

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Required Report - public distribution

Date: 9/15/2011

GAIN Report Number: CH11043

China - Peoples Republic of

Poultry and Products Annual

2011

Approved By:

Scott Sindelar

Prepared By:

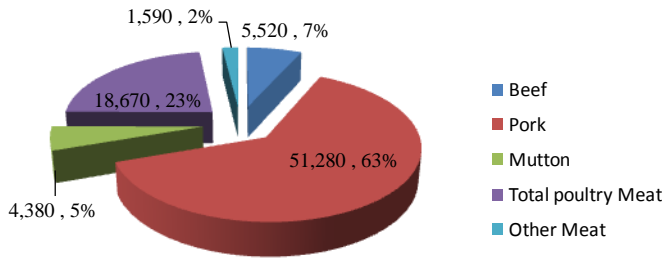
Michael Woolsey, Chanda Beckman, and Jianping Zhang

Report Highlights:

FAS Beijing forecasts China's broiler meat production in 2012 will continue modest growth, rising nearly five percent to 13.8 million metric tons (MMT) from an estimated 13.2 MMT in the previous year. Meanwhile, China's broiler meat imports will decline 13 percent to 200,000 metric tons (MT) following a 20 percent decline in 2011. Antidumping (AD) and countervailing duties (VCD) placed on U.S. products in 2010 continue to limit imports. Higher Chinese pork and broiler meat prices will encourage higher imports of U.S. turkey meat, estimated to rise by 21 percent to 47,000 MT. China's broiler meat exports are expected to continue to be higher, up nine percent to 445,000 MT in 2012 fueled by strong demand in Japan and Hong Kong.

Executive Summary:

Chart 1: FAS Beijing's Forecast for China's Total Meat Production in 2012 (1,000 MT)



FAS Beijing (Post) forecasts China’s broiler meat production will continue higher, rising nearly five percent to 13.8 million metric tons (MMT) from an estimated 13.2 MMT in the previous year. Rising broiler meat prices are more than offsetting still high feed costs.

Total poultry production in 2012, including goose and duck production, is forecast to account for 23 percent of Chinese total meat production.

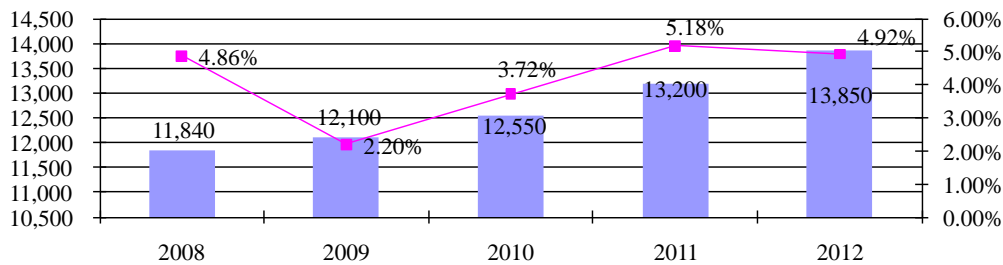
Broiler meat imports in 2012 (not including chicken claws) are forecast to fall 13 percent to 200,000 metric tons (MT) following an estimated 20 percent decline in 2011 due primarily to sharply lower imports from the United States resulted from China’s measures of anti-dumping duties (AD) beginning February 2010 and countervailing duties (CVD) in August 2010 on U.S. broiler product exports to China. These measures are expected to continue into 2012. Chicken claws will continue to dominate overall broiler meat imports with chicken wings accounting for most of the remainder. So far, higher shipments from South America have not completely offset reduced U.S. shipments to China.

China’s broiler meat exports in 2012 are forecast to increase over nine percent to 445,000 MT, following an eight percent increase in the previous year. Consumer demand in Japan and Hong Kong has been particularly brisk in 2011, and industry contacts are expecting continued higher sales in 2012.

