

BROILER MARKET NEWS REPORT

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Agricultural Marketing Service

Poultry Programs

Market News Branch & Analysis



NATIONAL BROILER MARKET AT-A-GLANCE

The market tone was about steady to steady in the East, steady in the Midwest and steady to instances weak in the West. Retail demand was slow to good for mid week trading. Food service demand was slow to moderate. Supplies of all sizes were moderate to heavy to satisfy current trade needs. Floor stocks were adequate to ample. In the parts structure, movement was slow to moderate. Breast items were light to heavy however wings were in good supply with good movement. Dark meat items were moderate to heavy with thigh meat in the weakest position. In production areas, live supplies were moderate. Weights were mixed at desirable weights.

GEORGIA FOB DOCK PRICES The Georgia f.o.b. dock quoted price on broilers/fryers for next week's trading declined .50 cents to 86.00 cents based on full truck load lots of ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds. This compares to 88.75 cents last year on August 27, 2008.

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

| | DOCK PRICE |
|------------------|------------------|
| ITEM | (CENTS PER POUND |
| LINE RUN TENDERS | 175.00 |
| BREASTS - B/S | 143.50 |
| BREASTS - WHOLE | 89.50 |
| THIGH MEAT - B/S | 109.00 |
| THIGHS | 60.00 |
| DRUMSTICKS | 61.00 |
| LEG QUARTERS | 43.50 |
| WINGS | 137.50 |

Information supplied by the GA Dept of Ag's Poultry Market News Service.

SOUTHERN REGION The market tone was steady. Retail and food service demand for mid week business was moderate. Supplies of all sizes were moderate to satisfy trade needs. In the parts structure, movement was light to heavy. Breast and dark meat items were light to heavy with tenders, and thigh meat in the weakest position. Wings were in good supply and moving satisfactorily. In production areas, live supplies were moderate at desirable weights.

NORTHEAST REGION Trucklot buying activity on ready-to-cook whole broiler/fryers was light with trading limited to regular commitments. Offerings of all sizes were moderate to heavy for current trade needs. Movement through retail and distributive channels was light to moderate. The market tone was about steady. In the parts complex, supplies of wings were light with good movement. Bone-in breasts and most dark meat items were available to heavy and slow to clear.

MIDWEST REGION Whole broiler/fryer market tone was steady. Offerings were moderate on light trade inquiry. Retail and food service demand was slow to moderate at best. Consumer traffic was noted as light in retail, improvement into restaurants, and fast food was static. Floor stocks were in close balance to fully adequate. Weights desirable to heavy. In parts trade, wings were most active call, breast boneless/skinless was clearing slow to light and dark meat lines were generally inactive. The market tone was steady to firm on wings, steady on tenders and steady to barely steady on the balance.

WESTERN REGION The market tone on whole broiler/fryers was steady to instances weak and WOGs were steady to barely steady with 3 lb. and heavier sizes in the weakest position. Offerings adequate to ample. Retail and food service demand light to moderate. Weights desirable. Floors stocks adequate to instances fully adequate. Parts demand light to moderate. Offerings of breast items adequate to ample, wings light to adequate, and dark items adequate to fully adequate. The market tone on wings was steady to instances fully steady, breast items steady to weak, and dark items steady to barely steady.

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

Commercial hatcheries in the 19-State weekly program set 200 million eggs in incubators during the week ending August 22, 2009. This was down 3 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 2 PERCENT

Broiler growers in the 19-State weekly program placed 166 million chicks for meat production during the week ending August 22, 2009. Placements were down 2 percent from the comparable week a year earlier. Cumulative placements from December 28, 2008 through August 22, 2009 were 5.72 billion, down 5 percent from the same period a year earlier.

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

| WEEK ENDING 08/22/09 | 2009 | <u>2008</u> | PREVIOUS YEAR |
|-------------------------------------|---------|-------------|---------------|
| | Tho | ousand | |
| EGGS SET | 199,943 | 206,837 | -3 |
| CHICKS PLACED Source: NASS, USDA | 166,315 | 170,273 | -2 |

WEEKLY FRYERS AVAILABLE FOR MARKETING

Based on the preliminary chick placements, the number of fryers available for marketing during the week ending 03-Oct-09 is estimated at 153.5 million head. This compares to 154.9 million head the previous week and to 161.9 million head the same week a year ago, when the slaughter was 166.4 million head and the composite weighted average price was 76.66 cents per pound.

