



BROILER MARKET NEWS REPORT

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Market News Branch & Analysis

NATIONAL BROILER MARKET AT-A-GLANCE



Trade sentiment was mostly steady. Retail and food service demand was light to moderate. Supplies of all sizes were at least sufficient to satisfy trade needs. Floor stocks were balanced to long. In the parts structure, trading was mostly fair to moderate for mid-week trading. Wings were in good balance to well cleared and moving satisfactorily. Breast items were adequate to more available, and dark meat was generally sufficient. In production areas, live supplies were moderate at mixed, but mostly desirable weights.

GEORGIA FOB DOCK PRICES The Georgia f.o.b. dock quoted price on broilers/fryers for next week's trading advanced .50 cents to **77.25** cents based on full truck load lots of ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds. This compares to 71.00 cents last year on January 10, 2007.

Georgia f.o.b. dock quoted prices on ice-packed parts for next week's trading:

| ITEM | DOCK PRICE (CENTS PER POUND) |
|------------------|---------------------------------|
| LINE RUN TENDERS | 160.50 |
| BREASTS - B/S | 133.00 |
| BREASTS - WHOLE | 76.50 |
| THIGH MEAT - B/S | 118.00 |
| LEG QUARTERS | 42.00 |
| WINGS | 115.00 |

This information is supplied by the Georgia Department of Agriculture's Poultry Market News Service.

SOUTHERN REGION Trade sentiment was mostly steady. Retail demand was light to instances moderate where features were active. Food service was fair to moderate, best for fast food promotions. Supplies of all sizes were usually sufficient to at times more available for trade needs. In the parts structure, wings were in good supply to short and moving satisfactorily. Breast items were adequate to available, and dark meat was sufficient to barely adequate. In production areas, live supplies were moderate at mixed, but mostly desirable weights.

NORTHEAST REGION Trucklot buying activity on ready-to-cook whole broiler/fryers was mostly fair to moderate for midweek trading. Offerings of all sizes were at least sufficient for current needs with supplies slightly more available than earlier in the week. Retail and distributive movement was fair. The market tone was steady. In the parts complex, wings, drums and thighs were adequate to well cleared. Other cuts were mostly adequate for immediate needs.

MIDWEST REGION Whole broiler/fryer market tone continued mostly steady. Producer offerings light to moderate on a cautious and price sensitive trade inquiry. Retail and food service activity was light to moderate. Floor stocks were balanced to long; weights desirable. Supplies of small and medium sized wings remained well cleared; tenders and dark meat closely balanced, and other parts were available. The trade sentiment was steady to firm on wings and tenders; the balance of parts was steady to occasionally fully steady.

WESTERN REGION The market tone was about steady. Offerings were generally adequate overall. Heavier weight product was in the longest position. Buying activity was fair. Retailer demand was fair to fairly good. Floor stocks were adequate to cover immediate needs.

BROILER -TYPE EGGS SET IN 19 SELECTED STATES UP 2 PERCENT

Commercial hatcheries in the 19-State weekly program set 216 million eggs in incubators during the week ending January 5, 2008. This was up 2 percent from the eggs set the corresponding week a year earlier. Average hatchability for chicks hatched during the week was 83 percent. Average hatchability is calculated by dividing chicks hatched during the week by eggs set three weeks earlier.

BROILER CHICKS PLACED UP 3 PERCENT

Broiler growers in the 19-State weekly program placed 179 million chicks for meat production during the week ending January 5, 2008. Placements were up 3 percent from the comparable week a year earlier.

BROILER-TYPE EGGS SET AND BROILER CHICKS PLACED TOTAL 19 SELECTED STATES

| WEEK ENDING | 2008 | 2007 | PERCENT CHANGE PREVIOUS YEAR |
|-------------|---------|---------|---------------------------------|
| 01/05/08 | 215,665 | 210,475 | +02 |
| | 178,967 | 172,967 | +03 |

Source: NASS, USDA

WEEKLY FRYERS AVAILABLE FOR MARKETING Based on the preliminary chick placements, the number of fryers available for marketing during the week ending 16-Feb-08 is estimated at 163.4 million head. This compares to 163.8 million head the previous week and to 160.7 million head the same week a year ago, when the slaughter was 160.8 million head and the composite weighted average price was 75.06 cents per pound.

