

# Chicken Fax

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June 2019

## Volume 27, Issue 5

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

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.<br>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%   |

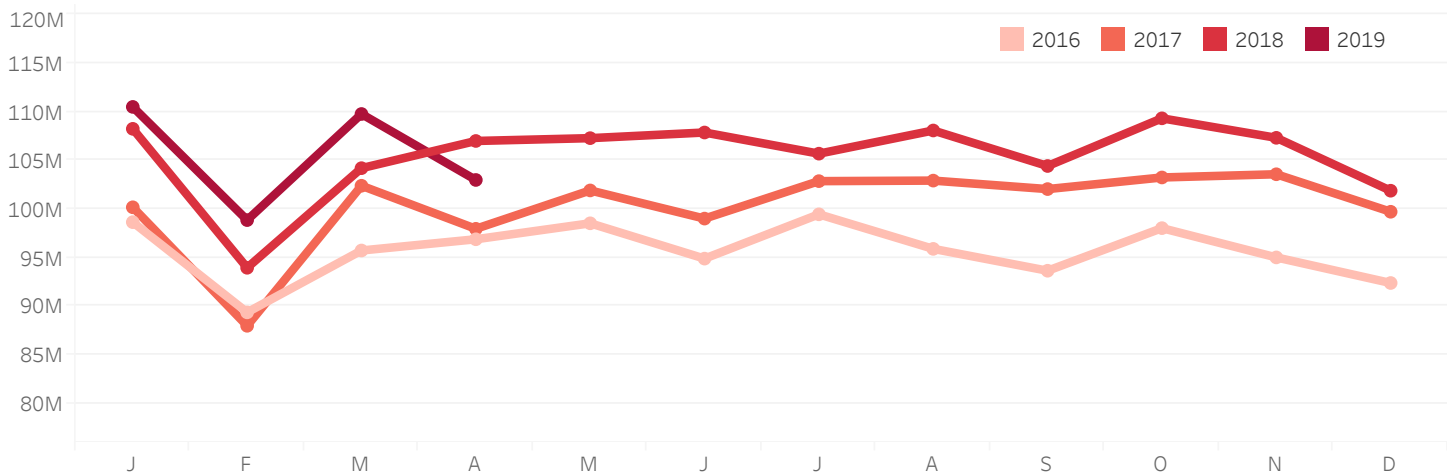
Source: Chicken Farmers of Canada, Agriculture and Agri-Food Canada, USDA

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## Section 1 - Production, Supply and Disappearance

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



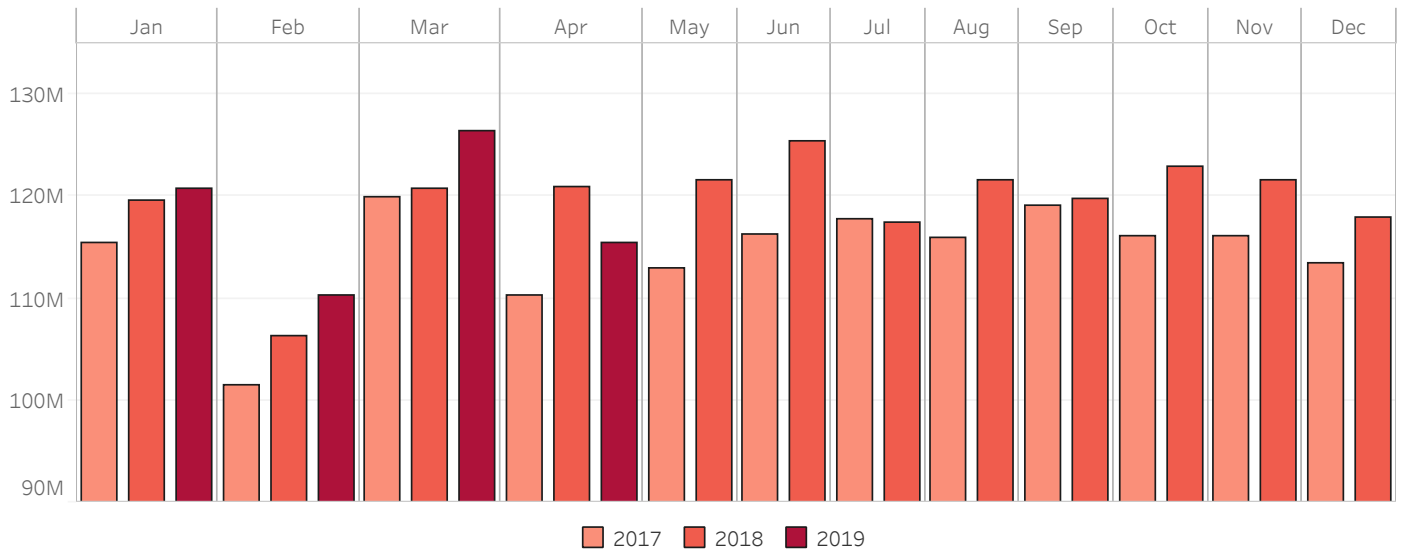
|        | Production<br>Jan. - Apr.<br>Mkg |        | Change |       |
|--------|----------------------------------|--------|--------|-------|
|        | 2018                             | 2019   |        |       |
| BC     | 60.1M                            | 59.8M  | 0.4M   | 0.9%  |
| AB     | 39.7M                            | 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.

|        | 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.

