

# Chicken Fax

Editor : Kyle Deslauriers

January 2019

## Volume 27, Issue 1

**Section 1 - Production, Supply and Disappearance**

**Section 2 - Chicken Prices**

**Section 3 - Storage Stocks**

**Section 4 - American Chicken Market**



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

The November 2018 year-to-date (YTD) fresh supply reached 1,316.6 Mkg, representing an increase of 55.8 Mkg (+4.4%), while total supplies increased by 58.2 Mkg (+4.5%). Imports saw a decrease of 2.6 Mkg (-1.7%), while exports declined 11.4 Mkg (-7.7%).

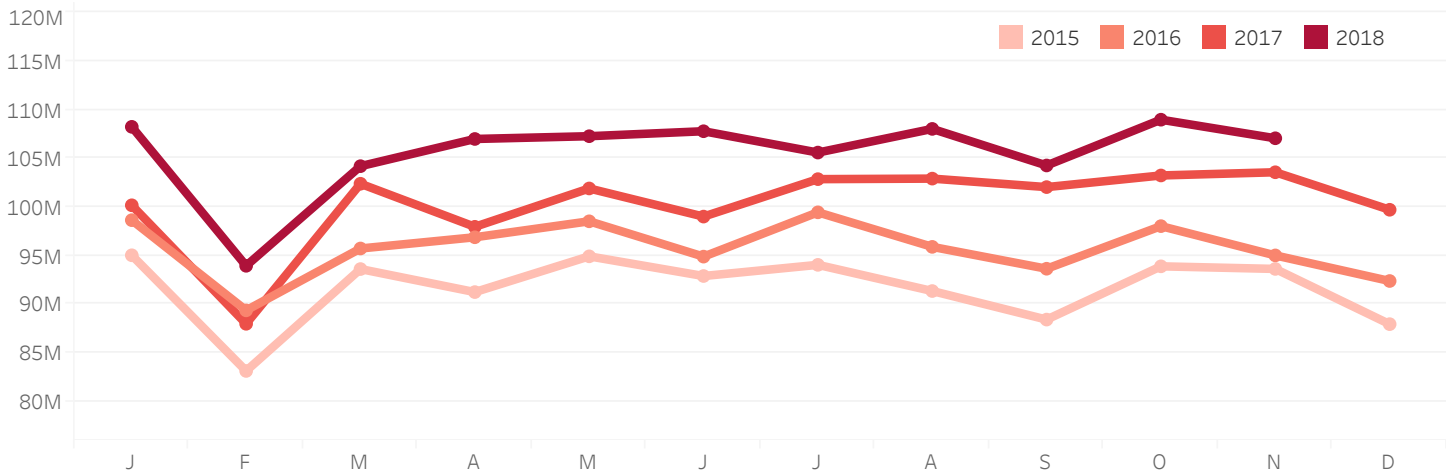
	Supply and Disappearance		Change	
	Jan. - Nov.			
	2017	2018		
Opening Stocks	42.0M	44.5M	2.5M	5.9%
Production	1,104.1M	1,162.5M	58.4M	5.3%
Imports	156.7M	154.1M	-2.6M	-1.7%
Fresh Supply	1,260.8M	1,316.6M	55.8M	4.4%
Total Supply	1,302.8M	1,361.0M	58.2M	4.5%
Exports	147.8M	136.5M	-11.4M	-7.7%
Closing Stocks	41.7M	49.5M	7.8M	18.6%
Domestic Disappearance	1,113.2M	1,175.1M	61.9M	5.6%

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

Note: The commentary provided is the view of CFC staff only. Reproduction of any section's commentary is permitted provided it is published in its entirety and proper credit is given.

# Section 1 - Production, Supply and Disappearance

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



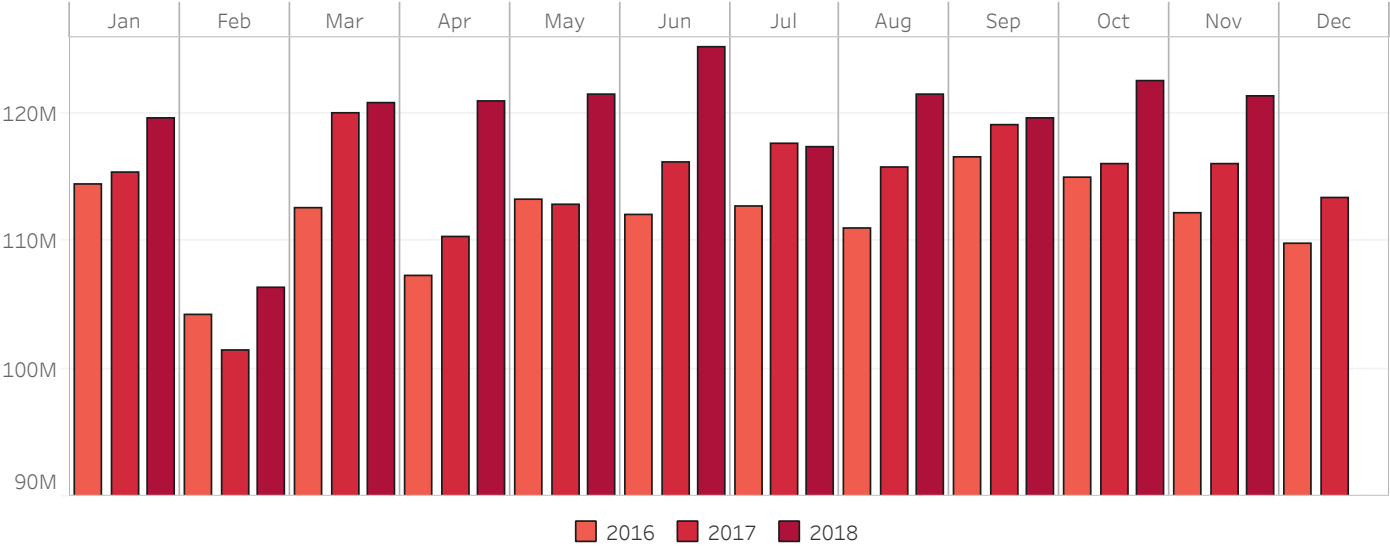
	Production Jan. - Oct. Mkg		Change	
	2017	2018		
BC	157.7M	171.3M	13.6M	8.6%
AB	105.6M	112.3M	6.7M	6.4%
SK	41.5M	42.2M	0.8M	1.8%
MB	46.2M	47.3M	1.1M	2.3%
ON	367.6M	391.8M	24.2M	6.6%
QC	301.2M	308.4M	7.2M	2.4%
NB	29.9M	31.0M	1.1M	3.5%
NS	37.4M	39.0M	1.7M	4.5%
PEI	3.9M	4.1M	0.2M	4.2%
NFLD	13.3M	15.1M	1.9M	14.1%
<b>Canada</b>	<b>1,104.1M</b>	<b>1,162.5M</b>	<b>58.4M</b>	<b>5.3%</b>

