



# INTERNATIONAL EGG AND POULTRY REVIEW

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Poultry Programs

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## Italy

A severe outbreak of avian influenza has resulted in the loss of over 6 million birds, crippling the northern Italy poultry sector. Birds have been slaughtered and businesses have been forced to import eggs, chickens, and turkeys from neighboring countries. Over 180 outbreaks have been reported, mainly in the Lombardy and Veneto regions, but also in the Friuli region and the island of Sardinia. Following the outbreak, Croatia and Switzerland banned poultry from Italy. China banned chicken imports from Italy, France and Luxembourg to prevent the spread of the virus.

Italy is the third largest producer of poultry meat in the European Union, and the second largest producer of turkey meat, after France.

### EU TOTAL POULTRY MEAT PRODUCTION (000 MT)

	1998	1999	2000
Total EU	8729	8805	8900
France	2286	2216	2220
UK	1539	1511	1510
Italy	1153	1144	1150
Spain	908	1038	1100
Netherlands	721	724	730
Germany	720	750	765

Italy is a net exporter of poultry meat, having exported 24,795,000 metric tons in 1998 compared to imports of 13,867,000 metric tons. Estimated figures for 1999 are 21,000,000 and 16,600,000 metric tons, respectively.

According to the Italian Poultry Industry Association, a proposal has gone forward to the Parliament to provide poultry producers with approximately \$37 million in compensation for their lost birds.

Source: USDA/Foreign Agricultural Service, Attache Reports; Meat and Poultry Online and WATTNet

### Shell Egg Exports to Europe

Over 30 million fresh shell eggs will be exported from the United States to Europe in the next three weeks under agreements reached today between United States Egg Marketers In. (USEM) and two European importers. Jerry Faulkner, president of USEM, said the export order is equivalent to 125 truckloads of eggs. USEM members will supply 75 percent of the eggs and members of United Egg Producers will supply the remaining 25 percent, he said. All of the 125 loads will be Class One breaking stock destined to further processors in Europe. The eggs will be packed in 30-dozen corrugated cases and shipped via refrigerated containers from Eastern U.S. ports. All eggs will be shipped under USDA grade certificates. USEM is a national egg marketing cooperative with membership and/or production facilities in 26 states. The cooperative's headquarters are in Tucker, Georgia.

Source: United States Egg Marketers, Inc

## India

India's domestic poultry industry is in a crisis due to overproduction and the high cost of feed ingredients. The existing market demand for poultry products is estimated to absorb a 5 percent growth per annum in layers, however the industry is experiencing a growth rate of 10 percent. As a result, egg prices have declined, causing severe losses to producers. Maize production in India is only expanding 2.5 percent per year, well below the rate of growth of the poultry industry. Compared to 1997, 1998 feed costs were unchanged while the prices of eggs dropped 11 percent. In 1999 egg prices dropped an additional 3 percent while feed costs increased 22 percent.

In Andhra Pradesh, the top ranked state in egg production, about 200 small and marginal poultry farms and six large farms have closed in the last couple of years due to higher feed cost and lower prices for poultry products. Some egg processing companies are on the brink of closure. All of the seven 100 percent export-oriented plants are facing difficulties. Over the past two years prices have fallen by more than 35 percent and Indian products are no longer competitive on world markets. The total egg processing capacity in the country exceeds 9000t/year, yet plants are only utilizing 20-30 percent of capacity. India exports mainly to Japan and the European Union.

Egg Powder Exports	1996/97	1997/98	1998/99
Value (Million \$)	14.95	6.90	5.75
Volume (Metric Ton)	3000	800	650

(Conversion rate 650.00 INR = 14.95 USD)

Stringent quality standards demanded by Western buyers and the economic crisis in southeast Asia are major factors. The inferior quality of grain used by feed manufacturers is viewed as a limiting factor. Locally produced corn contains residues of pesticides which are banned in the west.

From 1961 to 1998, the number of layers grew from 64 million to more than 140 million. Egg production rose from 2,800 million to 34,000 million during this period. Indian exports of eggs and egg products increased more than tenfold between 1995/96 and 1996/97, however producers have been unable to maintain this higher level of trade. Table egg exports are sold primarily to Middle East countries. Exports increased from 5 million eggs in 1995/96 to 182 million eggs in 1996/97.

