

BROILER MARKET NEWS REPORT

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National Broiler Market At-A-Glance



Whole broiler/fryer prices are trending steady in all areas. Offerings of all sizes are light to moderate for the fair interest. Retail and food service demand is light to moderate entering the weekend. Floor stocks are light to moderate. Market activity is slow to moderate. In the parts structure, movement is light to moderate for current trade needs. Prices are trending steady to firm for wings, steady to instances heavy for the balance of parts. Supplies of breast items are moderate to at times heavy, wings are light to moderate and all remaining items are moderate. Market activity is slow to moderate. In production areas, live supplies are moderate. Weights are mixed, but mostly desirable.

<u>Preliminary Report</u> Prices negotiated for trucklot sales of ready-to-cook broiler/fryers FOB and delivered to first receivers at major market areas (cents per lb.) Week of 10-Oct-2011

| | Majority | Range | Wtd Avg | Loads |
|--------------|------------------|-------------|---------|-------|
| Delivered to | First Receivers: | | | |
| US Grade A | 1/ | | | |
| New York | 61.00-64.00 | | | |
| Los Angeles | 98.00 | | | |
| Whole Body | 2/ | | | |
| Chicago | 55.00-61.00 | 50.00-69.00 | 60.06 | 34 |
| FOB Dock E | quivalent 3/: | | | |
| Mississippi | 81.00-86.00 | 67.00-88.00 | 81.72 | 25 |

- 1/: Includes branded product.
- 2/: Whole Body category includes whole body birds with or without giblets, all grades, brands, and packaging.
- 3/: Southeast area

Georgia Fob Dock Prices The Georgia f.o.b. dock quoted price on broilers/fryers for this week's trading is **89.00** cents based on icepacked USDA grade "A" sized 2 1/2 to 3 pound birds.

| | | Preliminary f.o.b. Dock or Equivalent | | | |
|--|-------------|---------------------------------------|--|--|--|
| Loads | Range | Prelim. Wtd Avg | | | |
| 749 | 84.75-98.71 | 88.11 | | | |
| Georgia f.o.b. dock confirmed preliminary weighted average price | | | | | |
| on ice-packed parts: | | | | | |

| | Wtd Avg | Volume | | | | |
|---|----------------------|-------------------------|----|--|--|--|
| Item | (Cents per Pound) (6 | 000 Pounds) | | | | |
| Line Run Tenders | 181.00 | 1,132 | | | | |
| Breasts - B/S | 142.00 | 4,962 | | | | |
| Breasts - Whole | 80.00 | 1,070 | | | | |
| Thigh Meat - B/S | 132.00 | 932 | | | | |
| Thighs | 72.00 | 785 | | | | |
| Drumsticks | 70.00 | 790 | | | | |
| Leg Quarters | 53.00 | 6,072 | | | | |
| Wings | 109.502,484This | info is supplied by the | ne | | | |
| GA Dept. of Ag/Poultry Market News Service. | | | | | | |

Western Region The Los Angeles preliminary majority is 98 cents, unchanged from last Monday's final. The market on whole fryers and WOGs is mostly steady. Offerings light to moderate. Retail demand moderate. Foodservice demand light to moderate. Floor stocks adequate to longer than desired. Weights desirable. The market on wings is steady to higher, bone-in breasts lower, boneless skinless breasts steady to higher and tenderloins steady for next week's shipments. The market on dark items is steady to lower for next week's deliveries. Demand light to moderate. Offerings of bone-in breasts moderate to moderately heavy, balance of white items light to moderate. Offerings of dark items moderate to moderately heavy. Some buyers are already starting to look at Thanksgiving and needed preparations. Movement light to moderate.

<u>Midwest Region</u> Majority prices were unchanged from last week's numbers into Chicago. Whole bird prices were steady to fully steady with offerings light to moderate for the fair interest. Retail and food service demand was light to moderate. Floor stocks were light to moderate. Weights were desirable to heavy. Market activity for whole birds was mostly light. Supplies of breast cuts were moderate, dark meat items light to moderate, and wings light. Parts prices were steady on breast cuts, mostly steady on dark meat items, and fully steady on wings. Parts market activity was light to moderate.

