



USDA BROILER MARKET NEWS REPORT

ISSN 1522-0567

WEDNESDAY
DECEMBER 03, 2008
VOL. 55 NO. 145

U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News and Analysis Branch

NATIONAL BROILER MARKET-AT-A-GLANCE



Trade sentiment was mostly steady in all areas. Retail and distributive demand was slow to moderate, best into fast food, sports bars, and catering businesses. Supplies of all sizes were usually sufficient to satisfy trade needs. Floor stocks were adequate to fully adequate. In the parts structure, movement was fair to moderate for mid-week trading. Wings and tenders were well cleared to tight and moving best. The remaining breast items were sufficient, and dark meat cuts were at least adequate to available with drums and thighs often slow to clear. In production areas, live supplies were moderate at mostly desirable weights.

GEORGIA F.O.B. DOCK PRICES The Georgia f.o.b. dock quoted price on broilers/fryers for next week's trading remains unchanged at 87.00 cents based on full truck load lots of ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds. This compares to 77.00 cents last year on December 5, 2007.

Georgia f.o.b. dock quoted prices on ice-packed parts for next week's trading: **DOCK PRICE**

| ITEM | (CENTS PER POUND) |
|------------------|-------------------|
| LINE RUN TENDERS | 153.50 |
| BREASTS - B/S | 113.00 |
| BREASTS - WHOLE | 70.00 |
| THIGH MEAT - B/S | 103.50 |
| THIGHS | 51.50 |
| DRUMSTICKS | 53.50 |
| LEG QUARTERS | 29.50 |
| WINGS | 115.00 |

This information is supplied by the Georgia Department of Agriculture's Poultry Market News Service.

WESTERN REGION The market tone was about steady. Offerings were adequate overall. Buying activity was fair. Retailer demand was fair to fairly good, best for parts. Floor stocks were generally adequate.

SOUTHERN REGION Trade sentiment was mostly steady. Demand was light to moderate, best where first of the month business, retail ads, and fast food specials were active. Supplies of all sizes were usually sufficient to satisfy trade needs. In the parts structure, movement was fair to fairly good for mid-week trading. Wings were close balanced to short and continued to move well. Breast items were adequate to well cleared with tenders in the best position. Dark meat cuts were sufficient to readily available with mixed interest. In production areas, live supplies were moderate at mostly desirable weights.

NORTHEAST REGION Trucklot buying activity on ready-to-cook whole broiler/fryers remained fair to moderate during midweek trading. Offerings of all sizes were generally sufficient for current needs. Movement through retail and distributive channels was fair. The market tone was steady. In the parts complex, breast items were adequate and clearing satisfactorily; tenders and wings were in close balance to well cleared. Dark meat cuts were at least adequate to available.

MIDWEST REGION Whole broiler/fryer market tone was steady. Offers were sufficient for current light trade inquiry. Retail and distributive demand was slow to moderate; best activity noted into fast food, sports bars and catering. Floor stocks were adequate to fully adequate; weights mostly desirable. Supplies of wings and tenders were tight to short of needs, breast cuts adequate, leg quarters in bag form were clearing well and limited, and other dark meat cuts were available. The trade sentiment was firm on wings, steady to firm on breast items, steady to barely steady on dark meat cuts.

BROILER-TYPE EGGS SET IN 19 SELECTED STATES

DOWN 8 PERCENT

Commercial hatcheries in the 19-State weekly program set 203 million eggs in incubators during the week ending November 29, 2008. This was down 8 percent from the eggs set the corresponding week a year earlier. Average hatchability for chicks hatched during the week was 84 percent. Average hatchability is calculated by dividing chicks hatched during the week by eggs set three weeks earlier.

BROILER CHICKS PLACED

DOWN 10 PERCENT

Broiler growers in the 19-State weekly program placed 159 million chicks for meat production during the week ending November 29, 2008. Placements were down 10 percent from the comparable week a year earlier. Cumulative placements from December 30, 2007 through November 29, 2008 were 8.29 billion, down 1 percent from the same period a year earlier.

