



# INTERNATIONAL EGG AND POULTRY REVIEW



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

Chile's poultry industry is highly concentrated, both geographically and in the number of producers. In 2009, 96.4% of production came from just three regions: Valparaiso, Metropolitana and Libertador Bernardo O'Higgins. Almost 58% of broilers were produced in L.B.O'Higgins; over 76% of turkeys were produced in Coquimbo y Valparaiso; and 38% of broilers and 21% of turkeys were produced in Metropolitana.

The large companies that dominate the market are fully integrated with high production standards. The companies control the breeding of poultry, slaughter, processing, packaging, distribution and logistics; as a result product traceability is high. The poultry industry is the largest meat producer in Chile, producing 45.5% of total meat production in 2009. Pork accounted for 38.7% and beef 15.8%.

### Meat Production in metric tons

	Beef	Pork	Poultry	Total
2007	241,677	498,706	581,034	1,340,360
2008	240,257	522,423	611,511	1,394,173
2009	209,853	513,741	604,048	1,345,636

Source: Odepa with information from the Institute of National Statistics (INS)

In 2009, 84% of poultry production was from broilers, 15% from turkeys, and about 1% from chickens. The drop in broiler production in 2007 was due to a fire in a processing plant in San Vicente in 2007. Turkey production fell in 2009 due to an outbreak of H1N1 avian influenza in two commercial breeding flocks.

### Production of Poultry Meat in metric tons

	Total	Broilers	Chickens	Turkeys	Other
2004	535,002	446,233	6,361	82,284	124
2005	549,925	456,689	6,150	86,982	125
2006	613,757	517,048	6,223	90,399	87
2007	581,034	480,462	5,804	94,706	63
2008	611,511	503,906	5,627	101,909	69
2009	604,048	507,519	5,846	90,600	83
08/07 (%)	5.2	4.9	-3.0	7.6	10.4
09/08 (%)	-1.2	0.7	3.9	-11.1	19.6

Source: Odepa with information from the INS

Poultry meat is the most important source of animal protein in Chile. Poultry meat consumption had stabilized around 33 kilos per capita, but fell to 31.9 kilos in 2009 following the economic crisis.

### Availability kilos of meat per capita per year

	2003	2004	2005	2006	2007	2008	2009
Beef	23.2	24.1	25.2	22.0	23.7	22.1	22.6
Pork	19.1	18.3	19.3	22.5	23.5	25.0	24.0
Poultry	27.7	30.6	30.3	33.9	33.2	33.3	31.9
Others	0.9	0.9	0.7	0.9	0.8	0.9	0.7
Total	70.9	73.9	75.5	79.3	81.2	81.3	79.3

Source: Odepa with information from the INS and National Customs Service

All poultry meat imported is from three countries: Argentina, Brazil and the United States. Argentina began exporting poultry to Chile in 2003 and is the main supplier of poultry meat. The U.S. started exporting poultry meat to Chile in 2008 and Brazilian exports began in 2009. All poultry meat imports are frozen. Product from Argentina was 47.5% whole birds, and 39.9% cuts and edible offal (HS 02071400) of fowls or chickens. Product from Brazil and the U.S. were under the same code. The average price per kilo of imported meat from Brazil

was US\$0.89/kg and 81.1% of the shipments consisted of cuts and edible offal. Imports averaged US\$1.42/kg from Argentina and US\$2.24/kg from the U.S.

### Poultry Meat Imports in metric tons

	2007	2008	2009	% 09/08
Argentina	25,235	23,821	31,247	31.2
Brazil	0	0	4,008	-
U.S.	0	656	481	-26.7
Total	25,235	24,477	35,736	46.0

### Poultry Meat Imports in thousand US\$ CIF

	2007	2008	2009	% 09/08
Argentina	34,475	40,106	44,267	10.4
Brazil	0	0	3,569	-
U.S.	0	1,338	1,078	-19.4
Total	34,475	41,444	48,914	18.0

Source: Odepa with information from the National Customs Service

Chile exported poultry meat to 38 destinations and were valued at \$201 million in 2009. Chicken meat exports accounted for 81.9% of total poultry exports; turkey meat exports totaled 17,955 metric tons, accounting for 18% of total poultry meat exports. In 2007, the U.S. and Russian markets opened to Chile, as well as Chilean exports to the U.S.

