



In 2010, Canada is predicted to have an increase in production, per-capita consumption, and imports from the U.S. Canada's per-capita consumption of chicken is projected to increase in 2010 due to economic growth and increasing health consciousness. Total 2009 Canadian consumption is forecast to remain relatively unchanged from 2008 levels. Canada's demand for broiler meat was supported by slightly negative perceptions of pork in the first half of 2009 due to the H1N1 virus. Total domestic chicken consumption in Canada has almost doubled in the past 20 years. Overall, Canadian preferences have shifted towards chicken primarily due to an increase in health awareness and the perception that chicken is leaner and therefore healthier than other meats. Chicken retail prices in Canada have seen relatively stable growth over the last five year period with CY 2008 prices approximately 15 percent higher than the average CY 2004 price. There has been a drop in prices for mid 2009 levels but the price is expected to return. The drop in price is mainly due to the low-pathogenic avian influenza in British Columbia and Saskatchewan reflecting reduced demand. Stability of chicken prices in Canada is mainly attributed to the continued supply management of the industry. Overall chicken is priced higher than beef and pork at the retail level in Canada.

Canadian Per Capita Consumption of Poultry Meat

<u>Year</u>	<u>Chicken</u>	<u>Turkey</u>	<u>Fowl</u>
2002	30.69	4.27	1.75
2003	30.74	4.36	1.44
2004	31.08	1.38	1.61
2005	31.35	4.49	1.42
2006	31.67	4.44	1.51
2007	31.65	4.49	1.57
2008	31.66	4.70	1.69
2009*	31.65	4.50	1.60
2010*	31.80	4.70	1.65

Units: kg; eviscerated basis

*Post Forecast

Source: Statistics Canada; Canada Food Stats

Ontario: Retail Chicken Prices

Annual Average

<u>Year</u>	<u>Price</u>
2004	5.04
2005	5.21
2006	5.16
2007	5.55
2008	5.81
2009*	4.99

Ontario: Retail chicken Prices

Unit: \$/kg; eviscerated weight

(whole chicken under 2kg)

*Avg Price (Jan.-Jul.)

Source: Agriculture and Agri-Food Canada

Canada's broiler meat production for January through August 2009 was 1.9 percent lower compared to the same period for 2008; however, production of broiler meat is projected to recover in 2010 to 1.015 MMT in order to meet consumer demand. Consumer demand will increase due to an increase in household consumption with a higher spending in the food service sector. Canada's broiler meat production from January through August of 2009 is 1.9% lower than the same period in 2008, resulting in moderately lower beginning stocks for 2010. With relatively high chicken prices in the retail sector and high consumption in the foodservice sector, a demand decrease caused by the ongoing economic recession reflects a slight decrease in Canada's production.

Imports from the United States declined 3.3 percent during the first six months of 2009 to 52,027 MT Total Canadian imports are projected to increase in 2010 with higher chicken consumption in the food service sector and support from a stronger Canadian dollar. Total imports from the U.S. are projected to increase due to the Import to Re-Export Program (IREP), under which supplementary import permits at a free tariff rate are issued to Canadian poultry processors who import chicken, minimally process it, and then export the processed chicken product. IREP imports are not limited to those from the United States, but U.S. shipments account for over 90 percents of IREP imports.

Canadian Imports in Broiler Chicken (MT)

<u>Country</u>				<u>Jan-Jun</u>		<u>% Change</u>
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2008</u>	<u>2009</u>	
World Total	112,549	125,905	132,976	64,263	60,737	-5.5%
United States	90,553	102,427	114,288	53,816	52,028	-3.3%
Brazil	19,877	21,074	15,479	8,707	7,171	-17.6%
Thailand	1,972	2,364	2,454	1,260	1,072	-14.9%
Chile	147	39	753	480	454	-5.4%

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			
	2009	2008 /1	2009 /2	2008
Liquid	529	48	8,839	831
Frozen	0	0	95	39
Dried	1	0	588	444
Total	530	48	9,522	1,314

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

Type	Year-To-Date			
	2009	2008 /1	2009 /2	2008
Liquid	408	360	13,274	14,778
Frozen	8	3	252	471
Dried	0	0	0	590
Total	416	363	13,526	15,839

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	1,500	2,404	59,053	53,367
Large	4,190	4,881	122,791	67,606
Medium	510	616	41,077	37,212
Ungraded	9,024	12,630	286,267	320,629
Misc	1,776	0	8,930	5,974
Total	17,000	20,531	518,118	484,788

/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 03-Oct-09 (Preliminary)

U.S. fowl slaughtered domestically

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	1,230	1,550	2,780
Last Week	1,451	1,599	3,050
Same week yr ago	1,204	1,801	3,005
To-date/2009*	50,374	58,784	109,158
To-date/2008*	53,847	64,055	117,902

U.S. fowl slaughtered in Canada

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	300	9	309
Last Week	306	7	313
Same week yr ago	242	0	242
To-date/2009*	12,332	35	12,367
To-date/2008*	12,930	50	12,980

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	1,530	1,559	3,089
Last Week	1,757	1,606	3,363
Same week yr ago	1,446	1,801	3,247
To-date/2009*	62,706	58,819	121,525
To-date/2008*	66,777	64,105	130,882

