



CUBA

Cuba has been struggling to supply affordable food stuffs to its citizens since the demise of the Soviet Union. Cuba used to exchange production with the Soviet Union at favorable price levels, but now has to either produce or import production in order to supply its population. Currently prices in both private and state agricultural markets, particularly meat markets, are unaffordable for the average Cuban.

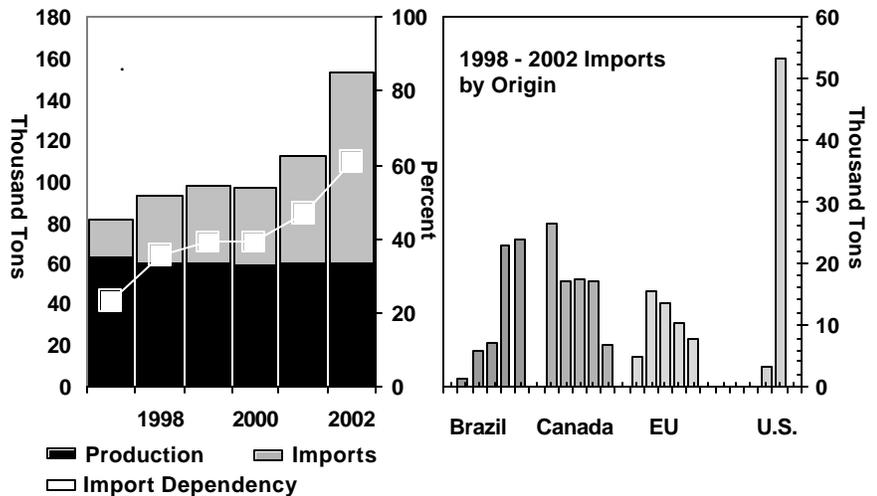
In attempts to make prices more affordable, the Government of Cuba (GOC) has tried to eliminate the middle man, and cap state market prices. No significant price reductions have resulted from the recent policy measures. A survey of basic foodstuffs in Havana during January, 2004 did indicate a 9% drop prices from January last year, however, credit is also being given to a combination of other factors including the economy's generally improved performance in 2003, agriculture's recovery from hurricane damage in 2001 and the conversion of land from sugar production to other uses. Even with the drop in food prices, an average family still spends an approximate 90% of its income on food. These prices did not take into account the summer drought that eastern Cuba is experiencing, the worst in 40 years, and has resulted in the premature slaughter of 13,000 cattle.

The Cuban poultry sector currently is reluctant to expand production of poultry meat due to low prices and outdated facilities. Broiler production has stagnated at, or around 60,000 metric tons, ready to cook equivalent, level from 1998-2002. As a result, Cuba's total broiler imports increased 8% by volume in 2003 over the previous year from 93,000 metric tons in 2002 to 101,000 metric tons in 2003. During this time frame imports surged from the U.S. while declining from Canada and the European Union. The U.S. exported to Cuba approximately 53,000 metric tons of poultry meat in 2002 and 70,000 in 2003. Currently, Cuba's total poultry meat imports from the U.S. for the January – June, 2004 period are 30,154 metric tons and are -7% by volume from the same period last year, but +236% by value.

Leg quarter volume as percentage of total volume of U.S. poultry exports to Cuba were 91% in 2002, 73% in 2003 and 76% of the January-June, 2004 total. U.S. bought leg quarters are sometimes distributed as rationed food. From August-October, 2003, U.S. bought leg quarters were distributed to the Cuban public at 0.7 Cuban pesos (CP) / lb., equivalent to 3 U.S. cents/lb.

Cuba currently has 14 egg production facilities varying in size up to 250,000 layers. They currently prohibit imports of breeding stock and have developed their own lines for commercial and family production. Currently family owned egg production makes up 20% of the egg output in Cuba. Availability of eggs are spotty and can be purchased illegally at markets and door to door at 2 CP each.

