



INTERNATIONAL EGG AND POULTRY REVIEW



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

Vietnam Poultry Industry

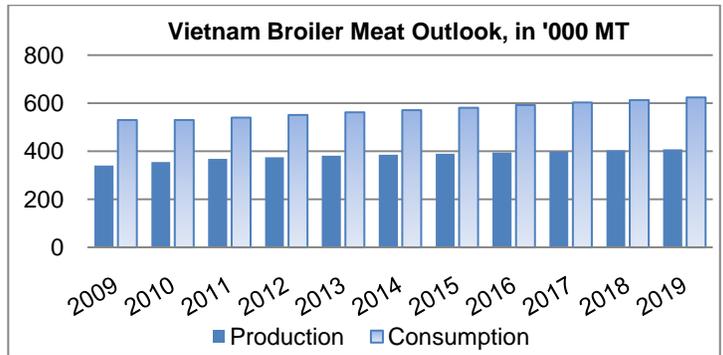
In Vietnam, about 74% of the population lives in rural areas and 65% depend on agriculture for their livelihood. Small-scaled household based production accounts for about 70% of the total livestock production in Vietnam. Livestock plays an important role in generating rural income in Vietnam; an estimated 8.3 million households produce poultry and 7 million households produce pigs. Increasing incomes have resulted in a higher demand for livestock products. The average annual meat consumption in Vietnam is about 40 kg per capita and is projected to increase to 57 kg per capita by 2020. Pork accounts for the majority of meat consumed (76%) followed by poultry meat (13%) and red meat (9%).

According to the General Statistics Office of Vietnam, the husbandry survey results on 01/04/2010 noted that the country had 277.4 million fowls, up 8.1% from the same period a year earlier, and 27.3 million pigs, up 3.1%. The June 2010 report, "Socio-economic statistics in the first half of 2010", stated that feeding products in six months increased considerably as epidemic diseases had been controlled in a timely manner; pork (live weight) gained 1.79 million tons, up 4.7%; fowl meat (live weight) gained 330,700 tons, up 17%; 3,278.8 million eggs, up 7.1%.

In 2008 the Vietnamese government adopted a Development Strategy for the Livestock Industry in order to reorganize and industrialize livestock production and processing in Vietnam. Under this Development Strategy, Vietnam plans to increase livestock production from the current 30% of total agricultural output to 38% in 2015 and 42% by 2020. The target for 2020 is production of 5.5 million tons of meat, 14 billion eggs, and over one million tons of milk. At that time the livestock population is expected to total 35 million pigs, 300 million chickens, and 500,000 dairy cows.

Highly Pathogenic Avian Influenza was first reported in Vietnam in January, 2004 and is currently considered endemic in the country. The World Animal Health Organization (OIE) reported five outbreaks that were still recorded as unresolved as of April 29, 2010.

Source: UN Food and Agriculture Organization; General Statistics Office of Vietnam; World Bank; OIE; CIA World Factbook; FAPRI; news wires

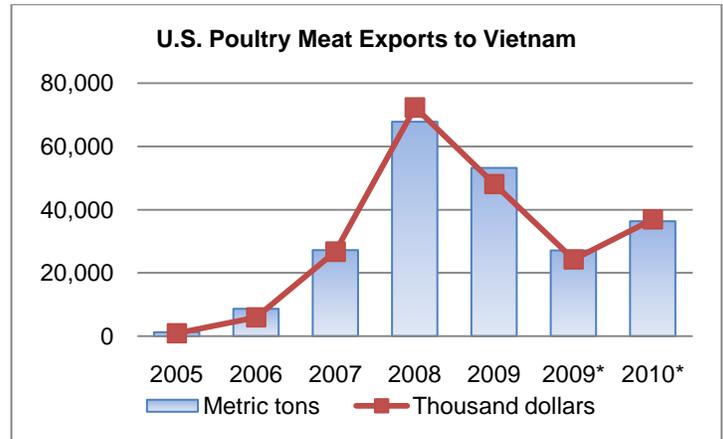


Source: FAPRI 2010 Agricultural Outlook

Vietnam Net Trade (Exports - Imports) in thousand MT

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Broiler	-190	-175	-171	-176	-181	-186	-192	-198	-204
Pork	-44	-51	-64	-95	-115	-143	-159	-172	-190

Source: World Meat: FAPRI 2010 Agricultural Outlook



*Jan-Apr

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

Number of poultry by province in thousand heads

	2000	2001	2002	2003	2004	2005	2006	2007	Prel. 2008
Whole Country	196,188	218,102	233,287	254,610	218,153	219,911	214,565	226,027	247,320
Red River Delta	54,742	58,952	61,994	67,951	61,251	64,465	61,151	64,303	68,640
Northern midlands and mountain areas	34,514	40,387	43,116	47,591	45,218	47,835	48,026	51,693	55,447
North Central & Central Coastal areas	40,385	44,870	49,279	57,005	53,300	54,392	48,335	49,889	52,509
Central Highlands	6,102	7,415	8,440	10,059	8,682	8,729	7,807	8,159	9,552
South East	16,434	19,761	20,467	20,541	14,142	13,143	12,868	12,118	13,645
Mekong River Delta	44,011	46,717	49,991	51,463	35,561	31,347	36,378	39,867	47,527

