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# INTERNATIONAL EGG AND POULTRY REVIEW



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

## Poultry Expansion in Thailand

An outbreak of Highly Pathogenic Avian Influenza in Thailand in 2004 severely reduced poultry exports and led to stricter regulations on imported Thai poultry meat. Some countries currently only accept prepared (cooked) Thai poultry imports. Since 2004 broiler meat exports have started to rise despite a few trade barriers. In 2008 Thailand accounted for 4.6% of the world's total broiler meat exports. That same year (2008) Thailand was the 15th largest producer of chicken meat. Exports of canned chicken totaled 400,073 metric tons (MT), making them one of the world's top exporters of that product. It was their third most valuable export that year behind milled rice and rubber. Exports are projected to continue increasing, which has brought some increased attention to the Thai poultry industry.

### Thailand and World Broiler Meat Exports

#### Ready-to-cook equivalent in 1000 MT

	2007	2008	2009	2010	2011*	%
Thailand	296	383	379	432	475	+10%
World	7,381	8,413	8,213	8,793	8,913	+1%

### Thailand and World Broiler Meat Production

#### Ready-to-cook equivalent in 1000 MT

	2007	2008	2009	2010	2011*	%
Thailand	1,050	1,170	1,200	1,280	1,380	+8%
World	68,525	71,718	72,293	75,991	78,283	+3%

Note: Chicken paws are excluded. Data for 2010 is preliminary. \* Data for 2011 is forecast. % represents percent change from 2010 to 2011.

Source: USDA-FAS attaché reports, official statistics, and results of office research.

Currently, only processed chicken products from Thailand are allowed into Japan due to Thailand's 2004 Avian Influenza outbreak. Despite the outbreak's negative effect, Thai poultry exports to Japan have been steadily increasing and are projected to continue to do so. In 2009 Thailand was responsible for 56% of Japan's prepared poultry meat imports; poultry exports to Japan for the January to May period of 2011 are already 28.8% higher than the same January to May period of 2010.

Brazil and the United States are currently the major suppliers of frozen broiler meat to Japan. If Thailand were also allowed to export frozen broiler meat they would see expansion in their export markets. Director of the International Trade Promotion Office in Japan, Ms. Amphawan Pichalai, pointed out that Japan typically follows suit with the EU in regard to trade policy it would be wise to push for EU reform first.

### 2009 Thailand Meat Production in metric tons

			% of Production
Buffalo meat	60,973	Fc	3%
Cattle meat	212,600	Fc	10%
Chicken meat	1,075,300	Im	49%
Duck meat	77,412	Im	4%
Goat meat	1,425	Fc	--
Goose & guinea fowl meat	800	Fc	--
Pig meat	755,755	Fc	35%
Sheep meat	300	Fc	--
Total meat production	2,184,565		100%

[ ] = Official data | Fc = Calculated date | Im = FAO data based on imputation methodology    Data copied: 10 August 2011,

<http://faostat.fao.org/site/535/DesktopDefault.aspx?PageID=535&anchor>

FAO/STAT, Statistics Division, Food and Agriculture Organization of the UN

FAOSTAT reports that over half of Thailand's meat production is of poultry meat. USDA estimates that 52% of Thailand's animal feed is consumed by chickens; 35% credited to broilers, 3% higher than swine's 32% consumption.

### Principle Exports: All Poultry

\*Value in Millions of US Dollars

	2009	2010	2010*	2011*
Japan	665.34	742.08	255.17	328.68
United Kingdom	418.22	495.97	179.75	221.21
Netherlands	100.87	124.60	44.28	54.96
Germany	43.74	47.10	20.12	26.32
Laos	0.00	15.15	0.11	20.93
<b>Total Exports</b>	<b>1,560.24</b>	<b>1,653.55</b>	<b>589.34</b>	<b>744.64</b>

### Principle Exports: Prepared Poultry

\*Value in Millions of US Dollars

	2009	2010	2010*	2011*
Japan	664.98	741.70	254.94	328.47
United Kingdom	418.22	495.92	179.75	221.21
Netherlands	100.87	124.60	44.28	54.96
Germany	43.74	47.10	20.12	26.32
Singapore	35.74	44.23	17.47	20.56
<b>Total Exports</b>	<b>1,385.53</b>	<b>1,593.79</b>	<b>567.15</b>	<b>715.74</b>

### Principle Exports: Chilled or Frozen Poultry Cuts

\*Value in Millions of US Dollars

	2009	2010	2010*	2011*
Laos	0.00	15.10	0.09	20.91
Hong Kong	17.03	14.89	6.94	3.66
Bahrain	0.43	1.16	0.08	2.13
Malaysia	1.96	7.71	1.49	0.72
Vietnam	25.24	16.14	12.59	0.46
<b>Total Exports</b>	<b>46.60</b>	<b>59.75</b>	<b>22.19</b>	<b>28.90</b>

Note: 2010\* and 2011\* represent period of January through May.

