



INTERNATIONAL EGG AND POULTRY REVIEW



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

Japan After the Earthquake/Tsunami

A massive 9.0 magnitude earthquake and subsequent tsunami hit Japan's northeast Pacific coastal region on March 11, 2011. The catastrophe devastated cities, towns, and villages of the prefectures located along the coast line. The most affected prefectures are Iwate, Miyagi, Fukushima, and Ibaragi.

Japan's Ministry of Agriculture, Forestry and Fisheries (MAFF) compiled its preliminary earthquake/tsunami damage estimates related to the livestock sector (as of April 4). Total damages are estimated at JP Yen 41.3 billion. Of this amount: JP Yen 6 billion was from floods, runoff and death of animals/birds; and JP Yen 35.3 billion in estimated damage to livestock sheds/facilities. By some accounts, the Japanese meat supply chain lost about 26,000 MT of poultry as the result of damage to infrastructure and power outages.

Within the 20 km radius of the crippled Fukushima nuclear plant, there were 870 head of dairy cattle; 2,500 head of beef cattle; 30,000 swine; and 630,000 poultry. Farmers within the 20 km radius were evacuated and left their animals behind. It is too early to accurately estimate the extent of the damage to the Fukushima livestock industry.

The table below shows poultry population before the earthquake and tsunami in the suffered areas. This disaster caused estimated losses of 5 million laying hens and 4 million broiler birds

Poultry Operations in Earthquake Hit Prefectures

number of birds raised and percent share of all Japan

Prefecture	Broilers	%Share	Layer	% Share
	1,000 birds	all Japan	1,000 birds	all Japan
Iwate	15,409	14%	4,903	3%
Miyagi	1,751	2%	5,176	3%
Fukushima	1,109	1%	5,698	3%
Ibaragi	1,233	1%	12,598	7%
Four Prefecture				
Subtotal	19,502	18%	28,375	16%
All Japan	107,141	100%	178,208	100%

Source: The Meat Statistics in Japan, October 1, 2010
(Table produced by FAS/Tokyo)

Major constraints on production inputs (feed, electricity, water, and fuel) for broiler and egg production in the country have started to ease. The prospect for second quarter (2011) broiler and egg supplies from affected Tohoku region seems decent. While facilities/factories of one or two of the larger scale broiler integrators located in the Tohoku region's coastal zone were incapacitated, the latest information post has received from MAFF suggests that the majority of other integrators/operators located inland are largely unaffected, but resumption of operations had been constrained by a lack of fuel, water and electricity.

There are about 3,100 large layer chicken operations in Tohoku. No large operations were hit by the tsunami. The supply of feed is improving but there are still problems. Some chicken farmers started forced molts, which allow the birds to survive with only water and limited feed for two weeks. As a result, the egg supply to the Tokyo market fell and the wholesale price of eggs soared in the Tokyo market (from 200 yen per kilo to 260 yen per kilo as of April 5). However, demand from the Tokyo metropolitan area is being met by supplies from the Western/Central region. Increased egg prices will reflect higher transport costs, but the supply is not as tight as it was in March.

No large commercial hatcheries were damaged by the earthquake or

tsunami. Even without this disaster, layer operations were decreasing in volume by 5.8% per year, with 1.9% reduction of bird number in Japan, according to the census statistics on February 1, 2009, by MAFF.

Miyazaki prefecture, the nation's second highest ranked broiler producing prefecture, had several outbreaks of highly pathogenic avian influenza (HPAI) early this year and production is still far from recovery. On March 29 the Government of Japan had lifted all movement and shipping restrictions previously imposed in Miyazaki prefecture due to HPAI. The nation's domestic broiler supply prospects should improve during the second half of 2011. Until then, imported raw broiler meat and prepared products for retail and those locally utilized for the prepared food business should do well by covering a temporary shortage in domestic supply during the first half of this year.

Source: USDA/FAS GAIN Reports, news wires

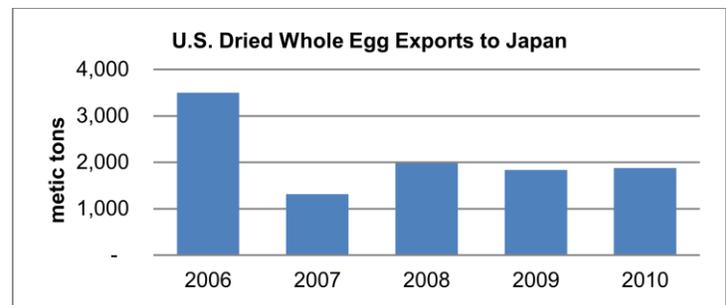
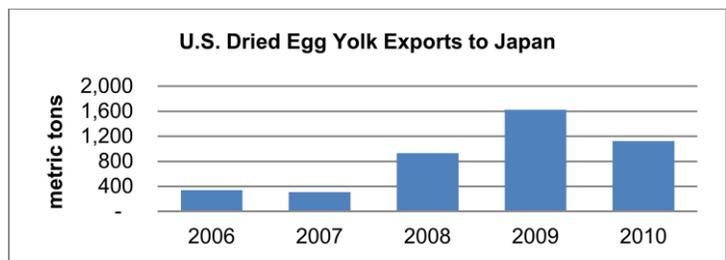
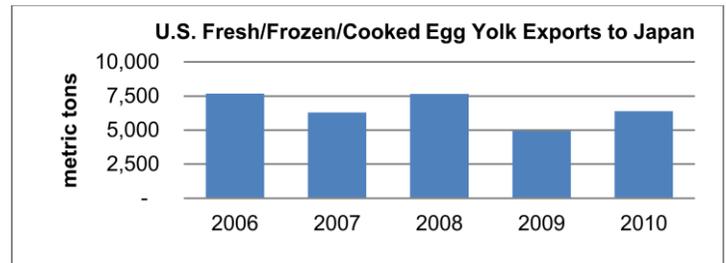
Japan: Annual Imports, Egg Products, in metric tons

