

THE *Poultry and Egg* SITUATION

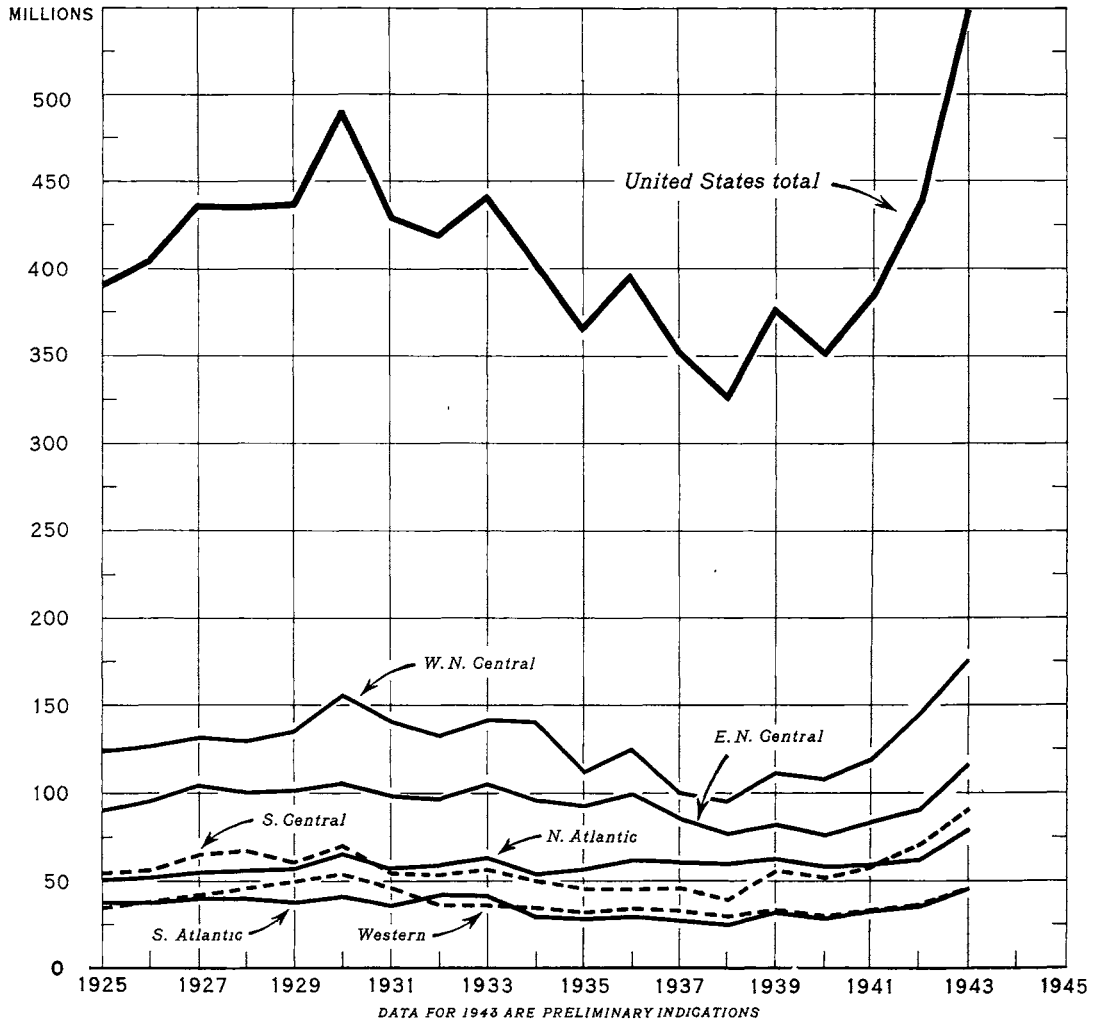
BUREAU OF AGRICULTURAL ECONOMICS
 UNITED STATES DEPARTMENT OF AGRICULTURE

PES-80



AUGUST 1943

CHICKENS SOLD BY FARMERS, UNITED STATES
 AND BY REGIONS, 1925-43



U. S. DEPARTMENT OF AGRICULTURE

NEG. 42529 BUREAU OF AGRICULTURAL ECONOMICS

Farm marketings of chickens in the U. S. probably will be larger in 1943 than in 1942 by at least 25 percent or by more than 100 million birds. Unless acute feed shortages develop in some sections the percentage increases will be fairly uniform among regions. On the basis of numbers, however, increases in sales in the North Central States will account for about $\frac{1}{2}$ of the increase for the entire Nation. Marketings of chickens have increased considerably from the seasonally low spring levels. In mid-August, supplies in most markets were sufficient to meet demand at ceiling prices.

