

Agricultural Outlook Forum

Presented: February 17, 2006

**ASIAN FEED DEMAND**

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Poultry Perspective**

# **The Outlook for Asian Feed Demand**

**Dr. Paul Aho**

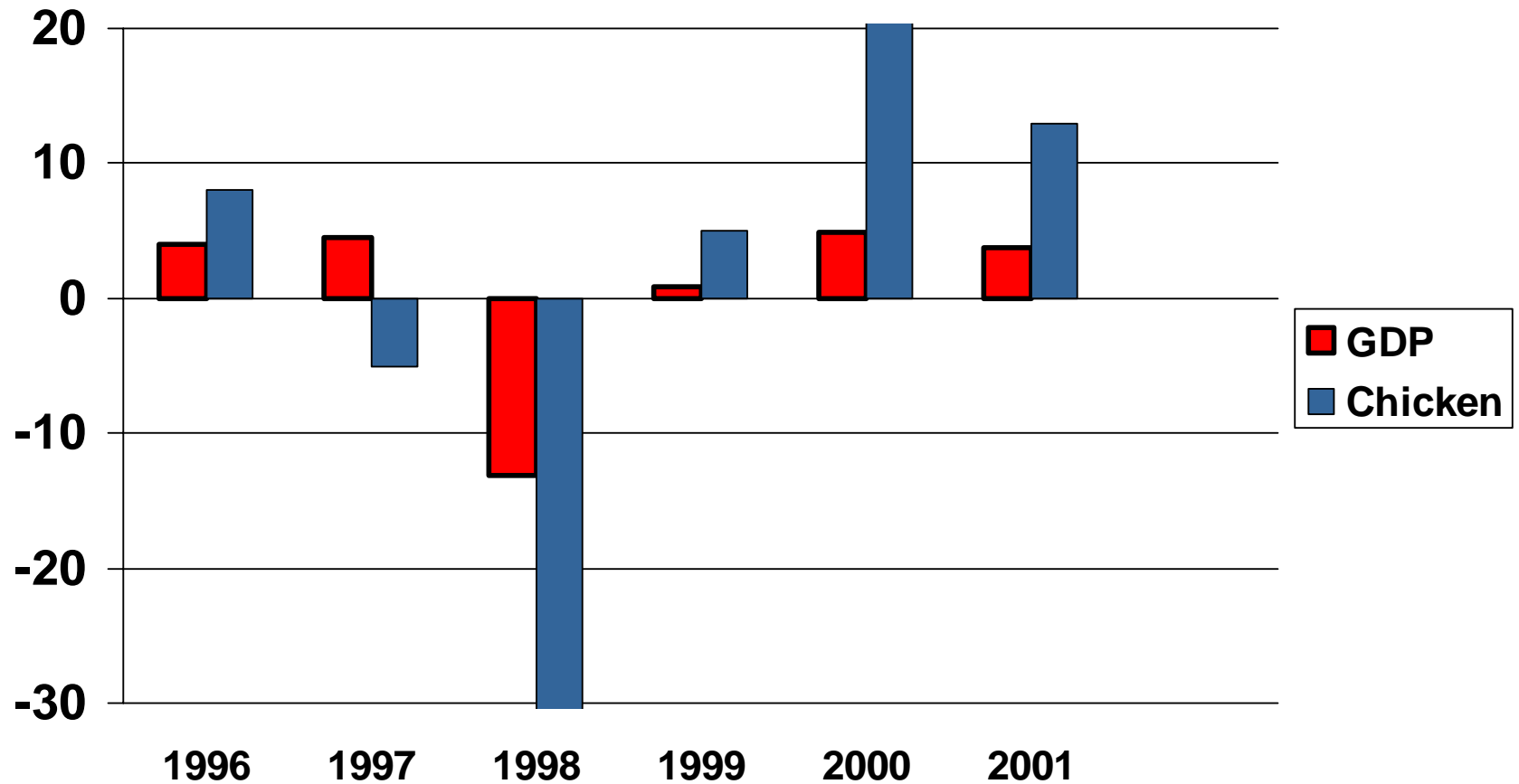
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**USDA Agricultural Outlook Forum**

**February 17, 2006**

**Washington, D.C.**

# Indonesia GDP/Chicken Growth –FAO



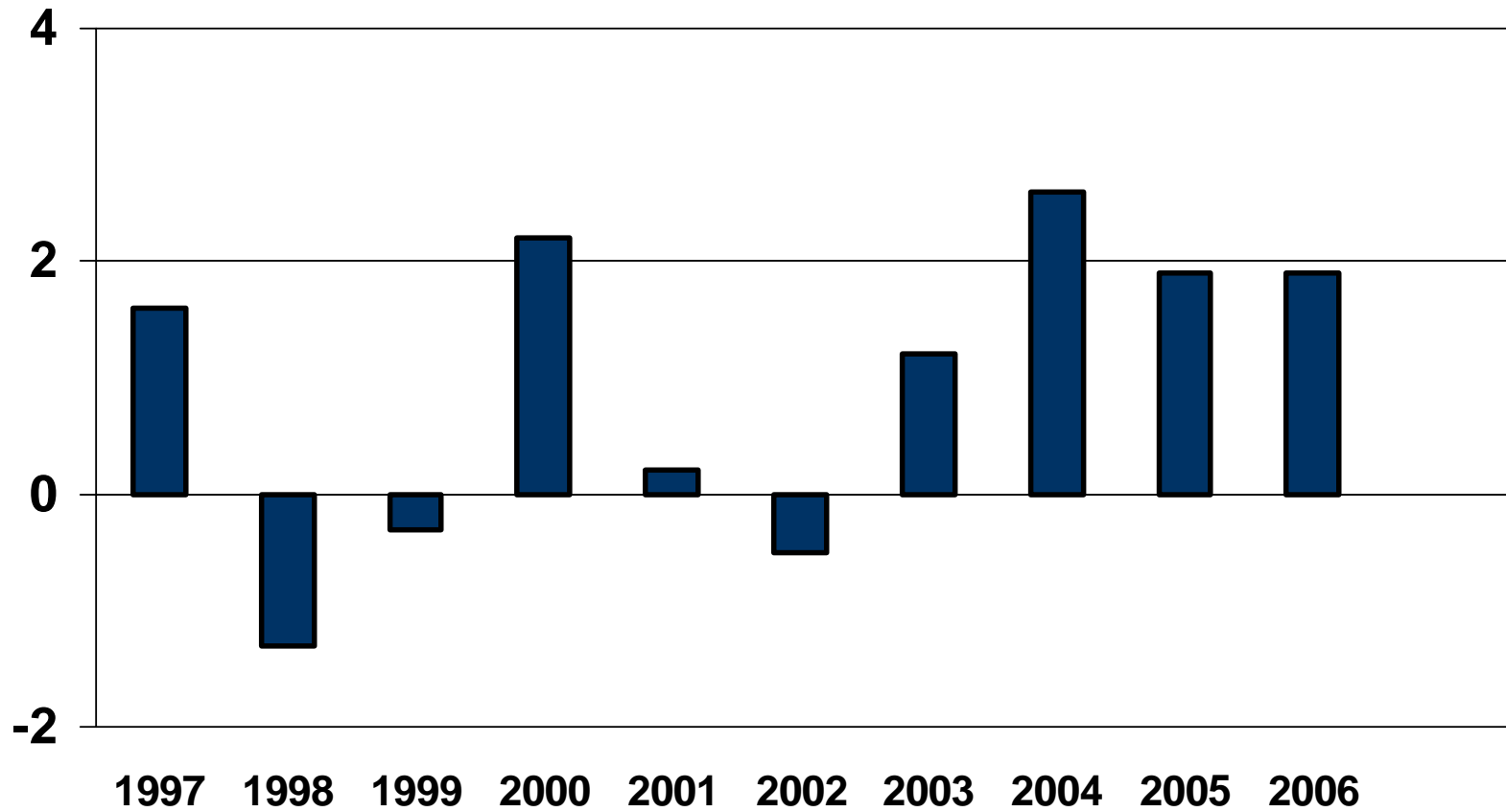
## Economic Growth In Asia –Flying Geese

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	<b>60's</b>	<b>70's</b>	<b>80's</b>	<b>90's</b>	<b>00's</b>	<b>10's</b>
<b>Japan</b>	<b>12.3</b>	<b>5.4</b>	<b>4.0</b>	<b>2.2</b>	<b>2.0</b>	<b>1.0</b>
<b>Tigers</b>	<b>5.9</b>	<b>9.9</b>	<b>7.8</b>	<b>6.7</b>	<b>4.0</b>	<b>2.0</b>
<b>China</b>		<b>5.6</b>	<b>8.6</b>	<b>10.1</b>	<b>9.0</b>	<b>5.0</b>
<b>ASEAN</b>			<b>5.2</b>	<b>7.0</b>	<b>6.0</b>	<b>4.0</b>

