

Chicken Fax

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April 2019



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

Volume 27, Issue 3

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

Section 2 - Chicken Prices

Section 3 - Storage Stocks

Section 4 - American Chicken Market

Fresh supply volumes as of February 2019 year-to-date (YTD) reached 230.9 Mkg, increasing 5.0 Mkg (+2.2%) over the same timeframe last year. A good portion of the increase can be attributed to production, which increased by 7.1 Mkg (+3.5%), while YTD imports were down 2.1 Mkg (-8.9%).

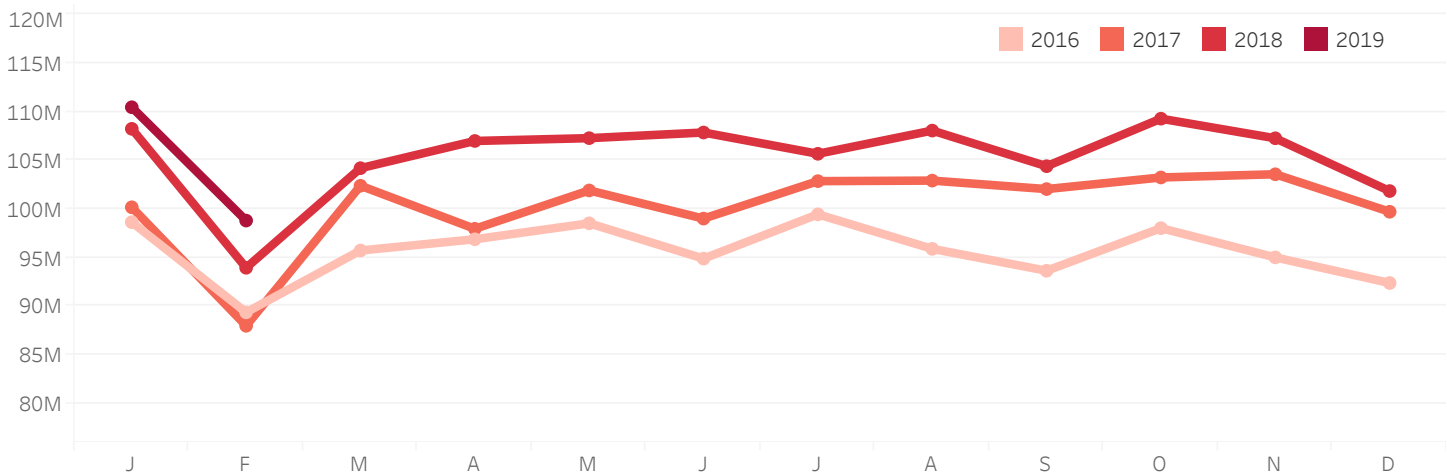
	Supply and Disappearance		Change	
	Jan. - Feb.			
	2018	2019		
Opening Stocks	44.5M	53.1M	8.6M	19.3%
Production	202.2M	209.3M	7.1M	3.5%
Imports	23.7M	21.6M	-2.1M	-8.9%
Fresh Supply	225.9M	230.9M	5.0M	2.2%
Total Supply	270.4M	283.9M	13.6M	5.0%
Exports	26.9M	23.1M	-3.8M	-14.0%
Closing Stocks	45.8M	55.9M	10.1M	22.0%
Domestic Disappearance	197.7M	205.0M	7.3M	3.7%

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)



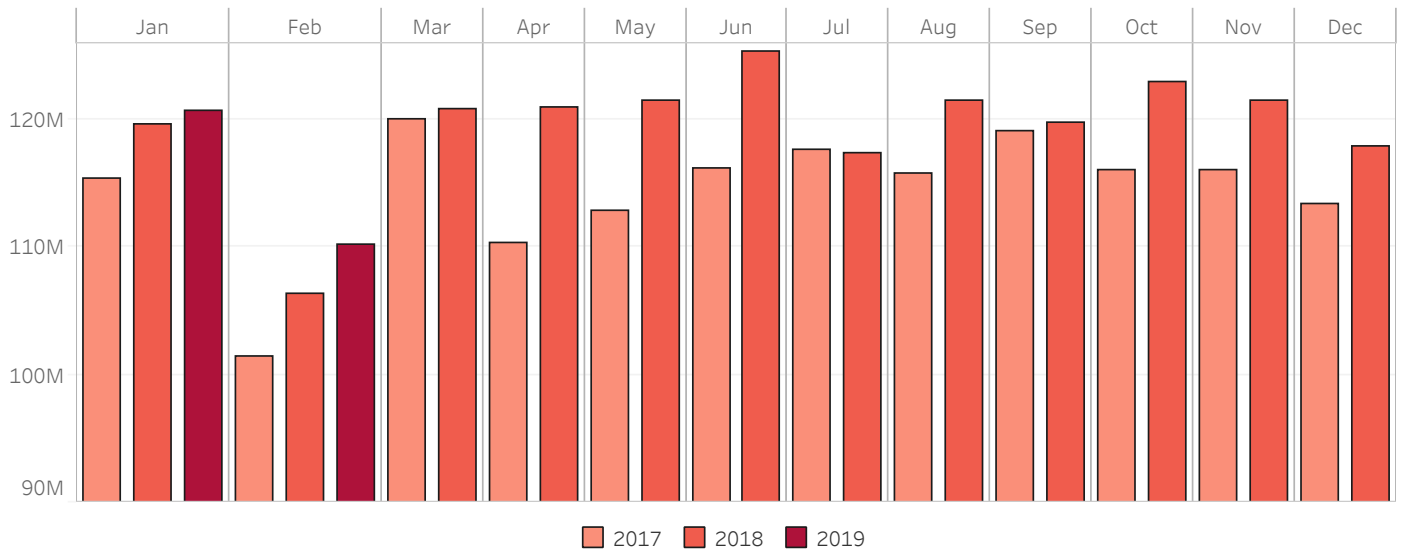
	Production Jan. - Feb. Mkg		Change	
	2018	2019		
BC	29.0M	29.1M	0.1M	0.3%
AB	19.5M	20.5M	1.0M	5.1%
SK	7.6M	7.6M	0.1M	0.8%
MB	8.2M	8.6M	0.4M	4.9%
ON	69.2M	70.7M	1.5M	2.2%
QC	53.5M	56.8M	3.3M	6.2%
NB	5.2M	5.7M	0.5M	9.9%
NS	6.8M	7.0M	0.2M	2.6%
PEI	0.7M	0.7M	0.0M	-0.7%
NFLD	2.6M	2.7M	0.1M	2.0%
Canada	202.2M	209.3M	7.1M	3.5%