STATISTICAL SUMMARY

I T E M	UNIT	JULY AVERAGE		1942		1943		PCT. OF YEAR EARLIER
		PERIOD	AVERAGE	JUNE	JULY	JUNE	JULY	
Number of layers on farms	Million	1932-41	252.8	311.2	295.3	355.2	330.2	112
Number of eggs laid per hen	Number	1932-41	12.79	15.25	13.87	15.08	13.73	99
Total farm production of eggs	Mill. case	1932-41	8.96	13.18	11.38	14.88	12.59	111
Stocks, eggs U. S.: ¹								
Shell	1,000 case	1932-41	7,676	7,935	7,642	8,966	8,670	113
Frozen	1,000 case	1932-41	3,646	7,427	7,747	8,617	9,353	121
Total	1,000 case	1932-41	11,322	15,362	15,501	17,583	18,023	116
Purchases, eggs, USDA:								
Dried ²	Mill. lb.	--	--	22.2	13.8	38.6	15.0	109
Shell, direct	1,000 case	--	--	18	0.5	134	27.1	
Dried egg production	Mill. lb.	--	--	22.8	23.9	25.9	21.2	89
Commercial hatchery operations:								
Eggs set	Million	--	--	100.6	41.7	181.1	57.9	139
Chicks hatched	Million	--	--	121.8	29.4	188.7	44.8	152
Receipts:								
Poultry, dressed, four markets	Mill. lb.	1932-41	22.8	31.0	32.0	14.2	23.6	74
Poultry, live Chicago ³	Car	1937-41	371	401	395	225	314	79
Poultry, live, New York ³	Car	1937-41	627	575	562	682	755	134
Poultry, live, Midwest, per plant	1,000 lb.	1932-41	14.76	19.69	24.24	15.68	23.87	98
Fowl (hens), live, Midwest, per plant	1,000 lb.	1932-41	3.72	13.89	12.42	10.66	13.97	112
Young stock, live, Midwest, per plant	1,000 lb.	1932-41	5.40	4.39	10.88	3.58	9.07	83
Stocks, poultry: ¹								
Broilers	Mill. lb.	1932-41	6.3	3.6	5.5	1.5	2.8	51
Fryers	Mill. lb.	1932-41	2.1	2.1	3.3	1.7	3.3	100
Roasters	Mill. lb.	1932-41	5.5	5.1	4.9	2.5	3.8	78
Fowls (hens)	Mill. lb.	1932-41	13.8	18.1	21.0	4.6	11.1	53
Turkeys	Mill. lb.	1932-41	17.9	23.2	18.9	3.1	5.5	29
Ducks	Mill. lb.	1932-41	6.2	4.6	7.3	1.1	2.2	30
Miscellaneous and unclassified	Mill. lb.	1932-41	18.5	17.5	18.4	5.9	9.9	54
Total poultry	Mill. lb.	1932-41	56.3	79.2	79.3	25.4	38.6	49
Prices received by farmers:								
Eggs, per dozen	Cent	1932-41	17.9	27.4	29.5	35.2	36.3	123
Eggs, parity price per dozen	Cent	1932-41	23.5	25.8	29.4	28.9	32.3	110
Eggs, percentage of parity	Percent	1932-41	75	106	100	122	112	--
Chickens, per pound	Cent	1932-41	13.8	18.5	18.7	25.1	25.3	135
Chickens, parity price per pound	Cent	1932-41	14.5	17.3	17.3	18.7	18.8	109
Chickens, percentage of parity	Percent	1932-41	95	107	108	134	135	--
Turkeys, per pound	Cent	1937-41	14.5	18.6	18.9	23.6	23.5	151
Turkeys, parity price per pound	Cent	1937-41	18.7	21.9	21.9	23.6	23.8	109
All farm commodities (1910-14 = 100)	Index no.	1932-41	98	151	154	190	188	122
Chickens and eggs (1910-14 = 100)	Index no.	1932-41	94	137	145	179	133	126
Wholesale prices, Chicago:								
Eggs, standards, per dozen ⁴	Cent	1932-41	18.5	30.4	32.1	37.9	38.3	119
Live heavy hens, per pound	Cent	1937-41	17.0	19.2	20.0	24.0	24.0	120
Live broilers, per pound	Cent	1937-41	18.2	25.2	24.5	27.5	27.5	112
Live roasters, light, per pound	Cent	1937-41	19.2	25.9	23.7	27.5	27.5	116
Live roasters, heavy, per pound	Cent	1937-41	21.0	29.4	24.7	27.5	27.5	111
Cash farm income:								
Total marketings	Mill. dol.	1937-41	734	1,070	1,219	1,407	--	131
Poultry and eggs	Mill. dol.	1937-41	79	132	130	205	--	155
Price ratios:								
Chicago, broiler-feed	Lb. feed	1937-41	14.6	14.8	14.4	13.0	12.9	90
Chicago, light roaster-feed	Lb. feed	1937-41	16.0	15.3	14.0	13.0	12.9	92
Farm, egg-feed	Lb. feed	1932-41	14.8	16.4	17.7	16.9	17.1	97
Farm, chicken-feed	Lb. feed	1932-41	11.7	11.1	11.2	12.1	11.9	106
Farm, turkey-feed	Lb. feed	1937-41	11.7	11.1	11.3	13.8	13.4	119
Feed cost per cwt., farm poultry ration	Dollar	1932-41	1.28	1.67	1.67	2.08	2.12	127
Wholesale food prices (1935-39 = 100)	Index no.	1932-41	94.0	125.5	125.4	138.6	135.5	108
Retail food prices (1935-39 = 100)	Index no.	1932-41	97.5	123.2	124.6	141.9	139.0	112
Prices paid by farmers including interest and taxes (1910-14 = 100)	Index no.	1932-41	123	151	152	164	165	109
Retail prices (BLS):								
Roasters, dressed, per pound	Cent	1932-41	30.5	39.3	39.8	44.4	44.5	112
Eggs, strictly fresh, per dozen	Cent	1932-41	32.2	42.4	46.1	51.7	54.2	118
Nonagricultural employees' compensation (1935-39 = 100)	Index no.	1932-41	95.0	184.9	187.3	236.8	--	128

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

²Includes purchases for future delivery.

