



INTERNATIONAL EGG AND POULTRY REVIEW

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

US Egg Situation

Production

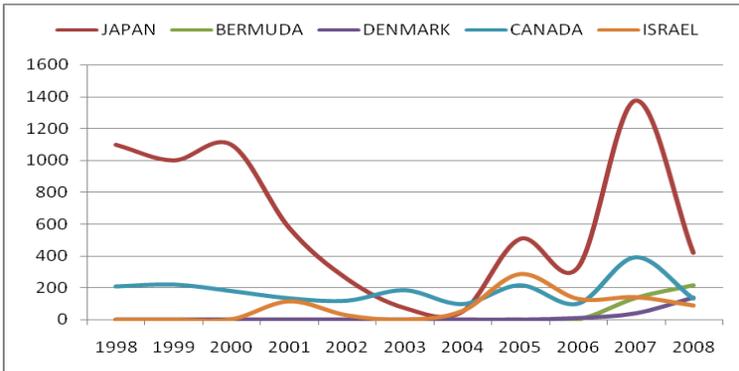
Year-over-year table egg flock numbers have been lower for the last 22 months. This trend is forecast to continue throughout the rest of 2008 and into 2009. It is also expected that the number of birds in the table egg flock will gradually increase in 2009 as lower energy costs and feed prices offer producers increased incentives to do so, however these lower costs will be offset by expected lower egg demand. The flock size at the beginning of November was reported at 280 million birds, which was down 5 million from the previous year. In October the table egg laying flock was estimated to be 278 million hens, down 1.9% from a year ago. Table egg production has dropped over the last 7 quarters with the declining table egg flocks. Relatively higher prices have resulted from the decreased egg production.

Exports

Egg exports have been lower than a year ago. Exports of eggs during January through October of 2008 totaled 175.5 million dozen, down nearly 17% (or 35 million dozen) from 2007 levels. The decline is mostly attributed to the generally stronger domestic egg prices in 2008. In October 2008, shipments of shell eggs and egg products were 13% lower from the previous year totaling 17.9 million dozen. The decrease in egg and egg product exports is a result of declining shipments to Mexico and Hong Kong.

Source: USDA ERS

Top US Export Destinations of Dried Egg Whites (MT) (HS3502.11)

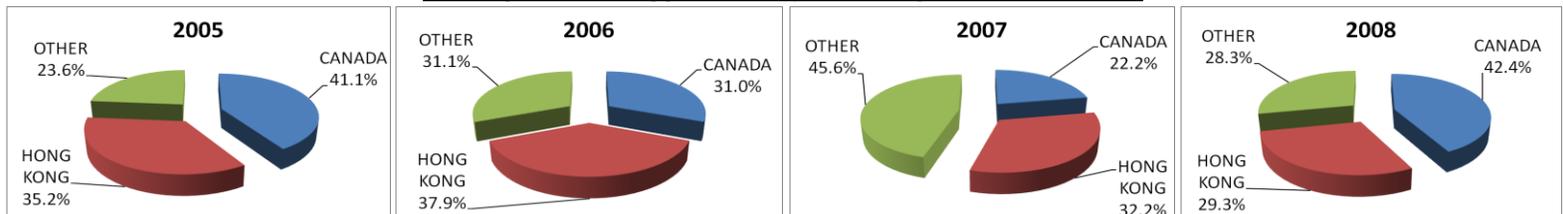


Top US Dried Whole Egg Exports (MT) (HS0408.91)

	1998	2007	% Change	2007	2008	% Change
Fr. W. Indies	0	0		9,386.5	14,894.5	58.7%
Japan	826.3	1,312.6	58.9%	1,238.3	1,903.8	53.7%
Mexico	211.7	1,720.7	712.8%	1,627.3	1,401.6	-13.9%
Canada	1,600.2	686.2	-57.1%	630.4	1,035.3	64.2%
China	0	155.5		99.8	895.3	797.1%
Denmark	0	219.1		219.1	582.6	165.9%
World Total	3,597.5	5,068.5	40.9%	4,693.3	7,447.2	58.7%

Note: Data for 2008 is January-November while the rest is January-December. Fr.W.Indies = French West Indies. % Change = Percentage Change. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

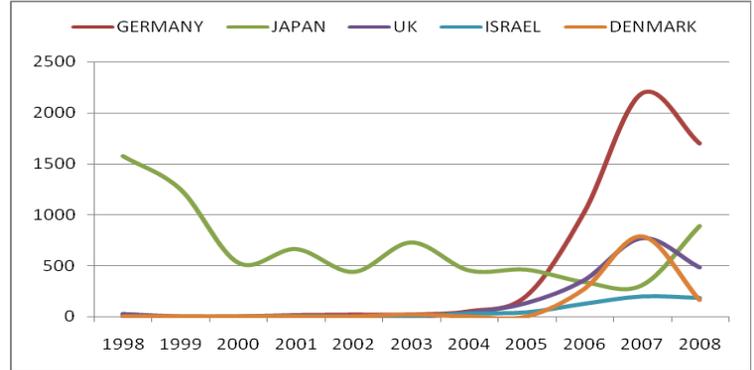
Leading US Table Egg Exports by Percentage (HS0407.0000.40)



