



# INTERNATIONAL EGG AND POULTRY REVIEW

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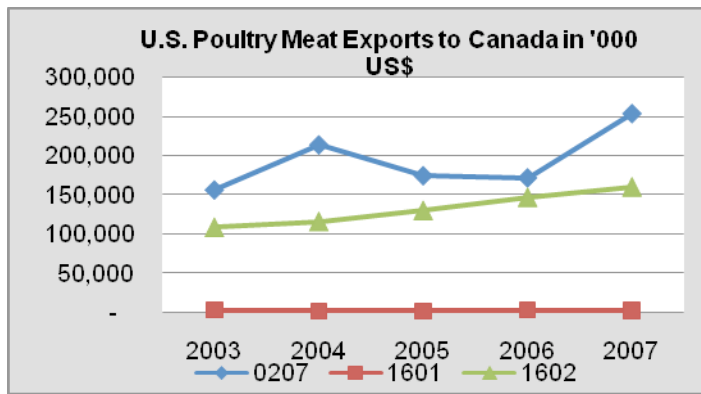
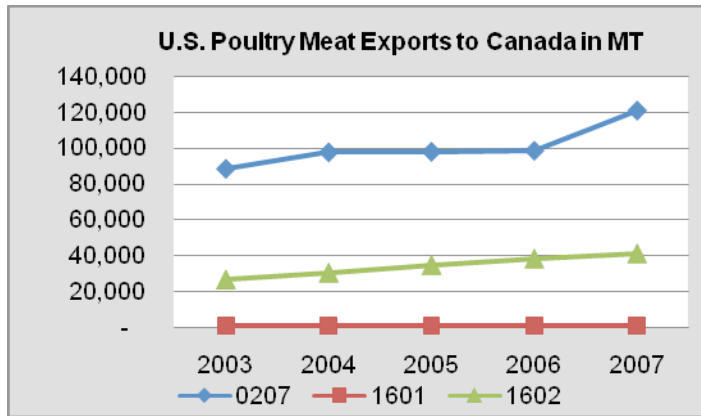
## Canada Publishes Special Agricultural Safeguard Price and Volume Triggers

The Government of Canada has given notice of the volume and price triggers that will be used to operationalize the World Trade Organization (WTO) Special Agricultural Safeguard (SSG) for Canada's supply-managed products. The Special Agricultural Safeguard is a provision that allows additional duties to be triggered automatically when import volumes rise above a certain level, or if prices fall below a certain level. The government's notice containing the price and volume triggers for the various tariff lines is available at the following website: [www.agr.gc.ca/itpd-dpci/technical/ssg\\_e.htm](http://www.agr.gc.ca/itpd-dpci/technical/ssg_e.htm)

The price trigger is an average reference price derived from average unit value of the imported product, or cost at the border of the importing country from years 1986-1988. These are historic prices and are therefore quite low and unlikely to be activated. Canada's volume trigger is based on 125% of the three-year average total imports. Canada has included supplementary imports in its calculations of the volume triggers. WTO rules require that any member taking action on the SSG notify the WTO Committee on Agriculture.

Canada's supply managed sector is protected by a tariff rate quota system that allows a fixed quantity (quota) of a product into Canada at a low tariff rate and, once that quota has been reached, subsequent imports of the product are subject to prohibitively high tariffs. However, Canada regularly issues supplementary import permits, such as when there are product shortages in the domestic market, and for the Import to Re-Export Program (IREP), where chicken processors can import chicken under a supplementary import license for use in processing provided they export the associated processed product. These supplementary imports are not subject to the high over-quota access tariffs (i.e. tariff free). As a result, total import volume levels often appear to exceed the established quota level by a substantial amount.

