# INTERNATIONAL EGG AND POULTRY REVIEW



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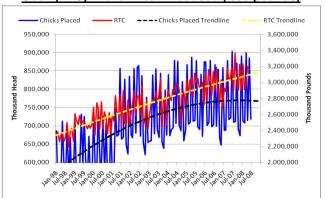
**Agricultural Marketing Service** 

**Poultry Programs** 

**Market News and Analysis Branch** 

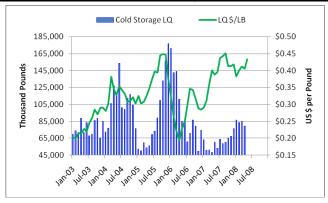
Based on trendlines, broiler chicks placed are down and RTC pounds are up. US broiler meat production was up 10.2% in April 2008, due to an extra day of slaughter, and is forecast to be 9.38 billion pounds in the second quarter, 9.2 billion in the third, and 9.18 billion in the fourth quarter 2008.

### USDA NASS Broiler Chicks Placed ('000 head) and Ready-to-Cook (RTC) Broiler Meat Produced ('000 pounds)



Note: According to USDA NASS, the average hatchability for chickens hatched is about 84%. NASS also reported the ante-mortem condemnation rate for young chickens to be 0.29% and the post-mortem condemnation rate to be 1.0% for May of 2008. The ready-to-cook (RTC) broiler meat data used in the above graph is total young broiler meat both chilled and frozen. All broiler hatch data is reported on a weekly basis, whereas ready-to-cook broiler meat is reported monthly. For comparison purposes the broiler hatch figures were converted to monthly figures. Due to the inflexibility of the data, we assumed a grow-out of 8 weeks when in reality it is between 6-8 weeks depending on utility. In addition, the graph represents a real time comparison in which chicks placed are compared with RTC volumes at the corresponding time of processing. Source: USDA NASS

## <u>US Leg Quarter (LQ) Cold Storage Holdings ('000 Pounds)</u> Compared with USDA FAS Export Leg Quarter Prices (US \$/Pound)

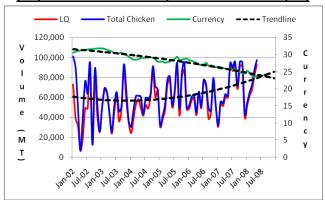


Note: Data from 2003-2007 is for January through December; data for 2008 is from January through June. Source: USDA NASS/Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

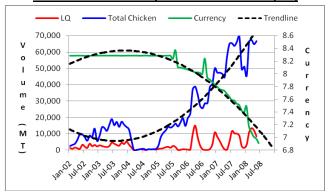
US leg quarter exports totaled 190,463 MT in May 2008, +58.6% from 2007, with 92,695 MT to Russia, 8,428 MT China, and 7,343 MT Mexico. From January to May 2008 US leg quarter exports were 784,326 MT, +24.5% from 2007, with 356,435 MT to Russia (+39.4%), 48,334 MT China (+181.9%), and 32,727 MT Mexico (+41.5%). Total US broiler meat exports in May 2008 hit 328,743 MT, +41.7% from 2007, with 97,565 MT Russia, 66,794 MT China, and 23,773 MT Mexico. US total broiler meat exports in the first 5 months of 2008 were 1,413,952 MT, +27% from 2007, with 377,712 MT Russia (+41.7%),

311,305 MT China (+27.8%), and 109,925 MT Mexico (+30.7%). Based on the charts, the weakening US dollar against the Russian Ruble and Chinese Yuan has increased exports of US broiler meat steadily and significantly respectively. However the value of the US dollar has remained generally constant and slightly stronger than the Mexican Peso over the past 5 years. Interestingly US broiler meat exports to Mexico were declining, but have begun to climb significantly in 2008. Source: USDA ERS/USDA FAS/News Wires

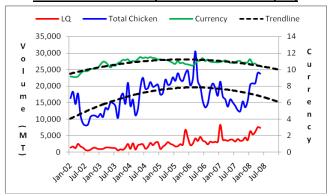
## US Dollar Value against Russian Ruble with US Leg Quarter (LQ) and Total Chicken Exports in Metric Tons (MT)



