



INTERNATIONAL EGG AND POULTRY REVIEW



U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News and Analysis Branch

China Poultry Egg Production

China's total poultry egg production in 2011 is forecast to grow over 2% to 27.7 million metric tons following a 2% increase in 2010. Higher production is partly due to improved control of avian leukosis virus (J-ALV), which hindered production in 2009 and due to the strengthening world economy.

China's Total Poultry Egg Production, 2006-2010 (1,000 MT)

2006	2007	2008	2009	Estimate 2010	Forecast 2011	% Chg 2011/10
24,240	25,290	27,017	26,600	27,100	27,700	2.21

Source: China National Statistics Bureau

China's monthly poultry egg price in June fell 5% to RMB7.68 (\$1.13) per kilogram from February due to oversupply. China Animal Husbandry Association monitoring shows that China's total grandparent-generation (GPG) breeding layer inventory is 569,000 sets (1 set = 120 birds) with imported GPG breeding layers accounting for 57% at 321,600 birds. The remaining 247,700 sets are domestic GPG breeders.

Industry contacts consider that continued development of the domestic GPG breeding industry is a key factor behind the current oversupply of parent-generation (PG) breeding layers and commercial egg layers. Yukou, the largest domestic GPG breeding layer company, alone could have 200,000 sets of GPG breeding layers ready for reproduction.

China Live Poultry Stocks in 1000 head

	2006	2007(F)	2008(F)	2009(F)
Chickens	4,456,483*	4,505,479*	4,602,278	4,702,278
Ducks	742,019*	752,162	761,250	771,250
Geese and guinea fowls	293,038*	302,841	312,318	317,318
Turkeys	179	163	156	N/A
Total	5,491,719	5,560,645	5,676,002	5,790,846

* Unofficial figures. F=Forecast. N/A =not available

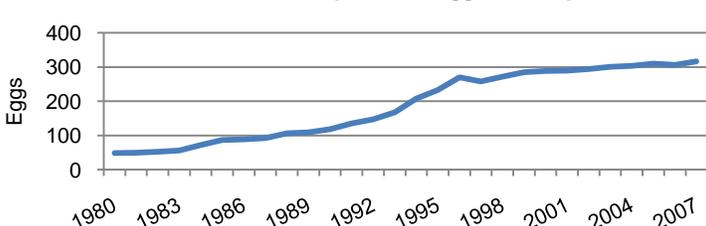
Source: FAOSTAT | © FAO Statistics Division 2010 | 22 October 2010

Top Production: Hen eggs, in shell, metric tons

Rank	1980	1990	2008
1 U.S.	4,126,100	China 6,560,750	China 22,749,200
2 USSR	3,795,600	USSR 4,581,170	U.S. 5,338,700
3 China	2,344,347	USA 4,034,000	India 3,060,000
4 Japan	2,001,582	Japan 2,419,000	Japan 2,554,000
5 Germany	1,134,299	Brazil 1,230,401	Brazil 1,844,670

Source: FAOSTAT | © FAO Statistics Division 2010 | 22 October 2010

China: Annual Per Capita Shell Egg Consumption



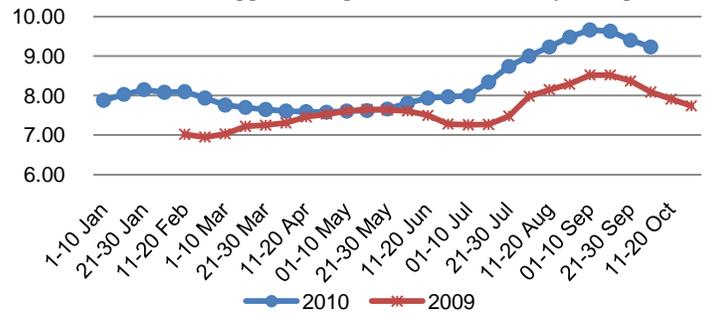
Source: FAOSTAT|© FAO Statistics Division 2010 | 22 October 2010

China Industry Feed Prices for Egg Layers on Average 2006-2010 (RMB/KG, \$1=RMB6.79)

	2006	2007	2008	2009	2010	% Change 2010/09
January	1.89	1.97	2.41	2.40	2.58	7.50
February	1.88	1.98	2.44	2.39	2.84	18.83
March	1.87	2.02	2.44	2.37	2.68	13.08
April	1.86	2.01	2.47	2.37	2.58	8.86
May	1.87	2.03	2.48	2.37	2.61	10.13
June	1.88	2.06	2.54	2.40	2.62	9.17
July	1.89	2.09	2.62	2.44		
August	1.89	2.13	2.62	2.48		
September	1.91	2.18	2.60	2.51		
October	1.91	2.19	2.55	2.52		
November	1.91	2.27	2.48	2.53		
December	1.95	2.33	2.42	2.57		

