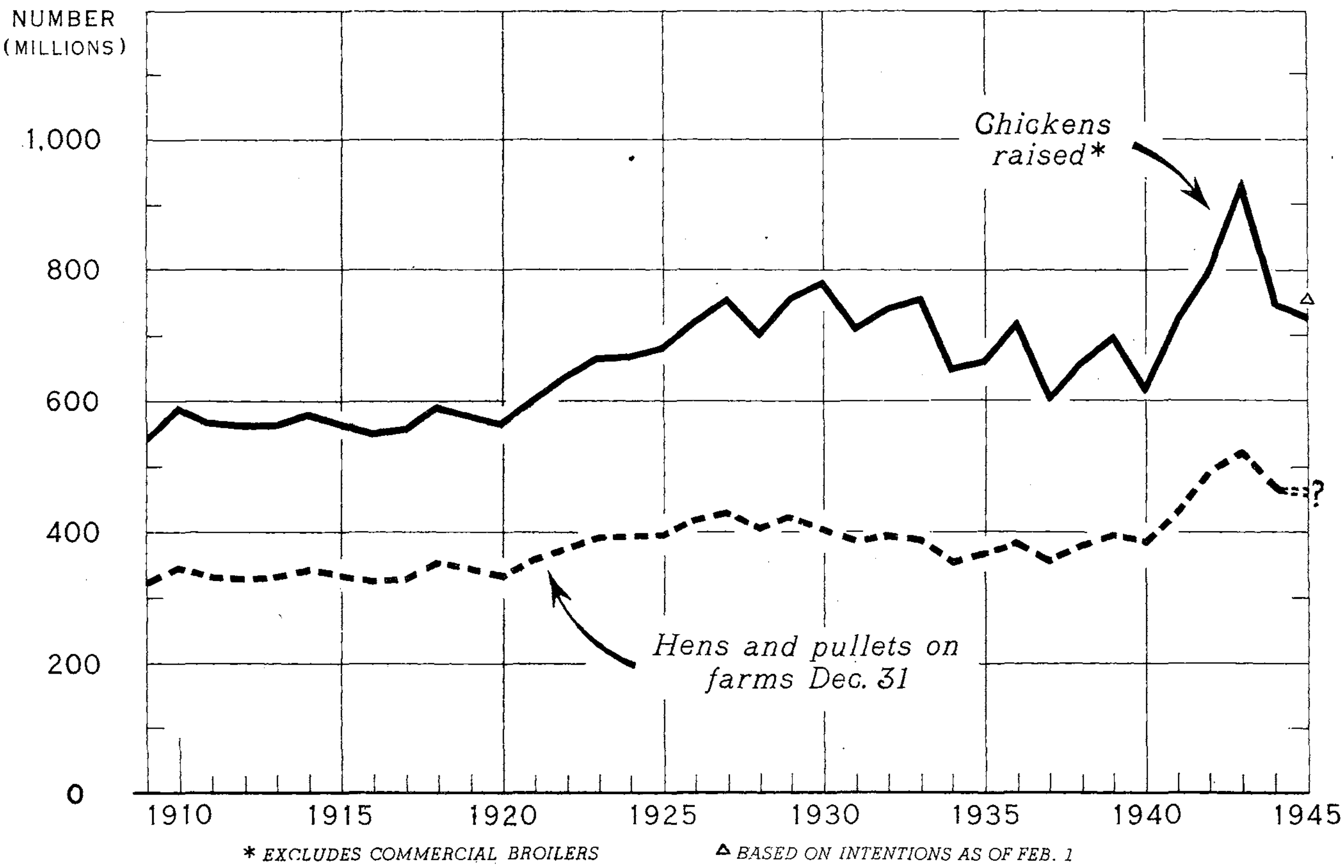
THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

PES - 98 BAE FEBRUARY 1945

CHICKENS RAISED, AND HENS AND PULLETS ON FARMS, UNITED STATES, 1909-45



U. S. DEPARTMENT OF AGRICULTURE NEG. 43175 BUREAU OF AGRICULTURAL ECONOMICS

According to the farmers' intentions reported about February 1, 1945 a decrease of 4 percent is indicated in purchases of baby chicks, compared with 1944. Egg prices for the next few months probably will continue above last year, and with ample feed supplies it is unlikely that the number of chickens raised in 1945 will decrease more than 4 percent. Based on past relationships, this may result in a slight decrease in the number of hens and pullets on farms at the end of 1945, compared with December 31, 1944.

