



INTERNATIONAL EGG AND POULTRY REVIEW

ISSN 1522-5100



U. S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News Branch

Newcastle Disease in Mexico

On March 30, 2000, velogenic Newcastle disease virus was officially confirmed in the area of La Laguna according to Dr. Angel Omar Flores Hernandez, Director General of Animal Health, Secretariat of Agriculture. Broiler and breeding flocks and commercial layer flocks in the area were being tested, quarantines were in place and some farms had been depopulated.

Chicken producers in the LaLaguna region of Coahuila and Durango states estimate they've lost 50-60 million pesos (US\$5.4-6.5 million) as the result of an outbreak of exotic Newcastle disease. By mid to late April, there were some 50 confirmed and suspicious flocks with a total of about 7 million birds. So far, approximately 6.0 million birds have been destroyed. SAGAR and USDA/APHIS are working together to control the outbreak.

Source: USDA/Foreign Agricultural Service, ProMED, Wattnet

U.S. Broiler Exports

U.S. broiler exports reach a record 625 million pounds in February, 73 percent above a year earlier. The largest increase was to Russia, however exports to Estonia and Latvia were much higher than a year ago. The Russian economy is recovering faster than anticipated due to higher prices for oil and natural gas exports and industrial production expanding while the rate of inflation has decreased. The increase in shipments to Estonia and Latvia has likely been to get products through these countries before the start of restriction on exports to Russia using this route. The Russian customs service has declared that as of April 10, 2000, exports to Russia have to enter through specific ports if the country producing the poultry products does not have a land border with Russia.

Shipments to Canada rose 62 percent to 27 million pounds, and exports to Mexico were up almost 25 percent at 54 million pounds. Exports to Hong Kong increased 4 percent from the previous year and direct shipments to China jumped 76 percent to 28 million pounds. Shipments to Korea continue to grow rapidly and exports over January and February were 230 percent higher than a year earlier.

Source: USDA/Economic Research Service

Korea: Imports of Poultry

Trade Data for the Month of December 1999 (unit: mt)

Country	Chicken	Turkey	Other	Total
U.S.	4,396	520	3	4,919
Thailand	473	0	163	636
Canada	24	71	0	95
P.R.C. (China)	24	0	0	24
Total	4,917	591	166	5,674

Source: Korea Customs Service

Unit: Ready-to-cook basis

Source: USDA/Foreign Agricultural Service

Poultry Trade Since NAFTA

Between 1993 and 1998, U.S. exports of turkey, broiler, and other chicken products to Mexico and Canada rose 62 percent in volume and 71 percent in value. Most of the increase occurred in 1997 and 1998.

Canadian poultry imports had been limited to set percentages of either the previous year's production or an estimate of current-year production, but the inclusion or elimination of supplemental licenses could change import quantities. On January 1, 1996, Canada changed its method of allocating import permits for chicken. The revised system established new allocation pools for the following categories of importer: processors, distributors, or food service.

U.S. poultry exports to Mexico increased substantially in the first year of NAFTA. In subsequent years, sales have been above the TRQ levels established by the Mexican government. However, in 1995, the demand for poultry fell as the economic crisis reduced consumer incomes and increased the peso price of imported poultry. The volume of U.S. exports of chicken meat declined 8 percent, while turkey sales fell 17 percent. With the recovery of the Mexican economy, U.S. exports of poultry have steadily increased. Broiler exports reached 275 million pounds in 1998, up 35 percent from 1995, while turkey exports equaled 249 million pounds, up 83 percent.

U.S. poultry exports have been supported by pressure from Mexican sausage manufacturers who argue that charging over-quota rates on mechanically deboned poultry meat would put them at a disadvantage by substantially raising the price of a major input. Imported sausage enters under a lower duty than poultry meat, and Mexican poultry producers cannot supply sufficient quantities of low-priced MDM to serve the domestic sausage industry. Therefore, the Mexican government has increased the within-quota quantities for certain kinds of poultry.

Broiler exports to Canada declined between 1993 and 1996, however they have since risen sharply. The quantity of broiler exports was 59 percent higher in 1997 and was expected to increase another 9 percent in 1998. Exports of other chicken (spent egg-type or broiler-breeder hens) have also rapidly risen, almost doubling between 1996 and 1998 to 70 million pounds.

Mexico has been allowing larger in-quota imports than set under NAFTA. It is likely that this waiver would have occurred in the absence of NAFTA and the Uruguay Round agreement. In either case, exports to Mexico would have remained at current levels due to pressure from sausage manufacturers. Increases in broiler and turkey shipments to Mexico over the last 2 years have made Mexico one of the largest export markets for U.S. poultry products. In 1998, Mexico was the fourth largest market for broiler exports and by far the largest export market for U.S. turkey products.

