, which brought the April 2019 price to \$2.45/kg.



Source: EMI Express Markets Inc.

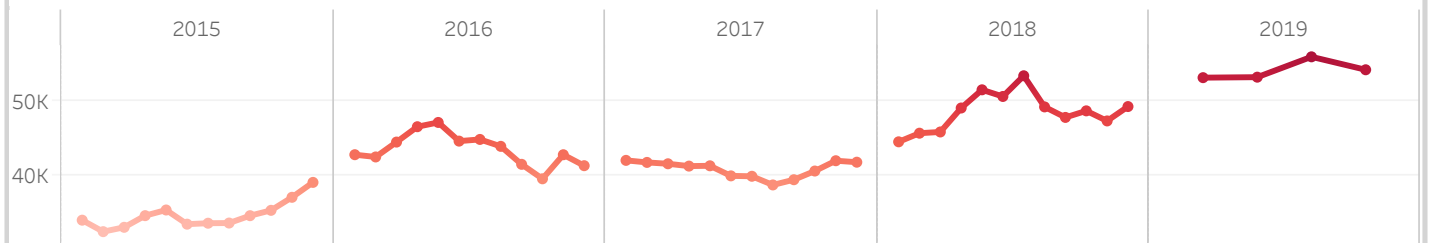
* The Market Composite price is the simple average of 5 sub-composites, which are the weighted average of individual products, further weighted by each product's percentage make-up of WOG

Section 3 - Storage Stocks

by Province '000 Kg

	2017		2018		2019	
	March	April	March	April	March	April
BC	4,523	4,869	5,116	5,013	4,602	4,111
AB	2,709	2,949	2,530	2,655	2,399	2,357
SK	306	398	616	685	422	297
MB	1,351	1,183	1,124	1,150	1,711	1,371
ON	18,652	18,245	21,930	24,041	29,716	29,866
QC	13,564	13,185	13,966	14,874	16,538	15,659
Atlantic	413	377	500	577	467	458

