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Market News

## Transatlantic Trade and Investment Partnership (T-TIP)

The US and EU recently held the first round of successful meetings on the Transatlantic Trade and Investment Partnership (T-TIP) July 8-12, 2013 in Washington, DC. A second round of meetings is scheduled for October 2013 in Brussels, Belgium. At present, the US and EU already have the largest trade relationship in the world. T-TIP would be the largest bilateral trade agreement ever negotiated. According to sources, the EU and US account for nearly half of the world's GDP and 30% of world trade with exchanges of goods and services worth around €723 billion a year and €1.8 billion a day.

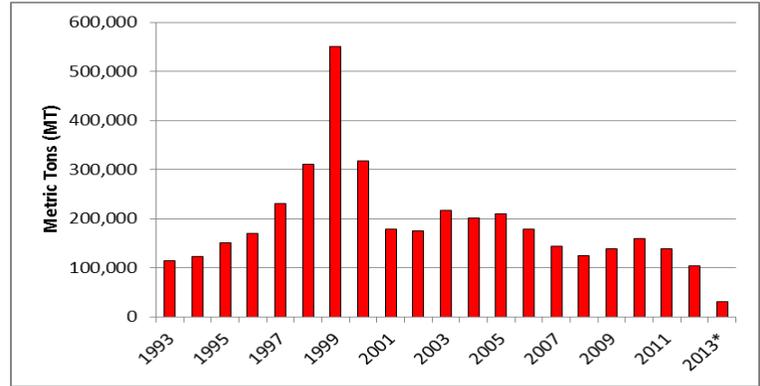
T-TIP will be an ambitious, comprehensive, and high-standard trade and investment agreement that offers significant benefits in terms of promoting US international competitiveness, jobs, and growth. In particular, T-TIP will aim to:

- Further open EU markets, increasing the \$458 billion in goods and private services the US exported in 2012 to the EU, our largest export market.
- Strengthen rules-based investment to grow the world's largest investment relationship.
- Eliminate all tariffs on trade.
- Tackle costly "behind the border" non-tariff barriers that impede the flow of goods, including agricultural goods.
- Obtain improved market access on trade in services.
- Significantly reduce the cost of differences in regulations and standards by promoting greater compatibility, transparency, and cooperation, while maintaining our high levels of health, safety, and environmental protection.
- Develop rules, principles, and new modes of cooperation on issues of global concern, including intellectual property and market-based disciplines addressing state-owned enterprises and discriminatory localization barriers to trade.
- Promote the global competitiveness of small- and medium-sized enterprises.

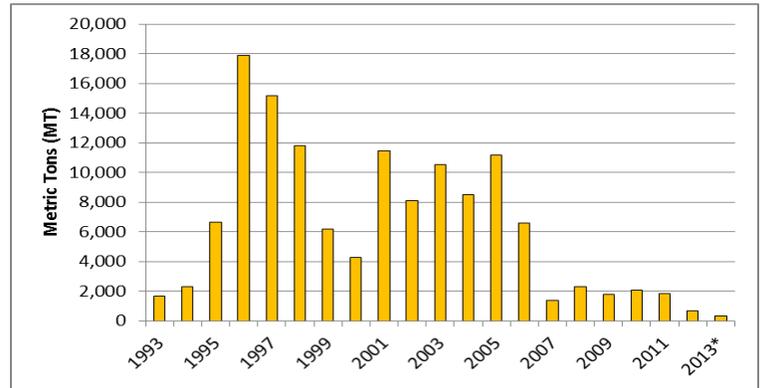
During the November 2011 Summit meeting, the US and EU decided to explore options for expanding bilateral trade and investment by creating the US-EU High Level Working Group on Jobs and Growth (HLWG). The HLWG was tasked with recommending ways to expand bilateral trade and investment. An interim report was released in June 2012 and later followed by a final report in February 2013. US President Obama notified Congress of the administration's intent to launch negotiations on T-TIP, which was later approved. In June 2013, all Member States gave the European Commission approval to start negotiations with the US.

*Note: Graphs include data from January-December except 2013, which includes January-June 2013. Broiler data includes all broiler meat items under HS0207 with the exception of HS0207140045, as well as HS1601000010, HS1602320090, HS1602320050, HS1602320035. Turkey data includes all turkey meat items under HS0207, as well as HS1601000020, HS1602310020, HS1602310090, HS1602310050, and HS1602310030. Egg and Egg Product data include all shell eggs under HS0407, as well as all egg products under HS0408 and HS3502. Source: Office of the United States Trade Representative / Congressional Research Service: Proposed Transatlantic Trade and Investment Partnership: In Brief, July 13, 2013 / Department of Commerce, US Census Bureau, Foreign Trade Statistics / USDA FAS / 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](http://www.usitc.gov/press_room/news_release/2013/er071112.htm) / News Wires*

