



# INTERNATIONAL EGG AND POULTRY REVIEW

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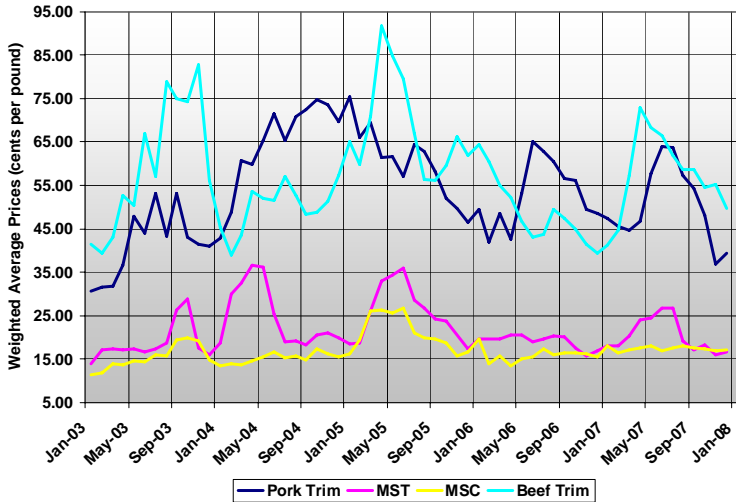
U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

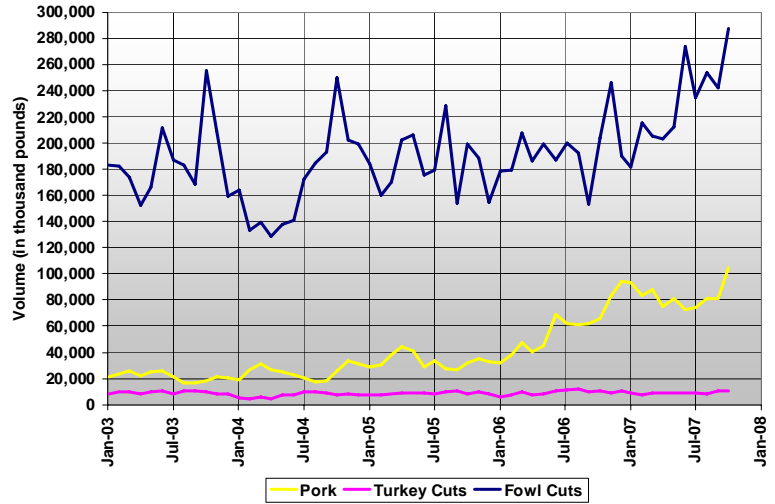
Market News and Analysis Branch

**Price Comparison of Fresh 72% Lean Pork Trim, Frozen 15-20% Mechanically Separated Turkey, Frozen 15-20% Mechanically Separated Chicken, And National Frozen 50% Lean Beef Trim**



Sources: USDA, AMS, Poultry Market News & Analysis  
USDA, AMS, Livestock and Grain Market News

**An Export Volume Comparison of Frozen Pork Cuts (excluding variety meats), Frozen Turkey Cuts, and Frozen Fowl Cuts**



Sources: USDA, Foreign Agriculture Service  
USDA, AMS, Livestock and Grain Market News

### North American Free Trade Agreement (NAFTA)

After 14 years, on January 1, 2008 NAFTA was fully implemented. The last remaining trade restrictions to be removed on U.S. exports to Mexico were on corn, dry edible beans, non-fat dry milk and high fructose corn syrup and restrictions on imports from Mexico on sugar and certain horticultural products have now also been removed.

