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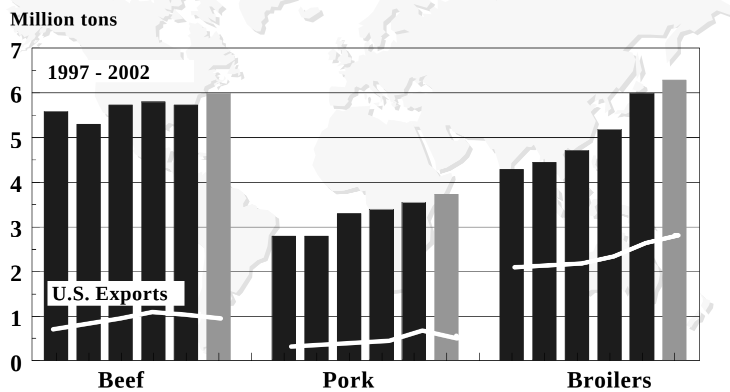
Livestock and Poultry: World Markets and Trade

World Beef, Pork, and Broiler Trade Forecast to Reach Record High in 2002; Competition for Market Share Stiffens



World beef, pork, and poultry exports for 2002 are forecast to rise to new records. For beef and pork, the United States will be facing stiff competition in key markets, especially Japan. For poultry, U.S. exports are projected to continue growing, although Brazil is making gains in their world market share.

For 2002, total beef trade is forecast at a record 6 million tons, up 4 percent from last year. Most major beef exporters are forecast to increase exports, but the United States' beef exports are forecast to decline further from the record 2000 level as production falls and competition stiffens in world markets. Argentina and the European Union (EU) are projected to regain some 2001 market losses which resulted from outbreaks of Foot-and-Mouth Disease (FMD) in Argentina and the EU and increased detections of Bovine Spongiform Encephalopathy in the EU. Brazil is expected to bolster its already booming beef exports.

For 2002, total pork trade is forecast at a record 3.7 million tons, up 4 percent from last year. U.S. pork exports in 2002 are forecast to decline from the 2001 record as competition increases in Japan and Mexico. The EU is projected to regain some of its market share lost last year due to its FMD outbreak. Brazil and Canada's pork exports are projected to continue increasing as their hog industries expand.

For 2002, total broiler exports are forecast at a record 6.3 million tons, up 5 percent from last year. Broiler demand continues to rise mainly due to competitive prices and consumer concerns over alternative meats. Major exporters, the United States, Brazil, and Thailand, are forecast to increase exports supported by increased production, while the EU's exports are expected to decrease mainly due to high prices even with export subsidies.

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Livestock and Poultry: World Markets and Trade

To view this information on the internet, please go to: http://www.fas.usda.gov/dlp/dlp.html

NOTE TO READERS

The *Livestock and Poultry: World Markets and Trade* circular format has changed from previous publications in an attempt to better meet end-user needs. Beef, pork, and poultry country-level pages are added, with tables, graphs, and text providing a snapshot of the current animal/meat situation in that particular country. The Summary Tables with meat production, imports, exports, and consumption are presented to provide a quick overview of the world situation. The entire USDA production, supply, and demand (PSD) database will be available on FAS Online in the near future for users to access and generate the full set of PSD data. In the meantime, the PSD is still available on the traditional USDA website http://www.ers.usda.gov/data/psd/

Please refer to the USDA/FAS Dairy, Livestock, and Poultry Division (DLP) website at: http://www.fas.usda.gov/dlp/dlp.html for additional data and analysis, such as the *International Agricultural Trade Reports*, *Trade at a Glance,* and *Country Pages*. These reports are posted regularly on the homepage covering analysis on current issues and topics, new trade data, and market competition. Additional commodity country-level pages with trade matrices are published on the DLP homepage.

BEEF AND VEAL SUMMARY
Selected Countries

1,000 Metric Tons
---Carcass Weight Equivalent---

	1997	1998	1999	2000	2001(p)	2002(f)
PRODUCTION						
United States	11,714	11,804	12,124	12,298	11,983	11,762
Canada	1,075	1,150	1,238	1,246	1,235	1,214
Mexico	1,795	1,800	1,900	1,900	1,925	1,930
Argentina	2,975	2,600	2,840	2,880	2,625	2,750
Brazil	6,050	6,140	6,270	6,520	6,895	7,050
Colombia	680	671	651	662	681	710
European Union *	7,696	7,432	7,493	7,462	7,044	7,230
Poland	404	407	367	325	305	290
Russian Federation	2,326	2,090	1,900	1,840	1,770	1,710
South Africa; Republic of	591	539	584	630	635	600
India	1,430	1,593	1,660	1,700	1,770	1,810
China; Peoples Republic of #	4,409	4,799	5,054	5,328	5,600	5,880
Japan	530	530	537	530	465	475
Australia	1,942	1,989	1,956	1,988	2,034	2,070
New Zealand	664	620	558	580	600	635
Other Countries	4,087	4,025	3,867	3,859	3,617	3,585
TOTAL	48,368	48,189	48,999	49,748	49,184	49,701
IMPORTS						
United States	1,063	1,199	1,304	1,375	1,434	1,472
Canada	244	232	254	263	299	320
Mexico	203	307	358	420	426	430
Brazil	145	102	52	69	43	30
European Union *	380	324	349	448	410	467
Poland	10	1	0	1	0	0
Russian Federation	1,062	684	838	477	675	750
Egypt	140	158	215	188	75	130
South Africa; Republic of	60	36	26	45	48	55
Taiwan	85	82	94	83	80	84
Hong Kong #	49	59	67	72	72	72
Japan	909	943	959	1,016	955	880
Korea; Republic of	226	125	242	324	246	340
Other Countries	200	225	194	214	191	198
TOTAL	4,776	4,477	4,952	4,995	4,954	5,228
EXPORTS						
United States	969	985	1,093	1,119	1,030	993
Canada	382	428	492	523	574	580
Argentina	458	303	359	357	163	230
Brazil	232	306	464	492	748	800
Uruguay	251	182	149	189	144	139
European Union *	900	676	852	645	532	638
India	215	245	257	300	375	410
China; Peoples Republic of #	101	88	55	53	60	56
Australia	1,184	1,268	1,270	1,338	1,395	1,425
New Zealand	509	488	442	485	495	530
Other Countries	383	331	310	306	222	195
TOTAL	5,584	5,300	5,743	5,807	5,738	5,996
CONSUMPTION						
United States	11,767	12,052	12,327	12,503	12,349	12,324
Canada	937	951	994	992	961	955
Mexico	1,992	2,101	2,250	2,309	2,341	2,352
Argentina	2,535	2,330	2,498	2,540	2,475	2,535
Brazil	5,973	5,941	5,861	6,090	6,190	6,280
Colombia	680	672	652	669	672	693
European Union *	6,809	6,997	7,241	7,300	6,740	7,056
Poland	368	296	324	294	262	250
Russian Federation	3,486	2,845	2,734	2,308	2,437	2,452
Egypt	565	603	615	630	502	572
South Africa; Republic of	648	568	605	671	676	648
India	1,215	1,348	1,403	1,400	1,395	1,400
China; Peoples Republic of #	4,316	4,722	5,012	5,291	5,558	5,842
Japan	1,452	1,479	1,475	1,534	1,381	1,365
Australia	755	712	722	660	645	650
Other Countries	3,763	3,772	3,817	3,779	3,678	3,693
TOTAL	47,261	47,389	48,530	48,970	48,262	49,067

SOURCE: Counselor and attache reports, official statistics, and results of office research.
* EU: pre-2000 are partial EU data based on summation of reporting countries; 2000 and later is total EU-15.
# Hong Kong & China data series has been revised to more accurately reflect actual demand and not just transshipments.
(p) preliminary (f) forecast

Foreign Agricultural Service
Commodity and Marketing Programs
Dairy, Livestock, and Poultry Division

World Beef Trade Overview

Total Beef Exports Forecast at Record Level for 2002; U.S. Beef Exports Decline

World Trade: Total beef exports for major exporting countries are forecast to increase 4 percent to a record 6 million tons in 2002, as most major competitors are forecast to increase exports. United States beef exports are forecast to decline further from record 2000 levels as competition stiffens in the world market. *For additional analysis, data, and updated Country Pages, please refer to the USDA/FAS Dairy, Livestock, and Poultry Division at www.fas.usda.gov/dlp/dlp.html*

Key Exporters:

- **United States**: Beef exports are forecast to reach just under 1 million tons in 2002, the lowest level since 1998. Lower beef production in the United States is expected to boost prices in 2002, and these higher domestic prices and a strong dollar are expected to hamper U.S. beef exports. U.S. beef is also bearing the brunt of reduced consumer demand in Japan following the detection of three cases of Bovine Spongiform Encephalopathy (BSE) in the fall of 2001. U.S. beef exports to other major markets in North America and Asia are expected to remain near record levels. The United States is the world's second largest beef exporter.

- **Argentina**: Beef exports are forecast up sharply at 230,000 tons in 2002 as the recovery from the foot-and-mouth disease (FMD) outbreak is well underway. The reopening of the European Union (EU) and some other major markets and the devaluation of the Argentine Peso are driving the export recovery. Argentina may be hard pressed, however, to fully regain major markets such as Chile, Israel, and the EU, where Brazil made big gains in 2001 at Argentina's expense. Argentina is the world's eighth largest beef exporter.

- **Australia**: Beef exports are forecast to reach a record of just over 1.4 million tons in 2002 as production grows and market presence in Canada, Korea and Mexico expands. Australia in 2001 displaced the United States as Japan's number one beef supplier. Australia filled its U.S. import quota in 2001, and is expected to do so again in 2002. Australia is the world's largest beef exporter.