BROILER-TYPE EGGS SET AND BROILER CHICKS PLACED TOTAL 19 SELECTED STATES

| WEEK ENDING 11/29/08 | 2008 | 2007 | PERCENT CHANGE PREVIOUS YEAR |
|----------------------|-----------------|---------|---------------------------------|
| | <i>Thousand</i> | | |
| EGGS SET | 203,287 | 221,543 | -8 |
| CHICKS PLACED | 158,749 | 177,182 | -10 |

WEEKLY FRYERS AVAILABLE FOR MARKETING

Based on the preliminary chick placements, the number of fryers available for marketing during the week ending 10-Jan-09 is estimated at 143.2 million head. This compares to 142.2 million head the previous week and to 154.4 million head the same week a year ago, when the slaughter was 170.2 million head and the composite weighted average price was 77.53 cents per pound.

DEC 02

SOUTHERN STATES BROILER/FRYER PARTS

DEC 03

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.

| ITEM | POUNDS | | | WTD | ITEM | POUNDS | | | WTD |
|---------------------|-------------------|---------------|----------|--------|---------------------|-------------------|---------------|----------|--------|
| | (000) | RANGE | MAJORITY | AVG | | (000) | RANGE | MAJORITY | AVG |
| BREAST - B/S | 236 | 107.00-191.00 | 113-118 | 117.50 | BREAST - B/S | 240 | 105.00-191.00 | 113-118 | 116.71 |
| TENDERLOINS | 170 | 101.00-185.00 | 110-115 | 115.91 | TENDERLOINS | 178 | 102.00-185.00 | 112-117 | 117.19 |
| BREAST - LINE RUN | TOO FEW TO REPORT | | | | BREAST - LINE RUN | TOO FEW TO REPORT | | | |
| FRONT HALVES | TOO FEW TO REPORT | | | | FRONT HALVES | TOO FEW TO REPORT | | | |
| LEGS | TOO FEW TO REPORT | | | | LEGS | TOO FEW TO REPORT | | | |
| LEG QUARTERS (BULK) | 372 | 26.00-30.00 | 27-28 | 27.99 | LEG QUARTERS (BULK) | 368 | 26.00-30.00 | 27-28 | 27.98 |
| LEG QUARTERS (4/10) | 994 | 27.00-32.00 | 29-30 | 29.13 | LEG QUARTERS (4/10) | 976 | 27.00-32.00 | 29-30 | 29.04 |
| WINGS (WHOLE) | 104 | 99.00-110.00 | - | 105.77 | WINGS (WHOLE) | 106 | 100.00-110.00 | - | 106.23 |
| WINGS (CUT) | 120 | 112.00-119.00 | - | 116.38 | WINGS (CUT) | 117 | 113.00-119.00 | - | 116.95 |
| DRUMSTICKS | TOO FEW TO REPORT | | | | DRUMSTICKS | TOO FEW TO REPORT | | | |
| THIGHS | TOO FEW TO REPORT | | | | THIGHS | TOO FEW TO REPORT | | | |
| B/S THIGHS | TOO FEW TO REPORT | | | | B/S THIGHS | TOO FEW TO REPORT | | | |

WHOLE BODY INDEX BASED ON SOUTHERN STATES PARTS TRADING FOR F.O.B. DOCK

| RANGE | TODAY'S AVERAGE | RANGE | TODAY'S AVERAGE | 5-DAY AVERAGE |
|--------------|-----------------|---------------|-----------------|---------------|
| 44.00- 51.00 | 47.50 | 44.00 - 51.00 | 47.36 | 47.69 |

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.

NORTHEAST BROILER/FRYER PARTS - Trucklot buying activity was fair to moderate during midweek trading. Offerings of breast items were adequate and clearing satisfactorily; tenders and wings were well cleared. Dark meat cuts were at least adequate to available with drums and thighs slow to clear. Retail and distributive movement was fair. The market tone was fully steady to firm for wings and tenders; drums and thighs were barely steady. The balance of items were generally steady.

ICE PACKED BROILER/FRYER PARTS, DELIVERED TO FIRST RECEIVERS IN POOL TRUCKLOT AND TRUCKLOT QUANTITIES, CENTS PER POUND.

