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

World Turkey Meat

Production

World turkey meat production is expected to be invariable in 2009. At present, the US, EU-27, and Brazil comprise 95% of the world's turkey meat production. Turkey meat production in the US and the EU-27 (European Union) are forecast slightly lower, while Brazilian production is expected to continue increasing. The decrease in US production is attributed to high feed and energy costs, rising stocks, and falling domestic demand. The decline in EU-27 turkey meat production is ascribed to the bankruptcies and closures of major turkey producing companies. Brazil's turkey meat production is being driven by stronger exports and rising domestic demand as turkey consumption is slowly becoming a year round product instead of a seasonal one, especially processed products.

Imports

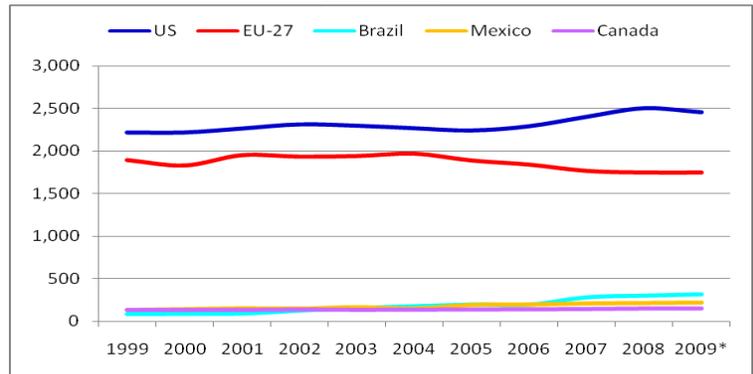
According to the USDA FAS World Markets and Trade report, poultry imports are forecast to rise 1% to 21 million tons in 2009. Turkey meat imports from Mexico are expected to rise as demand expands into supermarkets and deli type restaurants and consumer begin opting for more healthy choices. The EU-27 is projected to continue importing more especially from Brazil. Together these two countries account for 60% of total world turkey meat imports. Another rapidly developing import marketplace is China. At present consumption has outpaced production. Turkey meat is considered to be a non-traditional meat product, which is primarily consumed by foreigners, Chinese who have lived abroad, and a younger generation influenced by Western cultures and traditions.

Exports

In 2009, turkey meat exports from the US and Brazil are predicted to increase, while exports from the EU-27 are expected to decline. US exports of turkey meat climbed through August 2008, especially to Russia and China, which are the second and third largest turkey meat export destinations for the US following Mexico. Brazilian turkey meat exports are forecast to increase significantly, though mostly to the EU-27.

Source: USDA FAS

Top 5 Turkey Meat Consuming Countries in Thousand Metric Tons (MT)



Source: USDA FAS Production Supply and Distribution Online

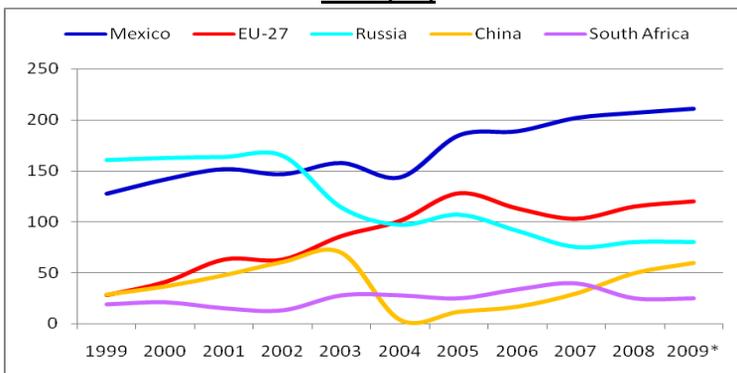
Leading Turkey Meat Producing Countries in Thousand Metric Tons (MT)

	1999	2008	% Change	2008	2009	% Change
US	2,372	2,801	18.1%	2,801	2,733	-2.4%
EU-27	2,101	1,760	-16.2%	1,760	1,750	-0.6%
Brazil	115	510	343.5%	510	550	7.8%
Canada	139	172	23.7%	172	172	0.0%
Russia	8	35	337.5%	35	40	14.3%
Mexico	12	15	25.0%	15	16	6.7%
S. Africa	2	7	250.0%	7	7	0.0%
China	5	5	0.0%	5	5	0.0%
World	4,842	5,305	9.6%	5,305	5,273	-0.6%

Note: S.Africa = South Africa. % Change = Percentage Change. Data for 2009 is forecast data.