SOUTHERN STATES BROILER PARTS 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.

| AUG 25, 2009 | POUNDS | | | WTD | AUG 26, 2009 | POUNDS | | | WTD |
|-------------------|------------|------------------|---------|--------|--------------------|-----------|----------------|----------|--------|
| ITEM | (000) | RANGE | MAJ | AVG | ITEM | (000) | RANGE | MAJ | AVG |
| BREAST - B/S | 432 | 114.00-182.00 | - | 130.22 | BREAST - B/S | 330 | 114.00-183.00 | - | 129.02 |
| TENDERLOINS | 210 | 132.00-195.00 | - | 151.86 | TENDERLOINS | 145 | 132.00-191.00 | - | 147.76 |
| BREAST - LINE RUI | N T | OO FEW TO REPO | RT | | BREAST - LINE RUN | Т | OO FEW TO REPO | DRT | |
| FRONT HALVES | Т | OO FEW TO REPO | RT | | FRONT HALVES | Т | OO FEW TO REPO | DRT | |
| LEGS | Т | OO FEW TO REPO | RT | | LEGS | Т | OO FEW TO REPO | DRT | |
| LEG QUARTERS (B | ULK) 450 | 34.00-42.00 | - | 39.17 | LEG QUARTERS (BUI | _K) 455 | 34.00-42.00 | - | 38.79 |
| LEG QUARTERS (4 | /10) 810 | 35.00-44.00 | - | 40.32 | LEG QUARTERS (4/1) | 0) 610 | 36.00-44.00 | - | 40.96 |
| WINGS (WHOLE) | Т | OO FEW TO REPO | RT | | WINGS (WHOLE) | T | OO FEW TO REPO | DRT | |
| WINGS (CUT) | Т | OO FEW TO REPO | RT | | WINGS (CUT) | Т | OO FEW TO REPO | DRT | |
| DRUMSTICKS | Т | OO FEW TO REPO | RT | | DRUMSTICKS | T | OO FEW TO REPO | DRT | |
| THIGHS | Т | OO FEW TO REPO | RT | | THIGHS | Т | OO FEW TO REPO | DRT | |
| B/S THIGHS | Т | OO FEW TO REPO | RT | | B/S THIGHS | Т | OO FEW TO REPO | DRT | |
| WHOLE BODY INDEX | BASED ON S | OUTHERN STATES F | ARTS TR | ADING | WHOLE BODY INDEX B | ASED ON S | OUTHERN STATES | PARTS TR | ADING |

FOR AUG 25, 2009 -- F.O.B. DOCK.

RANGE **TODAY'S AVERAGE** 51.00 - 57.00 54.59 FOR AUG 26, 2009 -- F.O.B. DOCK.

SOUTHERN CALIFORNIA (LA AREA)

RANGE **TODAY'S AVERAGE 5-DAY AVERAGE** 53.40 50.00 - 56.00 54.25

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 for mid-week was light with limited trading. Offerings of bone-in breasts were heavy, and the remaining breast items were available. Dark meat items were moderate to heavy with thighs and thigh meat in the longest position. Supplies of wings were light. Retail and distributive movement was light to moderate. The market tone was weak for bone-in breasts. thighs, drums, and thigh meat. Wings were steady to firm.

