



# INTERNATIONAL EGG AND POULTRY REVIEW

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Agricultural Marketing Service

Poultry Programs

Market News Branch

## Russia Restricts Border Crossing Points

The Russian State Custom Committee published a decree "On determining the border crossing points of the Russian Federation for poultry imports." Poultry meat and offal shipped to Russia for consumption from countries which do not have land routes to Russia must enter Russia through sea ports. The decree will be implemented on October 27, 1999. The United States and Brazil will be the most affected. However, the decree may not be compatible with the U.S.-Russian bilateral agreement which calls for most favored nation treatment.

After the August 1998 crisis, many poultry import companies were forced out of business because they were unable to afford entire shipments of 3,000-5,000 MT on full advance payment terms. In response US exporters made their product more affordable by shipping to the Baltic states, storing it in warehouses, and selling smaller quantities to importers. Imports through ports in the Russian Far East (RFE) almost ceased as it became more economical for traders to import through the Baltics and then ship to RFE and Siberia by rail car.

US poultry accounts for almost 80 percent of the import market with 85 percent imported through Baltic ports. Now importers of US poultry products will be forced to pay for entire vessels of poultry on full advance payment terms. Meanwhile, EU poultry exports will gain market share as imports of EU product will still be able to buy in smaller truckload lots, and bring only the amount of poultry access the border that they can afford.

Source: USDA/Foreign Agricultural Service

## Mexico Eligible to Export Processed Poultry to U.S.

Effective October 14, Mexico will be added to the list of countries eligible to export poultry products to the United States. Reviews of Mexico's laws and regulations by the USDA showed that the requirements of Mexico's poultry processing inspection system are equivalent to those in the U.S. Poultry slaughtered in Mexico remains ineligible for export to the U.S. Products processed from poultry slaughtered in federally inspected establishments in the U.S., or other countries eligible to export poultry from certified slaughter establishments to the U.S., may be imported after processing in certified Mexican establishments. Other countries currently certified to export poultry include Canada, Israel, France, Great Britain and Hong Kong.

Source: USDA/Food Safety and Inspection Service

## Impact of Taiwan Earthquake on Agriculture

On September 21, 1999, an earthquake which registered 7.3 on the Richter scale struck Taiwan. As of September 29, direct agricultural losses caused by the quake totaled about US\$54.6 million. Losses are relatively minor. The total value of Taiwan's agricultural production in 1998 was US\$11.8 billion. No wharfs for unloading container ships were damaged.

Roughly 1.5 million birds were killed in the quake. The largest chicken processing plant in Taiwan, with a processing capacity of 120,000 birds per month, is situated near the epicenter. This company reports that its production capacity will be reduced by 20 percent while electricity rationing continues. Islandwide poultry production and processing is estimated to decrease by 5 to 10 percent until the power situation returns to normal. In the week after the quake, demand for poultry dropped because restaurant consumption fell, as did supermarket sales because consumers are without reliable electricity for home refrigeration. Therefore, poultry prices remain at pre-quake levels. Production will pick up as soon as the power supply returns to normal, in an estimated 2 to 3 weeks. (In 1998 Taiwan's total poultry production was 434 million birds. Forty-five percent were broilers.)

According to the Tourism Bureau, after the earthquake more than 85 percent of foreign tourists planning travel in Taiwan during the rest of the year canceled their trips. Restoration of normal power will likely result in some improvement in HRI food sales. Total annual revenues for Taiwan's HRI industry for 1998 are estimated at \$5.7 billion.

Source: USDA/Foreign Agricultural Service

## World Bank/IMF Meet: Debt, Trade on Agenda

Finance ministers and central bank officials met in September for the joint annual meeting of the International Monetary Fund and World Bank. Among other things, ministers discussed debt relief for the world's poorest countries and the upcoming round of WTO trade negotiations. China also announced it would provide some financial support for the debt relief initiative.

Also announced last week was the launch of the so-called Group of 20 (G-20), aimed at broadening the dialogue and cooperation on key economic and financial policies among G-20 countries. The formation of the grouping under the auspices of the IMF/World Bank is said to be a response to the financial crisis in Asia and other countries, which showed the devastating impact of a collapse in one market on another country. The G-20 consists of the G-7 countries plus Argentina, Australia, Brazil, China, India, Mexico, Russia, Saudi Arabia, South Africa, South Korea, and Turkey. The European Union and Bretton Woods institutions are also included in the group.

