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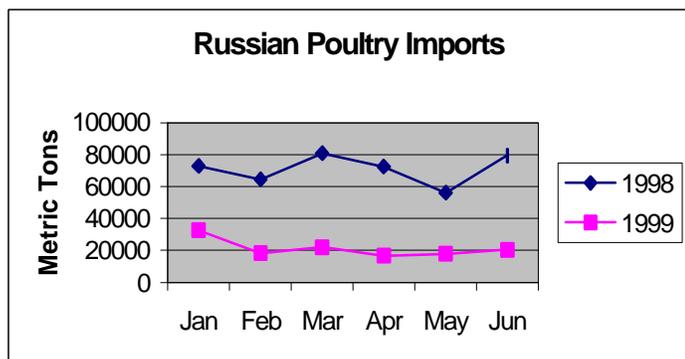
Domestic production in Russia remains unable to cover total domestic demand for poultry products. The poor 1998 harvest resulted in a 200 percent drop in stocks of feed grains in 1999. The lack of feed grains should be a major factor limiting Russia's poultry production. Poultry production is expected to remain flat in 1999, and decline 6 percent in 2000.

Poultry production is potentially one of the most profitable agricultural businesses in Russia because the production cycle is short. However, poor management within the industry has made it inefficient and unprofitable. Despite the lure of quick returns, total investment in the sector has declined steadily since 1995.

Total imports of poultry meat are expected to reach 400,000 MT during 1999. Currently, imports are expected to stabilize at approximately 30 - 35 thousand MT per month. Note, however, that the 2000 volume of trade is expected to reach 500,000 MT, as the gap between production and consumption widens.

The economic crisis has changed the dynamics of trade in the poultry sector. Before the crisis U.S. poultry shipments were entering through almost all Russian ports. With the onset of the economic crisis, poultry importers could buy on a cash only basis. Exporters began shipping merchandise to Baltic ports for storage until a buyer assumes responsibility to bring the product into Russia. Trade sources reported that 85,000 MT of poultry products were shipped to Baltic ports during April 1999. It is expected that most of this tonnage will enter Russia.

With the onset of the crisis one year ago, sales of U.S. poultry dropped dramatically, as the devaluation of the ruble made imports unaffordable. Since then, the price of U.S. poultry (chicken leg quarters) has become more competitive with the price of Russian poultry due to wide scale avoidance of customs duty payments inside of Russia and an oversupply of poultry (chicken leg quarters) in the United States. Also, exporters in the U.S. have found creative ways to continue trade with Russia



Source: Russian State Custom Committee

despite the lack of credit facilities and finally, the price of domestically produced poultry has increased due to feed shortages. Currently, there are no stocks of imported poultry stored inside Russia.

U.S. poultry is competitive in the marketplace and sells on the Russian market at lower prices than Russian poultry. In some cases the price difference is as much as 30% (i.e. Moscow farmers markets). Russian poultry is perceived as fresher, and therefore healthier to consume. U.S. poultry represents almost 80 percent of poultry imports.

Source: USDA/Foreign Agricultural Service, Attache Report

World Trade Organization

EU and Asian trade ministers are expected to meet from 9-10 October to discuss plans for the upcoming Third WTO Ministerial and to work toward lower trade barriers between Europe and Asia. The EU and 10 Asian nations in 1996 launched the so-called Asia-Europe Meeting (ASEM), towards greater economic, scientific and investment cooperation. ASEM comprises the 15 EU member states and 10 Asian nations, including China, Taiwan, Hong Kong, Philippines, Thailand, Malaysia, Indonesia, Singapore and South Korea. "European, Asian economic ministers to meet in Berlin," AGENCE FRANCE-PRESSE, 20 September 1999.

Source: BRIDGES Weekly Trade News Digest

1998-1999 JAPANESE FROZEN EGG IMPORTS (IN TONS)

Month	Whole Eggs	Frozen		Total
		Frozen Yolks	Frozen Albumen	
1998				
January	210.7	1,624.6	272.2	2,107.5
February	128.6	1,280.3	386.9	1,795.8
March	94.2	1,183.7	278.0	1,555.9
April	101.2	846.8	413.7	1,361.7
May	135.9	532.0	241.7	909.6
June	125.4	396.7	290.3	812.4
1998 To-Date	796.0	5,864.1	1,882.8	8,542.9
1999				
January	170.6	1585.1	423.5	2179.2
February	164.0	647.4	161.2	972.6
March	151.4	644.1	357.3	1152.8
April	198.1	715.6	181.4	1095.1
May	175.3	422.1	434.0	1031.4
June	169.3	568.8	402.9	1141.0
1999 To-Date	1028.7	4583.1	1960.3	7,572.1

Source: ALIC Monthly Statistics

INSPECTED EGG PRODUCTS

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

Type	Week Ending September 25, 1999		Year-To-Date	
	1999	1998 /1	1999	1998
Liquid	204	384	10,319	11,230
Frozen	0	0	6	50
Dried	0	0	464	537
Total	204	384	10,789	11,817

