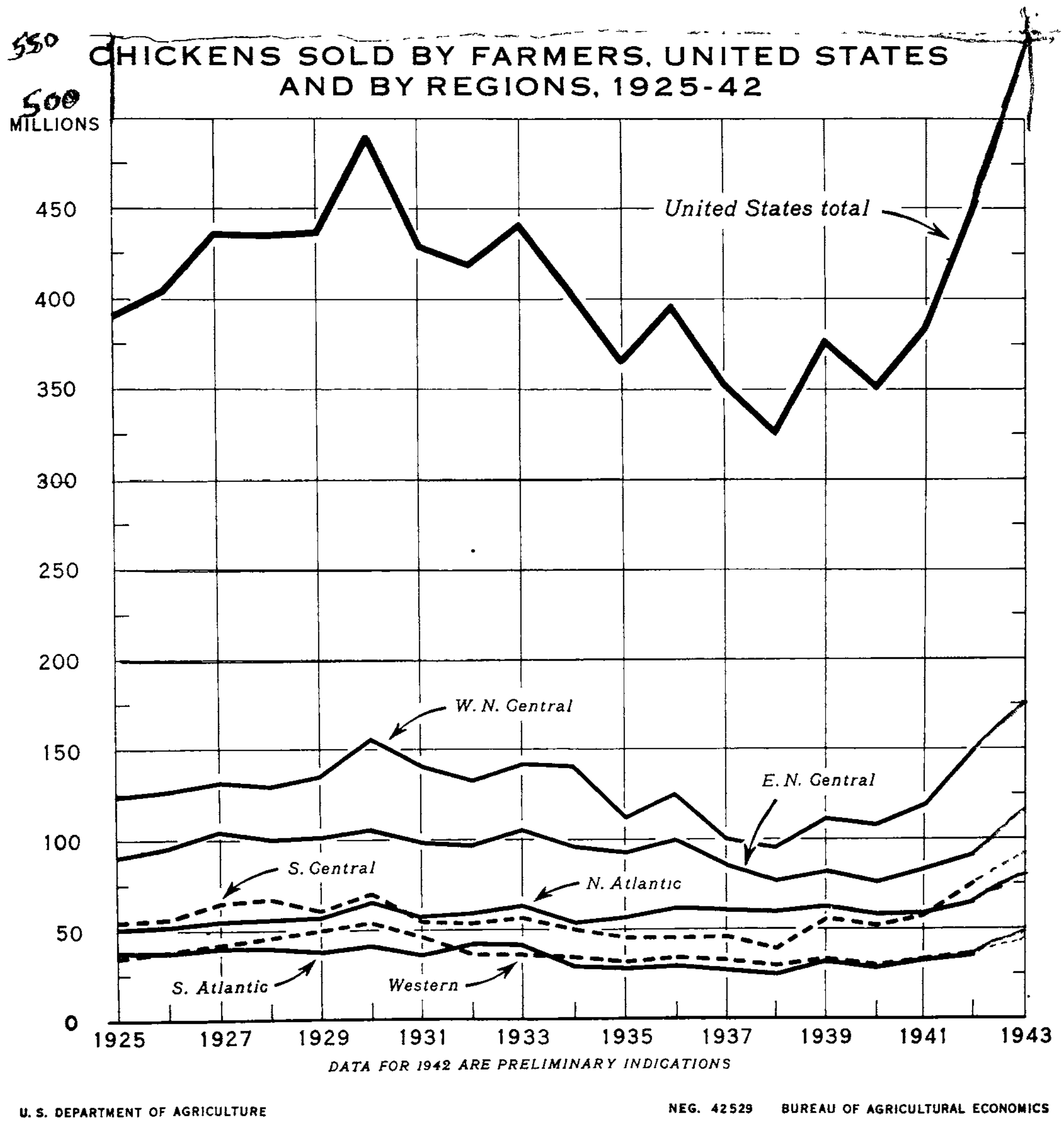
THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

BAE

PES-68 AUGUST 1942



WITH OVER 10 PERCENT MORE CHICKENS RAISED THAN IN 1941 AND WITH CONSUMPTION ON FARMS EXPECTED TO BE ABOUT THE SAME AS A YEAR EARLIER, FARM SALES OF CHICKENS IN THE UNITED STATES IN 1942 WILL BE 16 TO 18 PERCENT LARGER THAN IN 1941, AND THE SECOND LARGEST ON RECORD. INCREASES IN SALES WILL BE PARTICULARLY LARGE IN THE WEST NORTH CENTRAL STATES, WHERE FEED SUPPLIES IN THE LAST 2 YEARS HAVE BEEN LARGE AND EGG PRICES DURING THE PAST SEASON WERE PARTICULARLY FAVORABLE.

