

China

Brazil

Others

Philippines

239

235

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INTERNATIONAL EGG AND POULTRY REVIEW



Domestic

35,775

Imported

137,663

U.S. Department of Agriculture Agricultural Marketing Service **Poultry Programs** Market News and Analysis Branch

Jan-09

Japan

Japan entered a recession in 2008 and it deepened in 2009; some growth is expected in 2010. Consumers are expected to remain highly sensitive to price and value, giving broiler meat a competitive edge over more expensive proteins. Annual household consumption of chicken rose 8% in 2009, compared to increases of 4% in beef and 2% in pork.

Average Annual Japanese Household Consumption of Beef,

Pork, Chicken, and Processed Meats						
	Beef Pork Chicken					icken
	Yen	Grams	Yen	Grams	Yen	Grams
CY 2008	20,885	6,785	25,555	18,305	12,830	12,657
CY 2009	20,166	7,045	24,790	18,639	12,614	13,649
% Change	-3%	4%	-3%	2%	-2%	8%
	Grou	nd Meat	Н	lam	Bacon	/Sausage
	Yen	Grams	Yen	Grams	Yen	Grams
CY 2008	2,041	1,795	5,870	2,887	9,638	6,544
CY 2009	2,045	1,888	5,670	2,947	9,588	6,703
% Chg	0%	5%	-3%	2%	0%	2%
Source: Mir	nistry of	Internal	Affairs ar	nd Comr	nunicatio	n Bureau
(Compiled fr	om GOJ	Statistical	Data Base	e)		

In 2009 Japan's broiler production totaled 1,260,000 metric tons and imports totaled 700,000 metric tons. Nearly half of total imports are "prepared (or cooked) products of broiler meat", mainly supplied by Thailand and China. Japan's food service sector uses large quantities of imported raw broiler cuts, mostly from Brazil.

Japanese Imports of Prepared Broiler Products 2007 2008 2009 % chg Share --World--344,147 310,457 313,835 1% 100% Thailand 142,528 56% 179,639 175,466 -2% 200,257 43% 128,115 135,677 6% Korea, South 549 669 852 27% 0% 821 -18% 340 673 0%

512

656

59%

-26%

0%

0%

Domestic broiler production is expected to increase 1% to 1.265 million MT; a grower association's survey conducted at the end of January indicated an increase in the number of broiler chicks placed on feed this year. Lower monthly poultry stocks may help market prices remain steady and stay competitive this year, at least for boneless leg meat. Breast meat is less popular and may need to be sold at a discount if supplies become too heavy. A reduction in the price of inputs, especially with lower prices for formula mixed feeds, could help domestic producers' bottom line.

323

890

<u>Quarte</u>					<u>ic Bone-less Leg*</u>
	1 st qtr	2 nd qtr	3 rd qtr	4 th qtr	Yearly Average
2008	741	745	721	674	720
2009	613	578	586	629	601
% chg		-22%	-19%	-7%	-17%
*yen pe	r kg				

Strong downward pressure on the price of Brazilian and U.S. cuts at the wholesale level posed a serious challenge for importers in 2009. Large carry over inventories were bought at the higher price levels and many Japanese broiler importers rushed to clear out their expensive inventory, even at a huge financial loss. The average CIF price of broiler cuts in 2009 was down 20% to US \$2.49. The drop in price resulted in a 34% drop in end of year stock levels, from 175,559 MT in December 2008 to 115,574 MT in December 2009.

May-09 149,728 32,626 156,411 122,716 33,695 Jan-10 115,574 29,411 116,656 88,879 27,777 May-10 107,481 32,971 106,746 27,560 79.186 For the first half of 2010 Japan's imports of dried whole eggs fell 5% while other egg products increased: dried volk (9%); dried albumen (7%); other yolk (13%); and liquid whole eggs (39%); compared to

Broilers: Supply and Demand

Beginning

Imports

31,188

Stocks

175,559

the same period a year earlier.

Estimated

Ending

Stocks

173,438

The Portal Site of Official Statistics of Japan has a breakdown of imports by country. The U.S. accounted for about 71% of the dried yolk; 82% of dried whole and 80% of liquid yolk. The EU was the main source of dried albumen (54%), mostly from the Netherlands (30%). Liquid whole egg: China (57%) and Thailand (43%).

