



INTERNATIONAL EGG AND POULTRY REVIEW



Peoples Republic of China

The 2013 forecast for China's broiler production was lowered earlier this year by 50,000 metric tons to just over 14 million tons. The lower estimated production was in response to media reports of chemical residues found in domestic broiler products at fast food restaurants. Even with 2013's lower estimated broiler meat production, China's estimated broiler meat production is 2.6% over 2012 and 42% higher than 2003.

China's 2013 broiler meat import forecast was raised from previous forecasts as favorable prices for United States (U.S.) poultry products increased processor import demand. The U.S. export price in December 2012 was \$1,085 per ton, which was 55% lower than Brazil's price of \$2,381 per ton. Total broiler meat imports for 2013 are estimated to be 6.3% above 2012, but 40% below 2003.

U.S. January-February 2013 broiler meat exports to China are 95% higher than the same time frame in 2012 and considerably higher than 2002. U.S. 2012 total broiler meat exports to China were 40% higher than 2011 and 34% above 2002.

U.S. frozen chicken paws and feet exports to China are included in the Other Poultry Meat Category, not the Broiler Meat Category. Chicken paws and feet were the number one U.S. poultry item exported to China in 2012. For 2012 they were about 99% of U.S. other poultry exports and, even with the big U.S. broiler meat export increases, are 53% higher than broiler meat. China was the number 8 U.S. broiler meat destination and the number 2 U.S. other poultry meat export destination.

In November 2012, despite a long history of market access to China, AQSIQ halted U.S. processed meat imports due to new import policies. The U.S. government is currently working to resolve the issue.

China's 2013 broiler meat exports are forecast to be 2.7% lower than 2012, but 3% higher than 2003. China's cooked poultry exports are facing challenges this year due to new trade policies in major markets. Over the last few years Japan has lowered its import tariff for Thailand and it currently stands at 2% while China's remains at 6%.

Meanwhile, The European Union has implemented a new import quota policy which added products containing broiler meat (at or below 57%) and duck meat to the amount subject to quota. Some anticipate a majority of the quota to be awarded to Brazil and Thailand. The result could negatively impact China's poultry exports.

On March 31, 2013 China announced avian influenza (AI) was detected in humans in Shanghai and Anhui Province. It was determined to be the AI H7N9. The AI H7N9 virus had not been contracted by humans previously. According to China's Ministry of Agriculture H7N9 has not created an epidemic among poultry with tests coming back mostly negative. However, as of April 22, 2013 104 human infections with 21 deaths included have been recorded.

The country's poultry has experienced a major set back due to a sharp fall in market demand. While most cases are in the Yangtze River Delta region, new cases have been found in Beijing. As preventive measures Shanghai and Beijing have closed all live poultry markets in the cities and surrounding rural districts. For Shanghai, over 2.5 million live birds a week are transported into the city from surrounding regions for wholesale and wet market slaughter and sale.

Consumer prices have fallen 5% over a recent 10 period, although animal protein prices were trending lower before the crisis began. Live bird prices have also dropped markedly, however, some are noticing prices are appearing to be stabilizing. Day old chick prices have also dropped 80% in the last 2 weeks. As of April 15, 2013 an estimated 16.7 billion yuan (US \$2.7 billion*) the China poultry industry has lost in sales of chicks, live chickens and chicken products.

*April 21, 2013 exchange rate of 0.161543 US dollar to the yuan)

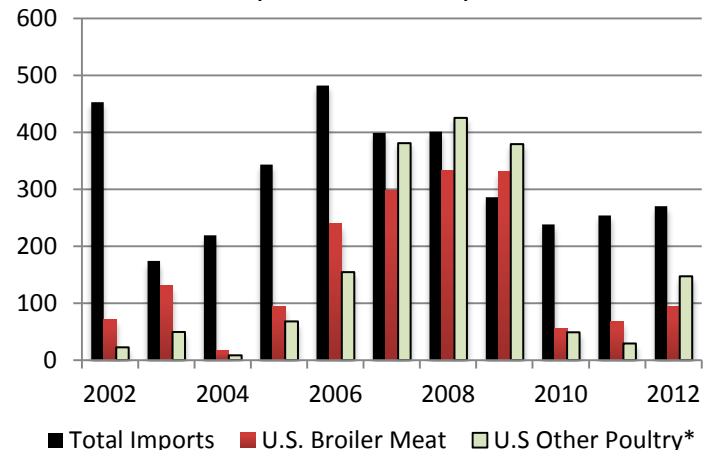
Sources: Rabobank International; USDA/FAS GAIN Report 13014; USDA, Foreign Agricultural Service Official USDA Estimates; Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics/USDA, Foreign Agricultural Service; World Health Organization; ThePoultrySite; various other news sources.