STATISTICAL SUMMARY

ITEM	UNIT	JULY AVERAGE		1941		1942		PCT. OF YEAR EARLIER
		PERIOD	AVERAGE	JUNE	JULY	JUNE	JULY	
Number of layers on farms	*Million*	1931-40	253	271	259	310	295	114
Number of eggs laid per hen	*Number*	1931-40	12.7	15.1	13.8	15.2	13.9	100
Total farm production of eggs	*Mil. case*	1931-40	8.90	11.36	9.94	13.14	11.37	114
Stocks, eggs:[1]								
Privately owned, shell	*1,000 case*	1931-40	7,855	6,100	6,402	7,924	7,706	120
Privately owned, frozen	*1,000 case*	1931-40	3,440	4,372	5,156	7,295	7,615	148
USDA owned, shell	*1,000 case*	--	--	327	239	11	28	12
USDA owned, frozen	*1,000 case*	--	--	391	47	132	132	281
Total	*1,000 case*	1931-40	11,402	11,190	11,844	15,330	15,481	131
Purchases, eggs, USDA:								
Dried[2]	*Mil. lb.*	--	--	0.7	4.8	22.1	13.8	288
Shell, direct	*1,000 case*	--	--	38	317	18	0.5	0.2
Shell, blue stamp[3]	*1,000 case*	--	--	194	169	170	--	88
Liquid egg production[4]	*Mil. lb.*	--	--	57.9	40.5	133.4	99.3	245
Dried egg production	*Mil. lb.*	--	--	2.9	3.3	21.9	22.4	679
Commercial hatchery operations:								
Eggs set	*Million*	--	--	126	38	99	42	111
Chicks hatched	*Million*	--	--	131	30	122	29	99
Receipts:								
Poultry, dressed, four markets	*Mil. lb.*	1931-40	22.4	27.3	28.3	31.0	32.0	113
Poultry, live, Chicago[5]	*Car*	1936-40	375	394	371	401	395	106
Poultry, live, New York[5]	*Car*	1936-40	661	546	558	575	--	105
Poultry, live, Midwest, per plant	*1,000 lb.*	1932-40	14.5	13.5	16.9	19.7	24.2	143
Fowl, live, Midwest, per plant	*1,000 lb.*	1932-40	8.8	8.0	8.2	13.9	12.4	151
Young stock, live, Midwest, per plant	*1,000 lb.*	1932-40	5.1	4.1	8.1	4.4	10.9	135
Stocks, poultry:[1]								
Broilers	*Mil. lb.*	1936-40	7.2	4.9	6.9	3.6	5.5	80
Fryers	*Mil. lb.*	1936-40	2.2	3.6	3.6	2.1	3.3	92
Roasters	*Mil. lb.*	1936-40	5.0	12.0	9.4	5.1	4.9	52
Fowls	*Mil. lb.*	1936-40	12.5	13.8	14.7	18.1	20.9	142
Turkeys	*Mil. lb.*	1936-40	16.0	28.0	20.0	28.2	18.9	94
Ducks	*Mil. lb.*	1936-40	7.6	6.6	9.8	4.6	7.2	73
Miscellaneous and unclassified	*Mil. lb.*	1936-40	13.5	16.6	17.2	17.5	18.4	107
Total poultry	*Mil. lb.*	1936-40	63.8	85.6	81.2	79.2	79.2	98
Prices received by farmers:								
Eggs, per dozen	*Cent*	1931-40	16.8	23.2	25.6	27.4	29.5	115
Eggs, parity price per dozen	*Cent*	1931-40	23.4	22.4	25.7	25.8	29.4	114
Eggs, percentage of parity	*Percent*	1931-40	71	104	100	106	100	--
Chickens, per pound	*Cent*	1931-40	13.7	16.3	16.8	18.5	18.7	111
Chickens, parity price per pound	*Cent*	1931-40	14.6	15.0	15.2	17.3	17.3	114
Chickens, percentage of parity	*Percent*	1931-40	94	109	111	107	108	--
Turkeys, per pound	*Cent*	1936-40	14.4	15.4	15.8	18.6	18.9	120
Turkeys, parity price per pound[6]	*Cent*	1936-40	18.6	19.0	19.2	21.9	21.9	114
All farm commodities (1910-14 = 100).	*Index no.*	1931-40	94	118	125	151	154	123
Chickens and eggs (1910-14 = 100)	*Index no.*	1931-40	90	118	127	137	145	114
Wholesale prices, Chicago:								
Eggs, fresh firsts, per dozen	*Cent*	1931-40	17.7	25.4	26.1	30.4	32.1	123
Live heavy hens, per pound	*Cent*	1936-40	16.7	19.0	19.4	19.2	20.0	103
Live broilers, B. R., per pound	*Cent*	1936-40	18.2	18.8	20.0	25.2	24.5	122
Live roasters, light, W. R., per pound.	*Cent*	1936-40	21.0	18.2	20.2	25.9	23.7	117
Live roasters, heavy, W. R., per pound.	*Cent*	--	--	20.9	22.0	29.4	24.7	112
Cash farm income:[7]								
Total marketings	*Mil. dol.*	1936-40	699	773	889	1,059	--	137
Poultry and eggs	*Mil. dol.*	1936-40	75	86	94	132	--	153
Price ratios:								
Chicago, Broiler, B. R., - feed	*Lb. feed*	1936-40	14.1	13.5	14.0	14.8	14.4	103
Chicago, Light Roasters, W. R., - feed	*Lb. feed*	1936-40	16.3	13.0	14.2	15.3	14.0	99
Farm, egg - feed	*Lb. feed*	1931-40	14.4	17.5	18.7	16.4	17.7	95
Farm, chicken - feed	*Lb. feed*	1931-40	12.0	12.3	12.3	11.1	11.2	91
Farm, turkey - feed	*Lb. feed*	1936-40	11.5	11.6	11.5	11.1	11.3	98
Feed cost per cwt., farm poultry ration	*Dollar*	1931-40	1.22	1.33	1.37	1.67	1.67	122
Wholesale food prices (1935-39 = 100)	*Index no.*	1931-40	92.6	105.1	107.1	125.5	125.4	117
Retail food prices (1935-39 = 100)	*Index no.*	1931-40	97.0	105.9	106.7	123.2	124.6	117
Prices paid by farmers including interest and taxes (1910-14 = 100)	*Index no.*	1931-40	128	132	133	152	152	114
Retail prices (BLS):								
Roasters, dressed, per pound	*Cent*	1931-40	30.3	33.8	33.5	39.3	39.8	119
Eggs, strictly fresh, per dozen	*Cent*	1931-40	31.0	36.9	40.6	42.4	46.1	114
Nonagricultural employees' compensation (1935-39 = 100)	*Index no.*	1931-40	89.8	147.1	144.6	180.6	--	123

