



INTERNATIONAL EGG AND POULTRY REVIEW

ISSN 1522-5100



U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News and Analysis Branch

India

Since December, 2007, H5N1 highly pathogenic avian influenza (High Path AI) has broken out in 15 countries around the world. Countries with confirmed outbreaks in poultry stocks include Bangladesh, Benin, China, Egypt, Germany, India, Indonesia, Iran, Israel, Myanmar, Poland, Russia, Turkey, Ukraine and Vietnam. Most of the outbreaks have occurred in domestic chickens, turkeys, geese and ducks. A few cases in wild birds have occurred in China, Poland and the United Kingdom.

The first reported outbreak in India this year was on January 4, 2008 in the state of West Bengal and confirmed on January 15, 2008. West Bengal neighbors Bangladesh and the H5N1 High Path virus had been spreading in Bangladesh since early 2007. Since the current outbreak began, India has been struggling to keep its worst ever AI outbreak in West Bengal under control. The AI outbreak has spread to 13 of 19 districts in West Bengal and some have estimated more than 1.5 million chickens have already been destroyed with the potential of up to 2.7 million chickens that will need to be culled in order to rein in the outbreak. Rainfall and staff shortages have delayed the culling of the chickens and disinfection will commence once the culling is complete.

The AI outbreak in West Bengal, India has also affected India's poultry exports. Oman, Nepal, Sri Lanka, Qatar, Bhutan, Kuwait and Bahrain have banned imports from India since the start of the 2008 outbreak and the UAE has banned poultry imports since an outbreak occurred in Manipur in July, 2007. Saudi Arabia has only banned poultry from West Bengal. The value of India's exports was \$42 million in IFY 2005/2006 and \$76.5 million in IFY 2006/2007. The banned exports to the above countries included cartoned eggs, egg powder and processed chicken.

After the announcement of the H5N1 High Path AI outbreak, within a short period of time egg exports took a dramatic drop. The Namakkal belt, an area with 800 poultry farms and where 90% of India's total egg exports come from, experienced a 40% drop in egg exports to the Middle East after the outbreak. Meanwhile, farm gate prices for the Namakkal region have dropped 25% from before the outbreak.

The H5N1 High Path AI outbreak has also affected the rearing and sales of country chickens. Country chickens are raised in backyards and there are 17 varieties of them. Sales of country chickens have dropped over 60% in response to the January, 2008 outbreak compared to a 30% drop to the 2007 outbreak. Farmers in West Bengal have started raising fewer country chickens because of a fear of losses and of culling efforts resulting in sales declining in the state to about 15% of the total number of chickens sold. Concern is developing that the culling of the chickens could destroy a gene bank that could develop new breeds that are better than today's broilers.

India's poultry industry is also being affected by rising feed costs. Feed is about 75% of the cost to raise poultry in India. Soymeal costs have increased 80% in the past year while maize prices have also increased dramatically. Some industry members are urging regulation of maize exports to ensure supplies for the domestic market.

Source: Various News Sources

India Broiler Meat (1,000 Metric Tons)

	2003	2004	2005	2006	2007	NOV 2008
Production	1,500	1,650	1,900	2,000	2,200	2,400
Total Domestic Consumption	1,495	1,648	1,899	2,000	2,200	2,400
Per Capita Consumption (kg)	1.4	1.5	1.7	1.8	1.9	2.1
Hen Shell Egg Production (1,000 MT)	2,222	2,486	2,539	2,604		

2007 Data is Preliminary

2008 Data is forecast

Source: USDA/FAS,

Data copied: January 30, 2008

Faostat.fao.org/site/569/DesktopDefault.aspx.FAOSTAT, Statistics Division, Food and Agriculture Organization of the UN

India (1,000 Metric tons)

	2000	2001	2002	2003	2004	2005
Imports						
Egg White	0	0.01	0.05	0.07	0.01	0.03
Exports						
Dried Eggs	0.96	1.77	3.36	3.24	2.2	7.7
Liquid Eggs	4.54	8.93	12.43	6.97	3.25	1.5
Egg Albumine	0.05	0.05	0.13	0.04	0.04	0.06
Chicken Meat	0.08	0.03	0.45	4.47	1.41	0.48

Source: Data copied: January 29, 2008

Faostat.fao.org/site/535/DesktopDefault.aspx.FAOSTAT, Statistics Division, Food and Agriculture Organization of the UN

U.S. Egg Exports to India January-November Comparisons

Commodity	2003	2004	2005	2006	2007
Shell Eggs (doz)	0	0	0	190,364	186,774
Eggs Not In Shell (MT) (Fresh, Frozen, Etc.)	0	0	0	0	41

