



U.S. Department of Agriculture	Agricultural Marketing Service	Livestock, Poultry and Seed Programs	Market News
Kazakhstan's Broiler Meat Production, Supply, and Demand		Poultry Meat Production (Thousands of Metric Tons (TMT)) and Consumption Ratio (Percentage)	
(Thousand Metric Tons (TMT) and Kilograms (KG))			

	2009	2010	2011	2012	2013	2014	2015
Production	80	102	103	123	136	145	180
Imports	109	125	162	192	172	135	155
Exports	-	1	-	-	-	-	-
Dom. Cons.	189	226	265	315	308	280	335

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

	2007	2008	2009	2010	2011	2012
Output (TMT)	64.3	65.3	79.4	103	102	123.1
Export (TMT)	2.94	2.49	0.05	4.44	0.01	1.4
Import (TMT)	147.1	132.6	109	124.9	159.2	192.2
Consumption (TMT)	208.5	195.4	188.4	226.5	261.2	313.9
Import Share (%)	70.6	67.9	57.9	55.2	60.95	61

volumes increase as well. At the end of 2012, the republic imported 192,200 MT of poultry meat. The USA is the leading exporter of poultry meat, including 100,000 MT of poultry that were imported within the quota. It should be noted that the cost of poultry meat imported from the USA is lower than the cost of meat manufactured in Kazakhstan, even outside the quota. For instance, 1 ton of poultry meat produced in Kazakhstan costs 2,000 USD, while meat imported from the USA outside the quota costs 1,494 USD. The poultry meat market can be divided into 2 segments: frozen meat that also includes all of the imported meat and chilled meat.

There is a gradual upsurge in interest from consumers for fresh products, which is a positive factor for protection against dumping, and the need to compete with the cheap imported meat. Although the demand is growing, the culture of poultry meat consumption in Kazakhstan has not been well-developed. The share of fresh meat in domestic production is not high. In addition, it is critical to have a well-established distribution channel to market such products, due to their short shelf life. This requires certain investment efforts from producers to improve logistics of sales.

Planned Volumes of Poultry Meat Production (TMT)

	2014	2015	2016	2017	2018	2019	2020
Growth in Meat Production	155	200	210	220	230	240	250
Poultry Meat Imports	110	102	95	80	72	65	56

SUPPORT. The population of Kazakhstan is expected to grow to 18.7 million people by 2020. At the same time, taking into account the recent outlook and world trends of consumption growth, the poultry meat consumption index is likely to increase to 21 kg/person/year. The current consumption in the republic is 25 kg/person/year and expected to grow up to 32 kg/person/year.

Considering these estimates, by 2020 the Kazakhstan population could consume 336,000 – 400,000 MT of poultry meat annually. Given that on average the industrial enterprises operate at 80% of their peak capacity, it may be assumed that the total maximum production capacity must vary between 336,000 and 436,000 MT of poultry products per year. With the level of imports expected by 2020 (about 56,000 MT of poultry meat per year), the planned production output should amount to at least 250,000 MT of poultry meat annually.

Today, less than 50% of poultry meat is used for value-added processing in the republic, and the share of chilled products is about 9% of the total sales volumes. This is expected to reach at least 80% by 2020. To increase production capacity and cater to local markets, the meat chicken plants need to upgrade their kill rooms to install lines that meet modern workplace hygiene and environmental requirements.

The following new approaches are suggested to improve the subsidy assistance mechanisms in the poultry industry:

- investment subsidies up to 20% to support the costs associated with building new poultry plants;
- investment subsidies up to 20% of equipment and construction costs for the enterprises planning to expand their production capacities. In addition, the existing subsidies for poultry breeding and production programs will be extended.

Source: USDA FAS Gain Report KZ1410

website: <http://www.ams.usda.gov/LPSMarketNewsPage>

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Kazakhstan Master Plan for Poultry Meat Sector Development til 2020

The Kazakhstan Ministry of Agriculture issued a plan for the development of the poultry meat sector in Kazakhstan through the year 2020. USDA FAS issued the following gain report (KZ1410) containing an unofficial translation of the full plan. The plan reviews the current state of the sector, as of 2012, identifies the conditions necessary for development of the sector, the problems currently impeding the development of the sector and possible solutions. Below are excerpts from the unofficial translation by USDA FAS.

GOALS & OBJECTIVES. The main objective of the master plan is to increase poultry meat production in Kazakhstan. The master plan objective is to support sustainable development of poultry meat production and meet the following targets: growth in poultry meat per capita consumption from 18 kg to 21 kg and decrease poultry imports to 17%.