Source: USDA/FAS



Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

### Summary of Canada's Tariff Rate Quota Imports for 2007, in kilograms, unless otherwise noted

	TRQ Global Allocation	Supplementary Import Permits			Total	
		To Cover a Shortage	To Compete (FTA Sector)	To Export (IREP)		
<b>Eggs and Egg Products</b>						
0407001820	*Fresh Eggs	8,741,878	410,221	0	0	9,152,099
0407001822	*Breaking Stock	3,399,968	3,469,340	0	0	6,869,308
0408111000	Dried Yolk	8,165	0	0	0	8,165
0408191000	Yolk, not dried	222,905	216,948	0	403,784	843,637
040891100	Dried Whole Egg	324,548	0	0	0	324,548
040899100	Whole Egg, not dried	358,707	494,785	0	192,328	1,045,820
3502111000	Dried Whites	617,997	0	0	0	617,997
3502191000	Whites, not dried	0	143,193	0	972,521	1,115,714
*dozens						
<b>Poultry - Chicken</b>						
0207, 0209, 0210, 1601, 1602		76,158,887	0	1,439,995	74,269,336	151,868,218
<b>Poultry - Turkey</b>						
0207, 0209, 0210, 1601, 1602		5,355,855	0	60,752	827,985	6,244,592

Note: The issuance of a permit is not a confirmation that the product was imported.  
FTA = Free Trade Agreement IREP=Import Re-Export Program.

**INSPECTED EGG PRODUCTS –**

**U.S. & CANADA IMPORT/EXPORT TRADE**

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

Week Ending Sept 13, 2008	Year-To-Date			
Type	2008	2007 /1	2008 /2	2007
Liquid	95	0	639	2,711
Frozen	0	40	39	65
Dried	0	0	444	489
Total	95	40	1,122	3,265

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

Week Ending Sept 13, 2008	Year-To-Date			
Type	2008	2007 /1	2008 /2	2007
Liquid	361	270	13,927	11,964
Frozen	11	3	409	266
Dried	40	40	473	699
Total	412	313	14,809	12,929

**Inspected Shell Eggs**

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

Week Ending Sept 13, 2008	Year-To-Date			
Type	2008	2007 /1	2008 /2	2007
Jumbo	0	0	0	0
Extra Large	2,250	1,620	47,500	34,519
Large	2,440	150	53,495	55,650
Medium	2,160	3,666	33,746	40,859
Ungraded	14,340	2,910	274,187	61,118
Misc	0	0	5,974	7,105
Total	21,190	8,346	414,902	199,251

/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

**U.S./CANADIAN LIVE POULTRY SLTRD UNDER INSPECTION**

W/E 13-Sep-08 (Preliminary)

**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
Head	1,358	1,769	3,127
Last Week	1,092	1,524	2,616
Same week yr ago	947	1,551	2,498
To-date/2008	51,292	59,704	110,996
To-date/2007	40,798	53,547	94,345

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

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
Head	357	0	357
Last Week	223	0	223
Same week yr ago	463	3	466
To-date/2008	12,056	50	12,106
To-date/2007	9,524	26	9,550

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	1,715	1,769	3,484
Last Week	1,315	1,524	2,839
Same week yr ago	1,410	1,554	2,964
To-date/2008	63,348	59,754	123,102
To-date/2007	50,322	53,573	103,895

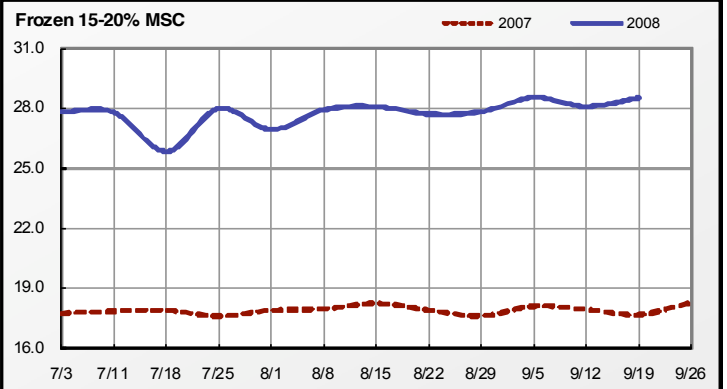
**NATIONAL MECHANICALLY SEPARATED CHICKEN**

(F.O.B. Shipper Dock or equiv., negotiated prices in trucklot and less-than-trucklot volumes reported in thousand lb quantities, cents/lb; delivery within 2 weeks.)

