



INTERNATIONAL EGG AND POULTRY REVIEW

ISSN 1522-5100



U.S. Department of Agriculture Agricultural Marketing Service Poultry Programs Market News and Analysis Branch

Mexico Poultry Situation

Chicken meat production and consumption in Mexico were slightly higher in 2007. Chicken meat imports are down due to high international prices, and fewer imports of sausages and other prepared poultry products are expected in 2008.

Mexico's broiler meat production totaled 2,656 thousand metric tons (TMT) in 2007, up 2.47 % from 2006 (2,595 TMT) and is forecast to reach to 2,825 TMT in 2008, an increase of 6.36% over 2007.

A combination of factors facilitated growth in domestic production. High global feed markets made chicken a popular alternative to other more expensive sources of protein, while strong U.S. exports to countries such as China and Russia resulted in fewer imports from the U.S. The sharp increase in demand for chicken meat combined with decreased imports allowed domestic producers to fill the shortage. Consolidation and greater vertical integration also contributed to the increase in Mexican chicken production.

The poultry industry will benefit from the elimination of tariff rate quotas (TRQs) for U.S. corn this year. Feed costs in Mexico represent 55 to 60 percent of the total cost of production.

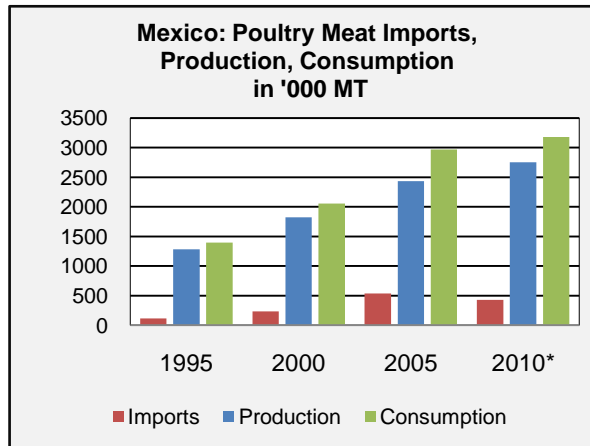
	Mexico		Population
	Per capita	Domestic	
1990	8.68	805	84,914
1995	13.63	1,396	92,880
2000	18.57	2,055	99,927
2005	25.11	2,972	106,203
2006	24.25	2,905	107,450
2007	24.37	2,953	108,701
2008	24.87	3,048	109,955
2009	25.26	3,129	111,212
2010	25.40	3,180	112,469
2015	27.02	3,559	118,689

2008 to 2015 are forecasts. Per cap consumption is in kg, domestic consumption in thousand MT, population in thousands
Sources: Population: U.S. Census Bureau, International Data Base; Consumption: OECD and FAO Agricultural Outlook Database

USDA forecast chicken meat consumption to increase by 2.1 percent for MY 2008. Population growth, effective marketing campaigns, increased usage of chicken meat in processed foods and improved product quality are all factors. Consumption is also increasing due to the affordability of chicken relative to other meats and increased consumer concerns about cholesterol and other health issues.

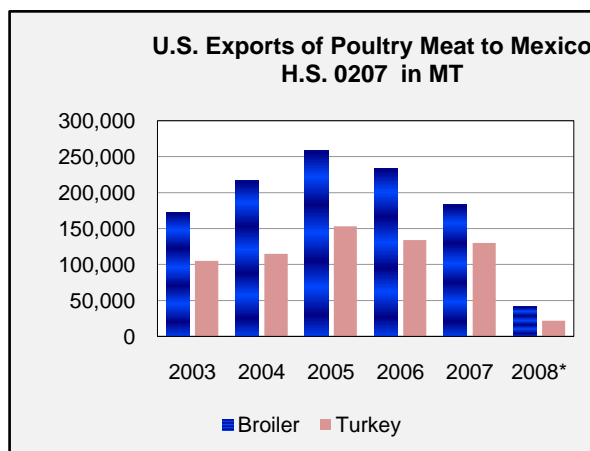
The U.S. is the main supplier of chicken meat to Mexico, however Chile's presence in the poultry market is expected to continue to grow. For the period January-October 2007 Mexico imported 5,946 MT of frozen whole turkeys from the U.S. and 1,526 MT of frozen whole turkeys from Chile. For the same period, Mexico imported 41,533 MT of frozen mechanically separated chicken from the U.S. and 2,613 MT from Chile.

