



# INTERNATIONAL EGG AND POULTRY REVIEW

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Poultry Programs

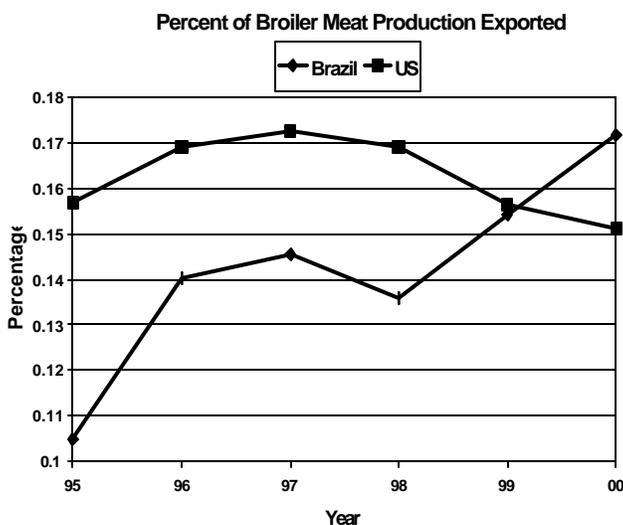
Market News Branch

## Brazil

Brazil set another record in broiler exports in 1999. Overall broiler exports (whole and parts) reached 770,552 metric tons (up 25.8 percent from 1998), valued at US\$875.3 million (up 18.5 percent from the previous year). Exports of whole broilers increased by 15.7 percent from 1998 and reached 422,340 metric tons, while exports of broiler parts increased significantly by 40.8 percent from 1998 and reached 348,211 metric tons. According to trade sources, the average export price of broilers (whole and parts) in 1999 reached US\$1,136.00 per metric ton, down 6 percent from 1998.

Trade sources attribute the excellent results of broiler exports in 1999 to three factors: a) recovery of the world economy, mostly in Asia; b) the devaluation of the Brazilian currency in early 1999, and c) new markets, such as Czech Republic, and other traditional markets, such as Iran which returned to the Brazilian market and purchased 14,354 metric tons of whole broilers in 1999 (up from 1,999 mt in 1998), Cuba (6,000 mt in 1999 against 1,157 mt in 1998), and South Africa (11,712 mt in 1999 against 4,790 mt in 1998).

Saudi Arabia remains the most important market for Brazilian broilers, mostly whole broilers, with 217,165 mt imported in 1999 (against 167,994 in 1998). In fact, Saudi Arabia increased its market share of Brazilian broiler exports from 27 to 28 percent. Hong Kong and Japan also remain important markets for broiler parts, both increasing their imports in 1999. The European Union is becoming an important market for Brazilian broilers, mostly broiler parts. Argentina is the only major market for broilers that reduced imports from Brazil in 1999.



Current trade sources estimate that Brazil will continue to increase its broiler exports in 2000 because world demand remains firm. OAA (Office of Agricultural Affairs) has revised its export estimates to 900,000 metric tons in 2000, up 16.9 percent from 1999, but

well below the increase of nearly 26 percent last year. However, trade sources are concerned with the continuing drop in the average export price of broilers in world markets which reportedly dropped by 18 percent in the last quarter of 1999.

Brazil also had problems exporting poultry to China in 1999 due to an isolated case of "Newcastle" disease in Rio de Janeiro. According to our sources in the federal government this problem has not yet been resolved. Brazil increased its exports of broiler parts to China (mainland) from 813 metric tons in 1998 to 9,336 metric tons in 1999.

Source: USDA/Foreign Agricultural Service

## France

During 1999 French poultry and egg farmers had to deal with two feed associated food scares, European Union legislation that proposed to get rid of the most efficient and economic method of housing laying hens and a series of government supported proposals to abolish about 1,000 broiler farms. Successive GATT/WTO agreements will reduce the level of subsidies on third country exports and broiler production will need to be curtailed. Up to 85 percent of broilers that went for export were grown in Brittany and export refunds were vital if they were to stay in business. French processors claim it costs 7.43 francs/kg to produce and process a broiler compared to 5.95F in US and 5.19F in Brazil.

