

CARIBBEAN POULTRY ASSOCIATION



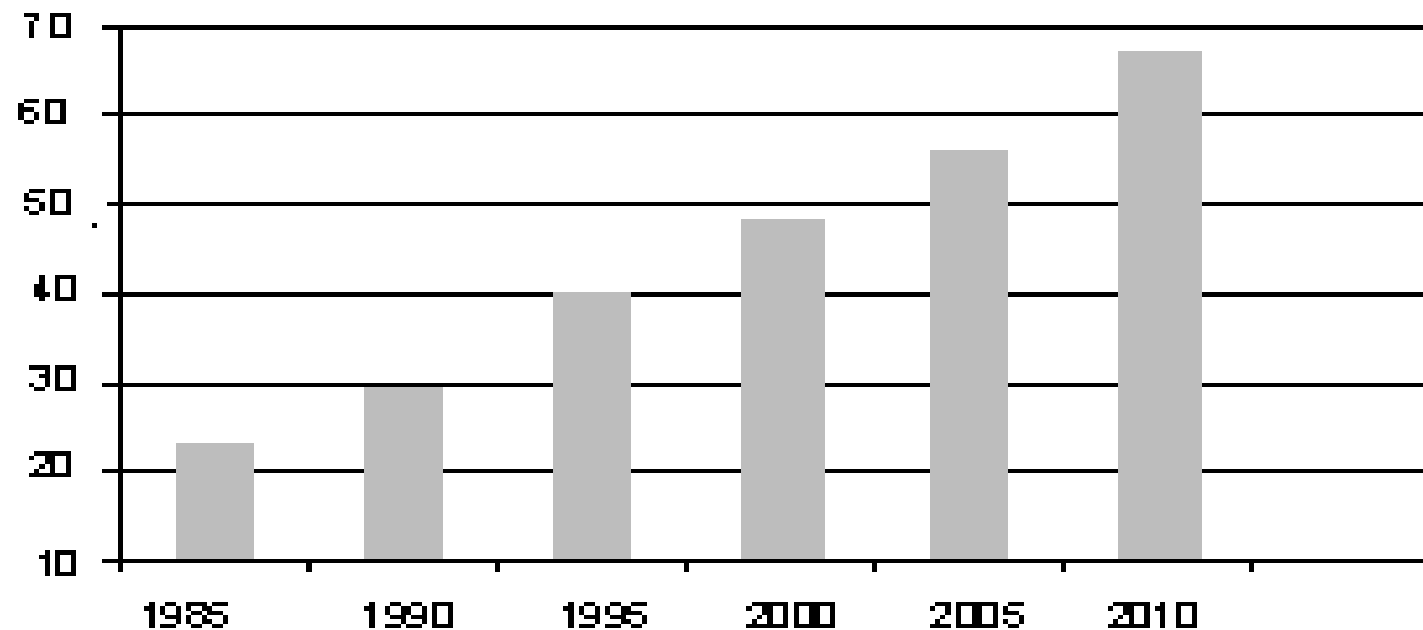
THE GLOBAL POULTRY INDUSTRY -
A SENSITIVE INDUSTRY
IN AN UNLEVEL PLAYING FIELD

**INTERNATIONAL POULTRY INDUSTRY -
A SENSITIVE INDUSTRY FOR MOST STATES
ON AN UNLEVEL PLAYING FIELD**

- **Short - medium term projections are for strong growth in production but slower growth in trade**
- **A few countries account for most of trade, making global markets very susceptible to economic shocks in any of these importer/ exporter countries**
- **Global markets are segmented based on very different consumer preferences and purchasing power as can be seen in the product mix of major importers and exporters**