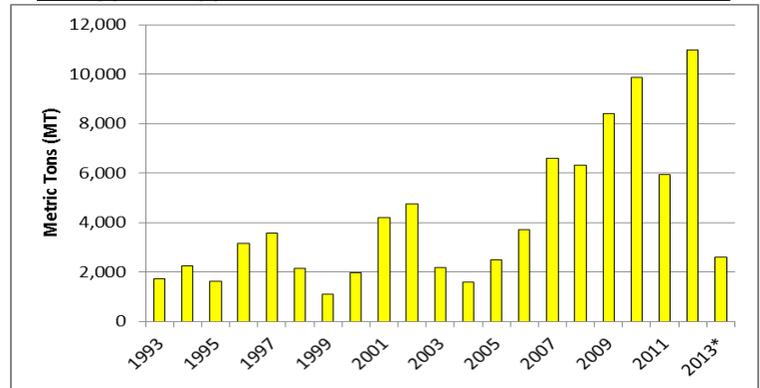
## US Broiler Meat Exports to the EU-28 in Metric Tons



## US Turkey Meat Exports to the EU-28 in Metric Tons



## US Egg and Egg Product Exports to the EU-28 in Metric Tons



### United States' Poultry Situation (1,000 Metric Tons (MT))

	2007	2008	2009	2010	2011	2012	2013
<b>BROILER</b>							
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*

### European Union's Poultry Situation (1,000 Metric Tons (MT))

	2007	2008	2009	2010	2011	2012	2013
<b>BROILER</b>							
Production	8,320	8,594	8,756	9,202	9,320	9,510	9,550
Imports	673	712	719	681	731	718	720
Exports	626	727	765	929	1,037	1,090	1,060
Dom. Cons.	8,367	8,579	8,710	8,954	9,014	9,138	9,210

### TURKEY

Production	1,790	1,830	1,795	1,946	1,950	2,020	2,030
Imports	103	125	112	99	82	81	80
Exports	124	120	106	134	147	150	150
Dom. Cons.	1,769	1,835	1,801	1,911	1,885	1,951	1,960

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

**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	48	0	2,110	726
Frozen	0	0	40	0
Dried	0	0	166	51
Total	48	0	2,316	777

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

Type	Year-To-Date*			2012
	2013	2012 /1	2013 /2	
Liquid	8	298	6,589	8,910
Frozen	0	48	814	775
Dried	0	0	4	0
Total	8	346	7,407	9,685

**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	1,620	1,770	71,151	55,841
Large	2,270	3,854	144,734	112,066
Medium	0	960	19,064	20,520
Ungraded	3,060	2,156	172,029	72,614
Misc	0	0	0	1,620
Total	6,950	8,740	406,978	262,661

/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 Aug 03, 2013 (Preliminary)

**U.S. Fowl Slaughtered Domestically**

	Thousands		Total Hens
	Light Hens	Heavy Hens	
Head	1,240	1,670	2,910
Last Week	1,548	1,683	3,231
Same week yr ago	1,034	1,793	2,827
To-date/2013*	47,924	45,111	93,035
To-date/2012*	48,162	48,615	96,777

**U.S. Fowl Slaughtered in Canada**

	Thousands		Total Hens
	Light Hens	Heavy Hens	
Head	378	0	378
Last Week	399	0	399
Same week yr ago	149	0	149
To-date/2013*	11,084	0	11,084
To-date/2012*	8,780	36	8,816

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	1,618	1,670	3,288
Last Week	1,947	1,683	3,630
Same week yr ago	1,183	1,793	2,976
To-date/2013*	59,008	45,111	104,119
To-date/2012*	56,942	48,651	105,593

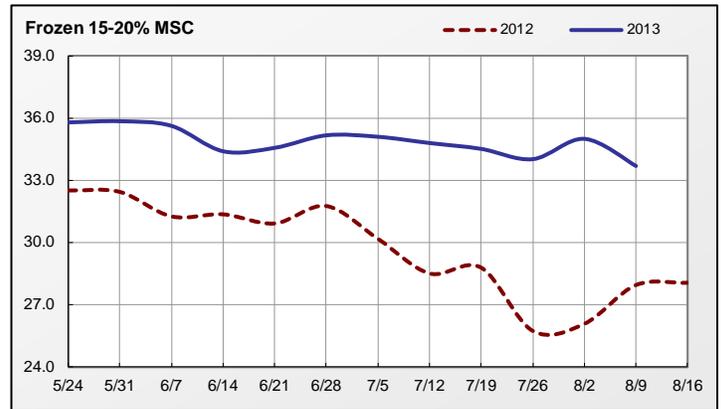
\*Note: Year to-date totals reflect comparable time periods.

**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. Schedules are normal. Slight increases in the production of finished goods have been noted and are expected as industry begins to make some preparations for the Labor Day holiday. Many continue to watch for any market developments as the 2013 contract season quickly approaches. Market activity is slow to moderate. Raw material supplies are moderate to heavy. Frame prices are steady trading between 12-15 cents FOB.