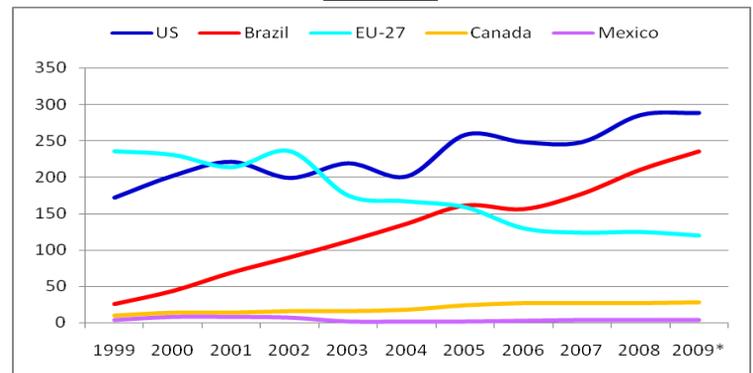
Source: USDA FAS Production Supply and Distribution Online

Top 5 Turkey Meat Importing Countries in Thousand Metric Tons (MT)



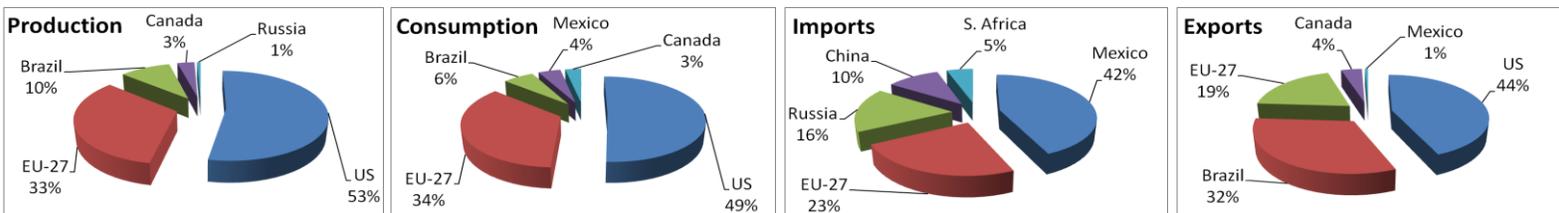
Source: USDA FAS Production Supply and Distribution Online

Top 5 Turkey Meat Exporting Countries in Thousand Metric Tons (MT)



Source: USDA FAS Production Supply and Distribution Online

Percentages of the World Total for Turkey Meat Production, Consumption, Imports, and Exports for 2008 Leaders



Note: S.Africa = South Africa. All data is from January-December.

Source: USDA FAS

**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	1,877	3,325
Frozen	0	0	84	71
Dried	0	68	652	909
Total	0	68	2,613	4,305

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

Type	Year-To-Date			
	2008	2007 /1	2008 /2	2007
Liquid	267	163	18,982	15,964
Frozen	1	4	567	412
Dried	0	0	791	857
Total	268	167	20,340	17,233

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	2,343	1,556	89,435	67,011
Large	5,520	5,480	130,874	125,723
Medium	0	600	51,415	64,641
Ungraded	936	1,560	453,564	217,468
Misc	0	0	10,760	7,849
Total	8,799	9,196	736,048	482,692

/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

**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	346	48	1,877	3,325
Frozen	0	0	84	71
Dried	80	88	652	841
Total	426	136	2,613	4,237

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

Type	Year-To-Date			
	2008	2007 /1	2008 /2	2007
Liquid	380	319	18,715	15,801
Frozen	0	17	566	408
Dried	84	0	791	857
Total	464	336	20,072	17,066

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	3,935	750	87,092	65,455
Large	9,520	11,411	125,354	120,243
Medium	828	1,731	51,415	64,041
Ungraded	2,856	1,560	452,628	215,908
Misc	0	0	10,760	7,849
Total	17,139	15,452	727,249	473,496

/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 27-Dec-08 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	991	755	1,746
Last Week	1,380	1,411	2,791
Same week yr ago	767	973	1,740
To-date/2008	70,204	83,231	153,435
To-date/2007	57,751	75,786	133,537

