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US Paw and Feet Exports

The US shipped a total of 189,468 MT of paws and feet from January to August in 2010, which is about 43% lower than a year ago at this time (329,776 MT). Typically the US ships most of its chicken paws and feet to China and Hong Kong, which comprised about 98% of total US paw and feet exports in 2009.

In the first eight months of 2010, the US shipped about 93% of its paw and feet exports to Hong Kong and China compared with 98% in 2009. Over this period, US paw and feet exports increased to Hong Kong (+180%), Vietnam (+287%), and to Greece (+445%) with decreases noted into the Philippines (-5%) and Japan (-14%) from a year ago.

The decline in total US paw exports and to China can be attributed to China's response to long standing issues between both countries (i.e. Section 272 of the US Omnibus Appropriations Act of 2009, the value of the Chinese Yuan, protectionism claims, and US duties levied on Chinese-made low-end tires, steel pipes, movies, and books). In February 2010, China imposed anti-dumping (AD) and countervailing (CVD) import duties on US poultry. In addition, the World Trade Organization (WTO) ruled in favor of China regarding China's anti-dumping case against the US filed in April 17, 2009. According to the final determination recently made by China's Ministry of Commerce (MOFCOM) these duties are expected to continue into 2011.

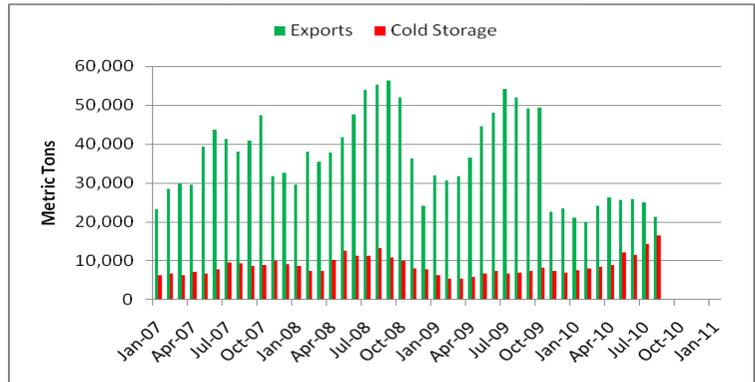
Chicken paws account for about 50-60% of China's total poultry imports. In 2010, Brazil became China's primary supplier of chicken paws followed by Chile and Argentina. In 2009, Brazil did not export any paws to China. As a result of the AD and CVD duties, US poultry imports to China have declined significantly helping to bolster prices and demand for locally produced Chinese poultry despite high feed costs. Total Chinese broiler meat imports, excluding paws, are projected to be 22% lower in 2010 and 14% lower in 2011. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS/World Trade Organization/news wires

Top US Paw Export Destinations by Volume (MT)

	2006	2007	2008	2009	2009*	2010*	%
HK	27,617	37,592	73,878	85,797	51,364	143,801	180%
China	153,593	374,705	421,025	377,805	271,515	32,359	-88%
Vietnam	426	1,776	3,970	3,312	2,282	8,839	287%
Philippines	267	4,511	5,311	3,902	2,623	2,502	-5%
Japan	91	317	449	613	525	451	-14%
Greece	26			63	63	344	445%
Samoa						337	
Malaysia						221	
Taiwan	1,457	2,537	821	516	492	172	-65%
Mexico	307	331	932	666	585	149	-75%
Other	23,806	4,529	2,349	1,017	328	295	-10%
Total	207,589	426,297	508,735	473,691	329,776	189,468	-43%

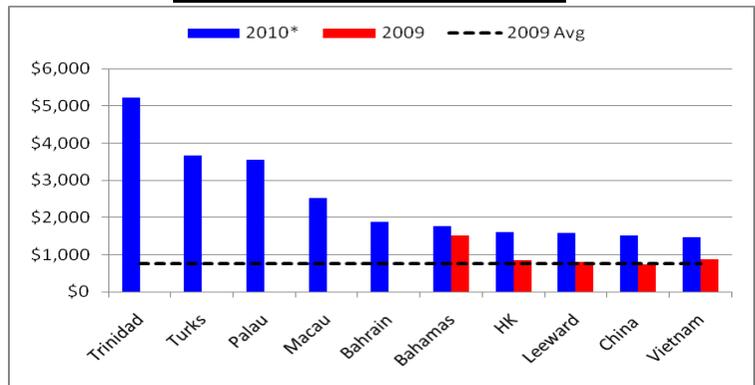
Note: 2009* and 2010* Data from January-August. % = Percentage Change. HK = Hong Kong. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

Comparison of US Paws Exports versus US Paw Cold Storage Holdings in Metric Tons (MT)



Source: USDA NASS/Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

Top US Chicken Paw Prices (\$/MT)



