

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Korea - Republic of

Poultry and Products Annual

Annual

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Report Highlights:

Chicken production is expected to increase 5.1 percent to 746,000 MT in 2014 and to 753,000 MT in 2015 due to greater broiler chick production and higher parental stock inventory as a result of expected higher demand from international sporting events and the entry of new producers into the slaughtering sector. However, an oversupply has resulted and farm gate and wholesale prices have declined accordingly at 11.5 and 7.9 percent respectively. Meanwhile, imports of frozen chicken are expected to increase slightly in 2015 to 134,00 MT as U.S. bone-in chicken continues to benefit from tariff reductions under the KORUS FTA and Brazilian imports may be diverted to Russia due to its ban on agricultural imports from Western countries including the United States. As well, imports of chicken during the first six months of 2014 increased by 10 percent to 68,241 MT.

Executive Summary:

Production

Chicken production in 2015 is projected to increase slightly to 753,000 MT, up from 746,000 MT in 2014 due to greater broiler chick production as a result of increased parental stock (PS) inventory during 2014. However, excessive chicken production and increased frozen reserve stocks from 2014, due to cut-throat competition between existing and new chicken producers who began since 2012, will reduce the pace of production in 2015 because of reduced profit coupled with decreased farm gate and wholesale prices.

If business profit continues to decrease in 2015 due to overproduction, industry is expected to voluntarily cut back the number of PS inventory to cope with oversupply in the long run. In early 2013, the industry had reduced the PS inventory by 460,000 birds to prevent overproduction. As a result of the joining of two big food companies (Sajo and Charmfre) in the chicken meat processing business, farm gate and wholesale prices during the first six months of 2014 decreased by 11.5 percent and 8 percent respectively from the previous year.

In 2014, chicken production is expected to increase by 5.1 percent to 746,000 MT from 710,000 MT in 2013 due to an increased PS inventory. Particularly, industry forecasts inventory of PS in 2014 to increase to 7.3 million birds, which is about 500,000 birds higher than industry's optimal level at 6.8 million birds. As a result of the increased number of PS, the production of broiler chicks will increase accordingly until the beginning of 2015.

| Annual Parental Stock (PS) Inventory by Year(Unit: 1,000 Birds) | |
|---|--------------|
| Year | PS Inventory |
| 2010 | 6,654 |
| 2011 | 6,363 |
| 2012 | 6,587 |
| 2013 | 7,075 |
| 2014 | 7,300 1/ |

Source: Korea Poultry Association (KPA)

1/: Industry estimate

About 36,000 MT of excess chicken production in 2014 over 2013 is expected to be used mostly for processed chicken meat products such as hams or other processed products, or stored in frozen reserve stocks. The industry also assumes some volume will be provided to the Korean army by government procurement, or sold to group catering services at a reduced price. Therefore, it is expected that an actual decrease in consumer prices will not occur in the retail market.

Since the first outbreak of highly pathogenic avian influenza (HPAI - H5N8 type) on January 16, 2014, about 14 million poultry birds, including layers and ducks, were culled until the last outbreak on July 28, 2014. Of the total culled birds, about 3.4 million were broilers and about 10 million were layers. However, the unparalleled long-lasting HPAI outbreak did not have any significant impact on chicken production due to 1) the culled broiler numbers only accounted for 0.4 percent of annual slaughtered chicken numbers in 2013; and 2) a reduced mortality rate in broiler chicks during the summer season because of favorable weather; and 3) increased PS inventory throughout 2014.