STATISTICAL SUMMARY

ITEM	UNIT	AVERAGE PERIOD	AVERAGE DECEMBER	AVERAGE JANUARY	1943 DECEMBER	1944 JANUARY	1944 DECEMBER	1945 JANUARY	CURRENT MONTH AS PERCENT OF YEAR EARLIER	CURRENT MONTH AS PERCENT OF AVERAGE
Layers on farms, number	Million	1934-43	343.7	340.7	435.7	449.3	418.9	417.9	93	123
Number of eggs laid per hen	Number	1934-43	6.34	7.55	7.49	9.98	8.09	9.92	99	131
Total farm production of eggs	Mil. doz.	1934-43	184.2	216.3	271.9	373.6	282.2	345.5	92	160
Stocks, eggs, U. S.:[1]										
Shell	1,000 case	1934-43	610	207	675	765	411	301	39	145
Frozen	1,000 case	1934-43	1,991	1,589	2,727	2,179	4,425	2,658	122	167
Total, shell and frozen	1,000 case	1934-43	2,600	1,795	3,402	2,944	4,836	2,959	101	165
Dried whole eggs	Mil. lb.	---	---	---	45.8	42.6	107.6	107.3	252	---
Apparent egg disappearance, civilian:										
Total shell egg equivalent	Mil. doz.	1934-43	242.0	246.7	306.7	316.2	314.7	350.2	111	142
Dried egg production	Mil. lb.	---	---	---	21.1	21.6	10.2	---	---	---
Commercial hatchery operations:										
Eggs set	Million	---	---	---	46.3	115.8	48.2	---	---	---
Chicks hatched	Million	1934-43	18.4	31.0	29.6	48.2	34.2	50.6	105	163
Receipts:										
Poultry, dressed, four markets	Mil. lb.	1934-43	66.0	24.0	59.4	27.5	54.8	29.6	108	123
Poultry, live, Chicago	Mil. lb.	1939-43	5.7	3.7	4.7	3.4	3.8	---	---	---
Poultry, live, New York	Mil. lb.	1939-43	9.0	12.4	14.0	10.0	2.3	---	---	---
Poultry, live, Midwest, per plant	1,000 lb.	1934-43	21.5	9.6	25.3	15.6	19.4	8.3	53	86
Fowl (hens), live, Midwest, per plant	1,000 lb.	1934-43	11.4	7.1	14.5	11.6	13.8	6.6	57	93
Young stock, live, Midwest, per plant	1,000 lb.	1934-43	9.8	2.8	10.3	3.5	5.2	1.4	40	50
Stocks, poultry:[1]										
Broilers	Mil. lb.	1934-43	14.2	12.5	14.2	14.7	7.6	4.9	33	39
Fryers	Mil. lb.	1934-43	14.9	12.8	20.7	20.7	15.5	11.5	56	90
Roasters	Mil. lb.	1934-43	35.7	31.6	42.0	41.8	32.9	25.3	61	80
Fowls (hens)	Mil. lb.	1934-43	33.3	25.0	68.7	69.7	89.3	58.7	84	235
Turkeys	Mil. lb.	1934-43	33.3	38.9	36.6	48.3	72.6	74.2	154	191
Ducks	Mil. lb.	1934-43	5.1	3.7	2.4	2.2	8.6	1.7	77	459
Miscellaneous and unclassified	Mil. lb.	1934-43	26.2	23.5	41.5	42.6	47.5	39.4	92	168
Total poultry	Mil. lb.	1934-43	159.6	148.0	226.2	240.0	289.0	215.7	90	146
Prices received by farmers:										
Eggs, per dozen	Cent	1934-43	30.6	23.7	44.9	34.6	44.5	41.0	118	173
Eggs, parity price per dozen[2]	Cent	1934-43	37.6	28.8	44.2	36.1	44.2	37.4	104	130
Eggs, percentage of parity	Percent	1934-43	81	81	102	96	101	110	115	136
Chickens, per pound	Cent	1934-43	14.7	15.6	24.4	23.9	24.1	24.2	101	155
Chickens, parity price per pound	Cent	1934-43	15.5	15.0	19.0	19.2	19.5	19.6	102	131
Chickens, percentage of parity	Percent	1934-43	100	98	128	124	124	123	99	126
Turkeys, per pound	Cent	1939-43	23.1	19.5	33.3	32.4	34.6	34.4	106	176
Turkeys, parity price per pound	Cent	1939-43	20.6	19.4	24.0	24.2	24.6	24.8	102	128
Turkeys, percentage of parity	Percent	1939-43	99	110	139	134	141	139	104	126
All farm commodities (1910-14 = 100)	Index no.	1934-43	126	116	196	196	200	201	103	173
Chickens and eggs (1910-14 = 100)	Index no.	1934-43	141	116	187	178	189	199	112	172
Wholesale prices, Chicago:										
Eggs, standards, per dozen[3]	Cent	1933-42	27.0	22.6	40.7	34.9	41.6	38.7	111	159
Live heavy hens, per pound	Cent	1939-43	19.2	19.5	23.6	24.0	[4]25.6	[4]26.0	108	133
Live broilers, per pound	Cent	1939-43	21.0	19.1	26.9	27.5			---	---
Live fryers, per pound	Cent	1939-43	21.4	19.8	26.9	27.5	27.4	29.5	107	149
Live roasters, heavy, per pound	Cent	1939-43	20.9	22.2	26.9	27.5	29.0	29.5	107	133
Wholesale prices, New York:										
Dressed broilers, 25-30 pounds per dozen, per pound	Cent	1934-43	25.9	24.2	37.5	37.5	37.6	[4]32.1	86	133
Dressed roasters, 48-54 pounds per dozen, per pound	Cent	1934-43	25.0	25.2	37.5	37.5	37.6	[4]32.1	86	127
Dressed fowls, 48-54 pounds per dozen, per pound	Cent	1934-43	22.9	22.4	33.5	33.5	33.6	[4]28.6	85	128
Cash farm income:										
Total marketings	Mil. dol.	1939-43	1,157	839	1,692	1,536	1,704	1,560	102	186
Poultry and eggs	Mil. dol.	1939-43	137	80	225	147	221	177	120	221
Price ratios:										
Chicago, broiler-feed	Lb. feed	1939-43	13.4	13.5	12.0	12.1	[5]	[5]	---	---
Chicago, light roaster-feed	Lb. feed	1939-43	13.2	14.1	12.1	12.1	13.1	13.1	108	93
Farm, egg-feed[6]	Lb. feed	1934-43	15.8	12.7	15.5	11.8	15.7	14.3	121	113
Farm, chicken-feed[6]	Lb. feed	1934-43	8.1	8.0	8.4	8.2	8.5	8.5	104	106
Farm, turkey-feed[6]	Lb. feed	1934-43	10.5	9.6	11.5	11.1	12.2	12.0	108	125
Farm, egg-laying mash	Lb. feed	---	---	---	12.6	9.7	12.6	11.5	120	---
Laying mash, cost per cwt.	Dollar	---	---	---	3.54	3.58	3.54	3.54	99	---
Feed cost per cwt., farm poultry ration	Dollar	1934-43	1.42	1.35	2.23	2.26	2.16	---	---	---
Wholesale food prices (1935-39 = 100)	Index no.	1934-43	106.8	102.0	133.5	132.6	133.4	---	---	---
Retail food prices (1935-39 = 100)	Index no.	1934-43	107.3	103.0	137.1	136.1	137.4	---	---	---
Prices paid by farmers including interest and taxes (1910-14 = 100)	Index no.	1934-43	136	131	167	168	171	172	102	131
Retail prices (BLS):										
Roasters, dressed, per pound	Cent	1934-43	33.1	31.9	44.7	44.9	45.0	---	---	---
Eggs, strictly fresh, per dozen	Cent	1934-43	38.8	45.2	63.9	54.3	66.9	---	---	---
Nonagricultural employees compensation (1935-39 = 100)	Index no.	1934-43	137.6	117.5	254.1	253.5	276.4	---	---	---

