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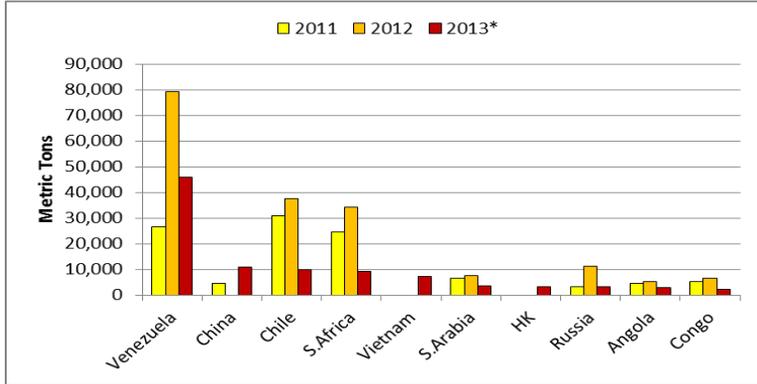
U.S. Department of Agriculture

Agricultural Marketing Service

Livestock, Poultry and Seed Programs

Market News

## Leading Export Markets for Argentine Poultry Meat by Volume (MT) in 2013\*



Note: All data is January-December with the exception of 2013\*, which is January-May. Source: Senasa

On June 27, 2013 representatives from the Brazilian Poultry Union (UBABEF), the Latin American Poultry Association (ALA), and the Center for Business Poultry Processors (CEPA) of Argentina met in Buenos Aires, Argentina. There representatives discussed avian influenza prevention measures and other poultry health issues, the opening of Mexico's market to imports of poultry meat, increased exports from Brazil and Argentina, and the establishment of bilateral agreements to expand international trade, as well as various other trade issues. Another meeting is scheduled for July 2013.

The week of June 3, 2013 a delegation from Mexico's National Health Service, Safety, and Food Quality Agency (SENASICA) met with Argentina's National Health Service and Food Quality Agency (SENASA) to tour and audit various poultry and broiler production facilities and slaughterhouses. Following the inspections the groups discussed Argentina's system of traceability for raw material throughout the production process, which is an issue Argentina will have to sort out before entering into a trade relationship with Mexico.

Another issue discussed is the ongoing struggle between SAPA (South African Poultry Association), Mercosur, CEPA, and UBABEF. Recently, Cepa sent a letter to the International Trade Administration Commission (ITAC) stating discrimination and unfair treatment of Sapa's application for a tariff increase to ITAC by including Argentina, Brazil, and Uruguay. The letter seeks access to the investigation and suggests the application would devalue the Mercosur-SACU free trade agreement from December 2000, as well as the preferential trade agreement from April 2005. June 12, 2013 ITAC announced it would do a more detailed analysis of the situation and the information relating to production and financial situation of the local industry.

The dispute stems from an application sent by SAPA to ITAC in March 2013 seeking increases for up to the maximum bound rate of 82% from the current 27%, negotiated at the World Trade Organization (WTO) in order to protect its local industry from lower priced imports. According to reports, South Africa is Argentina's 3<sup>rd</sup> largest export market or 3% of South Africa's total broiler imports. Sapa's request for tariff increases is WTO compliant as long as the tariffs remain between the applied rate and the negotiated bound rate.

of 82%. Applied rates range between 5% for boneless cuts and 27% for whole birds, carcasses, and offal. SACU (Southern African Customs Union) includes Botswana, Lesotho, Namibia, South Africa, and Swaziland. Mercosur includes member states Argentina, Brazil, Paraguay, Uruguay, and Venezuela, as well as associate members Bolivia, Chile, Colombia, Ecuador, and Peru.