[1]End of month. Frozen eggs converted to case equivalent.

[2]Includes purchases for future delivery.

[3]Adjusted for wastage in distribution.

[4]Includes production by egg-drying plants as well as by strictly commercial egg-breaking plants.

[5]Car equivalent of receipts by freight, truck and express.

[6]Percentages of parity for turkeys not shown because sales in June and July usually account for less than 5 percent of annual sales.

[7]Figures for 1941 and 1942 are not strictly comparable; figures for poultry and eggs for 1942 are based on revised production data and include broilers.

THE POULTRY AND EGG SITUATION

Summary

Supplies of chicken this fall will be the largest on record. Farm marketings of young chickens in the Midwest during July were the largest on record and will increase until the seasonal peak is reached in October or November. Production of specialized broilers and fryers in the remainder of 1942 also is likely to be the largest on record. About 10 percent more chickens are being raised on farms than in 1941 and farmers apparently are feeding their chickens to heavier weights.

The effects on prices of these larger supplies are likely to be more than offset by an increased consumer and storage demand for chicken. However, prices of some classes, particularly heavy roasters, may decline as the volume of marketings increases this fall. In some surplus producing sections processing facilities may be overtaxed and chicken prices may be depressed temporarily relative to the average for the Nation. The average price received by farmers for chickens in mid-July was 18.7 cents per pound, about 11 percent higher than in July last year. Prices advanced further in late July and early August.

As a result of the increase in the number of chickens raised, numbers of hens and pullets on farms next January may be 6 to 8 percent larger than a year previous. Egg production is continuing much larger than a year ago. Production on farms was 14 percent larger this July than last and was the largest on record for the month. Supplies of eggs for civilian consumption in the remainder of 1942 will be at least as great as in the corresponding period of 1941. Storage stocks of eggs on August 1 totaled 15.4 million cases, 31 percent larger than on August 1 last year. At least 5.9 million cases of these

stocks were earmarked for drying later in the year. In July, 2.4 million pounds of dried egg were produced. The War Production Board in mid-August allocated sufficient materials to expand present egg-drying facilities 110 million pounds.

The average price received by farmers for eggs in mid-July was 29.5 cents per dozen and the egg-feed ratio, though slightly less favorable than a year earlier, was considerably more favorable than average. Wholesale prices for eggs increased during the month ended in mid-August and at that time were about 30 percent higher than a year previous. Egg prices will continue to advance as marketings decrease seasonally.

