

BROILER MARKET NEWS REPORT

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Poultry Programs

Market News Branch & Analysis



NATIONAL BROILER MARKET AT-A-GLANCE

Trade sentiment in terminal markets was barely steady to weak across the country today. Demand was slow in all areas of trading. Whole birds and WOGS were available if extra supplies were needed. The white meat complex often showed excess product, even with extremely measurable discounts in place. Dark meat in retail and export areas was slow to move but easily replaced. Food service and retail movement was reported as less than expected for the beginning of a new month. In grow-out areas live supplies were at least adequate for processing requirements. Live weights were at levels sufficient to cover any need.

GEORGIA FOB DOCK PRICES The Georgia f.o.b. dock quoted price on broilers/fryers for next week's trading declined .25 cent to 87.00 cents based on full truck load lots of ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds. This compares to 78.50 cents last year on February 6, 2008.

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

· ·	DOCK PRICE
ITEM	(CENTS PER POUND)
LINE RUN TENDERS	183.50
BREASTS - B/S	140.50
BREASTS - WHOLE	77.50
THIGH MEAT - B/S	116.00
THIGHS	53.50
DRUMSTICKS	60.00
LEG QUARTERS	34.50
WINGS	149.00

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

SOUTHERN REGION Trade sentiment was steady to about steady. Demand into all channels was no better than fair as dealers assess market conditions for midweek trading. Supplies of all sizes were at least sufficient for current trade needs. In the parts structure, movement was fair to moderate. Breast items were adequate to fully adequate with some discounting noted on boneless skinless to help clear. Most dark meat cuts were sufficient. Wings and tenders were moving well. In production areas, live supplies were moderate at mixed, but mostly desirable weights.

NORTHEAST REGION Trucklot buying activity on ready-to-cook whole broiler/fryers was light to fair at best for midweek trading. Offerings of all sizes were available and competitively priced. Movement through retail and distributive channels was fair. The market tone was barely steady. In the parts complex, wings and tenders were clearing satisfactorily. Boneless skinless breast was readily available and slow to clear; bone-in breast and dark meat cuts were sufficient for current needs.

MIDWEST REGION The market tone on whole broiler/fryers was barely steady to weak. Offerings were moderate and easily met trade call. Fill-in trade noted at 60 cents delivered on 3 up wogs. Retail and food service demand continued slow to moderate at best overall; occasionally some fairly good demand noted into sports bars and grills or a few casual dining operations. Floor stocks were adequate; weights desirable to heavy. Parts trade was light to moderate with wings, tenders and eight-piece cut-up providing the best call. Producer offerings were as least sufficient for current trade needs with breast cuts ample. Trade sentiment was barely steady to weak on breast cuts, and steady on the balance of parts.

<u>WESTERN REGION</u> The market tone was steady to weak, barely steady overall. Offerings were barely adequate to adequate on whole body product less than 3 pounds, fully adequate to ample on heavy weights. Retailer demand was moderate. Floor stocks were generally adequate overall. The market tone on parts was about steady to barely steady.

BROILER -TYPE EGGS SET IN 19 SELECTED STATES DOWN 9 PERCENT

Commercial hatcheries in the 19-State weekly program set 199 million eggs in incubators during the week ending January 31, 2009. This was down 9 percent from the eggs set the corresponding week a year earlier. Average hatchability for chicks hatched during the week was 84 percent. Average hatchability is calculated by dividing chicks hatched during the week by eggs set three weeks earlier.

BROILER CHICKS PLACED DOWN 5 PERCENT

Broiler growers in the 19-State weekly program placed 167 million chicks for meat production during the week ending January 31, 2009. Placements were down 5 percent from the comparable week a year earlier. Cumulative placements from December 28, 2008 through January 31, 2009 were 838 million, down 6 percent from the same period a year earlier.

