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Report Highlights:

Brazilian poultry production is expected to increase in 2000 and 2001, although at lower rates compared to recent years. Higher feed costs forced producers to adjust supply in the first half of 2000 as profit margins declined. Domestic demand for broiler meat and table eggs will strengthen as a result of lower relative retail prices compared to beef and pork. Broiler exports continue to set records year after year, and will likely increase by 15 percent this year and by 20 percent in 2001.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Brasilia [BR1], BR

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Note: Production data for the poultry sector in Brazil are estimates, developed from trade sources. Such estimates are inevitable given that the Brazilian government does not publish consistent, complete, and reliable official statistics for the sector. OAA also uses production figures denominated as "unofficial" slaughter of poultry referred to as "clandestine" slaughter by the trade, which is primarily motivated by evasion of state and federal taxes.

Executive Summary

The economic indicators for the first semester (Jan-Jun) of 2000 suggest a substantial improvement of economic conditions in Brazil, compared to same period last year which followed a major devaluation of the Brazilian currency - the Real in January, 1999. Inflation remains under control and is estimated to be around 6 percent in 2000, and less than 4 percent in 2001. Brazil's GDP growth for 2000 is now estimated to increase nearly 4 percent, while domestic real benchmark interest rates are expected to be below 10 percent by the end of 2000. The unemployment rate is also declining and likely will close the year below 8 percent.

During the first half of 2000, poultry producers faced declining returns because of higher feed costs and difficulties importing corn due to the local pressures of consumer groups against imports of Bt corn. Trade sources indicated to OAA that returns to producers will improve in the second half of 2000 and on into 2001. Broiler exports are expected to set another record in 2000 and 2001.

Commodity Outlook, Broilers

Production

During the first half of 2000, broiler meat production increased by 7 percent over the same period in 1999. The increase in production is due to the higher number of chicks placed in December of 1999 and in early 2000. The growth rate of 7 percent, although high, represents half of the increase in broiler production when compared to the same period in 1999 and 1998. This situation reflects the producers' decision to slow down production in order to avoid an oversupply of broiler meat in 2000, and concerns with higher feed costs which reduced their profit margins during Jan-Jun 2000. For the entire year of 2000, OAA is estimating an increase in broiler meat production of 6 percent due to the current optimism with the recovery of the economy and higher broiler exports.

The outlook for production in 2001 is for continued growth in broiler meat production, but at a lower rate of around 5 percent. The following factors are contributing to higher broiler production in Brazil:

- a) firm demand, mostly from the export market and to a lesser extent from the domestic market;
- b) large investments in broiler production in the center-west regions of Brazil, stimulated by fiscal incentives, subsidies from local governments, and lower production costs due to the proximity of feed suppliers in these areas. One example of this is the inauguration of the largest Brazilian poultry processing plant in the state of Goias before the end of the year; and,
- c) gains in productivity due to use of high performance broiler breeding stock, which has improved the industry's production efficiency since 1999.

Production Factors

Nearly 98 percent of the poultry meat produced in Brazil is broiler meat, with the balance coming mainly from turkey production which is increasing rapidly but from a small base. According to trade sources, about 53 percent of the estimated broiler meat production in 2000 will consist of broiler parts, and 47 percent of whole broilers. This is the result of a strategy adopted by the large broiler processors in Brazil to add value to their products in order to increase their profit margins, and a shift away from a "commodity" type of product, such as whole broilers. These companies produce whole broilers to meet demand from the export market, such as Saudi Arabia which prefers whole birds. The two top Brazilian poultry producers, Sadia and Perdigao, have developed sophisticated processed food product lines which include not only various poultry meat cuts but also prepared poultry, pork, and fish-based dishes.

In 2000, the ten largest poultry processors in Brazil are expected to account for nearly 55 percent of total broiler slaughter, up from 50 percent in 1999, reflecting some consolidation in the sector. These same companies are also leaders in pork production in Brazil, which allows for economies of scale and greater use of lower-cost

feeds based on volume purchases. Also, these large companies import corn under the draw-back system, which allows for exemption of import duties (11 percent) normally applied to corn imports from outside the MERCOSUL trading block. However, under this system, poultry processors must prove that corn imported will be used for processing products for export.