Source: Thailand's Ministry of Commerce

Increased demand for Thai poultry has prompted both international and domestic investment in Thai poultry operations. A United States based company also has expansion plans in mind for Thailand. It would increase their production by 24,000 metric tons once the facilities are complete in two years. The investment for the planned expansion totals around 110 million dollars. Around 2,000 new jobs would be created while they currently employ about 9,500 people in the country.

As of April 2011 per capita broiler meat consumption in Thailand was 12.8 kilograms (28.2 lbs.) according to FAS. This is low when compared to the US (44.5 kg) but similar to the per capita consumption of Japan (16.5 kg) or China (9.6 kg). With increased production and relatively steady consumption rate USDA estimates 34.4% of Thailand's total poultry produced in 2011 will be exported.

Sources: USDA Foreign Agriculture Service, FAPRI, United Nations Food and Agriculture Organization FAOSTAT, Ministry of Commerce Thailand, National News Bureau of Thailand, news releases

**Inspected Egg Products-U.S. & Canada Import/Export Trade**

**U.S. Exports to Canada, in Pounds (000) (Preliminary)**  
Week Ending Aug 6, 2011 Year-To-Date\*

Type	2011	2010 /1	2011 /2	2010
Liquid	0	95	819	2,125
Frozen	0	0	0	88
Dried	0	0	139	264
Total	0	95	958	2,477

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**  
Week Ending Aug 6, 2011 Year-To-Date\*

Type	2011	2010 /1	2011 /2	2010
Liquid	313	269	9,782	12,434
Frozen	10	0	580	320
Dried	0	0	48	151
Total	323	269	10,410	12,905

**Inspected Shell Eggs**

**U.S Exports to Canada, In 30-Dozen Cases (Preliminary)**  
Week Ending Aug 6, 2011 Year-To-Date\*

Type	2011	2010 /1	2011 /2	2010
Jumbo	0	0	0	0
Extra Large	450	1,110	45,079	51,331
Large	4,335	4,360	83,867	78,765
Medium	900	0	25,995	27,372
Ungraded	144	396	81,194	100,791
Misc	0	0	600	900
Total	5,829	5,866	236,735	259,159

/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 Aug 6, 2011 (Preliminary)

**U.S. fowl slaughtered domestically**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,135	1,872	3,007
Last Week	1,056	1,781	2,837
Same week yr ago	1,397	1,518	2,915
To-date/2011*	42,550	47,893	90,443
To-date/2010*	44,353	43,201	87,554

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

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	379	0	379
Last Week	437	0	437
Same week yr ago	302	4	306
To-date/2011*	11,798	285	12,083
To-date/2010*	10,840	278	11,118

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	1,514	1,872	3,386
Last Week	1,493	1,781	3,274
Same week yr ago	1,699	1,522	3,221
To-date/2011*	54,348	48,178	102,526
To-date/2010*	55,193	43,479	98,672

\*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 higher on all fat contents. Supplies of MSC were light to moderate at best. Schedules were mostly normal. Demand was moderate to good into both domestic and export channels. The future of the spot marketplace remains unpredictable due to a variety of factors including sustained high temps the past few weeks, lighter bird weights, higher bird mortality rates, production cutbacks, high grain costs, strong finished product sales domestically, improved export interest, and others. Many in industry have begun to think about the fast approaching and expectedly challenging contract season ahead; however most will not begin discussions until late September or October at earliest. Market activity was active with most buyer interest and movement on fresh 15-20%, especially into Mexico. Raw material supplies remain tight and sought after. Frame values are trading mostly 13-15 cents FOB.

