

BROILER MARKET NEWS REPORT

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National Broiler Market At-A-Glance



Whole broiler/fryer prices are steady to about steady in the East, steady to instances firm in the West and steady in the Midwest. Final majority prices are unchanged in all areas when compared to last week prices. Offerings are light to moderate for current trade needs. Retail and food service demand is light to moderate following the weekend. Floor stocks are light to moderate. Market activity is moderate. In the parts structure, movement is light to moderate for early week business. Prices are trending steady to firm for wings, steady to weak for breast items and steady for dark meat cuts. Supplies of wings are light to moderate, breast items are moderate to heavy and dark meat cuts are mostly moderate. Market activity is slow to moderate. In production areas, live supplies are moderate; weights are mixed but noted as desirable.

<u>Final</u> 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 24-Oct-2011

| , | Grade A | | : | Compo | site |
|-------------------|------------------|---------|---------|--------|------|
| | Maj | Wtd Avg | Lds : W | td Avg | Lds |
| Delivered to Fire | st Receivers 1/: | | | | |
| Boston/New Engl | land TFEWR | | : | 73.55 | 13 |
| Ohio Cities | TFEWR | | : | 73.27 | 12 |
| Denver | TFEWR | | : | 87.75 | 8 |
| Detroit | TFEWR | | : | 70.33 | 21 |
| Los Angeles | 98.00 | 91.35 | 27 : | 82.82 | 92 |
| New York | 65.00-68.00 | 66.95 | 20: | 69.60 | 40 |
| Philadelphia | 64.50-66.00 | 65.33 | 12: | 66.91 | 17 |
| Pittsburgh | 64.00-67.00 | 65.90 | 10: | 75.62 | 51 |
| St. Louis | TFEWR | | : | 68.51 | 15 |
| San Francisco | 98.50 | 93.61 | 9: | 85.07 | 34 |

Delivered to First Receivers 1/:

| | | Whole Body 2/: | | Composite | | |
|--------|------------|----------------|---------|-----------|-----------|-----|
| | | Maj | Wtd Avg | Lds | : Wtd Avg | Lds |
| Chicaç | go | 65.00-71.00 | | | : 68.02 | 42 |
| Comp | osite Weig | hted Average | 3/: | | | |
| Loads | 10/24/11 | Change Last | Wk 10/ | 17/11 | 10/25/1 | 0 |
| | | | | | | |

| 345 74.93 | 67 | 75.60 | 80.69 |
|----------------|-------------|---------|-------|
| WOG Broilers 4 | : Majority | Wtd Avg | Lds |
| Eastern | 70.00-72.00 | 70.97 | 29 |
| Central | 65.00-71.00 | 69.43 | 73 |
| Western | 70.00-78.00 | 77.91 | 32 |
| | | | |

FOB Dock Equivalent 5/:

Mississippi 81.00-85.00 82.65 23 1/: Includes branded product.

2/: Whole Body category includes whole body birds with or without giblets,

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

<u>Georgia Fob Dock Prices</u> 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 1/12 to 3 pound birds.

| Loads | Range | Fob Dock or | • |
|-----------------------|----------------|------------------------|---------------------|
| 978 | | 66.00-98.75 | 87.75 |
| Georgia f.o.b. parts: | Dock confirmed | final weighted average | price on ice-packed |

| Item (Ce | Wtd Avg ents per Pound) | Volume (000 Pounds) | |
|------------------------|----------------------------|------------------------|----|
| LINE RUN TENDERS | | 1,711 | |
| BREASTS - B/S | 143.50 | 7,550 | |
| BREASTS - WHOLE | 80.00 | 1,423 | |
| THIGH MEAT - B/S | 128.50 | 1,135 | |
| THIGHS | 72.50 | 1,104 | |
| DRUMSTICKS | 72.00 | 1,144 | |
| LEG QUARTERS | 53.00 | 10,182 | |
| WINGS | 115.00 | 3,611 | |
| This information is | | | of |
| Agriculture, Poultry M | arket News Service. | • | |

Northeast Prices are trending steady for most sizes. Trucklot buying activity on ready-to-cook whole broiler/fryers is mostly moderate as dealers assess market conditions entering the week. Offerings of all sizes are sufficient for current needs. Trade activity is moderate. In the parts complex, supplies of wings are light and clearing well; boneless skinless breast is heavy and tenders are moderate. Other items are at least sufficient for current needs.