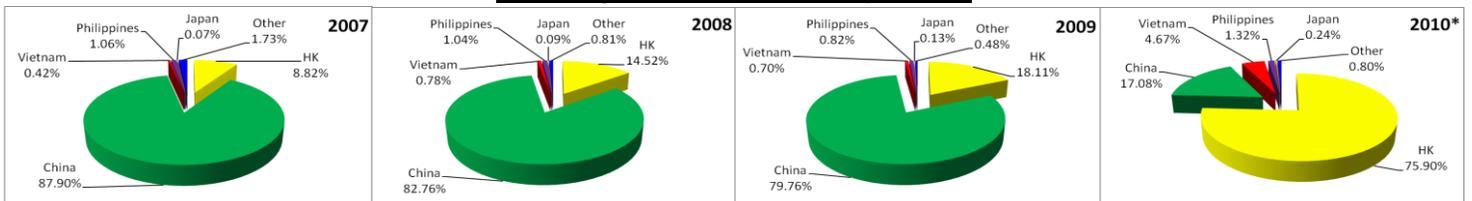
Note: Note 2010* data is from January-August, whereas data for 2009 and the US 2009 Average is from January-December. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

Top US Paw Export Destinations by Value (Thousand Dollars)

	2006	2007	2008	2009	2009*	2010*	%
HK	24,082	24,335	49,043	72,708	38,849	232,925	500%
China	129,420	235,779	280,256	278,256	183,937	49,135	-73%
Vietnam	291	1,521	2,933	2,876	1,807	13,042	622%
Philippines	177	4,282	3,991	3,583	2,235	3,188	43%
Japan	67	271	274	390	318	637	100%
Greece	12			36	36	308	756%
Malaysia				55		274	
Samoa						250	
Taiwan	1,005	1,899	611	466	435	227	-48%
Mexico	241	200	576	592	521	187	-64%
Other	18,706	3,158	1,815	708	239	385	61%
Total	174,001	271,445	339,499	359,670	228,377	300,558	32%

Note: 2009* and 2010* Data from January-August. % = Percentage Change. HK = Hong Kong. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

Percentage of US Paw Exports by Volume



Note: All data is January-December except for 2010*, which only includes exports from January-August.

Source: AliceWeb Mercosul

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LA

INSPECTED EGG PRODUCTS-

U.S. & CANADA IMPORT/EXPORT TRADE

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

Week Ending Oct 23, 2010	Year-To-Date*			
Type	2010	2009 /1	2010 /2	2009
Liquid	193	439	3,250	10,176
Frozen	0	0	88	95
Dried	0	44	424	680
Total	193	483	3,762	10,951

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

Week Ending Oct 23, 2010	Year-To-Date*			
Type	2010	2009 /1	2010 /2	2009
Liquid	229	282	15,940	14,188
Frozen	45	4	566	261
Dried	0	0	151	0
Total	274	286	16,657	14,449

Inspected Shell Eggs

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

Week Ending Oct 23, 2010	Year-To-Date*			
Type	2010	2009 /1	2010 /2	2009
Jumbo	0	0	0	0
Extra Large	1,350	3,420	67,381	66,001
Large	4,290	5,810	118,705	142,069
Medium	540	840	35,512	43,237
Ungraded	7,320	15,876	218,353	337,351
Misc	0	0	900	9,770
Total	13,500	25,946	440,851	598,428

/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 23-Oct-10 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,208	1,391	2,599
Last Week	1,274	1,529	2,803
Same week yr ago	1,128	1,531	2,659
To-date/2010*	59,044	59,338	118,382
To-date/2009*	53,987	63,496	117,483

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	113	12	125
Last Week	220	25	245
Same week yr ago	185	0	185
To-date/2010*	14,108	455	14,563
To-date/2009*	12,998	43	13,041

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	1,321	1,403	2,724
Last Week	1,494	1,554	3,048
Same week yr ago	1,313	1,531	2,844
To-date/2010*	73,152	59,793	132,945
To-date/2009*	66,985	63,539	130,524

