

A GLANCE AT BEEF AND VEAL MARKET

February 2021

Les Producteurs
de bovins du
Québec



A GLANCE AT BEEF AND VEAL MARKETS

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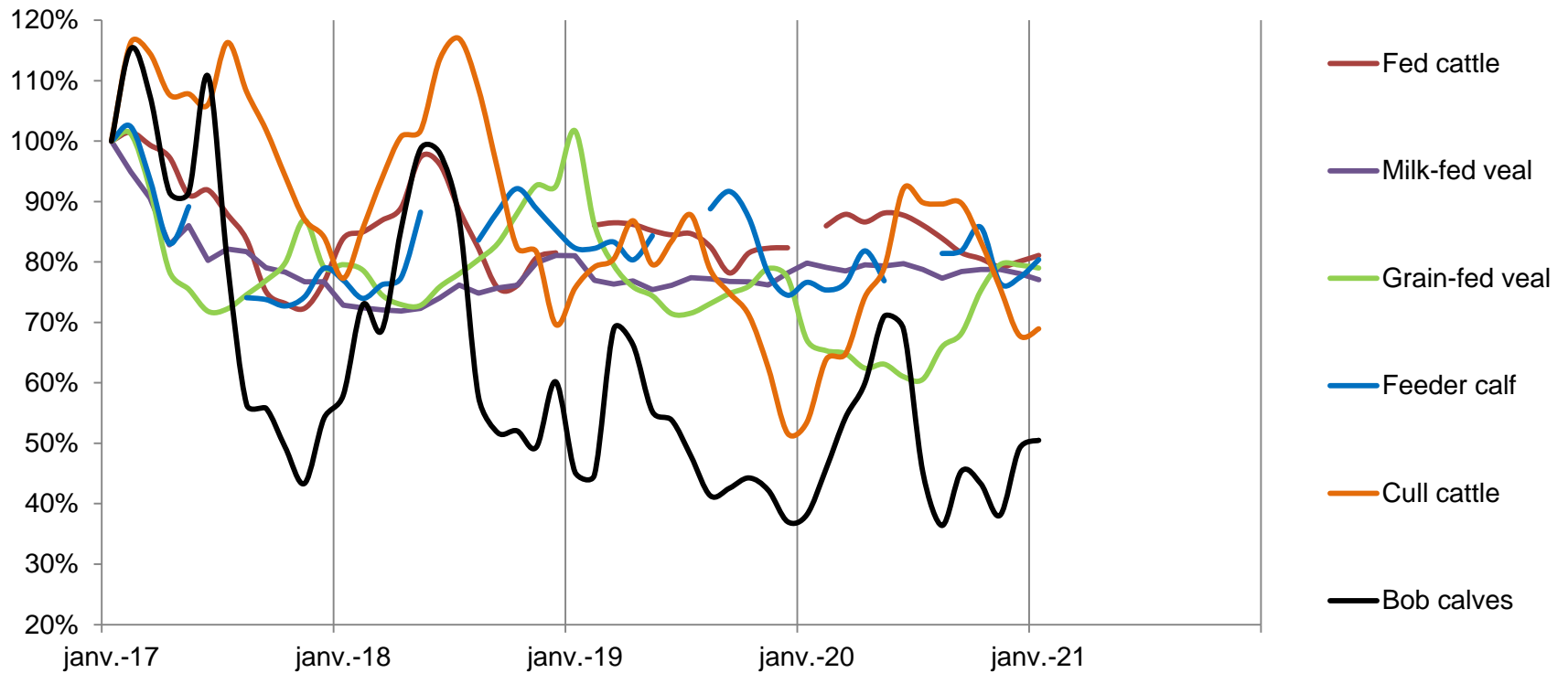


Slaughter volume (head) in 2021

		Canada			United-States
		West	East	Total	Total
Steers and heifers	2021	202 258	58 829	261 087	2 041 000
	% chg 2020	0,17	12 %	16 %	7 %
Cows and bulls	2021	38 421	9 869	48 290	581 000
	% chg 2020	- 10 %	11 %	- 6 %	5 %
Milk fed and grain fed calves	2021			15 257	13 731
	% chg 2020			- 3 %	- 11%

Source :
AAFC (Year to date)