YTD production reached 209.3 Mkg, increasing 7.1 Mkg (+3.5%) over last year. On a percentage basis, the strongest year-over-year (YOY) increases were in New Brunswick (+9.9%), Quebec (+6.2%), Alberta (+5.1%), and Manitoba (+4.9%). On a volume basis, Quebec experienced the largest YOY increase of +3.3 Mkg, followed by Ontario (+1.5 Mkg), and Alberta (+1.0 Mkg).

	Monthly Production Mkg			
	2018		2019	
	January	February	January	February
BC	15.5M	13.5M	15.7M	13.4M
AB	10.6M	8.9M	10.9M	9.5M
SK	4.1M	3.5M	4.1M	3.6M
MB	4.4M	3.8M	4.5M	4.1M
ON	37.8M	31.3M	37.2M	33.5M
QC	27.7M	25.8M	29.4M	27.3M
NB	2.9M	2.3M	3.0M	2.6M
NS	3.6M	3.3M	3.8M	3.2M
PEI	0.4M	0.3M	0.3M	0.4M
NFLD	1.4M	1.3M	1.5M	1.2M
Canada	108.3M	94.0M	110.5M	98.8M

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

Fresh Chicken Supply (Mkg)



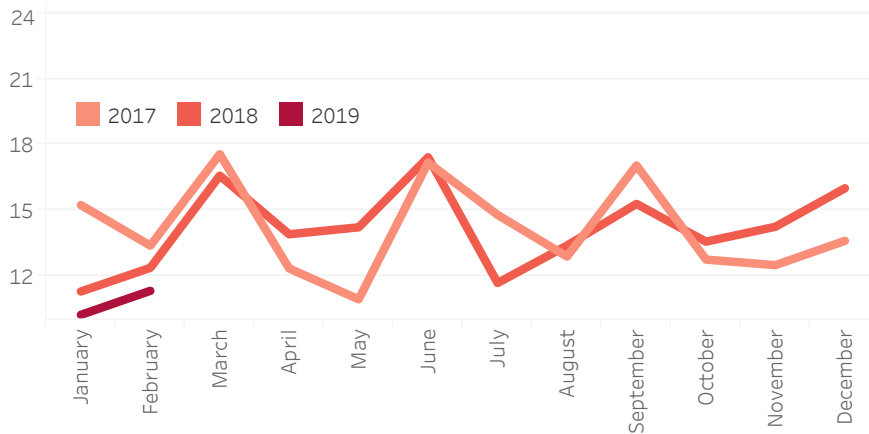
Domestic Disappearance for February 2019 stood at 205.0 Mkg, up 7.3 Mkg (+3.7%) over 2018.

	2018	2019
January	119.6M	120.7M
February	106.3M	110.1M
March	120.8M	
April	120.9M	
May	121.5M	
June	125.3M	
July	117.4M	
August	121.5M	
September	119.7M	
October	122.9M	
November	121.5M	
December	117.9M	

	2018	2019
January	103.1M	107.9M
February	94.6M	97.1M
March	104.7M	
April	104.5M	
May	109.7M	
June	109.7M	
July	109.0M	
August	112.1M	
September	108.0M	
October	112.4M	
November	108.4M	
December	103.2M	

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

Total Chicken Imports (Mkg)



Chicken imports for February 2019 YTD were down 2.1 Mkg (-8.9%). Most of the decline came from bone-in parts, which dropped 1.3 Mkg (-26.7%), followed by boneless parts, which fell 1.1 Mkg (-8.3%). Meanwhile, further processed imports increased by 0.6 Mkg (+11.9%) over last year.

	Jan. - Feb. Kg		Change	
	2018	2019		
Live	0.0M	0.0M	0.0M	
Carcass	0.0M	0.0M	0.0M	-75.1%
Parts, Bone-in	5.0M	3.7M	-1.3M	-26.7%
Parts, Boneless	13.2M	12.1M	-1.1M	-8.3%
Other	0.5M	0.3M	-0.2M	-45.6%
Further Processed	4.9M	5.5M	0.6M	11.9%
Total	23.7M	21.6M	-2.1M	-8.9%

	2018		2019	
	January	February	January	February
Live	0.0M	0.0M	0.0M	0.0M
Carcass	0.0M	0.0M	0.0M	0.0M
Parts, Bone-in	2.5M	2.5M	1.8M	1.9M
Parts, Boneless	6.3M	6.9M	5.7M	6.4M
Other	0.3M	0.3M	0.2M	0.1M
Further Processed	2.2M	2.7M	2.5M	3.0M
Total	11.3M	12.4M	10.2M	11.3M

