



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

Venezuela

Production

Poultry represents 30% of Venezuela's total agricultural GDP and more than 48% of its animal production. Venezuela's poultry production consists primarily of chicken meat as very little turkey or duck meat is produced or consumed. The Venezuelan Poultry Federation (FENAVI) estimates the average monthly production of chicken meat in 2011 to be about 80,000 metric tons (MT). About 60% of Venezuela's broiler production is concentrated in the central part of Venezuela (Aragua and Carabobo States) with 20% in the western part (Zulia State), 18% in the eastern part, and 2% in the southern part.

Venezuelan producers would like to expand production about 12% in 2011. This would equate to industry supplying about 25,000 MT of broiler meat per month to the government's distribution networks (Mercal, PDVAL) from its current 7,000 MT to 8,000 MT per month. However to realize this Venezuelan producers would need government support. Presently, the government of Venezuela acts as both a supplier and importer of poultry meat through its state-owned food distribution networks. Mercal and PDVAL are known to offer poultry at prices lower than the controlled prices in commercial outlets.

Likewise, FENAVI estimates average table egg production per month to be 1,180,000 boxes of 360 units in 2011. About 85% of Venezuela's egg production is concentrated in the central region with 10% in the Western region and 5% in the eastern region.

According to FENAVI, about 80% of Venezuela's poultry industry practices conventional farming methods, whereas the remaining 20% are more modern operations with newer equipment and environmental controls. Industry continues to strive towards modernization. The industry is vertically integrated and works closely with animal feed processors. About 77% of domestic animal feed production goes to the poultry sector with 17% to pork, 5% to beef, and 1% to the remaining sectors. However Venezuela is unable to produce all of the domestic grain needed and relies on imports of corn and soybeans.

Venezuela's Country Profile

Population: 27,635,743 (July 2011*)
Growth Rate: 1.493% (2011*)

	2010	2009	2008
GDP* (purchasing power parity)	\$345.2	\$351.9	\$363.9
GDP per capita	\$12,700	\$13,100	\$13,800
GDP by sector (2010):			
	Agriculture 4%		
	Industry 36%		
	Services 60%		

Note: All data is estimated. All GDP data is in 2010 US Dollars. GDP is in billions of US Dollars. Source: CIA World Factbook Last Updated October 6, 2011.*

Consumption

FENAVI estimates per capita meat consumption of meat to be about 73.5 kg. About 53% of this is chicken meat, 33% beef, and 14% pork. Of all the animal protein consumed by Venezuelans, poultry comprises about 61% of the total. The average consumption of chicken meat is about 112 grams per day, which is more than twice that of beef. The shortage of beef in 2009 and 2010 combined with poultry's cheap prices has helped boost poultry consumption. A majority of Venezuela's domestic poultry production is sold fresh (80-90%), whereas the rest is processed into products like frozen nuggets, hams, sausages, etc.

Prices

Venezuela's government controls retail poultry prices and has since 2003. The last price review was conducted in March 2010

and producers have been lobbying government for a new review due to higher production costs and claims of profit loss.

Venezuela: Broiler Situation

	2006	2007	2008	2009	2010	2011
Production	707	740	695	680	650	621
Imports	124	163	352	181	237	271
Exports	-	-	-	-	-	-
Dom. Cons.	831	903	1,047	861	887	901
Per Capita Cons.	30.65	32.28	36.61	29.87	30.00	30.21

Note: Dom. Cons.=Domestic Consumption. Per Capita Cons.=Per Capita Consumption. Source: USDA FAS, PSD Online, Official USDA Estimates

Controlled Poultry Prices (Bolivar Fuerte (Bs) per Kilo)

	Whole		Boneless		Boneless
	Chicken	Breast	Breast	CLQ	CLQ
Feb. 2003	1.80	2.70	4.15	2.00	3.50
Feb. 2004	2.30	3.30	NC	NC	NC
Nov. 2004	3.13	4.49	4.49	3.33	3.33
Feb. 2007	4.45	7.00	7.00	7.00	7.00
Apr. 2008	8.39	12.91	19.88	10.14	17.75
Mar. 2010	11.31	17.41	26.80	13.67	23.93

Note: CLQ=Chicken Leg Quarter. NC = Not Controlled. 1 USD=Bs 4.30. Source: Official Gazettes/USDA FAS Attaché VE1155.

Trade

Despite strong domestic production, Venezuela has imported whole poultry from Brazil the past 6 years; however Brazilian imports fell 14.4% in the first semester of 2010. Imports from Brazil and others are not subject to tariffs or custom charges. Prior to 2010, Colombia was the primary genetics supplier to Venezuela. Now Venezuela gets most of its imports from Brazil and Argentina. Colombia has only recently resumed its role as an exporter of fertile eggs to Venezuela. The government imports poultry meat and genetics giving preference to South American countries.