- **Brazil**: Beef exports are forecast at a record 800,000 tons in 2002, building on a string of records. In 2001, Brazil made significant inroads into a range of markets, including Egypt, Iran, and Saudi Arabia. Aggressive marketing campaigns in the EU touting Brazilian beef as natural and grass-fed, and new beef trading agreements with Russia, should help Brazil expand its beef exports in 2002. However, Argentina's return to world beef markets will increase competition. Brazil is the world's third largest beef exporter.

- **Canada**: Beef exports in 2002 are forecast to rise for the eleventh straight year to a record 580,000 tons, with the United States and Mexico remaining the main markets for Canadian beef. Over 80 percent of Canada's beef exports go to the United States, but Canada has become important in other beef markets such as Mexico, where

Canada has increased its market share from less than 1 percent in 1997 to 19 percent in 2001. Canada is the world's fifth largest beef exporter.

- **European Union**: Beef exports are forecast to rebound by 20 percent from low 2001 volumes to 638,000 tons in 2002, as previously key markets such as Egypt and Russia reopen after being closed due to BSE and FMD concerns. EU beef exports to Russia are expected to strongly recover in 2002 as Russia has rescinded its import bans vis-à-vis FMD and maintains a highly regionalized import ban with respect to BSE. The European Union is the world's fourth largest beef exporter.

Key Importers:

- **United States**: Total U.S. beef imports are forecast to reach 1.47 million tons in 2002, up nearly 3 percent from the record 1.43 million tons imported in 2001. Total imports of beef from all major suppliers, including Canada, Australia, and New Zealand, are expected to remain at record levels. The United States is the world's largest beef importer.

- **Canada**: Beef imports for 2002 are projected at a record level of 320,000 tons. The United States continues to dominate the stagnating fresh/chilled segment of the import market. Canada's frozen beef imports have shown substantial growth, all captured by major competitors, such as Australia, New Zealand, and Uruguay. Canada is the world's seventh largest beef importer.

- **European Union**: Beef imports in 2002 are forecast to rise by 14 percent to 467,000 tons as beef consumption recovers and imports resume from traditional suppliers in South America that had been suspended due to FMD outbreaks. The European Union is the world's fourth largest beef importer.

- **Japan**: Beef imports for 2002 are forecast to fall for a second year with imports slipping from 955,000 tons in 2001 to 880,000 tons in 2002, the lowest level since 1994. The detection of BSE in domestic dairy herds in the fall of 2001 and poor consumer confidence in Japanese governmental programs and industry actions taken to address the problem are reducing demand for both domestically produced and imported beef. Japan is the number one U.S. beef export market, and the world's second largest beef importer.

- **Korea**: Beef imports for 2002 are forecast to reach a record 340,000 tons, far above the reduced 246,000 tons imported in 2001. The recovery of the Korean economy and the strengthening of the Korean Won, coupled with the removal of major barriers to trade in beef products in 2001, are the leading factors in this import recovery. Korea is the third most important U.S. beef export market and the world's sixth largest beef importer.

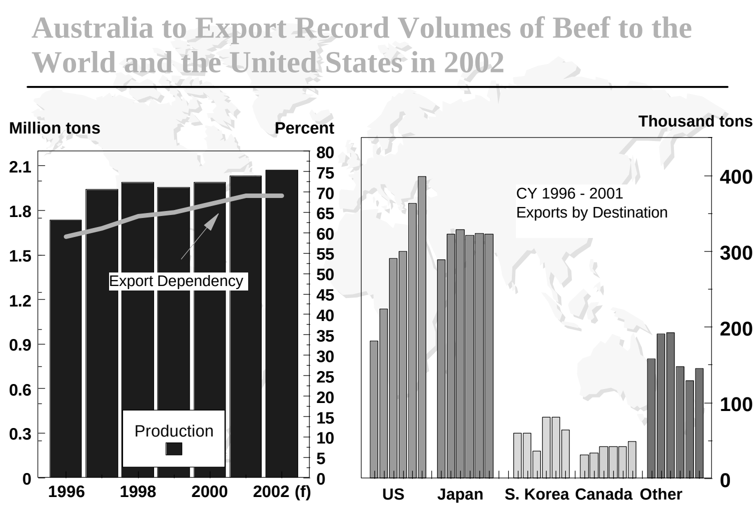
- **Mexico**: The 2002 beef imports are forecast at a record level of 430,000 tons with the United States expected to capture the majority of the market. A growing middle-income population demanding more meat protein and a flourishing hotel and restaurant industry account for the continued growth in the meat sector. Mexico is the United States' second largest export market for beef and the world's fifth largest beef importer.

- **Russia**: Beef imports for 2002 are forecast to increase to 750,000 tons, well above the estimated 675,000 tons imported in 2001. Much of the increase is expected to come from the EU. Russia is the world's third largest beef importer.

Australia's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	36,417	36,880	36,680	36,880	37,241	38,850	39,880
Slaughter	7,970	9,161	9,324	8,759	8,642	8,739	8,960
Exports	743	948	618	844	896	861	870
Beef (1,000 tons; carcass weight equivalent)							
Production	1,736	1,942	1,989	1,956	1,988	2,034	2,070
Exports	1,026	1,184	1,268	1,270	1,338	1,395	1,425
Consumption	705	755	712	722	660	645	650

* Total supply = beginning inventories + calf crop + imports.



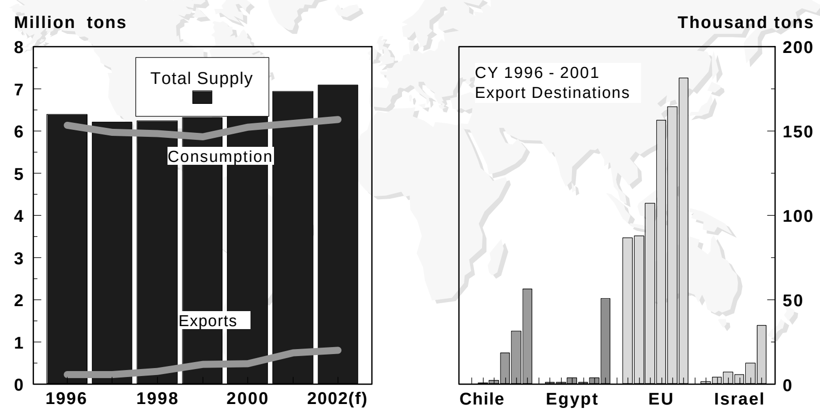
Australia's beef production is forecast to again exceed 2 million tons in 2002. The world's largest beef exporter, Australia's beef exports are forecast to reach a record 1.4 million tons in 2002 as their market presence outside of the United States and Japan expands in Canada, Korea, and Mexico. Australia has led the world in beef exports for more than a decade, with three quarters of its exports shipped to the United States and Japan in 2001. Australia displaced the United States as Japan's number one beef supplier in 2001 for the first time since 1995 and filled its U.S. import quota. Australia is expected to fill the U.S. quota again in 2002. Traditionally a supplier of grass-fed beef, Australia is expanding grain-fed production of cattle. According to industry estimates, grain-fed production now represents 25 percent of total beef output. Building upon its success, Australia is intensifying its competition with U.S. product throughout Asia and North America with market promotion activities targeting China, Korea, and Japan. U.S. beef exports to Australia totaled $1.48 million in 2001.

Brazil's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001(p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	183,356	180,136	179,198	180,017	184,649	191,849	201,341
Slaughter	31,144	29,514	29,805	29,500	30,467	31,860	32,240
Beef (1,000 tons; carcass weight equivalent)							
Production	6,150	6,050	6,140	6,270	6,520	6,895	7,050
Imports	181	145	102	52	69	43	30
Consumption	6,147	5,973	5,941	5,861	6,090	6,190	6,280
Exports	224	232	306	464	492	748	800

* Total supply = beginning inventories + calf crop + imports.

Brazil's Beef Exports Skyrocketing Into New Markets While Maintaining Established Ones



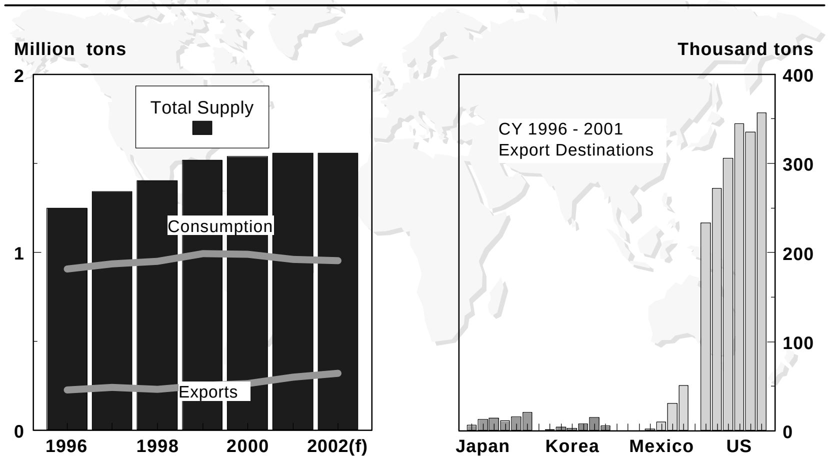
Brazil's beef exports are forecast at a record 800,000 tons in 2002, building on a string of records. Brazil is the world's third largest beef exporter. Coupled with a weak currency, Brazil was able to expand exports in 2001 as disease outbreaks in other global beef exporters (FMD in Argentina and Uruguay, and BSE and FMD in the EU) cut competition. Brazil was able to increase its worldwide beef exports by 50 percent over the previous year. In addition to expanding its existing major markets, such as the EU and Chile, Brazil made significant inroads into a range of new markets, including Egypt, Iran, and Saudi Arabia. Beef production in 2002 is again forecast higher, as producers bet on booming beef export prospects and increasing domestic consumption. Aggressive marketing campaigns in the EU touting Brazilian beef as natural and grass-fed and new beef trading agreements with Russia should help Brazil maintain its markets, even in the face of Argentina and Uruguay reentering the world beef markets. U.S. beef exports to Brazil totaled $392,000 in 2001 and consisted mainly of processed beef.

