



May 24, 2011
VOL. 14 NO. 21

INTERNATIONAL EGG AND POULTRY REVIEW



U.S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News and Analysis Branch

South Korea Adds Additional TRQ's for Agricultural Products

The Ministry for Food, Agriculture, Forestry and Fisheries (MIFAFF) announced temporary duty reductions on an additional list of tariff-rate quota (TRQ) items on May 11, 2011 with an effective date of May 12, 2011. This follows a previous announcement on March 7, 2011 and increases the scope of agricultural products covered.

The March 7 announcement established a quota of 300 MT of Dried Egg Powder H.S. Code 040891 subject to a zero percent duty until June 30, 2011. The new list adds a zero duty 50,000 metric ton TRQ for frozen whole chicken, not cut in pieces, excluding chicken weighing not more than 550g (H.S. Code 020712); and chicken legs, breast and wings (H.S. Code 020714) effective until December 31, 2011.

U.S. Broiler Parts Exports to South Korea H.S. 020714* in MT

	January - March				
	2008	2009	2010	2010	2011
Chk other,fzn	11,568	11,450	28,223	6,412	7,636
Chk other leg,fz	23,491	10,589	26,030	6,576	12,638
Ckn lg quart,fzn	9,924	5,409	12,992	2,779	6,504
Chkwings&oth,fzn	167	27	186	-	169
Chk,ofl,exlv,fzn	134	70	163	-	47
Total	45,285	27,545	67,594	15,767	26,994

H.S. codes 0207140090; 0207140025; 0207140010; 0207140030; 0207140050

U.S. Dried Whole Egg Exports, in MT

	January - March				
	2008	2009	2010	2010	2011
World	7,914.2	9,423.4	10,602.1	3,457.1	1,529.1
South Korea	6.4	38.5	72.1	0.0	18.2

H.S. codes 040891

Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

South Korea experienced only a slight drop in broiler production resulting from HPAI outbreaks and lower productivity during the unusually cold winter. The scope of the outbreak is relatively small in terms of total inventory, and the affected broiler growers are expected to quickly re-populate their flocks.

Birds Culled by Species as of April 25, 2011

	No. of birds culled	Total No. of birds as of Dec 1, 2010	Percentage of total birds
Ducks			
Breeding stock	546,526	N/A	N/A
Ducks	2,241,853	N/A	N/A
Chickens			
Layers	1,873,711	61,691,000	3.0 %
Breeding stock	366,295	N/A	N/A
Broilers	935,373	77,871,000	1.2%
Native	114,889	N/A	N/A
Total birds	6,398,274	N/A	N/A

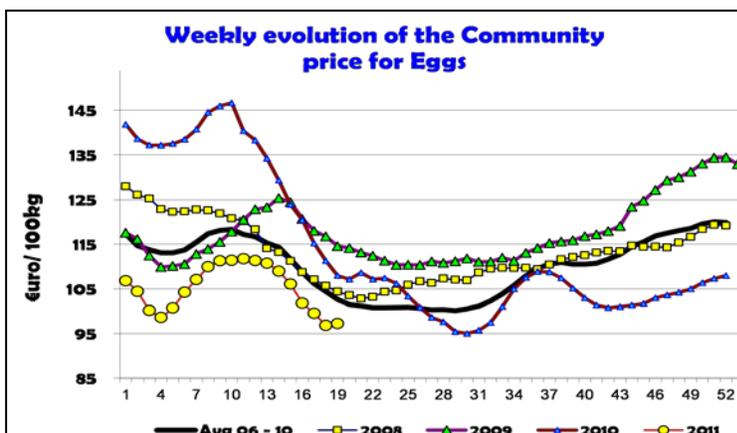
Source: Ministry for Food, Agriculture, Forestry & Fisheries (MIFAFF), Korea Statistics Administration

Demand for chicken has increased due to shortages of pork from earlier outbreaks of FMD, high prices of red meat, and the radiation fears of fishery products stemming from the nuclear crisis in Japan. The recent spate of HPAI outbreaks did not cause consumers to

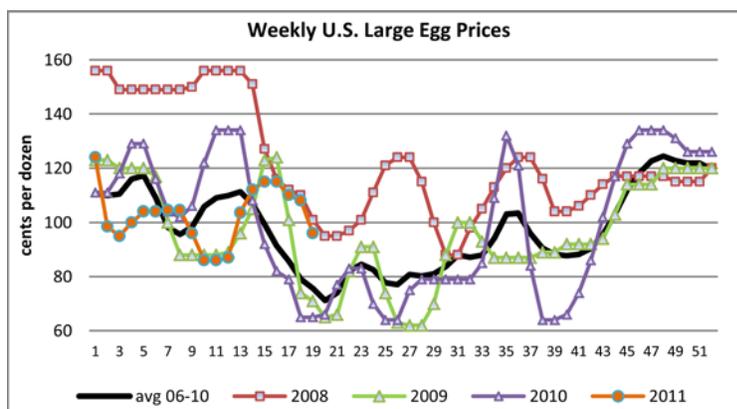
cut back on chicken consumption because they have already lived through past outbreaks and are well aware that proper handling and cooking eliminate the already low risk of contamination.