-- August 21, 1942

REVIEW OF RECENT DEVELOPMENTS

Laying Flocks Continuing 14 Percent Larger than a Year Earlier

Numbers of layers on farms have passed the seasonal low point for the year. The average number of eggs laid per bird was about the same this July as last but with 14 percent more layers about 14 percent more eggs were produced. During the first 7 months of the year output per bird was 2 percent over a year ago and farm egg production was 16 percent larger than in corresponding months of 1941. By regions the increases in the July egg output were as follows: North Atlantic, 7 percent; East North Central, 10 percent; West North Central, 22 percent; South Atlantic, 19 percent; South Central, 17 percent; and Western States, 9 percent.

Drying Plants Taking Much of the Increased Supplies

Despite the large increase in egg output receipts of eggs at terminal markets have continued smaller than a year earlier. This is due partly to the diversion of eggs to drying plants and partly to the increased demands for eggs from urban centers and military establishments in localities not supplied through the four terminal markets. Receipts of eggs in early August at primary markets in the Midwest, far West and East were 24 to 40 percent heavier than a year earlier.

During July 22.4 million pounds of dried egg were produced in the United States, making the January-July total about 130 million pounds. In the corresponding 1941 period 15.8 million pounds were produced. The capacity of drying plants now in operation is about 315 million pounds, based on 300 days operation of 20 to 22 hours per day. In early August the Foods Requirements Committee recommended that egg-drying facilities be expanded 110 million pounds. In mid-August the materials necessary for this expansion were allocated by the War Production Board to concerns whose applications had been under consideration. Present known requirements do not indicate need for further expansion.

Total Storage Stocks of Eggs Largest on Record

Storage stocks of shell eggs were reduced about 200,000 cases during July but stocks on August 1 of 7.7 million cases were 1.1 million cases larger than a year previous. Stocks of frozen eggs were increased the equivalent of about 300,000 cases during July, and on August 1 were larger than a year earlier by 2.5 million cases, or 49 percent.

Of the quantities of eggs in storage on August 1 about 2.9 million cases of shell eggs and the equivalent of 3.0 million cases of frozen eggs were earmarked for drying after August 1. The equivalent of about 7.2 million cases of shell eggs would be needed to produce the dried eggs called for under commitments of dried eggs for future delivery to the Department of Agriculture between August 1 and December 31 (as of August 1).

Egg Prices Advancing Seasonally

As a result of the seasonal decline in market receipts, egg prices advanced from mid-July to mid-August. The advances were largest for high quality eggs, since supplies of such eggs were reduced relative to the total quantity of all eggs as a result of hot weather in many producing areas.

In mid-August the wholesale price of firsts at Chicago was 30 percent or 8 cents higher than a year previous. Prices at New York City for higher quality eggs in August were up from 18 percent to 27 percent, or 7 to 8 cents, from mid-August 1941. Extras at San Francisco were up 19 percent or 7 cents per dozen.

Marketings of Young Chickens Heaviest on Record

Prior to July, marketings of young chickens as indicated by receipts at Midwest markets were running smaller than would normally be expected following a large early hatch such as occurred this year. In the past several weeks, however, the movement of young stock off farms has increased greatly. In early August primary market receipts of such chickens were 42 percent larger than in the corresponding period last year. Fowl marketings also continue heavy but not unusually large considering the record number of birds on farms and the small marketings that occurred in recent months.

Storage Holdings of Poultry Reduced Slightly During July

With a large decrease in stocks of turkeys and a slight decrease in roasters offset in part by increases in stocks of other classes, there was a net reduction of 35,000 pounds in poultry stocks during July. Stocks of turkeys on August 1 were the smallest for that date since 1939. Stocks of fowls, however, were the largest on record for that date.

Wholesale Chicken Prices Advance Further

Prices of live and dressed chickens in general advanced in all important markets during the month ended in mid-August. Advances were particularly pronounced in Eastern markets where local shortages of other meats apparently had some effect on the consumer demand for chicken.

Wholesale prices of fowl at Chicago in mid-August were about the same as a year earlier. Last year sales of fowl were relatively light because of the favorable egg-feed price relationships which encouraged farmers to keep old laying stock as long as possible or until the pullets came into production. Sales of fowl this year have been much larger than last summer reflecting increased numbers on farms. The effects of this increase on prices have been completely offset by stronger consumer and storage demand. Prices of young chickens continue materially higher than a year ago despite the recent sharp increase in marketings.