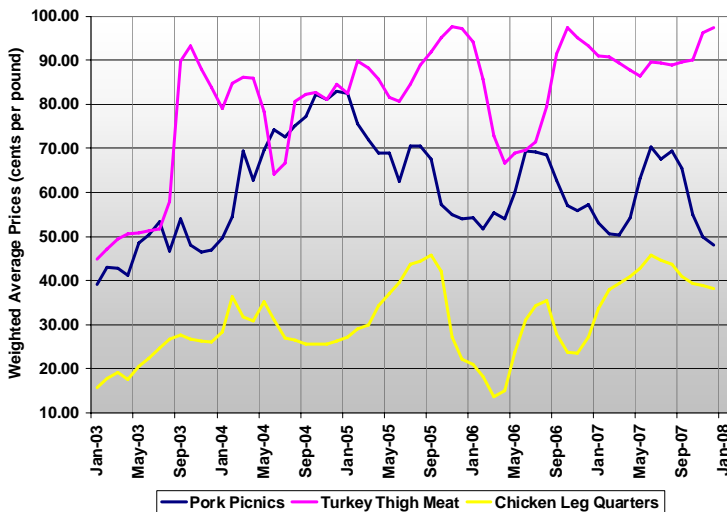
January 1, 2008 also is the date in which a bilateral safeguard was imposed by Mexico on U.S. leg quarters expired. The tariff phased down to 0 and there will be no tariff-rate quota. Tariffs on other poultry products were eliminated on January 1, 2003. The safeguard was initially requested by Mexico's national poultry association in response to concerns leg quarter imports could harm the domestic industry because of higher production costs in Mexico.

In the years immediately prior to NAFTA, United States (U.S.) agricultural products had lost market share in Mexico due to increased competition and NAFTA helped to reverse this trend. In 1989, 12% of all U.S. poultry meat exports (411,982 metric tons (MT)) went to Mexico and had dropped to 11% of U.S. poultry meat exports (1,469,283 MT) in 1994, the year NAFTA was implemented. In 2006, Mexico imported 13% of U.S.'s total poultry exports (2,783,277 MT). Meanwhile, Canada imported 8% of U.S.'s total poultry meat exports in 1989, decreased to 3% in 1994 and increased to 4% in 2006.

From 1989-1994 total U.S. poultry exports had increased 2%, however, from 1994-2006 U.S. poultry exports had only increased 89%. Meanwhile, poultry meat exports to Mexico from 1989-1994 had increased 249% and from 118% 1994-2006. Poultry meat exports to Canada had increased 32% from 1989-1994 and 116% from 1994-2006.

Sources: USDA, Office of Communications; USDA, Foreign Agricultural Service

**Price Comparison of Fresh Boneless Pork Picnics, Frozen Turkey Thigh Meat, and Fresh Chicken Leg Quarters**



Sources: USDA, AMS, Poultry Market News & Analysis  
USDA, AMS, Livestock and Grain Market News

**INSPECTED EGG PRODUCTS-**

**U.S. & CANADA IMPORT/EXPORT TRADE**

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

| Type         | Week Ending December 22, 2007 |            | Year-To-Date |               |
|--------------|-------------------------------|------------|--------------|---------------|
|              | 2007                          | 2006 /1    | 2007 /2      | 2006          |
| Liquid       | 48                            | 204        | 3,325        | 11,990        |
| Frozen       | 0                             | 0          | 71           | 175           |
| Dried        | 88                            | 0          | 841          | 747           |
| <b>Total</b> | <b>136</b>                    | <b>204</b> | <b>4,237</b> | <b>12,912</b> |

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

| Type         | Week Ending December 22, 2007 |            | Year-To-Date  |              |
|--------------|-------------------------------|------------|---------------|--------------|
|              | 2007                          | 2006 /1    | 2007 /2       | 2006         |
| Liquid       | 319                           | 103        | 15,801        | 5,607        |
| Frozen       | 17                            | 2          | 408           | 916          |
| Dried        | 0                             | 0          | 857           | 66           |
| <b>Total</b> | <b>336</b>                    | <b>105</b> | <b>17,066</b> | <b>6,589</b> |

**Inspected Shell Eggs**

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

|              | Week Ending December 22, 2007 |              | Year-To-Date   |                |
|--------------|-------------------------------|--------------|----------------|----------------|
|              | 2007                          | 2006 /1      | 2007 /2        | 2006           |
| Jumbo        | 0                             | 0            | 0              | 150            |
| Ex Large     | 750                           | 2,100        | 65,455         | 92,271         |
| Large        | 11,411                        | 5,630        | 120,243        | 181,808        |
| Medium       | 1,731                         | 716          | 64,041         | 87,002         |
| Ungraded     | 1,560                         | 1,440        | 215,908        | 256,158        |
| Misc         | 0                             | 0            | 7,849          | 6,975          |
| <b>Total</b> | <b>15,452</b>                 | <b>9,886</b> | <b>473,496</b> | <b>624,364</b> |

