



Brazil Poultry Situation

Brazilian broiler and turkey production are expected to grow 3% in 2009, less than previous estimates due slower growth of the Brazilian economy amidst the world economic crisis and credit crunch. Post revised 2009 broiler production estimates down to 11.360 million metric tons (MMT), from the previous estimate of 11.417 MMT. Turkey production in 2009 is now estimated at 465 thousand MT, compared to 550 thousand MT. The new estimates reflect concerns of Brazilian broiler packers with the current over supply of poultry meat and reduced international demand for Brazilian broilers.

Broiler growers are responding to industry leaders' calls to cut production by 20% during the first quarter of 2009 to adjust supply and demand. The latest industry data indicates that broiler growers placed 15.5% fewer chicks for meat production in January, 4.5% less than the 20% target. Low corn prices may have inhibited further cuts in production.

Total Brazilian broiler exports set another record in both volume and value in 2008. Total volume exported increased by 11% from 2007 to 3.6 MMT, including further processed and salted broilers. Total export value increased by 40% from 2007 to nearly \$7 billion in 2008, reflecting a 26% increase in the average export price. However, broiler meat export projections for 2009 are lowered from 3.66 MMT to 3.3 MMT and reflect the impact of the credit crunch on broiler demand from most of the traditional markets, such as Japan, Saudi Arabia, Russia and Hong Kong. Although Brazilian officials have made progress to open new markets in China and India, it remains uncertain if exporters will be able to export to these markets in 2009.

Turkey meat export projections for 2009 are lowered from 235,000 MT to 220,000 MT. The European Union is the largest market for Brazilian turkey exports.

The Brazilian Ministry of Agriculture "Projections of Agribusiness 2008/2009 to 2018/2019" has chicken production increasing 49.4% over a 10 year period, from 11.139 MMT in 2007/2008 to 15.512 MMT in 2018/2019. During this period exports are projected to increase 82.6%, from 3.615 MMT in 2007/2008 to 6.602 MMT in 2018/2019.

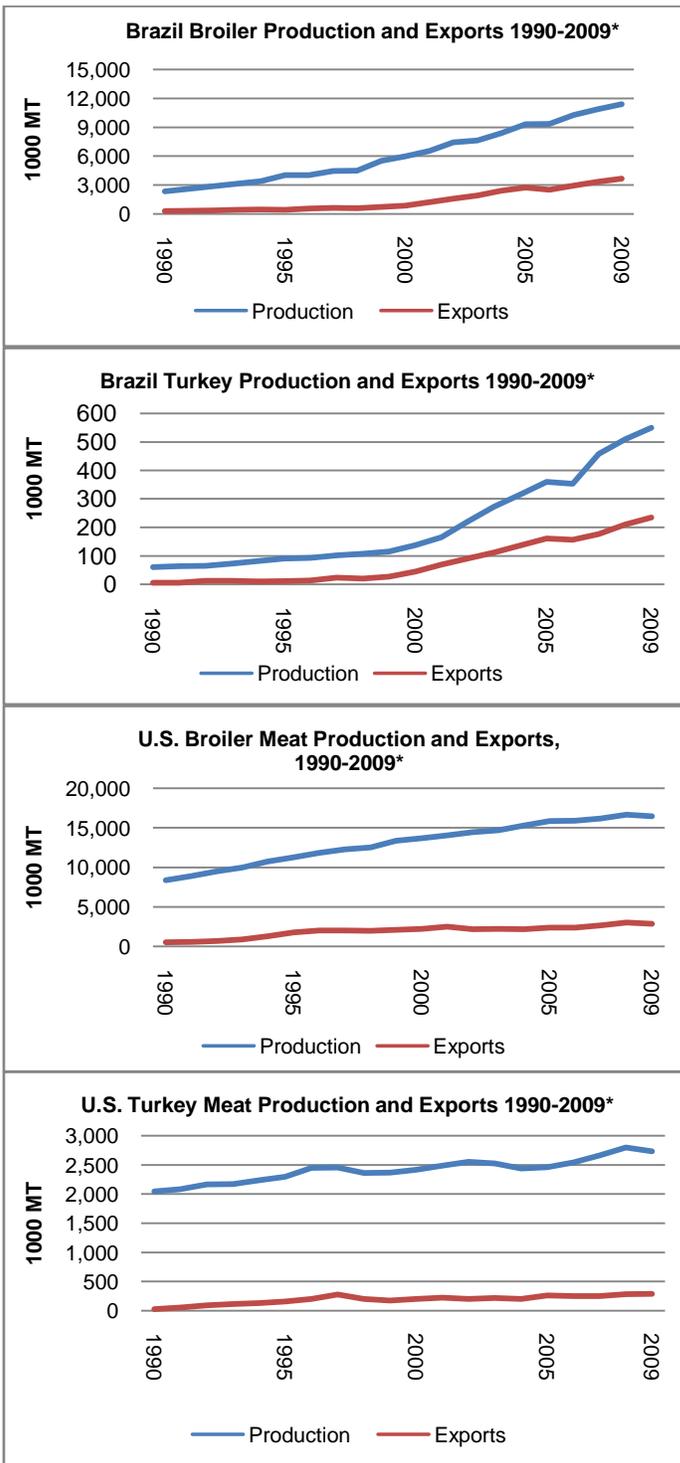
The outlook for Brazil's economy in 2009 is mixed, with most market analysts forecasting an economic growth at 1 to 2%. Brazil was ranked 10th in the world by Gross Domestic Product (GDP) in 2007. The International Monetary Fund's 2008 World Economic Outlook Update released on January 28, 2009 projected Brazil's economy to grow 1.8% in 2009, above the global average of 0.5%.