**Total China Production, Consumption
Import & Export Comparisons
(1,000 Metric Tons)**

	2009	2010	2011	2012	2013
Production	12,100	12,550	13,200	13,700	14,050
Imports	401	286	238	254	270
Exports	291	379	423	411	400
Domestic Consumption	12,210	12,457	13,015	13,543	13,920

Source: USDA, Foreign Agricultural Service Official USDA Estimates

**Total China Broiler Meat Imports
& U.S. Broiler Meat & Other Poultry China Export
Comparisons
(1,000 Metric Tons)**



*Does not include Turkey Meat and Egg Products

Sources: USDA, Foreign Agricultural Service Official USDA Estimates; 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)
 Week Ending Apr 13, 2013 Year-To-Date*

Type	2013	2012 /1	2013 /2	2012
Liquid	48	40	1,145	382
Frozen	0	0	0	0
Dried	0	0	59	0
Total	48	40	1,204	382

U.S. Imports From Canada, in Pounds (000) (Preliminary)
 Week Ending Apr 13, 2013 Year-To-Date*

Type	2013	2012 /1	2013 /2	2012
Liquid	77	201	3,541	5,577
Frozen	40	0	425	352
Dried	0	0	4	0
Total	117	201	3,970	5,929

INSPECTED SHELL EGGS

U.S Exports to Canada, In 30-Dozen Cases (Preliminary)
 Week Ending Apr 13, 2013 Year-To-Date*

Type	2013	2012 /1	2013 /2	2012
Jumbo	0	0	0	0
Extra Large	1,125	1,860	32,600	23,580
Large	1,880	6,311	57,050	51,212
Medium	900	120	10,263	10,102
Ungraded	17,910	3,480	51,899	35,688
Misc	0	0	0	0
Total	21,815	11,771	151,812	120,582

/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 Apr 13, 2013 (Preliminary)

U.S. Fowl Slaughtered Domestically

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	1,967	1,431	3,398
Last Week	1,812	1,440	3,252
Same week yr ago	1,828	1,402	3,230
To-date/2013*	24,187	21,094	45,281
To-date/2012*	24,012	21,977	45,989

U.S. Fowl Slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	401	0	401
Last Week	489	0	489
Same week yr ago	309	0	309
To-date/2013*	5,191	0	5,191
To-date/2012*	4,466	36	4,502

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	2,368	1,431	3,799
Last Week	2,301	1,440	3,741
Same week yr ago	2,137	1,402	3,539
To-date/2013*	29,378	21,094	50,472
To-date/2012*	28,478	22,013	50,491

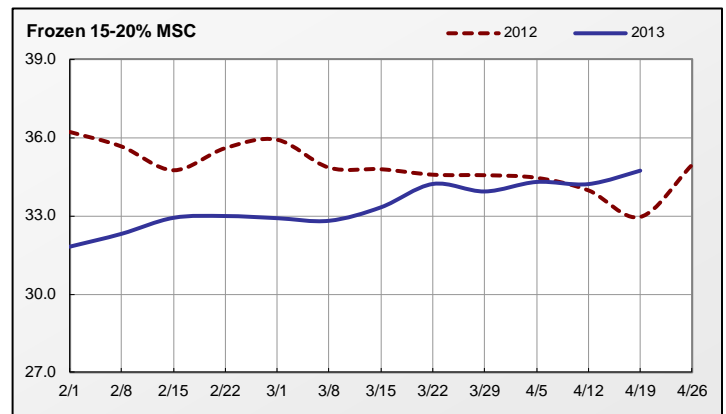
*Note: Year to-date totals reflect comparable time periods.

NATIONAL MECHANICALLY SEPARATED CHICKEN (F.O.B. Shipper Dock or equivalent; negotiated prices in trucklot and less-than-trucklot volumes reported in thousand pound quantities, cents/pound; delivery within 2 weeks.)

MSC prices are steady to firm on all fat contents. Supplies are light to moderate. Schedules are normal. Demand is moderate to good into both domestic and export channels. Industry is very focused on the current and future status of the spot marketplace, especially in regard to the impending new FSIS regulations for Salmonella testing of ground chicken, MSC, ground turkey, and MST. Many are also watching other influential factors such as the return to normal MSC production levels after months of industry cutbacks, increased production of finished goods in preparation for the Memorial Day kick off, and grain prices among other factors. Sellers remain out front with spot MSC sales, managing production closely. Market activity is moderate to active. Supplies of raw materials are light. Frames are steady to firm trading between 14-16 cents FOB, mostly 15 FOB.