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

| AUG 25, 2009 | CURRENT | WTD | VOLUME | AUG 26, 2009 | CURRENT | WTD | VOLUME |
|-----------------------|-------------|--------|---------------|------------------------|-------------|--------|---------------|
| ITEM NEGOTIATE | ED TRADING* | AVG** | /LBS | ITEM NEGOTIATE | D TRADING* | AVG** | /LBS |
| BREAST - B/S | 130-135 | 129.13 | 479,003 | BREAST - B/S | 130-135 | 128.23 | 348,291 |
| TENDERLOINS | 145 | 144.95 | 132,080 | TENDERLOINS | 145 | 145.09 | 60,640 |
| BREAST - WITH RIBS | 84-85 | 89.20 | 96,240 | BREAST - WITH RIBS | 83-84 | 90.76 | 121,120 |
| BREAST - LINE RUN | 84 | 84.40 | 134,920 | BREAST - LINE RUN | 83 | 85.27 | 93,800 |
| LEGS | 59-60 | 54.21 | 192,840 | LEGS | 59-60 | 59.22 | 114,760 |
| LEG QUARTERS (BULK) | 41-42 | 41.58 | 333,000 | LEG QUARTERS (BULK) | 41-42 | 42.87 | 157,240 |
| DRUMSTICKS | 54-55 | 58.32 | 80,320 | DRUMSTICKS | 53-54 | 63.66 | 74,520 |
| THIGHS | 51-52 | 58.89 | 53,800 | THIGHS | 50-51 | 61.80 | 54,000 |
| B/S THIGHS | 105-106 | 108.01 | 42,240 | B/S THIGHS | 104-105 | 107.50 | 50,480 |
| WINGS (WHOLE) | 135-136 | 141.43 | 129,360 | WINGS (WHOLE) | 135-136 | 140.17 | 172,480 |
| BACKS AND NECKS (STRI | PPED) 13-15 | 15.00 | 21,000 | BACKS AND NECKS (STRIF | PPED) 13-15 | 15.00 | 18,320 |
| LIVERS (5 POUND TUBS) | 45-50 | 46.65 | 12,320 | LIVERS (5 POUND TUBS) | 45-50 | 47.02 | 7,760 |
| GIZZARDS (HEARTS) | 65-70 | 69.79 | 20,600 | GIZZARDS (HEARTS) | 65-70 | 69.75 | 13,360 |

INCLUDES NEW YORK CITY METROPOLITAN AREA, NORTHERN NJ, MA, CT, RI, AND PA (NORTHEAST OF HARRISBURG).

^{**} WTD AVG PRICE OF ALL GRADES AND BRANDS OF PRODUCT SHIPPED, OR TO BE SHIPPED AS OF 1:30 P.M.

| ESTIMATED SLAUGHTER OF BROILER-FRYERS | | | | | | | SOUTHERN CALIFORN | | | | |
|---------------------------------------|-----------|------------|------------|----------|----------|--------|-------------------|-----------|-----------------------|------------------------|---------|
| - | ESTI | MATED | AC. | TUAL | AVG | WTS | ACTUAL | AVG | PROCESSED POULTRY | <u>', DELIVERED TO</u> | |
| | (1. | 000) | (1 | ,000) | | | (1,000) | WTS | | | RANGE |
| | 08/26 | , | • | | 08/24 | 08/21 | 08/19 | 08/17 | FRESH FRYERS | | 109-122 |
| Alabama | 3,950 | 4.060 | 3,872 | 4.203 | 5.43 | 5.49 | 3.965 | 5.48 | ROASTERS 4# & UP | | 125-135 |
| Arkansas | 5,248 | , | 5.310 | 3.873 | 5.41 | 5.17 | 5.207 | 5.33 | HENS UNDER 5# | | |
| Delmarva | 2,081 | 2.247 | 2,231 | 2.426 | 5.96 | 5.78 | 2.098 | 6.01 | HENS OVER 5# | | |
| KY-LA-TN | 2,366 | , | 2,344 | 2.559 | 5.06 | 4.78 | 2.338 | 5.52 | DUCKS | | |
| Mississippi | 2,866 | , | , | 3.456 | 5.81 | 5.71 | 2.778 | 5.72 | RABBITS-WHOLE | | |
| North Carolin | , | , | , | 3.394 | 7.06 | 7.14 | 2.691 | 7.12 | RABBITS-CUT UP | | |
| Texas | 2,700 | , - | 2.633 | - , | 5.40 | 5.20 | , | 5.37 | SAN FRANCISCO PROC | CESSED POULTR | Υ. |
| Total | _, | , | 21.801 | , | 5.68 | 5.63 | , | 5.71 | DELIVERED TO RESTA | | |
| Mon-Wed | 66,328 | , - | 21,001 | 22,011 | 0.00 | 0.00 | 65,793 (| - | | | RANGE |
| WOII WCa | 00,020 | (71) | | | | | 00,700 (| , () | FRESH FRYERS | DRY PACK | 170 |
| (A) Weekly o | umulativ | a for stat | hateil eat | ahova | | | | | . KESIII KI EKS | ICE PACK | 159 |
| Broiler-fryer s | | | | | for 26-A | a₋00 i | e estimate | d to be | ROASTERS 4# & UP | DRY PACK | 117 |
| 32,840,000 h | 0 | | | • | | 0 | | | 110/10/12/10 1// 0 01 | ICE PACK | |
| | eau up u | .29 perc | ent nom | a week a | ago ano | down | i.so percei | it itoiti | HENS OVER 5# | DRY PACK | 116 |
| a year ago. | 2 745 000 |) loot vo | or 22 27 | 2 000) | | | | | TILINO OVER OF | ICE PACK | 110 |
| (Last week 3 | 2,745,000 | , iast ye | ai 33,21 | ۷,000) | | | | | DUCKS | ICL FACK | 259-262 |
| | | | | | | | | | מאטטע | | 209-202 |