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

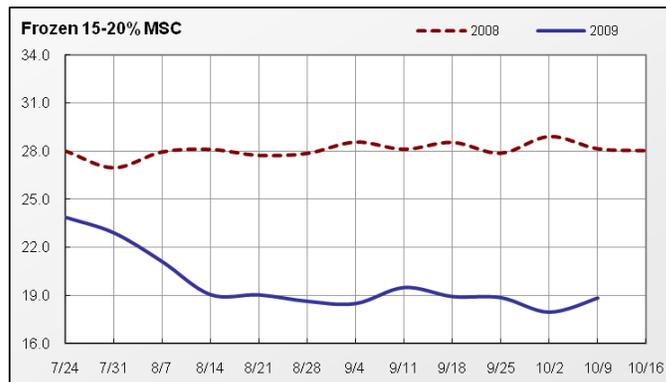
NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 about steady on all fat contents. Supplies of fresh and frozen 15-20% ranged adequate to available, mostly fully adequate for current needs. The remainder of fat contents was sufficient. Dealers continued to monitor market conditions heading into contract season. Raw material supplies were at least adequate to available. Export and domestic demand was fair to moderate. Schedules were seasonally normal. Frame values were steady ranging mostly 7-9 cents FOB.

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

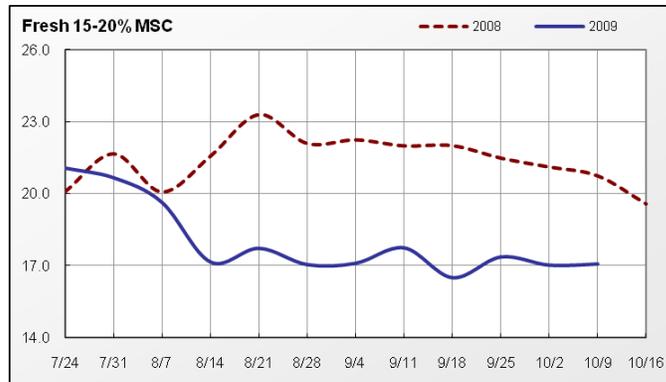
Fat Content	Frozen			Fresh		
	9-Oct-09	Last Week	Last Year	9-Oct-09	Last Week	Last Year
15% or Less						
Price Range	20.00	-	33.00	18.00 - 19.00	18.00 - 19.00	26.00-27.50
Wtd Avg Price	20.00	-	33.00	18.50	18.60	26.59
Volume Traded	80	-	120	242	202	242
Volume Exported	-	-	120	-	-	-
15-20%						
Price Range	16.50 - 22.50	15.00 - 22.50	22.00-32.00	15.50 - 21.00	15.00 - 21.00	18.00-27.00
Wtd Avg Price	18.83	17.95	28.13	17.07	17.01	20.73
Volume Traded	1,216	1,832	1,938	2,733	3,160	2,569
Volume Exported	1,096	1,472	1,578	-	1,020	626
20% or More						
Price Range	-	-	-	17.00	17.00	21.00
Wtd Avg Price	-	-	-	17.00	17.00	21.00
Volume Traded	-	-	-	82	82	80
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Sep 2009	Aug 2009	Sep 2008	Sep 2009	Aug 2009	Sep 2008
15% or Less						
Wtd Avg Price	-	20.00	27.49	19.07	20.20	27.17
Volume Traded	-	216	316	1,170	981	1,148
Volume Exported	-	216	316	-	-	-
15-20%						
Wtd Avg Price	18.86	19.34	28.25	17.21	17.77	21.88
Volume Traded	6,748	7,073	6,260	13,286	12,115	12,855
Volume Exported	5,848	6,532	5,142	3,773	2,774	3,915
20% or More						
Wtd Avg Price	-	-	-	17.80	19.66	21.00
Volume Traded	-	-	-	204	246	322
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 OCTOBER 2009.

The market tone on white meat items ranged steady to instances firm. Demand was light to moderate with offerings mostly adequate. The trade sentiment on thigh meat was steady to firm. Demand was moderate to good. Offerings remained limited. The market tone on bulk parts was steady to fully steady. Demand was light to moderate. Offerings were tight to adequate. It was noted some processors beginning to change operations from parts to seasonal whole bird production. The trade sentiment on mechanically separated turkey was steady to barely steady. Demand was light to moderate. Offerings were adequate to fully adequate.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, OCTOBER 09, 2009	RANGE	CODE 1/	PRICE	(000)	WTD AVG	WTD AVG
					PRICE	(000)
DRUMSTICKS, TOMS	56.00		56.00	108	56.55	260
WINGS FULL-CUT - TOMS		T	70.00	108	70.00	108
WINGS, V-TYPE, TOM	76.00		76.00	162	76.00	162
TAILS		M	27.00	60	27.00	60
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	96.00		96.00	80	96.33	360
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
THURSDAY, OCTOBER 08, 2009	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	58.00		58.00	92		
WINGS FULL-CUT - TOMS		T	70.00	108		
WINGS, V-TYPE, TOM						
TAILS		M	27.00	60		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		W	96.00	80		
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
WEDNESDAY, OCTOBER 07, 2009	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		T	56.00	20		
WINGS FULL-CUT - TOMS		T	70.00	108		
WINGS, V-TYPE, TOM						
TAILS		M	27.00	60		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	96.00	W	23.00	108		
			96.00	80		
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
TUESDAY, OCTOBER 06, 2009	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	56.00		56.00	20		
WINGS FULL-CUT - TOMS	70.00		70.00	108		
WINGS, V-TYPE, TOM						
TAILS		M	27.00	60		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	96.00-101.00	W	23.00	108		
			99.33	60		
EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
MONDAY, OCTOBER 05, 2009	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	55.00		55.00	40		
WINGS FULL-CUT - TOMS		F	71.00	162		
WINGS, V-TYPE, TOM						
TAILS	27.00		27.00	60		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	94.00-99.00	W	23.00	108		
			95.43	140		

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.