Vietnam: Main Products of Livestock

	2000	2001	2002	2003	2004	2005	2006	2007	Prel. 2008	
Live weight of buffaloes	MT	48,415	49,230	51,811	53,061	57,458	59,800	64,317	67,507	71,543
Live weight of cattle	MT	93,819	97,780	102,454	107,540	119,789	142,163	159,463	206,145	227,196
Fresh milk	MT	51,458	64,703	78,453	126,697	151,314	197,679	215,953	234,438	262,160
Live weight of pig	Thousand MT	1,418	1,515	1,654	1,795	2,012	2,288	2,505	2,663	2,771
Slaughtered poultry	Thousand MT	293	308	338	373	316	322	344	359	417
Egg	Million pieces	3,771	4,023	4,530	4,852	3,939	3,949	3,970	4,466	4,938
Honey	MT	5,958	7,321	11,401	12,758	10,701	13,591	16,747	15,659	9,960
Silkworm cocoon	MT	7,153	10,866	12,124	11,582	12,323	11,475	10,413	10,110	7,746

Source: General Statistics Office of Vietnam

INSPECTED EGG PRODUCTS –

U.S. & CANADA IMPORT/EXPORT TRADE

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

Week Ending July 03, 2010	Year-To-Date			
Type	2010	2009 /1	2010 /2	2009
Liquid	0	96	1,933	5,415
Frozen	48	0	88	0
Dried	0	75	209	378
Total	48	171	2,230	5,793

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

Week Ending July 03, 2010	Year-To-Date			
Type	2010	2009 /1	2010 /2	2009
Liquid	265	296	10,418	8,594
Frozen	0	4	204	196
Dried	0	0	0	0
Total	265	300	10,622	8,790

Inspected Shell Eggs

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

Week Ending July 03, 2010	Year-To-Date			
Type	2010	2009 /1	2010 /2	2009
Jumbo	0	0	0	0
Extra Large	2,275	2,820	42,051	31,013
Large	2,500	2,570	59,065	73,602
Medium	0	840	24,492	29,040
Ungraded	972	1,764	94,883	133,789
Misc	0	0	0	5,268
Total	5,747	7,994	220,491	272,712

/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

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

Week ending 03-JULY-10

U.S. fowl slaughtered domestically

Thousands	Light Hens	Heavy Hens	Total Hens
Head	1,289	1,505	2,794
Last Week	1,284	1,459	2,743
Same week yr ago	1,155	1,321	2,476
To-date/2010*	37,726	35,459	73,185
To-date/2009*	33,651	38,189	71,840

U.S. fowl slaughtered in Canada

Thousands	Light Hens	Heavy Hens	Total Hens
Head	409	0	409
Last Week	317	0	317
Same week yr ago	277	0	277
To-date/2010*	9,589	202	9,791
To-date/2009*	7,464	19	7,483

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	1,698	1,505	3,203
Last Week	1,601	1,459	3,060
Same week yr ago	1,432	1,321	2,753
To-date/2010*	47,315	35,661	82,976
To-date/2009*	41,115	38,208	79,323

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

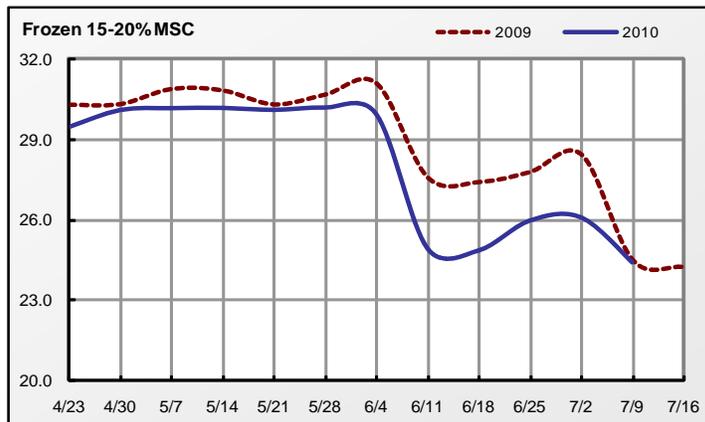
NATIONAL MECHANICALLY SEPARATED CHICKEN

(F.O.B. 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 price trend for fresh and frozen 15-20% MSC was steady to lower with the balance of fat contents steady. Supplies of fresh and frozen 15-20% were moderate to heavy with some buyers taking minimum to less than contract levels; other fat contents were moderate. Schedules were normal to reduced with some mechanical disruptions noted. Export and domestic demand on fresh and frozen 15-20% was light. Light movement into the Caribbean, Central America, and Mexico. Market activity was slow to moderate. The marketplace was sluggish following the holiday. Many noted issues with transportation in relation to truck availability and cost, slow to under par finished product sales both domestically and in export channels, varying frame availability, and flooding in parts of Mexico. Supplies of raw materials were moderate to heavy. Frame values were steady with trading levels ranging 7.5-10 cents FOB, mostly 8-8.5 cents FOB.

