

BROILER MARKET NEWS REPORT

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Poultry Programs

Market News Branch & Analysis

NATIONAL BROILER MARKET AT-A-GLANCE



Trade sentiment was irregular ranging barely steady to weak in the Midwest, steady in the Northeast and about steady to firm in the West. Retail demand covered the full range, but was mostly moderate at best. Food service demand was light to instances good, best into fast food and catering. Supplies of all sizes were at least adequate to satisfy trade needs. Floor stocks were adequate to long. In the parts structure, movement was light to moderate for mid-week trading. Breast items were more available to ample, with some discounting noted on boneless and tenders. Wings were mixed, but available. Dark meat items were adequate to tight and moving satisfactorily. In production areas, live supplies were moderate. Weights were mixed, but mostly desirable.

GEORGIA FOB DOCK PRICES The Georgia f.o.b. dock quoted price on broilers/fryers for next week's trading advanced .50 cents to 88.50 cents based on full truck load lots of ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds. This compares to 81.25 cents last year on July 18, 2007.

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

	DOCK FRICE
ITEM	(CENTS PER POUND)
LINE RUN TENDERS	177.00
BREASTS - B/S	150.00
BREASTS - WHOLE	87.50
THIGH MEAT - B/S	130.50
LEG QUARTERS	52.50
WINGS	102.00

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

SOUTHERN REGION Trade sentiment was steady. Demand was fair to moderate with light trading. Supplies of all sizes were at least adequate to satisfy trade needs. In the parts structure, movement was light to moderate for mid- week trading. Breast items were at least adequate to ample with some discounting noted on boneless skinless and tenders. Wings and dark meat items were balanced to well cleared with drums and leg quarters in the best position. In production areas, live supplies were moderate. Weights were mostly desirable.

NORTHEAST REGION Trucklot buying activity on ready-to-cook whole broiler/fryers was generally no better than fair for midweek trading. Offerings of all sizes were at least sufficient for current needs. Movement through retail and distributive channels was light to fair. The market tone was about steady. In the parts complex, breast items and tenders were readily available and discounted to stimulate additional buyer interest. Wings were at least adequate to fully adequate and most dark meat cuts were adequate to well cleared.

MIDWEST REGION The market tone on whole broiler/fryers was barely steady to mostly weak. Producer offerings increased over prior trade period and buyers were cautious and unaggressive. Retail movement was slow to moderate on light feature activity. Food service movement continued show stress with only occasional good demand into a few fast food, fairs and festival, and catering. Floor stocks were adequate to long; weights desirable to mixed. In parts trade, demand was limited to as needed basis on increased and discounted prices on breasts cuts, wings were available, especially large wings, and dark meat cuts were in good balance to tight. The market tone was weak on breast items, steady to firm on dark meat items and steady on wings.

<u>WESTERN REGION</u> The market tone was about steady to firm. Offerings were in fair balance. Retailer demand was fairly good. Floor stocks were generally adequate. The market tone was mixed on parts, with breasts in the weakest position.

BROILER -TYPE EGGS SET IN 19 SELECTED STATES DOWN 3 PERCENT

Commercial hatcheries in the 19-State weekly program set 211 million eggs in incubators during the week ending July 12, 2008. This was down 3 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 1 PERCENT

Broiler growers in the 19-State weekly program placed 175 million chicks for meat production during the week ending July 12, 2008. Placements were down 1 percent from the comparable week a year earlier. Cumulative placements from December 30, 2007 through July 12, 2008 were 4.99 billion, up 1 percent from the same period a year earlier.

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

WEEK ENDING 07/12/		2007 usand	PERCENT CHANGE PREVIOUS YEAR
EGGS SET CHICKS PLACED Source: NASS, USDA	211,088 175,247	218,175 177,496	-03 -01

WEEKLY FRYERS AVAILABLE FOR MARKETING

Based on the preliminary chick placements, the number of fryers available for marketing during the week ending 23-Aug-08 is estimated at 161.0 million head. This compares to 162.6 million head the previous week and to 168.9 million head the same week a year ago, when the slaughter was 168.8 million head and the composite weighted average price was 79.97 cents per pound.

