



INTERNATIONAL EGG AND POULTRY REVIEW



U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News and Analysis Branch

Highly Pathogenic Avian Influenza

Highly pathogenic avian influenza H5N1 has surfaced in South Korea and Japan, severely impacting their poultry industries. This winter outbreaks have also been reported in domestic poultry in Bangladesh, Vietnam, Nepal and Myanmar.

In December 2010 Highly Pathogenic Avian Influenza, H5N1, was reported in domestic poultry on farms in several provinces in South Korea. As of February 11, OIE reported over 1 million birds were reported dead or destroyed with some news sources quoting over 5 million birds culled. South Korea is also battling its largest ever outbreak of foot and mouth disease.

U.S. Poultry Meat Exports to South Korea

	2009		2010		Percent Change	
	Value	MT	Value	MT	Value	MT
Poultry	41,703	31,972	88,571	71,248	+112%	+123%

Value in 1000 USD. Poultry meat under HS Codes 0207, 1601, 1602

In Japan, H5N1 HPAI was confirmed on poultry farms in Shimane prefecture in December, 2010. Outbreaks were later confirmed in Aichi, Miyazaki, Kagoshima and Oita prefectures. Kagoshima, Miyazaki and Aichi are major poultry producing areas. According to the Statistics Department, Ministry of Agriculture, Forestry and Fisheries as of February 1, 2009 Kagoshima prefecture's combined output of poultry farming--both broilers and eggs--was the nation's largest, and Miyazaki prefecture was the nation's No. 2 poultry producer. Aichi prefecture is the number one in terms of layers. Japan is one of the top egg producing countries in the world, ranking fourth behind China, the U.S. and India.

Japan Poultry Production in thousands

	Layers	Broilers	Eggs Produced*
Japan	181,664	102,987	2,554
Kagoshima	10,132	17,206	164
Miyazaki	3,835	17,867	55
Aichi	10,491	999	136
Shimane	1,175	447	18
Oita	1,670	2,451	24

* Eggs are in thousand metric tons. Broiler statistics are from the Survey of Poultry Marketing; hen egg production is from the Survey of Hen Eggs Marketing. Layers and broilers are as of February 1, 2009. Egg production is for year beginning January

Source: Minister's Secretariat, Ministry of Agriculture, Forestry and Fisheries; News Wires; Japan's Statistics Department; USDA FAS; Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics; World Organization for Animal Health (OIE)

Japan: Frozen Broiler Imports

	China		U.S.		Brazil		Others	
	2009	2010	2009	2010	2009	2010	2009	2010
Jan	-	19	1,292	2,313	29,542	26,791	355	287
Feb	13	-	1,129	2,806	24,578	28,563	317	450
Mar	-	19	1,109	2,771	21,504	27,530	257	413
Apr	11	34	1,886	3,295	22,357	36,093	472	457
May	-	7	1,584	2,749	29,650	29,830	392	385
Jun	10	34	1,737	2,424	31,392	31,758	377	455
Jul	11	14	1,463	1,947	24,695	34,352	507	446
Aug	8	10	744	3,104	20,591	33,002	426	476
Sep	11	19	1,440	3,459	26,379	32,390	427	575
Oct	9	19	2,251	2,323	23,972	35,337	390	802
Nov	-	21	2,254	3,975	22,897	34,507	460	565
Dec	19	-	1,427	-	30,384	-	362	-

Source: ALIC

Mexico Begins Anti-Dumping Investigation of U.S. Chicken

On February 8, 2011 the Mexican Secretariat of Economy published a notice in the *Diario Oficial de la Federación* (Mexico's Federal Register) announcing a resolution accepting the request of an interested party and the beginning of the antidumping investigation on imports of chicken leg quarters originating in the U.S. and covering goods classified under tariff 0207.13.03 and 0207.14.04 of the Tariff Act of the General Taxes of Import and Export.

Mexico's Ministry of the Economy (Economia) said it would investigate U.S. chicken for unfair trade competition at the request of three Mexican poultry companies, Bachoco, Buenaventura, and PATSA. The Mexican chicken processors allege U.S. producers sold chicken legs and thighs on the Mexican market below the cost of production. They say imports of U.S. chicken legs and thighs increased significantly in recent years and put the domestic industry at risk.

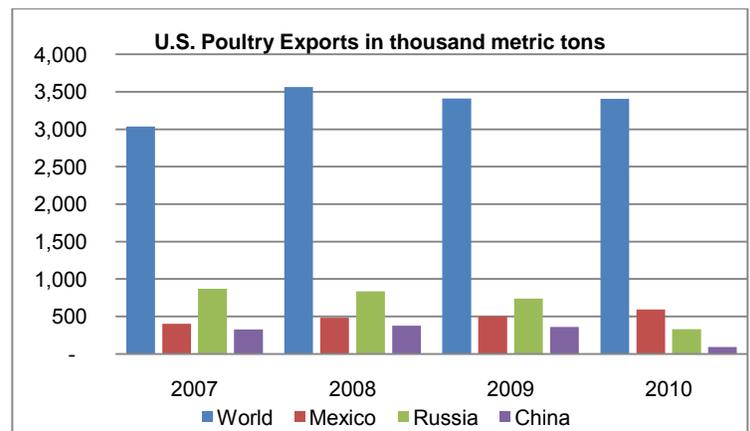
To substantiate their claims, the poultry companies referred to China's preliminary anti-dumping duties placed on U.S. chicken and Ukraine's complaint that the U.S. and Brazil sold chicken at prices below production. Neither of those two complaints against the U.S. have been settled. They also claimed that Mexico became the alternate market after shipments to Russia and China dropped sharply in 2010.

