

INTERNATIONAL EGG AND POULTRY REVIEW



U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News and Analysis

Vietnam

Vietnam's estimated total broiler meat imports for 2012 is forecast to be dramatically higher than 2002 while the country's broiler meat production is estimated to increase only 4% since 2002. Total domestic consumption for 2012, meanwhile, is estimated to be 102% higher than 2002. Per capita broiler meat consumption for 2012 is forecast to be 7.60 kilograms (kg) person, up from 4.26 kg per person in 2002.

Total poultry consumption forecasts for 2012-2021 are for it to climb 37%. Total poultry consumption includes both chicken and turkey. Total poultry meat production is also estimated to increase 27% while total poultry imports rise 49% over the same time frame.

United States (U.S.) broiler meat January-June, 2012 cumulative total exports are 38% below last year, but substantially above 2002 for the same time frames. To date in 2012 about 76% of U.S. broiler meat exports to Vietnam have been leg quarters.

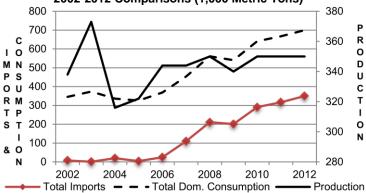
U.S. other poultry meat January-June, 2012 cumulative total exports are down 68% from the same time frames last year. However, frozen chicken paws and feet (the largest component of the other poultry meat category so far in 2012) are up 63% over last year. U.S. January-June, 2012 cumulative turkey meat exports are 145% higher than 2011 while in 2002 no turkey meat exports were recorded for comparable time frames to Vietnam.

On a consistent basis, comparing January-June cumulative total time frames over the last 10 years, the U.S. started exporting egg products on a consistent basis to Vietnam in 2006 and so far in 2012 exports are 19% above last year. For the first time in at least 10 years for the January-June cumulative total time frame the U.S. has exported fresh chicken eggs to Vietnam in 2012.

Vietnam has announced it will allow imports of up to 500,000 eggs due to World Trade Organization (WTO) commitments. Under WTO commitments since 2007 Vietnam has to grant import quotas that increase 5% per year. Before importing into Vietnam, the product must be preserved and cooked. Vietnam has currently been experiencing an over supply of eggs while also continuing to experience H5N1 avian influenza outbreaks.

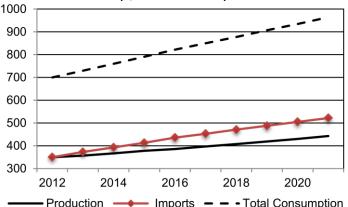
Sources: USDA, Economic Research Service 2012 International Long-Term Projections to 2021; USDA, Foreign Agricultural Service Official USDA Estimates; The Poultry Site

Vietnam Total Imports, Production & Domestic Consumption 2002-2012 Comparisons (1,000 Metric Tons)



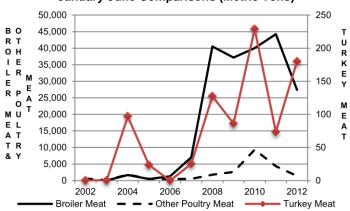
Source: USDA, Foreign Agricultural Service Official USDA Estimates

Vietnam 2012-2021 Forecasts Total Production, Imports & Total Consumption (1,000 Metric Tons)



Source: USDA, Economic Research Service 2012 International Long-Term Projections to 2021

U.S. Broiler Meat, Turkey Meat & Other Poultry Meat Vietnam Exports January-June Comparisons (Metric Tons)



Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics/USDA, Foreign Agricultural Service

U.S Exports to Vietnam January-June Comparisons (Metric Tons, Except For Fresh Chicken Eggs in Dozens)

	2008	2009	2010	2011	2012
Broiler Meat	40,520	37,173	40,026	44,237	27,447
Turkey Meat	127	86	229	74	180
Other Poultry					
Meat	1,779	2,619	9,350	4,329	1,385
Egg Products	8	4	7	62	74
Fresh Chicken					
Eggs (Dozen)	0	0	0	0	90,833

Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics/USDA, Foreign Agricultural Service

