



INTERNATIONAL EGG AND POULTRY REVIEW



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

Poultry Industry in Italy

Italy is the sixth largest poultry producer in the EU and the third largest turkey producer by volume. Italy's poultry production grew 8% in 2008, slowing to 2% in 2009 due to the global economic crises. Turkey production grew 11% in 2008, but fell 2% in 2009. For January-April 2010, poultry production is up 7% and turkey production is up 1% compared to the same period in 2009.

Poultry Slaughterings for Consumption, 1000 MT

	2007	2008	2009	2009*	2010*
France	1,716.4	1,706.2	1,670.0	541.0	688.0
UK	1,454.5	1,432.6	1,463.1	490.9	518.0
Spain	1,328.1	1,375.3	1,316.7	420.2	428.2
Germany	1,086.8	1,191.7	1,276.4	402.8	451.6
Poland	1,142.8	1,186.5	1,266.5	371.9	421.7
Italy	1,029.0	1,115.9	1,143.2	363.6	389.1

Turkey Slaughterings for Consumption, 1000 MT

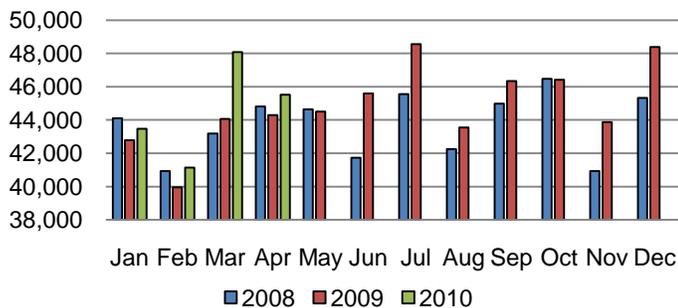
	2007	2008	2009	2009*	2010*
Germany	377.1	399.6	438.0	140.6	161.8
France	454.5	428.7	397.0	136.0	133.0
Italy	279.5	310.3	305.1	100.1	101.2
Poland	205.4	214.5	194.7	59.9	68.9
UK	151.4	135.1	156.8	54.3	52.7

*Jan-Apr

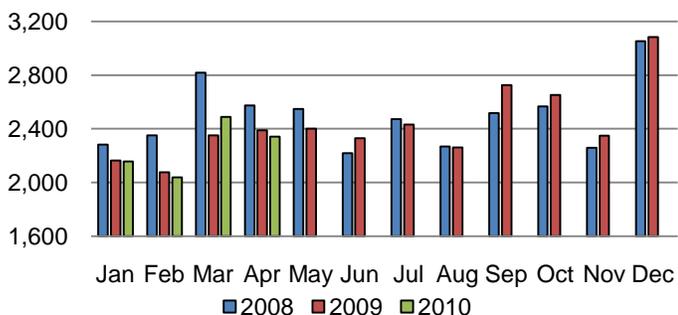
Source: Eurostat - FAME: July 16, 2010 and July 5, 2009

Domestic demand for broiler meat increased due to the relatively lower prices for broiler meat compared to other kinds of meat. Higher demand led to higher prices, while lower feed prices and a decrease in energy costs lowered the cost of production, resulting in higher margins for producers. By the end of 2009, domestic supply exceeded demand, bringing prices down and hampering production growth in the first months of 2010.

Italy: Poultry Slaughter in 1000 MT



Italy: Turkey Slaughter in 1000 MT



Source: Eurostat - FAME : 16/07/2010

The broiler industry expects per-capita consumption to remain stable at about 11.5 kilograms in 2010. About 64% of broiler meat is consumed at legs and breasts, 21% as processed products and 15% as whole birds.

Italy: Poultry Meat Production, Supply and Demand ('000 MT)

	Broilers			Turkey		
	2009*	2010*	2011*	2009	2010	2011
Production	742	770	775	293	295	295
Intra EU imports	30	27	27	10	10	10
Extra EU imports	3	3	3	5	5	5
Total imports	33	30	30	15	15	15
Total supply	774	800	805	308	310	310

*The 2009 and 2010 figures are estimates, 2010 is forecast

EU turkey meat production has trended lower for the past several years, but Italy's production has been relatively stable despite a slight decrease in 2009. The short term forecast for 2010 is near zero growth. About 79% of turkey meat is sold as "selected pieces" (legs, breasts, etc), 19% as processed products, and 2% as whole birds. Turkey meat consumption has been almost flat, a trend that is expected to continue in 2010.