³Car equivalent of receipts by freight, truck, and express.

⁴Fresh firsts July 1932-41 average, June, July 1942 current receipts June 1-July 10, 1943, standards July 12-31, 1943.

THE POULTRY AND EGG SITUATION

Summary

Farm marketings of chickens in the United States have increased greatly in recent weeks, relieving the tight supply situation that had prevailed in many poultry markets for several months. In most markets in mid-August supplies of both live and dressed birds generally were about sufficient to meet demand at ceiling prices. Prices of live young chickens of light breeds and some inferior quality live birds of heavy breeds were a little below the maximum levels established by the Office of Price Administration. Receipts of dressed chickens are much larger than they were a few weeks ago but are somewhat smaller than a year ago. The reduction from a year earlier in dressed stock has been most pronounced in Eastern cities but in some markets this has been offset in large part at least by greater receipts of live birds.

As a result of the record number of chickens raised on farms this year, sales of chickens by farmers probably will be from 25 to 30 percent larger than a year earlier. Much of the increased volume will come in the remainder of 1943. In some localities, because of shortages of labor for processing plants and the tightening storage situation, the record supplies may temporarily depress prices below maximum levels obtainable under the ceilings. The extent of reduction could be limited if farmers would distribute their marketings over a longer-than-usual period this fall.

Supplies of turkey for civilians this year will be slightly smaller than a year earlier, since production is about the same as in 1942 and increased quantities are to be taken for the military. Hence, demand for

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turkey this season probably will exceed supplies at ceiling prices by a greater margin than last season. Supplies per capita will be somewhat above average, however.

Egg production will decline until November, as the average rate of production per bird declines seasonally, but is very likely to continue larger than a year earlier through the remainder of 1943. Storage stocks of shell and frozen eggs on August 1, the annual seasonal peak, were the largest on record for any date. The quantity of eggs used for drying and other noncivilian uses in the coming fall and winter will be considerably larger than a year earlier. But supplies for civilians are likely to be larger than the record quantity in the corresponding period of 1942-43, though probably short of demand at ceiling prices. Demand is most likely to exceed supplies in areas that are deficient in fall and winter egg production.

In mid-August, demand for top-grade eggs exceeded market supplies at highest permissible levels. But eggs of lower grades were relatively more abundant, and in several instances prices of such eggs were slightly below the ceilings established for wholesale grades. In mid-July the average price received by farmers for eggs was 36.3 cents per dozen compared with 29.5 cents a year earlier.

— August 21, 1943

REVIEW OF RECENT DEVELOPMENTS

The seasonal reduction in numbers of layers on farms from June to July this year was proportionately a little larger than average and greater than last year. The reduction from January to July this year also was larger than in 1942 but slightly less than the 10-year average (1932-41) drop during that period. The greater drop from June to July in 1943 probably reflects some delayed culling and perhaps adjustments to meet the prospective feed situation. Although the feed situation has been difficult, no statistical

evidence is yet available to indicate that it is causing heavy liquidation of layers. In many sections, sales of fowl probably are heavy to make room for an increased number of this year's pullets.

During July about 13.7 eggs were produced per layer compared with 13.9 eggs in July last year and the 1932-41 average of 12.8 eggs. In the North Central States the output was the highest on record in July. In all other regions, however, this year's output for July was not of record volume. With a 12 percent increase in numbers of layers, total egg production in July was 11 percent larger than the record output in July 1942. Production of eggs during the first 7 months of 1943 was 14 percent larger than the previous record output for that period in 1942.

Receipts of Eggs at Primary Markets Declining Seasonally

Receipts of eggs at most primary markets are declining as production drops off seasonally. Receipts at terminal markets, however, have declined less in recent weeks than they did a year earlier. In the first 2 weeks of August, total receipts of shell eggs at the four principal markets were 10 percent larger than in the corresponding period of 1942.

Despite the increase in receipts, supplies of eggs in terminal markets were insufficient to fully meet demand at ceiling prices. Ceiling prices for wholesale grades of eggs in mid-August were 15 to 20 percent higher than actual prices of approximately equivalent grades that prevailed in August last year. Maximum Price Regulation 333 provides for an increase in ceiling prices for eggs through October. It also provides that, beginning in November, prices will be reduced to coincide with seasonal increases in egg production.

The average price received by farmers for eggs in mid-July was 36.3 cents per dozen, 23 percent higher than in July last year and the highest on record for that month except for 1919 and 1920.