Source: Agriculture and Agri-Food Canada

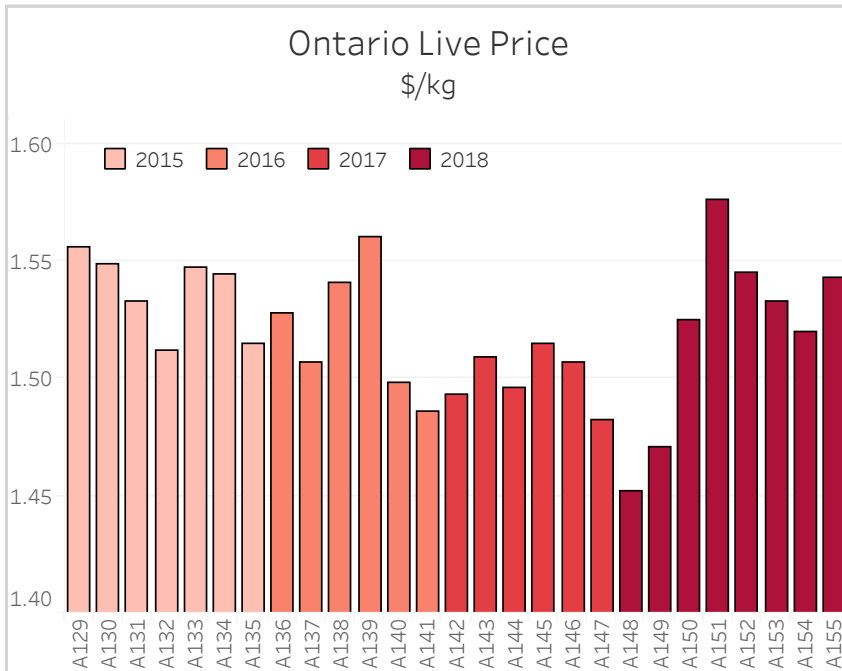
* Chicken imports are reported on eviscerated equivalent basis

Chicken Products Exported

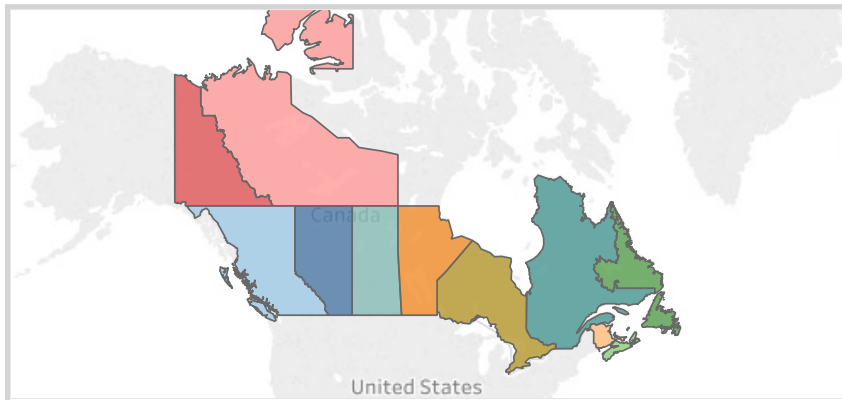
Jan. - Feb. Kg	
2018	2019
26.9M	23.1M

Source: Agriculture and Agri-Food Canada

Section 2 - Chicken Prices

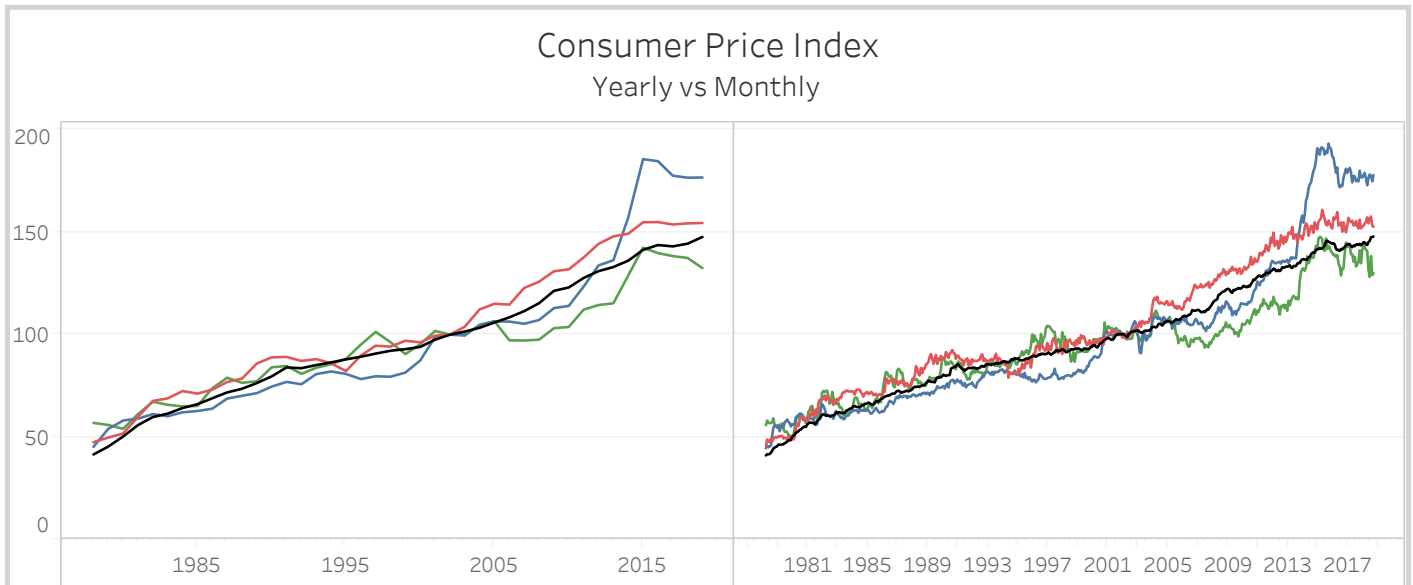


The consumer price index (CPI) for chicken as of March 2019 was 152.8, increasing 0.9 points, or 0.6% over last year. The March 2019 CPI for beef was 178.0, up 3.1 points, or 1.8% from last year. Conversely, the CPI for pork was 130.1, down 5.6 points, or 4.2%. The March 2019 CPI for food at 148.0 was up 2.9% from last year.