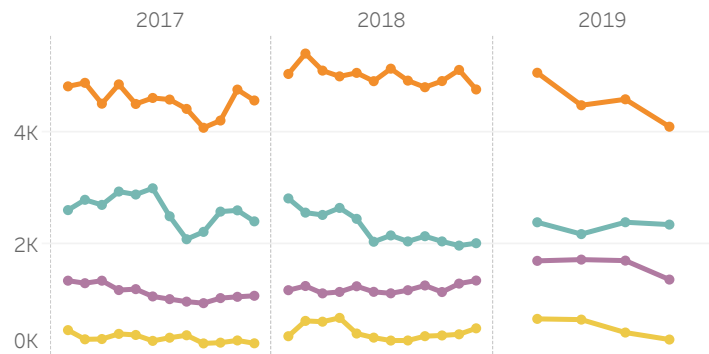
Canada Stocks



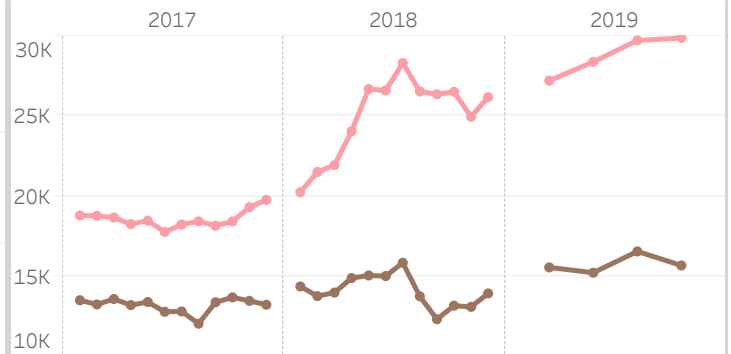
Stocks by Province
Canada Stocks

■ BC
 ■ AB
 ■ SK
 ■ MB
 ■ ON
 ■ QC

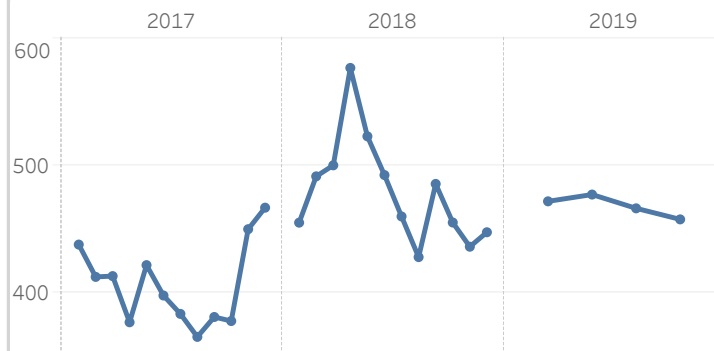
Western Canada



Central Canada

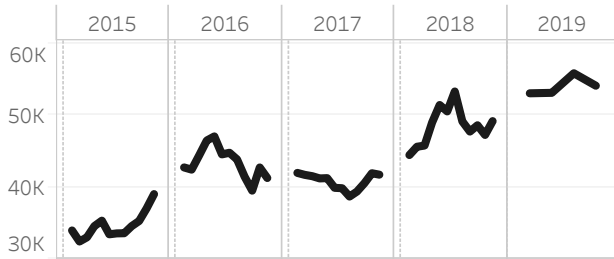


Atlantic Canada



Source: Agriculture and Agri-Food Canada

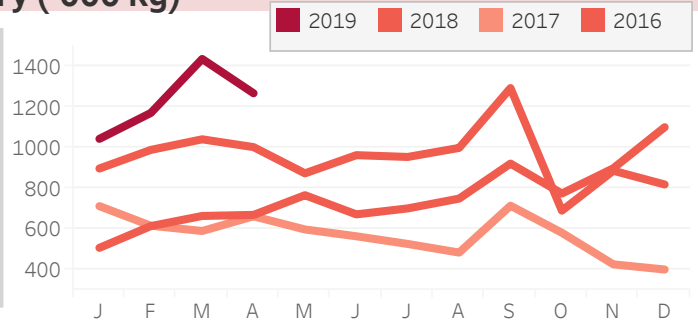
Total Chicken Storage Stocks ('000 Kg)



April 2019 storage stock levels stood at 54.1 Mkg, down 1.7 Mkg from last month, yet up 5.1 Mkg from last year. On a volume basis, most of the increase in storage stock volumes over last year came from the cut up and further processed categories, which each respectively saw increases of 2.9 Mkg (+13.3%) and 1.9 Mkg (+8.1%). The whole category also saw a notable increase of 0.6 Mkg (+8.5%). Conversely, storage stocks in the miscellaneous category fell by 0.3 Mkg (-7.8%).

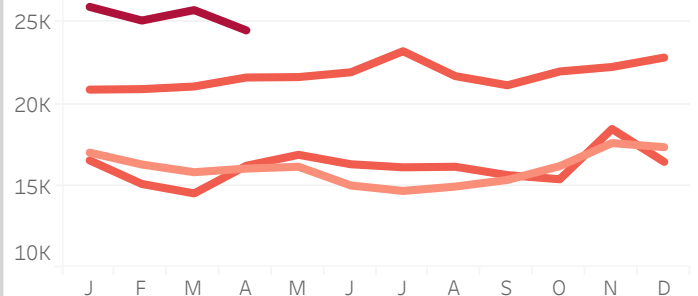
Whole Category ('000 Kg)

	2018		2019	
	March	April	March	April
< 2 kg	382	360	921	833
> 2 kg	282	309	515	435



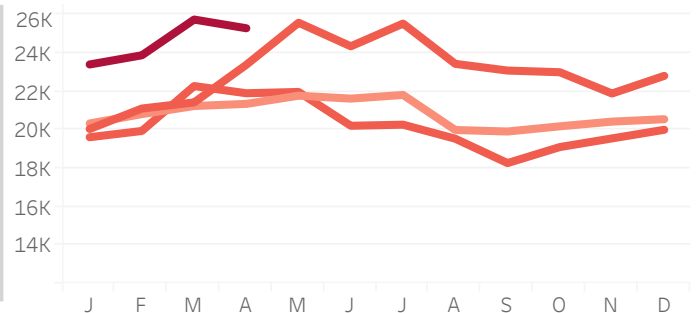
Cut-up Category ('000 Kg)