Source: USDA/FAS

U.S. Exports to Select Countries That Have Banned India's Poultry Imports (January-November Comparisons)

	2003	2004	2005	2006	2007
Saudi Arabia					
Shell Eggs (Doz)	0	0	2,340	129,119	43,005
Egg Products (MT)	49	66	33	168	167
Total Fowl/Turkey (MT)	676	428	1,145	1,865	1,866
Kuwait					
Total Fowl/Turkey (MT)	5,436	6,510	12,567	5,954	16,007
Bahrain					
Total Fowl/Turkey (MT)	1,161	987	954	584	1,667

Source: USDA/FAS

**INSPECTED EGG PRODUCTS-
U.S. & CANADA IMPORT/EXPORT TRADE**

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

Type	Year-To-Date			2007
	2008	2007 /1	2008 /2	
Liquid	0	237	0	571
Frozen	0	0	0	3
Dried	0	0	0	80
Total	0	237	0	654

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

Type	Year-To-Date			2007
	2008	2007 /1	2008 /2	
Liquid	521	188	1,299	910
Frozen	46	12	74	17
Dried	0	0	0	0
Total	567	200	1,373	927

Inspected Shell Eggs

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

	Year-To-Date			2007
	2008	2007 /1	2008 /2	
Jumbo	0	0	0	0
Ex Large	0	0	0	180
Large	0	800	0	1,671
Medium	0	0	945	0
Ungraded	3,690	0	6,690	0
Misc	0	0	0	0
Total	3,690	800	7,635	1,851

/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 Branch

**U.S./CANADIAN LIVE POULTRY-
SLAUGHTERED UNDER INSPECTION**

Week Ending January 26, 2008 (Preliminary)

U.S. fowl slaughtered domestically

	Thousands		Total Hens
	Light Hens	Heavy Hens	
Head	1,370	1,474	2,844
Last Week	1,627	1,442	3,069
Same week yr ago	1,067	1,509	2,576
To-date/2008	5,683	5,563	11,246
To-date/2007	4,165	5,404	9,569

U.S. fowl slaughtered in Canada

	Thousands		Total Hens
	Light Hens	Heavy Hens	
Head	348	0	348
Last Week	360	0	360
Same week yr ago	295	0	295
To-date/2008	1,067	0	1,067
To-date/2007	808	0	808

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

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

	Thousands		Total Hens
	Light Hens	Heavy Hens	
Head	1,718	1,474	3,192
Last Week	1,987	1,442	3,429
Same week yr ago	1,362	1,509	2,871
To-date/2008	6,750	5,563	12,313
To-date/2007	4,973	5,404	10,377

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

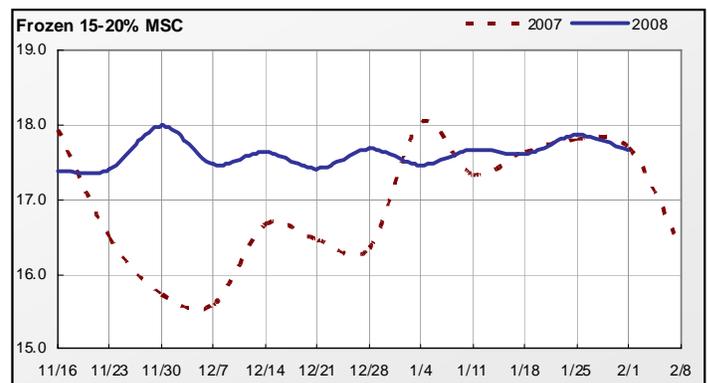
NATIONAL MECHANICALLY SEPARATED CHICKEN

(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.)

The MSC trade sentiment was fully steady to instances firm with prices slightly higher. Supplies were barely adequate on fresh 15-20% and close on the remainder for current needs; best call on Frozen 15-20%. Raw materials were tight due to a variety of reasons ranging from higher rendering prices to slightly lighter weight birds as a result of feed formula changes. Domestic movement was fair to moderate. Export demand was fairly good with good inquiry from Mexico and Central and South American countries. Schedules were light to normal due to a few mechanical disruptions and lack of raw materials. Frame values ranged 5 to 9 cents FOB.

Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

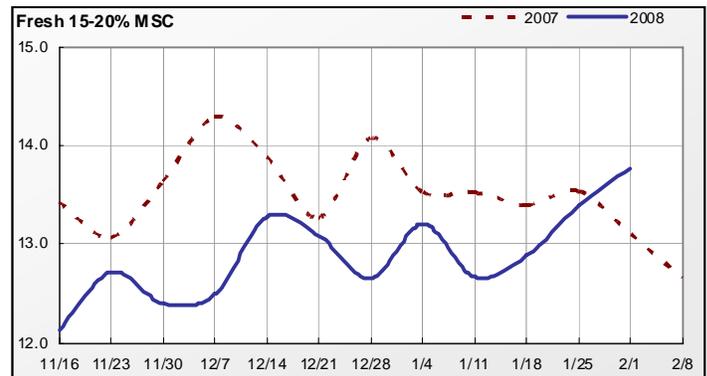
Fat Content	Frozen			Fresh		
	1-Feb-08	Last Week	Last Year	1-Feb-08	Last Week	Last Year
15% or Less						
Price Range	16.00	15.75	16.50	15.00 - 16.00	15.00 - 16.00	17.00-18.00
Wtd Avg Price	16.00	15.75	16.50	15.65	15.70	17.21
Volume Traded	52	54	262	341	402	383
Volume Exported	52	54	262	-	-	-
15-20%						
Price Range	16.00 - 21.00	16.00 - 21.00	14.00-21.00	11.00 - 16.00	11.00 - 16.00	11.00-16.00
Wtd Avg Price	17.67	17.87	16.38	13.78	13.39	12.66
Volume Traded	1,426	1,143	1,316	1,826	2,655	2,658
Volume Exported	1,386	980	1,196	515	857	608
20% or More						
Price Range	-	-	-	-	12.00	14.00
Wtd Avg Price	-	-	-	-	12.00	14.00
Volume Traded	-	-	-	-	82	120
Volume Exported	-	-	-	-	-	-



Monthly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

Fat Content	Frozen			Fresh		
	Dec 2007	Nov 2007	Dec 2006	Dec 2007	Nov 2007	Dec 2006
15% or Less						
Wtd Avg Price	16.31	16.76	17.57	15.79	15.67	16.26
Volume Traded	897	1,234	1,682	1,534	2,494	2,121
Volume Exported	897	1,234	1,322	54	104	-
15-20%						
Wtd Avg Price	17.48	17.53	16.43	12.89	12.54	13.78
Volume Traded	9,209	12,989	7,785	11,946	15,504	7,855
Volume Exported	8,640	12,305	6,402	3,085	5,429	1,194
20% or More						
Wtd Avg Price	-	-	-	-	14.00	14.10
Volume Traded	-	-	-	-	240	1,087
Volume Exported	-	-	-	-	-	-

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



NATIONAL YOUNG TURKEY PARTS, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 01 FEBRUARY 2008.

The market tone on tom drums was mixed, steady to barely steady. Tom necks was weak, balance of bulk parts mostly steady. Demand was light to moderate. Export demand continues to be moderate, instances good, except for tails and thigh meat slow to moderate. Offerings are light to adequate.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, FEBRUARY 01, 2008	RANGE	CODE 1/	PRICE	(000)	PRICE	(000)
DRUMSTICKS, TOMS	53.00-55.50		53.54	606	55.94	2,522
WINGS FULL-CUT - TOMS	47.00		47.00	540	47.18	1,176
WINGS, V-TYPE, TOM		R	58.00	216	59.47	424
TAILS	27.00-30.00		28.50	216	27.86	408
MECHANICALLY SEPARATED 2/	19.00		19.00	80	16.69	427
THIGH MEAT - FROZEN	96.00		96.00	240	96.34	361

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
THURSDAY, JANUARY 31, 2008	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	55.00-58.00		56.22	776
WINGS FULL-CUT - TOMS	47.00-48.00		47.29	378
WINGS, V-TYPE, TOM	58.00		58.00	216
TAILS	25.00		25.00	20
MECHANICALLY SEPARATED 2/	16.00		16.00	80
THIGH MEAT - FROZEN		W	97.00	81

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
WEDNESDAY, JANUARY 30, 2008	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	56.00-57.50		57.03	1,140
WINGS FULL-CUT - TOMS	47.00-48.00		47.42	258
WINGS, V-TYPE, TOM	61.00		61.00	208
TAILS	26.00-28.00		27.40	172
MECHANICALLY SEPARATED 2/	15.50-18.00		16.20	267
THIGH MEAT - FROZEN	97.00		97.00	81

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
TUESDAY, JANUARY 29, 2008	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	57.89	590
WINGS FULL-CUT - TOMS		F	46.00	104
WINGS, V-TYPE, TOM		F	60.41	910
TAILS		W	30.00	12
MECHANICALLY SEPARATED 2/				
THIGH MEAT - FROZEN	97.00		97.00	40

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
MONDAY, JANUARY 28, 2008	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	57.89	590
WINGS FULL-CUT - TOMS		F	46.00	104
WINGS, V-TYPE, TOM		F	60.41	910
TAILS		W	30.00	12
MECHANICALLY SEPARATED 2/				
THIGH MEAT - FROZEN		W	98.00	42

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.