Strong Growth in Production and Consumption Projected Over next 10 Years

World Chicken Production *(millions of metric tons)*



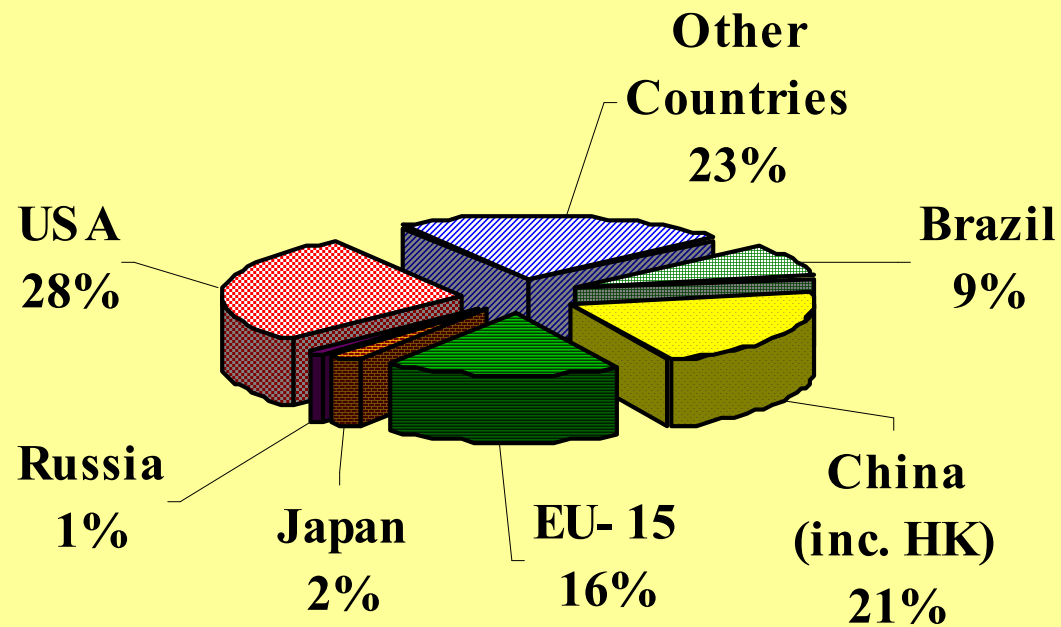
**Slower Growth in Trade Projected Over
Next 10 Years**

**From
a current 8% of world production in 2000**

**To
some 10% of world production in 2010**

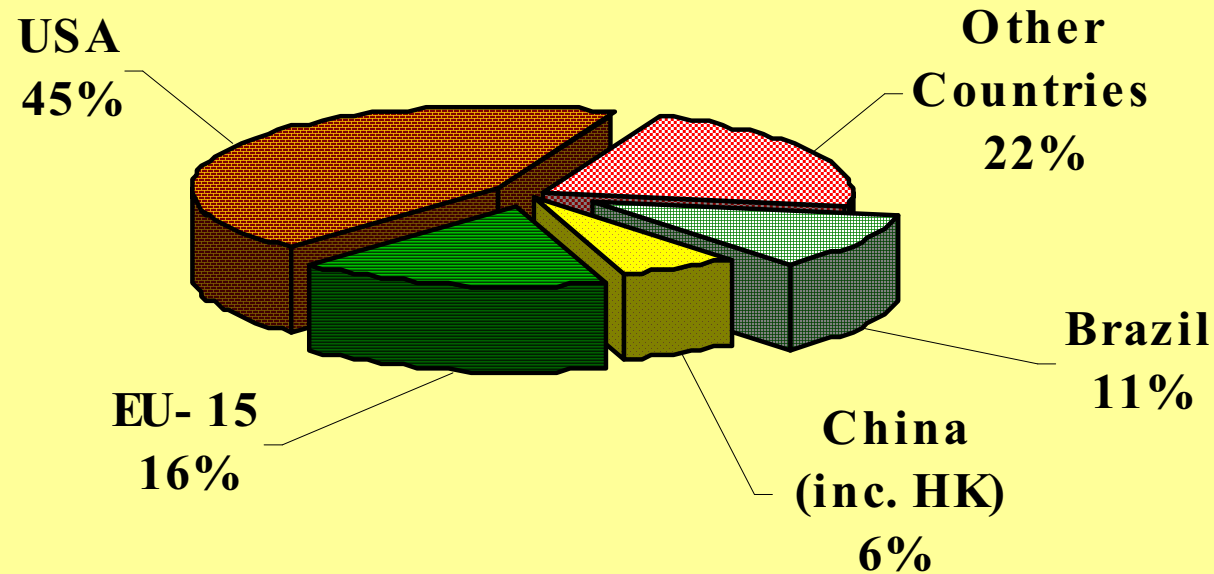
A Few Countries Account For Most of Production & Trade