YTD production as of November 2018 was up 58.4 Mkg (+5.3%) over the same time last year. The strongest increases came from Newfoundland (+14.1%), British Columbia (+8.6%), Ontario (+6.6%), and Alberta (+6.4%).

	Monthly Production Mkg			
	2017		2018	
	October	November	October	November
BC	15.3M	14.7M	16.3M	15.1M
AB	9.9M	10.0M	10.7M	10.2M
SK	3.9M	3.7M	3.9M	3.9M
MB	4.4M	4.2M	4.2M	4.3M
ON	35.2M	35.4M	36.2M	37.0M
QC	27.0M	28.7M	29.4M	28.3M
NB	2.5M	3.0M	3.0M	2.8M
NS	3.5M	3.4M	3.6M	3.7M
PEI	0.3M	0.4M	0.5M	0.3M
NFLD	1.2M	0.3M	1.3M	1.4M
<b>Canada</b>	<b>103.2M</b>	<b>103.6M</b>	<b>109.0M</b>	<b>107.1M</b>

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

### Fresh Chicken Supply (Mkg)



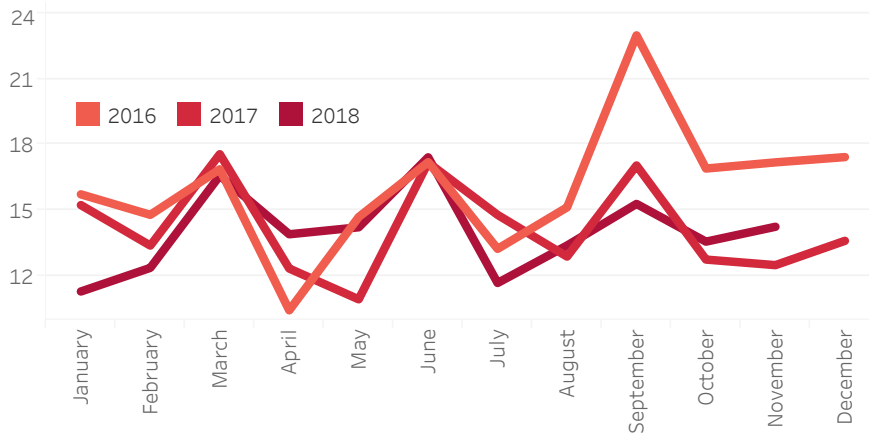
The Domestic Disappearance for November 2018 was 1,175.1 Mkg, marking an increase of 61.9 Mkg (+5.6%) over last year.

Fresh Chicken Supply Mkg		
	2017	2018
January	115.4M	119.6M
February	101.4M	106.3M
March	120.0M	120.8M
April	110.3M	120.9M
May	112.9M	121.5M
June	116.2M	125.2M
July	117.7M	117.3M
August	115.8M	121.4M
September	119.1M	119.6M
October	116.0M	122.6M
November	116.1M	121.3M
December	113.3M	

Domestic Disappearance Mkg		
	2017	2018
January	100.4M	103.1M
February	88.5M	94.6M
March	108.0M	104.7M
April	91.6M	104.5M
May	101.8M	109.7M
June	103.8M	110.7M
July	103.6M	108.1M
August	103.5M	111.8M
September	107.6M	108.8M
October	99.8M	111.2M
November	104.5M	107.8M
December	99.4M	

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

### Total Chicken Imports (Mkg)



Chicken imports as of November 2018 YTD saw a decline of 2.6 Mkg (-1.7%) over last year. The majority of the volume decline came from parts bone-in, which fell 7.5 Mkg (-18.3%), followed by the other category, which fell 3.4 Mkg (-66.7%). The carcass category also fell a significant 92.1%, which translates into 1.1 Mkg. Conversely, imports under the parts boneless category increased 8.2 Mkg (+10.3%), in addition to the further processed category, which increased 1.1 Mkg (+3.7%).

	Jan. - Nov. Kg		Change	
	2017	2018		
Live	0.0M	0.0M	0.0M	
Carcass	1.2M	0.1M	-1.1M	-92.1%
Parts, Bone-in	40.8M	33.3M	-7.5M	-18.3%
Parts, Boneless	80.1M	88.4M	8.2M	10.3%
Other	5.0M	1.7M	-3.4M	-66.7%
Further Processed	29.5M	30.6M	1.1M	3.7%
<b>Total</b>	<b>156.7M</b>	<b>154.1M</b>	<b>-2.6M</b>	<b>-1.7%</b>

	2017		2018	
	October	November	October	November
Live	0.0M	0.0M	0.0M	0.0M
Carcass	0.1M	0.0M	0.0M	0.0M
Parts, Bone-in	2.7M	3.3M	2.8M	2.9M
Parts, Boneless	6.9M	6.4M	7.6M	8.5M
Other	0.4M	0.4M	0.2M	0.1M
Further Processed	2.6M	2.3M	3.0M	2.7M
<b>Total</b>	<b>12.8M</b>	<b>12.5M</b>	<b>13.6M</b>	<b>14.3M</b>

