

BROILER MARKET NEWS REPORT

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Poultry Programs

Market News & Analysis

NATIONAL BROILER MARKET-AT-A-GLANCE



Whole broiler/fryer prices are steady to weak in the Midwest, steady to lower in the East and steady to firm in the West. Offerings are moderate to heavy for mid-week business. Retail and food service demand is light to moderate with some waiting for increased interest for the holiday weekend to develop. Floor stocks are moderate. Market activity is mostly slow to moderate. In the parts structure, movement is light to moderate as dealers look to see if there will be disruptions in production or transportation due to the hurricane. Prices are firm for tenders, steady to weak for wings and breast items. Dark meat items are steady to firm. Offerings of tenders are light with good movement. Beast items, wings and dark meat items are moderate to heavy. Market activity for parts is mostly slow. In production areas, live supplies are moderate at mixed, but mostly desirable weights.

GEORGIA F.O.B. DOCK The Georgia f.o.b. dock quoted price on broilers/fryers for next week's trading advanced .25 cents to 95.50 cents based on full truck load lots of ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds. This compares to 88.75 cents last year on August 31, 2011.

	DOCK PRICE
ITEM	(CENTS PER POUND)
LINE RUN TENDERS	207.50
BREASTS - B/S	177.00
BREASTS - WHOLE	103.50
THIGH MEAT - B/S	130.50
THIGHS	73.00
DRUMSTICKS	70.00
LEG QUARTERS	52.50
WINGS	188.00
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Information supplied by the GA Dept. of Ag's Poultry Market News Service.

<u>SOUTHERN REGION</u> Whole broiler/fryers are trending steady to weak. Offerings are moderate to heavy for current trade needs. Demand is light to moderate. Market activity is slow to moderate. In the parts structure, movement is light to moderate for mid-week trading. Prices are firm for tenders, steady to weak for wings and b/s breast and steady for the balance of parts. Offerings of tenders are light to moderate and moving well. Wings and b/s breast are moderate to heavy and dark meat items are moderate. Market activity for parts is mostly slow. In production areas, live supplies are moderate at mixed, but mostly desirable weights.

WESTERN REGION The Los Angeles delivered quote is 105 cents, 1 cent higher than last week. The market on whole broilers is steady is steady to firm. The WOG market is steady to weak with offering prices unchanged to lower for next week. Offerings moderate. Retail demand moderate. Foodservice demand light to moderate. Weights adequate. Floor stocks mostly moderate. The market on boneless skinless breasts is steady to weak with offering prices unchanged to lower, balance of white and dark items mostly steady, except for fresh leg meat which is starting to develop some unsettledness. Parts demand is moderate to good, mostly moderate. Offerings of boneless skinless breasts are moderate to heavy, balance of white items light to moderate with small and medium sized wings becoming more available. Offerings of dark items light to mostly moderate. Movement light to good, mostly moderate.

MIDWEST REGION Whole bird prices are steady to weak. Offerings are moderate to heavy. Demand into retail and food service channels is light to moderate with many anticipating improved interest for the holiday weekend and first of the month. Floor stocks are balanced to light. Sizes are mixed. Whole bird market activity is slow to moderate. Supplies of tenders and jumbo wings are light, boneless skinless breasts and small wings moderate to heavy, and on the balance of parts light to moderate. Prices are trending firm on tenders and jumbo wings, steady to firm on dark meat items, and steady to weak on boneless skinless breasts and small wings. Market activity on parts is slow to moderate. Many are focused and concerned about the impacts of Hurricane Isaac on production and availability in the near term.

NORTHEAST REGION Prices are trending are weak to lower for most sizes. Trucklot buying activity on ready-to-cook whole broiler/fryers is light and unaggressive as dealers monitor the hurricane as it moves towards production areas. Offerings of all sizes are available and slow to clear. Market activity is slow. In the parts complex, tenders are light to moderate and clearing well. Boneless skinless breast are available and competitively priced. Wings and most dark meat items are moderate to heavy with the heavier sized wings in the better balance.

BROILER-TYPE EGGS SET DOWN 1 PERCENT

Commercial hatcheries in the 19 State weekly program set 192 million eggs in incubators during the week ending August 25, 2012. This was down 1 percent from the eggs set the corresponding week a year earlier. Average hatchability for chicks hatched during the week was 85 percent. Average hatchability is calculated by dividing chicks hatched during the week by eggs set three weeks earlier.

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BROILER-TYPE CHICKS PLACED DOWN 1 PERCENT

Broiler growers in the 19 State weekly program placed 162 million chicks for meat production during the week ending August 25, 2012. Placements were down 1 percent from the comparable week a year earlier. Cumulative placements from January 1, 2012 through August 25, 2012 were 5.58 billion, down 3 percent from the same period a year earlier.