Korea's official import estimate for U.S. broiler meat, which USDA released in April, was raised about 20% to 110,000 tons to reflect the strong demand. According to local trade statistics from Jan-Mar, chicken imports are up 38% compared to the same period a year ago. Most of the increase is attributed to U.S. chicken sales, which climbed to nearly 20,000 tons during this period, an increase of 118%. Imports of Brazilian chicken fell 33% to 6,600 tons from Jan-Mar reportedly because of stronger demand from Japan.

Source: USDA Foreign Agriculture Service GAIN Reports



Weekly average price leaving the packing station, excluding VAT. Germany, Austria and Sweden barn egg prices, all other cage egg prices. Source: European Commission – DG AGRI



U.S. Eggs: Northeast cartoned large white eggs to volume buyers, delivered warehouse, cents per dozen.

Source: USDA AMS Poultry Market News and Analysis

Dates for Ash Wednesday and Easter Sunday

	2006	2007	2008	2009	2010	2011
Ash Wednesday	Mar-1	Feb-21	Feb-6	Feb-25	Feb-17	Mar-9
Easter Sunday	Apr-16	Apr-8	Mar-23	Apr-12	Apr-4	Apr-24

U.S. Egg and Egg Products Exports (shell-egg equivalent, 1,000 dozen)

	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11
Shell Eggs	4,720	5,751	6,880	6,138	5,855	6,571	7,878	8,040	6,226	7,970	3,988	3,820	8,121
Egg Products	11,910	10,935	12,435	13,100	8,929	12,945	11,153	12,695	7,992	8,902	10,161	13,455	12,998
Hatching Eggs	4,033	3,700	3,933	4,209	4,580	4,655	4,760	5,070	4,799	4,872	4,945	4,515	5,027

Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics; Egg products shell-egg equivalent are ERS calculations using this data

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	46	0	481	1,841
Frozen	0	0	0	0
Dried	0	0	64	156
Total	46	0	545	1,997

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

Type	Year-To-Date*			
	2011	2010 /1	2011 /2	2010
Liquid	304	382	6,361	7,790
Frozen	52	42	321	183
Dried	0	0	0	0
Total	356	424	6,682	7,973

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	2,040	3,330	30,079	19,536
Large	5,160	1,320	53,526	39,235
Medium	2,880	2,970	15,655	19,005
Ungraded	11,016	3,157	64,844	76,819
Misc	0	0	0	0
Total	21,096	10,777	164,104	154,595

/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 May 14, 2011 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,622	1,361	2,983
Last Week	1,545	1,563	3,108
Same week yr ago	1,403	1,468	2,871
To-date/2011*	27,726	27,915	55,641
To-date/2010*	27,942	25,533	53,475

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	542	0	542
Last Week	499	0	499
Same week yr ago	426	12	438
To-date/2011*	7,627	153	7,780
To-date/2010*	6,869	138	7,007

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	2,164	1,361	3,525
Last Week	2,044	1,563	3,607
Same week yr ago	1,829	1,480	3,309
To-date/2011*	35,353	28,068	63,421
To-date/2010*	34,811	25,671	60,482

*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 continue to trend steady to firm for all fat contents. Supplies are light to moderate. Schedules are noted as normal. Demand into domestic channels was moderate to good with most interest centering on fresh 15-20%. Export demand was moderate to mostly good. Market activity was moderate to active. Supplies of raw materials are tight. Frame values were firm with limited trading occurring between 11-14.5 cents FOB.

