



Processed Chicken: National Mechanically Separated Chicken (Fri.)
Agricultural Marketing Service
Poultry Market News & Analysis

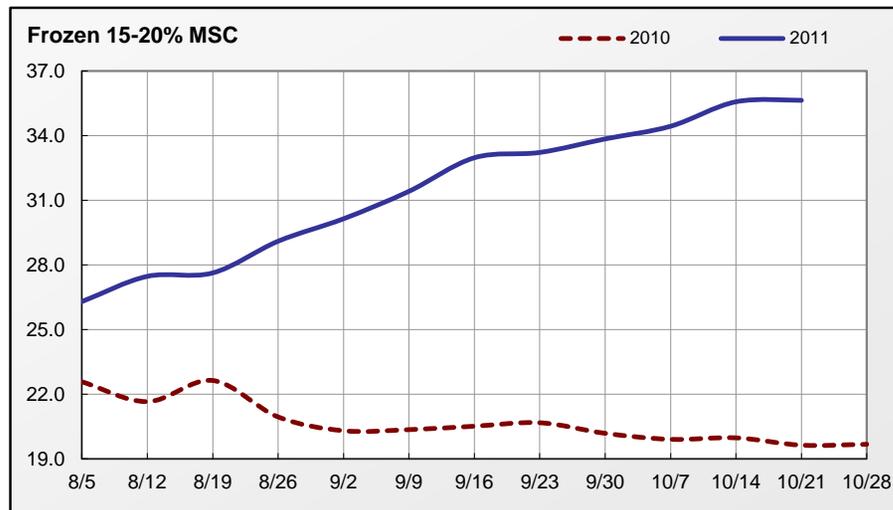
Fri. Oct 21, 2011

(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 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 light to moderate. Export demand was moderate to good with good interest on frozen 15-20% for Asia, Central America, and the Caribbean. On the spot market, frozen 15-20% continues strong, however fresh 15-20% has lost some of its luster leaving many to wonder where it will settle. A multitude of factors (i.e. high input costs, production, raw material availability, demand for finished goods, etc.) continue to hold sway on the direction of the market making it exceedingly more difficult to predict than in years past. Contract negotiations are in full swing for most of the industry and many are scrambling to take position as the competition is fierce for 2012. However a huge disparity in thinking exists regarding pricing structure and level between buyers and sellers leaving little to report in the way of conclusion. Market activity was moderate to instances active. Supplies of raw materials were light. Frames traded between 12.5-14.5 cents FOB.

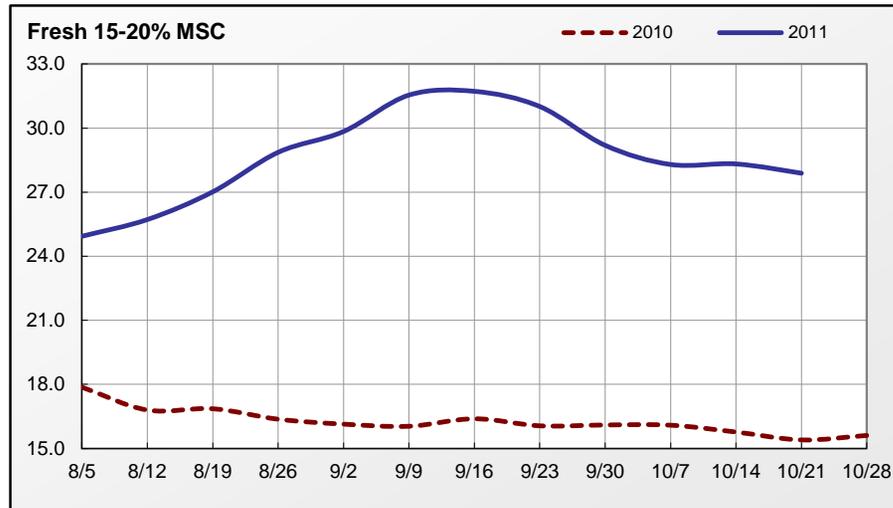
Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

Fat Content	Frozen			Fresh		
	21-Oct-11	Last Week	Last Year	21-Oct-11	Last Week	Last Year
15% or Less						
Price Range			-	30.00 - 31.00	29.00 - 31.00	18.00-19.00
Wtd Avg Price			-	30.78	30.60	18.57
Volume Traded	-	-	-	184	204	143
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	32.00 - 40.00	33.00 - 39.00	15.00-22.00	21.00 - 33.00	23.00 - 34.00	13.00-20.00
Wtd Avg Price	35.64	35.57	19.64	27.89	28.32	15.40
Volume Traded	2,367	1,954	1,837	3,498	4,233	3,154
Volume Exported	2,087	1,874	1,557	653	1,306	898
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.