As two big meat processors joined the chicken slaughtering business since 2012, chicken supply increased substantially in 2014. Thus, PS producers and broiler farms increased PS and broiler supplies to meet the increased slaughter demand and the number of slaughtered chickens during the January – June 2014 period increased by 13 percent over the previous year.

| Korea's Monthly Slaughtering Figure for Broilers (Unit: 1,000 birds) | | | | | | | |
|--|---------|----------|--------|--------|--------|--------|-----------|
| | January | February | March | April | May | June | Sub Total |
| 2012 | 58,874 | 55,965 | 58,751 | 60,929 | 73,464 | 73,885 | 381,868 |
| 2013 | 60,417 | 47,741 | 56,347 | 62,056 | 68,992 | 72,084 | 367,637 |
| 2014 | 63,512 | 64,604 | 62,701 | 65,606 | 79,184 | 81,289 | 416,896 |
| Change (%) | 5 | 35 | 11 | 6 | 15 | 13 | 13 |

Source: Korea Chicken Council (KCC)

In July 2014, frozen reserved stocks in vertical companies reached approximately 9,000 MT which was about a 50 percent increase over the previous year. And, if frozen reserved volume in public cold storages is included, the total ending stock is expected to reach 19,000 MT in 2014.

On July 1, 2014, Korea implemented a government inspection system for the poultry slaughtering process, which previously was inspected by company veterinarians until that time. Therefore, provincial government veterinarians will inspect the poultry slaughtering process and intensify sanitary checks, usage of antibiotics, and ante mortem inspection of slaughtered birds. The new system will be applied to establishments that process more than 80,000 birds per day from July 1, 2014, and will also apply to plants that process more than 50,000 birds from January 1, 2015, and to plants that process less than 50,000 birds per day from January 1, 2016.

Consumption

In 2015, chicken consumption is expected to increase slightly to 864,000 MT (1.5 percent) from 851,000 MT in 2014 due to the relatively cheaper price than other meats (beef and pork) in the Korean food service industry. However, chicken consumption will not increase as much as the rise in 2014 due to expected voluntary efforts by producers to control supply in 2015.

Korea's chicken industry has increased its chicken supply from the beginning of 2014 to meet expected extra demand from international sporting events (the Sochi Olympics in February, the Brazil World cup in June and the Incheon Asian games in September), because the Korean chicken industry experienced heightened sales increases in the past during such events. However, actual consumption did not increase as much as expected during the first seven months of 2014 due to the long-lasting HPAI outbreak and a ferry accident in April which caused many consumers to limit eating out for over 3 months. Also, the World Cup soccer tournament in Brazil during June did not result in a significant consumption increase because of the time difference between Korea and Brazil as most of the soccer matches were held in the early morning. Thus, major producers who increased production up to 15 percent experienced reduced farm gate and wholesale prices.

| Korea: 6 Months Average Broiler Prices (Korean Won/Kg, boneless basis) | | | |
|--|-------|-------|------------|
| Year | 2013 | 2014 | Change (%) |
| Farm Gate Price | 1,793 | 1,586 | -11.5 |
| Wholesale Price | 3,356 | 3,091 | -7.9 |
| Consumer Price | 5,851 | 5,924 | +1.2 |

1/ Average price, January through June 2013 and 2014

Source: National Agricultural Cooperative Federation

Chicken price at the farm gate and wholesale market during the first six months of 2014 decreased by 11.5 and 7.9 percent, respectively, from the previous year due to an excessive supply in the overheated competition between existing producers and new producers. The Korean chicken industry is generally separated between the fresh and frozen chicken meat markets to a certain degree. Most Korean retail consumers buy a whole fresh

chicken (entirely domestic chicken), or buy fried chickens or “Chicken Gangjeong” (mostly imported frozen chickens) through a delivery service. Industry assumes that chicken consumption at home also decreased due to an increasing number of single households, as opposed to a decreasing number of families of 3 to 4 members which caused decreased consumption of whole chickens but greater demand for small-sized precooked or ready-to-cook products.

Trade

In 2015, import of frozen chicken is projected to increase slightly to 134,000 MT, 1,000 tons higher than 2014 due to an increasing market share of U.S. bone-in chickens resulted from a reduced tariff rate of 12 percent under the KORUS FTA. Meanwhile, Brazilian chicken (mostly boneless products), the strongest competitor of U.S. chicken in Korea, are expected to decrease exports to Korea due to increasing demand in Russia as a result of the trade ban in agricultural livestock imports from western countries recently imposed by the Russian government. Thus, post expects that Brazilian chicken may lose market share in Korea gradually, while U.S. bone-in frozen chicken legs may continually increase its share as more favorable tariff rates come into effect under the KORUS FTA.

