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Brazil

Poultry and Products Semi-annual

Semi Annual Poultry Report

Approved By:

Alan D. Hrapsky, Agricultural Counselor

Prepared By:

Joao Faustino Silva, Agricultural Specialist

Report Highlights:

Post projects broiler and turkey production and trade to rebound in 2010 in response to projected higher world and domestic demand for both meats. Post also revised downward production and exports of broiler and turkey to reflect the impact of the financial world crisis on poultry trade in 2009.

Executive Summary:

The outlook for 2010 remains unchanged with production at 11.4 million metric tons, up nearly 4 percent from last year. Domestic consumption is estimated at nearly 8.1 million metric tons. Our estimates reflect the concerns of broiler packers with the current over supply of poultry meat and reduced international demand for Brazilian broilers. The outlook for 2010 calls for a recovery of the Brazilian economy with a projected 5 percent growth in the GDP, lower unemployment rates and increase in disposable income. Industry analysts expect demand for animal protein in 2010 to be higher than last year. Post revised broiler production and trade in 2009 to reflect final exports data.

Commodities:

Poultry, Meat, Broiler

Production:

Estimates for 2010 remain unchanged from our last report with a projected increase of 4 percent in broiler production. This reflects current industry leader's optimism for higher exports and firm domestic demand, and generally positive profit margins because of higher domestic soy and corn crops. However, the over valued Brazilian currency remains of concern to the industry. Post revised 2009 broiler production to 11 million metric tons, half percent lower than the record production of 2008. Despite reduced production, broiler exports increased marginally as well as domestic consumption in 2009.

Consumption:

Estimates for domestic consumption of broiler meat remains unchanged for 2010 with a projected increase of 3.5 percent to 8 million metric tons, mostly driven by the increase in disposable income of Brazilian consumers. Post also revised 2009 consumption level.

Trade:

The outlook for broiler exports in 2010 remains unchanged. Post updated trade data for 2009 to include final official export numbers. In 2009, total volume of broiler meat exports reached 3.4 million metric tons, a marginal increase from 2008. However, the value of exports dropped by over 16 percent to nearly US\$5.3 billion, due to the effects of the credit crunch in most overseas markets.

Broiler export markets with major increases in 2009 were China (+2,347%), Egypt (+159%), Iraq (+154%), and Angola (+54%), while markets with major declines were Russia (-54%), Venezuela (-47%) and Japan (-27%).

Note: The S&D table shows a drop in exports of 0.6% because uses USDA export methodology, which excludes chicken feet exports.

Production, Supply and Demand Data Statistics:

Poultry, Meat, Broiler Brazil	2008		2009		2010		
	2008		2009		2010		
	Market Year Begin: Jan 2008		Market Year Begin: Jan 2009		Market Year Begin: Jan 2010		
	USDA Official Data		USDA Official Data	New Post	USDA Official Data	Jan	
				Data		Data	
Inventory (Reference)	48	42	45	45	49	49	(MIL HEAD)
Slaughter (Reference)	5,469	5,100	5,650	5,560	5,760	5,760	(MIL HEAD)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	11,033	11,033	10,980	11,023	11,420	11,420	(1000 MT)
Whole, Imports	1	1	1	1	1	1	(1000 MT)
Parts, Imports	0	0	0	0	0	0	(1000 MT)
Intra-EU Imports	0	0	0	0	0	0	(1000 MT)
Other Imports	0	0	0	0	0	0	(1000 MT)
Total Imports	1	0	1	0	1	0	(1000 MT)
Total Supply	11,034	11,034	10,981	11,024	11,421	11,421	(1000 MT)
Whole, Exports	1,336	1,336	1,290	1,399	1,345	1,340	(1000 MT)
Parts, Exports	1,906	1,906	1,860	1,823	2,000	2,010	(1000 MT)
Intra EU Exports	0	0	0	0	0	3,350	(1000 MT)
Other Exports	0	0	0	0	0	0	(1000 MT)
Total Exports	3,242	3,242	3,150	3,222	3,345	0	(1000 MT)
Human Consumption	7,792	7,792	7,831	7,802	8,076	8,071	(1000 MT)
Other Use, Losses	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	7,792	7,792	7,831	7,702	8,076	8,071	(1000 MT)
Total Use	11,034	11,034	10,981	11,024	11,421	11,421	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
Total Distribution	11,034	11,034	10,981	11,024	11,421	11,421	(1000 MT)