Turkey Prices Much Higher than a Year Ago

Young 1942 crop turkeys already have been marketed from some localities and prices generally are averaging much higher than last year. Wholesale prices of dressed young turkeys at New York in mid-August were 20 to 25 percent higher than in mid-August 1941. The average price received by farmers for turkeys in mid-July, 18.9 cents per pound, was about 3 cents higher this year than last. A preliminary estimate of the number of turkeys raised this year will be released on August 24.

OUTLOOK

BACKGROUND.- In past years chicken has constituted about one-eighth of the total consumption of meat (dressed weight basis) in the United States. In 1941 chicken and turkey constituted 12 percent and 2 percent respectively of the total meat consumed in this country. With production of chickens and turkeys in 1942 considerably larger than in 1941, supplies of poultry will be the largest on record. Moreover, since the proportion of domestic output used for lend-lease will be much smaller for chicken than for some other meats, such as pork, the percentage of poultry in the total meat supply will be increased this year.

Sales of Chickens by Farmers Materially Increased

The number of chickens raised on farms was increased considerably this year in response to an unusually favorable egg-feed price ratio during the 1941-42 laying season. By regions the increases over a year earlier in chickens raised were as follows: North Atlantic, 9 percent; East North Central 6 percent; West North Central, 16 percent; South Atlantic, 5 percent; South Central, 12 percent; and Western, 7 percent. The increase for the United States was 10.5 percent, according to preliminary estimates included in the Crop Report issued August 10. Since numbers of chickens on farms are likely to increase only 6 to 8 percent during the year, and numbers consumed on farms are not likely to be materially different from a year ago, sales of chickens by farmers in 1942 will be about 16 to 18 percent larger than in 1941.

The slaughter of farm produced chickens (i.e., numbers sold plus numbers consumed in farm households) will total about 660 million birds, 13 percent above the 1941 slaughter. In January the "goal" announced for chicken slaughter was 644 million birds, 10 percent over the 1941 figure.

Much of the increased volume in chicken marketings will come during the remainder of the year. Receipts of poultry at Midwest markets in the January-July period were about 8 percent larger than in the corresponding period of 1941. Increases in supplies are particularly large in Western areas of the Central States where feed supplies have been large in the last 2 years and egg prices were particularly favorable in the past season. Increases in many southern sections also are large.

Sales of chickens by regions from 1925 to 1941 are presented in the following table together with preliminary indications of 1942 sales.

Table 1.- Sales of chickens by farmers, United States, and by regions, 1925-41, indicated 1942

Year	North Atlantic States	East North Central States	West North Central	South Atlantic States	South Central States	Western States	United States
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1925	50,383	93,073	122,817	37,079	53,815	34,465	391,632
1926	51,471	95,250	126,914	36,752	56,026	38,017	404,430
1927	54,569	103,395	131,871	39,814	64,740	42,053	436,442
1928	55,295	99,459	128,928	39,338	66,412	45,310	434,742
1929	56,684	101,127	134,469	36,922	59,476	48,494	437,172
1930	64,842	104,892	155,530	40,371	69,648	53,718	489,001
1931	56,334	98,047	140,152	35,378	53,316	45,310	428,537
1932	58,241	96,855	132,578	41,867	52,849	35,890	418,280
1933	62,485	104,284	141,504	41,198	56,151	35,505	441,127
1934	53,210	95,863	140,023	30,116	49,497	34,602	403,311
1935	56,372	92,624	111,679	28,491	44,587	31,732	365,485
1936	61,679	99,596	124,789	29,569	44,756	34,600	394,989
1937	60,081	85,442	99,860	27,569	45,956	32,902	351,810
1938	59,449	77,187	95,079	24,780	39,639	30,296	326,430
1939	63,217	81,516	110,794	31,659	55,726	33,671	376,583
1940	57,742	76,115	107,476	28,282	51,919	29,650	351,184
1941	58,883	83,370	118,613	32,353	57,516	33,364	384,099
1942 1/	65,000	92,000	147,000	36,000	74,000	36,000	450,000

1/ Based on preliminary indications.

The increase in live weight sold will be larger than the increase in numbers if the apparent tendency of farmers to feed birds to heavier weights is widespread. Price relationships have been favorable to such a development this year. As a result of the prospective increase in marketings, poultry packing facilities may be overtaxed in some localities, especially if unfavorable weather should cause an unusual concentration of receipts.

Demand for Broiler Chicks Much
Stronger than in 1941

After June most chicks produced by commercial hatcheries are used in specialized broiler and fryer production. The demand for broiler chicks has increased greatly in recent months in response to the general advance in chicken prices and a decidedly improved chicken-feed price ratio. This strengthened demand is indicated by regional comparisons in the July hatchery output this year as contrasted with 1941. Large increases in hatchery production occurred in all regions except in the Middle Atlantic States, West North Central States and Mountain States. Most of the regions showing large increases are important in commercial broiler production. Advance orders on August 1 also were much larger than a year earlier in areas producing broiler chicks.

