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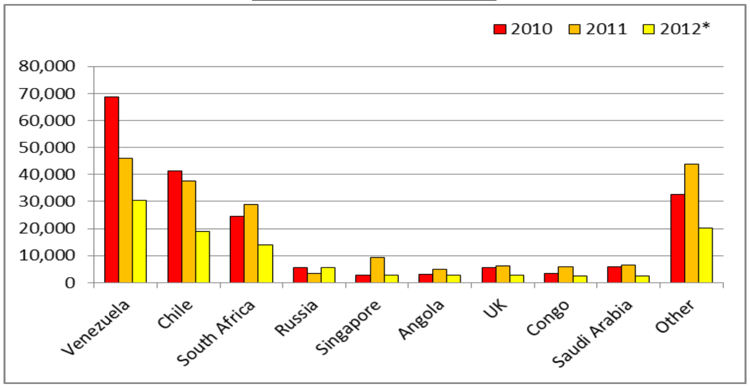
Top Export Destinations of Argentine Broiler Meat in 2012 by Volume (Metric Tons)



Note: All data is January-December except 2012, which is January-June. UK = United Kingdom. Source: Senasa*

Mercosur

The 43rd Mercosur summit was recently held in Mendoza, Argentina in late June 2012. Another meeting is scheduled for the week of July 30, 2012 in Rio de Janeiro, Brazil.

At the June meeting, Paraguay was suspended from Mercosur until the country's next presidential election in 2013, however economic sanctions were not imposed on Paraguay. The suspension comes after Paraguay's quick impeachment of President Fernando Lugo following the death of 17 people in a land eviction between police and landless peasants. Mercosur justified Paraguay's suspension and the barring of the country's replacement, Vice President Federico Franco, as retribution for Paraguay violating the Democratic Clause of the Ushuaia Protocol of July 24, 1998. The Union of South American Nations (UNASUR) also voted to suspend Paraguay's membership until its presidential election in 2013.

In light of Paraguay's suspension, Argentina, Brazil, and Uruguay opted to take advantage of the situation and announced its decision to make Venezuela a full member of Mercosur July 31, 2012. Venezuela applied to become a full member back in 2006 and had been approved by every country but Paraguay. Paraguay's President Fernando Lugo was in favor of Venezuela's inclusion; however Paraguay's Congress has been against Venezuela's inclusion into Mercosur the past 6 years. Many are questioning the legality of Mercosur's decision to induct Venezuela as a full member without the official consent of suspended Paraguay.

As it stands, Venezuela is expected to sign the Accession Protocol to Mercosur at the July 31, 2012 meeting in Brazil. Venezuela would then have 4 years to adopt "in a gradual manner the rules and Common Foreign Customs (ACE)" of the regional block.

Argentina and Brazil stand to gain the most with Venezuela joining Mercosur. Venezuela holds the largest oil reserves in the world and is highly dependent on imports. Venezuela's inclusion would remove trade barriers and create demand for Argentine and Brazilian products, especially agricultural products, as well as create regional integration, which is a big theme for Venezuela President Hugo Chavez.

Chinese Premier Wen Jiabao held a video conference the week of the summit to discuss China and Mercosur conducting a feasibility study of a free trade agreement (FTA) between the two. At the meeting, China and Mercosur pledged to further promote economic cooperation and trade to lift bilateral trade to USD $200 billion in 2016. China is Mercosur's second largest trade partner and has recently visited Brazil, Uruguay, and Argentina. Mercosur has also been exploring FTA's with the EU since 1995, South Korea (2004), and Canada (2011). Negotiations with the EU and Canada have struggled over agricultural subsidies.

Another topic at the Mercosur summit was a proposed increase on regional trade tariffs, which was rejected by the trade block. Argentina and Brazil proposed raising the Common External Tariff (CET) from 22% to 35%, which is the maximum allowed by the WTO (World Trade Organization) to curb an influx of cheap imports from China and Brazil. Instead countries will be allowed to decide individually on whether to change its CET.

