

Processed Chicken: National Mechanically Separated Chicken (Fri.) Agricultural Marketing Service

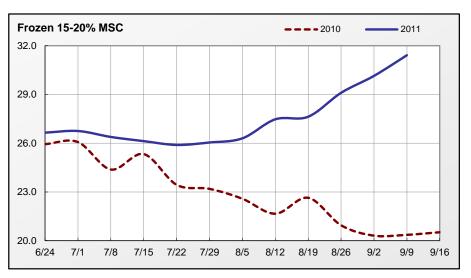
Poultry Market News & Analysis

(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.)

MSC prices trended firm to higher on all fat contents. MSC supplies were light to moderate. Schedules were seasonally reduced for the Labor Day holiday this week. Demand was good into both domestic and export channels. The spot marketplace remains strong following the holiday despite traditional seasonal patterns. Good demand and higher prices have been attributed to: strong export interest, good finished product sales domestically and abroad, increased production preparations for the hurricane season, traditional increases into pet food channels, limited MSC availability due to industry cutbacks, high grain prices, and others. Industry is closely monitoring the spot marketplace throughout September to see its reaction, especially after next week's Mexican Independence Day holiday, in order to tweak contract strategies before entering negotiations for 2012. Market activity was active with a majority of buyers seeking fresh 15-20%, especially for Mexico. Supplies of raw materials remain tight. Frames traded between 12-16 cents FOB.

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

| | | _ | | | | | |
|-----------------|---------------|---------------|-------------|---------------|---------------|-------------|--|
| | Frozen | | | Fresh | | | |
| Fat Content | 9-Sep-11 | Last Week | Last Year | 9-Sep-11 | Last Week | Last Year | |
| 15% or Less | | | | | | | |
| Price Range | | | - | 32.00 | 30.00 - 32.00 | 18.00-19.00 | |
| Wtd Avg Price | | | - | 32.00 | 31.60 | 18.50 | |
| Volume Traded | - | - | - | 163 | 204 | 163 | |
| Volume Exported | - | - | - | - | - | - | |
| 15-20% | | | | | | | |
| Price Range | 29.00 - 35.00 | 26.00 - 32.00 | 15.50-24.00 | 27.00 - 36.00 | 25.00 - 34.00 | 13.00-19.00 | |
| Wtd Avg Price | 31.41 | 30.14 | 20.36 | 31.55 | 29.84 | 16.04 | |
| Volume Traded | 1,502 | 1,437 | 1,795 | 2,499 | 3,590 | 3,713 | |
| Volume Exported | 1,442 | 1,377 | 1,755 | 734 | 938 | 653 | |
| 20% or More | | | | | | | |
| Price Range | - | - | - | - | - | 18.00 | |
| Wtd Avg Price | | | - | | | 18.00 | |
| Volume Traded | - | - | - | - | - | 41 | |
| Volume Exported | - | - | - | - | - | - | |



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

| | Frozen | | | Fresh | | |
|-----------------|----------|----------|----------|----------|----------|----------|
| Fat Content | Aug 2011 | Jul 2011 | Aug 2010 | Aug 2011 | Jul 2011 | Aug 2010 |
| 15% or Less | | | | | | |
| Wtd Avg Price | - | - | - | 27.24 | 24.43 | 21.51 |
| Volume Traded | - | - | - | 592 | 571 | 628 |
| Volume Exported | - | - | - | - | - | 200 |
| 15-20% | | | | | | |
| Wtd Avg Price | 27.62 | 26.21 | 21.80 | 26.57 | 23.56 | 16.91 |
| Volume Traded | 6,288 | 8,116 | 6,995 | 16,134 | 22,513 | 12,159 |
| Volume Exported | 5,888 | 7,486 | 6,067 | 2,489 | 2,122 | 2,122 |
| 20% or More | | | | | | |
| Wtd Avg Price | - | - | - | 20.67 | 20.00 | 18.57 |
| Volume Traded | - | - | - | 245 | 408 | 286 |
| Volume Exported | | - | - | - | - | - |

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