The MSC market tone was steady to fully steady. Supplies of fresh 15-20% were adequate to well cleared; frozen in close balance to tight and held with confidence. Demand for fresh and frozen product was fair to good. Supplies of raw materials were close. Domestic and export trading was moderate to good with most inquiry from Mexico and Central American countries. Schedules were seasonally normal with a few disruptions due to equipment issues and storm impacts. Very few buyers and sellers have begun 2009 contract negotiation discussions this and last week with little to report. The majority are waiting until October and November to begin, though it is on everyone's minds.

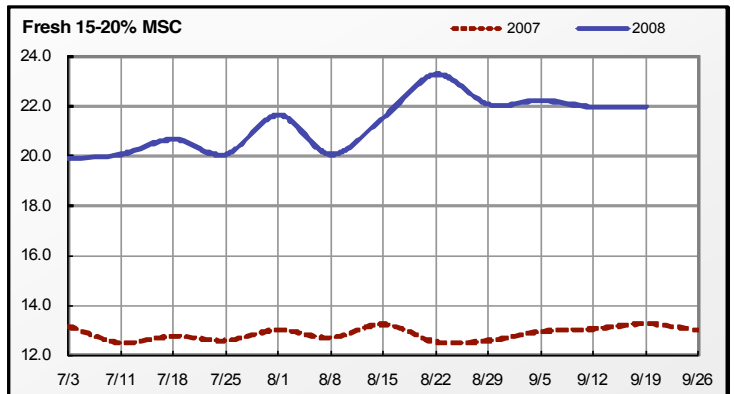
**Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)**

Fat Content	Frozen			Fresh		
	19-Sep-08	Last Week	Last Year	19-Sep-08	Last Week	Last Year
<b>15% or Less</b>						
Price Range		28.00	18.00	27.00 - 27.50	27.00 - 27.50	13.00-16.00
Wtd Avg Price		28.00	18.00	27.13	27.14	15.57
Volume Traded	-	156	261	302	282	469
Volume Exported	-	156	261	-	-	-
<b>15-20%</b>						
Price Range	25.00 - 35.00	24.00 - 32.00	16.00-21.00	18.00 - 27.00	18.00 - 27.00	11.00-16.00
Wtd Avg Price	28.53	28.10	18.29	21.99	21.98	13.00
Volume Traded	1,926	1,964	1,008	3,209	3,487	2,208
Volume Exported	1,726	1,318	988	1,223	1,013	286
<b>20% or More</b>						
Price Range	-	-	-	21.00	21.00	14.00
Wtd Avg Price	-	-	-	21.00	21.00	14.00
Volume Traded	-	-	-	80	80	80
Volume Exported	-	-	-	-	-	-



**Monthly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)**

Fat Content	Frozen			Fresh		
	Aug 2008	Jul 2008	Aug 2007	Aug 2008	Jul 2008	Aug 2007
<b>15% or Less</b>						
Wtd Avg Price	29.00	30.00	18.35	25.52	23.72	15.94
Volume Traded	320	40	1,260	1,508	647	2,030
Volume Exported	280	-	1,097	-	-	-
<b>15-20%</b>						
Wtd Avg Price	27.61	27.53	17.96	21.74	20.16	12.77
Volume Traded	7,046	5,069	7,270	14,374	12,334	10,697
Volume Exported	5,761	4,269	6,564	2,757	2,830	2,336
<b>20% or More</b>						
Wtd Avg Price	-	-	-	21.00	-	14.00
Volume Traded	-	-	-	522	-	440
Volume Exported	-	-	-	-	-	-



Note: Volume exported refers to that portion of the total volume that is destined for export markets.