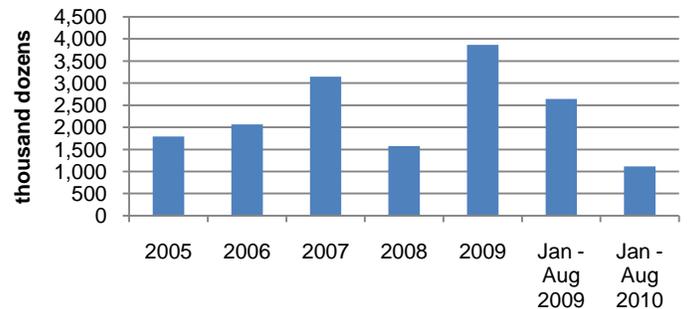
Source: The Ministry of Agriculture

China: Fresh Eggs, Average Price in 50 Cities, yuan/kg



Source: China Statistical Information Network www.stats.gov.cn
Data not available prior to 11-20 February 2009

U.S. Shell Egg Exports to China



U.S. Egg Products Exports to China, in metric tons

Product	2008	2009	January-August		% Chg	HS Code
			2009	2010		
Egg albnm,dried	67.6	38.1	20.4	49.6	143	3502110000
Brd egg n/sh,fr	4.2	23.8	11.7	18.5	59	408990000
Brd eggs n/shell	895.3	20.2	0.0	80.1	-	408910000
Egg yolks, dried	0.0	10.0	0.0	0.0	-	408110000
Egg ylk,fr,fz,ck	47.0	0.0	0.0	0.0	-	408190000
Total	1,014.1	92.2	32.1	148.2	362	

Export data source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

Source: USDA/FAS GAIN Report

**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	49	425	3,057	9,737
Frozen	0	0	88	95
Dried	79	0	424	636
Total	128	425	3,569	10,468

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

Type	Year-To-Date*			
	2010	2009 /1	2010 /2	2009
Liquid	226	315	15,711	13,906
Frozen	41	5	521	257
Dried	0	0	151	0
Total	267	320	16,383	14,163

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	1,530	798	66,031	62,581
Large	3,850	6,312	114,415	136,259
Medium	750	450	34,972	42,397
Ungraded	7,866	15,078	211,033	321,475
Misc	0	0	900	9,770
Total	13,996	22,638	427,351	572,482

/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 16-Oct-10 (Preliminary)

U.S. fowl slaughtered domestically

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	1,274	1,529	2,803
Last Week	1,643	1,392	3,035
Same week yr ago	1,120	1,564	2,684
To-date/2010*	57,836	57,947	115,783
To-date/2009*	52,859	61,965	114,824

U.S. fowl slaughtered in Canada

	Thousands		
	Light Hens	Heavy Hens	Total Hens
Head	220	25	245
Last Week	448	0	448
Same week yr ago	188	0	188
To-date/2010*	13,995	443	14,438
To-date/2009*	12,813	43	12,856

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	1,494	1,554	3,048
Last Week	2,091	1,392	3,483
Same week yr ago	1,308	1,564	2,872
To-date/2010*	71,831	58,390	130,221
To-date/2009*	65,672	62,008	127,680

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

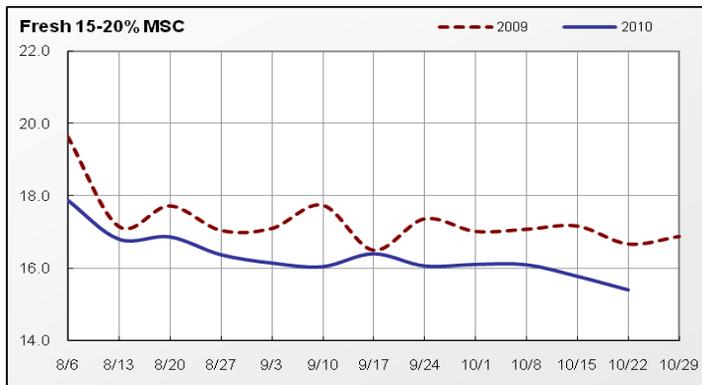
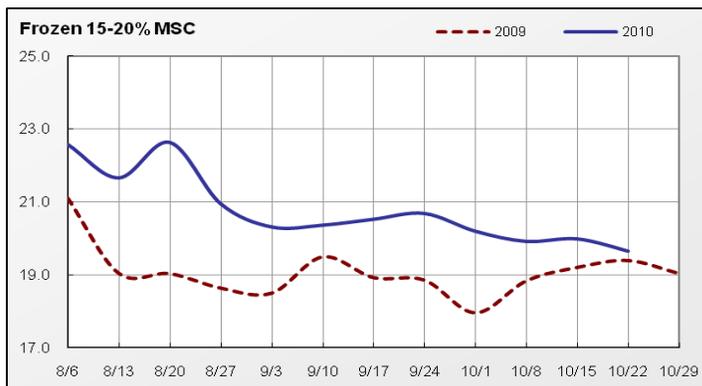
NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 weak on fresh 15-20% with the balance of fat contents steady. Supplies of fresh and frozen 15-20% were moderate to heavy with the remainder moderate. Schedules were normal with a few disruptions noted. Domestic and export demand on fresh and frozen 15-20% was light with some slightly improved interest noted on frozen 15-20% into export channels for the balance of 2010. Market activity was slow. Conversations abound on 2011 contracts with little action taking place at levels confirmed on fresh 15-20% at the low side of 2010 contracts; however the gap between buyer and seller pricing ideas for 2011 remains with many still battling things out. In the meantime, industry continues to struggle moving spot MSC and frames due seasonal reductions and push back from buyers with heavy inventories of finished products. Frames continue to be rendered or sold with very limited buyer interest. Supplies of raw materials were heavy. Frame values were steady to weak with trading between 4.5-7 cents FOB.