Canada's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001(p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	19,048	18,813	18,578	18,308	18,413	18,688	18,524
Slaughter	3,506	3,631	3,768	3,929	3,842	3,671	3,675
Imports	60	44	111	222	353	302	225
Exports	1,514	1,383	1,318	990	969	1,310	1,250
Beef (1,000 tons; carcass weight equivalent)							
Production	998	1,075	1,150	1,238	1,246	1,235	1,214
Imports	228	244	232	254	263	299	320
Consumption	909	937	951	994	992	961	955
Exports	319	382	428	492	523	574	580

* Total supply = beginning inventories + calf crop + imports.

Canada's Steadily Rising Beef Exports Branching Out to Traditional U.S. Markets



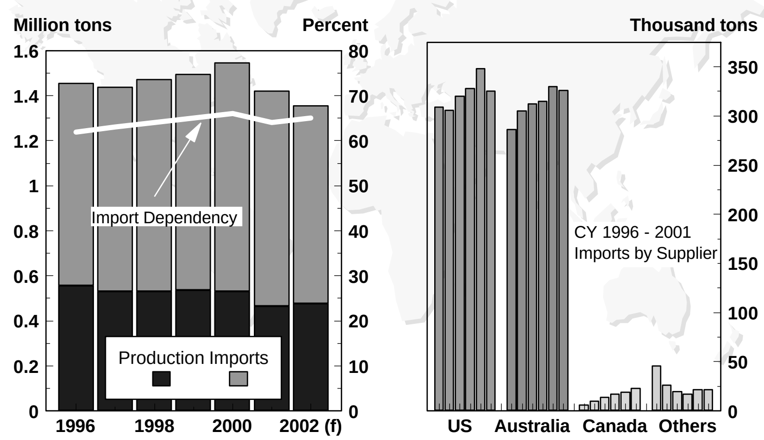
Canada, the world's fifth largest beef exporter and the seventh largest beef importer, is forecast to increase its beef exports marginally in 2002 to 580,000 tons, constrained mainly by reduced production. Canadian cattle exports to the United States will remain relatively strong, although slightly lower than in 2001, as drought conditions abate, allowing cattle inventories to rebuild. Beef imports for 2002 are projected at a record 320,000 tons. The United States continues to dominate the stagnating fresh/chilled segment of the import market, while Canada's frozen beef imports have shown substantial growth. All that growth, however, is going to major competitors, including Australia, New Zealand, and Uruguay. The United States and Mexico remain the main markets for Canadian beef exports. Canada has increased its market share in Mexico from less than 1 percent in 1997 to 19 percent in 2001. U.S. beef exports to Canada totaled $274 million in 2001, making Canada the fourth largest market for U.S. beef.

Japan's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	6,391	6,285	6,240	6,182	6,076	6,009	6,093
Slaughter	1,384	1,337	1,322	1,332	1,303	1,135	1,170
Beef (1,000 tons; carcass weight equivalent)							
Production	555	530	530	537	530	465	475
Imports	899	909	943	959	1,016	955	880
Consumption	1,438	1,452	1,479	1,475	1,534	1,381	1,365
Ending Stocks	144	131	125	146	158	197	187

* Total supply = beginning inventories + calf crop + imports

Japan's Beef Imports Take Another Step Back as Consumer Confidence in Beef Declines.
Australia Reclaims #1 Supplier Position in 2001



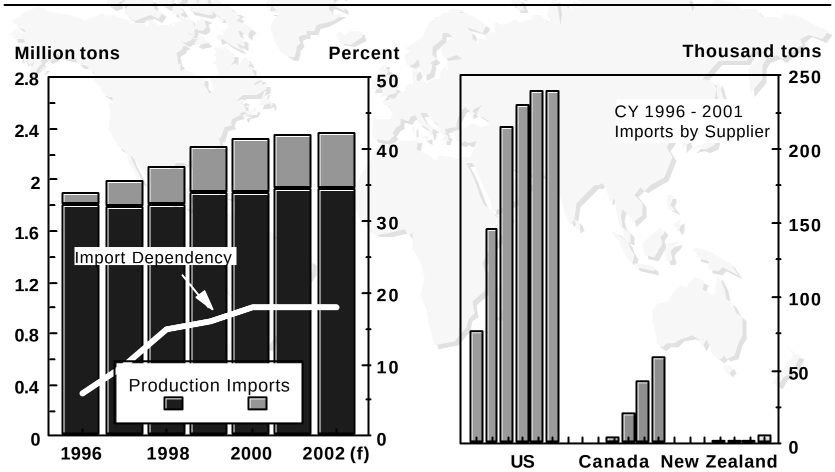
Japan's beef production in 2002 is forecast to remain steady at 475,000 tons as consumer concerns regarding domestic beef safety continue to limit demand for beef. BSE, discovered in three domestic dairy cows in the fall of 2001, caused an immediate drop in consumption and is expected to slow demand during 2002. Beef imports are forecast to fall for a second year with beef imports slipping to 880,000 tons in 2002, the lowest level since 1994, as the impacts of Japan's economic recession, record unemployment, and public concerns in response to BSE continue. For additional information on the Japanese beef market, please see the International Agricultural Trade Report, "Fight for Japanese Beef Market Intensifies, U.S. Share Pressured," at http://www.fas.usda.gov/dlp/iatrs/2002/japan0205.pdf U.S. beef exports to Japan in 2001 were $1.2 billion, making Japan the largest market for U.S. beef exports. Japan is the world's second largest beef importer.

Mexico's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	36,262	35,182	34,210	33,551	32,550	31,496	30,296
Slaughter	8,180	8,200	8,000	8,150	8,200	8,300	8,310
Imports	122	260	182	192	235	195	200
Exports	460	670	721	970	1,224	1,280	1,300
Beef (1,000 tons; carcass weight equivalent)							
Production	1,800	1,795	1,800	1,900	1,900	1,925	1,930
Imports	105	203	307	358	420	426	430
Consumption	1,898	1,992	2,101	2,250	2,309	2,341	2,352

* Total supply = beginning inventories + calf crop + imports

In Stagnating Mexican Beef Import Market, Canada Challenges U.S. Preeminence



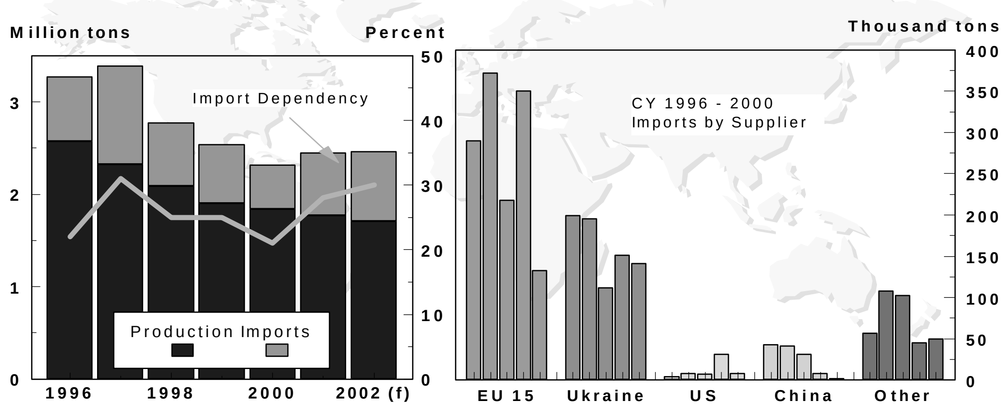
Mexico's beef production for 2002 is forecast up marginally from the previous year to continue at the record 1.9 million ton level. Investments to expand the cattle herd are hampered by restrictive interest rates and low producer profits. Cattle inventories for 2002 are projected to decline for the eighth consecutive year due to dry weather and attractive export prices. Cattle exports for 2002 are forecast at a record 1.3 million head, with most, if not all, destined for feed lots in the United States. Mexico is the world's fifth largest beef importer, and beef imports are forecast at a record level with the United States capturing the majority of the market. A growing middle-income population demanding more meat protein and a flourishing hotel and restaurant industry account for the continued growth in the meat sector. U.S. beef exports to Mexico totaled $546 million in 2001, making Mexico the United States' second largest export market for beef.

Russia's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	53,525	47,114	41,954	38,804	36,704	34,959	33,839
Slaughter	15,315	13,500	12,300	10,860	10,515	10,050	9,730
Beef (1,000 tons; carcass weight equivalent)							
Production	2,570	2,326	2,090	1,900	1,840	1,770	1,710
Imports	876	1,062	684	838	477	675	750
Consumption	3,464	3,486	2,845	2,734	2,308	2,437	2,452
Exports	5	7	4	4	9	8	8
Ending Stocks	180	75	0	0	0	0	0

* Total supply = beginning inventories + calf crop + imports

Russia to Import More Beef to Maintain Consumption Levels in 2002.
Domestic Beef Production Continues Its Long Slide



Russia’s beef production in 2002 is forecast to fall further to 1.7 million tons. At the same time, stronger consumer demand has led to a bolstering of beef prices. Beef imports are forecast to increase to 750,000 tons in 2002. Imports from the EU, Russia’s largest beef supplier, are expected to strengthen in 2002. U.S. beef exports to Russia totaled $6 million in 2002. Russia is the world’s third largest beef importer.