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

WEEK ENDING 01/31/09 2009 2008 PREVIOUS YEAR

Thousand

EGGS SET 198,868 218,880 -9

CHICKS PLACED 166,613 176,060 -5

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 14-Mar-09 is estimated at 153.9 million head. This compares to 154.2 million head the previous week and to 166.4 million head the same week a year ago, when the slaughter was 168.4 million head and the composite weighted average price was 79.87 cents per pound.

FEB 03

SOUTHERN STATES BROILER/FRYER PARTS

FEB 04

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.

F	POUNDS			WTD	P	OUNDS	3		WTD
<u>ITEM</u>	<u>(000)</u>	RANGE	MAJORITY	<u>AVG</u>	<u>ITEM</u>	(000)	RANGE	MAJORITY	<u>AVG</u>
BREAST - B/S	TOO	FEW TO REI	PORT		BREAST - B/S	163	107.00-188.00	-	137.16
TENDERLOINS	TOO	FEW TO REI	PORT		TENDERLOINS	T	OO FEW TO R	EPORT	
BREAST - LINE RUN	TOO	FEW TO REI	PORT		BREAST - LINE RUN	T	OO FEW TO R	EPORT	
FRONT HALVES	TOO	FEW TO REI	PORT		FRONT HALVES	T	OO FEW TO R	EPORT	
LEGS	TOO	FEW TO REI	PORT		LEGS	T	OO FEW TO R	EPORT	
LEG QUARTERS (BULK)	396	32.00-36.00	34	34.12	LEG QUARTERS (BULK)	180	32.00-37.00	33-34	33.93
LEG QUARTERS (4/10)	522	34.00-40.00	36-37	36.78	LEG QUARTERS (4/10)	522	34.00-40.00	36-37	36.70
WINGS (WHOLE)	105 14	5.00-149.00	-	147.48	WINGS (WHOLE)	135	142.00-149.00	-	144.63
WINGS (CUT)	TOO	FEW TO REI	PORT		WINGS (CUT)	T	OO FEW TO R	EPORT	
DRUMSTICKS	TOO	FEW TO REI	PORT		DRUMSTICKS	T	OO FEW TO R	EPORT	
THIGHS	TOO	FEW TO REI	PORT		THIGHS	T	OO FEW TO R	EPORT	
B/S THIGHS	TOO	FEW TO REI	PORT		B/S THIGHS	T	OO FEW TO R	EPORT	

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

 47.50 – 54.00
 51.56
 48.50 - 54.50
 51.41
 51.73

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.

<u>NORTHEAST BROILER/FRYER PARTS</u> - Trucklot buying activity was generally no better than fair during midweek trading. Offerings of boneless skinless breasts were readily available competitively priced; bone-in breast and dark meat cuts were mostly adequate for current needs. Wings were clearing satisfactorily. Movement through retail and distributive channels was fair. The market tone was at least steady for wings; weak for boneless skinless breast. Other items were mostly steady.

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

	CURRENT NEG	WTD	VOL (I DO	FEB 04	CURRENT NEG	WTD	VOL /I DO
<u>ITEM</u>	TRADING*	<u>AVG</u>	VOL/LBS	<u>ITEM</u>	TRADING*	<u>AVG</u>	VOL/LBS
BREAST - B/S	135-140	137.27	542,162	BREAST - B/S	135	126.69	409,907
TENDERLOINS	165-170	165.25	145,000	TENDERLOINS	165-170	165.59	68,080
BREAST - WITH RIBS	76-77	79.48	225,840	BREAST - WITH RIBS	76-77	83.66	82,480
BREAST - LINE RUN	76	78.09	61,200	BREAST - LINE RUN	76	77.52	59,400
LEGS	56-57	54.54	264,240	LEGS	56-57	56.87	140,240
LEG QUARTERS (BULK)	35-36	35.80	461,560	LEG QUARTERS (BULK)	35-36	37.16	191,720
DRUMSTICKS	58-59	66.07	118,040	DRUMSTICKS	58-59	67.39	89,440
THIGHS	53-54	59.30	121,560	THIGHS	53-54	62.09	73,360
B/S THIGHS	112-113	115.70	71,160	B/S THIGHS	112-113	114.60	37,520
WINGS (WHOLE)	146-147	151.70	199,800	WINGS (WHOLE)	146-147	152.63	141,440
BACKS AND NECKS (STRIF	PPED) 13-15	15.00	24,440	BACKS AND NECKS (STR	(IPPED) 13-15	15.00	12,920
LIVERS (5 POUND TUBS)	45-50	48.70	19,440	LIVERS (5 POUND TUBS)	45-50	48.25	13,920
GIZZARDS (HEARTS)	70-75	73.95	29,040	GIZZARDS (HEARTS)	70-75	73.76	16,680