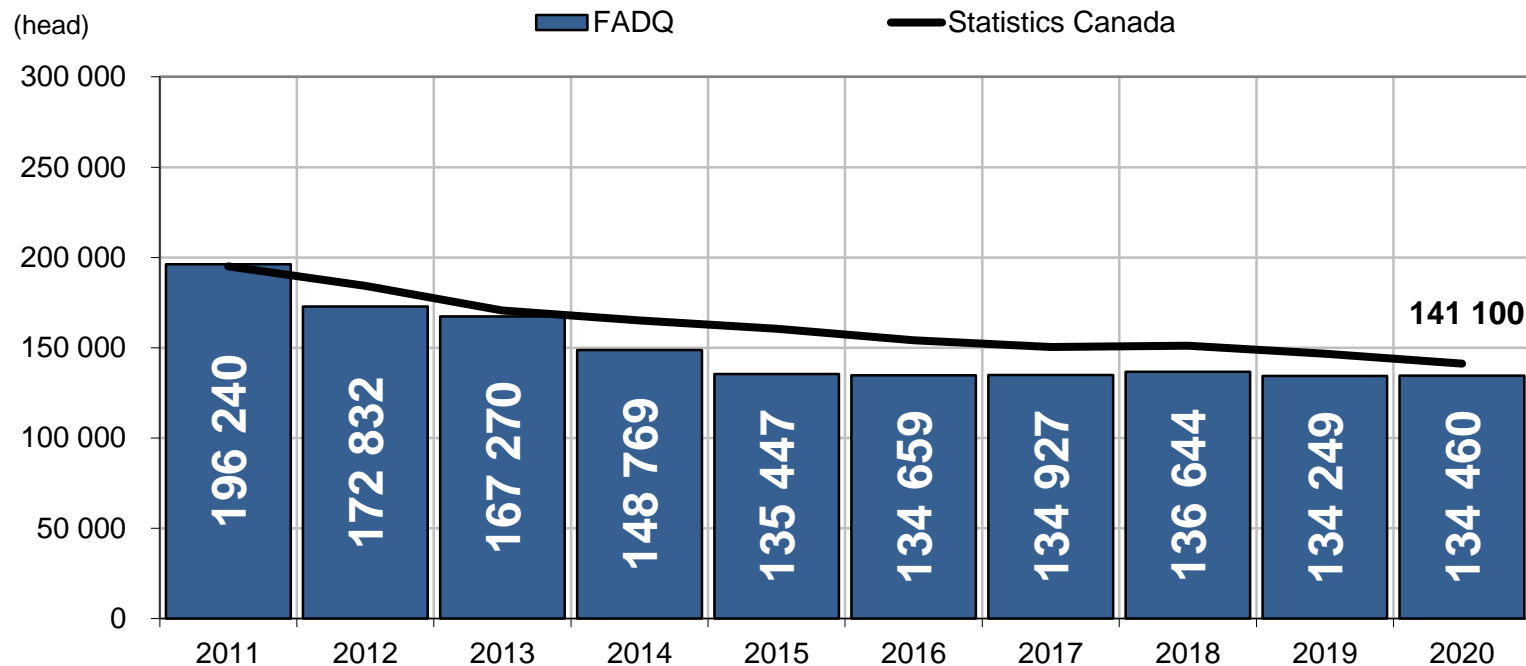
Price variation of cattle in Quebec since January 2017



Source :
• PBQ

Feeder calf

Number of beef cows in Quebec

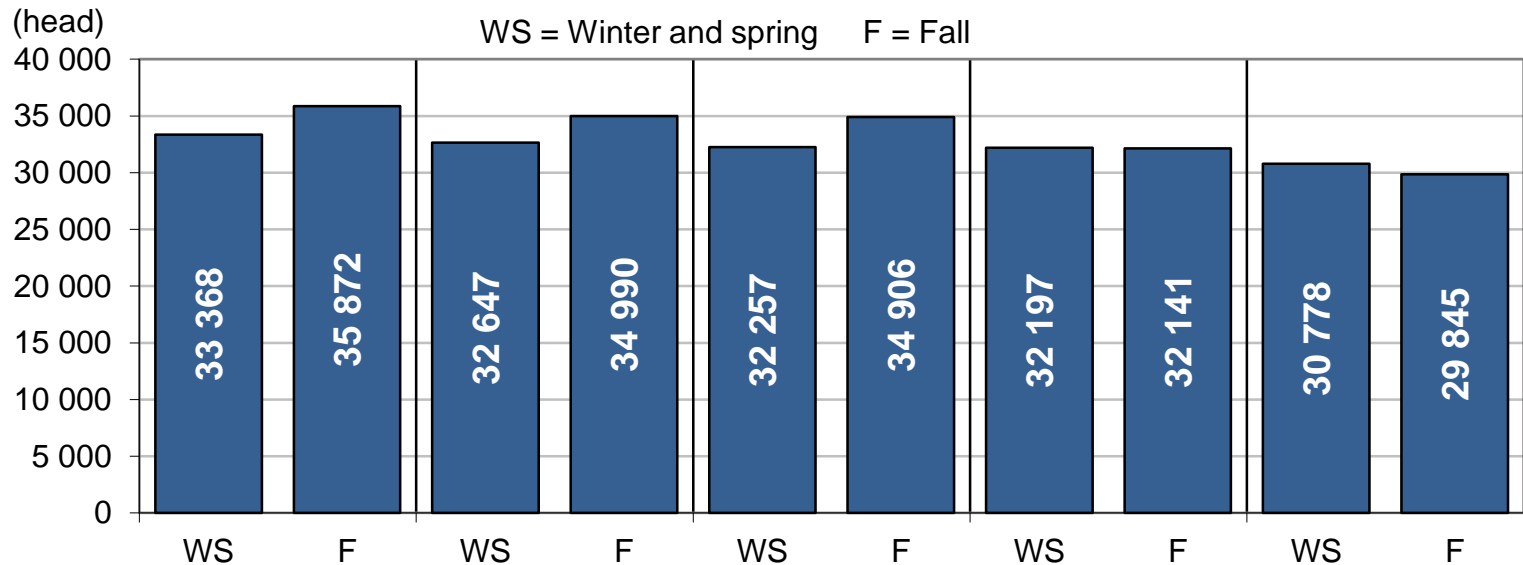


Sources :

- Number of beef cows on farms (annual average), FADQ cow calf ASRA Program
- Number of beef cows on farms on January 1st, Statistics Canada

Feeder calf

Feeder calves in Quebec specialized auctions (numbers and weights)



	2016	2017	2018	2019	2020
Head	69 240	67 637	67 163	64 338	60 623
Weight (lb)	658	659	657	664	667