	2018		2019	
	March	April	March	April
Legs	4,881	5,194	4,715	4,449
Breasts	6,453	6,721	8,890	8,279
Wings	4,379	4,635	4,658	5,145
Other	5,358	5,072	7,483	6,631



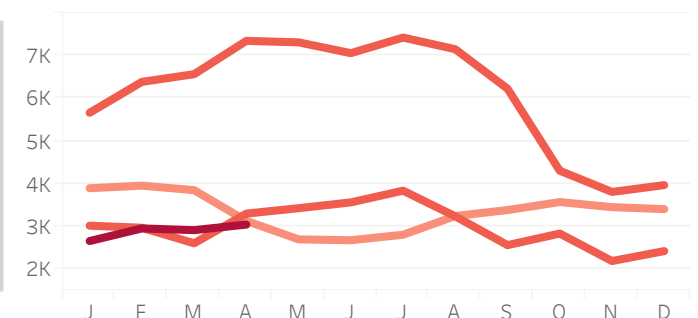
Further Processed Category ('000 Kg)

	2018		2019	
	March	April	March	April
Breasts	2,702	2,726	2,466	2,583
Other	18,735	20,672	23,286	22,717



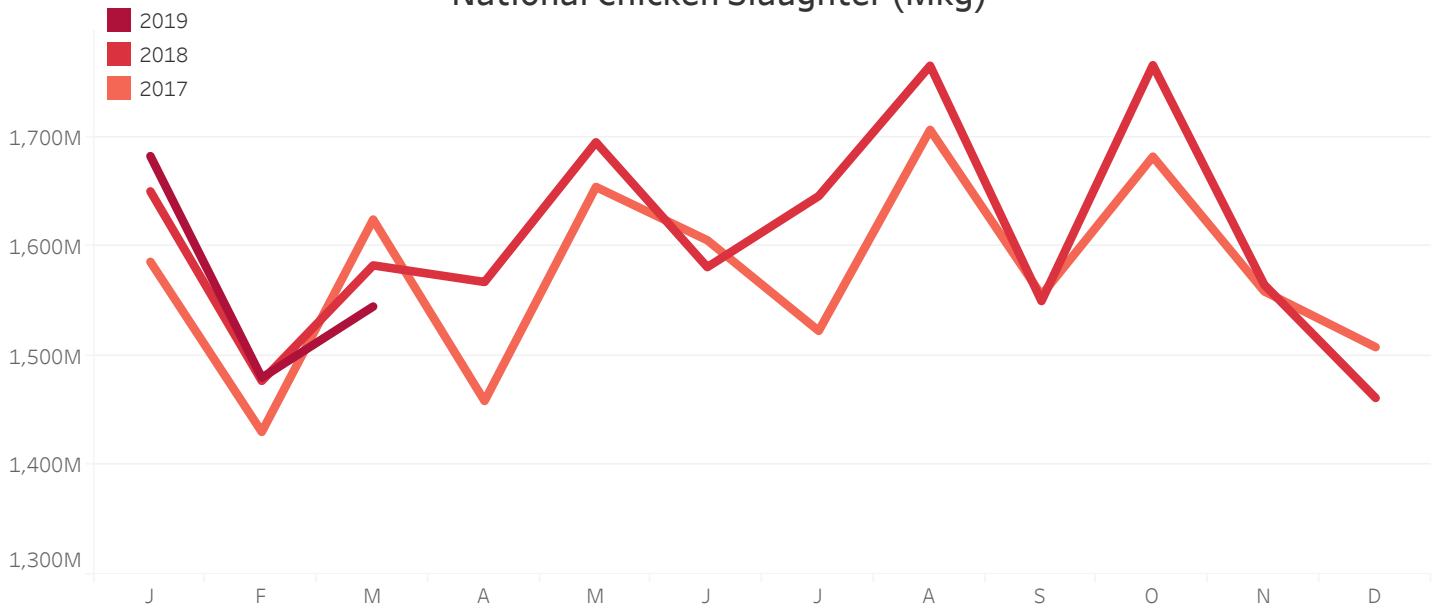
Miscellaneous Category ('000 Kg)

