



# INTERNATIONAL EGG AND POULTRY REVIEW

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## Poultry Meat Import and Exports

Poultry meat production is expected to continue to increase in the major poultry producing countries during 2000. The United States, the world's largest poultry producer, is expected to increase 4 percent in 2000, compared to 5.6 percent in 1999. China, the world's second largest poultry producer, shows production increases of about 3 percent annually. Brazil's broiler meat production increased by nearly 15 percent in 1999 and is forecast to grow 6 percent in 2000. Thailand's production increased 5 percent in 1999 and is forecast to increase by 7 percent in 2000. Mexican production grew by 12 percent in 1999 and is expected to increase 6 percent in 2000. French production is forecast to fall slightly due to sluggish domestic demand and strong export competition. In the Netherlands concerns about animal welfare issues and the impact of production on the environment will keep production flat in 2000.

U.S. exports are expected to pick up in 2000, particularly to the Asian markets. China imports more poultry than it exports and net poultry imports for 1999 and 2000 are estimated at almost double the previous year's. Hong Kong's poultry imports jumped by 28 percent in 1999 and are expected to increase by another 15 percent in 2000. This is due to a combination of low international prices and a growing local acceptance of chilled and frozen poultry versus freshly slaughtered. The U.S. is the major exporter to Hong Kong. Japan's imports of broiler meat jumped by 11 percent in 1999 due to slightly lower domestic production and a general strengthening in the Japanese yen. In 2000 imports are expected to drop as frozen inventories are worked down. Russia continues to import more poultry than it produces. Poultry imports strengthened considerably in the last months of 1999, and are expected to remain at least as strong in 2000.

Brazil is expected to show robust export strength in 2000. Saudi Arabia remained a strong market for Brazilian exports in 1999, and Hong Kong and Japan also increased their purchases from Brazil last year. Broiler export growth in Thailand is expected to be modest due to strong competition from Brazilian, U.S. and Chinese exports. Thai producers appear to be shifting sales to Japan and the EU from uncooked products to cooked products.

Source: USDA/Foreign Agricultural Service

## Taiwan Opens Trade Links with China

Taiwan on 21 March announced it would allow direct trade, sea, and air links between mainland China and three Taiwan-controlled islands. Taiwan has banned direct trade with China since 1949. Currently, trade between China and Taiwan flows through Hong Kong. Newly elected Taiwan President Chen Shui-bian announced the measure on a trial basis. This is seen as a goodwill gesture by Taiwan to ease political tensions between Taiwan and China. Mr. Chen also said that Taiwan "would welcome the normalization of US-China trade relations, just like we hope the cross-strait relations (between China and Taiwan) can be normalized. We look forward to both the People's Republic of

China's and Taiwan's accession to the WTO." Both China and Taiwan are eager to accede to the WTO: China has been adamant that it must be admitted before Taiwan, which it considers a rogue state.

Source: BRIDGES Weekly Trade News Digest

## Poultry Industry Supports Trade Accord

Three U.S. poultry industry groups issued a favorable joint announcement in reaction to the Chinese inspection and quarantine service's issuance of a set of instructions on allowable imports of citrus, wheat, meat and poultry. These are commodities covered by the 1999 Agreement on U.S.-China Agricultural Cooperation.

The U.S. poultry industry is supportive of trade with China since the goal is to open China's market to meat and poultry products from the U.S. John Bekkers, chairman National Chicken Council, said, "China is a land of enormous potential for American poultry producers." Jerry Jerome, chairman of the National Turkey Federation, said, "The turkey industry is pleased with the Chinese government's decision to open this market to poultry products. This will allow the turkey industry to provide an economical protein to feed the population and provide the industry an opportunity to grow its export market, creating a win-win situation for both the United States and China." Jim Sumner, president of the USA Poultry and Egg Export Council, noted that China-including Hong Kong-is already the largest customer for U.S. poultry exports. According to his organization, 735,137 metric tons of U.S. chicken, turkey, duck and related products were shipped to Hong Kong and China, valued at \$455 million.

Although Hong Kong is the port of entry for most of the trade, an estimated 70% of the poultry arriving in Hong Kong is transshipped to the mainland. Under an agreement signed last April, China will lower its tariff on poultry imports from 20% of value to 10% over four years. China will also recognize inspection by the U.S. Dept. of Agriculture as equivalent to its own, eliminate license provisions that have prevented the sale of U.S. poultry at retail, and will forego a tariff-rate quota (TRQ) for poultry and red meat above a certain quantity. U.S. exporters will be able to ship directly to Chinese ports. Direct trade with ports other than Hong Kong has been limited by the lack of regulations. Most of the poultry trade between the United States and China is in the form of chicken feet or wings, although the Chinese have begun to make larger purchases of leg quarters. China's imports of turkey products are mainly boneless and skinless thigh meat, turkey tails, and drumsticks.

"Further-processed poultry products such as smoked turkey drumsticks are popular in other Asian countries and could catch on in China," said Jerome. "Our industry supports PNTR and accession of China to the WTO," Sumner said. "Freer trade in agricultural goods will benefit both the Chinese people and American agriculture."

