Most main export markets reducing Brazilian poultry orders

By Bob Moser on 10/24/2012

Brazilian poultry exporters, struggling under the weight of production input costs that have risen nearly 50 percent through the first nine months of this year, have experienced reductions in volume purchased from seven of their 10 largest markets during the same time frame, according to analysis from Avisite.com.br.

Through the first nine months of this year, poultry exports have totaled US$5.6 billion, down 6.9 percent from the same period last year, while exports by volume rose 0.9 percent over those nine months, to 2.9 million tons, according to the industry's lead trade association, UBABEF.

If Brazilian poultry's top 10 export markets were considered alone, exports by volume for January-September would have dipped into the negative just like export revenue has. Exports by volume provided a 0.9 percent blip on the growth scale, solely due to more than 130 other small export markets providing 7 percent growth in orders.

Export data for January through September shows that just three countries imported more Brazilian poultry than last year: China, Egypt and the United Arab Emirates. Of those three, Egypt's growth is arguably the only one worth celebrating.

Egyptian orders for Brazilian poultry have increased 150 percent through September compared to the year-ago period, elevating the market from 17th to seventh for Brazilian exports. The UAE has imported 6.5 percent more, arguably a negligible amount, while increased poultry exports to China can be whittled down to less than 5 percent growth, considering they coincided with reductions to Hong Kong.