| DEC 02 | CURRENT NEG | WTD | VOL/LBS | DEC 03 | CURRENT NEG | WTD | VOL/LBS |
|----------------------------|-------------|--------|---------|----------------------------|-------------|--------|---------|
| ITEM | TRADING* | AVG | | ITEM | TRADING* | AVG | |
| BREAST - B/S | 115-120 | 112.73 | 490,580 | BREAST - B/S | 115-120 | 104.01 | 398,880 |
| TENDERLOINS | 115 | 110.71 | 113,540 | TENDERLOINS | 115-120 | 112.82 | 69,040 |
| BREAST - WITH RIBS | 65-66 | 68.01 | 181,000 | BREAST - WITH RIBS | 65-66 | 76.14 | 59,480 |
| BREAST - LINE RUN | 65 | 66.79 | 61,200 | BREAST - LINE RUN | 65 | 66.58 | 55,800 |
| LEGS | 45-46 | 39.23 | 213,200 | LEGS | 45-46 | 43.72 | 157,360 |
| LEG QUARTERS (BULK) | 26-27 | 26.24 | 414,640 | LEG QUARTERS (BULK) | 26-27 | 27.45 | 333,200 |
| DRUMSTICKS | 42-43 | 47.94 | 93,058 | DRUMSTICKS | 41-42 | 52.45 | 41,200 |
| THIGHS | 47-48 | 51.22 | 62,350 | THIGHS | 47-48 | 53.58 | 36,960 |
| B/S THIGHS | 94-95 | 98.61 | 54,280 | B/S THIGHS | 94-95 | 96.51 | 30,760 |
| WINGS (WHOLE) | 112-113 | 108.61 | 154,244 | WINGS (WHOLE) | 113-114 | 118.14 | 118,560 |
| BACKS AND NECKS (STRIPPED) | 13-15 | 15.00 | 25,360 | BACKS AND NECKS (STRIPPED) | 13-15 | 14.94 | 13,640 |
| LIVERS (5 POUND TUBS) | 45-50 | 48.77 | 9,720 | LIVERS (5 POUND TUBS) | 45-50 | 49.69 | 3,840 |
| GIZZARDS (HEARTS) | 70-75 | 74.97 | 36,400 | GIZZARDS (HEARTS) | 70-75 | 74.99 | 15,480 |

INCLUDES NY CITY METRO. AREA, NORTHERN NJ, MA, CT, RI, & PA (NORTHEAST OF HARRISBURG). * TODAY'S NEG. 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.

ESTIMATED SLAUGHTER OF BROILER-FRYERS

| | ESTIMATED | | ACTUAL | | AVG WTS | | ACTUAL | | AVG |
|----------------|------------|---------|---------|---------|------------|---------|---------|-------|-----|
| | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | (1,000) | WTS | |
| | 12/03 | 12/02 | 12/01 | 11/28 | 12/01 | 11/28 | 11/26 | 11/24 | |
| Alabama | 3,403 | 4,050 | 3,974 | 3,439 | 5.34 | 5.17 | 3,626 | 5.40 | |
| Arkansas | 5,003 | 5,118 | 4,885 | 1,927 | 5.72 | 5.12 | 4,726 | 5.63 | |
| Delmarva | 2,179 | 2,019 | 2,083 | 2,251 | 6.18 | 5.99 | 2,055 | 6.00 | |
| KY-LA-TN | 2,290 | 2,244 | 2,267 | 1,870 | 5.34 | 4.93 | 2,018 | 5.32 | |
| Mississippi | 3,037 | 3,007 | 2,943 | 1,686 | 6.08 | 5.76 | 2,802 | 5.93 | |
| North Carolina | 2,725 | 2,834 | 2,730 | 2,943 | 7.04 | 6.73 | 2,191 | 6.98 | |
| Texas | 2,692 | 2,598 | 2,708 | 1,205 | 5.47 | 5.31 | 2,006 | 5.44 | |
| Total | 21,329 | 21,870 | 21,590 | 15,321 | 5.84 | 5.63 | 19,424 | 5.78 | |
| Mon-Wed | 64,722 (A) | | | | 62,669 (A) | | | | |

(A) Weekly cumulative for states listed above.

Broiler-fryer slaughter under federal inspection for 03-Dec-08 is estimated to be 31,911,000 head up 9.48 percent from a week ago and down -4.95 percent from a year ago.