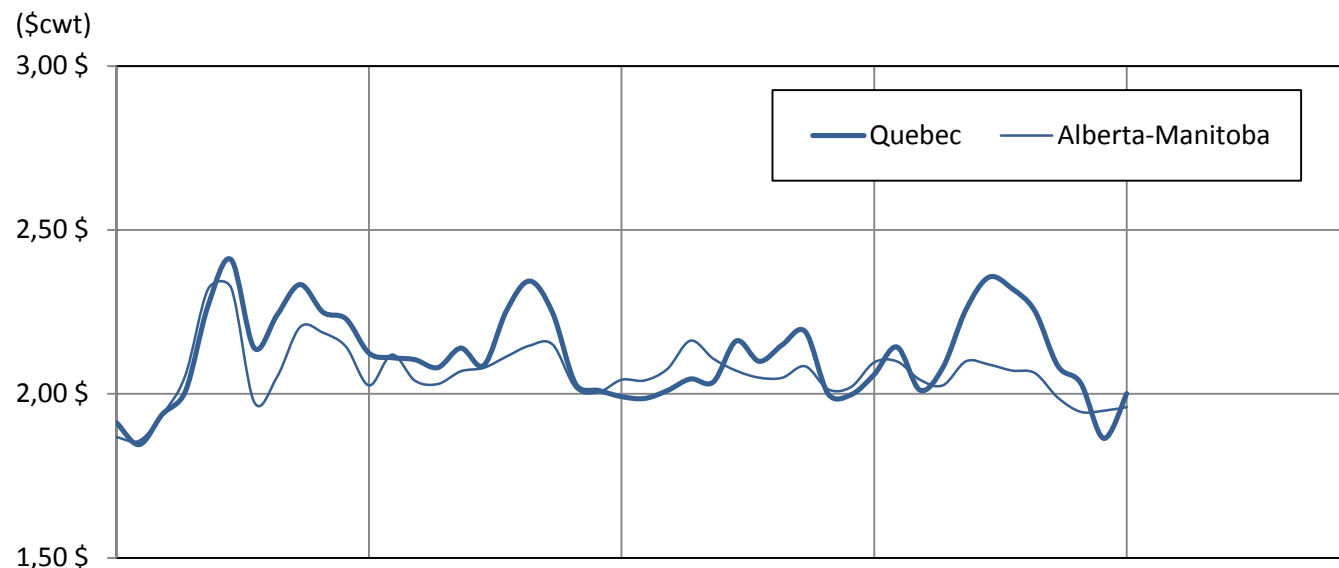
* preliminary

Source :

Number and average weight of feeder calves sold in the specialized market auctions in Quebec, PBQ

Feeder calf

Price of male feeder calves (600-700 lb) Quebec and Alberta-Manitoba



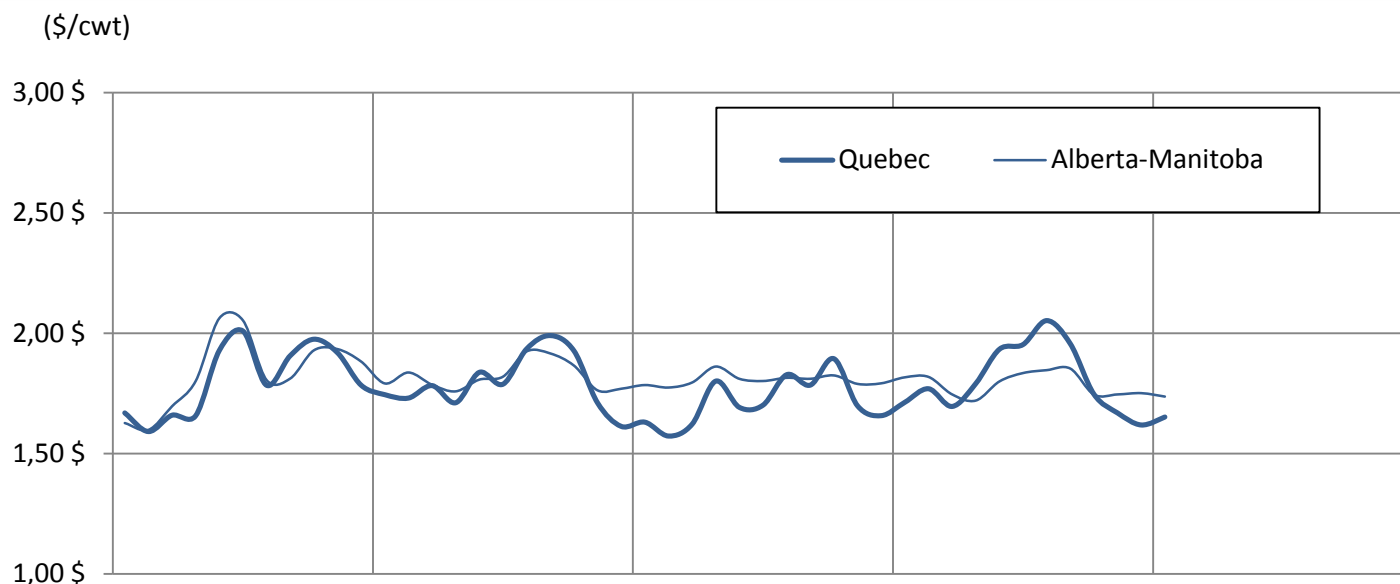
	2017	2018	2019	2020	2021
Quebec	2,14 \$	2,14 \$	2,06 \$	2,13 \$	2,00 \$
Que-(Alb-Man)	0,06 \$	0,07 \$	0,00 \$	0,09 \$	0,04 \$

Sources :

- Quebec : Price of male feeder calves, 600 to 700 lb, sold in the specialized market auctions in Quebec, PBQ
- Alberta-Manitoba : Price of male feeder calves, 600 to 700 lb, sold in the market auctions in Alberta and Manitoba, Canfax