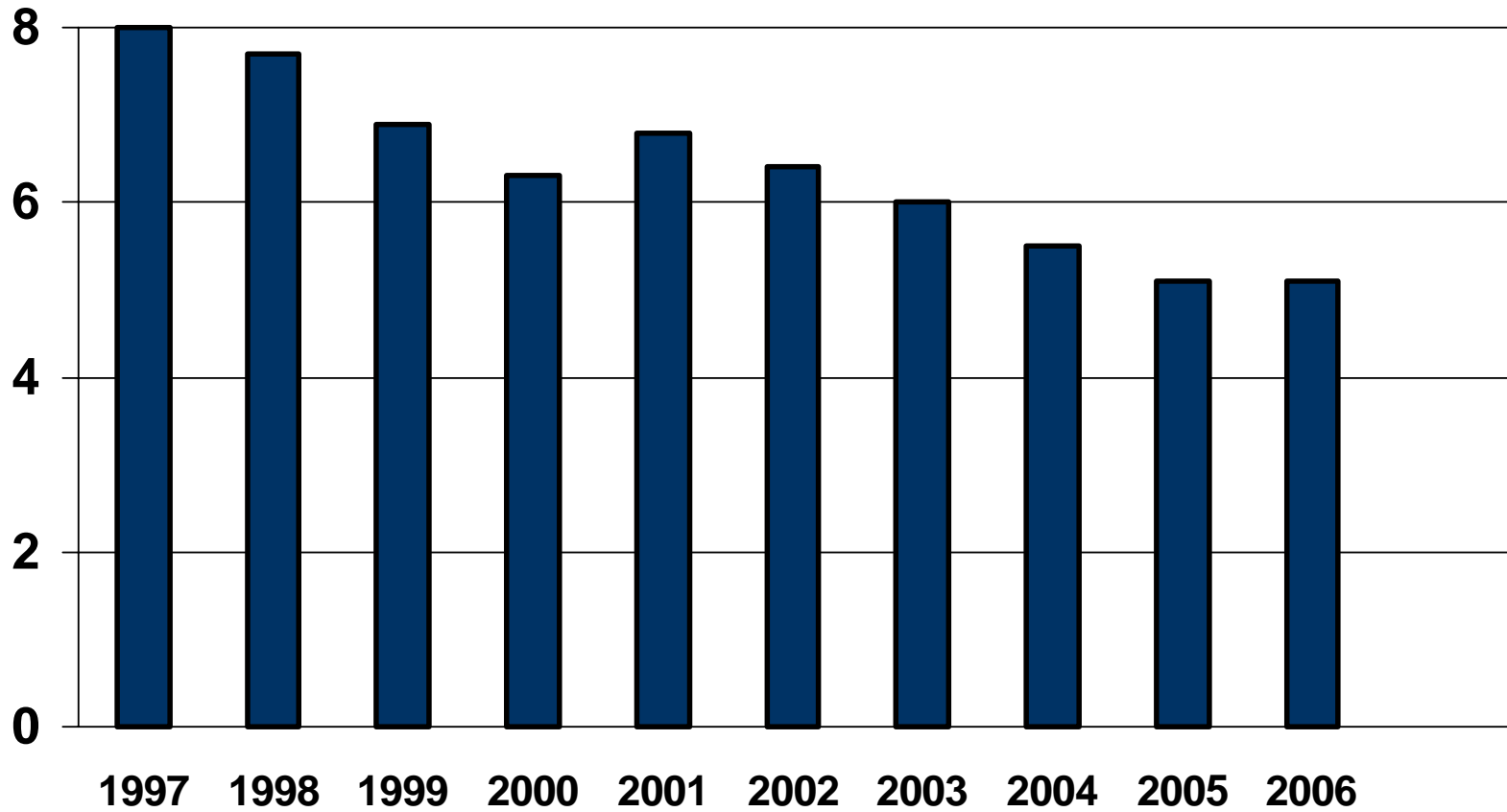
# Japan GDP Growth

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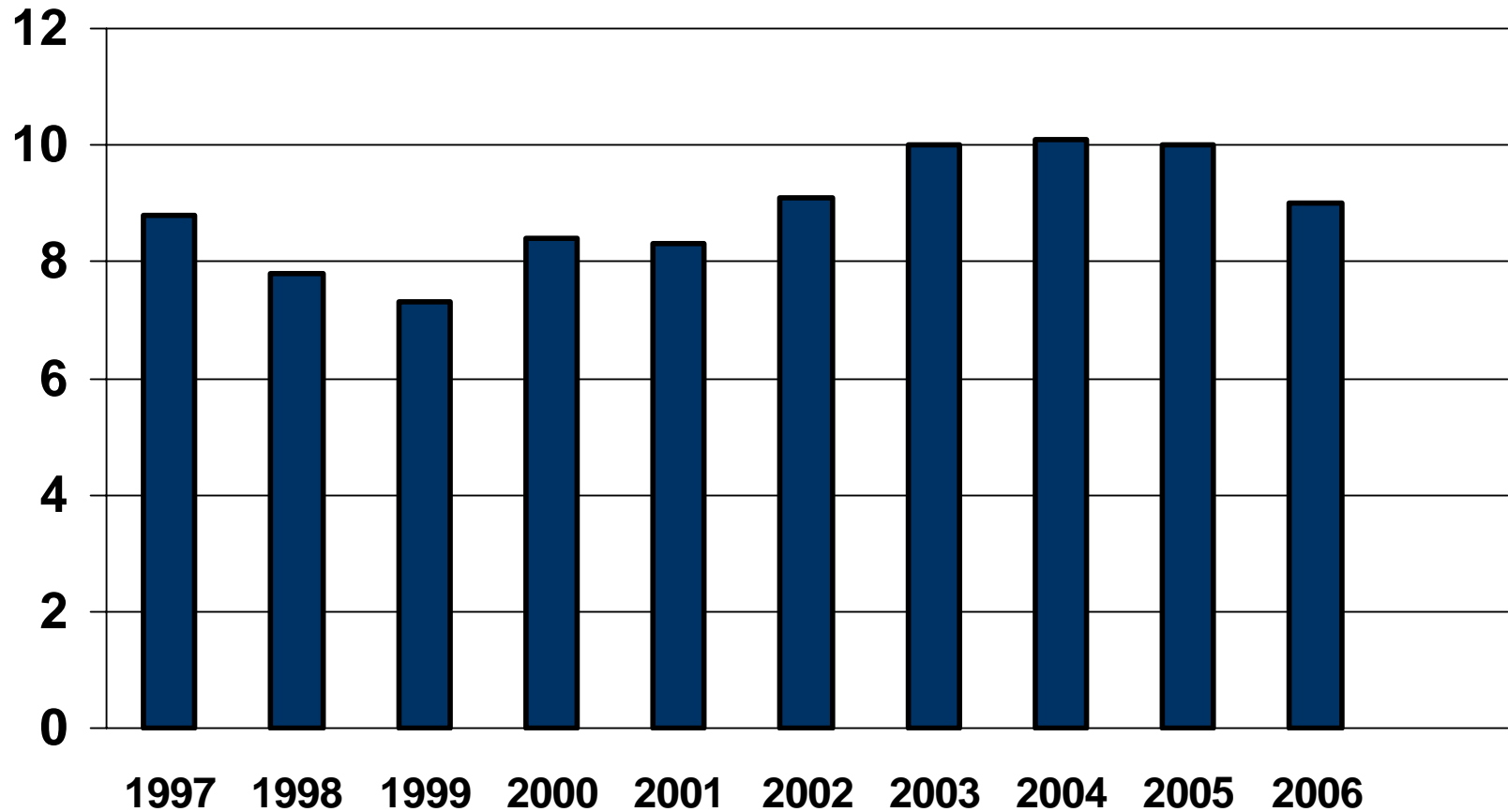
# Taiwan GDP Growth

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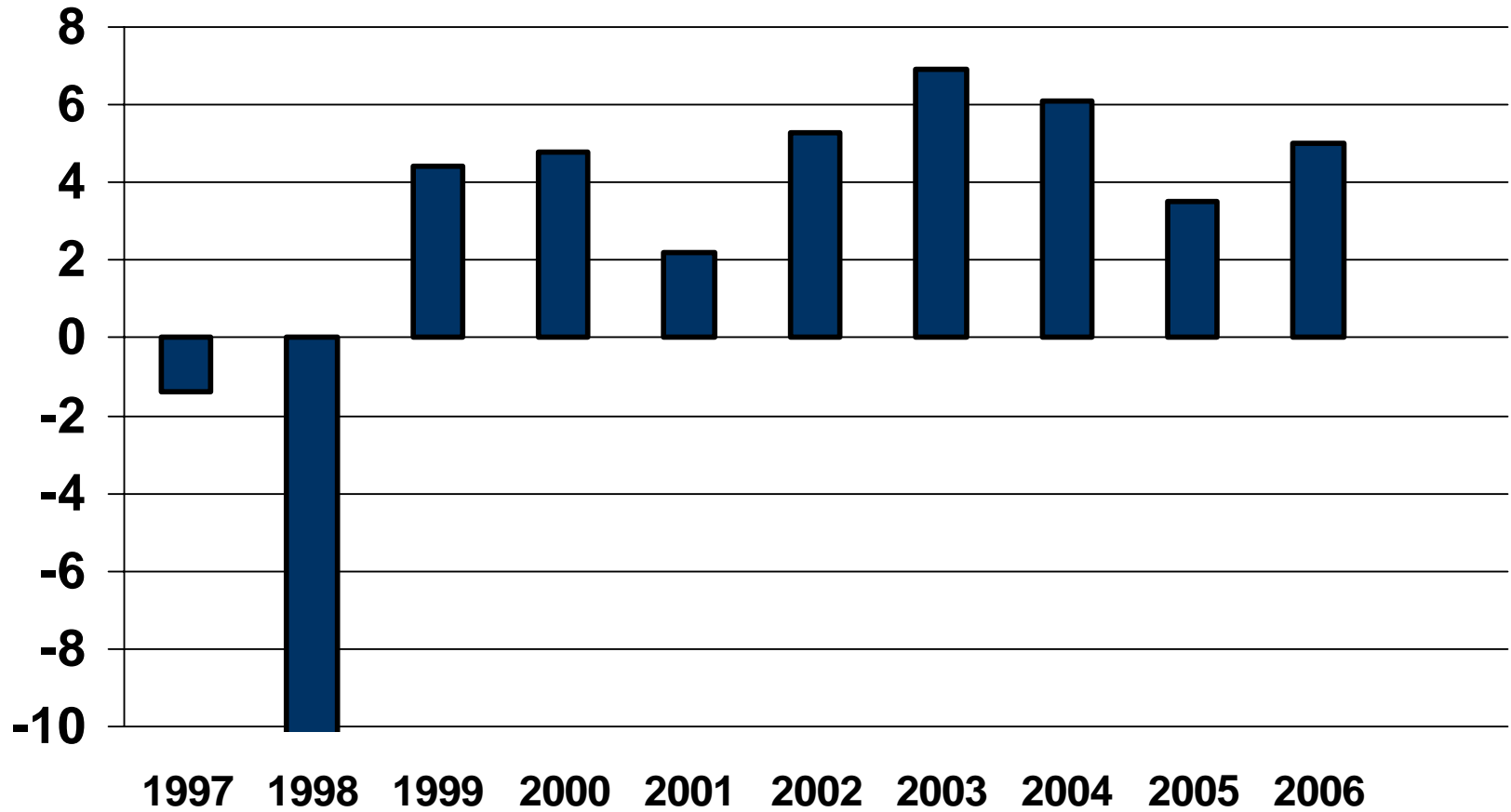
# China GDP Growth

