



INTERNATIONAL EGG AND POULTRY REVIEW



JULY 30, 2013
VOL. 16 NO. 31

ISSN 1522-5100

U.S. Department of Agriculture

Agricultural Marketing Service

Livestock, Poultry and Seed Programs

Market News

USITC: The Year in Trade 2012

In 2012, the US implemented 3 new free trade agreements (FTA) with Panama (October 2012), Colombia (May 2012), and Korea (March 2012) bringing the total to 14 FTAs with 20 countries. The US is presently taking part in negotiations for the following: Trans-Pacific Partnership (TPP), Transatlantic Trade and Investment Partnership (T-TIP), and bilateral engagements with the EU, Canada, and China.

The US met 5 times during 2012 to discuss the TPP agreement with the other 8 participating countries (Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore, Vietnam). In June 2012, Mexico and Canada were invited by the US and the other TPP countries to join in negotiations. The 18th round of TPP negotiations were recently held July 15-24, 2013 in Kota Kinabalu, Malaysia.

The US and the EU decided to explore options for expanding bilateral trade and investment by creating the US-EU High Level Working Group on Jobs and Growth in June 2012. The group was tasked with recommending ways to expand bilateral trade and investment. An interim report was released in June 2012 followed by a final report in February 2013. The first round of negotiations between the US and EU was held July 8, 2013 in Washington, DC.

In 2011, the US and Canada agreed to establish the Beyond the Border (BTB) Action Plan and the Regulatory Cooperation Council (RCC) Action Plan to ensure the economic partnership. As part of the BTB Action Plan initiative, a pilot project was implemented in September 2012 to consider alternative methods of reviewing import documents prior to the shipments arrival at the border and alternative methods for release of shipments that are destined for further processing. The pilots' narrow scope includes only a few CFIA-registered establishments that export fresh meat to FSIS-inspected establishments for further processing. In September 2013 the pilot will be evaluated and consideration given for expanding future pre-clearance processes to all plants and meats. The RCC continues to promote economic growth, job creation, and increased regulatory transparency and coordination. The US and China share the world's largest and most comprehensive bilateral trading relationship.

The US filed a dispute with the WTO in September 2011 alleging China imposed measures that are inconsistent with various provisions of Articles of the Anti-Dumping Agreement and SCM Agreement. In addition the US alleged China of being inconsistent with Article VI of the GATT 1994 in the way of improper reliance on the facts available and insufficient explanation of the basis for the determinations. A panel was requested and established in January 2012 with panelists chosen (May 2012) after the two countries failed to resolve matters. In November 2012, panelists announced a report would not be forthcoming until possibly late June 2013. Furthermore, the US and China committed to expanding its agricultural relationship and bilateral cooperation in the areas of food safety, food security and sustainable agriculture with the signing of the China-US Plan of Strategic Cooperation in Agriculture 2012-2017 (February 2012).

China continues to ban poultry products from Arkansas and Virginia

United States' Poultry Situation (1,000 Metric Tons (MT) and Kilograms (KG))

	2007	2008	2009	2010	2011	2012	2013
BROILER							
Production	16,226	16,561	15,935	16,563	16,694	16,621	17,012
Imports	36	43	45	48	49	51	51
Exports	2,678	3,157	3,093	3,069	3,162	3,303	3,266
Dom. Cons.	13,590	13,435	12,946	13,470	13,664	13,342	13,804

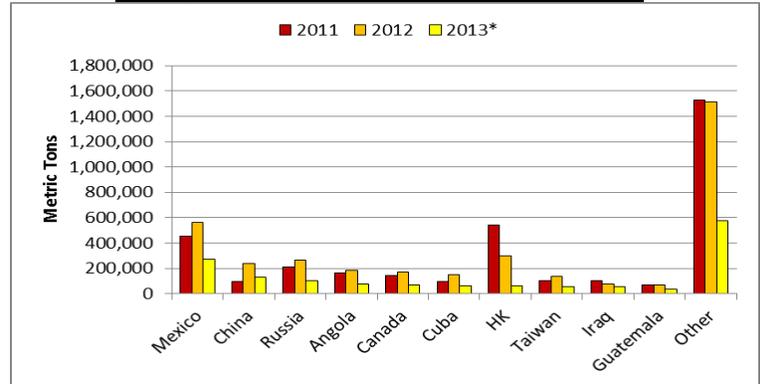
TURKEY

Production	2,664	2,796	2,535	2,527	2,592	2,675	2,592
Imports	7	6	9	11	10	10	9
Exports	248	306	242	264	319	336	313
Dom. Cons.	2,404	2,434	2,363	2,306	2,274	2,332	2,299