Korean importers are expected to increase U.S. frozen chicken imports in 2014 due to reduced import prices under favorable exchange rates throughout 2014, while conversely reducing import volume from Brazil slightly because of increased domestic demand in Brazil in the revitalized economy with the World cup event in June 2014.

In 2013, Korea imported mostly frozen chicken legs from the U.S. (bone-in legs) and Brazil (boneless legs), which accounted for 81 percent of total chicken imports. Korean importers have been shifting their import volume each year depending upon the price difference between U.S. (Import price plus extra labor cost for the deboning process) and Brazil (boneless chicken legs). Thus, if the price of U.S. chicken bone-in legs including extra labor cost is cheaper than Brazilian boneless chicken legs, the U.S. will capture greater market share in Korea.

| Price Comparison (Unit: Korean Won per Kilogram) 4/ | | | | |
|---|----------------|------------|-----------|---------|
| Cuts | Domestic 1/ | Imports 2/ | | |
| | | U.S. | Brazil 3/ | Denmark |
| Leg | 5,753 | 1,534 | 2,624 | 2,508 |
| Wing | 6,767 | - | 2,992 | 2,845 |
| Breast | 6,510 | 4,630 | 3,210 | - |

1/ Chilled products, average retail price for January 1 – June 30, 2014 period
2/ Average CIF prices between January 1 through June 30, 2014
3/ Frozen Trimmed bone-less products (Mostly)
4/ Average exchange rate (1\$=1049.3 Korean won) for January – June 2014 period
Source: Korea Chicken Council & Korea Customs Service

Korea’s chicken imports during the first six months of 2014 increased by 10 percent to 68,241 MT from 61,994 MT during the same period in 2013 to meet the expected demand increase resulted from many international sports events, the outbreak of HPAI and the PED outbreak in the swine industry. Among the total imports, frozen chicken wings significantly increased to 3,059 MT, up 81 percent from the previous year due to the increased demand for appetizer menus in franchise family restaurant chains including pizza delivery chains.

Export

In 2015, Korea’s chicken exports are projected to increase to 30,000 MT from 17,000 MT in 2014 due to increased chicken production, the beginning of export of “Samgyetang (Chicken ginseng soup)” products to the U.S. since August 2014, and expected demand recovery in Vietnam.

In 2014, Korea’s chicken exports during the first six months of 2014 fell sharply to 8,524 MT, a drop of 37 percent from the same period in 2013 at 13,554 MT due to the long lasting HPAI outbreak since January 2014. As the outbreak of HPAI continued and expanded the demand for Korean chicken products, including frozen and processed products (mostly Samgyetang), is forecast to decrease in Vietnam and Hong Kong in 2014. Japan, a major importing country of Korean Samgyetang products, reduced its imports due to a decreased demand caused by the economic downturn in Japan.

In August 2014, Korea sent its first shipment of Samgyetang products to the United States. Initially, Korea will target Korean consumers in the U.S. and will gradually try to expand to other Asian populations in the future. The industry expects about 200 MT of annual export in the coming years. Four Korean poultry establishments (two processing plants and two slaughtering plants) were approved for the export of Samgyetang products to the U.S. from this year.

Tariff Phase-Out Schedule under KORUS FTA

Korea’s 20-percent tariff on imports in the dominant frozen leg quarter category will be phased out by 2021, while tariffs on frozen breasts and wings will be eliminated by 2023. The 18-percent tariff on frozen turkey cuts will be eliminated by 2018

| HSK 10 | Description | Base Rate | 2015 | 2016 | 2017 |
|---------------|-----------------------|------------------|-------------|-------------|-------------|
| 0207141010 | Frozen Chicken Legs | 20% | 12% | 10% | 8% |
| 0207141020 | Frozen Chicken Breast | 20% | 13.3% | 11.6% | 10% |
| 0207141030 | Frozen Chicken Wing | 20% | 13.3% | 11.6% | 10% |
| 0207141090 | Other Frozen Chicken | 20% | 12% | 10% | 8% |
| 0207271000 | Frozen Turkey Cuts | 18% | 7.7% | 5.1% | 2.5% |