	Powdered Egg Yolks	Powdered Whole Eggs	Powdered Albumen	Other Egg Yolks	Liquid Eggs
2009	2,251.7	2,836.1	5,566.8	2,078.4	8,670.5
2010	2,223.1	2,782.3	7,024.2	2,665.1	9,875.5

Japan: Annual Imports, Frozen Broilers, in metric tons

	China	U.S.	Brazil	Others	Total
2009	92	18,306	307,941	4,742	331,081
2010	196	34,182	379,981	5,894	420,253

Source: ALIC Ministry of Finance. "Japan Exports and Imports"



Source: 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)
Week Ending Apr 23, 2011 Year-To-Date*

Type	2011	2010 /1	2011 /2	2010
Liquid	48	48	386	1,647
Frozen	0	0	0	0
Dried	0	0	0	156
Total	48	48	386	1,803

U.S. Imports From Canada, in Pounds (000) (Preliminary)
Week Ending Apr 23, 2011 Year-To-Date*

Type	2011	2010 /1	2011 /2	2010
Liquid	236	518	5,531	6,530
Frozen	3	4	252	129
Dried	0	0	0	0
Total	239	522	5,783	6,659

Inspected Shell Eggs

U.S Exports to Canada, In 30-Dozen Cases (Preliminary)
Week Ending Apr 23, 2011 Year-To-Date*

Type	2011	2010 /1	2011 /2	2010
Jumbo	0	0	0	0
Extra Large	3,720	2,460	24,109	12,810
Large	7,350	2,000	43,290	33,220
Medium	1,200	870	8,725	11,820
Ungraded	4,920	3,168	29,178	69,642
Misc	0	0	0	0
Total	17,190	8,498	105,302	127,492

/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 Apr 23, 2011 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,519	1,387	2,906
Last Week	1,321	1,337	2,658
Same week yr ago	1,532	1,458	2,990
To-date/2011*	22,983	23,487	46,470
To-date/2010*	23,555	21,181	44,736

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	411	12	423
Last Week	505	0	505
Same week yr ago	286	24	310
To-date/2011*	6,274	133	6,407
To-date/2010*	5,405	115	5,520

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	1,930	1,399	3,329
Last Week	1,826	1,337	3,163
Same week yr ago	1,818	1,482	3,300
To-date/2011*	29,257	23,620	52,877
To-date/2010*	28,960	21,296	50,256

*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.)

MSC prices are trending steady to firm on fresh and frozen 15-20%. Supplies are light to moderate. Schedules were irregular as some operations deal with the aftermath of the tornadoes that hit areas of the Southeast. Demand into domestic and export channels was moderate to mostly good with the bulk of interest centering on frozen 15-20%. Market activity was moderate to active. Supplies of raw materials are tight. Frame values were firm with limited trading occurring between 11-13.5 cents FOB.