Northeast Region Prices are trending steady for most sizes. Trucklot buying activity for ready-to-cook whole broiler fryers increased slightly under normal weekend demand and was noted as moderate overall. Offerings of all sizes are sufficient for current needs. Trade activity is slow to moderate. In the parts complex, offerings of wings are light to moderate and clearing satisfactorily; breast items are moderate to heavy and dark meat cuts are at least sufficient for current needs.

<u>Southern Region</u> Whole broiler/fryer prices are steady. Supplies of all sizes are moderate for current trade needs. Demand is light to mostly moderate with trading usually limited to regular commitments. Market activity is slow to moderate. In the parts structure, movement is mostly moderate entering the weekend. Prices for wings are in good supply and moving well. Breast items and dark meat items are steady to at times weak. Market activity is slow to moderate. In production areas, live supplies are moderate. Weights are mixed, but mostly desirable.

<u>Delmarva</u> Less-than-trucklot asking prices remained unchanged at 65 to 74 cents, with a mostly steady trending undertone. Movement of ready-to-cook whole birds is light to moderate entering the weekend. Offerings are moderate for trade needs. Live supplies are moderate; weights are mixed, but noted as desirable. Processing schedules are moderate. Market activity is slow to moderate. In the parts complex, offerings ranged 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 form Delmarva

| Range Weighted Average No. Of Boxes | Branded 5 | 0.S. Gra 5-84 (A) (A) | ide A |
|---|-------------------|--------------------------------|-------|
| Cumulative | 10/03/11-10/07/11 | (A) | |
| | 10/04/10-10/08/10 | (A) | |
| No. Of Boxes | 10/03/11-10/07/11 | (A) | |
| | 10/04/10-10/08/10 | (A) | |
| | | | |

(A) Not reported to avoid disclosing individual operations.

Range

Southern States Broiler Parts f.o.b. 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.

Weekly October 06, 2011 October 07, 2011 **Pounds** Wtd **Pounds** Wtd **Pounds** Wtd (000)(000)Avg (000)ltem Range Mai Avg Range Maj Avg Breast - B/S Too Few to Report Too Few to Report 1,375 116.48 **Tenderloins** Too Few to Report Too Few to Report 558 123.20 Breast - Line Run Too Few to Report Too Few to Report 407 73.80 Front Halves Too Few to Report Too Few to Report 290 59.28 Legs Too Few to Report Too Few to Report **TFEWR** Leg Quarters (Bulk) 431 43.00-50.00 46.40 404 44.00-50.00 46.62 1,976 46.54 Leg Quarters (4/10) 732 49.00-52.00 50.98 827 50.00-52.00 3,699 51.17 51.37 Wings (Whole) Too Few to Report Too Few to Report 307 102.36 Wings (Cut) Too Few to Report Too Few to Report 543 116.51 **Drumsticks** Too Few to Report Too Few to Report 57 56.12 **Thighs** Too Few to Report Too Few to Report **TFEWR** B/S Thighs 120.68 Too Few to Report Too Few to Report 357 Whole Body Index Based on Southern States Parts Trading for October 07,

Whole Body Index Based on Southern States Parts Trading for October 06, 2011 -- f.o.b. dock. Today's Average

2011 -- f.o.b. dock. Range Today's Average 5-Day Average

50.50 - 56.00 53.06 51.00 - 56.00 52.93 53.08 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.

Northeast Broiler Parts Prices are trending steady for breast items and wings; no better than steady for the balance of items. Trucklot buying activity increased slightly under normal weekend demand, however, dealers remained somewhat cautious. Supplies of bone-in breast are fully sufficient; dark meat cuts ranged moderate to instances heavy with drums noted as available. Other items are sufficient for current needs. Movement is slow to moderate.