Source: Agriculture and Agri-Food Canada

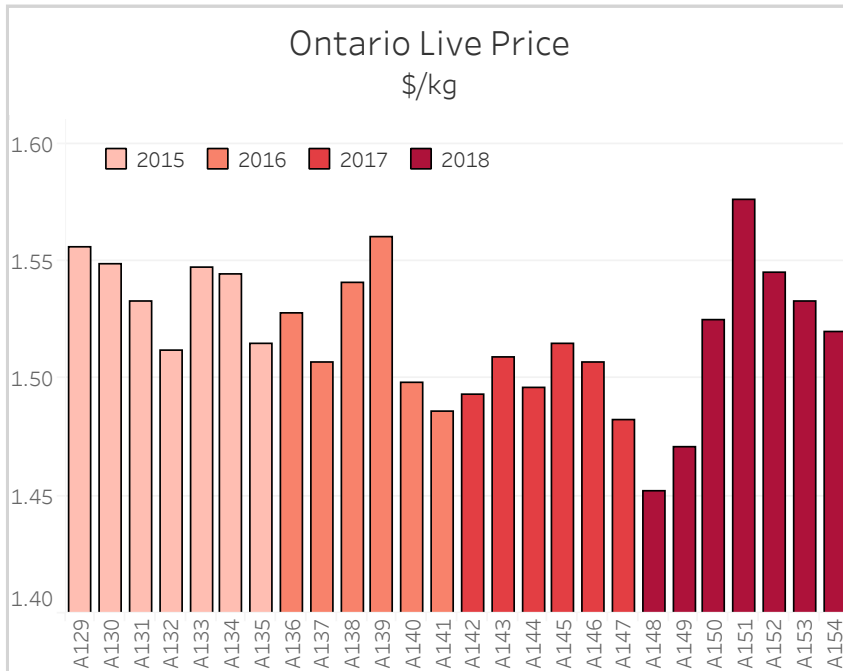
\* Chicken imports are reported on eviscerated equivalent basis

### Chicken Products Exported

Jan. - Nov. Kg	
2017	2018
147.8M	136.5M

Source: Agriculture and Agri-Food Canada

## Section 2 - Chicken Prices

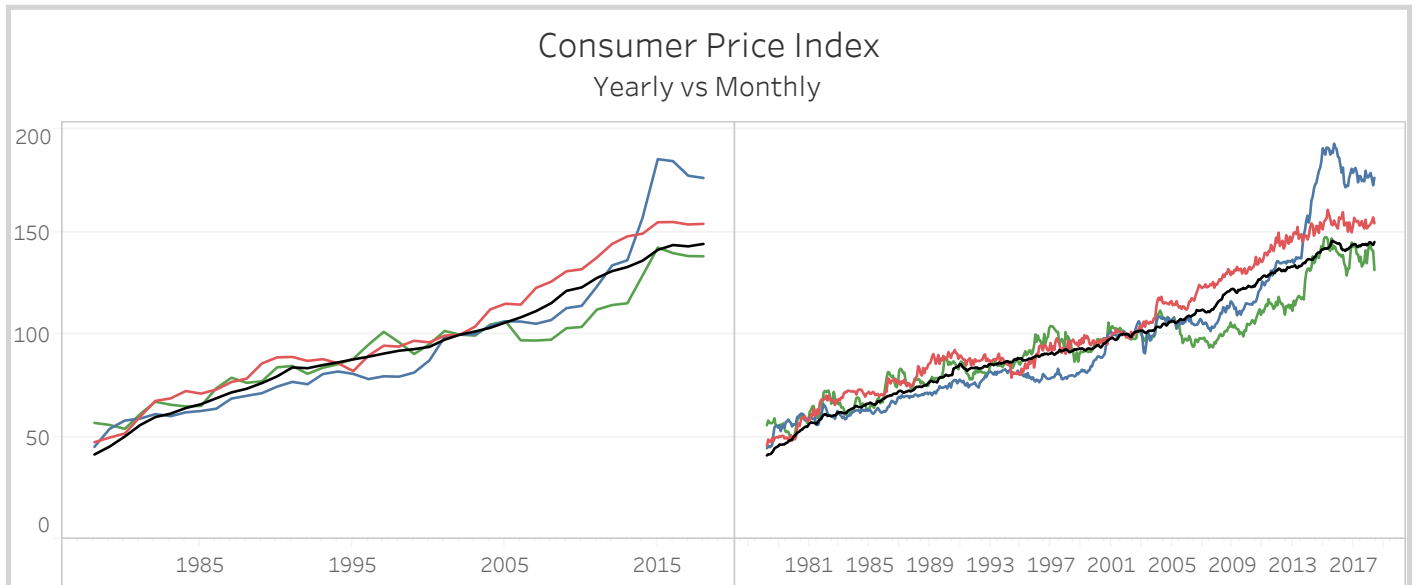


The consumer price index (CPI) for chicken as of November 2018 was 154.4, signifying an increase of 1.0 over last year. Meanwhile, the CPI for beef sat at 176.7, down 0.9 over last year, and pork sat at 131.6, down 4.2 over last year.