Feeder calf

Price of female feeder calves (600-700 lb) Quebec and Alberta-Manitoba



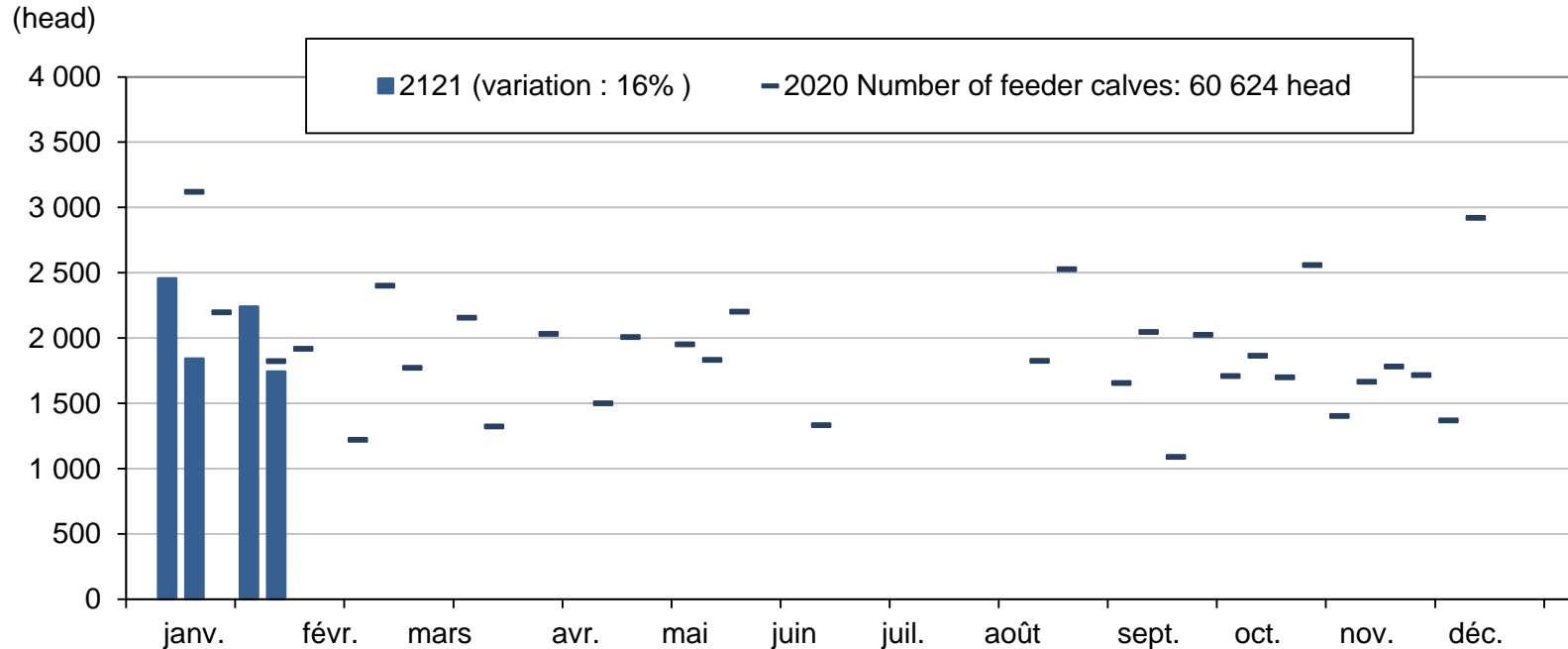
	2017	2018	2019	2020	2021
Quebec	1,84 \$	1,82 \$	1,81 \$	1,81 \$	1,65 \$
Que-(Alb-Man)	-0,03 \$	-0,02 \$	-0,09 \$	0,02 \$	-0,08 \$

Sources :

- Quebec : Price of female feeder calves, 600 to 700 lb, sold in the specialized market auctions in Quebec, PBQ
- Alberta-Manitoba : Price of female feeder calves, 600 to 700 lb, sold in the market auctions in Alberta and Manitoba, Canfax

