

INTERNATIONAL **EGG AND POULTRY REVIEW**



U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News and Analysis Branch

South Korea

South Korea is experiencing rising inflation and raised its 7 day repo rate in March to counteract the rising prices. However, the Bank of Korea stated in April it still expects consumer prices to keep going up due to increased economic activity and higher oil prices. However, some of South Korea's inflationary pressures may have been influenced by February, 2011 government total foot and mouth (FMD) loss estimates of \$2.7 billion for their hog and cattle industries resulting in higher domestic pork prices. At the same time this winter South Korea experienced an outbreak of highly pathogenic avian influenza H5N1 resulting in over 5 million birds were culled which also helped chicken prices to trend higher.

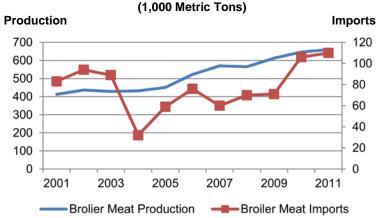
The Ministry of Strategy and Finance (MOSF) held a meeting on April 22, 2011 to discuss the stabilization of consumer prices. The South Korean press release went on to state that even though livestock prices were gradually stabilizing as outbreaks of FMD have abated and imports have grown, chicken and pork prices continued to be higher than the yearly average. They went on to state plans were being made to introduce a quote tariff for chicken and duty-free imports of pork will continue to enter the market.

On May 3, 2011 MOSF, in response to recent price hikes, announced 50,000 metric tons of chicken meat will be exempt from import tariffs until the end of 2011 along with 7 other imported items subjected to temporary duty exemptions or reductions. MOSF also add 20,000 additional metric tons of pork belly meat subject to zero duties by the end of June. The chicken quota allocations will begin in May, 2011. Over the next decade USDA is projecting South Korea poultry imports to grow 16%.

In response to an agricultural sector that has frequent disease outbreaks South Korea is introducing a livestock permit system in The permit system is in response to the South Korean Source: USDA, Foreign Agricultural Service government finding that many of FMD and bird flu outbreaks were in response to farmers not decontaminating themselves, employees and animals.

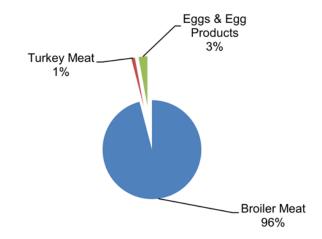
Sources: USDA, AMS, Poultry Market News & Analysis, International Egg && Poultry Review; Republic of Korea; USDA, Foreign Agricultural Service; various news wires.

Total South Korea Estimated Broiler Production Versus **Total South Korea Estimated Broiler Meat Imports**



Source: USDA, Foreign Agricultural Service, Official USDA Estimates

U.S. Exports to South Korea Cumulative January-February, 2011 Comparisons (By Volume)

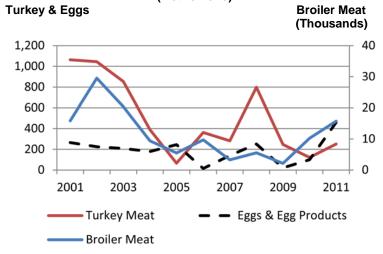


Source: USDA, Foreign Agricultural Service

U.S. Poultry Exports to South Korea 2005-2010 Annual Comparisons (Metric Tons)

Product	2005	2006	2007	2008	2009	2010
Broiler Meat	40,508	63,225	25,307	49,796	31,348	70,572
Turkey Meat	2,228	3,115	4,231	2,658	2,898	2,494
Eggs &						
Egg Products	1,946	1,603	1,084	788	1,050	1,385

U.S. Poultry Exports to South Korea January-February Comparisons (Metric Tons)



Source: USDA, Foreign Agricultural Service

INSPECTED EGG PRODUCTS-U.S. & CANADA IMPORT/EXPORT TRADE II S Exports to Canada in Pounds (000) (Proliminary)

