



## South Korea

### Production

Despite outbreaks of highly pathogenic avian influenza (HPAI), high feed costs, and high farm gate prices, broiler meat production forecasts for Korea have been revised higher. Between December 2010 and May 2011 Korea culled about one million birds due to HPAI, comprising about one percent of Korea's broiler industry. As of June 2011, Korea's broiler industry reached a record 110 million birds. Production is projected at 686,000 metric tons (MT) in 2011 and 720,000 MT in 2012.

### South Korea: Broiler Situation

	2006	2007	2008	2009	2010	2011
Production	523	570	565	613	647	660
Imports	76	60	70	71	106	110
Exports	3	6	9	11	16	15
Dom. Cons.	596	624	615	679	742	755
Per Capita Cons.	12.38	12.93	12.70	14.00	15.30	15.50

Note: Dom. Cons. = Domestic Consumption. Per Capita Cons. = Per Capita Consumption. Production, Import, Export, and Domestic Consumption data reported in thousands of Metric Tons (MT); Per Capita Consumption data reported in kilograms. Source: PSD Online

### Consumption

Broiler meat consumption has been forecast at 775,000 MT in 2011 and a record 798,000 MT in 2012 (+3%). Consumption of broiler meat is expected to increase more than originally forecast due to: a shortage of domestic pork resulting from FMD outbreaks, its competitive pricing in comparison to other meats, an increase in more health-conscious consumers, and fears of radiation contamination surrounding fish after Japan's March 2011 earthquake (9.0), tsunami, and nuclear meltdown. Recurring HPAI outbreaks have had little impact on broiler meat consumption, due to past successful education and marketing campaigns. New origin labeling at fast food restaurants has improved demand for domestic meats. In 2011, 35% of total chicken consumption was comprised of cuts with the remainder in whole bird form. This increased preference for chicken cuts is expected to continue.

### Trade

From January-June 2011, Korea imported 46% more chicken

### South Korea: Domestic Consumption ('000 MT)

	2006	2007	2008	2009	2010	2011
Beef	496	522	536	546	609	660
Pork	1420	1502	1519	1480	1539	1370
Broiler	596	624	615	679	742	755
Turkey	-	-	-	-	-	-

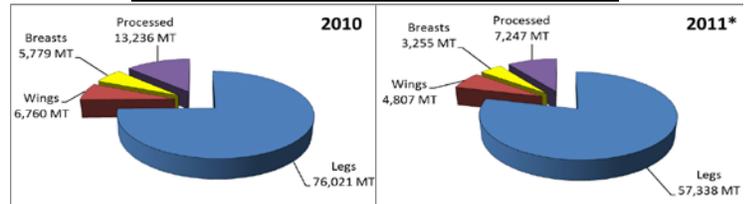
Source: PSD Online

### Total Chicken Meat (RTC) Imports into South Korea (MT)

	2009	2010	2010*	2011*
US	29,423	54,745	24,956	49,958
Brazil	30,161	34,025	17,933	13,423
Thailand	5,341	8,829	3,679	5,175
China	3,516	4,246	2,043	1,985
Denmark	2,065	3,339	1,406	2,461
Chile	-	176	-	134
Japan	96	26	277	11
Australia	-	-	-	-
Canada	-	-	-	-
France	-	-	-	-
UK	-	-	-	-
Other	23	417	23	234
Total	70,625	105,803	50,317	73,381

Note: RTC = Ready to Cook. 2010\* and 2011\* data is January-June, whereas all other data is January-December. All data includes chicken meat under HS0207.1 and HS 1602.32.

### Broiler Imports to South Korea by Cut (MT)



Note: Note 2011\* data is from January-June, whereas data for 2010 is January-December. Source: USDA FAS/Korea Customs Service (KCS)

(73,381 MT) than a year ago, due to limited pork supplies and the implementation of a 50,000 MT zero-duty Tariff Rate Quota (TRQ) in May 2011 effective through December 31, 2011 for chicken products under HS020712 and HS020714. However imports will slow down in the second half of 2011 and estimates have been reduced to 100,000 MT for 2011. Korea is predicted to import 10% less chicken meat in 2012 (90,000 MT), due to increased local production. The US is expected to ship 62,000 MT in 2011 and 55,000 MT in 2012. Korea's primary chicken meat suppliers are the US (leg quarters), Brazil (wings and breast meat), Thailand (heat-treated and processed product), China (heat-treated and processed product), and Denmark (wings). However imports from Denmark could increase due to its slight price advantage (18.5% duty) after the recent free trade agreement (FTA) between Korea and the EU July 2011.