	Japan: Mon	thly Egg Pro	ducts Impor	ts in metric	tons
	Powdered	Powdered	Powdered	Other	Liquid
2009	Yolks	Whole	Albumen	Yolks	Whole
Jan	169.2	268.1	826.4	687.6	121.2
Feb	244.9	297.0	799.2	606.1	247.5
Mar	170.5	167.8	447.4	564.7	107.9
Apr	158.2	258.3	838.1	395.5	207.0
May	171.4	236.7	635.5	440.6	148.4
*Jun	151.6	203.1	894.1	522.7	155.2
YTD	Total 1,065.8	1,431.0	4,440.7	3,217.2	987.2
2010					
Jan	233.9	295.4	727.0	646.6	264.6
Feb	176.4	213.9	700.2	556.0	175.0
Mar	213.2	213.8	653.9	630.3	185.2
Apr	166.4	149.8	921.9	574.6	248.2
May	192.4	205.5	844.8	749.9	204.7
*Jun	180.8	278.9	905.4	490.0	290.2
YTD	1.163.1	1.357.3	4.753.2	3.647.4	1.367.9

Frozen broiler imports for January through May 2010 were 21% higher than for the first five months in 2009. Imports from the U.S. almost doubled (up 99%) and Brazil was up 17%. Imports from China are growing, but are still small volumes.

Japan:	Monthly	Frozen Bro	oiler Imports by	Origin in m	etric tons
2009	China	U.S.	Brazil	Others	Total
Jan		1,292	29,542	355	31,189
Feb	13	1,129	24,578	317	26,037
Mar		1,109	21,504	257	22,870
Apr	11	1,886	22,357	472	24,726
May		1,574	29,650	392	31,616
Jan-May	24	6,990	127,631	1,793	136,438
Jan-Dec	92	18,306	307,941	4,742	331,081
2010					
Jan	19	2,313	26,791	287	29,410
Feb		2,806	28,563	450	31,819
Mar	19	2,771	27,530	413	30,733
Apr	34	3,295	36,093	457	39,879
May	7	2,749	29,830	385	32,971
Jan-May	79	13,934	148,807	1,992	164,812

Source: A.L.I.C. (Agriculture & Livestock Industries Corporation); MAFF Official Statistics of Japan; USDA FAS GAIN Report; USDA **ERS**

INSPECTED EGG PRODUCTS-

U.S. & CANADA IMPORT/EXPORT TRADE U.S. Exports to Canada, in Pounds (000) (Preliminary)

0.0.	-xpo. to to ou	aaa, oa	40 (000) (o	,
Week Endin	g Aug 07, 201	0	Year-To-I	Date*
Type	2010	2009 /1	2010 /2	2009
Liquid	95	189	2,125	6,683
Frozen	0	0	88	0
Dried	0	40	264	458
Total	95	229	2,477	7,141

U.S. Imports From Canada, in Pounds (000) (Preliminary) Week Ending Aug 07, 2010 Year-To-Date* Type 2010 2009 /1 2010 /2 200

2010	2009 /1	2010 /2	2009
269	317	12,434	10,318
0	3	320	211
0	0	151	0
269	320	12,905	10,529
	269 0 0	269 317 0 3 0 0	269 317 12,434 0 3 320 0 0 151

Inspected Shell Eggs

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

Week Ending	Aug 07, 2	2010	Year-	Fo-Date*
	2010	2009 /1	2010 /2	2009
Jumbo	0	0	0	0
Extra Large	1,110	1,230	51,331	41,033
Large	4,360	5,300	78,765	88,162
Medium	0	90	27,372	33,227
Ungraded	396	15,708	100,791	174,961
Misc	0	0	900	6,218
Total	5,866	22,328	259,159	343,601

^{/1} Comparable Week, to-date figures may not total due to rounding.

U.S./CANADIAN LIVE POULTRY-SLAUGHTERED UNDER INSPECTION

Week Ending 07-Aug-10 (Preliminary)

U.;	U.S. fowl slaughtered domestically				
L	ight Hens	Heavy Hens	Total Hens		
	Thousa	nds			
Head	1,397	1,518	2,915		
Last Week	1,413	1,555	2,968		
Same week yr ago	1,282	1,564	2,846		
To-date/2010*	44,353	43,201	87,554		
To-date/2009*	40.114	46.335	86.449		

	O.O. IOWI Sidagi	itoroa iii Oanaaa	
	Light Hens	Heavy Hens	Total Hens
	Thousa	ınds	
Head	302	4	306
Last Week	270	0	270
Same week yr ago	334	0	334
To-date/2010*	10,840	278	11,118
To-date/2009*	9,287	19	9,306

U.S. fowl slaughtered in Canada

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
	Thousa	ınds	
Head	1,699	1,522	3,221
Last Week	1,683	1,555	3,238
Same week yr ago	1,616	1,564	3,180
To-date/2010*	55,193	43,479	98,672
To-date/2009*	49,401	46,354	95,755
*Note: Year to-date t	totals reflect comp	arable time periods	

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 price trend for fresh and frozen 15-20% MSC was lower; other fat contents steady to lower. Supplies of fresh and frozen 15-20% were moderate to heavy with the balance moderate. Schedules were normal. Export and domestic demand on fresh and frozen 15-20% was light; movement into the Caribbean, Central America, and Mexico light. Market activity remains slow. The spot marketplace remains unsettled with many uncertain of the future in light of some recent changes with industry players as we approach contract season. In addition, many noted finished product inventories were long with sales slow, ongoing transportation issues, some contract cancellations, and increased sales and rendering of frames. Supplies of raw materials were heavy. Frame values were steady to lower with trading levels ranging 6-9 cents FOB, mostly 6-7 cents FOB.