JUL 15 SOUTHERN STATES BROILER/FRYER PARTS

JUL 16

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.

POUNDS WTD			P	OUNDS	}		WTD		
<u>ITEM</u>	<u>(000)</u>	RANGE	MAJORITY	<u>AVG</u>	<u>ITEM</u>	<u>(000)</u>	RANGE	MAJORITY	<u>AVG</u>
BREAST - B/S	370	109.00-189.00	-	136.30	BREAST - B/S	440	103.00-191.	00 -	132.57
TENDERLOINS	155	100.00-181.00	-	115.15	TENDERLOINS	148	100.00-189.	- 00	114.62
BREAST - LINE RUN	7	OO FEW TO R	EPORT		BREAST - LINE RUN	TO	OO FEW TO F	REPORT	
FRONT HALVES	7	OO FEW TO R	EPORT		FRONT HALVES	TO	OO FEW TO F	REPORT	
LEGS	193	65.00-77.00	67-69	67.25	LEGS	230	65.00-77.00	67-69	68.27
LEG QUARTERS (BULK)	426	49.00-54.00	52	51.72	LEG QUARTERS (BULK)	466	49.00-53.00	51-52	51.46
LEG QUARTERS (4/10)	986	50.00-55.00	53-54	53.19	LEG QUARTERS (4/10)	957	50.00-55.00	53-54	53.16
WINGS (WHOLE)	152	72.00-88.00	-	74.71	WINGS (WHOLE)	TO	OO FEW TO F	REPORT	
WINGS (CUT)	7	OO FEW TO R	EPORT		WINGS (CUT)	TO	OO FEW TO F	REPORT	
DRUMSTICKS	7	OO FEW TO R	EPORT		DRUMSTICKS	TO	OO FEW TO F	REPORT	
THIGHS	7	OO FEW TO R	EPORT		THIGHS	TO	OO FEW TO F	REPORT	
B/S THIGHS	7	OO FEW TO R	EPORT		B/S THIGHS	TO	OO FEW TO F	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

 61.50-65.00
 62.97
 60.00 - 63.50
 61.64
 62.53

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 was generally light during midweek trading as most dealers were cautious and unaggressive. Offerings of breast items and tenderloins were ample and slow to clear. Wings were noted as at least adequate to available with the larger sizes in the longest position. Dark meat cuts were adequate to well cleared. Retail movement was about fair. Distributive draw was light and selective. The market tone was weak for boneless skinless breasts and tenders; about steady to barely steady for bone-in breast and wings. The balance of items were mostly steady.

ICE PACKED BROILER/FRYER PARTS, DELIVERED TO FIRST RECEIVERS IN POOL TRUCKLOT AND TRUCKLOT QUANTITIES, CENTS PER POUND.

JUL 15 ITEM	CURRENT NEG TRADING*	WTD AVG	VOL/LBS	JUL 16	CURRENT NEG TRADING*	WTD AVG	VOL/LBS
BREAST - B/S	135-140	133.14	735,360	BREAST - B/S	135	134.40	361,280
TENDERLOINS	110-115	120.21	184,820	TENDERLOINS	110	118.71	64,960
BREAST - WITH RIBS	78-79	89.29	94,200	BREAST - WITH RIBS	78-79	90.79	48,440
BREAST - LINE RUN	78	79.58	59,400	BREAST - LINE RUN	78	78.79	61,200
LEGS	70-71	71.70	162,080	LEGS	70-71	71.75	150,500
LEG QUARTERS (BULK)	52-53	54.34	194,000	LEG QUARTERS (BULK)	52-53	54.77	202,000
DRUMSTICKS	64-65	74.03	80,840	DRUMSTICKS	64-65	75.11	76,480
THIGHS	60-61	75.55	82,440	THIGHS	60-61	71.62	45,840
B/S THIGHS	126-127	128.46	70,960	B/S THIGHS	126-127	129.08	38,440
WINGS (WHOLE)	97-98	98.65	135,600	WINGS (WHOLE)	97-98	99.90	119,900
BACKS AND NECKS (STRI	PPED) 12-14	13.92	27,920	BACKS AND NECKS (STRIF	PPED) 12-14	13.17	22,160
LIVERS (5 POUND TUBS)	35-40	38.48	5,400	LIVERS (5 POUND TUBS)	35-40	39.78	7,320
GIZZARDS (HEARTS)	50-55	50.48	19,920	GIZZARDS (HEARTS)	50-55	51.16	14,240