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

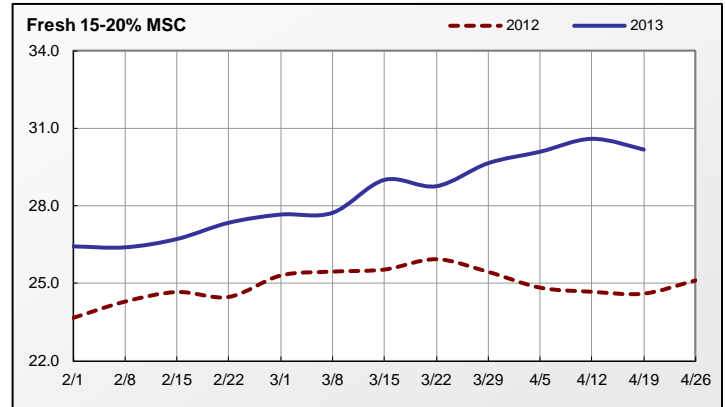
Fat Content	Frozen			Fresh		
	19-Apr-13	Last Week	Last Year	19-Apr-13	Last Week	Last Year
15% or Less						
Price Range	32.00	-	-	29.00 - 31.00	29.00 - 31.00	-
Wtd Avg Price	32.00	-	-	30.20	30.33	-
Volume Traded	40	-	-	204	184	-
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	32.00 - 38.00	33.00 - 37.00	28.00-37.00	28.50 - 33.00	28.00 - 33.00	18.00-27.00
Wtd Avg Price	34.73	34.22	32.96	30.18	30.60	24.61
Volume Traded	1,825	1,935	2,241	3,835	6,854	3,259
Volume Exported	1,545	1,775	1,601	530	245	204
20% or More						
Price Range	-	-	-	22.00	22.00	22.50
Wtd Avg Price	-	-	-	22.00	22.00	22.50
Volume Traded	-	-	-	82	41	41
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Mar 2013	Feb 2013	Mar 2012	Mar 2013	Feb 2013	Mar 2012
15% or Less						
Wtd Avg Price	31.00	30.00	-	29.16	26.43	26.92
Volume Traded	80	40	-	561	714	775
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	33.40	32.59	34.92	28.52	26.70	25.56
Volume Traded	6,348	5,957	9,964	17,485	17,289	19,562
Volume Exported	5,700	5,357	8,629	1,958	2,815	4,264
20% or More						
Wtd Avg Price	-	-	-	22.00	22.00	22.30
Volume Traded	-	-	-	367	245	408
Volume Exported	-	-	-	-	-	-

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



Source: USDA AMS Livestock, Poultry & Grain Market News (www.ams.usda.gov/lpsmarketnews)

NATIONAL YOUNG TURKEY PARTS

INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 23 APRIL 2013.

The market on bulk parts was steady with wings and necks steady to weak. Demand and offerings was light to moderate. Tom breast meat market is not fully tested, undertone is weak. Demand was light. Offerings moderate to heavy. White trims market steady to firm. Demand was light to moderate. Offerings light. Thigh meat market was steady to barely steady. Demand was light. Offerings was light to moderate. Trading was slow for parts. For domestic: Grade A non-basted 8-10 lb. breasts 137 cents, 12-16 lbs. 142 cents, frozen machine defatted tom gizzards 90 cents, frozen livers 27 cents, fresh full cut wings 45-46 cents and fresh scapula 117 cents delivered. For export: fresh tom drums 62 cents, frozen livers 26 cents, hen thigh meat 114 cents and hen drums 57 cents delivered to Border or port.

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
FRIDAY, APRIL 19, 2013						
DRUMSTICKS, TOMS	64.00-66.00		65.26	272	65.12	432
WINGS FULL-CUT - TOMS	39.00-48.00		44.95	1,152	44.47	1,638
WINGS, V-TYPE, TOM		W	70.00	108	70.00	108
TAILS	55.00		55.00	40	55.00	40
MECHANICALLY SEPARATED 2/	34.00-36.00		35.33	81	35.33	81
THIGH MEAT - FROZEN	113.00-117.0		115.20	171	114.97	211
THURSDAY, APRIL 18, 2013						
DRUMSTICKS, TOMS	65.00		65.00	120		
WINGS FULL-CUT - TOMS	42.00		42.00	270		
WINGS, V-TYPE, TOM		W	70.00	108		
TAILS		F	58.00	40		
MECHANICALLY SEPARATED 2/		F	37.00	40		
THIGH MEAT - FROZEN		W	114.00	40		
WEDNESDAY, APRIL 17, 2013						
DRUMSTICKS, TOMS	64.50		64.50	40		
WINGS FULL-CUT - TOMS	45.00		45.00	216		
WINGS, V-TYPE, TOM	70.00		70.00	108		
TAILS		F	58.00	40		
MECHANICALLY SEPARATED 2/		F	37.00	40		
THIGH MEAT - FROZEN	114.00		114.00	40		
TUESDAY, APRIL 16, 2013						
DRUMSTICKS, TOMS		F	66.80	270		
WINGS FULL-CUT - TOMS		F	53.00	216		
WINGS, V-TYPE, TOM						
TAILS		F	58.00	40		
MECHANICALLY SEPARATED 2/		F	37.00	40		
THIGH MEAT - FROZEN		F	116.46	350		
MONDAY, APRIL 15, 2013						
DRUMSTICKS, TOMS		F	66.80	270		
WINGS FULL-CUT - TOMS		F	53.00	216		
WINGS, V-TYPE, TOM						
TAILS		F	58.00	40		
MECHANICALLY SEPARATED 2/		F	37.00	40		
THIGH MEAT - FROZEN		F	116.46	350		

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.