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

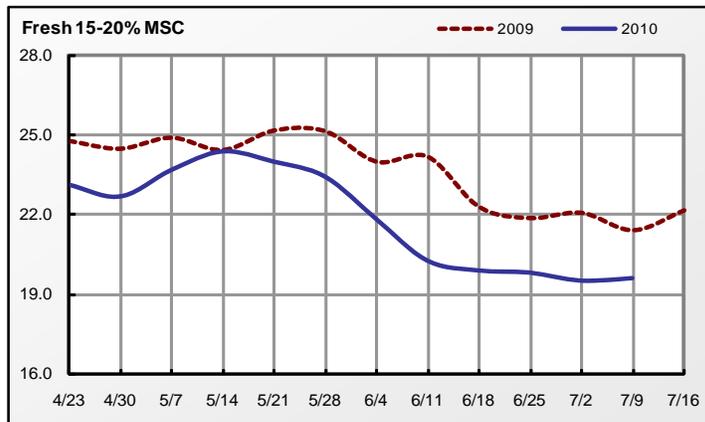
Fat Content	Frozen			Fresh		
	9-Jul-10	Last Week	Last Year	9-Jul-10	Last Week	Last Year
15% or Less						
Price Range	24.00	-	-	26.00	26.00	25.00-26.50
Wtd Avg Price	24.00	-	-	26.00	26.00	25.81
Volume Traded	-	270	-	445	326	276
Volume Exported	-	270	-	200	204	54
15-20%						
Price Range	17.50 - 32.00	20.00 - 30.25	22.00-32.00	17.50 - 25.00	18.00 - 26.00	18.00-27.00
Wtd Avg Price	24.38	26.07	24.46	19.56	19.46	21.38
Volume Traded	1,581	1,968	2,341	3,550	3,109	3,802
Volume Exported	1,341	1,928	2,141	449	245	1,020
20% or More						
Price Range	-	-	-	22.00	22.00	22.00
Wtd Avg Price	-	-	-	22.00	22.00	22.00
Volume Traded	-	-	-	82	82	82
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Jun 2010	May 2010	Jun 2009	Jun 2010	May 2010	Jun 2009
15% or Less						
Wtd Avg Price	-	32.00	-	26.13	26.28	28.55
Volume Traded	-	40	-	866	718	1,233
Volume Exported	-	-	-	305	100	216
15-20%						
Wtd Avg Price	26.22	30.15	28.18	20.44	23.90	23.08
Volume Traded	7,079	7,357	6,088	13,264	15,816	12,262
Volume Exported	6,499	6,645	5,371	653	2,407	4,692
20% or More						
Wtd Avg Price	-	-	-	20.60	22.00	22.00
Volume Traded	-	-	-	204	204	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 09 JULY 2010.

The market on bulk parts ranged steady to barely steady, instances weak. Demand and offerings remained light to moderate. The white meat market was mostly steady to fully steady. Demand was light to instances moderate with offerings mixed. The market on thigh meat and mechanically separated turkey was steady to barely steady. Demand and offerings for thigh meat were light to moderate. Mechanically separated turkey demand was light. Offerings of MST moderate to at times heavy. Market activity was inactive to moderate with the heaviest trading on bulk parts going into export channels. For domestic: fresh wing meat 133-134 cents delivered. For export: fresh tom drums 64, frozen tom necks 36 cents delivered border or port.

EXPORT TRADING	PRICE	L.S.T	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, JULY 09, 2010	RANGE	CODE 1/	PRICE	(000)	WTD AVG	VOLUME
					PRICE	(000)
DRUMSTICKS, TOMS	70.00		70.00	94	69.95	296
WINGS FULL-CUT - TOMS	65.00		65.00	216	65.00	216
WINGS, V-TYPE, TOM	87.50		87.50	240	87.50	240
TAILS	38.00		38.00	80	37.37	214
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	116.50		116.50	80	117.75	160

EXPORT TRADING	PRICE	L.S.T	WTD AVG	VOLUME
THURSDAY, JULY 08, 2010	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	69.00		69.00	54
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	91.00	120
TAILS		W	37.00	54
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		W	119.00	80

EXPORT TRADING	PRICE	L.S.T	WTD AVG	VOLUME
WEDNESDAY, JULY 07, 2010	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	70.00-71.00		70.27	148
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	91.00	120
TAILS	37.00		37.00	54
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	119.00		119.00	80

EXPORT TRADING	PRICE	L.S.T	WTD AVG	VOLUME
TUESDAY, JULY 06, 2010	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	70.63	216
WINGS FULL-CUT - TOMS		T	68.50	108
WINGS, V-TYPE, TOM		F	91.00	120
TAILS	37.00		37.00	80
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		T	118.00	108

NO EXPORT TRADING REPORTED ON MONDAY, JULY 5, 2010, DUE TO INDEPENDENCE DAY HOLIDAY

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.