INSPECTED EGG PRODUCTS-U.S. & CANADA IMPORT/EXPORT TRADE U.S. Exports to Canada, in Pounds (000) (Preliminary)					<u>U.S./CANADIAN LIVE POULTRY SLAUGHTERED UNDER INSPECTION</u> Week Ending Aug 25, 2012 (Preliminary)				
Week Ending Aug 25, 2012 Year-To-Date*				0 0		ered Domestically	•		
Type	2012	2011 /1	2012 /2	2011		Light Hens	•	Total Hens	
Liquid	49	144	775	1,159			nds		
Frozen	0	0	0	0	Head	1,917		3,862	
Dried	0	0	99	139		•	•	•	
Total	49	144	874	1,298	Last Week	1,235	,	3,242	
U.S. Imports From Canada, in Pounds (000) (Preliminary)			Same week yr ago		,	2,669			
Week Ending Aug 25, 2012 Year-To-Date*				To-date/2012*	52,335	54,489	106,824		
Type	2012	2011 /1	2012 /2	2011	To-date/2011*	46,418	52,478	98,896	
Liquid	157	283	9,473	10,799	U.S. Fowl Slaughtered in Canada				
Frozen	40	9	867	654		Light Hens		Total Hens	
Dried	0	0	0	48		Thousa	nds		
Total	197	292	10,340	11,501	Head	109	0	109	
INSPECTED SHELL EGGS			Last Week	27	0	27			
U.S Exports to Canada, In 30-Dozen Cases (Preliminary)			Same week yr ago	298	23	321			
Week Ending	Week Ending Aug 25, 2012 Year-To-Date*		To-date/2012*	9.170	36	9,206			
	2012	2011 /1	2012 /2	2011	To-date/2012 To-date/2011*	12.886	371	13.257	
Jumbo	0	0	0	0		,		-, -	
Extra Large	3,330	1,740	62,441	50,449	Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section				
Large	6,010	7,640	123,046	100,977	Total U.S. Fowl Slaughtered in the U.S. and Canada				
Medium	750	810	22,020	27,675		Light Hens		Total Hens	
Ungraded	0	16,326	83,324	105,122			nds		
Misc	0	0	1,620	600	Head	2,026	,	,	
Total	10,090	26,516	292,451	284,823	Last Week	1,262	,	•	
/1 Comparable Week, to-date figures may not total due to rounding.			Same week yr ago	1,529		•			
/2 Includes revisions to previous week(s)			To-date/2012*	61,505	,	,			
Note: Year to-date totals reflect comparable time periods.				To-date/2011	59,304		112,153		

NATIONAL MECHANICALLY SEPARATED CHICKEN

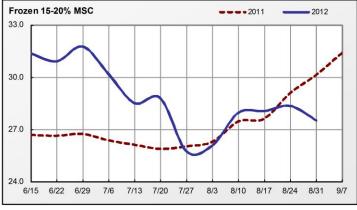
(FOB Shipper Dock or equiv., negotiated prices in trucklot and less-than-trucklot volumes reported in thousand lb. quantities, cents/lb.; delivery within 2 weeks.)

Prices on all fat contents of MSC are trending mostly steady. Supplies are moderate. Schedules are normal. Demand into export and domestic channels are light to moderate with MSC seeing slight improvements in demand and movement in recent weeks. Most producers continue to stay out front on spot sales of MSC and frames. Many maintain a close eye on the marketplace, with regards to the grain markets, planning possible company positions for the upcoming 2013 contract negotiations. Market activity is slow to moderate. Supplies of raw materials are moderate to heavy. Spot frames traded between 11-14 cents FOB, mostly 11-13 FOB.

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

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

·		Frozen		Fresh			
Fat Content	31-Aug-12	Last Week	Last Year	31-Aug-12	Last Week	Last Year	
15% or Less							
Price Range			-	23.50 - 26.00	24.00 - 26.00	30.00-32.00	
Wtd Avg Price			-	25.44	25.50	31.60	
Volume Traded	-	-	-	184	163	204	
Volume Exported	-	-	-	-	-	-	
15-20%							
Price Range	26.00 - 30.00	26.00 - 30.00	26.00-32.00	20.00 - 26.00	21.00 - 28.00	25.00-34.00	
Wtd Avg Price	27.53	28.36	30.14	23.91	24.27	29.84	
Volume Traded	2,200	2,303	1,437	5,017	4,100	3,590	
Volume Exported	2,160	2,303	1,377	325	326	938	
20% or More							
Price Range	-	-	-	22.50	22.00	-	
Wtd Avg Price			-	22.50	22.00	-	
Volume Traded	-	-	-	82	82	-	
Volume Exported	-	-	-	-	-	_	



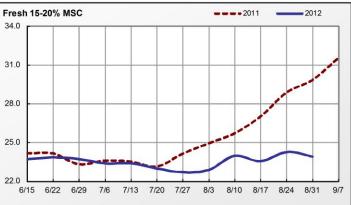
*Note: Year to-date totals reflect comparable time periods.

