Processed Chicken: National Mechanically Separated Chicken (Fri.)

Fri. Jul 31, 2009

Agricultural Marketing Service

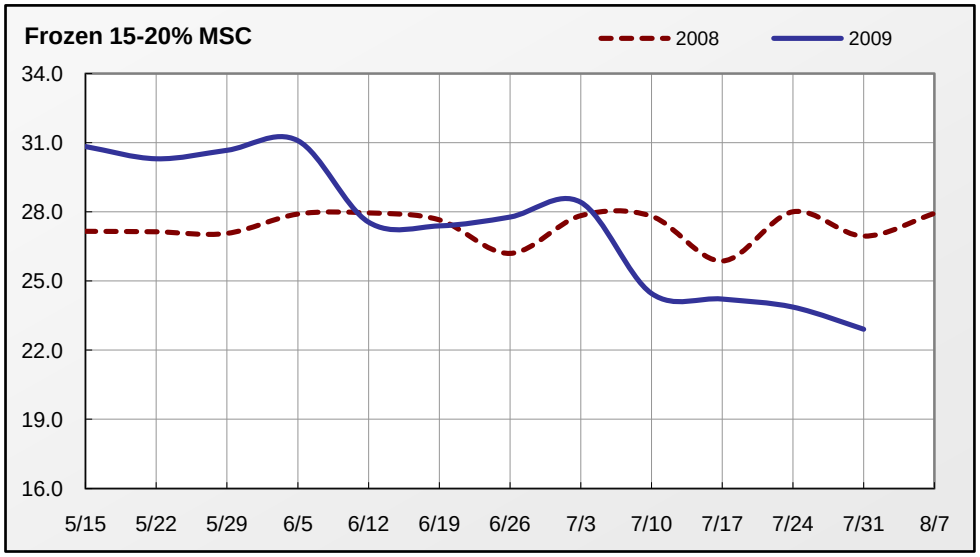
Poultry Market News & Analysis Branch

(F.O.B. Shipper Dock or equivalent; negotiated prices in trucklot and less-than-trucklot volumes reported in thousand pound quantities, cents/pound; delivery within 2 weeks.)

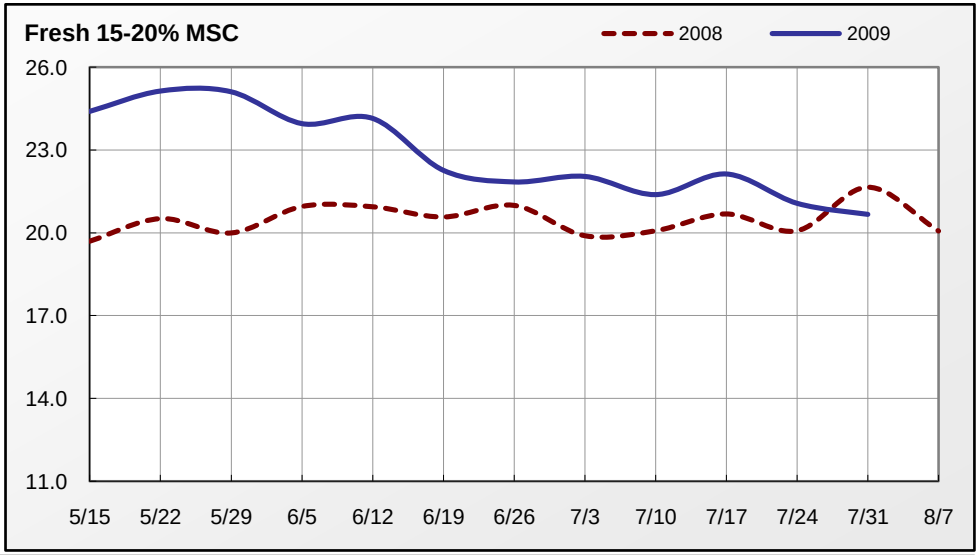
The market tone was steady to weak on all fat contents; undertone remains cautious and unsettled. Supplies of fresh and frozen 15-20% ranged adequate to mostly available and on the balance of fat contents sufficient for needs. Cancellations persist on regular contracts forcing more product onto the spot marketplace and creating continuing challenges for many. Raw material supplies were adequate to available with increased movement into petfood channels. Export and domestic demand was light to fair at lower trending prices. In light of recent market changes, some have begun thinking about the fast approaching contract season, which looks to pose a real challenge to the industry for 2010. Schedules were normal. Frame values were barely steady to weak ranging mostly 7-9 cents FOB.

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

	Frozen			Fresh		
Fat Content	31-Jul-09	Last Week	Last Year	31-Jul-09	Last Week	Last Year
15% or Less						
Price Range			-	24.00 - 26.00	24.00	24.00-25.00
Wtd Avg Price			-	24.61	24.67	24.38
Volume Traded	-	-	-	232	241	424
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	19.00 - 29.50	19.00 - 29.50	19.00-34.00	17.00 - 24.00	15.00 - 26.00	18.00-29.00
Wtd Avg Price	22.90	23.87	26.94	20.67	21.07	21.65
Volume Traded	997	1,336	2,191	2,114	2,824	3,455
Volume Exported	877	1,096	1,547	449	734	612
20% or More						
Price Range	-	-	-	22.00	22.00	21.00
Wtd Avg Price			-	22.00	22.00	21.00
Volume Traded	-	-	-	41	122	156
Volume Exported	-	-	-	-	-	-



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

	Frozen			Fresh		
Fat Content	Jun 2009	May 2009	Jun 2008	Jun 2009	May 2009	Jun 2008
15% or Less						
Wtd Avg Price	-	-	26.00	28.55	29.12	24.78
Volume Traded	-	-	164	1,233	1,947	684
Volume Exported	-	-	164	216	272	-
15-20%						
Wtd Avg Price	28.18	30.53	27.60	23.08	24.83	20.83
Volume Traded	6,088	7,835	5,261	12,262	16,136	10,252
Volume Exported	5,371	6,515	4,620	4,692	5,916	1,345
20% or More						
Wtd Avg Price	-	-	-	22.00	22.00	-
Volume Traded	-	-	-	286	326	-
Volume Exported	-	-	-	-	-	-

Note: Volume exported refers to that portion of the total volume that is destined for export markets.