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

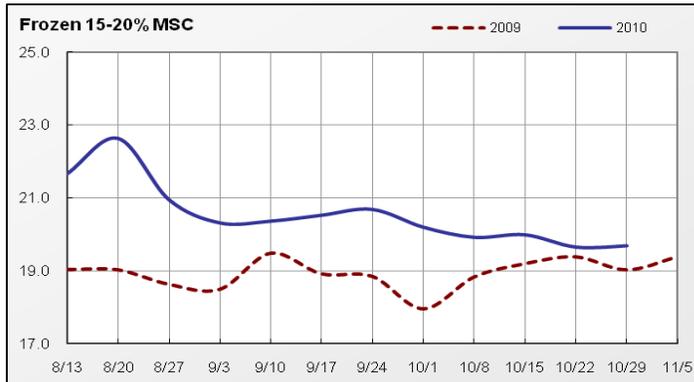
NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 seasonally normal. Domestic and export demand on frozen 15-20% was light to moderate with some improved interest noted into export channels with the balance of fat contents light. Market activity was slow to moderate. 2011 negotiations persist with a little bit of action taking place despite the discrepancies in opinion between buyers and sellers. A few contracts have been confirmed on fresh and frozen 15-20% at levels at the low side of 2010 contracts and nearing levels similar to the current spot marketplace. Regarding the current spot marketplace, industry continues to fight an uphill battle moving spot MSC and frames in light of seasonal reductions in demand and push back from buyers with heavy inventories. Many continue to take advantage of their options by rendering or selling off frames to a growingly disinterested audience. Supplies of raw materials remain heavy. Frame values were steady to weak with trading between 4-7 cents FOB.

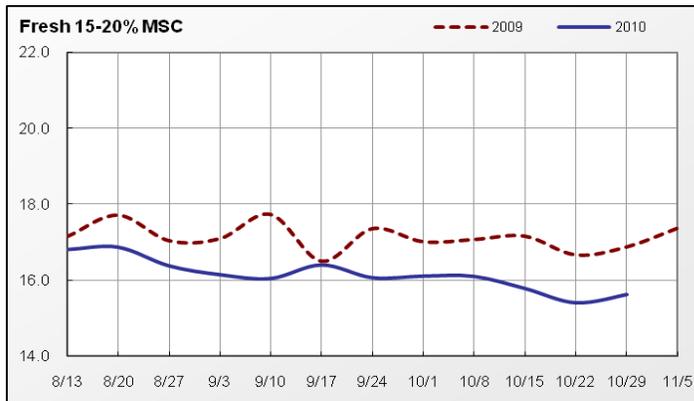
Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

Fat Content	Frozen			Fresh		
	29-Oct-10	Last Week	Last Year	29-Oct-10	Last Week	Last Year
15% or Less						
Price Range			-	18.00 - 19.00	18.00	18.00-19.00
Wtd Avg Price			-	18.56	18.57	18.67
Volume Traded	-	-	-	184	143	364
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	14.50 - 22.00	15.00 - 22.00	17.00-22.50	13.00 - 18.00	13.00 - 20.00	15.00-20.50
Wtd Avg Price	19.68	19.64	19.03	15.61	15.40	16.87
Volume Traded	1,326	1,837	1,072	3,203	3,154	2,736
Volume Exported	1,126	1,557	952	694	898	734
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	-	-	-	-	-	-



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

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NATIONAL YOUNG TURKEY PARTS, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 29 OCTOBER, 2010.

The market on bulk parts is steady to firm, except tom necks steady to instances weak. Demand is light to moderate with some reports of buyer resistance at higher level asking prices on tom full-cut wings. Offerings of tom necks are moderate with the balance of bulk part offerings light. White meat items and bone-in breast market ranges steady to firm. Demand is moderate to good. Offerings are light to very light. The market on thigh meat is steady to firm. Demand is light to moderate with most inquiry coming from domestic channels. Offerings remain limited. Mechanically separated turkey market is steady to barely steady. Demand is light, while offerings are light to moderate. Market activity is slow to moderate. For domestic: frozen grade A basted breasts 8-10 lb. 139, 10-12 lb. 144, fresh scapula meat 194-200, fresh wing meat 159 cents delivered. For export: frozen scapula meat 201, frozen heavy hen drums 72, frozen tom gizzards (machine cut, machine defatted) 95, (hand cut, hand defatted) 110 cents delivered border or port.

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
FRIDAY, OCTOBER 29, 2010	75.00-83.00		79.93	366	78.29	582
DRUMSTICKS, TOMS						
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS		F	40.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	133.00	54		
EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)		
THURSDAY, OCTOBER 28, 2010	75.50		75.50	216		
DRUMSTICKS, TOMS						
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS		F	40.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	27.00	40		
		F	133.00	54		
EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)		
WEDNESDAY, OCTOBER 27, 2010						
DRUMSTICKS, TOMS		F	78.92	148		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		W	88.00	240		
TAILS		F	40.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	27.00	40		
		F	133.00	54		
EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)		
TUESDAY, OCTOBER 26, 2010						
DRUMSTICKS, TOMS		F	78.92	148		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		W	88.00	240		
TAILS		F	40.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	27.00	40		
		F	133.00	54		
EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)		
MONDAY, OCTOBER 25, 2010						
DRUMSTICKS, TOMS		F	78.92	148		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		W	88.00	240		
TAILS		F	40.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	27.00	40		
		F	133.00	54		

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.