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

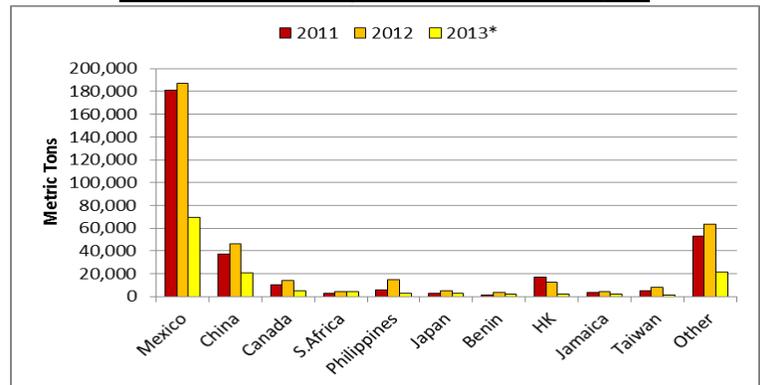
despite its contradictory claims in December 2012 at the 23rd session of the US-China Joint Commission on Commerce and Trade (JCCT). China is the second-largest single-country trading partner for the US based on two-way trade. Note: CFIA (Canadian Food Inspection Agency). FSIS (USDA Food Safety and Inspection Service). WTO (World Trade Organization). Source: United States International Trade Commission (USITC): The Year in Trade 2012, USITC Publication 4416 July 2013 - http://www.usitc.gov/press_room/news_release/2013/er071112.htm / Office of the United States Trade Representative / USDA FAS / USDA Office of Communications / White House Office of the Press Secretary / World Trade Organization / Various News Wires

US Exports of Broiler Meat in Metric Tons (MT)



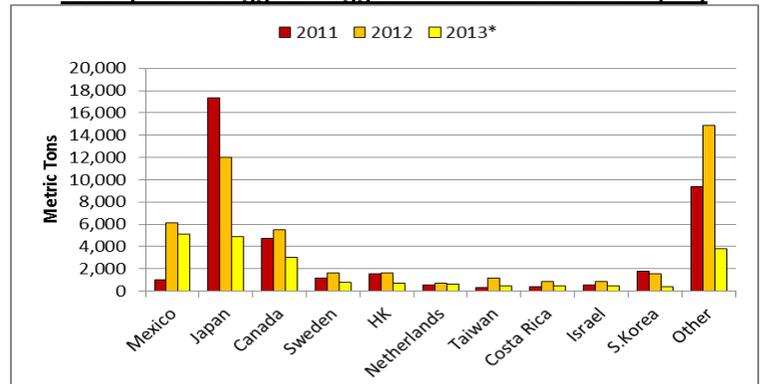
Note: All data is January-December except 2013*, which is January-May. Data includes all broiler meat items under HS0207, as well as HS1601000010, HS1602320090, HS1602320050, HS1602320035.

US Exports of Turkey Meat in Metric Tons (MT)



Note: All data is January-December except 2013*, which is January-May. Data includes all turkey meat items under HS0207, as well as HS1601000020, HS1602310020, HS1602310090, HS1602310050, and HS1602310030.