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

[2]Adjusted for seasonal.

[3]Fresh firsts November and December 1933-42 Average. Standards, 44 pounds, December 1944, January 1945.

[4]All varieties, weights not quoted.

[5]No quotations.

[6]Revised.

THE POULTRY AND EGG SITUATION

Contents

SUMMARY

Egg producers probably will receive higher prices for most months in 1945 than they received in corresponding months of 1944. This will be due to a strong consumer demand with continuation of a high level of consumer income, and a reduction in egg production of about 10 percent compared with last year. Military procurement probably will be somewhat larger in 1945 than in 1944. The demand for new supplies of dried egg, because of current large stocks, is not expected to be as strong as in the previous year; but the supply of eggs available for dehydrating purposes probably will be less this year than last.

Supplies of poultry meat declined seasonally during January and February. Wholesale prices of chickens were at ceilings, and demand for chickens exceeded supply by a wide margin. Because of large military procurement, high consumer income, and smaller supplies of red meats than in 1944, no immediate change in this situation is in prospect. To aid the military in obtaining needed supplies of canned poultry (turkey and chicken), WFO-125 was issued, effective February 14. This order sets aside all canned items for sale to designated governmental agencies, and restricts use of eviscerating plants for other than canning purposes.

Based on intentions as of February 1, farmers expect to purchase 4 percent fewer baby chicks for farm flocks in 1945 than in 1944 and also intend to grow 8 percent more turkeys. Feed supplies at present are ample, and for the current marketing season feed prices probably will average slightly below those of the 1943-44 marketing year.

Commercial hatchery output in the areas in and surrounding the large broiler producing territories continued to increase over last year. In the New England, Middle Atlantic, and South Atlantic States, increases in commercial hatchings of 43, 12, and 34 percent, respectively, were reported. However, commercial hatching for farm flock replacement purposes was below that of last year, probably because of the relatively low egg prices received during most of 1944.

For the first time in 5 years, the January farm egg production declined from that of the previous January. Accounting for an 8 percent decrease in egg production was a 7 percent smaller number of layers on farms and 1 percent drop in the rate of lay. Prices received by farmers for eggs in mid-January averaged 41.0 cents per dozen, 110 percent of parity, and 6.4 cents above last year. Wholesale and retail prices of most grades of eggs since January 15 have been firm at or near ceiling levels. Per capita egg consumption has continued at a record rate. Dried egg purchases by WFA for January and February deliveries were smaller than in the corresponding months of the past 3 years.

The inventory value of poultry on farms January 1, 1945, was the second highest on record, being exceeded only by that of last year. The number of chickens on farms, 511 million birds, was 89 percent of January 1, 1944. Turkey numbers were slightly below the 7.6 million birds on January 1 last year, but the number of breeder hens on hand was at a record of 4.7 million birds, 6 percent above January 1, 1944.