JAN 08

SOUTHERN STATES BROILER/FRYER PARTS

JAN 09

F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

| ITEM | POUNDS | | | WTD | ITEM | POUNDS | | | WTD |
|---------------------|-------------------|---------------|----------|--------|---------------------|-------------------|---------------|----------|--------|
| | (000) | RANGE | MAJORITY | AVG | | (000) | RANGE | MAJORITY | AVG |
| BREAST - B/S | 648 | 114.00-188.00 | - | 123.72 | BREAST - B/S | 578 | 110.00-192.00 | - | 125.63 |
| TENDERLOINS | 191 | 104.00-182.00 | - | 117.58 | TENDERLOINS | 221 | 104.00-182.00 | 109-114 | 117.15 |
| BREAST - LINE RUN | TOO FEW TO REPORT | | | | BREAST - LINE RUN | TOO FEW TO REPORT | | | |
| FRONT HALVES | TOO FEW TO REPORT | | | | FRONT HALVES | TOO FEW TO REPORT | | | |
| LEGS | 201 | 53.00-66.00 | 55-56 | 55.17 | LEGS | 168 | 55.00-66.00 | - | 56.00 |
| LEG QUARTERS (BULK) | 420 | 35.00-42.00 | 37-38 | 37.46 | LEG QUARTERS (BULK) | 451 | 35.00-42.00 | 37-38 | 37.72 |
| LEG QUARTERS (4/10) | 946 | 38.00-45.00 | 39-40 | 39.75 | LEG QUARTERS (4/10) | 884 | 38.00-45.00 | 39-40 | 39.88 |
| WINGS (WHOLE) | 320 | 104.00-119.00 | 112-117 | 113.02 | WINGS (WHOLE) | 305 | 102.00-118.00 | 112-114 | 113.21 |
| WINGS (CUT) | TOO FEW TO REPORT | | | | WINGS (CUT) | 105 | 119.00-131.00 | - | 127.00 |
| DRUMSTICKS | TOO FEW TO REPORT | | | | DRUMSTICKS | TOO FEW TO REPORT | | | |
| THIGHS | TOO FEW TO REPORT | | | | THIGHS | TOO FEW TO REPORT | | | |
| B/S THIGHS | 120 | 100.00-119.00 | - | 109.42 | B/S THIGHS | TOO FEW TO REPORT | | | |

WHOLE BODY INDEX BASED ON SOUTHERN STATES PARTS TRADING FOR F.O.B. DOCK

| RANGE | TODAY'S AVERAGE | RANGE | TODAY'S AVERAGE | 5-DAY AVERAGE |
|---------------|-----------------|---------------|-----------------|---------------|
| 46.50 - 52.50 | 49.40 | 46.50 - 52.50 | 48.82 | 49.15 |

The index is intended solely as an indicator of values for commodity-type product and does not represent industry's willingness to sell or ability to buy.

NORTHEAST BROILER/FRYER PARTS - Trucklot buying interest was mostly fair to moderate for mid week trading. Offerings of breast items and tenders were generally sufficient for current needs and noted as slightly more available than earlier in the week. Wings were adequate to well cleared. Most dark meat cuts were about adequate to adequate and clearing satisfactorily. Movement through retail and distributive channels was fair. The market tone was at least steady for wings; at least steady to fully steady for drums and thighs. The balance of items were generally steady.

