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LIQUID EGGS TO REPLACE IMPORTED PRODUCTS IN THAILAND

Charoen Pokphand Food Plc claims to be the first company in Thailand to produce liquid eggs for the food industry, a venture that could absorb the domestic oversupply of eggs and replace imports of the product. Adirek Sripratak, the senior vice-president, said that, as many food producers had to import frozen liquid egg and powdered eggs as essential ingredients, CPF saw an opportunity to expand its business by opening a processing plant in Nong Chok, Min Buri, costing \$1.0960 million.

The plant has an annual production capacity of 3,000 tons of liquid egg made from 60 million eggs. The products include processed whole eggs, whites and yolks. Last year, Thailand paid \$3.5667 million to import a total of 696 tons of powdered eggs and frozen liquid eggs, up from \$1.5125 million for 292 tons in 1999. The products are used as ingredients in baked products and mayonnaise, as well as batter for shrimp and chicken. "If the business grows continually, we will double the capacity of the plant for only \$219,233 additional investment," Mr. Adirek said.

The products are processed in two ways, either refrigerated at 32 to 39 degrees F, giving a shelf-life of 10 days, or frozen at -4 F, sufficient for six months. The liquid egg is considered better than imported powdered egg because the local product is fresher. Also, imported powder is priced at \$2.5850 per pound, including 30% tax, while the local liquid alternative is \$.5966.

The company supplies many food manufacturers including Novartis (Ovaltine), Bestfoods (mayonnaise) and Surapol Seafood. Also, Thai Airways International is considering the use of liquid eggs to replace fresh eggs for in-flight meals.

Mr. Adirek said CPF expected to replace Thailand's total imports of frozen liquid egg from Europe, now amounting to between 600 and 700 tons a year. The company has asked the Livestock Development Department to certify its plant for the export of liquid eggs to some Asian countries, including Singapore, Malaysia and Hong Kong.

Mr. Adirek said he was confident the Thai product could compete with those from Europe. Although the poultry industry has expressed interest in CPF's venture, Mr. Adirek said the factory might not help stabilize egg prices because the volume used in the industry was small compared with 8.25 billion eggs likely to be produced in Thailand this year.

Sanchai Chuanchairat, the president of the Hen Egg Farmers Traders and Exporters Association, said the projected production figure was down from 8.37 billion last year but up from 8.09 billion in 1999. Production costs had risen to about \$.0296 per egg this year from \$.0263 last year, while the retail price was \$.0395 to \$.0417, he said. As domestic consumption was expected to average 130 eggs per consumer, about the same as last year, the industry had to find other

retail channels such as exports. Last year, Thailand exported 80 million eggs, compared with 28 million in 1999. The local price slump last year led farmers to dump eggs by exporting to Hong Kong. This year, exports were expected to total about 60 million eggs, he said.

Source: International Egg Commission

JAPAN ON CHINA

Back on June 8, 2001 Japan's Ministry of Agriculture, Forestry, and Fisheries (MAFF) imposed a temporary import suspension of Chinese poultry meat and prepared poultry meat products. All poultry meat and eggs (including prepared and processed poultry and egg products) were subject to the above measure with the exception of some heat-treated processed poultry meat products produced at MAFF-approved plants. MAFF has approved 92 plants in China, mostly producing ham and sausage products. Of this total, only four plants have production lines for heat-treated poultry meat plants, but output is reported as small. MAFF's import ban was in response to Korea's import ban of Chinese poultry following a H5N1 virus detection from quarantined Chinese duck meat. Avian flu was last reported in Japan in 1925. During 2000, China supplied Japan over 40 percent of total poultry meat imports and nearly 60 percent of total prepared poultry meat products. No major shortages of the prepared poultry meat products are reported thus far.

Just recently, Newcastle has been detected in poultry shipments sent from China before Japan placed the ban on China poultry. Japan informed China of the virus immediately. The disease is very contagious and fatally affects all bird species. However, chickens are the most susceptible and ducks and geese are the least susceptible. The death rate causes a mild case of conjunctivitis in those people working with the poultry. Nothing has been said pertaining to how MAFF is going to handle this situation as of late.

Sources: USDA/Foreign Agricultural Service and other sources

May Imports JAPANESE BROILER IMPORTS BY COUNTRY Unit: MT (Customs Clearance Basis)

	May	% Change	Jan.-May	% Change
Thailand	9,302	-8%	46,936	-11%
US	8,037	-3%	28,408	-13%
Brazil	6,387	-45%	34,085	-25%
China	24,146	20%	94,781	-1%
Other	170		582	
Total	48,042	-4%	204,792	-10%

Source: The Ministry of Finance (Livestock Daily Press-June 29)

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

U.S. Exports to Canada, in Pounds (000) (Preliminary)

Week Ending Jul 07, 2001	Year-To-Date			
	2001	2000 /1	2001	2000
Liquid	152	102	5,778	3,174
Frozen	0	0	78	126
Dried	0	0	40	286
Total	152	102	5,896	3,586

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending Jul 07, 2001	Year-To-Date			
	2001	2000/1	2001	2000
Liquid	15	68	2,752	3,123
Frozen	4	39	647	378
Dried	0	0	301	610
Total	19	107	3,700	4,111

