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World Currencies

The lower valued U.S. dollar relative to currencies of competitors has aided U.S. export flows. Although the dollar's value in the first quarter was slightly higher than a year ago, the currency's value has depreciated significantly from the 3-year (2002-2004) average.

On July 21, 2005, China abandoned its eight-year peg to the dollar and moved to a managed floating exchange rate regime. The Yuan has risen to a significant degree on average against China's trading partners. While strengthening by 2.6 percent against the dollar in the last half of 2005, when compared against the currencies of all of China's trading partners (JP Morgan index) the Yuan appreciated by 4.9 percent in the second half and more than 9 percent during 2005 as a whole. The five major economies in Latin America – Argentina, Brazil, Mexico, Venezuela, and Chile – are all experiencing strong growth. The major currencies of this region should appreciate relative to the dollar in real terms in 2006.

Selected Countries: Currency Units per U.S. Dollar

| | May | | | Annual | |
|-------------|---------|----------|----------|----------|----------|
| | Unit | 2006 | 2005 | 2004 | 2003 |
| Brazil | Real | 2.1697 | 2.4352 | 2.9262 | 3.0750 |
| China | Yuan | 8.0131 | 8.1936 | 8.2768 | 8.2772 |
| Japan | Yen | 111.73 | 110.11 | 108.15 | 115.94 |
| Mexico | Peso | 11.091 | 10.894 | 11.290 | 10.793 |
| South Korea | Won | 940.82 | 1,023.75 | 1,145.24 | 1,192.08 |
| Taiwan | Dollar | 31.737 | 32.131 | 33.372 | 34.405 |
| Thailand | Baht | 37.947 | 40.252 | 40.271 | 41.556 |
| Venezuela | Bolivar | 2,144.55 | 2,107.13 | 1,886.13 | 1,613.43 |

As the dollar stabilizes against the Euro, appreciates against the yen, and weakens against developing nation's currencies, there is likely to be a mild decline for the farm trade-weighted dollar in 2006. Thus, the value of the dollar will continue to support U.S. farm and manufacturing export growth in 2006, as it did in 2005.

European Countries: U.S. Dollar per Currency Unit

| | May | | | Annual | |
|----------------|-------|--------|--------|--------|--------|
| | Unit | 2006 | 2005 | 2004 | 2003 |
| *EMU | Euro | 1.2767 | 1.2449 | 1.2438 | 1.1321 |
| United Kingdom | Pound | 1.8687 | 1.8204 | 1.8330 | 1.6347 |

*European Monetary Union

Most U.S. broiler meat shipments in 2007 are expected to go to Russia, Mexico, China/Hong Kong, the CIS countries, and the Caribbean. A strong Mexican economy will support continued growth in turkey demand. In the first quarter of 2006, Mexico accounted for 66 percent of U.S. turkey exports, and will likely continue to dominate exports through 2007 as well.

Source: Livestock, Dairy, & Poultry Outlook, Outlook for U.S. Agricultural Trade, Economic Research Service, USDA; Report to Congress on International Economic and Exchange Rate Policies, U.S. Treasury; U.S. Federal Reserve

U.S. Broiler and Turkey Exports Down in April

Broiler exports in April were 441 million pounds, down 6 percent from April 2005. The decline is largely due to lower shipments to Russia, the largest U.S. broiler market. Exports to Russia totaled 96 million pounds, down 44 percent from a year ago. Although April shipments to the next four largest markets were larger than April 2005, their combined increase was not large enough to offset Russia's year-over-year reduction in U.S broiler meat imports.

For 2006, broiler exports are expected to be 5.5 billion pounds, almost 7 percent above 2005. Next year, exports will likely reach 5.6 billion pounds, or about 1.7 percent above 2006. Factors assumed to be driving exports both this year and in 2007 include competitive prices of U.S. broiler meat, relative to other exporting countries, as well as relative to prices of other animal proteins. Also, strong economic growth in such key importing countries as Russia, Hong Kong\China, and Mexico is expected to support consumer demand for U.S. broiler meat. High energy prices clearly boosts economic growth in both Mexico and Russia, in particular.