-- February 21, 1945

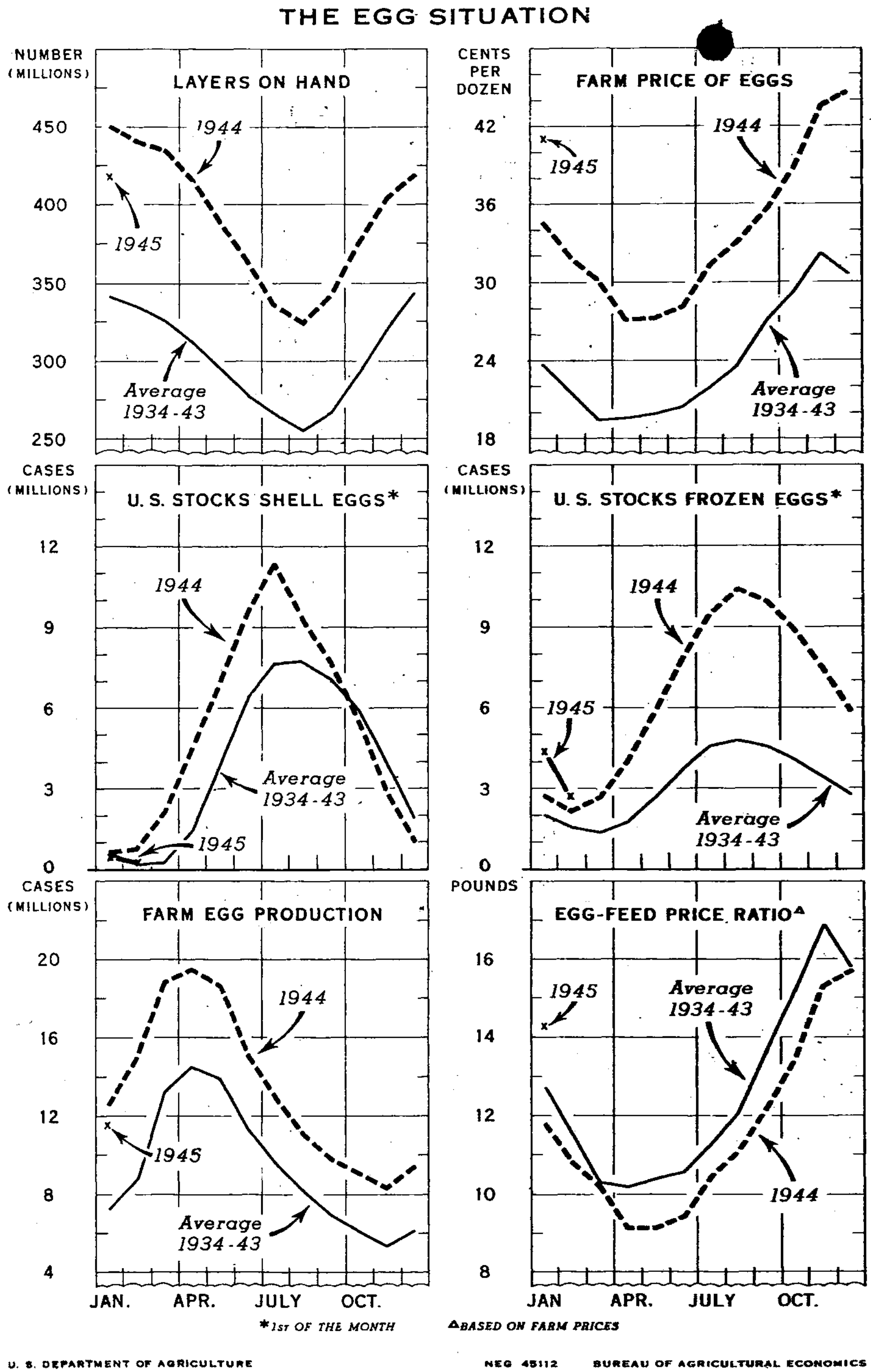


FIGURE 1

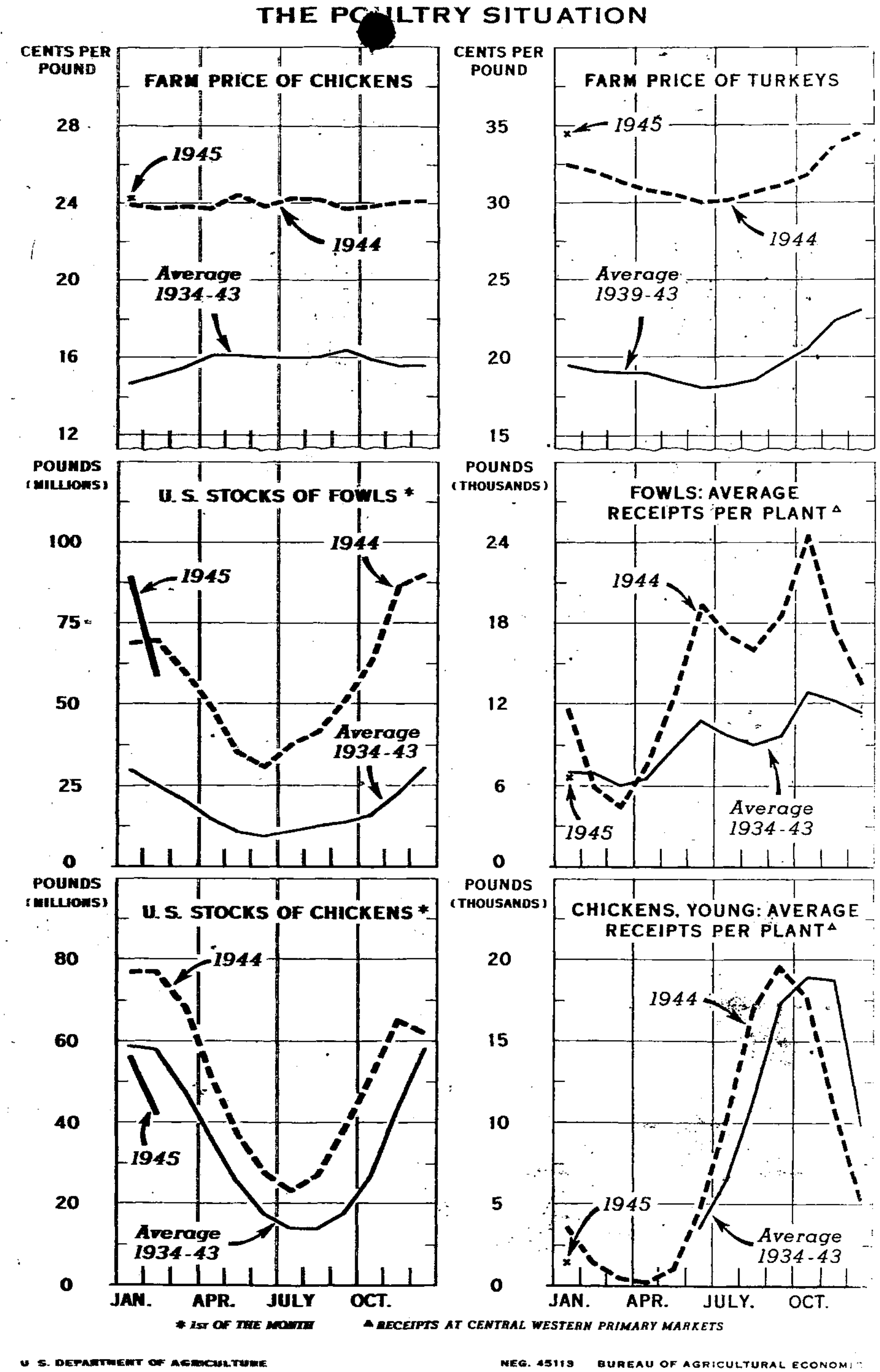


FIGURE 2

OUTLOOK

BACKGROUND.- Egg prices during 1941, 1942, and 1943 rose under the impetus of strong wartime demands. This was reflected in an increasing number of chickens raised each year, and the 934 million chickens raised in 1943 was a record number. However, in 1944, because of burdensome egg supplies and relatively low egg prices, the number of chickens raised was one-fifth less than in 1943. As a result the number of hens and pullets on farms January 1, 1945 was 9 percent less than on January 1, 1944.

Farmers Intend to Purchase Fewer Baby Chicks in 1945 Than in 1944

Based on reports from crop correspondents, farmers intend to purchase approximately 4 percent fewer baby chicks in 1945 than in 1944. Especially pronounced are the declines in the West North Central and Rocky Mountain regions, where a 10 percent decrease in purchases is indicated. The East North Central area reports that a decline of 8 percent in purchases of baby chicks will take place. In these three areas, extensive price support activities were in operation during 1944.

On the other hand, farmers intend to increase baby chick purchases in those areas where the demand for eggs in 1944 was relatively strong, and where at present it appears that requirements will be fairly large -- the Pacific Coast, the South Atlantic, and Middle Atlantic regions. In those regions increases of 6, 7, and 10 percent, respectively, are indicated. The New England area indicated a decrease of 6 percent in chicks to be bought, while the East South Central and West South Central regions showed a decline of 4 percent in intentions to purchase. Since the intentions report is as of February 1, actual purchases will vary from the intentions depending on developments during the hatching season.