Feeder calf

Number of feeder calves in Quebec specialized auctions 2020-2021

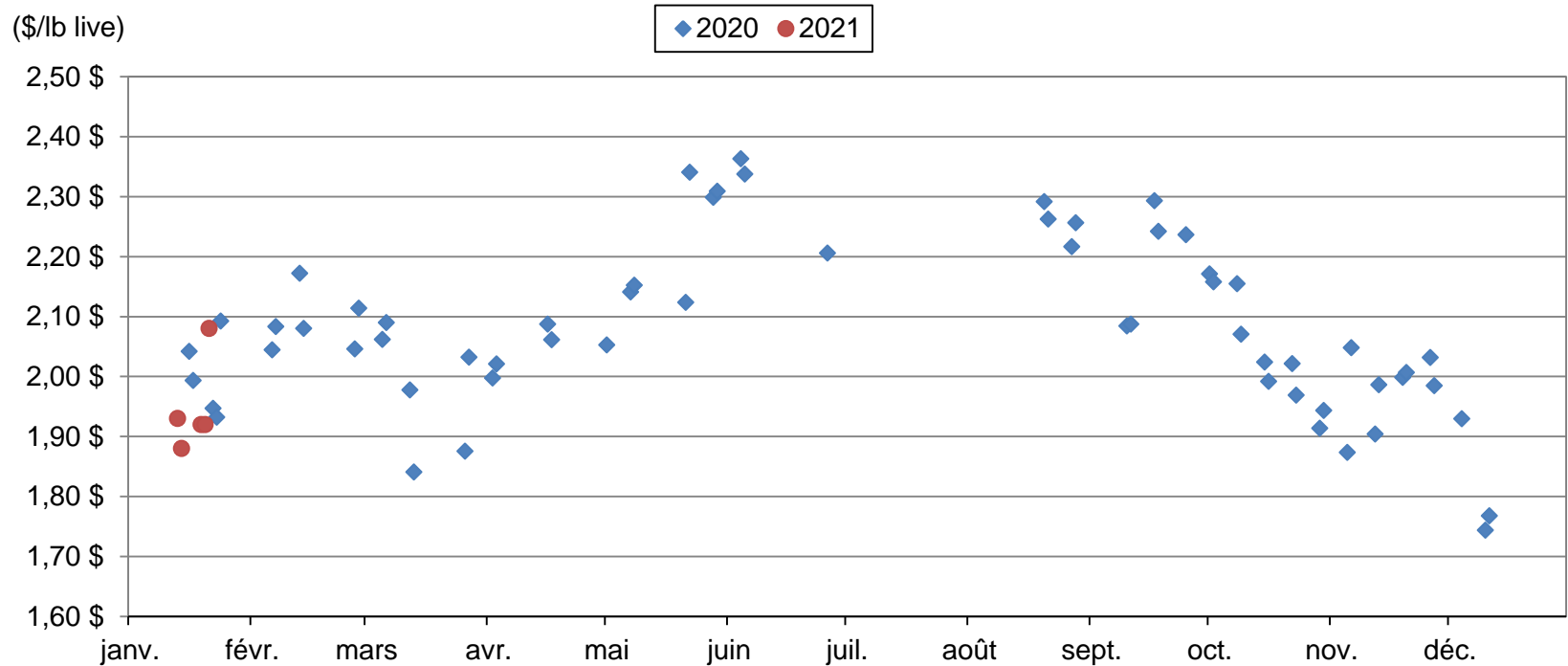


Source :
Number of feeder calves in Quebec specialized auctions in Quebec, PBQ

Feeder calf

Price of male feeder calves (600-700 lb)

Quebec specialized auctions 2020-2021



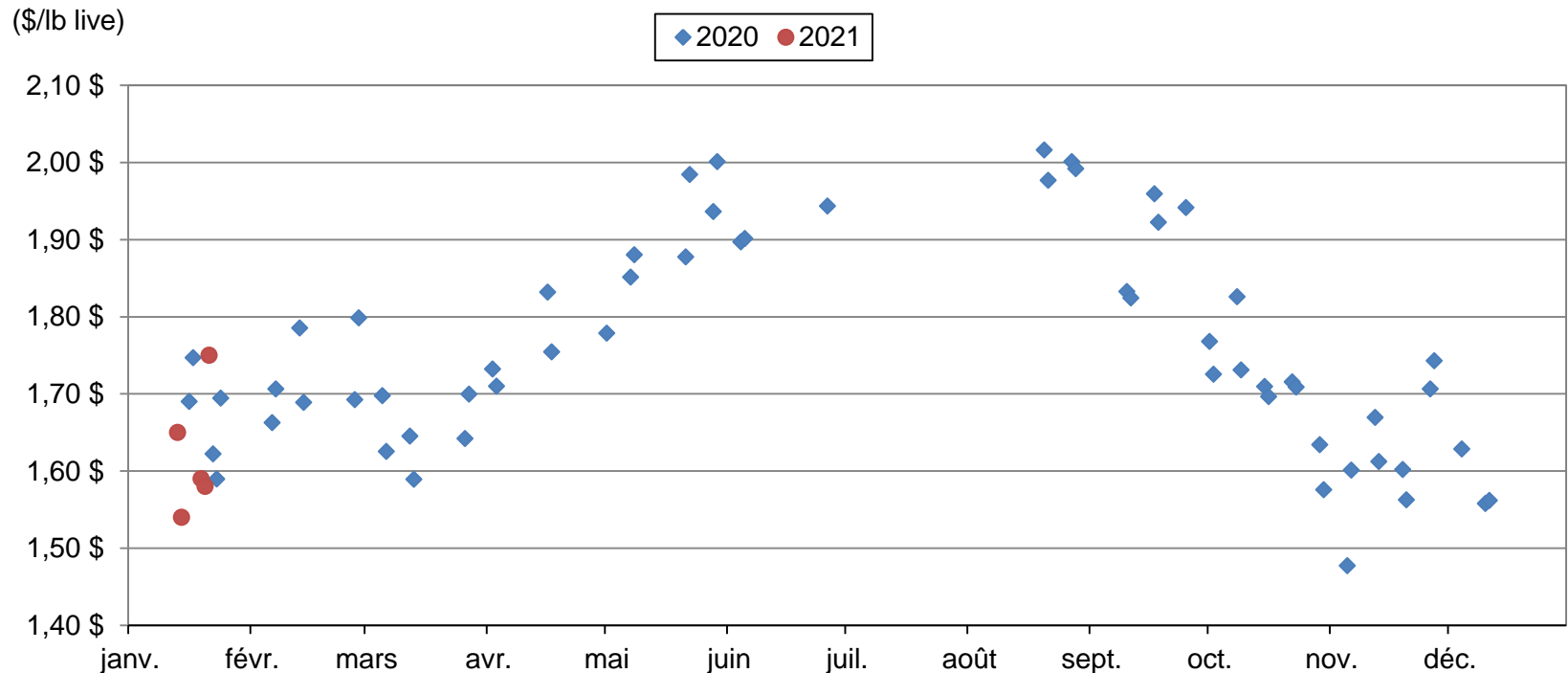
Sources :

- Quebec : Price of male feeder calves, 600 to 700 lb, sold in the specialized market auctions in Quebec, PBQ



