



China Requests WTO Panel to Investigate U.S. Import Ban on Chinese Poultry

On July 31, 2009, the World Trade Organization's Dispute Settlement Body (DSB) established an expert panel to investigate the U.S. barriers to imports of Chinese poultry. The case is titled DS392: United States – Certain measures affecting imports of poultry from China.

This was the latest step in a process that began on April 17, 2009 when China requested consultations with the U.S. government through the WTO concerning measures the U.S. took affecting the import of poultry products from China. Consultations were held on 15 May, 2009 but failed to settle the dispute.

Accordingly, on July 20 China requested a panel be established to challenge certain related measures that prevent the importation of poultry products from China in to the U.S. The U.S. blocked the request, which is a right that the WTO allows each member once during a dispute case. China repeated its request for a panel on July 31 and this time the request went through. A request for a panel will only be denied a second time if all present Members agree to block the request, which has never occurred at the international trade court.

In its request China noted that on March 11, 2009 the US President signed the US Omnibus Appropriation Act of 2009 into law. China pointed out that Section 727 of the Act states that "none of the funds made available in this Act may be used to establish or implement a rule allowing poultry products to be imported into the United States from the People's Republic of China".

In a statement, the US expressed disappointment and said the US does not agree with China's claims that the measures are discriminatory or protectionist and that nothing in the measure identified by China prevents the relevant US authorities from working to reach an objective, science-based response to China's request for a declaration of equivalence with respect to poultry. The US also noted certain technical deficiencies in the Chinese request.

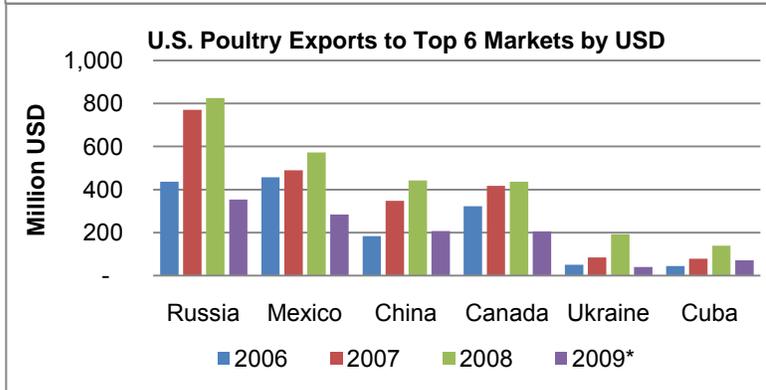
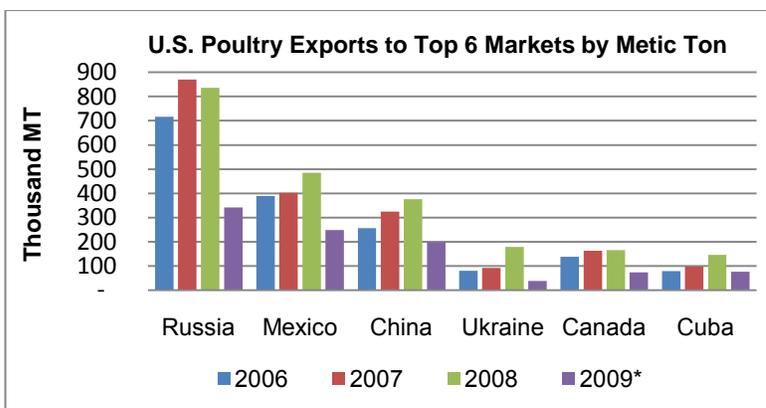
Countries can declare that they have an interest in the case and enjoy some rights. The European Commission, Guatemala, Korea and Turkey reserved their third-party rights.

How long to settle a dispute?

These approximate periods for each stage of a dispute settlement procedure are target figures — the agreement is flexible. In addition, the countries can settle their dispute themselves at any stage. Totals are also approximate.