France is the largest EU producer of poultry meat. Even after a reduction in 1999 of net production by 3 percent, they produce one fourth of total EU poultry meat. Total poultry meat production, in thousand metric tons, dropped from 2,286 in 1998 to 2,216 in 1999 and is forecast at 2,220 in 2000. Exports for 1998 totaled 459,821 metric tons and is estimated at 450,000 for 1999. Growing competitiveness of other world producers (Brazil) in third markets and marked temporary effects of the dioxin crisis on internal consumption have pressed France to align its production levels to realistic consumption and export expectations.

Expansion of egg production in France and the EU as a whole has been stimulated by the growth in the egg products sector. According to the France's ITAVI, in 1998 France accounted for 19 percent of EU egg production of 80 billion eggs. About 25 percent of French egg output (approximately 4 billion eggs) went to the production of some 230,000 tons of egg products.

The EU egg products industry accounted for about 20 percent of EU egg production, with an output of around a million tons of egg products in 1998. Italy was the second largest EU producer with an estimated 207,000t, followed by Germany with 185,000t, the Netherlands 120,000t, Belgium 112,000t, the UK with 100,000t and Spain 60,000t.

Source: Poultry International, WATT Poultry; USDA/Foreign Agricultural Service; International Egg Commission

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

Type	Week Ending February 5,2000 (000)		Year-To-Date (000)	
	2000	1999/1	2000	1999
Liquid	39	97	618	1,147
Frozen	0	0	0	6
Dried	0	0	18	0
Total	39	97	636	1,153

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

Type	Week Ending February 5,2000 (000)		Year-To-Date (000)	
	2000	1999/1	2000	1999
Liquid	47	105	448	405
Frozen	5	5	16	56
Dried	40	0	161	0
Total	92	110	625	461

**Inspected Shell Eggs**

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

Type	Week Ending February 5,2000		Year-To-Date	
	2000	1999/1	2000	1999
Jumbo	0	0	13	0
Extra Large	750	0	1,853	1,050
Large	800	800	10,780	6,084
Medium	375	0	735	300
Ungraded	780	3,060	6,180	33,479
Misc	0	0	750	0
Total	2,705	3,860	20,311	40,913

/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. 11-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	15.00	19.00	14.00-15.00	16.50
WTD AVERAGE	15.00	19.00	14.36	16.50

194,200 pounds, this includes 40,800 pounds for export shipment.

15-20%  
 RANGE 10.00-12.00 14.00 10.00-12.50 13.00-14.00  
 WTD AVERAGE 10.67 14.00 10.77 13.41

2,867,000 pounds, this includes 1,431,400 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 05-FEB-00 (PRELIMINARY)

**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT	HEAVY	TOTAL
	THOUSANDS		
HEAD	1,998	1,244	3,242
LAST WEEK	2,083	1,222	3,305
SAME WEEK YR AGO	2,159	1,245	3,404
TO-DATE/2000	10,267	6,604	16,871
TO-DATE/1999	11,242	6,694	17,936

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

	LIGHT	HEAVY	TOTAL
	HENS THOUSANDS		
HEAD	639	5	644
LAST WEEK	643	0	643
SAME WEEK YR AGO	567	0	567
TO-DATE/2000	2,806	5	2,811
TO-DATE/1999	2,545	34	2,579

SOURCE: AGRICULTURE CANADA, POULTRY DEVELOPMENT DIVISION

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

	LIGHT	HEAVY	TOTAL
	HENS THOUSANDS		
HEAD	2,637	1,249	3,886
LAST WEEK	2,726	1,222	3,948
SAME WEEK YR AGO	2,726	1,245	3,971
TO-DATE/2000	13,073	6,609	19,682
TO-DATE/1999	13,787	6,728	20,515

**EASTERN REGION** PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 11-FEB-00

**CHICKEN PRICES**

FAT CONTENT	-----FROZEN-----		-----FRESH-----	
	FOB DOCK	DELIVERED	FOB DOCK	DELIVERED
15% OR LESS				
RANGE	16.00-18.00	-	17.00	18.00
WTD AVERAGE	16.57		17.00	18.00

640,000 pounds, this includes 0 pounds for export shipment.

