



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

Brazil Files Dispute Against South Africa on Poultry Meat

On June 21, 2012, Brazil requested a consultation with South Africa under the WTO dispute settlement system concerning the latter's anti-dumping measures on poultry meat from Brazil. The request formally initiates a dispute in the WTO and gives the parties an opportunity to discuss the matter and find a satisfactory solution without proceeding further with litigation. After 60 days, if consultations have failed to resolve the dispute, the complainant may request adjudication by a panel.

South Africa's International Trade Administration Commission (ITAC) initiated the investigation in June, 2011. In January, 2012 ITAC released a preliminary determination that dumping of Brazilian whole birds and boneless cuts was taking place and requested the Commissioner for South African Revenue Service (SARS) to impose provisional payments. SARS imposed anti-dumping tariffs on Brazilian whole broilers (0207.12.90) of 62.93%; the dumping margin on boneless cuts (0207.14.10) was found to be 6.26% for Cooperativa Central Oeste Catarinense-Aurora Alimentos and 46.59% for all Brazilian boneless cuts. The anti-dumping duty is imposed up to and including August 10, 2012.

An anti-dumping duty against the U.S. for poultry products in tariff number 0207.14.90 (bone-in cuts, include the chicken egg quarters) was instituted in 2000 for 5 years. U.S. poultry exporters applied to have the anti-dumping ruling duty reviewed in 2005, but the South African Poultry Industry opposed the application and the anti-dumping duty was extended to November, 2011. A Sunset Review has been initiated and the protections will continue until such time as the Sunset Review is complete.

Source: WTO 2012 News Items; South Africa Government Gazette No. 35030 No. R. 105; USDA/FAS GAIN Report 9/22/2011; <http://www.itac.org.za/documents/report%20no.%20389.pdf>

U.S. WTO Dispute with India

On March 6, 2012, the United States requested consultations with India under the dispute settlement provisions of the World Trade Organization concerning India's prohibition on certain agricultural exports, including poultry meat and chicken eggs. Colombia requested to join the consultation on March 15, 2012.

As stated in a USTR Press Release: "Since at least February of 2007, India has formally banned imports of various agricultural products from the United States, supposedly to prevent outbreaks of avian influenza in India. India instituted this ban even though the United States has not had an outbreak of High Pathogenic Avian Influenza ("HPAI") since 2004. In addition, international standards for avian-influenza control do not support the imposition of import bans due to detections of low pathogenic avian influenza (LPAI), the only kind of AI found in the United States since 2004."

On May 11, 2012, the U.S. requested the establishment of a panel. At its meeting on May 24, 2012, the Dispute Settlement Board (DSB) deferred the establishment of a panel. A second request made on June 25, 2012 was automatically accepted.

Source: Bridges Weekly Trade News Digest, Vol. 15 No. 25 27th June 2012; <http://www.ustr.gov/about-us/press-office/press-releases/2012/march/us-trade-representative-kirk-enforces-rights-us-farm>; http://www.wto.org/english/tratop_e/dispu_e/cases_e/ds430_e.htm

Permanent Normal Trade Relations with Russia

With Russia set to join the World Trade Organization (WTO) this August, Ambassador Ron Kirk testified before Congress this week to advocate for passage of legislation terminating application of the Jackson-Vanik Amendment and authorizing the President to extend permanent normal trade relations (PNTR) to Russia.

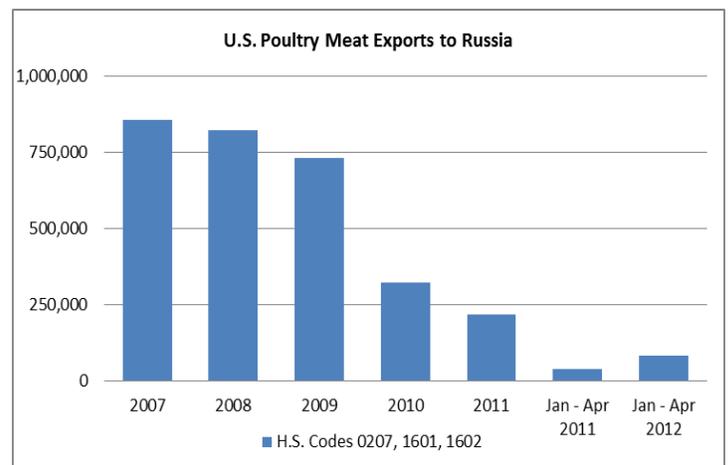
On Wednesday, June 20, 2012, Ambassador Kirk testified before the House Ways and Means Committee to affirm the economic benefits of establishing PNTR with Russia for American workers, businesses, farmers, and ranchers.