### Fresh Chicken Supply Mkg

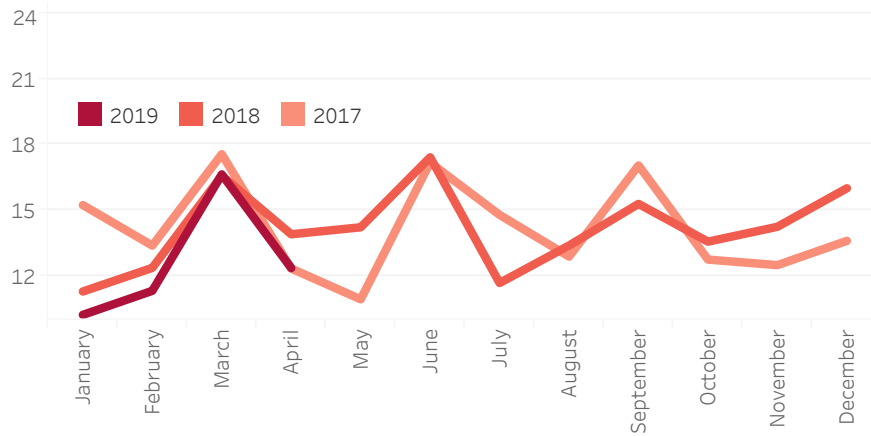
|           | 2018   | 2019   |
|-----------|--------|--------|
| January   | 119.6M | 120.8M |
| February  | 106.3M | 110.2M |
| March     | 120.8M | 126.4M |
| April     | 120.9M | 115.4M |
| May       | 121.5M |        |
| June      | 125.3M |        |
| July      | 117.4M |        |
| August    |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

### Domestic Disappearance Mkg

|           | 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.<br>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

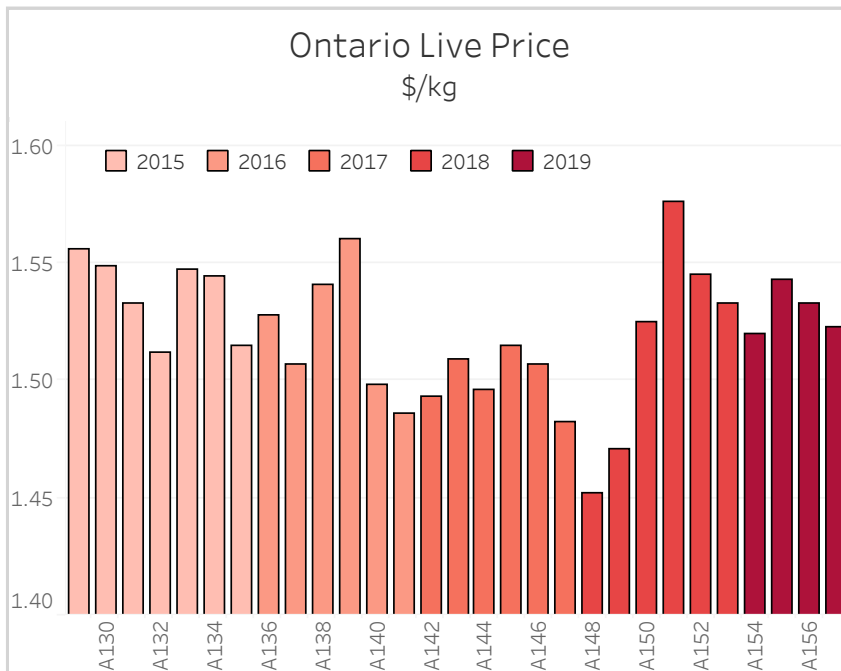
## Chicken Products Exported

| Jan. - Apr.<br>Kg |       |
|-------------------|-------|
| 2018              | 2019  |
| 53.7M             | 48.3M |

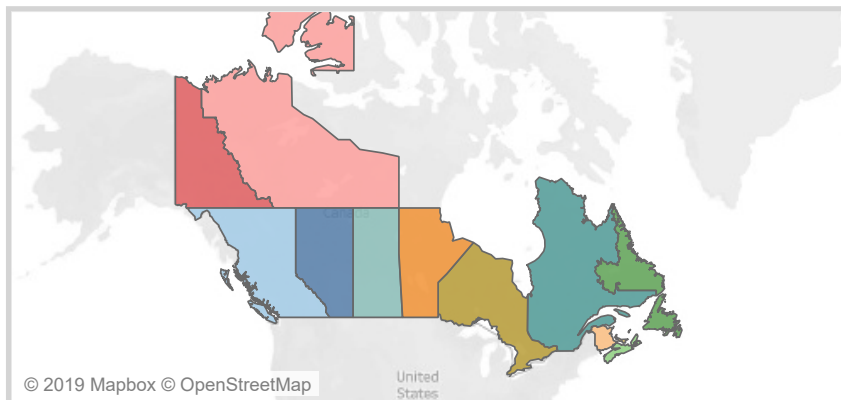
Source: Agriculture and Agri-Food Canada