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

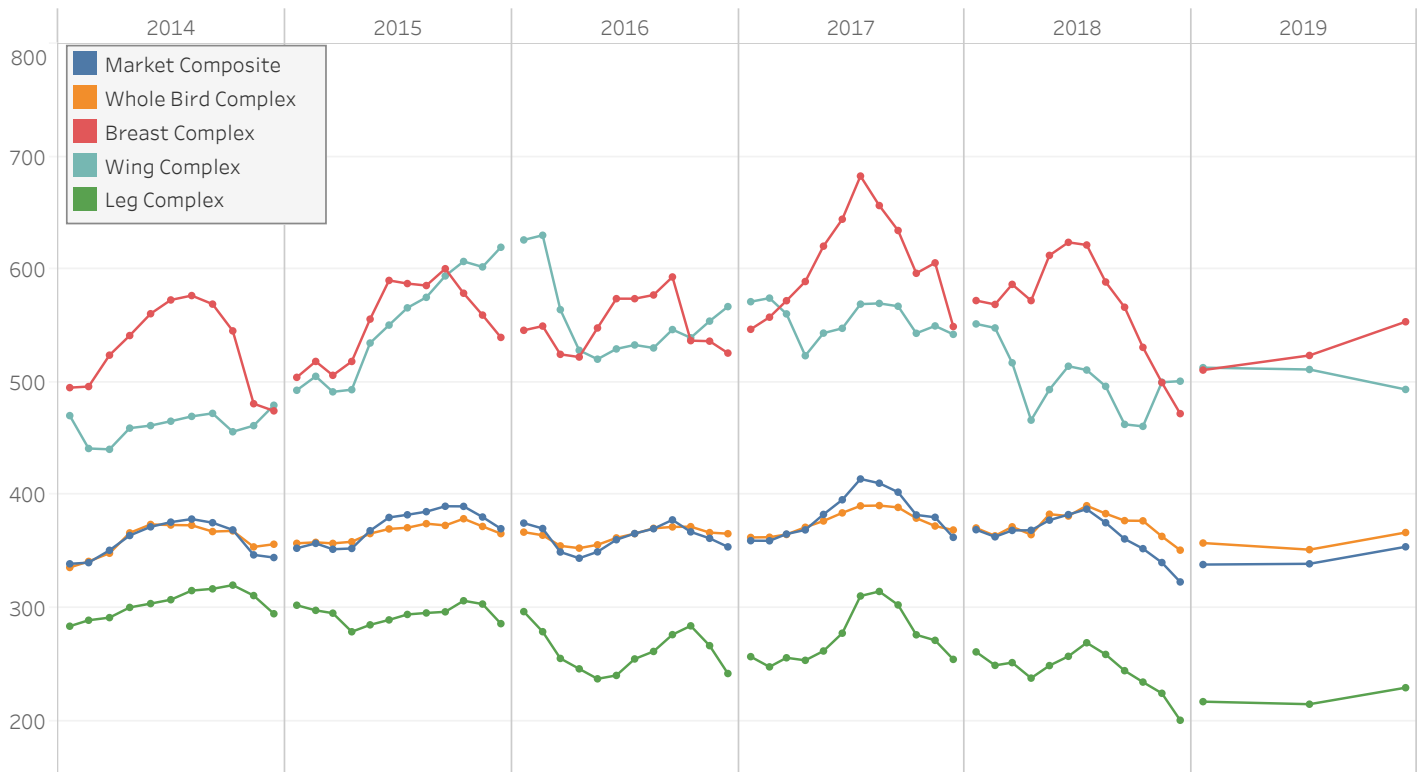
Location
All



Canadian Wholesale Chicken Prices ¢/kg

	2018			2019		
	January	February	March	January	February	March
Market Composite	369.5	363.2	368.9	338.7	339.3	354.4
Whole Bird Complex	371.1	364.1	372.1	357.7	351.9	367.0
Breast Complex	572.6	569.2	586.9	511.0	524.0	553.8
Wing Complex	551.9	548.3	517.4	513.1	511.5	493.8
Leg Complex	261.3	249.3	251.8	217.2	214.9	229.5

The average market composite for March 2019 was \$3.54/kg, down \$0.15 from last year. Every complex was down over last year, however the most drastic drop was in the breast complex, which at a price of \$5.54/kg, was down \$0.33 from last year. The wing and leg complex had the second and third largest drop, falling \$0.24 and \$0.22 over last year, respectively. Lastly, the whole bird complex experienced a mild drop of \$0.05 from last year.



Source: EMI Express Markets Inc.