PRODUCTION CAPACITY. The current situation analysis shows that the maximum production potential of the existing plants in Kazakhstan is about 180,000 MT of poultry meat/year. Most of the growth in poultry meat production has taken place due to increased output among currently existing facilities. There is also a geographical imbalance of poultry meat production, with production concentrated in particular regions. This, combined with poor logistic infrastructure that is not able to connect production regions with other regions, creates conditions for spot overproduction. In this regard, enterprises must pay attention to developing their distribution network as this can become a constraining factor in increasing sales. This situation can also create conditions for hyper-competition within particular regions. An efficient distribution network facilitates transmission to meet consumer demand and helps iron out irregularities of the spatial distribution of production capacities.

PRODUCTION. Poultry meat production consists of industrial production carried out by agricultural enterprises as well as household production. According to the Statistics Agency of the Republic of Kazakhstan, poultry establishments produced 94% of 123,100 MT of poultry meat in 2012. According to the data provided by "Kazakhstan Poultry Producers Union" Association of Legal Entities, as of January 1, 2013, on the territory of the Republic of Kazakhstan there are: 28 poultry plants for table egg production (total capacity of 2.356 billion eggs in 2012), 18 poultry plants for meat production (total capacity of 116,000 MT of poultry meat in 2012), 1 parent stock multiplier farm for production of hatching eggs and day-old broiler chicks, 2 broiler parent stock farms for production of hatching eggs (total of 12.3 million eggs and 4.2 million day-old broiler chicks), 1 parent stock farm for production of duck hatching eggs, total of 2.345 million eggs, 5 layer parent stock farms for production of layer hatching eggs (total of 98.8 million eggs and 7,297 day-old chicks).

Most of the broiler plants are located in the southern and eastern regions of the republic, while layer farms are located in the northern and in the central part of the republic. During the period 2005-2012, chicken numbers in the republic constantly grew in every farm category. There has been considerable progress in the poultry meat production sector in the recent years, dependence on poultry imports remains high.

IMPORTS. As the level of poultry meat consumption grows, import

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

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

Type	Year-To-Date*			2014
	2015	2014 /1	2015 /2	
Liquid	0	0	0	0
Frozen	0	0	0	0
Dried	0	0	0	0
Total	0	0	0	0

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

Type	Year-To-Date*			2014
	2015	2014 /1	2015 /2	
Liquid	52	14	52	14
Frozen	26	3	26	3
Dried	0	0	0	0
Total	78	17	78	17

INSPECTED SHELL EGGS

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

	Year-To-Date*			2014
	2015	2014 /1	2015 /2	
Jumbo	0	0	0	0
Extra Large	2,970	2,250	2,970	2,250
Large	750	7,150	750	7,150
Medium	0	0	0	0
Ungraded	0	0	0	0
Misc	0	0	0	0
Total	3,720	9,400	3,720	9,400

/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 Jan 10, 2015 (Preliminary)

	U.S. Fowl Slaughtered Domestically		Total Hens
	Light Hens	Heavy Hens	
-----Thousands-----			
Head	1,659	1,732	3,391
Last Week	1,016	1,246	2,262
Same week yr ago	1,958	1,587	3,545
To-date/2015*	1,659	1,732	3,391
To-date/2014*	1,958	1,587	3,545

U.S. Fowl Slaughtered in Canada

	U.S. Fowl Slaughtered in Canada		Total Hens
	Light Hens	Heavy Hens	
-----Thousands-----			
Head	415	10	425
Last Week	281	0	281
Same week yr ago	86	0	86
To-date/2015*	415	10	425
To-date/2014*	86	0	86

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

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

	Total U.S. Fowl Slaughtered in the U.S. and Canada		Total Hens
	Light Hens	Heavy Hens	
-----Thousands-----			
Head	2,074	1,742	3,816
Last Week	1,297	1,246	2,543
Same week yr ago	2,044	1,587	3,631
To-date/2015*	2,074	1,742	3,816
To-date/2014*	2,044	1,587	3,631

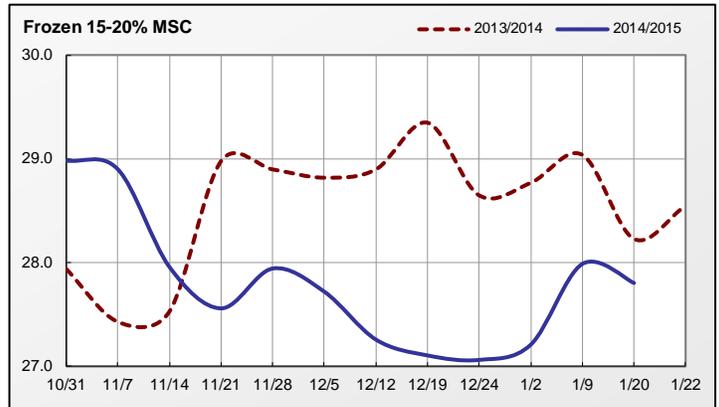
*Note: Year to-date totals reflect comparable time periods.

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 mostly steady to instances weak on all fat contents. Demand into domestic and export channels is light to moderate. Supplies are mostly moderate for current needs. Schedules are normal. Market activity is slow to moderate. Raw material supplies are moderate to heavy. Frame prices are steady with trading levels between 10-13 cents FOB, mostly 11-12 cents FOB.