Turkey exports totaled 35 million pounds in April, down 29 percent from April 2005. The decline is attributable to what appears to be Mexico's substitution of attractively priced U.S. broiler meat in place of U.S. turkey. For 2006, turkey exports are expected to be 574 million pounds, an increase of almost 1 percent over last year. U.S. turkey exports for 2007 are expected to be 595 million pounds, more than 3.5 percent above export expectations for this year.

Source: Livestock, Dairy, & Poultry Outlook, ERS/USDA

U.S. Turkey Exports in metric tons

includes prepared meals and sausages

| | Jan-Apr | Jan-Apr | April | April |
|--------------------------|---------------|---------------|---------------|---------------|
| | 2005 | 2006 | 2005 | 2006 |
| North America | 54,504 | 47,281 | 14,303 | 9,486 |
| Caribbean | 4,666 | 4,765 | 1,029 | 1,336 |
| Central America | 1,867 | 2,395 | 384 | 597 |
| European Union - 25 | 1,873 | 493 | 611 | 366 |
| South America | 256 | 276 | 18 | 28 |
| Other Europe | 1,599 | 1,427 | 558 | 265 |
| Former Soviet Union - 12 | 5,172 | 2,072 | 1,943 | 437 |
| East Asia | 7,505 | 8,640 | 3,051 | 2,337 |
| Middle East | 318 | 316 | 117 | 72 |
| Sub-Saharan Africa | 845 | 1,067 | 223 | 525 |
| Southeast Asia | 652 | 603 | 94 | 213 |
| Oceania | 171 | 791 | 70 | 337 |
| GRAND TOTAL | 79,453 | 70,126 | 22,426 | 16,000 |

Note: Agricultural totals reported by the Foreign Trade Division, Bureau of the Census, may differ from those reported by USDA, because of the exclusion of selected manufactured agricultural products by Census.

Source: USDA Foreign Agricultural Service, U.S. Trade Data Collection

Inspected Egg Products-U.S. & Canada Export/Import Trade

U.S./Canadian Live Poultry Slaughtered Under Inspection

W/E 10-Jun-06 (PRELIMINARY)

U.S. Exports to Canada, in Pounds (000) (Preliminary)

| Week Ending June 10, 2006 | Year-To-Date | | | |
|---------------------------|--------------|---------|---------|-------|
| | 2006 | 2005 1/ | 2006 2/ | 2005 |
| TYPE | | | | |
| Liquid | 210 | 507 | 4,620 | 7,866 |
| Frozen | 0 | 0 | 125 | 21 |
| Dried | 0 | 60 | 227 | 207 |
| Total | 210 | 567 | 4,972 | 8,094 |

U.S. Imports From Canada, in Pounds (000) (Preliminary)

| Week Ending June 10, 2006 | Year-To-Date | | | |
|---------------------------|--------------|---------|---------|-------|
| | 2006 | 2005 1/ | 2006 2/ | 2005 |
| TYPE | | | | |
| Liquid | 66 | 30 | 1,387 | 3,434 |
| Frozen | 40 | 0 | 513 | 331 |
| Dried | 0 | 0 | 41 | 345 |
| Total | 106 | 30 | 1,941 | 4,110 |

Inspected Shell Eggs

U.S Exports To Canada, In 30-Dozen Cases (Preliminary)

| Week Ending June 10, 2006 | Year-To-Date | | | |
|---------------------------|--------------|---------|---------|---------|
| | 2006 | 2005 1/ | 2006 2/ | 2005 |
| TYPE | | | | |
| Jumbo | 0 | 17 | 150 | 67 |
| Extra Large | 900 | 5,270 | 38,481 | 111,162 |
| Large | 3,370 | 3,800 | 73,821 | 225,746 |
| Medium | 1,140 | 2,730 | 37,679 | 48,945 |
| Ungraded | 3,630 | 0 | 62,984 | 57,902 |
| Misc | 780 | 30 | 3,360 | 6,973 |
| Total | 9,820 | 11,847 | 216,475 | 450,795 |

1/ Comparable Week, to-date figures may not total due to rounding.

2/ Includes revisions to previous week(s).

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section
Source: USDA/AMS Poultry Programs, Market News Branch.

