



INTERNATIONAL EGG AND POULTRY REVIEW



U. S. Department of Agriculture Agricultural Marketing Service Poultry Programs Market News Branch

Japanese Poultry Production and Trade Situation

In 1998, China remained the single largest broiler meat supplier to Japan. Thai imports are expected to push Thailand ahead of the United States in 1998 for second place, due to the sharply devaluated Baht. China has been focusing efforts on exporting value-added, prepared chicken product to Japan, in competition with Thailand. China's low cost labor advantage over Thailand, coupled with major Japanese investments in joint venture food processing plants in China, are said to be offsetting Thailand's exchange rate advantage. Imports of Chinese prepared chicken in 1998 are forecast to rise 30 percent over the previous year surpassing Thailand.

Prepared U.S. chicken products in 1998 will likely reach around 12,800 MT, up 29 percent. These products, including turkey, are particularly favored by some Western-style fast food and home-delivery users. The HMR, including take-out, convenience and home delivery, is one of the few expanding and profitable segments of Japan's food industry, and has driven imports of prepared poultry products in recent years.

Food safety concerns about all foods are expected to make Japan's poultry market outlook in 1999 more uncertain and overshadow sales of generic broiler meat in the retail sector. In January 1999 VRE-contaminated poultry meat imported from Vietnam was found in the distribution channel. China is suspected of using banned sterile chemicals to wash birds. Chilled broiler boneless leg meat from China had a longer than average shelf life compared to domestic chilled meat (e.g. two weeks versus one week).

A sharply devalued Brazilian currency in January 1999 may give Brazil some competitiveness and lead to a recovery in market share from Thailand. The volume in imports of U.S. chicken in 1999 is projected to rise modestly if solid demand for bone-in leg meat, coupled with a strengthened yen, is sustained throughout the year.

Japanese Broiler Imports by Country

(JANUARY - DECEMBER 1997 - 99)

Unit: Metric Ton (Customs Clearance Basis)

	1998	% chg.	98 Share	1999	% chg.	99 Share
U.S.	102,000	2%	21%	105,000	3%	21%
China	200,000	-4%	40%	190,000	-5%	38%
Thailand	118,000	34%	24%	115,000	-3%	23%
Brazil	70,000	-28%	14%	80,000	14%	16%
Other	5,000	53%	1%	5,000	0%	1%
TOTAL	495,000	0%	100%	495,000	0%	100%

Source: NIMEX Trade Data

Source: USDA/Foreign Agricultural Service.

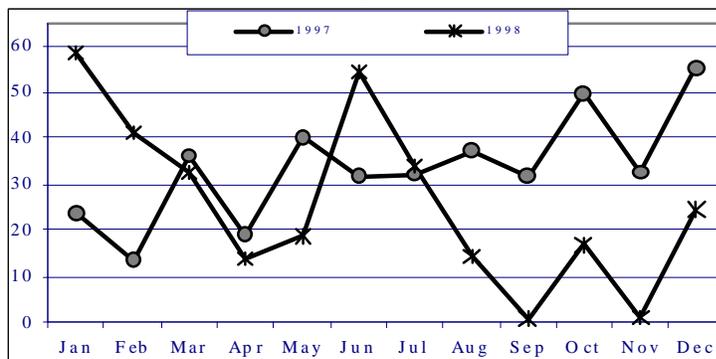
1997-1998 JAPANESE POWDERED EGG IMPORTS (IN TONS)

Month	Powdered			Total
	Whole Eggs	Powdered Yolks	Powdered Albumen	
1997				
July	155.8	183.9	754.9	1094.6
August	190.5	211.4	658.8	1060.7
September	141.1	194.8	766.4	1106.3
October	103.2	100.9	712.9	917.0
November	134.0	101.0	576.3	811.3
1997 To-Date	1,879.4	2,111.2	7,239.0	11,229.6
1998				
July	204.0	211.1	807.2	1222.3
August	183.8	133.8	519.2	836.8
September	222.3	299.9	779.3	1301.5
October	222.8	228.0	905.0	1355.8
November	198.0	207.4	850.9	1253.6
1998 To-Date	2,068.9	2,332.3	7,653.6	12,054.8

Source: ALIC Monthly Statistics

Frozen Leg Quarters Exported From the US To Russia 1997, 1998

Metric Tons In Thousands



Source: Department of Commerce, Bureau of the Census

Ultra Fine Calcium From Egg Shell

In Japan, the Kanagawa Prefectural Industrial Research Laboratory and Bacchus Trading Co Ltd have jointly established a technology for the manufacture of Ultra fine powdered calcium from egg shells which is usable as a health food and a food additive. The machine reduces the egg shells to particles which can be utilized in a broad range of food items. The powdered shell contains as much as 37% natural calcium while its phosphorus content is extremely low at 0.1%. This prevents excessive intake of phosphorus, which can cause dietary problems, while increasing calcium absorption. Since it is a natural substance, its addition to food is not restricted, as is the case with existing calcium supplements. Recent research has revealed that the substance is more readily absorbed into the body than calcium carbonate.