BROILER-TYPE EGGS SET AND BROILER CHICKS PLACED 19 Selected States Total

Week Ending 08/25/12	2012	<u>2011</u>	Percent Change Previous Year
	(tho	ousand)	
Eggs Set	191,744	193,007	-01
Chicks Placed	161,818	162,943	-01
Selected States: AL, AR,	CA, DE, FL, C	3A, KÝ, LA, M	ND, MO, MS, NC, OK, PA
SC, TX, VA, TN, & WV			
Source: USDA, NASS			

WEEKLY FRYERS AVAILABLE FOR MARKETING

Based on the preliminary chick placements, the number of fryers available for marketing during the week ending 06-Oct-12 is estimated at 149.3 million head. This compares to 149.5 million head the previous week and to 152.9 million head the same week a year ago, when the slaughter was 158.3 million head and the composite weighted average price was 72.30 cents per pound.

AUG 28 SOUTHERN STATES BROILER/FRYER PARTS

AUG 29

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.

ı	POUNDS			WTD	P	OUNDS			WTD
<u>ITEM</u>	<u>(000)</u>	RANGE	MAJORITY	<u>AVG</u>	<u>ITEM</u>	(000)	RANGE	MAJORITY	<u>AVG</u>
BREAST - B/S	TO	FEW TO RE	PORT		BREAST - B/S	TO	FEW TO F	REPORT	
TENDERLOINS	TO	FEW TO RE	PORT		TENDERLOINS	TO	FEW TO F	REPORT	
BREAST - LINE RUN	TOO	FEW TO RE	PORT		BREAST - LINE RUN	TO	D FEW TO F	REPORT	
FRONT HALVES	TO	FEW TO RE	PORT		FRONT HALVES	TO	FEW TO F	REPORT	
LEGS	TO	FEW TO RE	PORT		LEGS	TO	FEW TO F	REPORT	
LEG QUARTERS (BULK)	213	43.00-49.00	-	46.09	LEG QUARTERS (BULK)	180	46.00-49.00	-	46.92
LEG QUARTERS (4/10)	219	48.00-51.00	-	49.42	LEG QUARTERS (4/10)	244	48.00-51.00	-	48.97
WINGS (WHOLE)	TOO	FEW TO RE	PORT		WINGS (WHOLE)	TO	D FEW TO F	REPORT	
WINGS (CUT)	TO	FEW TO RE	PORT		WINGS (CUT)	TO	D FEW TO F	REPORT	
DRUMSTICKS	TOO	FEW TO RE	PORT		DRUMSTICKS	TO	D FEW TO F	REPORT	
THIGHS	TOO	FEW TO RE	PORT		THIGHS	TO	D FEW TO F	REPORT	
B/S THIGHS	TOO	FEW TO RE	PORT		B/S THIGHS	TO	O FEW TO F	REPORT	

Whole Body Index Based on Southern States Parts Trading for F.O.B. Dock

 RANGE
 TODAY'S AVERAGE
 RANGE
 TODAY'S AVERAGE
 5-DAYAVERAGE

 62.00 - 66.00
 64.17
 63.50 - 66.50
 64.86
 64.67

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.

<u>NORTHEAST BROILER/FRYER PARTS</u> - Prices are trending firm for tenders; steady to weak for wings and weak to lower for boneless skinless breast. Bone-in breast and most dark meat cuts are steady. Trucklot buying activity is light for mid-week trading as dealers look to see if there will be any disruptions in production or transportation due to the hurricane. Offerings of tenders are light and clearing satisfactorily; wings and most dark meat cuts are moderate to heavy. Boneless skinless breasts are readily available and slow to clear. Movement is slow.

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

AUG 28	CURRENT NEG	WTD		AUG 29	CURRENT NEG	WTD	
ITEM	TRADING*	AVG	VOL/LBS	ITEM	TRADING*	AVG	VOL/LBS
BREAST - B/S	170	155.03	960,240	BREAST - B/S	165-170	153.30	651,240
TENDERLOINS	180	174.17	186,360	TENDERLOINS	180	172.14	175,160
BREAST - WITH RIBS	96-97	110.54	45,412	BREAST - WITH RIBS	96-97	110.84	37,862
BREAST - LINE RUN	96	98.85	65,621	BREAST - LINE RUN	96	99.08	64,726
LEGS	68-69	78.50	36,760	LEGS	68-69	78.87	36,720
LEG QUARTERS (BULK)	47-48	51.56	302,920	LEG QUARTERS (BULK)	47-48	51.71	161,160
DRUMSTICKS	64-65	71.89	50,040	DRUMSTICKS	64-65	73.77	43,560
THIGHS	73-74	82.06	59,240	THIGHS	73-74	80.59	34,840
B/S THIGHS	125-126	127.52	119,640	B/S THIGHS	125-126	128.77	73,560
WINGS (WHOLE)	185-186	188.03	268,560	WINGS (WHOLE)	185-186	189.45	224,040
BACKS AND NECKS (STRIF	PPED) 16-18	18.00	4,762	BACKS AND NECKS (STRIF	PPED) 16-18	18.00	3,360
LIVERS (5 POUND TUBS)	50-55	52.00	1,590	LIVERS (5 POUND TUBS)	50-55	52.16	9,420
GIZZARDS (HEARTS)	70-75	74.61	25,800	GIZZARDS (HEARTS)	70-75	73.86	18,520