Cuba's Broiler Imports



U.S. Shell Egg Exports to Cuba (000's)

	January-June		Yearly	
	2003	2004	2002	2003
Volume (dozens)	1,241	216	1,527	1,511
Value (US Dollars)	641	112	767	772

Source: USDA/FAS and various other news sources

SAUDI ARABIA

On July 31, 2004, the Saudi Ministry of Agriculture (MOA) lifted the temporary import bans that had been placed on live poultry and hatching eggs from the United States out of fear they might have been infected with Avian and/or West Nile Virus. The import ban on other U.S live birds (falcons and other ornamental birds) is still in effect due to the discovery of West Nile virus in the U.S.

The rescinding of the two bans, one placed on November 5, 2003, due to West Nile Virus and one placed on March 13, 2004, due to the reported infection of 85,800 five-week -old chickens in Delaware, will reopen the \$4.2 million live poultry and hatching eggs market to the U.S.

Source: various news sources.

INDIA

India has also modified its import bans to allow imports of processed meat. They will also allow imports from countries who have not reported out breaks of avian influenza from parent stock for poultry breeding, day-old chicks, ducks, turkey and other newly hatched avian species.

Source: various news sources.

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

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

Week Ending August 07, 2004	Year-To-Date			
TYPE	2004	2003 1/	2004 2/	2003
Liquid	463	407	8,545	9,808
Frozen	0	0	11	96
Dried	0	0	434	334
Total	463	407	8,990	10,238

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

Week Ending August 07, 2004	Year-To-Date			
TYPE	2004	2003 1/	2004 2/	2003
Liquid	281	131	4,414	3,406
Frozen	8	89	1,084	1,765
Dried	0	0	1,724	821
Total	289	220	7,222	5,992

Inspected Shell Eggs

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

Week Ending August 07, 2004	Year-To-Date			
TYPE	2004	2003 1/	2004 2/	2003
Jumbo	17	0	289	273
Extra Large	810	150	59,520	14,197
Large	2,190	2,542	135,624	63,236
Medium	3,350	1,764	62,776	36,717
Ungraded	1,440	7,520	179,016	65,026
Misc	0	0	15,504	3,432
Total	7,807	11,976	452,729	182,881

1/ Comparable Week, to-date figures may not total due to rounding.

2/ Includes revisions to previous week (s).

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section
Source: USDA/AMS Poultry Programs, Market News Branch.

LIVE POULTRY SLTRD UNDER INSPECTION W/E 7-Aug-04

(PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
Head	1,324	1,407	2,731
Last Week	1,395	1,450	2,845
Same week yr ago	1,044	1,471	2,515
To-date/2004	41,829	40,756	82,585
To-date/2003	48,284	42,950	91,234

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
Head	192	0	192
Last Week	273	0	273
Same week yr ago	205	7	212
To-date/2004	7,464	91	7,555
To-date/2003	8,000	111	8,111

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
Head	1,516	1,407	2,923
Last Week	1,668	1,450	3,118
Same week yr ago	1,249	1,478	2,727
To-date/2004	49,293	40,847	90,140
To-date/2003	56,284	43,061	99,345

Source: USDA/AMS Poultry Programs, Market News Branch

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	August 13, 2004			
	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED	August 13, 2004			
	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	18.00	81,600	-
WTD AVERAGE		18.00		
15-20%				
RANGE	13.75-18.00	11.50-17.00	2,694,000	1,572,000
WTD AVERAGE	15.51	13.46		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED	August 13, 2004			
	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.50-18.50	19.00-22.00	1,060,000	780,000
WTD AVERAGE	17.30	21.57		
15-20%				
RANGE	16.50-22.00	15.00-20.00	2,780,000	1,820,000
WTD AVERAGE	18.11	17.33		
20% OR MORE				
RANGE	-	17.00	200,000	-
WTD AVERAGE		17.00		

CHICKEN, WITH SKIN ADDED	August 13, 2004			
	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.50-18.50	19.00-22.00	1,060,000	780,000
WTD AVERAGE	17.30	21.57		
15-20%				
RANGE	16.50-22.00	15.00-20.00	2,780,000	1,820,000
WTD AVERAGE	18.11	17.33		
20% OR MORE				
RANGE	-	17.00	200,000	-
WTD AVERAGE		17.00		

* 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.

