



INTERNATIONAL EGG AND POULTRY REVIEW



U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News and Analysis

US Chicken Paw & Feet Exports

The US shipped a total of 346,048 MT of paws and feet in 2011, 13% higher than 2010 (306,853 MT) and 27% lower than 2009 (473,691 MT). US paw exports have been on the decline since 2008 (508,735 MT).

During the fourth quarter of 2011, exports totaled 82,570 MT, 16% lower than the third quarter of 2011 and 6% lower than the fourth quarter of 2010 (87,927 MT). Total exports in the last quarter of 2011 were also 13% lower than 2009 (95,016 MT) and 27% lower than 2008 (112,533 MT).

In December 2011, exports of US paws and feet totaled 22,162 MT, 18% lower than November 2011 (26,858 MT) and 11% lower than 2010 (24,964 MT). December 2011 export totals were also 6% lower than 2009 (23,538 MT) and 8% lower than 2008 (24,151 MT).

China and Hong Kong have been the leading markets of US paws and feet for some time despite trade disputes in the last few years. Combined China and Hong Kong account for 98% of US paw and feet exports. US exports to China and Hong Kong together totaled 338,098 MT of paws and feet in 2011, 16% higher than in 2010 (290,507 MT), 27% lower than 2009 (463,602 MT), and 32% lower than 2008 (494,903 MT).

Outside of China and Hong Kong, Vietnam and the Philippines have been battling back and forth the past few years vying for third and fourth place. Significant export increases have been made not only in 2011, but since 2008 to Taiwan, Singapore, South Korea, Haiti, Malaysia, and Trinidad and Tobago.

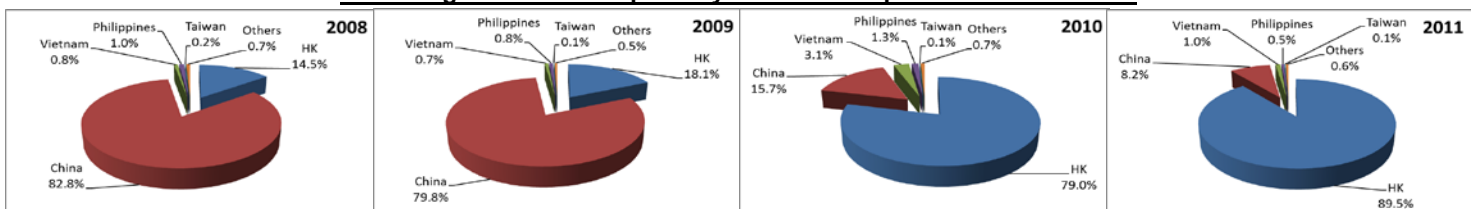
In February 2012, a Chinese trade delegation to the US led by Vice President Xi Jinping and Agriculture Minister Han Changfu concluded. A US delegation led by Agriculture Undersecretary Mike Scuse, accompanied by about 30 US companies, is planned for late March 2012. The diplomatic visit is designed to foster new trade relationships between US and Chinese companies, as well as to resolve longstanding trade disputes involving chicken (i.e. allowance of Chinese processed chicken imports into the US and the suspension of anti-dumping and countervailing duties), among other

Top US Paw Export Destinations by Volume (MT) in 2011

	2007	2008	2009	2010	2011	%
Hong Kong	37,592	73,878	85,797	242,288	309,816	27.9%
China	374,705	421,025	377,805	48,219	28,282	-41.3%
Vietnam	1,776	3,970	3,312	9,505	3,583	-62.3%
Philippines	4,511	5,311	3,902	4,115	1,859	-54.8%
Taiwan	2,537	821	516	453	487	7.4%
Singapore	1,252	177	174	73	442	508.5%
S.Korea	812	434	228	69	305	344.5%
Haiti	0	0	0	0	269	
Malaysia	0	0	49	221	269	22.0%
Trinidad*	0	0	0	1	147	
Other	3,112	3,119	1,908	1,910	589	-69.2%
Total	426,297	508,735	473,691	306,853	346,048	12.8%

Note: Data is January-December. % = Percentage Change from 2010 to 2011. S.Korea=South Korea. Trinidad*=Trinidad & Tobago. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