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

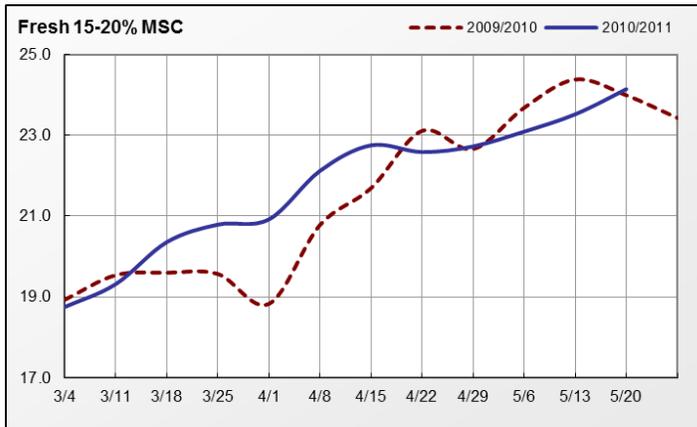
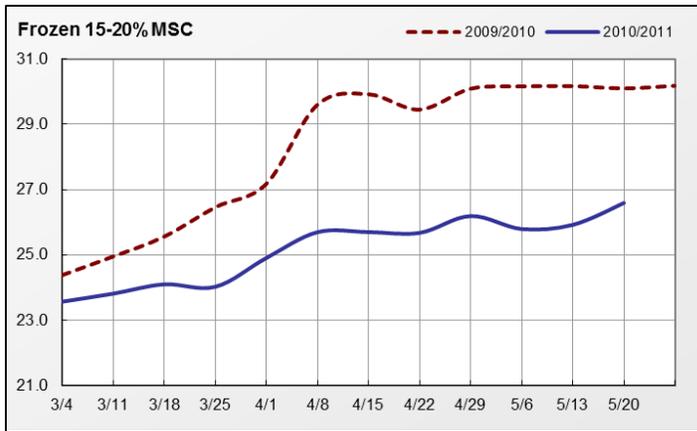
Fat Content	Frozen			Fresh		
	20-May-11	Last Week	Last Year	20-May-11	Last Week	Last Year
15% or Less						
Price Range			-	25.00	25.00	26.00
Wtd Avg Price			-	25.00	25.00	26.00
Volume Traded			-	122	163	153
Volume Exported			-	-	-	-
15-20%						
Price Range	25.00 - 29.00	24.50 - 29.00	28.00-33.00	20.50 - 27.00	20.00 - 28.00	20.50-30.00
Wtd Avg Price	26.59	25.92	30.10	24.14	23.52	23.99
Volume Traded	1,534	1,966	1,591	3,498	3,783	3,311
Volume Exported	1,472	1,686	1,591	163	204	163
20% or More						
Price Range	-	-	-	20.00	20.00	22.00
Wtd Avg Price	-	-	-	20.00	20.00	22.00
Volume Traded	-	-	-	82	82	41
Volume Exported	-	-	-	-	-	-

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

Fat Content	Frozen			Fresh		
	Apr 2011	Mar 2011	Apr 2010	Apr 2011	Mar 2011	Apr 2010
15% or Less						
Wtd Avg Price	28.00	-	31.00	23.86	20.83	26.18
Volume Traded	80	-	120	714	245	679
Volume Exported	-	-	-	-	-	100
15-20%						
Wtd Avg Price	25.64	23.86	29.13	22.23	19.80	21.83
Volume Traded	9,019	6,170	10,639	17,678	13,826	22,877
Volume Exported	7,939	5,930	9,319	245	1,183	1,795
20% or More						
Wtd Avg Price	-	-	-	19.20	18.91	20.20
Volume Traded	-	-	-	612	449	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



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 20 May 2011.

The market on white meat is mostly steady. Demand light to moderate with next week's holiday starting to affect production schedules. Offerings light to moderate. The market on tom bulk parts is mostly steady for the light to moderate demand. Next week's holiday is resulting in some fresh parts being frozen. Offerings light to moderate. The market on thigh meat is steady. Demand light to moderate for the light offerings. The market on mechanically separated turkey is generally steady. Demand light to moderate for post-holiday needs. Offering light to moderate. Trading light. For domestic: hearts 40, fresh scapula 200 cents delivered. For export: livers 21-22 and hearts 29 shipping point, fresh thigh meat 133, frozen scapula 195 shipping point and 200 cents delivered port.

Export Trading

	Price Range	L.S.T. Code 1/	Wtd Avg Price	Volume (000)	Weekly Wtd Avg Price	Weekly Volume (000)
Friday, May 20, 2011						
Drumsticks, Toms	80.00		80.00	40	88.76	148
Wings Full-Cut - Toms		F	82.00	120		
Wings, V-Type, Tom		R	98.00	120	97.53	228
Tails		R	43.50	240	43.50	240
Mechanically Separated 2/ Thigh Meat - Frozen		T	135.00	54	135.00	54
Thursday, May 19, 2011						
Drumsticks, Toms	92.00		92.00	108		
Wings Full-Cut - Toms		F	82.00	120		
Wings, V-Type, Tom	98.00		98.00	120		
Tails	41.00-46.00		43.50	240		
Mechanically Separated 2/ Thigh Meat - Frozen		T	135.00	54		
Wednesday, May 18, 2011						
Drumsticks, Toms		F	84.50	228		
Wings Full-Cut - Toms		F	82.00	120		
Wings, V-Type, Tom		M	97.00	108		
Tails		W	47.00	40		
Mechanically Separated 2/ Thigh Meat - Frozen		T	135.00	54		
Tuesday, May 17, 2011						
Drumsticks, Toms		F	84.50	228		
Wings Full-Cut - Toms		F	82.00	120		
Wings, V-Type, Tom		M	97.00	108		
Tails		W	47.00	40		
Mechanically Separated 2/ Thigh Meat - Frozen	135.00		135.00	54		
Monday, May 16, 2011						
Drumsticks, Toms		F	84.50	228		
Wings Full-Cut - Toms		F	82.00	120		
Wings, V-Type, Tom	97.00		97.00	108		
Tails		W	47.00	40		
Mechanically Separated 2/ Thigh Meat - Frozen		F	135.00	120		

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.