/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 & Analysis

**U.S./Canadian Live Poultry Slaughtered Under Inspection**

Week Ending December 22, 2007 (Preliminary)

**U.S. fowl slaughtered domestically**

|                  | Light Hens          |        | Heavy Hens |  | Total Hens |
|------------------|---------------------|--------|------------|--|------------|
|                  | -----Thousands----- |        |            |  |            |
| Head             | 1,475               | 1,570  |            |  | 3,045      |
| Last Week        | 1,541               | 1,443  |            |  | 2,984      |
| Same week yr ago | 1,147               | 1,531  |            |  | 2,678      |
| To-date/2007     | 56,984              | 74,813 |            |  | 131,797    |
| To-date/2006     | 54,666              | 75,958 |            |  | 130,624    |

**U.S. fowl slaughtered in Canada**

|                  | Light Hens          |    | Heavy Hens |  | Total Hens |
|------------------|---------------------|----|------------|--|------------|
|                  | -----Thousands----- |    |            |  |            |
| Head             | 375                 | 0  |            |  | 375        |
| Last Week        | 313                 | 12 |            |  | 325        |
| Same week yr ago | 230                 | 0  |            |  | 230        |
| To-date/2007     | 13,534              | 58 |            |  | 13,592     |
| To-date/2006     | 7,974               | 53 |            |  | 8,027      |

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             | 1,850               | 1,570  |            |  | 3,420      |
| Last Week        | 1,854               | 1,455  |            |  | 3,309      |
| Same week yr ago | 1,377               | 1,531  |            |  | 2,908      |
| To-date/2007     | 70,518              | 74,871 |            |  | 145,389    |
| To-date/2006     | 62,640              | 76,011 |            |  | 138,651    |

Source: USDA AMS Poultry Programs, Market News & Analysis Branch

**NATIONAL MECHANICALLY SEPARATED CHICKEN**

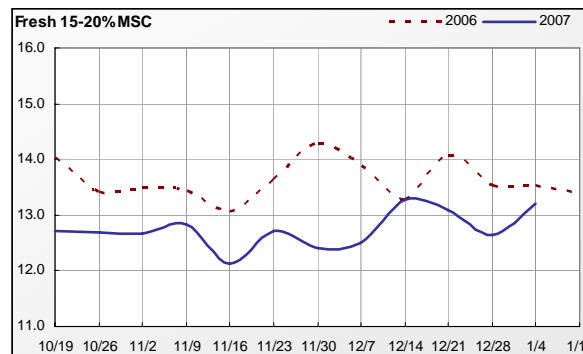
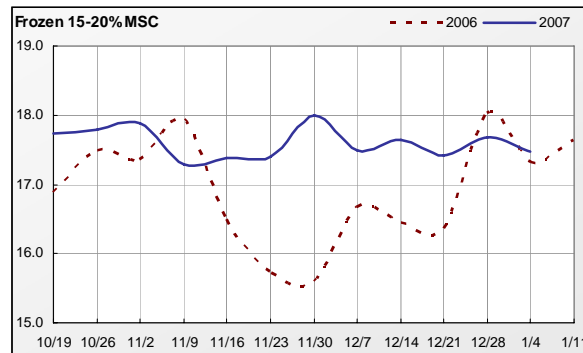
(FOB Shipper Dock or equiv., negotiated prices in trucklot and less-than-trucklot volumes reported in thousand lb. quantities, cents/lb.; delivery within 2 weeks.)