The broiler-feed price ratio is likely to continue favorable during the remainder of the year. Consequently, though little different from a year earlier in the first few months of this year, broiler production in 1942 as a whole is likely to be much greater than the 1941 output of 163 million birds.

Chicken Prices Likely to Continue
Favorable for Producers

The effects on prices of the larger supplies of chicken are likely to be more than offset by a stronger consumer demand. In recent weeks local shortages of pork and beef apparently have resulted in a substantial increase in consumer purchases of chicken and other poultry. As long as a "tight" supply situation exists for other meats the demand for chicken will be stronger than with increased purchasing power alone. Consumer incomes in June were 2[illegible] percent larger than in June 1941. Under the Emergency Price Control Act of 1942 ceiling prices cannot be established for chickens until the average price received by farmers reaches 21.1 cents per pound (the July 1919-June 1929 average).

More Layers in Prospect for 1943

With 10.5 percent more chickens raised on farms this year than last and with the egg-feed price ratio continuing favorable, it is likely that numbers of layers on farms next January 1 will be from 6 to 8 percent larger than on January 1 this year. However, in some areas full utilization of all potential hens and pullets may be prevented by housing space limitations. In table 2 data are given on numbers of layers by regions together with preliminary indications of numbers on January 1, 1943. Egg production in the remainder of the year with favorable weather will continue larger than a year earlier. But egg prices are likely to continue higher than last year since the consumer demand is materially stronger and egg-drying plants will absorb much of the increased supply of eggs.

Table 2.- Hens and pullets on farms January 1, United States, and by regions, 1925-42, indicated 1943

Year	North Atlantic States	East North Central States	West North Central	South Atlantic States	South Central States	Western States	United States
	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head	1,000 head
1925	41,754	86,905	116,779	38,511	74,058	32,510	390,517
1926	41,699	87,247	118,357	37,801	74,630	34,115	393,849
1927	42,023	89,993	121,957	40,172	82,991	37,739	414,875
1928	43,175	88,509	121,667	42,529	88,411	42,848	427,139
1929	41,111	83,224	119,102	38,508	80,594	41,235	403,774
1930	43,279	85,642	126,346	39,092	82,860	43,232	420,451
1931	40,513	84,458	118,889	36,955	77,753	43,208	401,776
1932	40,601	81,888	111,701	36,640	76,472	38,524	385,826
1933	41,736	83,381	111,727	37,583	80,159	36,157	390,743
1934	42,180	84,742	112,256	35,139	74,568	36,456	385,341
1935	40,621	77,447	95,676	34,202	69,121	33,340	350,407
1936	42,426	81,334	97,893	34,956	71,069	34,941	362,619
1937	46,937	83,540	97,886	37,300	77,164	36,927	379,754
1938	43,381	75,846	90,992	34,654	73,188	34,903	352,964
1939	46,239	78,149	103,085	36,612	78,494	33,562	376,141
1940	48,996	80,299	108,482	37,586	81,117	36,175	392,655
1941	47,436	78,729	106,751	36,831	76,860	34,765	381,372
1942	50,587	84,661	122,510	40,595	89,297	37,588	425,238
1943 1/	54,000	88,000	136,000	42,000	96,000	39,000	455,000

1/ Based on preliminary indications.

North Atlantic States

The egg-feed price ratio in the North Atlantic States was somewhat less favorable this mid-July than last and the rate of lay was 1 percent less than in July last year. The egg-feed price ratio is likely to continue more favorable than average and with 9 percent more chickens raised this year than last, 5 to 7 percent more layers probably will result for 1943. Supplies of chicken meat from this area in 1942 will be about 11 percent larger than last year and for the region as a whole sales from farms will be the largest on record. Large numbers of chickens in this area are delivered to consuming centers before slaughtering, and no serious marketing or processing difficulties are likely to occur.

East North Central States

The number of layers on farms in the East North Central States during July was 9 percent larger than last year. Egg-feed price relationships are continuing favorable to producers and with 6 percent more chickens raised than in 1941, laying flocks on January 1, 1943 probably will average 3 to 5 percent larger than last January. Sales of chickens will be about 10 percent heavier this fall than a year previous.