PORK SUMMARY
Selected Countries

1,000 Metric Tons
---Carcass Weight Equivalent---

	1997	1998	1999	2000	2001(p)	2002(f)
PRODUCTION						
United States	7,835	8,623	8,758	8,596	8,691	8,715
Canada	1,257	1,337	1,550	1,638	1,720	1,800
Mexico	940	950	994	1,035	1,065	1,085
Brazil	1,540	1,690	1,835	2,010	2,216	2,340
European Union*	15,906	17,248	17,914	17,585	17,600	17,800
Hungary	485	408	500	490	470	480
Poland	1,540	1,650	1,675	1,620	1,550	1,620
Russian Federation	1,570	1,510	1,490	1,500	1,530	1,550
China; Peoples Republic of #	35,963	38,837	40,056	40,314	42,400	43,200
Taiwan	1,030	892	822	921	910	900
Japan	1,283	1,285	1,277	1,269	1,245	1,230
Other Countries	4,374	4,472	4,396	4,343	4,285	4,448
TOTAL	73,723	78,902	81,267	81,321	83,682	85,168
IMPORTS						
United States	287	320	375	439	431	435
Canada	59	64	65	68	91	90
Mexico	82	144	190	276	294	315
Brazil	5	1	1	0	0	0
European Union*	61	39	52	54	55	60
Poland	41	74	55	47	22	17
Romania	5	53	27	29	37	40
Russian Federation	886	708	830	508	550	630
Hong Kong#	171	207	217	247	260	280
Japan	786	777	919	995	1,068	1,070
Korea; Republic of	77	66	156	172	122	130
Singapore	26	12	18	23	25	25
Other Countries	85	164	226	232	184	208
TOTAL	2,571	2,629	3,131	3,090	3,139	3,300
EXPORTS						
United States	474	558	580	584	709	674
Canada	420	432	554	658	727	750
Brazil	82	105	109	163	337	365
European Union*	972	1,002	1,388	1,470	1,235	1,325
Hungary	136	109	131	143	120	125
Poland	284	220	235	160	102	110
Romania	55	6	5	1	0	0
China; Peoples Republic of #	158	143	75	73	139	125
Taiwan	70	3	0	0	0	0
Other Countries	172	213	224	162	201	244
TOTAL	2,823	2,791	3,301	3,414	3,570	3,718
CONSUMPTION						
United States	7,631	8,305	8,596	8,457	8,391	8,476
Canada	889	955	1,063	1,047	1,082	1,140
Mexico	983	1,045	1,131	1,252	1,298	1,340
Brazil	1,468	1,581	1,727	1,827	1,898	1,980
European Union*	14,782	15,603	16,060	16,168	16,346	16,530
Hungary	371	345	385	372	380	380
Poland	1,334	1,462	1,484	1,544	1,476	1,527
Romania	300	365	347	318	307	315
Russian Federation	2,455	2,217	2,319	2,007	2,079	2,179
China; Peoples Republic of #	35,819	38,740	40,024	40,291	42,325	43,145
Taiwan	860	971	948	975	925	930
Japan	2,134	2,146	2,212	2,228	2,269	2,332
Korea; Republic of	870	940	984	1,057	1,144	1,180
Philippines	905	940	993	1,026	1,075	1,105
Other Countries	2,451	2,456	2,442	2,344	2,163	2,241
TOTAL	73,252	78,071	80,715	80,913	83,158	84,800

SOURCE: Counselor and attache reports, official statistics, and results of office research.
* EU: pre-2000 are partial EU data based on summation of reporting countries; 2000 and later is total EU-15.
# Hong Kong & China data series has been revised to more accurately reflect actual demand and not just transshipments.
(p) preliminary (f) forecast

Foreign Agricultural Service
Commodity and Marketing Programs
Dairy, Livestock, and Poultry Division

World Pork Trade Overview

Total Pork Trade Forecast at Record Level for 2002; But U.S. Exports Decline

World Trade: Total pork exports for major exporting countries are forecast to increase 4 percent to a record 3.7 million tons in 2002. Pork exports are forecast higher for the EU, Brazil, Poland, and Canada. The United States' pork exports are forecast to decline from the 2001 record as competition stiffens in world markets. *For additional analysis, data, and updated Country Pages, please refer to the USDA/FAS Dairy, Livestock, and Poultry Division at www.fas.usda.gov/dlp/dlp.html*

Key Exporters:

- **United States**: Pork exports for 2002 are forecast at 674,000 tons, down 5 percent from the 2001 record level. U.S. pork exports are facing increasing competition in the major markets of Japan and Mexico. In Japan, by far the most important U.S. pork export market representing 48 percent of U.S. pork exports in 2001, pork imports are expected to remain static. In Mexico, the second most important U.S. export market accounting for 22 percent of U.S. pork exports in 2001, pork products are expected to face increasing competition from Canada. The United States is the world's third largest pork exporter.

- **Brazil**: After doubling in 2001, pork exports for 2002 are forecast at a new record, up another 8 percent to 365,000 tons. Low production cost and recent investments to expand production capacity have succeeded in making Brazil a significant pork exporter. Pork exports to Russia exploded from 24 tons in 1999 to 148,000 in 2001 and accounted for an estimated one-third of Russian pork imports. Brazil is expected to continue to expand exports in the coming years. Brazil is the world's fourth largest pork exporter.

- **Canada**: After eclipsing U.S. pork exports in 2000, Canada is forecast to set another record at 750,000 tons of pork exports in 2002. Canada continues to market about 60 percent of its exports to the United States. Canada continues to expand its markets in Japan and Russia, growing 23 and 155 percent, respectively, in 2001 from the previous year. Canada is the world's second largest pork exporter.

- **European Union**: Pork exports for 2002 are forecast at 1.3 million tons, up 7 percent from the previous year, but below the 1999 record level. The EU is expected to rebound from the 2001 reduced level when FMD caused EU pork exports to be locked out of many countries. Pork export refunds are still not granted, thus mitigating a more rapid export expansion. The EU is the world's largest pork exporter.

Key Importers:

- **United States**: Pork imports for 2002 are forecast at 435,000 tons, essentially unchanged from the previous year and marginally below the 2000 record. Canada continues to be the dominant foreign supplier. Canada's pork industry continues to expand, and its proximity to the United States permits U.S. buyers to source Canadian cuts more cheaply and conveniently than most EU products. The EU is expected to regain some of its pre-FMD share of the U.S. pork market with increases in Danish spare ribs offsetting decreases in Danish hams. The United States is the world's third largest pork importer.

- **Hong Kong**: Pork imports for 2002 are forecast at 280,000 tons, up 8 percent from the previous year due, in part, to changing consumer preferences from freshly slaughtered meats to chilled/frozen. Pork imports from China may increase as the Chinese government now allows more than one agent to market its meat in Hong Kong. Hong Kong is the world's fifth largest pork importer.

- **Japan**: Pork imports for 2002 are forecast at 1.07 million tons, near the same level as the previous year. In 2001, pork imports jumped 7 percent from the previous year due, in part, to BSE vis-à-vis beef and other significant food safety concerns that developed in the fourth quarter. With continued BSE concerns, pork consumption is expected to remain strong. In the last half of 2002, Korea is expected to enter Japan's pork market after a 2-year absence due to FMD in its swine herd. Japan is the world's largest pork importer.

- **Mexico**: Pork imports for 2002 are forecast at a record 315,000 tons, up 7 percent from the previous year. Domestic production and imports are growing equally to meet consumer demand. Although imports are still expanding, the year-over-year rates of increase in pork imports are slowing to rates below the 48 percent average annual increases that were established between 1997 and 2000. The dominance of the United States in the Mexican pork import market is expected to continue but is being challenged by Canada. The lower-priced Canadian dollar, relative to the U.S. dollar in peso terms, provides an added competitive advantage to Canadian pork products in Mexico. Mexico is the world's fourth largest pork importer.

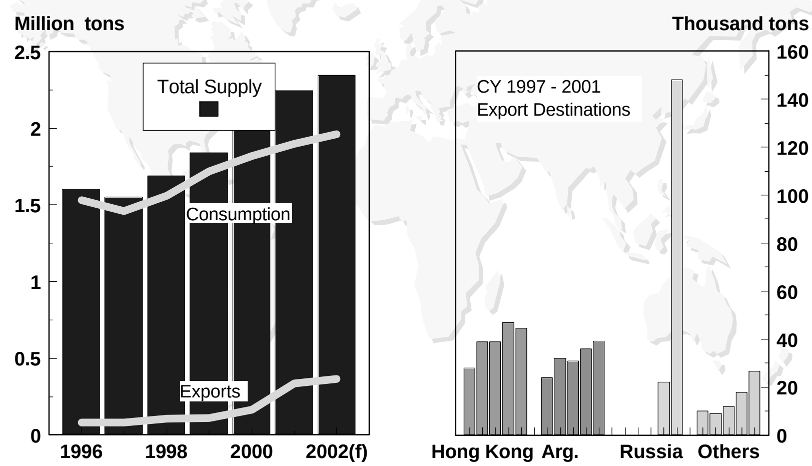
- **Russia**: Pork imports for 2002 are forecast at 630,000 tons, up 15 percent from the previous year. Suppliers of inexpensive meat cuts will continue to do well in the Russian market. Although the EU is the main supplier of pork, Brazil is rapidly becoming more prominent. The swine herd in Russia is forecast to expand for the first time in 12 years. Russia is the world's second largest pork importer.