Mercosur is a trade block that was formed in 1991 with the signing of the Treaty of Asuncion. The trade block is comprised of 4 full members (Argentina, Brazil, Paraguay, and Uruguay) and 6 associate members (Bolivia, Chile, Colombia, Ecuador, Peru, and Venezuela).

Argentina

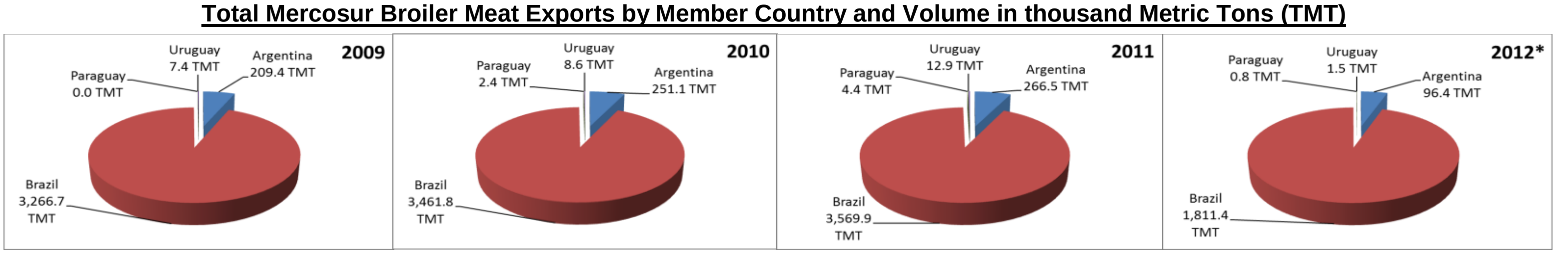
In 2011, USDA Foreign Agricultural Service (FAS) ranked Argentina sixth in world chicken meat exports behind Brazil, US, EU, Thailand, and China. In chicken meat production, Argentina ranked eighth behind US, China, Brazil, EU, India, Mexico, and Russia. Due to heavy investments, favorable government policies, and increased domestic consumption and consumer preference Argentine poultry production and exports have grown significantly in the past decade. Another big contributor is its proximity to feed as Argentina is second in world exports of corn; Brazil is third. However Argentina, along with much of South America, suffered a drought this past growing season negatively affecting yields. Argentina's last drought was in 2008-2009. This in combination with the current drought in much of the US is expected to create a shortage of grain and increase international prices. *Source: Various News Wires/USDA FAS*

Argentina's Broiler Situation (1,000 Metric Tons and Kilograms (KG))

	2008	2009	2010	2011	2012
Production	1,435	1,500	1,680	1,770	1,850
Imports	4	5	9	10	10
Exports	164	178	214	210	250
Domestic Cons.	1,275	1,327	1,475	1,570	1,610
Per Capita Cons.	31.5	32.43	35.7	37.6	38.2

Note: Cons. = Consumption. Data is a combination of estimates and official data from USDA FAS. Source: USDA FAS PSD Online

Total Mercosur Broiler Meat Exports by Member Country and Volume in thousand Metric Tons (TMT)



Note: All data is January-December except 2012*, which is January-February. Source: AliceWeb Mercosul

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

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

Week Ending Jul 21, 2012 Year-To-Date*

Type	2012	2011 /1	2012 /2	2011
Liquid	0	0	726	771
Frozen	0	0	0	0
Dried	1	0	51	139
Total	1	0	777	910

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

Week Ending Jul 21, 2012 Year-To-Date*

Type	2012	2011 /1	2012 /2	2011
Liquid	211	635	8,411	9,330
Frozen	40	14	677	562
Dried	0	0	0	0
Total	251	649	9,088	9,892

INSPECTED SHELL EGGS

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

Week Ending Jul 21, 2012 Year-To-Date*

	2012	2011 /1	2012 /2	2011
Jumbo	0	0	0	0
Extra Large	1,740	930	50,580	43,909
Large	1,640	2,330	105,632	76,013
Medium	897	990	19,440	23,955
Ungraded	1,440	120	69,018	80,954
Misc	0	600	1,620	600
Total	5,717	4,970	246,290	225,431

