



# INTERNATIONAL EGG AND POULTRY REVIEW

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## EU-27 Poultry

The EU-27 broiler market recovered from a 2006 decline caused by HPAI (High Path Avian Influenza) outbreaks, but production was restrained due to outbreaks of Highly Pathogenic Avian Influenza (HPAI) H5N1 in wild birds and in small poultry operations in several countries in 2007. Higher domestic consumption resulted in a 1% increase in broiler meat production estimates for 2008. In 2007, poultry production in general rose 3.8% while the producer price rose 8.1%. The limited increase in production helped increase EU poultry prices to record levels and kept production margins positive even with increased feed costs.

### EU-27 Broiler Meat (1,000 MT CWE)

	2006	2007	2008
Production	7,740	8,111	8,200
Imports	605	640	650
Exports	690	656	620
Dom. Consumption	7,655	8,095	8,230

Source: EU FAS Offices (not official data)

The European Union is expected to become a net broiler meat importer in 2008. Domestic consumption is growing at a faster rate than production and broiler meat imports are trending higher at the same time that exports are declining. Brazil is the primary chicken meat supplier to the EU-27. In 2007/2008 Brazil is expected to fill its tariff rate quota and even over-quota imports in 2008 may still be profitable for Brazil's poultry exporters.

In 2006 the European Union concluded an agreement with Brazil for a new TRQ on salted poultry meat (HS code 02109939), preparations of turkey meat (HS 160231) and cooked chicken meat (HS16023219). Brazil was allotted 170,807 MT of salted poultry meat; 92,300 MT of preparations of turkey meat; and 73,000 MT of cooked chicken meat.

### EU Tariff Rate Quotas 2006

	TRQ MT	Bound Tariff	Over Quota Euro/MT
Salted poultry meat	264,245	15.40%	1,300
Preparations of turkey meat	103,896	8.50%	1,024
Cooked chicken meat	230,453	10.90%	1,024

The trade dispute between the EU-27 and the United States on Pathogen Reduction treatments (PRT) on poultry carcasses has not been resolved. The EU banned poultry meat imports from the U.S. on April 1, 1997 because of a disagreement on anti-microbial treatment. U.S. poultry producers use washes of low concentration pathogen reducing treatments to reduce the level of pathogens in poultry meat production, a practice not permitted under EU sanitary regime. During the November 2007 meeting of the Transatlantic Economic Council, the EU committed to act definitively to resolve the long-standing issue regarding the importation into the EU of U.S. poultry treated with pathogen reduction treatments before the next U.S.-EU Summit.

Source: USDA/Foreign Agricultural Service Attaché Report; Eurostat News Release 35/2008; U.S. Trade Representative press release

## JAPANESE POWDERED EGG IMPORTS (IN TONS)

Month	Powdered			Total
	Whole Eggs	Powdered Yolks	Powdered Albumen	
<b>2006</b>				
July	468.7	209.5	898.2	1,576.4
August	226.9	120.9	795.0	1,142.8
September	478.6	270.7	714.4	1,463.7
October	361.7	196.9	1,035.5	1,594.1
November	271.1	175.5	989.0	1,435.6
December	449.7	267.7	876.4	1,593.8
2006 To-Date	4,301.5	2,471.0	9,392.1	16,164.6
<b>2007</b>				
July	174.4	164.7	755.8	1,094.9
August	455.3	196.0	985.2	1,636.5
September	213.8	320.0	857.0	1,390.8
October	254.2	204.7	917.3	1,376.2
November	253.8	233.5	980.2	1,467.5
December	305.2	321.7	638.1	1,265.0
2007 To-Date	3,642.8	2,641.8	9,636.1	15,920.7

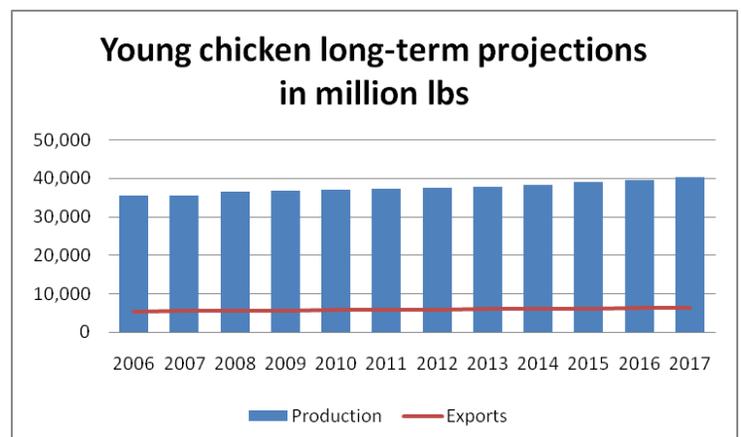
Source: ALIC Monthly Statistics

### U.S. Broiler Exports Remain Strong

Broiler exports in 2007 were up 11% from 2006, while turkey exports increased 1.3%. Broiler exports are forecast to reach 6,000 million pounds in 2008 while turkey exports are forecast to top 605 million pounds. A number of major markets benefitted from the weak U.S. dollar. Disease issues in China's hog industry contributed to a 24% increase in broiler shipments. Egg and egg product exports (including hatching eggs) reached 251-million dozen on an egg equivalent basis in 2007. Much of the growth in 2007 can be attributed to shipments going to the EU-27 countries.