<u>Southern</u> Whole broiler/fryer prices are holding steady. Supplies of all sizes are moderate for current trade needs. Demand following the weekend is moderate. Market activity is moderate. In the parts structure, movement is mostly moderate for early week business. Prices are trending steady to firm for wings with smaller wings in the best position, steady to weak for breast items and steady for dark meat. Supplies for breast items are moderate to heavy, light for wings and moderate for dark meat items. Market activity s slow moderate. In production areas, live supplies are moderate. Weights are mixed, but mostly desirable.

<u>Western</u> Final majority prices were unchanged from last Monday. The market on whole fryers is at least steady and WOGs steady to firm. Offers light to moderate. Demand light to moderate. Floor stocks light to moderate. Weights desirable. The Los Angeles negotiated WOG weighted average is 77.86 cents, up .92 cents on 21 loads. Trading: boneless skinless breasts 111-120, tenderloins 126-134, bone-in breasts 75-97, legs 67-81, leg quarters 49-62, 4-10 leg quarters 56-68, drums 63-75, thighs 63-81, thigh meat 110-137, leg meat 110-121, wings 109-137 cents delivered.

<u>Midwest</u> Final majority prices were unchanged into the Chicago market; Ohio cities, Detroit and St. Louis were TFEWR. Whole broiler fryer prices were steady; offers light to moderate for the fair interest. Retail and food service demand was light to moderate at best. Floor stocks were light to moderate; weights desirable to heavy. Whole bird market activity was light to moderate. Supplies of breast cuts were moderate with the balance of parts light to moderate. Prices were mostly steady for dark meat items, firm for wings and steady on breast cuts. Market activity was light to moderate for all parts.

<u>Delmarva</u> Less-than-trucklot asking prices are unchanged at 68 to 77 cents with an about steady to steady trending undertone. Movement of ready-to-cook whole birds is light to moderate entering the week as dealers assess current market conditions. Offerings of all sizes are sufficient for present trade needs. Live supplies are moderate; weights are mixed, but noted as desirable. Processing schedules are mostly moderate. Market activity is slow to moderate. In the parts complex, supplies ranged light to moderate.

*Broiler/fryer current negotiated prices for immediate delivery includes mostly multiple-drop shipments of branded and wing tagged to New York City from Delmarva

Brandad II S Grada A

| | Dialided 0.0. Glade A |
|--------------------------------------|------------------------|
| Range | 64-87 |
| Weighted average | (a) |
| No. Of boxes | (a) |
| (A) Not reported to avoid disclosing | individual operations. |

Northeast Broiler/Fryer Parts Prices are trending steady to weak for boneless skinless breast; firm to higher for wings and steady for the balance of items. Trucklot buying activity is light to moderate entering the week as dealers assess market conditions. Supplies are heavy for boneless skinless and slow to clear. Wings are light and clearing well. Other items are generally 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

| | Current | Wtd | Volume |
|----------------------|----------------------------|----------------|---------|
| Item | Negotiated Trading* | Avg** | /lbs. |
| Breast - B/S | 130-135 | 117.86 | 625,360 |
| Tenderloins | 125 | 124.82 | 97,040 |
| Breast - With Ribs | 73-74 | 89.64 | 73,469 |
| Breast - Line Run | 73 | 76.58 | 72,495 |
| Legs | 68-69 | 69.16 | 125,440 |
| Leg Quarters (Bulk) | 48-49 | 53.38 | 214,760 |
| Drumsticks | 60-61 | 73.06 | 60,400 |
| Thighs | 70-71 | 78.63 | 55,080 |
| B/S Thighs | 132-133 | 135.95 | 48,720 |
| Wings (Whole) | 113-114 | 121.92 | 179,600 |
| Backs And Necks (S | Stripped) 16-18 | 18.00 | 7,280 |
| Livers (5 Pound Tub | s) 50-55 | 52.26 | 7,350 |
| Gizzards (Hearts) | 65-70 | 70.19 | 8,640 |
| New York City Metrop | oolitan Area, northern NJ | I, MA, CT, RI, | & |

PA (northeast of Harrisburg).