/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 Jul 21, 2012 (Preliminary)

U.S. Fowl Slaughtered Domestically

	Light Hens	Heavy Hens	Total Hens
	----------------Thousands----------------		
Head	1,295	1,756	3,051
Last Week	1,396	1,853	3,249
Same week yr ago	1,290	1,988	3,278
To-date/2012*	46,425	45,101	91,526
To-date/2011*	40,359	44,240	84,599

U.S. Fowl Slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	----------------Thousands----------------		
Head	118	0	118
Last Week	119	0	119
Same week yr ago	259	0	259
To-date/2012*	8,286	36	8,322
To-date/2011*	10,982	285	11,267

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	1,413	1,756	3,169
Last Week	1,515	1,853	3,368
Same week yr ago	1,549	1,988	3,537
To-date/2012*	54,711	45,137	99,848
To-date/2011*	51,341	44,525	95,866

*Note: Year to-date totals reflect comparable time periods.

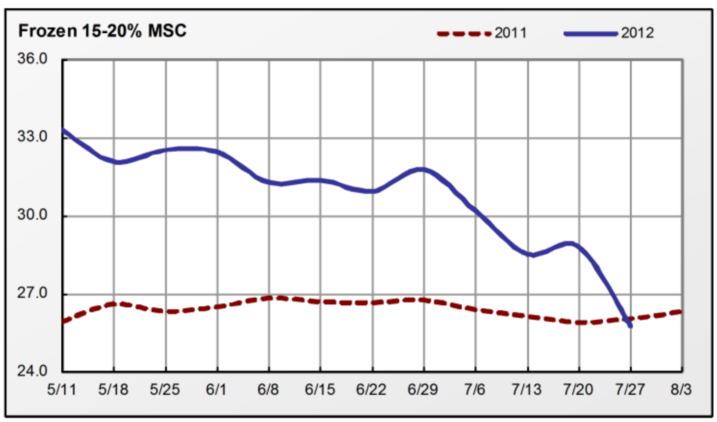
NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 are trending steady to weak on fresh and frozen 15-20% with the balance of fat contents steady. Demand into domestic and export channels is light to moderate at best. Supplies are moderate to heavy. Schedules are normal. Summer has been disappointing for many, falling short of seasonal expectations in regard to interest and movement of both MSC and finished goods. Industry continues to stay out front on spot MSC sales and move more spot frames to avoid the production and sale of additional MSC. Many maintain a watchful eye on the marketplace with some already beginning to contemplate the possible dynamics of the approaching contract season. Market activity is light. Supplies of raw materials are moderate to heavy. Spot frames traded between 10-15 cents FOB, mostly 12 FOB.

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

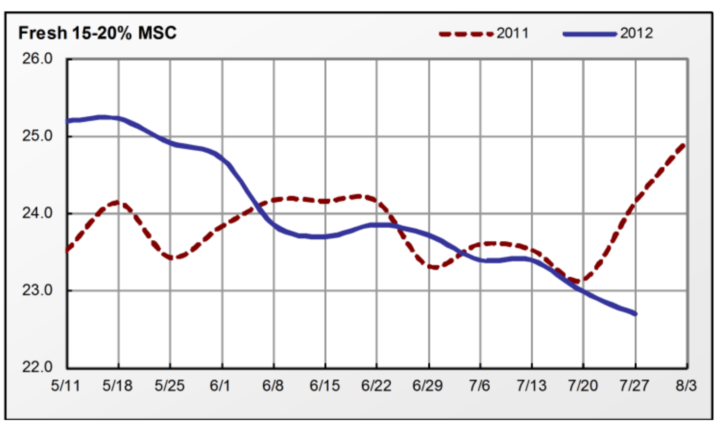
Fat Content	Frozen 27-Jul-12	Frozen Last Week	Frozen Last Year	Fresh 27-Jul-12	Fresh Last Week	Fresh Last Year
15% or Less						
Price Range	-	-	-	25.00 - 26.00	25.00 - 26.00	23.00-25.00
Wtd Avg Price			-	25.71	25.75	24.33
Volume Traded	-	-	-	143	163	122
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	18.00 - 32.00	21.00 - 33.00	24.00-28.00	18.00 - 26.00	19.00 - 26.00	19.00-26.00
Wtd Avg Price	25.75	28.80	26.04	22.70	22.99	24.14
Volume Traded	3,124	1,405	2,097	3,641	4,865	4,661
Volume Exported	2,124	1,229	1,837	41	449	653
20% or More						
Price Range	-	-	-	22.00	22.50	20.00
Wtd Avg Price			-	22.00	22.50	20.00
Volume Traded	-	-	-	82	82	82
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen Jun 2012	Frozen May 2012	Frozen Jun 2011	Fresh Jun 2012	Fresh May 2012	Fresh Jun 2011
15% or Less						
Wtd Avg Price	32.00	28.60	-	25.24	26.00	25.65
Volume Traded	160	200	-	653	612	755
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	31.55	32.87	26.66	23.93	25.17	24.09
Volume Traded	7,367	6,879	6,656	22,914	14,723	17,625
Volume Exported	6,987	5,879	5,816	1,591	1,795	898
20% or More						
Wtd Avg Price	-	-	-	22.33	22.30	20.00
Volume Traded	-	-	-	367	204	408
Volume Exported	-	-	-	-	-	-