## Section 2 - Chicken Prices

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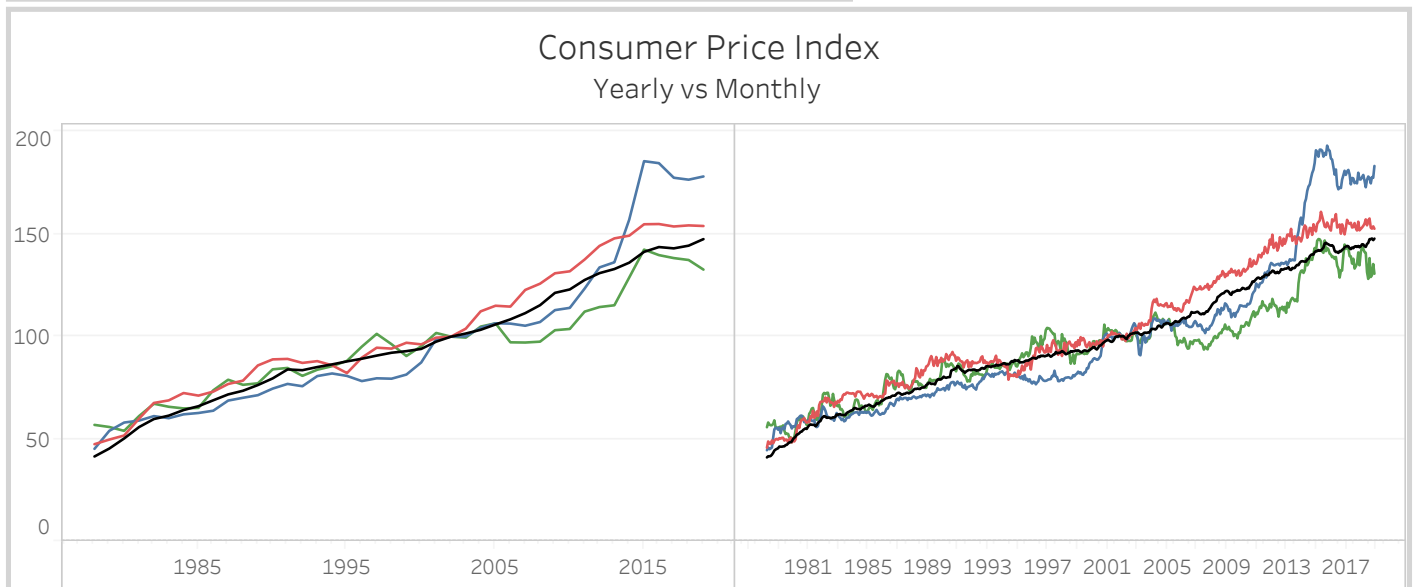
The consumer price index (CPI) for chicken reached 152.8 points as of May 2019, an increase of 0.8, or 0.5% over last year. CPI in beef saw an increase of 6.5 (+3.7%), bringing the basket to 183.5. Meanwhile, the CPI for pork continues to fall, dropping 4.1 (-3.1%) over last year, which brought the CPI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



