



BROILER MARKET NEWS REPORT

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Market News Branch & Analysis

NATIONAL BROILER MARKET AT-A-GLANCE



Trade sentiment was mostly steady in the Northeast and Midwest, steady to fully steady in the West. Retail and food service demand was light to moderate, best for fast food and catering, with confidence noted as Memorial Day approaches. Supplies were usually sufficient to satisfy trade needs. Floor stocks were adequate to ample. In the parts structure, movement was fair to moderate for midweek trading. Dark meat cuts remained adequate to well cleared, instances tight. Breast items and wings were fully adequate to long and slow to clear. In production areas, live supplies were moderate at 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 84.00 cents based on full truck load lots of ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds. This compares to 80.25 cents last year on May 23, 2007.

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

DOCK PRICE (CENTS PER POUND)

LINE RUN TENDERS	178.00
BREASTS - B/S	152.50
BREASTS - WHOLE	85.50
THIGH MEAT - B/S	128.50
LEG QUARTERS	48.00
WINGS	103.50

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

SOUTHERN REGION Trade sentiment was mostly steady. Demand remained light to moderate, with optimism noted for upcoming Memorial Day. Supplies of all sizes were usually sufficient to handle trade needs. In the parts structure, movement was mostly fair for mid week trading. Dark meat continued in close balanced to well cleared. Breast items were at least adequate to available and slow to clear. Wings were mixed, but available. In production areas, live supplies were moderate at mostly desirable weights.

NORTHEAST REGION Trucklot buying activity on ready-to-cook whole broiler/fryers was light to fair as dealers assess market conditions for the upcoming holiday weekend. Offerings of all sizes were at least sufficient for current needs. Movement through retail and distributive channels was fair. The market tone was steady. In the parts complex, boneless skinless breasts and wings were readily available and slow to clear; bone-in breasts were more than sufficient for current needs. Dark meat cuts were adequate to well cleared.

MIDWEST REGION The market tone on whole fryers was steady. Offerings on whole birds were fully sufficient for the cautious and limited trade inquiry. Food service demand was mixed with slow to light trade into restaurants and moderate to fairly good demand into fast food and catering channels. Retail movement remained slow to moderate, but increased confidence on strong holiday weekend pull due to favorable weather pattern for grilling. Floor stocks were adequate to more than desired; weights within acceptable range. Supplies of boneless skinless breasts, tenders, front halves and wings adequate to ample, while dark meat lines remain tight. The market tone was steady to weak on breast cuts and wings and steady to fully steady on dark meat.

WESTERN REGION The market tone was steady to fully steady. Offerings were generally adequate to satisfy current needs. Retailer demand was good overall. Floor stocks were in desirable position. Trade sentiment was generally steady on parts.

BROILER -TYPE EGGS SET IN 19 SELECTED STATES DOWN 1 PERCENT

Commercial hatcheries in the 19-State weekly program set 217 million eggs in incubators during the week ending May 17, 2008. This was down 1 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 DOWN 2 PERCENT

Broiler growers in the 19-State weekly program placed 175 million chicks for meat production during the week ending May 17, 2008. Placements were down 2 percent from the comparable week a year earlier. Cumulative placements from December 30, 2007 through May 17, 2008 were 3.56 billion, up 2 percent from the same period a year earlier.

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

WEEK ENDING 05/17/08	2008	2007	PERCENT CHANGE PREVIOUS YEAR
	<i>Thousand</i>		
EGGS SET	217,439	219,928	- 01
CHICKS PLACED	175,474	178,545	- 02

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 28-Jun-08 is estimated at 162.0 million head. This compares to 163.0 million head the previous week and to 169.5 million head the same week a year ago, when the slaughter was 168.3 million head and the composite weighted average price was 80.60 cents per pound.

MAY 20

SOUTHERN STATES BROILER/FRYER PARTS

MAY 21

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	515	125.00-191.00	-	137.58	BREAST - B/S	TOO FEW TO REPORT			
TENDERLOINS	184	110.00-195.00	-	130.03	TENDERLOINS	TOO FEW TO REPORT			
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	235	60.00-69.00	63-65	64.17	LEGS	176	62.00-72.00	64-65	63.78
LEG QUARTERS (BULK)	363	42.00-48.00	45	44.86	LEG QUARTERS (BULK)	365	42.00-48.00	45	45.18
LEG QUARTERS (4/10)	932	44.00-49.00	47-48	47.33	LEG QUARTERS (4/10)	507	44.00-49.00	47	47.06
WINGS (WHOLE)	189	70.00-92.00	-	78.94	WINGS (WHOLE)	TOO FEW TO REPORT			
WINGS (CUT)		TOO FEW TO REPORT			WINGS (CUT)	TOO FEW TO REPORT			
DRUMSTICKS		TOO FEW TO REPORT			DRUMSTICKS	TOO FEW TO REPORT			
THIGHS		TOO FEW TO REPORT			THIGHS	TOO FEW TO REPORT			
B/S THIGHS		TOO FEW TO REPORT			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
55.00 - 60.00	57.43	55.00 - 59.00	57.09	57.52