(Last week 29,148,000, last year 33,574,000)

SOUTHERN CALIFORNIA (L.A. AREA) PROCESSED POULTRY, DLVRD TO RETAILERS

| | RANGE |
|------------------|---------|
| FRESH FRYERS | 109-119 |
| ROASTERS 4# & UP | 125-135 |
| HENS UNDER 5# | |
| HENS OVER 5# | |
| DUCKS | |
| RABBITS-WHOLE | |
| RABBITS-CUT UP | |

SAN FRANCISCO PROCESSED POULTRY DLVRD TO RESTAURANTS AND INSTITUTIONS

| | RANGE |
|------------------|--------------|
| FRESH FRYERS | ICE PACK 159 |
| | DRY PACK 123 |
| ROASTERS 4# & UP | ICE PACK - |
| | DRY PACK 117 |
| HENS OVER 5# | ICE PACK 114 |
| | DRY PACK 112 |
| DUCKS | 235-252 |

ESTIMATED U.S. LIVE POULTRY SLAUGHTER

UNDER FEDERAL INSPECTION FOR WEEK ENDING 06-Dec-08

| Class | CURRENT WEEK | | PREVIOUS WEEK | |
|---------------|---------------------------|----------|---------------|----------|
| | 12/06/08 (1) | 11/29/08 | 12/06/08 (1) | 11/29/08 |
| | ----- Thousand head ----- | | | |
| Broiler/fryer | 164,685(2) | | 121,773 | |
| Light hens | 1,485 | | 848 | |
| Heavy hens | 1,582 | | 1,003 | |
| Total | 167,752 | | 123,624 | |

(1)ESTIMATED

2)The estimated number of broiler-fryers available for slaughter the week ending 06-Dec-08 is 149.2 million head compared to 171.3 million head slaughtered the same week last year. The estimated U.S. slaughter this week is 165.0 million head or 15.8 million more than estimated available. For the week of 13-Dec-08 the estimated available is 147.4 million head.

WEEKLY COLD STORAGE HOLDINGS-SELECTED STGE CENTERS
(INCL GOVT STOCKS) (IN THOUSANDS)

| | PROCESSED TURKEY | | PROCESSED POULTRY | |
|-------------|------------------|--|-------------------|--|
| | LBS | | LBS | |
| AM 12/01/08 | 73,775 | | 90,520 | |
| AM 11/01/08 | 111,299 | | 91,669 | |
| CHG | -37,524 | | -1,149 | |
| PCT CHG | -34 | | -1 | |

COLD STORAGE MOVEMENT (IN THOUSANDS)

| | PROCESSED TURKEYS | | | PROCESSED POULTRY | | |
|----------------------|-------------------|----------|----------|-------------------|----------|----------|
| | 12/01/08 | 11/24/08 | 12/03/07 | 12/01/08 | 11/24/08 | 12/03/07 |
| PACIFIC COAST | 631 | 656 | 4,139 | 6,056 | 6,121 | 8,878 |
| LOS ANGELES | 257 | 266 | 113 | 1,285 | 1,389 | 1,355 |

CENTRAL MISCELLANEOUS POULTRY RTC HENS

READY-TO-COOK PRICES NEGOTIATED FOR DELIVERY TO FIRST RECEIVERS, U.S.GRADE A AND PLANT GRADE,5LBS AND UP, FOR WEEK OF DECEMBER 1, 2008

| HENS | ICE PACKED (12 PER BOX) | RANGE | |
|------|-----------------------------|-------|-------|
| | | 73-84 | 71-94 |
| | VACUUM PACKED (6-9 PER BOX) | | |

HACKETTSTOWN POULTRY SALES

| | FOR 12/02/08 | | | LOW | HIGH | AVG |
|---|--------------|------|------|-------------------|------|------|
| | LOW | HIGH | AVG | | | |
| AI PAPERS REQUIRED TO SELL ALL OUT OF STATE POULTRY | | | | | | |
| HEAVY FOWL lb. | 1.00 | 2.10 | 1.72 | HEAVY FOWL ea. | - | - |
| LIGHT FOWL lb. | - | - | - | LIGHT FOWL ea. | - | 2.00 |
| MIXED FOWL lb. | - | - | - | MIXED FOWL ea. | - | - |
| BANTAMS lb. | - | - | - | BANTAMS ea. | - | - |
| BROILERS lb. | - | - | - | BROILERS ea. | - | - |
| ROASTERS lb. | - | - | - | ROASTERS ea. | - | - |
| FRYERS lb. | - | - | - | FRYERS ea. | - | - |
| CHICKS lb. | - | - | - | CHICKS ea. | - | - |
| PULLETS lb. | - | - | - | PULLETS ea. | - | - |
| BUNNIES lb. | - | - | - | BUNNIES ea. | - | 3.00 |
| ROOSTERS lb. | - | - | - | ROOSTERS ea. | - | - |
| GEESE lb. | - | - | - | GEESE ea. | - | - |
| TURKEYS lb. | - | - | - | TURKEYS ea. | - | - |
| DUCKS lb. | - | - | - | DUCKS ea. | - | - |
| RABBITS lb. | 2.20 | 2.50 | 2.35 | RABBITS ea. | - | - |
| PIGEONS lb. | - | - | - | PIGEONS ea. | 1.25 | 3.75 |
| GUINEA FOWL lb. | - | - | - | GUINEA FOWL ea. | - | - |
| DUCKLINGS lb. | - | - | - | DUCKLINGS ea. | - | - |
| GUINEA KEETS ea | - | - | - | CALL DUCKS ea. | - | - |
| SILKIES ea. | - | - | - | GOSLINGS ea. | - | - |
| GUINEA PIGS ea. | - | - | - | TURKEY POULTS ea. | - | - |
| CHUKARS ea. | - | - | - | | | |
| TOTAL COOPS | 21 | | | | | |