Source: USDA/Economic Research Service Livestock, Dairy and Poultry Outlook [www.ers.usda.gov](http://www.ers.usda.gov)

### Young chicken long-term projections in million lbs



Source: USDA Agricultural Projections to 2017, World Agricultural Outlook Board

**INSPECTED EGG PRODUCTS-**

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

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

Type	Year-To-Date			
	2008	2007 /1	2008 /2	2007
Liquid	0	336	49	1,674
Frozen	6	0	8	5
Dried	0	1	98	169
<b>Total</b>	<b>6</b>	<b>337</b>	<b>155</b>	<b>1,848</b>

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

Type	Year-To-Date			
	2008	2007 /1	2008 /2	2007
Liquid	322	225	4,266	3,923
Frozen	22	0	213	113
Dried	0	35	0	191
<b>Total</b>	<b>344</b>	<b>260</b>	<b>4,479</b>	<b>4,227</b>

**Inspected Shell Eggs**

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

	Year-To-Date			
	2008	2007 /1	2008 /2	2007
Jumbo	0	0	0	0
Ex Large	0	1,550	2,810	5,189
Large	4,650	4,180	14,500	16,661
Medium	1,500	1,860	8,040	9,575
Ungraded	720	2,300	44,110	12,680
Misc	0	0	0	85
<b>Total</b>	<b>6,870</b>	<b>9,890</b>	<b>69,460</b>	<b>44,190</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 Branch

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

Week Ending 22 Mar-08 (Preliminary)

**U.S. fowl slaughtered domestically**

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	1,389	1,392	2,781
Last Week	1,088	1,557	2,645
Same week yr ago	1,115	1,138	2,253
To-date/2008	16,218	17,743	33,961
To-date/2007	13,340	16,081	29,421

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

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	333	0	333
Last Week	290	0	290
Same week yr ago	192	0	192
To-date/2008	3,564	12	3,576
To-date/2007	2,558	14	2,572

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

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

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	1,722	1,392	3,114
Last Week	1,378	1,557	2,935
Same week yr ago	1,307	1,138	2,445
To-date/2008	19,782	17,755	37,537
To-date/2007	15,898	16,095	31,993

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

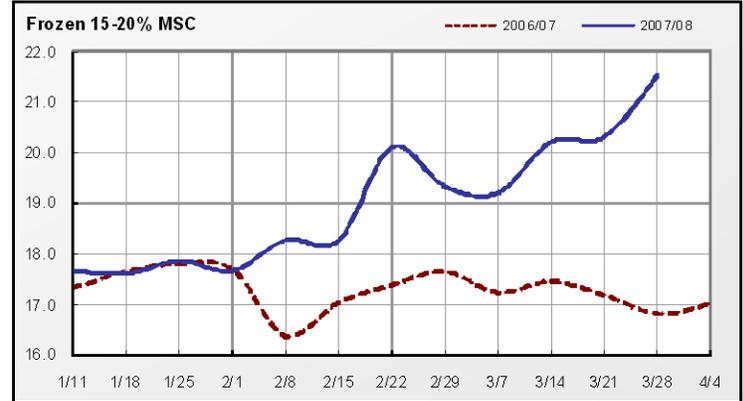
**NATIONAL MECHANICALLY SEPARATED CHICKEN**

(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 steady to fully steady. Supplies were in good balance and well cleared on fresh 15-20%; remainder close. Frozen demand was moderate to good. Supplies of raw materials continues tight and where available held with confidence; demand good. Domestic movement was moderate to instances good. Export demand was fair to good with good inquiry from Mexico and Central American countries. Schedules were mixed, ranging light to normal mostly due to short supplies of raw materials.