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 activity remained fair to moderate for midweek trading. Offerings of boneless skinless breasts were readily available and competitively priced; bone-in breast and wings were more than sufficient for current needs. Most dark meat cuts were adequate to well cleared with drums in the best position. Movement through retail and distributive channels was fair to moderate. The market tone was fully steady to firm for drums; weak for boneless skinless breasts. 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.

MAY 20	CURRENT NEG	WTD		MAY 21	CURRENT NEG	WTD	
ITEM	TRADING*	AVG	VOL/LBS	ITEM	TRADING*	AVG	VOL/LBS
BREAST - B/S	155-160	155.18	742,262	BREAST - B/S	155	151.99	641,423
TENDERLOINS	140-145	140.89	149,120	TENDERLOINS	140-145	141.83	64,960
BREAST - WITH RIBS	80-81	86.02	157,680	BREAST - WITH RIBS	80-81	91.93	61,320
BREAST - LINE RUN	80	80.90	55,800	BREAST - LINE RUN	80	80.86	63,000
LEGS	67-68	68.93	108,280	LEGS	67-68	69.00	194,880
LEG QUARTERS (BULK)	46-47	47.32	213,360	LEG QUARTERS (BULK)	46-47	47.90	194,200
DRUMSTICKS	63-64	68.46	148,748	DRUMSTICKS	64-65	69.55	95,400
THIGHS	60-61	69.71	77,160	THIGHS	60-61	69.54	20,720
B/S THIGHS	126-127	129.45	97,480	B/S THIGHS	126-127	130.08	53,280
WINGS (WHOLE)	95-96	88.83	212,840	WINGS (WHOLE)	95-96	94.83	139,040
BACKS AND NECKS (STRIPPED)	12-14	13.52	37,360	BACKS AND NECKS (STRIPPED)	12-14	13.03	22,960
LIVERS (5 POUND TUBS)	35-40	38.93	10,120	LIVERS (5 POUND TUBS)	35-40	39.63	9,800
GIZZARDS (HEARTS)	50-55	53.74	36,960	GIZZARDS (HEARTS)	50-55	54.66	28,360

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

	ESTIMATED		ACTUAL		AVG WTS		ACTUAL		AVG
	(1,000)	05/20	(1,000)	05/16	05/19	05/16	(1,000)	05/14	WTS
Alabama	4,096	4,229	4,234	3,875	5.49	5.27	3,947	5.58	
Arkansas	4,922	5,017	4,820	4,388	5.62	5.06	5,346	5.57	
Delmarva	2,251	2,284	2,269	2,725	5.96	5.84	2,145	6.13	
KY-LA-TN	2,426	2,442	2,435	2,282	5.17	4.89	2,450	5.16	
Mississippi	3,042	3,088	3,120	3,278	5.77	5.62	3,075	5.93	
North Carolina	2,906	2,862	2,857	3,133	6.95	6.81	2,868	7.12	
Texas	2,567	2,565	2,605	2,565	5.51	5.35	2,581	5.59	
Total	22,210	22,487	22,340	22,246	5.76	5.54	22,412	5.83	
Mon-Wed	67,372	(A)					67,593	(A)	

(A) Weekly cumulative for states listed above.

Broiler-fryer slaughter under federal inspection for 21-May-08 is estimated to be 33,229,000 head down 1.20 percent from a week ago and up 3.66 percent from a year ago.

(Last week 33,631,000, last year 32,057,000)

SOUTHERN CALIFORNIA (L.A. AREA) PROCESSED POULTRY, DLVRD TO RETAILERS

	RANGE
FRESH FRYERS	102-111
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
BROILER 2# & OVER	ICE PACK 142
	DRY PACK 135
ROASTERS 4# & UP	ICE PACK 140
	DRY PACK 127
HENS OVER 5#	ICE PACK 110
	DRY PACK 120
DUCKS	207-226

ESTIMATED U.S. LIVE POULTRY SLAUGHTER

UNDER FEDERAL INSPECTION FOR WEEK ENDING 24-MAY-08

Class	CURRENT WEEK		PREVIOUS WEEK	
	05/24/08 (1)	05/17/08	05/24/08 (1)	05/17/08
	----- Thousand head -----			
Broiler/fryer	169,043(2)		173,803	
Light hens	1,500		1,529	
Heavy hens	1,697		1,770	
Total	172,240		177,102	

(1)ESTIMATED

2)The estimated number of broiler-fryers available for slaughter the week ending 24-May-08 is 168.7 million head compared to 169.7 million head slaughtered the same week last year. The estimated U.S. slaughter this week is 169.4 million head or 0.7 million more than estimated available. For the week of 31-May-08 the estimated available is 167.0 million head.

