MAY 09, 2000
VOL. 03 NO. 19

USDA

INTERNATIONAL EGG AND POULTRY REVIEW

ISSN 1522-5100

U. S. Department of Agriculture   Agricultural Marketing Service   Poultry Programs   Market News Branch

World Poultry

In 1999 the world meat market was influenced by low feed prices, a recovery in Asian meat import demand, wide currency exchange rate fluctuations (particularly of the Brazilian Real), and increasing use by the developed nations of export programs, such as export subsidies, food aid and credit packages. Animal disease and food safety issues had only a limited impact on the global meat economy in 1999 as aggregate meat production and consumption expanded by 2 percent in 1999 to 227 million tons, supported by continued strong gains for the poultry sector and moderate growth for the beef, pork and sheep sectors.

Poultry meat production grew an average of 6 percent per year from 1990 to 1998 but slowed to 4 percent in 1999. Global poultry production was 63.7 million metric tons and totaled 28 percent of global meat production, up from 23 percent since the early 1990s.The developing countries pushed up their share of global production to over 50 percent. Brazil witnessed double-digit output gains as its currency devaluation strengthened demand from other countries. Meanwhile, economic recovery in many parts of Asia, particularly in Indonesia, the Republic of Korea and Thailand, was accompanied by rising production. However, overall regional growth in Asia was constrained by a production slowdown in China in response to lower overall meat prices and hesitant consumer demand.

World Meat Production
(Estimates in million metric tons)

	1998	1999	2000
WORLD TOTAL	222.3	227.1	229.2
Poultry meat	61.3	63.7	65.6
Pork	87.4	89.1	89.5
Beef	58.2	58.7	58.2
Other meat	15.4	15.6	15.9
DEVELOPING COUNTRIES	119.0	122.0	124.9
Poultry meat	30.8	32.1	33.0
Pork	50.0	50.9	52.1
Beef	27.8	28.4	29.0
Other meat	10.4	10.6	10.9
DEVELOPED COUNTRIES	103.3	105.1	104.3
Poultry meat	30.5	31.6	32.5
Pork	37.4	38.2	37.4
Beef	30.4	30.3	29.3
Other meat	4.9	5.0	5.0

Source: FAO Note: Total computed from unrounded data.

The volume in international poultry trade, which was artificially boosted in 1999 by increased product movement through transshipment points, reached 6.4 million tons, or 3 percent more than in 1998. Trade flows to final destinations, however, revealed a lack of real growth in the world poultry market. In fact, shipments from the United Sates, which supplies 40 percent of international trade, fell for the second consecutive year. While shipments from Brazil soared on the heels of its currency devaluation, the competitiveness of EC exports suffered from increased competition from Brazil in Middle Eastern markets and lower WTO ceilings on subsidized exports in 1999. On the import side, purchases by the Russian Federation fell by over a quarter, due to consumers' lower disposable incomes and competitively priced EC pork. This decline was offset, however, by increased buying by many markets, particularly China, Japan, and Mexico, induced by prices of chicken cuts which remain 24 percent lower than the previous year. In addition, both imports and exports of Hong Kong and Latvia/Estonia rose substantially as these markets were increasingly used as transshipment points for product moving into China and Russia. International trade numbers (both imports and exports) now reflect transshipments from all regions, including the Baltics, Hong Kong, Eastern Europe, and the CIS. Consequently, these trade estimates are more reflective of actual shipments, than of "true" trade.

World Meat Exports
(Estimates in thousand metric tons)

	1998	1999	2000
WORLD	15,097	15,835	15,846
Poultry meat	6,163	6,395	6,483
Pork	2,882	3,080	2,983
Beef	5,126	5,417	5,423
Other meat	927	942	957

Source: FAO Note: Total computed from unrounded data. Includes meat (fresh, chilled, frozen prepared and canned) in carcass weight equivalent; excludes live animals, offals and EC intra-trade.