## US Dollar Value against Chinese Yuan with US Leg Quarter (LQ) and Total Chicken Exports in Metric Tons (MT)



## US Dollar Value against Mexican Peso with US Leg Quarter (LQ) and Total Chicken Exports in Metric Tons (MT)



Note: The average June 2008 currency exchange of 1 USD = 23.6391 Russian Ruble. The average June 2008 currency of 1 USD = 6.9113 Chinese Yuan. The average June 2008 currency exchange of 1 USD = 10.3366 Mexican Pesos. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS/Oanda FX Trade

**Total Hens** 

## **INSPECTED EGG PRODUCTS-**

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

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

Week Ending July 05, 2008			Year-To	-Date
Type	2008	2007 /1	2008 /2	2007
Liquid	0	0	396	2,361
Frozen	0	0	39	12
Dried	0	40	326	386
Total	0	40	761	2,759

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

Week Endi	ig July 05, 20	06	rear-ro-Date		
Type	2008	2007 /1	2008 /2	2007	
Liquid	265	227	10,160	8,166	
Frozen	0	5	300	242	
Dried	0	0	280	511	
Total	265	232	10,740	8,919	

#### **Inspected Shell Eggs**

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

Week Ending	Week Ending July 05, 2008 Year-To-Da					
	2008	2007 /1	2008 /2	2007		
Jumbo	0	0	0	0		
Extra Large	1,350	2,060	28,690	21,139		
Large	890	2,318	31,933	36,985		
Medium	60	750	23,877	26,315		
Ungraded	9,700	0	202,328	22,520		
Misc	0	0	1,562	3,205		
Total	12,000	5,128	288,390	110,164		
/1 Comparable Week, to-date figures may not total due to rounding						

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 05-Jul-08 (Preliminary)

U.S. fowl slaughtered domestically									
	Light Hens	Heavy Hens	Total Hens						
	Thousands								
Head	1,169	1,352	2,521						
Last Week	1,564	1,711	3,275						
Same week yr ago	1,031	1,180	2,211						
To-date/2008	37,799	42,043	79,842						
To-date/2007	30,173	37,768	67,941						

U.S. fowl slaug	htered in Canada
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Thousands							
Head	209	4	213				
Last Week	343	0	343				
Same week yr ago	247	0	247				
To-date/2008	8,745	38	8,783				
To-date/2007	6,615	14	6,629				

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**

	g		. ota					
Thousands								
Head	1,378	1,356	2,734					
Last Week	1,907	1,711	3,618					
Same week yr ago	1,278	1,180	2,458					
To-date/2008	46,544	42,081	88,625					
To-date/2007	36,788	37,782	74,570					
Source: USDA AMS	S Poultry Programs,	Market News & An	alysis Branch					

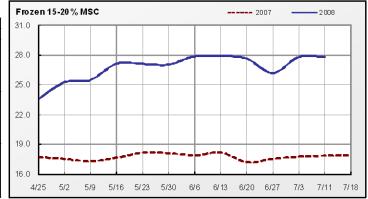
#### NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 was steady to fully steady. Supplies of fresh 15-20% were in good balance to well cleared with the remainder in close balance to tight. Demand for fresh and frozen was moderate to good. Supplies of raw materials fight. Domestic trading was moderate to instances good. Export demand was good with most inquiry from Mexico and Central American countries. All schedules were full time. Frame values were steady ranging 5 to 9 cents FOB, mostly 7 to 9 cents.

