



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

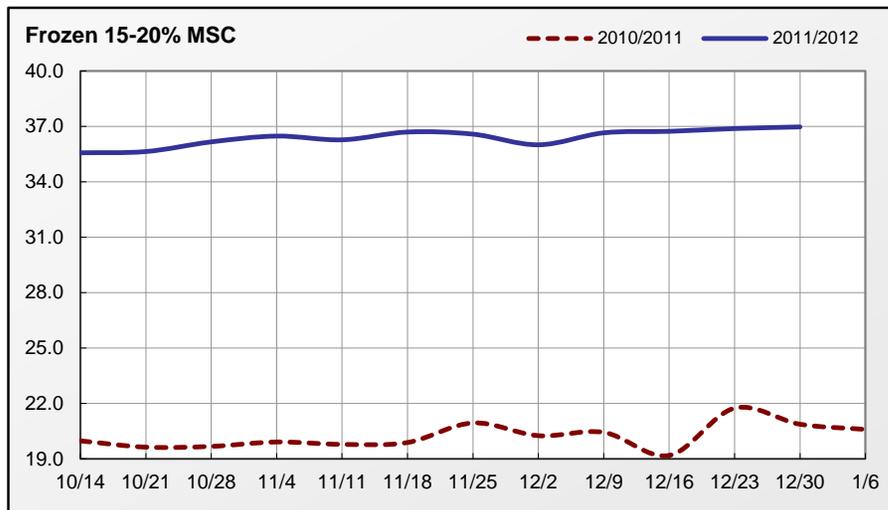
Fri. Dec 30, 2011

(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 for all MSC fat contents trended steady to firm going into the New Year's Eve holiday. Supplies were light to moderate. Schedules were seasonally reduced. Domestic demand was moderate. Export demand was moderate to good. The spot marketplace was a typical mix of activity and pricing during the holiday season with companies taking various positions in light of erratic production schedules. This was the last week for buyers to build inventories and take advantage of cheaper 2011 contract pricing before next week's prices jump up for 2012. Companies have also spent most of this week making necessary preparations for a smooth transition into new contracts starting next week. Industry now waits patiently, cautiously, and vigilantly to see how the marketplace will unfold in 2012. MSC contracts for 2012 finalized on both a formula basis and at much higher levels than preceding years. Frame contracts also closed at much higher levels for 2012. Market activity was moderate to active. Supplies of raw materials were light. Spot frame trading for this week was between 13.5-16 cents FOB.

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

Fat Content	Frozen			Fresh		
	30-Dec-11	Last Week	Last Year	30-Dec-11	Last Week	Last Year
15% or Less						
Price Range			-	32.00	32.00	18.00-19.00
Wtd Avg Price			-	32.00	32.00	18.50
Volume Traded	-	-	-	163	102	82
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	34.00 - 40.00	34.50 - 39.00	15.00-24.00	26.00 - 33.00	26.00 - 33.00	13.00-20.50
Wtd Avg Price	36.97	36.88	20.88	29.71	29.19	16.18
Volume Traded	1,157	977	1,146	4,330	3,631	2,978
Volume Exported	1,037	977	966	938	979	408
20% or More						
Price Range	-	-	-	22.50	22.50	18.00-20.00
Wtd Avg Price	-	-	-	22.50	22.50	19.00
Volume Traded	-	-	-	41	82	82
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Nov 2011	Oct 2011	Nov 2010	Nov 2011	Oct 2011	Nov 2010
15% or Less						
Wtd Avg Price	-	-	-	31.74	30.86	18.50
Volume Traded	-	-	-	469	592	530
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	36.48	35.47	20.04	27.39	28.01	15.85
Volume Traded	6,588	8,651	5,595	13,433	14,870	12,556
Volume Exported	5,465	7,811	4,755	2,285	3,182	2,856
20% or More						
Wtd Avg Price	-	-	-	22.55	-	19.38
Volume Traded	-	-	-	408	-	530
Volume Exported	-	-	-	-	-	-



Note: Volume exported refers to that portion of the total volume that is destined for export markets.