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



NATIONAL YOUNG TURKEY PARTS

INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 27 JULY 2012.

The market on bulk parts is mixed, mostly steady. Demand and offerings was light to moderate. The market on white meat was steady, instance firm on fresh. Demand and offerings was light to moderate. Thigh meat was steady to firm. Demand was light to moderate. Offerings light. Mechanically separated turkey market was steady to barely steady. Demand and offerings was light to moderate. Trading was slow. For domestic: fresh scapula 95 cents, fresh breast trim 73 cents, fresh full cut wings 42 cents, fresh tom neck 34 cents, frozen tails 48 cents, frozen livers 25 cents, frozen hearts 40 cents, frozen A grade 10-14 lbs. breasts 165 cents, 14-18 lbs. breasts 165-166 cents delivered. For export: frozen tom necks 34 cents, fresh thigh meat 92 cents and fresh tom drums 52 cents delivered to border or port.

EXPORT TRADING

FRIDAY, JULY 27, 2012	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS		R	55.00	270	55.00	270
WINGS FULL-CUT - TOMS		R	42.00	378	43.45	594
WINGS, V-TYPE, TOM	95.00		95.00	162	95.00	162
TAILS		T	51.00	40	51.00	40
MECHANICALLY SEPARATED 2/		W	32.00	20	32.00	20
THIGH MEAT - FROZEN		W	94.00	54	94.00	54

THURSDAY, JULY 26, 2012	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	55.00		55.00	270
WINGS FULL-CUT - TOMS	39.00-43.00		42.00	378
WINGS, V-TYPE, TOM		R	93.00	486
TAILS		T	51.00	40
MECHANICALLY SEPARATED 2/		W	32.00	20
THIGH MEAT - FROZEN		W	94.00	54

WEDNESDAY, JULY 25, 2012	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		R	65.00	324
WINGS FULL-CUT - TOMS	46.00		46.00	216
WINGS, V-TYPE, TOM		R	93.00	486
TAILS		T	51.00	40
MECHANICALLY SEPARATED 2/	32.00		32.00	20
THIGH MEAT - FROZEN	94.00		94.00	54

TUESDAY, JULY 24, 2012	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		R	65.00	324
WINGS FULL-CUT - TOMS		R	44.00	108
WINGS, V-TYPE, TOM		R	93.00	486
TAILS	51.00		51.00	40
MECHANICALLY SEPARATED 2/				
THIGH MEAT - FROZEN		F	88.00	270

MONDAY, JULY 23, 2012	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		R	65.00	324
WINGS FULL-CUT - TOMS		R	44.00	108
WINGS, V-TYPE, TOM		R	93.00	486
TAILS		R	50.00	54
MECHANICALLY SEPARATED 2/				
THIGH MEAT - FROZEN		F	88.00	270

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.