Trade between Venezuela and Colombia ceased in late 2009 after Venezuela issued a directive severing ties with Colombia in protest to agreements made between the US and Colombia. Colombian imports, mostly agricultural, were restricted and the issuance of sanitary certificates denied. In 2009, about 17% of Colombia's poultry production was dedicated to Venezuela. From January-May 2010 exports fell 76% between the countries versus the year prior. In response, Colombia filed a complaint with the World Trade Organization (WTO) citing Venezuela's actions were not reported through official channels and the WTO was not properly notified. Meanwhile, Colombian poultry exports developed markets in Asia and the Caribbean, whereas Venezuela imported more from Brazil, Argentina, and the US. In August 2010, Colombia's new government met with Venezuela in its efforts to restore relations. The two then began working on a Free Trade Agreement (FTA) to be finalized before Venezuela pulled out of CAN (Community of Andean Nations) April 2011. *Source: USDA FAS Attaché/World Trade Organization (WTO)/CIA World Factbook/Various News Wires*

Brazil's Poultry Exports to Venezuela (MT)

	2007	2008	2009	2010	2011*
HS0207.1200	158,712	302,839	164,310	164,192	34,625
HS0207.1400	1,358	13,782	500	216	55
Total	160,070	316,621	164,810	164,408	34,680

Argentina's Poultry Exports to Venezuela (MT)

	2007	2008	2009	2010	2011*
HS0207.1200	2,656	30,045	12,955	68,020	3,035
HS0207.1400	-	364	-	-	-
Total	2,656	30,410	12,955	68,020	3,035

Note: HS0207.1200=frozen fowls spec.gallusdomest.n/cut in pieces. HS0207.1400=fowls spec.gal.domest.cuts and offal, frozen.

Source: <http://alicewebmercopol.desenvolvimento.gov.br>

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	50	0	1,693	3,008
Frozen	0	0	0	88
Dried	0	0	139	345
Total	50	0	1,832	3,441

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

Type	Year-To-Date*			
	2011	2010 /1	2011 /2	2010
Liquid	198	374	12,213	15,485
Frozen	3	11	760	480
Dried	0	0	48	151
Total	201	385	13,021	16,116

Inspected Shell Eggs

U.S Exports to Canada, In 30-Dozen Cases (Preliminary)

	Year-To-Date*			
	2011	2010 /1	2011 /2	2010
Jumbo	0	0	0	0
Extra Large	3,570	2,040	67,399	64,501
Large	7,180	4,380	129,764	110,565
Medium	90	0	32,131	34,222
Ungraded	6,312	16,404	135,476	203,167
Misc	0	0	1,440	900
Total	17,152	22,824	366,210	413,355

/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 Oct 08, 2011 (Preliminary)

U.S. fowl slaughtered domestically

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,452	1,789	3,241
Last Week	1,377	1,557	2,934
Same week yr ago	1,643	1,392	3,035
To-date/2011*	54,699	62,069	116,768
To-date/2010*	56,562	56,418	112,980

U.S. fowl slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	183	0	183
Last Week	100	0	100
Same week yr ago	448	0	448
To-date/2011*	14,398	408	14,806
To-date/2010*	13,785	373	14,158

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	1,635	1,789	3,424
Last Week	1,477	1,557	3,034
Same week yr ago	2,091	1,392	3,483
To-date/2011*	69,097	62,477	131,574
To-date/2010*	70,347	56,791	127,138

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

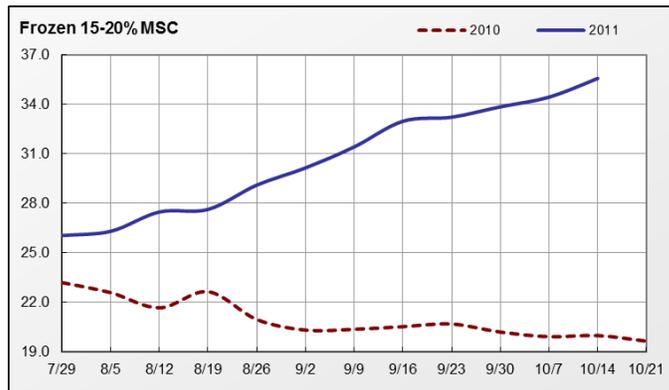
National Mechanically Separated Chicken

(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 frozen 15-20% and steady on the balance of fat contents. Supplies of MSC were light to heavy. Schedules were normal. Domestic demand was moderate. Export demand was moderate to good with good interest on frozen 15-20% for Asia, Central America, and the Caribbean. Many in industry closely watch the ever fluctuating and unpredictable marketplace in hopes of garnering some kind of insight and direction into its future. A variety of factors continue to hold heavy influence over the marketplace (i.e. production cutbacks, raw material availability and values, high input costs, unusually prolonged good demand for finished products, etc.). Contract negotiations for 2012 are in full swing for most of the industry with little to report. Market activity was moderate to instances active. Supplies of raw materials were light. Frames traded mostly between 12.5-15.5 cents FOB.