MAJOR WHOLESALE MARKETS-MEXICO CITY

Cents per pound for the week ending November 28, 2008

| | Whole Chickens | | Legs | Necks,Backs & Wings | Livers Gizzards | Hens |
|---------------------|----------------|----------|-------|---------------------|-----------------|-------|
| | Breasts | W/Thighs | | | | |
| RAYON | | | | | | |
| Low | 57.71 | 115.42 | 74.68 | 10.18 | 5.09 | 44.13 |
| High | 62.80 | 122.21 | 88.26 | 20.37 | 10.18 | 44.13 |
| Mostly | 60.77 | 118.82 | 81.47 | 13.58 | 8.49 | 44.13 |
| SAN JUAN | | | | | | |
| Low | 59.41 | 113.72 | 84.87 | 8.49 | 6.79 | 44.13 |
| High | 62.46 | 118.82 | 88.26 | 15.28 | 11.88 | 44.13 |
| Mostly | 60.77 | 115.42 | 84.87 | 10.18 | 8.49 | 44.13 |
| NEW SAN JUAN | | | | | | |
| Low | 60.77 | 117.12 | 78.08 | 10.18 | 6.79 | 42.43 |
| High | 62.80 | 123.91 | 88.26 | 16.97 | 10.18 | 42.43 |
| Mostly | 61.78 | 118.82 | 84.87 | 13.58 | 8.49 | 42.43 |
| BECERRA | | | | | | |
| Low | 61.78 | 118.82 | 88.26 | 10.18 | 6.79 | 45.83 |
| High | 63.48 | 125.61 | 91.66 | 16.97 | 10.18 | 45.83 |
| Mostly | 62.80 | 122.21 | 88.26 | 13.58 | 8.49 | 45.83 |

DELMARVA Movement of ready-to-cook whole birds was seasonally fair to moderate for midweek business. Seller offerings were adequate for trade needs. Live supplies were moderate; weights were mixed, but mostly desirable. Processing schedules were moderate. Less than trucklot asking prices remained unchanged at 78 to 90 cents. Trade sentiment was steady. In the parts complex, wings were closely balanced to tight. Breast items and tenders were balanced to well cleared with tenders reported in the tightest position. Dark meat cuts were sufficient to available.

BRANDED U.S. GRADE A

| RANGE | WEIGHTED AVERAGE | NO. OF BOXES |
|-------|------------------|--------------|
| | 74-93 | (A) |
| | | (A) |

(A) Not reported to avoid disclosing individual operations.

USDA, AMS, POULTRY PROGRAMS, POULTRY MARKET NEWS & ANALYSIS BRANCH OFFICES

| | | | |
|----------------|----------|---------------|-----------------------------------|
| Washington, DC | Voice | (202)720-6911 | Michael Sheats |
| | Fax | (202)720-2403 | (Chief) |
| Atlanta, GA | Voice | (404)562-5850 | Annie Terry |
| | Fax | (404)562-5875 | (Officer In Charge) |
| Jackson, MS | Voice | (601)965-4662 | Gary Brown |
| | Fax | (601)359-1175 | (Southern States Area Supervisor) |
| Des Moines, IA | Voice | (515)284-4471 | Mary L. Adkins |
| | Fax | (515)284-4468 | (Officer-InCharge) |
| | Recorded | (515)284-4545 | |
| Long Beach, CA | Voice | (562)388-7337 | Nettie Andry |
| | Fax | (562)432-8295 | |
| | Recorded | (213)534-1335 | |