Grade Labeling Requirements Removed by OPA

In line with the provisions of the Taft Amendment to the Emergency Price Control Act of 1942, the Office of Price Administration announced August 14 that sellers, other than retailers, were no longer required to show the grades on the egg containers. Instead, sellers are required to give the purchaser a statement setting forth the grades and sizes, or weights, of the eggs sold. The grading standards originally required by MPR 333, however, will continue to be the basis for pricing. The statement also must contain the name and address of both seller and buyer, the date of delivery or acceptance, and the prices. This action was taken through Amendment 12 to MPR 333.

Storage Stocks of Eggs Declining Seasonally

Net withdrawals of shell eggs from storage during July of this year were about the same as in July last year. On August 1, however, stocks were

the largest for that date since 1937. Net withdrawals of shell eggs at 35 markets were begun in early July and for the past several weeks the out-movement has been much larger than a year earlier. Withdrawals have been made for noncivilian as well as civilian uses.

Production of frozen eggs continued at a relatively high level during July. On August 1 stocks of such eggs in the United States were equivalent to 9.4 million cases of shell eggs compared with the previous record for that date last year of 7.7 million cases. Production of frozen egg in the United States in the first 7 months this year totaled 390 million pounds compared with 258 million pounds produced in all of 1942.

The greatly expanded dried-egg program is responsible in large part for the increased storage holdings of both frozen and shell eggs. According to specification of Food Distribution Order 40, shell eggs for civilian use now in storage should consist of eggs placed in storage prior to March 25 and of eggs used for working inventory. The balance is to be used for producing dried eggs or for supplying other war needs. FDO 41 provided that production of frozen egg for civilian use in 1943 was not to exceed total production in 1942.

15 Million Pounds of Dried Egg Purchased
in Month Ended August 14

Production of dried egg in July totaled 21.2 million pounds, compared with 25.9 million pounds in June and 23.9 million pounds in July last year. In the first 7 months of 1943, 160 million pounds of dried egg were produced compared with 136 million pounds in the corresponding period of 1942.

Weekly purchases of dried egg by the War Food Administration in the month ended August 14 fluctuated between 2 and 4 million pounds. Through August 14 the WFA had purchased 208 million pounds for delivery in 1943 and 33 million pounds for delivery in 1944. About 207 million pounds were purchased for delivery in 1942. The quantity scheduled for delivery to the WFA in the August 1943-January 1944 period totaled 132 million pounds, as of August 14, compared with total deliveries in the corresponding period a year earlier of 109 million pounds. The increase over a year earlier in the shell-egg equivalent of dried egg, for delivery in the August-January period, is about equal to the increase in shell egg equivalent of August 1 storage stocks this year over last. It is probable, however, that a larger proportion of dried eggs will be produced from storage shell and frozen eggs this fall and winter than was the case last year.

Because of the tightening storage situation, the WFA has announced that it will consider requests from vendors for amending existing contracts for future delivery of powder so that eggs may be dried up to 120 days prior to the delivery date at a reduction from the original contract price. This reduction would include savings due to smaller carrying charges on frozen and shell eggs and the lessened quality deterioration. Purchases by the WFA of dried egg by months of delivery through August 14, 1943, are given in the following table.

Purchases of dried whole eggs by the War Food Administration,
by delivery months through August 14, 1943

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total for year
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1942	11.4	12.9	13.1	13.4	18.3	17.5	18.5	19.2	19.2	22.0	25.3	15.8	206.6
1943	7.2	20.1	12.6	21.4	17.2	10.9	19.6	18.7	13.7	13.0	20.3	33.7	208.4
1944	32.9												

Poultry Marketings Increasing Seasonally

Farm marketings of live chickens apparently increased considerably in all sections during the past month. In the Midwest, receipts of young stock at primary markets in early August were about twice those of a month earlier but somewhat smaller than the record receipts a year earlier. Receipts of fowl in August were somewhat larger than last year and more than 44 percent greater than in the corresponding period of 1941. Young stock as a percentage of total receipts increased from 29 percent in early July to 47 percent in early August. Leghorns and other light breeds apparently made up most of the receipts of young stock up to mid-August.