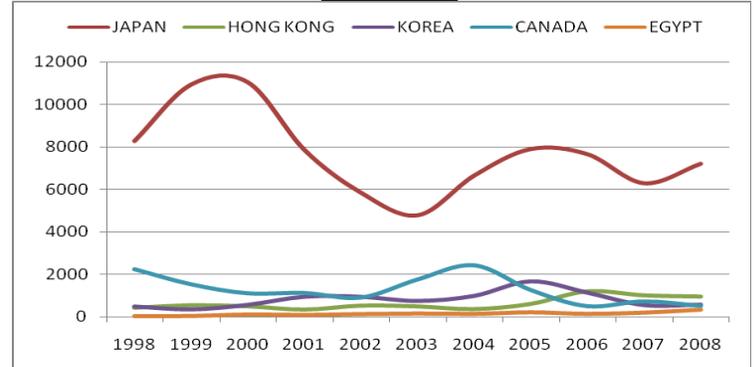
Note: All data is from January-December except for 2008, which is January-November.

Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

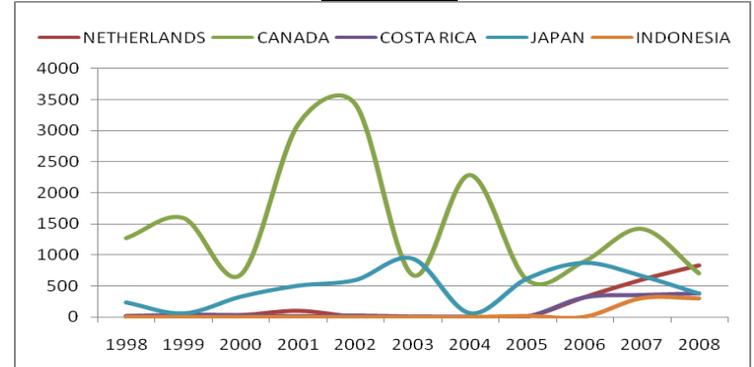
Top US Export Destinations of Dried Egg Yolk (MT) (HS0408.11)



Top US Export Destinations of Frozen Liquid Egg Yolk (MT) (HS0408.19)



Top US Export Destinations of Frozen Liquid Whole Eggs (MT) (HS0408.99)



Note: Data is January-December except 2008, which is January-November. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/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	46	0	698	909
Total	46	0	2,659	4,305

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

Type	Year-To-Date			
	2008	2007 /1	2008 /2	2007
Liquid	205	144	19,187	15,964
Frozen	0	0	567	412
Dried	0	0	791	857
Total	205	144	20,545	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	1,438	0	90,873	67,011
Large	4,030	0	134,904	125,723
Medium	656	945	52,071	64,641
Ungraded	924	0	454,488	217,468
Misc	0	0	10,760	7,849
Total	7,048	945	743,096	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

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

Week Ending 03-Jan-09 (Preliminary)

U.S. fowl slaughtered domestically

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	984	1,054	2,038
Last Week	991	755	1,746
Same week yr ago	1,105	1,123	2,228
To-date/2008	71,188	84,285	155,473
To-date/2007	57,751	75,786	133,537

U.S. fowl slaughtered in Canada

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	77	0	77
Last Week	157	0	157
Same week yr ago	186	0	186
To-date/2008	16,017	68	16,085
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

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	1,061	1,054	2,115
Last Week	1,148	755	1,903
Same week yr ago	1,291	1,123	2,414
To-date/2008	87,205	84,353	171,558
To-date/2007	71,365	75,845	147,210

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

National Mechanically Separated Chicken

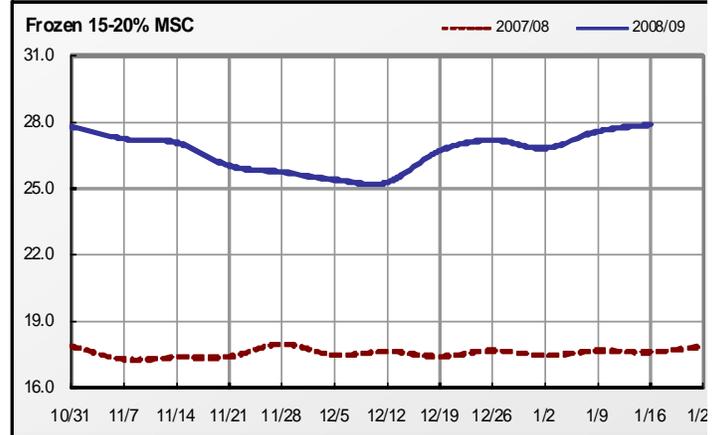
*****CORRECTION ON 2008 ANNUAL WEIGHTED AVERAGES AND VOLUMES*****

(F.O.B. Shipper Dock or equivalent; 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 fully steady to firm on all fat contents. Supplies were balanced to tight. Raw materials remained close with good inquiry. Demand and trading was moderate to good with most export interest and activity from Mexico, Central America, Asia, and the Caribbean. Prices have been significantly higher than last year's levels for most of 2008 and have continued the same fashion into 2009. Schedules were normal. Frame values were steady trading mostly between 10-11 cents FOB.