Source: [www.meatandpoultryonline.com](http://www.meatandpoultryonline.com)

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

Type	March 25, 2000		Year-To-Date	
	(000)	(000)	2000	1999
Liquid	131	226	1,589	3,041
Frozen	0	0	40	6
Dried	0	48	58	147
Total	131	274	1,687	3,194

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

Type	March 25, 2000		Year-To-Date	
	(000)	(000)	2000	1999
Liquid	352	153	1,538	1,048
Frozen	6	6	115	82
Dried	24	0	345	10
Total	382	159	1,998	1,140

**Inspected Shell Eggs**

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

	March 25, 2000		Year-To-Date	
	2000	1999/1	2000	1999
Jumbo	17	41	162	86
Extra Large	910	660	5,943	5,867
Large	2,380	4,390	29,207	22,459
Medium	1,370	1,211	8,357	10,401
Ungraded	4,440	4,680	17,400	54,599
Misc	0	0	2,250	900
Total	9,117	10,982	63,319	94,312

/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. 31-MAR-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	11.50-13.00	14.00-15.00
WTD AVERAGE		14.00	12.08	14.50

367,200 pounds, this includes 0 pounds for export shipment.

15-20%				
RANGE	11.00-13.00	14.00-17.00	9.00-13.00	12.00-16.00
WTD AVERAGE	12.00	14.95	10.82	13.37

3,889,201 pounds, this includes 1,264,800 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 25-MAR-00 (PRELIMINARY)

**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	(THOUSANDS)		
HEAD	2,046	1,483	3,529
LAST WEEK	1,971	1,448	3,419
SAME WEEK YR AGO	2,026	1,398	3,424
TO-DATE/2000	24,381	16,455	40,836
TO-DATE/1999	25,734	15,953	41,687

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	(THOUSANDS)		
HEAD	609	0	609
LAST WEEK	539	12	551
SAME WEEK YR AGO	460	0	460
TO-DATE/2000	6,537	39	6,576
TO-DATE/1999	5,862	109	5,971

SOURCE: AGRICULTURE CANADA, POULTRY DEVELOPMENT DIVISION

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	(THOUSANDS)		
HEAD	2,655	1,483	4,138
LAST WEEK	2,510	1,460	3,970
SAME WEEK YR AGO	2,486	1,398	3,884
TO-DATE/2000	30,918	16,494	47,412
TO-DATE/1999	31,596	16,062	47,658

**EASTERN REGION** PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 31-MAR-00

**CHICKEN PRICES**

FAT CONTENT	-----FROZEN		-----FRESH-----	
	FOB DOCK	DELIVERED	FOB DOCK	DELIVERED
15% OR LESS				
RANGE	16.00-16.50	-	-	-
WTD AVERAGE	16.19			

320,000 pounds, this includes 0 pounds for export shipment.

**CHICKEN PRICES, WITH ADDED SKIN**

15% OR LESS				
RANGE	15.00	15.00	14.00-16.50	-
WTD AVERAGE	15.00	15.00	15.39	

871,920 pounds, this includes 200,000 pounds for export shipment.

15-20%				
RANGE	14.00-15.00	-	11.00-14.00	12.00
WTD AVERAGE	14.43		12.48	12.00

1,429,600 pounds, this includes 340,000 pounds for export shipment.

20% OR MORE				
RANGE	-	-	-	12.75
WTD AVERAGE				12.75

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  
MARCH 31, 2000

Trade sentiment mixed on fresh tom breast meat with some not seeing the strength that others are indicating. Demand light to fair on fresh tom breast meat with best interest noted for prompt shipments. Offerings of fresh tom breast meat short for the next day's delivery, light to generally adequate for 1 to 2 weeks out. Fresh tom breast meat trading fair with spot premiums noted for prompt shipments. Demand fair on tom full-cut wings with increased confidence starting to be noted as exports start moving inventories into a better balance. Tom full-cut wing trading fair consisting mostly of exports. White trim (1 load) 56 cents delivered.

**FRIDAY, MARCH 31, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	27.00		27.00	208	26.53	1,104
WINGS FULL-CUT - TOMS	20.50-21.50		20.87	328	19.88	760
WINGS, V-TYPE, TOM		W	19.50	104	19.50	104
TAILS		W	19.00	28	19.00	28
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	66.00	W	14.11	144	14.11	144
			66.00	40	64.13	520

**THURSDAY, MARCH 30, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	26.00-27.00		26.69	420
WINGS FULL-CUT - TOMS	19.50		19.50	120
WINGS, V-TYPE, TOM		W	19.50	104
TAILS		W	19.00	28
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	62.00	w	14.11	144
			62.00	208

**WEDNESDAY, MARCH 29, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	26.00-26.50		26.25	160
WINGS FULL-CUT - TOMS	19.00		19.00	312
WINGS, V-TYPE, TOM	19.50		19.50	104
TAILS	19.00		19.00	28
MECHANICALLY SEPARATED 4/ THIGH MEAT - FROZEN	13.00-17.00		14.11	144
	64.00-69.00		65.41	232

**TUESDAY, MARCH 28, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	27.00-28.00		27.50	80
WINGS FULL-CUT - TOMS		R	19.50	320
WINGS, V-TYPE, TOM		R	20.50	104
TAILS		W	17.59	68
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	13.00	140
		M	66.00	40

**MONDAY, MARCH 27, 2000****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	25.00-27.00		25.68	236
WINGS FULL-CUT - TOMS		R	19.50	320
WINGS, V-TYPE, TOM		R	20.50	104
TAILS		W	17.59	68
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	66.00	R	13.00	104
			66.00	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.

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

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