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North America

Mexico and the EU signed a free trade agreement on March 23 which took effect on July 1. Mexico hopes to diversify its export market and the EU hopes to greatly increase the competitiveness of EU products in Mexico and give greater access to the Canadian and US markets. A free trade agreement between Mexico and Israel also took effect on July 1.

Mexico's free trade momentum continued the week of July 3 as free trade talks began between Mexico and the European Free Trade Association (EFTA) comprising Norway, Switzerland, Iceland and Liechtenstein. Mexico has also held preliminary free trade talks with Japan, Singapore and recently concluded free trade talks with Guatemala, El Salvador and Honduras.

Mexican president-elect Vicente Fox also called for a North American common market amongst the US, Canada and Mexico. "Our idea is to sell a long-term project where we can move upward from a trade agreement to a community of nations agreement or a North American common market," Mr. Fox said. Fox's vision includes doubling foreign investment in Mexico and laying the foundation for an economic partnership that would go far beyond the North American Free Trade Agreement. He would even like to find a way for Mexicans to work legally in the US and Canada. "Free trade agreements are good, they're a first step toward intensifying a relationship," Mr. Fox has told reporters. "But I believe more in deepening these agreements. We want to create a real association, a North American common market. Living standards in all three countries need to rise." Mr. Fox noted that such an accord would take at least 20 years to develop.

Source: BRIDGES Weekly Trade News Digest

JAPANESE FROZEN BROILER IMPORTS (IN TONS)

Month	United States	China	Brazil	Thailand	Total
1999					
January	6,554	15,060	8,078	11,662	41,354
February	10,128	16,275	6,595	10,159	43,157
March	8,333	13,517	3,741	9,434	35,025
Total	25,015	44,852	18,414	31,255	119,536
2000					
January	4,800	18,128	5,057	10,134	38,119
February	5,365	13,655	9,741	10,752	39,513
March	6,331	17,853	9,714	10,090	43,988
Total	16,496	49,636	24,512	30,976	121,620

Source: ALIC Monthly statistics

France and Biotechnology

The French National Institute of Research in Agronomy (INRA) and the leading French farmer union (FNSEA) have conducted a survey on the feasibility of a non-GMO sector in France since April 1999. Final conclusions will be released in October 2000. INRA survey studies consumer behavior and opinion and aims to answer two questions: is it relevant to set up a non-GMO sector? If it is, is it feasible? Following are the survey's preliminary conclusions:

Setting up a non-GMO sector makes sense because 75 percent of French consumers support a "non-GMO" label on food products. However, the number of French consumers favoring a "with GMO" label is higher, because they presume that conventional products are without gene-altered ingredients. If most consumers assume that conventional foodstuffs do not contain biotech products, INRA wonders whether the absence of GMOs needs to be indicated on a label.

Three categories of consumer purchasing behaviors manifest themselves when "with GMO" labels appear. One third do not buy the product; one third purchase the product provided that it is less expensive; and one third are indifferent to the presence of agro biotech ingredients, and buy the product without asking for lower prices. This purchasing behavior is very different to consumers' adverse opinion on food products containing transgenic ingredients, because they see no direct advantage in them.

Non-GMO chickens "Gastronome" and "Poulet de Loue"

Two main brands of non-GMO chickens are produced in France: "Gastronome" was created by four cooperatives (CANA, CAVAL, CADS, CAVAC) and LOUE is one of the leading French poultry producing company. "Gastronome" chicken feed does not contain imported corn, rapeseed and soybeans, which are replaced with certified non-GMO soybean grown in France and allegedly non-GMO soybeans imported from Brazil. LOUE uses non-GMO soybeans produced in Brazil and control grains present in chicken feed. Both companies use traceability and separate equipment to produce non-GMO chickens.

After one year spent creating the separate sector and selling chickens labeled with a "non-GMO" logo, both companies conclude that this action has neither increased sales nor created a distinct market segment corresponding to consumer demand. The LOUE company lost FF 6 million in 1999 (USD 984,000) because it spent money to create this non-GMO sector but did not sell more chickens. However, the companies plan to continue to produce non-GMO chickens and use their new traceability and control expertise in other programs.

Source: USDA/Foreign Agricultural Service

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

Type	Week Ending Jul 08, 2000		Year-To-Date	
	2000	1999/1	2000	1999
Liquid	102	304	3,179	7,903
Frozen	0	0	126	6
Dried	0	0	286	333
Total	102	304	3,591	8,242

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

Type	Week Ending Jul 08, 2000		Year-To-Date	
	2000	1999/1	2000	1999
Liquid	68	32	3,123	2,291
Frozen	39	8	378	141
Dried	0	13	610	141
Total	107	53	4,111	2,573

Inspected Shell Eggs

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

Type	Week Ending Jul 08, 2000		Year-To-Date	
	2000	1999/1	2000	1999
Jumbo	90	0	801	567
Extra Large	1,850	460	22,391	17,349
Large	950	2,440	75,642	64,346
Medium	120	380	17,643	26,907
Ungraded	12,150	13,450	132,394	286,491
Misc	0	0	6,237	3,468
Total	15,160	16,730	255,108	399,128

/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. 14-JUL-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	-	20.00	14.00	15.00
WTD AVERAGE		20.00	14.00	15.00

204,000 pounds, this includes 0 pounds for export shipment.