Source: USDA Foreign Agricultural Service, Attaché Reports; International Monetary Fund; news wires

New Documentation Requirements for Taiwan

The FSIS Library of Export Requirements posted an update on poultry export requirements to Taiwan on February 26, 2009. Effective February 27, 2009, FSIS form 9285-1 (04/11/2000), Certificate for Export to Taiwan for all products exported to Taiwan, now requires that for whole birds containing giblets or when packed with cut-up whole birds, the statement, "Contains Giblets" must be listed in the description of the item on FSIS Form 9285-1.

Source: USDA Food Safety Inspection Service



*2009 Projected
Source: USDA Foreign Agricultural Service, Production, Supply and Distribution Database, Official USDA Data

INSPECTED EGG PRODUCTS-

U.S. & CANADA IMPORT/EXPORT TRADE

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

Type	Year-To-Date*			
	2009	2008 /1	2009 /2	2008
Liquid	143	0	623	0
Frozen	0	0	0	0
Dried	40	0	124	40
Total	183	0	747	40

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

Type	Year-To-Date*			
	2009	2008 /1	2009 /2	2008
Liquid	363	367	2,358	2,909
Frozen	19	0	94	133
Dried	0	0	0	0
Total	382	367	2,452	3,042

Inspected Shell Eggs

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

	Year-To-Date*			
	2009	2008 /1	2009 /2	2008
Jumbo	0	0	0	0
Extra Large	1,370	510	4,493	1,530
Large	2,838	150	9,778	450
Medium	1,530	1,590	2,820	3,270
Ungraded	4,410	2,250	17,730	21,120
Misc	0	0	201	0
Total	10,148	4,500	35,022	26,370

/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 21-Feb-09 (Preliminary)

U.S. fowl slaughtered domestically

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	1,172	1,323	2,495
Last Week	1,106	1,572	2,678
Same week yr ago	1,204	1,546	2,750
To-date/2009*	8,964	10,749	19,713
To-date/2008*	9,874	10,654	20,528

U.S. fowl slaughtered in Canada

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	140	0	140
Last Week	246	0	246
Same week yr ago	126	0	126
To-date/2009*	1,646	11	1,657
To-date/2008*	1,924	4	1,928

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	1,312	1,323	2,635
Last Week	1,352	1,572	2,924
Same week yr ago	1,330	1,546	2,876
To-date/2009*	10,610	10,760	21,370
To-date/2008*	11,798	10,658	22,456

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

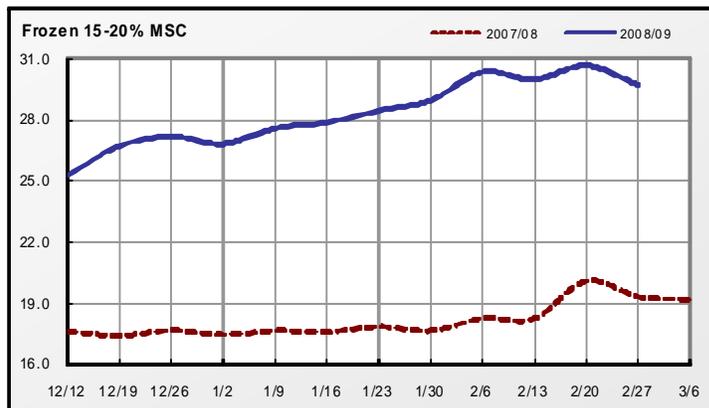
NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 market tone for all fat contents of MSC was steady to fully steady. Supplies of fresh 15-20% were adequate to balanced and tight on the remainder of fat contents. Supplies of raw materials were adequate to close. Demand was moderate to fairly good with most export activity continuing into Mexico, the Caribbean, and Central American countries. Schedules were mixed.