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.

AVC

ESTIMATED SLA	AUGHTER OF	F BROILER-FRYER	S
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								AVG	
	ESTIMATED		ACTUAL		AVG WTS		ACTUAL	WTS	
	(1,000)		(1,000)				(1,000)		
	07/16	07/15	07/14	07/11	07/14	07/11	07/09	07/07	
Alabama	4,081	4,224	4,171	4,537	5.49	5.24	3,995	5.56	
Arkansas	5,294	5,417	4,830	5,949	5.53	5.72	5,225	5.67	
Delmarva	2,316	2,208	2,208	2,158	5.93	5.79	2,273	6.00	
KY-LA-TN	2,177	2,420	2,435	2,292	5.18	4.92	2,445	5.10	
Mississippi	3,119	3,096	2,917	3,719	5.83	5.62	2,936	5.83	
North Carolina	2,807	2,848	2,731	3,507	7.00	7.20	2,749	7.01	
Texas	2,560	2,561	2,348	2,600	5.43	5.19	2,608	5.42	
Total	22,354	22,774	21,640	24,762	5.74	5.70	22,231	5.77	
Mon-Wed	67.661	(A)					66.884 (4)	

(A) Weekly cumulative for states listed above.

Broiler-fryer slaughter under federal inspection for 16-Jul-08 is estimated to be 33,444,000 head up 0.25 percent from a week ago and up 1.31 percent from a year ago.

(Last week 33,360,000, last year 33,012,000)

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	159
	DRY PACK	131
ROASTERS 4# & UP	ICE PACK	175
	DRY PACK	117
HENS OVER 5#	ICE PACK	114
	DRY PACK	112
DUCKS		235-238

Broiler/fryer

Heavy hens

CHUKARS ea.

TOTAL COOPS 62

Light hens

Total

ESTIMATED U.S. LIVE POULTRY SLAUGHTER UNDER FEDERAL INSPECTION FOR WEEK ENDING 19-JUL-08 CURRENT WEEK PREVIOUS WEEK 07/19/08 (1) 07/12/08 Class ------- Thousand head -------

07/19/08 (1) 07/12/08 ------ Thousand head -----172,378(2) 172,426 1,359 1,432 1,800 1,767 175,537 175,625

(1)ESTIMATED 2)The estimated number of broiler-fryers available for slaughter the week ending 19-Jul-08 is 168.0 million head compared to 167.8 million head slaughtered the same week last year. The estimated U.S. slaughter this week is 172.7 million head or 4.7 million more than estimated available. For the week of 26-Jul-08 the estimated available is 169.1 million head.