Percentage of US Paw Exports by Volume to Top Destinations in 2011

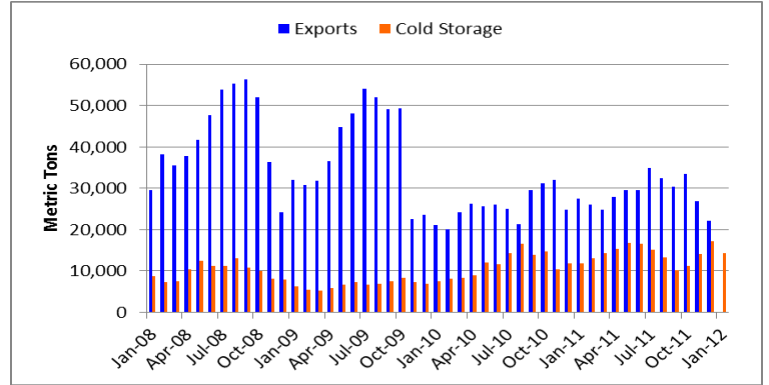


Note: All data is January-December. HK = Hong Kong.

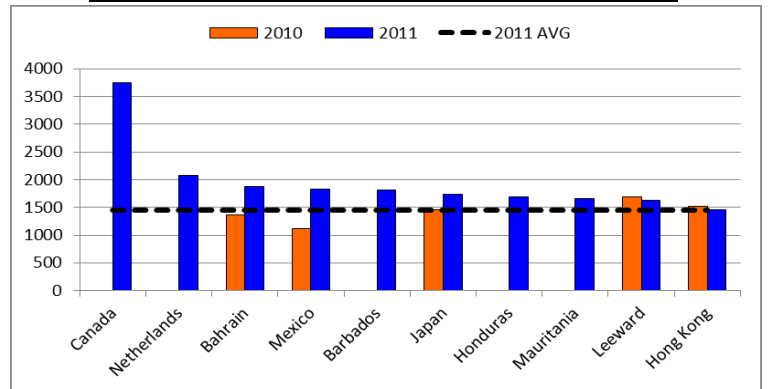
Source: USDA FAS

topics. Both continue to wait for a decision from the World Trade Organization regarding anti-dumping. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS/News Wires

Comparison of US Paw and Feet Exports versus US Paw and Feet Cold Storage Holdings in Metric Tons (MT)



Top US Chicken Paw and Feet Prices in 2011 (\$/MT)



Note: Data is from January-December. Leeward=Leeward-Windward Islands. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

Top US Paw Export Destinations by Value ('000 Dollars) in 2011

	2007	2008	2009	2010	2011	%
Hong Kong	24,335	49,043	72,708	369,634	451,444	22.1%
China	235,779	280,256	278,256	71,989	40,815	-43.3%
Vietnam	1,521	2,933	2,876	13,548	4,451	-67.1%
Philippines	4,282	3,991	3,583	4,792	2,040	-57.4%
Taiwan	1,899	611	466	594	641	7.9%
Singapore	866	117	117	95	594	525.3%
S.Korea	511	284	131	82	406	395.1%
Malaysia	0	0	55	274	389	42.0%
Haiti	0	0	0	0	315	
Mexico	200	576	592	226	236	4.4%
Other	2,052	1,688	886	1,935	740	-61.8%
Total	271,445	339,499	359,670	463,169	502,071	8.4%

Note: Data is January-December. % = Percentage Change from 2010 to 2011. S.Korea=South Korea. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

INSPECTED EGG PRODUCTS-U.S. & CANADA IMPORT/EXPORT TRADE

U.S. Exports to Canada, in Pounds (000) (Preliminary)

Type	Year-To-Date*			
	2012	2011 /1	2012 /2	2011
Liquid	0	0	151	240
Frozen	0	0	0	0
Dried	0	0	0	0
Total	0	0	151	240

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Type	Year-To-Date*			
	2012	2011 /1	2012 /2	2011
Liquid	408	230	2,594	2,668
Frozen	16	29	230	111
Dried	0	0	0	0
Total	424	259	2,824	2,779

INSPECTED SHELL EGGS

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

Type	Year-To-Date*			
	2012	2011 /1	2012 /2	2011
Jumbo	0	0	0	0
Extra Large	1,140	480	6,390	2,919
Large	5,840	390	8,036	1,805
Medium	30	660	3,330	2,485
Ungraded	1,440	780	9,246	9,035
Misc	0	0	0	0
Total	8,450	2,310	27,002	16,244

/1 Comparable Week, to-date figures may not total due to rounding.

