

# **BROILER MARKET NEWS REPORT**

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U.S. Department of Agriculture

**Agricultural Marketing Service** 

**Poultry Programs** 

Market News Branch & Analysis

# **NATIONAL BROILER MARKET AT-A-GLANCE**



Prices are trending steady to lower, down 2 cents in the Midwest, steady to weak, down 2 cents in the east, and barely steady to weak, down 1 cent in the West when compared to last week. Offerings are light to heavy, mostly moderate to heavy to satisfy current trade needs. Retail and food service demand is light to moderate with some improvement noted due to cooler weather. Floor stocks are moderate to heavy. Market activity is slow to moderate. In the parts structure, movement is light to moderate for early week trading. Prices are trending steady for wings and most dark meat items. Breast items are weak to lower and slow to clear. Offerings of breast items and tenders are heavy and competitively prices. Wings and most dark meat items are moderate to heavy. In production areas, live supplies are moderate. Weights are desirable. Market activity on parts is slow to moderate.

FINAL Prices negotiated for trucklot sales of ready-to-cook broiler/fryers delivered to first receivers and FOB Dock at major market areas (cents per lb) Week of 04-OCT-2010

	Grade A		:	Compo	site
	Maj	Wtd Avg	Lds : W	td Avg	Lds
Delivered to First	Receivers 1/:				
Boston/New Engla	and TFEWR		:	76.10	13
Ohio Cities	TFEWR		:	70.30	11
Denver	95.50	95.50	4:	91.43	7
Detroit	TFEWR		:	77.29	37
Los Angeles	96.00	94.35	31 :	85.23	86
New York	78.00-81.00	79.57	21:	80.88	46
Philadelphia	77.50-79.00	77.95	11 :	78.59	22
Pittsburgh	77.00-80.00	78.36	11 :	82.69	52
St. Louis	TFEWR		:	75.29	12
San Francisco	96.50	95.21	12:	86.59	37

#### **Delivered to First Receivers 1/:**

	•	ody 2/: td Avg Lds :	•
Chicago	70.00-74.00	:	73.17 44
<b>Composite Weigh</b>	ted Average 3/:		
Loads 10/04/10	Change Last Wk	09/27/10	10/05/09
367 80.59	-1.07	81.66	70.43
WOG Broilers 4/:	Majority	Wtd Avg	Lds
Eastern	82.00-84.00	82.36	27
Central	65.00-78.00	72.75	72
Western	75.00-82.00	81.67	52

1/: Includes branded product.

FOB Dock Equivalent 5/:

2/: Whole Body category includes whole body birds with or without giblets, all grades, brands, and packaging.

83.63

MONDAY FINAL WTD AVG

44

- 3/: Includes all whole birds shipped into listed cities including Chicago.
- 4/: Delivered first receiver, trucklot and less than trucklot volumes.

82.00-85.00

5/: Southeast area.

Mississippi

**GEORGIA FOB DOCK PRICES** Georgia f.o.b. dock quoted price on broilers/fryers for this week's trading is **87.25** cents based on icepacked USDA grade "A" sized 2 1/12 to 3 pound birds.

LOADS	RANGE	FOB DOCK	OR EQUIVALENT
1,007	76.00-93.69		86.66
Georgia f.o.b.	dock confirmed	FINAL WTD AVG	price on ice-packed parts:
		WTD AVG	VOLUME
ITEM	(CENTS PE	R POUND)	(000) POUNDS)
LINE RUN T	ENDERS	213.00	1,745
BREASTS -	B/S	179.50	7,599
BREASTS -	WHOLE	100.50	1,520
THIGH MEA	T - B/S	95.00	1,236
THIGHS		54.00	1,109
DRUMSTIC	KS	62.00	1,189
LEG QUAR	TERS	40.50	10,502

WINGS 130.00 3,707 This info is supplied by the GA Dept. of Ag/Poultry Market News Service.

NORTHEAST Prices are trending steady to weak on all sizes. Trucklot buying activity on ready-to-cook whole broiler/fryers is light to fair at best as dealers assess market developments entering the week. Offerings are moderate to mostly heavy as heavy rains hampered parts of the Northeast over the weekend. Trade activity is slow. In the parts complex, supplies of wings and most dark meat cuts are moderate to instances heavy; breast items and tenders are heavy and slow to clear.

**SOUTHERN** Prices are steady for whole broilers and fryers. Offerings are moderate to heavy following the weekend. Demand is light to moderate. Market activity is slow to moderate. In the parts structure, movement is light to moderate for early week trading. Prices are trending steady for wings and most dark meat items. Breast items are weak to lower with discounting noted to help clear. Offering for b/s breast are heavy, moderate for wings and dark meat items. In production areas, live supplies are moderate. Weights are desirable. The market activity is slow to moderate on parts.