Estimated Slaughter of Broiler/Fryers

| Estimated Slaughter of Broller/Fryers | | | | | |
|---------------------------------------|--------------------|----------------|------------|-------------------|------------|
| Е | stimate (1,000) | Actual (1,000) | Avg Wts | Actual (1,000) | Avg Wts |
| | 10/24 | 10/20 | 10/20 | 10/17 | 10/13 |
| Alabama | 3,862 | 3,783 | 5.69 | 3,761 | 5.69 |
| Arkansas | 4,771 | 4,656 | 5.62 | 4,799 | 5.72 |
| Delmarva | 1,897 | 2,166 | 6.16 | 1,899 | 6.18 |
| KY-LA-TN | 2,476 | 2,440 | 5.20 | 2,391 | 5.27 |
| Mississippi | 2,945 | 2,917 | 6.03 | 2,964 | 6.02 |
| North Carolina | 2,693 | 2,589 | 7.14 | 2,544 | 7.25 |
| Texas | 2,214 | 2,393 | 6.00 | 2,400 | 7.92 |
| Total | 20,858 | 20,944 | 5.93 | 20,758 | 6.20 |
| Mon | 20,858(A) | | | 20,758(A) | |
| | | | | | |

(A) Weekly cumulative for states listed above.

Broiler-fryer slaughter under federal inspection for 24-Oct 2011 is estimated to be 31,206,000 up 0.18 percent from a week ago, and down 1.8 percent from a year ago. (last week 31,149,000 last year 31,765,000)

<u>Southern States Broiler/Fryer Parts</u> 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.

| | F | Pounds | | | Wtd |
|---------------|----------|--------|---------------|-----|---------|
| Item | | (000) | Range | Maj | Avg |
| Breast - B/S | | Too | Few to Report | | |
| Tenderloins | | Too | Few to Report | | |
| Breast - Line | Run | Too | Few to Report | | |
| Front Halves | 3 | Too | Few to Report | | |
| Legs | | Too | Few to Report | | |
| Leg Quarter | s (Bulk) | 676 | 43.00-52.00 | - | 48.33 |
| Leg Quarter | s (4/10) | 697 | 50.00-52.00 | - | 50.97 |
| Wings (Who | le) | Too | Few to Report | | |
| Wings (Cut) | | Too | Few to Report | | |
| Drumsticks | | Too | Few to Report | | |
| Thighs | | Too | Few to Report | | |
| B/S Thighs | | Too | Few to Report | | |
| b/O migns | | | *********** | | +++++++ |

Whole Body Index Based on Southern States Parts Trading for October 24, 2011 -- f.o.b. dock

| Range | Today's Average | 5-Day Average |
|---------------|-----------------|---------------|
| 51.50 - 56.00 | 54.17 | 53.37 |

The Index is intended solely as an indicator of values for commoditytype 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, & WI
Week of 24-Oct-2011 to 28-Oct-2011, Cents per Pound

| | Price per Lb. | Mostly |
|----------------------------|-----------------|-----------------|
| Breast - B/S | 101.00 - 130.00 | 106.00 - 119.00 |
| Tenderloins | 117.00 - 141.00 | - |
| Breast - Line Run | 69.00 - 100.00 | 75.00 - 81.00 |
| Legs | 67.00 - 72.00 | - |
| Leg Quarters (Bulk) | 43.00 - 55.00 | 48.00 - 52.00 |
| Leg Quarters (4/10) | 51.00 - 59.00 | 52.00 - 56.00 |
| Drumsticks | 52.00 - 72.00 | - |
| Thighs | 61.00 - 78.00 | - |
| B/S Thighs | 126.00 - 135.00 | - |
| Wings (Whole) | 109.00 - 123.00 | 113.00 - 119.00 |
| Backs and Necks (Stripped) | 17.00 - 40.00 | - |
| Livers | 32.00 - 49.00 | - |
| Gizzards (Hearts) | 39.00 - 59.00 | - |

California Processed Poultry - cents per pound

| Southern (L.A. Area) Delivered to Restaurants and Institution | s Range | San Francisco Delivered to Restaurants | s and Institutions | Range |
|---|--------------------|---|----------------------|---------|
| WOGS 2# & Up - Whole WOGS 2# & Up - Cut Up 8 & 9 Pieces | 101-119 105-120 | Fresh Fryers | Dry Pack Ice Pack | 129-188 |
| Frozen Ducks Frozen Squabs | | Roasters 4# & Up | Dry Pack Ice Pack | 124 |
| Delivered To Retailers | | Ducks | | 235-279 |
| Fresh Fryers | 109-122 | | | |
| Roasters 4# & Up Ducks Rabbits-Whole Rabbits-Cut Up | 129-139 | | | |

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

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

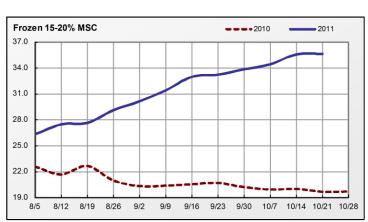
National Mechanically Separated Chicken

(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.)

