



Processed Chicken: National Mechanically Separated Chicken (Fri.)
Agricultural Marketing Service
Poultry Market News & Analysis Branch

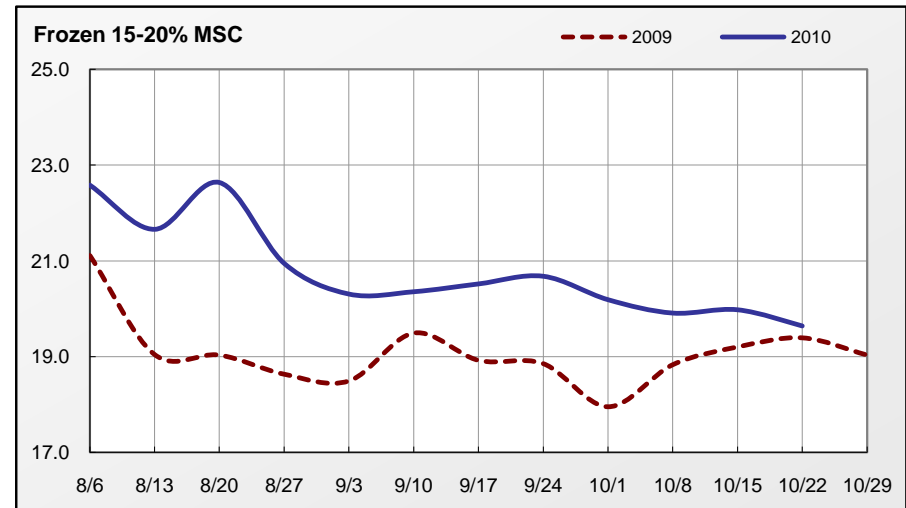
Fri. Oct 22, 2010

(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 price trend was steady to weak on fresh 15-20% with the balance of fat contents steady. Supplies of fresh and frozen 15-20% were moderate to heavy with the remainder moderate. Schedules were normal with a few disruptions noted. Domestic and export demand on fresh and frozen 15-20% was light with some slightly improved interest noted on frozen 15-20% into export channels for the balance of 2010. Market activity was slow. Conversations abound on 2011 contracts with little action taking place at levels confirmed on fresh 15-20% at the low side of 2010 contracts; however the gap between buyer and seller pricing ideas for 2011 remains with many still battling things out. In the meantime, industry continues to struggle moving spot MSC and frames due seasonal reductions and push back from buyers with heavy inventories of finished products. Frames continue to be rendered or sold with very limited buyer interest. Supplies of raw materials were heavy. Frame values were steady to weak with trading between 4.5-7 cents FOB.

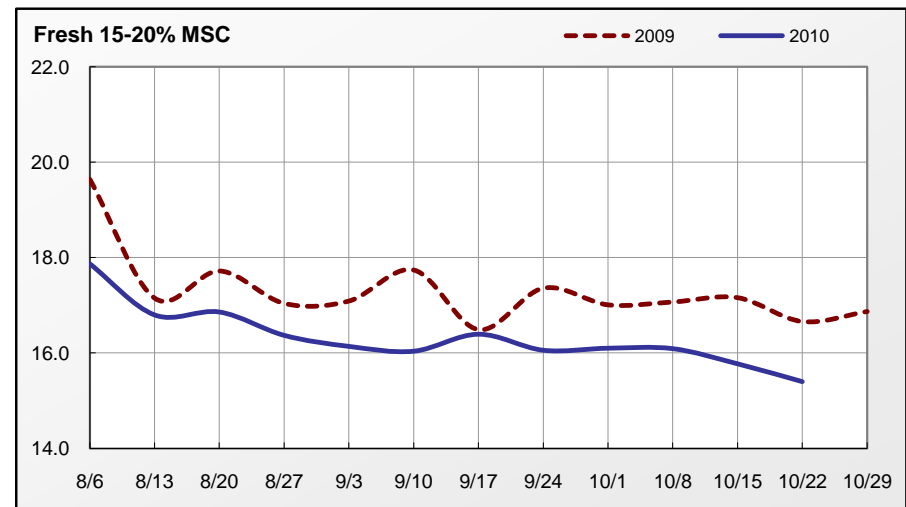
Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

Fat Content	Frozen			Fresh		
	22-Oct-10	Last Week	Last Year	22-Oct-10	Last Week	Last Year
15% or Less						
Price Range			-	18.00 - 19.00	18.00	18.00-19.00
Wtd Avg Price			-	18.57	18.50	18.57
Volume Traded	-	-	-	143	163	282
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	15.00 - 22.00	15.00 - 22.00	17.00-22.50	13.00 - 20.00	12.00 - 20.00	15.00-19.00
Wtd Avg Price	19.64	19.98	19.39	15.40	15.77	16.66
Volume Traded	1,837	1,944	1,859	3,154	2,576	2,767
Volume Exported	1,557	1,884	1,618	898	530	857
20% or More						
Price Range	-	-	-	18.00	18.00	17.00
Wtd Avg Price	-	-	-	18.00	18.00	17.00
Volume Traded	-	-	-	41	41	41
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	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	13,327
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.