2009 Italian Broiler Meat Trade ('000 MT)

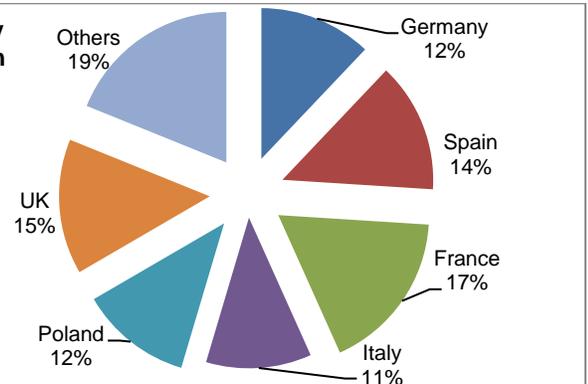
Imports		Exports	
EU-27	29.5	EU-27	43.8
Germany	9.6	Greece	15.1
Netherlands	5.6	Germany	9.8
France	5.5	France	3.6
Spain	2.4	UK	2.6
Hungary	1.3	Austria	2.4
Slovenia	0.8	Netherlands	0.5
Other EU-27 countries	4.4	Other EU-27 countries	9.8
Non EU-27	3.2	Non EU-27	21.5
Brazil	2.6	Benin	8.5
		Albania	4.6
Total	32.7	Total	65.3

Source: Istat.

The EU began blocking imports of U.S. poultry meat in 1997 because of the use by American processors of what the EU deemed unacceptable levels of chlorine as an antimicrobial wash. Before 1997 U.S. exports of broiler and turkey meat to the 15 countries that then constituted the EU were reported to total nearly 32,000 tons, valued at \$44.4 million (€32.9m). Now that the EU consists of 27 countries, estimates value the lost U.S. market between \$200m and \$300m (€148m-€222m) a year.

Source: USDA/FAS PSD, FAS GAIN Report, Eurostat

EU Poultry Production in MT



Source: Eurostat - Agricultural Statistics, Main results 2007-08

INSPECTED EGG PRODUCTS-

U.S. & CANADA IMPORT/EXPORT TRADE

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

Type	Year-To-Date*			
	2010	2009 /1	2010 /2	2009
Liquid	103	197	2,323	6,880
Frozen	0	95	88	95
Dried	30	40	294	498
Total	133	332	2,705	7,473

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

Type	Year-To-Date*			
	2010	2009 /1	2010 /2	2009
Liquid	319	368	13,050	11,096
Frozen	9	0	337	215
Dried	0	0	151	0
Total	328	368	13,538	11,311

Inspected Shell Eggs

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

	Year-To-Date*			
	2010	2009 /1	2010 /2	2009
Jumbo	0	0	0	0
Extra Large	1,350	1,320	53,701	44,363
Large	3,220	2,500	84,835	93,992
Medium	830	1,560	29,132	35,627
Ungraded	10,890	16,224	117,993	203,107
Misc	0	0	900	6,218
Total	16,290	21,604	286,561	383,307

/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-Aug-10 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	1,354	1,528	2,882
Last Week	1,038	1,621	2,659
Same week yr ago	1,412	1,531	2,943
To-date/2010*	46,745	46,350	93,095
To-date/2009*	42,827	49,629	92,456

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	243	24	267
Last Week	359	0	359
Same week yr ago	525	0	525
To-date/2010*	11,442	302	11,744
To-date/2009*	10,253	19	10,272

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	1,597	1,552	3,149
Last Week	1,397	1,621	3,018
Same week yr ago	1,937	1,531	3,468
To-date/2010*	58,187	46,652	104,839
To-date/2009*	53,080	49,648	102,728

*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 price trend was steady to lower for fresh and frozen 15-20% MSC and steady on the remainder of fat contents. Supplies of fresh and frozen 15-20% were moderate to mostly heavy; balance of fat contents moderate. Schedules were generally normal. Export and domestic demand on fresh and frozen 15-20% was light. Good movement was noted into the Caribbean and Central American countries for forward ship; Mexico continues light. Market activity was slow. The spot marketplace remains unsettled with many expecting seasonal trends as industry prepares for the Labor Day holiday next week. Many noted slow finished product sales and heavy inventories, increased frame sales and rendering, and some contract cancellations. Supplies of raw materials were heavy. Frame values were steady with trading levels ranging 6-9.5 cents FOB, mostly 6-7 cents FOB.