15-20%			
RANGE	10.00-13.50	16.25-17.00	11.00-12.25 13.00-18.00
WTD AVERAGE	12.19	16.88	11.54 13.51

3,386,400 pounds, this includes 1,020,000 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 08-Jul-00 (PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,262	1,086	2,348
LAST WEEK	1,956	1,301	3,257
SAME WEEK YR AGO	1,797	1,385	3,182
TO-DATE/2000	53,143	37,598	90,741
TO-DATE/1999	58,651	36,800	95,451

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	411	11	422
LAST WEEK	251	0	251
SAME WEEK YR AGO	374	14	388
TO-DATE/2000	13,085	79	13,164
TO-DATE/1999	13,345	182	13,527

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	1,673	1,097	2,770
LAST WEEK	2,207	1,301	3,508
SAME WEEK YR AGO	2,171	1,399	3,570
TO-DATE/2000	66,228	37,677	103,905
TO-DATE/1999	71,996	36,982	108,978

EASTERN REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 14-JUL-00

CHICKEN PRICES

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

560,000 pounds, this includes 200,000 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	14.00-15.00	-	12.00-15.00	16.00
WTD AVERAGE	14.73	14.73		16.00

655,000 pounds, this includes 0 pounds for export shipment.

15-20%			
RANGE	12.00-15.00	14.00	11.50-13.00 12.00-13.00
WTD AVERAGE	13.14	14.00	12.06 12.40

1,288,000 pounds, this includes 248,000 pounds for export shipment.

20% OR MORE			
RANGE	-	-	-
WTD AVERAGE			12.50

80,000 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
 JULY 14, 2000

The market continued active and strong on fresh tom breast meat and fresh destrapped tenderloins for prompt shipments, scapula fully steady to firm and wing meat was steady at best. Scapula traded at 105-107 cents delivered August on spot loads. Some wing meat was sold from 1999 production. Frozen thigh meat undertone steady to instances weak, mostly steady to barely steady with some buyers noting lower trending offering prices. Domestic trading centered on fair volumes of fresh tom breast meat, fresh destrapped tenderloins, plant grade 4-8 lb. breasts and fresh mechanically separated turkey. Export trading trading centered on a moderately heavy volume of tails, light on the balance of items. For export (1 container): frozen tom breast meat 164 cents delivered.

FRIDAY, JULY 14, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	25.00-27.00		25.63	362	25.70	668
WINGS FULL-CUT - TOMS	21.00-22.00		21.51	211	20.37	479
WINGS, V-TYPE, TOM	26.00		26.00	52	26.00	52
TAILS	19.00-23.00		20.33	604	20.33	604
MECHANICALLY SEPARATED 2/	14.00-15.00		14.46	288	14.46	288
THIGH MEAT - FROZEN	61.00-62.00		61.52	84	60.30	1,247

THURSDAY, JULY 13, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	25.00		25.00	80
WINGS FULL-CUT - TOMS	21.00		21.00	52
WINGS, V-TYPE, TOM		F	25.00	52
TAILS		F	22.22	204
MECHANICALLY SEPARATED 2/		F	16.75	80
THIGH MEAT - FROZEN	60.00-63.00		61.83	312

WEDNESDAY, JULY 12, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	27.00		27.00	120
WINGS FULL-CUT - TOMS	18.00		18.00	156
WINGS, V-TYPE, TOM		F	25.00	52
TAILS		F	22.22	204
MECHANICALLY SEPARATED 2/		F	16.75	80
THIGH MEAT - FROZEN	59.00-62.00		59.45	796

TUESDAY, JULY 11, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		M	25.00	106
WINGS FULL-CUT - TOMS		M	22.00	60
WINGS, V-TYPE, TOM		F	25.00	52
TAILS		F	22.22	204
MECHANICALLY SEPARATED 2/		F	16.75	80
THIGH MEAT - FROZEN		M	62.00	55

MONDAY, JULY 10, 2000

EXPORT TRADING

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	25.00		25.00	106
WINGS FULL-CUT - TOMS	22.00		22.00	60
WINGS, V-TYPE, TOM		F	25.00	52
TAILS		F	22.22	204
MECHANICALLY SEPARATED 2/		F	16.75	80
THIGH MEAT - FROZEN	62.00		62.00	55

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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