Prices trended steady to firm on frozen 15-20% and steady on the balance of fat contents. Supplies of MSC were light to heavy. Schedules were normal. Domestic demand was light to moderate. Export demand was moderate to good with good interest on frozen 15-20% for Asia, Central America, and the Caribbean. On the spot market, frozen 15-20% continues strong, however fresh 15-20% has lost some of its luster leaving many to wonder where it will settle. A multitude of factors (i.e. high input costs, production, raw material availability, demand for finished goods, etc.) continue to hold sway on the direction of the market making it exceedingly more difficult to predict than in years past. Contract negotiations are in full swing for most of the industry and many are scrambling to take position as the competition is fierce for 2012. However a huge disparity in thinking exists regarding pricing structure and level between buyers and sellers leaving little to report in the way of conclusion. Market activity was moderate to instances active. Supplies of raw materials were light. Frames traded between 12.5-14.5 cents FOB.

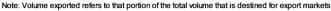
Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

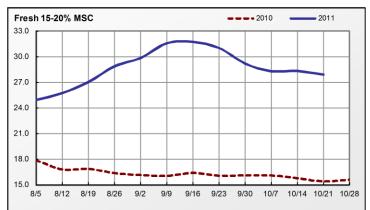
| | Frozen | | | Fresh | | |
|-----------------|---------------|---------------|-------------|---------------|---------------|-------------|
| Fat Content | 21-Oct-11 | Last Week | Last Year | 21-Oct-11 | Last Week | Last Year |
| 15% or Less | | | | | | |
| Price Range | | | _ | 30.00 - 31.00 | 29.00 - 31.00 | 18 00-19 00 |
| Wtd Avg Price | | | _ | 30.78 | 30.60 | 18.57 |
| Volume Traded | _ | - | _ | 184 | 204 | 143 |
| Volume Exported | _ | - | _ | _ | | - |
| 15-20% | | | | | | |
| Price Range | 32.00 - 40.00 | 33.00 - 39.00 | 15.00-22.00 | 21.00 - 33.00 | 23.00 - 34.00 | 13.00-20.00 |
| Wtd Avg Price | 35.64 | 35.57 | 19.64 | 27.89 | 28.32 | 15.40 |
| Volume Traded | 2,367 | 1,954 | 1,837 | 3,498 | 4,233 | 3,154 |
| Volume Exported | 2,087 | 1,874 | 1,557 | 653 | 1,306 | 898 |
| 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 | Sep 2011 | Aug 2011 | Sep 2010 | Sep 2011 | Aug 2011 | Sep 2010 |
| 15% or Less | | | | | | |
| Wtd Avg Price | - | - | - | 32.06 | 27.24 | 18.80 |
| Volume Traded | - | - | - | 839 | 592 | 408 |
| Volume Exported | - | - | - | - | - | - |
| 15-20% | | | | | | |
| Wtd Avg Price | 32.48 | 27.62 | 20.43 | 30.69 | 26.57 | 16.14 |
| Volume Traded | 8,432 | 6,288 | 6,576 | 17,023 | 16,134 | 12,811 |
| Volume Exported | 7,872 | 5,888 | 6,336 | 4,406 | 2,489 | 1,999 |
| 20% or More | | | | | | |
| Wtd Avg Price | - | - | - | - | 20.67 | 17.75 |
| Volume Traded | - | - | - | - | 245 | 163 |
| Volume Exported | - | - | - | - | - | - |





LIVE SPENT HEAVY FOWL

Prices are trending mostly steady when compared to a week earlier. Offerings are moderate for the light to moderate demand. Processing schedules are noted as normal to heavy with some outside assistance needed to complete project in a timely manner. Retail feature activity is moderate. Finished product supplies are fully sufficient for current needs. Market activity is moderate.

Final Prices at Farm Buyer Loading:

Prices in cents per pound.

Price Range

Wtd Avg

8.5-19.3 13.30

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

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3

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