U.S. Expor	is io Canaua,	iii Fuulius (uu	u) (Fiellillillai y	,
Week Endir	ng Apr 30, 201	1	Year-To-l	Date*
Type	2011	2010 /1	2011 /2	2010
Liquid	0	98	386	1,745
Frozen	0	0	0	0
Dried	64	0	64	156
Total	64	98	450	1.901

U.S. Impor	ts From Cana	ada, in Pounds	(000) (Prelimin	ary)			
Week Endi	ng Apr 30, 201	11	Year-To-	Date*			
Туре	2011	2010 /1	2011 /2	2010			
Liquid	284	468	5,815	6,998			
Frozen	9	10	261	139			
Dried	0	0	0	0			
Total	293	478	6,076	7,137			
Inspected Shell Eggs							

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

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Week Ending Apr 30, 2011			Year-To-Date*			
_	2011	2010 /1	2011 /2	2010		
Jumbo	0	0	0	0		
Extra Large	1,500	750	25,609	13,560		
Large	1,580	2,350	44,870	35,570		
Medium	3,060	2,250	11,785	14,070		
Ungraded	12,068	1,608	41,246	71,250		
Misc	0	0	0	0		
Total	18,208	6,958	123,510	134,450		
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^{/1} Comparable Week, to-date figures may not total due to rounding.

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

Week Ending Apr 30, 2011 (Preliminary)

U.S. fowl slaughtered domestically								
	Light Hens	Heavy Hens	Total Hens					
	Thousands							
Head	1,576	1,504	3,080					
Last Week	1,519	1,387	2,906					
Same week yr ago	1,403	1,410	2,813					
To-date/2011*	24,559	24,991	49,550					
To-date/2010*	24,958	22,591	47,549					

	U.S. fowl slaughtered in Light Hens Heavy H	lens 1	Total Hens
Head	312	20	332
Last Week	411	12	423
Same week yr ago	470	11	481
To-date/2011*	6,586	153	6,739
To-date/2010*	5,875	126	6,001
Data Source: Agrica	Iltura and Agri Food Canada	VIGD VID	Poultry Soction

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section Total II C four cloughtered in the II C and Canada

Total 0.5. fowl slaughtered in the 0.5. and Canada						
Li	ght Hens	Heavy Hens	Total Hens			
	Thousa	ands				
Head	1,888	1,524	3,412			
Last Week	1,930	1,399	3,329			
Same week yr ago	1,873	1,421	3,294			
To-date/2011*	31,145	25,144	56,289			
To-date/2010*	30,833	22,717	53,550			
*Note: Year to-date totals reflect comparable 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.)

MSC prices continue to trend steady to firm on all fat contents. Supplies are light to moderate. Schedules were noted as normal. Demand into domestic channels was moderate to good with most interest centering on fresh 15-20%. Export demand was moderate to mostly good with best interest on frozen 15-20%. Market activity was moderate to active. Supplies of raw materials are tight. Frame values were firm with limited trading occurring between 11-13.5 cents FOR

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

		Frozen			Fresh			
Fat Content	6-May-11	Last Week	Last Year	6-May-11	Last Week	Last Year		
15% or Less								
Price Range			-	25.00	26.00	26.00		
Wtd Avg Price			-	25.00	26.00	26.00		
Volume Traded	-	-	-	204	204	*296*		
Volume Exported	-	-	-	-	-	*_*		
15-20%								
Price Range	24.00 - 28.00	24.00 - 29.00	*27.00*- 33.00	20.00 - 27.50	20.00 - 26.00	*18.00*- 30.00		
Wtd Avg Price	25.79	26.19	*30.16*	23.09	22.73	*23.68*		
Volume Traded	1,790	1,898	*1,886*	3,600	3,345	*5,222*		
Volume Exported	1,510	1,578	*1,766*	-	-	*1,306*		
20% or More								
Price Range	-	-	-	18.00 - *20.00*	20.00	22.00		
Wtd Avg Price			-	19.00	20.00	22.00		
Volume Traded	-	-	-	82	122	*41*		
Volume Exported	-	-	-	-	-	-		

