



Egg Markets Overview

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Wholesale prices for shell eggs move higher as light to moderate offerings meet a moderate to fairly good demand. Offerings of heavier sizes are less available. Supplies are generally moderate and trading is moderate to active. Prices for national trading of trucklot quantities of graded, loose, White Large shell eggs increased twenty-eight percent (from \$0.406 to \$0.521 per dozen). The Midwest wholesale price for Large, white, shell eggs delivered to retailers rose eight percent (from \$0.50 to \$0.54 per dozen) and the benchmark price for Large shell eggs in California gained eighteen percent (from \$1.02 to \$1.20 per dozen). The wholesale price on the bellwether New York market for Large shell eggs delivered to retailers increased twenty-three percent (from \$0.66 to \$0.79 per dozen) and the undertone remains firm. The shell egg demand indicator increased to well above-average levels on good interest from the retail sector..

The overall inventory of shell eggs declined three percent. The overall inventory of Large eggs increased by half a percent while the inventory of Large eggs in the key Midwest production region increased just over one percent. Breaking stock inventories increased by nearly nine percent and the inventory of Large specialty shell eggs rose by five percent, indicating the potential for a modest promotion of specialty eggs in the breaking supermarket ad cycle.

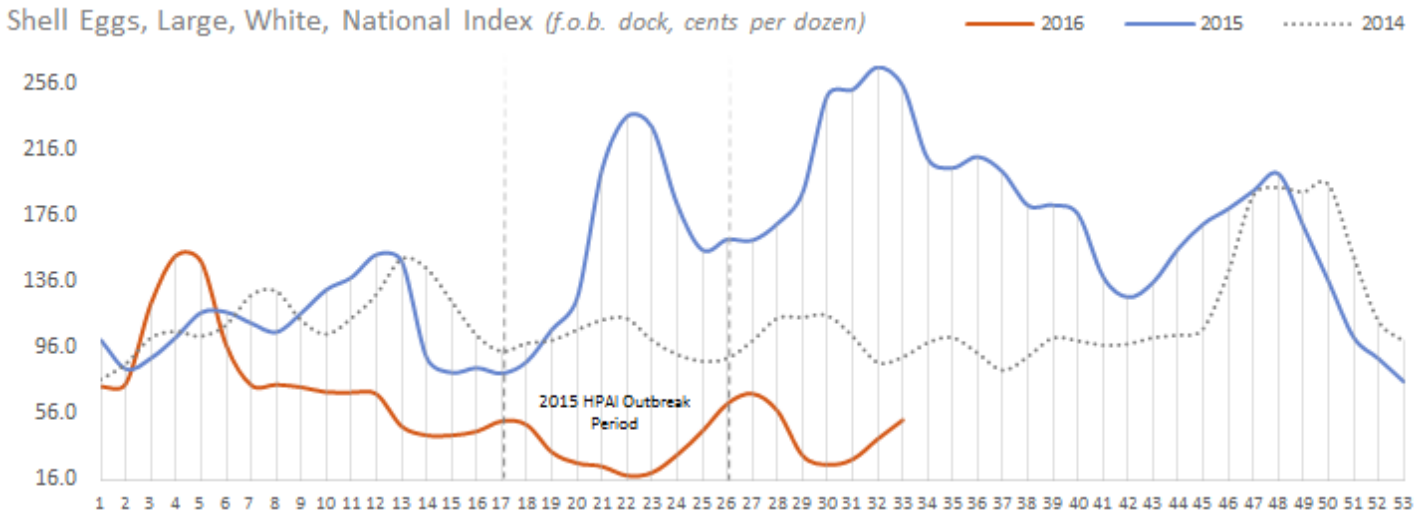
The pace of supermarket featuring of Large white conventional shell eggs increased to its most active level since early May. The average ad price declined nine percent (from \$1.06 to \$0.96 per dozen). Featuring of specialty shell eggs dropped off from the robust pace seen over the past three ad cycles but still out-paces conventional. Cage-free offerings command about twenty-three percent of shell egg features. The average ad price for Large cage-free eggs increased ten percent (from \$2.25 to \$2.47 per dozen). The spread between 12-packs of Large conventional shell eggs and their cage-free counterparts, at \$1.51 per dozen this week, widens by twenty-seven percent (\$0.32 per dozen).

Wholesale prices for breaking stock in the Central State increased thirteen percent (from \$0.15 to \$0.17 per dozen) as a firmer undertone developed late in the trading week. Demand and supplies are light to moderate for moderate offerings. Schedules are full-time, the pace of trading is slow. The volume of eggs processed this past week declined four percent, representing thirty-three percent of weekly table egg production. Production of whole egg decreased two percent while production of whites and yolks both declined by seven percent.