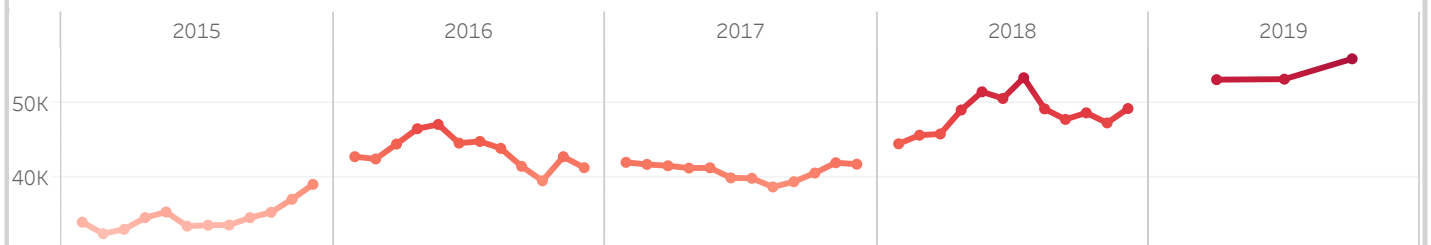
* The Market Composite price is the simple average of 5 sub-composites, which are the weighted average of individual products, further weighted by each product's percentage make-up of WOG

Section 3 - Storage Stocks

by Province '000 Kg

	2017		2018		2019	
	February	March	February	March	February	March
BC	4,897	4,523	5,422	5,116	4,495	4,602
AB	2,801	2,709	2,571	2,530	2,186	2,399
SK	301	306	631	616	654	422
MB	1,306	1,351	1,256	1,124	1,729	1,711
ON	18,759	18,652	21,500	21,930	28,378	29,716
QC	13,225	13,564	13,746	13,966	15,208	16,538
Atlantic	413	413	492	500	477	467

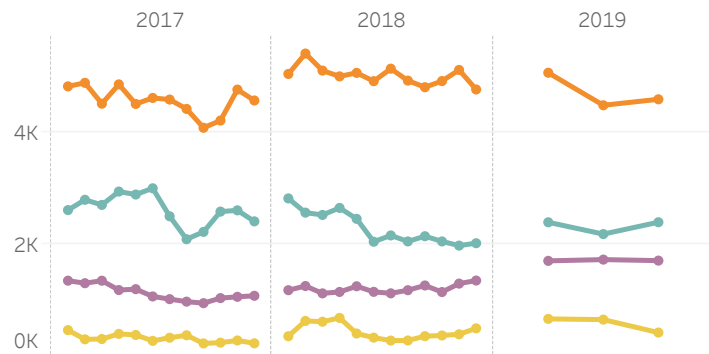
Canada Stocks



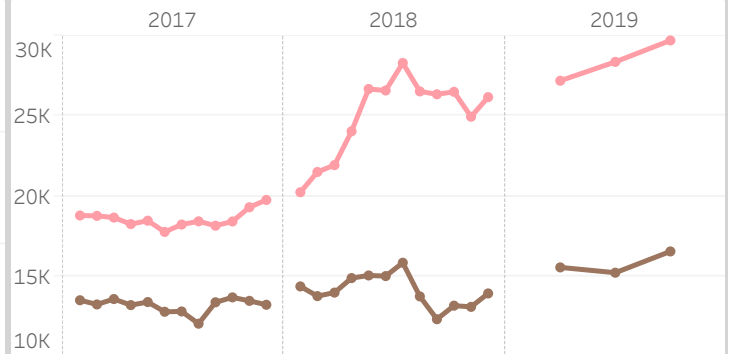
Stocks by Province
Canada Stocks

■ BC
 ■ AB
 ■ SK
 ■ MB
 ■ ON
 ■ QC

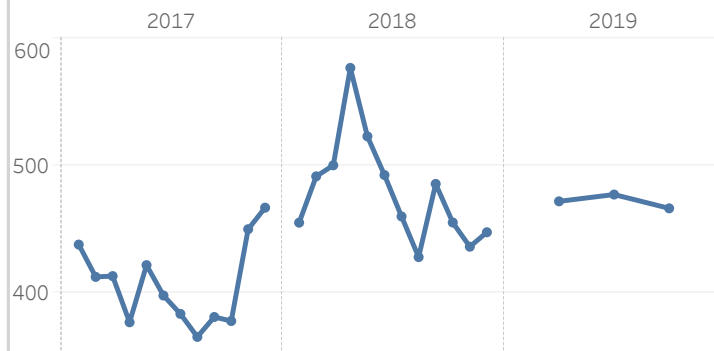
Western Canada



Central Canada

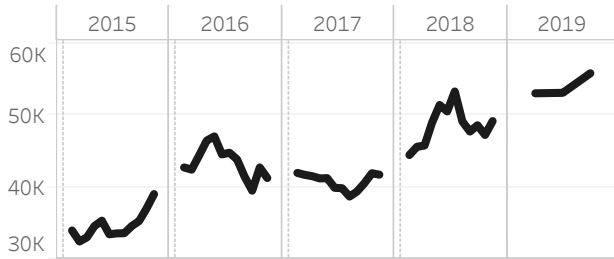


Atlantic Canada



Source: Agriculture and Agri-Food Canada

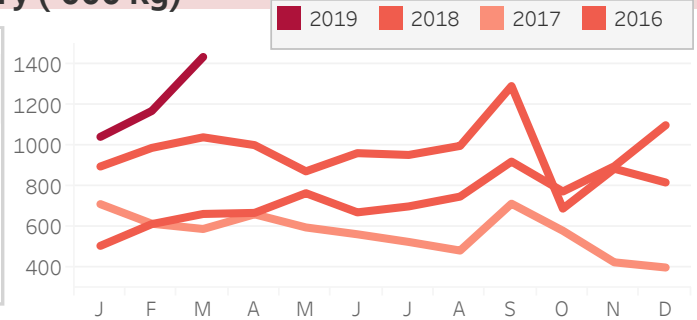
Total Chicken Storage Stocks ('000 Kg)



March 2019 storage stock levels were 55.9 Mkg, up 10.1 Mkg (+22.0%) from March 2018. Increases have been experienced in every stock category, although the largest increase was in the cut-up category, which increased by 4.7 Mkg (+22.2%). The further processed category also increased by a notable 4.3 Mkg (20.1%). Meanwhile, the whole category increased by 0.7 Mkg (+11.6%), while the miscellaneous category increased by 0.3 Mkg (+11.8%).

