May 21, 2013
VOL. 16 NO. 21

INTERNATIONAL EGG AND POULTRY REVIEW

U.S. Department of Agriculture | Agricultural Marketing Service | Livestock, Poultry and Grain Market News

China

Avian Influenza H7N9 Update

Since the discovery of Avian Influenza (AI) H7N9 the end of March 2013, 131 laboratory-confirmed cases and 36 deaths have been reported to the World Health Organization. The reported number of cases has slowed toward the end of April and into May. Several provincial governments have started to normalize their emergency operations into their routine surveillance and response activities. Shanghai, one of the cities ending its emergency operations, will keep its live markets closed.

Several of China's ministries have jointly issued and published a notice intended to minimize the chance of the AI H7N9 virus spreading within and between provinces. Live bird movement in areas where the virus has been found has been temporarily suspended, except for some exceptions for breeding stock. They will also try to discourage purchasing poultry from live markets while encouraging purchases of frozen poultry meat produced from centralized, organized, industrial establishments.

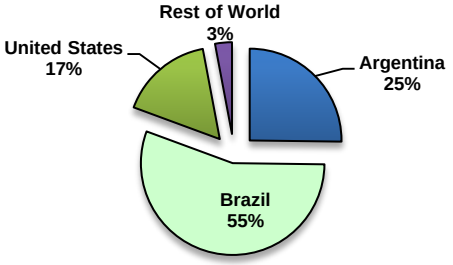
While the China's animal sector was weak before the AI H7N9 outbreak, the AI impact has been significant. The China Development Bank, China's policy lender, has issued 116 million yuan (US$18.7 million) in emergency loans to help poultry firms. Also, China's government will be issuing 600 million yuan (US$96.7 million in subsides to support poultry processing companies. The poultry industry has lost more than 40 billion yuan (US$6.5 billion).

While broiler prices have dropped significantly since early April, prices at the wholesale level appear to be stabilizing. Chicken retail prices, after falling for 7 consecutive weeks, rose 0.1% for the week of May 6-10, 2013 over the previous week.

Because of the lower prices breeding stocks have been reduced and many have been forced out of business entirely. The rebuilding process will need several weeks to take effect. Some are forecasting prices to build in June or July and, because of reduced or loss of breeding stocks, could eventually push poultry prices up sharply which might affect the national market.

In 2010, most of China's chicken meat imports came from Brazil, Argentina and the United States (U.S.). The sluggish China broiler meat market has resulted in U.S. broiler meat exports to China for March, 2013 declining 5% from February 2013. U.S. turkey meat exports to China for March 2013 however, increased 26% from February 2013.

China Chicken Meat Imports
Market Share By Country for 2010
(By Volume)

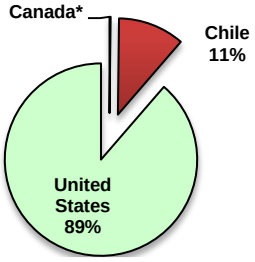


Source: FAOSTAT, FAO Statistics Division 2013, 19 May 2013

China Turkey Imports

In 2010 The U.S. commanded the majority of China's turkey meat imports. U.S. January-March, 2013 cumulative total turkey meat exports are 123% over the same time frame for 2012. Meanwhile, total 2012 U.S. turkey meat exports to China are 22% over 2011's.

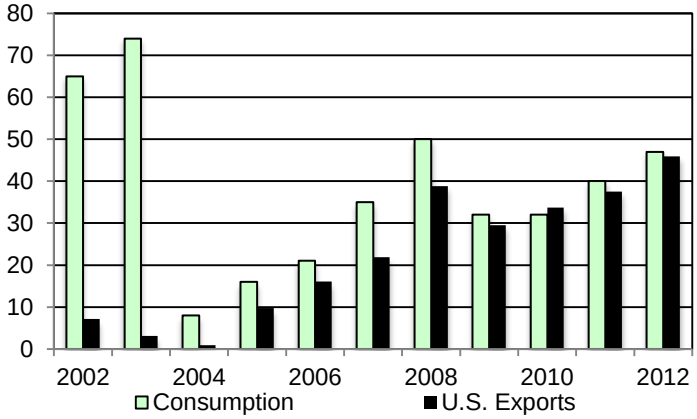
China Turkey Meat Imports
Market Share By Country for 2010
(By Volume)



*Canada exported only negligible amounts to China
Source: FAOSTAT, FAO Statistics Division 2013, 19 May 2013

Sources: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics/USDA, Foreign Agricultural Service; Ministry of Commerce, People's Republic of China; Ministry of Agriculture, People's Republic of China; Rabobank International; The Poultry Site; World Health Organization; various news sources