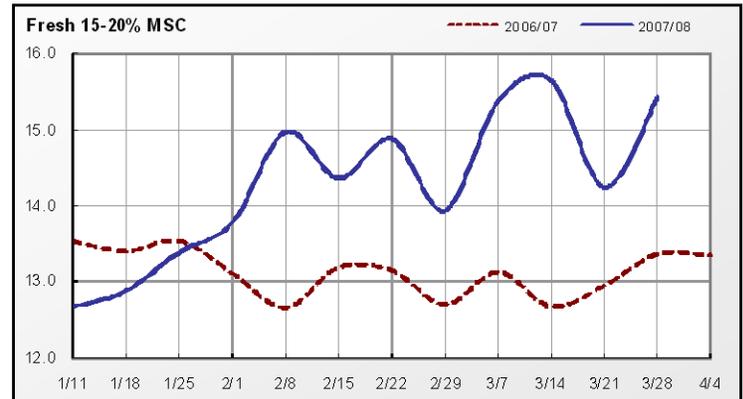
**Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)**

Fat Content	Frozen			Fresh		
	28-Mar-08	Last Week	Last Year	28-Mar-08	Last Week	Last Year
<b>15% or Less</b>						
Price Range	20.00	19.00	16.00-20.00	18.00 - 23.00	18.75 - 19.00	16.00-17.00
Wtd Avg Price	20.00	19.00	17.45	19.84	18.86	16.40
Volume Traded	55	55	421	326	141	401
Volume Exported	55	55	261	-	-	-
<b>15-20%</b>						
Price Range	16.25 - 24.00	16.25 - 24.00	16.00-21.00	11.50 - 22.00	11.50 - 22.00	11.00-16.00
Wtd Avg Price	21.52	20.32	17.02	15.43	14.24	13.35
Volume Traded	2,417	1,550	1,548	1,700	2,474	1,910
Volume Exported	2,216	1,190	1,386	368	367	122
<b>20% or More</b>						
Price Range	-	-	-	16.00 - 18.00	-	14.00
Wtd Avg Price	-	-	-	17.00	-	14.00
Volume Traded	-	-	-	245	-	120
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Feb 2008	Jan 2008	Feb 2007	Feb 2008	Jan 2008	Feb 2007
<b>15% or Less</b>						
Wtd Avg Price	20.40	15.69	16.85	17.58	15.70	16.53
Volume Traded	584	215	1,361	1,566	1,486	1,550
Volume Exported	264	215	1,161	-	-	-
<b>15-20%</b>						
Wtd Avg Price	18.82	17.64	17.06	14.37	13.08	12.93
Volume Traded	8,143	5,922	4,886	11,547	9,007	9,269
Volume Exported	7,223	5,359	4,166	2,321	2,197	1,997
<b>20% or More</b>						
Wtd Avg Price	-	-	-	18.03	12.00	14.00
Volume Traded	-	-	-	775	82	440
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 28 MARCH 2008.

The market tone was steady to fully steady on 4-8 lb. breasts, scapula, mechanically separated turkey (MST) and thigh meat; balance of bulk parts and meat items generally steady. Demand was light to moderate. Offerings of bulk parts and meats was light to adequate. Trading was slow. Export: fresh tom drums and fresh thigh meat both open priced, fresh tom drums 48 cents delivered, fresh thigh meat 96 cents delivered and hen necks 41.5 cents delivered.

<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, MARCH 28, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>	<b>PRICE</b>	<b>VOLUME</b>
						<b>(000)</b>
DRUMSTICKS, TOMS	51.00		51.00	40	50.90	276
WINGS FULL-CUT - TOMS	50.00-51.00		50.69	348	50.28	429
WINGS, V-TYPE, TOM						
TAILS	27.50-28.00		27.75	80	27.75	80
MECHANICALLY SEPARATED 2/		T	23.00	208	23.00	248
THIGH MEAT - FROZEN	97.00-98.00		97.33	242	98.29	718
<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>		
<b>THURSDAY, MARCH 27, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>		
DRUMSTICKS, TOMS	50.00		50.00	40		
WINGS FULL-CUT - TOMS		W	48.49	81		
WINGS, V-TYPE, TOM		R	55.00	312		
TAILS						
MECHANICALLY SEPARATED 2/		T	23.00	208		
THIGH MEAT - FROZEN		T	98.78	476		
<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>		
<b>WEDNESDAY, MARCH 26, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>		
DRUMSTICKS, TOMS	50.00		50.00	92		
WINGS FULL-CUT - TOMS	47.00-50.00		48.49	81		
WINGS, V-TYPE, TOM		R	55.00	312		
TAILS						
MECHANICALLY SEPARATED 2/		T	23.00	208		
THIGH MEAT - FROZEN		T	98.78	476		
<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>		
<b>TUESDAY, MARCH 25, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>		
DRUMSTICKS, TOMS	52.00		52.00	104		
WINGS FULL-CUT - TOMS		F	50.00	378		
WINGS, V-TYPE, TOM		R	55.00	312		
TAILS						
MECHANICALLY SEPARATED 2/	23.00		23.00	208		
THIGH MEAT - FROZEN	98.00-99.00		98.78	476		
<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>		
<b>MONDAY, MARCH 24, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>		
DRUMSTICKS, TOMS		F	50.29	280		
WINGS FULL-CUT - TOMS		F	50.00	378		
WINGS, V-TYPE, TOM		R	55.00	312		
TAILS						
MECHANICALLY SEPARATED 2/	23.00		23.00	40		
THIGH MEAT - FROZEN		M	96.00	41		

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.