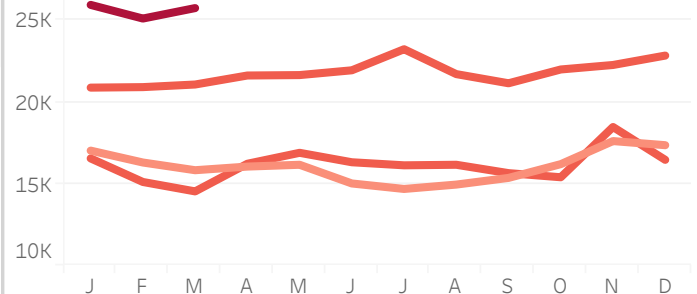
Whole Category ('000 Kg)

	2018		2019	
	February	March	February	March
< 2 kg	362	382	728	921
> 2 kg	251	282	442	515



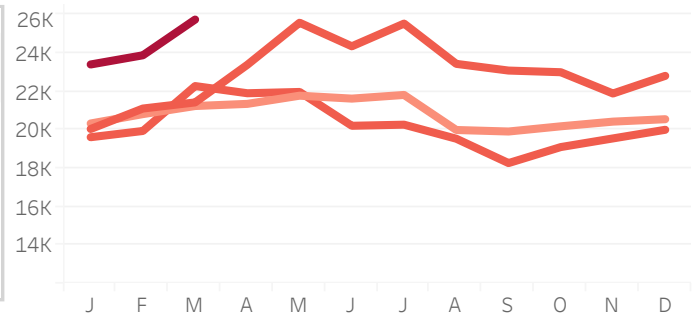
Cut-up Category ('000 Kg)

	2018		2019	
	February	March	February	March
Legs	5,032	4,881	5,171	4,715
Breasts	6,724	6,453	8,229	8,890
Wings	3,847	4,379	4,268	4,658
Other	5,308	5,358	7,439	7,483



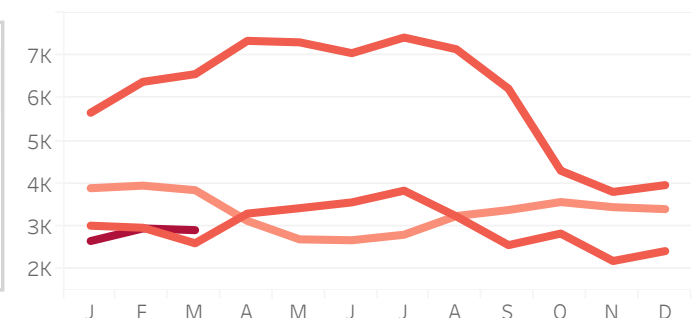
Further Processed Category ('000 Kg)

	2018		2019	
	February	March	February	March
Breasts	2,693	2,702	2,394	2,466
Other	18,426	18,735	21,497	23,286



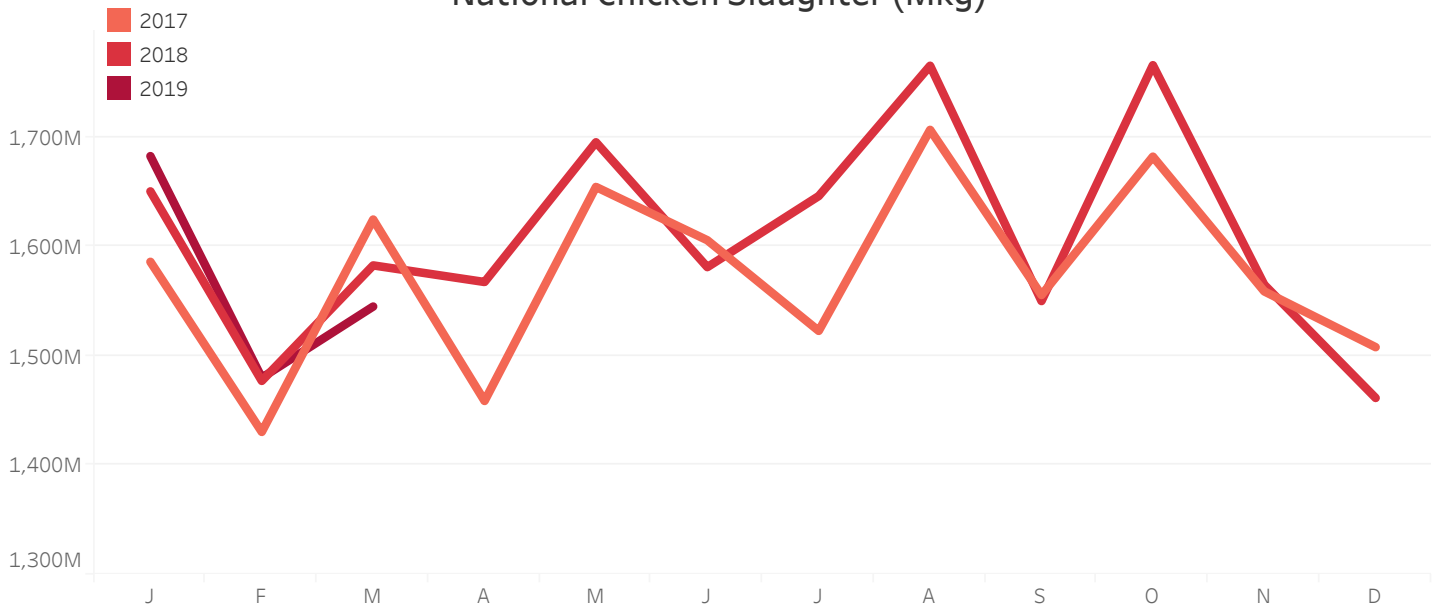
Miscellaneous Category ('000 Kg)

	2018		2019	
	February	March	February	March
Miscellaneous	2,974.7	2,611.6	2,958.6	2,918.5