Factors affecting actual purchases are the prices of eggs and feed as they affect the egg-feed price ratio, the chicken-feed price ratio, and some psychological factors which cannot be measured. Although the poultry products-feed price relationships will probably continue to be favorable for increasing the number of chickens raised, offsetting factors will probably be the marketing difficulties, especially transportation, and the relatively low prices received by farmers for eggs during the early part of 1944. Thus, it appears that the intentions might be taken as a good indication of the number of chicks to be purchased in 1945.

Because of farm hatchings, yearly changes in the number of chickens raised vary from the number of those purchased. The proportion of chicks hatched by commercial hatcheries has been increasing. In 1943, 84 percent of the chicks hatched came from commercial hatcheries. This compares with 34 percent in 1934.

Comparisons of intentions to purchase with actual performance are as follows:

Table 1.- Intended purchases of baby chicks compared with estimated number purchased as percentage of intentions, and number of chickens raised.

Year	Intended purchases 1/	Estimated purchases	Number of chickens raised
	Percentage of previous year	Percentage of intentions	Percentage of previous year
1938	108	105	108
1939	108	100	107
1940	96	93	89
1941	109	105	116
1942	112	105	111
1943	116	102	118
1944	83	99	80
1945	96		

1/ Based upon reports from Crop Correspondents as of February 1.