Commodities:

Poultry, Meat, Broiler

Production, Supply and Demand Data Statistics:

| Poultry, Meat, Broiler of Korea, Republic of | 2013 | | 2014 | | 2015 | | |
|---|-----------------------------|------------|-----------------------------|------------|--------------------------------|------------|---------------|
| | Market Year Begin: Jan 2013 | | Market Year Begin: Jan 2014 | | Market Year Begin: Jan 2015 | | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post | |
| Inventory (Reference) | 80 | 81 | 82 | 85 | | 86 | (MIL HEAD) |
| Slaughter (Reference) | 780 | 791 | 795 | 844 | | 854 | (MIL HEAD) |
| Beginning Stocks | 17 | 17 | 12 | 8 | | 19 | (1000 MT) |
| Production | 690 | 710 | 706 | 746 | | 753 | (1000 MT) |
| Total Imports | 127 | 127 | 130 | 133 | | 134 | (1000 MT) |
| Total Supply | 834 | 854 | 848 | 887 | | 906 | (1000 MT) |
| Total Exports | 26 | 26 | 27 | 17 | | 30 | (1000 MT) |
| Human Consumption | 796 | 820 | 811 | 851 | | 864 | (1000 MT) |
| Other Use, Losses | 0 | 0 | 0 | 0 | | 0 | (1000 MT) |
| Total Dom. Consumption | 796 | 820 | 811 | 851 | | 864 | (1000 MT) |
| Total Use | 822 | 846 | 838 | 868 | | 894 | (1000 MT) |
| Ending Stocks | 12 | 8 | 10 | 19 | | 12 | (1000 MT) |
| Total Distribution | 834 | 854 | 848 | 887 | | 906 | (1000 MT) |
| CY Imp. from U.S. | 0 | 45 | 0 | 63 | | 70 | (1000 MT) |
| CY Exp. to U.S. | 0 | 0 | 0 | 2 | | 2 | (1000 MT) |
| Balance | 0 | 0 | 0 | 0 | | 0 | (1000 MT) |
| Inventory Balance | -5 | -9 | -2 | 11 | | -7 | (1000 MT) |
| Production Change | -1 | -1 | 2 | 5 | | 1 | (PERCENT) |
| Import Change | -2 | -2 | 2 | 5 | | 1 | (PERCENT) |
| Export Change | 24 | 24 | 4 | -35 | | 76 | (PERCENT) |
| Consumption Change | -1 | -1 | 2 | 4 | | 2 | (PERCENT) |
| Imports Percent Consumption | 16 | 15 | 16 | 16 | | 16 | (PERCENT) |
| Exports Percent Production | 4 | 4 | 4 | 2 | | 4 | (PERCENT) |
| Population | 48,955,203 | 48,955,203 | 49,039,986 | 49,039,986 | | 49,115,196 | (PEOPLE) |
| Per Capita Consumption | 16 | | 16 | | | | (KG) |
| TS=TD | | 0 | | 0 | | 0 | |
| Comments | | | | | | | |
| AGR Number | | | | | | | |
| Comments To Post | | | | | | | |

Countries that are currently allowed to export to Korea are as follows:

| Approved Suppliers | Items |
|--|--|
| United Kingdom, New Zealand, Denmark, France, Spain, Germany, Netherlands, Canada, Hungary, Poland, Sweden, Philippines(only for pet bird) and United States | Poultry birds (include pet or wild bird), hatching eggs, day old chicks, table eggs. |
| United Kingdom, France, Chile, Denmark, Sweden, Brazil, Netherlands Philippines(only for broiler),, Hungary, Canada, Poland and United States | Fresh, chilled, or frozen poultry meat |
| United Kingdom, France, Chile, Denmark, Sweden, Brazil, United States, Thailand, Netherlands, Hungary, China, Poland and Canada | Heat-treated poultry meat |