/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

U.S./CANADIAN LIVE POULTRY SLAUGHTERED UNDER INSPECTION

Week Ending Feb 25, 2012 (Preliminary)

U.S. Fowl Slaughtered Domestically

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,302	1,457	2,759
Last Week	1,574	1,615	3,189
Same week yr ago	1,510	1,865	3,375
To-date/2012*	12,192	12,371	24,563
To-date/2011*	11,512	12,087	23,599

U.S. Fowl Slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	182	0	182
Last Week	0	0	0
Same week yr ago	250	25	275
To-date/2012*	2,062	36	2,098
To-date/2011*	2,866	71	2,937

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Total U.S. Fowl Slaughtered in the U.S. and Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,484	1,457	2,941
Last Week	1,574	1,615	3,189
Same week yr ago	1,760	1,890	3,650
To-date/2012*	14,254	12,407	26,661
To-date/2011*	14,378	12,158	26,536

*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 for all fat contents trended mostly steady. Supplies are moderate to heavy. Schedules are normal. Domestic and export demand are light to moderate with best interest from Central America, Caribbean, and Asia. However some have noted increased interest from Mexico. In the past week, interest has improved contrasting typical demand patterns associated with the start of Lent. Despite the recent slight uptick in interest industry anticipates the spot marketplace will reflect traditionally slow Lenten demand patterns. Many continue to closely watch the reactions of consumers and retailers in regards to finished product sales, as well as production and inventories. Market activity is moderate. Raw material supplies are moderate. Spot frames traded between 13-16 cents FOB.

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

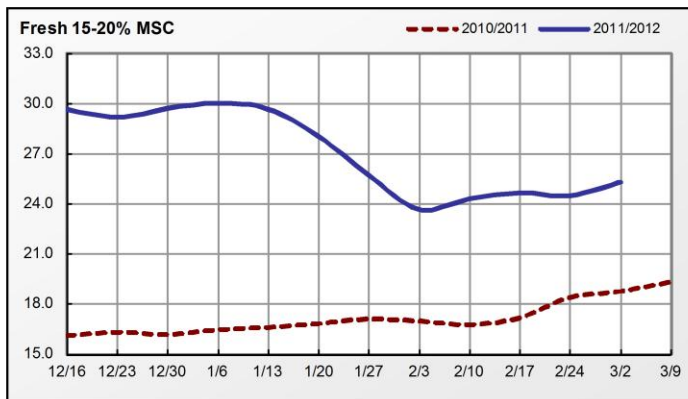
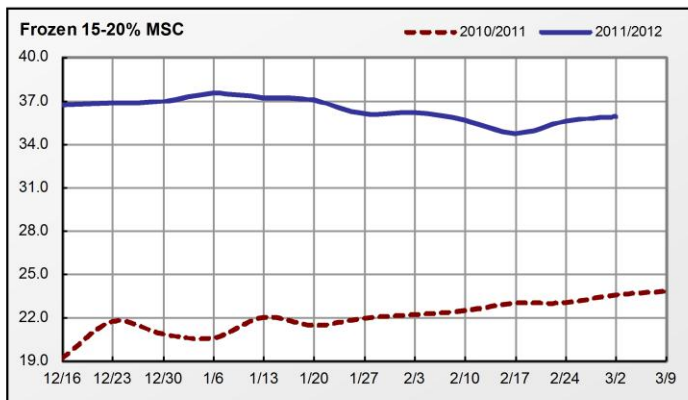
Fat Content	Frozen			Fresh		
	2-Mar-12	Last Week	Last Year	2-Mar-12	Last Week	Last Year
15% or Less						
Price Range			-	26.00 - 27.00	26.00 - 27.00	-
Wtd Avg Price			-	26.71	26.67	-
Volume Traded	-	-	-	143	122	-
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	34.00 - 38.00	30.00 - 38.00	21.50-26.75	22.00 - 30.00	20.00 - 30.00	16.00-23.00
Wtd Avg Price	35.92	35.60	23.57	25.31	24.48	18.75
Volume Traded	1,685	1,460	1,999	3,835	4,906	3,794
Volume Exported	1,605	1,340	1,999	816	1,020	326
20% or More						
Price Range	-	-	-	22.50	22.50	18.00-20.00
Wtd Avg Price	-	-	-	22.50	22.50	19.00
Volume Traded	-	-	-	82	41	163
Volume Exported	-	-	-	-	-	-

