



# INTERNATIONAL EGG AND POULTRY REVIEW

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## World Egg Production

World egg production has been constrained by a number of factors this year, including bird losses due to disease and hot weather, environmental concerns, and animal welfare. Increased production costs are also having an impact on egg production.

An outbreak of Exotic Newcastle Disease in the United States resulted in almost 4 million birds depopulated. The majority of the birds were laying hens. Highly Pathogenic Avian Influenza in the Netherlands resulted in the slaughter of about 30 million birds. Over 45 percent of table egg production was eliminated. Belgium lost about 3 million head of poultry.

A few million birds died during heat waves in Europe. The heat also reduced egg production. In Andhra Pradesh, India, egg production dropped from 35 million eggs per day to 26 million as temperatures reached as high as 113 to 119 degrees Fahrenheit.

Regulations and standards addressing food safety, environment and animal welfare increase the difficult and cost of producing eggs. In some countries it is difficult to get permits to increase production. Manure and dead hen disposal are serious problems in some areas.

Concerns about the welfare of laying hens resulted in fewer birds per cage in some countries. In January, 2003 the minimum living space for all layer hens in cages in the EU increased from 69.75 square inches to 85.25 square inches per hen. In the U.S. egg producers, representing over 80 percent of U.S. production, voluntarily signed commitments to implement guidelines to produce Animal Care Certified Eggs. Under the program increased cage space will be phased in over a six year period than began on April 1, 2002. In Australia, producers are transitioning to new cage standards for layer hen welfare.

Production costs vary sharply by country. Production costs generally include the costs of feed, young hens, housing, disposal of manure and spent hens and labor, among other items. Environmental regulatory requirements for air and water quality have increased production costs in some countries.

Feed is the largest single cost to produce eggs, followed by purchase price of hens and the price of labor. Manure and spent hens have a positive or negative value depending on the country. In the United States there is a cost to remove old hens but in the Ukraine they are able to sell the hens. Manure disposal costs are high in the EU, but manure is a source of income in Brazil.

### Cost to produce one dozen eggs\*, in U.S. dollars

	2002	2003
Argentina	0.98	1.51
Brazil	0.30	0.35
Canada	0.92	0.92
**Denmark	0.32	0.50
France	0.59	0.66
India	0.20	0.23
Netherlands	0.63	N/A
Mexico	0.46	0.51
Russia	0.40	0.42
U.S.	0.41	0.41

\*Caged hens

\*\*Labor not included

Source: International Egg Commission, UN Food and Agriculture Organization, EU Commission press releases, news services

### Hen Eggs: Production in metric tons

	2000	2001	2002
Argentina	326,935	301,916	330,000
Brazil	1,509,464	1,539,143	1,550,000
China	19,432,880	20,229,700	20,616,400
Denmark	74,300	80,687	81,134
France	1,038,000	1,016,400	1,010,000
India	1,783,000	1,905,750	2,000,000
Japan	2,535,417	2,514,218	2,512,195
Mexico	1,787,942	1,892,140	1,896,040
Netherlands	668,000	662,000	653,000
Russia	1,894,600	1,961,500	2,017,000
U.S.	4,998,300	5,082,500	5,128,000
World	51,272,990	52,822,105	53,758,263

Source: United Nations Food and Agriculture Organization

### U.S. Poultry Meat Exports, January-August Comparisons

	2002	2003	% chg
World	1,713,523	1,692,584	-1.22
N. America	227,074	225,575	-0.66
Caribbean	80,535	105,763	31.33
C. America	32,875	44,466	35.26
S. America	18,385	23,546	28.07
EU	24,054	33,836	40.67
Other W. Europe	913	3,247	255.74
Former Soviet Union	615,206	543,714	-11.62
Eastern Europe	74,847	94,646	26.45
Middle East	44,846	68,663	53.11
North Africa	1,696	71	-95.83
Other Arica	57,417	69,885	21.71
South Asai	750	2,588	245.09
Other Asia	519,517	456,989	-12.04
Oceania	15,408	19,597	27.18

Source: Department of Commerce, U.S. Census Bureau

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

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

	Week Ending November 01, 2003		Year-To-Date	
	2003	2002/1	2003	2002
Liquid	408	407	14,702	17,447
Frozen	0	0	96	21
Dried	0	0	479	763
Total	408	407	15,277	18,231

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

	Week Ending November 01, 2003		Year-To-Date	
	2003	2002/1	2003	2002
Liquid	59	128	5,064	5,481
Frozen	82	10	3,154	3,031
Dried	0	80	1,104	4,528
Total	141	218	9,322	13,040

**Inspected Shell Eggs**

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

	Week Ending November 01, 2003		Year-To-Date	
	2003	2002 /1	2003	2002
Jumbo	0	0	404	1,307
Extra Large	1,050	2,657	27,902	39,077
Large	5,110	2,600	108,595	125,370
Medium	1,610	1,530	55,258	44,623
Ungraded	7,200	5,940	163,038	307,925
Misc	0	0	14,642	14,017
Total	14,970	12,727	369,839	532,319

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.