Source: The Ministry of Agriculture, Food and Rural Affairs (MAFRA)

Frozen Chicken Cut Imports by Country

| Country | CY 2013 | | CY 2014 (January- June) | |
|--------------------|----------------|-------------------|-------------------------|-------------------|
| | Volume (MT) | Value (US\$1,000) | Volume (MT) | Value (US\$1,000) |
| <Leg> | | | | |
| U.S. | 44,969 | 69,567 | 30,931 | 45,230 |
| Brazil | 56,310 | 138,178 | 23,964 | 59,917 |
| Denmark | 319 | 775 | 122 | 291 |
| Chile | 22 | 62 | 0 | 0 |
| Hungary | 0 | 0 | 0 | 0 |
| Sub Total | 101,620 | 208,581 | 55,017 | 105,438 |
| <Wing> | | | | |
| U.S. | 0 | 0 | 0 | 0 |
| Brazil | 604 | 1,741 | 420 | 1,199 |
| Denmark | 3,678 | 9,753 | 2,548 | 6,910 |
| Hungary | 162 | 386 | 91 | 285 |
| Sub Total | 4,444 | 11,880 | 3,059 | 8,394 |
| <Breast> | | | | |
| U.S. | 167 | 876 | 120 | 529 |
| Brazil | 2,485 | 7,222 | 1,150 | 3,520 |
| Denmark | 0 | 2 | 0 | 0 |
| Sub Total | 2,652 | 8,100 | 1,270 | 4,049 |
| <Total by Country> | | | | |
| U.S. | 45,136 | 70,443 | 31,051 | 45,759 |
| Brazil | 59,399 | 147,141 | 25,534 | 64,636 |
| Denmark | 3,997 | 10,530 | 2,670 | 7,201 |
| Chile | 22 | 62 | 0 | 0 |
| Hungary | 162 | 386 | 91 | 285 |
| Total | 108,716 | 228,562 | 59,346 | 117,881 |

Source: Korea Customs Service (KCS)

Processed Chicken Imports by Country

| Country | CY 2013 | | CY 2014 (January- June) | |
|---------------|---------------|-------------------|-------------------------|-------------------|
| | Volume (MT) | Value (US\$1,000) | Volume (MT) | Value (US\$1,000) |
| China | 2,468 | 8,970 | 1,111 | 4,244 |
| Thailand | 13,717 | 55,141 | 6,580 | 28,363 |
| United States | 172 | 831 | 72 | 403 |
| Other | 2 | 8 | 0 | 2 |
| Total | 16,359 | 64,950 | 7,763 | 33,012 |

Source: Korea Customs Service (KCS)

PRODUCTION AND CONSUMPTION

Korea: Broiler Inventories 1/
(Unit: 1,000 birds)

| Year | Farms | Birds |
|------|-------|---------|
| 2005 | 2,678 | 88,137 |
| 2006 | 2,016 | 84,279 |
| 2007 | 2,028 | 87,359 |
| 2008 | 1,807 | 77,853 |
| 2009 | 2,249 | 99,983 |
| 2010 | 2,238 | 101,690 |
| 2011 | 2,266 | 110,122 |
| 2012 | 2,058 | 97,750 |
| 2013 | 1,972 | 95,898 |
| 2014 | 2,035 | 103,593 |

1/ June Inventories

Source: Korea Statistical Information Service (KOSIS)

Korea: Production Costs of Broilers 1/
(Korean Won per Kilogram in Live Weight)

| Year | Operating Cost | Production Cost | Farm Price |
|------|----------------|-----------------|------------|
| 2005 | 953 | 1,008 | 1,440 |
| 2006 | 954 | 1,001 | 1,195 |
| 2007 | 881 | 930 | 1,118 |
| 2008 | 1,049 | 1,097 | 1,567 |
| 2009 | 1,255 | 1,311 | 1,936 |
| 2010 | 1,292 | 1,342 | 1,913 |
| 2011 | 1,317 | 1,377 | 1,858 |
| 2012 | 1,299 | 1,361 | 1,693 |
| 2013 | 1,339 | 1,400 | 1,839 |