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	157	0	157
Last Week	369	0	369
Same week yr ago	50	0	50
To-date/2008	15,940	68	16,008
To-date/2007	13,614	59	13,673

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	1,148	755	1,903
Last Week	1,749	1,411	3,160
Same week yr ago	817	973	1,790
To-date/2008	86,144	83,299	169,443
To-date/2007	71,365	75,845	147,210

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

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

Week Ending 20-Dec-08 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	1,380	1,411	2,791
Last Week	1,350	1,460	2,810
Same week yr ago	1,475	1,570	3,045
To-date/2008	69,213	82,476	151,689
To-date/2007	56,984	74,813	131,797

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	369	0	369
Last Week	331	0	331
Same week yr ago	375	0	375
To-date/2008	15,783	68	15,851
To-date/2007	13,564	59	13,623

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	1,749	1,411	3,160
Last Week	1,681	1,460	3,141
Same week yr ago	1,850	1,570	3,420
To-date/2008	84,996	82,544	167,540
To-date/2007	70,548	74,872	145,420

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

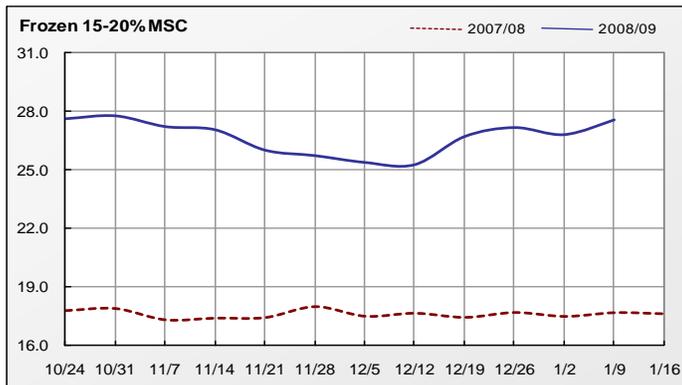
NATIONAL MECHANICALLY SEPARATED CHICKEN

***CORRECTION ON 2008 ANNUAL WEGHTED AVERAGES AND VOLUMES**

(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 was steady to firm. Supplies were adequate to well cleared. Demand was moderate to fairly good following the holiday. Raw materials were tight with continued good interest. Trading was moderate to good with most export interest and activity from Mexico, Central America, Asia, and the Caribbean. New contracts began this and last week with few to no problems during the transition period at unchanged to higher, mostly moderately to sharply higher prices on fresh 15-20% and sharply higher prices on the balance. Schedules were normal. Frame values were steady trading mostly between 10-11 cents FOB with new contracts starting at higher levels as well.

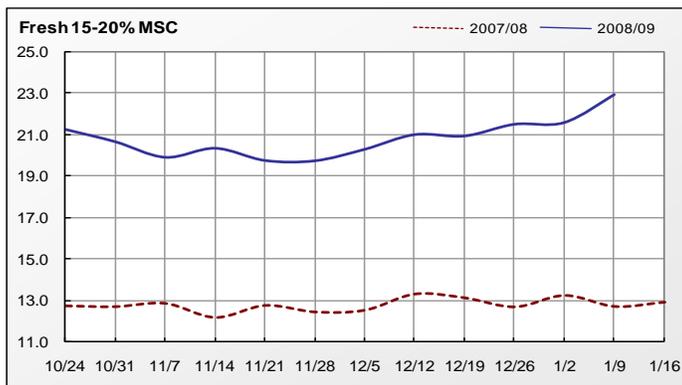
Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

Fat Content	Frozen			Fresh		
	9-Jan-09	Last Week	Last Year	9-Jan-09	Last Week	Last Year
15% or Less						
Price Range			15.50	26.00 - 27.00	25.00 - 26.00	15.00-16.00
Wtd Avg Price			15.50	26.56	25.66	15.77
Volume Traded	-	-	53	337	236	341
Volume Exported	-	-	53	55	55	-
15-20%						
Price Range	25.00 - 33.00	25.00 - 32.00	16.00-21.00	20.00 - 30.00	19.75 - 26.00	11.00-16.00
Wtd Avg Price	27.59	26.83	17.67	22.92	21.57	12.67
Volume Traded	1,287	802	1,920	1,964	3,061	1,772
Volume Exported	1,167	682	1,800	490	756	624
20% or More						
Price Range	-	-	-	-	21.00	-
Wtd Avg Price	-	-	-	-	21.00	-
Volume Traded	-	-	-	-	82	-
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	2008	2007	2006	***2008***	2007	2006
15% or Less						
Wtd Avg Price	24.01	17.43	17.15	22.58	16.30	16.65
Volume Traded	3,136	14,689	9,357	13,790	20,970	21,039
Volume Exported	2,414	13,122	5,226	446	627	-
15-20%						
Wtd Avg Price	24.51	17.61	16.84	19.16	12.91	13.95
Volume Traded	78,815	81,625	83,485	140,572	126,860	80,067
Volume Exported	68,238	72,685	73,306	29,789	29,872	10,288
20% or More						
Wtd Avg Price	-	-	-	19.40	13.98	13.87
Volume Traded	-	-	-	3,408	4,690	5,767
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 09 JANUARY 2009.