Source:Excerpted from Food Outlook No.1, February 2000
FAO, Rome, ITALY

Russian Federation Exporter Guide

The great majority of the Russian people live in European Russia (the area west of the Urals).However, Vladivostock and Khabarovsk, the major cities of the Far East, each with about 650,000 inhabitants, provide an important market for American products shipped across the Pacific. However, in the short to medium term, for the U.S. exporter, Moscow and St. Petersburg will remain the most important regional markets simply because of their population size, developed market structure, and most importantly, the concentration of the most affluent population. More than 60 percent of the wealth of the country is concentrated within Moscow's banking and financial circles. In addition, many buyers in outlying regions source their products in Moscow which is the major transportation hub for truck, air, rail and shipping lines.

Russian Federation Imports - In Millions of Dollars

	Poultry Meat			Eggs & Products		
	World	U.S	*U.S.	World	U.S	*U.S.
1996	509	389	76%	10	2	16%
1997	815	608	75%	20	5	25%
1998	563	426	76%	13	1	7%

* Market Share
Source: USDA/Foreign Agricultural Service

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

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

Week Ending April 29, 2000 (000) — Year-To-Date (000)

Type	2000	1999 /1	2000	1999
Liquid	153	98	1,869	4,423
Frozen	0	0	40	6
Dried	0	0	112	174
Total	153	98	2,021	4,603

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

Week Ending April 29, 2000 (000) — Year-To-Date (000)

Type	2000	1999 /1	2000	1999
Liquid	38	78	2,035	1,381
Frozen	1	0	185	94
Dried	40	0	523	10
Total	79	78	2,743	1,485

Inspected Shell Eggs

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

Week Ending April 29, 2000 — Year-To-Date

	2000	1999 /1	2000	1999
Jumbo	6	33	312	221
Extra Large	700	510	9,953	9,715
Large	3,698	2,940	45,735	32,381
Medium	330	368	11,388	15,598
Ungraded	4,560	12,060	46,920	109,529
Misc	780	0	5,310	1,650
Total	10,074	15,911	119,618	169,094

/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. 05-MAY-00

CHICKEN PRICES

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

0 pounds, this includes 0 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

FAT CONTENT	FROZEN FOB DOCK	FROZEN DELIVERED	FRESH FOB DOCK	FRESH DELIVERED
15% OR LESS				
RANGE	13.00-16.00	16.00-26.00	12.25-13.00	14.00-14.50
WTD AVERAGE	14.50	21.00	12.56	14.14

510,000 pounds, this includes 0 pounds for export shipment.

FAT CONTENT	FROZEN FOB DOCK	FROZEN DELIVERED	FRESH FOB DOCK	FRESH DELIVERED
15-20%				
RANGE	12.00	14.00	10.00-12.50	12.50-14.00
WTD AVERAGE	12.00	14.00	11.31	13.12

2,366,400 pounds, this includes 204,000 pounds for export shipment.

FAT CONTENT	FROZEN FOB DOCK	FROZEN DELIVERED	FRESH FOB DOCK	FRESH DELIVERED
20% OR MORE				
RANGE	-	-	-	13.50
WTD AVERAGE				13.50

122,400 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-Apr-00 (PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY

THOUSANDS	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	2,036	1,424	3,460
LAST WEEK	2,030	1,433	3,463
SAME WEEK YR AGO	2,147	1,405	3,552
TO-DATE/2000	34,626	23,306	57,932
TO-DATE/1999	37,092	22,795	59,887

U.S. FOWL SLAUGHTERED IN CANADA

THOUSANDS	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	411	0	411
LAST WEEK	299	0	299
SAME WEEK YR AGO	467	18	485
TO-DATE/2000	8,886	50	8,936
TO-DATE/1999	8,377	131	8,508

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOP. DIV.