BRIDGES Weekly Trade News Digest

**INSPECTED EGG PRODUCTS**

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

Type	Week Ending October 2, 1999		Year-To-Date	
	1999	1998 /1	1999	1998
Liquid	299	138	10,618	11,368
Frozen	0	0	6	50
Dried	0	0	464	537
Total	299	138	11,088	11,955

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

Type	Week Ending October 2, 1999		Year-To-Date	
	1999	1998 /1	1999	1998
Liquid	81	100	3,609	3,297
Frozen	5	9	365	172
Dried	0	0	166	235
Total	86	109	4,140	3,704

**Inspected Shell Eggs**

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

Type	Week Ending October 2, 1999		Year-To-Date	
	1999	1998 /1	1999	1998
Jumbo	6	0	1,131	1,295
Extra Large	1,490	650	32,189	29,491
Large	3,278	3,000	109,720	86,319
Medium	938	2,063	38,414	45,844
Ungraded	16,800	10,002	483,423	250,783
Misc	119	0	7,217	6,133
Total	22,631	15,715	672,094	419,865

/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. 08-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	17.00-19.00	19.00-20.00	14.00-15.00	15.00
WTD AVERAGE	18.26	19.50	14.60	15.00
298,000 pounds, this includes 0 pounds for export shipment.				
15-20%				
RANGE	14.50-17.50	-	11.00-14.00	13.00-14.00
WTD AVERAGE	14.91		11.95	13.58
1,565,800 pounds, this includes 571,200 pounds for export shipment.				
20% OR MORE				
RANGE	-	-	13.50	-
WTD AVERAGE			13.50	
81,600 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** W/E 02-OCT-99 (PRELIMINARY)

**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT	HEAVY	TOTAL
HEAD	1,946	1,742	3,688
LAST WEEK	1,994	1,657	3,651
SAME WEEK YR AGO	1,809	1,312	3,121
TO-DATE/1999	82,062	54,518	136,580
TO-DATE/1998	80,783	49,197	129,980

**U.S. FOWL SLAUGHTERED IN CANADA**

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
-----THOUSANDS-----			
HEAD	390	0	390
LAST WEEK	416	5	421
SAME WEEK YR AGO	383	0	383
TO-DATE/1999	18,288	186	18,474
TO-DATE/1998	20,916	266	21,182

SOURCE: AGRICULTURE CANADA, POULTRY DEVELOPMENT DIVISION

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

	LIGHT	HEAVY	TOTAL
	HENS	HENS	HENS
-----THOUSANDS-----			
HEAD	2,336	1,742	4,078
LAST WEEK	2,410	1,662	4,072
SAME WEEK YR AGO	2,192	1,312	3,504
TO-DATE/1999	100,350	54,704	155,054
TO-DATE/1998	101,699	49,463	151,162

**EASTERN REGION** PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 08-OCT-99

**CHICKEN PRICES**

FAT CONTENT	-----FROZEN-----		-----FRESH-----	
	FOB DOCK	DELIVERED	FOB DOCK	DELIVERED
RANGE	16.00-18.50	18.00	17.00	-
WTD AVERAGE	16.85	18.00	17.00	
1,475,000 pounds, this includes 320,000 pounds for export shipment.				

**CHICKEN PRICES. WITH ADDED SKIN**

15% OR LESS				
RANGE	-	17.50	-	16.00-17.00
WTD AVERAGE		17.50		16.46
600,000 pounds, this includes 0 pounds for export shipment.				
15-20%				
RANGE	14.75-18.00	17.00-18.00	13.00-18.00	13.00-15.00
WTD AVERAGE	16.50	17.20	14.76	14.26
1,814,500 pounds, this includes 720,000 pounds for export shipment.				
20% OR MORE				
RANGE	-	-	13.50	-
WTD AVERAGE			13.50	
160,000 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 08, 1999

New negotiations were limited. Supplies of breast meat were fully adequate, thigh meat tight to available, and parts were adequate to tight. The market tone was soft on breast meat, steady to strong on thigh meat and fully steady on parts with wings showing the most strength. Trading on 4-8 pound breasts reflected the tight supplies. Export activity centered on filling previous commitments. Current trades were for thigh meat and tom drums to the border.

**FRIDAY, OCTOBER 08, 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	120	19.64	356
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	60.00		60.00	80	60.00	80

**THURSDAY, OCTOBER 07, 1999****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		W	21.00	80
WINGS FULL-CUT - TOMS		R	18.00	52
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		R	20.00	105
		F	59.33	120

**WEDNESDAY, OCTOBER 06, 1999****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	21.00		21.00	80
WINGS FULL-CUT - TOMS		R	18.00	52
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		R	20.00	105
		F	59.33	120

**TUESDAY, OCTOBER 05, 1999****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	17.50-19.25		18.67	156
WINGS FULL-CUT - TOMS		R	18.00	52
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		R	20.00	105
		F	59.33	120

**MONDAY, OCTOBER 04, 1999****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	18.57	424
WINGS FULL-CUT - TOMS		R	18.00	52
WINGS, V-TYPE, TOM				
TAILS				
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		R	20.00	105
		F	59.33	120

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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