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# Thailand GDP Growth

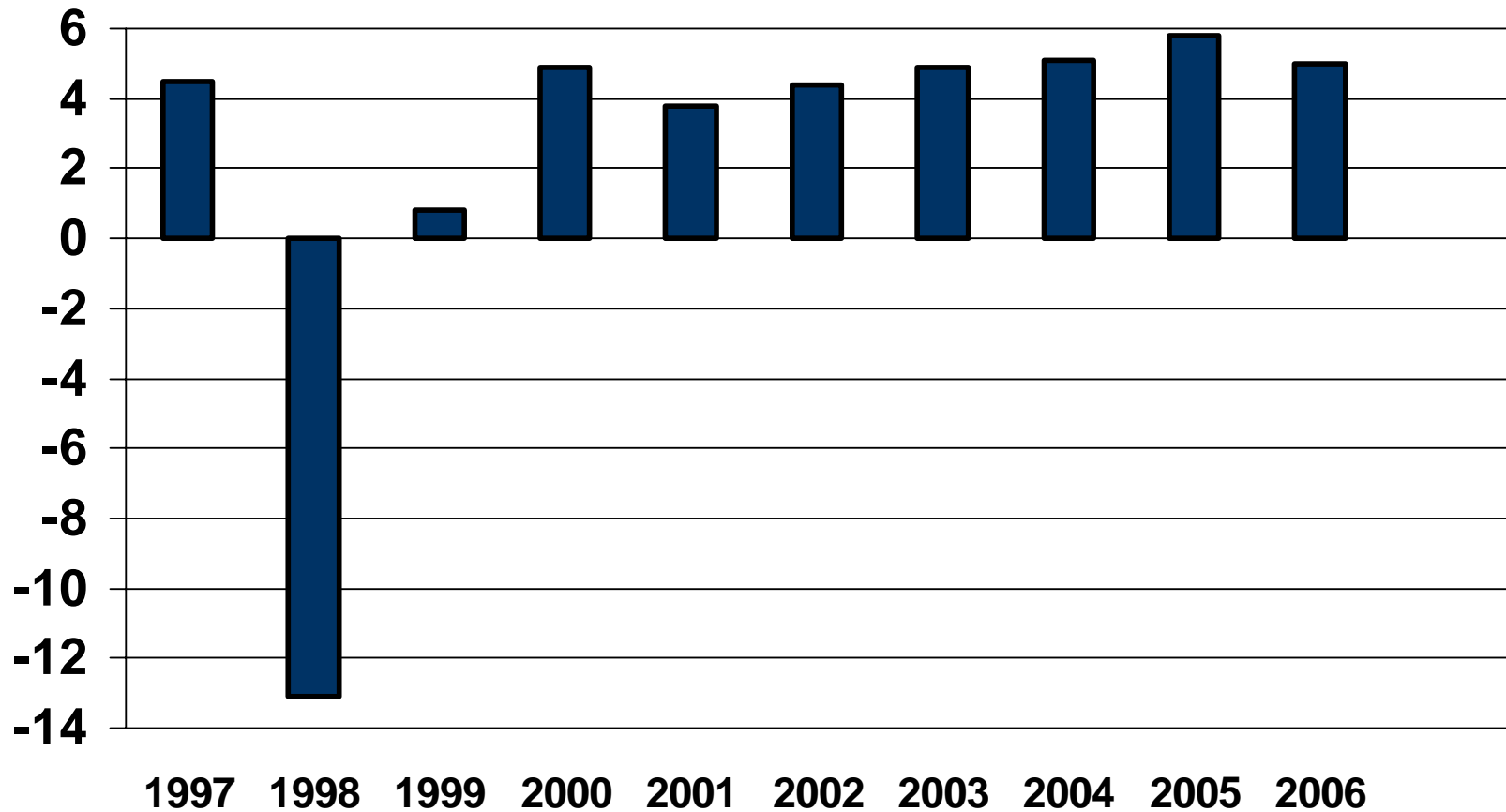
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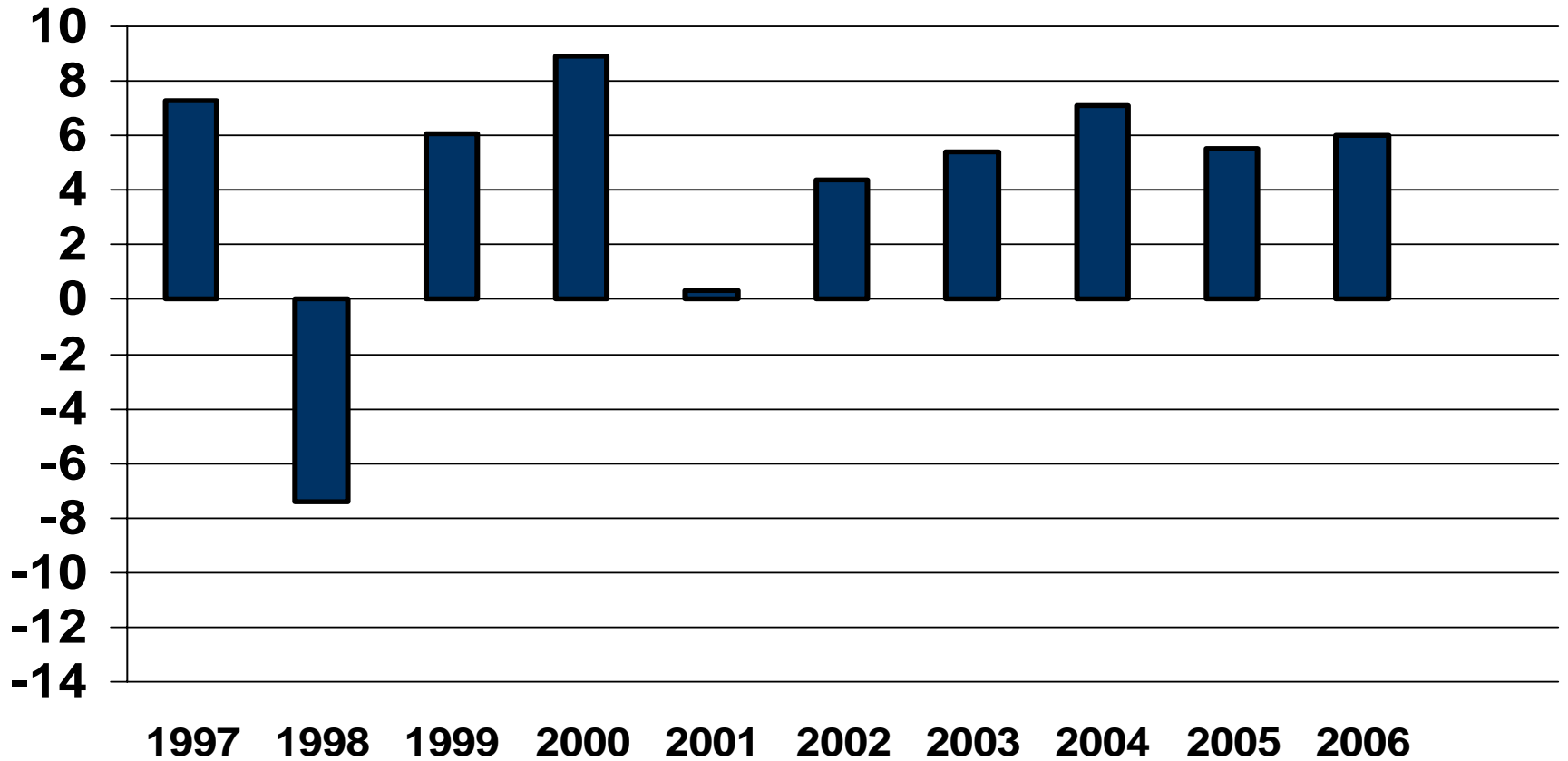
# Indonesia GDP Growth