U.S. Fowl Slaughtered Domestically

| | Light Hens | Heavy Hens | Total Hens |
|------------------|---------------------|------------|------------|
| | -----Thousands----- | | |
| Head | 1,068 | 1,492 | 2,560 |
| Last Week | 757 | 1,463 | 2,220 |
| Same week yr ago | 1,605 | 1,510 | 3,115 |
| To-date/2006 | 26,743 | 33,546 | 60,289 |
| To-date/2005 | 35,637 | 31,487 | 67,124 |

U.S. Fowl Slaughtered in Canada

| | Light Hens | Heavy Hens | Total Hens |
|------------------|---------------------|------------|------------|
| | -----Thousands----- | | |
| Head | 23 | 0 | 23 |
| Last Week | 156 | 3 | 159 |
| Same week yr ago | 193 | 0 | 193 |
| To-date/2006 | 4,813 | 19 | 4,832 |
| To-date/2005 | 6,572 | 26 | 6,598 |

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Total U.S. Fowl slaughtered in the U.S. and Canada

| | Light Hens | Heavy Hens | Total Hens |
|------------------|---------------------|------------|------------|
| | -----Thousands----- | | |
| Head | 1,091 | 1,492 | 2,583 |
| Last Week | 913 | 1,466 | 2,379 |
| Same week yr ago | 1,798 | 1,510 | 3,308 |
| To-date/2006 | 31,556 | 33,565 | 65,121 |
| To-date/2005 | 42,209 | 31,513 | 73,722 |

Source: USDA/AMS Poultry Programs, Market News Branch

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

June 16, 2006

CHICKEN WITH SKIN ADDED

| FAT CONTENT | --- PRICES --- | | ---- VOLUME ---- | |
|-------------|----------------|-------------|------------------|---------|
| | FROZEN | FRESH | TOTAL | EXPORT |
| 15% OR LESS | | | | |
| RANGE | - | 15.00-16.00 | 102,000 | - |
| WTD AVERAGE | | 15.60 | | |
| 15-20% | | | | |
| RANGE | 13.00-16.00 | 12.00-15.00 | 859,600 | 391,200 |
| WTD AVERAGE | 15.35 | 13.66 | | |
| 20% OR MORE | | | | |
| RANGE | - | - | - | - |
| WTD AVERAGE | | | | |

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

June 16, 2006

CHICKEN WITH SKIN ADDED

| FAT CONTENT | --- PRICES --- | | ---- VOLUME ---- | |
|-------------|----------------|-------------|------------------|---------|
| | FROZEN | FRESH | TOTAL | EXPORT |
| 15% OR LESS | | | | |
| RANGE | - | 15.00-16.00 | 360,000 | - |
| WTD AVERAGE | | 15.56 | | |
| 15-20% | | | | |
| RANGE | 14.75-20.00 | 12.00-15.00 | 1,644,000 | 884,000 |
| WTD AVERAGE | 16.49 | 13.63 | | |
| 20% OR MORE | | | | |
| RANGE | - | 14.00 | 120,000 | - |
| WTD AVERAGE | | 14.00 | | |

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 16 JUNE 2006.

The market tone on 4-8 lb. breasts was steady to fully steady, strongest for deferred shipments. Demand light. Offerings short to light and held with confidence. The market tone on tom drums and necks was steady to barely steady with drums softest, tom 2-joint wings steady at best and tom full-cut wings steady to fully steady. Demand on tom bulk parts in a full range, mostly moderate. Offerings of tom full-cut wings light at best; balance of tom bulk parts light to fully adequate mostly adequate to fully adequate. Trading was active on fresh tom breast meat for domestic shipments and on frozen thigh meat and hen drums for export, balance slow to moderate. For domestic: livers 8-10 delivered pet foods, fresh scapula 124, fresh breast trim 128 cents delivered. For export: mixed hand defatted gizzards 36 shipping point, frozen thigh meat 70 shipping point for July, tom necks 26, hen drums 26-28, fresh tom drums 32, Grade A basted 8-10 lb. breasts 102, scapula 145 cents delivered.