In 2009 Mexico exported \$16.6 million of chicken products to the world. Main destinations were the United States, Vietnam and Congo. Only 150 MT (\$342,000) of turkey products, mostly processed meat (HS code: 160231) were exported, all to the United States. U.S. chicken product exports to Mexico rose 18% in volume and 15% in value in 2010, compared to the previous year. Imports of chicken products totaled 1,043,179 MT valued at \$1,045,722, compared to 882,963 MT valued at \$906,650 in 2009. Turkey product exports totaled 145,623 MT valued at \$281,083 compared to 120,245 MT valued at \$212,088 in 2009.

U.S. Frozen Chicken Leg Quarter Exports in metric tons (HS 0207140010)

	2007	2008	2009	2010	% chg
World Total	1,745,003	1,897,456	1,821,036	1,758,125	-3%
Russia	820,556	754,659	666,560	315,595	-53%
Mexico	49,412	91,571	110,494	150,770	36%
China	66,925	75,625	77,229	9,595	-88%

Source: *Diario Oficial de la Federación*; news wires, Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics; USDA FAS Gain Reports



Poultry under HS Codes 0207, 1601, 1602
Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

**INSPECTED EGG PRODUCTS-
U.S. & CANADA IMPORT/EXPORT TRADE**

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

Type	Year-To-Date*			
	2011	2010 /1	2011 /2	2010
Liquid	49	193	240	724
Frozen	0	0	0	0
Dried	0	0	0	40
Total	49	193	240	764

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

Type	Year-To-Date*			
	2011	2010 /1	2011 /2	2010
Liquid	434	520	1,726	1,972
Frozen	12	6	34	33
Dried	0	0	0	0
Total	446	526	1,760	2,005

Inspected Shell Eggs

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

Type	Year-To-Date*			
	2011	2010 /1	2011 /2	2010
Jumbo	0	0	0	0
Extra Large	0	0	699	1,500
Large	0	0	575	800
Medium	750	750	895	750
Ungraded	936	2,472	6,923	19,716
Misc	0	0	0	0
Total	1,686	3,222	9,092	22,766

/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 Feb 05, 2011 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	1,325	1,355	2,680
Last Week	1,485	1,515	3,000
Same week yr ago	1,490	1,390	2,880
To-date/2011*	7,144	7,032	14,176
To-date/2010*	7,755	6,808	14,563

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	-----Thousands-----		
Head	381	24	405
Last Week	422	10	432
Same week yr ago	490	0	490
To-date/2011*	1,925	46	1,971
To-date/2010*	1,963	0	1,963

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	1,706	1,379	3,085
Last Week	1,907	1,525	3,432
Same week yr ago	1,980	1,390	3,370
To-date/2011*	9,069	7,078	16,147
To-date/2010*	9,718	6,808	16,526

*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.)

Prices trended steady to fully steady on all MSC fat contents. Supplies of all fat contents were light to moderate. Schedules were mixed due to weather disruptions and delays. Domestic and export demand was light to moderate with continued interest noted on frozen 15-20% into the Caribbean, Central America, and Asia. A variety of disruptions and delays were noted in production and delivery schedules as a result of winter storm activity throughout the south. For many, the focus this week was fulfilling regular contract commitments and getting operations back to normal. However industry continues to stay out front on the spot marketplace and closely monitor frame values and opportunities. Supplies of raw materials were moderate to instances heavy. Frame values were generally steady trading mostly 7-8 cents FOB.