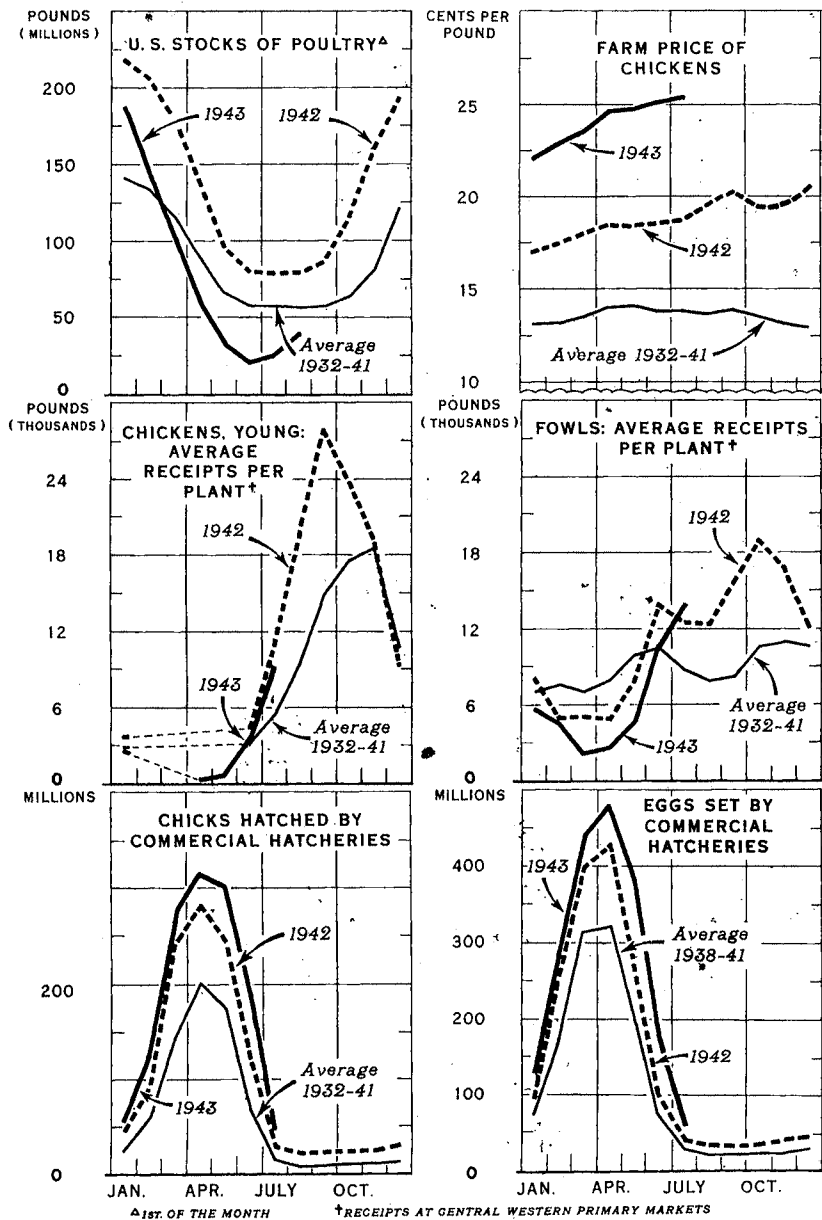
Increases in farm marketings of chickens greatly relieved the short supply situation that had prevailed in poultry markets for many months. Prices for live Leghorns and some other light breed chickens, old roosters, old geese, and old ducks were a little below ceiling levels in mid-August. Prices for good quality live heavy chickens, and all live fowl were steady to firm at ceiling levels. Prices of dressed chickens at New York in mid-August ranged from 3 percent lower than a year earlier for heavy roasters to 22 percent higher for broilers. Prices of dressed fowl were 112 to 123 percent higher than in the corresponding period last year. The average price received by farmers for all classes of chickens in mid-July was 25.3 cents per pound compared with 25.1 cents in mid-June and 18.9 cents in mid-July 1942.

Storage Stocks of Poultry Increased

52 Percent During July

Stocks of all classes of poultry except turkeys increased during July. The increase in holdings of fowl was particularly large, amounting to 6.5 million pounds out of a total for all poultry of 13.2 million pounds. The net into-storage movement from July 1 to August 1 was the largest ever to occur during that period. Holdings on July 1 were nearly the lowest on record, however, so that despite the record into-storage movement during July, holdings on August 1 were only about 50 percent of those a year earlier and the smallest for that date since 1932.