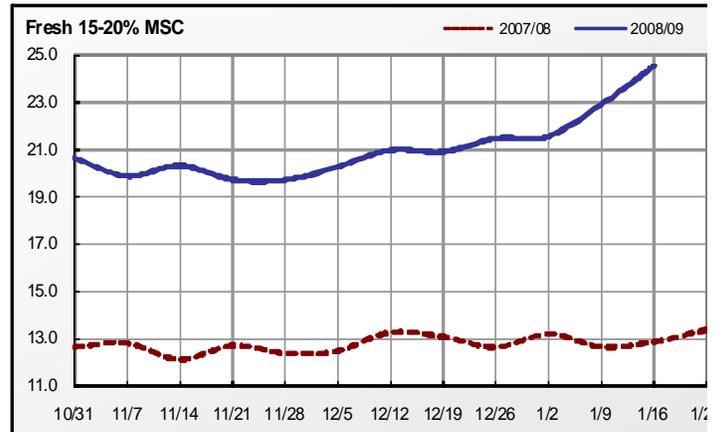
Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

Fat Content	Frozen			Fresh		
	16-Jan-09	Last Week	Last Year	16-Jan-09	Last Week	Last Year
15% or Less						
Price Range			16.00	27.00 - 34.00	26.00 - 27.00	15.00-16.00
Wtd Avg Price			16.00	28.93	26.56	15.69
Volume Traded	-	-	54	440	337	382
Volume Exported	-	-	54	55	55	-
15-20%	24.00 - 34.00	25.00 - 33.00	16.00-21.00	23.00 - 29.00	20.00 - 30.00	11.00-16.00
Price Range						
Wtd Avg Price	27.89	27.59	17.61	24.56	22.92	12.88
Volume Traded	1,351	1,287	1,196	2,064	1,964	2,161
Volume Exported	1,151	1,167	1,036	144	490	133
20% or More						
Price Range	-	-	-	23.00	-	-
Wtd Avg Price	-	-	-	23.00	-	-
Volume Traded	-	-	-	41	-	-
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 16 JANUARY 2009.

The market tone on tom breast meat was steady to weak. Demand on fresh tom breast meat was light at best and increased interest was noted on frozen tom breast meat for packages, however, sellers were resisting the lower trending buyer bids. The market tone on the balance of white meat was steady at best. Demand light with offerings uneven. The market tone on thigh meat was mostly steady. Demand light to instances moderate with interest noted from Russia. Offerings light to fully adequate. The market tone on MST was steady to firm. Demand moderate to instances good for the limited offerings. Trading was slow to moderate. For domestic (fresh): tom necks 32-33, tails 42, wing meat with skin 102, fresh scapula 117.50-132.50 cents delivered. Tom defatted gizzards 94 cents delivered export.

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
FRIDAY, JANUARY 16, 2009						
DRUMSTICKS, TOMS		R	54.15	208	54.29	248
WINGS FULL-CUT - TOMS	53.00		53.00	120	49.01	862
WINGS, V-TYPE, TOM	54.00		54.00	54	54.00	54
TAILS	42.00		42.00	40	42.45	268
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F R	28.00 100.00	40 54		

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
THURSDAY, JANUARY 15, 2009				
DRUMSTICKS, TOMS	53.00-56.00		54.15	208
WINGS FULL-CUT - TOMS	46.50-52.00		48.27	702
WINGS, V-TYPE, TOM		R	50.00	108
TAILS	41.00-43.00		42.00	108
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	28.00 100.00	40 54

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
WEDNESDAY, JANUARY 14, 2009				
DRUMSTICKS, TOMS		M	55.00	40
WINGS FULL-CUT - TOMS		M	50.00	40
WINGS, V-TYPE, TOM		R	50.00	108
TAILS		T	43.00	80
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	28.00	40

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
TUESDAY, JANUARY 13, 2009				
DRUMSTICKS, TOMS		M	55.00	40
WINGS FULL-CUT - TOMS		M	50.00	40
WINGS, V-TYPE, TOM		R	50.00	108
TAILS	43.00		43.00	80
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	28.00	40

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
MONDAY, JANUARY 12, 2008				
DRUMSTICKS, TOMS	55.00		55.00	40
WINGS FULL-CUT - TOMS	50.00		50.00	40
WINGS, V-TYPE, TOM		R	50.00	108
TAILS	43.00		43.00	40
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	28.00	40

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.