Processed Chicken: National Mechanically Separated Chicken (Fri.)

Fri. Aug 19, 2011

Agricultural Marketing Service

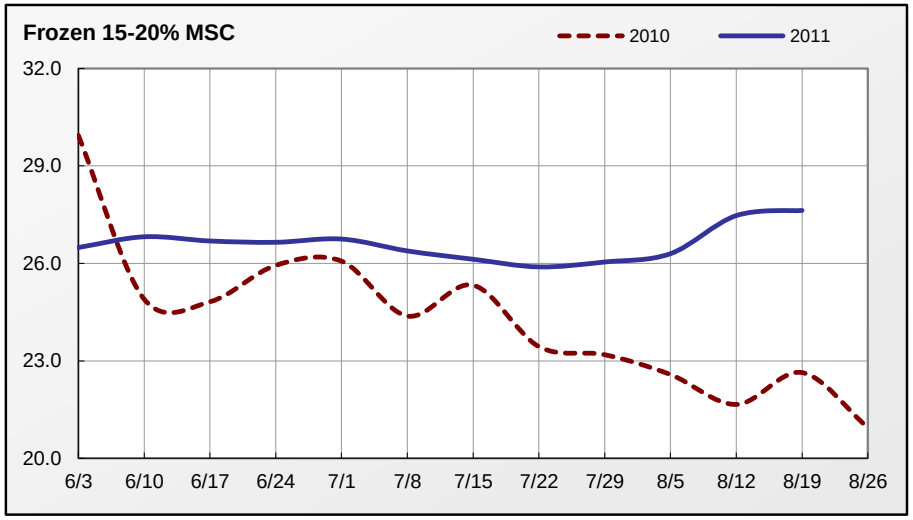
Poultry Market News & Analysis

(F.O.B. Shipper Dock or equivalent; negotiated prices in trucklot and less-than-trucklot volumes reported in thousand pound quantities, cents/pound; delivery within 2 weeks.)

Prices trended fully steady to higher on all fat contents. MSC supplies were light to moderate at best. Schedules were normal. Demand into both domestic and export channels was moderate to mostly good. A variety of factors continue to influence the spot marketplace ranging such as continuous high temps, effects of drought conditions throughout the South, lighter bird weights, higher bird mortality rates, production cutbacks, high grain costs, strong finished product sales domestically, production preparations for the coming hurricane season, improved export interest, and others. Many in industry on both sides have begun to strategize internally for 2012 to prepare for the fast approaching contract season. However discussions won't begin until late September or October at earliest and many are anticipating a challenging season. Market activity was active with most buyer interest and movement on fresh 15-20%, especially into Mexico. Supplies of raw materials were tight and heavily sought after. Frame values continue to trade mostly between 13-15 cents FOB.

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

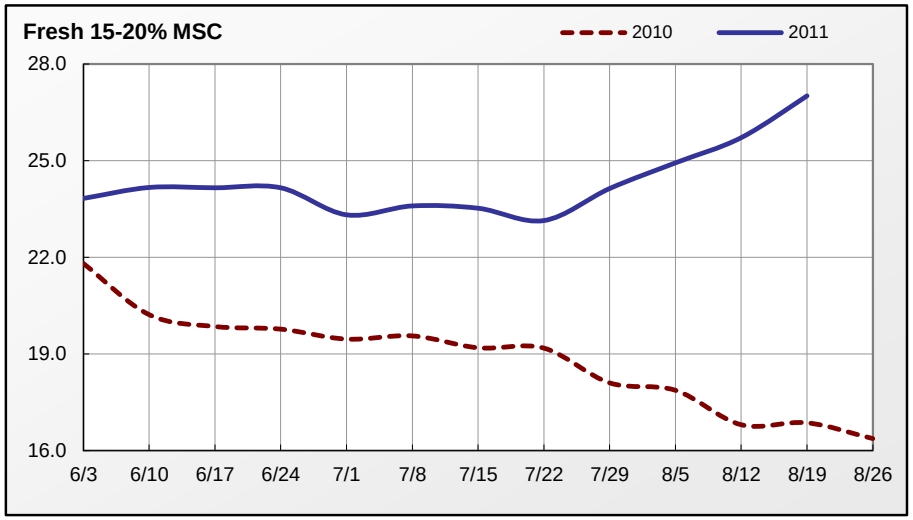
	Frozen			Fresh		
Fat Content	19-Aug-11	Last Week	Last Year	19-Aug-11	Last Week	Last Year
15% or Less						
Price Range			-	26.00 - 27.00	25.00	21.00
Wtd Avg Price			-	26.80	25.00	21.00
Volume Traded	-	-	-	204	82	122
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	26.00 - 32.00	25.00 - 32.00	20.00-26.00	24.00 - 30.00	22.00 - 28.25	13.00-23.00
Wtd Avg Price	27.63	27.47	22.64	27.02	25.72	16.86
Volume Traded	1,630	1,537	1,189	3,876	3,977	3,352
Volume Exported	1,590	1,297	1,069	612	694	938
20% or More						
Price Range	-	-	-	21.00	20.00 - 21.00	18.00
Wtd Avg Price			-	21.00	20.50	18.00
Volume Traded	-	-	-	41	82	41
Volume Exported	-	-	-	-	-	-



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

	Frozen			Fresh		
Fat Content	Jul 2011	Jun 2011	Jul 2010	Jul 2011	Jun 2011	Jul 2010
15% or Less						
Wtd Avg Price	-	-	24.00	24.43	25.65	25.25
Volume Traded	-	-	270	571	755	1,738
Volume Exported	-	-	270	-	-	912
15-20%						
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
20% or More						
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

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