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

Fat Content	Frozen			Fresh		
	27-Feb-09	Last Week	Last Year	27-Feb-09	Last Week	Last Year
15% or Less			18.00	27.00 - 29.00	27.00 - 29.00	17.00-19.00
Price Range			18.00	27.00 - 29.00	27.00 - 29.00	17.00-19.00
Wtd Avg Price			18.00	28.28	28.01	18.36
Volume Traded	-	-	54	415	257	341
Volume Exported	-	-	54	50	55	-
15-20%	27.00 - 34.00	26.00 - 34.00	16.50-22.00	20.00 - 28.50	23.00 - 29.00	12.00-18.00
Price Range	27.00 - 34.00	26.00 - 34.00	16.50-22.00	20.00 - 28.50	23.00 - 29.00	12.00-18.00
Wtd Avg Price	29.71	30.68	19.33	24.71	25.30	13.94
Volume Traded	2,324	1,467	1,468	4,192	3,496	2,656
Volume Exported	2,244	1,047	1,348	1,510	898	367
20% or More			-	22.00	22.00	16.00-18.00
Price Range	-	-	-	22.00	22.00	16.00-18.00
Wtd Avg Price	-	-	-	22.00	22.00	17.00
Volume Traded	-	-	-	82	80	163
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Jan 2009	Dec 2008	Jan 2008	Jan 2009	Dec 2008	Jan 2008
15% or Less			15.69	27.67	24.96	15.70
Wtd Avg Price	-	26.00	15.69	27.67	24.96	15.70
Volume Traded	-	118	215	1,524	1,360	1,486
Volume Exported	-	118	215	274	226	-
15-20%	27.92	25.95	17.64	23.48	20.81	13.08
Wtd Avg Price	27.92	25.95	17.64	23.48	20.81	13.08
Volume Traded	5,100	6,646	5,922	12,494	14,306	9,007
Volume Exported	4,268	6,126	5,359	2,613	2,488	2,197
20% or More			-	22.99	21.17	12.00
Wtd Avg Price	-	-	-	22.99	21.17	12.00
Volume Traded	-	-	-	284	243	82
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 27 FEBRUARY 2009.

The market tone on tails and tom full-cut wings steady, balance of tom bulk parts steady to fully steady. Demand on tails and tom full-cut wings light to moderate, balance of tom bulk parts moderate to good. Offerings of tails and tom full-cut wings adequate, balance of tom bulk parts short to light. The market tone on thigh meat was steady to barely steady. Demand light for the adequate to fully adequate offerings. The market tone on mechanically separated turkey was steady to firm. Demand fair to good for the limited offerings. Trading slow to moderate. For domestic: tails 39, mature wings 42, fresh scapula 117, Grade A non-basted breasts - 8-10 lb. 130, 12-14 lb. 140, 14-16 lb. 145 cents delivered. For export: tom machine defatted gizzards 84 cent shipping point.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, FEBRUARY 27, 2009	RANGE	CODE 1/	PRICE	(000)	PRICE	VOLUME
						(000)
DRUMSTICKS, TOMS	67.00		67.00	108	67.00	108
WINGS FULL-CUT - TOMS		T	50.00	54	50.00	174
WINGS, V-TYPE, TOM		R	60.00	216	60.00	256
TAILS	39.00		39.00	40	37.08	260
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	99.00-103.00	F	31.00 100.58	40 228	100.38	376

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
THURSDAY, FEBRUARY 26, 2009	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	62.00	40
WINGS FULL-CUT - TOMS		T	50.00	54
WINGS, V-TYPE, TOM	60.00		60.00	216
TAILS	39.00		39.00	40
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	103.00	F	31.00 103.00	40 40

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
WEDNESDAY, FEBRUARY 25, 2009	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	62.00	40
WINGS FULL-CUT - TOMS		T	50.00	54
WINGS, V-TYPE, TOM		M	60.00	40
TAILS		T	35.00	40
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F T	31.00 99.00	40 54

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
TUESDAY, FEBRUARY 24, 2009	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	62.00	40
WINGS FULL-CUT - TOMS	50.00		50.00	54
WINGS, V-TYPE, TOM		M	60.00	40
TAILS	35.00		35.00	40
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	99.00	F	31.00 99.00	40 54

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
MONDAY, FEBRUARY 23, 2009	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	62.00	40
WINGS FULL-CUT - TOMS	50.00		50.00	120
WINGS, V-TYPE, TOM	60.00		60.00	40
TAILS	35.00-40.00		36.57	140
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	99.00	F	31.00 99.00	40 54

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.