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Brazil

A strong export demand and lower feed costs are expected to drive an increase in broiler meat production in 2015. Unofficial broiler production projections for 2015 are 13.3 million metric tons, up 5% from 2014 (12.7 MMT). Higher exports are expected due to the depreciation of the Brazilian currency, lower feed costs due to forecast record soybean and corn crops estimated for 2014/15 crop year, and higher world demand for the Brazilian product, especially from the Russian Federation. The outlook for turkey production and exports is for moderate growth next year. (*All projections for 2015 are unofficial.)*

Brazil Broiler Meat (1000 MT)

	2010	2011	2012	2013	2014	2015*
Production	12,312	12,863	12,645	12,308	12,678	13,312
Exports	3,272	3,443	3,508	3,482	3,600	4,024
Dom. Consump.	9,041	9,422	9,139	8,829	9,081	9,291

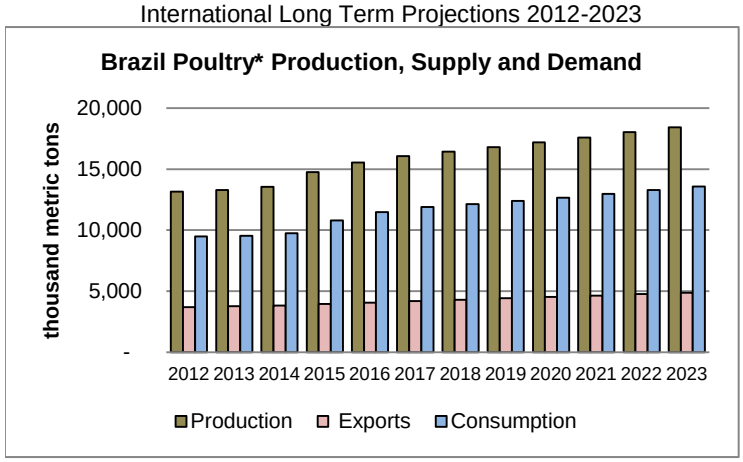
*not official Dom. Consump – Domestic Consumption
Note: Table excludes chicken feet and paws exports to China and Hong Kong, as per USDA methodology.
Source: Foreign Agricultural Service, Official USDA Estimates

Producers are expected to continue with a strategy to adjust supply and demand for boilers and to respond to higher world demand for the Brazilian product, especially from the Russian Federation. Producers are likely to benefit from reduced production costs due to higher soybean and corn crops in the 2014-2015 season.

The cost of broiler production in 2015 is estimated to drop by 5% from last year's level, while producer prices will likely recover around 6% during the same period. If this materializes, these prices will contribute to improved profit margins next year. These reference prices are for Parana state, the largest broiler producer in Brazil with a market share of nearly 28 percent of total broiler slaughter.

Domestic consumption of broiler meat in 2015 is projected to increase by over 2% reflecting a continuing increase in the broiler price (RTC) due to higher expected inflation rates, the high indebtedness of Brazilian consumers, and competition from beef and pork.

International Long Term Projections 2012-2023



http://www.ers.usda.gov/data-products/international-baseline-data.aspx#45167

Broiler exports in 2015 are expected to increase by 11%. The growth in exports is likely to be driven by a continued devaluation of the Brazilian currency combined with an additional market opportunity for higher sales to the Russian Federation. Broiler exports in 2015 are expected to increase by 11%. According to Post trade sources, 38 Brazilian slaughter plants are currently eligible to export broilers to the Russian market. This would allow Brazilian poultry processors to increase their supplies up to 30,000 metric tons per month early in 2015. Brazilian trade sources also forecast higher sales of chicken parts to China in view of a higher number of plants (29) approved for that market. Other promising markets for 2015 are Japan, Egypt, Nigeria, and Mexico.

