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## Russian Poultry Companies Form Association

Russian poultry companies have formed the Association of Eurasian Poultry Market Operators. Members of the new organization control about 60 percent of the Russian poultry market. The association will lobby for the industry's interests and the association plans to help settle the current Russian-U.S. trade dispute. The association will also implement a number of commercial projects, such as constructing freezers for poultry storage or processing plants. Yuri Maslyukov, a former First Deputy Prime Minister, will serve as the Association's first president. One of the main activities of the association's president will be negotiating poultry quotas with the government.

Source: various news reports

### Trade Dispute With Russia

Russian Agriculture Minister Alexei Gordeyev stated Russia will not make any more concessions to the U.S. in resolving a disputes over U.S. poultry imports. Gordeyev said negotiations on the new certificate have been completed and contains sanitation and hygienic requirements based on Russian legislation. The veterinary certificate will apply to poultry imports from all countries.

Russia also plans to introduce quotas on poultry meat imports, to help balance domestic production and imports, and also creates conditions for long-term business. Gordeyev believes the quotas will be introduced next year. The recently formed Association of Eurasian Poultry Market Operators should be the main consultant of the government and ministries in developing the mechanism of calculating, distributing and applying quotas.

Source: various news reports

### Canada Allows Poultry Meat Imports From Brazil

Canada has recognized the poultry meat inspection system of Brazil and effective August 1, 2002, poultry meat from Newcastle disease-free States in Brazil will be eligible to enter Canada. The development provides the potential for cheap Brazilian chicken to displace U.S. chicken in the Canadian market. In 2001, Canada was the second most important export market for U.S. poultry meat after Russia. Currently, Canada sources virtually all its chicken imports from the United States.

Industry contacts believe Brazilian chicken could have up to a 25% price advantage over U.S. product. Canada's chicken market is traditionally short of white meat while consumption preferences in Brazil favor dark meat, thereby increasing the availability of Brazilian product for export. The Canadian Chicken Farmers, the national group representing Canada's supply managed chicken industry, is unhappy with the Canadian government decision to extend poultry meat import eligibility to Brazil and believes that Brazil's chicken industry expansion is a threat to the industry.

Source: USDA/FAS

## Mexico and Japan Prepare to Negotiate Free Trade

Mexico and Japan are expected to seek negotiations soon on a free-trade agreement (FTA), officials said at an Asia-Pacific Economic Cooperation (APEC) forum gathering in Mexico City last week. The official announcement on when such negotiations will begin will probably occur at the APEC leaders summit in Los Cabos, Baja California, in October 2002. Agriculture, autoparts and energy will be the major issues to be discussed.

Mexico will have nothing to lose from a free-trade agreement with Japan, as its exports to the Asian nation are minimal. In the first quarter of 2002, these exports totaled 123 million dollars, while imports from Japan amounted to 2.09 billion dollars. Japan thus accounted for less than 3 percent of Mexico's 75.6 billion dollars in total foreign trade in the trimester. Much of Mexico's economic well-being in recent years is attributed widely to the FTAs it has signed with most countries in the Western Hemisphere and with the European Union. Starting with the North American FTA with the United States and Canada in 1994, Mexico now has FTAs with 32 nations. (Sources: El Fianciero, 7/26/02 & The News, 7/29/02)

Source: USDA/FAS

## Caribbean Markets

In 2001, Caribbean broiler meat imports totaled just over 150,000 tons, valued at \$121 million. The largest U.S. competitors in the Caribbean are Brazil and Canada. The Cuban broiler meat import market is the largest at 61,000 tons (\$35 million), of which Brazil and Canada supply 39 and 28 percent, respectively. The United States dominates the next two largest broiler meat import markets, Jamaica and Haiti.

U.S. broiler meat exports to the Caribbean represented over 3 percent (86,000 tons) of total 2001 U.S. broiler meat exports (2.5 million tons). In an effort to increase its market presence in the Caribbean, the United States is beginning to take advantage of improving market opportunities in Cuba. For the January - May 2002 period, U.S. broiler meat exports to Cuba were 14,667 tons, valued at \$7.7 million.

Country	Caribbean Broiler Imports		US Broiler Exports	
	MT	\$	MT	\$
Cuba	61	\$35	3	\$2
Jamaica	29	\$12	26	\$11
Haiti	20	\$14	18	\$15
NL Antilles	12	\$11	9	\$9
Others	31	\$49	30	\$37
Total	153	\$121	86	\$74

Metric tons in thousands, dollars in millions

Source: USDA/FAS

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

**U.S. Exports to Canada, in Pounds (000) (Preliminary)**  
 Week Ending August 03, 2002

	Year-To-Date			
	2002	2001 /1	2002	2001
Liquid	249	237	11,014	6,621
Frozen	0	0	21	78
Dried	0	0	327	40
Total	249	237	11,362	6,739

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**  
 Week Ending August 03, 2002

	Year-To-Date			
	2002	2001/1	2002	2001
Liquid	124	127	3,901	3,192
Frozen	111	43	2,175	811
Dried	87	0	3,292	325
Total	322	170	9,368	4,328

