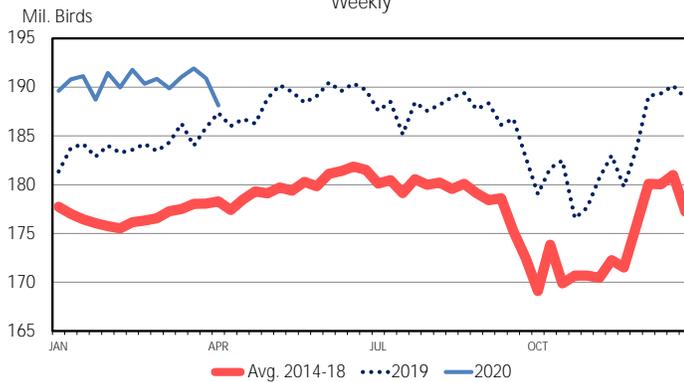


Broiler hatcheries are starting to respond to closures of broiler processing facilities. At the start of the year egg sets were 4.3% higher than the prior year at over 236.8 million per week. The trend of higher egg sets continued for most of the first quarter. As the COVID-19 impacts started to worsen, the number of egg sets started to decline. Egg sets for the week of April 8th were 235.3 million down 1.8% from the prior week but 1.9% above the same week last year.

BROILER CHICKS PLACED

Weekly



Data Source: USDA-NASS
Livestock Marketing Information Center

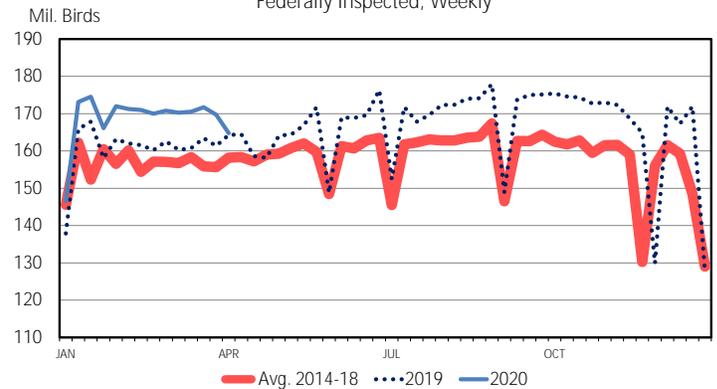
P-S-11
04/09/20

Similarly, the number of chicks placed started off the year 4.6% above the prior year at 189.7 million, but the last two weeks have seen a slower pace. Declines in the number of chicks placed has occurred for the last two weeks with 0.7% and 1.1% declines for the last week of March and first week of April, respectively. The previous two weeks declines equates to about 3.5 million fewer chicks placed.

Processing plant disruptions can already be seen in the broiler slaughter and broiler production figures over the last two weeks. The number of broilers slaughtered has decreased by 2.0 million (down 1.2%) and 5.0 million head (down 2.9%) each week, respectively, which is a cumulative decline of 4.1% (7.0 million head) in two weeks. The result of lower slaughter is a 5.9% (63.5 million pounds) decline in broiler meat production over the last two weeks. Production volume is also being moderated by processor decisions to harvest birds at lighter weights in response to shrinking demand for further processed chicken from restaurants and foodservice outlets.

BROILER SLAUGHTER

Federally Inspected, Weekly



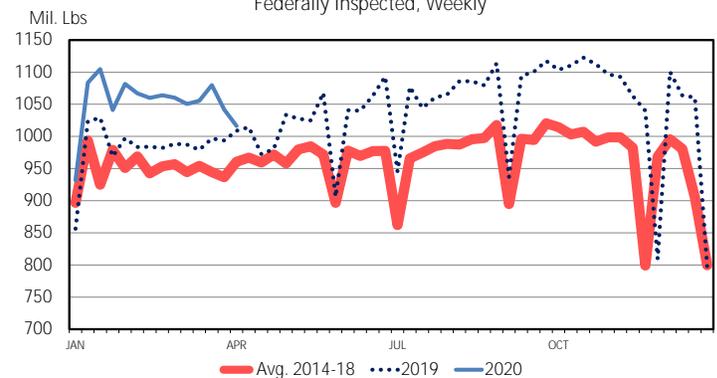
Data Source: USDA-AMS & USDA-NASS
Livestock Marketing Information Center

P-S-16
04/09/20

The decision to close plants and adjust production timetables is linked to the reduced available workforce. Attendance has contracted amidst a growing number of COVID-19 cases. As workforce attendance started to decline, processors responded by temporarily closing facilities and reducing shift capacities. Hatcheries in turn are reducing the number of egg sets and chicks placed. Supply impacts of fewer egg sets and chicks placed will not impact production levels for another six weeks, although there are some anecdotal reports of flocks being depopulated along the East Coast, where COVID-19 has taken a bigger toll on the labor force.

BROILER PRODUCTION

Federally Inspected, Weekly



Data Source: USDA-AMS & USDA-NASS
Livestock Marketing Information Center

P-S-20
04/09/20

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