In his remarks, the Ambassador urged Congress to terminate application of the Jackson-Vanik Amendment, which would otherwise prevent the United States from taking full advantage of Russia's imminent accession to the WTO. The Jackson-Vanik Amendment is a 1970s-era provision that conditions U.S. trade relations with specific countries on meeting certain requirements, including allowing free emigration. The conditions in the Jackson-Vanik Amendment would prevent the U.S. from extending unconditional permanent normal trade relations to Russia as required by the WTO Agreement.

If Jackson-Vanik remains in place, the WTO agreement will not apply between the U.S. and Russia. In that unfortunate event, American businesses and exporters would be at a competitive disadvantage in Russia compared to their foreign competitors. On the other hand, the Ambassador noted that with PNTR, U.S. businesses will be in a better position to increase their exports to Russia, in support of additional American jobs.

Ambassador Kirk also highlighted how establishing PNTR with Russia will give the U.S. the tools to enforce Russia's WTO commitments. Ambassador Kirk highlighted how U.S. negotiators successfully secured additional commitments from Russia in areas such as intellectual property, market access, and transparency. The Ambassador stressed that in contrast to previous accession agreements, these Russian commitments have already been fulfilled and will be in effect on day one of Russia's WTO membership.

To read the entire press release goes to: <http://www.ustr.gov/about-us/press-office/blog/2012/june/ambassador-kirk-testifies-pntr-russia>



Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

INSPECTED EGG PRODUCTS-U.S. & CANADA IMPORT/EXPORT TRADE

U.S. Exports to Canada, in Pounds (000) (Preliminary)

Type	Year-To-Date*			
	2012	2011 /1	2012 /2	2011
Liquid	0	50	723	675
Frozen	0	0	0	0
Dried	0	0	10	104
Total	0	50	733	779

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

Type	Year-To-Date*			
	2012	2011 /1	2012 /2	2011
Liquid	349	231	7,731	7,656
Frozen	68	23	606	485
Dried	0	0	0	0
Total	417	254	8,337	8,141

INSPECTED SHELL EGGS

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

Type	Year-To-Date*			
	2012	2011 /1	2012 /2	2011
Jumbo	0	0	0	0
Extra Large	1,380	540	45,750	40,669
Large	4,470	950	93,562	69,493
Medium	810	90	16,113	20,905
Ungraded	1,440	0	62,958	79,670
Misc	0	0	1,620	0
Total	8,100	1,580	220,003	210,737

/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 Jun 23, 2012 (Preliminary)

U.S. Fowl Slaughtered Domestically

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,662	1,653	3,315
Last Week	1,498	1,841	3,339
Same week yr ago	1,249	1,934	3,183
To-date/2012*	41,290	38,192	79,482
To-date/2011*	35,369	37,596	72,965

U.S. Fowl Slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	380	0	380
Last Week	330	0	330
Same week yr ago	225	26	251
To-date/2012*	7,707	36	7,743
To-date/2011*	9,756	239	9,995

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	2,042	1,653	3,695
Last Week	1,828	1,841	3,669
Same week yr ago	1,474	1,960	3,434
To-date/2012*	48,997	38,228	87,225
To-date/2011*	45,125	37,835	82,960

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

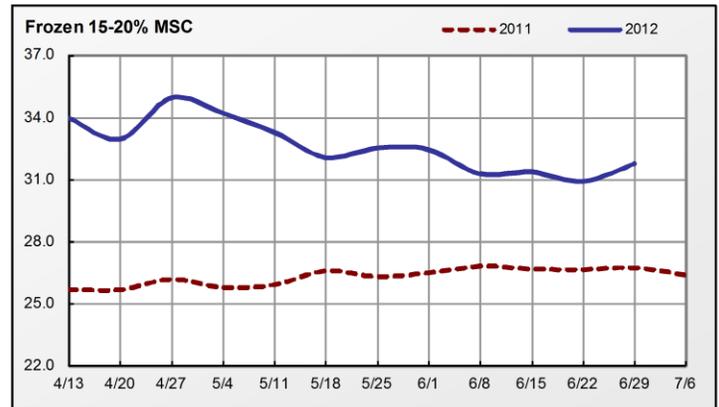
NATIONAL MECHANICALLY SEPARATED CHICKEN

(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 for MSC are trending steady to weak on all fat contents. Domestic and export demand is light to moderate. Supplies are moderate to mostly heavy. Schedules are normal. Interest and movement of MSC are light and disappointing as the Fourth of July approaches. Industry maintains a close eye on any developments in the spot markets in order to readily react. Trucking availability remains a problem as the poultry industry endures fierce competition from other commodities. Market activity is light to moderate. Raw material supplies are moderate to heavy. Spot frames traded between 10-15 cents FOB, mostly 11-13 FOB.