Broiler Meat

Broiler Production in 2012 will continue higher

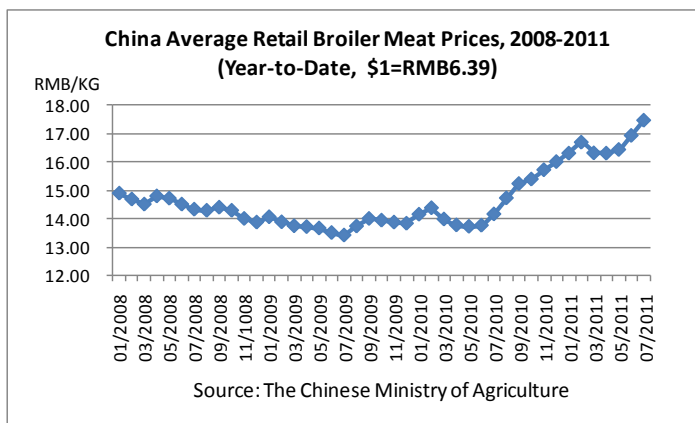
Chart 2: China Broiler Meat Production, 2008-2012 (1,000 MT)



Source: FAS Beijing forecasts

Broiler meat output is expected to jump nearly five percent in 2012 to 13.8 MMT, following another five percent increase in 2011. Including duck and goose, total Chinese poultry meat production will also rise five percent to 18.7 MMT. Fueled by strong demand, Chinese broiler meat output growth is outpacing all other meats in 2011. Considerably higher pork prices in 2011, combined with expected lower broiler meat imports in 2012, are helping to fuel rising broiler meat production. High prices for pork are expected to continue into 2012.

In July 2011, the price of broiler meat average was \$2,737 (RMB17,490) per up 24 percent from the same month a ago. Strong pricing and demand for chicken is offsetting continued high prices and encouraging producers to expand placements. Compared to red and feed ratios (8:1 for beef and 3:1 for pork), broiler meat is the most efficient just over 2.5:1, thus keeping broiler producer feed costs relatively low. Pork prices are a major driver in the



on
MT,
year
local
feed
meat
at

domestic meat market as pork accounts for most Chinese meat consumption. Record high pork prices this year have helped push broiler meat price to its highest level in the last four years. Reduced imports from the United States following China's implementation of AD and CV duties in 2010 are also helping to boost local prices.

Chinese broiler meat production is being supported by lower rates of reported disease, as China's continued shift toward larger-sized and more standardized commercial production boosts disease control. These farms raise broilers in isolated facilities, thus reducing risks of spreading highly pathogenic avian influenza (HPAI), China's greatest avian disease threat affecting mostly backyard and other small operations. The table below reveals the number of larger operations is expanding while the number of small-sized operations continues to shrink. While still a tiny share of total broiler farms, larger operations now account for a significant share of China's poultry meat output and this continues to rise.

	2,007	2,008	2,009	% Change 2009/08
Annual slaughter (Bird)	Farms	Farms	Farms	Farms
1-1,999	28,613,036	27,127,006	26,609,204	-1.91
2,000-9,999	388,233	358,688	348,327	-2.89
10,000-49,000	131,087	136,833	155,017	13.29
50,000-99,999	10,204	12,405	14,802	19.32
100,000-499,999	2,161	2,623	3,531	34.62
500,000-999,999	192	344	369	7.27
1,000,000 and above	128	147	202	37.41

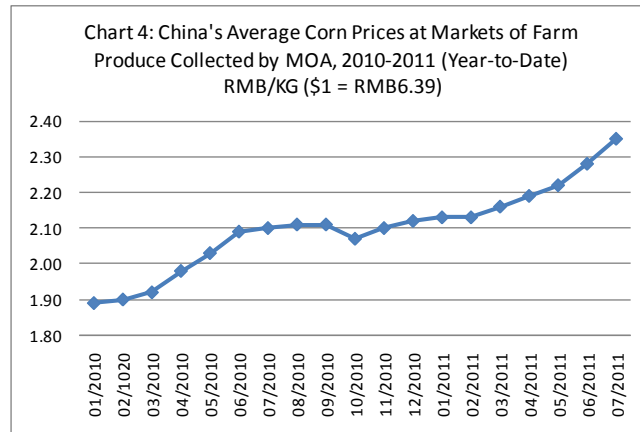
Source: The Ministry of Agriculture

Minimum volumes for contracted household farms are also reportedly rising, especially in Shandong Province which is China's largest producing province, in some cases to more than 5,000 birds per delivery instead of the previous 2,000 birds per delivery for contracts. This has encouraged smaller operators to improve their production capacity and facilities.