West North Central States

About 43 percent of the total increase in numbers of chickens raised on farms in the United States this year is in the West North Central States. This represents a gain of 16 percent over 1941 numbers. Sales of chickens from farms in this territory will be something like one-fourth larger than in 1941 and on a live weight basis sales may be the largest on record. Probable increases in sales, by States, compared with 1941 are as follows: Minnesota, 27 percent; Iowa, 16 percent; Missouri, 12 percent; North Dakota, 62 percent; South Dakota, 41 percent; Nebraska, 28 percent; and Kansas, 26 percent. In general the increases are largest in western sections of each State. Although consumption of chicken in urban centers within the area will be unusually large this year, a greatly increased quantity will be packed for shipment to deficit producing areas in other parts of the country. In many localities packing plant facilities may be overtaxed for a period when marketings are at the seasonal peak. Numbers of layers on farms in this year next January 1 probably will be about 10 to 12 percent larger than on January 1, 1942. This would be about 8 percent larger than the previous record high established in 1930.

South Atlantic States

In the South Atlantic States 5 percent more chickens were raised on farms this year than last. Commercial broiler production has increased considerably as indicated by the 27 percent increase in the July output of chicks by commercial hatcheries. Sales of chickens by farmers in this area will be the largest since 1933 and, with the commercial broiler production added, total chicken production will be much the largest on record. An increase in numbers of layers of about 3 to 5 percent is in prospect in the South Atlantic States for next January 1 compared with January 1, 1942. Feed supplies will be made up of a larger than usual proportion of high-protein feeds as a result of the large oilseed crushing to take place in these States.

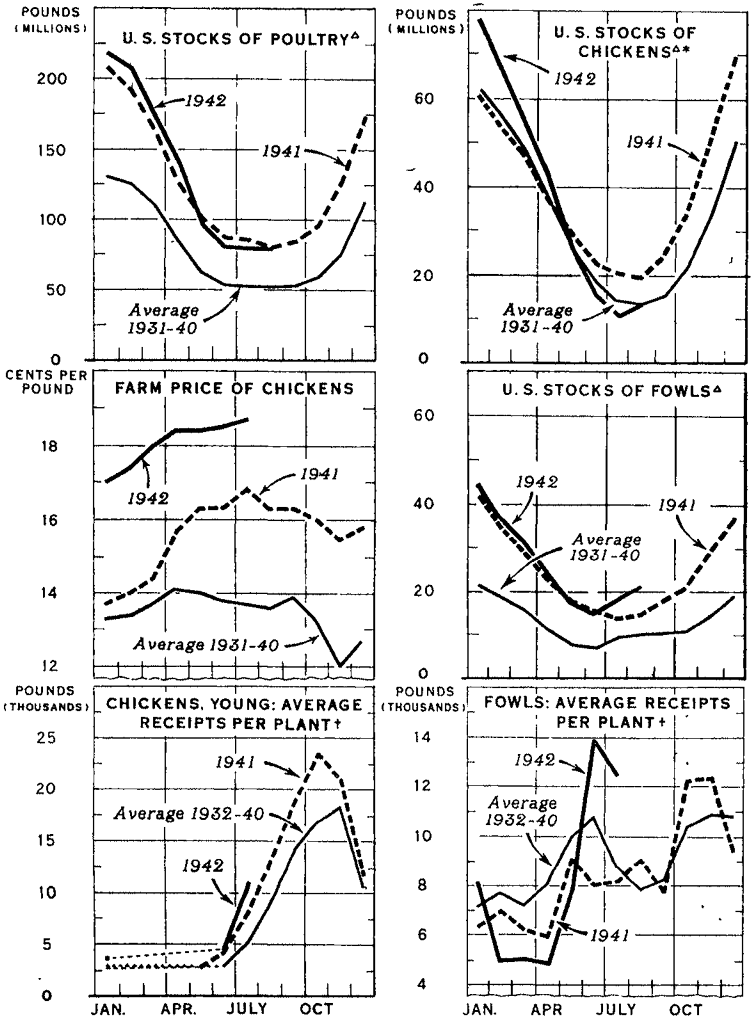
South Central States

Numbers of chickens raised increased more this year in the South Central States than in any other region. Sales of chickens by farmers in the area for 1942 will be more than one-fourth larger than 1941 sales and will be more than 6 percent in excess of the previous record established in 1930. With 12 percent more chickens raised this year, an increase of 7 to 9 percent in numbers of hens and pullets is likely for 1943. Numbers of layers in this area during 1942 have been the largest on record. The egg-feed price ratio continues slightly less favorable than last year but decidedly more favorable than average.

Western States

By next January numbers of hens and pullets in the Western States will be increased something like 4 percent over a year earlier as a result of the 7 percent increase in numbers of chickens raised this year. Egg prices in the Pacific Coast States have increased recently along with prices in other sections and the egg-feed price relationship has continued about as favorable as a year earlier in contrast to a slightly less favorable ratio in all other regions.