| EXPORT TRADING | PRICE | L.S.T. | WTD AVG | VOLUME | WEEKLY | WEEKLY |
|------------------------------|--------------|----------------|----------------|---------------|---------------|---------------|
| FRIDAY, JUNE 16, 2006 | RANGE | CODE 1/ | PRICE | (000) | PRICE | VOLUME |
| | | | | | | (000) |
| DRUMSTICKS, TOMS | 34.50 | | 34.50 | 208 | 34.11 | 798 |
| WINGS FULL-CUT - TOMS | | R | 30.00 | 104 | 29.51 | 314 |
| WINGS, V-TYPE, TOM | | M | 36.00 | 208 | 36.00 | 208 |
| TAILS | 26.00-30.50 | | 29.38 | 240 | 29.07 | 384 |
| MECHANICALLY SEPARATED 2/ | | W | 19.50 | 40 | 19.50 | 40 |
| THIGH MEAT - FROZEN | 68.00-70.00 | | 69.20 | 328 | 70.25 | 708 |

| EXPORT TRADING | PRICE | L.S.T. | WTD AVG | VOLUME |
|--------------------------------|--------------|----------------|----------------|---------------|
| THURSDAY, JUNE 15, 2006 | RANGE | CODE 1/ | PRICE | (000) |
| | | | | |
| DRUMSTICKS, TOMS | 32.00-33.00 | | 32.68 | 328 |
| WINGS FULL-CUT - TOMS | 30.00 | | 30.00 | 104 |
| WINGS, V-TYPE, TOM | | M | 36.00 | 208 |
| TAILS | | W | 30.00 | 40 |
| MECHANICALLY SEPARATED 2/ | | W | 19.50 | 40 |
| THIGH MEAT - FROZEN | 71.50 | | 71.50 | 156 |

| EXPORT TRADING | PRICE | L.S.T. | WTD AVG | VOLUME |
|---------------------------------|--------------|----------------|----------------|---------------|
| WEDNESDAY, JUNE 14, 2006 | RANGE | CODE 1/ | PRICE | (000) |
| | | | | |
| DRUMSTICKS, TOMS | | T | 34.00 | 54 |
| WINGS FULL-CUT - TOMS | 30.00 | | 30.00 | 52 |
| WINGS, V-TYPE, TOM | | M | 36.00 | 208 |
| TAILS | 30.00 | | 30.00 | 40 |
| MECHANICALLY SEPARATED 2/ | 19.50 | | 19.50 | 40 |
| THIGH MEAT - FROZEN | | T | 70.93 | 224 |

| EXPORT TRADING | PRICE | L.S.T. | WTD AVG | VOLUME |
|-------------------------------|--------------|----------------|----------------|---------------|
| TUESDAY, JUNE 13, 2006 | RANGE | CODE 1/ | PRICE | (000) |
| | | | | |
| DRUMSTICKS, TOMS | 34.00 | | 34.00 | 54 |
| WINGS FULL-CUT - TOMS | 28.00-31.00 | | 29.03 | 158 |
| WINGS, V-TYPE, TOM | | M | 36.00 | 208 |
| TAILS | 28.00 | | 28.00 | 104 |
| MECHANICALLY SEPARATED 2/ | | R | 19.50 | 52 |
| THIGH MEAT - FROZEN | 70.00-72.00 | | 70.93 | 224 |

| EXPORT TRADING | PRICE | L.S.T. | WTD AVG | VOLUME |
|------------------------------|--------------|----------------|----------------|---------------|
| MONDAY, JUNE 12, 2006 | RANGE | CODE 1/ | PRICE | (000) |
| | | | | |
| DRUMSTICKS, TOMS | 35.00-37.00 | | 36.00 | 208 |
| WINGS FULL-CUT - TOMS | | F | 29.50 | 104 |
| WINGS, V-TYPE, TOM | 35.00-37.00 | | 36.00 | 208 |
| TAILS | | R | 31.00 | 80 |
| MECHANICALLY SEPARATED 2/ | | R | 19.50 | 52 |
| THIGH MEAT - FROZEN | | R | 69.22 | 224 |

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY
2/ Product contains 15-20% fat with skin added.