WEEKLY COLD STORAGE HOLDINGS-SELECTED STGE CENTERS

PROCE	SSED TURKEY LBS	PROCESSED POULTRY LBS
AM 07/14/08 AM 07/01/08	123,395 120.838	77,125 78.298
CHG	2,557	-1,173
PCT CHG	2	- 1

COLD STORAGE MOVEMENT (IN THOUSANDS)

	PROCESSE) TURKI	PROC	ESSED PC	ULTRY	
	07/14/08 07/	07/08 07	7/16/07	07/14/08	07/07/08	07/16/07
PACIFIC	;					
COAST	756	451	2,359	6,811	7,308	4,986
LOS						
ANGEL	FS 250	273	112	1 356	1 373	1 285

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 JULY 14, 2008

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

HACKETTSTOWN POULTRY SALES FOR 07/15/08 AI PAPERS REQUIRED TO SELL ALL OUT OF STATE POULTRY

ALL ALL ENGINE GOINED TO DELETHER OUT OF STATE			
LOW HIGH AVG	LOW	HIGH	AVG
HEAVY FOWL lb30 .60 .46 HEAVY FOWL ea.	-	-	-
LIGHT FOWL lb LIGHT FOWL ea.	-	-	-
MIXED FOWL lb MIXED FOWL ea.	-	-	-
BANTAMS lb BANTAMS ea.	-	-	-
BROILERS lb BROILERS ea.	1.50	2.10	-
ROASTERS lb ROASTERS ea.	-	-	-
FRYERS lb FRYERS ea.	-	-	-
CHICKS lb CHICKS ea.	1.25	2.60	-
PULLETS lb PULLETS ea.	1.00	4.75	-
BUNNIES lb BUNNIES ea.	1.50	8.00	-
ROOSTERS lb. 1.20 1.25 1.22 ROOSTERS ea.	-	1.00	-
GEESE lb GEESE ea.	-	-	-
TURKEYS lb TURKEYS ea.	-	-	-
DUCKS lb55 - DUCKS ea.	-	-	-
RABBITS lb. 1.55 2.05 1.87 RABBITS ea.	2.00	3.75	-
PIGEONS lb PIGEONS ea.	1.50	3.00	-
GUINEA FOWL lb GUINEA FOWL ea	۱	-	-
DUCKLINGS lb DUCKLINGS ea.	-	2.00	-
GUINEA KEETS ea 2.00 2.25 - CALL DUCKS ea.	-	-	-
SILKIES ea GOSLINGS ea.	-	-	-
GUINEA PIGS ea TURKEY POULTS	ea	-	-

MAJOR WHOLESALE MARKETS-MEXICO CITY

Cents per pound for the week ending July 11, 2008

Who Chic			0	ks,Backs Wings	Livers Gizzards	Hens
RAYON Low High Mostly	66.12 74.94 66.12	154.29 167.51 163.10	83.76 92.57 88.16	17.63 22.04 19.84	4.41 8.82 4.41	57.31 57.31 57.31
SAN JUA Low High Mostly	4N 64.80 74.06 69.65	154.29 163.10 158.69	79.35 88.16 83.76	17.63 22.04 17.63	4.41 8.82 4.41	57.31 57.31 57.31
NEW SA Low High Mostly	N JUAN 67.00 75.82 67.00	158.69 167.51 163.10	88.16 92.57 88.16	17.63 22.04 22.04	4.41 8.82 8.82	61.71 61.71 61.71
BECERR Low High Mostly	RA 67.44 76.26 67.44	163.10 171.92 167.51	92.57 101.39 92.57	17.63 26.45 22.04	4.41 8.82 8.82	61.71 61.71 61.71

<u>DELMARVA</u> Movement of ready-to-cook whole birds was mostly fair to moderate for mid-week business. Offerings of all sizes were generally sufficient to satisfy current trade needs. Live supplies were moderate; weights were mixed, but mostly desirable. Processing schedules were moderately heavy. Less than trucklot asking prices were unchanged at 80 to 92 cents. Trade sentiment was steady. In the parts complex, breast items were at least adequate to readily available with boneless skinless and tenders in the longest position. Dark meat cuts and wings were in good supply and moving well.

BRANDED

	U.S. GRADE A	
RANGE	74-96	
WEIGHTED AVERAGE	(A)	
NO. OF BOXES	(A)	

⁽A) Not reported to avoid disclosing individual operations.

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