



# INTERNATIONAL EGG AND POULTRY REVIEW

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U.S. Department of Agriculture Agricultural Marketing Service Poultry Programs Market News and Analysis Branch

## Venezuela Poultry and Egg Situation

Broiler production in Venezuela is expected to reach 860,000 metric tons in 2008, up 5% from the previous year, but still well below the 893,000 metric tons produced in 2002, the year before price controls were implemented.

Venezuela's poultry industry is strong, organized, vertically integrated and well-managed. These attributes have allowed the industry to increase production even with government price controls that do not allow producers to raise prices along with the cost of production. Domestic producers also have to compete with government imports of Brazilian poultry.

Poultry prices are significantly lower than other meats. Retail prices for poultry have been set under a government control policy since 2003. Whole poultry and cuts are sold at a fixed price established by the Bolivarian Republic of Venezuela. The poultry industry continues to lobby government authorities to ultimately remove poultry and products from the list of price-controlled items.

## Venezuela Poultry Prices (Bs per kilogram)

	Feb-03	Feb-04	Nov-07	Feb-07	Apr-08
Whole	1.80	2.30	3.13	4.45	8.39
Brst	2.70	3.30	4.49	7.00	12.91
Bnl Brst	4.15	nc	4.49	10.78	19.88
Leg Qtr	2.00	2.45	3.33	5.50	10.14
Bnl Leg Qtr	3.50	nc	3.33	9.63	17.75

Source: Official Gazettes, nc = not controlled

Note: 1 USD = Bs 2.15

Only the government is allowed to import poultry, which it then sells to the private retail sector and to the government food distribution network. Government imports are not subject to tariffs or customs charges. The government has set up grocery stores through a state-run company called MERCAL. Mission MERCAL stores and cooperatives are mostly located in poor areas. Poultry products offered through the government's distribution network are subsidized and cheaper than current controlled prices. The poultry industry wants the government to import less poultry and insists domestic production is capable of supplying the demand. Venezuela's poultry industry says it can supply 100% of demand, but can't demonstrate this as long as imports continue.

## Venezuela's Poultry and Egg Consumption

(Kilogram per capita and number)

	Poultry Meat	Eggs
2000	24.20	98.50
2001	27.10	111.04
2002	30.32	130.98
2003	23.46	116.13
2004	29.00	112.00
2005	31.00	130.00
2006	33.00	133.00
2007	34.00	140.00
2008*	34.50	142.00

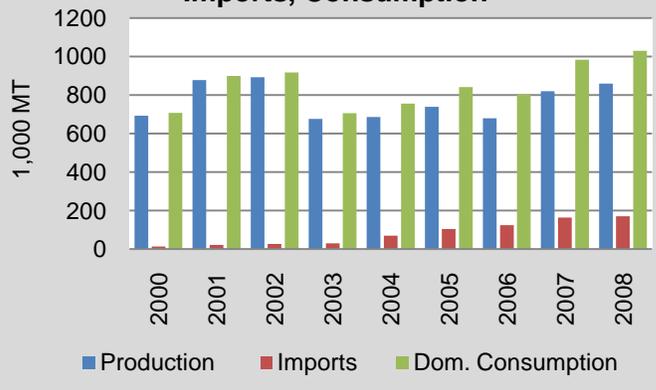
\*estimate

Source: FENAVI

In early August, the Bolivarian Government decided to temporarily suspend issuing import licenses for beef, milk, cheese and chicken as a measure to guarantee a market for domestic production of these items. This suspension applies only to the private sector, not to government entities. The import permits for chicken are restricted in order to guarantee the market for 12,000 mt of domestically produced frozen chicken. However, the Government will continue importing poultry for MERCAL.

Source: USDA/FAS GAIN Report, news wires

## Venezuela Broiler Meat Production, Imports, Consumption



Source: USDA/FAS

Japanese Frozen Egg Imports (in tons)					Japanese Powdered Egg Imports (in tons)				
	Whole Egg	Yolks	Albumen	Total	Month	Whole	Yolks	Albumen	Total
2007					2007				
March	32.3	329.1	42.0	403.4	Mar	283.5	170.5	537.8	991.8
April	72.0	383.5		455.5	Apr	224.6	222.0	881.7	1,328.3
May	107.1	519.0		626.1	May	397.6	188.8	651.0	1,237.4
To date	512.1	1,982.3	579.6	3,074.0	YTD	1,772.7	1,012.0	3,637.5	6,422.2
2008					2008				
January	239.1	453.9		693.0	Jan	265.6	188.5	942.5	1,396.6
February	229.4	238.8		468.2	Feb	306.0	162.8	531.7	1,000.5
March	259.2	622.1		881.3	Mar	304.0	219.1	682.2	1,205.3
April	144.9	544.0		688.9	Apr	186.2	318.4	938.0	1,442.6
May	197.0	461.7		658.7	May	315.3	253.4	849.5	1,418.2
To date	1,069.6	2,320.5	-	3,390.1	YTD	1,377.1	1,142.2	3,943.9	6,463.2

