Global poultry production to reach 137m tonnes in 2020

In 2019, the global poultry market increased by 6% to $231.5bn, rising for the third consecutive year after two years of decline.

The market value increased at an average annual rate of +4.4% from 2009 to 2019. The growth pace was the most rapid in 2011 with an increase of 11% year-on-year. Global consumption peaked in 2019 and is expected to retain growth in the near future.

jlastras via Wikimedia Commons

This according to the latest report published by IndexBox.

Driven by increasing demand for poultry worldwide, the market is expected to continue an upward consumption trend over the next decade. Market performance is forecast to decelerate, expanding with an anticipated CAGR of +2.3% for the period from 2019 to 2030, which is projected to bring the market volume to 166 million tonnes by the end of 2030.

Poultry consumption by country

The countries with the highest volumes of poultry consumption in 2019 were China (20 million tonnes), the U.S. (19 million tonnes), and Brazil (12 million tonnes), with a combined 40% share of global consumption. These countries were followed by Russia, Mexico, India, Japan, Indonesia, Iran, South Africa, Malaysia, and Myanmar, which together accounted for a further 21%.

In value terms, China ($53.4bn) led the market, alone. The second position in the ranking was occupied by the U.S. ($21.3bn). It was followed by Brazil.

The countries with the highest levels of poultry per capita consumption in 2019 were Malaysia (63 kg per person), the U.S. (58 kg per person), and Brazil (57 kg per person).

From 2009 to 2019, the most notable rate of growth in terms of poultry per capita consumption, amongst the leading consuming countries, was attained by Myanmar, while poultry per capita consumption for the other global leaders experienced more modest paces of growth.

Market forecast 2020-2030

According to FAO forecasts, global poultry meat production will reach 137 million tonnes in 2020. Growth is expected in China, the EU, Britain, Brazil, and Mexico, while production decline is possible in India, Thailand, Turkey, and the U.S.

In China, poultry production is projected to grow, albeit slowly, due to relatively steady demand amid high pork prices. Although the discovery of new HPAI cases at the beginning of the year in some European countries forced China to ban imports of live birds from these suppliers. However, the impact on domestic production is likely to be limited, since the measure coincided with the lifting of the 2015 ban on imports of live poultry from the United States.

New investments in processing capacity are expected to increase poultry production in the EU and the UK. However, a positive outlook could become negative if the recent fall in prices associated with Covid-19 continues. Slaughter of birds in countries where new cases of HPAI have been diagnosed may also hinder production growth in the EU this year.

In Brazil, poultry production is projected to increase driven by growing demand for imports, especially in China, as well as in other countries that are attracted by Brazil's status as a supplier of products with high biosafety standards.

Growth in poultry meat production is also projected to continue in South Africa due to strong consumer demand, and in Mexico because of competitive feed prices.

In contrast, poultry meat production in India is likely to decline as the outflow of labour from cities after the Covid-19 lockdown reduced the availability of workforce in this sector, which also led to a decrease in consumer demand.

Similarly, in Thailand, a sharp drop in demand for poultry meat from the food retail sector, including street food, is driving the expected decline in production. However, the prospects for production in 2020 could be positive if efforts by the government to persuade Asian countries, especially China, Japan and the Republic of Korea, to import more poultry meat are successful.

In the United States, declining food sales and labour shortages have led the sector to abandon expansion plans and reduce the share of large poultry production preferred by HoReCa. It is also reported that the requirements for maintaining distances between workspaces in processing plants reduce the efficiency of meat processing, which leads to a drop in production.

Global poultry production

In 2019, the amount of poultry produced worldwide expanded to 130M tonnes, growing by 3.7% against the previous year's figure. The total output volume increased at an average annual rate of +3.4% from 2009 to 2019; the trend pattern remained relatively stable, with somewhat noticeable fluctuations being observed throughout the analysed period.

The pace of growth appeared the most rapid in 2010 with an increase of 4.7% against the previous year. Global production peaked in 2019 and is expected to retain growth in years to come. The generally positive trend in terms output was largely conditioned by a perceptible increase in the number of producing animals and a relatively flat trend pattern in yield figures.

Production by country

The countries with the highest volumes of poultry production in 2019 were the U.S. (23 million tonnes), China (20 million tonnes), and Brazil (16 million tonnes), with a combined 45% share of global production. Russia, India, Mexico, Indonesia, Turkey, Japan, Iran, Argentina, and Myanmar lagged somewhat behind, together comprising a further 20%.

From 2009 to 2019, the most notable rate of growth in terms of poultry production, amongst the key producing countries, was attained by Russia, while poultry production for the other global leaders experienced more modest paces of growth.

Exports

For the fourth year in a row, the global market recorded growth in overseas shipments of poultry, which increased by 2.2% to 17M tonnes in 2019. The total export volume increased at an average annual rate of +3.3% over the period from 2009 to 2019.

In value terms, poultry exports rose to $27.3B (IndexBox estimates) in 2019. Over the period under review, global exports reached the maximum at $28.5B in 2014; however, from 2015 to 2019, exports remained at a lower figure.

Exports by country

Brazil (4 million tonnes) and the U.S. (3.6M tonnes) represented the main exporters of poultry in 2019, resulting in at approx. 24% and 22% of total exports, respectively. It was distantly followed by the Netherlands (1.5 million tonnes) and Poland (1.5 million tonnes), together generating an 18% share of total exports.

Belgium (509K tonnes), Turkey (493,000 tonnes), Germany (473,000 tonnes), France (398,000 tonnes), Ukraine (361,000 tonnes), the UK (359,000 tonnes), Hong Kong (328,000 tonnes) and Thailand (295,000 tonnes) followed a long way behind the leaders.

From 2009 to 2019, the biggest increases were in Ukraine, while shipments for the other global leaders experienced more modest paces of growth.

In value terms, the largest poultry supplying countries worldwide were Brazil ($6.5bn), the U.S. ($3.7bn), and Poland ($2.9bn), with a combined 48% share of global exports. These countries were followed by the Netherlands, Germany, France, Belgium, Thailand, Turkey, Ukraine, Hong Kong, and the UK, which together accounted for a further 31%.

Export prices by country

The average poultry export price stood at $1,644 per tonne in 2019, remaining relatively unchanged against the previous year. In general, the export price, however, continues to indicate a relatively flat trend pattern. The most prominent rate of growth was recorded in 2011 when the average export price increased by 11% year-to-year. The global export price peaked at $1,893 per tonne in 2013; however, from 2014 to 2019, export prices remained at a lower figure.

There were significant differences in the average prices amongst the major exporting countries. In 2019, the country with the highest price was Thailand ($2,683 per tonne), while the U.S. ($1,045 per tonne) was amongst the lowest.

From 2009 to 2019, the most notable rate of growth in terms of prices was attained by Thailand, while the other global leaders experienced more modest paces of growth.