Feeder calf

Price of female feeder calves (600-700 lb) Quebec specialized auctions 2020-2021

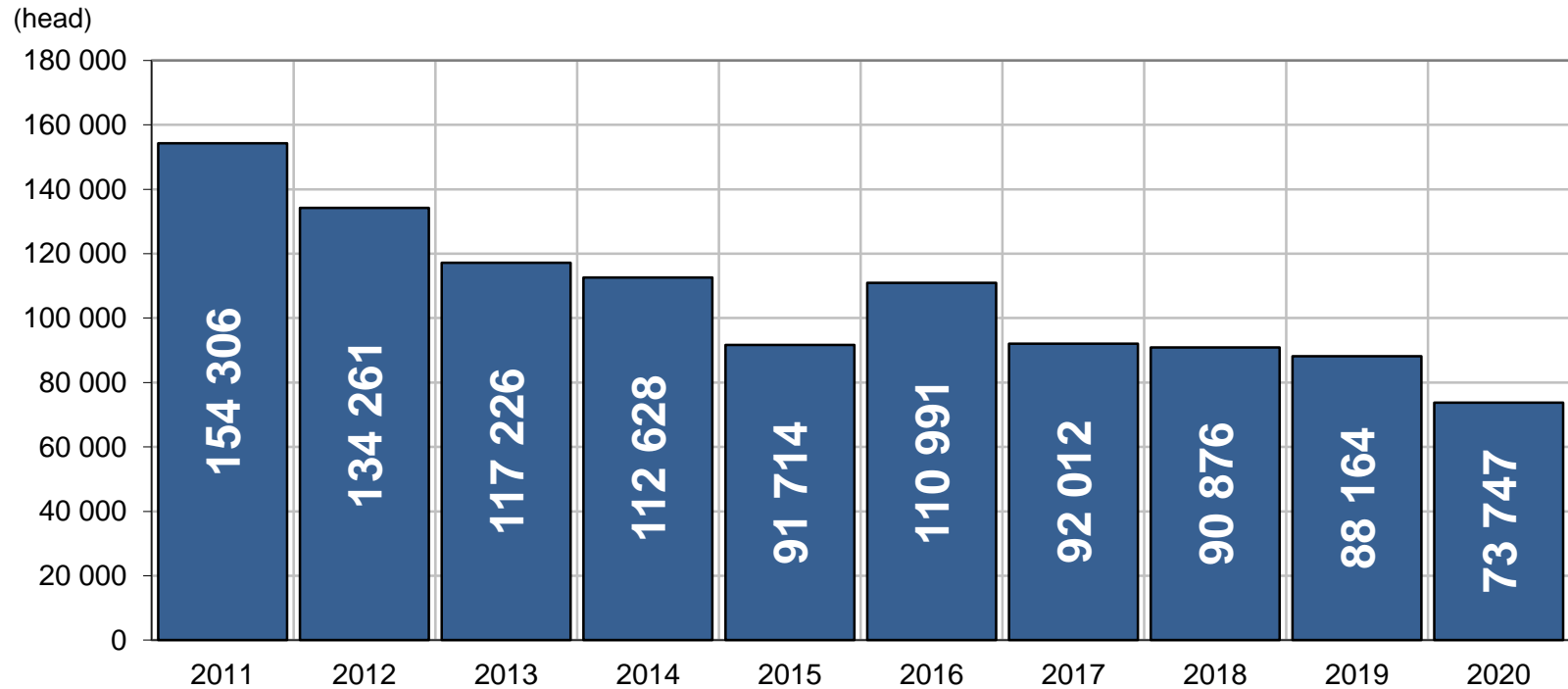


Sources :

- Quebec : Price of female feeder calves, 600 to 700 lb, sold in the specialized market auctions in Quebec, PBQ