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

Type	Week Ending September 25, 1999		Year-To-Date	
	1999	1998 /1	1999	1998
Liquid	91	123	3,528	3,197
Frozen	0	0	360	163
Dried	0	0	166	235
Total	91	123	4,054	3,595

Inspected Shell Eggs

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

Type	Week Ending September 25, 1999		Year-To-Date	
	1999	1998 /1	1999	1998
Jumbo	34	100	1,125	1,295
Extra Large	420	1,634	30,699	28,841
Large	7,437	2,229	106,442	83,319
Medium	916	1,555	37,476	43,781
Ungraded	18,000	14,738	466,623	240,781
Misc	120	0	7,098	6,133
Total	26,927	20,256	649,463	404,150

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

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

CENTRAL REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 01-OCT-99

CHICKEN PRICES

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

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS RANGE	19.00	19.00-21.00	13.50-15.00	15.00
WTD AVERAGE	19.00	19.40	14.00	15.00
265,200 pounds, this includes 40,800 pounds for export shipment.				
15-20% RANGE	14.50	15.50	10.00-14.00	13.00-15.50
WTD AVERAGE	14.50	15.50	11.27	15.08
2,487,800 pounds, this includes 1,508,600 pounds for export shipment.				
20% OR MORE RANGE	-	-	-	14.75
WTD AVERAGE	14.75			
285,600 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

LIVE POULTRY SLTRD UNDER INSPECTION 25-Sep-99

PRELIMINARY

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	HEAD	1,994	1,657
LAST WEEK	2,014	1,484	3,498
SAME WEEK YR AGO	1,903	1,304	3,207
TO-DATE/1999	80,116	52,776	132,892
TO-DATE/1998	78,974	47,885	126,859

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	HEAD	416	5
LAST WEEK	409	0	409
SAME WEEK YR AGO	441	0	441
TO-DATE/1999	17,898	186	18,084
TO-DATE/1998	20,533	266	20,799

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	HEAD	2,410	1,662
LAST WEEK	2,423	1,484	3,907
SAME WEEK YR AGO	2,344	1,304	3,648
TO-DATE/1999	98,014	52,962	150,976
TO-DATE/1998	99,507	48,151	147,658

EASTERN REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 01-OCT-99

CHICKEN PRICES

FAT RANGE	-----FROZEN-----		-----FRESH-----	
	16.00-18.00	18.50	17.00-18.00	-
WTD AVERAGE	16.67	18.50	17.50	-
1,198,000 pounds, this includes 320,000 pounds for export shipment.				

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS RANGE	-	17.50-18.00	-	16.00-17.00
WTD AVERAGE	17.75		16.55	
520,000 pounds, this includes 0 pounds for export shipment.				
15-20% RANGE	13.75-17.00	18.00	13.00-14.00	13.00-16.50
WTD AVERAGE	16.42	18.00	13.26	14.78
2,118,100 pounds, this includes 560,000 pounds for export shipment.				
20% OR MORE RANGE	-	-	13.50	-
WTD AVERAGE	13.50			
120,000 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

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT

FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS

OCTOBER 01, 1999

Undertone steady to weak on fresh tom breast meat with some sellers willing to negotiate, fresh destrapped tenderloins steady, frozen whole tenderloins steady at best. White meat demand light to fair with regular breast trim inquiry going unfilled. Demand on mechanically separated turkey light to fair with some further processors noting increased sausage making activity. For domestic: yearling hen drums (7 loads) 15, fresh destrapped tenderloins (3.50 loads) 174-177 cents delivered. For export: Fresh tom drums (1 load) 18, hen defatted gizzards (1 container) 70 cents delivered.

FRIDAY, OCTOBER 01, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	18.00-19.00		18.57	424	18.48	556
WINGS FULL-CUT - TOMS		R	18.00	52	18.00	52
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 4/		R	20.00	105	21.28	265
THIGH MEAT - FROZEN	58.00-61.50		59.33	120	59.62	210

THURSDAY, SEPTEMBER 30, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	18.00-18.50		18.20	132
WINGS FULL-CUT - TOMS	18.00		18.00	52
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 4/	20.00		20.00	105
THIGH MEAT - FROZEN	60.00		60.00	90

WEDNESDAY, SEPTEMBER 29, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	17.87	92
WINGS FULL-CUT - TOMS		W	18.00	52
WINGS, V-TYPE, TOM		W	22.50	104
TAILS		W	13.00	240
MECHANICALLY SEPARATED 4/	22.50		22.50	40
THIGH MEAT - FROZEN		F	61.00	40

TUESDAY, SEPTEMBER 28, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	17.87	92
WINGS FULL-CUT - TOMS		W	18.00	52
WINGS, V-TYPE, TOM		W	22.50	104
TAILS		W	13.00	240
MECHANICALLY SEPARATED 4/		M	22.00	120
THIGH MEAT - FROZEN		F	61.00	40

MONDAY, SEPTEMBER 27, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	17.87	92
WINGS FULL-CUT - TOMS		W	18.00	52
WINGS, V-TYPE, TOM		W	22.50	104
TAILS		W	13.00	240
MECHANICALLY SEPARATED 4/	22.00		22.00	120
THIGH MEAT - FROZEN		F	61.00	40

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.

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