Source: International Egg Commission

INSPECTED EGG PRODUCTS

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

Type	Week Ending		Year-To-Date	
	February 13, 1999	1998 1997 /1	1998	1997
Liquid	703	342	1,850	1,299
Frozen	0	50	6	50
Dried	18	0	18	40
Total	721	392	1,874	1,389

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

Type	Week Ending		Year-To-Date	
	February 13, 1999	1998 1997 /1	1998	1997
Liquid	31	75	436	660
Frozen	1	81	57	92
Dried	0	11	0	11
Total	32	167	493	763

Inspected Shell Eggs

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

	Week Ending		Year-To-Date	
	February 13, 1999	1998 1997 /1	1998	1997
Jumbo	0	0	0	0
Extra Large	150	750	1,200	1,925
Large	1,900	950	7,984	5,750
Medium	1,326	1,627	1,626	3,294
Ungraded	4,770	3,960	38,249	5,880
Misc	0	0	0	0
Total	8,146	7,287	49,059	16,849

/1 Comparable Week, to-date figures may not total due to rounding.

CENTRAL REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. February 19,1999

CHICKEN PRICES

FAT CONTENT	FROZEN		FRESH	
	FOB DOCK	DELIVERED	FOB DOCK	DELIVERED
15% OR LESS				
RANGE	-	-	-	-
WTD AVG				
0 pounds, this includes 0 pounds for export shipment.				

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	-	15.50	14.00-15.00	15.00
WTD AVERAGE		15.50	14.34	15.00
242,600 pounds, this includes 0 pounds for export shipment.				
15-20%				
RANGE	11.00	13.50-14.00	8.00-13.00	12.00-13.00
WTD AVERAGE	11.00	13.56	10.32	12.55
1,773,600 pounds, this includes 685,600 pounds for export shipment.				
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				
0 pounds, this includes 0 pounds for export shipment.				
* INCLUDES THE FOLLOWING STATES: CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV				

LIVE POULTRY SLTRD UNDER INSPECTION W/E 13-Feb-99 (PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY (000'S)

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
HEAD	2,258	1,236	3,494
LAST WEEK	2,159	1,245	3,404
SAME WEEK YR AGO	2,204	1,247	3,451
TO-DATE/1999	13,500	7,930	21,430
TO-DATE/1998	12,420	7,587	20,007

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
HEAD	502	17	519
LAST WEEK	567	0	567
SAME WEEK YR AGO	587	14	601
TO-DATE/1999	3,047	51	3,098
TO-DATE/1998	3,161	53	3,214

SOURCE: AGRICULTURE CANADA, POULTRY DEVELOPMENT DIVISION

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
HEAD	2,760	1,253	4,013
LAST WEEK	2,726	1,245	3,971
SAME WEEK YR AGO	2,791	1,261	4,052
TO-DATE/1999	16,547	7,981	24,528
TO-DATE/1998	15,581	7,640	23,221

EASTERN REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. February 19,1999

CHICKEN PRICES

FAT CONTENT	FROZEN		FRESH	
	FOB DOCK	DELIVERED	FOB DOCK	DELIVERED
RANGE	15.00-16.00	-	17.00	17.00-18.00
WTD AVERAGE	15.38		17.00	17.02
1,106,400 pounds, this includes 250,000 pounds for export shipment.				

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	14.00	15.50	13.41-15.00	16.00
WTD AVERAGE	14.00	15.50	14.63	16.00
396,200 pounds, this includes 0 pounds for export shipment.				
15-20%				
RANGE	11.50-14.00	14.00-13.20	11.50-13.00	
WTD AVERAGE	12.11	14.00	11.88	12.00
1,727,087 pounds, this includes 52,000 pounds for export shipment.				
20% OR MORE				
RANGE	-	-	13.00	-
WTD AVERAGE			13.00	
82,000 pounds, this includes 0 pounds for export shipment.				
* INCLUDES THE FOLLOWING STATES: AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI				

YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS

FEBRUARY 19, 1999

Trade sentiment steady to firm on white meat items; thigh meat, bulk parts and 4-8 lb. breasts steady to fully steady. Demand fair to good on fresh tom breast meat and fresh destrapped tenderloins, fresh 15-20% skin added mechanically separated turkey light to fair with frozen export interest noted, bulk parts light to fair. Due to the strength of the wing meat, some processors choosing to debone them rather than sell them. Some part loads of fresh destrapped tenderloins noted at 165-167 cents delivered and frozen +6 months age 160 cents delivered. For export: hen drums (part load) 20 cents delivered.

FRIDAY, FEBRUARY 19, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	20.00		20.00	27	21.35	267
WINGS FULL-CUT - TOMS	24.00		24.00	160	24.00	160
WINGS, V-TYPE, TOM						
TAILS		W	19.00	104	19.00	104
MECHANICALLY SEPARATED 4/		F	15.80	50		
THIGH MEAT - FROZEN	46.00-47.00		46.33	240	44.96	960

THURSDAY, FEBRUARY 18, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	20.00-23.00		21.50	240
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		R	26.50	104
TAILS		W	19.00	104
MECHANICALLY SEPARATED 4/		F	15.80	50
THIGH MEAT - FROZEN		W	44.25	640

WEDNESDAY, FEBRUARY 17, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS				
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		R	26.50	104
TAILS	19.00		19.00	104
MECHANICALLY SEPARATED 4/		F	15.80	50
THIGH MEAT - FROZEN	44.00-46.00		44.25	640

TUESDAY, FEBRUARY 16, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		T	19.00	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		R	26.50	104
TAILS		F	21.00	80
MECHANICALLY SEPARATED 4/		F	15.80	50
THIGH MEAT - FROZEN	46.50		46.50	80

MONDAY, FEBRUARY 15, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
HOLIDAY				

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.