### Poultry Meat Exports in metric tons

	2007	2008	2009	% 09/08
Mexico	21,049	28,500	30,057	5.5
United Kingdom	8,952	7,492	10,136	35.3
China	5,874	5,535	11,641	110.3
Hong Kong	8,116	14,832	10,547	-28.9
United States	0	1,023	5,133	401.7
Netherlands	1,052	1,353	3,362	148.5
Germany	1,344	2,667	3,357	25.9
Canada	1,223	2,230	2,072	-7.1
Italy	367	710	2,079	192.8
Peru	3,310	6,246	7,227	15.7
Subtotal	51,287	70,588	85,611	21.3
Others	4,604	7,426	13,751	85.2
Total	55,891	78,014	99,362	27.4

### Poultry Meat Exports in thousand US\$ FOB

	2007	2008	2009	% 09/08
Mexico	65,451	78,512	67,758	-13.7
United Kingdom	38,462	33,908	37,810	11.5
China	6,909	7,139	14,888	108.5
Hong Kong	10,185	21,447	14,010	-34.7
United States	0	2,644	13,415	407.4
Netherlands	4,422	5,995	10,754	79.4
Germany	4,638	8,697	9,605	10.4
Canada	4,146	7,683	6,463	-15.9
Italy	1,500	3,239	6,408	97.8
Peru	2,230	4,747	5,995	26.4
Subtotal	137,943	174,011	187,110	7.5
Others	4,373	10,969	13,966	27.3
Total	142,316	184,980	201,076	8.7

Odepa – Office of Studies and Agricultural Policies

In recent years Chile has exported poultry meat under the code HS 02109900, including meat and edible offal, salted or in brine, dried or smoked. In 2009 Chile exported 2,780 MT of turkey valued at US\$ 8,734 FOB and 5,875 MT of chicken valued at US\$17,652 under this code. Exports of poultry preparations, HS 16023100 (turkey) and 16023200 (chicken) totaled 6,860 MT and 6,025 MT respectively. The turkey exports were valued at US\$20,650 FOB and the chicken at US\$11,668 FOB.

Source: [www.odepa.gob.cl](http://www.odepa.gob.cl), USDA/FAS, news wires

**INSPECTED EGG PRODUCTS-**

**U.S. & CANADA IMPORT/EXPORT TRADE**

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

Week Ending Oct 30, 2010	Year-To-Date*			
Type	2010	2009 /1	2010 /2	2009
Liquid	290	372	3,540	10,548
Frozen	0	0	88	95
Dried	23	0	447	680
Total	313	372	4,075	11,323

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

Week Ending Oct 30, 2010	Year-To-Date*			
Type	2010	2009 /1	2010 /2	2009
Liquid	285	273	16,225	14,461
Frozen	4	1	570	262
Dried	0	0	151	0
Total	289	274	16,946	14,723

**Inspected Shell Eggs**

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

Week Ending Oct 30, 2010	Year-To-Date*			
Type	2010	2009 /1	2010 /2	2009
Jumbo	0	0	0	0
Extra Large	5,060	1,500	72,441	67,501
Large	4,890	10,950	123,595	153,019
Medium	840	750	36,352	43,987
Ungraded	19,652	13,452	238,005	350,803
Misc	0	0	900	9,770
Total	30,442	26,652	471,293	625,080

/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 30-Oct-10 (Preliminary)

**U.S. fowl slaughtered domestically**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,096	1,369	2,465
Last Week	1,208	1,391	2,599
Same week yr ago	1,185	1,745	2,930
To-date/2010*	60,140	60,707	120,847
To-date/2009*	55,172	65,241	120,413

**U.S. fowl slaughtered in Canada**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	429	0	429
Last Week	113	12	125
Same week yr ago	358	0	358
To-date/2010*	14,537	455	14,992
To-date/2009*	13,356	43	13,399

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	1,525	1,369	2,894
Last Week	1,321	1,403	2,724
Same week yr ago	1,543	1,745	3,288
To-date/2010*	74,677	61,162	135,839
To-date/2009*	68,528	65,284	133,812

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

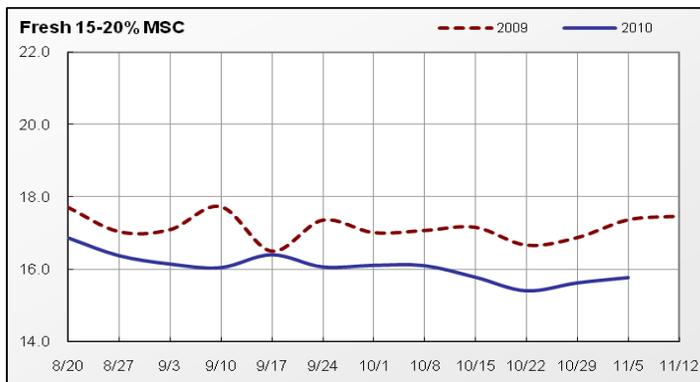
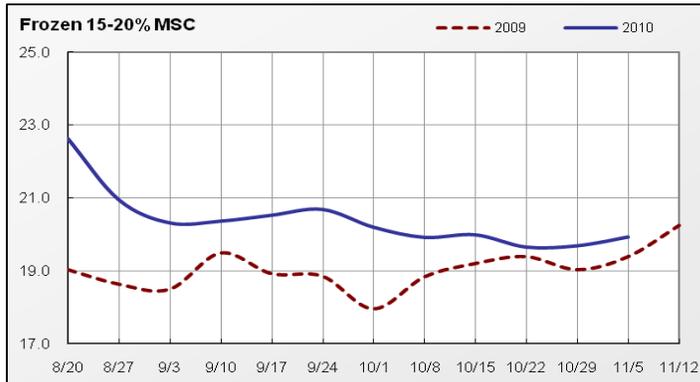
**NATIONAL MECHANICALLY SEPARATED CHICKEN**