Section 4 - American Chicken Market

National Chicken Slaughter (Mkg)



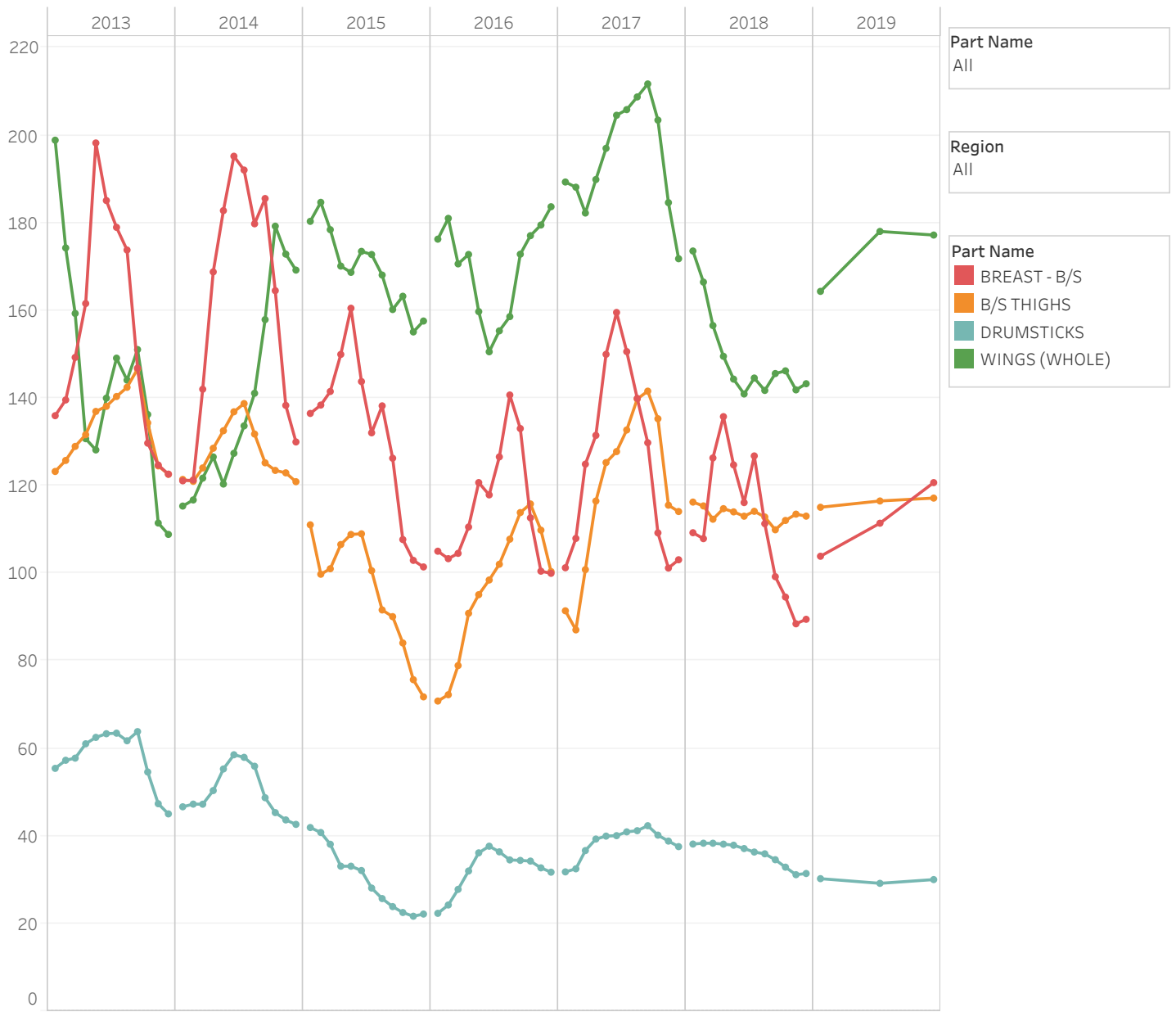
National Chicken Slaughter (Mkg)