- Commodity**
- Food
  - Fresh or frozen chicken
  - Fresh or frozen beef
  - Fresh or frozen pork

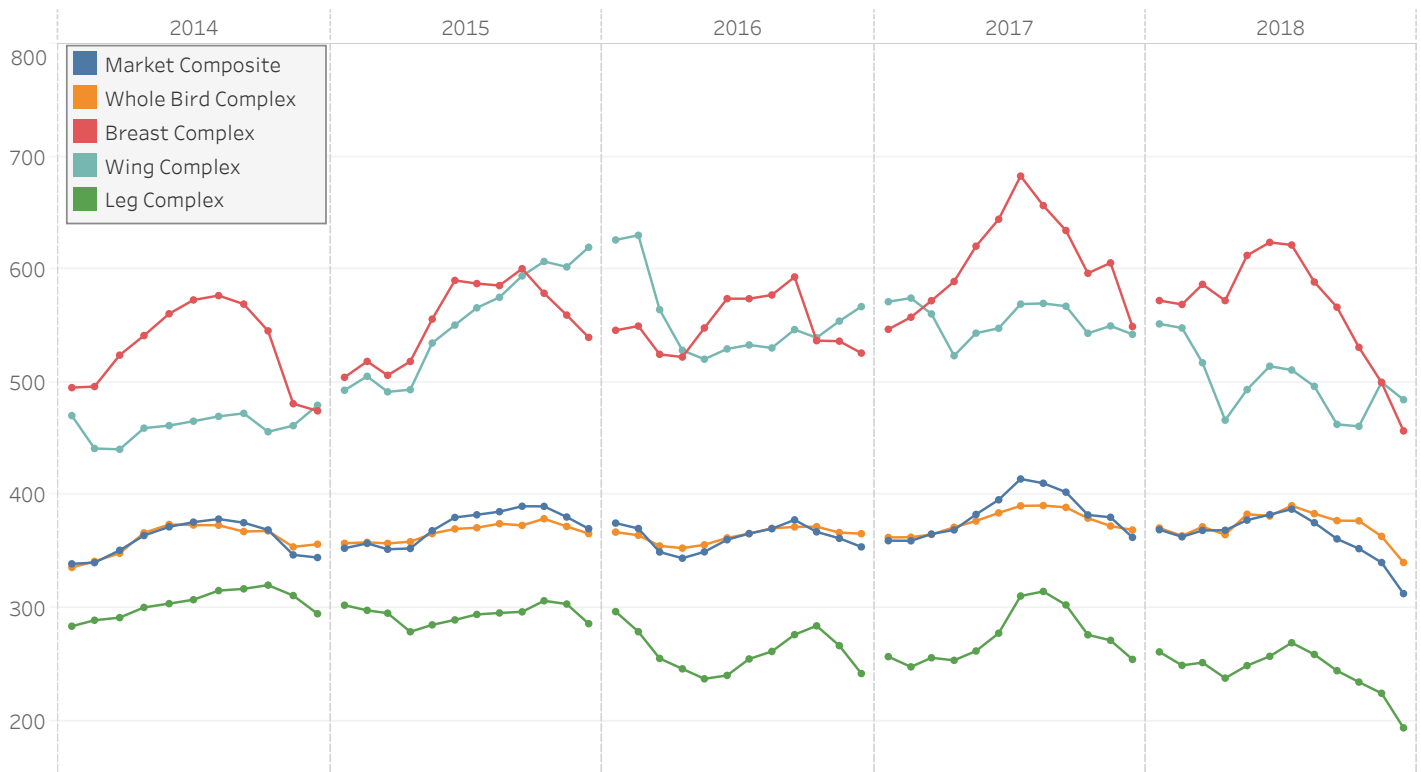
**Location**  
All



## Canadian Wholesale Chicken Prices ¢/kg

	2017				2018			
	September	October	November	December	September	October	November	December
<b>Market Composite</b>	402.8	382.6	380.6	362.8	361.4	352.7	340.4	312.9
<b>Whole Bird Complex</b>	389.3	379.8	372.8	369.3	377.6	377.4	363.6	340.5
<b>Breast Complex</b>	634.7	596.8	606.0	549.5	566.7	531.1	499.9	457.1
<b>Wing Complex</b>	567.6	543.6	550.1	542.7	462.9	461.1	500.2	484.7
<b>Leg Complex</b>	302.9	276.4	271.5	254.6	244.6	234.5	224.6	194.0

The market composite for December 2018 averaged \$3.13/kg, down \$0.50 from last year. Prices in the breast complex have experienced the greatest decline since last year, at a price of \$4.57/kg, the complex fell \$0.92. Meanwhile, the leg complex experienced the second largest drop, falling \$0.61 to a price of \$1.94/kg. The wing complex fell \$0.58 to \$4.85/kg, while the whole bird complex fell \$0.29 to \$3.41/kg.



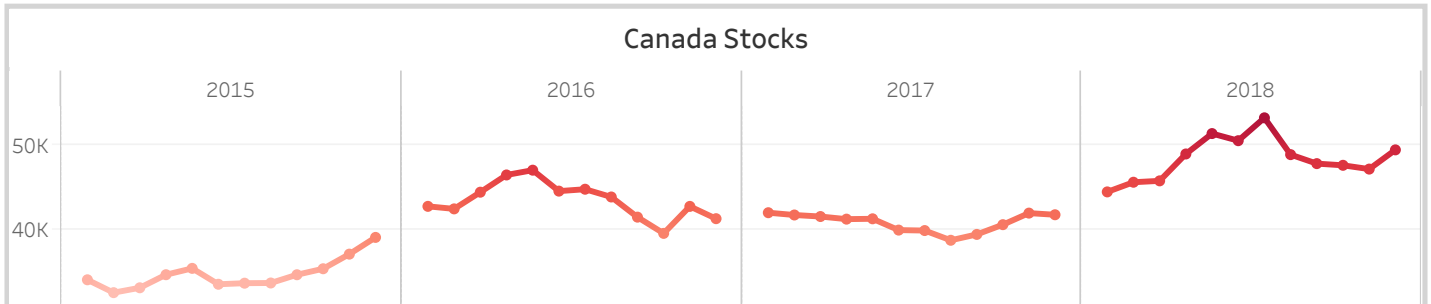
Source: EMI Express Markets Inc.