Source: Agriculture & Livestock Industries Corporation, Ministry of Finance, "Japan Exports and Imports"

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

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

Type	Year-To-Date			
	2008	2007 /1	2008 /2	2007
Liquid	0	0	396	2,462
Frozen	0	0	39	25
Dried	0	0	406	447
Total	0	0	841	2,934

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

Type	Year-To-Date			
	2008	2007 /1	2008 /2	2007
Liquid	617	579	11,800	10,053
Frozen	22	3	349	262
Dried	0	0	393	589
Total	639	582	12,542	10,904

**Inspected Shell Eggs**

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

	Year-To-Date			
	2008	2007 /1	2008 /2	2007
Jumbo	0	0	0	0
Extra Large	1,350	1,350	34,540	26,029
Large	1,640	2,650	39,703	47,816
Medium	60	1,350	25,691	33,065
Ungraded	2,310	10,518	217,634	34,574
Misc	0	0	1,562	4,837
Total	5,360	15,868	319,130	146,321

/1 Comparable Week, to-date figures may not total due to rounding.  
/2 Includes revisions to previous week(s)  
Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section  
Source: USDA AMS Poultry Programs, Market News & Analysis Branch

**U.S./CANADIAN LIVE POULTRY-  
SLAUGHTERED UNDER INSPECTION**

Week Ending 02-Aug-08 (Preliminary)

**U.S. fowl slaughtered domestically**

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	1,420	1,747	3,167
Last Week	1,465	1,812	3,277
Same week yr ago	1,115	1,659	2,774
To-date/2008	43,470	49,296	92,766
To-date/2007	34,557	44,500	79,057

**U.S. fowl slaughtered in Canada**

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	450	0	450
Last Week	470	0	470
Same week yr ago	313	0	313
To-date/2008	10,252	38	10,290
To-date/2007	7,762	23	7,785

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

**Total U.S. fowl slaughtered in the U.S. and Canada**

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	1,870	1,747	3,617
Last Week	1,935	1,812	3,747
Same week yr ago	1,428	1,659	3,087
To-date/2008	53,722	49,334	103,056
To-date/2007	42,319	44,523	86,842

Source: USDA AMS Poultry Programs, Market News & Analysis Branch

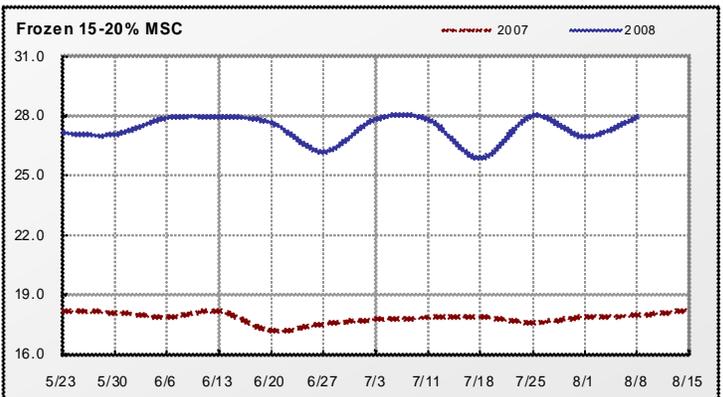
**NATIONAL MECHANICALLY SEPARATED CHICKEN**

(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.)

The MSC market tone continues steady to fully steady. Offerings of fresh 15-20% are short to light and held with confidence. Demand for fresh and frozen was moderate to good. Supplies of raw materials are tight and sought after. Domestic trading was slowed only by reduced availability. Export demand was good with best inquiry from Mexico, Central American and Asian countries. Schedules remain fulltime. Frame values were steady ranging 5 to 10 cents FOB, mostly 7 to 9 cents.