Brazil Broiler* Exports to Select Countries in kilograms

	2013	Jan-Aug 2013	Jan-Aug 2014	% Chg
Angola	85,151,888	50,930,073	57,855,988	14%
China	190,322,139	123,820,270	148,314,142	20%
Egypt	87,384,524	55,058,699	51,741,837	-6%
Hong Kong	335,662,445	217,135,625	211,224,571	-3%
Iraq	74,340,885	59,682,834	36,930,214	-38%
Japan	387,134,177	255,013,546	267,073,938	5%
Kuwait	112,389,290	84,027,037	69,483,874	-17%
Oman	61,082,840	44,305,832	40,943,751	-8%
Qatar	59,480,357	42,509,001	42,416,917	
Russia	47,291,534	27,847,907	37,989,434	36%
Singapore	684,937,389	47,375,078	52,696,582	11%
South Africa	79,145,679	116,433,130	102,735,833	-12%
South Korea	168,591,702	33,665,979	37,779,462	12%
UAE	244,081,677	171,394,626	169,278,942	-1%
Venezuela	162,562,502	83,105,094	158,657,187	-5%
Yemen	85,039,863	48,783,785	46,347,784	91%
Subtotal	2,864,598,891	1,461,088,516	1,531,470,456	-4%
Others	687,846,415	884,832,887	847,704,180	5%
World Total	3,552,445,306	2,345,921,403	2,379,174,636	1%

*HS Codes 160232, 020711, 020712, 020713, 020714
UAE - United Arab Emirates
Source: Alice Mercosul System - Ministry of Development, Industry and Foreign Trade

Turkey production is forecast to increase by 5% in 2015, mostly driven by a rebound in exports. Lower feed costs due to forecast record soybean and corn crops during the 2014-2015 season are likely to improve producers' margins. A slowdown in the growth path of domestic demand remains as the main constraint affecting production growth.

Turkey exports are projected to increase by 11 percent in 2015, mostly caused by the depreciation of the Brazilian currency. Exports are expected to increase to the European Union, Angola, Peru, the Russian Federation, and Chile, and likely Mexico.

Brazil Turkey* Exports to Select Countries in kilograms

	2013	Jan-Aug 2013	Jan-Aug 2014	% Chg
Angola	15,040,684	8,776,910	8,556,686	-3%
Benin	15,653,525	10,521,297	8,353,895	-21%
Chile	4,068,548	2,382,495	1,362,060	-43%
Congo	4,771,580	3,695,900	2,978,816	-19%
Equatorial Guinea	2,444,384	1,688,977	2,337,211	38%
Germany	4,076,360	2,202,269	4,376,465	99%
Italy	3,014,155	2,536,131	2,479,207	-2%
Netherlands	57,286,975	38,630,878	22,329,538	-42%
Peru	4,123,815	2,512,990	3,724,055	48%
Russia	5,877,835	3,571,770	1,911,640	-46%
Saudi Arabia	1,693,465	1,450,165	1,033,500	-29%
South Africa	19,289,451	14,654,192	10,425,013	-29%
Spain	5,948,226	3,322,595	2,858,377	-14%
Switzerland	2,718,032	1,797,331	1,708,997	-5%
United Kingdom	3,957,825	2,370,225	1,243,650	-48%
Subtotal	149,964,860	100,114,125	75,679,110	-24%
Others	10,993,376	7,014,898	4,806,368	-31%
World Total	160,958,236	107,129,023	80,485,478	-25%

* HS Codes: 02072400; 02072500; 02072600; 02072700; 16023100.
Source: Alice Mercosul System - Ministry of Development, Industry and Foreign Trade

Source: USDA/FAS GAIN Report BR 0940; USDA/ERS; Alice Mercosul System- Ministry of Development, Industry and Foreign Trade

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

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

Week Ending Sep 06, 2014 Year-To-Date*

Type	2014	2013 /1	2014 /2	2013
Liquid	188	0	5,076	1,144
Frozen	0	0	78	40
Dried	38	0	509	159
Total	226	0	5,663	1,343

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

Week Ending Sep 06, 2014 Year-To-Date*

Type	2014	2013 /1	2014 /2	2013
Liquid	30	29	4,888	5,287
Frozen	59	0	1,202	999
Dried	7	0	178	5
Total	96	29	6,268	6,291