\* The Market Composite price is the simple average of 5 sub-composites, which are the weighted average of individual products, further weighted by each product's percentage make-up of WOG

# Section 3 - Storage Stocks

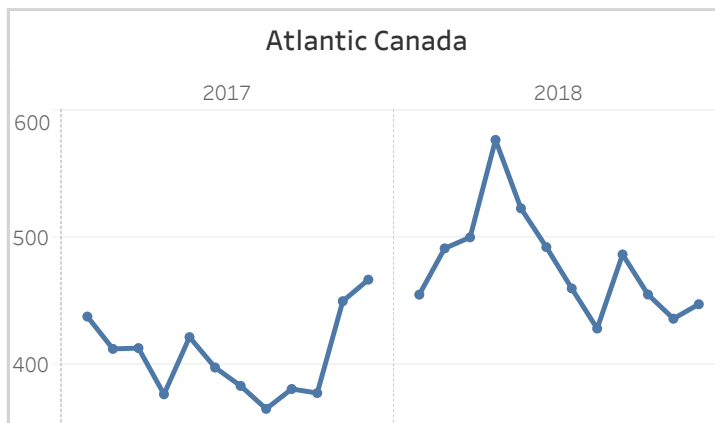
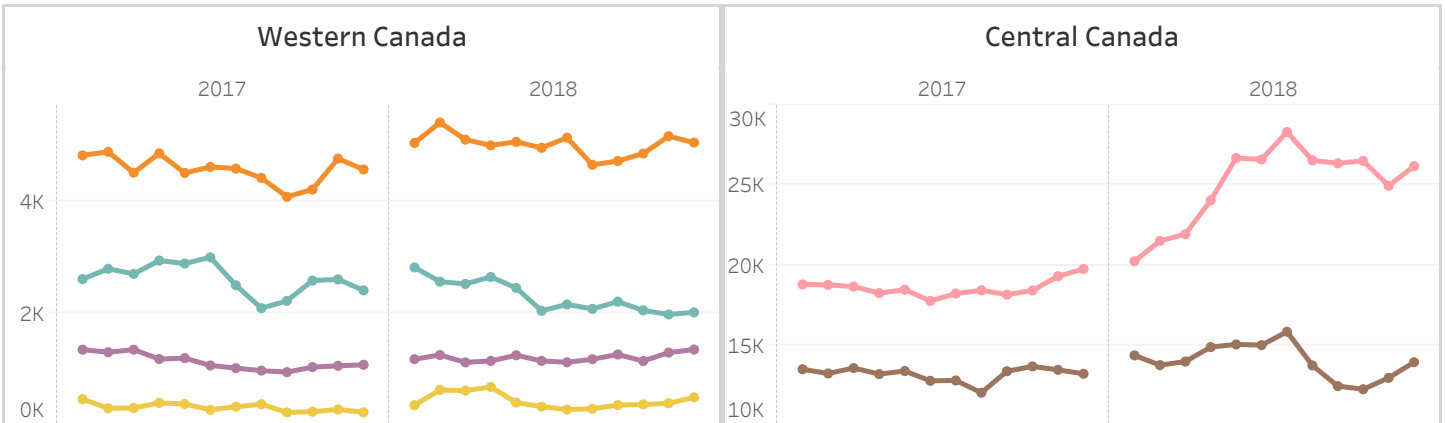
**by Province**  
**'000 Kg**

	2017		2018	
	November	December	November	December
BC	4,776	4,581	5,176	5,063
AB	2,612	2,415	1,984	2,020
SK	280	229	391	498
MB	1,062	1,081	1,299	1,354
ON	19,297	19,753	24,952	26,175
QC	13,450	13,206	12,951	13,928
Atlantic	450	467	437	448



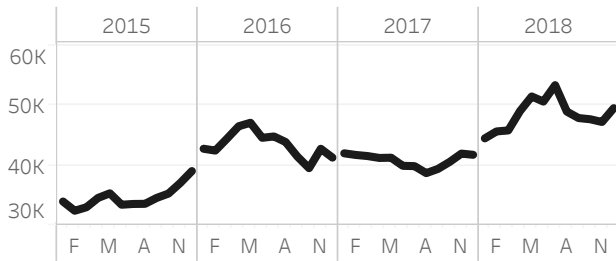
Stocks by Province  
Canada Stocks

■ BC 
 ■ AB 
 ■ SK 
 ■ MB 
 ■ ON 
 ■ QC



Source: Agriculture and Agri-Food Canada

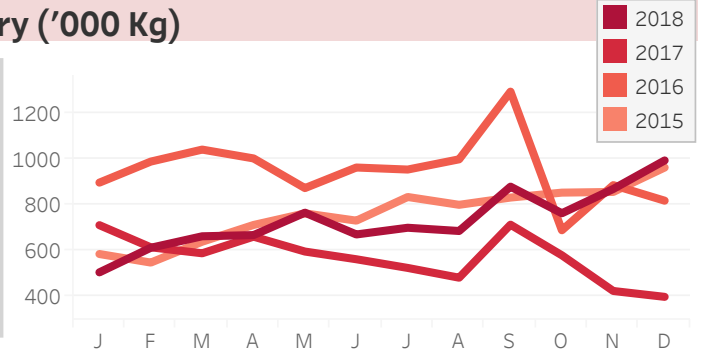
## Total Chicken Storage Stocks ('000 Kg)



Storage stock level for December 2018 were 49.5 Mkg, representing an increase of 7.8 Mkg (+18.6%) over December 2017. From a provincial perspective, the largest percentage increases year-over-year were in Saskatchewan (+117.2%), Ontario (+32.5%), and Manitoba (+25.3%). As for stock categories, the largest percentage increase was in the whole category at +148.4%, yet volume-wise that only accounted for a 0.6 Mkg increase. The cut-up category experienced the second largest percentage increase of +30.7%, which translated into a noteworthy +5.3 Mkg over last year. The further processed category also saw a sizeable 2.5 Mkg (+12.1%) increase.