Source: Korea Statistical Information Service (KOSIS)

Korea: Production Cost of Broilers
(Korean Won per Kilogram in Live Weight)

| Item | CY 2012 | | CY 2013 | |
|--------------------|--------------|---------------------|--------------|---------------------|
| | Average Cost | Component Ratio (%) | Average Cost | Component Ratio (%) |
| Feed | 845 | 65 | 835 | 62 |
| Chicks | 255 | 20 | 284 | 21 |
| Family Labor | 55 | 4 | 53 | 4 |
| Vet & Medicine | 30 | 2 | 32 | 2 |
| Water, Power, etc. | 60 | 5 | 59 | 4 |
| Other | 53 | 4 | 74 | 6 |
| Total | 1298 | 100 | 1337 | 100 |
| By Product | 1 | - | 2 | - |
| Cost Total | 1,299 | - | 1,339 | - |

Source: Korea Statistical Information Service (KOSIS)

Korea: Per Capita Consumption of Livestock Products
(Unit: Kilogram, boneless basis)

| Year | Total Meat | Beef | Pork | Chicken | Egg |
|---------|------------|------|------|---------|------|
| 2004 | 31.3 | 6.8 | 17.9 | 6.6 | 10.6 |
| 2005 | 31.7 | 6.7 | 17.4 | 7.6 | 10.8 |
| 2006 | 33.5 | 6.8 | 18.1 | 8.6 | 11.2 |
| 2007 | 35.7 | 7.6 | 19.2 | 8.9 | 11.3 |
| 2008 | 35.6 | 7.5 | 19.1 | 9.0 | 11.2 |
| 2009 | 36.8 | 8.1 | 19.1 | 9.6 | 11.9 |
| 2010 | 38.7 | 8.8 | 19.2 | 10.7 | 11.8 |
| 2011 | 40.4 | 10.2 | 18.8 | 11.4 | 11.6 |
| 2012 | 40.5 | 9.7 | 19.2 | 11.6 | 12.1 |
| 2013 | 42.5 | 10.2 | 20.8 | 11.5 | 12.2 |
| 2014 1/ | 43 | 10.3 | 20.7 | 12 | 12.3 |

1/ Preliminary forecast by the Korea Rural Economic Institute (KREI)

Source: Ministry of Agriculture, Food and Rural Affairs (MAFRA)

PRICE TABLES

Korea: Year Average Broiler Prices
(Korean Won/Kg, boneless basis)

| Year | 2010 | 2011 | 2012 | 2013 | 2014 1/ |
|-----------------|-------|-------|-------|-------|---------|
| Farm Price | 1,913 | 1,858 | 1,693 | 1,839 | 1,586 |
| Wholesale Price | 3,529 | 3,468 | 3,255 | 3,412 | 3,091 |
| Consumer Price | 5,708 | 6,050 | 5,755 | 5,971 | 5,924 |

1/ Average price, January through June 2014

Source: National Agricultural Cooperative Federation

Korea: Farm Price for Chicken Meat

| Commodity | Chicken Meat, Farm Price Unit: Korean Won per Kilogram | | | |
|-----------|---|-------|-------|-------------------------------------|
| | 2012 | 2013 | 2014 | % Change comparing to previous year |
| Year | | | | |
| Month | | | | |
| Jan. | 1,466 | 1,446 | 1,588 | 10 |
| Feb. | 1,759 | 1,953 | 1,473 | -25 |
| Mar. | 2,223 | 2,123 | 1,676 | -21 |
| Apr. | 1,759 | 1,679 | 1,966 | 17 |
| May | 1,562 | 1,730 | 1,368 | -21 |
| Jun. | 1,668 | 1,829 | 1,446 | -21 |
| Jul. | 1,757 | 1,983 | - | 11 |
| Aug. | 1,829 | 2,004 | - | 9 |
| Sep. | 1,538 | 1,679 | - | 8 |
| Oct. | 1,640 | 2,098 | - | 22 |
| Nov. | 1,645 | 1,894 | - | 13 |
| Dec. | 1,466 | 1,649 | - | 11 |