Brazil's Swine and Pork Situation

	1996	1997	1998	1999	2000	2001(p)	2002 (f)
Swine (1,000 head)							
Total Supply*	59,646	58,660	59,142	59,712	60,540	61,640	62,483
Slaughter	21,735	20,865	21,160	23,352	24,520	26,475	28,060
Pork (1,000 tons; carcass weight equivalent)							
Production	1,600	1,540	1,690	1,835	2,010	2,216	2,340
Consumption	1,530	1,468	1,581	1,727	1,827	1,898	1,980
Exports	80	82	105	109	163	337	365

* Total supply = beginning inventories + pig crop + imports.

Brazil's Late '90's Pork Production Surge Meets Growing Domestic Demand and Supports Export Expansion, Especially to Russia



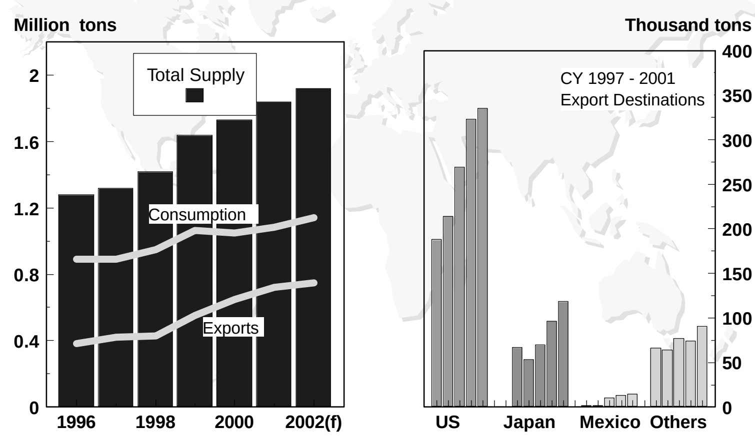
Brazil’s pork production for 2002 is forecast up about 6 percent to a fifth consecutive record of 2.3 million tons. Production is bolstered by firm demand in the domestic and export market, continued investments in sow production in the Center-West region of the country, continued low feed costs, and remunerative prices to producers. Pork production is concentrated in the South region but is expanding in the Center-West region. This region offers better feed availability at lower cost as the grains/oilseed complex expands, faces fewer environmental restrictions, and receives better incentives offered by state governments. Pork exports for 2002 are forecast at a record 365,000 tons, reflecting sales into new markets, a surge in pork exports to Russia, and the devaluation of the Brazilian currency. Pork exporters are targeting Russia, Asian, and Latin American markets through a strategy of intensifying their participation in trade shows and trade missions to specific markets. U.S. pork exports to Brazil totaled $140,000 in 2001.

Canada's Swine and Pork Situation

	1996	1997	1998	1999	2000	2001(p)	2002 (f)
Swine (1,000 head)							
Total Supply*	30,258	31,335	34,536	36,497	37,957	40,410	42,365
Slaughter	15,178	15,388	16,999	18,928	19,890	20,679	21,600
Exports	2,780	3,181	4,123	4,136	4,364	5,311	5,800
Pork (1,000 tons; carcass weight equivalent)							
Production	1,225	1,257	1,337	1,550	1,638	1,720	1,800
Imports	42	59	64	65	68	91	90
Consumption	885	889	955	1,063	1,047	1,082	1,140
Exports	384	420	432	554	658	727	750
Ending stocks	13	20	34	32	33	35	35

* Total supply = beginning inventories + pig crop + imports.

Canada's Domestic Pork Supply Jumps in 1999 With Surplus Going Into Exports; Consumption and Exports Now Growing Steadily



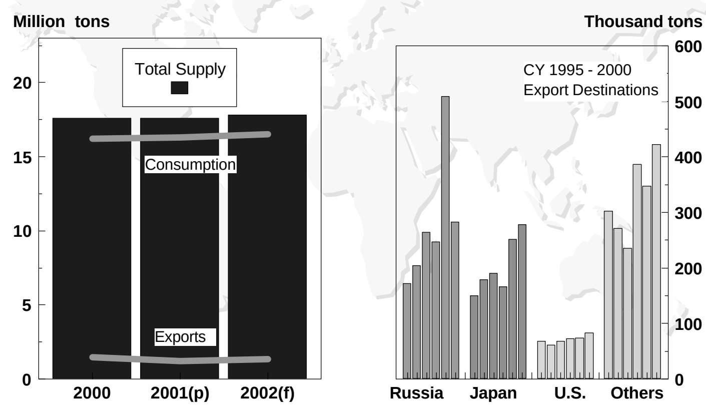
Canada's pork production for 2002 is forecast to climb about 5 percent to 1.8 million tons, the sixth consecutive record, as the pork industry continues to expand. Pork exports for 2002 are forecast to grow to a record 750,000 tons, while imports are virtually unchanged from the year-ago record at 90,000 tons. Although about 60 percent of Canada's pork exports are destined for the United States, Canada has made significant strides in the Japanese market. Over the past 5 years, Japan's pork imports from Canada have doubled to total 22 percent of Japan's market. Canada's hog exports for 2002 are forecast at a record 5.8 million head as the profitability of exporting feeder pigs to the U.S. Mid-west continues strong. Over the past several years, the ratio of slaughter versus feeder pigs exports to the United States reversed. Feeder hogs now account for about 60 percent of Canada's hog exports as the U.S. industry restructured and prices favored Canadian feeder hog exports. U.S. pork exports to Canada totaled $156 million in 2001, making it the third largest market for U.S. pork products.

EU-15 Swine and Pork Situation

	2000	2001(p)	2002 (f)
Swine (1,000 head)			
Total Supply*	338,016	336,834	337,585
Slaughter	203,638	202,100	204,272
Exports	128	22	28
Pork (1,000 tons; carcass weight equivalent)			
Production	17,585	17,600	17,800
Imports	54	55	60
Consumption	16,168	16,346	16,530
Exports	1,470	1,235	1,325
Ending stocks	737	811	816

* Total supply = beginning inventories + pig crop + imports.

EU Pork Exports Supported by Sales to Broad Range of Destinations



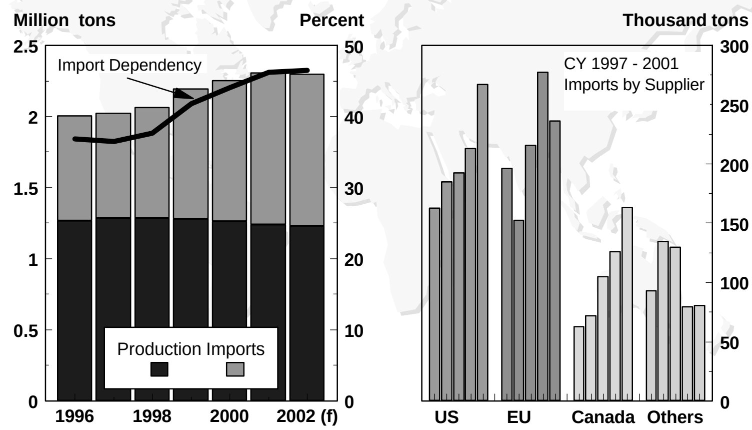
Pork exports for 2002 are projected to reach 1.3 million tons, up 7 percent from 2001 as the EU recovers from temporary FMD bans and the negative effect of Japan's safeguard measures. In addition, the decline in Japanese beef consumption due to BSE concerns will benefit major pork exporters, including the EU. Export prospects to Eastern European countries and Russia are also expected to improve. Danish spare rib exports to the United States are expected to increase, while canned hams are likely to decline in 2002. EU pork production is forecast to increase 1 percent to 17.8 million tons as a larger pig crop, due to higher prices, will push pork production upwards. Pork imports are forecast to move slightly higher to 60,000 tons due to larger import quotas that were granted to Eastern European countries at the conclusion of double-zero agreements. EU imports of pork products, mainly for processing, almost exclusively originate from Eastern Europe, particularly Hungary. Pork consumption is projected to grow 1 percent in 2002 as a result of continuing BSE concerns; however, beef consumption is bouncing back from year ago levels. U.S. pork exports to the EU totaled $13 million in 2001.

Japan's Swine and Pork Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Swine (1,000 head)							
Total Supply*	27,501	27,674	27,755	27,480	27,306	27,086	27,040
Slaughter	16,852	17,021	17,067	16,871	16,717	16,346	16,200
Pork (1,000 tons; carcass weight equivalent)							
Production	1,266	1,283	1,285	1,277	1,269	1,245	1,230
Imports	1,010	786	777	919	995	1068	1,070
Consumption	2,119	2,134	2,146	2,212	2,228	2,269	2,332
Ending stocks	255	190	106	90	126	170	138

* Total supply = beginning inventories + pig crop + imports

Japan's Growing Pork Consumption Met Increasingly Through Imports as Domestic Production Stagnates