Conversely, Korean exports are expected to remain steady in 2011 at 11,000 MT and rise in 2012 to 12,000 MT. Korea typically ships about 10,000 MT of spent hen meat to Vietnam and about 2,000 to 3,000 MT of processed meat to Japan. Source: USDA FAS/USDA AMS PYMNA/News Wires

### Chicken Meat Imports to South Korea by Cut

	2010		2011*	
	Volume	Value	Volume	Value
<b>Legs</b>				
US	52,148	65,433	49,655	66,907
Brazil	23,355	54,801	7,467	21,822
Denmark	342	550	82	136
Chile	176	477	134	450
Total	76,021	121,261	57,338	89,315
<b>Wings</b>				
US	-	-	96	199
Brazil	4,657	12,039	2,741	7,717
Denmark	2,009	4,823	1,771	4,470
Hungary	94	185	199	445
Total	6,760	17,047	4,807	12,831
<b>Breasts</b>				
US	48	248	40	213
Brazil	5,411	14,966	3,215	9,209
Japan	320	305	-	-
Denmark	-	2	-	-
Total	5,779	15,521	3,255	9,422
<b>Processed Chicken</b>				
China	4,246	14,170	1,985	6,481
Thailand	8,829	32,022	5,175	19,342
US	161	656	87	376
Total	13,236	46,849	7,247	26,200

Note: 2011\* data is from January-June, whereas all other data is January-December. Volumes are reported in Metric Tons (MT). Values are reported in thousands of dollars. Source: USDA FAS/Korea Customs Service (KCS)

**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	0	0	1,449	2,911
Frozen	0	0	0	88
Dried	0	40	139	345
Total	0	40	1,588	3,344

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

Type	Year-To-Date*			
	2011	2010 /1	2011 /2	2010
Liquid	196	376	11,424	14,377
Frozen	47	39	740	397
Dried	0	0	48	151
Total	243	415	12,212	14,925

**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	2,850	1,350	58,219	56,971
Large	4,385	2,470	113,906	97,925
Medium	810	810	29,295	32,012
Ungraded	168	11,676	123,488	168,592
Misc	0	0	600	900
Total	8,213	16,306	325,508	356,400

/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 Sep 17, 2011 (Preliminary)

**U.S. fowl slaughtered domestically**

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,585	1,602	3,187
Last Week	1,293	1,579	2,872
Same week yr ago	1,487	1,466	2,953
To-date/2011*	50,683	57,038	107,721
To-date/2010*	51,961	52,107	104,068

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

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	388	0	388
Last Week	270	13	283
Same week yr ago	417	0	417
To-date/2011*	13,825	384	14,209
To-date/2010*	12,616	346	12,962

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	1,973	1,602	3,575
Last Week	1,563	1,592	3,155
Same week yr ago	1,904	1,466	3,370
To-date/2011*	64,508	57,422	121,930
To-date/2010*	64,577	52,453	117,030

\*Note: Year to-date totals reflect comparable time periods.

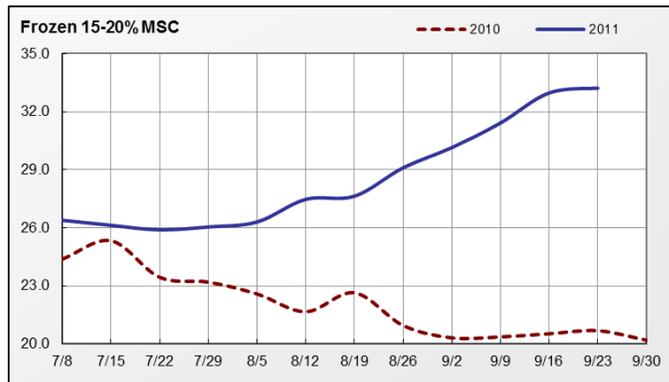
**National Mechanically Separated Chicken**

(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 firm on all fat contents. Supplies of MSC were light to moderate. Schedules were normal. Demand was moderate to good into both domestic and export channels. The spot marketplace has a definite uncertainty to it as many try to wrap their heads around everything. Industry remains on edge watching the marketplace closely the next few weeks looking for any indication of market direction for 2012 contract negotiations, beginning for some next week. At present, demand from Mexico has slowed following its Independence holiday last week. Many influencing factors remain, however industry's focus has shifted primarily to the impact of impending cutbacks and plant closures and to Mexico's current and future buying presence. Market activity was active with some slowing noted. Supplies of raw materials were tight. Frames traded between 12-15 cents FOB.

