



# INTERNATIONAL EGG AND POULTRY REVIEW

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## China

Statistical data released by China's Ministry of Agriculture indicated that wholesale and retail prices of hen eggs at markets in 286 cities/villages and 36 major provincial cities were lower in the first quarter of 2003, when compared with prices in October-December, 2002 and January-March, 2000.

For the period January-March, 2003 the wholesale price was RMB 4.15/kg, which was 3.4% below the previous quarter and 4.9% lower when compared with the same period last year. For the quarter the retail price was RMB 5.05/kg which was down by 4.6% from the previous quarter and 5.2% lower when compared with January-March, 2002.

The price differential between wholesale and retail prices in the first quarter was RMB 0.90/kg or 21.7%. compared to the price differentials in the previous quarter and the same period last year, it had fallen by 1.6% and 1.3% respectively. As production of hen eggs reached its peak during the first quarter of 2003, prices were progressively lower from January to March, and are expected to stay at current levels for some time.

Source: International Egg Commission

## USA - Newcastle

With the exception of a very small area of Socorro, in El Paso County, the state and federal quarantines and movement restrictions on birds and poultry movement have been lifted on El Paso and Hudspeth Counties in Texas, and on Luna, Otero, and Dona Anna Counties in New Mexico. Since April 10, the five counties have been quarantined, while regulatory veterinarians and animal health inspectors worked to eradicate an outbreak of Exotic Newcastle Disease (END) in El Paso County. The teams tested more than 800 flocks within the five-county area

"With the exception of a very small area in Socorro in El Paso County, all movement restrictions in the five-county area have been lifted, and bird and poultry businesses and movement may return to normal. As soon as the USDA lifted its federal quarantines, the New Mexico Livestock Board and the TAHC lifted state-level restrictions. Feed stores may sell chickens, pet stores can market canaries, and other birds and poultry can be moved into or out of the counties," said Dr. Hillman, Texas state veterinarian and head of the Texas Animal Health Commission (TAHC).

He explained that Texas must maintain a small, specified quarantined area for six months to regain international trading status for poultry and poultry products. This area encompasses the premises where END infection was detected, along with a small buffer zone. Birds may be moved from this specific area only under a permit issued by USDA or TAHC personnel.

Source: NEWS RELEASE - Texas Animal Health Commission, USDA/APHIS

## Thailand

After over six months of price depression, Thailand's chicken industry has been recently revived by a sudden heavy demand from major importing countries, especially Japan, which has led to skyrocketing export prices.

Trade sources reported that on May 12, 2003, Japan began to ban the imports of Chinese chicken meat after there was an outbreak of avian influenza in duck flocks in China. In addition, a serious outbreak of SARS (Severe Acute Respiratory Syndrome) in China is likely to delay the Chinese attempt to negotiate with Japanese government to lift the ban. As a result, Japanese buyers have almost totally switched their forward buying to Thailand and Brazil. As China is one of the major chicken meat suppliers to Japan, exporting about 200,000 tons/year, the import ban has generated an upsurge in demand and prices.

Thai packers have booked shipments to Japan through the fourth quarter of 2003. Export prices for uncooked boneless leg meat (BL) have increased rapidly from US\$ 1,200-1,300/ton for shipments delivered in the first quarter of 2003 to currently US\$ 2,700-2,900 /ton for the third quarter deliveries.

Demand for Thai chicken meat in the European Union (EU) has been volatile recently since the EU announced that the favored tariff rates (about 15%) on chicken meat in brine will be terminated in August 2003. This means that once the EU's directive is in place all exporters will be forced to export non-salted chicken meat, which is subject to the current import duties of about US\$ 1,300-1,400/ton (about 60-70% of C&F prices). Almost all exports of uncooked chicken meat from Thailand to the EU are produced to meet the conditions of the salted-item category to enjoy the lower tariff.

Nevertheless, export prices for chicken meat shipped to the EU, the major market for Thai white meat products, have also recovered, due mainly to the outbreak of avian influenza disease in Netherlands and Belgium, and a strong Euro. C&F prices for uncooked skinless boneless breast meat (SBB) shipped in the third quarter (Jul-Sep) are currently US\$ 2,000-2,100/ton, up from US\$ 1,500-1,600/ton shipped in the first quarter (Jan-Mar).

A recovery in export prices also led to improved domestic prices. Wholesale prices for live broilers are currently 30-32 baht/kg (approx. 32-35 cents/pound), up from 18-20 baht/kg (19-22 cents/pound) in the first quarter (Jan-Mar).

According to the Thai Broiler Processing Exporters Association, Thai exports of chicken meat in the first quarter of 2003 (Jan-Mar) increased 9 percent from 115,886 tons in the same period of 2002 to 126,512 tons. This amount can be broken down into 93,561 tons for uncooked meat and 32,951 tons for cooked meat. Trade sources estimated that total chicken meat exports in 2003 may reach 500-520,000 tons, as opposed to 464,243 tons in 2002.