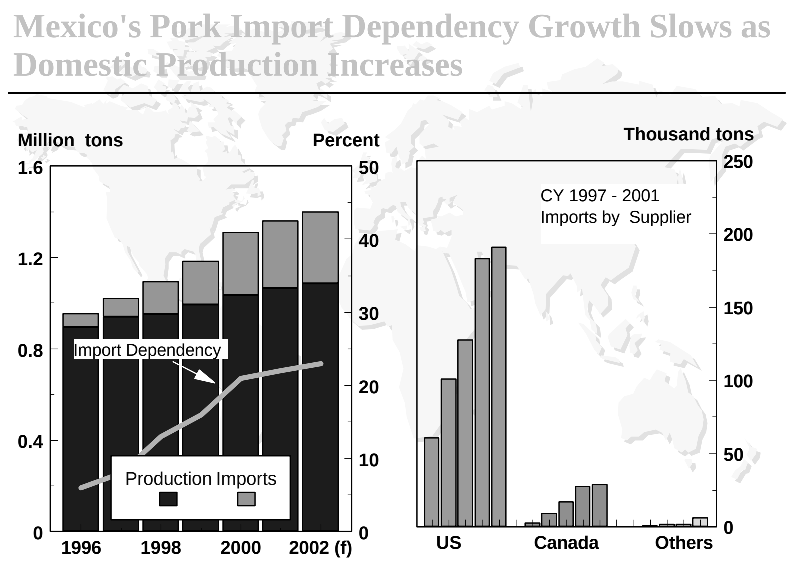


Japan's pork imports in 2002 are forecast to continue at a record 1.07 million tons, virtually unchanged from 2001. Despite the current pork safeguard measure, imports will likely continue strong as concerns over BSE and beef mislabeling issues have caused consumers to shift to pork. The current pork safeguard measure ends March 31, 2002, and pork imports are expected to become more active. The United States is expected to remain the major supplier of fresh/chilled pork to Japan, while the EU fights Canada and the U.S. to regain its market share for frozen cuts. The United States jumped from 13 percent of the frozen market in 2000 to 22 percent in 2001, while the EU fell from 60 percent to 46 percent due to FMD in the EU. Competition for market share in Japan will be fierce as pork production in exporting countries is forecast at record levels. Japan’s pork production is forecast to decrease for a fifth consecutive year as the swine industry continues to consolidate into fewer and larger operations. U.S. pork exports to Japan totaled $849 million in 2001, making it the largest market for U.S. pork products.

Mexico's Swine and Pork Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Swine (1,000 head)							
Total Supply*	24,703	24,777	25,465	25,862	25,754	25,799	25,839
Slaughter	12,453	12,770	13,105	13,575	13,615	13,765	13,860
Pork (1,000 tons; carcass weight equivalent)							
Production	895	940	950	994	1,035	1,065	1,085
Imports	59	82	144	190	276	294	315
Consumption	928	983	1,045	1,131	1,252	1,298	1,340
Exports	26	39	49	53	59	61	60

* Total supply = beginning inventories + pig crop + imports



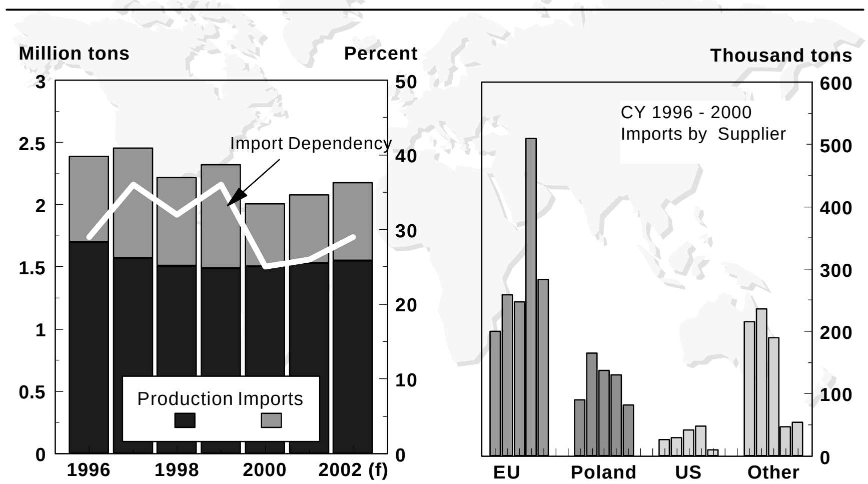
Mexico’s pork production for 2002 is forecast to climb 2 percent from the previous year to a record 1.1 million tons, reflecting swine and pork production capacity expansion by large, vertically integrated companies. The continued expansion of companies with more than 500 sows more than offsets a decline in medium and small size farms. Pork imports for 2002 are forecast to expand to a record 315,000 tons, as domestic production is unable to meet consumer demand. Although many meat products are still purchased through the traditional *mercados*, or open air markets, consumers are increasingly using supermarkets and discount warehouses. These retailers are generally equipped to source pork from abroad. The United States is the dominant supplier of pork to Mexico, but Canada has recently begun to compete for increased market share. Mexico’s pork exports for 2002 are forecast at 60,000 tons, nearly unchanged from 2001, with most of the exports destined for Japan. U.S. pork exports to Mexico totaled $211 million in 2001, making it the second largest market for U.S. pork products.

Russia's Swine and Pork Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Swine (1,000 head)							
Total Supply*	51,971	49,910	47,614	47,135	46,835	46,965	47,305
Slaughter	28,000	29,130	27,950	27,350	27,450	27,690	27,760
Pork (1,000 tons; carcass weight equivalent)							
Production	1,700	1,570	1,510	1,490	1,500	1,530	1,550
Imports	688	886	708	830	508	550	630
Consumption	2,387	2,455	2,217	2,319	2,007	2,079	2,179

* Total supply = beginning inventories + pig crop + imports

Pork Imports Grow as Consumption Gains Outpace Production



Russia=s 2002 swine beginning inventory is forecast to be up for the first time in 12 years due to improved feed supplies and investment in the swine sector. Higher pork prices in the domestic market have also provided incentives for producers to continue increasing pig production. Russia=s pork imports in 2002 are forecast at 630,000 tons, up 15 percent from 2001, as an improved economy is expected to create more demand for pork. Although the EU will likely remain the major supplier, Russia=s pork imports from non-EU countries are increasing. Russia’s 2001 pork imports from Brazil expanded greatly over the previous year. Brazil is expected to continue to expand its market in Russia for less expensive pork cuts and will seek to establish itself in the retail quality pork market. The United States remains a residual supplier in the Russian market but significantly increased its sales to Russia during 2001. U.S. pork exports to Russia totaled $41million in 2001, making it the fourth largest market for U.S. pork products.

BROILER (Chicken 16 week-old) SUMMARY
Selected Countries

1,000 Metric Tons
---Ready to Cook Equivalent---

	1997	1998	1999	2000	2001(p)	2002(f)
PRODUCTION						
United States	12,266	12,525	13,367	13,703	13,989	14,382
Canada	750	798	847	877	915	930
Mexico	1,493	1,587	1,784	1,936	1,989	2,108
Brazil	4,461	4,498	5,526	5,980	6,580	7,040
Argentina	770	850	885	870	870	860
European Union *	6,539	6,789	6,614	6,654	6,822	6,970
Russian Federation	200	280	350	380	430	470
China, (PRC) #	2,650	3,450	4,400	5,050	5,200	5,400
Japan	1,124	1,097	1,078	1,091	1,080	1,085
Thailand	900	930	980	1,070	1,230	1,350
Other Countries	4,892	5,065	5,278	5,236	5,350	5,502
TOTAL	36,045	37,869	41,109	42,847	44,455	46,097
IMPORTS						
United States	2	2	2	3	6	4
Canada	72	73	76	96	90	95
Mexico	160	181	188	219	235	240
European Union *	165	155	164	190	350	380
Russian Federation	1,283	1,032	930	949	1,280	1,350
Saudi Arabia	294	275	371	345	400	420
United Arab Emirates	112	119	117	122	125	130
South Africa, Rep. of	80	70	80	72	62	55
China, (PRC) #	677	701	881	953	900	900
Hong Kong #	258	268	391	232	233	240
Japan	575	590	667	721	710	720
Other Countries	259	323	332	333	364	387
TOTAL	3,937	3,789	4,199	4,235	4,755	4,921
EXPORTS						
United States	2,116	2,120	2,232	2,446	2,806	2,880
Canada	56	74	63	82	85	85
Brazil	651	616	776	916	1,266	1,430
European Union *	736	803	776	764	699	675
Hungary	60	55	47	26	30	30
China #	331	323	375	464	489	509
Thailand	192	282	276	333	420	470
Other Countries	145	179	175	161	198	202
TOTAL	4,287	4,452	4,720	5,192	5,993	6,281
CONSUMPTION						
United States	10,168	10,359	11,099	11,259	11,229	11,511
Canada	765	791	864	891	920	938
Mexico	1,653	1,768	1,972	2,155	2,224	2,348
Brazil	3,810	3,882	4,600	5,044	5,288	5,686
European Union *	5,968	6,141	6,002	6,080	6,473	6,675
Russian Federation	1,472	1,301	1,275	1,324	1,705	1,814
Poland	285	315	351	375	400	415
China, (PRC) #	2,996	3,828	4,906	5,539	5,611	5,791
Hong Kong #	325	321	454	297	299	306
Japan	1,718	1,697	1,742	1,788	1,795	1,799
Republic of Korea	420	379	434	458	486	495
Thailand	700	650	695	730	810	880
Other Countries	5,422	5,732	5,995	5,915	6,001	6,158
TOTAL	35,702	37,164	40,389	41,855	43,241	44,816

SOURCE: Counselor and attache reports, official statistics, and results of office research.
* EU: pre-1997 are partial EU data based on summation of reporting countries; 1997 and later is total EU-15.
# Hong Kong & China data series has been revised to more accurately reflect actual demand and not just transshipments.
(p) preliminary (f) forecast

Foreign Agricultural Service
Commodity and Marketing Programs
Dairy, Livestock, and Poultry Division