| Fat Content        | Weekly MSC Weighted Average Prices (cents per pound) and Volumes (1,000 pounds) |             |             |             |             |             |
|--------------------|---|-------------|-------------|-------------|-------------|-------------|
|                    | Frozen  |             |             | Fresh       |             |             |
|                    | 4-Jan-08  | Last Week   | Last Year   | 4-Jan-08    | Last Week   | Last Year   |
| <b>15% or Less</b> |   |             |             |             |             |             |
| Price Range        | 15.50   | 15.75       | 20.00       | 15.00-16.00 | 15.00-16.00 | 16.00-17.50 |
| Wtd Avg Price      | 15.50   | 15.75       | 20.00       | 15.67       | 15.64       | 16.86       |
| Vol Traded         | 54  | 54          | 40          | 361         | 221         | 434         |
| Vol Exported       | 54  | 54          | -           | -           | -           | -           |
| <b>15-20%</b>      |   |             |             |             |             |             |
| Price Range        | 16.00-21.00   | 16.00-21.00 | 14.25-21.00 | 11.00-16.00 | 11.00-16.00 | 12.00-16.00 |
| Wtd Avg Price      | 17.47   | 17.68       | 17.33       | 13.21       | 12.65       | 13.53       |
| Vol Traded         | 1,663   | 1,240       | 1,068       | 2,420       | 1,804       | 2,103       |
| Vol Exported       | 1,543   | 1,240       | 988         | 216         | 367         | 365         |
| <b>20% or More</b> |   |             |             |             |             |             |
| Price Range        | -   | -           | -           | -           | -           | 14.00       |
| Wtd Avg Price      | -   | -           | -           | -           | -           | 14.00       |
| Vol Traded         | -   | -           | -           | -           | -           | 120         |
| Vol Exported       | -   | -           | -           | -           | -           | -           |

| Fat Content        | Monthly MSC Weighted Average Prices (cents per pound) and Volumes (1,000 pounds) |          |          |          |          |          |
|--------------------|--|----------|----------|----------|----------|----------|
|                    | Frozen   |          |          | Fresh    |          |          |
|                    | Nov 2007   | Oct 2007 | Nov 2006 | Nov 2007 | Oct 2007 | Nov 2006 |
| <b>15% or Less</b> |  |          |          |          |          |          |
| Wtd Avg Price      | 16.76  | 18.12    | 16.55    | 15.67    | 15.82    | 16.57    |
| Vol Traded         | 1,234  | 1,141    | 292      | 2,494    | 2,160    | 1,346    |
| Vol Exported       | 1,234  | 1,101    | 54       | 104      | 428      | -        |
| <b>15-20%</b>      |  |          |          |          |          |          |
| Wtd Avg Price      | 17.53  | 18.04    | 16.67    | 12.54    | 12.68    | 13.40    |
| Vol Traded         | 12,989   | 6,330    | 8,406    | 15,504   | 9,634    | 6,437    |
| Vol Exported       | 12,305   | 5,490    | 7,604    | 5,429    | 3,347    | 653      |
| <b>20% or More</b> |  |          |          |          |          |          |
| Wtd Avg Price      | -  | -        | -        | 14.00    | 13.91    | 13.42    |
| Vol Traded         | -  | -        | -        | 240      | 442      | 480      |
| Vol Exported       | -  | -        | -        | -        | -        | -        |

Note: Volume exported refers to that portion of the total volume that is destined for export markets.

MSC trade sentiment continues steady with prices unchanged. Supplies were adequate for current needs. Domestic movement was light to fair. Export demand was fair to moderate. Many having smooth transitions into 2008 contracts starting this week. Schedules were reduced for the holiday this week.



**NATIONAL YOUNG TURKEY PARTS**, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 04 JANUARY 2008.

The market tone on tom breast meat, thigh meat, destrapped tenders, breast trim and tom drums was steady to instances weak, balance of parts and meats was mostly steady. Demand was light to moderate. Buying inquiry improving for next week, from this holiday shortened work week. Parts and meats trading was slow to moderate. Offering are light to adequate.