Source: USDA/Economic Research Service

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

Type	Week Ending April 22, 2000		Year-To-Date	
	(000)		(000)	
	2000	1999/1	2000	1999
Liquid	49	198	1,716	4,325
Frozen	0	0	40	6
Dried	0	0	112	174
Total	49	198	1,868	4,505

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

Type	Week Ending April 22, 2000		Year-To-Date	
	(000)		(000)	
	2000	1999/1	2000	1999
Liquid	16	96	1,997	1,303
Frozen	44	4	184	94
Dried	40	0	483	10
Total	100	100	2,664	1,407

Inspected Shell Eggs

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

	Week Ending April 22, 2000		Year-To-Date	
	2000	1999/1	2000	1999
Jumbo	60	50	306	188
Extra Large	890	1,200	9,253	9,205
Large	3,800	4,089	42,037	29,441
Medium	0	1,479	11,058	15,230
Ungraded	8,400	14,310	42,360	97,469
Misc	0	0	4,530	1,650
Total	13,150	21,128	109,544	153,183

/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. 28-APR-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	13.00-16.00	16.00-20.00	12.00-13.00	14.00-16.00
WTD AVERAGE	14.50	17.33	12.51	14.50
411,200 pounds, this includes 0 pounds for export shipment.				
15-20%				
RANGE	-	12.00	10.00-12.50	13.00-14.00
WTD AVERAGE		12.00	10.95	13.21

1,929,600 pounds, this includes 42,000 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 22-Apr-00 (PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	2,030	1,433	3,463
LAST WEEK	2,259	1,335	3,594
SAME WEEK YR AGO	2,332	1,431	3,763
TO-DATE/2000	32,590	21,882	54,472
TO-DATE/1999	34,945	21,390	56,335

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	299	0	299
LAST WEEK	484	0	484
SAME WEEK YR AGO	574	0	574
TO-DATE/2000	8,475	50	8,525
TO-DATE/1999	7,910	113	8,023

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOP. DIV.

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	2,329	1,433	3,762
LAST WEEK	2,743	1,335	4,078
SAME WEEK YR AGO	2,906	1,431	4,337
TO-DATE/2000	41,065	21,932	62,997
TO-DATE/1999	42,855	21,503	64,358

EASTERN REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 28-APR-00

CHICKEN PRICES

FAT CONTENT	-----FROZEN-----		-----FRESH-----	
	FOB DOCK	DELIVERED	FOB DOCK	DELIVERED
15% OR LESS				
RANGE	15.50	-	16.00	-
WTD AVERAGE	15.50		16.00	

520,000 pounds, this includes 80,000 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	14.00-15.00	-	-	15.00
WTD AVERAGE	14.71			15.00
640,000 pounds, this includes 0 pounds for export shipment.				
15-20%				
RANGE	13.00-13.25	13.50-14.00	11.25-14.00	12.00
WTD AVERAGE	13.11	13.90	11.76	12.00

1,636,000 pounds, this includes 376,000 pounds for export shipment.

20% OR MORE

RANGE	-	-	-	12.50
WTD AVERAGE				12.50

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
APRIL 28, 2000

The market tone was generally steady on fresh breast meat, fully steady on fresh destrapped tenders. Less than trucklot volumes of fresh scapula moved at premium prices. Frozen whole tenders moved at higher trending prices and tom drumsticks moved at lower trending prices. Export trading was fair, mostly on shipments to Asia.

FRIDAY, APRIL 28, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	21.50-22.00		21.76	432	22.08	640
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 4/	13.00-14.00		13.33	156	13.00	312
THIGH MEAT - FROZEN	57.00-58.00		57.57	92	57.48	1,316

THURSDAY, APRIL 27, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	22.50-23.00		22.75	208
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		R	20.00	312
TAILS				
MECHANICALLY SEPARATED 4/	13.00		13.00	104
THIGH MEAT - FROZEN	56.00-60.00		57.47	1,224

WEDNESDAY, APRIL 26, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	24.00	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		R	20.00	312
TAILS				
MECHANICALLY SEPARATED 4/	12.00		12.00	52
THIGH MEAT - FROZEN		F	58.88	416

TUESDAY, APRIL 18, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	24.00	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		R	20.00	312
TAILS				
MECHANICALLY SEPARATED 4/		W	14.00	208
THIGH MEAT - FROZEN		F	58.88	416

MONDAY, APRIL 24, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	24.00	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		R	20.00	312
TAILS		M	20.00	108
MECHANICALLY SEPARATED 4/		W	14.00	208
THIGH MEAT - FROZEN		F	58.88	416

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

Visit us on the World Wide Web at <http://www.ams.usda.gov/marketnews.htm>