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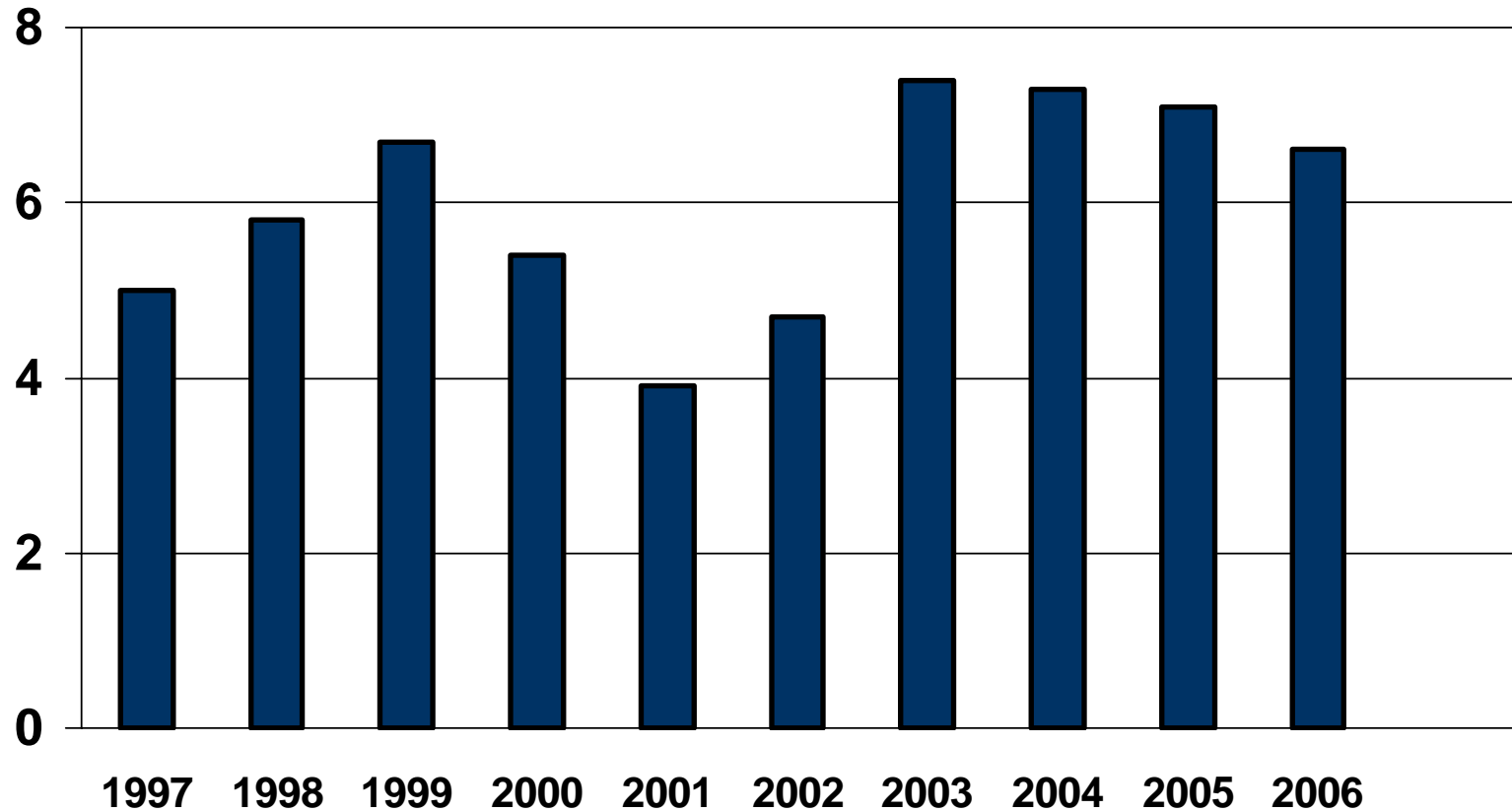
# Malaysia GDP Growth

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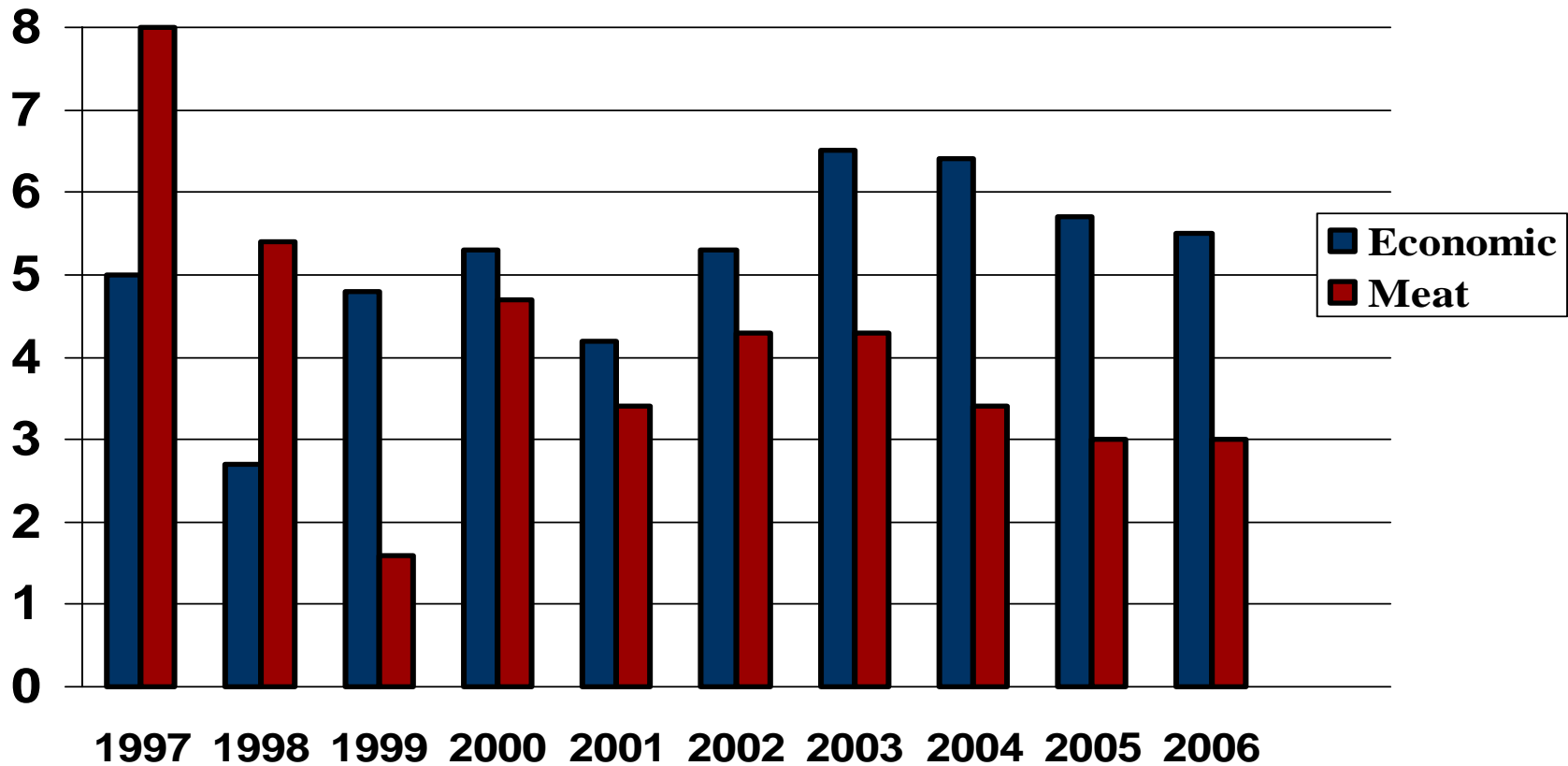