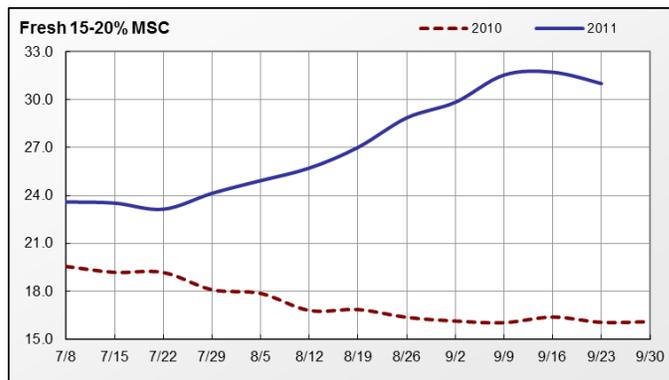
**Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)**

Fat Content	Frozen			Fresh		
	23-Sep-11	Last Week	Last Year	23-Sep-11	Last Week	Last Year
<b>15% or Less</b>						
Price Range			-	34.00	30.00 - 32.00	19.00
Wtd Avg Price			-	34.00	31.60	19.00
Volume Traded	-	-	-	146	204	41
Volume Exported	-	-	-	-	-	-
<b>15-20%</b>						
Price Range	30.00 - 38.00	30.00 - 36.00	15.00-23.00	27.00 - 35.00	27.00 - 35.00	13.00-19.00
Wtd Avg Price	33.22	32.97	20.68	31.01	31.72	16.06
Volume Traded	1,893	1,576	1,157	3,733	4,131	3,468
Volume Exported	1,653	1,576	1,077	898	1,265	653
<b>20% or More</b>						
Price Range	-	-	-	-	-	18.00
Wtd Avg Price	-	-	-	-	-	18.00
Volume Traded	-	-	-	-	-	41
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Aug 2011	Jul 2011	Aug 2010	Aug 2011	Jul 2011	Aug 2010
<b>15% or Less</b>						
Wtd Avg Price	-	-	-	27.24	24.43	21.51
Volume Traded	-	-	-	592	571	628
Volume Exported	-	-	-	-	-	200
<b>15-20%</b>						
Wtd Avg Price	27.62	26.21	21.80	26.57	23.56	16.91
Volume Traded	6,288	8,116	6,995	16,134	22,513	12,159
Volume Exported	5,888	7,486	6,067	2,489	2,122	2,122
<b>20% or More</b>						
Wtd Avg Price	-	-	-	20.67	20.00	18.57
Volume Traded	-	-	-	245	408	286
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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**National Young Turkey Parts**

Including bulk meat and frozen (unless specified), cents per lb., delivered first receivers, part and full trucklots as of 23 Sep 2011.

The market bulk parts is steady to firm. Demand was moderate to good and best into export. Offerings light and held with confidence. The market on white meat is steady to fully steady, except frozen breast trim weak. Demand ranged from light to good, with breast trim light. Offerings light instances heavy on frozen breast. The market on thigh meat was fully steady, instances firm. Demand was light to moderate. Offerings limited. Trading for parts was slow to moderate. For domestic: tails 49 cents, fresh hen drum 87.50 cents, fresh hen full cut wings 83.75 cents, fresh hen necks 43.75 cents and fresh scapula 190 cents.

**Export Trading**

	Price Range	L.S.T. Code 1/	Wtd Avg Price	Volume (000)	Weekly Wtd Avg Price	Weekly Volume (000)
<b>Friday, September 23, 2011</b>						
Drumsticks, Toms		R	104.00	324	104.00	324
Wings Full-Cut - Toms		R	82.00	60	82.00	60
Wings, V-Type, Tom		R	116.00	282	116.00	282
Tails	47.00		47.00	40	48.36	188
Mechanically Separated 2/		R	39.00	120	39.00	120
Thigh Meat - Frozen		W	135.00	80	135.00	80
<b>Thursday, September 22, 2011</b>						
Drumsticks, Toms	95.00-113.00		104.00	324		
Wings Full-Cut - Toms	82.00		82.00	60		
Wings, V-Type, Tom	116.00		116.00	282		
Tails	49.00		49.00	108		
Mechanically Separated 2/	39.00		39.00	120		
Thigh Meat - Frozen		W	135.00	80		
<b>Wednesday, September 21, 2011</b>						
Drumsticks, Toms		F	109.33	324		
Wings Full-Cut - Toms		F	85.00	110		
Wings, V-Type, Tom		F	114.00	108		
Tails	48.00		48.00	40		
Mechanically Separated 2/		F	37.00	40		
Thigh Meat - Frozen	135.00		135.00	80		
<b>Tuesday, September 20, 2011</b>						
Drumsticks, Toms		F	109.33	324		
Wings Full-Cut - Toms		F	85.00	110		
Wings, V-Type, Tom		F	114.00	108		
Tails						
Mechanically Separated 2/		F	37.00	40		
Thigh Meat - Frozen						
<b>Monday, September 19, 2011</b>						
Drumsticks, Toms		F	109.33	324		
Wings Full-Cut - Toms		F	85.00	110		
Wings, V-Type, Tom		F	114.00	108		
Tails						
Mechanically Separated 2/		F	37.00	40		
Thigh Meat - Frozen						

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.