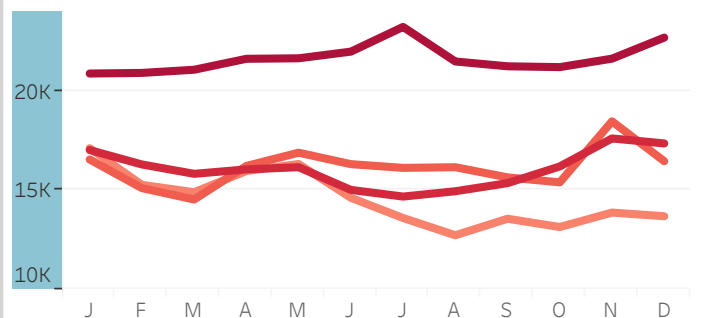
## Whole Category ('000 Kg)

	2017		2018	
	November	December	November	December
< 2 kg	278	246	467	567
> 2 kg	147	154	402	426



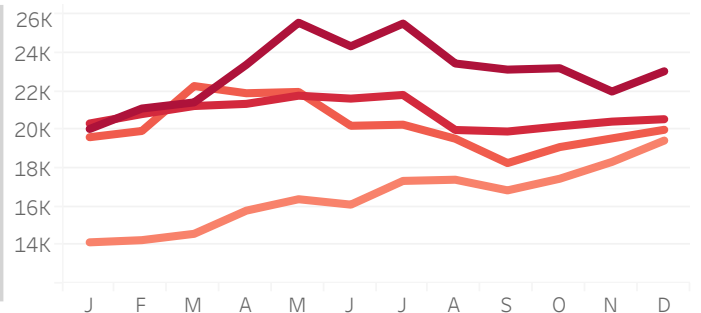
## Cut-up Category ('000 Kg)

	2017		2018	
	November	December	November	December
Legs	3,911	3,471	3,946	4,638
Breasts	6,670	7,346	6,886	6,836
Wings	4,337	3,737	4,086	4,100
Other	2,691	2,803	6,712	7,117



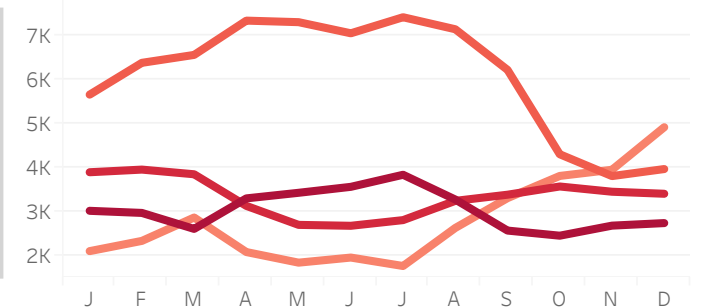
## Further Processed Category ('000 Kg)

	2017		2018	
	November	December	November	December
Breasts	2,621	2,701	2,795	2,721
Other	17,815	17,862	19,209	20,337



## Miscellaneous Category ('000 Kg)

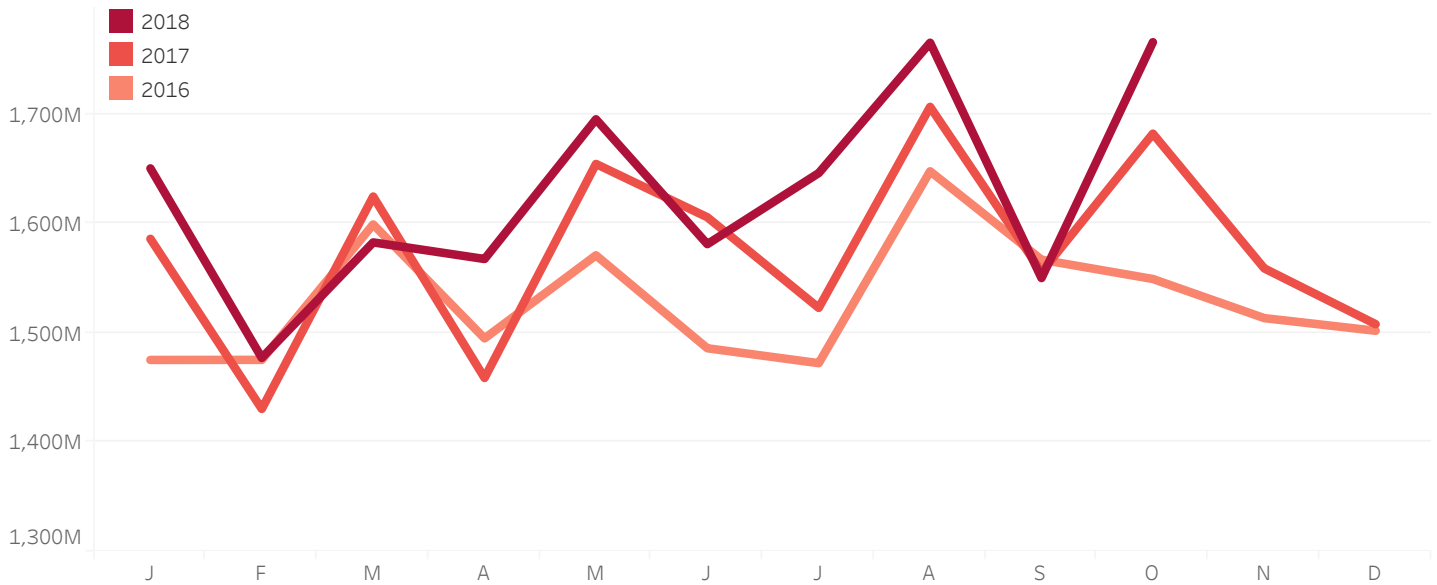
	2017		2018	
	November	December	November	December
Miscellaneous	3,456.5	3,410.3	2,685.5	2,743.7