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

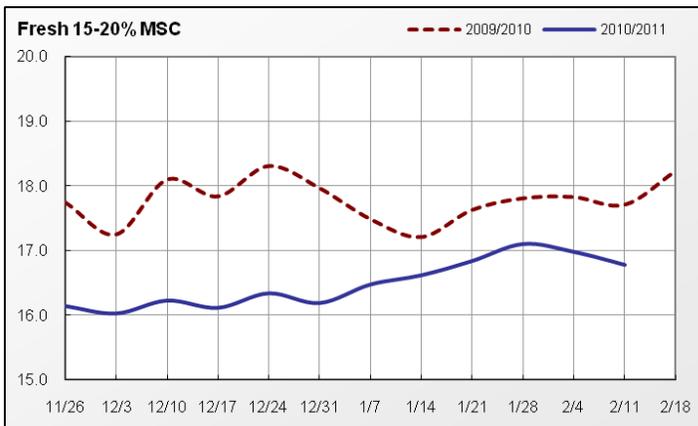
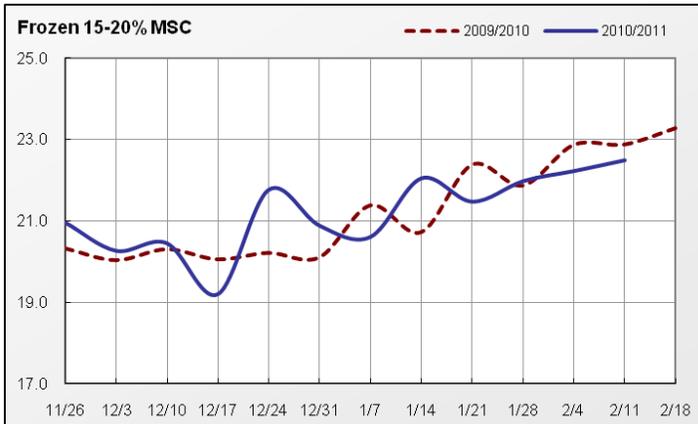
Fat Content	Frozen			Fresh		
	11-Feb-11	Last Week	Last Year	11-Feb-11	Last Week	Last Year
15% or Less						
Price Range			-	18.00 - 20.00	18.00 - 20.00	19.00-21.00
Wtd Avg Price			-	19.00	19.14	19.90
Volume Traded			-	82	286	406
Volume Exported			-	-	-	-
15-20%						
Price Range	21.00 - 24.00	20.00 - 24.00	20.00-28.00	15.00 - 20.50	15.00 - 20.50	16.00-21.00
Wtd Avg Price	22.48	22.22	22.88	16.78	16.98	17.70
Volume Traded	1,718	1,326	1,893	4,036	3,764	5,720
Volume Exported	1,478	1,166	1,245	408	204	1,244
20% or More						
Price Range	-	-	-	18.00 - 20.00	18.00 - 20.00	16.00-17.00
Wtd Avg Price	-	-	-	18.67	19.00	16.50
Volume Traded	-	-	-	122	163	82
Volume Exported	-	-	-	-	-	-

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

Fat Content	Frozen			Fresh		
	Jan 2011	Dec 2010	Jan 2010	Jan 2011	Dec 2010	Jan 2010
15% or Less						
Wtd Avg Price	-	-	24.00	18.48	18.48	18.78
Volume Traded	-	-	80	632	592	1,689
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	21.37	20.34	21.31	16.77	16.16	17.57
Volume Traded	4,805	7,720	6,700	14,210	17,110	15,974
Volume Exported	4,105	6,300	5,940	1,061	2,938	2,162
20% or More						
Wtd Avg Price	-	-	-	19.07	19.29	16.08
Volume Traded	-	-	-	612	571	530
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 11 FEBRUARY, 2011.

The market on bulk parts was steady to fully steady. Demand was light to moderate. Offerings light. The market on tom breast meat is steady to barely steady, with the balance of white meat steady. Demand was light to moderate. Offerings light to moderate. Trading was slow to moderate. For domestic: Fresh full-cut wings 58-60 cents, fresh scapula 197 cents, fresh wing meat 160 cents fresh hen breast meat 220 cents, fresh mechanically separated turkey 13 cents pet food and fresh breast trim 205 cents. For export: fresh tom drums 70 cents, fresh tom breast meat 225 cents delivered.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, FEBRUARY 11, 2011	RANGE	CODE 1/	PRICE	(000)	WTD AVG	VOLUME
					PRICE	(000)
DRUMSTICKS, TOMS	79.00		79.00	162	79.00	162
WINGS FULL-CUT - TOMS		R	65.00	40	65.00	40
WINGS, V-TYPE, TOM	89.00-90.00		89.50	324	89.50	324
TAILS	40.00		40.00	80	40.00	80
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	130.00-135.0	F	20.00	54		
			134.22	128	134.22	128

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
THURSDAY, FEBRUARY 10, 2011	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	78.03	232
WINGS FULL-CUT - TOMS	65.00		65.00	40
WINGS, V-TYPE, TOM		R	89.00	240
TAILS		F	40.39	92
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	20.00	54

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
WEDNESDAY, FEBRUARY 09, 2011	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	78.03	232
WINGS FULL-CUT - TOMS		R	63.00	108
WINGS, V-TYPE, TOM		R	89.00	240
TAILS		F	40.39	92
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	20.00	54

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
TUESDAY, FEBRUARY 08, 2011	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	78.03	232
WINGS FULL-CUT - TOMS		R	63.00	108
WINGS, V-TYPE, TOM		R	89.00	240
TAILS		F	40.39	92
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	20.00	54

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
MONDAY, FEBRUARY 07, 2011	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		F	78.03	232
WINGS FULL-CUT - TOMS		R	63.00	108
WINGS, V-TYPE, TOM		R	89.00	240
TAILS		F	40.39	92
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	20.00	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.