A large and steadily rising inventory of grandparent-generation (GPG) breeding broilers is paving the way for higher commercial bird production in 2012. All GPG breeding western-bred broilers must be imported. Imports in January-June 2011 increased 29 percent over the same period in the previous year. Industry contacts informed Post that total imports in 2011 are forecast at 1.1 million set (1 set = 120 birds), a record high, with especially strong sales in the last quarter of 2011 to prepare for higher expected output in 2012. These imports in the previous three years were 800,000, 960,000, and 973,000 sets respectively. Government support for broiler producers is far lower than for pork, and price fluctuations for poultry meat are generally lower. As the second largest animal protein in China, broiler meat plays an important role as a substitute meat when pork supplies are short.

Meanwhile, higher demand for local goose and duck is also expected in 2012 as duck meat is increasingly perceived as healthier than other meats with less fat and cholesterol. Producers report a new poultry disease that affected water fowl production in Southern China in 2010 is now under control. Increasing exports of goose livers, down garments or bed products will also help drive production in the coming year.

While improving scale economies and integration is improving competitiveness, Chinese poultry operators, like beef and producers, continue to be challenged by high feed costs. Corn normally accounts 60 percent of broiler feed. MOA data collected from over 400 markets of farm produce in Chart 4 indicate that China's corn price on average in July 2011 topped (RMB 2.75) per kilogram, compared to (RMB2.1) in the same month in the previous year.



Short labor supplies and higher labor costs will become long-term constraints for animal and poultry production. China's implementation of the one-child policy over the last 31 years since 1980 continues to reduce the labor force as an overall share of the population. Official data shows that by the end of 2010, aged population reached 178 million accounting for 13.26 percent of China's total population. Keeping young workers on the farm is increasingly difficult as younger Chinese consider farm work dirty and rural life less interesting than previous generations.

Both total and per capita broiler consumptions are on the rise

China's total broiler meat consumption in 2012 is forecast to rise four percent to 14 MMT (not including chicken claws), following a five percent increase in the previous year. This will maintain Chinese per capita broiler consumption at 10 kilograms as in the previous year, which is one kilogram higher than 2010.

Continued demand gains are bolstered lower cost of broiler meat compared to Chinese red meats (please see chart 5). Broiler meat has played an important substituting red meats when prices are due to short supplies. The efficient grain ratio for broilers reduces production costs and helps keep broiler prices competitive.

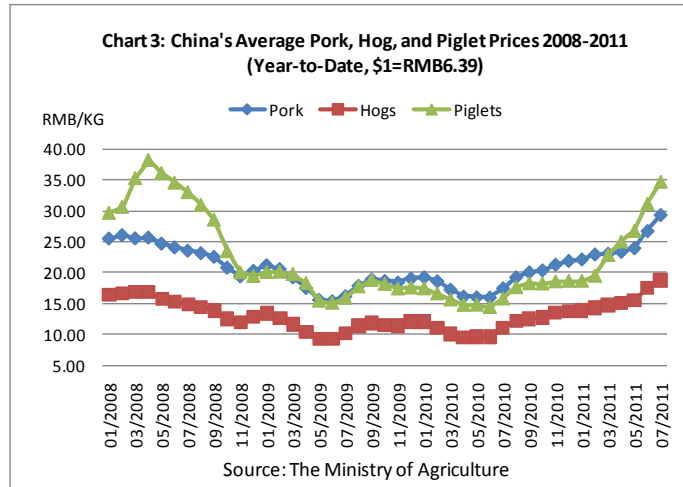
Meanwhile, consumption of other poultry, such as goose, duck, and turkey are also on the rise. Goose and duck are considered healthier than alternative with less fat and cholesterol. Consumption gains are also bolstered by more popularity of local specialties, such as Beijing roasted duck, Nanjing salted duck, and Guangdong roasted goose, and the convenience of ready-to-eat sales at supermarkets or specialty food chain shops, such as cooked "duck neck shops." Ready-to-eat products are particularly popular among younger urbanized Chinese. Supermarkets also provide raw half carcass cuts for consumers who want to cook at home but do not want to buy the whole bird due to large size.