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	
	ESTIN	MATED	AC	<u>TUAL</u>	AVG	<u>WTS</u>	ACTUAL	WTS	
	(1,000)		(1,000)				(1,000)		
	02/04	02/03	02/02	01/30	02/02	01/30	01/28	01/26	
Alabama	3,546	4,165	3,802	3,798	5.40	5.13	3,668	5.33	
Arkansas	4,905	4,934	4,886	6,250	5.46	5.20	2,375	5.51	
Delmarva	2,060	2,042	2,091	2,330	5.80	5.70	2,114	5.94	
KY-LA-TN	2,248	2,262	2,149	1,322	5.10	5.04	1,532	5.09	
Mississippi	2,803	2,655	2,841	2,748	5.85	5.73	2,570	5.71	
North Carolina	2,569	2,728	2,631	3,433	6.96	6.51	2,602	7.22	
Texas	2,489	2,397	2,598	2,607	5.45	5.18	2,139	5.43	
Total	20,620	21,183	20,998	22,488	5.69	5.18	17,000	5.72	
Mon-Wed	62.489	(A)					55.730 (/	4)	

(A) Weekly cumulative for states listed above.

Broiler-fryer slaughter under federal inspection for 04-Feb-09 is estimated to be 30,850,000 head up 20.93 percent from a week ago and down -4.99 percent from a year ago.

(Last week 25,510,000, last year 32,469,000)

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

	RANGE
FRESH FRYERS	109-119
ROASTERS 4# & UP	125-135
HENS UNDER 5#	
HENS OVER 5#	
DUCKS	
RABBITS-WHOLE	
RABBITS-CUT UP	

SAN FRANCISCO PROCESSED POULTRY DLVRD TO RESTAURANTS AND INSTITUTIONS

	<u>RANGE</u>
ICE PACK	159
DRY PACK	136
ICE PACK	-
DRY PACK	117
ICE PACK	114
DRY PACK	112
	235-252
	DRY PACK ICE PACK DRY PACK ICE PACK

ESTIMATED U.S. LIVE POULTRY SLAUGHTER

UNDER FEDERAL INSPECTION FOR WEEK ENDING 07-FEB-09

IL INSPECTION FOR WEER	VENDING OI-LED-08
CURRENT WEEK	PREVIOUS WEEK
02/07/09 (1)	01/31/09

	02/07/09 (1)	01/31/09
Class	Thousar	nd head
Broiler/fryer	159,459(2)	154,070
Light hens	1,263	1,538
Heavy hens	1,319	1,509
Total	162,041	157,117

(1)ESTIMATED 2) The estimated number of broiler-fryers available for slaughter the week ending 07-Jan-09 is 157.4 million head compared to 167.5 million head slaughtered the same week last year. The estimated U.S. slaughter this week is 159.8 million head or 2.4 million more than estimated available. For the week of 14-Feb-09 the estimated available is 157.6 million head.

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

	OCESSED TURKEY LBS	PROCESSED POULTRY LBS
AM 02/02/09 AM 01/01/09	102,864 80.044	94,005 87.169
CHG	22,820	6,836
PCT CHG	29	8

COLD STORAGE MOVEMENT (IN THOUSANDS)

PROCESSED TURKEYS

GUINEA FOWL lb.