The following table provides an overview of the production of parent stock and day-old chicks in Brazil:

Year	Parent Stock		Broiler Chicks (1,000)
	Layers (1,000)	Broilers (1,000)	
1995	58,250	22,068	2,537,191
1996	56,002	21,773	2,593,094
1997	52,074	23,115	2,863,797
1998	56,513	25,058	2,858,645
1999	61,016	29,132	3,153,600
2000a)	63,105	29,060	3,203,800
2001b)	65,132	30,860	3,257,676

a) Estimate b) Forecast

Production Cost

The increase in feed costs during the first half of 2000 had a significant impact on the cost structure of Brazilian broiler production. This situation forced producers to slow down production and adapt the sector to a more realistic cost structure. Although Brazilian poultry companies do not release production cost information, there are some indicative costs supplied by trade sources. During the first half of 2000, the estimated average cost of broiler production reached US\$0.49 per kilogram, live weight (about US \$0.22 per pound), up from an estimated cost of US\$0.43 per kilogram, live weight (about US\$0.20 per pound) from the same period of 1999. These prices in dollars are based on an average exchange rate of R\$1.74 per dollar during Jan-Jun 1999, and R\$1.79 per dollar during Jan-Jun 2000.

Feed costs were also higher compared to last year. The average cost of corn reached US\$8.23 per 60 kilogram bag, during the first half of 2000, up from US\$5.48 per 60 kg/bag in the same period in 1999; while the price of soybean meal reached an average of US\$0.18 per kilogram in the first half of 1999, up from an average of US\$0.14 per kilogram during the same period last year.

Sao Paulo: broiler production costs and whole sale prices for broiler (RTC), corn, and soybean meal:

Year	Broiler Cost (US\$/KG/Live Weight)	Wholesale Prices			
		Live Weight (US\$/KG)	RTC (US\$/KG)	Corn (US\$/60/KG)	Soybean Meal (US\$/KG)
1995	0.63	0.62	1.58	8.16	0.17
1996	0.60	0.69	1.56	9.00	0.26
1997	0.59	0.62	1.44	7.58	0.28
1998	0.61	0.66	0.93	8.27	0.17
1999	0.59	0.44	0.63	6.21	0.15
Jan-Jun 1999	0.43	0.43	0.60	5.48	0.14
Jan-Jun 2000	0.49	0.42	0.60	8.23	0.18

Source: Trade

RTC = Ready to Cook

Production Problems

No significant disease problems were reported in 1999, or during Jan-Jun 2000. The Brazilian Office of Agricultural Protection (SDA) reported that China reinstated imports of Brazilian poultry after reaching an agreement regarding "Newcastle" disease. China had suspended imports of Brazilian poultry at the end of last year due to an outbreak of Newcastle disease in Rio de Janeiro. According to SDA, the Chinese authorities approved imports of Brazilian poultry from the states considered free of Newcastle, which are located in the center-south regions of the country. The Brazilian Ministry of Agriculture estimated the total loss in export revenues due to the Chinese ban on Brazilian poultry at US\$40 million.

The mid-July frost that hit several southern states of Brazil and reportedly increased the mortality of day-old chicks in the state of Santa Catarina. However, the decline in production was reportedly small.

GMO corn. Early in July, the National Technical Committee on Biosafety (CTNBio) issued Notice Number 113 which allows Bt corn to be imported for animal feed, but not for human consumption. This decision was made after strong pressures from the Minister of Agriculture, who was concerned with limited feed supplies for the poultry and swine industries, which could cause a negative impact on their exports. However, this situation is far from being resolved. Poultry producers are still facing difficulties importing corn, because each shipment of imported corn is considered "suspect" of containing GMO corn, especially if the shipment is from Argentina or the United States. In addition, CTNBio Notice 113 conflicts with court rulings dated 6/26/00 against Bt corn imports, which allows consumer groups and the Greenpeace to file court injunctions against corn imports.