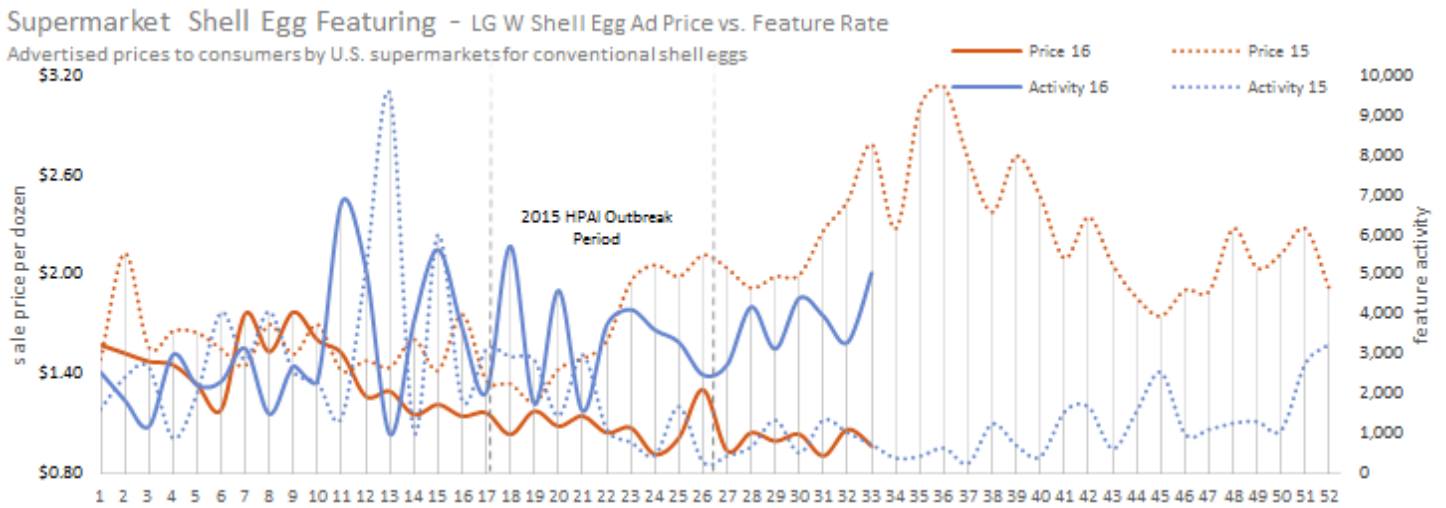
Wholesale prices for liquid eggs continue to trade in numbers too few to report with a weak to lower undertone noted. Demand is moderate for moderate to heavy offerings. Trading is slow to moderate. Wholesale prices for frozen eggs are steady with a mostly steady undertone. Whole and whites are unchanged with both at \$0.50 per pound. Offerings are moderate light to moderate supplies and light to moderate demand. Wholesale prices for whole dried eggs decrease three percent (from \$1.65 to \$1.60 per pound). Prices for dried whites decline six percent (from \$3.25 to \$3.05 per pound) while those for dried yolk are down three percent (from \$1.95 to \$1.90 per pound). Supplies are moderate to heavy for needs; offerings are moderate to heavy; trading is moderate.

The monthly inventory of total dried egg products for July increased twenty-three percent. Stocks of whole dried eggs increased thirty-seven percent while stocks of whites rose fourteen percent. Stocks of whole dried yolk increased by twenty-two percent. Stocks of blended eggs decreased sixteen percent.

Data for several additional cage-free commitments were added this week. To date, the 70 grocery chains, 44 restaurants, 11 foodservice providers, 7 hospitality and travel firms, 13 food manufacturers, 6 convenience/drug chains, and 2 dollar variety stores who have committed to cage-free to date will require 55 billion cage-free eggs per year to meet current and future demand. This will require a cage-free flock of 204 million hens (71% of the U.S. non-organic flock), indicating a shortage of 187 million from the current cage-free flock.

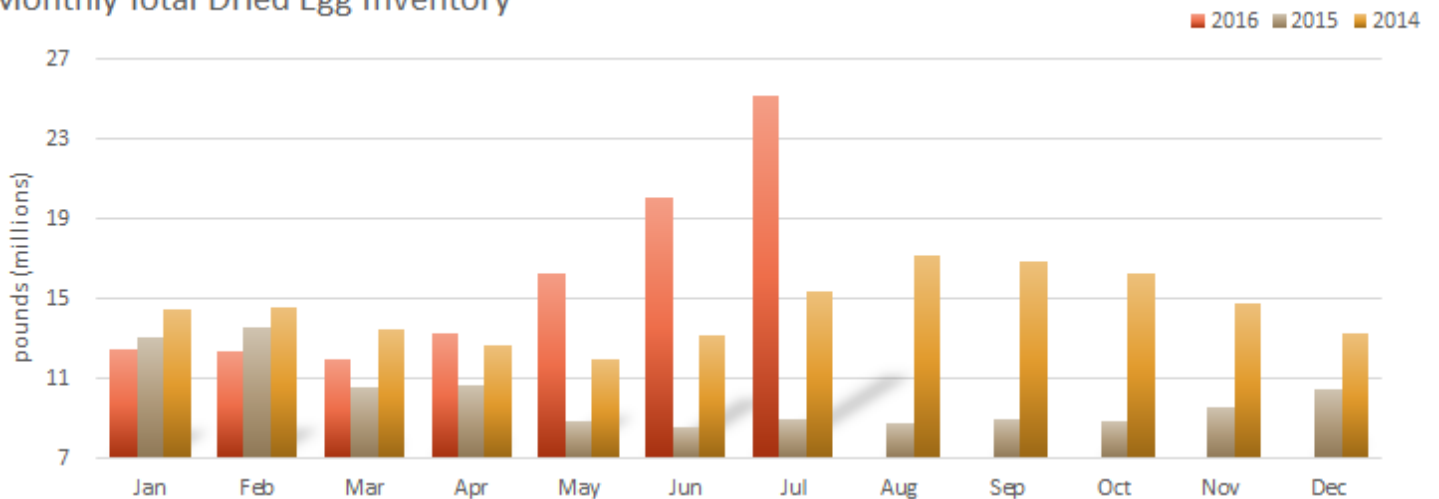


Source: USDA AMS Agricultural Analytics



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Monthly Total Dried Egg Inventory



Source: USDA AMS Agricultural Analytics Division (www.ams.usda.gov/services/market-research/aad)