Source: National Agricultural Cooperative Federation (NACF) and Agricultural & Fishery Marketing Corporation

Korea: Wholesale Price for Chicken Meat

| Commodity | Chicken Meat, Wholesale Price Unit: Korean Won per Kilogram | | | | |
|-----------|--|-------|-------|------|-------------------------------------|
| | Year | 2012 | 2013 | 2014 | % Change comparing to previous year |
| Month | | | | | |
| Jan. | 2,973 | 3,015 | 3,034 | 1 | |
| Feb. | 3,288 | 3,510 | 2,968 | -15 | |
| Mar. | 3,888 | 3,800 | 3,218 | -15 | |
| Apr. | 3,410 | 3,251 | 3,558 | 9 | |
| May | 3,124 | 3,187 | 2,866 | -10 | |
| Jun. | 3,185 | 3,375 | 2,904 | -14 | |
| Jul. | 3,326 | 3,647 | - | 9 | |
| Aug. | 3,432 | 3,636 | - | 6 | |
| Sep. | 2,989 | 3,297 | - | 9 | |
| Oct. | 3,138 | 3,727 | - | 16 | |
| Nov. | 3,229 | 3,387 | - | 5 | |
| Dec. | 3,076 | 3,111 | - | 1 | |

Source: National Agricultural Cooperative Federation (NACF) and Agricultural & Fishery Marketing Corporation

Korea: Consumer Price for Chicken Meat

| Commodity | Chicken Meat, Consumer Price Unit: Korean Won per Kilogram | | | | |
|-----------|---|-------|-------|------|-------------------------------------|
| | Year | 2012 | 2013 | 2014 | % Change comparing to previous year |
| Month | | | | | |
| Jan. | 5,160 | 5,646 | 5,610 | -1 | |
| Feb. | 5,606 | 5,818 | 5,525 | -5 | |
| Mar. | 6,317 | 6,358 | 6,036 | -5 | |
| Apr. | 5,949 | 6,065 | 6,132 | 1 | |
| May | 5,480 | 5,362 | 6,241 | 16 | |
| Jun. | 5,502 | 5,855 | 5,997 | 2 | |
| Jul. | 6,024 | 6,280 | - | 4 | |
| Aug. | 6,182 | 6,040 | - | -2 | |
| Sep. | 5,462 | 5,728 | - | 5 | |
| Oct. | 5,922 | 6,393 | - | 7 | |
| Nov. | 5,893 | 6,208 | - | 5 | |
| Dec. | 5,559 | 5,901 | - | 6 | |

Source: National Agricultural Cooperative Federation and Agricultural & Fishery Marketing Corporation

Korea: Monthly Average Foreign Exchange Rate
(Unit: Korean Won / 1U\$)

| Month | 2012 | 2013 | 2014 |
|-------|---------|---------|---------|
| Jan. | 1145.85 | 1065.35 | 1064.75 |
| Feb. | 1123.35 | 1086.68 | 1071.30 |
| Mar. | 1125.90 | 1102.20 | 1070.89 |
| Apr. | 1135.55 | 1121.83 | 1044.55 |
| May | 1154.27 | 1110.67 | 1024.99 |
| Jun. | 1165.51 | 1135.21 | 1019.36 |
| Jul. | 1143.36 | 1127.23 | 1019.93 |
| Aug. | 1131.69 | 1116.98 | - |
| Sep. | 1124.78 | 1087.35 | - |
| Oct. | 1106.93 | 1066.80 | - |
| Nov. | 1087.52 | 1062.82 | - |
| Dec. | 1076.97 | 1056.67 | - |