The poultry industry, including the integrated sectors in the southern states, imported a record amount 1.1

million metric tons of corn during Jan-Jun 2000, up 152 percent over the same period in 1999. Most of this corn came from Argentina and reflected the concerns of the poultry and swine industries in the southern Brazil who anticipated a poor second corn crop due to the prolonged dry weather and frost. Also, in order to avoid problems with Bt corn imports, poultry and swine producers are increasing consumption of alternative feeds, such as sorghum, buck wheat, rice, and millet. In addition, poultry producers are pressuring the Ministry of Agriculture to sell government-owned stocks in the center-west regions to southern poultry companies, while facilitating corn imports for poultry companies in the northeast of Brazil. This strategy would avoid pressures from the Greenpeace against Brazilian poultry exports to Europe, since poultry produced in the northeast of Brazil is for domestic consumption, while the largest poultry exporters are concentrated in the southern region.

The other major concern of Brazilian poultry producers is the new law on labeling of GMO food products which is expected to be published soon (before the end of August 2000). During the public comment period, poultry producers presented their comments by emphasizing that GMO protein is destroyed before it enters the digestive system of the animals, so it does not make sense to label poultry products free of GMOs.

Consumption

Domestic broiler consumption remains firm, and is projected to increase by 8 percent in 2000 compared to 1999. This reflects the price competitiveness of broiler meat versus beef and, to a lesser extent, pork. Per capita broiler consumption in 2000 is estimated at 30.1 kilograms (66 pounds), up from 28.2 kilograms in 1999 (62 pounds). The Brazilian population for 2000 is estimated at 165.2 million people, up from 163.2 million people in 1999.

There are no statistics that break down the composition of domestic broiler consumption between whole birds and parts. However, Brazilian consumers still have an overwhelming preference for large whole broilers because of the large size of the lower income consumer group that can not afford to buy beef. However, the structure of broiler demand is changing in Brazil according to some market analysts. Since the economic stabilization in late 1994, there has also been a shift in consumption toward more highly processed broiler products, mostly among the Brazilian middle and upper classes. The traditional diet staples, rice and dried beans, are losing ground to animal protein products such as poultry and dairy products. Large Brazilian poultry processors are responding to these changes by shifting their sales mix strategies toward broiler parts (mostly leg quarters and breast meat) and further processed value-added branded products, such as frozen chicken meals, pre-cooked meals, chicken nuggets, and chicken burgers. The institutional, food service, and fast food markets also offer great potential for Brazilian firms. Tailoring products to these sectors' needs is key to the processors' new strategies.

Trade

Broiler exports during Jan-Jun, 2000 increased by 17 percent in volume, compared to the same period in 1999, reflecting the competitive advantage of Brazilian broilers since the devaluation of Brazil's "Real" currency in January, 1999. The total volume exported during the first half of 2000 reached 410,000 metric tons, of which, whole broiler exports accounted for 207,000 metric tons, up by nearly 8 percent from Jan-Jun 1999. Broiler parts accounted for 203,000 metric tons, up by 29 percent from 1999, mostly due to higher exports of parts to the European Union, Japan, and Hong Kong.

The total value of broiler (whole and parts) exports during Jan-Jun 2000 reached US\$372 million, a drop of

nearly 12 percent from the same period in 1999, which reflects the current oversupply of poultry in the international market and the new Brazilian exporters entering the international market this year. The average export price for broilers during Jan-Jun 2000 dropped by nearly 25 percent to US\$907 per metric ton. Brazilian traders expect the average export price to improve in the second half of 2000.

Brazilian poultry exporters also revised their estimates for exports in 2000 to 886,000 metric tons, down from 900,000 metric tons initially forecasted early in the year. For 2001, Brazilian poultry exporters are estimating a 12 percent increase in foreign shipments.

Broiler exports during Jan-Jun 2000 increased by 17 percent to MERCOSUL partners (Argentina, Uruguay and Paraguay), 39 percent to Europe, 32 percent to Japan, and 40 percent to Hong Kong, compared to the same period in 1999. Exports to Saudi Arabia, the largest Brazilian market, declined by 5 percent during Jan-Jun 2000. Exports to Russia during Jan-Jun, 2000 were essentially unchanged compared to the same period in 1999.

In addition to the problems caused by the devaluation of the Brazilian currency, the Argentines are also imposing obstacles (non-tariff barriers) to Brazilian broiler exports (see policy section).