Total China Turkey Meat Imports & Consumption
Versus U.S. Turkey Meat Exports to China
(1,000 Metric Tons)



Sources: USDA, Foreign Agricultural Service Official USDA Estimates; Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics/USDA, Foreign Agricultural Service

U.S. Turkey Meat Exports To China
January-March Comparisons
Metric Tons)

	2009	2010	2011	2012	2013
Other Turkey	1,045	837	1,815	1,750	6,370
Frozen Turkey Wings	2,008	2,718	5,862	2,014	4,907
Frozen Turkey Legs (With Bone Out)	173	407	1,123	2,115	2,899
Balance of Items	1,302	349	2,270	708	531
Total*	4,527	4,311	11,070	6,586	14,706

*May not total due to rounding
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)

Week Ending May 11, 2013 Year-To-Date*

Type	2013	2012 /1	2013 /2	2012
Liquid	0	48	1,386	479
Frozen	40	0	40	0
Dried	0	0	59	10
Total	40	48	1,485	489

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

Week Ending May 11, 2013 Year-To-Date*

Type	2013	2012 /1	2013 /2	2012
Liquid	158	248	4,711	6,219
Frozen	63	5	553	383
Dried	0	0	4	0
Total	221	253	5,268	6,602

INSPECTED SHELL EGGS

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

Week Ending May 11, 2013 Year-To-Date*

	2013	2012 /1	2013 /2	2012
Jumbo	0	0	0	0
Extra Large	2,580	2,670	39,260	32,160
Large	3,580	4,680	77,560	69,432
Medium	0	1,620	13,083	12,903
Ungraded	3,030	5,760	82,549	51,768
Misc	0	0	0	1,620
Total	9,190	14,730	212,452	167,883

/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 May 11, 2013 (Preliminary)

U.S. Fowl Slaughtered Domestically

	Light Hens	Heavy Hens	Total Hens
	----------Thousands----------		
Head	1,838	1,594	3,432
Last Week	1,714	1,417	3,131
Same week yr ago	2,025	1,598	3,623
To-date/2013*	31,520	26,998	58,518
To-date/2012*	31,874	27,998	59,872

U.S. Fowl Slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	----------Thousands----------		
Head	428	0	428
Last Week	630	0	630
Same week yr ago	347	0	347
To-date/2013*	7,181	0	7,181
To-date/2012*	5,914	36	5,950

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	2,266	1,594	3,860
Last Week	2,344	1,417	3,761
Same week yr ago	2,372	1,598	3,970
To-date/2013*	38,701	26,998	65,699
To-date/2012*	37,788	28,034	65,822

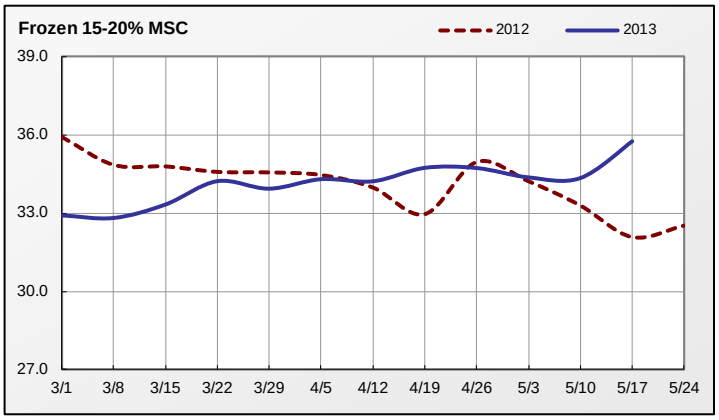
*Note: Year to-date totals reflect comparable time periods.

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.)

Prices are trending steady to firm on all fat contents of MSC. Supplies are light to moderate. Schedules are normal. Demand is mostly moderate into both domestic and export channels; however this week there seems to be more export interest. Industry continues to be cautious and watching the marketplace closely for any new developments or changes that might offer any indication in market direction. Otherwise many are making the usual last minute preparations for the upcoming Memorial Day holiday. Market activity is moderate to active. Supplies of raw materials are light to moderate. Frames are steady, trading between 14-17.5 cents FOB, mostly 15-16 cents FOB.