(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 to light. Domestic and export demand on frozen 15-20% was light to moderate with decent interest noted into export channels with the balance of fat contents light. Market activity was slow to moderate. Contract negotiations for 2011 continue to carry on with some contracts being 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. Differences on pricing persist between buyers and sellers dragging the process out as usual. In regards to the spot marketplace, many buyers continue to pull the minimum of their contract ranges with some not even doing that much due to heavy inventories and seasonal demand reductions. As a result, sellers continue to struggle to move MSC and frames. Supplies of raw materials were 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		
	5-Nov-10	Last Week	Last Year	5-Nov-10	Last Week	Last Year
<b>15% or Less</b>						
Price Range			-	18.00	18.00	17.00-19.00
Wtd Avg Price			-	18.00	18.56	18.01
Volume Traded	-	-	-	61	184	242
Volume Exported	-	-	-	-	-	-
<b>15-20%</b>						
Price Range	15.00 - 22.00	14.50 - 22.00	17.00-23.00	13.00 - 18.00	13.00 - 18.00	15.00-20.50
Wtd Avg Price	19.92	19.68	19.39	15.76	15.61	17.37
Volume Traded	1,317	1,326	1,455	3,142	3,203	2,810
Volume Exported	1,037	1,126	1,175	857	694	367
<b>20% or More</b>						
Price Range	-	-	-	18.00 - 20.00	18.00	17.00
Wtd Avg Price	-	-	-	19.33	18.00	17.00
Volume Traded	-	-	-	122	41	82
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		
	Oct 2010	Sep 2010	Oct 2009	Oct 2010	Sep 2010	Oct 2009
<b>15% or Less</b>						
Wtd Avg Price	-	-	20.00	18.55	18.80	18.69
Volume Traded	-	-	80	775	408	1,292
Volume Exported	-	-	-	-	-	-
<b>15-20%</b>						
Wtd Avg Price	19.86	20.43	18.81	15.79	16.14	16.95
Volume Traded	7,428	6,576	7,276	14,895	12,811	13,396
Volume Exported	6,668	6,336	6,435	3,305	1,999	2,733
<b>20% or More</b>						
Wtd Avg Price	-	-	-	18.00	17.75	17.00
Volume Traded	-	-	-	204	163	328
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 05 NOVEMBER, 2010.

The market on bulk parts is steady to firm with tom necks steady to weak. Demand and offerings are light to moderate with continuing inquiry on tom full-cut wings. The white meat and bone-in breast market is steady to fully steady, instances firm. Demand is moderate to at times good. Offerings are light to moderate with bone-in breasts in the tightest position. The market on thigh meat is steady. Demand is light to instances moderate. Market activity is slow to moderate into domestic and export channels. For domestic: fresh scapula meat 198-202, fresh tom full-cut wings 81-82, fresh tom necks 38, fresh tails 36-37, frozen tails 37-38 cents delivered. For export: fresh tom drums 71 cents delivered border; frozen machine cut and defatted tom gizzards 99, hen gizzards 95, mixed hen and tom gizzards 95-99, fries 280-282 shipping point.

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>	<b>WEEKLY</b>	<b>WEEKLY</b>
<b>FRIDAY, NOVEMBER 05, 2010</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>	<b>PRICE</b>	<b>VOLUME</b>
DRUMSTICKS, TOMS	74.00		74.00	54	74.00	54
WINGS FULL-CUT - TOMS		W	94.00	40	94.00	80
WINGS, V-TYPE, TOM		W	91.00	216	91.00	216
TAILS						
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	134.00		134.00	40	134.00	94

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>THURSDAY, NOVEMBER 04, 2010</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS		F	79.93	366
WINGS FULL-CUT - TOMS		W	94.00	40
WINGS, V-TYPE, TOM		W	91.00	216
TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	134.00		134.00	54

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>WEDNESDAY, NOVEMBER 03, 2010</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS		F	79.93	366
WINGS FULL-CUT - TOMS	94.00		94.00	40
WINGS, V-TYPE, TOM	90.00-92.00		91.00	216
TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN				

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>TUESDAY, NOVEMBER 02, 2010</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS		F	79.93	366
WINGS FULL-CUT - TOMS		M	94.00	40
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN				

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>MONDAY, NOVEMBER 01, 2010</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS		F	79.93	366
WINGS FULL-CUT - TOMS	94.00		94.00	40
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 2/ 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.