

INTERNATIONAL EGG AND POULTRY REVIEW



U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News and Analysis Branch

India

India is one of the world's top poultry and egg producing countries, ranking third in egg production, fifth in chicken production and seventh in duck production. India has a population of 1.2 billion and slightly more than half of India's workforce is in agriculture. Agriculture accounts for 17.6% of the country's gross domestic product (GDP) and 60% of the labor force. India's economy posted an average growth rate of over 7% from 1997 to 2007, reducing poverty by about 10%.

Poultry meat is the fastest growing animal protein in India. Integrated poultry production practices have lowered the price of poultry, and higher consumer income had increased demand for poultry meat and eggs. Per capita consumption was 870 grams in 2000 and is expected to reach an estimated 2 kg in 2009. Even though 20% of the population is vegetarian, with the rise of middle class and increased urbanization more people have gone for non-vegetarian.

Top Countries in Hen Eggs and Chicken Meat Production 2007

		Hen Eggs in Shell	C	hicken Meat
Rank	Country	Metric Tons	Country	Metric Tons
1.	China	21,833,300	U.S. (F)	15,781,000
2.	U.S.	5,308,000	China (Fc)	10,682,602
3.	India (F)	2,670,000	Brazil (F)	9,370,000
4.	Japan (F)	2,525,000	Mexico (F)	2,431,990
5.	Mexico	2,290,833	India (Fc)	2,242,071
6.	Russia*	2,103,300	Russia (Fc)	1,852,322
7.	Brazil	1,779,190	Japan (Fc)	1,364,770
8.	Indonesia	1,174,600	Indonesia (Fc)	1,330,627
9.	France	878,400	UK (F)	1,315,000
10.	Ukraine	807,200	Iran (F)	1,245,879

F: FAO estimate *unofficial data Fc: calculated data

Source: FAOSTAT

The traditional backyard sector contributed to 23% of the total egg production in 2005-06, down from 33% in 1999-2000. The annual growth rate for improved chickens was 9.51% compared to only 3.99% for native fowl from 1997 to 2003.

Total Number of Desi and Improved Fowls, in thousands Annual Growth

			Ailliaal Glowal
	1997	2003	Rate (%)
Desi*	188,364	238,206	3.99
Improved	127,061	219,193	9.51
Total	314,177	457,399	6.46
*native fowl			

native lowi

Source: "India Poultry Sector Country Review" FAO Animal Production and Health Division.

India's Central Poultry Breeding Farms spent years promoting poultry production along industrialized commercial lines and now about 70% of production management and marketing is now under a highly organized sector. The remaining 30% is in backyard poultry production. Private sector contract farming systems and vertical integration systems have contributed to production increases averaging 13.9% for poultry meat for the period 1995 to 2005 according to one study. In 2005 almost 37% of broiler production was under contract. Commercial poultry producers are rearing hybrid chickens to ensure faster growth and better feed conversion. The body weight which was achieved at 8 weeks of age in the eighties is now possible at 35 – 40 days of age and the feed conversion rate has improved from 2.5 to less than 2.0.

Integrators include large regional firms that incorporate all aspects of production, including the raising of grandparent and parent flocks, rearing DOCs, contracting production, compounding feed, providing veterinary services, and wholesaling.

India: Broiler Meat Production, Supply and Distribution

<u>In thousand metric tons</u>								
	2004 2005 2006 2007 2008 2009							
Production	1,650	1,900	2,000	2,240	2,490	2,350		
Exports	2	1	0	1	1	0		
Consumption	1,648	1,899	2,000	2,239	2,489	2,350		

Source: USDA Foreign Agricultural Service

Production of Eggs (hundred thousands) States/UTs 2004-05 2005-06 2006-07 Andhra Pradesh 158,040 164,534 159,411 Tamil Nadu 63,948 62,225 80,435 Haryana 14,816 39,596 15,126 Punjab 36.800 35,200 37,740 Maharashtra 34,362 35,227 33,950 West Bengal 28.877 29,637 30,386 Others 115,166 120,358 125,112 All India 452,009 506,630 462,307 India's fiscal year runs from April 1 to March 31

Source: Annual Report 2008-09, Department of Animal Husbandry & Dairying New Delhi

India has four Central Poultry Development Organizations (CPDOs). These CPDOs procure breeding stock of low input technology developed ICAR, State Agricultural Universities, Private Sectors and NGO's. During 2008-2009 these organization supplied nearly 118,000 parent stock. In addition, 1.02 million commercial chicks and 1.6 million hatching eggs were supplied for the production of day old commercial chicks. They also supply analytical laboratories to monitor feed quality; training programs; and random performance testing. Poultry development concentrates on chickens, but the department has started diversification to include duck, turkey, Guinea fowl and Japanese quail.