The market tone on 4-8 lb. breasts was fully steady to barely steady for current shipments and steady to firm for deferred. The institutional rib breast undertone was steady to weak for current shipments. Demand on 4-8 lb. rib breasts was light for current shipments and moderate to good for deferred as buyers lock in product for Easter and the fall holidays. Institutional rib breast demand sluggish. Offerings of 4-8 lb. rib breasts mixed for current shipments and held with confidence for deferred. The market tone on breast meat was barely steady to weak, destrapped tenderloins and breast trim barely steady at best, scapula mostly steady and wing meat with skin at least steady. Demand tom breast meat sluggish with some sellers becoming more aggressive, balance of white meat light to instances moderate. Offerings frozen tom breast meat adequate to burdensome, destrapped tenderloins adequate to ample, wing meat with skin light, light to moderate for current. For domestic (fresh): wing meat with skin 101-110, breast trim 110, scapula 117-118, tails 42, For export: fresh tom drums 55, fresh -20% MST 25, fresh thigh meat 103, frozen tom breast meat 135 cents delivered.

FRI, JAN 09, 2009

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOL (000)	WED, JAN 06, 2009	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOL (000)
DRUMSTICKS, TOMS	55.00-57.00		55.45	268	DRUMSTICKS, TOMS	55.50		55.50	40
WINGS FULL-CUT - TOMS	47.00-48.00		47.50	80	WINGS FULL-CUT - TOMS	47.00-48.00		47.50	80
WINGS, V-TYPE, TOM		R	50.00	108	WINGS, V-TYPE, TOM	57.00		57.00	54
TAILS	43.00		43.00	40	TAILS	41.50-47.50		45.10	200
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	28.00		28.00	40	MECH. SEPARATED 2/ THIGH MEAT - FROZEN	28.00-29.00		28.50	80

MON, JAN 08, 2009

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOL (000)
DRUMSTICKS, TOMS	55.00-56.00		55.40	200
WINGS FULL-CUT - TOMS		F	48.00	160
WINGS, V-TYPE, TOM		F	48.00	40
TAILS				
MECH. SEPARATED 2/ THIGH MEAT - FROZEN		T	101.00	240

WED, JAN 06, 2009

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOL (000)
DRUMSTICKS, TOMS	55.50		55.50	40
WINGS FULL-CUT - TOMS	47.00-48.00		47.50	80
WINGS, V-TYPE, TOM	57.00		57.00	54
TAILS	41.50-47.50		45.10	200
MECH. SEPARATED 2/ THIGH MEAT - FROZEN	28.00-29.00		28.50	80

TUE, JAN 07, 2009

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOL (000)
DRUMSTICKS, TOMS	55.50		55.50	40
WINGS FULL-CUT - TOMS		F	48.00	160
WINGS, V-TYPE, TOM		F	48.00	40
TAILS	41.50		41.50	80
MECH. SEPARATED 2/ THIGH MEAT - FROZEN	29.00		29.00	40
		T	101.00	240

THUR, JAN 05, 2009

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOL (000)
DRUMSTICKS, TOMS		W	55.50	40
WINGS FULL-CUT - TOMS	50.00		50.00	120
WINGS, V-TYPE, TOM	50.00		50.00	108
TAILS		W	45.10	200
MECH. SEPARATED 2/ THIGH MEAT - FROZEN		W	28.50	80

1/ Codes for last significant trade (L.S.T.): M=Mon T=Tue W=Wed R=Thu F=Fri 2/ Product contains 15/20% fat with skin added.