Includes New York City Metropolitan Area, Northern NJ, MA, CT, RI, & PA (Northeast of Harrisburg).

* 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.

LOTIMATED GLAGGITER OF BROILERS RIVERS									
	ESTIMATED		ACTUAL		AVG	<u>wts</u>	ACTUAL	AVG WTS	
	(1,000)		(1,000)				(1,000)		
	08/29	08/28	08/27	08/24	08/27	08/24	08/22	08/20	
Alabama	3,696	3,646	3,760	4,221	5.85	5.83	3,406	5.57	
Arkansas	4,786	4,956	4,918	4,413	5.75	5.25	4,899	5.73	
Delmarva	2,096	2,108	2,066	2,052	6.43	6.13	1,915	6.23	
KY-LA-TN	2,369	2,352	2,525	2,670	5.42	5.45	2,507	5.38	
Mississippi	1,728	2,404	2,855	3,324	6.13	6.05	2,835	5.99	
North Carolina	2,556	2,536	2,496	3,213	7.32	7.26	2,649	7.34	
Texas	2,341	2,354	2,208	2,937	6.18	6.20	2,383	6.07	
Total	19,572	20,356	20,828	22,830	6.08	5.98	20,594	5.99	
Mon-Wed	60,943	(A)					62,091	(A)	

(A) Weekly cumulative for states listed above.

ESTIMATED SI AUGHTER OF BROIL FR-FRYERS

Broiler-fryer slaughter under federal inspection for 29-Aug-12 is estimated to be 29,282,000 head down 5.25 percent from a week ago and down 7.14 percent from a year ago.

(Last week 30,903,000, last year 31,534,000)

PROCESSED POULTRY SOUTHERN CALIFORNIA (L.A. AREA) Delivered to Retailers

KANGL
108-123
128-140

DANCE

SAN FRANCISCO

RABBITS-CUT UP

Delivered to Restaurants and Institutions

		RANGE
FRESH FRYERS	DRY PACK	126-190
	ICE PACK	
ROASTERS 4# & UP	DRY PACK	126
	ICE PACK	
DUCKS		217-295

ESTIMATED SLAUGHTER OF U.S. BROILER/FRYERS AND FOWL

Under Federal Inspection for Week Ending 31-Aug-12

	CURRENT WEEK	PREVIOUS WEEK
	09/01/12 (1)	08/25/12
Class	Thousand head	
Broiler/fryer	156,925 (2)	159,748
Light hens	1,629	1,900
Heavy hens	1,751	1,960
Total	160,305	163,608

(1)ESTIMATED

(2) The estimated number of broiler-fryers available for slaughter the week ending 01-Sep-12 is 153.9 million head compared to 163.4 million head slaughtered the same week last year. The estimated U.S. slaughter this week is 157.2 million head or 3.3 million more than estimated available. For the week of 08-Sep-12 the estimated available is 153.0 million head.

WEEKLY COLD STORAGE HOLDINGS

Selected	d Centers	(Including	government stocks)	(In thousands)		
	Froz	en Eggs	Proc. Turkeys	Proc. other		
		Lbs	Lbs	Poultry lbs		
AM	08/27/12	3,252	185,903	54,964		
AM	08/01/12	3,163	183,933	58,091		
CHG		89	1,970	-3,127		
PCT CF	I G	3%	1%	-5%		

COLD STORAGE MOVEMENT (In Thousands)

COLD 31	COLD STORAGE MOVEMENT (III Thousands)									
	PROCE	SSED TU	RKEYS	PROCE	PROCESSED POULTRY					
	08/27/12	08/20/12	08/29/11	08/27/12	08/20/12	08/29/11				
PACIFIC										
COAST	264	250	1,052	1,072	1,033	2,342				
LOS										
ANGELE	S 135	124	124	289	328	696				

HACKETTSTOWN POULTRY SALES FOR 08/28/12 Al Papers Required To Sell All Out of State Poultry