Civilian Demand for Eggs to Remain Strong

Per capita egg consumption in 1944 is estimated at 349 eggs per person, 2 percent above 1943 and 51 eggs above the pre-war (1935-39) average. For 1945 it is expected that egg consumption will be moderately higher and probably will reach between 355 and 360 eggs per capita. This record egg consumption will probably result from a combination of factors: (1) a continuation of a high level of national income, (2) reduction in civilian supplies of meat in 1945 from 1944 amounting to about 10 percent. Although accurate data are not available as to the substitution of eggs for meat, it is believed that, in view of shortages of meat, some substitution does take place.

Military procurement of eggs during the past few months, as indicated by market reports, has been rather heavy, probably ahead of the previous year. Unless there is an abrupt end of war in Europe, military procurement probably will continue large.

Although additional possible outlets have recently been indicated for dried egg, the demand for new supplies of dried egg has not been as strong as in the previous year. WFA top purchase price for dried whole eggs for February delivery was 6.5 cents below the ceiling level, while last year the ceiling price of $1.185 per pound, f.o.b. New York basis, was paid. As of February 17, 1945, purchases for February 1945 delivery amounted to 4.4 million pounds compared with 27 million pounds for February 1944 delivery on the comparable date in 1944.

Table 2.- Purchases of dried whole egg by the War Food Administration through February 17, 1945, by months scheduled for delivery

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	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	19.9	16.1	16.4	20.1	28.1	209.6
1944	26.4	27.0	18.3	27.7	27.0	26.1	24.8	31.5	24.2	20.4	12.8	7.6	273.8
1945	6.1	4.4	.2										

Conditions Favorable For Egg Prices to be Above Last Year

With a prospective reduction in egg production in 1945 of 8 to 12 percent, and with civilian consumption averaging close to 5 percent above last year, conditions are favorable so that farmers will probably receive higher prices for eggs than in 1944. However, WFA dried egg procurement and price-support policies may affect this situation.

Since more than enough eggs will be available to meet all demands for shell and frozen eggs during the next 4 months, including normal storage demand, prices paid for dried egg and the quantities purchased will be important factors effecting farm egg prices. Recently Amendment 2 to RMPR 333 was issued which revised dried whole egg ceiling prices from those in effect last year. This revision resulted in a lowering of the ceiling prices by 3 cents for March through June to $1.12 per pound, f.o.b. New York. On that basis, it is estimated that dried egg manufacturers could pay about $9.60 per case, or 32 cents a dozen, for eggs in the midwest. Past relationships indicate that this would result in an average farm price of about 30 to 32 cents per dozen in the flush production season. During the second quarter of 1944, farmers received an average of 27 cents for eggs -- 90 percent of parity.

Poultry Supplies to Remain Far Short of Demand

Marketings of poultry meat will decline seasonally for the next few months and will be materially less than last year, reflecting the 20 percent decline in number of chickens raised in 1944 compared with 1943. Furthermore, the rate of culling probably will not be as great in early 1945 as in early 1944. Higher egg prices will tend to keep layers on farms. Also the number of pullets available as replacement stock is very low. The number of pullets not of laying age on farms February 1 -- 28 million -- is 26 percent less than a year ago and the smallest number in 6 years of record.

The demand for poultry meat will continue strong. Military procurement calls for at least 200 to 250 million pounds of dressed weight equivalent for the canned poultry program. Furthermore, purchases of poultry by the Quartermaster Corps under WFO 119 averaged 4 million pounds per week during January. In addition, the military has been procuring chicken meat in territories not covered by WFO 119.

The civilian demand, in view of smaller supplies of meat and favorable consumer income, will be strong. Supplies during 1945 will be less than in 1944, by about 10 percent, so that demand will exceed the supplies at ceiling prices by a wide margin.

During the summer of 1944, because of declines in military procurement and large meat supplies, poultry prices were below ceiling levels. With the wholesale and retail prices of poultry expected to be at ceilings, farmers probably will receive somewhat higher prices for chickens in 1945 than in 1944.

Commercial Chick Output Increases in Areas In and Surrounding Broiler Producing Territories

Primarily due to a strong demand for chicks by broiler growers, commercial hatchery operations in areas in and surrounding broiler-producing territories showed increases in January 1945 from the previous January. In the New England, Middle Atlantic and South Atlantic States, there were increases in commercial hatchings of 43, 12, and 34 percent, respectively.

The demand for chicks for farm flock replacement purposes during January was not so strong as in the previous year. This was probably due to the relatively low egg prices during most of 1944 and the unfavorable egg-feed price relationships. The egg-feed price ratio (revised series) for the last 6 months of 1944 averaged 13.0 compared with 15.0 for the last 6 months of 1943 and a 10-year average (1934-43) for the period of 14.2

Decreases in commercial hatchings in January from the previous year amounting to 26 percent were reported in the East North Central States. The West North Central States and South Central States also reported declines in hatchings during January. The greatest decrease was in the Rocky Mountain States, where last year marketing problems made price-support activities difficult. In those States 288,000 commercial chicks were hatched in January 1945 compared with 1.1 million in January 1944 and the 5-year (1939-43) January average of 848,000. For the United States as a whole, commercial hatchings in January were 5 percent above last year.