TURKEY SUMMARY
Selected Countries

1,000 Metric Tons
---Ready to Cook Equivalent---

	1997	1998	1999	2000	2001(p)	2002(f)
PRODUCTION						
United States	2,455	2,366	2,372	2,419	2,487	2,507
Canada	142	139	139	152	145	146
Mexico	11	11	12	12	13	13
Brazil	101	107	115	137	165	175
European Union *	1,638	1,700	1,830	1,740	1,777	1,780
Russian Federation	12	9	8	7	7	7
Other Countries	127	155	160	171	198	213
TOTAL	4,486	4,487	4,636	4,638	4,792	4,841
IMPORTS						
United States	0	0	0	0	0	0
Canada	6	7	8	7	8	9
Mexico	111	113	124	137	147	155
European Union *	47	35	44	61	65	65
Russian Federation	147	96	84	158	163	165
South Africa, Rep. of	30	17	18	21	15	25
Hong Kong #	10	12	26	17	5	7
Other Countries	40	25	37	30	23	27
TOTAL	391	305	341	431	426	453
EXPORTS						
United States	275	202	172	202	221	225
Canada	24	22	23	23	24	25
Brazil	23	19	26	44	69	74
European Union *	199	209	234	248	326	315
Hungary	17	20	26	23	28	30
Other Countries	6	7	17	17	17	16
TOTAL	544	479	498	557	685	685
CONSUMPTION						
United States	2,141	2,214	2,223	2,223	2,266	2,267
Canada	126	130	126	131	131	133
Mexico	120	123	132	141	152	160
Brazil	78	88	89	93	96	101
European Union *	1,486	1,526	1,640	1,553	1,516	1,530
Hungary	40	48	49	57	59	60
Russian Federation	159	105	92	165	170	172
Poland	83	96	82	78	95	110
South Africa Rep. of	29	18	20	24	19	30
Hong Kong #	10	12	17	19	12	7
Republic of Korea	16	5	9	7	7	8
Taiwan	8	4	21	20	13	17
Other Countries	0	0	0	0	0	0
TOTAL	4,296	4,369	4,500	4,511	4,536	4,595

SOURCE: Counselor and attache reports, official statistics, and results of office research.
* EU: pre-1997 are partial EU data based on summation of reporting countries; 1997 and later is total EU-15.
# Hong Kong & China data series has been revised to more accurately reflect actual demand and not just transshipments.
(p) preliminary (f) forecast

Foreign Agricultural Service
Commodity and Marketing Programs
Dairy, Livestock, and Poultry Division

World Broiler (Chicken 16 weeks old) Trade Overview

World Exports: Total broiler exports for major countries are forecast to increase 5 percent to a record 6.3 million tons in 2002. Increases in broiler exports by the United States, Brazil, China, and Thailand are driven by larger production and price competitiveness. The EU's exports, however, are forecast to decrease due mainly to high prices even with export subsidies. *For additional analysis, data, and updated Country Pages, please refer to the USDA/FAS Dairy, Livestock, and Poultry Division at www.fas.usda.gov/dlp/dlp.html*

Key Exporters

- **United States**: Broiler exports for 2002 are forecast to reach a record 2.9 million tons, up nearly 3 percent. U.S. broiler exports continue to face challenges in major markets, most recently in Russia. The United States is the world's largest broiler exporter.

- **Brazil**: Brazil's broiler exports for 2002 are forecast to increase by 13 percent to 1.4 million tons following last year's 38-percent gain. The Brazilians are focusing exports on both whole bird and parts markets. Brazil is expected to increase exports to the Middle East, Asia, Africa, and the EU. Brazil is the world's second largest broiler exporter.

- **China**: Broiler exports for 2002 are forecast to expand to 509,000 tons, up 4 percent. Due partly to a trade dispute with Japan over chemical residues in Chinese broiler products, China is focusing more on exports of heat-treated products to mitigate quarantine issues since these products face fewer sanitary restrictions. China is the world's fourth largest broiler exporter.

- **European Union**: Broiler exports are forecast to continue their downward trend in 2002, dropping by 3 percent to 675,000 tons from 2001, largely due to increased domestic consumption and decreased competitiveness in whole bird markets in the Middle East. The EU is the world's third largest broiler exporter.

Key Importers

- **China**: In 2002, broiler imports are forecast at 900,000 tons, the same level as the previous year as domestic production rises. China is the world's second largest broiler importer.

- **European Union**: European Union broiler imports are projected to grow at about 9 percent from the previous year to 380,000 tons, mainly due to imports of product under a lower tariff from Brazil, Thailand, and other Eastern European countries. The EU is the world's fifth largest broiler importer.

- **Japan**: In 2002, broiler imports are forecast at 720,000 tons, about 1 percent above the previous year. Fresh/frozen broiler imports from China may be limited due mainly to lingering health concerns, but imports from Thailand are expected to rise. Japan is the world's third largest broiler importer.

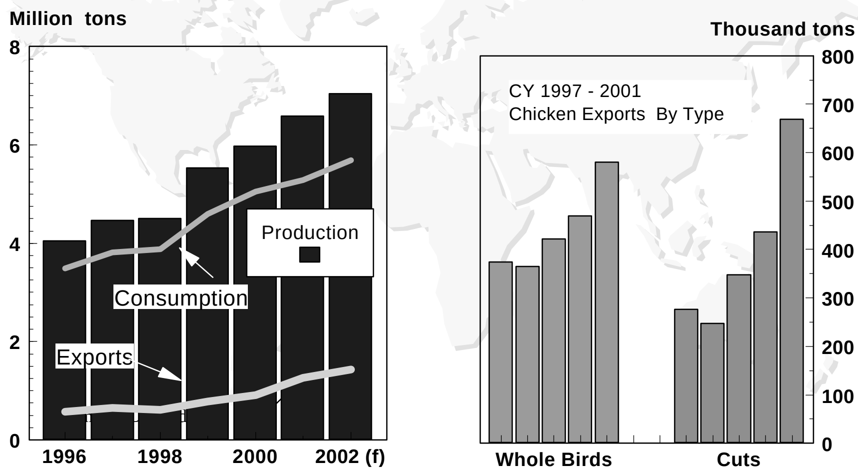
- **Mexico**: Mexican broiler imports are forecast to increase by 2 percent over the previous year to a record 240,000 tons, surpassing the current NAFTA tariff rate quota (TRQ) of 82,340 tons in 2002. Approximately 80 percent of Mexican broiler imports come from the United States. Mexico is the world's sixth largest broiler importer.

- **Russia**: In 2002, broiler imports are forecast at 1.35 million tons, up 5 percent from the previous year. Imports are expected to grow as production gains cannot satisfy domestic demand bolstered by a strengthening economy. Effective March 10, 2002, Russia banned imports of U.S. poultry products. The impact of the ban on Russia's broiler imports and consumption remains to be seen at the time of this analysis. The United States supplied more than 80 percent of Russian broiler imports in 2000. Russia is the world's largest broiler importer.

Brazil's Broiler Situation

	1996	1997	1998	1999	2000	2001(p)	2002(f)
(1,000 tons ready to cook equivalent)							
Production	4,052	4,461	4,498	5,526	5,980	6,580	7,040
Consumption	3,483	3,810	3,882	4,600	5,044	5,288	5,686
Exports	569	651	616	776	916	1,266	1,430

Brazilian Producers Increasing Their Focus on Exports, Both Whole Bird and Chicken Cut Markets

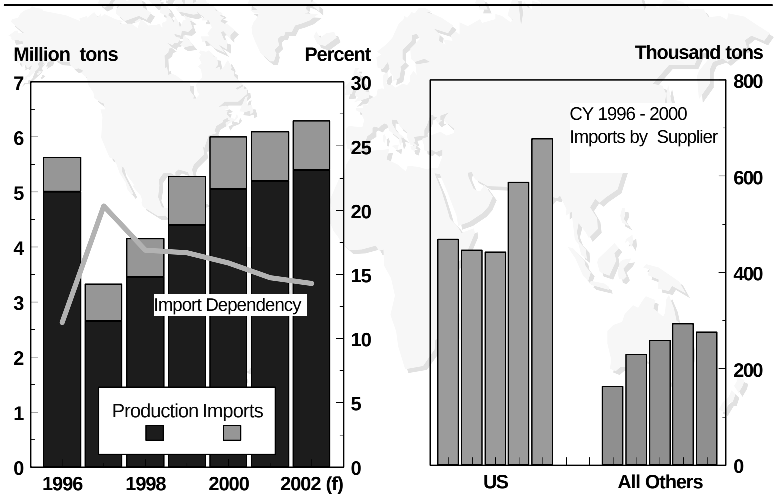


Brazilian producers are forecast to continue their efforts on expanding exports in 2002. The Brazilians, traditionally whole bird exporters, are now moving increasing quantities of chicken cuts. Cut exports surpassed whole bird levels in 2001. Brazil's broiler exports in 2002 are forecast to reach a record 1.4 million tons, a gain of nearly 13 percent over 2001. Brazil, facilitated by the devaluation of the Brazilian Real, significantly increased chicken cut exports to the EU, Russia, Cuba, and numerous regions in Africa, Asia, and the Middle East. Brazil is expected to increase its market activities in these regions in 2002. As a low-cost broiler producer, Brazil presents increased competition for U.S. exports. Brazilian production is forecast to increase by 7 percent to 7 million tons in 2002. Brazilian consumption is also forecast to increase by 7 percent in 2002 due to population growth and affordable prices. U.S. broiler exports to Brazil were valued at $412,000 in 2001.