ICE PACKED BROILER/FRYER PARTS, DELIVERED TO FIRST RECEIVERS IN POOL TRUCKLOT AND TRUCKLOT QUANTITIES, CENTS PER POUND.

| JAN 08 | CURRENT NEG | WTD | JAN 09 | CURRENT NEG | WTD |
|----------------------------|-------------|--------|----------------------------|-------------|--------|
| ITEM | TRADING* | AVG | ITEM | TRADING* | AVG |
| BREAST - B/S | 135 | 127.18 | BREAST - B/S | 135 | 128.46 |
| TENDERLOINS | 115 | 112.21 | TENDERLOINS | 115 | 111.85 |
| BREAST - WITH RIBS | 70-71 | 73.30 | BREAST - WITH RIBS | 70-71 | 75.52 |
| BREAST - LINE RUN | 70 | 70.22 | BREAST - LINE RUN | 70 | 70.56 |
| LEGS | 60-61 | 63.51 | LEGS | 60-61 | 63.03 |
| LEG QUARTERS (BULK) | 41-42 | 41.54 | LEG QUARTERS (BULK) | 41-42 | 42.00 |
| DRUMSTICKS | 52-53 | 58.74 | DRUMSTICKS | 52-53 | 61.07 |
| THIGHS | 55-56 | 61.55 | THIGHS | 55-56 | 60.55 |
| B/S THIGHS | 116-117 | 118.77 | B/S THIGHS | 116-117 | 119.07 |
| WINGS (WHOLE) | 117-118 | 119.97 | WINGS (WHOLE) | 117-118 | 122.07 |
| BACKS AND NECKS (STRIPPED) | 10-12 | 11.18 | BACKS AND NECKS (STRIPPED) | 10-12 | 10.88 |
| LIVERS (5 POUND TUBS) | 35-40 | 36.23 | LIVERS (5 POUND TUBS) | 35-40 | 36.80 |
| GIZZARDS (HEARTS) | 60-65 | 59.58 | GIZZARDS (HEARTS) | 55-60 | 53.52 |

INCLUDES NY CITY METRO. AREA, NORTHERN NJ, MA, CT, RI, & PA (NORTHEAST OF HARRISBURG). * TODAY'S NEG. SALES AS OF 11:30 A.M.

** WEIGHTED AVERAGE PRICE OF ALL GRADES AND BRANDS OF PRODUCT SHIPPED, OR TO BE SHIPPED AS OF 1:30 P.M.

ESTIMATED SLAUGHTER OF BROILER-FRYERS (IN THOUSANDS)

| | ESTIMATED | | ACTUAL | | AVG WTS | | ACTUAL | | AVG |
|----------------|------------|---------|---------|---------|---------|---------|------------|-------|-----|
| | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | WTS | |
| | 01/09 | 01/08 | 01/07 | 01/04 | 01/07 | 01/04 | 01/02 | 12/31 | |
| Alabama | 4,105 | 4,158 | 4,105 | 4,305 | 5.65 | 5.51 | 4,042 | 5.59 | |
| Arkansas | 5,058 | 5,209 | 4,856 | 6,377 | 5.44 | 5.42 | 5,012 | 5.11 | |
| Delmarva | 2,294 | 2,300 | 2,289 | 3,527 | 5.88 | 6.08 | 2,325 | 6.07 | |
| KY-LA-TN | 2,378 | 2,407 | 2,380 | 3,205 | 5.18 | 5.19 | 2,402 | 5.38 | |
| Mississippi | 3,152 | 3,129 | 3,134 | 3,534 | 5.73 | 5.73 | 3,127 | 5.64 | |
| North Carolina | 2,918 | 2,927 | 2,763 | 3,821 | 7.04 | 7.39 | 2,730 | 6.87 | |
| Texas | 2,567 | 2,560 | 2,607 | 2,596 | 5.25 | 5.31 | 2,575 | 5.25 | |
| Total | 22,472 | 22,690 | 22,134 | 27,365 | 5.71 | 5.80 | 22,213 | 5.63 | |
| Mon-Wed | 67,727 (A) | | | | | | 41,630 (A) | | |

(A) Weekly cumulative for states listed above.

Broiler-fryer slaughter under federal inspection for 09-Jan-08 is estimated to be 33,621,000 head up 0.86 percent from a week ago and up 9.78 percent from a year ago.

