



Processed Chicken: National Mechanically Separated Chicken (Fri.)

Fri. Oct 08, 2010

**Agricultural Marketing Service
Poultry Market News & Analysis Branch**

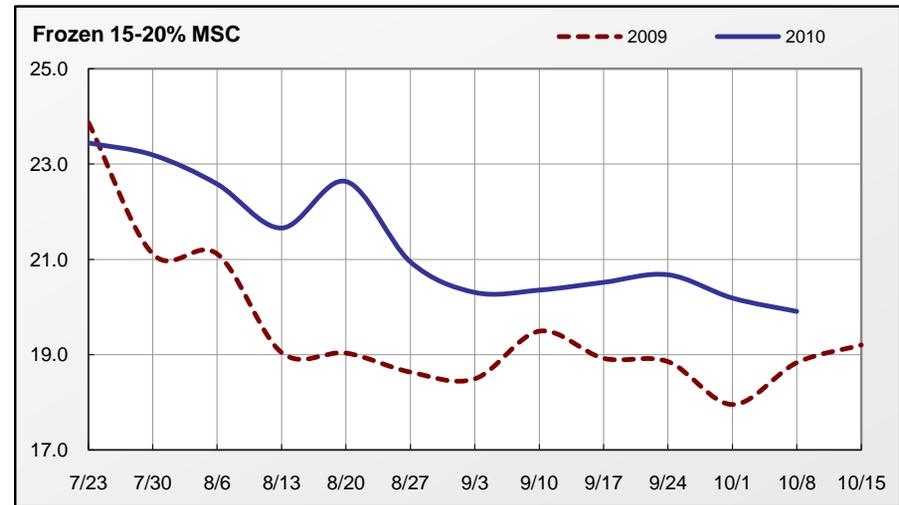
CORRECTION TO 2009 MONTHLY VOLUMES

(F.O.B. Shipper Dock or equivalent; negotiated prices in trucklot and less-than-trucklot volumes reported in thousand pound quantities, cents/pound; delivery within 2 weeks.)

The price trend was generally steady on all fat contents. Supplies of fresh and frozen 15-20% were moderate to mostly heavy with the balance of fat contents moderate. Schedules were seasonally normal. Export and domestic demand on fresh and frozen 15-20% was light. Market activity was slow. The 2011 contract negotiation process kicked off for many last Friday with industry intently monitoring the situation. A definite disparity exists between buyers and sellers in their mentality regarding pricing for 2011. In addition, many continue to find themselves competing on the spot marketplace with extra MSC due to seasonal demand reductions and push back from buyers with heavy inventories of finished products. Frames continue to be rendered or sold with buyer interest waning. Supplies of raw materials remain heavy. Frame values were steady to lower with trading between 4.5-7 cents FOB.

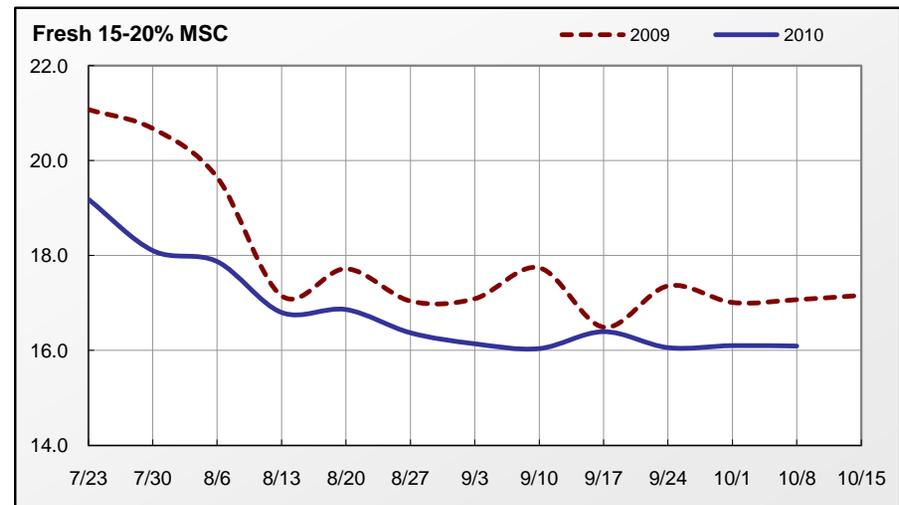
Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

Fat Content	Frozen			Fresh		
	8-Oct-10	Last Week	Last Year	8-Oct-10	Last Week	Last Year
15% or Less						
Price Range			20.00	18.00 - 19.00	18.00	18.00-19.00
Wtd Avg Price			20.00	18.57	18.57	18.50
Volume Traded	-	-	80	143	143	242
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	15.00 - 22.00	15.00 - 22.00	16.50-22.50	12.50 - 19.00	14.00 - 18.00	15.50-21.00
Wtd Avg Price	19.91	20.19	18.83	16.09	16.10	17.07
Volume Traded	1,284	1,037	1,216	3,372	2,591	2,733
Volume Exported	1,164	937	1,096	612	571	-
20% or More						
Price Range	-	-	-	18.00	18.00	17.00
Wtd Avg Price	-	-	-	18.00	18.00	17.00
Volume Traded	-	-	-	41	41	82
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Sep 2010	Aug 2010	Sep 2009	Sep 2010	Aug 2010	Sep 2009
15% or Less						
Wtd Avg Price	-	-	-	18.80	21.51	19.07
Volume Traded	-	-	-	408	628	1,170
Volume Exported	-	-	-	-	200	-
15-20%						
Wtd Avg Price	20.43	21.80	18.86	16.14	16.91	17.21
Volume Traded	6,576	6,995	6,748	12,811	12,159	***13,327***
Volume Exported	6,336	6,067	5,848	1,999	2,122	3,773
20% or More						
Wtd Avg Price	-	-	-	17.75	18.57	17.80
Volume Traded	-	-	-	163	286	204
Volume Exported	-	-	-	-	-	-



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