**Major Producers of Broiler Meat
(% of World Production)**

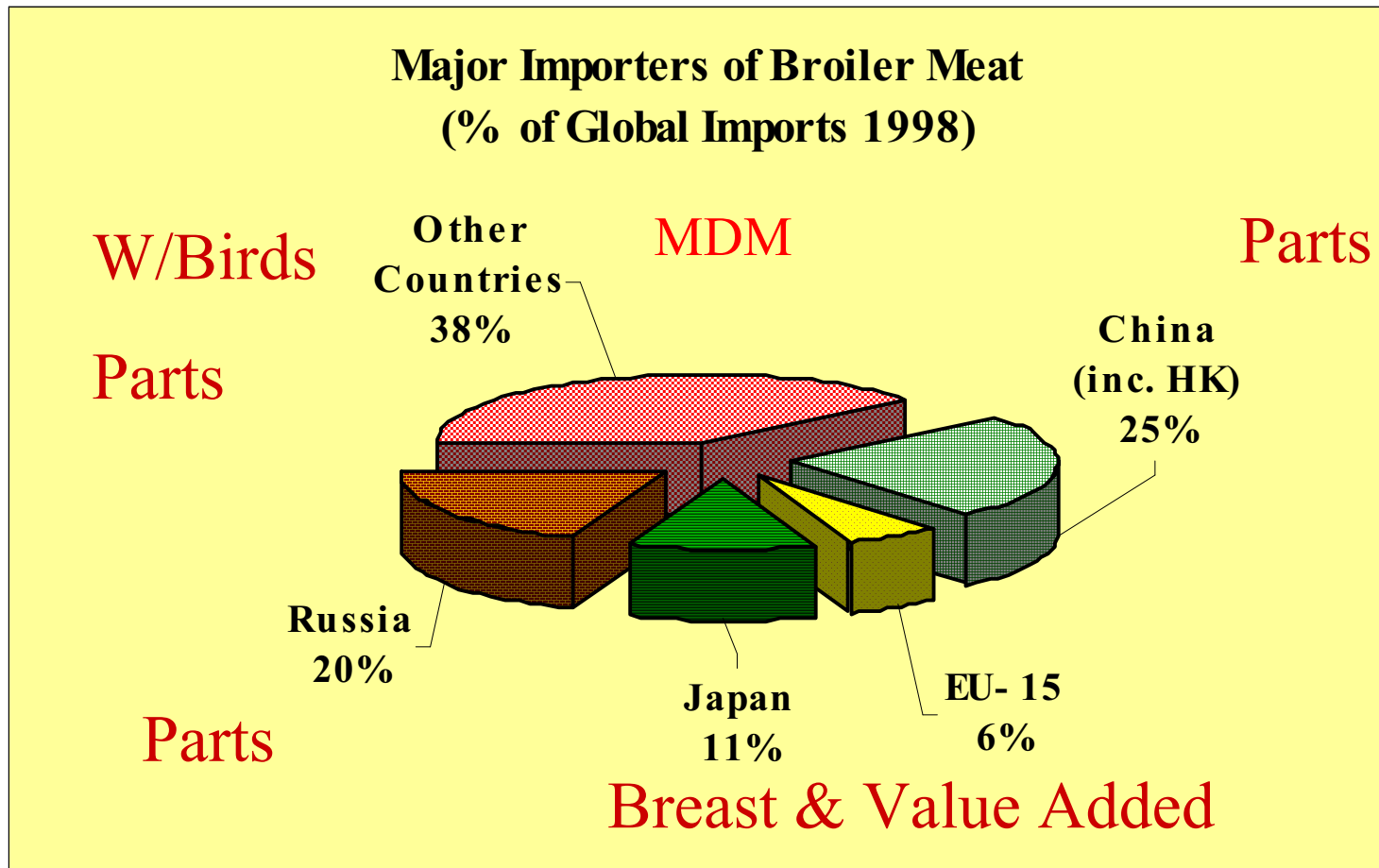


Major Exporters Even More Concentrated, and Becoming Increasingly So

**Major Exporters of Broiler Meat
(% of Global Market 1998)**



Major Importers are Also Concentrated But Buy Different Product Categories



And Export Product Volumes are Highly Concentrated on a Handful of Importers

Value of 1998 World Poultry Trade, SITC Code 01235, M USD
Importers

Exporters	Importers						Sub-Total	All Others		Total
	US	Brazil	EU	China	Japan	Russia		High Value	Low Value	
US	—	0	0	317.6	84.6	490.6	892.8	5.6	637.8	1536.2
Brazil	0	—	108.3	97.2	129.3	1.4	336.2	85.7	3.0	424.9
EU	0.1	0.1	—	130.9	7.2	102.9	241.2	0.3	252.2	493.7
China	0	0	0.2	—	365.9	0.5	366.6	83.6	0	450.2
Japan	0	0	0	8.5	—	0	8.5	0	0	8.5
Subtotal	0.1	0.1	108.5	554.2	587.0	595.4	1845.3	175.2	893.0	2913.5
All Others										
High Value	2.8	2.1	209.9	0	257.1	0	471.9	81.7 ¹		722.0
Low Value	0	0	59.3	100.6	0	8.5	168.4			
Total	2.9	2.2	377.7	654.8	844.1	603.9	2485.6	1149.9		3635.5

¹ Data not tabulated to differentiate between high-value and low-value trade among unspecified countries in the categories of “all others” exporters and importers.