Correction--Source of Baby Chicks for Commercial Broiler Production

In the January issue of The Poultry and Egg Situation it was stated that the New England States were the primary source of chicks for the Del-Mar-Va Peninsula and the Shenandoah Valley. This should have read: The New England States are the primary source of imported chicks. According to surveys made in Delaware and Maryland, one-fourth to one-third of the baby chicks raised in the Del-Mar-Va Peninsula are hatched in the New England Area. The greater part of the chicks raised are hatched locally.

Record Turkey Crop In Prospect For 1945

As of February 1, turkey growers intended to raise 8 percent more turkeys in 1945 than in 1944. In 1944 a record number of 36.4 million birds (revision from the August estimate of 35.7 million birds) were raised.

With the number of breeder hens on farms January 1, 1945 -- 4.7 million -- 6 percent above that of January 1, 1944, an 8 percent increase in the number of turkeys raised over last year is possible. Some differences exist between the intentions and the actual number raised because of various factors. Among these are the prices of poults, the prospective demand, and feed prices. In 1944, for the first time in 7 years of record, the number raised exceeded the intentions by 8 percent. In previous years the intentions exceeded the number raised.

The requirements of the armed forces appear at least as large in 1945 as in 1944. Civilian demand probably will remain strong during most of the year. During 1944, demand for turkeys exceeded supply by a wide margin at ceiling prices. The average price received by turkey growers in 1944 was 31.6 cents per pound, the highest ever reported. Feed supplies at present are somewhat larger than last year and prices of most feed grains for the current marketing year probably will average slightly below 1943-44. Hence it is likely that the number of turkeys raised will agree fairly closely with the intentions.

RECENT DEVELOPMENTS

100 Percent Set-Aside Issued on Canned Poultry

War Food Order 125, effective February 14, 1945, provides for the set-aside of 100 percent of canned poultry (chicken and turkey) for sale to designated governmental agencies. Military requirements are set at approximately 70 million pounds of canned items or the equivalent of 200 to 250 million pounds of dressed poultry.

Besides requiring 100 percent set-aside of the canned poultry, the order prevents the use of poultry meat in products such as chicken soup, chicken or turkey-a-la-king and chicken and noodle mixtures. The order further restricts the evisceration of chickens and turkeys to "authorized poultry eviscerators" who are required to process according to U. S. Army specifications. Such eviscerated poultry must then be set aside for sale to "authorized poultry canners" for fulfillment of Army contracts or else to be released by governmental agencies.

The canning of poultry is a development which gained impetus with the coming of the war. Near the end of 1941 the Agricultural Marketing Administration, a predecessor of the War Food Administration, purchased canned boned chicken and canned boned turkey for lend-lease purposes. Since that time, the armed forces have been procuring large quantities. Available indications show that prior to 1939 probably less than 40 million pounds of dressed poultry were used for canning purposes.

An indication of the quantities of chicken and turkey which have gone into canning operations are the amounts certified for canning by the U. S. Department of Agriculture Inspection Service. Although this does not give complete coverage, since some processors do not have inspection service, it does indicate the relative amount of poultry which went into canning operations. In 1943, it is estimated that about 90 percent of the poultry canned was certified for canning purposes by the Inspection Service.

Table 3.- Poultry certified for canning by the Inspection Service

(Dressed weight basis)

Fiscal year ending June 30	Quantity
	Million pounds
1939	36.4
1940	49.4
1941	50.3
1942	73.8
1943	89.4
1944	94.7

Poultry Withdrawals from Storage Four Times Average

Reflecting the strong demand for chicken meat, withdrawals from cold storage during January were at a record level. A net out-movement of 45 million pounds took place. Most of the withdrawals were fowls, which decreased almost 31 million pounds from January 1 to February 1. The heavy withdrawal probably was due in part to the strong demand for this type of chicken meat for canning purposes. Although stocks of poultry meat were the second largest ever reported for February 1, available cold-storage stocks for civilian purposes were probably not much above average. Of the total 216 million pounds in cold storage, almost half was Government owned.

Table 4.- Poultry storage stocks: United States, January 1 and February 1, 1935-39 average, 1944-45

Month and year	Total	Government holdings	Non-Government holdings
	1,000 pounds	1,000 pounds	1,000 pounds
January 1, 1935-39 average	137,977	---	137,977
February 1, 1935-39 average	130,612	---	130,612
January 1, 1944	226,161	---	1/226,161
February 1, 1944	239,993	---	1/239,993
January 1, 1945	269,021	93,774	175,247
February 1, 1945	215,735	98,814	116,921

1/ Includes Government holdings, for which information is not available.

Egg Production Below Last Year; Prices Firm at Ceilings

For the first time in 5 years, January farm egg production--346 million dozen--declined from the previous year. Compared with January 1944, output in January 1945 was 8 percent less. Accounting for this decline was a reduction of 1 percent in the rate of lay, and a 7 percent smaller number of layers on farms.

Supplies of eggs in January were below those of last year because of the 8 percent decline in production. This was partially offset by withdrawals of commercial shell and frozen eggs from cold storage. The total net out-movement in January was the equivalent of 1,877,000 cases compared with the equivalent of 458,000 cases in January 1944. About half of the out-movement in January this year was due to Government withdrawals, principally by WFA for custom drying purposes. In January 1944, for the first time on record, there was a net in-movement of shell eggs into cold storage.