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

Week Ending Jul 07, 2001	Year-To-Date			
	2001	2000 /1	2001	2000
Jumbo	0	90	87	801
Extra Large	1,624	1,850	24,646	22,391
Large	1,847	950	63,188	75,642
Medium	210	120	24,778	17,643
Ungraded	7,320	12,150	184,190	132,394
Misc	1,550	0	45,904	6,237
Total	12,551	15,160	342,793	255,108

/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 MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

CHICKEN 13-JUL-2001
PRICES VOLUME
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

PRICES VOLUME
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	22.00-23.50	21.50	366,200	-
WTD AVERAGE	23.13	21.50		
15-20%				
RANGE	20.00-24.00	15.00-25.50	1,801,800	1,146,400
WTD AVERAGE	20.56	18.68		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of 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 07-Jul-01

U.S. FOWL SLAUGHTERED DOMESTICALLY (PRELIMINARY)

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,449	1,237	2,686
LAST WEEK	1,931	1,418	3,349
SAME WEEK YR AGO	1,262	1,086	2,348
TO-DATE/2001	48,237	36,251	84,488
TO-DATE/2000	53,143	37,598	90,741

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	304	0	304
LAST WEEK	310	0	310
SAME WEEK YR AGO	411	11	422
TO-DATE/2001	12,747	187	12,934
TO-DATE/2000	13,190	84	13,274

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,753	1,237	2,990
LAST WEEK	2,241	1,418	3,659
SAME WEEK YR AGO	1,673	1,097	2,770
TO-DATE/2001	60,984	36,438	97,422
TO-DATE/2000	66,333	37,682	104,015

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

CHICKEN 13-JUL-2001
PRICES VOLUME
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	21.00	-	14,000	-
WTD AVERAGE	21.00			

CHICKEN, WITH SKIN ADDED

PRICES VOLUME
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	21.50-23.00	19.50-22.00	905,000	158,000
WTD AVERAGE	22.23	20.01		
15-20%				
RANGE	20.00-24.00	19.00-24.00	1,863,440	624,000
WTD AVERAGE	22.30	20.52		
20% OR MORE				
RANGE	21.00	17.00	86,000	-
WTD AVERAGE	21.00	17.00		

* INCLUDES THE STATES of 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 AS OF 13 JULY 2001.

The undertone on fresh tom breast meat was steady at best. Fresh tom breast meat activity showed signs of improvement, however, offerings easily met buyers needs. The undertone on destrapped tenderloins was steady on fresh, frozen barely steady at best with trading noted at lower trending prices. The undertone on wing meat was about steady, and scapula steady to fully steady with spot premiums noted on extra lean product. Offerings of ground breast trim available and regular breast trim light. The trade sentiment on tom bulk parts ranged from steady to weak on drums to steady on necks. Thigh meat and mechanically separated turkey trade sentiment ranged steady to weak. Domestic trading centered on a moderately heavy volume of fresh tom breast meat, balance light. Fresh tom wings traded at 30 and fresh wing meat with skin 66 cents delivered. Export trading was active on tom drums, balance light. Tom drums traded at 26 delivered August-September and tom necks at 27 cents delivered export.

FRIDAY, JULY 13, 2001**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	27.00-28.00		27.56	643	27.95	1,475
WINGS FULL-CUT - TOMS	28.00		28.00	120	28.74	760
WINGS, V-TYPE, TOM		R	26.41	572	26.41	572
TAILS	26.00-27.00		26.75	160	26.75	160
MECHANICALLY SEPARATED 2/		T	25.00	104	25.00	104
THIGH MEAT - FROZEN	57.00-60.00		59.00	120	59.05	800

THURSDAY, JULY 12, 2001**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	27.00		27.00	572
WINGS FULL-CUT - TOMS	27.00		27.00	40
WINGS, V-TYPE, TOM	25.00-27.00		26.41	572
TAILS		F	27.00	312
MECHANICALLY SEPARATED 2/		T	25.00	104
THIGH MEAT - FROZEN	58.00-59.50		59.00	416

WEDNESDAY, JULY 11, 2001**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		M	31.00	260
WINGS FULL-CUT - TOMS	29.00		29.00	600
WINGS, V-TYPE, TOM		F	28.00	104
TAILS		F	27.00	312
MECHANICALLY SEPARATED 2/		T	25.00	104
THIGH MEAT - FROZEN	57.50-61.00		59.15	264

TUESDAY, JULY 10, 2001**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		M	31.00	260
WINGS FULL-CUT - TOMS		F	29.00	208
WINGS, V-TYPE, TOM		F	28.00	104
TAILS		F	27.00	312
MECHANICALLY SEPARATED 2/	25.00		25.00	104
THIGH MEAT - FROZEN		F	60.68	224

MONDAY, JULY 09, 2001**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	31.00		31.00	260
WINGS FULL-CUT - TOMS		F	29.00	208
WINGS, V-TYPE, TOM		F	28.00	104
TAILS		F	27.00	312
MECHANICALLY SEPARATED 2/		F	27.00	120
THIGH MEAT - FROZEN		F	60.68	224

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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