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

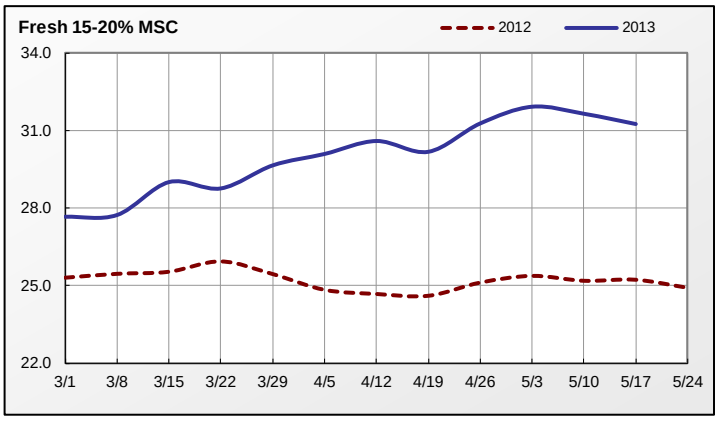
	Frozen			Fresh		
Fat Content	17-May-13	Last Week	Last Year	17-May-13	Last Week	Last Year
15% or Less						
Price Range		33.00	28.00-30.00	32.00 - 33.00	32.00 - 33.00	27.00
Wtd Avg Price		33.00	28.60	32.67	32.67	27.00
Volume Traded	-	40	200	122	184	122
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	34.00 - 38.00	32.00 - 38.00	28.00-36.00	28.00 - 36.00	28.00 - 36.00	22.00-28.00
Wtd Avg Price	35.75	34.34	32.08	31.26	31.66	25.23
Volume Traded	1,260	4,231	2,595	3,713	3,264	3,716
Volume Exported	1,260	4,151	2,155	612	490	408
20% or More						
Price Range	-	-	-	22.50	22.50	22.50
Wtd Avg Price	-	-	-	22.50	22.50	22.50
Volume Traded	-	-	-	82	82	41
Volume Exported	-	-	-	-	-	-



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

	Frozen			Fresh		
Fat Content	Apr 2013	Mar 2013	Apr 2012	Apr 2013	Mar 2013	Apr 2012
15% or Less						
Wtd Avg Price	32.00	31.00	-	30.29	29.16	25.39
Volume Traded	40	80	-	775	561	367
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	34.54	33.40	33.93	30.55	28.52	24.83
Volume Traded	8,831	6,348	6,532	20,114	17,485	14,195
Volume Exported	8,191	5,700	5,292	1,428	1,958	1,997
20% or More						
Wtd Avg Price	-	-	-	22.14	22.00	22.50
Volume Traded	-	-	-	286	367	245
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/lpsmarketnewspage)

NATIONAL YOUNG TURKEY PARTS

INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 17 MAY 2013.

The market on bulk parts was steady, instances firm on drums. Demand and offerings was light to moderate. Tom breast meat, destrapped tenderloins and wing meat market is steady, with breast trim and scapula steady to firm. Demand and offerings was light to moderate. The market on thigh meat was steady. Demand and offerings was light to moderate. Trading for parts was slow to moderate. For domestic: fresh full cut wings 43 cents, #2 thigh trim 72 cents, fresh breast trim 108, fresh scapula 121, fresh wing meat 90-98 cents, frozen tails 55 cents, and frozen livers 25 cents for pet food delivered. For export: fresh tom drums 63-64 cents and frozen scapula 124 cents delivered to port or Border.

EXPORT TRADING

FRIDAY, MAY 17, 2013	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	69.00		69.00	216	67.67	486
WINGS FULL-CUT - TOMS	34.00		34.00	240	39.45	456
WINGS, V-TYPE, TOM	77.00		77.00	240	75.73	660
TAILS	55.00		55.00	40	56.60	202
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	106.00	648		

THURSDAY, MAY 16, 2013	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	65.00-67.00		66.60	270
WINGS FULL-CUT - TOMS		W	45.50	216
WINGS, V-TYPE, TOM	75.00		75.00	420
TAILS	57.00		57.00	162
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	106.00	648

WEDNESDAY, MAY 15, 2013	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	65.00	54
WINGS FULL-CUT - TOMS	44.50-46.50		45.50	216
WINGS, V-TYPE, TOM		F	77.57	756
TAILS		F	56.50	40
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	106.00	648

TUESDAY, MAY 14, 2013	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	65.00	54
WINGS FULL-CUT - TOMS		F	46.50	240
WINGS, V-TYPE, TOM		F	77.57	756
TAILS		F	56.50	40
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	106.00	648

MONDAY, MAY 13, 2013	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	65.00	54
WINGS FULL-CUT - TOMS		F	46.50	240
WINGS, V-TYPE, TOM		F	77.57	756
TAILS		F	56.50	40
MECHANICALLY SEPARATED 2/		M	37.00	27
THIGH MEAT - FROZEN		F	106.00	648

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.