Al Papers Required 10 Sell All Out of State Poultry								
	LOW	HIGH	AVG		LOW	HIGH	AVG	
HEAVY FOWL lb.	-	.60	-	HEAVY FOWL ea.	-	1.50	-	
LIGHT FOWL lb.	-	-	-	LIGHT FOWL ea.	2.00	6.25	4.13	
MIXED FOWL lb.	-	-	-	MIXED FOWL ea.	-	-	-	
BANTAMS lb.	-	-	-	BANTAMS ea.	1.00	4.00	1.64	
BROILERS lb.		-	-	BROILERS ea.	-	-	-	
ROASTERS lb.		-		ROASTERS ea.	-	-	-	
FRYERS lb.	-	-	-	FRYERS ea.	-	-	-	
		-	-	CHICKS ea.	1.00	2.00	1.67	
PULLETS lb.	-	-		PULLETS ea.	2.00	3.00	2.50	
BUNNIES lb.	-	-		BUNNIES ea.	-	2.00	-	
ROOSTERS lb.	-	.50	-	ROOSTERS ea.	2.50	5.00	3.54	
GEESE lb.		-	-	GEESE ea.	-	-	-	
TURKEYS lb.		-		TURKEYS ea.	-	12.50		
DUCKS lb.	-	1.10	.81	DUCKS ea.	-	4.75	2.05	
RABBITS lb.	.90	1.70	1.19	RABBITS ea.	-	3.75	-	
PIGEONS lb.		-		PIGEONS ea.		3.25	2.01	
GUINEA FOWL Ib				GUINEA FOWL ea	a	5.50	-	
DUCKLINGS lb.	-	-	-	DUCKLINGS ea.	-	-	-	
GUINEA KEETS e	a	-	-	CALL DUCKS ea.	-	-	-	
SILKIES ea.	-	1.00	-	GOSLINGS ea.	-	-	-	
GUINEA PIGS ea.	-	-	-	TURKEY POULTS		-	-	
CHUKARS ea.	-	-	-	PEACOCKS ea.	-	26.00	-	
PARTRIDGES ea.	-	-	-	COCKATIELS ea.	-	-	-	
DOVES ea.	-	-	-	PHEASANTS ea.	-	-	-	
QUAIL ea.				FERRETS ea.	-	-	-	
CHINCHILAS ea.	-	-		MICE ea.	-	-	-	
PEAFOWL ea.	-	-	-	GUINEA FOWL E	GGS(do	oz) -	-	
QUAIL EGGS ea.	-	-	-	GOOSE EGGS	-	-	-	
TOTAL PIECES SOLD 272								

MAJOR WHOLESALE MARKETS-MEXICO CITY

Cents per pound for the week ending Aug 24, 2012

		•				
RAYO	Whole Chickens	Breasts	Legs W/Thighs	Necks, Backs & Wings		Hens
	_					
Low	84.85	134.52	79.33	31.04	6.90	89.68
High	86.23	151.77	89.68	41.39	10.35	89.68
Mostl	y 86.23	144.87	82.78	34.49	6.90	89.68
SAN	JUAN					
Low	83.47	134.52	75.88	31.04	6.90	89.68
High	85.54	148.32	86.23	37.94	10.35	89.68
Mostl		141.42	79.33	34.49	8.62	89.68
NEW	SAN JUAN	N				
Low	84.51	137.97	79.33	34.49	10.35	93.13
High	87.27	155.22	93.13	44.84	13.80	93.13
Mostl	y 86.23	148.32	86.23	37.94	10.35	93.13
BECE	ERRA					
Low	85.20	137.97	82.78	37.94	10.35	93.13
High	87.96	155.22	96.58	48.29	13.80	93.13
Most		148.32	89.68	41.39	10.35	93.13

NATIONAL FOWL MARKET Aug 24, 2012

Ready-to-Cook

Midwest Region Negotiated Prices to first Receivers

(cents/lb. delivered to first receivers; US Grade A and plant Grade)

	Price Range
Ice Packed (12/box):	80.0 - 86.0
Vacuum Packed (6-9/box):	85.0 - 90.0

Midwest region = IL, IN, MI, MO, OH, and WI

DELMARVA Less-than-trucklot asking prices are 1 cent lower at 84 to 93 cents with a weak to lower trending undertone. Movement of ready-to-cook whole birds is light for mid-week business as dealers monitor Hurricane Isaac as it hovers over the Gulf Coast. Offerings are moderate to heavy. Live supplies are moderate; weights are mixed, but noted as mostly desirable. Processing schedules are moderate. Market activity is slow. In the parts complex, offerings of tenders are light and clearing well. The balance of parts are 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 from Delmarva.

	BRANDED U.S. GRADE A
ANCE	60.404

RANGE	69-104
WEIGHTED AVERAGE	(A)
NO. OF BOXES	(A)

(A) Not reported to avoid disclosing individual operations.

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