THE POULTRY SITUATION



THE EGG SITUATION

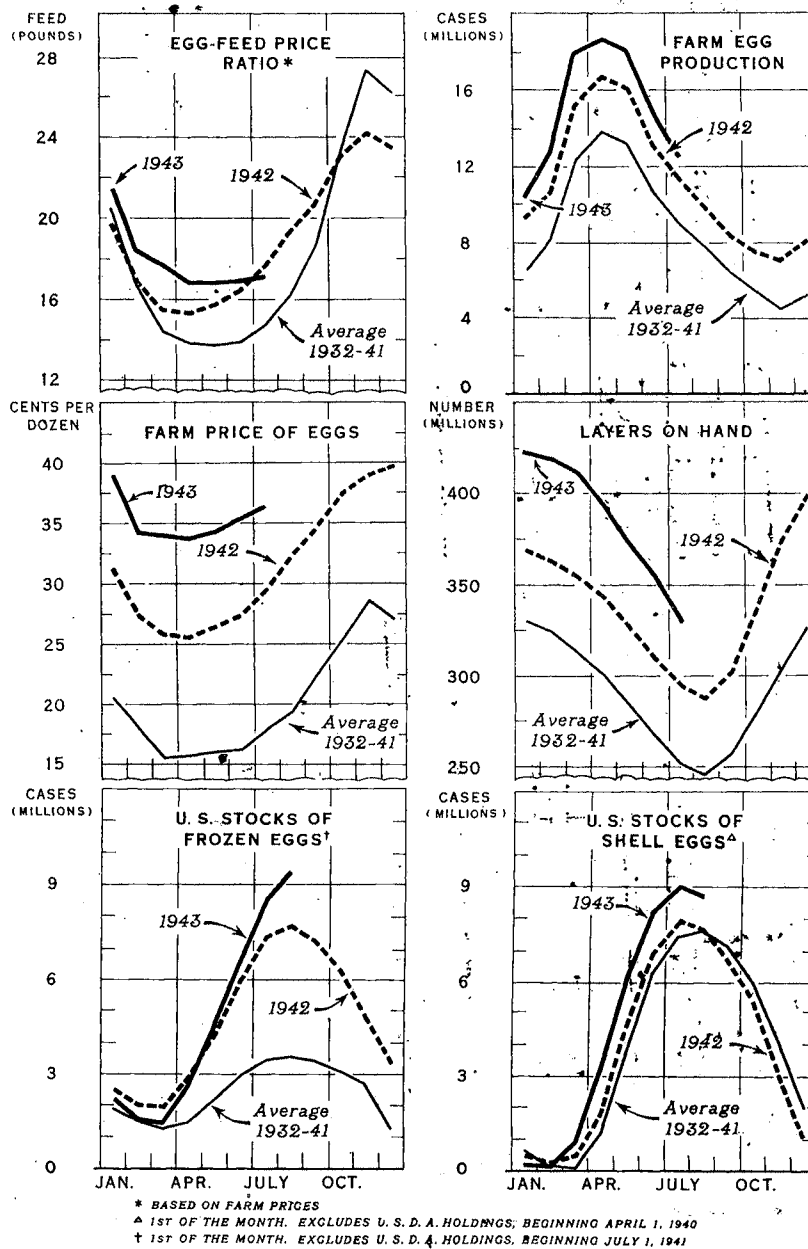


FIGURE 1

FIGURE 2

Hatchery Output in First 7 Months 21 Percent
Above Previous Record

Hatchery production of baby chicks in July totaled 44.8 million chicks, 52 percent larger than July 1942, and 51 percent larger than the previous record for July reached in 1941. In the first 7 months of 1943 the commercial hatch of baby chicks was larger than the record of a year earlier by 226 million head or 21 percent. By regions, the increases over a year earlier in numbers of chicks hatched during the first 7 months of 1943 were as follows: New England, 15.4 million; Middle Atlantic, 25.1 million; East North Central, 48.6 million; West North Central, 58.9 million; South Atlantic, 33.5 million; South Central, 25.8 million; Mountain, 3.0 million; and Pacific, 15.6 million. The number of eggs set during July was 39 percent larger than the number set in July last year.

OUTLOOK

BACKGROUND.- American farmers are obtaining from commercial hatcheries an increasing proportion of the chicks they raise rather than hatching the birds on their own farms. In 1943, 84 percent of the chicks raised on farms came from commercial hatcheries, compared with 82 percent in 1942, 79 percent in 1941, and 75 percent in 1940. Regionally, the 1943 percentages are as follows: North Atlantic, 87 percent; East North Central, 93 percent; West North Central, 90 percent; South Atlantic, 72 percent; South Central, 65 percent; and Western States, 84 percent.

The proportion of light breeds hatched by commercial hatcheries in the first 7 months of 1943 was the same as a year earlier, 30 percent compared with 33 percent in 1941. Relatively more birds were sexed before being sold this year and the slaughter of day old cockerels apparently was smaller this year than last. The average price paid by farmers for baby chicks in the 1943 spring season was \$13.00 per 100 head compared with \$11.33 in 1942 and \$9.01 in 1941.

Favorable Weather has Improved Crop Prospects

The supply of feed grains in 1943-44, including wheat and rye for feeding, based on August 1 prospects, is about 143 million tons, 4 percent larger than that indicated July 1 but 7 percent smaller than the 1942-43 supply. Prospects for production of the four principal oilcakes and meals improved during July and supplies of these feeds available for livestock are now expected to total about 6 million tons or slightly smaller than in 1942-43. Total supplies of the principal vegetable byproduct feeds, are likely to be about the same as in 1942-43. With about 10 percent more livestock animal units and smaller supplies of feed grains, supplies of all feed concentrates per animal unit in 1943-44 will be about 15 percent smaller than last year although about the same as the 1935-39 average. If stocks of feed grains carried over into 1944-45 are reduced to a minimum, disappearance of feed would be about as large as in 1942-43 but smaller per animal unit as a result of the increase in livestock on farms.

Ceiling prices of oilmeals and cakes produced from the 1943 oilseed crops were raised on July 31 to bring a more nearly normal relationship between prices of oilmeals and prices of other feeds and livestock products. In response to increased ceilings, prices of soybean and cottonseed meal increased between 25 and 30 percent in early August. Prices of nearly all feeds with ceilings remained at the top permissible levels. The relationship between egg prices and feed prices in mid-July, despite some increase in feed prices, was very favorable for farmers.

Demand for feed wheat has continued strong, with sales approximating a rate of 15 million bushels per week since sales were resumed July 13. On July 31, 1943, wheat owned by the Commodity Credit Corporation totaled 176 million bushels. Receipts of corn at primary markets have continued relatively small.