Producers are optimistic about the future. The EU's processing industry could be hurt by the new Directive which increases the space given to layers. A sharp drop in egg production would result. They also believe they have an advantage over US products because of the resistance which is building in the EU and Japan against products from stock fed on genetically-modified grains.

Source: International Egg Commission, USDA/Foreign Agricultural Service

**Inspected Egg Products-U.S. & Canada Export/Import Trade**

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

Type	Week Ending January 22, 2000		Year-To-Date	
	(000)		(000)	
	2000	1999/1	2000	1999
Liquid	165	328	472	907
Frozen	0	0	0	6
Dried	0	0	0	0
Total	165	328	472	913

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

Type	Week Ending January 22, 2000		Year-To-Date	
	(000)		(000)	
	2000	1999/1	2000	1999
Liquid	104	96	263	176
Frozen	4	10	11	29
Dried	0	0	82	0
Total	108	106	356	205

**Inspected Shell Eggs**

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

Type	Week Ending January 22, 2000		Year-To-Date	
	(000)		(000)	
	2000	1999/1	2000	1999
Jumbo	0	0	13	0
Extra Large	50	300	353	1,050
Large	1,550	950	6,830	3,704
Medium	0	300	360	300
Ungraded	780	5,190	5,400	27,449
Misc	0	0	750	0
Total	2,380	6,740	13,706	32,503

/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. 04-FEB-00

**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	-	-	14.00-15.00	-
WTD AVERAGE			14.50	
81,600 pounds, this includes 0 pounds for export shipment.				
15-20%				
RANGE	11.00-13.00	14.00-15.50	10.50-12.50	12.50-14.75
WTD AVERAGE	12.33	15.11	11.17	13.68

1,938,000 pounds, this includes 856,800 pounds for export shipment.

20% OR MORE

RANGE	-	-	-	-
WTD AVERAGE				

0 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 29-JAN-00 (PRELIMINARY)

**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT	HEAVY	TOTAL
	THOUSANDS		
HEAD	2,083	1,222	3,305
LAST WEEK	2,030	1,229	3,259
SAME WEEK YR AGO	2,287	1,378	3,665
TO-DATE/2000	8,269	5,360	13,629
TO-DATE/1999	9,083	5,449	14,532

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

	LIGHT	HEAVY	TOTAL
	HENS THOUSANDS		
HEAD	643	0	643
LAST WEEK	663	0	663
SAME WEEK YR AGO	588	20	608
TO-DATE/2000	2,167	0	2,167
TO-DATE/1999	1,978	34	2,012

SOURCE: AGRICULTURE CANADA, POULTRY DEVELOPMENT DIVISION

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

	LIGHT	HEAVY	TOTAL
	HENS THOUSANDS		
HEAD	2,726	1,222	3,948
LAST WEEK	2,693	1,229	3,922
SAME WEEK YR AGO	2,875	1,398	4,273
TO-DATE/2000	10,436	5,360	15,796
TO-DATE/1999	11,061	5,483	16,544

**EASTERN REGION** PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 04-FEB-00

**CHICKEN PRICES**

FAT CONTENT	-----FROZEN-----		-----FRESH-----	
	FOB DOCK	DELIVERED	FOB DOCK	DELIVERED
15% OR LESS				
RANGE	16.00-18.00	20.00	17.00	18.00
WTD AVERAGE	16.29	20.00	17.00	18.00

652,000 pounds, this includes 52,000 pounds for export shipment.

**CHICKEN PRICES, WITH ADDED SKIN**

15% OR LESS				
RANGE	15.00	16.50	-	16.00
WTD AVERAGE	15.00	16.50		16.00
692,000 pounds, this includes 372,000 pounds for export shipment.				
15-20%				
RANGE	12.00-15.00	-	11.00-14.00	12.00-15.00
WTD AVERAGE	14.18		11.79	13.50

2,704,000 pounds, this includes 904,000 pounds for export shipment.