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

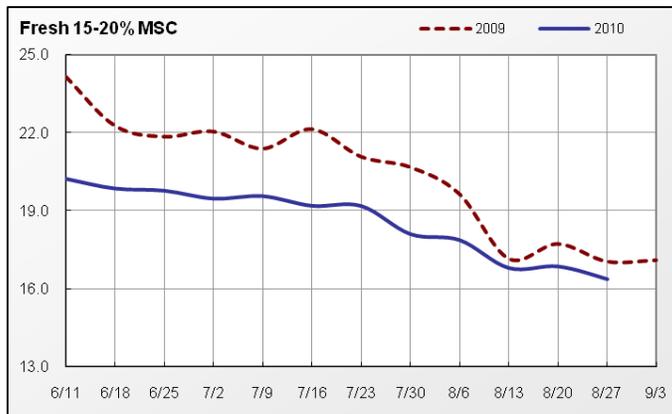
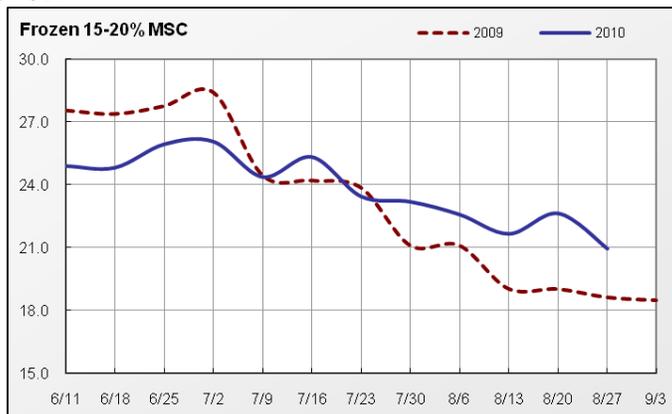
Fat Content	Frozen			Fresh		
	27-Aug-10	Last Week	Last Year	27-Aug-10	Last Week	Last Year
15% or Less						
Price Range			-	21.00	21.00	19.00-20.00
Wtd Avg Price			-	21.00	21.00	19.14
Volume Traded	-	-	-	163	122	286
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	16.00 - 27.00	20.00 - 26.00	17.00-23.00	13.00 - 20.00	13.00 - 23.00	14.00-21.00
Wtd Avg Price	20.95	22.64	18.63	16.37	16.86	17.04
Volume Traded	2,546	1,189	1,757	3,713	3,352	3,421
Volume Exported	2,146	1,069	1,677	449	938	898
20% or More						
Price Range	-	-	-	18.00	18.00	18.00
Wtd Avg Price	-	-	-	18.00	18.00	18.00
Volume Traded	-	-	-	82	41	42
Volume Exported	-	-	-	-	-	-

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

Fat Content	Frozen			Fresh		
	Jul 2010	Jun 2010	Jul 2009	Jul 2010	Jun 2010	Jul 2009
15% or Less						
Wtd Avg Price	24.00	-	-	25.25	26.13	25.39
Volume Traded	270	-	-	1,738	866	1,443
Volume Exported	270	-	-	912	305	163
15-20%						
Wtd Avg Price	24.61	26.22	24.66	19.06	20.44	21.53
Volume Traded	7,249	7,079	8,099	16,393	13,264	15,295
Volume Exported	6,629	6,499	7,299	1,775	653	4,769
20% or More						
Wtd Avg Price	-	-	-	21.33	20.60	22.00
Volume Traded	-	-	-	367	204	326
Volume Exported	-	-	-	-	-	-

Note: Volume exported refers to that portion of the total volume that is destined for export markets.

Source: USDA AMS Poultry Market News & Analysis



Source: USDA AMS Poultry Market News & Analysis

NATIONAL YOUNG TURKEY PARTS, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 27 AUGUST, 2010.

The bulk parts and white meat market is fully steady to firm. Demand is moderate to good with inquiry on breast meat, white trims, full-cut wings, drums, and necks. Offerings remain light. The thigh meat market ranges steady to firm. Demand is light to moderate with offerings light. The market on mechanically separated turkey (MST) is steady to fully steady. Demand is light to moderate. Offerings are mixed. Market activity is slow to moderate into domestic and export channels as processors begin to align schedules for the upcoming holiday. For domestic: fresh scapula meat 175- 176, fresh breast trim 174, fresh tom full-cut wings 69-70, fresh tom necks 38, fresh tails 35, fresh MST (pet food) 19 cents delivered. For export: frozen tenderloins 208, fresh tom drums 68-72 cents delivered border or port.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, AUGUST 27, 2010	RANGE	CODE 1/	PRICE	(000)	PRICE	VOLUME
DRUMSTICKS, TOMS	74.00-76.75		76.32	128	75.00	562
WINGS FULL-CUT - TOMS		R	74.73	33	76.52	73
WINGS, V-TYPE, TOM	87.50		87.50	324	87.50	324
TAILS	40.00		40.00	20	34.16	74
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	118.00	80	115.00	240

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
THURSDAY, AUGUST 26, 2010	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	71.00-77.00		75.13	380
WINGS FULL-CUT - TOMS	74.00-78.00		74.73	33
WINGS, V-TYPE, TOM				
TAILS	32.00		32.00	54
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	118.00		118.00	80

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
WEDNESDAY, AUGUST 25, 2010	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		T	71.00	54
WINGS FULL-CUT - TOMS		M	78.00	40
WINGS, V-TYPE, TOM				
TAILS		R	34.25	216
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		W	22.50	80
		M	113.50	160

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
TUESDAY, AUGUST 24, 2010	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	71.00		71.00	54
WINGS FULL-CUT - TOMS		M	78.00	40
WINGS, V-TYPE, TOM				
TAILS		R	34.25	216
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		W	22.50	80
		M	113.50	160

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
MONDAY, AUGUST 23, 2010	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		W	74.50	40
WINGS FULL-CUT - TOMS	78.00		78.00	40
WINGS, V-TYPE, TOM		M	88.17	360
TAILS		R	34.25	216
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	113.00-114.00	W	22.50	80
			113.50	160

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.