Record Sales of Chickens in Prospect

The preliminary estimate of the number of chickens raised on farms in 1943 is 926 million head, 16 percent larger than the previous record number raised in 1942, and 50 percent greater than the number raised in 1940. Increases over last year range from 13 percent in the South Central States to 21 percent in the North Atlantic States. For the other regions the increases were as follows: East North Central, 19 percent; West North Central, 15 percent; South Atlantic and West, 18 percent. The increases over 1942 are relatively smaller in surplus feed-producing areas than in other regions. Compared with the 1932-41 average, however, the increase in numbers raised this year was greatest in the West North Central States. Based on a 16 percent increase in numbers of chickens raised on farms, a 10 percent increase in numbers on hand during the year, and about the same farm consumption as in 1942, sales of chickens by farmers in the United States in 1943 would be between 25 and 30 percent larger than in 1942. Any deviations from these indications would be due mostly to a larger number of birds started after July 1 and any change in January 1 numbers from that used in the above calculations. Probable increases in sales of chickens by regions are indicated on the cover page. A new record high probably will be established in all regions except the Western States.

Marketings of chickens and fowl already have increased greatly from the seasonally low spring level. But much of the increased volume of chicken marketings indicated for 1943 will come during the remainder of the year. In 1942 receipts of chickens at Midwest primary markets reached the seasonal peak about October 1. The peak usually comes later in the fall.

Consumer demand in prospect for the balance of 1943 probably is strong enough to take the record supply of chicken at or close to retail ceiling prices. But because of limited supplies of labor for poultry packing plants and the tightening over-all storage situation, prices received by farmers in some surplus chicken marketing areas may be temporarily depressed below levels obtainable under the ceilings. The chicken marketing problem could be greatly relieved by lengthening the marketing season. In 1942, prices received by farmers increased from 18.5 cents in June to 20.5 cents in December, with only

slight interruptions in October and November because of heavy marketings and some uncertainties about future ceilings on prices.

Demand for Chicks Continues at
Unprecedented Level

Purchases of baby chicks by farmers in general farming areas for flock replacement and exclusively for meat production purposes continued much later than usual this year. But beginning in July, most of the output of chicks by commercial hatcheries has been used for commercial broiler production. This will be the primary use of commercial hatchery chicks in the remainder of 1943. On August 1 the number of chicks booked for later delivery was 2-1/2 times as large as a year ago, indicating that, unless acute feed shortages interfere, both hatchery production and commercial broiler production will continue at unprecedented levels during the remainder of 1943. So far, despite the prospective tight feed situation, relatively few orders for baby chicks have been cancelled.

Number of Turkeys Raised Same as in 1942

The demand for turkey poults exceeded the supply during the entire 1943 poult-starting season, but turkey production in 1943 apparently will be about the same as it was in 1942. Early in the year farmers indicated that they intended to raise 12 percent more turkeys this year than last.

Civilian supplies of turkey this season will be smaller than last, since the quantities used for the military will be larger and turkey production is about the same. With even more purchasing power this year than last, the consumer demand will exceed supplies to even a greater degree than last year. The ceiling price for turkeys is scheduled to decline 3-1/2 cents per pound from the end of August to November 1, returning to the level applicable to the November 1-January 31 period.

As a means of assuring enough turkey for the holiday needs of the armed forces located over seas, FDO 71 was issued on July 31. This order as originally issued prohibited sales and deliveries of live and fresh dressed turkeys to other than designated governmental agencies. Turkeys stored prior to the date of issuance were not immediately affected. But in mid-August the order was amended to provide that after August 21 no storage turkeys could be sold as long as FDO 71 remained in effect. This action was taken because some fresh dressed turkeys otherwise may be sold as "storage" birds on hand before the issue date of the order. FDO 71 became effective on August 2 and will remain in effect until the emergency purchase program has been completed. About 10 million pounds of turkey will be needed for shipment to overseas forces.

Number of Layers Likely to Continue
Larger Than Year Earlier

In July the average number of layers on farms was 12 percent larger than in July 1942. The size of laying flocks reached the seasonal low level

in August, then increases until early January. With at least 16.5 percent more chickens raised on farms this year than last, numbers of layers on farms probably will continue materially larger than a year earlier in the remainder of 1943 and into 1944. Supplies of feed and laying-house facilities apparently will be the limiting factors determining the actual increase in layers that takes place for 1944. As indicated last month, average relationships point to an increase of 8 to 10 percent in the number of layers on farms January 1 over a year earlier following the preliminary estimate of 16.5 percent larger number of chickens raised on farms this year. On August 1 the number of pullets not yet of laying age on farms in the United States was 13 percent larger than a year earlier.

The seasonal decline in egg production under way since April will continue until November as the rate of production per bird drops off. Compared with a year earlier, however, egg production is very likely to continue larger through the remainder of 1943. With some storage eggs (both shell and frozen) to supplement larger current production, supplies of eggs for civilians in the remainder of the year probably will be larger than the apparent previous record of a year earlier. But in the balance of 1943, supplies will be seasonally smaller than in the first part of 1943 and probably short of demand at ceiling prices. The excess of demand over supplies, already noticeable for better quality eggs in some markets, is likely to become much more general this fall.