Source: USDA/Foreign Agricultural Service



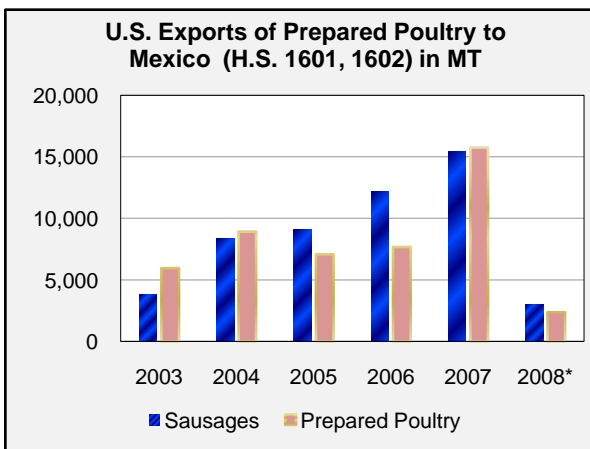
*Projected

Source: OECD and FAO Agricultural Outlook Database



* 2008 January-February

Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics



* 2008 January-February

Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

INSPECTED EGG PRODUCTS-

U.S. & CANADA IMPORT/EXPORT TRADE

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

Type	2008	2007 /1	2008 /2	2007
Liquid	0	0	96	2,061
Frozen	13	0	21	7
Dried	18	0	196	169
Total	31	0	313	2,237

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

Type	2008	2007 /1	2008 /2	2007
Liquid	460	310	6,365	4,940
Frozen	0	3	234	132
Dried	40	40	120	351
Total	500	353	6,719	5,423

Inspected Shell Eggs

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

	2008	2007 /1	2008 /2	2007
Jumbo	0	0	0	0
Ex Large	1,290	1,140	6,650	12,029
Large	920	688	17,340	25,049
Medium	653	1,830	15,707	17,735
Ungraded	7,422	1,500	80,530	16,820
Misc	1,560	0	1,560	2,425
Total	11,845	5,158	121,787	74,058

/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 26 Apr-08 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
Head	1,182	1,704	2,886
Last Week	1,567	1,571	3,138
Same week yr ago	1,156	1,432	2,588
To-date/2008	23,724	25,562	49,286
To-date/2007	18,967	23,003	41,970

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
Head	411	7	418
Last Week	311	0	311
Same week yr ago	306	0	306
To-date/2008	5,376	19	5,395
To-date/2007	3,699	14	3,713

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
Head	1,593	1,711	3,304
Last Week	1,878	1,571	3,449
Same week yr ago	1,462	1,432	2,894
To-date/2008	29,100	25,581	54,681
To-date/2007	22,666	23,017	45,683

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

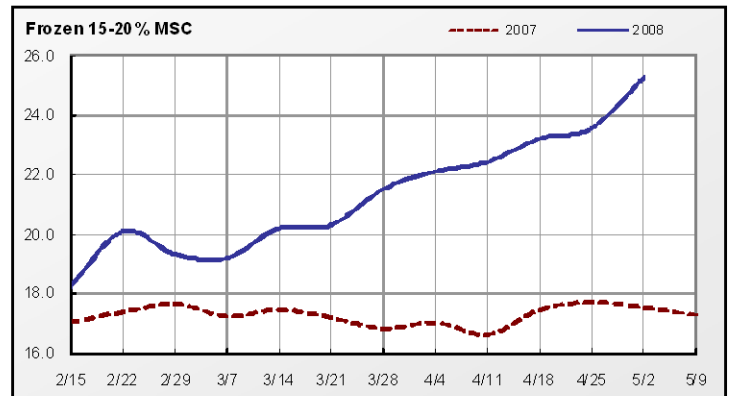
NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 market tone remains steady to fully steady. Supplies of fresh 15-20% were adequate to well cleared; the balance was closely cleared. Frozen demand continues moderate to good. Supplies of raw materials were tight with good demand noted from all users. Domestic movement was moderate. Export demand was moderate to good with most inquiry from Central American countries; Mexico mixed with the Labor Day and Cinco de Mayo holidays. Schedules were mixed, ranging light to normal due to short supplies of raw materials.