Almost all turkey products are imported. Cooked drum legs or wings account for most turkey meat sales. Local consumers normally prefer ready-to-eat (RTE) turkey middle-part wings and drum legs sold at supermarkets. Turkey products are mostly consumed in larger cities with better economies and more consumers willing to try new products. Roast turkey meat is often served at high-end hotels and restaurants, especially Western food restaurants, while local supermarkets provide RTE turkey cuts to home consumers.

Broiler meat imports are expected to fall 13 percent

Post forecasts China's broiler meat imports in 2012 will decline 13 percent to 200,000 MT (not including chicken claws), following an estimated 20 percent decline in the previous year, mainly attributed to the previously mentioned AD and CVD measures on U.S. broiler product exports to China.

Chicken claw imports will continue to dominate China's total broiler product imports in both 2011 and 2012 accounting for over two-third of China's total broiler product imports because of strong domestic demand. Claw imports in 2011 are forecast at nearly 300,000 MT, a 42 percent decline from 2010 due to the AD and CVD measures against the U.S. exports to China.



by the
role
high
feed-
meat
meat
meats
meats

Chinese broiler meat imports (not including chicken claws) in 2012 from the United States are forecast to drop 20 percent to estimated 24,000 MT, following a 51 per percent decline in the previous year, while chicken claw imports from the United States are forecast to decline 15 percent to 21,500 MT following a 75 percent decline from the previous year. Before China's implementation of the AD and CVD duties, the United States was China's largest broiler product supplier. Overall, U.S. product (including broiler meat and chicken paws) in 2009 accounted for 85 percent of China's total broiler product imports. At the moment, U.S. share is only 10 percent. Limited volumes of U.S. claw shipments will continue despite the AD and CVD duties due to strong market prices in China.

Higher shipments from South America cannot completely offset sharply lower imports from the United States due to capacity limitations on South American product. In addition, traders are reporting that quality is sometimes uneven on South American product compared to other suppliers. With tighter import supplies due to the AD/CVD duties against U.S. exports to China, China's broiler import prices have risen markedly, reaching \$2,219/MT in July 2011, up almost 30 percent from the same month in 2010.

Turkey meat imports are expected to continue strong

Given strong domestic demand and small local production, Chinese turkey meat imports in 2012 are forecast to approach 47,000 MT, up about 21 percent from estimated 39,000 MT shipments in 2011.

Shipments in 2011 will be 70 percent higher than 2010 due mostly to higher domestic prices for pork and broiler meat, making turkey meat a price competitive alternative. The United States is the largest supplier to China's imports accounting for almost 90 percent of China's total imports. This pattern will not likely change in 2012.

Broiler exports in 2012 are forecast to rise nine percent

China's broiler exports in 2012 are expected to increase nine percent to 445,000 MT, following an estimated eight percent increase in 2011. Exporters are reporting robust growth in nearly all of China's key markets, with Japan and Hong Kong continuing to lead sales accounting for nearly 80 percent of the total combined.

Sales to Japan are bolstered by an improving economy compared to the same period last year and shippers expect continued strong sales in 2012. In Hong Kong, mainland Chinese chicken cut imports are rising along with overall sales of fresh/chilled chicken, which increased eight percent from January to July 2011. Environmental concerns are reducing sales of live broilers and encouraging a shift to fresh/chilled cuts, a trend that will continue to support sales to Hong Kong in 2012.

