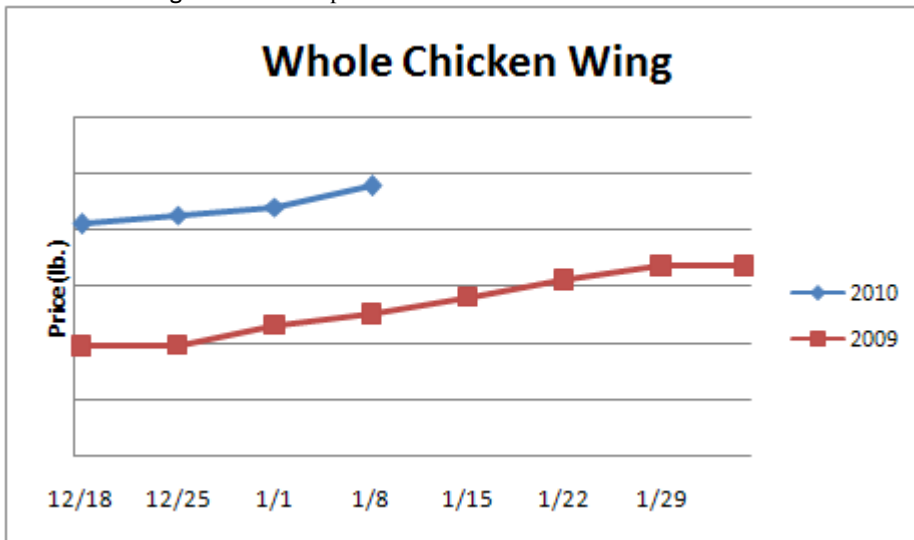


# Poultry Report

**Poultry-** On January 1st, Russia announced that they were halting imports of chicken from the US due to a particular US production practice. Historically, Russia has been the largest importer of US chicken at times accounting for 30% of US chicken exports. Trade has softened during the past few years but Russia is still a major destination for US chicken. If the embargo is longstanding, it may be bearish for US chicken leg quarter prices and US chicken production. The US also announced new tariffs on Chinese steel this week which could slow trade with the country. China is also a major importer of US chicken. The chicken wing markets remain firm due to seasonally strong demand. The chicken wing markets could peak next month.



|                                 | <u>Market Trend</u> | <u>Supplies</u> | <u>Price vs. Last Year</u> |
|---------------------------------|---------------------|-----------------|----------------------------|
| Whole Chicken (2.5-3 lb-GA)     | Increasing          | Good            | Lower                      |
| Whole Chicken (LA)              | Increasing          | Good            | Lower                      |
| Chicken Wings, Whole            | Increasing          | Good            | Higher                     |
| Chicken Wings, Jumbo Cut        | Increasing          | Good            | Higher                     |
| Chicken Breast, Bone-In         | Increasing          | Good            | Higher                     |
| Chicken Breast, Bnless Skinless | Increasing          | Good            | Higher                     |
| Chicken Tender (random)         | Increasing          | Good            | Higher                     |
| Chicken Tender (sized)          | Increasing          | Good            | Lower                      |
| Chicken Legs (whole)            | Decreasing          | Good            | Lower                      |
| Chicken Leg Quarters            | Steady              | Good            | Higher                     |
| Chicken Thighs, bone in         | Increasing          | Good            | Lower                      |
| Chicken Thighs, boneless        | Decreasing          | Good            | Lower                      |
| Large Eggs                      | Decreasing          | Good            | Lower                      |
| Medium Eggs                     | Decreasing          | Good            | Higher                     |
| Whole Eggs- Liq                 | Steady              | Good            | Higher                     |
| Egg Whites- Liq                 | Steady              | Good            | Lower                      |
| Egg Yolks- Liq                  | Steady              | Good            | Lower                      |
| Whole Turkey (8-16 lb)          | Decreasing          | Good            | Higher                     |
| Turkey Breast- Bnls/Sknls       | Decreasing          | Good            | Higher                     |

\*This data and these comments are provided for information purposes only and are not intended to be used for specific trading strategies. Past financial results are not necessarily indicative of future performance. Any examples given are strictly hypothetical and no representation is being made that a person will or is likely to achieve profits or losses similar to those examples. Neither the information, nor any opinion expressed constitutes a solicitation to buy or sell futures or options on futures contracts or OTC products. Covered parties (as defined below) shall not be liable for any direct, indirect, incidental, special or consequential damages of any kind, whatsoever (including attorney's fees and lost profits or savings) in any way due to, resulting from, or arising in connection with the Market Trends Report, including its content, regardless of any negligence of the covered party including but not limited to technical inaccuracies and typographical errors. "Covered Parties" is defined as American Restaurant Association Inc., ARA Trading and the employees of both companies. Commodity trading involves risks, and you should fully understand those risks before trading. © 2007 American Restaurant Association Inc. This publication is protected under U.S. copyright law. Please do not redistribute without permission. Thank you.