According to reports, Argentina is currently 9th in worldwide poultry meat production and is projected to become the 4th largest producer in a few years. Poultry meat production is estimated to be 2 million metric tons (MMT) in 2013. Presently, Argentina is the 6th largest poultry meat exporter worldwide selling to over 60 countries and is forecast to export 315,000 MT in 2013. Source: USDA FAS/Rabobank/Senasa/Various News Wires

## Argentina's Broiler Situation (1,000 Metric Tons (MT) and Kilograms (KG))

	2007	2008	2009	2010	2011	2012	2013
Production	1,320	1,435	1,500	1,680	1,770	1,936	2,022
Imports	5	4	5	9	10	4	3
Exports	125	164	178	214	224	281	315
Dom. Cons.	1,200	1,275	1,327	1,475	1,556	1,659	1,710

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

## Argentine Broiler Meat Exports (MT)

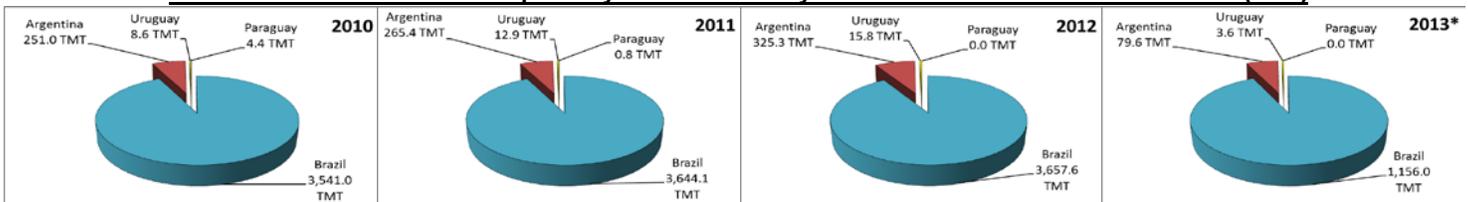
	Whole			Breast			
	2011	2012	2013*	2011	2012	2013*	
Ven.	26,433	78,946	61,935	Chile	5,134	5,278	1,165
Chile	18,630	20,512	7,040	Neth.	1,755	2,309	609
S.Arabia	6,255	7,118	3,991	S.Africa	237	1,263	285
Angola	4,368	4,828	3,427	UK	863	917	252
Sing.	8,032	5,980	2,436	Fr.Poly.	119	141	81
Others	36,923	44,541	14,700	Others	3,694	3,421	368
Total	100,641	161,925	93,529	Total	11,802	13,329	2,760

	HQ			Leg			
	2011	2012	2013*	2011	2012	2013*	
Chile	2,456	4,561	1,178	Chile	4,295	7,088	2,205
S.Africa	5,421	3,937	1,515	S.Africa	801	1,864	482
Russia	763	6,801	624	Namibia	223	423	81
Ghana	-	-	331	Angola	-	24	26
S.Arabia	-	390	236	Russia	131	738	25
Others	4,208	3,426	515	Others	1,725	1,256	94
Total	12,848	19,115	4,399	Total	7,175	11,393	2,913

	Paws			Wings			
	2011	2012	2013*	2011	2012	2013*	
China	29,190	27,600	7,012	China	10,921	17,315	5,031
HK	6,225	5,806	4,645	HK	663	241	1,112
S.Africa	127	352	585	Russia	281	846	740
Angola	-	-	28	Com./May.	84	1,037	354
Moz.	-	-	26	Sing.	860	911	186
Others	291	-	50	Others	807	1,208	798
Total	35,833	33,757	12,346	Total	13,616	21,558	8,221

Note: All data is January-December except 2013\*, which is January-May. Whole=Whole Broiler. HQ=Hind Quarter. MDM=Mechanically Deboned Meat. Leg=Leg/Hind Limb. Ven.=Venezuela. S.Arabia=Saudi Arabia. Neth.=Netherlands. S.Africa=South Africa. UK=United Kingdom. Fr.Poly.=French Polynesia. HK=Hong Kong. Moz.=Mozambique. Com./May.=Islands of Comores and Mayotte. Source: Senasa.

## Total Mercosur Broiler Meat Exports by Member Country and Volume in thousand Metric Tons (TMT)



Note: All data is January-December except for 2013\*, which only includes exports from January-March 2013 for Argentina, Paraguay, and Uruguay with Brazil January-April 2013.