Ice packed broiler/fryer parts, delivered to first receivers in pool trucklot and trucklot quantities, cents per pound.

| October 06, 2011 | _ | | | October 07, 2011 | | | | |
|---|-------------|--------|---------|--------------------|--------|---------|---------|-----------|
| | Current Neg | Wtd | Vol | Current Neg | Wtd | Vol | Weekly | Weekly |
| Item | Trading* | Avg** | /lbs. | Trading* | Avg** | /lbs. | Wtd Avg | Vol/lbs. |
| Breast - B/S | 135 | 120.65 | 665,080 | 135 | 123.92 | 671,960 | 122.01 | 3,417,840 |
| Tenderloins | 125 | 122.93 | 183,120 | 125 | 126.18 | 98,840 | 123.66 | 757,720 |
| Breast - With Ribs | 73-74 | 87.83 | 68,054 | 73-74 | 88.06 | 47,712 | 87.71 | 276,335 |
| Breast - Line Run | 73 | 75.07 | 71,911 | 73 | 75.52 | 72,519 | 73.85 | 398,373 |
| Legs | 68-69 | 72.61 | 103,080 | 68-69 | 79.40 | 54,920 | 72.47 | 518,340 |
| Leg Quarters (Bulk) | 48-49 | 53.10 | 330,360 | 48-49 | 53.93 | 161,320 | 53.02 | 1,162,520 |
| Drumsticks | 60-61 | 73.09 | 81,720 | 60-61 | 72.18 | 97,560 | 71.79 | 444,173 |
| Thighs | 70-71 | 77.01 | 120,960 | 70-71 | 73.25 | 86,560 | 76.13 | 382,080 |
| B/S Thighs | 134-135 | 135.67 | 86,320 | 134-135 | 134.42 | 60,000 | 135.52 | 361,960 |
| Wings (Whole) | 108-109 | 118.06 | 254,840 | 108-109 | 116.23 | 186,840 | 117.73 | 1,003,900 |
| Backs and Necks (Stripped) | 16-18 | 18.00 | 10,576 | 16-18 | 16.27 | 22,800 | 17.14 | 57,776 |
| Livers (5 Pound Tubs) | 50-55 | 53.12 | 12,090 | ¹ 50-55 | 51.74 | 9,630 | 52.25 | 56,860 |
| Gizzards (Hearts) | 65-70 | 70.10 | 22,520 | 65-70 | 69.40 | 28,040 | 69.55 | 112,360 |
| Includes: New York City metropolitan area, northern N.I. MA, CT, RL and PA (northeast of Harrisburg). | | | | | | | | |

^{**} Weighted average price of all grades and brands of product shipped, or to be shipped as of 1:30 p.m.

| Estimated Slaughter of Broiler-Fryers | | | | | | | | |
|--|---------------------|----------|-----------------|----------|--------|-------|----------------|------------|
| | Estimate (1,000) | ed | Actua (1,000 | | Avç | y Wts | Actual (1,000) | Avg Wts |
| | 10/07 | 10/06 | 10/05 | 10/04 | 10/05 | 10/04 | 09/30 | 09/28 |
| Alabama | 3,792 | 3,836 | 3,645 | 3,581 | 5.90 | 5.95 | 3,631 | 5.77 |
| Arkansas | 3,944 | 4,435 | 4,622 | 4,613 | 5.65 | 5.59 | 3,908 | 5.69 |
| Delmarva | 2,101 | 2,113 | 1,955 | 2,182 | 6.42 | 6.52 | 2,065 | 6.27 |
| KY-LA-TN | 2,342 | 2,373 | 2,419 | 2,429 | 5.33 | 5.38 | 2,615 | 5.19 |
| Mississippi | 2,663 | 2,924 | 2,941 | 2,944 | 6.03 | 6.10 | 3,352 | 6.02 |
| North Carolina | a 2,638 | 2,717 | 2,564 | 2,596 | 7.18 | 7.15 | 2,875 | 7.27 |
| Texas | 2,439 | 2,508 | 2,388 | 2,468 | 6.02 | 5.95 | 2,475 | 5.86 |
| Total | 19,919 | 20,906 | 20,534 | 20,813 | 6.02 | 6.03 | 20,921 | 5.97 |
| Mon-Fri | 103,303 | (A) | | | | 105 | 5,695 (A) | |
| Saturday | 405 | (include | d in total | for date | shown) | | 1,797 | |
| (A) Weekly cumulative for states listed above. Broiler-fryer slaughter under federal inspection for 07-Oct-11 and 08-Oct-11 is estimated to be 29.801.000 head down 5.07 percent from a week ago and down 8.77 percent from a year ago. | | | | | | | | |

head down 5.07 percent from a week ago and down 8.77 percent from a year ago. (Last week 31,394,000, last year 32,665,000)