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

Fat Content	Frozen			Fresh		
	Feb 2012	Jan 2012	Feb 2011	Feb 2012	Jan 2012	Feb 2011
15% or Less						
Wtd Avg Price	-	-	-	27.56	31.81	19.29
Volume Traded	-	-	-	653	734	694
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	35.46	37.00	22.69	24.33	28.51	17.34
Volume Traded	7,800	6,795	6,087	15,773	14,390	15,732
Volume Exported	6,839	6,195	5,367	2,693	1,306	1,224
20% or More						
Wtd Avg Price	-	-	-	22.38	22.36	19.00
Volume Traded	-	-	-	163	286	571
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 (www.ams.usda.gov/pymarketnews.htm)



NATIONAL YOUNG TURKEY PARTS

INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 02 MAR 2012.

The market on bulk parts was steady, full cut wings weak. Demand and offerings light to moderate. The market on white meat was steady to weak and not fully tested. Demand was light to moderate. Offerings moderate. Trading was slow to moderate with heavy movement into export channels. For domestic: frozen livers 25.5 cents pet food, fresh wing meat 126 cents, frozen hearts 38 cents, frozen tails 50-51 cents, fresh tom necks 47 cents, grade A breast non basted 8-10 lbs. 167 cents, 12-16 lbs. 177 cents, 18-20 lb non basted 190 cents and 20 / up lbs. 166 cents. For export: machine defatted tom gizzards 85-105 cents, fresh thigh meat 143 cents, fresh mechanically separated turkey 31 cents and fresh tom drums 68 cents.

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
FRIDAY, MARCH 02, 2012						
DRUMSTICKS, TOMS	71.00		71.00	40	68.69	796
WINGS FULL-CUT - TOMS	60.00-60.50		60.25	660	60.93	1,308
WINGS, V-TYPE, TOM	94.00-98.00		95.71	378	96.10	540
TAILS	51.00-57.00		55.50	160	56.20	200
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	31.00-32.00	F	31.73 147.33	148 81	31.53	202

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)		
THURSDAY, MARCH 01, 2012						
DRUMSTICKS, TOMS	66.00-67.00		66.50	540		
WINGS FULL-CUT - TOMS	60.00-66.50		61.63	648		
WINGS, V-TYPE, TOM	97.00		97.00	162		
TAILS	59.00		59.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	31.00	F	31.00 147.33	54 81		

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)		
WEDNESDAY, FEBRUARY 29, 2012						
DRUMSTICKS, TOMS		M	73.75	216		
WINGS FULL-CUT - TOMS		R	63.25	526		
WINGS, V-TYPE, TOM		F	97.00	162		
TAILS		F	53.00	120		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	32.66 147.33	161 81		

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)		
TUESDAY, FEBRUARY 28, 2012						
DRUMSTICKS, TOMS		M	73.75	216		
WINGS FULL-CUT - TOMS		R	63.25	526		
WINGS, V-TYPE, TOM		F	97.00	162		
TAILS		F	53.00	120		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	32.66 147.33	161 81		

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)		
MONDAY, FEBRUARY 27, 2012						
DRUMSTICKS, TOMS	73.50-74.00		73.75	216		
WINGS FULL-CUT - TOMS		R	63.25	526		
WINGS, V-TYPE, TOM		F	97.00	162		
TAILS		F	53.00	120		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	32.66 147.33	161 81		

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.):

M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ 15-20% fat with skin added.