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

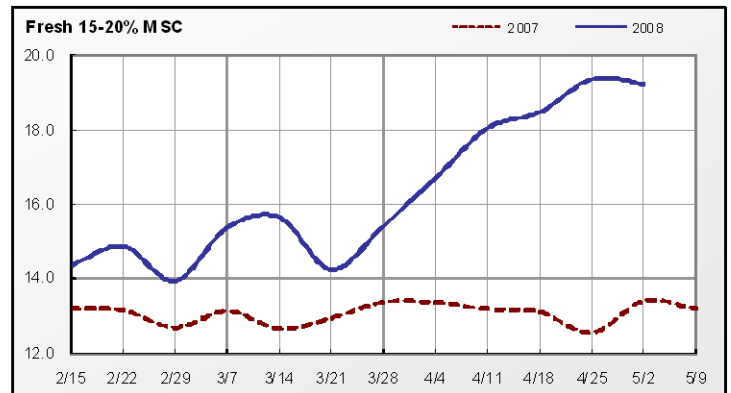
Fat Content	Frozen			Fresh		
	2-May-08	Last Week	Last Year	2-May-08	Last Week	Last Year
15% or Less						
Price Range	22.00	22.00	17.00-20.00	22.00 - 25.00	23.00 - 25.00	16.50-17.00
Wtd Avg Price	22.00	22.00	17.85	23.01	23.90	16.87
Volume Traded	53	54	425	201	181	459
Volume Exported	53	54	265	-	-	-
15-20%						
Price Range	22.00 - 28.00	20.00 - 28.00	15.50-21.00	15.00 - 26.00	14.00 - 26.00	11.00-16.00
Wtd Avg Price	25.27	23.57	17.29	19.23	19.36	13.20
Volume Traded	1,512	1,547	1,197	1,651	2,800	2,615
Volume Exported	1,472	1,507	1,157	501	509	409
20% or More						
Price Range	-	-	-	-	-	14.00
Wtd Avg Price	-	-	-	-	-	14.00
Volume Traded	-	-	-	-	-	80
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Apr 2008	Mar 2008	Apr 2007	Apr 2008	Mar 2008	Apr 2007
15% or Less						
Wtd Avg Price	20.77	18.77	17.13	21.89	19.04	16.57
Volume Traded	216	215	1,129	912	1,010	1,669
Volume Exported	216	215	1,049	-	-	-
15-20%						
Wtd Avg Price	22.69	20.43	17.36	18.04	15.08	13.06
Volume Traded	7,926	7,601	5,273	12,004	7,548	11,494
Volume Exported	6,493	6,640	4,253	3,263	899	1,224
20% or More						
Wtd Avg Price	-	-	-	18.43	17.00	14.00
Volume Traded	-	-	-	286	408	320
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 02 MAY 2008.

The market tone on tom bulk parts was steady to firm and hen bulk parts steady to fully steady. Demand on tom drums was moderate to mostly good for domestic and export shipments, balance light to moderate. Demand on hen bulk parts was light to moderate for the short to adequate offerings. The market tone on thigh meat and mechanically separated turkey was fully steady to firm. Inquiry moderate to good for the limited offerings. Trading was heavy on open priced fresh tom drums for May-June export shipments, balance slow to moderate. For domestic: fresh tails 28-30, fresh tom necks 38, fresh wing meat with skin 92, fresh scapula 107, fresh breast trim 121-123, plant grade basted 20-22 lb. breasts 170 cents delivered.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, MAY 02, 2008	RANGE	CODE 1/	PRICE	(000)	PRICE	(000)
DRUMSTICKS, TOMS	54.00		54.00	162	54.00	162
WINGS FULL-CUT - TOMS		F	52.51	318		
WINGS, V-TYPE, TOM		W	63.00	54	63.00	54
TAILS		R	34.00	40	30.06	214
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	102.00-103.0		102.50	324	102.50	324
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
THURSDAY, MAY 01, 2008	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		F	49.40	75		
WINGS FULL-CUT - TOMS		F	52.51	318		
WINGS, V-TYPE, TOM		W	63.00	54		
TAILS	34.00		34.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN						
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
WEDNESDAY, APRIL 30, 2008	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		F	49.40	75		
WINGS FULL-CUT - TOMS		F	52.51	318		
WINGS, V-TYPE, TOM	63.00		63.00	54		
TAILS	28.00		28.00	54		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		W	101.00	108		
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
TUESDAY, APRIL 29, 2008	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		F	49.40	75		
WINGS FULL-CUT - TOMS		F	52.51	318		
WINGS, V-TYPE, TOM		F	64.00	104		
TAILS	29.50-30.00		29.67	120		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		W	101.00	108		
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
MONDAY, APRIL 28, 2008	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		F	49.40	75		
WINGS FULL-CUT - TOMS		F	52.51	318		
WINGS, V-TYPE, TOM		F	64.00	104		
TAILS		R	30.25	80		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		W	101.00	108		

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.