

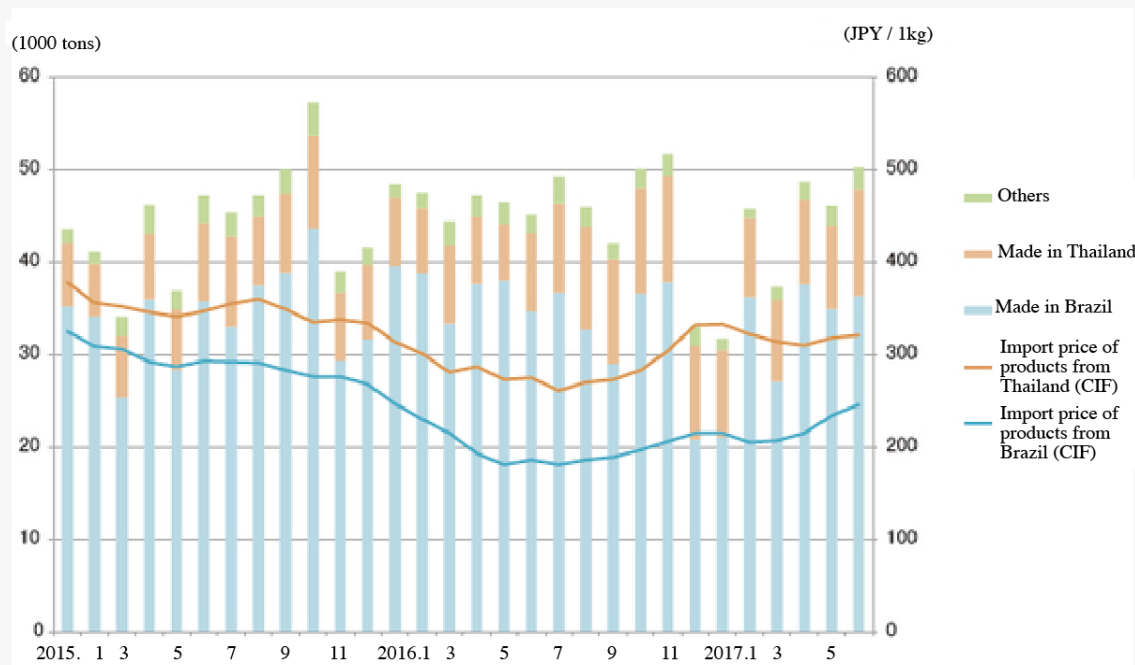
Meats

November 11, 2017

~ Chicken meat imports surpass 50,000 tons for the first time in seven months ~

As a healthy meat, chicken is very popular with women. Many chicken products are also affordably priced, helping household budgets. The biggest factors have been a reconsideration of the healthfulness of tenderloin and breast meat, and nationwide recognition of regional specialty dishes such as wings and chicken tempura. Over the last 10 years, annual consumption of chicken per household has grown by 40% or more.

Import Volume of Chicken Meat by Country and Changes in Import Price



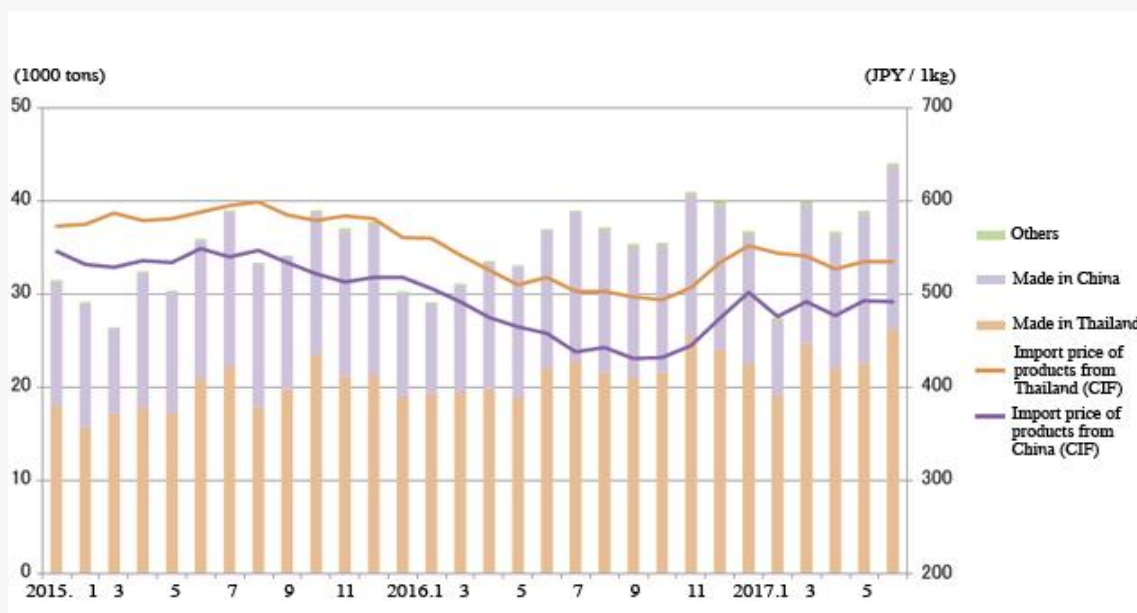
Source: Finance Minister “Trade Statistics”

Looking at chicken imports by country over the last six months, volume from Brazil reached 36,358 tons, up 4.9% on the same month last year, the first such increase in seven months. Brazil’s share of import volume was 72%. The volume of Thai chicken was 11,478 tons (similarly up 35.9%), the 11th consecutive month of year on year growth, accounting for 23% of import volume. Other than December 2016 and January 2017, which saw major drops in import volume due to inventory adjustments, import volume has been keeping ahead of the five-year moving average since December 2015. Volume in June surpassed 50,000 tons for the first time in seven months.

Imports of processed chicken products increased substantially from both Thai and Chinese production

Turning to the volume of processed chicken products (cooked battered chicken, *yakitori* chicken skewers, chicken nuggets, etc.) in June, the increase in products using processed chicken, such as convenience store chains' hot snacks, *bento* boxed lunches, and deli dishes, propelled a rising trend. Volume rose to a new record of 44,032 tons, up 19% on the same month last year. By country, Thai chicken reached 26,160 tons (similarly up 18.7%), the 4th consecutive month of year on year growth, accounting for 59% of import volume. The volume of Chinese chicken was 17,499 tons (similarly up 18.1%), the 4th consecutive month of year on year growth, accounting for 40% of import volume.

Import Volume of Processed Chicken Products by Country and Changes in Import Price



Source: Finance Minister “Trade Statistics”

In a noteworthy recent news event, a bilateral agreement on the certificate forms for Turkish poultry etc. was agreed between Turkey and Japan on September 29, 2017, lifting the ban on imports to Japan. The volume of Japan’s market for imported chicken meat has increased every year since 2013. The main import source countries are Brazil, Thailand, and the USA. Around 70-80% of total import volume came from Brazilian production, with the USA and Thailand at less than 10% each. Turkish chicken meat is expected to make a strong push into the market alongside those countries.

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