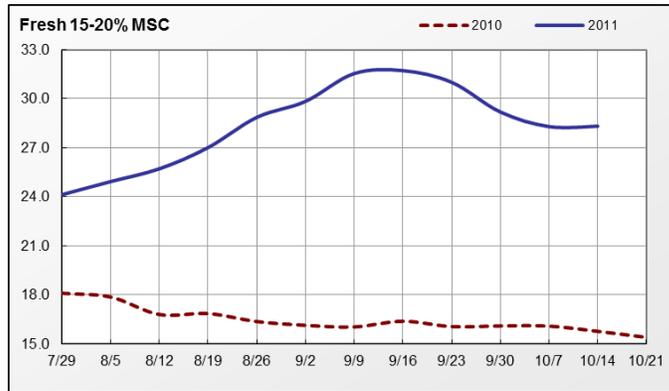
Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

Fat Content	Frozen			Fresh		
	14-Oct-11	Last Week	Last Year	14-Oct-11	Last Week	Last Year
15% or Less						
Price Range			-	29.00 - 31.00	32.00	18.00-19.00
Wtd Avg Price			-	30.60	32.00	18.50
Volume Traded	-	-	-	204	82	163
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	33.00 - 39.00	32.00 - 38.00	15.00-22.00	23.00 - 34.00	24.00 - 33.00	12.00-20.00
Wtd Avg Price	35.57	34.43	19.98	28.32	28.30	15.77
Volume Traded	1,954	2,065	1,944	4,233	3,600	2,576
Volume Exported	1,874	1,745	1,884	1,306	408	530
20% or More						
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		
	Sep 2011	Aug 2011	Sep 2010	Sep 2011	Aug 2011	Sep 2010
15% or Less						
Wtd Avg Price	-	-	-	32.06	27.24	18.80
Volume Traded	-	-	-	839	592	408
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	32.48	27.62	20.43	30.69	26.57	16.14
Volume Traded	8,432	6,288	6,576	17,023	16,134	12,811
Volume Exported	7,872	5,888	6,336	4,406	2,489	1,999
20% or More						
Wtd Avg Price	-	-	-	-	20.67	17.75
Volume Traded	-	-	-	-	245	163
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 14 Oct 2011.

The market on bulk parts bulk parts was steady to firm. Demand was moderate to good. Offerings light. The market on white meat is steady and not fully tested. Demand and offerings were both light to moderate. The market on thigh meat was firm. Demand was moderate to good. Offerings light. Trading was slow. For domestic: fresh tom full cut wings 83-84 cents and machine defatted tom gizzards 100 fob. For export: fresh tom drums 85 cents delivered to port.

Export Trading

	Price Range	L.S.T. Code 1/	Wtd Avg Price	Volume (000)	Weekly Wtd Avg Price	Weekly Volume (000)
Friday, October 14, 2011						
Drumsticks, Toms	120.00		120.00	108	113.50	216
Wings Full-Cut - Toms						
Wings, V-Type, Tom						
Tails		R	51.28	94	51.61	174
Mechanically Separated 2/ Thigh Meat - Frozen	150.00	F	36.00	80	150.00	40
			150.00	40		
Thursday, October 13, 2011						
Drumsticks, Toms	107.00		107.00	108		
Wings Full-Cut - Toms						
Wings, V-Type, Tom		R	119.00	216		
Tails	50.00-53.00		51.28	94		
Mechanically Separated 2/ Thigh Meat - Frozen		F	36.00	80		
Wednesday, October 12, 2011						
Drumsticks, Toms		F	110.24	148		
Wings Full-Cut - Toms						
Wings, V-Type, Tom		R	119.00	216		
Tails	51.00		51.00	40		
Mechanically Separated 2/ Thigh Meat - Frozen		F	36.00	80		
Tuesday, October 11, 2011						
Drumsticks, Toms		F	110.24	148		
Wings Full-Cut - Toms						
Wings, V-Type, Tom		R	119.00	216		
Tails	53.00		53.00	40		
Mechanically Separated 2/ Thigh Meat - Frozen		F	36.00	80		

No Export Trade Reported Monday, October 10, 2011, due to Columbus Day Holiday

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.