Poultry Situation and Outlook: 2003-04
Broilers, Turkeys and Eggs

John D. Lawrence
Extension Livestock Economist
Iowa State University

Presented at the American Agricultural Economics Association Meetings, Montreal, July 28, 2003,
Factors Shaping Outlook

• **Supply**
  – Tighter margins
  – Foreign animal disease

• **Demand**
  – Exports and quotas
  – Domestic consumption
Supply

- **Tighter margins**
  - Broilers: positive, but declining
  - Turkeys: some negative, and declining
  - Eggs: several negative, but stable

- **Disease problems**
  - Exotic Newcastle Disease
  - Avian Influenza
  - Some trade restrictions by state
Demand

- Domestic consumption
  - Egg down one egg
  - Broilers on trend upward
  - Turkeys stable

- Exports
  - Broilers: Russia down 33% in 2002 and new quota in 2003
  - Turkeys: Down 10% in 2002
Wholesale 12 City Broiler Meat Prices, RTC

- $50
- $52
- $54
- $56
- $58
- $60
- $62
- $64

J F M A M J J A S O N D

2001 2002 2003
Net Return Before Interest & Overhead
(Cents/lb or Dozen)
Intended Placement Broiler-Type Chicks
(1000)

Jan  Feb  Mar  Apr  May  Jun  Jul  Aug  Sep  Oct  Nov  Dec

2001  2002  2003
Weekly Broiler Production (1000)

1st half '03 -1.4%
'02 v. '01 +1.8%

1 5 9 13 17 21 25 29 33 37 41 45 49

2001 2002 2003
Weekly Turkey Production (1000)

1st half '03  +3.3%
'02 v. '01     +0.8%
Broiler Exports 2002

Total Exports Down 14% in ‘02

Russia 31% Down 33% in ‘02

Canada 4%

Hong Kong 13%

Singapore 1%

Mexico 7%

Japan 3%

Other 39%

Latvia 2%
Turkey Exports 2002

- **Mexico**: 42%
- **Other**: 29%
- **Hong Kong**: 16%
- **Russia**: 7%
- **Canasa**: 3%
- **S Korea**: 3%

Total Exports Down 10% in ‘02
Egg Production (Million Dozen)

Qtr 1 Qtr 2 Qtr 3 Qtr 4

2001 2002 2003 2004
<table>
<thead>
<tr>
<th>Quarter</th>
<th>2003</th>
<th>2003</th>
<th>2004</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3</td>
<td>4</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>12-City</td>
<td>60-62</td>
<td>58-62</td>
<td>57-61</td>
<td>59-63</td>
</tr>
<tr>
<td>Broilers</td>
<td>+8%</td>
<td>+12%</td>
<td>-2%</td>
<td>+2%</td>
</tr>
<tr>
<td>Eastern</td>
<td>63-65</td>
<td>68-72</td>
<td>59-63</td>
<td>63-67</td>
</tr>
<tr>
<td>Turkeys</td>
<td>-4%</td>
<td>+3%</td>
<td>0%</td>
<td>+7%</td>
</tr>
<tr>
<td>New York</td>
<td>74-76</td>
<td>77-83</td>
<td>74-80</td>
<td>69-75</td>
</tr>
<tr>
<td>Eggs</td>
<td>+15%</td>
<td>+6%</td>
<td>0%</td>
<td>-3%</td>
</tr>
</tbody>
</table>
Special Thanks

• Livestock Market Information Center
• USDA ERS Livestock, Dairy and Poultry