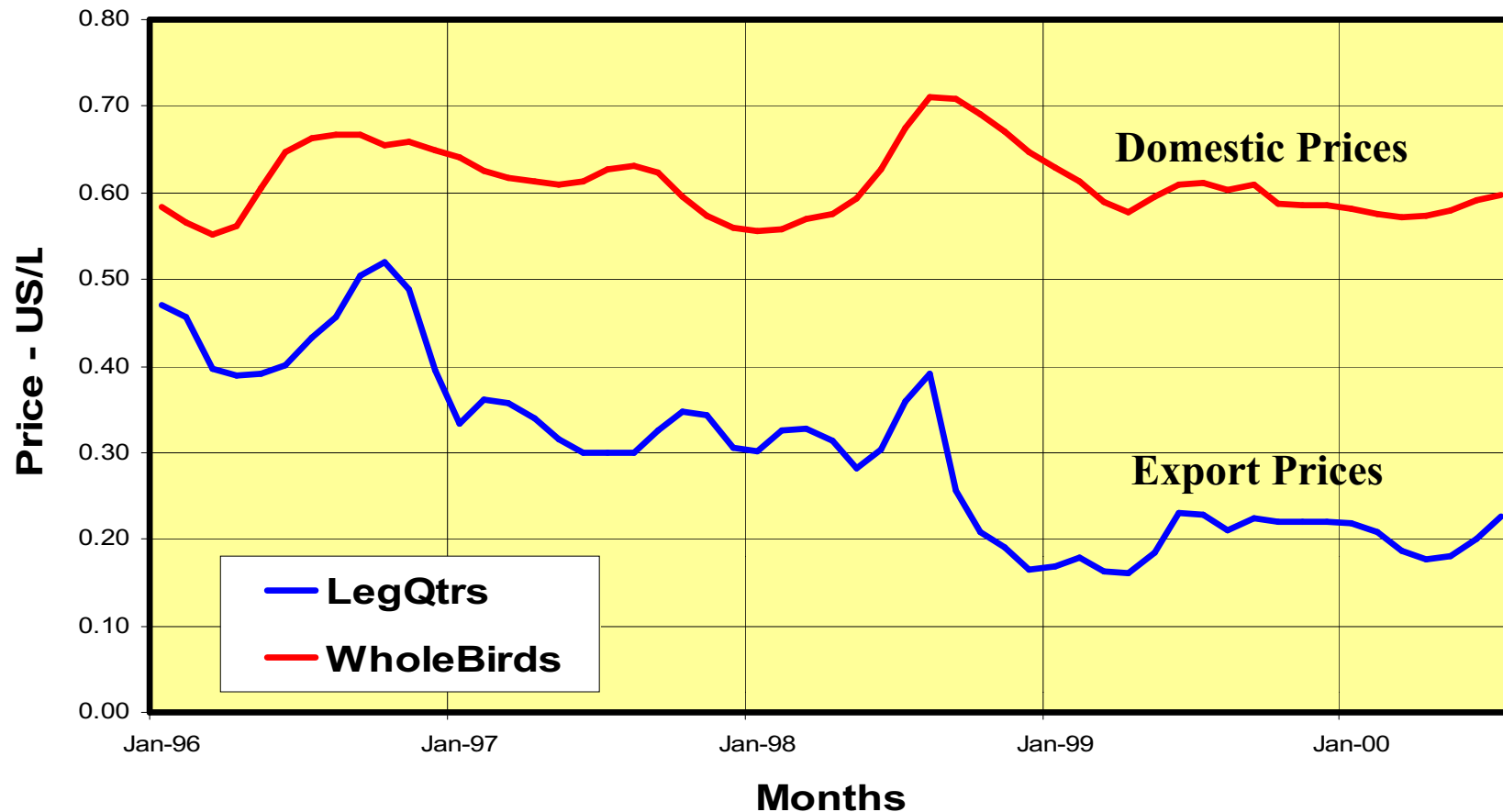
So Export Product Mixes Differ With Developed Countries Exporting Mainly Low Priced Products

Unit Values in 1998 World Poultry Trade, SITC Code 01235, USD / Metric Ton

Exporters	Importers								Weighted Average (all exports)
	US	Brazil	EU	China	Japan	Russia	All Others		
							High Value	Low Value	
U.S.	---	---	---	647	1112	719	1555	808	752
Brazil	---	---	2505	717	1940	558	1774	476	1404
EU	---	894	---	936	3358	712	1500	710	770
China	---	---	2400	---	1890	894	1563	---	1816
Japan	---	---	---	924	---	---	---	---	923
All Others									
High Value	2154	1909	3264	---	2060	---	2133		
Low Value	---	---	936	798	---	885			
Weighted Average (all imports)	2230	1692	2211	727	1822	719			

These Characteristics of Global Trade Make Markets Very Susceptible to Shocks in Major Traders

Bulk Frozen Broiler Product Prices (East USA) After Collapse of Russian and Asian Markets



**And This Affects Not Only Export Prices But Also
Quality As Frozen Chicken Stocks to Shoot UP**

US FROZEN CHICKEN INVENTORIES