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

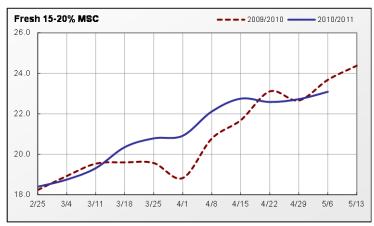
	Frozen			Fresh			
Fat Content	Apr 2011	Mar 2011	Apr 2010	Apr 2011	Mar 2011	Apr 2010	
15% or Less							
Wtd Avg Price	28.00	-	31.00	23.86	20.83	26.18	
Volume Traded	80	-	120	714	245	679	
Volume Exported	-	-	-	-	-	100	
15-20%							
Wtd Avg Price	25.64	23.86	29.13	22.23	19.80	21.83	
Volume Traded	9,019	6,170	10,639	17,678	13,826	22,877	
Volume Exported	7,939	5,930	9,319	245	1,183	1,795	
20% or More							
Wtd Avg Price	-	-	-	19.20	18.91	20.20	
Volume Traded	-	-	-	612	449	204	
Volume Exported	-	-	-	-	-	-	

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

Source: USDA AMS Poultry Market News & Analysis

email: PYMNDSM@ams.usda.gov

31.0					
29.0		1	`		
27.0		,,,			
25.0					
23.0					
21.0		1/1 4/8	4/22	4/29	\perp



^{/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 06 May 2011.

The market on bulk parts was steady. Demand and offerings were both light to moderate. Tom breast meat and white meat market is steady. Demand and offerings light to moderate. The market on thigh meat is steady to fully steady. Demand light to moderate. Offerings limited. Trading was slow to moderate. For domestic: Grade A breasts 12-16 lb. 176 cents and 16-18 lb. 191 cents and fresh scapula 199 cents.

Export Trading

					Weekly	Weekly
Friday, May 06, 2011	Price Range	L.S.T. Code 1/	Wtd Avg Price	Volume (000)	Wtd Avg Price	Volume (000)
Drumsticks, Toms Wings Full-Cut - Toms	79.00-88.00		83.76	672	83.47	752
Wings, V-Type, Tom Tails	98.00-100.0		98.62	348	98.62	348
Mechanically Separated 2/	30.00		30.00	216	30.00	216
Thigh Meat - Frozen	134.00-140.0		137.50	216	137.01	268
	Price	L.S.T.	Wtd Avg	Volume		
Thursday, May 05, 2011	Range	Code 1/	Price	(000)		
Drumsticks, Toms Wings Full-Cut - Toms	81.00		81.00	80		
Wings, V-Type, Tom		F	96.00	54		
Tails Mechanically Separated 2/		R	42.00	54		
Thigh Meat - Frozen		W	135.00	52		
	Price	L.S.T.	Wtd Avg	Volume		
Wednesday, May 04, 2011	Range	Code 1/	Price	(000)		
Drumsticks, Toms Wings Full-Cut - Toms	_	F	84.22	242		
Wings, V-Type, Tom		F	96.00	54		
Tails Mechanically Separated 2/		R	42.00	54		
Thigh Meat - Frozen	135.00		135.00	52		
	Price	L.S.T.	Wtd Avg	Volume		
Tuesday, May 03, 2011	Range	Code 1/	Price	(000)		
Drumsticks, Toms Wings Full-Cut - Toms		F	84.22	242		
Wings, V-Type, Tom		F	96.00	54		
Tails Mechanically Separated 2/		R	42.00	54		
Thigh Meat - Frozen		F	135.00	80		
	Price	L.S.T.	Wtd Avg	Volume		
Monday, May 25, 2011	Range	Code 1/	Price	(000)		
Drumsticks, Toms Wings Full-Cut - Toms		F	84.22	242		
Wings, V-Type, Tom		F	96.00	54		
Tails Mechanically Separated 2/		R	42.00	54		
Thigh Meat - Frozen		F	135.00	80		

^{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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