OUTLOOK BY REGIONS

North Atlantic States -- Heavy Users of Feed Wheat

In the 1942-43 crop year ended September 30, it is estimated that nearly 500 million bushels of wheat will have been fed in the United States. Much of this has so far been feed wheat distributed in the North Atlantic States. This has made possible a considerable expansion in livestock numbers in the area even though locally-grown feed supplies have not changed much in recent years. The number of chickens raised on farms in the Eastern area in 1943 was 21 percent larger than in 1942 and 35 percent above average. By the end of the year laying flocks in this area may average about 10 percent larger than a year earlier. With smaller feed supplies in prospect, however, relatively heavy culling of laying flocks is likely in the coming season. Except for 1941, the rate of lay per bird in this area in July was the highest on record for the month.

North Central States -- 63 Million More Chickens Raised this Year

The egg-feed price relationships in the North Central States has been very favorable this year, causing a strong demand for baby chicks for flock replacement and expansion purposes. The preliminary estimate of the number of chickens raised in this region shows an increase of 63 million head, 16 percent over a year earlier. Relative to livestock numbers, feed supplies in this area will be smaller than last year. The situation will not be as tight as in deficit feed areas, so a material increase in layers is likely. Sales of

chickens in the North Central area will be much heavier than the previous record of last year and may cause temporary price declines by overtaxing processing facilities. The rate of lay in this area in July was the highest on record for the month. In the first 7 months of 1943, egg production in the North Central States was 14 percent larger than in the corresponding period of 1942.

South -- Poultry and Egg Production Much Above Average

Production of feed has been increased in most Southern States in the past several years and relatively large supplies of feed wheat have been used. Prices have encouraged increases in production of poultry and eggs that compare favorably with increases that have taken place in surplus feed-producing sections of the Nation. The number of chickens raised on farms in 1943 is 15 percent larger than in 1942 and 36 percent above the 10-year average. Laying flocks in this section at the beginning of 1944 probably will be nearly 10 percent larger than a year earlier. The rate of lay in Southern States has declined more than seasonally in recent months and in July was 2 percent below the rate of a year earlier. Production of eggs in the first 7 months of 1943 was 16 percent larger than in the corresponding period of 1942.

Production of broilers in the eastern and southeastern parts of this area has increased sharply in the past year or so. To fill the demand for baby chicks, both eggs and baby chicks have been shipped from the Midwest and from New England.

West -- Rate of Lay Declining

The number of layers on farms in the Western States in July was 12 percent larger than a year earlier, the same increase as was shown for January 1943. In the first quarter of 1943 the rate of lay per bird in this area was at near record levels, but in recent months, apparently because of the deteriorating feed situation, the rate has dropped off much more than seasonally. In July the average number of eggs laid per bird was 4 percent smaller than in July 1942 and the smallest for that month since 1933. In the first 7 months of 1943 egg production in this area was 10 percent larger than in the corresponding period last year.

By raising 10 percent more chickens than in 1942, a basis has been established for a further increase in numbers of layers, as is the case for all States of the Nation. Supplies of feeds will be even shorter in the coming season, however, than they have been this past season. This area depended heavily on the feed-wheat program in 1942-43 just as the North Atlantic States did. Considerably smaller quantities of feed wheat will be available in the 1943-44 season.

In the July Poultry and Egg Situation a chronological list of price and supply controls for poultry and eggs was given, together with the principal provisions of each order or announcement. That summary covered the period through July 15, 1943. Additional orders issued through August 20, 1943, are given in the accompanying table.

Maximum price and supply controls for specified poultry and egg products
issued from July 15 through August 20, 1943

AUGUST 1943

Title of order, issue date, effective date, reference in: Federal Register and agency :	Commodity :	Principal provisions of orders :
Amendment 12 to RMPR 269 Issued August 4, 1943 Effective August 4, 1943 8FR-10940, August 6, 1943 O.P.A.	Poultry	Provides that for each locality involved the Government may pay 1 cent above maximum price when it requisitions poultry. The Government may sell poultry at same price as purchased.
Correction of Amendment 9 to MPR 333 Issued August 6, 1943 Effective August 12, 1943 O.P.A.	Frozen and dried eggs	Maximum price of 45 percent yolks for month of October is 45.4 cents and for spray dried powdered albumen for month of August is \$1.87 instead of 45.1 cents and \$1.67, respectively.
Amendment 12 to MPR 333 Issued August 14, 1943 Effective August 13, 1943 O.P.A.	Eggs	Grade labeling requirements for all sellers other than retailers in the regulation controlling prices of eggs were removed. Provides that a full statement will be given to each purchaser describing products as to grade, etc.
FDO 71 Issued July 31, 1943 Effective August 2, 1943 8FR-10703, August 3, 1943 W.F.A.	Turkeys	Restricts sales of live or dressed turkeys to Government agencies until 10 million pounds are obtained for Army and Navy. Order does not affect turkeys in storage before August 2, 1943.
Amendment 1 to FDO 71 Issued August 17, 1943 Effective August 21, 1943	Turkeys	Turkeys in storage on or after August 21, 1943, shall be set aside for delivery to a Government agency except those now held for production of canned turkey.