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

Fat Content	Frozen			Fresh		
	22-Oct-10	Last Week	Last Year	22-Oct-10	Last Week	Last Year
15% or Less						
Price Range			-	18.00 - 19.00	18.00	18.00-19.00
Wtd Avg Price			-	18.57	18.50	18.57
Volume Traded			-	143	163	282
Volume Exported			-	-	-	-
15-20%						
Price Range	15.00 - 22.00	15.00 - 22.00	17.00-22.50	13.00 - 20.00	12.00 - 20.00	15.00-19.00
Wtd Avg Price	19.64	19.98	19.39	15.40	15.77	16.66
Volume Traded	1,837	1,944	1,859	3,154	2,576	2,767
Volume Exported	1,557	1,884	1,618	898	530	857
20% or More						
Price Range	-	-	-	18.00	18.00	17.00
Wtd Avg Price	-	-	-	18.00	18.00	17.00
Volume Traded	-	-	-	41	41	41
Volume Exported	-	-	-	-	-	-



Source: USDA AMS Poultry Market News & Analysis

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.

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 22 OCTOBER, 2010.

The market on necks is steady to weak with the balance of bulk parts steady to firm. Demand remains moderate to good. Offerings are light to short except necks are moderate. The white meat market is fully steady to firm. Demand is moderate to good on all white items, including bone-in breasts, while offerings are light. The market on thigh meat continues steady to firm. Demand is moderate to good into all channels. Offerings are limited. The mechanically separated turkey (MST) market is steady. Demand and offerings are light to moderate. Market activity ranges slow to instances heavy. For domestic: fresh ground breast trim 202, fresh scapula meat 193.5, fresh tom full-cut wings 78-79, fresh MST (pet food) 14-20, frozen tails 36, frozen hearts 28, frozen livers 22 cents delivered. For export: fresh thigh meat 130, fresh tom drums 77, frozen tom necks 36-40 cents delivered border or port.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, OCTOBER 22, 2010	RANGE	CODE 1/	PRICE	(000)	WTD AVG	VOLUME
					PRICE	(000)
DRUMSTICKS, TOMS	76.00-80.00		78.92	148	77.12	578
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		W	88.00	240	88.00	240
TAILS	40.00		40.00	40	38.00	160
MECHANICALLY SEPARATED 2/		R	27.00	40	24.08	148
THIGH MEAT - FROZEN	133.00		133.00	54	133.00	54

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
THURSDAY, OCTOBER 21, 2010	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	75.00		75.00	268		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		W	88.00	240		
TAILS	39.00		39.00	40		
MECHANICALLY SEPARATED 2/	27.00		27.00	40		
THIGH MEAT - FROZEN						

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
WEDNESDAY, OCTOBER 20, 2010	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS	79.00		79.00	162		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM	88.00		88.00	240		
TAILS	36.00-37.00		36.50	80		
MECHANICALLY SEPARATED 2/		M	23.00	108		
THIGH MEAT - FROZEN						

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
TUESDAY, OCTOBER 19, 2010	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		R	76.00	54		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 2/		M	23.00	108		
THIGH MEAT - FROZEN						

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME		
MONDAY, OCTOBER 18, 2010	RANGE	CODE 1/	PRICE	(000)		
DRUMSTICKS, TOMS		R	76.00	54		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 2/	23.00		23.00	108		
THIGH MEAT - FROZEN						

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.