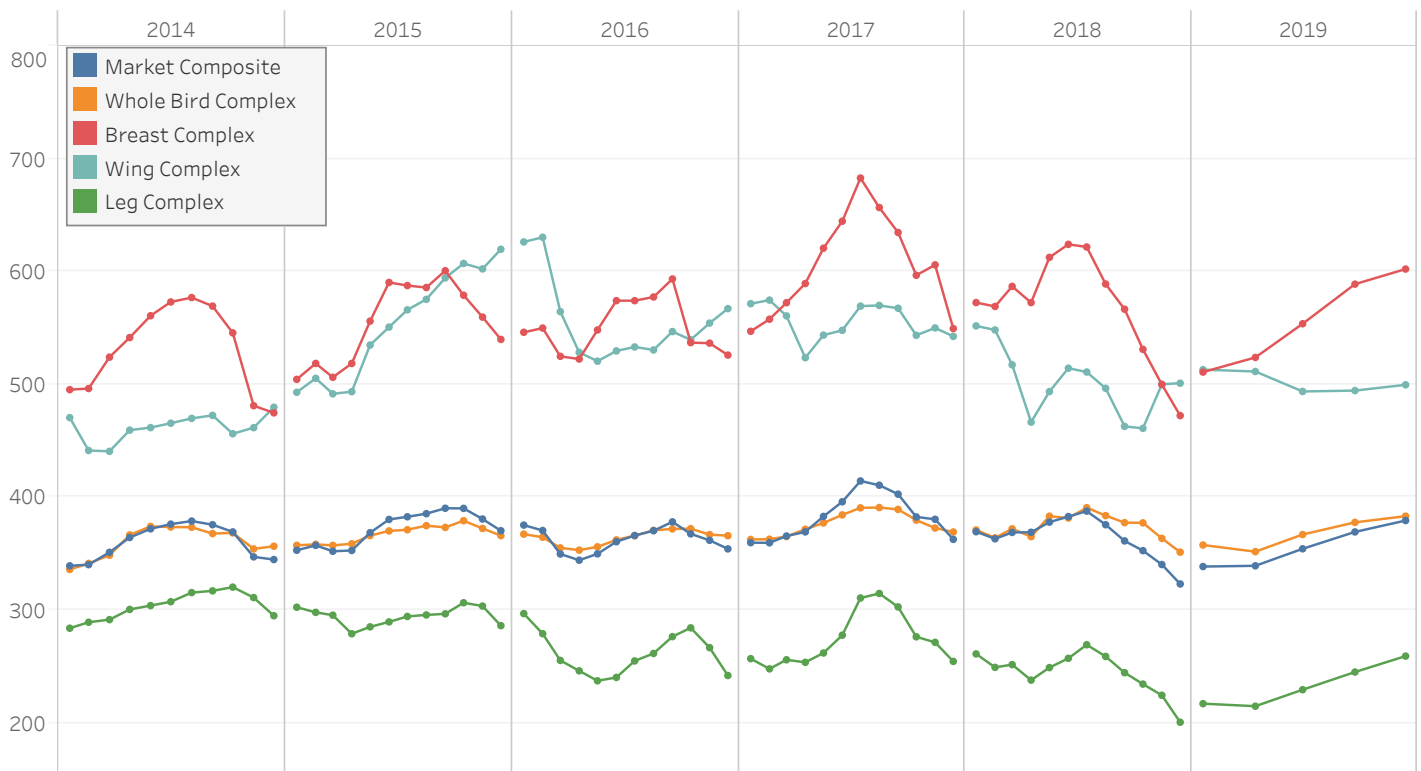
Source: Statistics Canada

## Canadian Wholesale Chicken Prices

¢/kg

|                           | 2018     |       |       |       | 2019     |       |       |       |
|---------------------------|----------|-------|-------|-------|----------|-------|-------|-------|
|                           | February | March | April | May   | February | March | April | May   |
| <b>Market Composite</b>   | 363.2    | 368.9 | 369.0 | 378.0 | 339.3    | 354.4 | 369.3 | 379.4 |
| <b>Whole Bird Complex</b> | 364.1    | 372.1 | 365.2 | 383.3 | 351.9    | 367.0 | 377.8 | 383.3 |
| <b>Breast Complex</b>     | 569.2    | 586.9 | 572.5 | 612.6 | 524.0    | 553.8 | 588.9 | 602.3 |
| <b>Wing Complex</b>       | 548.3    | 517.4 | 466.6 | 493.7 | 511.5    | 493.8 | 494.6 | 499.7 |
| <b>Leg Complex</b>        | 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

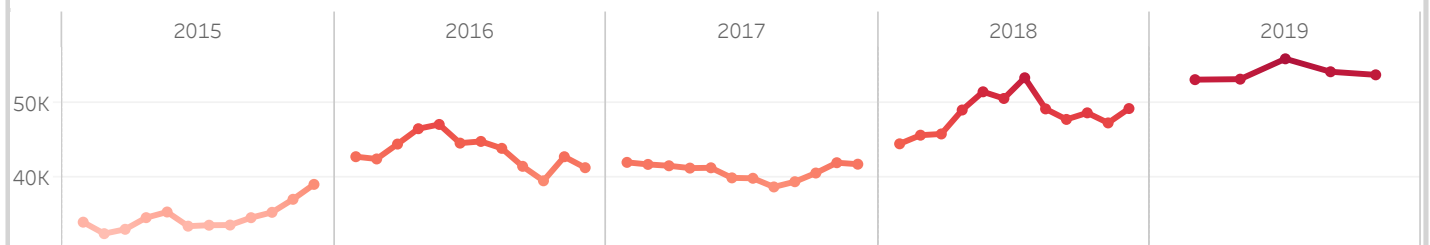
## Section 3 - Storage Stocks

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### 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