Fed cattle

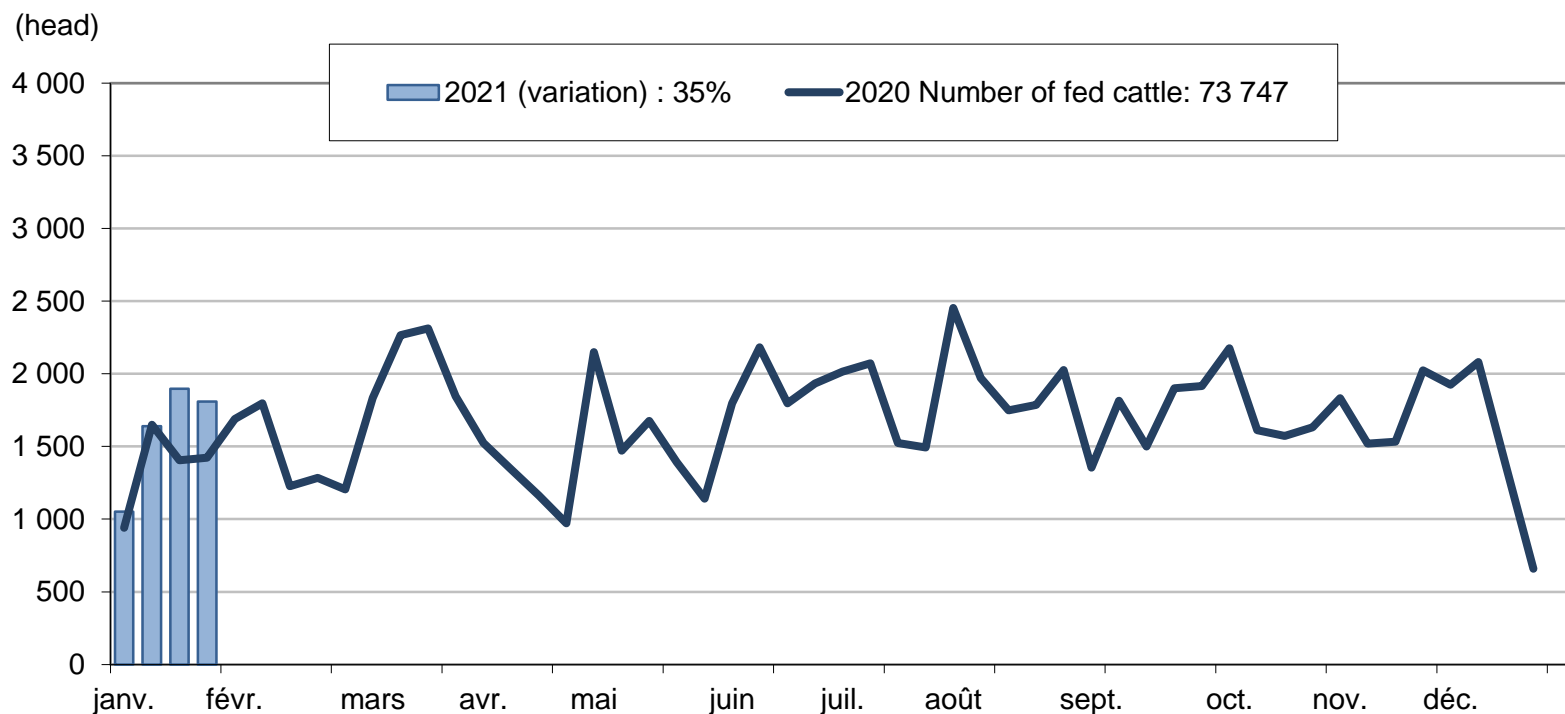
Number of cattle fed in Quebec



Source :
Number of fed cattle marketed by Quebec producers , PBQ

Fed cattle

Number of cattle fed in Quebec 2020-2021



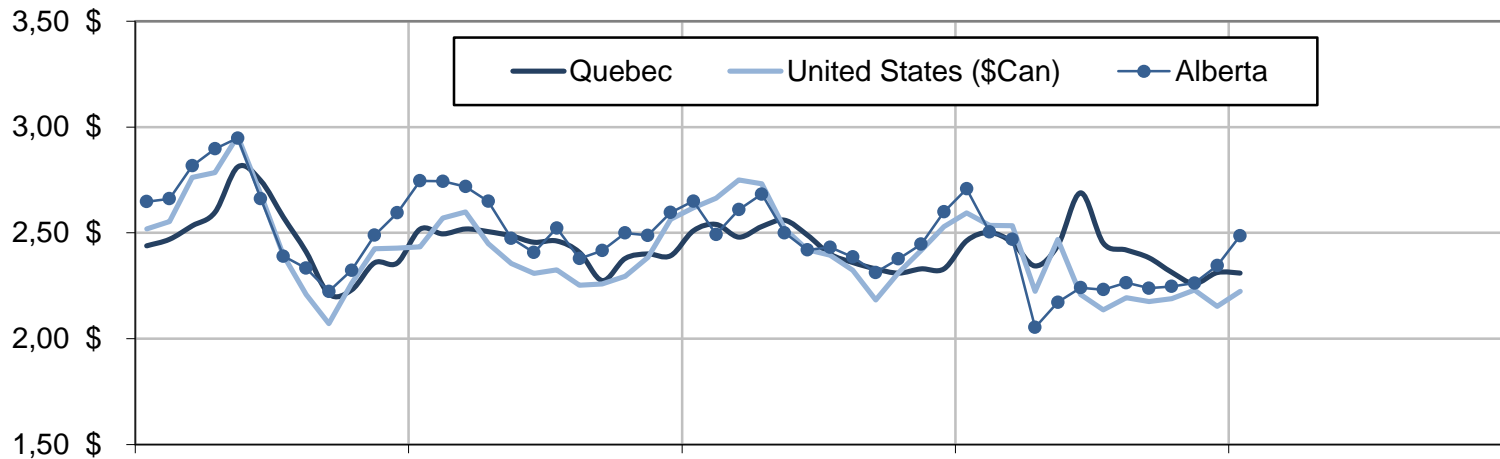
Source:

- Number of fed cattle marketed by Quebec producers , PBQ

Fed cattle

Price of fed cattle in Quebec, Alberta and United-States

(\$/lb hot carcasse, males, bid price)



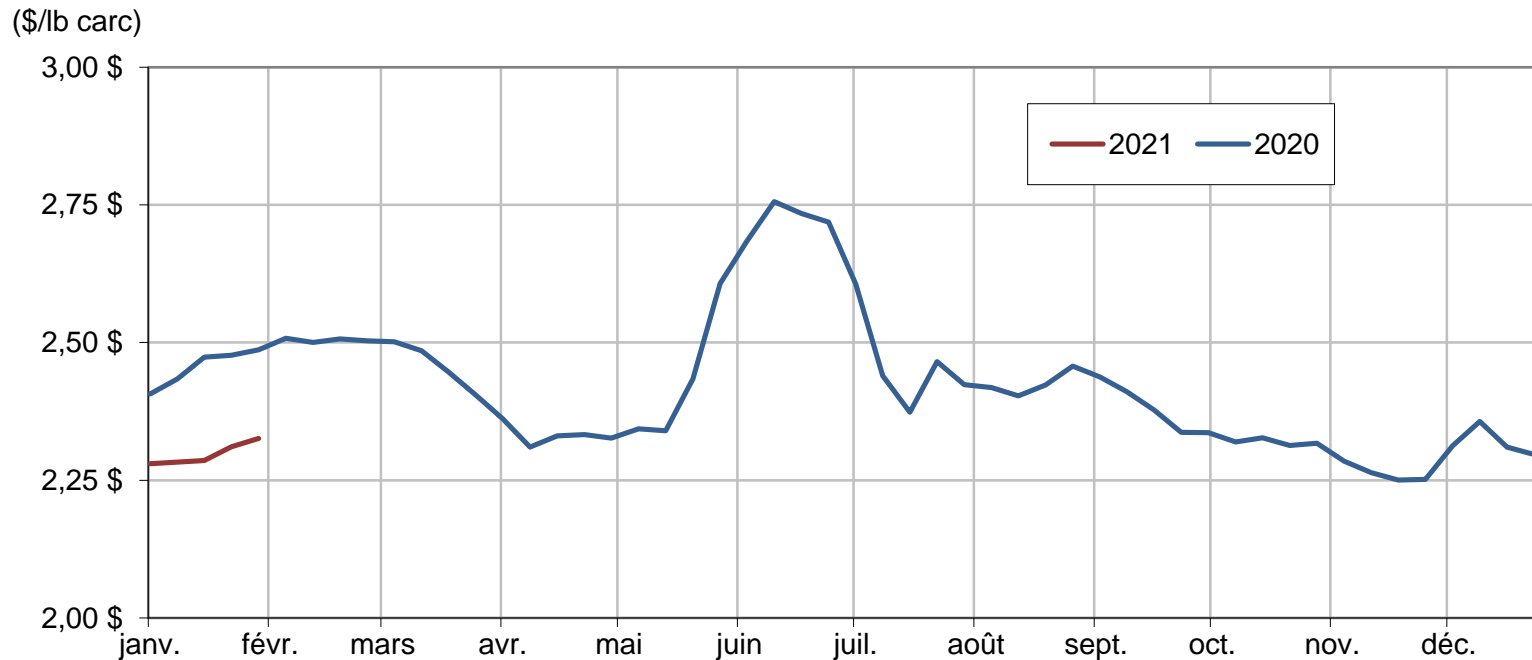
	2017	2018	2019	2020	2021
Quebec	2,48 \$	2,44 \$	2,43 \$	2,42 \$	2,32 \$
Que-Ont	-0,05 \$	-0,01 \$	-0,03 \$	0,01 \$	-0,05 \$
Que-US	-0,03 \$	0,04 \$	-0,06 \$	0,12 \$	0,09 \$
Que-Alb	-0,10 \$	-0,11 \$	-0,06 \$	0,11 \$	-0,18 \$