Source: UN Food and Agricultural Organization; Government of India; USDA; news wires

India Extends Tax Holiday

The Government of India extended the tax holiday benefit for the assessment year 2010-2011 to businesses processing, preserving and packaging meat and meat products, poultry, marine, and dairy productions. The tax holiday went in to effect in April 2009. The poultry industry has complained that the high cost of transportation and limited availability of cold storage facilities has limited growth in the poultry processing sector.

Over 90% of broilers are sold in wet markets, and only 10% are sold as processed chicken.

The food processing industry is constrained by the lack of adequate infrastructure, such as cold chain, packing and grading centers, adequate quality control and testing infrastructure.

Source: Annual Report 2008-09, Department of Animal Husbandry & Dairying New Delhi; news wires

INSPECTED EGG PRODUCTS-

U.S. & CANADA IMPORT/EXPORT TRADE U.S. Exports to Canada, in Pounds (000) (Preliminary)

o.o. Exports to Gariada, in Fourids (600) (Freminiary)								
Week Endir	ng Sep 12, 200	9	Year-To-	-Date				
Type	2009	2008 /1	2009 /2	2008				
Liquid	159	95	7,818	639				
Frozen	0	0	95	39				
Dried	0	0	547	444				
Total	159	95	8,460	1,122				

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

Week Endir	ng Sep 12, 20	09	Year-To	o-Date
Type	2009	2008 /1	2009 /2	2008
Liquid	371	361	12,161	13,783
Frozen	0	11	230	409
Dried	0	40	0	473
Total	371	412	12,391	14,665

Inspected Shell Eggs

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

Week Ending	j Sep 12, 2009)	Year-To-Date				
	2009	2008 /1	2009 /2	2008			
Jumbo	0	0	0	0			
Extra Large	2,100	2,250	52,133	46,210			
Large	3,210	2,440	111,051	53,495			
Medium	840	2,160	38,077	32,846			
Ungraded	12,450	14,340	250,039	274,187			
Misc	0	0	6,218	5,974			
Total	18,600	21,190	457,518	412,712			
/1 Comparable Week, to-date figures may not total due to rounding							

/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 12-Sep-09 (Preliminary)

U.S. fowl slaughtered domestically							
Lig	ht Hens	Heavy Hens	Total Hens				
	Thousa	nds					
Head	1,011	1,34 ⁻	1 2,352				
Last Week	1,369	1,346	2,715				
Same week yr ago	1,358	1,769	3,127				
To-date/2009*	46,490	54,027	7 100,517				
To-date/2008*	50.187	′ 58.58 [′]	1 108.768				

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	Thous	ands	
Head	390	0	390
Last Week	291	0	291
Same week yr ago	357	0	357
To-date/2009*	11,325	19	11,344
To-date/2008*	11,959	50	12,009

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				
	Thousa	ands					
Head	1,401	1,341	2,742				
Last Week	1,660	1,346	3,006				
Same week yr ago	1,715	1,769	3,484				
To-date/2009*	57,815	54,046	111,861				
To-date/2008*	62,146	58,631	120,777				
*Note: Year to-date totals reflect comparable time periods.							

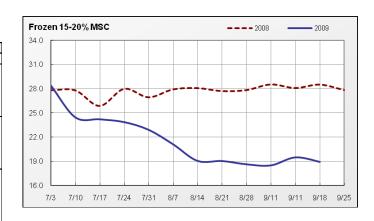
NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 remained steady to barely steady on all fat contents. Supplies of fresh and frozen 15-20% ranged adequate to available, mostly fully adequate with the balance being sufficient for current trade requirements. Raw material supplies were available. Export and domestic demand was light to moderate at best with some interest noted from Mexico. Schedules were seasonally normal. Frame values were generally steady ranging mostly 7-9 cents FOB.