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**INSPECTED EGG PRODUCTS –**

**U.S. & CANADA IMPORT/EXPORT TRADE**

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

Week Ending June 22, 2013	Year-To-Date*			
Type	2013	2012 /1	2013 /2	2012
Liquid	0	0	1,725	723
Frozen	0	0	40	0
Dried	13	0	75	10
Total	13	0	1,840	733

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

Week Ending June 22, 2013	Year-To-Date*			
Type	2013	2012 /1	2013 /2	2012
Liquid	28	349	5,917	7,731
Frozen	44	68	742	606
Dried	0	0	4	0
Total	72	417	6,663	8,337

**Inspected Shell Eggs**

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

Week Ending June 22, 2013	Year-To-Date*			
Type	2013	2012 /1	2013 /2	2012
Jumbo	0	0	0	0
Extra Large	570	1,380	51,740	45,750
Large	7,180	4,470	111,850	93,562
Medium	780	810	16,728	16,113
Ungraded	11,280	1,440	127,873	62,958
Misc	0	0	0	1,620
Total	19,810	8,100	308,191	220,003

/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

**WEEKLY U.S./CANADIAN LIVE POULTRY**

**SLAUGHTERED UNDER INSPECTION**

Week Ending 22-Jun-13

**U.S. fowl slaughtered domestically**

Thousands	Light Hens	Heavy Hens	Total Hens
Head	1,611	1,684	3,295
Last Week	1,468	1,457	2,925
Same week yr ago	1,662	1,653	3,315
To-date/2013*	40,350	35,958	76,308
To-date/2012*	41,290	38,192	79,482

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

Thousands	Light Hens	Heavy Hens	Total Hens
Head	77	0	77
Last Week	369	0	369
Same week yr ago	380	0	380
To-date/2013*	9,462	0	9,462
To-date/2012*	7,707	36	7,743

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

**Total U.S. fowl slaughtered in the U.S. and Canada**

Thousands	Light Hens	Heavy Hens	Total Hens
Head	1,688	1,684	3,372
Last Week	1,837	1,457	3,294
Same week yr ago	2,042	1,653	3,695
To-date/2013*	49,812	35,958	85,770
To-date/2012*	48,997	38,228	87,225

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

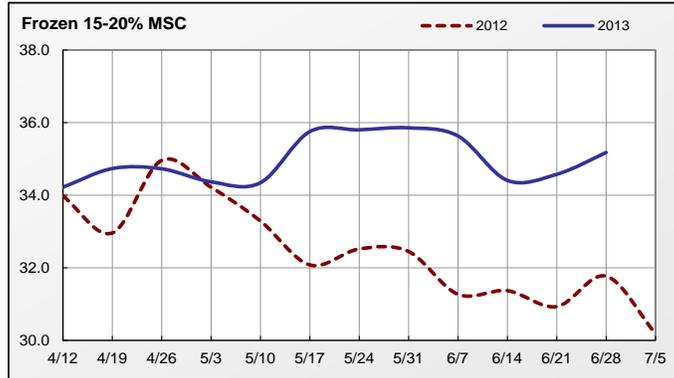
**NATIONAL MECHANICALLY SEPARATED CHICKEN**

(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 )

MSC prices are trending steady to weak on all fat contents. Supplies are moderate to heavy and slow to clear. Schedules are mostly normal With Some disruptions noted. Domestic and export demand is light to moderate. A slow week this week with many anticipating another one next Week with the Independence Day holiday, which is typical of the season. Industry maintains a close eye on the marketplace, however many are Waiting for things to settle after the holiday before looking for any real indications of market direction. Market activity is slow to moderate. Raw material supplies are moderate to heavy. Frame prices are steady to weak with trading levels between 12-16 cents FOB, mostly 13-15 FOB.

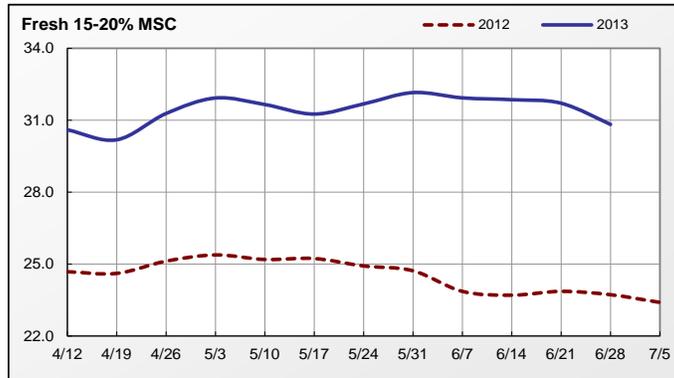
**Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)**