INSPECTED SHELL EGGS

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

Week Ending Sep 06, 2014 Year-To-Date*

	2014	2013 /1	2014 /2	2013
Jumbo	0	0	0	0
Extra Large	5,250	4,320	134,836	81,246
Large	4,600	21,540	277,412	172,995
Medium	90	780	17,922	21,045
Ungraded	13,176	15,690	699,183	213,580
Misc	0	0	26,120	0
Total	23,116	42,330	1,155,473	488,866

/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 Sep 06, 2014 (Preliminary)

U.S. Fowl Slaughtered Domestically

	Light Hens	Heavy Hens	Total Hens
	----------Thousands----------		
Head	934	1,532	2,466
Last Week	1,391	1,579	2,970
Same week yr ago	1,331	1,472	2,803
To-date/2014*	52,768	54,747	107,515
To-date/2013*	55,590	53,351	108,941

U.S. Fowl Slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
	----------Thousands----------		
Head	525	0	525
Last Week	218	0	218
Same week yr ago	332	0	332
To-date/2014*	13,552	0	13,552
To-date/2013*	12,491	0	12,491

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	1,459	1,532	2,991
Last Week	1,609	1,579	3,188
Same week yr ago	1,663	1,472	3,135
To-date/2014*	66,320	54,747	121,067
To-date/2013*	68,081	53,351	121,432

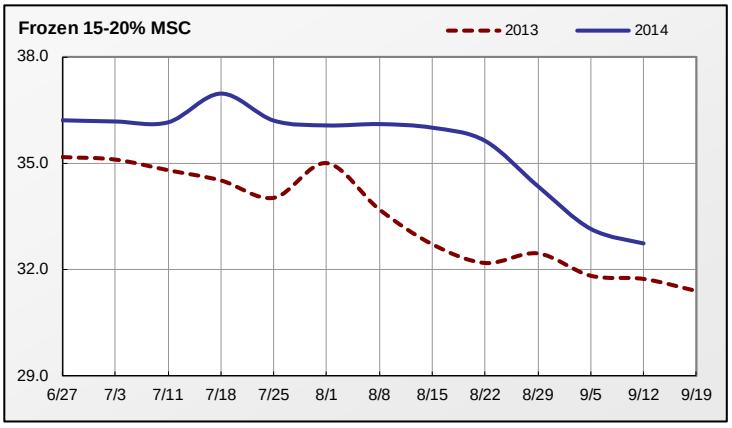
*Note: Year to-date totals reflect comparable time periods.

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.)

Prices of MSC are steady to mostly weak on all fat contents. Demand into domestic and export channels is light to moderate at best. Supplies are moderate to heavy. The marketplace is typical of the season with demand slowing, product becoming more available and clearing slowly, and prices gradually declining to offseason levels. Many in industry are watching the spot marketplace closely to see where prices settle before working on company strategies for the upcoming contract season. Market activity is slow to moderate. Supplies of raw materials are moderate to mostly heavy. Frame prices are steady to weak with trading levels 10-13 cents FOB, mostly 11-12 cents FOB.

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

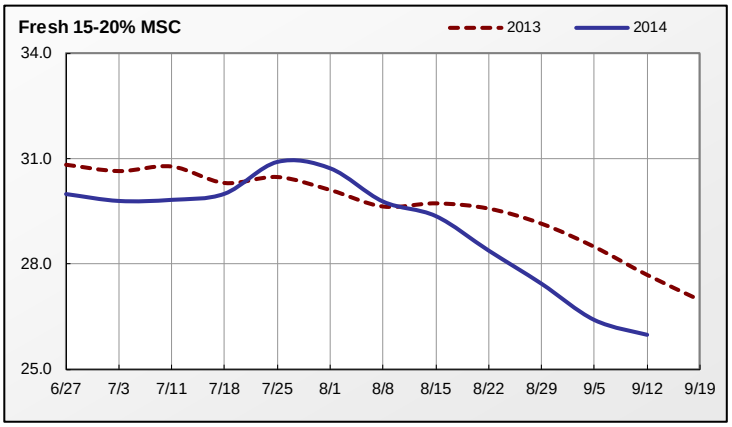
	Frozen			Fresh		
Fat Content	12-Sep-14	Last Week	Last Year	12-Sep-14	Last Week	Last Year
15% or Less						
Price Range	-	32.00	-	33.00	33.00	31.00-32.00
Wtd Avg Price		32.00	-	33.00	33.00	31.67
Volume Traded	-	40	-	163	204	122
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	29.00 - 37.00	28.00 - 37.00	29.00-37.00	23.00 - 28.00	23.00 - 30.00	25.00-34.00
Wtd Avg Price	32.74	33.15	32.46	25.98	26.41	29.15
Volume Traded	2,008	2,020	1,596	2,366	2,458	3,302
Volume Exported	1,648	1,900	1,170	571	694	979
20% or More						
Price Range	-	-	-	22.00	24.00	22.00
Wtd Avg Price	-	-	-	22.00	24.00	22.00
Volume Traded	-	-	-	82	41	82
Volume Exported	-	-	-	-	-	-