# India GDP Growth

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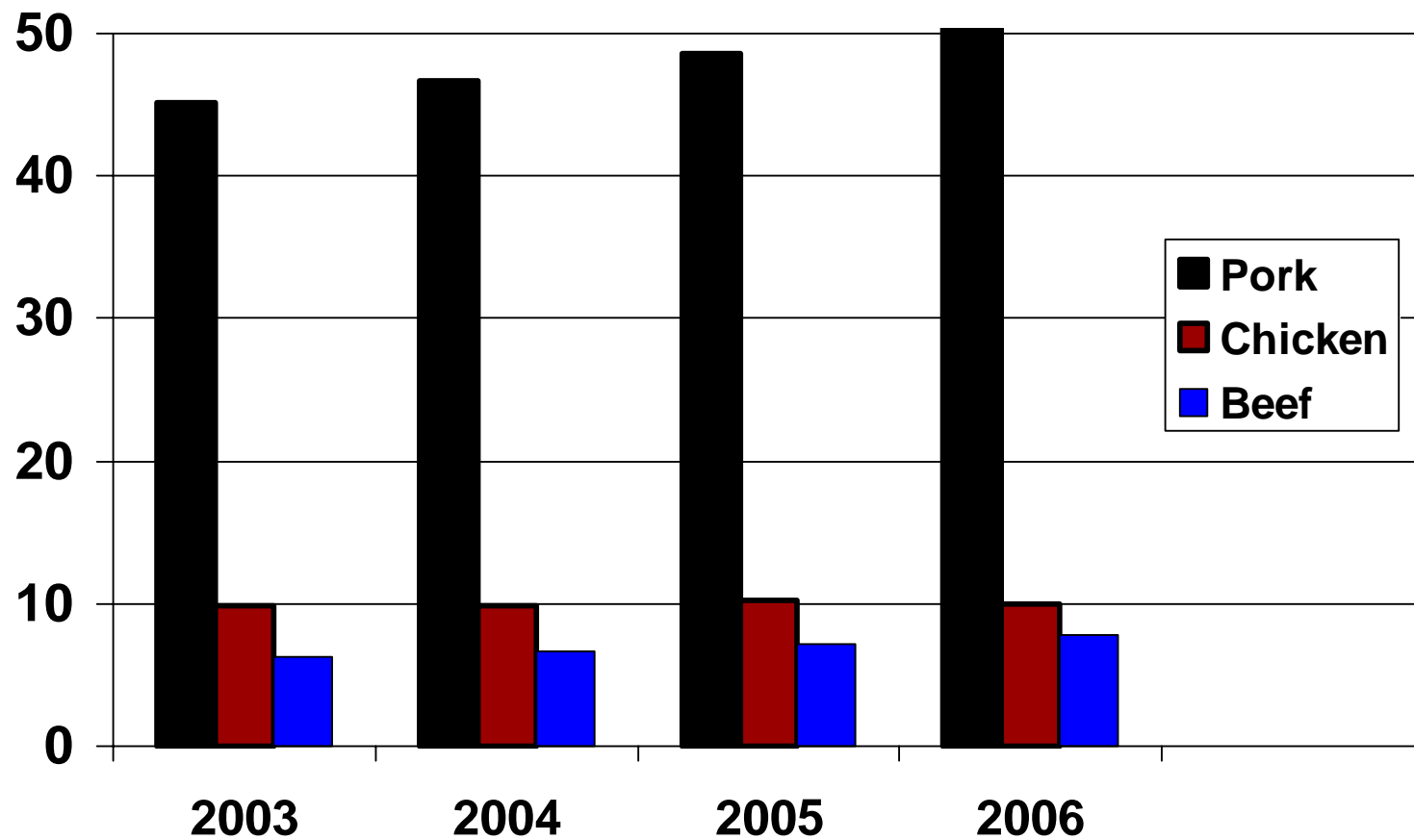


# Asia Economic Growth & Meat Growth



## Pork, Chicken and Beef in China - MMT

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## Chicken Production in MMT – FAO to 2004

	<u>1984</u>	<u>2004</u>	<u>2024</u>
Asia	6	21	42
United States	6	16	24
World	26	68	120
Asia % of World	23%	31%	35%

# Bird Flu

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- **All bets are off with a human pandemic**
- **Worst will be past by 2007**
- **May become endemic in some poor Asian Countries**
- **Always the potential to disrupt trade, production and consumption**

# World Use & Chicken Use of Feedstuffs MMT

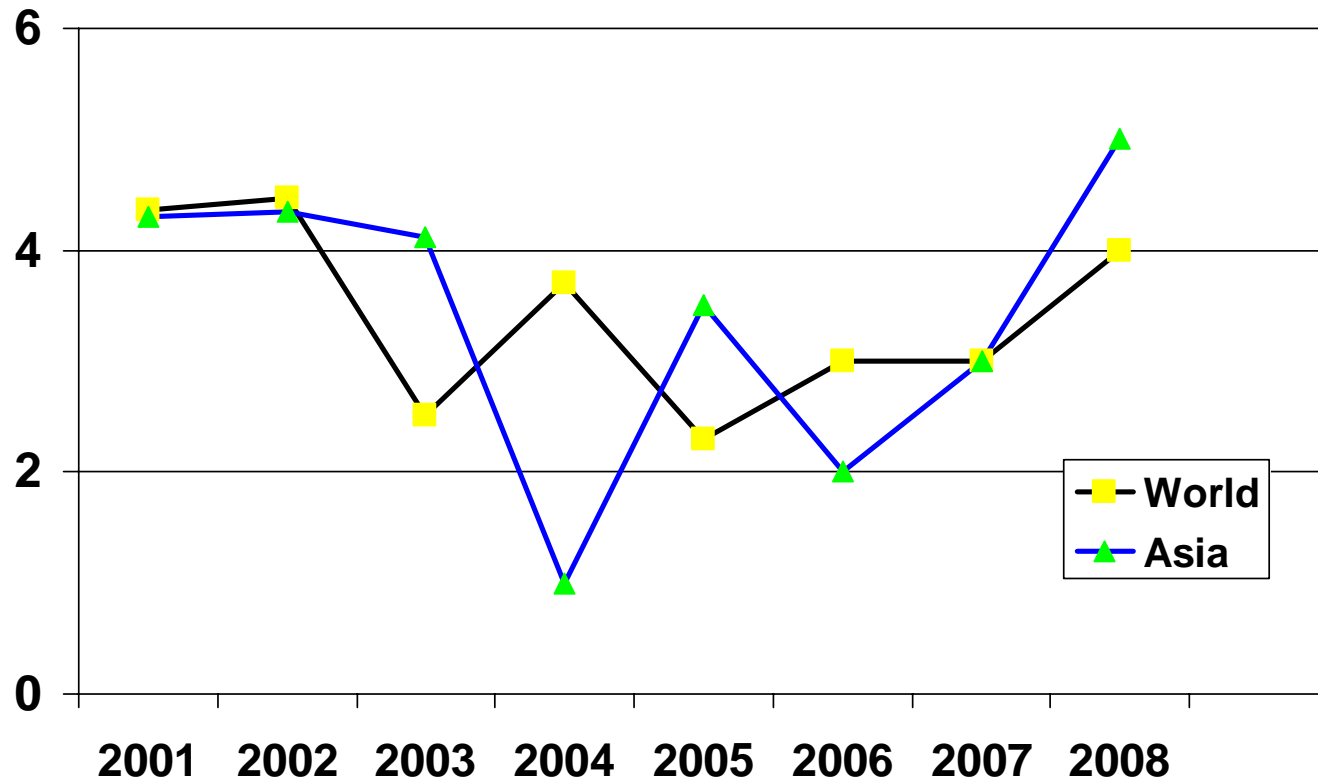
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	<b>World Use (USDA)</b>	<b>Chicken Use</b>	<b>%</b>
<b>Coarse Grains</b>	<b>970</b>	<b>160</b>	<b>16</b>
<b>Oilmeals</b>	<b>212</b>	<b>54</b>	<b>25</b>
<b>Wheat</b>	<b>621</b>	<b>40</b>	<b>6</b>



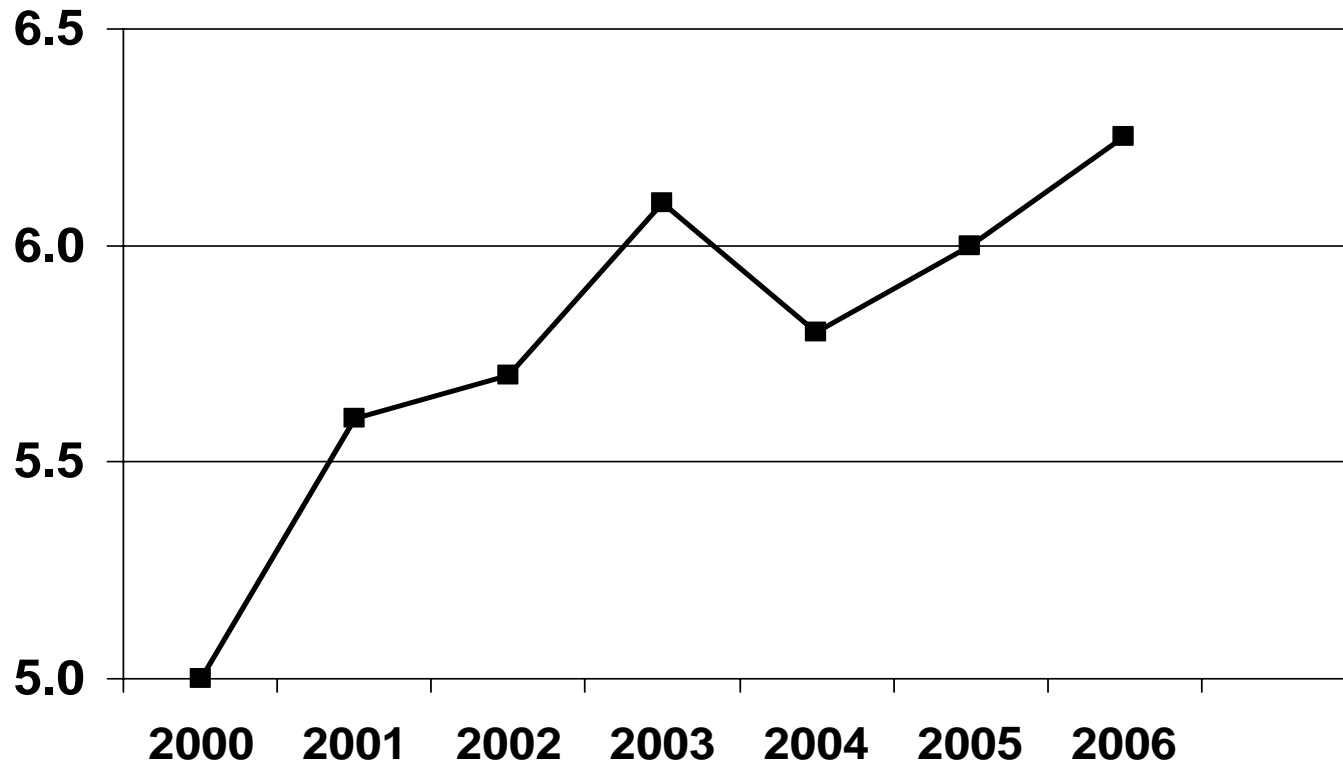
# Percentage Increase in Chicken Meat Production - FAO