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

		Frozen		Fresh			
Fat Content	Jul 2012	Jun 2012	Jul 2011	Jul 2012	Jun 2012	Jul 2011	
15% or Less							
Wtd Avg Price	-	32.00	-	25.76	25.24	24.43	
Volume Traded	-	160	-	510	653	571	
Volume Exported	-	-	-	-	-	-	
15-20%							
Wtd Avg Price	27.83	31.55	26.21	23.15	23.93	23.56	
Volume Traded	7,907	7,367	8,116	18,068	22,914	22,513	
Volume Exported	6,091	6,987	7,486	1,591	1,591	2,122	
20% or More							
Wtd Avg Price	-	-	-	22.20	22.33	20.00	
Volume Traded	-	-	-	204	367	408	
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 31 AUGUST 2012.

The market on bulk parts was steady. Demand and offerings light to moderate. The market on fresh tom breast meat remains steady to firm. Demand was mixed and ranged from light to good. Offerings was light. The market on frozen tom breast meat and the balance of white meat is steady. Demand and offerings was light to moderate. The market on thigh meat is firm. Demand was light to moderate. Offerings light. Trading was slow to moderate. For domestic: fresh breast trim 75 cents, fresh wing meat 87 cents, fresh scapula 95 cents, frozen tails 50 cents delivered. For export: frozen scapula 95 cents, tom necks 34 cents, frozen livers 24 cents, tom necks 36 cents and fresh tom drums 52 cents delivered to port or border.

EXPORT TRADING

FRIDAY, AUGUST 31, 2012	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS	58.50	0002 ./	58.50	108	55.75	1,296
WINGS, V-TYPE, TOM		F	83.50	216		
TAILS MECHANICALLY SEPARATED 2/		F	49.54	118		
THIGH MEAT - FROZEN		M	111.00	20	111.00	20
	PRICE	L.S.T.	WTD AVG	VOLUME		
THURSDAY, AUGUST 30, 2012 DRUMSTICKS, TOMS	RANGE 54.00-55.00	CODE 1/	PRICE 54.55	(000) 1,080		
WINGS FULL-CUT - TOMS	34.00-33.00		34.33	1,000		
WINGS, V-TYPE, TOM		F	83.50	216		
TAILS		F	49.54	118		
MECHANICALLY SEPARATED 2/		R M	27.50	216 20		
THIGH MEAT - FROZEN		IVI	111.00	20		
	PRICE	L.S.T.	WTD AVG	VOLUME		
WEDNESDAY, AUGUST 29, 2012	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		M	65.00	108		
WINGS FULL-CUT - TOMS		W	47.00	40		
WINGS, V-TYPE, TOM TAILS		F F	83.50 49.54	216		
MECHANICALLY SEPARATED 2/		r R	27.50	118 216		
THIGH MEAT - FROZEN		M	111.00	20		
INIGH MEAT - PROZEN		IVI	111.00	20		
	PRICE	L.S.T.	WTD AVG	VOLUME		
TUESDAY, AUGUST 28, 2012	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		M	65.00	108		
WINGS FULL-CUT - TOMS		W	47.00	40		
WINGS, V-TYPE, TOM TAILS		F F	83.50 49.54	216 118		
MECHANICALLY SEPARATED 2/		r R	27.50	216		
THIGH MEAT - FROZEN		M	111.00	20		
	PRICE	L.S.T.	WTD AVG	VOLUME		
MONDAY, AUGUST 27, 2012	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	65.00	JJDL 17	65.00	108		
WINGS FULL-CUT - TOMS	22.20	W	47.00	40		
WINGS, V-TYPE, TOM		F	83.50	216		
TAILS		F	49.54	118		
MECHANICALLY SEPARATED 2/		R	27.50	216		
THIGH MEAT - FROZEN	111.00		111.00	20		

^{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.