^{*} TODAY'S NEGOTIATED SALES AS OF 11:30 A.M.

21.24

24.78

24.78

7.08

10.62

7.08

63.72

63.72

63.72

ESTIMATED II STILLE DOLLI TOV SI ALIGHTED

BECERRA

Low

High

Mostly

56.64

63.72

60.18

| ESTIMATED U.S. LIV | E POULTRY SLA | UGHIER |
|--------------------------|----------------------|--------------------------------|
| UNDER FEDERAL INSF | PECTION FOR WEEK | ENDING 29-AUG-09 |
| CUI | RRENT WEEK | PREVIOUS WEEK |
| | 08/29/09 (1) | 08/22/09 |
| Class | Tho | usand head |
| Broiler/fryer | 169,470(2) | 165,952 |
| Light hens | 1,433 | 1,550 |
| Heavy hens | 1,760 | 1,552 |
| Total | 172,663 | 169,054 |
| (1)ESTIMATED | | |
| 2)The estimated num | nber of broiler-frye | rs available for slaughter the |
| week ending 29-Aug | j-09 is 158.5 milli | on head compared to 170.7 |
| million head slaughter | red the same week | last year. The estimated U.S. |
| slaughter this week i | s 169.8 million he | ad or 11.3 million more than |
| estimated available. | For the week | of 05-Sep-09 the estimated |
| available is 157.5 milli | ion head. | · |
| | | |
| | | |

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

| (| | | |
|-------------|-------------------|--------|--|
| PROCES | PROCESSED POULTRY | | |
| | LBS | LBS | |
| AM 08/24/09 | 192,533 | 70,721 | |
| AM 08/01/09 | 182,503 | 66,639 | |
| CHG | 10,030 | 4,082 | |
| PCT CHG | 5 | 6 | |
| | | | |

COLD STORAGE MOVEMENT (IN THOUSANDS)

| PR | COCESS | ED IUR | PROCESSED POULTRY | | | |
|-------------------------|---------------|---------|-------------------|----------|----------|----------|
| 08/ | /24/09 C | 8/17/09 | 08/25/08 | 08/24/09 | 08/17/09 | 08/25/08 |
| PACIFIC COAST LOS | 3 ,458 | 2,825 | 702 | 7,491 | 7,470 | 7,483 |
| ANGELES | 174 | 168 | 355 | 1,059 | 1,002 | 1,645 |