WESTERN Final majority prices are 1 cent lower from last Monday. Whole broiler fryer and wog prices are barely steady to weak. Offerings light to moderate. Retail and food service demand light to moderate with some increased retail activity noted. Floor stocks mostly moderate. Sizes desirable. The Los Angeles negotiated WOG weighted average is down 1.79 cents from last week to 78.48 cents on 40 loads. Trading: boneless skinless breasts 120-138; tenderloins 140-173; bone-in breasts 88-122; jumbo wings 128-137; legs 55-62; leg quarters bulk 36-49, 4/10 44-48; drums 39-56; thighs 52-61; fresh thigh meat 97-104; fresh leg meat 89-98 cents delivered.

MIDWEST Final majority delivered prices were down 2 cents into Chicago market; TFEWR into Ohio cities, Detroit, and St. Louis. Whole broiler/fryer prices trended steady to lower. Offers of whole birds were moderate on a nonaggressive trade interest. Floor stocks adequate to heavy; weights desirable to heavy. Part prices trending steady on leg quarters and thighs, steady to firm on wings, lower on breast cuts and steady to weak on drumsticks. Supplies of breast cuts were moderate, drums moderate to heavy and light to moderate on the balance of items. Trade activity on parts was hand to mouth. Retail and food service demand was slow to fairly good.

**DELMARVA** Less-than-trucklot asking prices are unchanged at 80 to 90 cents, with a steady to weak trending undertone. Movement of ready-to-cook whole birds ranged light to fair entering the week as dealers assess current market conditions. Offerings are moderate to heavy. Live supplies are moderate; weights are desirable to heavy. Processor schedules are noted as moderate. Market activity is slow. In the parts complex, breasts items and tenders are heavy. Dark meat cuts and wings are moderate to heavy.

\*BROILER/FRYER CURRENT NEGOTIATED PRICES FOR IMMEDIATE DELIVERY INCLUDES MOSTLY MULTIPLE-DROP SHIPMENTS OF BRANDED AND WING TAGGED TO NEW YORK CITY FROM DELMARVA

	<b>BRANDED U.S. GRADE A</b>
RANGE	73-95
WEIGHTED AVERAGE	(A)
NO. OF BOXES	(A)

(A) Not reported to avoid disclosing individual operations.

NORTHEAST BROILER/FRYER PARTS Prices are trending generally steady for wings and most dark meat cuts; weak to lower for breast items and tenders. Trucklot buying activity was light as dealers assess market conditions entering the week. Offerings of breast items and tenders are heavy and competitively priced. Wings and most dark meat cuts are moderate to heavy. Trade activity is slow.

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

	CURRENT	WTD	VOLUME
ITEM NEGOTIATED	TRADING*	AVG**	/LBS
BREAST - B/S	145	141.76	609,880
TENDERLOINS	155	156.89	127,840
BREAST - WITH RIBS	93-94	100.14	92,294
BREAST - LINE RUN	93	94.00	63,000
LEGS	58-59	54.54	97,800
LEG QUARTERS (BULK)	40-41	40.44	148,240
DRUMSTICKS	45-46	57.06	46,120
THIGHS	51-52	54.95	59,960
B/S THIGHS	100-101	100.96	56,600
WINGS (WHOLE)	128-129	133.72	178,040
BACKS AND NECKS (STRIPE	PED) 13-15	15.00	16,680
LIVERS (5 POUND TUBS)	40-45	46.51	7,960
GIZZARDS (HEARTS)	50-55	59.89	16,760
NEW YORK CITY METROPOLITA		nern NJ, MA,	CT, RI, & PA
(NORTHEAST OF HARRISBURG	i).		

<sup>\*</sup> TODAY'S NEGOTIATED SALES AS OF 11:30 A.M.

ARKANSAS BROILER PARTS FOB 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.