Poultry Eggs

Poultry egg production in 2012 will continue modest growth

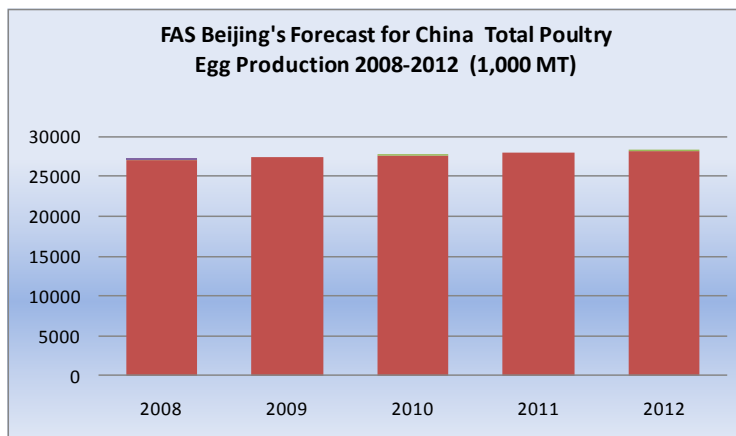
China is the world's largest poultry egg producing country and total production in 2012 is forecast to grow moderately one percent to 28.3 MMT from estimated 27.9 MMT in the previous year. Current year production appears slightly higher than Post's previous forecast because of a better control of the avian leucosis virus (J-ALV).

Since 2009, China's GPG breeding supplies started to change, given domestic expansion of GPG breeding layer production with Company in Beijing taking the Imports of GPG breeding layers 2009 accounted for 70 percent of China's total market demand. In total imports are forecast at 270-280,000 sets, but import share is estimated to drop to 60 percent. supply pattern change is expected continue into 2012 as Yukou is

building a third GPG breeding layer farm with an expected additional inventory of 125,000 sets of GPG breeding birds in the spring of 2012. It is reported Yukou could be able to provide nearly 10 million parent-generation (PG) breeding layers in the coming year. As a result, U.S. exports to China, which account for 70 percent of China's breeding stock imports, could be challenged in the coming years.

Chinese poultry egg producers are facing higher production costs which are dampening output growth potential. In July 2011, China's commercial layer chick price topped \$0.53 (RMB3.36) per bird, up 38 percent from the same month in the previous year. Corn normally accounts for 55-60 percent of chicken feed. Higher corn prices combined with other higher production materials pushed layer feed price to \$443 (RMB2,830) MT in July 2011. Labor shortage will become a concern. These factors will keep egg production growth at a low pace next year.

China does not import table eggs. Over 90 percent of Chinese egg exports are fresh table eggs to Hong Kong, Macau, and Japan, the traditional Chinese export markets. Exports in 2011 are expected to fall over three percent, due to higher export prices caused by domestic inflation. In January-July 2011, export prices rose 24 percent for Hong Kong and Macau markets.



layer
Yukou
lead.
before
2011,
The
to

Broiler PS&D Table

Poultry, Meat, Broiler China	2010		2011		2012		
	Market Year Begin: Jan 2010		Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Inventory (Reference)	0		0			0	(MIL HEAD)
Slaughter (Reference)	9,407	9,407	9,777	9,910		10,369	(MIL HEAD)
Beginning Stocks	0	0	0	0		0	(1000 MT)
Production	12,550	12,550	13,200	13,200		13,800	(1000 MT)
Whole, Imports	0	0	0	0		0	(1000 MT)
Parts, Imports	286	286	230	230		200	(1000 MT)
Intra-EU Imports	0	0	0	0		0	(1000 MT)
Other Imports	0	0	0	0		0	(1000 MT)
Total Imports	286	286	230	230		200	(1000 MT)
Total Supply	12,836	12,836	13,430	13,430		14,000	(1000 MT)
Whole, Exports	0	0	0	0		0	(1000 MT)
Parts, Exports	379	412	440	430		445	(1000 MT)
Intra EU Exports	0	0	0	0		0	(1000 MT)
Other Exports	0	0	0	0		0	(1000 MT)
Total Exports	379	412	440	430		445	(1000 MT)
Human Consumption	12,457	12,424	12,990	13,000		13,555	(1000 MT)
Other Use, Losses	0	0	0	0		0	(1000 MT)
Total Dom. Consumption	12,457	12,424	12,990	13,000		13,555	(1000 MT)
Total Use	12,836	12,836	13,430	13,430		14,000	(1000 MT)
Ending Stocks	0	0	0	0		0	(1000 MT)
Total Distribution	12,836	12,836	13,430	13,430		14,000	(1000 MT)
CY Imp. from U.S.	150	61	0	30		24	(1000 MT)
CY Exp. to U.S.	0		0				(1000 MT)
Balance	0	0	0	0		0	(1000 MT)
Inventory Balance	0	0	0	0		0	(1000 MT)
Production Change	4	4	5	5		5	(PERCENT)
Import Change	-29	-29	-20	-20		-13	(PERCENT)
Export Change	30	30	16	4		3	(PERCENT)
Trade Balance	93	126	210	200		245	(1000 MT)
Consumption Change	2	2	4	5		4	(PERCENT)
Population	1,347,563,498	1,341,550,000	1,356,818,737	1,348,257,750		1,354,999,039	(PEOPLE)
Per Capita Consumption	9	9	10	10		10	(KG)
TS=TD		0		0		0	