20% OR MORE

RANGE	-	-	-	12.75
WTD AVERAGE				12.75

280,000 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  
FEBRUARY 04, 2000

Some industry members noting a less aggressive buyer interest on frozen thigh meat for export. Tom drums, meanwhile, maintain a fair to good export call. Trading light on Grade A frozen private label basted netted timed breasts at lower trending price levels and on the balance of items. Offerings of dark meat items gradually moving into a better balance, frozen tom breast meat light to adequate and destrapped tenderloins available. Frozen yearling hen: thigh meat (1 load) 55, breast meat (1.50 loads) 138-140 cents delivered.

**FRIDAY, FEBRUARY 04, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	20.50		20.50	280	20.03	1,384
WINGS FULL-CUT - TOMS		T	25.00	40	25.00	40
WINGS, V-TYPE, TOM		F	21.00	104		
TAILS						
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	13.00 59.00-60.00		13.00 59.33	22 120	14.31 60.01	178 758

**THURSDAY, FEBRUARY 03, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	20.00-21.00		20.39	132
WINGS FULL-CUT - TOMS		T	25.00	40
WINGS, V-TYPE, TOM		F	21.00	104
TAILS		R	17.50	184
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		W	14.50 60.41	156 504

**WEDNESDAY, FEBRUARY 02, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	18.00-21.00		19.49	776
WINGS FULL-CUT - TOMS		T	25.00	40
WINGS, V-TYPE, TOM		F	21.00	104
TAILS		R	17.50	184
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	14.50 59.50-62.00		14.50 60.41	156 504

**TUESDAY, FEBRUARY 01, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	20.00-24.00		21.33	156
WINGS FULL-CUT - TOMS	25.00		25.00	40
WINGS, V-TYPE, TOM		F	21.00	104
TAILS		R	17.50	184
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	58.50	F	15.50 58.50	52 80

**MONDAY, JANUARY 31, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	21.00		21.00	40
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	21.00	104
TAILS		R	17.50	184
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	60.00	F	15.50 60.00	52 54

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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**Inspected Egg Products-U.S. & Canada Export/Import Trade  
U.S. Exports to Canada, in Pounds (Preliminary)**

Type	Week Ending January 08, 2000 (000)		Year-To-Date (000)	
	2000	1999/1	2000	1999
Liquid	51	333	51	333
Frozen	0	6	0	6
Dried	0	0	0	0
Total	51	339	51	339

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

Type	Week Ending January 08, 2000 (000)		Year-To-Date (000)	
	2000	1999/1	2000	1999
Liquid	79	39	79	39
Frozen	6	0	6	0
Dried	0	0	0	0
Total	85	39	85	39

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

	Week Ending January 08, 2000		Year-To-Date	
	2000	1999/1	2000	1999
Jumbo	13	0	13	0
Extra Large	303	0	303	0
Large	2,930	1,204	2,930	1,204
Medium	360	0	360	0
Ungraded	2,310	10,889	2,310	10,889
Misc	750	0	750	0
Total	6,666	12,093	6,666	12,093

/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.

**Inspected Egg Products-U.S. & Canada Export/Import Trade  
U.S. Exports to Canada, in Pounds (Preliminary)**

Type	Week Ending January 15, 2000 (000)		Year-To-Date (000)	
	2000	1999/1	2000	1999
Liquid	256	246	307	579
Frozen	0	0	0	6
Dried	0	0	0	0
Total	256	246	307	585

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

Type	Week Ending January 15, 2000 (000)		Year-To-Date (000)	
	2000	1999/1	2000	1999
Liquid	80	41	159	80
Frozen	1	19	7	19
Dried	82	0	82	0
Total	163	60	248	99

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

	Week Ending January 15, 2000		Year-To-Date	
	2000	1999/1	2000	1999
Jumbo	0	0	13	0
Extra Large	0	750	303	750
Large	2,350	1,550	5,280	2,754
Medium	0	0	360	0
Ungraded	2,310	11,370	4,620	22,259
Misc	0	0	750	0
Total	4,660	13,670	11,326	25,763

/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.