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

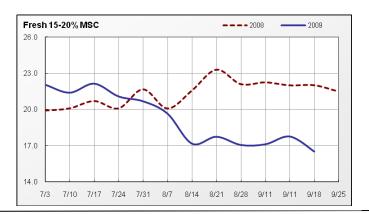
	Frozen			Fresh			
Fat Content	18-Sep-09	-Sep-09 Last Week		Last Year 18-Sep-09		Last Year	
15% or Less							
Price Range			-	19.00 - 20.00	19.00 - 20.00	27.00-27.50	
Wtd Avg Price			-	19.25	19.25	27.13	
Volume Traded	-	-	-	322	323	302	
Volume Exported	-	-	-	-	-	-	
15-20%							
Price Range	16.00 - 22.50	16.00 - 22.50	25.00-35.00	15.00 - 21.00	15.00 - 21.00	18.00-27.00	
Wtd Avg Price	18.92	19.49	28.53	16.49	17.74	21.99	
Volume Traded	2,345	1,059	1,926	2,426	3,927	3,209	
Volume Exported	2,145	859	1,726	734	1,152	1,223	
20% or More							
Price Range	-	-	-	18.00	18.00	21.00	
Wtd Avg Price			-	18.00	18.00	21.00	
Volume Traded	-	-	-	41	82	80	
Volume Exported	-	-	-	-	-	-	



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

	Frozen			Fresh			
Fat Content	Aug 2009	Jul 2009	Aug 2008	Aug 2009	Jul 2009	Aug 2008	
15% or Less							
Wtd Avg Price	20.00	-	29.00	20.20	25.39	25.52	
Volume Traded	216	-	320	981	1,443	1,508	
Volume Exported	216	-	280	-	163	-	
15-20%							
Wtd Avg Price	19.34	24.66	27.61	17.77	21.53	21.74	
Volume Traded	7,073	8,099	7,046	12,115	15,295	14,374	
Volume Exported	6,532	7,299	5,761	2,774	4,769	2,757	
20% or More							
Wtd Avg Price	-	-	-	19.66	22.00	21.00	
Volume Traded	-	-	-	246	326	522	
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 18 SEPTEMBER 2009.

The market tone on bulk parts was steady to fully steady, instances firm with tom full-cut wings in the best position. Demand was light to moderate. Offerings short to adequate. White meat was steady to fully steady, instances firm on both fresh and frozen breast meat. Demand was light to moderate. Offerings were adequate. The trade sentiment on mechanically separated turkey was steady to barely steady. Demand was light. Offerings were adequate. The market tone on thigh meat was fully steady to firm. Demand was moderate to good. Offerings short to light. Domestic: frozen mature hen breast meat 108 cents, fresh hen drums 52 cents and fresh tails 27 cents. Export: fresh thigh meat 96 cents.

EXPORT TRADING FRIDAY, SEPTEMBER 18, 2009 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE 54.00-58.00 70.00 72.00 27.00 20.00 90.00	L.S.T. CODE 1/	WTD AVG PRICE 56.16 70.00 72.00 27.00 20.00 90.00	VOLUME (000) 350 40 120 40 40 120	WEEKLY WTD AVG PRICE 56.90 70.00 72.00 27.00 20.00 89.30	WEEKLY VOLUME (000) 660 40 120 40 40 400
EXPORT TRADING THURSDAY, SEPTEMBER 17, 2009 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	PRICE RANGE	L.S.T. CODE 1/ W	WTD AVG PRICE 58.00	VOLUME (000) 270		
EXPORT TRADING WEDNESDAY, SEPTEMBER 16, 2009 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM	PRICE RANGE 58.00	L.S.T. CODE 1/	WTD AVG PRICE 58.00	VOLUME (000) 270		
TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	89.00	W W	27.00 18.00 89.00	54 240 200		
EXPORT TRADING TUESDAY, SEPTEMBER 15, 2009 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM TAILS MECHANICALLY SEPARATED 2/	PRICE RANGE 56.00	L.S.T. CODE 1/ W W	WTD AVG PRICE 56.00 27.00 18.00	VOLUME (000) 40 54 240		
THIGH MEAT - FROZEN EXPORT TRADING MONDAY, SEPTEMBER 14, 2009 DRUMSTICKS, TOMS WINGS FULL-CUT - TOMS WINGS, V-TYPE, TOM	89.00 PRICE RANGE	L.S.T. CODE 1/	89.00 WTD AVG PRICE	80 VOLUME (000)		
TAILS MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		W W	27.00 18.00	54 240		

^{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.

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