(Data included in this report is not official USDA data. Official USDA data is available at <http://www.fas.usda.gov/psdonlineonline>)

Poultry Trade Matrices

China Direct Broiler Meat Imports, 2009-2011 (Year-To-Date; Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
Origin	Quantity	Quantity	Quantity Comparison		% Change
	2009	2010	2010	2011	2011/10
World	722,766	517,173	324,995	227,419	-30.02
Brazil	27,793	285,688	157,344	164,164	4.33
Argentina	68,435	129,927	102,149	32,323	-68.36
United States	613,682	85,897	58,867	20,440	-65.28
Chile	12,217	12,909	6,480	7,783	20.11
France	610	2,313	74	2,255	0.00
Other	29	439	81	454	460.49

HS Code: 020711, 020712, 020713, 020714, and 160232
 Note: Chicken claw imports under HS Code 02071422 for China are included in this table, but excluded in the PS&D table.
 Source: Global Trade Atlas

China Direct Chicken Claw Imports, 2009-2011 (Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
Origin	Quantity	Quantity	Quantity Comparison		% Change
	2009	2010	2010	2011	2011/10
World	383,166	321,076	201,977	119,598	-40.79
Brazil	16,374	177,167	100,814	87,491	87491.00
Argentina	55,395	92,987	71,594	22,224	-68.96
Chile	7,672	8,163	4,220	4,513	6.94
United States	303,503	40,827	25,349	4,219	-83.36
France	223	1,883	0	1,151	0.00
Other	0	49	0	0	0.00

HS Code: 020714.22 for China
 Source: Global Trade Atlas
 Note: Chicken claws are excluded from the broiler PS&D table.

Hong Kong Broiler Meat Re-Exports to China, 2009-2011 (Year-To-Date; Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
Origin	Quantity	Quantity	Quantity Comparison		% Change
	2009	2010	2010	2011	2011/10
World	194,856	313,815	216,492	83,324	-61.51
Brazil	86,203	174,820	105,152	65,221	-37.97
United States	76,229	77,901	62,421	11,652	-81.33

Argentina	6,156	35,342	29,325	3,119	-89.36
Denmark	2,184	1,668	1,104	684	-38.04
Turkey	1,867	2,860	1085	447	-58.80
Chile	1,980	1,981	1,189	366	-69.22
Netherlands	1,778	2,132	1336	316	-76.35
Poland	1,890	3,019	2,660	295	-88.91
France	1,487	1,358	629	295	-53.10
Australia	634	1,104	650	168	-74.15
Spain	202	1,048	866	111	-87.18
United Kingdom	1,006	1,395	1171	101	-91.37
Saudi Arabia	427	504	453	98	-78.37
Germany	1,048	1,118	833	54	-93.52
Canada	4,655	1,827	1645	25	-98.48
Syria	753	1,334	1101	0	-100.00
Other	6,357	4,404	4,872	372	-92.36
HS Code: 020711, 020712, 020713, 020714, and 160232					
Note: Chicken claw re-exports under HS Code 02071410 for Hong Kong are included in this table, but excluded in the PS&D table.					
Source: Global Trade Atlas					