Broiler Export Data Statistics

Export Trade Matrix

Country	Brazil		
Commodity	Poultry, Meat, Broiler		
Time Period	Jan-Dec	Units:	Metric Tons
Exports for:	2008		2009
U.S.	0	U.S.	0
Others	Others		
Angola	47,309		70,952
Canada	14,381		18,699
China	980		23,989
Cuba	32,814		31,305
Egypt	20,909		54,134
European Union	322,548		311,762
Hong Kong	415,247		428,397
Iran	9,564		10,932
Iraq	56,006		142,084
Japan	422,181		307,856
Jordan	58,490		53,911
Kuwait	163,632		204,975
Oman	50,425		52,632
Qatar	64,757		58,439
Russia	158,873		72,814
Romania	25,661		22,082
Saudi Arabia	400,373		496,401
Singapore	75,628		73,509
South Africa	147,311		160,766
South Korea	21,528		35,485
UAE	208,415		212,039
Yemen	51,378		68,717
Venezuela	316,621		164,810
Total for Others	3085031		3076690
Others not Listed	351,618		361,238
Grand Total	3436649		3437928

Note: Includes HTS Codes: 0207.11; 0207.12; 0207.13; 0207.14; 1602.32. Quantity in Product Weight Equivalent (PWE)

Commodities:
Poultry, Meat, Turkey

Production:

Post also update 2009 data to reflect final numbers for production and trade. The outlook for 2010 remains unchanged.

Production, Supply and Demand Data Statistics:

Poultry, Meat, Turkey Brazil	2008		2009		2010		
	2008		2009		2010		
	Market Year Begin: Jan 2008		Market Year Begin: Jan 2009		Market Year Begin: Jan 2010		
	USDA Official Data	New Post	USDA Official Data	New Post	USDA Official Data	Jan	
		Data		Data		Data	
Inventory (Reference)	0	0	0	0	0	0	(MIL HEAD)
Slaughter (Reference)	46	40	43	0	45	45	(MIL HEAD)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	438	465	437		480	480	(1000 MT)
Whole, Imports	0	0	0		0	0	(1000 MT)
Parts, Imports	0	0	0		0	0	(1000 MT)
Intra-EU Imports	0	0	0		0	0	(1000 MT)
Other Imports	0	0	0		0	0	(1000 MT)
Total Imports	0	0	0	0	0	0	(1000 MT)
Total Supply	438	465	437	0	480	480	(1000 MT)
Whole, Exports	5	5	3		5	5	(1000 MT)
Parts, Exports	199	198	160		170	170	(1000 MT)
Intra EU Exports	0	0	0		0	0	(1000 MT)
Other Exports	0	0	0		0	0	(1000 MT)
Total Exports	204	0	163	0	175	0	(1000 MT)
Human Consumption	234	261	274		305	305	(1000 MT)
Other Use, Losses	0	0	0		0	0	(1000 MT)
Total Dom. Consumption	234	261	274	0	305	0	(1000 MT)
Total Use	438	0	437	0	480	480	(1000 MT)
Ending Stocks	0	0	0		0	0	(1000 MT)
Total Distribution	438	465	437	0	480	0	(1000 MT)

Turkey Export Data Statistics

Export Trade Matrix

Country

Brazil

Commodity

Poultry, Meat, Turkey

Time Period

Jan-Dec

Units:

Metric Tons

Exports for:

2008

2009

U.S.		U.S.	
Others	0	Others	0
Angola	5,660		8,611
Benin	10,418		11,553
Congo	3,129		3,349
European Union	121,461		95,643
Hong Kong	4,062		1,956
Peru	2,237		1,860
Russia	13,466		5,992
South Africa	17,271		12,724
Total for Others	177704		141688
Others not Listed	26,548		21886
Grand Total	204252		163574

Note: It includes HTS Codes: 02072400; 02072500; 02072600; 02072700; 16023100. Quantity in Product Weight Equivalent (PWE)