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

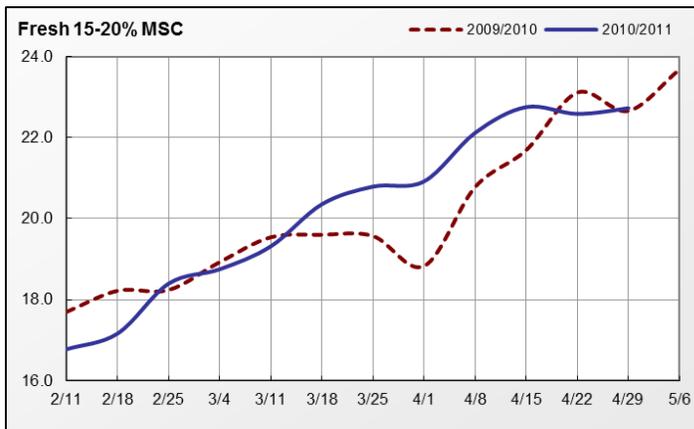
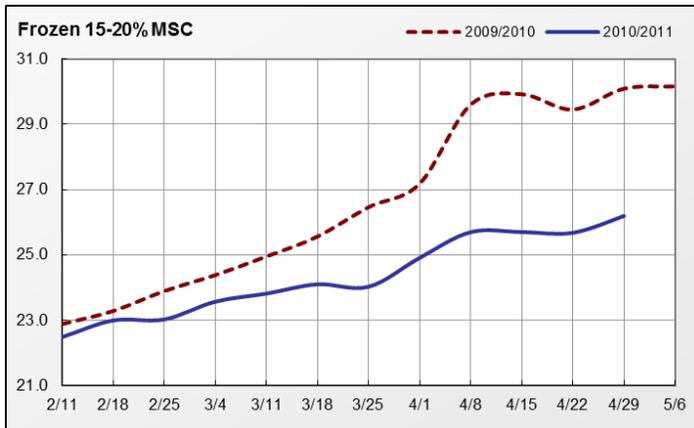
Fat Content	Frozen			Fresh		
	29-Apr-11	Last Week	Last Year	29-Apr-11	Last Week	Last Year
15% or Less						
Price Range			-	26.00	25.00	26.00
Wtd Avg Price			-	26.00	25.00	26.00
Volume Traded	-	-	-	204	122	91
Volume Exported	-	-	-	-	-	50
15-20%						
Price Range	24.00 - 29.00	24.00 - 28.00	27.00-33.00	20.00 - 26.00	19.00 - 27.00	18.00-30.00
Wtd Avg Price	26.19	25.68	30.09	22.73	22.58	22.66
Volume Traded	1,898	1,659	1,758	3,345	3,487	5,467
Volume Exported	1,578	1,359	1,558	-	-	367
20% or More						
Price Range	-	-	-	20.00	18.00 - 20.00	22.00
Wtd Avg Price	-	-	-	20.00	19.00	22.00
Volume Traded	-	-	-	122	82	41
Volume Exported	-	-	-	-	-	-

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

Fat Content	Frozen			Fresh		
	Mar 2011	Feb 2011	Mar 2010	Mar 2011	Feb 2011	Mar 2010
15% or Less						
Wtd Avg Price	-	-	25.00	20.83	19.29	23.30
Volume Traded	-	-	40	245	694	408
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	23.86	22.69	25.48	19.80	17.34	19.37
Volume Traded	6,170	6,087	5,689	13,826	15,732	14,453
Volume Exported	5,930	5,367	4,937	1,183	1,224	1,958
20% or More						
Wtd Avg Price	-	-	-	18.91	19.00	18.50
Volume Traded	-	-	-	449	571	245
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 29 April 2011.

The market on bulk parts is steady to fully steady. Demand was light to moderate. Offerings light to moderate. The market on white meat is steady. Demand was light. Offerings light to moderate. Thigh meat market is steady to instances firm. Demand was light to moderate. Offerings light. Trading was slow for both domestic and export with some resistance noted to current price levels for export. For domestic: fresh scapula 198 cents, fresh breast trim 206 cents, fresh wing meat 160 cents, fresh full cut wings 76 cents, fresh tom necks 32-34 cents and frozen livers 24 cents. For export: hand defatted tom gizzards 102 cents, frozen hen drums 79 cents and frozen livers 25 cents delivered port or border.

Export Trading

	Price Range	L.S.T. Code 1/	Wtd Avg Price	Volume (000)	Weekly Wtd Avg Price	Weekly Volume (000)
Friday, April 29, 2011						
Drumsticks, Toms	83.00-85.00		84.22	242	84.22	242
Wings Full-Cut - Toms						
Wings, V-Type, Tom	96.00		96.00	54	97.02	294
Tails		R	42.00	54	42.00	54
Mechanically Separated 2/		F	31.00	54		
Thigh Meat - Frozen	135.00		135.00	80	135.00	80
Thursday, April 28, 2011						
Drumsticks, Toms		F	81.78	362		
Wings Full-Cut - Toms		R	83.30	270		
Wings, V-Type, Tom		M	97.25	240		
Tails	42.00		42.00	54		
Mechanically Separated 2/		F	31.00	54		
Thigh Meat - Frozen		F	135.00	27		
Wednesday, April 27, 2011						
Drumsticks, Toms		F	81.78	362		
Wings Full-Cut - Toms		R	83.30	270		
Wings, V-Type, Tom		M	97.25	240		
Tails		F	41.40	134		
Mechanically Separated 2/		F	31.00	54		
Thigh Meat - Frozen		F	135.00	27		
Tuesday, April 26, 2011						
Drumsticks, Toms		F	81.78	362		
Wings Full-Cut - Toms		R	83.30	270		
Wings, V-Type, Tom		M	97.25	240		
Tails		F	41.40	134		
Mechanically Separated 2/		F	31.00	54		
Thigh Meat - Frozen		F	135.00	27		
Monday, April 25, 2011						
Drumsticks, Toms		F	81.78	362		
Wings Full-Cut - Toms		R	83.30	270		
Wings, V-Type, Tom	97.00-97.50		97.25	240		
Tails		F	41.40	134		
Mechanically Separated 2/		F	31.00	54		
Thigh Meat - Frozen		F	135.00	27		

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.