HACKETTSTOWN POULTRY SALES

FOR 08/25/09

| IRFI | TO SE | :II A | ALL OUT OF STATE | = POU | I TRY | |
|------|--------|-------------------|-------------------------|---|------------------|---|
| | | | | | | AVG |
| | | | | | - | - |
| - | - | - | LIGHT FOWL ea. | - | - | - |
| - | - | - | MIXED FOWL ea. | - | - | - |
| | | | | | | - |
| - | - | - | BROILERS ea. | - | - | - |
| - | - | - | ROASTERS ea. | - | - | - |
| - | - | - | FRYERS ea. | - | - | - |
| - | - | - | CHICKS ea. | - | - | - |
| - | - | - | PULLETS ea. | - | 5.00 | - |
| - | - | - | BUNNIES ea. | | | |
| - | - | - | ROOSTERS ea. | 1.75 | 4.00 | 2.31 |
| .70 | .80 | .74 | GEESE ea. | - | - | - |
| - | - | - | TURKEYS ea. | - | - | - |
| - | - | - | DUCKS ea. | - | - | - |
| .50 | 1.70 | 1.29 | RABBITS ea. | 1.50 | 3.75 | 2.63 |
| - | - | - | PIGEONS ea. | 2.50 | 4.00 | 2.97 |
| - | - | - | GUINEA FOWL ea | ı | - | - |
| - | - | - | DUCKLINGS ea. | - | - | - |
| a | - | - | CALL DUCKS ea. | - | - | - |
| - | | | | - | - | - |
| - | - | - | TURKEY POULTS | ea | - | - |
| - | - | - | PEACOCKS ea. | - | - | - |
| - | 3.25 | - | COCKATIELS ea. | - | - | - |
| - | - | - | GUINEAS | - | - | - |
| 5 | | | | | | |
| | OW .30 | OW HIGH A .30 .45 | OW HIGH AVG .30 .45 .39 | OW HIGH AVG .30 .45 .39 HEAVY FOWL ea. LIGHT FOWL ea. BANTAMS ea. BROILERS ea. ROASTERS ea. FRYERS ea. PULLETS ea. BUNNIES ea. BUNNIES ea. TURKEYS ea. TURKEYS ea. DUCKS ea. DUCKS ea. TURKEYS ea. PIGEONS ea. TURKEY POULTS GOSLINGS ea. TURKEY POULTS PEACOCKS ea. - 3.25 - COCKATIELS ea. | OW HIGH AVG .30 | LIGHT FOWL ea MIXED FOWL ea MIXED FOWL ea BANTAMS ea BANTAMS ea BROILERS ea FRYERS ea CHICKS ea PULLETS ea 5.00 BUNNIES ea BUNNIES ea TURKEYS ea TURKEYS ea DUCKS ea DUCKS ea PIGEONS ea PIGEONS ea DUCKLINGS ea DUCKLINGS ea |

| Cer | Cents per pound for the week ending August 21, 2009 | | | | | | |
|--------------|---|--------|-------|-------------|----------|-------|--|
| Who | | | | lecks,Backs | | | |
| Chic | kens Br | | | & Wings | Gizzards | Hens | |
| RAYON | | | J | Ü | | | |
| Low | 55.93 | 123.91 | 74.34 | 17.70 | 3.54 | 60.18 | |
| High | 60.89 | 130.99 | 81.42 | 21.24 | 7.08 | 60.18 | |
| Mostly | 60.89 | 130.99 | 77.88 | 19.47 | 7.08 | 60.18 | |
| | | | | | | | |
| SAN JUA | ۸N | | | | | | |
| Low | 55.23 | 120.37 | 70.80 | 14.16 | 3.54 | 60.18 | |
| High | 60.18 | 127.45 | 77.88 | 17.70 | 7.08 | 60.18 | |
| Mostly | 60.18 | 127.45 | 74.34 | 17.70 | 5.31 | 60.18 | |
| | | | | | | | |
| NEW SA | N JUAN | | | | | | |
| Low | 56.64 | 127.45 | 77.88 | 21.24 | 7.08 | 61.95 | |
| High | 61.95 | 134.53 | 84.96 | 24.78 | 10.62 | 61.95 | |
| Mostly | 60.18 | 134.53 | 81.42 | 21.24 | 8.85 | 61.95 | |
| | | | | | | | |

MAJOR WHOLESALE MARKETS-MEXICO CITY

CENTRAL MISCELLANEOUS POULTRY RTC HENS

127.45

138.07

134.53

READY-TO-COOK PRICES NEGOTIATED FOR DELIVERY TO FIRST RECEIVERS, U.S.GRADE A AND PLANT GRADE,5LBS AND UP, FOR WEEK OF AUGUST 24, 2009

81.42

88.50

84.96

| | | RANGE |
|------|-----------------------------|-------|
| HENS | ICE PACKED (12 PER BOX) | 75-86 |
| | VACUUM PACKED (6-9 PER BOX) | 75-95 |

DELMARVA Movement of ready-to-cook whole birds remained light and unaggressive. Seller offerings were moderate to heavy and often competitively priced in an effort to stimulate additional activity. Live supplies were moderate at desirable weights. Processor schedules were noted as moderate. Less than trucklot asking prices were unchanged at 73 to 85 cents. The market tone was about steady to steady. In the parts complex, breast items and dark meat cuts were light to heavy. Wings were balanced to tight.

BRANDED U.S. GRADE A

| RANGE | 50-90 |
|------------------|-------|
| WEIGHTED AVERAGE | (A) |
| NO. OF BOXES | (A) |

(A) Not reported to avoid disclosing individual operations.

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