Hong Kong Chicken Claw Re-Exports to China, 2009-2011 (Year-To-Date; Metric Tons)					
Origin	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
	2009	2010	2010	2011	2011/10
World	133,203	224,889	149,733	65,025	-56.57
Brazil	62,746	125,841	74,815	49,123	-34.34
United States	53,638	61,903	48,543	10,520	-78.33
Argentina	4,779	22,010	16,968	2,829	-83.33
Turkey	84	2,260	536	447	-16.60
Denmark	1,751	1,194	903	371	-58.91
Chile	1,584	1,246	687	366	-46.72
France	411	658	153	243	58.82
Australia	482	947	574	141	-75.44
Netherlands	163	1,083	421	137	-67.46
Poland	882	1,790	1,585	124	-92.18
Spain	51	697	538	111	-79.37
Germany	687	576	393	54	-86.26
Saudi Arabia	402	27	27	48	77.78
United Kingdom	366	753	628	27	-95.70

Canada	858	333	228	25	-89.04
Syria	221	658	658	0	-100.00
Other	4,098	2,913	2,076	459	-77.89
HS Code: 02071410					
Source: Global Trade Atlas					
Note: Chicken claw re-exports are excluded in the PS&D table					

China Direct Turkey Meat Imports, 2009-2011 (Year-to-Date, Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2009	2010	2010	2011	2011/10
World	26,881	25,980	10,749	18,385	71.04
United States	25,298	23,040	8,689	17,119	97.02
Chile	1,582	2,899	2,060	1,267	-38.50
Other	1	50	0	0	0.00
HS Code: 020724, 020725, 020726, 020727, and 160231					
Source: Global Trade Atlas					

China Broiler Meat Exports, 2009-2011 (Year-To-Date; Metric Tons)					
	Jan-Dec	Jan-Dec	Jan-Jul		Jan-Jul
	Quantity	Quantity	Quantity Comparison		% Change
Destination	2009	2010	2010	2011	2011/10
World	291,272	378,716	203,796	239,388	17.46
Japan	134,377	180,558	98,452	121,746	23.66
Hong Kong	113,279	136,981	72,760	74,588	2.51
Malaysia	17,041	23,553	13,002	17,677	35.96
Bahrain	4,137	5,639	3,091	3,363	8.80
Iraq	1,403	2,152	1,635	3,585	119.27
Kyrgyzstan	4,459	3,958	1,835	3,246	76.89
Netherlands	2,447	1,999	869	2,560	194.59
United Kingdom	1,295	4,483	1,522	2,386	56.77
Korea South	3,570	4,126	2,341	2,308	-1.41
Macau	3,095	2,863	1,629	1,610	-1.17
United Arab Emirates	995	2,875	1,848	627	-66.07
Armenia	421	1,300	403	605	50.12
Afghanistan	602	2,433	1,183	520	520.00
Other	4,151	5,796	3,226	4,567	
HS Code: 020711, 020712, 020713, 020714 & 160232					
Source: Global Trade Atlas					
Note: China does not export chicken claws					

Poultry price tables

China Retail Broiler Meat Prices On Average, 2007-2011 (Year-To-Date) (RMB/KG, \$1=RMB6.39)					
MONTH	2008	2009	2010	2011	% Change 2011/10
January	14.90	14.06	14.15	16.32	15.34
February	14.69	13.88	14.38	16.71	16.20
March	14.51	13.74	13.98	16.33	16.81
April	14.80	13.71	13.77	16.32	18.52
May	14.72	13.66	13.72	16.45	19.90
June	14.51	13.50	13.76	16.95	23.18
July	14.33	13.41	14.16	17.49	23.52
August	14.29	13.73	14.73		
September	14.40	14.00	15.24		
October	14.29	13.94	15.40		
November	14.00	13.87	15.73		
December	13.87	13.83	16.02		

Source: The Ministry of Agriculture

China Retail Live Chicken Prices On Average, 2007-2011 (Year-To-Date) (RMB/KG, \$1=RMB6.39)					
MONTH	2008	2009	2010	2011	% Change 2011/10
January	13.97	14.16	13.98	16.30	16.60
February	14.53	13.99	14.28	16.89	18.28
March	14.31	13.70	13.82	16.35	18.31
April	14.59	13.57	13.55	16.34	20.59
May	14.42	13.47	13.50	16.41	21.56
June	14.13	13.37	13.58	16.89	24.37
July	13.89	13.28	13.93	17.38	24.77
August	13.91	13.66	14.45		
September	14.15	14.00	15.03		
October	14.08	13.82	15.40		
November	13.84	13.71	15.60		
December	13.72	13.83	15.95		