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

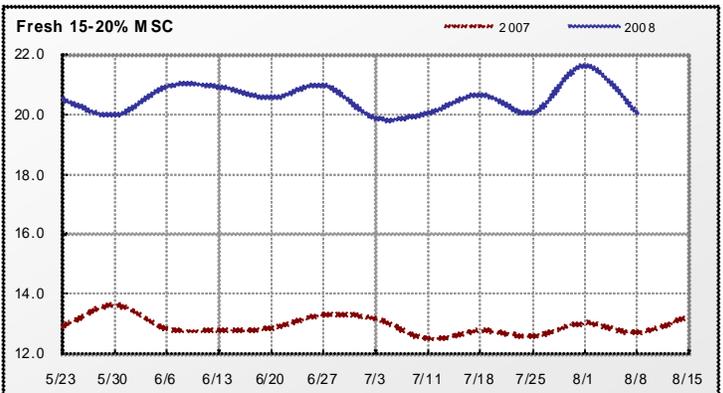
Fat Content	Frozen			Fresh		
	8-Aug-08	Last Week	Last Year	8-Aug-08	Last Week	Last Year
<b>15% or Less</b>						
Price Range	-		18.00	24.00 - 26.00	24.00 - 25.00	15.00-16.00
Wtd Avg Price	-		18.00	24.63	24.38	15.81
Volume Traded	-	-	262	321	424	418
Volume Exported	-	-	262	-	-	-
<b>15-20%</b>						
Price Range	26.00 - 30.00	19.00 - 34.00	16.00-21.00	18.00 - 25.00	18.00 - 29.00	11.00-16.00
Wtd Avg Price	27.93	26.94	18.25	20.06	21.65	13.25
Volume Traded	717	2,191	1,380	2,082	3,455	1,574
Volume Exported	676	1,547	1,196	265	612	490
<b>20% or More</b>						
Price Range	***-***	-	-	***21.00***	21.00	14.00
Wtd Avg Price	***-***	-	-	***21.00***	21.00	14.00
Volume Traded	***-***	-	-	***122***	156	40
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Jul 2008	Jun 2008	Jul 2007	Jul 2008	Jun 2008	Jul 2007
<b>15% or Less</b>						
Wtd Avg Price	30.00	26.00	17.93	23.72	24.78	15.84
Volume Traded	40	164	1,169	647	684	1,366
Volume Exported	-	164	1,047	-	-	-
<b>15-20%</b>						
Wtd Avg Price	27.53	27.60	17.81	20.16	20.83	12.71
Volume Traded	5,069	5,261	6,151	12,334	10,252	8,597
Volume Exported	4,269	4,620	5,303	2,830	1,345	1,835
<b>20% or More</b>						
Wtd Avg Price	-	-	-	-	-	14.00
Volume Traded	-	-	-	-	-	280
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 08 AUGUST 2008.

The market tone on tom breast meat and wing meat with skin was steady to barely steady, destrapped tenderloins steady to instances weak, breast trim steady to fully steady and scapula steady to firm. Demand on destrapped tenderloins light and spotty, tom breast meat light to instances moderate, breast trim light to moderate and scapula moderate to good. Offerings of scapula short of buyers' needs, breast trim light and spotty, wing meat with skin and tom breast meat adequate to fully adequate, destrapped tenderloins adequate to instances burdensome. The market tone on 4-8 lb. breasts was steady to fully steady for the light to moderate demand. Offerings light with Grade As held with the most confidence. The market tone on institutional sized breasts was barely steady at best. Demand light for the adequate to ample offerings. Trading slow to moderate. For domestic (fresh): scapula 117, breast trim 121 cents delivered.

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>	<b>WEEKLY</b>	<b>WEEKLY</b>
<b>FRIDAY, AUGUST 08, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>	<b>PRICE</b>	<b>VOLUME</b>
DRUMSTICKS, TOMS	50.00		50.00	164	52.42	660
WINGS FULL-CUT - TOMS	42.00		42.00	40	45.49	526
WINGS, V-TYPE, TOM		F	62.33	324		
TAILS	42.00-43.00		42.50	120	42.43	507
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	27.00		27.00	108	27.00	108
		W	105.00	80	105.00	428

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>THURSDAY, AUGUST 07, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS		W	53.50	216
WINGS FULL-CUT - TOMS	42.00-48.00		45.78	486
WINGS, V-TYPE, TOM		F	62.33	324
TAILS	45.00		45.00	40
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	27.50	80
		W	105.00	80

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>WEDNESDAY, AUGUST 06, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	52.00-55.00		53.50	216
WINGS FULL-CUT - TOMS		F	43.85	350
WINGS, V-TYPE, TOM		F	62.33	324
TAILS	42.00		42.00	80
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	27.50	80
	105.00		105.00	80

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>TUESDAY, AUGUST 05, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	53.00		53.00	200
WINGS FULL-CUT - TOMS		F	43.85	350
WINGS, V-TYPE, TOM		F	62.33	324
TAILS	41.50-42.50		42.00	80
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	27.50	80
		M	105.00	348

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>MONDAY, AUGUST 04, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	53.00		53.00	80
WINGS FULL-CUT - TOMS		F	43.85	350
WINGS, V-TYPE, TOM		F	62.33	324
TAILS	41.50-43.00		42.21	187
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	27.50	80
	105.00		105.00	348

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R-THURSDAY F=FRIDAY  
2/ Product contains 15/20% fat with skin added.