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# World Chicken Trade – MMT -FAO

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# The Live Market

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- **The poorest half the world's Population**
- **No Refrigerator at home**
- **\$20 billion in world retail sales**
- **Potential Danger of Spreading Flu**

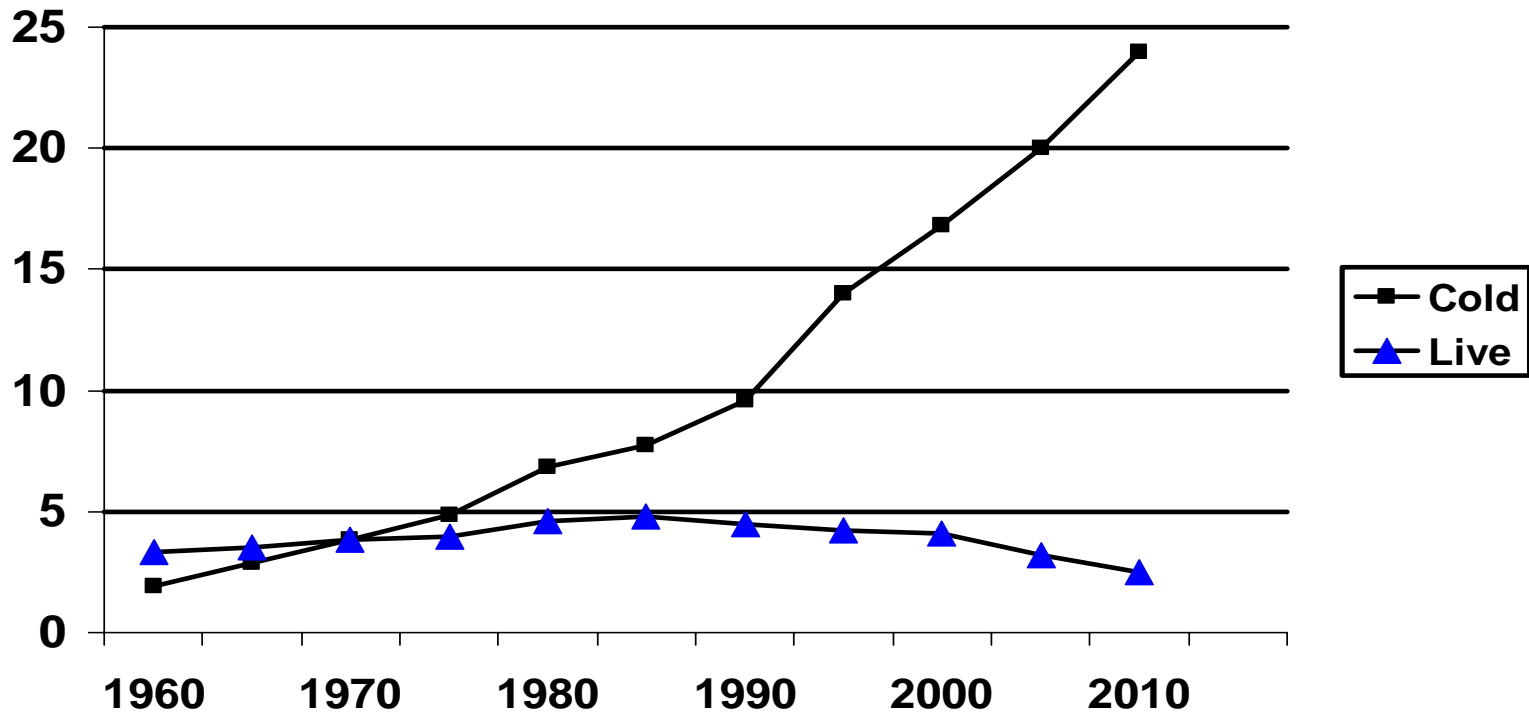
# The Future of Live Markets

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- **Radical change is recommended**
- **Separate ages, species**
- **40 Million small farms in Asia**
- **Located in areas least able to afford change**

# Cold Chain & Live Market Consumption Per Capita - Lbs

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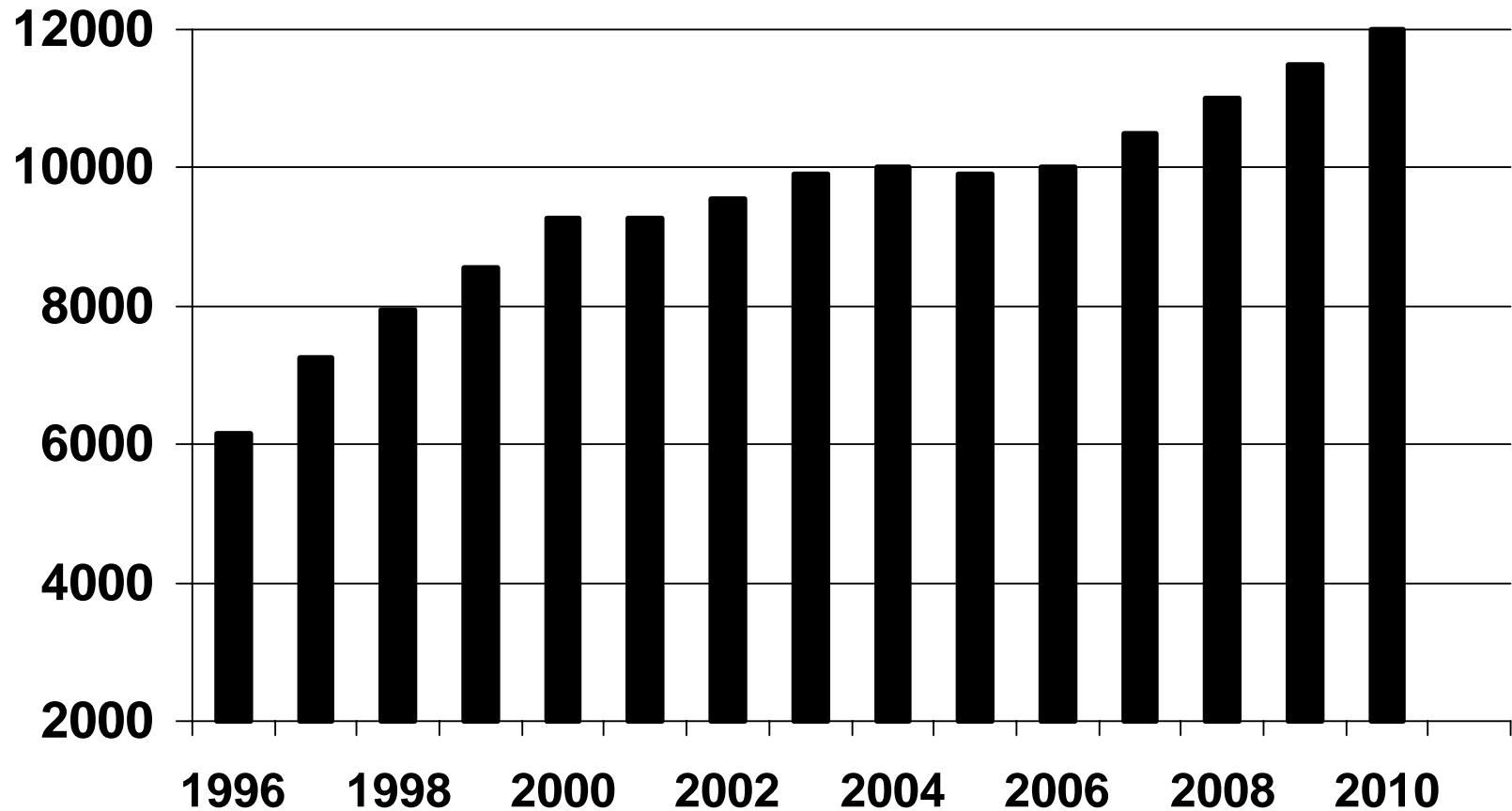
# Asia Chicken

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- **Growth will resume and accelerate**
- **No growth in Japan**
- **Imports increase as well**
- **Exports concentrate on cooked chicken**