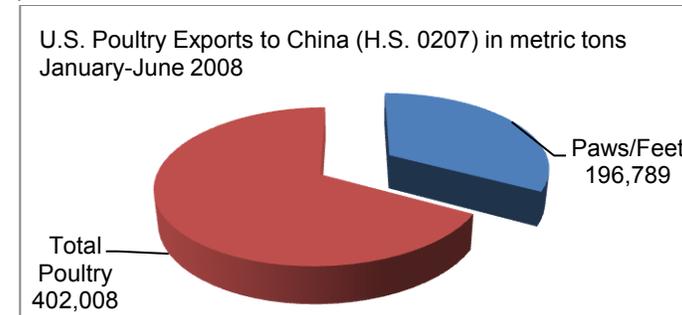
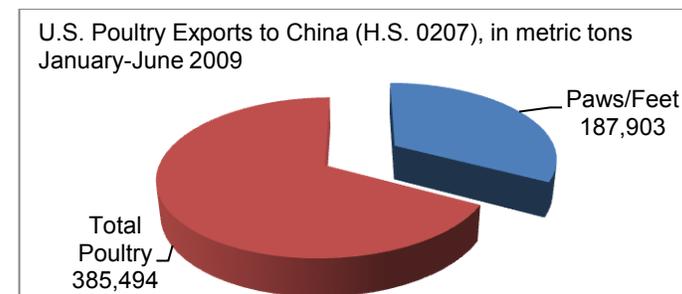
60 days	Consultations, mediation, etc
45 days	Panel set up and panelists appointed
6 months	Final panel report to parties
3 weeks	Final panel report to WTO members
60 days	Dispute Settlement Body adopts report (if no appeal)
Total = 1 year	(without appeal)
60-90 days	Appeals report
30 days	Dispute Settlement Body adopts appeals report
Total = 1y 3m	(with appeal)

Source: World Trade Organization; ICTSD Bridges Weekly Trade News Digest <http://ictsd.net/news/bridgesweekly>; Office of US Trade Representative



*January-June. Poultry Meat includes H.S. codes 0207, 16010, 16023 Does not include chicken paws and feet (H.S. code 0207140045)

Analysis by: Commodity and Marketing Programs/FAS/USDA
Source: U.S. Bureau of the Census Trade Data



Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

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	189	49	6,683	445
Frozen	0	0	0	39
Dried	40	0	458	406
Total	229	49	7,141	890

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

Type	Year-To-Date			
	2009	2008 /1	2009 /2	2008
Liquid	317	416	10,318	12,072
Frozen	3	4	211	353
Dried	0	0	0	393
Total	320	420	10,529	12,818

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	1,230	2,790	41,033	36,040
Large	5,300	2,770	88,162	42,473
Medium	90	1,500	33,227	26,291
Ungraded	15,708	780	174,961	218,414
Misc	0	0	6,218	1,562
Total	22,328	7,840	343,601	324,780

/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 08-Aug-09 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	1,282	1,564	2,846
Last Week	1,313	1,659	2,972
Same week yr ago	1,272	1,804	3,076
To-date/2009*	40,114	46,335	86,449
To-date/2008*	43,637	49,977	93,614

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	334	0	334
Last Week	470	0	470
Same week yr ago	339	0	339
To-date/2009*	9,288	19	9,307
To-date/2008*	10,413	38	10,451

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	1,616	1,564	3,180
Last Week	1,783	1,659	3,442
Same week yr ago	1,611	1,804	3,415
To-date/2009*	49,402	46,354	95,756
To-date/2008*	54,050	50,015	104,065

*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 was barely steady to weak on all fat contents; undertone remains unsettled. Supplies of fresh and frozen 15-20% were adequate to available with the balance fully sufficient. Many continue having to juggle extra spot loads of MSC due to some ongoing contract cancellations and giving a hard look, if not some action, at rendering raw materials in light of the lower trending prices and lackluster demand. As the contract season quickly approaches, many are looking at all angles of the marketplace trying to find some kind of direction in these uncertain times. Raw material supplies were adequate to available. Export and domestic demand was light to fair at best with some anticipating slight improvements with Mexico in coming weeks. Schedules were normal. Frame values were barely steady to weak ranging mostly 7-9 cents FOB.

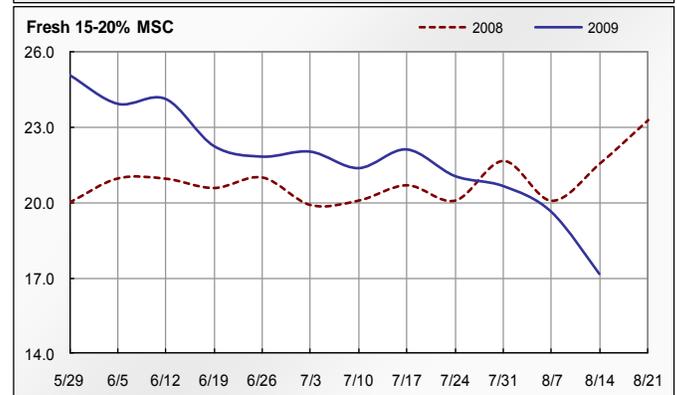
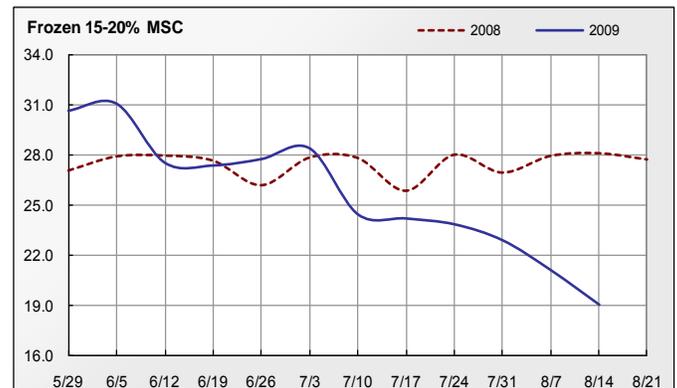
Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