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

	Frozen			Fresh		
Fat Content	Aug 2014	Jul 2014	Aug 2013	Aug 2014	Jul 2014	Aug 2013
15% or Less						
Wtd Avg Price	32.00	32.00	33.00	33.00	32.00	31.80
Volume Traded	80	120	80	306	285	816
Volume Exported	-	-	-	-	-	-
15-20%						
Wtd Avg Price	35.69	36.37	33.04	29.31	30.22	29.62
Volume Traded	7,765	7,395	7,232	13,901	13,847	13,676
Volume Exported	7,160	6,975	6,036	2,319	2,448	1,877
20% or More						
Wtd Avg Price	-	-	-	24.11	24.75	22.00
Volume Traded	-	-	-	367	326	326
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 12 SEPTEMBER 2014.

The market on bulk parts was steady with tom necks, wings and drums instances firm. Demand and offerings light to moderate, with tom necks, tom full cut wings, tom two joint wings, fresh and frozen tom drums short of needs. White meat and white trims steady. Demand and offerings light to moderate. Thigh meat market was steady. Demand and offerings light to moderate. Mechanically separated turkey market is steady to weak. Demand was light. Offerings are moderate to heavy. Market activity for parts is slow. For domestic: frozen tails 58 cents, machine defatted tom gizzards 93 cents, fresh full cut wings 74 cents, fresh tom necks 67 cents, fresh MST 26-30 cents, mature scapula 205 cents, fresh scapula 206-212 cents, livers 25 cents, grade A breast non basted 14-16 lbs. 211 cents delivered.

EXPORT TRADING

FRIDAY, SEPTEMBER 12, 2014	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS		R	118.50	120	118.50	120
WINGS FULL-CUT - TOMS	79.00		79.00	40	79.00	40
WINGS, V-TYPE, TOM	100.00		100.00	120	97.74	930
TAILS		R	56.00	108	56.27	148
MECHANICALLY SEPARATED 2/		M	36.00	37	36.00	37
THIGH MEAT - FROZEN	174.00		174.00	40	174.83	239

THURSDAY, SEPTEMBER 11, 2014	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	118.00-119.00		118.50	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM	93.00-96.00		93.55	594
TAILS	56.00		56.00	108
MECHANICALLY SEPARATED 2/		M	36.00	37
THIGH MEAT - FROZEN		M	175.00	199

WEDNESDAY, SEPTEMBER 10, 2014	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS				
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		M	108.00	216
TAILS	57.00		57.00	40
MECHANICALLY SEPARATED 2/		M	36.00	37
THIGH MEAT - FROZEN		M	175.00	199

TUESDAY, SEPTEMBER 09, 2014	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS				
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		M	108.00	216
TAILS		T	57.00	20
MECHANICALLY SEPARATED 2/		M	36.00	37
THIGH MEAT - FROZEN		M	175.00	199

MONDAY, SEPTEMBER 08, 2014	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS				
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM	108.00		108.00	216
TAILS		T	57.00	20
MECHANICALLY SEPARATED 2/	36.00		36.00	37
THIGH MEAT - FROZEN	175.00		175.00	199

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.