Source: Foreign Agricultural Service/USDA

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

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

Week Ending June 14, 2003	Year-To-Date			
	2003	2002/1	2003	2002
Liquid	608	353	7,156	8,980
Frozen	0	0	3	0
Dried	0	18	232	320
<b>Total</b>	<b>608</b>	<b>371</b>	<b>7,391</b>	<b>9,300</b>

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

Week Ending June 14, 2003	Year-To-Date			
	2003	2002/1	2003	2002
Liquid	151	167	2,750	3,149
Frozen	2	112	1,616	1,712
Dried	0	84	681	2,545
<b>Total</b>	<b>153</b>	<b>363</b>	<b>5,047</b>	<b>7,406</b>

**Inspected Shell Eggs**

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

Week Ending June 14, 2003	Year-To-Date			
	2003	2002 /1	2003	2002
Jumbo	15	30	226	1,131
Extra Large	1,145	835	9,685	10,500
Large	3,440	4,044	40,008	58,678
Medium	1,500	1,320	29,838	23,952
Ungraded	2,160	18,450	25,026	158,885
Misc	0	90	3,852	12,184
<b>Total</b>	<b>8,260</b>	<b>24,769</b>	<b>108,635</b>	<b>265,330</b>

/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.

**LIVE POULTRY SLTRD UNDER INSPECTION** W/E 14-Jun-03 (PRELIMINARY)

**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,573	1,654	3,227
LAST WEEK	1,569	1,465	3,034
SAME WEEK YR AGO	1,699	1,529	3,228
TO-DATE/2003	39,830	32,172	72,002
TO-DATE/2002	43,800	31,834	75,634

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	288	3	291
LAST WEEK	292	9	301
SAME WEEK YR AGO	438	7	445
TO-DATE/2003	6,115	86	6,201
TO-DATE/2002	7,818	38	7,856

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	1,861	1,657	3,518
LAST WEEK	1,861	1,474	3,335
SAME WEEK YR AGO	2,137	1,536	3,673
TO-DATE/2003	45,945	32,258	78,203
TO-DATE/2002	51,618	31,872	83,490

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

**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.

20-JUN-2003

CHICKEN	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

FAT CONTENT	PRICES		VOLUME	
	(Cents per Pound)			
FROZEN	FRESH	TOTAL	EXPORT	
15% OR LESS RANGE	14.00-19.00	13.00-17.00	181,600	-
WTD AVERAGE	16.50	16.21		
15-20% RANGE	14.00-15.00	10.00-15.00	2,031,200	440,800
WTD AVERAGE	14.09	11.74		
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

**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.

20-JUN-2003

CHICKEN	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

FAT CONTENT	PRICES		VOLUME	
	(Cents per Pound)			
FROZEN	FRESH	TOTAL	EXPORT	
15% OR LESS RANGE	15.50-18.50	17.00	580,000	522,000
WTD AVERAGE	16.99	17.00		
15-20% RANGE	15.50-16.50	11.00-15.00	1,584,000	304,000
WTD AVERAGE	16.16	12.53		
20% OR MORE RANGE	-	11.00	82,000	-
WTD AVERAGE		11.00		

\* 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 20 JUNE 2003.**

The undertone on fresh tom breast meat and fresh destrapped tenderloins was mixed, balance of fresh white meat was barely steady. Demand was slow to instances fair with some increased activity noted. Some further processors continued to buy hand-to-mouth while others utilize previously bought frozen inventories. Weather conditions continued to play a factor in further processed and consumer demand. The undertone on frozen white meat was steady to weak with a light at best demand. Offerings of fresh and frozen white meat available. The undertone on tom drums and tom full-cut wings continued steady to fully steady, strongest in the East, balance of tom parts steady at best. Offerings of tom necks and 2-joint wings were adequate to fully adequate with necks the most available, tom drums and full-cut wings were light to adequate. Trading centered on light to fair volumes of white meat from current production for domestic shipments and on a fair volume of tom drums for export. Fresh: wing meat 37-44, scapula 53, ground breast trim 63, frozen tails 20 cents delivered domestic. Some fresh tom drums traded at 20 cents delivered export.

**FRIDAY, JUNE 20, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	24.00-24.50		24.14	364	24.10	961
WINGS FULL-CUT - TOMS		T	18.00	40	18.00	40
WINGS, V-TYPE, TOM		T	20.00	208	20.79	624
TAILS		R	21.00	40	21.00	40
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		R	18.50	80	18.00	146
		R	50.83	652	50.70	878

**THURSDAY, JUNE 19, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	24.00-26.50		24.50	440
WINGS FULL-CUT - TOMS		T	18.00	40
WINGS, V-TYPE, TOM		T	20.00	208
TAILS	21.00		21.00	40
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	18.50		18.50	80
	45.50-69.00		50.83	652

**WEDNESDAY, JUNE 18, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	21.50-24.00		23.17	120
WINGS FULL-CUT - TOMS		T	18.00	40
WINGS, V-TYPE, TOM		T	20.00	208
TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	18.00		18.00	26
	52.00		52.00	66

**TUESDAY, JUNE 17, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	22.00		22.00	37
WINGS FULL-CUT - TOMS	18.00		18.00	40
WINGS, V-TYPE, TOM	20.00		20.00	208
TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN	17.00		17.00	40
	49.00-51.50		49.63	160

**MONDAY, JUNE 16, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	22.53	248
WINGS FULL-CUT - TOMS		R	13.50	108
WINGS, V-TYPE, TOM	19.25-23.00		21.19	416
TAILS				
MECHANICALLY SEPARATED 2/ THIGH MEAT - FROZEN		F	18.00	20
		F	51.86	72

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.