US Exports of Egg and Egg Products in Metric Tons (MT)



Note: All data is January-December except 2013*, which is January-May. Data includes all shell eggs under HS0407, as well as all egg products under HS0408 and HS3502. Source: Department of Commerce, US Census Bureau, Foreign Trade Statistics/USDA FAS

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

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

Type	Year-To-Date*			2012
	2013	2012 /1	2013 /2	
Liquid	0	0	2,062	726
Frozen	0	0	40	0
Dried	10	1	166	51
Total	10	1	2,268	777

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

Type	Year-To-Date*			2012
	2013	2012 /1	2013 /2	
Liquid	138	211	6,453	8,411
Frozen	5	40	806	677
Dried	0	0	4	0
Total	143	251	7,263	9,088

INSPECTED SHELL EGGS

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

	Year-To-Date*			2012
	2013	2012 /1	2013 /2	
Jumbo	0	0	0	0
Extra Large	3,600	1,740	64,431	50,580
Large	3,260	1,640	134,869	105,632
Medium	0	897	18,254	19,440
Ungraded	7,600	1,440	163,839	69,018
Misc	0	0	0	1,620
Total	14,460	5,717	381,393	246,290

/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 Jul 20, 2013 (Preliminary)

U.S. Fowl Slaughtered Domestically

	Thousands		Total Hens
	Light Hens	Heavy Hens	
Head	1,436	1,661	3,097
Last Week	1,479	1,483	2,962
Same week yr ago	1,295	1,756	3,051
To-date/2013*	45,136	41,758	86,894
To-date/2012*	46,425	45,101	91,526

U.S. Fowl Slaughtered in Canada

	Thousands		Total Hens
	Light Hens	Heavy Hens	
Head	317	0	317
Last Week	269	0	269
Same week yr ago	118	0	118
To-date/2013*	10,307	0	10,307
To-date/2012*	8,286	36	8,322

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

Total U.S. Fowl Slaughtered in the U.S. and Canada

	Thousands		Total Hens
	Light Hens	Heavy Hens	
Head	1,753	1,661	3,414
Last Week	1,748	1,483	3,231
Same week yr ago	1,413	1,756	3,169
To-date/2013*	55,443	41,758	97,201
To-date/2012*	54,711	45,137	99,848

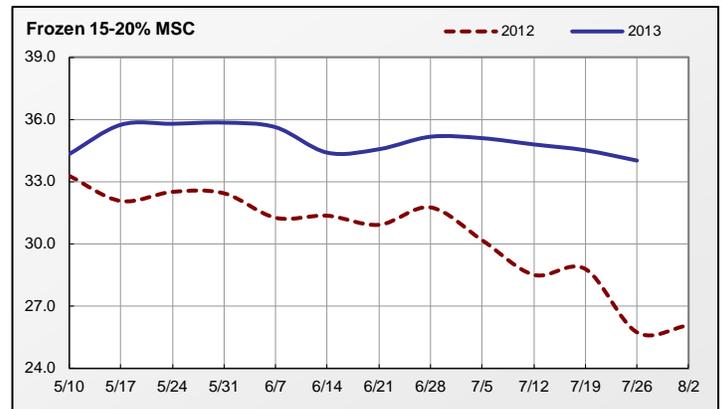
*Note: Year to-date totals reflect comparable time periods.

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. Demand is light to moderate into both domestic and export channels. Supplies are moderate to heavy and slow to clear. Schedules are normal. Many are noting how buyer interest has waned after MSC reached its seasonal peak. Finished product sales and production are average for this time of year with many anticipating production to pick up in the weeks preceding the Labor Day holiday. Industry maintains a watchful eye on the spot marketplace and has begun strategizing for the 2013 contract season. Market activity is slow to moderate. Raw material supplies are moderate to heavy. Frame prices are steady to weak trading between 12-15 cents FOB, mostly 13-14 FOB.