Brazil's poultry exports originate largely (over 90 percent) from the southern region (Rio Grande do Sul, Santa Catarina, and Parana). Poultry exports also benefit from the exemption of ICMS (similar to a value-added tax) on processed product exports.

Export industry working capital financing is also used by the poultry export industry. Available under the PROEX Program, (administered by the Bank of Brazil) these funds known as A.C.C., bear interest rates below common Brazil market rates (but above global rates). Similarly, as an export industry, poultry producer-processors can obtain long-term investment loans from the National Bank for Economic and Social Development (BNDES) at favorable rates compared to current commercial lending rates in Brazil.

Stocks

Brazilian poultry processors work on a very short slaughter schedule and hold stocks only to meet export contracts. There are no government-owned chicken meat stocks.

Policy

There have been no changes in poultry production policy since our 1999 annual report. The poultry sector outlined its policy goals late in 1997 through a document called the "Brasilia Letter", in which, leading poultry producers requested from the Brazilian government the following policies and/or actions:

- a) strengthening Animal Health and Inspection Services, including the implementation of the new National Poultry Inspection Program (PNSA) in 1999;
- b) restructuring of taxes on agricultural inputs, including exemption from the state ICMS, similar to a value-added tax;
- c) infrastructure (road and storage facility) improvement programs aimed at reducing the cost of transporting and storing grains;
- d) establishment of new production financing and export credit programs for the poultry and pork sectors; and,
- e) support from the government in multilateral negotiations to combat subsidies and protectionist measures by

competitors and importing countries abroad.

The poultry agreement between the Brazilian Ministry of Agriculture and Food Supply (MAA) and the Canadian Government has not been implemented as of August, 2000. Brazil lost a WTO challenge by Canada on airplane sales under the respective export financing programs of each country. The two countries are still negotiating the terms of the concession Brazil will have to make to Canada. Trade sources indicate that Canada will hold the implementation of the poultry agreement until the other case is settled.

As of 8/15/00, Brazilian poultry exporters had not reached an agreement with Argentine poultry producers regarding the minimum price system for imported Brazilian broilers, established on 7/25/00, as part of Resolution Number 574/2000 issued by the Argentine Ministry of the Economy (see Gain Report BR 0615). Brazilian exporters are seeking an option outside of the WTO to resolve this issue. According to trade sources, there is a possibility that the two countries will agree on a negotiated minimum price to avoid a WTO dispute. Trade sources indicated to OAA that the minimum price could be established at US\$0.78 per kilogram, FOB.

In addition to this private negotiation, the Brazilian government decided to investigate the case filed by the Argentine producers, which resulted in the current minimum price applied to Brazilian broilers. According to trade sources, if no mutual agreement is reached between Brazilian exporters and Argentine producers, the Brazilian government may file a complaint to the WTO, and could call for revisions of the MERCOSUL agricultural agreement.

Marketing

The Brazilian Poultry Exporters Association (ABEF) and the Brazilian Agency for Export Promotion (APEX) have implemented a marketing program valued at R\$4.5 million (US\$2.5 million) to promote exports of Brazilian broilers overseas. The program is similar to USDA's Market Access Program (MAP). According to trade sources, APEX will provide 43 percent of the funds, and ABEF will contribute the remainder. The export promotion program will concentrate on market studies and participation in 19 food shows overseas, mostly in Europe, Asia, and the Middle East. The agreement contains an export goal of US\$1.2 billion in poultry export sales by the year 2002, compared to the US\$800 million in broiler export sales estimated for 2000.

Commodity Outlook, Turkey

Production

Note: There is no official data on turkey production in Brazil. Data provided in this report is derived from interviews with sources from SADIA who accounts for slightly over 90 percent of turkey production in Brazil.

Brazilian turkey production is estimated to increase by 10 percent in 2000, reflecting higher productivity, firm demand in domestic and export markets, and new investments in the Batavia poultry company, which was purchased by PERDIGAO, the second largest poultry producer in Brazil and SADIA's main competitor.