CHICKEN	August 13, 2004			
	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED	August 13, 2004			
	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.50-18.50	19.00-22.00	1,060,000	780,000
WTD AVERAGE	17.30	21.57		
15-20%				
RANGE	16.50-22.00	15.00-20.00	2,780,000	1,820,000
WTD AVERAGE	18.11	17.33		
20% OR MORE				
RANGE	-	17.00	200,000	-
WTD AVERAGE		17.00		

CHICKEN, WITH SKIN ADDED	August 13, 2004			
	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.50-18.50	19.00-22.00	1,060,000	780,000
WTD AVERAGE	17.30	21.57		
15-20%				
RANGE	16.50-22.00	15.00-20.00	2,780,000	1,820,000
WTD AVERAGE	18.11	17.33		
20% OR MORE				
RANGE	-	17.00	200,000	-
WTD AVERAGE		17.00		

CHICKEN, WITH SKIN ADDED	August 13, 2004			
	PRICES		VOLUME	
	(Cents per Pound)			
FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.50-18.50	19.00-22.00	1,060,000	780,000
WTD AVERAGE	17.30	21.57		
15-20%				
RANGE	16.50-22.00	15.00-20.00	2,780,000	1,820,000
WTD AVERAGE	18.11	17.33		
20% OR MORE				
RANGE	-	17.00	200,000	-
WTD AVERAGE		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 AUGUST 2004.

Trade sentiment on fresh tom breast meat and fresh and frozen destrapped tenderloins was steady to barely steady. Demand light to fair for the adequate to fully adequate offerings. Some processors were moving excess white meat supplies into USDA's School Lunch program resulting in better balanced inventories. Tom drum trade sentiment was steady to barely steady, however cautious optimism was noted in response to bids being due next week for USDA's Turkey Taco Filling Program. Trade sentiment on tom full-cut wings was steady to barely steady, mostly steady; tom 2-joint wings steady at best and tom necks were attempting to find a floor. Demand on tom bulk parts ranged from fair to good on necks into domestic and export channels with the balance mostly fair. Offerings available. Trading was active on bulk parts for domestic and export shipments, balance light. For domestic: plant grade 4-8 lb. breasts 88 cents delivered October, fresh wing meat with skin 105-106, fresh scapula 106 cents delivered. For export: frozen mechanically separated turkey (MST) +60 days age 14.50, hen necks 16.50, fresh MST 18 cents delivered.

FRIDAY, AUGUST 13, 2004**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	25.00-28.00		25.56	496	27.03	876
WINGS FULL-CUT - TOMS	34.00		34.00	40	34.00	40
WINGS, V-TYPE, TOM						
TAILS	33.50		33.50	80	32.86	140
MECHANICALLY SEPARATED 2/	16.00-20.00		17.75	252	19.26	918
THIGH MEAT - FROZEN	81.00-87.00		84.21	172	80.83	988

THURSDAY, AUGUST 12, 2004**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	27.00		27.00	40
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		W	32.00	60
MECHANICALLY SEPARATED 2/		W	19.52	534
THIGH MEAT - FROZEN	78.00-81.00		79.01	356

WEDNESDAY, AUGUST 11, 2004**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	28.00-31.00		29.33	180
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS	32.00		32.00	60
MECHANICALLY SEPARATED 2/	17.00-21.00		19.52	534
THIGH MEAT - FROZEN	79.00-83.00		80.97	460

TUESDAY, AUGUST 10, 2004**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	29.00		29.00	160
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		W	32.00	80
MECHANICALLY SEPARATED 2/	18.50-25.00		21.06	132
THIGH MEAT - FROZEN		F	78.00	120

MONDAY, AUGUST 09, 2004**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	33.33	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM				
TAILS		W	32.00	80
MECHANICALLY SEPARATED 4/		F	20.00	80
THIGH MEAT - FROZEN		F	78.00	120

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.