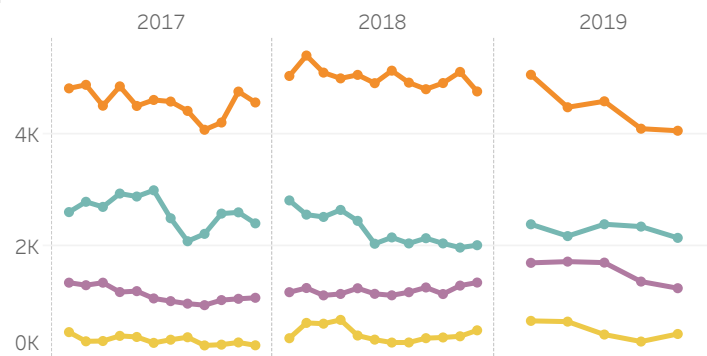


Stocks by Province  
Canada Stocks

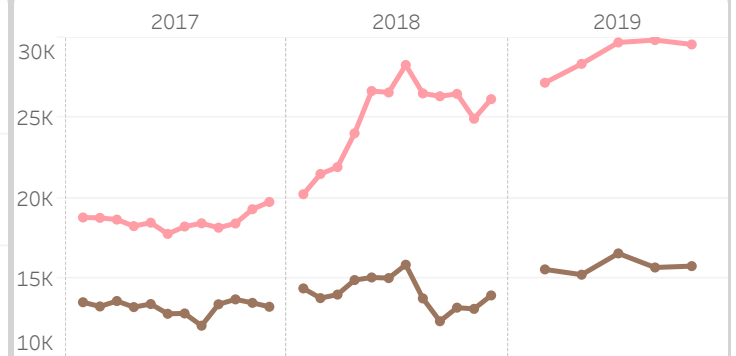
BC AB SK MB

ON QC

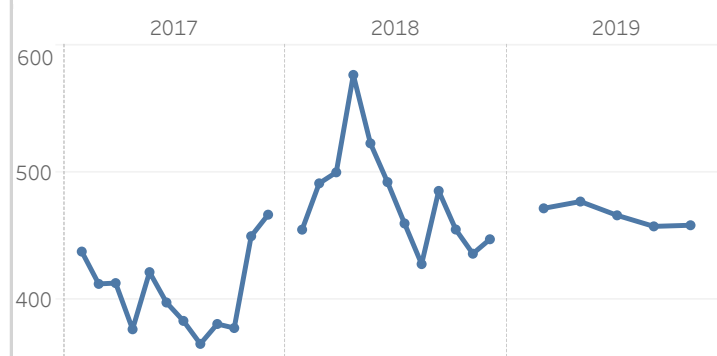
### Western Canada



### Central Canada

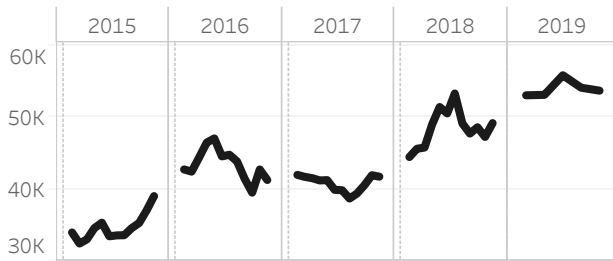


### Atlantic Canada



Source: Agriculture and Agri-Food Canada

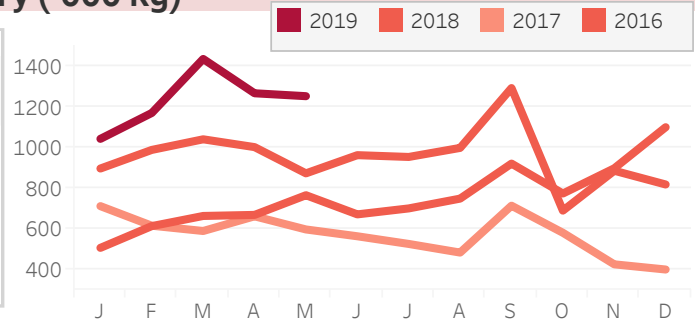
## Total Chicken Storage Stocks ('000 Kg)



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%).

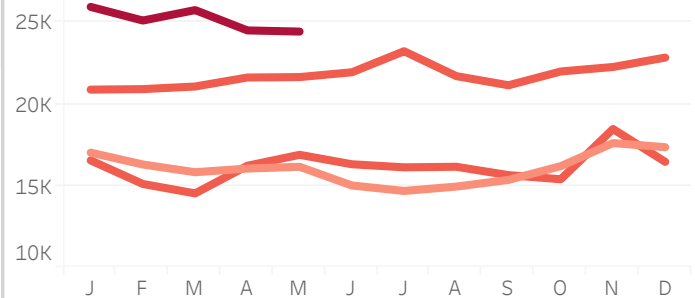
## Whole Category ('000 Kg)

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



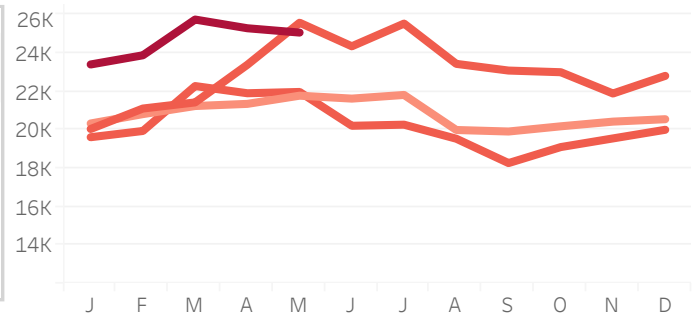
## Cut-up Category ('000 Kg)

|         | 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 |



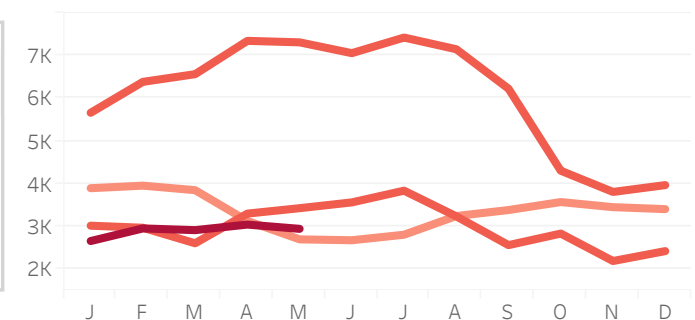
## Further Processed Category ('000 Kg)

|         | 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)