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

	PROCESSED TURKEY		PROCESSED POULTRY	
	LBS		LBS	
AM 05/19/08	107,147		78,048	
AM 05/01/08	97,599		79,328	
CHG	9,548		1,280	
PCT CHG	10		-2	

COLD STORAGE MOVEMENT (IN THOUSANDS)

	PROCESSED TURKEYS			PROCESSED POULTRY		
	05/19/08	05/12/08	05/21/07	05/19/08	05/12/08	05/21/07
PACIFIC COAST	2,371	2,361	2,411	7,520	7,339	5,819
LOS ANGELES	226	237	130	1,357	1,273	1,709

CENTRAL MISCELLANEOUS POULTRY RTC HENS

READY-TO-COOK PRICES NEGOTIATED FOR DELIVERY TO FIRST RECEIVERS, U.S.GRADE A AND PLANT GRADE, 5LBS AND UP, FOR WEEK OF MAY 19, 2008

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

HACKETTSTOWN POULTRY SALES FOR 05/20/08

AI PAPERS REQUIRED TO SELL ALL OUT OF STATE POULTRY

	LOW HIGH AVG				LOW HIGH AVG		
HEAVY FOWL lb.	-	-	-	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.	1.55	2.85	-
PULLETS lb.	-	-	-	PULLETS ea.	10.00	11.00	-
BUNNIES lb.	-	-	-	BUNNIES ea.	2.00	4.50	-
ROOSTERS lb.	-	7.00	-	ROOSTERS ea.	-	-	-
GEESE lb.	-	-	-	GEESE ea.	-	-	-
TURKEYS lb.	-	-	-	TURKEYS ea.	-	-	-
DUCKS lb.	-	-	-	DUCKS ea.	-	-	-
RABBITS lb.	1.20	2.75	2.04	RABBITS ea.	3.75	6.00	-
PIGEONS lb.	-	-	-	PIGEONS ea.	2.00	6.25	-
GUINEA FOWL lb.	-	-	-	GUINEA FOWL ea.	-	-	-
DUCKLINGS lb.	-	-	-	DUCKLINGS ea.	1.25	2.00	-
GUINEA KEETS ea.	-	-	-	CALL DUCKS ea.	-	-	-
SILKIES ea.	-	-	-	GOSLINGS ea.	-	-	-
GUINEA PIGS ea.	-	1.00	-	TURKEY POULTS ea.	-	-	-
CHUKARS ea.	-	-	-				
TOTAL COOPS	46						

MAJOR WHOLESALE MARKETS-MEXICO CITY

Cents per pound for the week ending May 16, 2008

	Whole Chickens		Legs	Necks,Backs & Wings	Livers Gizzards	Hens
	Breasts	W/Thighs				
RAYON						
Low	91.43	174.15	100.13	13.06	4.35	67.48
High	94.91	187.21	108.84	21.77	8.71	67.48
Mostly	91.43	178.50	104.49	17.41	8.71	67.48
SAN JUAN						
Low	89.68	174.15	104.49	13.06	4.35	65.30
High	94.04	187.21	113.19	17.41	8.71	65.30
Mostly	93.17	182.85	108.84	17.41	6.53	65.30
NEW SAN JUAN						
Low	92.73	178.50	104.49	17.41	8.71	65.30
High	95.78	187.21	117.55	21.77	13.06	65.30
Mostly	92.73	187.21	108.84	21.77	13.06	65.30
BECERRA						
Low	93.17	178.50	108.84	21.77	8.71	69.66
High	97.09	191.56	121.90	26.12	13.06	69.66
Mostly	93.17	187.21	113.19	26.12	13.06	69.66

DELMARVA Movement of ready-to-cook whole birds was mostly light to moderate for the lackluster holiday demand. Seller offerings of all sizes were usually adequate to handle trade needs. Live supplies were moderate; weights varied, but were mostly desirable. Processing schedules were moderate to moderately heavy. Less than trucklot asking prices remained unchanged at 78 to 88 cents. The market tone was mostly steady. In the parts complex, breast items were slow to clear and ranged at least sufficient to available. Wings were fully adequate to available and dark meat cuts were adequate to well cleared with drums in the best position.

BRANDED U.S. GRADE A
69-90
RANGE
WEIGHTED AVERAGE (A)
NO. OF BOXES (A)

(A) Not reported to avoid disclosing individual operations.

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