Weekly broiler-fryer slaughter under federal inspection for the week ending 08-Oct-11 is estimated to be 153,908,000 head down 1.62 percent from a week ago, and down 7.27 percent from a year ago. (Last week 156,437,000, last year 165,979,000) Actual data incorporated when available.

California Processed Poultry - cents per pound Southern (Los Angeles area) - delivered to retailers

Range Fresh Fryers 109-122 Roasters 4# & Up 129-139 **Ducks**

Rabbits-Whole Rabbits-Cut Up

San Francisco - delivered to restaurants & institutions

Range Fresh Fryers Dry Pack 129-188 Ice Pack Roasters 4# & Up Drv Pack 124 Ice Pack **Ducks** 235-279

^{*}Today's negotiated sales as of 11:30 a.m.

Young Chickens Slaughtered Under Federal Inspection W/E 01-Oct-2011 (Preliminary) (in thousands)

| | (A) 4.25 lbs. | (B) 4.26 - | (C) 6.26 - | (D) 7.76 lbs | S. |
|---------------|---------------|------------|------------|--------------|-----------|
| | & down | 6.25 lbs. | 7.75 lbs. | & up | Total |
| Head | 32,499 | 56,771 | 39,233 | 27,934 | 156,437 |
| Avg Live Wgt | 3.74 | 5.34 | 6.63 | 8.34 | 5.87 |
| % of total /1 | 21% | 36% | 25% | 18% | 100% |
| Comparisons | | | | | |
| Last week | 33,735 | 61,135 | 40,271 | 25,055 | 160,196 |
| Avg Live Wgt | 3.58 | 5.30 | 6.73 | 8.51 | 5.80 |
| % of total /1 | 21% | 38% | 25% | 16% | 100% |
| Year Ago 2/ | 38,339 | 77,093 | 29,124 | 23,116 | 167,672 |
| Avg Live Wgt | 3.88 | 5.50 | 6.81 | 8.27 | 5.74 |
| % of total /1 | 23% | 46% | 17% | 14% | 100% |
| To date/2011* | 1,422,461 | 2,677,604 | 1,178,341 | 918,757 | 6,197,163 |
| To date/2010* | 1,545,746 | 3,073,456 | 949,339 | 726,450 | 6,294,991 |

^{/1} May not total to 100% due to rounding. /2 Comparable week.

Weight Class Description: (A) This size product is normally marketed bone-in into fast food and food service sectors and may include Cornish hens. (B) This size product is normally marketed into the retail grocery sector in tray pack or bagged forms. (C) This size product is normally marketed either into the retail grocery sector in tray pack and IQF form or is further processed and marketed into various sectors. (D) This size product is normally marketed deboned or as roasters or roasting chicken.