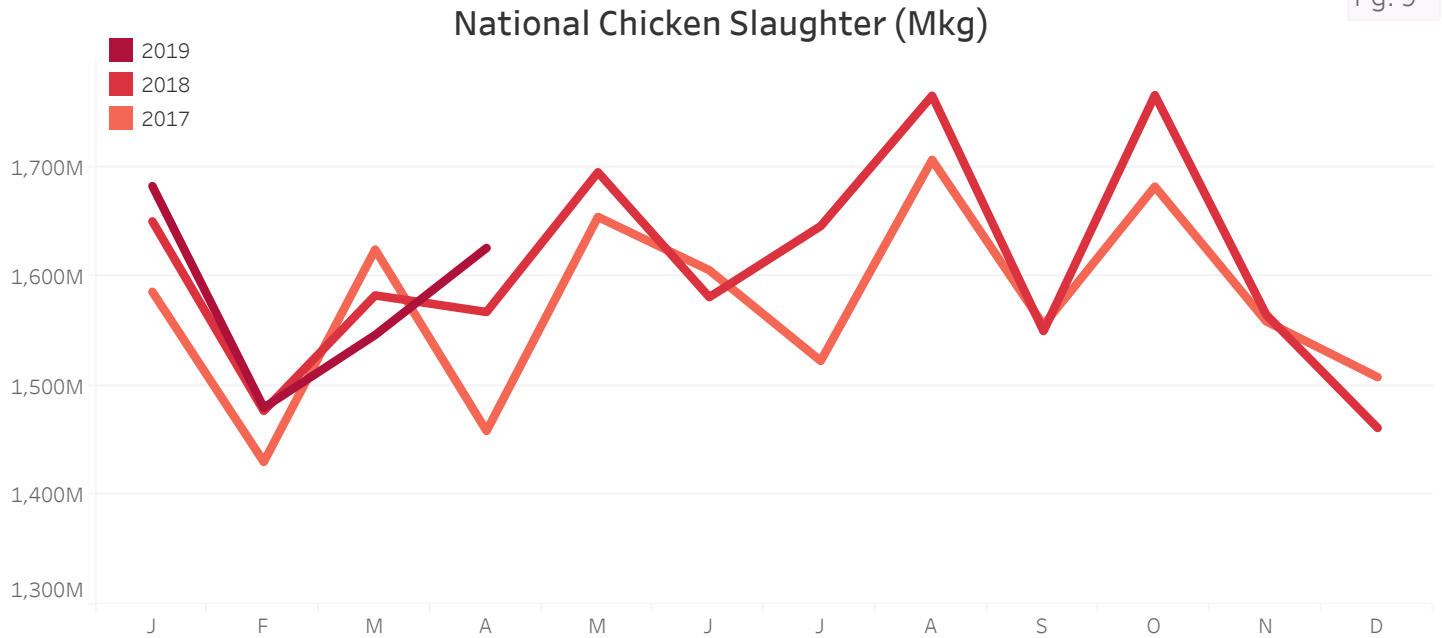
|               | 2018    |         | 2019    |         |
|---------------|---------|---------|---------|---------|
|               | April   | May     | April   | May     |
| Miscellaneous | 3,305.4 | 3,432.4 | 3,048.9 | 2,948.8 |