Fat Content	Frozen			Fresh		
	28-Jun-13	Last Week	Last Year	28-Jun-13	Last Week	Last Year
<b>15% or Less</b>						
Price Range	-	-	28.00-34.00	32.00 - 33.00	32.00 - 33.00	23.25-25.25
Wtd Avg Price			32.00	32.73	32.67	24.60
Volume Traded	-	-	120	224	122	265
Volume Exported	-	-	-	-	-	-
<b>15-20%</b>						
Price Range	32.50 - 38.00	32.50 - 37.00	27.00-34.00	24.00 - 34.00	28.00 - 34.00	20.00-28.00
Wtd Avg Price	35.18	34.58	31.77	30.83	31.71	23.72
Volume Traded	1,096	2,295	925	3,702	3,040	4,880
Volume Exported	1,053	1,895	865	286	326	408
<b>20% or More</b>						
Price Range	-	-	-	22.00	-	22.00
Wtd Avg Price	-	-	-	22.00	-	22.00
Volume Traded	-	-	-	82	-	41
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	May 2013	Apr 2013	May 2012	May 2013	Apr 2013	May 2012
<b>15% or Less</b>						
Wtd Avg Price	33.00	32.00	28.60	32.65	30.29	26.00
Volume Traded	80	40	200	816	775	612
Volume Exported	-	-	-	-	-	-
<b>15-20%</b>						
Wtd Avg Price	34.81	34.54	32.87	31.73	30.55	25.17
Volume Traded	11,552	8,831	6,879	19,620	20,114	14,723
Volume Exported	11,112	8,191	5,879	2,570	1,428	1,795
<b>20% or More</b>						
Wtd Avg Price	-	-	-	22.50	22.14	22.30
Volume Traded	-	-	-	367	286	204
Volume Exported	-	-	-	-	-	-



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

Source: USDA AMS Livestock, Poultry, & Grain Market News Division

**NATIONAL YOUNG TURKEY PARTS**

Including Bulk Meat and Frozen (unless specified), cents per lb., delivered first receivers, part and full trucklots as of 28 June 2013.

The market on bulk parts was steady. Demand and offerings was light to moderate. White meat and trims is steady to firm. Demand was light to good. Offerings light. Thigh meat market was steady. Demand was light. Offerings was light to moderate. Trading for parts was slow to moderate with movement into export channels the best. For domestic: fresh tom full cut wings 43 cents, fresh scapula 127-128 cents, grade A breast non basted 8-10 lb. 132 cents and 12-16 lbs. 137 cents delivered. For export: fresh tom breast meat 162 cents, frozen hen breast meat 158 cents and frozen scapula 126 cents delivered to port or Border.

**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
<b>FRIDAY, JUNE 28, 2013</b>						
DRUMSTICKS, TOMS		R	73.99	350	74.10	390
WINGS FULL-CUT - TOMS	47.00		47.00	240	47.00	564
WINGS, V-TYPE, TOM	71.00		71.00	108	71.00	270
TAILS	56.00		56.00	120	56.66	268
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	107.00	R	40.00 107.00	40 40	40.00 106.00	40 80
<b>THURSDAY, JUNE 27, 2013</b>						
DRUMSTICKS, TOMS	70.00-76.00		73.99	350		
WINGS FULL-CUT - TOMS		W	47.00	324		
WINGS, V-TYPE, TOM	71.00		71.00	162		
TAILS		W	58.00	108		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	40.00	T	40.00 105.00	40 40		
<b>WEDNESDAY, JUNE 26, 2013</b>						
DRUMSTICKS, TOMS	75.00		75.00	40		
WINGS FULL-CUT - TOMS	47.00		47.00	324		
WINGS, V-TYPE, TOM		F	69.50	432		
TAILS	58.00		58.00	108		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		T	105.00	40		
<b>TUESDAY, JUNE 25, 2013</b>						
DRUMSTICKS, TOMS		F	76.50	216		
WINGS FULL-CUT - TOMS		F	46.00	54		
WINGS, V-TYPE, TOM		F	69.50	432		
TAILS		M	55.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	105.00		105.00	40		
<b>MONDAY, JUNE 24, 2013</b>						
DRUMSTICKS, TOMS		F	76.50	216		
WINGS FULL-CUT - TOMS		F	46.00	54		
WINGS, V-TYPE, TOM		F	69.50	432		
TAILS	55.00		55.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		M F	37.00 108.83	108 154		

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.