| Live Poultry Slaughtered Under Federal Inspection | | | | | | |
|---|-----------------|-------------|---------|---------|--------|--|
| (Preliminary) | Young | Light | Heavy | Total | | |
| W/E 01-Oct-2011 | Chickens | Hens | Hens | Hens | Ducks | |
| | | | Thousar | nds | | |
| Head | 156,437 | 1,377 | 1,557 | 2,934 | 422 | |
| Avg Wt | 5.87 | 3.24 | 7.84 | 5.68 | 6.81 | |
| Last week | 160,196 | 1,187 | 1,685 | 2,872 | 414 | |
| Same wk yr ago | 167,672 | 1,394 | 1,434 | 2,828 | 449 | |
| Avg Wt | 5.74 | 3.24 | 8.07 | 5.69 | 6.92 | |
| To-date/2011* | 6,197,163 | 53,247 | 60,280 | 113,527 | 16,845 | |
| To-date/2010* | 6,294,991 | 54,919 | 55,026 | 109,945 | 16,351 | |
| % Change YTD | -2% | -3% | 10% | 3% | 3% | |
| Ready-to-Cook We | eight and Dress | sing Percer | ntage | | | |
| Current week | 684,122 | 2,365 | 7,812 | 10,177 | 2,069 | |
| Last week | 692,207 | 1,975 | 8,670 | 10,645 | 2,048 | |
| Same wk yr ago | 717,016 | 2,394 | 7,696 | 10,090 | 2,237 | |
| To-date/2011* | 26,444,158 | 91,050 | 312,115 | 403,165 | 82,257 | |
| To-date/2010* | 26,109,286 | 94,244 | 289,401 | 383,645 | 80,897 | |
| % Change YTD | 1% | -3% | 8% | 5% | 2% | |
| Dressing % | 74.5% | 53.0% | 64.0% | | 72.0% | |
| | | | | | | |

(A) The estimated number of fryers available for marketing based on the 2-week revised average chick placements 6 to 7 weeks earlier was 152.9 million head. Estimated U.S. slaughter for this period was 158.3 million head, or 5.4 million more than estimated available. (B) Dressing % adjustments reflect quarterly update. *Note: Year to-date totals reflect comparable time periods.

Estimated U.S. Fryer Slaughter/Fryer Availability Comparison

| , | Week | Million Head | Million Head | | Avg |
|--------|--------|--------------|--------------|--------|------|
| Eı | nding | Slaughtered | Available* | Pct | Wt |
| Aug | 27 | 159.1 | 156.0 | 102% | 5.63 |
| Sep | 3 | 163.4 | 154.6 | 106% | 5.64 |
| | 10 | 143.2 | 153.8 | 93% | 5.73 |
| | 17 | 161.5 | 154.3 | 105% | 5.87 |
| | 24 | 162.1 | 154.1 | 105% | 5.80 |
| Oct | 1 | 158.3 | 152.9 | 104% | 5.87 |
| Year t | o date | | 6272.3 | 6208.5 | 101% |
| Oct | 8 | | 153.2 | | |
| | 15 | | 153.2 | | |
| | | | | | |

^{*}Based on chick placements 6 to 7 weeks earlier.

Broiler/Cattle/Hog Weekly Estimated Slaughter

| Under Fed | eral Inspection | (in thousand | ds) | | |
|------------------|-----------------|----------------------|-------|----------------------|-------|
| W/E | 10/08/11 | 10/01/11 | %chg | 10/09/10 | %chg |
| Broilers | 153,908 | 156,437 ¹ | -1.62 | 165,979 ¹ | -7.27 |
| Cattle | 666 | 677 | -02 | 665 ² | 0 |
| Hogs | 2,340 | 2,250 | +04 | 2.241 ² | +04 |

¹ Actual data incorporated when available.

Eastern Region Misc. Poultry Delivery Week of 03-Oct-11

Ducklings: Prices Negotiated by First Receivers, US Grade A, 4-5 lbs. Delivered in Trucklot and Pool Trucklot Quantities, Cents/lb.

| Origin | Frozen | Fresh |
|-------------|---------|---------|
| Long Island | 216-220 | 221-227 |
| Midwest | 193-208 | 198-212 |

Roasters: Prices Negotiated by First Receivers, US Grade A & Plant Grade, 5 Lbs & Up, Delivered, Cents/lb.

| | Range | Mostly |
|-----------------------------|-------------|-------------|
| Ice Packed (12 per box) | 66.00-70.00 | 68.00-70.00 |
| Vacuum Packed (6-9 per box) | 70.00-74.00 | 71.00-73.00 |

Squabs: New York Area Wholesale Prices, Frozen, Plant Grade,

Dollars/Dozen, 1 to 10 Boxes

11 oz.72.00-90.7213 oz.80.64-104.6415 oz.87.84-109.63

Eastern Region: CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT & WV

<u>Central Region Ducklings</u> All reported prices remain steady with a steady undertone. Demand is mostly moderate. Supplies are moderate for current trade requirements. Market activity is moderate. Processing schedules are full-time. Prices paid, first receivers for 10-18 oz boneless breast at \$7.70-8.70, bone in legs at \$2.75-3.10, gizzards at \$1.20-1.50, wings at \$.75-.90, livers at \$1.25-2.05, and feet at \$.75-1.45 cents per lb.