**CHICKEN PRICES, WITH ADDED SKIN**

15% OR LESS				
RANGE	-	16.50	15.00	-
WTD AVERAGE		16.50	15.00	

452,000 pounds, this includes 372,000 pounds for export shipment.

15-20%  
 RANGE 13.50-17.00 13.00-14.00 11.00-14.00 12.00-15.00  
 WTD AVERAGE 14.42 13.85 12.20 13.33

2,890,000 pounds, this includes 1,130,000 pounds for export shipment.

20% OR MORE  
 RANGE - - - - 12.75

WTD AVERAGE  
 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 11, 2000

Trade sentiment steady to instances firm on tom breast meat and destrapped tenderloins with destrapped tenderloins strongest. Demand improved to fair to good with some buyers willing to pay premiums. Fresh tom breast meat (12 loads) traded at 148 cents delivered March-April. Offerings of destrapped tenderloins short to instances adequate, tom breast meat light to adequate for prompt shipments. Fresh wing meat with skin (1.50 loads) 41, Plant grade breasts (part loads): 10-12 lb. 110, 12-14 lb. 100-108, 14-16 lb. 110, 16-18 lb. 105 cents delivered. Export trading active on tom drums, light on the balance of items.

**FRIDAY, FEBRUARY 11, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	20.00		20.00	820	19.94	1,400
WINGS FULL-CUT - TOMS	22.50		22.50	104	22.27	264
WINGS, V-TYPE, TOM		M	21.50	208	21.50	208
TAILS	16.00		16.00	80	16.00	80
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		W	13.45	176	13.45	176
		W	58.67	300	58.67	300

**THURSDAY, FEBRUARY 10, 2000****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		T	19.50	40
WINGS, V-TYPE, TOM		M	21.50	208
TAILS				
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		W	13.45	176
		W	58.67	300

**WEDNESDAY, FEBRUARY 09, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	19.00-24.00		20.51	252
WINGS FULL-CUT - TOMS		T	19.50	40
WINGS, V-TYPE, TOM		M	21.50	208
TAILS				
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	13.00-17.00		13.45	176
	58.00-62.00		58.67	300

**TUESDAY, FEBRUARY 08, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	18.00-19.00		18.84	248
WINGS FULL-CUT - TOMS	19.50		19.50	40
WINGS, V-TYPE, TOM		M	21.50	208
TAILS				
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		F	13.00	22
		F	59.33	120

**MONDAY, FEBRUARY 07, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	20.50	280
WINGS FULL-CUT - TOMS	23.00		23.00	120
WINGS, V-TYPE, TOM	21.50		21.50	208
TAILS				
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN		F	13.00	22
		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.

210 WALNUT STREET, ROOM 951, DES MOINES, IOWA, 50309 515/284-4471 FAX 515/284-4468

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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 29, 2000		Year-To-Date	
	2000 (000)	1999/1	2000 (000)	1999
Liquid	102	143	574	1050
Frozen	0	0	0	6
Dried	18	0	18	0
Total	120	143	592	1056

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

Type	Week Ending January 29, 2000		Year-To-Date	
	2000 (000)	1999/1	2000 (000)	1999
Liquid	138	124	401	300
Frozen	0	22	11	51
Dried	39	0	121	0
Total	177	146	533	351

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

Type	Week Ending January 29, 2000		Year-To-Date	
	2000	1999/1	2000	1999
Jumbo	0	0	13	0
Extra Large	750	0	1,103	1,050
Large	3,150	1,580	9,980	5,284
Medium	0	0	360	300
Ungraded	0	2,970	5,400	30,419
Misc	0	0	750	0
Total	3,900	4,550	17,606	37,053

/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.