Source: Industrial Bank of Korea

TRADE MATRIX

Korea: Import Matrix for Chicken Meat 1/

| Import Trade Matrix | | | | | | | | |
|-------------------------|---------|---------|---------|---------------------------------|----------------|---------|----------------|---------|
| Country: Korea | | | | | | | | |
| Commodity: Chicken Meat | | | | Unit: MT & US\$1,000, RTC Basis | | | | |
| Imports for | CY 2012 | | CY 2013 | | Jan.-Jun. 2013 | | Jan.-Jun. 2014 | |
| Country | Vol | Val | Vol | Val | Vol | Val | Vol | Val |
| U.S. | 54,452 | 90,762 | 45,308 | 71,273 | 23,445 | 36,977 | 31,123 | 46,162 |
| Others | | | | | | | | |
| Thailand | 12,259 | 46,836 | 13,717 | 55,141 | 6,903 | 27,195 | 6,580 | 28,363 |
| P.R.C. | 2,379 | 8,625 | 2,468 | 8,970 | 1,262 | 4,567 | 1,111 | 4,244 |
| Canada | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Denmark | 3,411 | 6,889 | 5,422 | 12,141 | 2,109 | 4,580 | 3,624 | 8,293 |
| France | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| U.K. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Chile | 352 | 983 | 22 | 62 | 22 | 62 | 0 | 0 |
| Japan | 0 | 0 | | | 0 | 0 | 0 | 0 |
| Brazil | 56,919 | 145,147 | 59,411 | 147,192 | 28,094 | 71,038 | 25,535 | 64,636 |
| Australia | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | | | |
| Other | 617 | 694 | 345 | 597 | 159 | 286 | 268 | 541 |
| | | | | | | | | |
| | | | | | | | | |
| Total for Others | 75,937 | 209,174 | 81,385 | 224,103 | 38,549 | 107,728 | 37,118 | 106,077 |
| Grand Total | 130,389 | 299,936 | 126,693 | 295,376 | 61,994 | 144,705 | 68,241 | 152,239 |

1/ HS 0207.1X.XXXX plus HS 1602.32.XXXX

Source: Korea Customs Service

Korea: Export Matrix for Chicken Meat 1/

| Export Trade Matrix | | | | | | | | |
|-------------------------|---------|--------|---------|--------------------------------|----------------|--------|----------------|--------|
| Country: Korea | | | | | | | | |
| Commodity: Chicken Meat | | | | Unit: MT & U\$1,000, RTC Basis | | | | |
| Imports for | CY 2012 | | CY 2013 | | Jan.-Jun. 2013 | | Jan.-Jun. 2014 | |
| Country | Vol | Val | Vol | Val | Vol | Val | Vol | Val |
| U.S. | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 5 |
| Others | | | | | | | | |
| Hong Kong | 2,510 | 4,196 | 5,244 | 7,950 | 2,918 | 3,975 | 211 | 636 |
| Japan | 1,984 | 10,480 | 1,166 | 5,222 | 545 | 2,454 | 385 | 1,791 |
| P.R.C. | 14 | 66 | 1 | 9 | 0 | 0 | 8 | 35 |
| Taiwan | 293 | 1,205 | 344 | 1,417 | 157 | 649 | 89 | 359 |
| Thailand | 0 | 0 | 0 | 0 | 49 | 32 | 16 | 63 |
| Vietnam | 15,973 | 19,298 | 19,296 | 22,091 | 9,855 | 10,393 | 7,730 | 11,523 |
| Iraq | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Turkey | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Australia | 17 | 81 | 0 | 0 | 0 | 0 | 0 | 0 |
| Russia | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | | | |
| Other | 75 | 432 | 66 | 358 | 30 | 168 | 1 | 5 |
| | | | | | | | | |
| | | | | | | | | |
| Total for Others | 20,866 | 35,758 | 26,117 | 37,047 | 13,554 | 17,671 | 8,523 | 14,902 |
| Grand Total | 20,866 | 35,758 | 26,117 | 37,047 | 13,554 | 17,671 | 8,524 | 14,907 |

1/ HS 0207.1X.XXXX plus HS 1602.32.XXXX

Source: Korea Customs Service