	2018		2019	
	March	April	March	April
Miscellaneous	2,611.6	3,305.4	2,918.5	3,048.9



Section 4 - American Chicken Market

National Chicken Slaughter (Mkg)



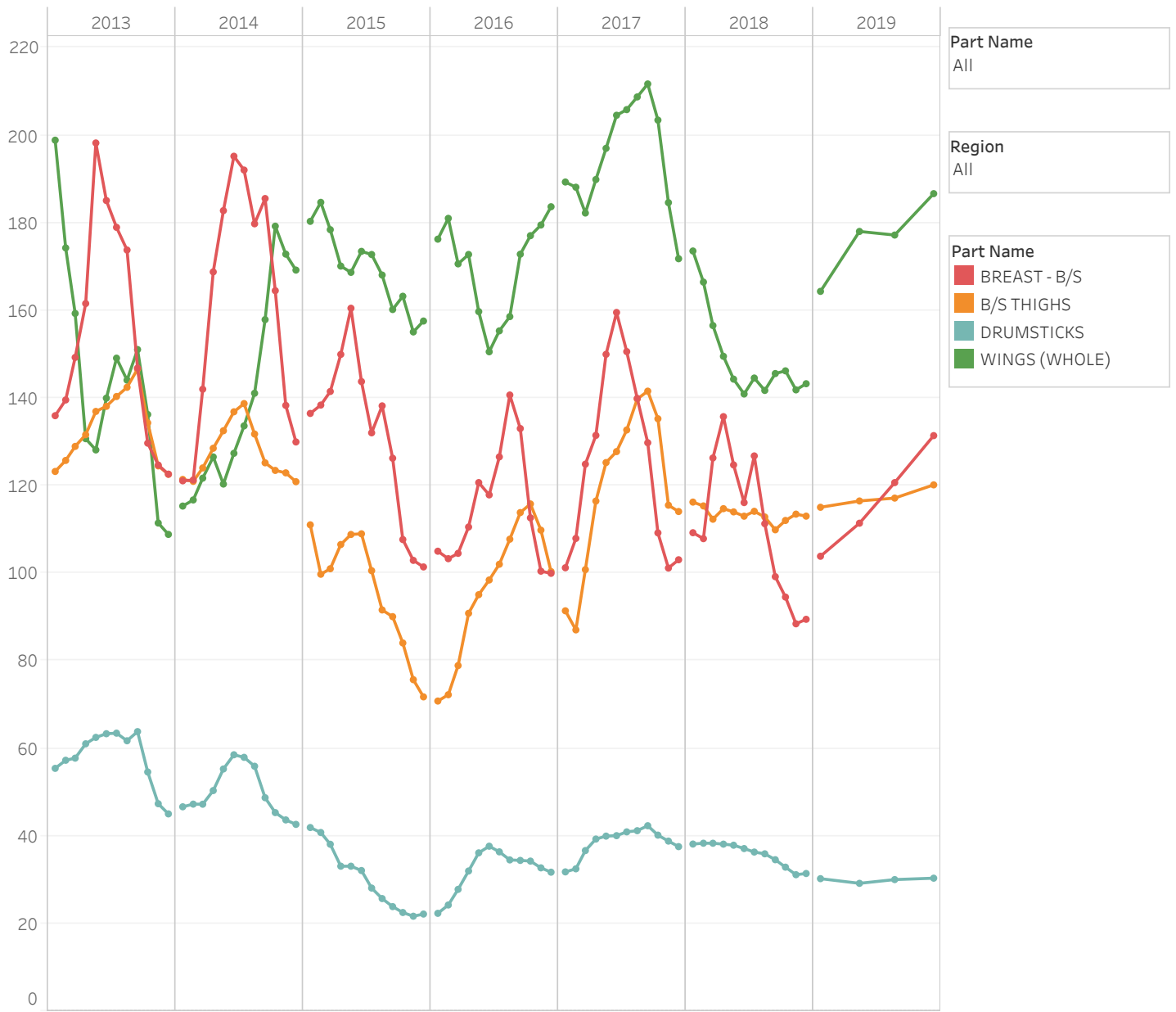
National Chicken Slaughter (Mkg)