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

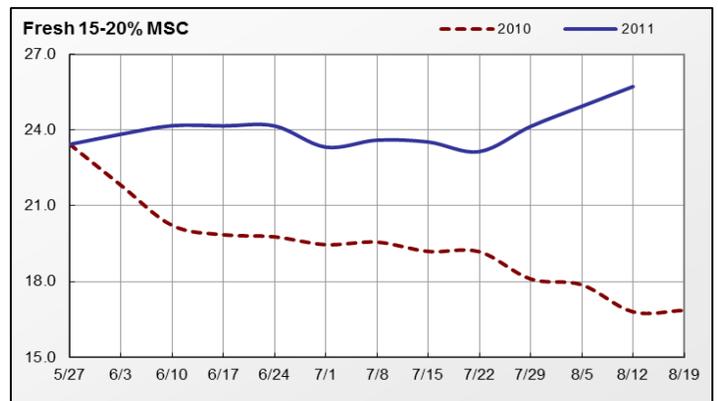
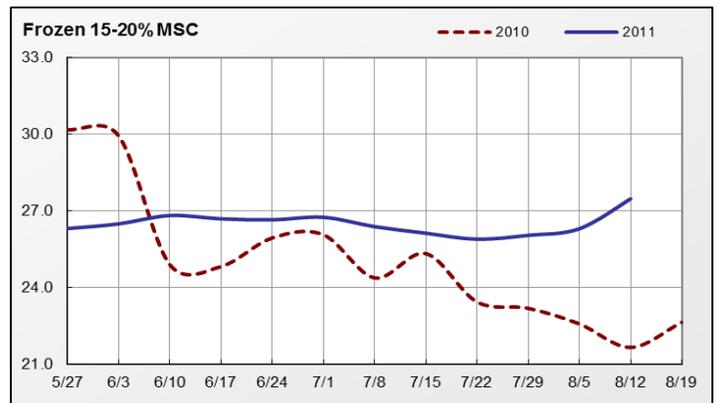
Fat Content	Frozen			Fresh		
	12-Aug-11	Last Week	Last Year	12-Aug-11	Last Week	Last Year
<b>15% or Less</b>						
Price Range			-	25.00	25.00 - 29.00	19.00
Wtd Avg Price			-	25.00	26.50	19.00
Volume Traded	-	-	-	82	163	41
Volume Exported	-	-	-	-	-	-
<b>15-20%</b>						
Price Range	25.00 - 32.00	24.00 - 29.00	18.00-24.00	22.00 - 28.25	23.00 - 27.00	13.00-23.00
Wtd Avg Price	27.47	26.30	21.66	25.72	24.94	16.80
Volume Traded	1,537	1,579	1,479	3,977	4,396	2,463
Volume Exported	1,297	1,459	1,271	694	571	326
<b>20% or More</b>						
Price Range	-	-	-	20.00 - 21.00	20.00	18.00
Wtd Avg Price	-	-	-	20.50	20.00	18.00
Volume Traded	-	-	-	82	82	82
Volume Exported	-	-	-	-	-	-

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

Fat Content	Frozen			Fresh		
	Jul 2011	Jun 2011	Jul 2010	Jul 2011	Jun 2011	Jul 2010
<b>15% or Less</b>						
Wtd Avg Price	-	-	24.00	24.43	25.65	25.25
Volume Traded	-	-	270	571	755	1,738
Volume Exported	-	-	270	-	-	912
<b>15-20%</b>						
Wtd Avg Price	26.21	26.66	24.61	23.56	24.09	19.06
Volume Traded	8,116	6,656	7,249	22,513	17,625	16,393
Volume Exported	7,486	5,816	6,629	2,122	898	1,775
<b>20% or More</b>						
Wtd Avg Price	-	-	-	20.00	20.00	21.33
Volume Traded	-	-	-	408	408	367
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 12 Aug 2011.

The market on bulk parts was steady to instances firm. Demand was in a full range, light to good. Offerings limited. Fresh and frozen white meat is steady. Demand and offerings light to moderate. The market on thigh meat is steady. Demand and offerings light to moderate. Trading was slow to moderate, moderate to good for export. For domestic: fresh scapula 192 cents and fresh breast trim 194 cents.

**Export Trading**

	Price Range	L.S.T. Code 1/	Wtd Avg Price	Volume (000)	Weekly Wtd Avg Price	Weekly Volume (000)
<b>Friday, August 12, 2011</b>						
Drumsticks, Toms	95.00-96.00		95.36	456	94.34	958
Wings Full-Cut - Toms		T	83.00	216	83.00	216
Wings, V-Type, Tom	105.00-106.0		105.31	348	104.29	840
Tails	46.00		46.00	54	44.86	390
Mechanically Separated 2/		R	29.00	40	29.00	40
Thigh Meat - Frozen	133.50-134.0		133.71	94	132.62	646
<b>Thursday, August 11, 2011</b>						
Drumsticks, Toms	86.00		86.00	40		
Wings Full-Cut - Toms		T	83.00	216		
Wings, V-Type, Tom		T	103.57	492		
Tails		T	44.68	336		
Mechanically Separated 2/	29.00		29.00	40		
Thigh Meat - Frozen		W	134.00	54		
<b>Wednesday, August 10, 2011</b>						
Drumsticks, Toms		T	94.06	462		
Wings Full-Cut - Toms		T	83.00	216		
Wings, V-Type, Tom		T	103.57	492		
Tails		T	44.68	336		
Mechanically Separated 2/						
Thigh Meat - Frozen	134.00		134.00	54		
<b>Tuesday, August 09, 2011</b>						
Drumsticks, Toms	94.00-94.50		94.06	462		
Wings Full-Cut - Toms	83.00		83.00	216		
Wings, V-Type, Tom	101.00-105.00		103.57	492		
Tails	44.00-45.00		44.68	336		
Mechanically Separated 2/						
Thigh Meat - Frozen	133.00-136.00		134.57	378		
<b>Monday, August 08, 2011</b>						
Drumsticks, Toms		F	95.13	432		
Wings Full-Cut - Toms						
Wings, V-Type, Tom						
Tails		R	46.00	216		
Mechanically Separated 2/						
Thigh Meat - Frozen	125.00		125.00	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.