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

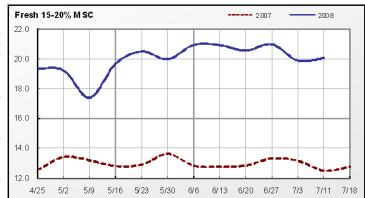
	Frozen			Fresh		
Fat Content	11-Jul-08	Last Week	Last Year	11-Jul-08	Last Week	Last Year
15% or Less						
Price Range	-	30.00	18.00	2200 - 2400	2400 - 2550	15.00-16.00
Wtd Avg Price		30.00	18.00	23.17	24.63	15.64
Volum e Traded	-	40	261	144	161	442
Volume Exported	-	-	261	-	-	-
15-20%						
Price Range	2500 - 3200	2200 - 3200	16.00-21.00	1650 - 2400	1650 - 2550	11.00-16.00
Wtd Avg Price	27.81	27.83	17.89	20.07	19.89	12.77
Volum e Traded	1,283	1,420	1,408	3,932	2,766	2,149
Volume Exported	1,163	940	1,288	1,426	792	285
20% or More						
Price Range	-	-	-	-	-	14.00
Wtd Avg Price			-			14.00
Volum e Traded	-	-	-	-	-	80
Volume Exported	-	-	-	-	-	ı



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

	Frozen			Fresh			
Fat Content	Jun 2008	May 2008	Jun 2007	Jun 2008	May 2008	Jun 2007	
15% or Less							
Wtd Avg Price	26.00	25.34	17.98	24.78	23.96	17.88	
Volum e Traded	164	386	1,429	684	878	1,665	
Volume Exported	164	266	1,309	-	-	-	
15-20%							
Wtd Avg Price	27.60	26.32	17.69	20.83	19.28	12.99	
Volum e Traded	5,261	7,125	8,020	10,252	12,816	12,822	
Volume Exported	4,620	6,705	7,440	1,345	2,806	1,961	
20% or More							
Wtd Avg Price	-	-	-	-	-	14.03	
Volum e Traded	-	_	-	-	-	725	
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 11 JULY 2008.

The market tone on tom breast meat and destrapped tenderloins was steady at best, breast trim and scapula steady to fully steady with scapula strongest, wing meat cautiously steady to steady. Demand on scapula at least moderate, balance of white meat light to moderate. Offerings of scapula light and spotty, breast trim light to adequate, wing meat with skin adequate, destrapped tenderloins adequate to fully adequate and tom breast meat adequate to ample. The market tone on rib breasts was mostly steady. Demand light and spotty. Offerings of 4-8 lb. breasts light to adequate, institutional sizes mixed. Further processed demand moderate to good with activity not up to expectations for some. Domestic trading light to moderate, best on hen 2-joint wings. Export trading was active on frozen mechanically separated turkey for Mexico and the Caribbean.

EXPORT TRADING FRIDAY, JULY 11, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS	PRICE RANGE 55.00	L.S.T. CODE 1/	WTD AVG PRICE 55.00 42.00	<b>VOLUME</b> (000) 80 108	WEEKLY WTD AVG PRICE 53.79 44.76	WEEKLY VOLUME (000) 522 538
WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	26.00-27.00	W R	38.71 26.24 103.00	140 496 80	39.22 26.22 103.29	180 736 280
EXPORT TRADING THURSDAY, JULY 10, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 53.00 42.00	L.S.T. CODE 1/ R W T	WTD AVG PRICE 53.00 42.00 57.50 38.71 26.50 103.00	VOLUME (000) 40 108 108 140 80		
EXPORT TRADING WEDNESDAY, JULY 09, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 54.00 43.00-46.00 38.00-40.50	L.S.T. CODE 1/ R T T	WTD AVG PRICE 54.00 44.67 57.50 38.71 26.50 103.40	VOLUME (000) 120 242 108 140 80 200		
EXPORT TRADING TUESDAY, JULY 08, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 53.00-54.00 48.00 41.00 25.00-28.00 102.00-105.00	L.S.T. CODE 1/ R	WTD AVG PRICE 53.57 48.00 57.50 41.00 26.50 103.40	VOLUME (000) 94 54 108 40 80 200		
EXPORT TRADING MONDAY, JULY 07, 2008 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 53.00-54.00 45.00-46.50	L.S.T. CODE 1/ R T R	WTD AVG PRICE 53.43 45.85 57.50 40.00 26.00 103.00	VOLUME (000) 188 134 108 40 160 140		

<sup>1/</sup> 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.