	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

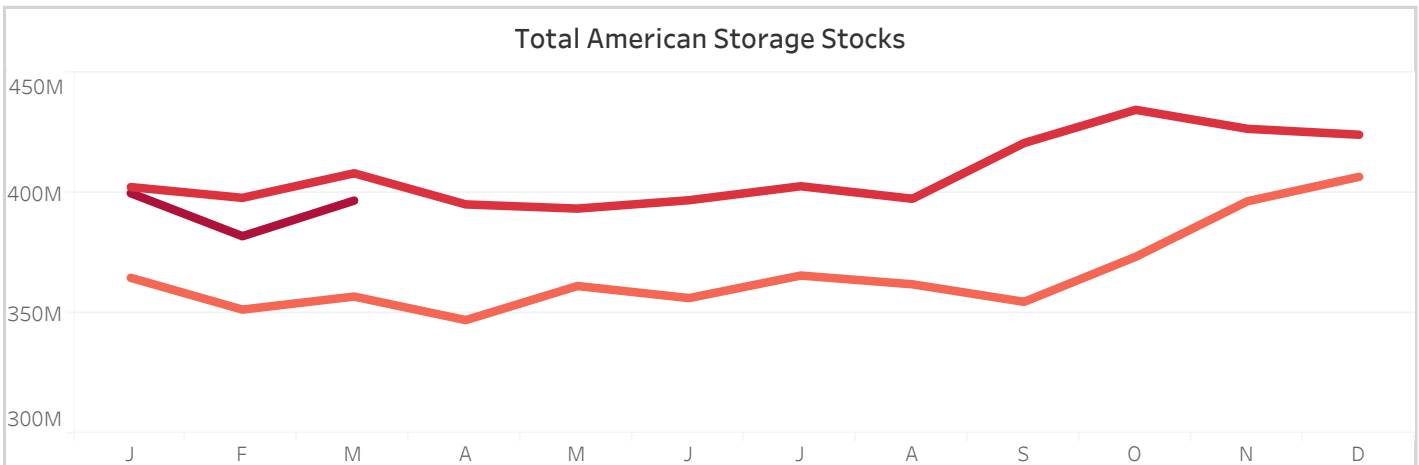
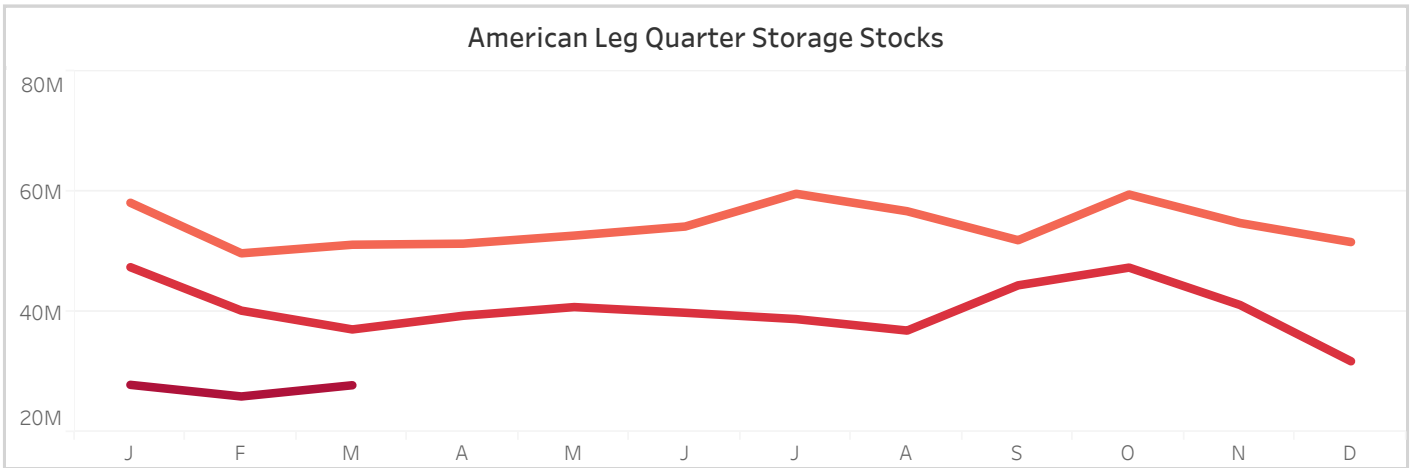
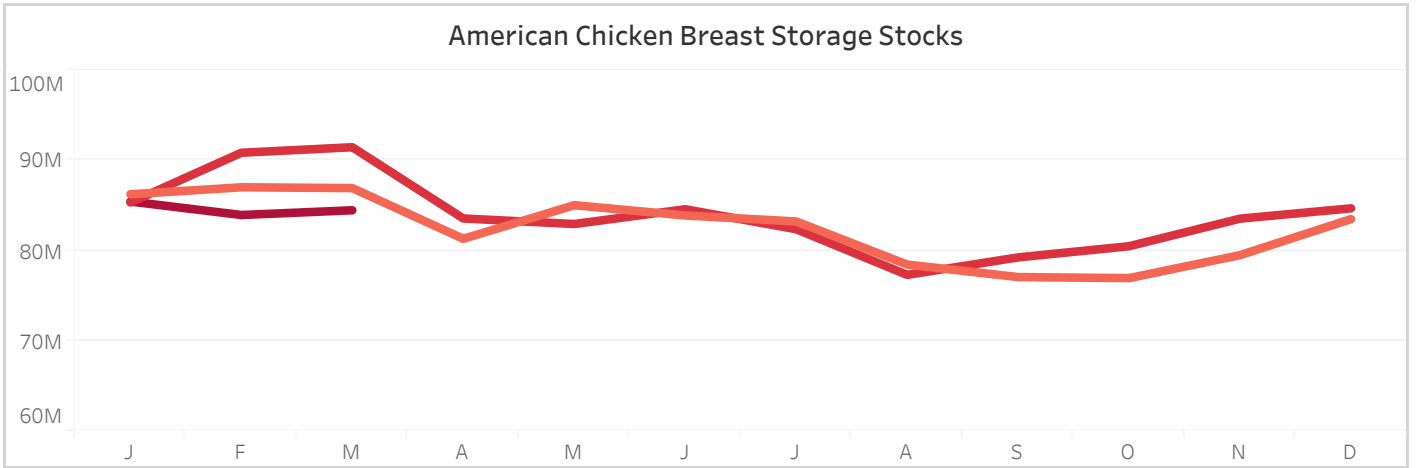
US wholesale prices for March 2019 came in with mixed results. On one side, wing prices averaged \$1.77/lb, showing an increase of \$0.21 (+13.2%) over last year. Additionally, boneless thighs came in at an average price of \$1.17/lb, up \$0.05 (+4.3%). On the flipside, boneless breast prices averaged \$1.21/lb, down \$0.06 (-4.5%) from last year. Furthermore, drumstick prices at \$0.30/lb, saw a significant drop of \$0.08 (-21.6%) from last year.

American Chicken Storage Stocks

Mkg

	2018			2019		
	January	February	March	January	February	March
Breast	85.3M	90.8M	91.4M	85.4M	83.9M	84.4M
Leg	47.4M	40.2M	37.1M	27.9M	25.9M	27.8M
Total Stocks	402.4M	398.0M	408.2M	399.9M	382.0M	396.8M

2017 2018 2019



Source: United States Department of Agriculture



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