| <b>EXPORT TRADING</b>           | <b>PRICE</b> | <b>L.S.T.</b>  | <b>WTD AVG</b> | <b>VOLUME</b> | <b>WEEKLY</b>  | <b>WEEKLY</b> |
|---------------------------------|--------------|----------------|----------------|---------------|----------------|---------------|
| <b>FRIDAY, JANUARY 04, 2008</b> | <b>RANGE</b> | <b>CODE 1/</b> | <b>PRICE</b>   | <b>(000)</b>  | <b>WTD AVG</b> | <b>VOLUME</b> |
|                                 |              |                |                |               | <b>PRICE</b>   | <b>(000)</b>  |
| DRUMSTICKS, TOMS                | 55.00-62.00  |                | 58.85          | 728           | 58.78          | 848           |
| WINGS FULL-CUT - TOMS           | 47.00        |                | 47.00          | 108           | 47.00          | 108           |
| WINGS, V-TYPE, TOM              |              |                |                |               |                |               |
| TAILS                           | 28.00-29.00  |                | 28.67          | 120           | 28.50          | 160           |
| MECHANICALLY SEPARATED 2/       |              | F              | 16.00          | 80            |                |               |
| THIGH MEAT - FROZEN             | 96.00-98.00  |                | 96.83          | 240           | 97.00          | 280           |

| <b>EXPORT TRADING</b>             | <b>PRICE</b> | <b>L.S.T.</b>  | <b>WTD AVG</b> | <b>VOLUME</b> |  |  |
|-----------------------------------|--------------|----------------|----------------|---------------|--|--|
| <b>THURSDAY, JANUARY 03, 2008</b> | <b>RANGE</b> | <b>CODE 1/</b> | <b>PRICE</b>   | <b>(000)</b>  |  |  |
|                                   |              |                |                |               |  |  |
| DRUMSTICKS, TOMS                  | 57.00-59.00  |                | 58.00          | 80            |  |  |
| WINGS FULL-CUT - TOMS             |              |                |                |               |  |  |
| WINGS, V-TYPE, TOM                |              |                |                |               |  |  |
| TAILS                             | 28.00        |                | 28.00          | 40            |  |  |
| MECHANICALLY SEPARATED 2/         |              | F              | 16.00          | 80            |  |  |
| THIGH MEAT - FROZEN               |              | W              | 98.00          | 40            |  |  |

| <b>EXPORT TRADING</b>              | <b>PRICE</b> | <b>L.S.T.</b>  | <b>WTD AVG</b> | <b>VOLUME</b> |  |  |
|------------------------------------|--------------|----------------|----------------|---------------|--|--|
| <b>WEDNESDAY, JANUARY 02, 2008</b> | <b>RANGE</b> | <b>CODE 1/</b> | <b>PRICE</b>   | <b>(000)</b>  |  |  |
|                                    |              |                |                |               |  |  |
| DRUMSTICKS, TOMS                   |              | M              | 59.00          | 40            |  |  |
| WINGS FULL-CUT - TOMS              |              |                |                |               |  |  |
| WINGS, V-TYPE, TOM                 |              |                |                |               |  |  |
| TAILS                              |              | R              | 29.00          | 156           |  |  |
| MECHANICALLY SEPARATED 2/          |              | F              | 16.00          | 80            |  |  |
| THIGH MEAT - FROZEN                | 98.00        |                | 98.00          | 40            |  |  |

**NO EXPORT TRADING ON TUESDAY, JANUARY 01, 2008  
DUE TO NEW YEARS DAY HOLIDAY**

| <b>EXPORT TRADING</b>            | <b>PRICE</b> | <b>L.S.T.</b>  | <b>WTD AVG</b> | <b>VOLUME</b> |  |  |
|----------------------------------|--------------|----------------|----------------|---------------|--|--|
| <b>MONDAY, DECEMBER 31, 2007</b> | <b>RANGE</b> | <b>CODE 1/</b> | <b>PRICE</b>   | <b>(000)</b>  |  |  |
|                                  |              |                |                |               |  |  |
| DRUMSTICKS, TOMS                 | 59.00        |                | 59.00          | 40            |  |  |
| WINGS FULL-CUT - TOMS            |              |                |                |               |  |  |
| WINGS, V-TYPE, TOM               |              |                |                |               |  |  |
| TAILS                            |              | R              | 29.00          | 156           |  |  |
| MECHANICALLY SEPARATED 2/        |              | F              | 16.00          | 80            |  |  |
| THIGH MEAT - FROZEN              |              | F              | 98.00          | 80            |  |  |

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.