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

		Frozen		Fresh		
Fat Content	13-Aug-10	Last Week	Last Year	13-Aug-10	Last Week	Last Year
15% or Less						
Price Range			-	19.00	21.00 - 23.00	20.00-21.00
Wtd Avg Price			-	19.00	22.32	20.72
Volume Traded	-	-	-	41	302	282
Volume Exported		-	-	-	200	-
15-20%						
Price Range	18.00 - 24.00	18.00 - 25.00	15.00-22.50	13.00 - 23.00	15.00 - 21.00	14.00-22.00
Wtd Avg Price	21.66	22.58	19.04	16.80	17.87	17.15
Volume Traded	1,479	1,781	1,852	2,463	2,632	3,578
Volume Exported	1,271	1,581	1,772	326	408	612
20% or More						
Price Range	-	-	-	18.00	20.00	20.00
Wtd Avg Price			-	18.00	20.00	20.00
Volume Traded	-	-	-	82	82	41
Volume Exported	-	-	-	-	-	-

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

		Frozen		Fresh		
Fat Content	Jul 2010	Jun 2010	Jul 2009	Jul 2010	Jun 2010	Jul 2009
15% or Less						
Wtd Avg Price	24.00	-	-	25.25	26.13	25.39
Volume Traded	270	-	-	1,738	866	1,443
Volume Exported	270	-	-	912	305	163
15-20%						
Wtd Avg Price	24.61	26.22	24.66	19.06	20.44	21.53
Volume Traded	7,249	7,079	8,099	16,393	13,264	15,295
Volume Exported	6,629	6,499	7,299	1,775	653	4,769
20% or More	•					
Wtd Avg Price	-	-	-	21.33	20.60	22.00
Volume Traded	-	-	-	367	204	326
Volume Exported	-	-	-	-	-	-

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

Frozen 15-20% MSC

33.0

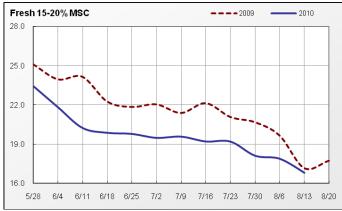
27.0

24.0

21.0

18.0

5/28 6/4 6/11 6/18 6/25 7/2 7/9 7/16 7/23 7/30 8/6 8/13 8/20



Source: USDA AMS Poultry Market News & Analysis

^{/2} Includes revisions to previous week(s)

^{*}Note: Year to-date totals reflect comparable time periods.

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

NATIONAL YOUNG TURKEY PARTS, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 13 AUGUST, 2010.

The bulk parts market remains steady to fully steady. Demand and offerings are light to moderate. The market on white meat is steady to firm. Demand ranges light to good with inquiry reported on fresh breast meat and scapula meat. Offerings are light to moderate. The thigh meat market is steady to barely steady. Demand is light to moderate. Offerings are mostly light. The market on mechanically separated turkey (MST) is mixed. Demand is light to instances moderate. Offerings are light to moderate for the current week's production. Market activity is slow to moderate. For domestic: fresh breast trim 174, fresh scapula meat 173.5-174, fresh wing meat 140, fresh MST (pet food) 18, frozen hen breast meat (over 6 months age) 207 cents delivered. For export: fresh tom drums 64, frozen hen drums 69, frozen tom necks 38 cents delivered border or port.

EXPORT TRADING FRIDAY, AUGUST 13, 2010 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS	PRICE RANGE 73.00	L.S.T. CODE 1/	WTD AVG PRICE 73.00 70.00	VOLUME (000) 120 162	WEEKLY WTD AVG PRICE 72.03	WEEKLY VOLUME (000) 390
WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	25.00	W R	39.00 25.00 110.33	47 108 120	39.00 25.00 110.33	47 108 120
EXPORT TRADING THURSDAY, AUGUST 12, 2010 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE	L.S.T. CODE 1/ W F W	WTD AVG PRICE 73.00 70.00 39.00	VOLUME (000) 162 162 47		
EXPORT TRADING WEDNESDAY, AUGUST 11, 2010 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 73.00 39.00	L.S.T. CODE 1/ F	WTD AVG PRICE 73.00 70.00 39.00	VOLUME (000) 162 162 47 270		
EXPORT TRADING TUESDAY, AUGUST 10, 2010 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE	L.S.T. CODE 1/ M F R	WTD AVG PRICE 69.50 70.00 36.93	VOLUME (000) 108 162 214 270		
EXPORT TRADING MONDAY, AUGUST 09, 2010 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/	PRICE RANGE 69.50	L.S.T. CODE 1/ F R	WTD AVG PRICE 69.50 70.00 36.93	VOLUME (000) 108 162 214		
THIGH MEAT - FROZEN		F	115.00	270		

^{1/} 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.

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