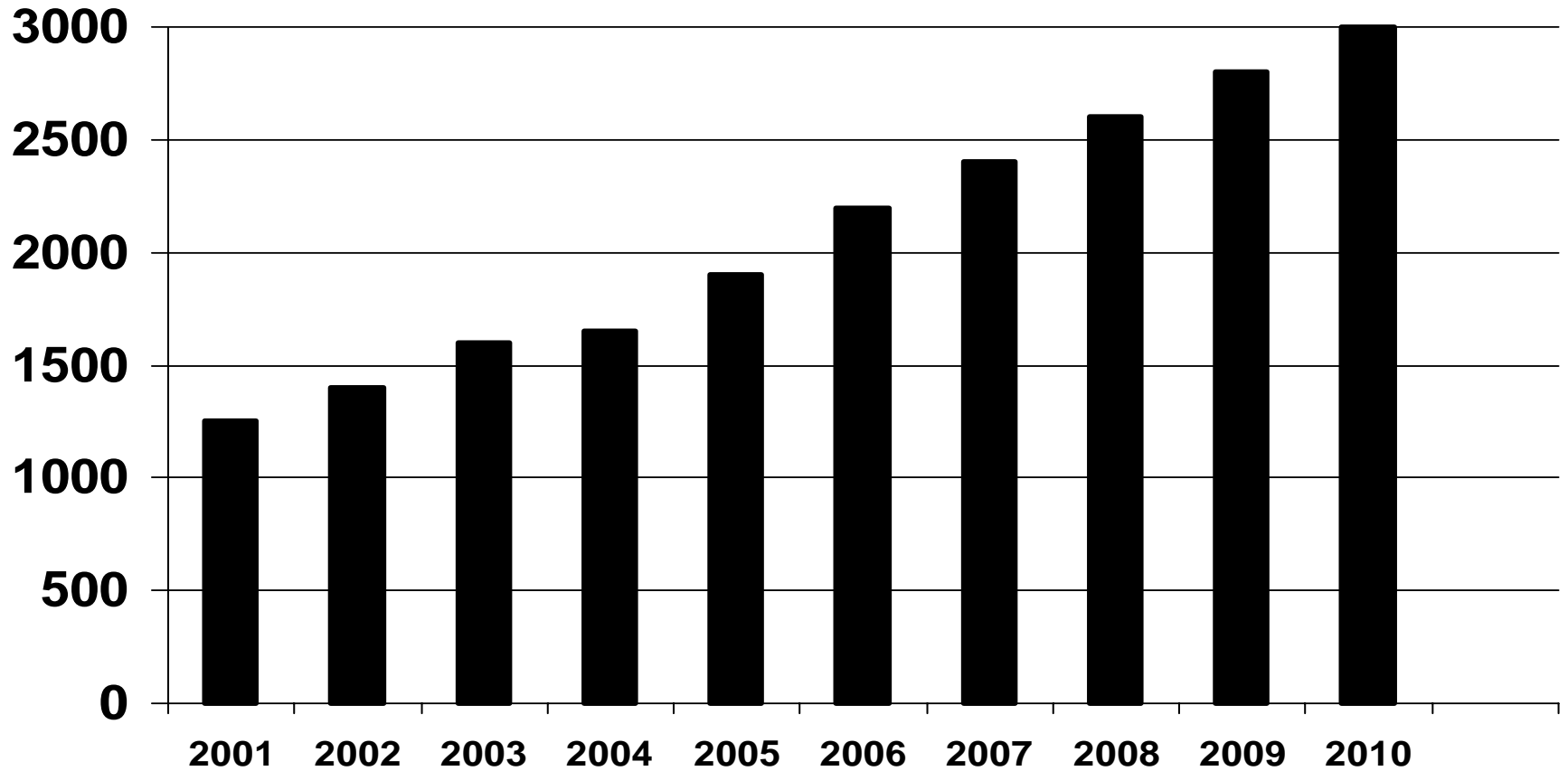
# Chicken Production in China

Ready-to-Cook Thousands of Metric Tons



# Chicken Production in India

RTC Equivalent Thousands of Metric Tons

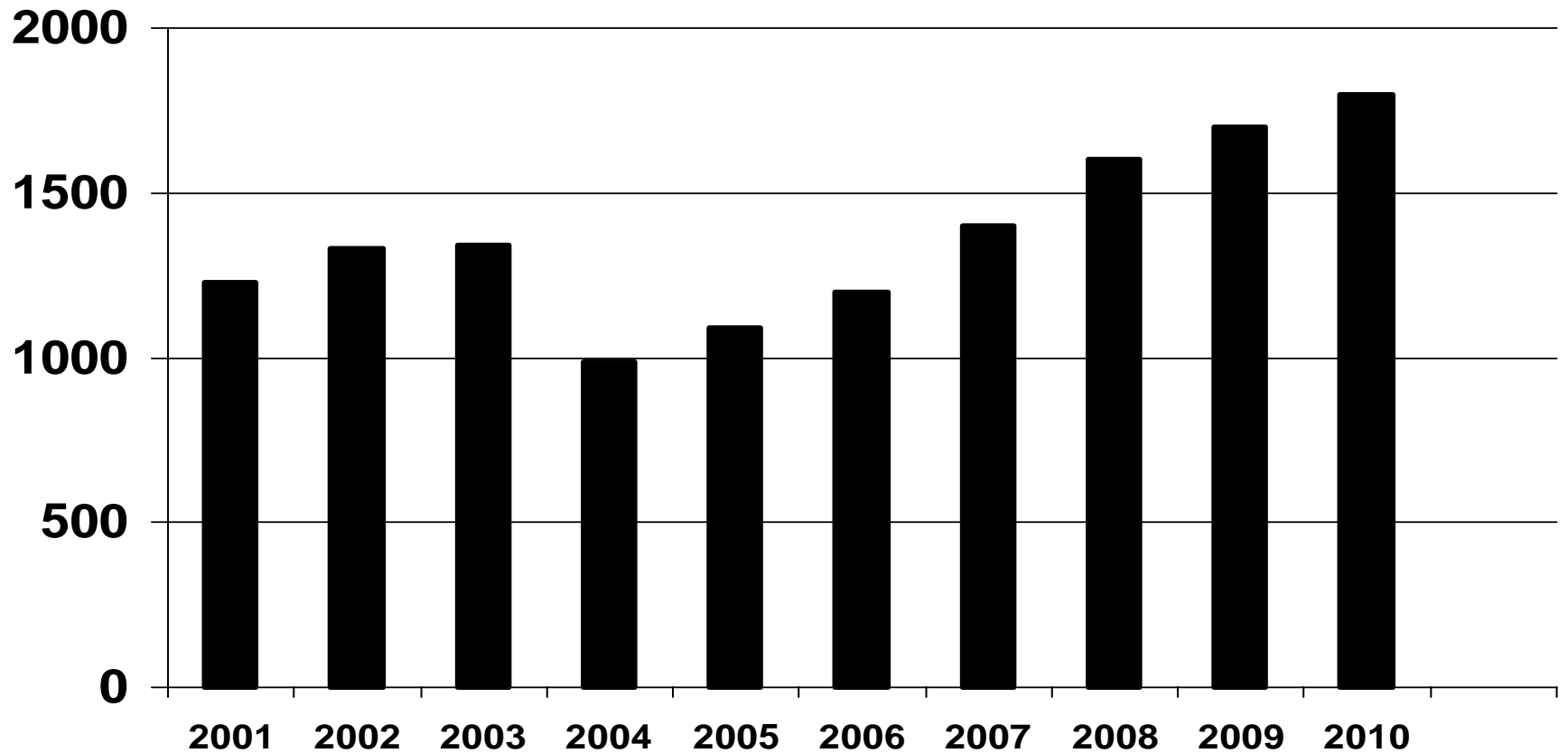




# Chicken Production in Thailand

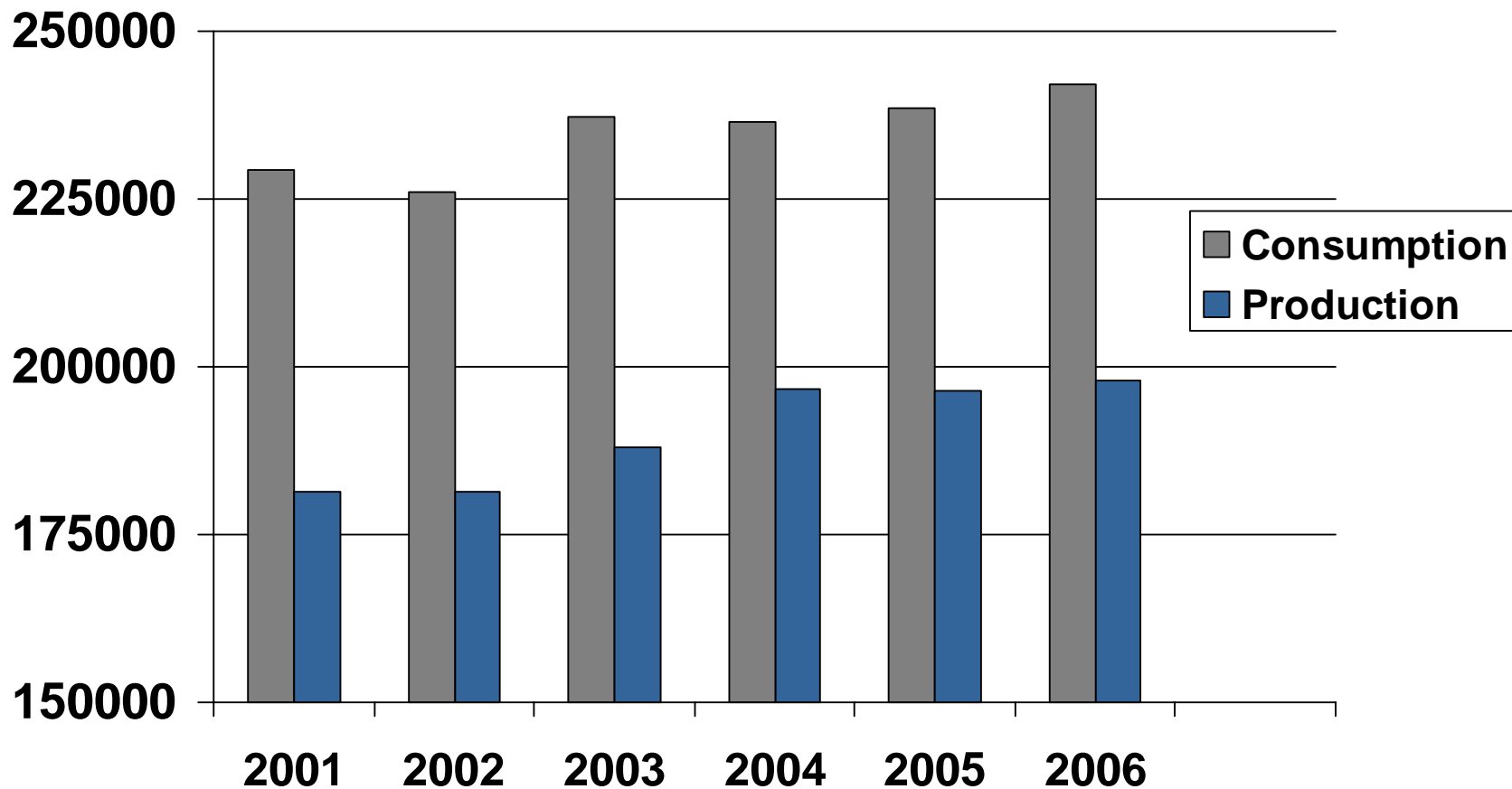
RTC Thousands of Metric Tons

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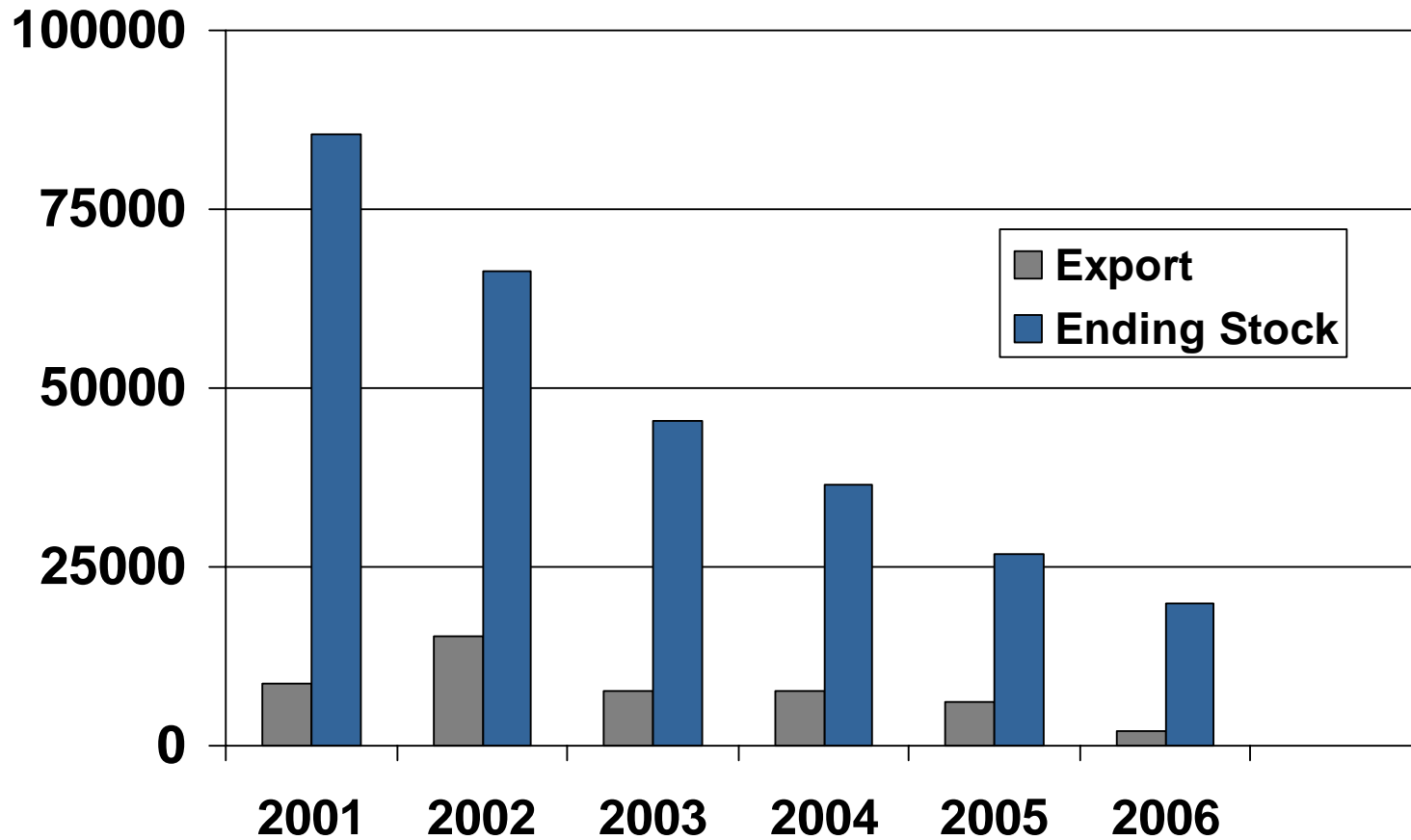
## Asia Consumption & Production of Coarse Grains – TMT

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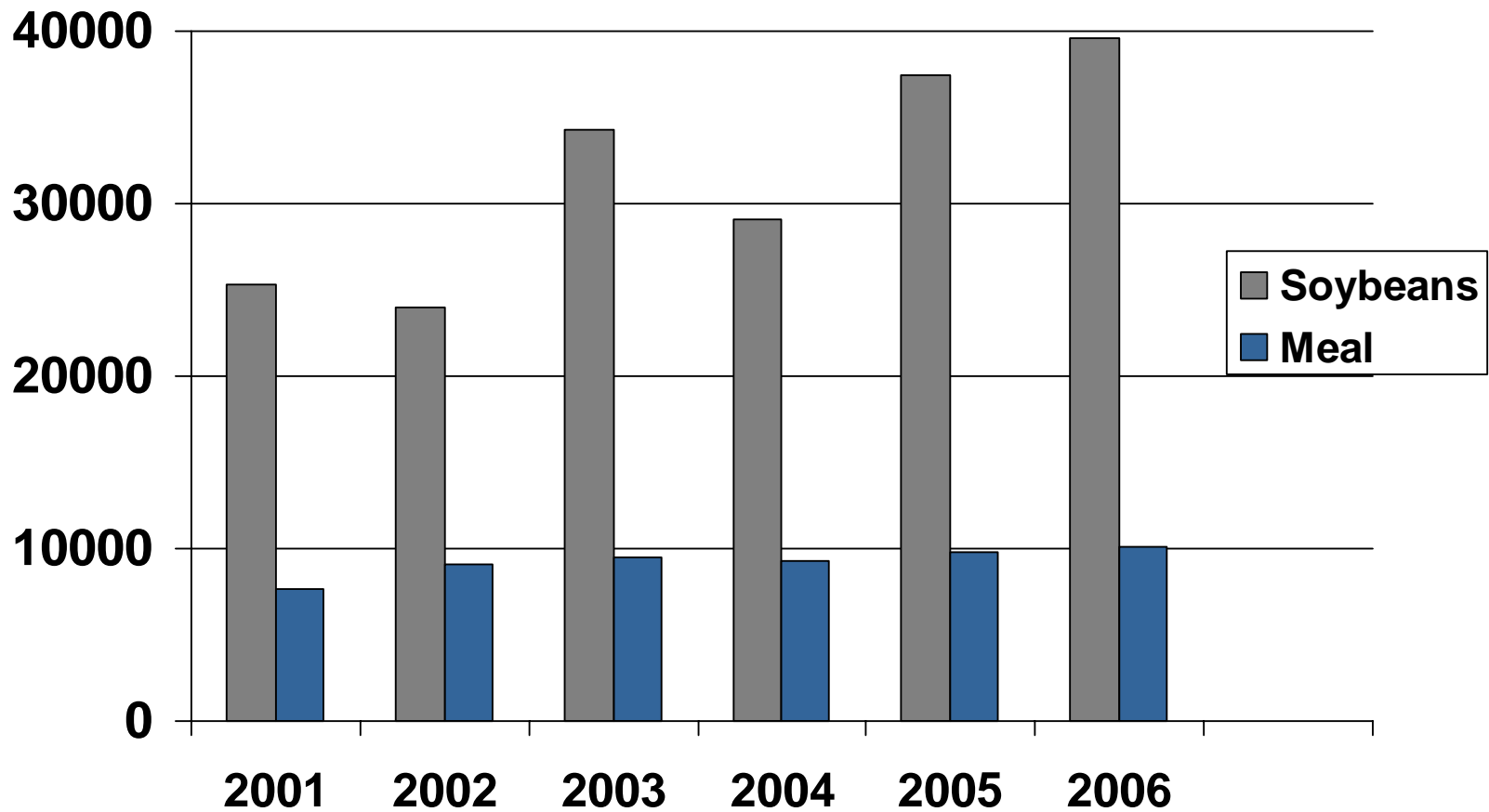
## China Export and Ending Stock of Coarse Grains – TMT

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## Asia Imports of Soybeans and Soybean Meal – TMT

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# Conclusion

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- **Bird Flu - under control in 2007**
- **Economic Growth continues to be robust**
- **Feed Demand accelerates with the solution of bird flu**
- **Imports of feedstuffs will increase substantially**
- **The US will export a lot more corn to Asia**