PC	UNDS			WTD
ITEM	(000)	RANGE	MAJ	AVG
BREAST - B/S	1,856	95.00-158.00	115-126	121.32
TENDERLOINS	207	134.00-214.00	-	155.00
BREAST - WITH RIBS	Т	OO FEW TO REI	PORT	
FRONT HALVES	Т	OO FEW TO REF	PORT	
LEGS	Т	OO FEW TO REF	PORT	
LEG QUARTERS (BULK)	248	37.00-39.00	38-39	38.13
LEG QUARTERS (4/10)	1,074	34.00-42.00	39-42	39.84
WINGS (WHOLE)	Т	OO FEW TO REF	PORT	
DRUMSTICKS	303	32.00-50.00	32-33	34.18
THIGHS	Т	OO FEW TO RE	PORT	

### **ESTIMATED SLAUGHTER OF BROILER-FRYERS (In thousands)**

	<b>ESTIMATE</b>	<b>ACTUAL</b>	<b>AVG WTS</b>	<b>ACTUAL</b>	<b>AVG WTS</b>
	10/04	09/30	09/30	09/27	09/23
Alabama	4,225	4,004	5.70	3,991	5.63
Arkansas	4,852	5,227	5.55	4,836	5.52
Delmarva	a 2,067	2,253	6.03	2,321	5.96
KY-LA-TI	N 2,436	2,436	5.02	2,350	5.18
Mississip	pi 3,059	3,016	5.99	3,072	5.86
North Ca	rolina 2,401	2,770	7.08	2,727	7.04
Texas	2,754	2,703	5.68	2,774	5.63
Total	21,794	22,409	5.83	22,071	5.79
Mon	21,794 (A)			22,071 (A	<b>(</b> )

(A) Weekly cumulative for states listed above.

Broiler-fryer slaughter under federal inspection for 04-Oct 2010 is estimated to be 32,606,000 down 1.55 percent from a week ago, and down 0.5 percent from a year ago. (last week 33,120,000 last year 32,772,000)

SOUTHERN STATES BROILER PARTS F.O.B. DOCK OR EQUIVA-LENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

PO	UNDS			WTD
ITEM	(000)	RANGE	MAJ	AVG
BREAST - B/S	TOO	FEW TO REF	PORT	
TENDERLOINS	TOO	FEW TO REF	PORT	
BREAST - LINE RUN	TOO	FEW TO REF	PORT	
FRONT HALVES	TOO	FEW TO REF	PORT	
LEGS	TOO	FEW TO REF	PORT	
LEG QUARTERS (BULK	) 222	34.00-39.00	-	36.85
LEG QUARTERS (4/10)	888	38.00-40.00	-	39.35
WINGS (WHOLE)	TOO	FEW TO REF	PORT	
WINGS (CUT)	TOO	FEW TO REF	PORT	
DRUMSTICKS	TOO	FEW TO REF	PORT	
THIGHS	TOO	FEW TO REF	PORT	
B/S THIGHS	TOO	FEW TO REF	PORT	
*********	*****	******	******	

Whole Body Index Based on Southern States Parts Trading for Oct 04, 2010 -- F.O.B. Dock

**TODAY'S AVERAGE RANGE 5-DAY AVERAGE** 61.50 - 65.50 63.93 63.70

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.

#### MIDWEST REGION BROILER/FRYER PARTS

ICE-PACKED POOL TRUCKLOT AND TRUCKLOT QUANTITIES DELIVERED TO: IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, AND WI WEEK OF 04-OCT-2010 TO 08-OCT-2010, CENTS PER POUND

	Price per Lb.	Mostly
BREAST - B/S	114.00 - 151.00	116.00 -132.00
TENDERLOINS	140.00 - 171.00	157.00 -167.00
BREAST - LINE RUN	79.00 - 119.00	95.00 -100.00
LEGS	50.00 - 57.00	-
LEG QUARTERS (BULK)	35.00 - 43.00	38.00 - 40.00
LEG QUARTERS (4/10)	38.00 - 50.00	40.00 - 42.00
DRUMSTICKS	32.00 - 57.00	-
THIGHS	51.00 - 62.00	-
B/S THIGHS	97.00 - 103.00	-
WINGS (WHOLE)	118.00 - 135.00	125.00 -133.00
BACKS AND NECKS (STRIPPE	D) 12.00 - 40.00	-
LIVERS	32.00 - 49.00	-
GIZZARDS (HEARTS)	40.00 - 59.00	-

#### SOUTHERN CALIFORNIA (L.A. AREA) PROCESSED POULTRY, DELIVERED TO RESTAURANTS AND INSTITUTIONS

DELIVERED TO RESTAURANTS AND INSTITU	<u>JIIUNS</u>
	<b>RANGE</b>
WOGS 2# & UP - WHOLE	99-117
WOGS 2# & UP - CUT UP 8&9 PIECES	103-122

FROZEN DUCKS FROZEN SQUABS

#### **DELIVERED TO RETAILERS**

FRESH FRYERS	109-122
ROASTERS 4# & UP	125-135
HENS UNDER 5#	
HENS OVER 5#	

**DUCKS** 

**RABBITS-WHOLE RABBITS-CUT UP** 

## SAN FRANCISCO PROCESSED POULTRY

# **DELIVERED TO RESTAURANTS AND INSTITUTIONS**

		<u> </u>
FRESH FRYERS	ICE PACK	
	DRY PACK	127-170
ROASTERS 4# & UP	ICE PACK	
	DRY PACK	117
HENS OVER 5#	ICE PACK	129
	DRY PACK	118
DUCKS		265-268

<sup>\*\*</sup> WTD AVG PRICE OF ALL GRADES AND BRANDS OF PRODUCT SHIPPED, OR TO BE SHIPPED AS OF 1:30 P.M.