**NATIONAL YOUNG TURKEY PARTS**, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 19 SEPTEMBER 2008.

The market tone on tom breast meat was steady to barely steady. Inquiry light to moderate with sellers resisting the lower buyer bids on frozen while trying to increase internal usage. Offerings available. The market tone on destrapped tenderloins was steady to weak with increased demand and trading noted at the lower trending price levels. Offerings adequate to instances burdensome and gradually becoming better balanced. The market tone on the balance of white meat was steady to instances firm. Demand moderate to instances good for the short to adequate offerings. The market tone on 4-8 lb. breasts was cautiously steady to steady for the light to instances moderate buyer interest. Offerings adequate to sometimes fully adequate. The market tone on institutional sized breasts ranged from cautiously steady to steady on non-basted Grade As with instances of increased confidence noted to steady to barely steady on the balance. Some improved demand and trading was being noted while other buyers continued to buy hand to mouth. Offerings varied by plant and ranged adequate to ample. Trading slow to moderate. For domestic: tom defatted gizzards 88, fresh scapula 123-127, Grade A non-basted rib breasts - 8-10 lb. 150, 12-14 lb. 180, 14-16 lb. 175-180, 16-18 lb. 175, plant grade breasts - 10-12 lb. 145, 18-20 lb. 165 cents delivered. For export: tom necks 31 cents delivered.

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>	<b>WEEKLY</b>	<b>WEEKLY</b>
<b>FRIDAY, SEPTEMBER 19, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>	<b>PRICE</b>	<b>VOLUME</b>
						<b>(000)</b>
DRUMSTICKS, TOMS	53.00-54.00		53.38	350	53.18	724
WINGS FULL-CUT - TOMS	44.00		44.00	54	44.60	134
WINGS, V-TYPE, TOM	62.00-69.00		66.00	324	67.20	540
TAILS		R	46.40	200	46.38	260
MECHANICALLY SEPARATED 2/		R	29.00	120	29.00	120
THIGH MEAT - FROZEN	100.00-105.0		101.91	188	101.91	188

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>THURSDAY, SEPTEMBER 18, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	54.00		54.00	54
WINGS FULL-CUT - TOMS	45.00		45.00	80
WINGS, V-TYPE, TOM	69.00		69.00	216
TAILS	46.00-47.00		46.40	200
MECHANICALLY SEPARATED 2/	29.00		29.00	120
THIGH MEAT - FROZEN		F	100.00	108

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>WEDNESDAY, SEPTEMBER 17, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	53.00-54.00		53.50	160
WINGS FULL-CUT - TOMS		F	43.67	240
WINGS, V-TYPE, TOM		F	63.43	378
TAILS	45.00		45.00	20
MECHANICALLY SEPARATED 2/				
THIGH MEAT - FROZEN		F	100.00	108

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>TUESDAY, SEPTEMBER 16, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	52.50		52.50	120
WINGS FULL-CUT - TOMS		F	43.67	240
WINGS, V-TYPE, TOM		F	63.43	378
TAILS	47.00		47.00	40
MECHANICALLY SEPARATED 2/				
THIGH MEAT - FROZEN		F	100.00	108

<b>EXPORT TRADING</b>	<b>PRICE</b>	<b>L.S.T.</b>	<b>WTD AVG</b>	<b>VOLUME</b>
<b>MONDAY, SEPTEMBER 15, 2008</b>	<b>RANGE</b>	<b>CODE 1/</b>	<b>PRICE</b>	<b>(000)</b>
DRUMSTICKS, TOMS	51.00		51.00	40
WINGS FULL-CUT - TOMS		F	43.67	240
WINGS, V-TYPE, TOM		F	63.43	378
TAILS		R	45.00	80
MECHANICALLY SEPARATED 2/				
THIGH MEAT - FROZEN		F	100.00	108

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.