## Section 4 - American Chicken Market

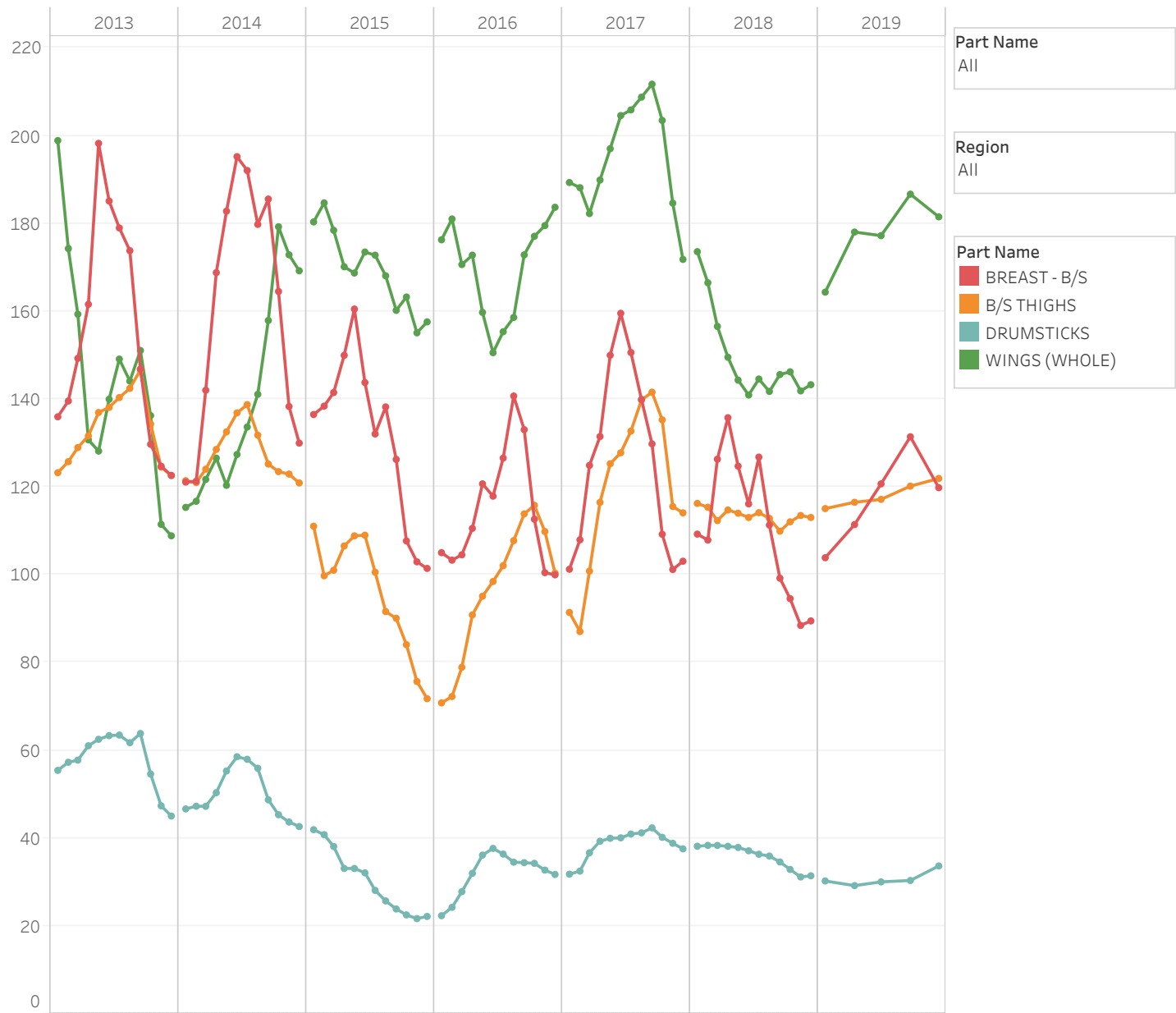
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| National Chicken Slaughter (Mkg) |          |          |
|----------------------------------|----------|----------|
|                                  | 2018     | 2019     |
| January                          | 1,650.6M | 1,682.9M |
| February                         | 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