THE POULTRY SITUATION

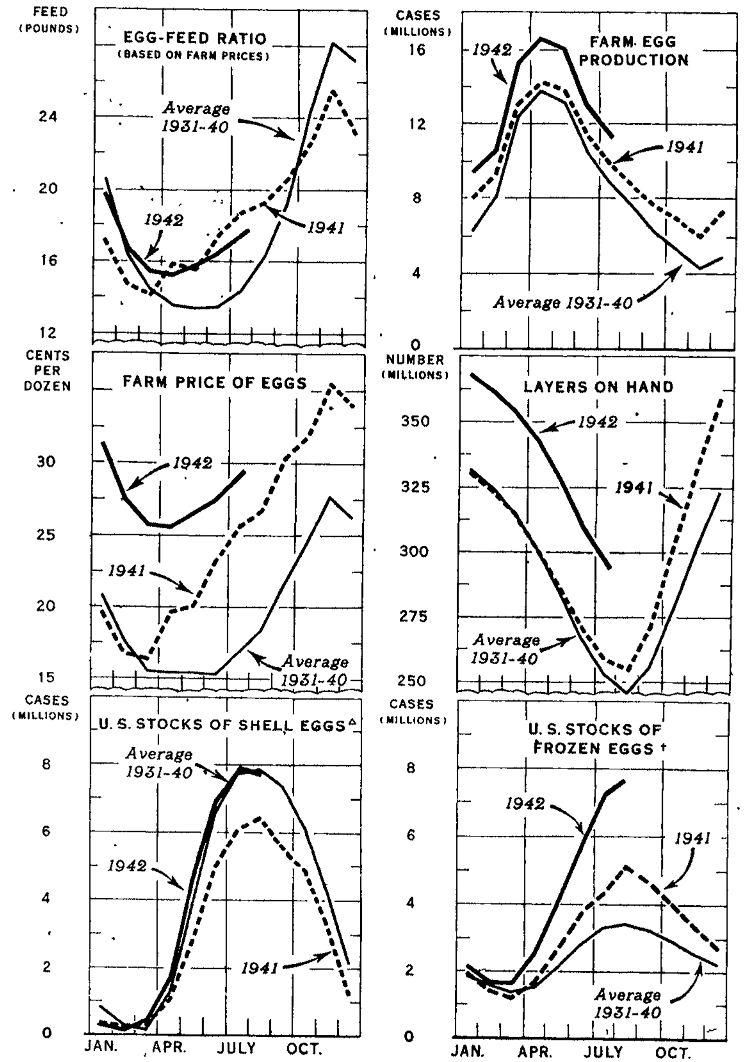


△ 1ST OF THE MONTH * INCLUDES BROILERS, FRYERS, AND ROASTERS
† RECEIPTS AT CENTRAL WESTERN PRIMARY MARKETS

U S DEPARTMENT OF AGRICULTURE   NEG 42583   BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 1

THE EGG SITUATION



△ 1ST OF THE MONTH EXCLUDES U S D A. HOLDINGS, BEGINNING APRIL 1, 1940
† 1ST OF THE MONTH EXCLUDES U S D A HOLDINGS, BEGINNING JULY 1, 1941

U S DEPARTMENT OF AGRICULTURE   NEG 42196   BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 2

Marketings of chickens by farmers in this area will be up about 9 percent this year over last. The supply of chickens from farms in the Pacific Coast States will be augmented by a much larger commercial broiler output. In July the output of chicks by commercial hatcheries was 22 percent larger than in July a year previous. Chicken prices have advanced in response to the improved consumer demand and, with a greater feed supply this year than last, production of specialized broilers and fryers will be stimulated in areas adjacent to urban consuming centers.

FEED SUPPLIES AND PRICES

Favorable weather in recent months has improved prospects for 1942 feed crops. Record supplies of feed grains, hay, and high-protein feeds are likely for 1942-43. With about 10 percent more livestock in 1942-43, however, the supply of feed grains, including feed-wheat, per grain-consuming animal unit will be about 7 percent smaller than last year. Disappearance of feed grains in 1942-43 will be somewhat larger than the 1942 production and, as a result, the total carry-over on October 1,1943 probably will be the smallest since 1937. Supplies of high-protein feeds this year will be about 40 percent larger than last year. Feed grain prices are likely to average higher in 1942-43 than in 1941-42. The amount of the increase, however, will continue to be limited by the large supplies of feed available, general price ceilings, and the feed-wheat program. Under the feed-wheat program, as announced on August 6, 125 million bushels of Commodity Credit-owned wheat were released for sale at prices ranging from 74 to 99 cents per bushel. The price varies between regions. In the Corn Belt prices will be considerably lower than those prevailing under the former program.