Source: The Ministry of Agriculture

China Broiler Chicklet Prices On Average, 2007-2011 (Year-To-Date) (RMB/KG, \$1=RMB6.39)					
MONTH	2008	2009	2010	2011	% Change 2011/10
January	2.64	2.06	2.06	2.57	24.76
February	2.83	2.31	2.23	2.69	20.63
March	2.89	2.55	2.27	2.83	24.67
April	3.49	2.47	2.13	2.92	37.09
May	3.39	2.24	2.00	2.95	47.50
June	2.87	2.48	1.89	3.12	65.08
July	2.45	2.03	2.26	3.26	44.25
August	2.55	2.37	2.46		
September	2.77	2.32	2.51		
October	2.77	2.18	2.51		
November	2.42	2.08	2.68		
December	2.13	2.17	2.77		

Source: The Ministry of Agriculture

China Egg Layer Chicklet Prices On Average, 2007-2011 (Year-To-Date) (RMB/KG, \$1=RMB6.39)					
MONTH	2008	2009	2010	2011	% Change 2011/10
January	2.61	2.33	2.35	2.81	19.57
February	2.74	2.42	2.40	2.89	20.42
March	2.74	2.57	2.49	3.00	20.48
April	2.95	2.62	2.47	3.05	23.48
May	2.92	2.57	2.40	3.11	29.58
June	2.84	2.48	2.35	3.22	37.02
July	2.65	2.40	2.43	3.36	38.27
August	2.64	2.50	2.62		
September	2.68	2.55	2.74		
October	2.68	2.48	2.71		
November	2.46	2.40	2.76		
December	2.36	2.38	2.82		

Source: The Ministry of Agriculture

China Retail Chicken Egg Prices On Average, 2007-2011 (Year-To-Date) (RMB/KG, \$1=RMB6.39)					
MONTH	2008	2009	2010	2011	% Change 2011/10
January	7.92	7.56	7.97	9.87	23.84
February	7.98	7.43	8.09	10.07	24.47
March	7.64	7.31	7.77	9.38	20.72
April	7.52	7.44	7.57	9.20	21.53
May	7.66	7.58	7.54	9.51	26.13
June	7.84	7.57	7.68	10.07	31.12
July	7.80	7.42	7.99	8.69	8.76
August	8.04	7.86	8.66		
September	8.47	8.30	8.50		
October	8.15	8.04	9.05		
November	7.60	7.81	9.43		
December	7.50	7.86	9.63		

Source: The Ministry of Agriculture

China Industry Feed Prices for Broilers on Average, 2007-2011 (Year-To-Date) (RMB/KG, \$1=RMB6.39)					
	2008	2009	2010	2011	% Change 2011/10
January	2.66	2.69	2.85	2.96	3.86
February	2.69	2.67	2.84	2.97	4.58
March	2.70	2.64	2.83	3.00	6.01
April	2.75	2.65	2.84	3.01	5.99
May	2.76	2.65	2.86	3.02	5.59
June	2.82	2.67	2.87	3.06	6.62
July	2.91	2.71	2.87	3.10	8.01
August	2.91	2.75	2.89		
September	2.89	2.78	2.90		
October	2.84	2.78	2.91		
November	2.77	2.80	2.94		
December	2.70	2.83	2.96		

Source: The Ministry of Agriculture

China Industry Feed Prices for Egg Layers On Average, 2007-2011 (Year-to-date, RMB/KG, \$1=RMB6.39)					
MONTH	2008	2009	2010	2011	% Change 2011/10
January	2.41	2.40	2.58	2.70	4.65
February	2.44	2.39	2.57	2.71	5.45
March	2.44	2.37	2.58	2.74	6.20
April	2.47	2.37	2.58	2.75	6.59
May	2.48	2.37	2.61	2.76	5.75
June	2.54	2.40	2.62	2.79	6.49
July	2.62	2.44	2.62	2.83	8.02
August	2.62	2.48	2.63		
September	2.60	2.51	2.64		
October	2.55	2.52	2.65		
November	2.48	2.53	2.68		
December	2.42	2.57	2.70		
Source: The Ministry of Agriculture					

(End of the report)