(Last week 33,333,000, last year 30,627,000)

SOUTHERN CALIFORNIA (L.A. AREA)

PROCESSED POULTRY, DLVRD TO RETAILERS

| | RANGE |
|------------------|---------|
| FRESH FRYERS | 94-100 |
| ROASTERS 4# & UP | 109-118 |
| HENS UNDER 5# | |
| HENS OVER 5# | 67-78 |
| DUCKS | |
| RABBITS-WHOLE | |
| RABBITS-CUT UP | |

**SAN FRANCISCO PROCESSED POULTRY
DLVRD TO RESTAURANTS AND INSTITUTIONS**

| | RANGE |
|------------------|--------------|
| FRESH FRYERS | ICE PACK 126 |
| | DRY PACK 112 |
| ROASTERS 4# & UP | ICE PACK 130 |
| | DRY PACK 110 |
| HENS OVER 5# | ICE PACK 109 |
| | DRY PACK 105 |
| DUCKS | 204-207 |

ESTIMATED U.S. LIVE POULTRY SLAUGHTER

UNDER FEDERAL INSPECTION FOR WEEK ENDING 12-Jan-08

| Class | CURRENT WEEK | | PREVIOUS WEEK | |
|---------------|--------------|---------------|---------------|---------------|
| | 01/12/08 (1) | Thousand head | 01/05/08 | Thousand head |
| Broiler/fryer | 175,526(2) | | 136,470 | |
| Light hens | 1,572 | | 1,072 | |
| Heavy hens | 1,552 | | 1,088 | |
| Total | 178,650 | | 138,630 | |

(1)ESTIMATED

2)The estimated number of broiler-fryers available for slaughter the week ending 12-Jan-08 is 163.5 million head compared to 162.4 million head slaughtered the same week last year. The estimated U.S. slaughter this week is 175.9 million head or 12.34 million more than estimated available. For the week of 19-Jan-08 the estimated available is 167.1 million head.

WEEKLY COLD STORAGE HOLDINGS-SELECTED STGE CENTERS
(INCL GOVT STOCKS) (IN THOUSANDS)

| | PROCESSED TURKEY | | PROCESSED POULTRY | |
|-------------|------------------|--|-------------------|--|
| | LBS | | LBS | |
| AM 01/07/08 | 43,929 | | 80,834 | |
| AM 12/01/07 | 37,974 | | 89,689 | |
| CHG | 5,955 | | -8,855 | |
| PCT CHG | 16 | | -10 | |

COLD STORAGE MOVEMENT (IN THOUSANDS)

| | PROCESSED TURKEYS | | | PROCESSED POULTRY | | |
|----------------------|-------------------|----------|----------|-------------------|----------|----------|
| | 01/07/08 | 01/01/08 | 01/08/07 | 01/07/08 | 01/01/08 | 01/08/07 |
| PACIFIC COAST | 1,499 | 3,096 | 1,666 | 5,293 | 7,031 | 8,761 |
| LOS ANGELES | 127 | 133 | 173 | 1,615 | 905 | 2,325 |

CENTRAL MISCELLANEOUS POULTRY RTC HENS

READY-TO-COOK PRICES NEGOTIATED FOR DELIVERY TO FIRST RECEIVERS,U.S.GRADE A AND PLANT GRADE, 5LBSAND UP, FOR WEEK OF JANUARY 7, 2008

| HENS | RANGE | |
|------|------------------------|----------------------------|
| | ICE PACKED(12 PER BOX) | VACUUM PACKED(6-9 PER BOX) |
| | 73-81 | 71-94 |