Consumption

Frozen Ready to Cook (RTC) turkey consumption remains highly seasonal in Brazil. Trade sources estimate that 85 percent of whole turkey sales occur during the pre-Christmas period, because consumer habits in Brazil

favor turkey consumption during this holiday season. However, processed turkey products, such as sliced loaf and nuggets are consumed throughout the year. This is part of Sadia's business strategy to increase consumption of processed turkey products and to expand consumption of whole turkeys during other major holidays in Brazil.

Trade

Brazilian turkey exports are estimated to increase by an average 30 percent in 2000 because of higher exports to the European Union, mostly to Germany. Brazilian turkey exports are highly concentrated in the European Union (estimated at 70 percent in 2000), with the balance going to Hong Kong and new markets such as Peru and South Africa.

Commodity Outlook, Eggs

Production

Note: There is no official data on egg production in Brazil. Data provided in this report is derived from interviews with trade sources.

Production of table eggs in 2000 is expected to increase by 10 percent, reflecting firm domestic demand from lower income groups, because of the relative lower price of eggs versus other sources of animal protein. Also, demand for eggs in the HRI food service remains strong as consumers eat more outside of the home.

In addition to a national campaign to increase egg consumption, producers have also diversified their products by offering eggs with lower levels of cholesterol.

Tables

PSD Table, Poultry Meat, Total

PSD Table						
Country	Brazil					
Commodity	Poultry, Meat, Total				(1000 MT)(MIL HEAD)	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Inventory (Reference)	0	0	0	0	0	0
Slaughter (Reference)	0	0	0	0	0	0
Beginning Stocks	0	0	184	150	150	150
Production	5269	5641	5577	5987	0	6293
Whole, Imports	0	0	0	0	0	0
Parts, Imports	0	0	0	0	0	0
Intra EC Imports	0	0	0	0	0	0
Other Imports	0	0	0	0	0	0
TOTAL Imports	0	0	0	0	0	0
TOTAL SUPPLY	5269	5641	5761	6137	150	6443
Whole, Exports	424	423	476	447	0	487
Parts, Exports	370	371	400	469	0	541
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	794	794	876	916	0	1028
Human Consumption	4291	4697	4735	5071	0	5315
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	4291	4697	4735	5071	0	5315
TOTAL Use	5085	5491	5611	5987	0	6343
Ending Stocks	184	150	150	150	0	100
TOTAL DISTRIBUTION	5269	5641	5761	6137	0	6443
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0

Poultry Meat, Total, Export Trade Matrix

Export Trade Matrix			
Country	Brazil		
Commodity	Poultry, Meat, Total		
Time period	Jan-Dec	Units:	Metric Tons
Exports for:	1999		Jan-Jun 2000
U.S.	0	U.S.	0
Others		Others	
Argentina	52,144		25,980
Bahrain	10,552		5,777
European Union	104,455		67,118
Hong Kong	103,979		61,260
Japan	100,567		58,229
Qatar	14,385		8,884
Russia	9,880		836
Saudi Arabia	217,444		94,425
Singapore	25,808		12,808
UAE	25,441		12,707
Total for Others	664,655		348,024
Others not Listed	129,825		78,376
Grand Total	794,480		426,400

PSD Table, Poultry Meat, Chicken - 16 wks

PSD Table						
Country	Brazil					
Commodity	Plty, Meat, Chicken -16 wks			(1000 MT)(MIL HEAD)		
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Inventory (Reference)	0	29	0	30	0	31
Slaughter (Reference)	0	3153	0	3342	0	3509
Beginning Stocks	0	0	184	150	150	150
Production	5154	5526	5450	5860	0	6153
Whole, Imports	0	0	0	0	0	0
Parts, Imports	0	0	0	0	0	0
Intra EC Imports	0	0	0	0	0	0
Other Imports	0	0	0	0	0	0
TOTAL Imports	0	0	0	0	0	0
TOTAL SUPPLY	5154	5526	5634	6010	150	6303
Whole, Exports	422	423	470	446	0	486
Parts, Exports	348	348	380	440	0	506
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	770	771	850	886	0	992
Human Consumption	4200	4605	4634	4974	0	5211
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	4200	4605	4634	4974	0	5211
TOTAL Use	4970	5376	5484	5860	0	6203
Ending Stocks	184	150	150	150	0	100
TOTAL DISTRIBUTION	5154	5526	5634	6010	0	6303
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0