Prices Negotiated by First Receivers for US Grade A Delivered in Trucklot & Pool Trucklot Quantities, 4-5 lbs., cents/lb. Week of 03-Oct-11

| Origin | Frozen | Fresh |
|--------------------|---------|---------|
| Midwest and Others | 192-210 | 194-210 |

Graystone Small Animal Auction Date of Auction: 10/04/11 ***Al Papers Required to Sell All Out of State Poultry***

Prices Paid per lb., Except as Noted

| | F | Range | |
|----------------------------|--------|-------|------------|
| Banty Hens | | - | 2.00 ea. |
| White Pigeons | 5.10 | - | 6.00 ea. |
| Bunnies | 2.00 | - | 4.00 ea. |
| Chicks | .25 | - | .35 ea. |
| Crossbred Fowl 5-9LBS | .80 | - | .90 lbs. |
| Crossbred Roosters 7-11LBS | 1.10 | - | 1.20 lbs. |
| Crossbred Roosters 4-6LBS | 1.10 | - | 1.40 lbs. |
| Doves | | - | 2.50 ea. |
| Geese 9-14LBS | 1.50 | - | 1.70 lbs. |
| Guinea Fowl | 1.80 | - | 2.00 lbs. |
| Guinea Pigs | .25 | - | .50 ea. |
| Kid Goats | 40.00 | - | 50.00 ea. |
| Leghorn Hens | | - | 1.75 ea. |
| Muscovy Ducks - Drakes | 1.15 | - | 1.40 lbs. |
| Muscovy Ducks - Hens | 1.20 | - | 1.35 lbs. |
| Parakeets | 4.00 | - | 6.00 ea. |
| Pekin Ducks | 5.50 | - | 6.00 ea. |
| Pigeons | 3.40 | - | 3.60 ea. |
| Pullets 4-6LBS | | - | 1.15 lbs. |
| Rabbits 6-9LBS | 1.70 | - | 2.10 lbs. |
| Rabbits 4-6LBS | 1.90 | - | 2.60 lbs. |
| Red Fowl 5-6LBS | .75 | - | .90 lbs. |
| Red Fowl 4-5LBS | .60 | - | .80 lbs. |
| Silkies | 3.00 | - | 5.00 ea. |
| Banty Roosters | | - | 4.75 ea. |
| Parrots | 220.00 | - | 225.00 ea. |
| Total Coops Sold 3526 | | | |

^{*}Note: Year to-date totals reflect comparable time periods.
Weight Class Description: (A) This size product is normal

² Totals adjusted to reflect USDA, NASS revisions.

LIVE SPENT HEAVY FOWL

Prices are trending mostly steady when compared to the previous week. Offerings are sufficient for the moderate demand. Processing schedules are noted as normal. Retail feature activity is moderate to good. Finished product supplies are more than sufficient for current needs. Market activity is moderate to active.

Final Prices at Farm Buyer Loading:

Price Range

Wtd Avg

Prices in cents per pound.

8.5-19.3

13.33

(Southeast Region broiler breeder hens generally for processing, 7 lbs. and up; under 7 lbs. subject to discount.)

LIVE SPENT LIGHT FOWL

Prices are trending steady. Demand is light for the sufficient offerings of light type hens. Processing schedules are normal. Market activity is slow to moderate. The majority for removal costs is unchanged at 0-7 cents per head.

(live hens are predominately egg-layers averaging about 3.5 lbs. live weight per bird.)

Eastern region = AL, CT, DE, GA, KY, MA, MD, ME, MS, NC, NH, NJ, NY, PA, RI, SC, TN, VA, VT, and WV;

North Central = IA, IL, IN, MI, MN, ND, NE, OH, SD, WI;

South Central = AR, CO, KS, LA, MO, NM, OK, TX.

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