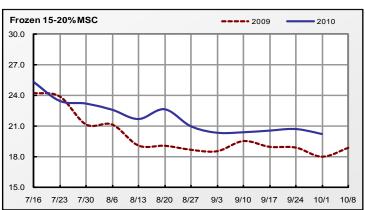
### NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 was mostly steady on all fat contents. Supplies of fresh and frozen 15-20% were moderate to heavy with the balance of fat contents moderate. Schedules were seasonally normal. Export and domestic demand on fresh and frozen 15-20% was light. Market activity remains slow. For many the negotiation process for 2011 contracts kick off today with everyone watching closely and expecting changes. Many continue to be creative in dealing with increased volumes of MSC on the spot marketplace due to reduced contract needs, heavy inventories of finished product, and seasonally diminished demand. As a result, more frames have been sold or rendered. Supplies of raw materials were heavy. Frame values were steady to lower with trading between 4.5-7 cents FOB.

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

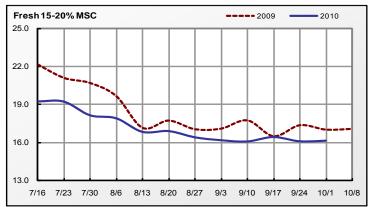
	Frozen			Fresh			
Fat Content	1-Oct-10	Last Week	Last Year	1-Oct-10	Last Week	Last Year	
15% or Less							
Price Range			-	18.00 - 19.00	19.00	18.00-19.00	
Wtd Avg Price			-	18.57	19.00	18.60	
Volume Traded	-	-	-	143	41	202	
Volume Exported	-	-	-	-	-	-	
15-20%							
Price Range	15.00 - 22.00	15.00 - 23.00	15.00-22.50	14.00 - 18.00	13.00 - 19.00	15.00-21.00	
Wtd Avg Price	20.19	20.68	17.95	16.10	16.06	17.01	
Volume Traded	1,037	1,157	1,832	2,591	3,468	3,160	
Volume Exported	937	1,077	1,472	571	653	1,020	
20% or More							
Price Range	-	-	-	18.00	18.00	17.00	
Wtd Avg Price			-	18.00	18.00	17.00	
Volume Traded	-	-	-	41	41	82	
Volume Exported	-	-	-	-	-	-	



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

	Frozen			Fresh			
Fat Content	Sep 2010	Aug 2010	Sep 2009	Sep 2010	Aug 2010	Sep 2009	
15% or Less							
Wtd Avg Price	-	-	-	18.80	21.51	19.07	
Volume Traded	-	-	-	408	628	1,170	
Volume Exported	-	-	-	-	200	-	
15-20%							
Wtd Avg Price	20.43	21.80	18.86	16.14	16.91	17.21	
Volume Traded	6,576	6,995	6,748	12,811	12,159	13,286	
Volume Exported	6,336	6,067	5,848	1,999	2,122	3,773	
20% or More							
Wtd Avg Price	-	-	-	17.75	18.57	17.80	
Volume Traded	-	-	-	163	286	204	
Volume Exported	-	-	-	-	-	-	

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



### LIVE HEAVY TYPE HENS (7 POUNDS AND UP)\*

FINAL PRICE, CENTS PER LB., GENERALLY FOR SLAUGHTER THE WEEK OF 04-OCT-10

# **SOUTH CENTRAL**

Trading was TFEWR. Demand was moderate for at least adequate offerings of spent hens. Schedules were reduced. Finished sales were improving. Trade sentiment was about steady.

# **SOUTHEAST**

Prices were unchanged to slightly higher when compared to the previous week. Offerings are generally sufficient for current needs. Processing schedules are noted as normal. Finished product supplies are moderate to heavy. Trade activity is moderate.

AT FARM BUYER LOADING

RANGE MAJ WTD AVG

TOO FEW TO REPORT

AT FARM BUYER LOADING AT FARM PRODUCER LOADING FOB PLANT 8-17 CENTS/LB. 12.40
TOO FEW TO REPORT
TOO FEW TO REPORT

MAJ

WTD

**RANGE** 

\*WEIGHTS UNDER 7 LBS. SUBJECT TO DISCOUNT.

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