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

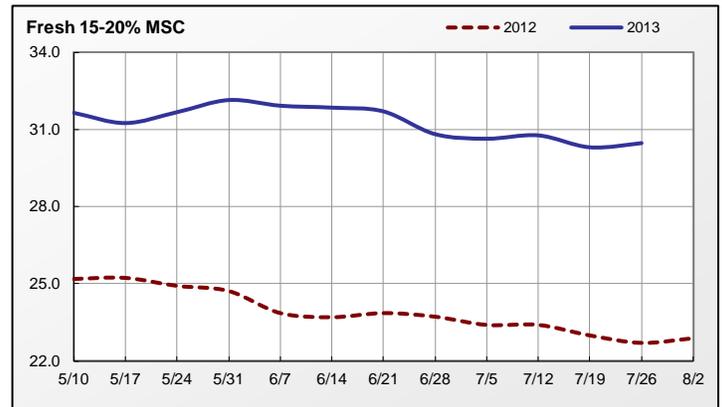
Fat Content	Frozen			Fresh		
	26-Jul-13	Last Week	Last Year	26-Jul-13	Last Week	Last Year
15% or Less						
Price Range	-	-	-	32.00 - 33.00	32.00 - 33.00	25.00-26.00
Wtd Avg Price	-	-	-	32.60	32.67	25.71
Volume Traded	-	-	-	204	61	143
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	30.00 - 37.00	32.00 - 37.00	18.00-32.00	27.00 - 34.50	27.00 - 34.00	18.00-26.00
Wtd Avg Price	34.03	34.52	25.75	30.48	30.31	22.70
Volume Traded	1,235	1,315	3,124	2,611	3,438	3,641
Volume Exported	995	1,315	2,124	326	163	41
20% or More						
Price Range	-	-	-	22.00	22.00	22.00
Wtd Avg Price	-	-	-	22.00	22.00	22.00
Volume Traded	-	-	-	41	82	82
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Jun 2013	May 2013	Jun 2012	Jun 2013	May 2013	Jun 2012
15% or Less						
Wtd Avg Price	34.00	33.00	32.00	32.66	32.65	25.24
Volume Traded	40	80	160	775	816	653
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	34.82	34.81	31.55	31.54	31.73	23.93
Volume Traded	7,151	11,552	7,367	12,775	19,620	22,914
Volume Exported	6,588	11,112	6,987	1,265	2,570	1,591
20% or More						
Wtd Avg Price	-	-	-	22.30	22.50	22.33
Volume Traded	-	-	-	204	367	367
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 (www.ams.usda.gov/lpsmarketnewspage)

NATIONAL YOUNG TURKEY PARTS

INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 26 JULY 2013.

The market on bulk parts was steady, with 2 joint wings barely steady. Demand and offerings was light to moderate. White meat and trims are steady to firm. Demand was light to moderate. Offerings was light. Thigh meat and mechanically separated turkey was steady. Demand and offerings was light to moderate. Trading was slow. For domestic: fresh tails 54 cents, fresh full cut wings 44 cents and fresh tom necks 37 cents delivered.

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
FRIDAY, JULY 26, 2013						
DRUMSTICKS, TOMS		R	72.00	216	74.78	486
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		R	64.67	648	64.67	648
TAILS		M	56.00	120	56.00	120
MECHANICALLY SEPARATED 2/		W	36.00	40	36.00	40
THIGH MEAT - FROZEN		M	110.00	162	110.00	162
THURSDAY, JULY 25, 2013						
DRUMSTICKS, TOMS	72.00		72.00	216		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM	63.00-65.00		64.67	648		
TAILS		M	56.00	120		
MECHANICALLY SEPARATED 2/		W	36.00	40		
THIGH MEAT - FROZEN		M	110.00	162		
WEDNESDAY, JULY 24, 2013						
DRUMSTICKS, TOMS		M	77.00	270		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		F	68.00	108		
TAILS		M	56.00	120		
MECHANICALLY SEPARATED 2/	36.00		36.00	40		
THIGH MEAT - FROZEN		M	110.00	162		
TUESDAY, JULY 23, 2013						
DRUMSTICKS, TOMS		M	77.00	270		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		F	68.00	108		
TAILS		M	56.00	120		
MECHANICALLY SEPARATED 2/		R	37.00	240		
THIGH MEAT - FROZEN		M	110.00	162		
MONDAY, JULY 22, 2013						
DRUMSTICKS, TOMS	77.00		77.00	270		
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		F	68.00	108		
TAILS	56.00		56.00	120		
MECHANICALLY SEPARATED 2/		R	37.00	240		
THIGH MEAT - FROZEN	110.00		110.00	162		

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.