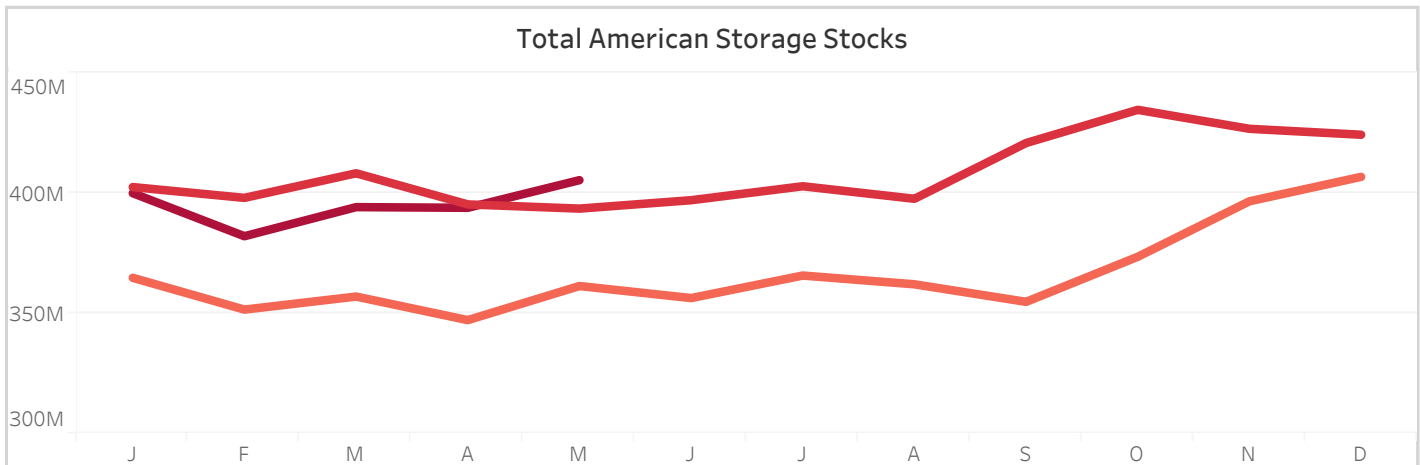
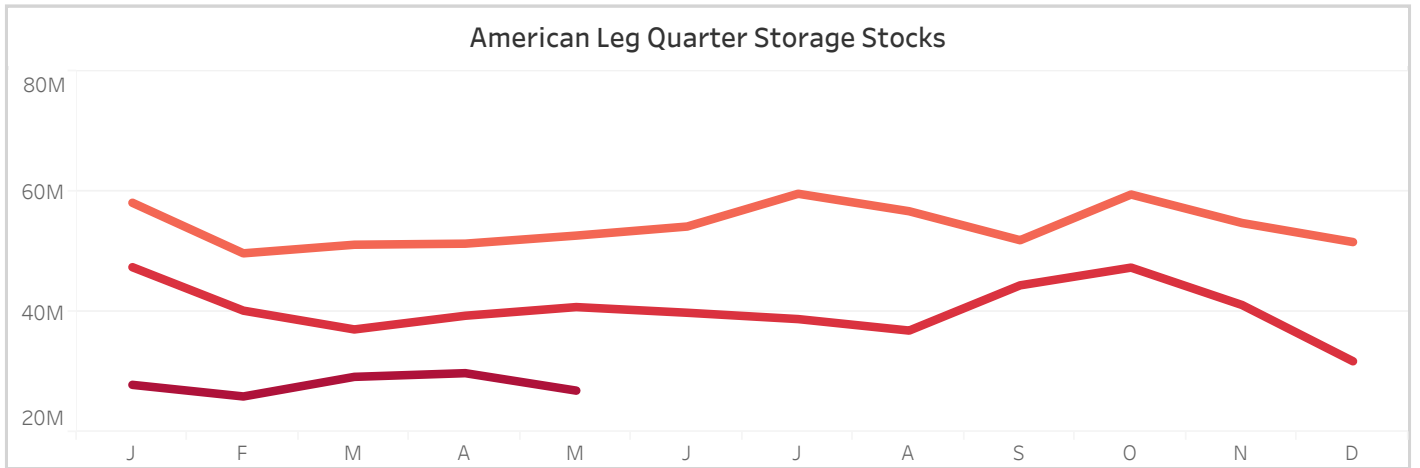
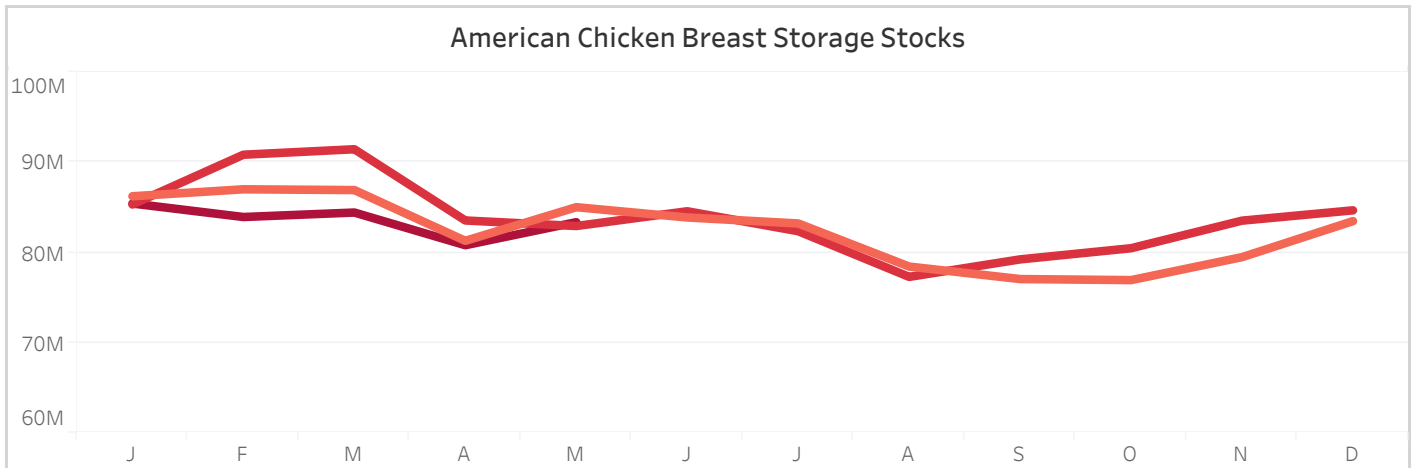
US wholesale prices for May 2019 saw some positive momentum in both boneless thighs and wings. The May 2019 wholesale price for wings averaged \$1.82/lb, up \$0.37 (+25.8%) over the same time last year. Additionally, the wholesale price for boneless thighs averaged \$1.22/lb, up \$0.08 (+6.9%). Wholesale 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    |
| <b>Breast</b>       | 91.4M  | 83.5M  | 82.9M  | 84.4M  | 80.8M  | 83.4M  |
| <b>Leg</b>          | 37.1M  | 39.4M  | 40.8M  | 29.2M  | 29.8M  | 26.9M  |
| <b>Total Stocks</b> | 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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