**Inspected Shell Eggs**

**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**  
 Week Ending August 03, 2002

	Year-To-Date			
	2002	2001 /1	2002	2001
Jumbo	0	0	1,160	87
Extra Large	2,226	1,911	17,963	32,217
Large	3,718	3,758	73,303	73,566
Medium	930	300	30,420	28,648
Ungraded	5,520	8,850	183,305	216,770
Misc	0	3,750	13,062	56,529
Total	12,394	18,569	319,213	407,817

/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** 09-AUG-2002  
 — 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	- 13.00-14.00		122,400	-
WTD AVERAGE		13.67		
15-20%				
RANGE	12.00-16.00	9.00-14.00	2,617,200	481,600
WTD AVERAGE	14.16	11.47		
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 03-Aug-02

(PRELIMINARY) **U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	1,633	1,560	3,193
LAST WEEK	1,829	1,536	3,365
SAME WEEK YR AGO	1,597	1,512	3,109
TO-DATE/2002	54,761	42,060	96,821
TO-DATE/2001	54,870	42,386	97,256

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	258	27	285
LAST WEEK	302	33	335
SAME WEEK YR AGO	336	12	348
TO-DATE/2002	9,665	208	9,873
TO-DATE/2001	14,279	216	14,495

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	1,891	1,587	3,478
LAST WEEK	2,131	1,569	3,700
SAME WEEK YR AGO	1,933	1,524	3,457
TO-DATE/2002	64,426	42,268	106,694
TO-DATE/2001	69,149	42,602	111,751

SOURCE: USDA/AMS PLTRY PROGRAMS, MRKT NEWS BR.

**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** 09-AUG-2002  
 — 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	12.00-17.00	13.50-14.00	867,000	266,000
WTD AVERAGE	14.85	13.59		
15-20%				
RANGE	11.50-13.00	9.00-15.00	1,619,782	156,000
WTD AVERAGE	12.58	12.14		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* 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 9 AUGUST 2002.**

Trade sentiment on fresh tom breast meat was steady to barely steady in the Midwest and East with close trimmed product strongest, weakest in the West. Tom breast meat demand ranged from slow in the West to light to instances fair for the balance of the country. The undertone on tom bulk parts was steady to instances weak as fewer sellers discount product to move excess inventories. Domestic bulk parts demand was light to instances fair with some increased trading activity noted on drums, full-cut wings and necks. Domestic trading centered on light volumes of breast meat and parts. Frozen breeder thigh meat traded at 35 cents shipping point and fresh wing meat 56 cents delivered. Export demand continued active on drums with increased activity noted on other parts items. Export trading centered on a fair volume of tom drums, balance light.

**FRIDAY, AUGUST 09, 2002**

<b>EXPORT TRADING</b>	<b>PRICE RANGE</b>	<b>L.S.T. CODE 1/</b>	<b>WTD AVG PRICE</b>	<b>VOLUME (000)</b>	<b>WEEKLY WTD AVG PRICE</b>	<b>WEEKLY VOLUME (000)</b>
DRUMSTICKS, TOMS	19.00-21.00		20.20	400	19.58	1,800
WINGS FULL-CUT - TOMS	20.00		20.00	120	20.00	120
WINGS, V-TYPE, TOM	24.00		24.00	208	24.21	364
TAILS	15.00-16.00		15.63	320	16.33	608
MECHANICALLY SEPARATED 2/	18.00		18.00	156	17.40	260
THIGH MEAT - FROZEN	55.00-60.00		59.00	200	48.18	1,628

**THURSDAY AUGUST 08, 2002**

<b>EXPORT TRADING</b>	<b>PRICE RANGE</b>	<b>L.S.T. CODE 1/</b>	<b>WTD AVG PRICE</b>	<b>VOLUME (000)</b>
DRUMSTICKS, TOMS	20.00		20.00	248
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM	23.50		23.50	52
TAILS		W	17.11	288
MECHANICALLY SEPARATED 2/	16.50		16.50	104
THIGH MEAT - FROZEN	41.00-52.00		44.14	496

**WEDNESDAY, AUGUST 07, 2002**

<b>EXPORT TRADING</b>	<b>PRICE RANGE</b>	<b>L.S.T. CODE 1/</b>	<b>WTD AVG PRICE</b>	<b>VOLUME (000)</b>
DRUMSTICKS, TOMS	16.00-21.00		18.67	808
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM	25.00		25.00	104
TAILS	16.00-20.00		17.11	288
MECHANICALLY SEPARATED 2/		R	20.25	40
THIGH MEAT - FROZEN	45.00-60.00		53.06	372

**TUESDAY, AUGUST 06, 2002**

<b>EXPORT TRADING</b>	<b>PRICE RANGE</b>	<b>L.S.T. CODE 1/</b>	<b>WTD AVG PRICE</b>	<b>VOLUME (000)</b>
DRUMSTICKS, TOMS	20.00-21.00		20.55	224
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		W	16.00	104
MECHANICALLY SEPARATED 2/		R	20.25	40
THIGH MEAT - FROZEN	41.25-50.00		44.66	560

**MONDAY, AUGUST 05, 2002**

<b>EXPORT TRADING</b>	<b>PRICE RANGE</b>	<b>L.S.T. CODE 1/</b>	<b>WTD AVG PRICE</b>	<b>VOLUME (000)</b>
DRUMSTICKS, TOMS	21.00		21.00	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		W	16.00	104
MECHANICALLY SEPARATED 2/		R	20.25	40
THIGH MEAT - FROZEN		F	48.58	936

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.