China’s Broiler Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
(1,000 tons ready to cook equivalent)							
Production	5,000	2,650	3,450	4,400	5,050	5,200	5,400
Imports	633	677	701	881	953	900	900
Consumption	5,315	2,996	3,828	4,906	5,539	5,611	5,791
Exports	318	331	323	375	464	489	509

China's Broiler Production Grows as Producers Focus on Exports and The Domestic Market



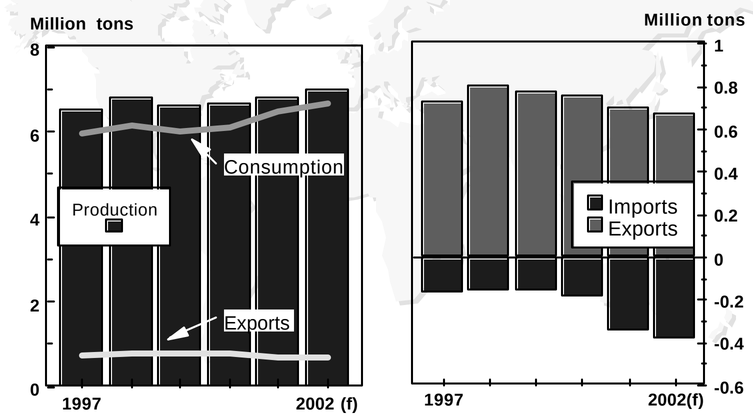
Note: Data series revised in 1997

China’s broiler imports are forecast to remain flat through 2002 as domestic producers will likely supply a greater share of the home market. Broiler production in 2002 is forecast to increase nearly 4 percent to 5.4 million tons as the broiler industry becomes more sophisticated. China’s broiler industry is focusing on the huge domestic market as well as foreign markets, particularly the EU and African destinations. In 2002, exports are expected to grow despite last year’s set backs caused by trade disputes with Japan and South Korea. Broiler consumption is forecast to increase 3 percent to 5.8 million tons in 2002. In 2001, direct U.S. exports of broilers to China, the seventh largest market for the United States, were valued at $33 million. However, U.S. broiler exports to Hong Kong, for direct consumption there and re-exports to China, accounted for an additional $335 million.

European Union’s Broiler Situation

	1997	1998	1999	2000	2001(p)	2002 (f)
(1,000 tons ready to cook equivalent)						
Production	6,539	6,789	6,614	6,654	6,822	6,970
Imports	165	155	164	190	350	380
Consumption	5,968	6,141	6,002	6,080	6,473	6,675
Exports	736	803	776	764	699	675

EU Exports of Broiler Meat Fall While Imports Grow

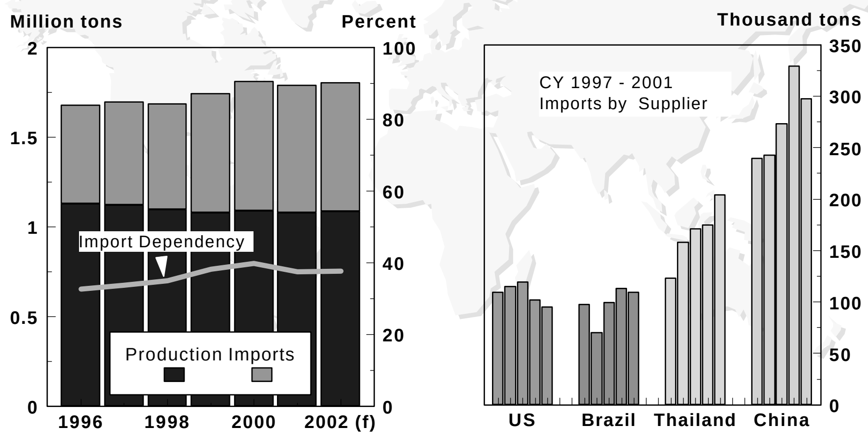


EU exports of broiler meat in 2002 are projected to continue their downward trend. The decline is mainly due to lower exports of whole birds to the Middle East, which were not price competitive even with export refunds, and a higher-than-usual share of production being consumed domestically. Broiler imports in 2002 are projected to increase by nearly 9 percent, largely due to competitive broiler imports from Brazil and Thailand. EU broiler consumption is forecast to increase from the previous year by 3 percent. Broiler production growth in 2002 is forecast to slow to 2 percent as consumers demand for beef products strengthens.

Japan's Broiler Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
(1,000 tons ready to cook equivalent)							
Production	1,130	1,124	1,097	1,078	1,091	1,080	1,085
Imports	613	575	590	667	721	710	720
Consumption	1,736	1,718	1,697	1,742	1,788	1,795	1,799
Exports	3	3	3	4	3	3	3

Japan's Broiler Imports Remain Steady; Competition Stiffens Among Suppliers

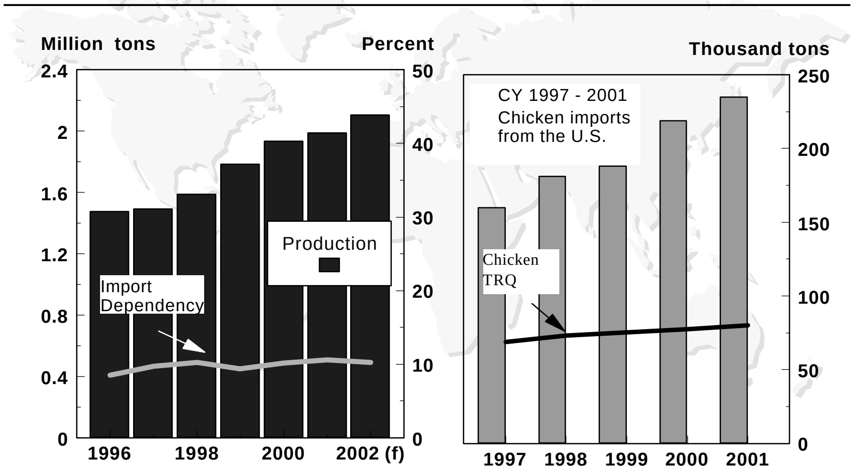


Japan's broiler imports in 2002 are forecast at 720,000 tons, up slightly from the previous year. Broiler imports from Brazil and Thailand are projected to increase in 2002 due mainly to competitive prices. Japan temporarily banned poultry imports from China in 2001 following the detection of Avian Influenza, causing imports from China to decrease 10 percent from the 2000 level. Japan's broiler imports from China in 2002 will depend on the extent of China's ability to control animal diseases and meet quarantine standards. Broiler consumption in Japan is not expected to increase due to tightened consumer spending caused by the weak economy. In 2001, U.S. broiler exports to Japan, the fourth largest market for the United States, were valued at $132 million.

Mexico's Broiler Situation

	1996	1997	1998	1999	2000	2001(p)	2002 (f)
(1,000 tons ready to cook equivalent)							
Production	1,478	1,493	1,587	1,784	1,936	1,989	2,108
Imports	138	160	181	188	219	235	240
Consumption	1,616	1,653	1,768	1,972	2,155	2,224	2,348

Mexican Imports Dominated by U.S. Chicken as Imports Continue Well Above NAFTA Tariff Rate Quota Level

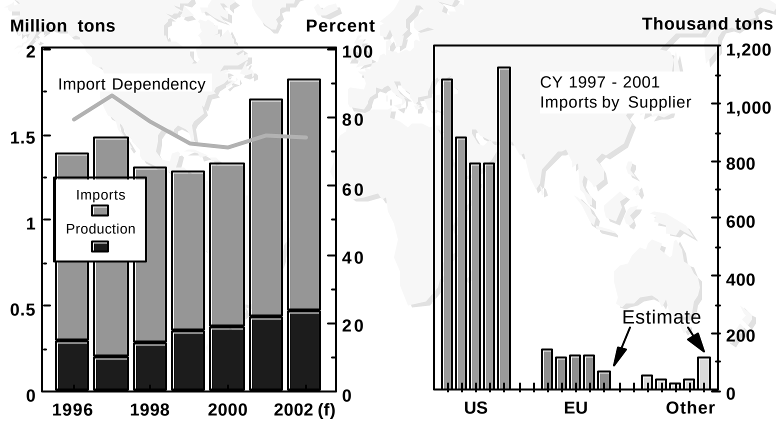


Mexican imports of broiler meat are forecast to increase by 2 percent to 240,000 tons in 2002, again surpassing the current NAFTA tariff rate quota (TRQ) of 82,340 tons for 2002. The United States supplies approximately 80 percent of Mexico's broiler imports. Mexican broiler consumption is forecast to increase 6 percent in 2002. This substantial growth in consumption is forecast to be a result of relatively stable exchange rates, population growth, affordable prices, and increased consumer awareness of eating low-fat meat. Chicken continues to be a popular item with consumers because it is less expensive than red meat. Mexican broiler meat production in 2002 is projected to increase nearly 6 percent because of lower production costs and a stable peso. U.S. broiler exports to Mexico were valued at $119 million in 2001; Mexico is the third largest broiler export market for the United States.

Russia's Broiler Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
(1,000 tons ready to cook equivalent)							
Production	290	200	280	350	380	430	470
Imports	1,102	1,283	1,032	930	949	1,280	1,350
Consumption	1,379	1,472	1,301	1,275	1,324	1,705	1,814
Exports	13	11	11	5	5	3	6

Russian Dependence on Broiler Imports Flat as Domestic Production Gains Continue



Broiler production in 2002 is anticipated to increase 9 percent but will only partially fulfill the increase in domestic consumption. Broiler imports in 2002 are forecast to increase 5 percent to 1.35 million tons driven by strong domestic demand from a strengthening economy. Russia's broiler imports sharply increased in 2001 as broiler meat suited consumer demand for meat protein at attractive prices. The increased broiler consumption is forecast to continue in 2002 despite the recent import ban on U.S. poultry. In 2001, U.S. broiler exports to Russia, the largest market for the United States, were valued at $635 million. However, U.S. broiler exports to Estonia and Latvia, which are for both direct consumption and re-exports to Russia, accounted for an additional $30 million.