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

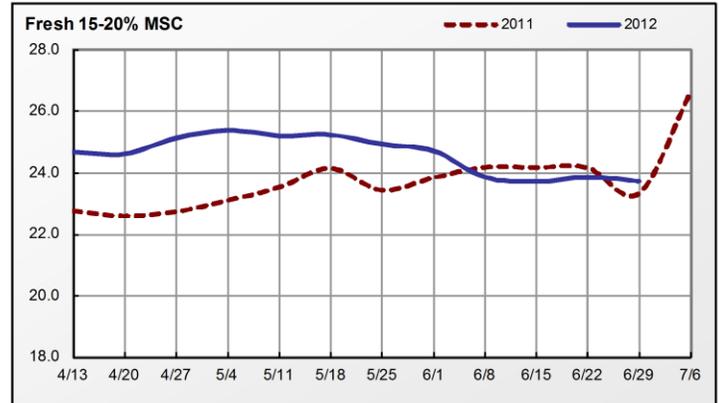
Fat Content	Frozen			Fresh		
	29-Jun-12	Last Week	Last Year	29-Jun-12	Last Week	Last Year
15% or Less						
Price Range	28.00 - 34.00	-	-	23.25 - 25.25	25.00 - 26.00	25.00
Wtd Avg Price	32.00	-	-	24.60	25.71	25.00
Volume Traded	120	-	-	265	143	122
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	27.00 - 34.00	27.00 - 34.00	24.00-28.00	20.00 - 28.00	20.00 - 26.00	20.00-26.00
Wtd Avg Price	31.77	30.93	26.75	23.72	23.86	23.32
Volume Traded	925	1,390	1,433	4,880	4,754	3,937
Volume Exported	865	1,230	1,343	408	245	286
20% or More						
Price Range	-	-	-	22.00	22.50	20.00
Wtd Avg Price	-	-	-	22.00	22.50	20.00
Volume Traded	-	-	-	41	82	82
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	May 2012	Apr 2012	May 2011	May 2012	Apr 2012	May 2011
15% or Less						
Wtd Avg Price	28.60	-	-	26.00	25.39	24.88
Volume Traded	200	-	-	612	367	673
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	32.87	33.93	26.13	25.17	24.83	23.54
Volume Traded	6,879	6,532	7,008	14,723	14,195	14,807
Volume Exported	5,879	5,292	6,186	1,795	1,997	938
20% or More						
Wtd Avg Price	-	-	-	22.30	22.50	19.78
Volume Traded	-	-	-	204	245	367
Volume Exported	-	-	-	-	-	-

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



NATIONAL YOUNG TURKEY PARTS

INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 29 JUNE 2012.

The market on bulk parts was steady to barely steady. Demand is light to moderate. Offerings moderate to heavy. The white meat market is steady to weak. Demand is light. Offerings ranged from light to heavy with frozen the most available. The market on thigh meat is steady to barely steady. Demand and offerings are light to moderate. The mechanically separated turkey market is steady. Demand and offerings was light to moderate. Trading for all parts was slow to moderate. For domestic: fresh full cut wings 42 cents, frozen tail 50 cents, fresh breast trim 73 cents, fresh scapula 94 cents and fresh wing meat 92 cents delivered. For export: fresh thigh meat 79.5 cents.

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
FRIDAY, JUNE 29, 2012						
DRUMSTICKS, TOMS	51.00-61.00		57.93	202	55.77	1,120
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM	77.50		77.50	162	77.50	324
TAILS		F	50.00	80		
MECHANICALLY SEPARATED 2/		W	37.00	40	37.00	40
THIGH MEAT - FROZEN	80.00		80.00	40	80.91	296
THURSDAY, JUNE 28, 2012						
DRUMSTICKS, TOMS	51.00-62.00		59.00	432		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM	77.50		77.50	162		
TAILS		F	50.00	80		
MECHANICALLY SEPARATED 2/		W	37.00	40		
THIGH MEAT - FROZEN	80.00		80.00	162		
WEDNESDAY, JUNE 27, 2012						
DRUMSTICKS, TOMS	51.00		51.00	54		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS		F	50.00	80		
MECHANICALLY SEPARATED 2/	37.00		37.00	40		
THIGH MEAT - FROZEN		T	82.85	94		
TUESDAY, JUNE 26, 2012						
DRUMSTICKS, TOMS	51.00-54.00		52.50	108		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS		F	50.00	80		
MECHANICALLY SEPARATED 2/						
THIGH MEAT - FROZEN	82.00-84.00		82.85	94		
MONDAY, JUNE 25, 2012						
DRUMSTICKS, TOMS	52.00		52.00	324		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS		F	50.00	80		
MECHANICALLY SEPARATED 2/						
THIGH MEAT - FROZEN		F	85.00	80		

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.):

M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ 15-20% fat with skin added.