GUINEA KEETS ea SILKIES ea.

GUINEA PIGS ea. CHUKARS ea.

TOTAL COOPS 10

DUCKLINGS lb.

	02/02/09 0	1/26/09 0	2/04/08	02/02/09	01/26/09	02/04/08
PACIFIC		607	2.022	7.500	7 004	0.000
COAST LOS	629	687	3,033	7,598	7,881	8,299
ANGELI	ES 222	235	116	1,073	1,021	1,498

PROCESSED POULTRY

DANGE

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 FEBRUARY 2, 2009

		KANGE
HENS	ICE PACKED (12 PER BOX)	75-86
	VACUUM PACKED (6-9 PER BOX)	75-94

HACKETTSTOWN POULTRY SALES FOR 02/03/09 AI PAPERS REQUIRED TO SELL ALL OUT OF STATE POULTRY

L	OW F	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.		-	-
PULLETS lb.	-	-	-	PULLETS ea.	-	-	-
BUNNIES lb.	-	-	-	BUNNIES ea.	-	-	-
ROOSTERS lb.	-	-	-	ROOSTERS ea.	-	-	-
GEESE lb.	-	-	-	GEESE ea.	-	-	-
TURKEYS lb.	-	-	-	TURKEYS ea.	-	-	-
DUCKS lb.	-	-	-	DUCKS ea.	-	-	-
RABBITS lb.	2.50	3.80	3.03	RABBITS ea.	-	-	-
PIGEONS lb.	-	-	-	PIGEONS ea.	-	2.50	-

- GUINEA FOWL ea.

- DUCKLINGS ea. - CALL DUCKS ea.

 GOSLINGS ea. - TURKEY POULTS ea. -

MAJOR WHOLESALE MARKETS-MEXICO CITY

Cents per pound for the week ending January 30, 2009

	Whol Chick		Breasts	Legs W/Thigh	Necks,l s & Wir		Livers Gizzards	Hens
RAY	ON/							
Low	,	71.90	0 129.	87 88	.69	22.17	11.09	72.85
High	า	76.6	5 133.	04 95	.03	31.68	12.67	72.85
Mos	stly	71.90	0 133.	04 91	.86	28.51	12.67	72.85
SAN	۱ JUA	N						
Low		71.2	7 126.	70 85	.52	19.01	9.50	72.85
High	า	76.02	2 136.	20 91	.86	25.34	12.67	72.85
Mos		72.8		87 85	.52	25.34	9.50	72.85
NEV	N SAI	N JUA	١N					
Low	,	72.8	5 129.	87 88	.69	22.17	12.67	74.44
High	า	76.9	7 136.	20 95	.03	28.51	15.84	74.44
Mos	stly	72.8	5 136.	20 91	.86	25.34	12.67	74.44
BEC	CERR	Α						
Low		72.8	5 133.	04 91	.86	25.34	12.67	76.02
High	า	77.60	0 139.	37 98	.19	31.68	15.84	76.02
Mos	stly	72.8	5 136.	20 95	.03	28.51	12.67	76.02

DELMARVA Movement of ready-to-cook whole birds was no better than fair for midweek business. Seller offerings were fully adequate to readily available for the light buyer demand. Live supplies were moderate; weights were mixed, but mostly desirable. Processor schedules were moderate. Less than trucklot asking prices were unchanged to 1 cent lower at 76 to 87 cents. Trade sentiment was barely steady. In the parts complex, b/s breasts were available with discounting reported. Wings and tenders ranged in good balance to well cleared. Dark meat cuts were in close balance to adequate and mostly steady.

BRANDED U.S. GRADE A

RANGE	59-90
WEIGHTED AVERAGE	(A)
NO. OF BOXES	(A)

(A) Not reported to avoid disclosing individual operations.

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