Poultry Meat, Chicken - 16 wks, Export Trade Matrix

Export Trade Matrix			
Country	Brazil		
Commodity	Plty, Meat, Chicken -16 wks		
Time period	Jan-Dec	Units:	Metric Tons
Exports for:	1999		Jan-Jun 2000
U.S.	0	U.S.	0
Others		Others	
Argentina	51,991		25,921
Bahrain	10,552		5,777
European Union	88,456		56,391
Hong Kong	101,522		60,585
Japan	100,541		58,229
Qatar	14,385		8,884
Russia	9,880		836
Saudi Arabia	217,165		94,181
Singapore	25,808		12,808
UAE	25,441		12,707
Total for Others	645,741		336,319
Others not Listed	124,811		73,589
Grand Total	770,552		409,908

Poultry Meat, Chicken - 16 wks, Prices Table

Prices Table			
Country	Brazil		
Commodity	Plty, Meat, Chicken -16 wks		
Prices in	US\$	per uom	Kilogram
Year	1999	2000	% Change
Jan	0.49	0.5	2.04%
Feb	0.48	0.4	-16.67%
Mar	0.4	0.4	0.00%
Apr	0.42	0.31	-26.19%
May	0.37	0.36	-2.70%
Jun	0.4	0.37	-7.50%
Jul	0.4		-100.00%
Aug	0.41		-100.00%
Sep	0.41		-100.00%
Oct	0.41		-100.00%
Nov	0.51		-100.00%
Dec	0.59		-100.00%
Exchange Rate	R\$1.80=US\$1	Local currency/US \$	

PSD Table, Poultry Meat, Turkey

PSD Table						
Country	Brazil					
Commodity	Poultry, Meat, Turkey			(1000 MT)(MIL HEAD)		
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Inventory (Reference)	0	0	0	0	0	0
Slaughter (Reference)	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	115	115	127	127	0	140
Whole, Imports	0	0	0	0	0	0
Parts, Imports	0	0	0	0	0	0
Intra EC Imports	0	0	0	0	0	0
Other Imports	0	0	0	0	0	0
TOTAL Imports	0	0	0	0	0	0
TOTAL SUPPLY	115	115	127	127	0	140
Whole, Exports	2	0	2	1	0	1
Parts, Exports	22	23	24	29	0	35
Intra EC Exports	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0
TOTAL Exports	24	23	26	30	0	36
Human Consumption	91	92	101	97	0	104
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	91	92	101	97	0	104
TOTAL Use	115	115	127	127	0	140
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	115	115	127	127	0	140
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0

Poultry Meat, Turkey, Export Trade Matrix

Export Trade Matrix			
Country	Brazil		
Commodity	Poultry, Meat, Turkey		
Time period	Jan-Dec	Units:	Metric Tons
Exports for:	1999		Jan-Jun 2000
U.S.	0	U.S.	
Others		Others	
Argentina	153		59
European Union	15,999		10,727
Hong Kong	2,457		675
Japan	26		0
Peru	1,461		1,703
Saudi Arabia	279		244
South Africa	2,056		1,800
Total for Others	22431		15,208
Others not Listed	497		1,284
Grand Total	22928		16492

PSD Table, Poultry, Eggs

PSD Table						
Country	Brazil					
Commodity	Poultry, Eggs					(MIL HEAD)(MIL PCS)
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Layers	55	60	57	63	0	65
Beginning Stocks	0	0	0	0	0	0
Production	14692	14768	15426	15654	0	16435
Hatch Eggs, Imports	0	0	0	0	0	0
Shell Eggs, Imports	0	0	0	0	0	0
Other Imports	0	0	0	0	0	0
Intra EC Imports	0	0	0	0	0	0
TOTAL Imports	0	0	0	0	0	0
TOTAL SUPPLY	14692	14768	15426	15654	0	16435
Hatch Eggs, Exports	6	0	10	0	0	0
Shell Eggs, Exports	2	24	4	30	0	35
Other Exports	0	0	0	0	0	0
Intra EC Exports	0	0	0	0	0	0
TOTAL Exports	8	24	14	30	0	35
Hatch Eggs, Consumption	0	0	0	0	0	0
Shell Eggs, Human	14684	14744	15412	15624	0	16400
Shell Eggs, OT. Use/Loss	0	0	0	0	0	0
Other Dom. Consumption	0	0	0	0	0	0
Total Dom. Consumption	14684	14744	15412	15624	0	16400
TOTAL Use	14692	14768	15426	15654	0	16435
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	14692	14768	15426	15654	0	16435
Calendar Yr. Imp. from U.S.	0	0	0	0	0	0