HACKETTSTOWN POULTRY SALES FOR 01/08/08

| | AI PAPERS REQUIRED TO SELL ALL OUT OF STATE POULTRY | | | FOR 01/08/08 | | |
|------------------|---|------|------|-------------------|------|------|
| | LOW | HIGH | AVG | LOW | HIGH | AVG |
| HEAVY FOWL lb. | - | 1.35 | - | HEAVY FOWL ea. | - | - |
| LIGHT FOWL lb. | - | - | - | LIGHT FOWL ea. | - | - |
| MIXED FOWL lb. | - | - | - | MIXED FOWL ea. | - | - |
| BANTAMS lb. | - | - | - | BANTAMS ea. | - | - |
| BROILERS lb. | - | - | - | BROILERS ea. | - | - |
| ROASTERS lb. | - | - | - | ROASTERS ea. | - | - |
| FRYERS lb. | - | - | - | FRYERS ea. | - | - |
| CHICKS lb. | - | - | - | CHICKS ea. | - | - |
| PULLETS lb. | - | - | - | PULLETS ea. | - | - |
| BUNNIES lb. | - | - | - | BUNNIES ea. | - | - |
| ROOSTERS lb. | 1.25 | 1.35 | 1.31 | ROOSTERS ea. | - | - |
| GEESE lb. | - | - | - | GEESE ea. | - | - |
| TURKEYS lb. | - | - | - | TURKEYS ea. | - | - |
| DUCKS lb. | .70 | 1.35 | .97 | DUCKS ea. | - | - |
| RABBITS lb. | 1.50 | 2.20 | 1.89 | RABBITS ea. | - | - |
| PIGEONS lb. | - | - | - | PIGEONS ea. | 2.25 | 5.25 |
| GUINEA FOWL lb. | - | - | - | GUINEA FOWL ea. | - | - |
| DUCKLINGS lb. | - | - | - | DUCKLINGS ea. | - | - |
| GUINEA KEETS ea. | - | - | - | CALL DUCKS ea. | - | - |
| SILKIES ea. | - | - | - | GOSLINGS ea. | - | - |
| GUINEA PIGS ea. | - | - | - | TURKEY POULTS ea. | - | - |
| CHUKARS ea. | - | - | - | | | |
| TOTAL COOPS | 115 | | | | | |

MAJOR WHOLESALE MARKETS-MEXICO CITY

Cents per pound for the week ending January 4, 2008

| | Whole Chickens | | Legs W/Thighs | Necks,Backs & Wings | Livers Gizzards | Hens |
|---------------------|----------------|--------|---------------|---------------------|-----------------|-------|
| | Breasts | | | | | |
| RAYON | | | | | | |
| Low | 64.04 | 149.70 | 83.16 | 12.47 | 4.16 | 66.53 |
| High | 71.52 | 162.17 | 95.64 | 20.79 | 8.32 | 66.53 |
| Mostly | 66.53 | 158.01 | 87.32 | 16.63 | 4.16 | 66.53 |
| SAN JUAN | | | | | | |
| Low | 62.37 | 149.70 | 83.16 | 12.47 | 4.16 | 62.37 |
| High | 70.69 | 158.01 | 91.48 | 20.79 | 8.32 | 62.37 |
| Mostly | 67.36 | 153.85 | 91.48 | 16.63 | 8.32 | 62.37 |
| NEW SAN JUAN | | | | | | |
| Low | 65.28 | 153.85 | 91.48 | 16.63 | 4.16 | 70.69 |
| High | 73.18 | 162.17 | 99.80 | 20.79 | 8.32 | 70.69 |
| Mostly | 65.28 | 162.17 | 95.64 | 16.63 | 8.32 | 70.69 |
| BECERRA | | | | | | |
| Low | 66.53 | 158.01 | 87.32 | 16.63 | 8.32 | 74.85 |
| High | 74.85 | 170.49 | 95.64 | 20.79 | 12.47 | 74.85 |
| Mostly | 66.53 | 166.33 | 95.64 | 16.63 | 8.32 | 74.85 |

DELMARVA Movement of ready-to-cook whole birds was seasonally fair to moderate for midweek trading. Offerings were generally sufficient for immediate trade needs. Live supplies were moderate; weights were mixed, but noted as mostly desirable. Processor schedules were moderate to moderately heavy. Less than trucklot asking prices were unchanged at 75 to 89 cents. Trade sentiment was reported as mostly steady. In the parts complex, breast items were adequate to at times available. Wings remained in good balance to well cleared. Most dark meat cuts were usually adequate.

BRANDED U.S. GRADE A
66-91
WEIGHTED AVERAGE (A)
NO. OF BOXES (A)

(A) Not reported to avoid disclosing individual operations.

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