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

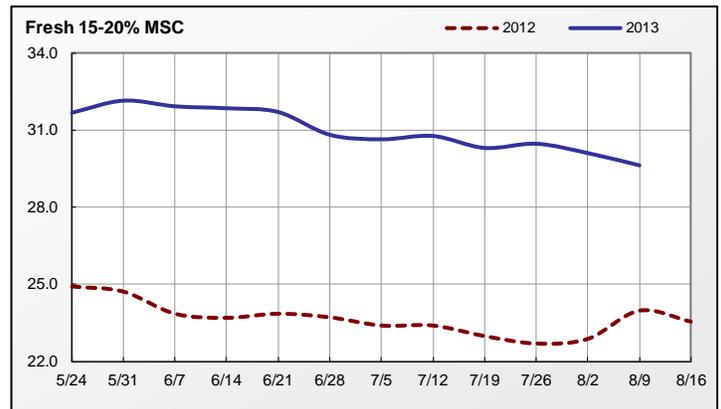
Fat Content	Frozen			Fresh		
	9-Aug-13	Last Week	Last Year	9-Aug-13	Last Week	Last Year
<b>15% or Less</b>						
Price Range	33.00	33.00	-	31.00 - 32.00	32.00 - 33.00	25.00-26.00
Wtd Avg Price	33.00	33.00	-	31.55	32.57	25.83
Volume Traded	40	40	-	224	143	245
Volume Exported	-	-	-	-	-	-
<b>15-20%</b>						
Price Range	29.00 - 37.00	33.00 - 37.00	26.00-30.00	27.00 - 34.00	27.00 - 34.00	22.00-26.00
Wtd Avg Price	33.70	35.01	27.96	29.64	30.11	23.98
Volume Traded	1,266	1,065	2,123	2,806	2,723	3,917
Volume Exported	1,186	825	1,963	408	122	82
<b>20% or More</b>						
Price Range	-	-	-	22.00	22.00	22.00
Wtd Avg Price	-	-	-	22.00	22.00	22.00
Volume Traded	-	-	-	82	82	82
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Jul 2013	Jun 2013	Jul 2012	Jul 2013	Jun 2013	Jul 2012
<b>15% or Less</b>						
Wtd Avg Price	34.00	34.00	-	32.65	32.66	25.76
Volume Traded	40	40	-	755	775	510
Volume Exported	-	-	-	-	-	-
<b>15-20%</b>						
Wtd Avg Price	34.61	34.82	27.83	30.56	31.54	23.15
Volume Traded	5,020	7,151	7,907	12,301	12,775	18,068
Volume Exported	4,740	6,588	6,091	1,142	1,265	1,591
<b>20% or More</b>						
Wtd Avg Price	-	-	-	22.00	22.30	22.20
Volume Traded	-	-	-	245	204	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 ([www.ams.usda.gov/lpsmarketnews](http://www.ams.usda.gov/lpsmarketnews))

**NATIONAL YOUNG TURKEY PARTS**

INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 09 AUGUST 2013.

The market on white meat is steady to firm. Demand moderate to good. Offerings light. The 4-8 lb. breast market is steady with a steady to firm undertone. Demand light to moderate, mostly light. Offerings light. The market on tom 2-joint wings is steady to weak, tom full-cut wings steady to firm, balance of tom bulk parts steady. Demand light to moderate. Offerings of tom 2-joint wings moderate to moderately heavy, balance of tom bulk parts light to moderate. Trading active. For domestic (fresh): fresh tom wings 46, tom necks 39, wing meat 94, breast trim 133, scapula 137, body chopping skin 37, frozen Grade A 4-8 lb. breasts 125 September and 127 October cents delivered. For export: fresh tom drums 69, fresh thigh meat 116-117, frozen thigh trim with bone fragments 77 cents delivered.

**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
<b>FRIDAY, AUGUST 9, 2013</b>						
DRUMSTICKS, TOMS	75.00		75.00	270	75.00	270
WINGS FULL-CUT - TOMS		F	48.80	540		
WINGS, V-TYPE, TOM	61.00-64.00		62.33	486	62.33	486
TAILS		F	55.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	107.00-114.0		109.75	160	109.05	254
<b>THURSDAY, AUGUST 8, 2013</b>						
DRUMSTICKS, TOMS		F	76.50	120		
WINGS FULL-CUT - TOMS		F	48.80	540		
WINGS, V-TYPE, TOM		F	60.00	324		
TAILS		F	55.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	109.00		109.00	40		
<b>WEDNESDAY, AUGUST 7, 2013</b>						
DRUMSTICKS, TOMS		F	76.50	120		
WINGS FULL-CUT - TOMS		F	48.80	540		
WINGS, V-TYPE, TOM		F	60.00	324		
TAILS		F	55.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		W	37.00	80		
		T	107.00	54		
<b>TUESDAY, AUGUST 6, 2013</b>						
DRUMSTICKS, TOMS		F	76.50	120		
WINGS FULL-CUT - TOMS		F	48.80	540		
WINGS, V-TYPE, TOM		F	60.00	324		
TAILS		F	55.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	107.00	W	37.00	80		
		T	107.00	54		
<b>MONDAY, AUGUST 5, 2013</b>						
DRUMSTICKS, TOMS		F	76.50	120		
WINGS FULL-CUT - TOMS		F	48.80	540		
WINGS, V-TYPE, TOM		F	60.00	324		
TAILS		F	55.00	40		
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		W	37.00	80		
		T	107.00	54		

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.