Although egg production declined 8 percent from that of the previous year, more eggs were available for civilian consumption, principally as a result of declines in WFA's purchase of dried egg for January. Dried egg purchased for January 1945 delivery totaled only 6 million pounds compared with 26 million pounds in January 1944. The equivalent of 2 million more cases was available for civilian consumption in January this year than last.

With the strong civilian demand for shell eggs and military procurement probably running at least as large as last year, the mid-January average price received by farmers showed much less than the usual decline from the previous month. The January 15, 1945, farm price for eggs--41 cents per dozen--was 8 percent below that of the previous month compared with a usual 23 percent decline. The January farm price was 6.4 cents above January 1944.

Since mid-January, wholesale price quotations have declined in accordance with the OPA ceiling regulations. Current receipts at Chicago on January 15 were 38.9 cents per dozen while on February 17 they had declined to 34.4 cents per dozen. At the latter level the price was still 2.4 cents above that of the previous year. Embargoes on civilian freight shipments and transportation difficulties in the Northeastern areas resulted in some pressure on ceiling prices. In some cities market reports indicated that supplies were short of the demand at the ceilings by a small margin.

Revised Poultry Products-Feed Price Ratios Issued

New series of egg-feed, poultry-feed, and turkey-feed price ratios, have been computed and published in Agricultural Prices issued by the Bureau of Agricultural Economics January 29, 1945. A future issue of The Poultry and Egg Situation will carry further details and comparisons between the old and new price ratios.

Because of higher prices received for eggs, the egg-feed price ratio in mid-January 1945 (revised series) was 21 percent above that of 1944 and 13 percent above the 10-year average. The ratio showed a contraseasonal increase of 9 percent from December, whereas there is usually no change from December to January.

Inventory Value of Poultry Exceeded Only by Last Year

The aggregate value of chickens on farms (exclusive of broilers) January 1, 1945 was $616,000,000, 9 percent below the record of last January 1 but otherwise the highest on record. The average inventory value per chicken was $1.11, 6 cents below the January 1944 inventory value, but almost double the 1934-43 average value. The decline in average value from last year was primarily due to the decreases in egg prices during the early part of 1944 so that the value imputed to chickens on the first of January this year was not so great as on January 1, 1944. The inventory value of chickens tends to reflect the relative profitability in egg production.

Both the aggregate and the per head value of turkeys on farms January 1, 1945 were the highest on record. This reflected the prospective strong demand for turkey meat; numbers on hand were slightly below those of the previous year. The average inventory value was $5.75 per head, more than double the 1934-43 average and 9 percent above that of January 1, 1944. The aggregate value, 43 million dollars, was 3 million dollars above that of the previous year.

Table 5.- Chickens and turkeys, number on farms January 1 and value per head, number of chickens and turkeys raised, United States, average 1934-43, 1940-45

Year	Chickens: Number on farms Jan. 1	Chickens: Value per head	Turkeys: Number on farms Jan. 1	Turkeys: Value per head	Number raised: Chickens	Number raised: Turkeys
	Millions	Cents	Millions	Cents	Millions	Millions
Average 1934-43	433.6	69.6	6.7	255	702.9	29.0
1940	438.3	60.5	8.6	214	617.0	34.2
1941	422.9	65.4	7.3	226	716.8	33.2
1942	474.9	83.2	7.6	308	794.8	33.1
1943	540.8	103.7	6.7	446	934.0	33.0
1944	576.4	117.2	7.6	529	745.8	36.4
1945	511.1	111.0	7.5	575	1/716.0	1/39.5

1/ Based on intentions as of February 1, 1945.

EGGS USED IN PROCESSING, 1942-44

Prior to the last quarter of 1941, most eggs processed were put into frozen form. For the years 1935 through 1939 frozen egg production averaged 181 million pounds annually, the equivalent of 4.8 million cases, about 5 percent of the farm egg production. Since 1941, large quantities of eggs have been frozen and dried at later dates. For the past 3 years (1942, 1943, 1944) between 20 and 25 percent of the total farm egg production has been put into processed form and utilized in forms other than that of shell eggs.

Table 6.- Shell eggs used in processing, 1942-44

(Millions of cases)

Year	Liquid produced for immediate consumption	Net frozen production 1/	Eggs used in drying: Frozen	Shell: Storage	Shell: Fresh	Total Eggs Processed	Eggs processed as a percentage of farm production
1942	.5	3.8	3.1	3.0	16.5	26.9	20.0
1943	.7	6.8	4.2	3.3	17.6	32.6	21.7
1944	.9	8.9	4.7	2.9	24.1	41.5	26.0

1/ Total frozen egg production minus frozen eggs used in drying.

With a large expansion in egg-drying activities, mainly because of lend-lease requirements, an increasing volume of eggs has been utilized for dehydrating purposes. About 18 percent of the farm egg production in the past 3 years was dried. In 1944 the equivalent of 32 million cases of eggs, 18 percent of the farm egg production, was used for drying purposes. Most of this was converted during the spring and came from fresh shell eggs. Net frozen egg production (total frozen egg production minus quantities used for drying) has shown large increases during the past 3 years. Probably accounting for this are the increased uses of frozen eggs by the bakery industry.