Poultry, Eggs, Export Trade Matrix

Export Trade Matrix			
Country	Brazil		
Commodity	Poultry, Eggs		
Time period	Jan-Dec	Units:	Mil Pcs
Exports for:	1999		Jan-Jun 2000
U.S.	0	U.S.	0
Others		Others	
Argentina	15900		18296
Colombia	927		5327
Guatemala	0		5948
Paraguay	0		9775
Venezuela	1548		12384
Total for Others	18375		51700
Others not Listed	5318		6604
Grand Total	23693		58304

Strategic Indicator Table

FEED DEMAND					
STRATEGIC INDICATOR TABLE FOR:	BRAZIL				
MEAT PRODUCTION					
		Last Year	Current Year	Out Year Forecast	
Calendar Year:	1998	1999	2000	2001	
Poultry					
Poultry Meat:	4,956	5,641	5,987	6,293	
Eggs:	12,596	14,768	15,654	16,435	
Pork:	1,691	1,835	1,950	2,060	
COMPOUND FEED SECTOR					
		Last Year	Current Year	Out Year Forecast	
Calendar Year:	1998	1999	2000	2001	
Compound Feed Capacity	n/a	n/a	n/a	n/a	
Total Compound Feed Produced					
----- by integrated producers	n/a	n/a	n/a	n/a	
----- by commercial producers	30,103	32,507	34,780	36,200	
FEED GRAIN USE					
		Last Year	Current Year	Out Year Forecast	
Marketing Year:	1998	1999	2000	2001	
Corn (Domestic consumption: feed)	19,622	21,671	22,300	23,700	
Other (specify)	10,566	11,346	11,494	12,800	
PROTEIN - ENERGY USAGE					

		Last Year	Current Year	Out Year Forecast	
Marketing Year:	1998	1999	2000	2001	
Total Protein Meal (feed waste domestic consumption)	n/a	n/a	n/a	n/a	
Soy Bean Meal (feed waste domestic consumption)	5,900	6,300	6,700	7,100	
Other Protein Meal, e.g. Palm Kernel Meal, Rape Meal (feed waste domestic consumption)	3,700	3,900	3,100	3,300	
Fish Meal	2,067	2,682	2,930	3,100	
Palm Crude Oil (feed waste domestic consumption)	1,033	940	975	1,100	
TRADE (Metric Tonnes)					
		Last Year	Current Year	Out Year Forecast	
Calendar Year:	1998	1999	2000	2001	
Corn					
Imports:	1,765	1,100	1,600	1,832	
Exports:	0	0	0	0	
Soy Beans					
Imports:	406	582	550	600	
Exports:	9,275	8,912	8,500	8,900	
Soy Bean Meal					
Imports:	160	78	50	60	
Exports:	10,447	10,428	10,600	10,880	
Fish Meal					
Imports:	1,167	1,782	1,830	1,900	
Exports:	4,973	1,183	2,030	2,820	
Palm Crude Oil					
Imports:	803	680	700	800	
Exports:	32	150	160	180	
PROTEIN PRODUCTS TARIFFS AND TAXES		Bound Rate	Applied Rate	Other	
	Product	(%)	(%)	Import	

Report Year:	Description 1/			Taxes/Fees		
0505.90	FEATHER MEAL	45	11	0		
1501.00.00.60	YELLOW GREASE	45	11	0		
1502.00.00.40	INEDIBLE TALLOW	45	9	0		
1511	PALM OIL	55	13	10		
1518	ANML/VG FTS &OILS	70	13	0		
2301.10	MEAT AND BONE MEAL	55	9	0		
2301.20	FISH MEAL	55	9	0		
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Note: All data in metric tons, except for eggs (million units).						