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

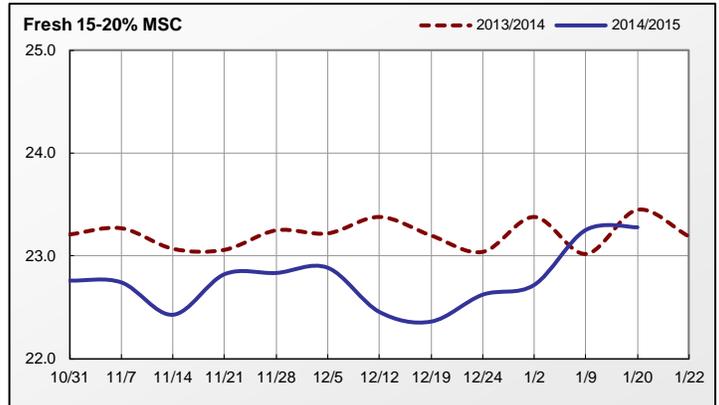
Fat Content	Frozen			Fresh		
	16-Jan-15	Last Week	Last Year	16-Jan-15	Last Week	Last Year
15% or Less						
Price Range	-	-	-	27.00	25.00 - 27.00	27.00-28.00
Wtd Avg Price	-	-	-	27.00	26.60	27.67
Volume Traded	-	-	-	102	204	184
Volume Exported	-	-	-	-	-	-
15-20%						
Price Range	26.00 - 29.00	26.00 - 31.00	26.00-31.00	21.00 - 26.00	21.00 - 26.00	20.50-27.00
Wtd Avg Price	27.80	27.99	28.23	23.28	23.25	23.45
Volume Traded	1,410	1,300	2,008	2,920	3,146	4,115
Volume Exported	1,250	1,140	1,408	571	571	694
20% or More						
Price Range	-	-	-	24.00	24.00	22.00-22.50
Wtd Avg Price	-	-	-	24.00	24.00	22.25
Volume Traded	-	-	-	82	82	163
Volume Exported	-	-	-	-	-	-



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

Fat Content	Frozen			Fresh		
	Dec 2014	Nov 2014	Dec 2013	Dec 2014	Nov 2014	Dec 2013
15% or Less						
Wtd Avg Price	28.00	28.00	32.00	26.60	26.74	27.82
Volume Traded	200	162	80	612	469	449
Volume Exported	-	162	-	-	-	-
15-20%						
Wtd Avg Price	27.26	28.15	28.93	22.58	22.70	23.21
Volume Traded	7,561	6,732	6,021	11,791	11,574	11,454
Volume Exported	6,241	6,372	5,541	4,651	3,386	2,856
20% or More						
Wtd Avg Price	-	-	-	21.33	21.00	22.00
Volume Traded	-	-	-	245	245	245
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)

NATIONAL YOUNG TURKEY PARTS

INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 16 JANUARY 2015.

The market for bulk parts is steady to weak. Demand light. Offerings moderate. White meat and white trims market is steady to weak. Demand light. Offerings moderate. The market on thigh meat was steady to weak. Demand and offerings was light to moderate. Mechanically separated turkey market was steady. Demand and offerings light to moderate. Trading slow on all items. For domestic: frozen tails 57 cents, fresh breast trim 173 cents, fresh wing meat 134-135 cents and fresh scapula 215-219 cents delivered.

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
FRIDAY, JANUARY 16, 2015						
DRUMSTICKS, TOMS						
WINGS FULL-CUT - TOMS		F	66.00	432		
WINGS, V-TYPE, TOM						
TAILS	57.00		57.00	20	57.00	20
MECHANICALLY SEPARATED 2/	26.00		26.00	40	26.00	40
THIGH MEAT - FROZEN	132.00-135.00		133.28	282	133.28	282
THURSDAY, JANUARY 15, 2015						
DRUMSTICKS, TOMS		R	77.50	80		
WINGS FULL-CUT - TOMS		F	66.00	432		
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 2/		R	28.00	40		
THIGH MEAT - FROZEN						
WEDNESDAY, JANUARY 14, 2015						
DRUMSTICKS, TOMS		R	77.50	80		
WINGS FULL-CUT - TOMS		F	66.00	432		
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 2/		R	28.00	40		
THIGH MEAT - FROZEN						
TUESDAY, JANUARY 13, 2015						
DRUMSTICKS, TOMS		R	77.50	80		
WINGS FULL-CUT - TOMS		F	66.00	432		
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 2/		R	28.00	40		
THIGH MEAT - FROZEN						
MONDAY, JANUARY 12, 2015						
DRUMSTICKS, TOMS		R	77.50	80		
WINGS FULL-CUT - TOMS		F	66.00	432		
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 2/		R	28.00	40		
THIGH MEAT - FROZEN						

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.