## Section 4 - American Chicken Market

### National Chicken Slaughter (Mkg)



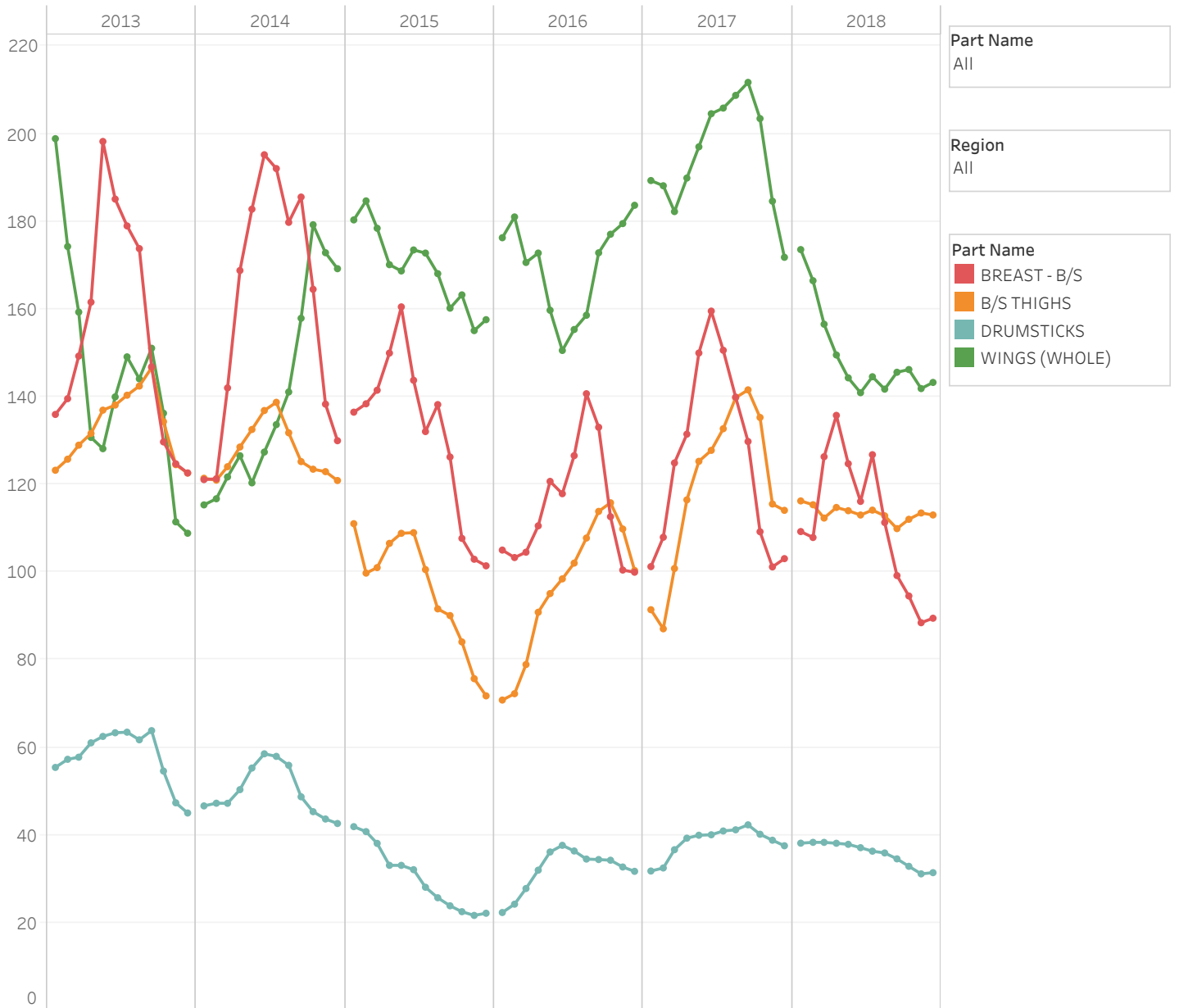
### National Chicken Slaughter (Mkg)

	2017	2018
January	1,586.2M	1,650.6M
February	1,430.6M	1,477.2M
March	1,624.9M	1,582.9M
April	1,458.9M	1,567.7M
May	1,654.7M	1,695.5M
June	1,605.9M	1,581.3M
July	1,523.0M	1,646.3M
August	1,706.9M	1,765.5M
September	1,555.8M	1,550.3M
October	1,682.4M	1,766.0M
November	1,559.1M	
December	1,508.1M	