Fat Content	Frozen			Fresh		
	14-Aug-09	Last Week	Last Year	14-Aug-09	Last Week	Last Year
15% or Less						
Price Range	20.00	-	-	20.00 - 21.00	20.00	25.50-27.00
Wtd Avg Price	20.00	-	-	20.72	21.44	26.26
Volume Traded	-	216	-	282	250	322
Volume Exported	-	216	-	-	-	-
15-20%						
Price Range	15.00 - 22.50	17.00 - 26.00	23.00-30.00	14.00 - 22.00	17.00 - 23.00	17.00-26.00
Wtd Avg Price	19.04	21.11	28.09	17.15	19.64	21.55
Volume Traded	1,852	1,365	1,598	3,578	2,594	4,276
Volume Exported	1,772	1,225	1,558	612	490	582
20% or More						
Price Range	-	-	-	20.00	22.00	21.00
Wtd Avg Price	-	-	-	20.00	22.00	21.00
Volume Traded	-	-	-	41	82	82
Volume Exported	-	-	-	-	-	-

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

Fat Content	Frozen			Fresh		
	Jul 2009	Jun 2009	Jul 2008	Jul 2009	Jun 2009	Jul 2008
15% or Less						
Wtd Avg Price	-	-	30.00	25.39	28.55	23.72
Volume Traded	-	-	40	1,443	1,233	647
Volume Exported	-	-	-	163	216	-
15-20%						
Wtd Avg Price	24.66	28.18	27.53	21.53	23.08	20.16
Volume Traded	8,099	6,088	5,069	15,295	12,262	12,334
Volume Exported	7,299	5,371	4,269	4,769	4,692	2,830
20% or More						
Wtd Avg Price	-	-	-	22.00	22.00	-
Volume Traded	-	-	-	326	286	-
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 14 AUGUST 2009.

The market tone on bulk parts, white meat and thigh meat was mostly steady with instances of firmness on full cut wings and necks. Demand was light to moderate. Offerings were light to adequate. Trading was slow to moderate. Mechanically separated turkey trade sentiment was steady to barely steady. Demand was light. Offerings were adequate. Trading was slow. Domestic: fresh scapula 114.5 cents and fresh tails 26 cents.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, AUGUST 14, 2009	RANGE	CODE 1/	PRICE	(000)	WTD AVG	VOLUME
					PRICE	(000)
DRUMSTICKS, TOMS	52.00-55.00		54.25	216	54.08	964
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		F	71.40	600		
TAILS	26.00		26.00	40	27.72	94
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	79.00-85.00	F	30.00	80		
			83.80	200	83.59	632

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
THURSDAY, AUGUST 13, 2009	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	53.50-55.00		54.40	270		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		F	71.40	600		
TAILS	29.00		29.00	54		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	30.00	80		
		W	83.50	432		

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
WEDNESDAY, AUGUST 12, 2009	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	51.00-56.00		54.65	370		
WINGS FULL-CUT - TOMS		W	51.00	54		
WINGS, V-TYPE, TOM		F	71.40	600		
TAILS		F	24.00	162		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	83.00-84.00	F	30.00	80		
			83.50	432		

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
TUESDAY, AUGUST 11, 2009	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	51.00		51.00	54		
WINGS FULL-CUT - TOMS		W	51.00	54		
WINGS, V-TYPE, TOM		F	71.40	600		
TAILS		F	24.00	162		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	30.00	80		
		F	80.23	174		

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
MONDAY, AUGUST 10, 2009	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	51.00		51.00	54		
WINGS FULL-CUT - TOMS		W	51.00	54		
WINGS, V-TYPE, TOM		F	71.40	600		
TAILS		F	24.00	162		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	30.00	80		
		F	80.23	174		

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.