	2018	2019
January	1,650.6M	1,682.9M
February	1,477.2M	1,480.1M
March	1,582.9M	1,545.3M
April	1,567.7M	
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

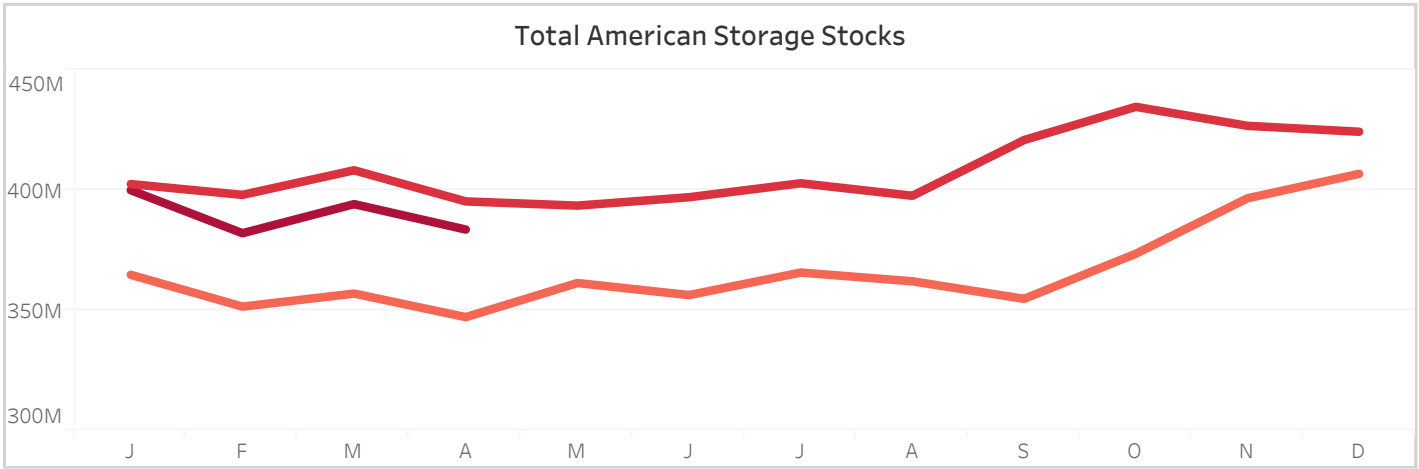
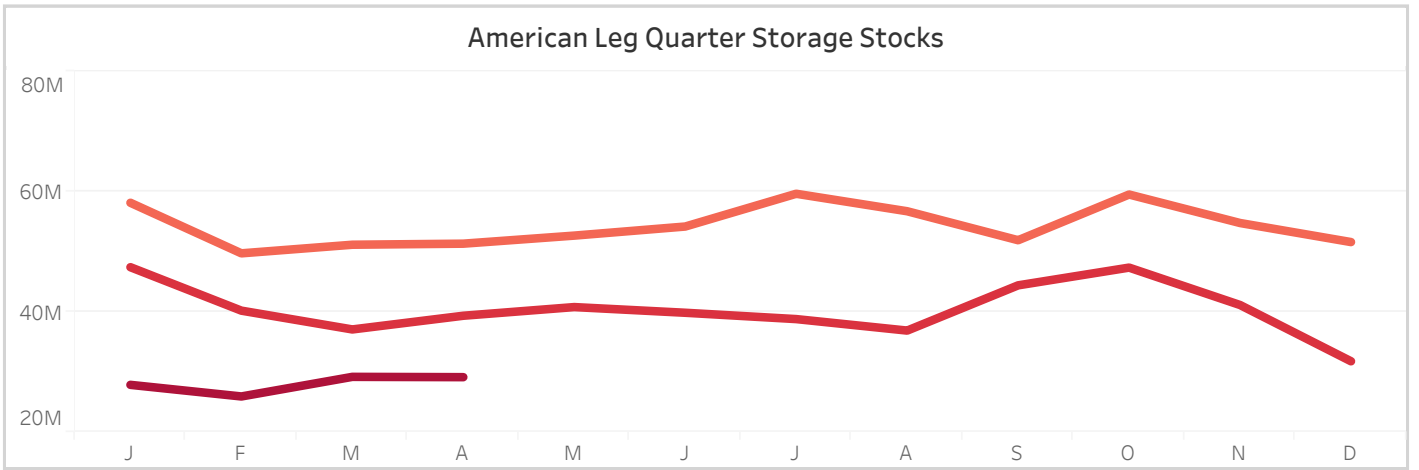
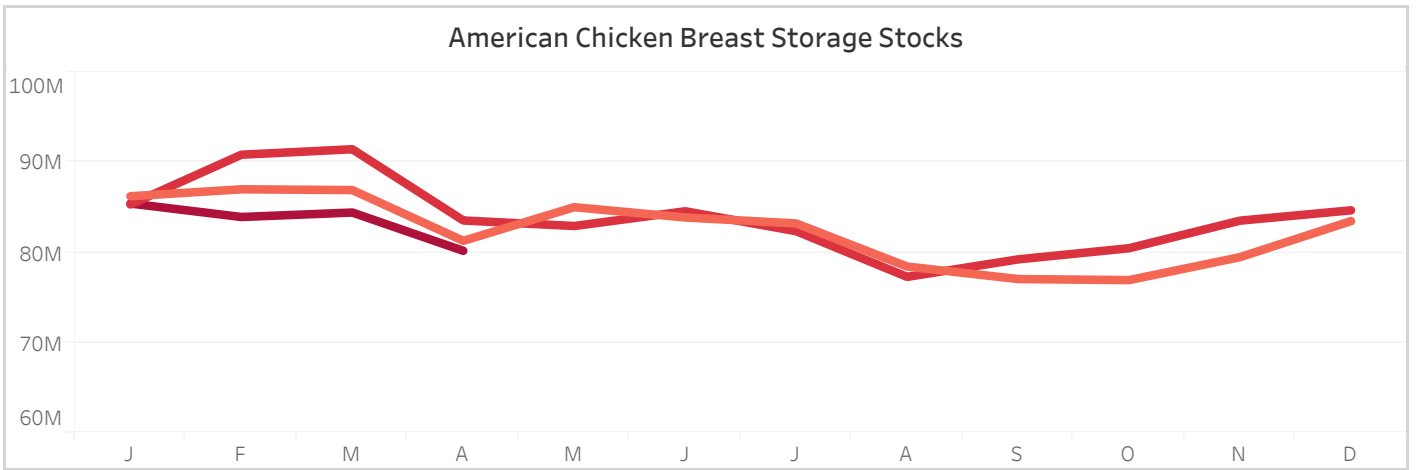
US wholesale prices for April 2019 saw strong growth in wings, which were priced at 1.87/lb, an increase of \$0.37 over last year. Boneless thighs were also up by \$0.05, bringing the price to \$1.20/lb. Meanwhile, drumsticks came in at \$0.30/lb, down \$0.08 from last year, and boneless breasts were priced at \$1.31/lb, down \$0.04 from last year.

American Chicken Storage Stocks

Mkg

	2018			2019		
	February	March	April	February	March	April
Breast	90.8M	91.4M	83.5M	83.9M	84.4M	80.2M
Leg	40.2M	37.1M	39.4M	25.9M	29.2M	29.1M
Total Stocks	398.0M	408.2M	395.2M	382.0M	394.1M	383.5M

2017 2018 2019



Source: United States Department of Agriculture



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