Source: United States Department of Agriculture

# USDA - Wholesale prices

Weighted Average - Cents per pound



Source: United States Department of Agriculture

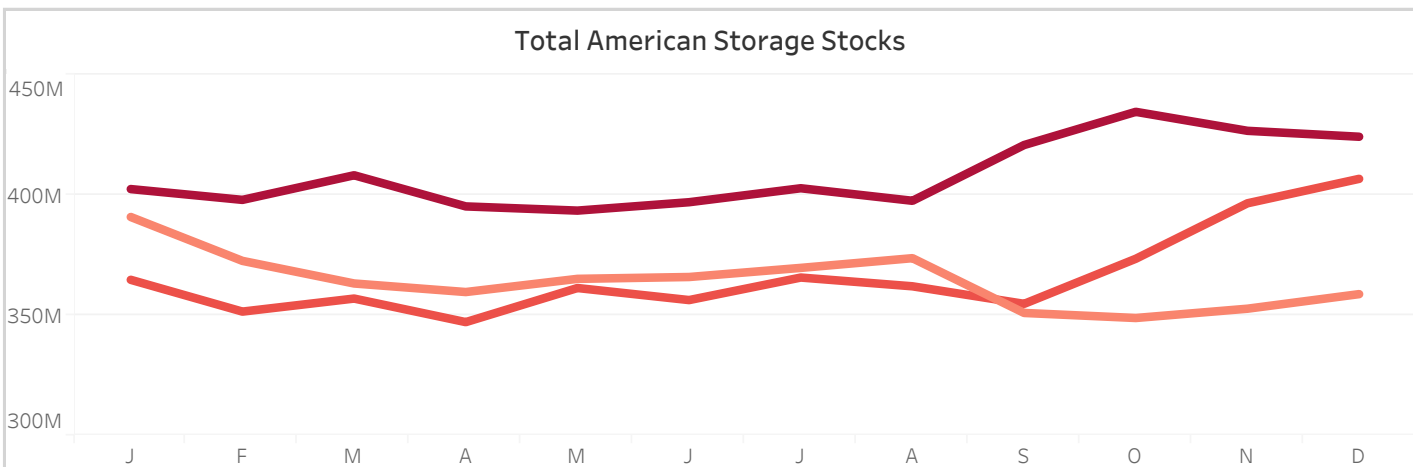
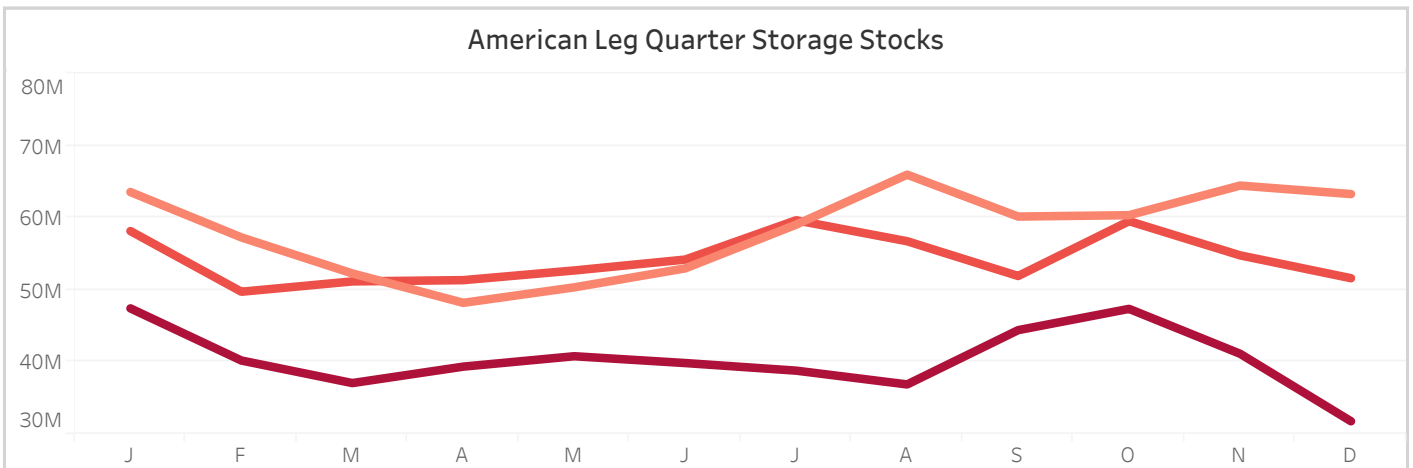
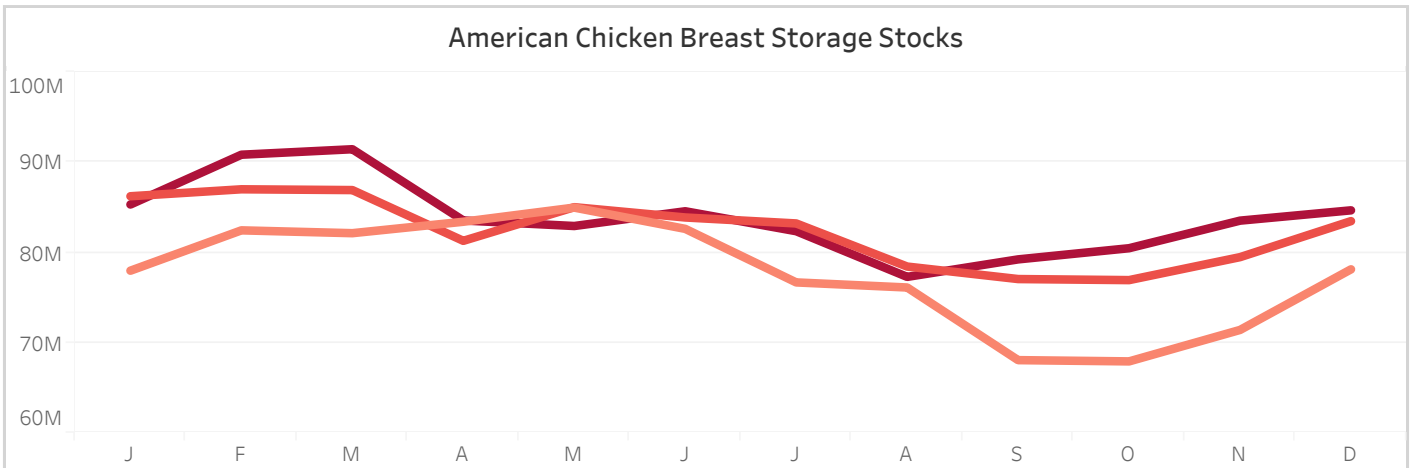
US wholesale prices for December 2018 were down in every cut. The most significant year-over-year percentage drop was in the wing category, which fell \$0.29/lb (-16.6%), followed by drumsticks which were down \$0.06/lb (-16.3%). Boneless breast prices were down a noteworthy \$0.14/lb (-13.2%). The least significant drop was in boneless thighs, down \$0.01/lb (-0.9%) over last year.

### American Chicken Storage Stocks

Mkg

	2017			2018		
	October	November	December	October	November	December
<b>Breast</b>	76.9M	79.5M	83.5M	80.5M	83.5M	84.7M
<b>Leg</b>	59.5M	54.8M	51.6M	47.4M	41.1M	31.8M
<b>Total Stocks</b>	373.5M	396.5M	406.7M	434.5M	426.7M	424.2M

2016 2017 2018



Source: United States Department of Agriculture



## **Chicken Farmers of Canada**

350 Sparks Street  
Suite 1007  
Ottawa, Ontario  
K1R 7S8

Tel. : (613) 241-2800  
Fax : (613) 241-5999  
Email : [cfc@chicken.ca](mailto:cfc@chicken.ca)

[www.chicken.ca](http://www.chicken.ca)