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

THOUSANDS	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	2,447	1,424	3,871
LAST WEEK	2,329	1,433	3,762
SAME WEEK YR AGO	2,614	1,423	4,037
TO-DATE/2000	43,512	23,356	66,868
TO-DATE/1999	45,469	22,926	68,395

EASTERN REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 05-MAY-00

CHICKEN PRICES

FAT CONTENT	FROZEN FOB DOCK	FROZEN DELIVERED	FRESH FOB DOCK	FRESH DELIVERED
15% OR LESS				
RANGE	15.00-15.50	-	16.00	-
WTD AVERAGE	15.14		16.00	

598,000 pounds, this includes 80,000 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

FAT CONTENT	FROZEN FOB DOCK	FROZEN DELIVERED	FRESH FOB DOCK	FRESH DELIVERED
15% OR LESS				
RANGE	13.00-14.00	14.00	-	15.00
WTD AVERAGE	13.40	14.00		15.00

540,000 pounds, this includes 0 pounds for export shipment.

FAT CONTENT	FROZEN FOB DOCK	FROZEN DELIVERED	FRESH FOB DOCK	FRESH DELIVERED
15-20%				
RANGE	13.25-15.00	13.00	11.25-12.00	12.00-14.00
WTD AVERAGE	14.00	13.00	11.39	13.47

1,716,000 pounds, this includes 480,000 pounds for export shipment.

FAT CONTENT	FROZEN FOB DOCK	FROZEN DELIVERED	FRESH FOB DOCK	FRESH DELIVERED
20% OR MORE				
RANGE	-	-	-	12.50
WTD AVERAGE				12.50

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
MAY 05, 2000

The trade sentiment showed signs of improvement on frozen thigh meat and tom drums with the increased export demand and trading at present price levels moving some seller's inventories into a better balance. The trade sentiment on destrapped tenderloins and scapula starting to become unsettled with some not seeing the strength that others see. Demand on destrapped tenderloins light to fair with best interest noted on fresh and offerings ranged from light to adequate. Scapula demand, however, is mixed ranging from slow to moderate with some in the West not seeing the demand and strength that others are resulting in more available offerings. Mechanically separated turkey market slow to fair at best for the readily available offerings. For export: tom defatted gizzards (1 container) 63.50 cents delivered.

FRIDAY, MAY 05, 2000

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**	**WEEKLY WTD AVG PRICE**	**WEEKLY VOLUME (000)**
DRUMSTICKS, TOMS	22.00-25.50		22.96	856	22.60	1,680
WINGS FULL-CUT - TOMS	20.00-21.00		20.50	80	18.21	1,068
WINGS, V-TYPE, TOM	20.00		20.00	52	20.56	468
TAILS		W	19.02	264	19.02	264
MECHANICALLY SEPARATED 2/		R	14.00	14	14.00	14
THIGH MEAT - FROZEN	53.00-56.00		53.92	2,069	54.15	2,409

THURSDAY, MAY 04, 2000

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**
DRUMSTICKS, TOMS	22.00-23.50		22.88	224
WINGS FULL-CUT - TOMS		W	18.03	988
WINGS, V-TYPE, TOM		W	20.50	104
TAILS		W	19.02	264
MECHANICALLY SEPARATED 2/	14.00		14.00	14
THIGH MEAT - FROZEN	54.00		54.00	28

WEDNESDAY, MAY 03, 2000

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**
DRUMSTICKS, TOMS	22.00-23.00		22.41	352
WINGS FULL-CUT - TOMS	18.00-18.50		18.03	988
WINGS, V-TYPE, TOM	20.50		20.50	104
TAILS	17.50-20.00		19.02	264
MECHANICALLY SEPARATED 2/		F	13.33	156
THIGH MEAT - FROZEN	55.00-57.00		55.67	312

TUESDAY, MAY 02, 2000

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**
DRUMSTICKS, TOMS	20.50		20.50	104
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		M	20.67	312
TAILS				
MECHANICALLY SEPARATED 2/		F	13.33	156
THIGH MEAT - FROZEN		F	57.57	92

MONDAY, MAY 01, 2000

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**
DRUMSTICKS, TOMS	22.00		22.00	144
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM	20.50-21.00		20.67	312
TAILS				
MECHANICALLY SEPARATED 2/		F	13.33	156
THIGH MEAT - FROZEN		F	57.57	92

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.