<b>CHICKEN</b>	07-NOV-2003			
	PRICES		VOLUME	
	(Cents per Pound)			
<b>FAT CONTENT</b>	<b>FROZEN</b>	<b>FRESH</b>	<b>TOTAL</b>	<b>EXPORT</b>
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

<b>CHICKEN, WITH SKIN ADDED</b>	07-NOV-2003			
	PRICES		VOLUME	
	(Cents per Pound)			
<b>FAT CONTENT</b>	<b>FROZEN</b>	<b>FRESH</b>	<b>TOTAL</b>	<b>EXPORT</b>
15% OR LESS				
RANGE	-	18.00	20,400	-
WTD AVERAGE		18.00		
15-20%				
RANGE	15.00-21.50	10.50-17.00	2,298,800	1,204,800
WTD AVERAGE	18.88	14.20		
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 1-Nov-03

(PRELIMINARY)

	U.S. FOWL SLAUGHTERED DOMESTICALLY		
	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,093	1,314	2,407
LAST WEEK	1,137	1,383	2,520
SAME WEEK YR AGO	1,697	1,538	3,235
TO-DATE/2003	63,710	61,620	125,330
TO-DATE/2002	77,358	62,291	139,649

	U.S. FOWL SLAUGHTERED IN CANADA		
	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	175	0	175
LAST WEEK	100	4	104
SAME WEEK YR AGO	313	3	316
TO-DATE/2003	9,995	141	10,136
TO-DATE/2002	13,537	268	13,805

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	1,268	1,314	2,582
LAST WEEK	1,237	1,387	2,624
SAME WEEK YR AGO	2,010	1,541	3,551
TO-DATE/2003	73,705	61,761	135,466
TO-DATE/2002	90,895	62,559	153,454

SOURCE: USDA/AMS PLTRY PROGRAMS, MARKET 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.

<b>CHICKEN</b>	07-NOV-2003			
	PRICES		VOLUME	
	(Cents per Pound)			
<b>FAT CONTENT</b>	<b>FROZEN</b>	<b>FRESH</b>	<b>TOTAL</b>	<b>EXPORT</b>
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

<b>CHICKEN, WITH SKIN ADDED</b>	07-NOV-2003			
	PRICES		VOLUME	
	(Cents per Pound)			
<b>FAT CONTENT</b>	<b>FROZEN</b>	<b>FRESH</b>	<b>TOTAL</b>	<b>EXPORT</b>
15% OR LESS				
RANGE	15.75-22.00	-	734,000	734,000
WTD AVERAGE	18.46			
15-20%				
RANGE	15.50-30.00	11.00-15.00	2,272,000	1,272,000
WTD AVERAGE	28.30	11.52		
20% OR MORE				
RANGE	-	11.00	41,000	-
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 7 NOVEMBER 2003.**

Limited supplies kept hen and tom parts steady to firm with inquiry going unfilled on hen v-type wings. Trading was light on drums and necks. Bulk meats were at least adequate. Fresh and frozen tom breast meat offered at lower trending prices. Demand for breast meat tapered and supplies were more available. Offers of destrapped tenders and breast trim were slow to attract buyer interest. Thigh meat was adequate to fully adequate depending on market destination. Limited export activity centered on hen necks at 19 delivered port and tom hand and machine defatted gizzards at 63-65 cents delivered port.

**FRIDAY, NOVEMBER 07, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS		R	42.00	40	41.75	240
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		F	43.00	520		
TAILS		F	25.00	40		
MECHANICALLY SEPARATED 2/		R	21.50	40	21.50	40
THIGH MEAT - FROZEN		R	91.50	160	92.36	212

**THURSDAY, NOVEMBER 06, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	42.00		42.00	40
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	43.00	520
TAILS		F	25.00	40
MECHANICALLY SEPARATED 2/	21.50		21.50	40
THIGH MEAT - FROZEN	91.00-92.00		91.50	160

**WEDNESDAY, NOVEMBER 07, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	42.50-43.00		42.83	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	43.00	520
TAILS		F	25.00	40
MECHANICALLY SEPARATED 2/		F	27.00	40
THIGH MEAT - FROZEN		M	95.00	52

**TUESDAY, NOVEMBER 06, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		M	40.00	80
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	43.00	520
TAILS		F	25.00	40
MECHANICALLY SEPARATED 2/		F	27.00	40
THIGH MEAT - FROZEN		M	95.00	52

**MONDAY, NOVEMBER 05, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	40.00		40.00	80
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	43.00	520
TAILS		F	25.00	40
MECHANICALLY SEPARATED 2/		F	27.00	40
THIGH MEAT - FROZEN	95.00		95.00	52

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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