Sources :

- Quebec : Bid price for steers, complete loads, sold to Canada and United-States, spot market, FOB, PBQ
- Ontario : Bid price for steers, direct sales, OCA
- Alberta : Bid price for steers, direct sales, Canfax
- United-States : Bid price for steers, direct sales, Five Area, USDA

Fed cattle

Price of fed cattle in Quebec 2020-2021

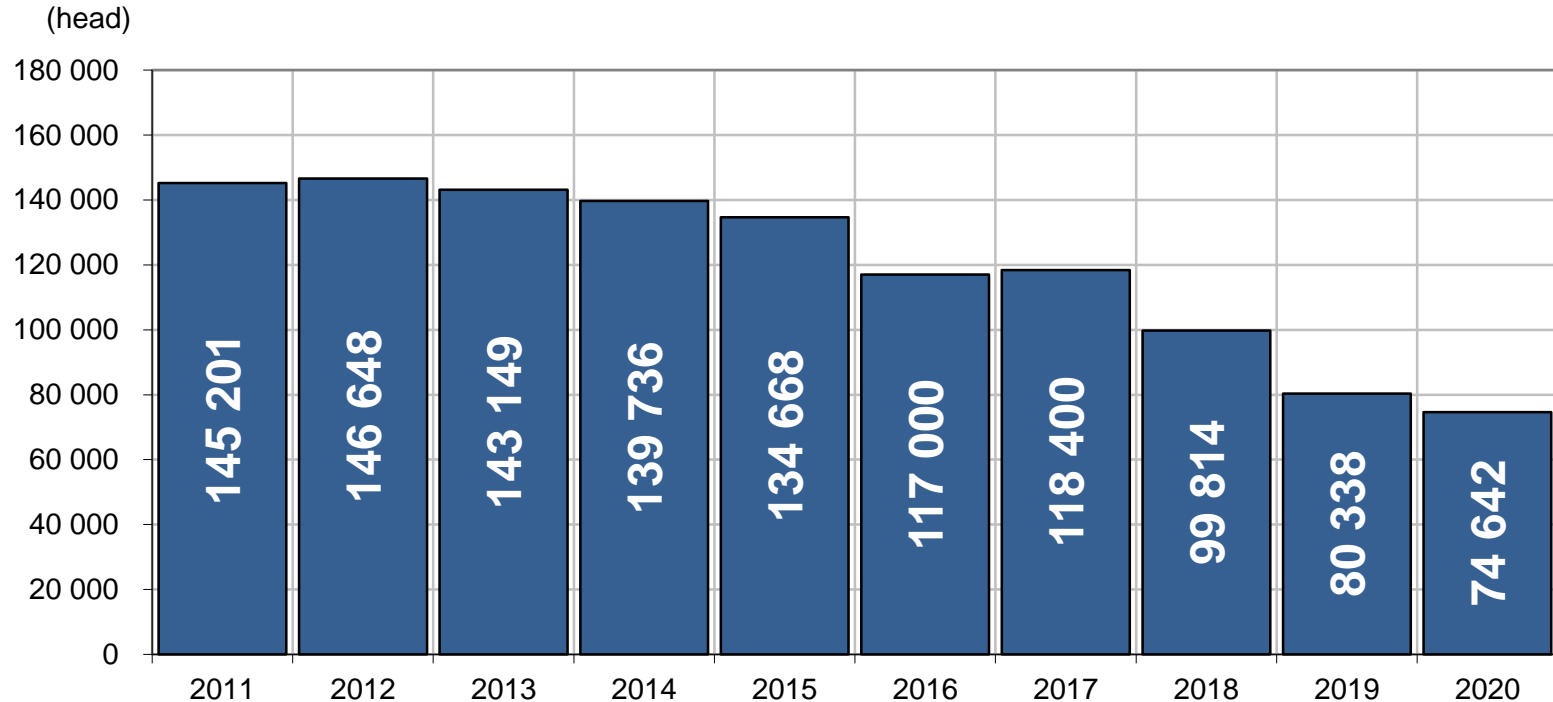


Sources :

- Bid price for steers, complete loads, sold to Canada and United-States, spot market, FOB, PBQ

Milk-fed veal

Number of calves fed in Quebec

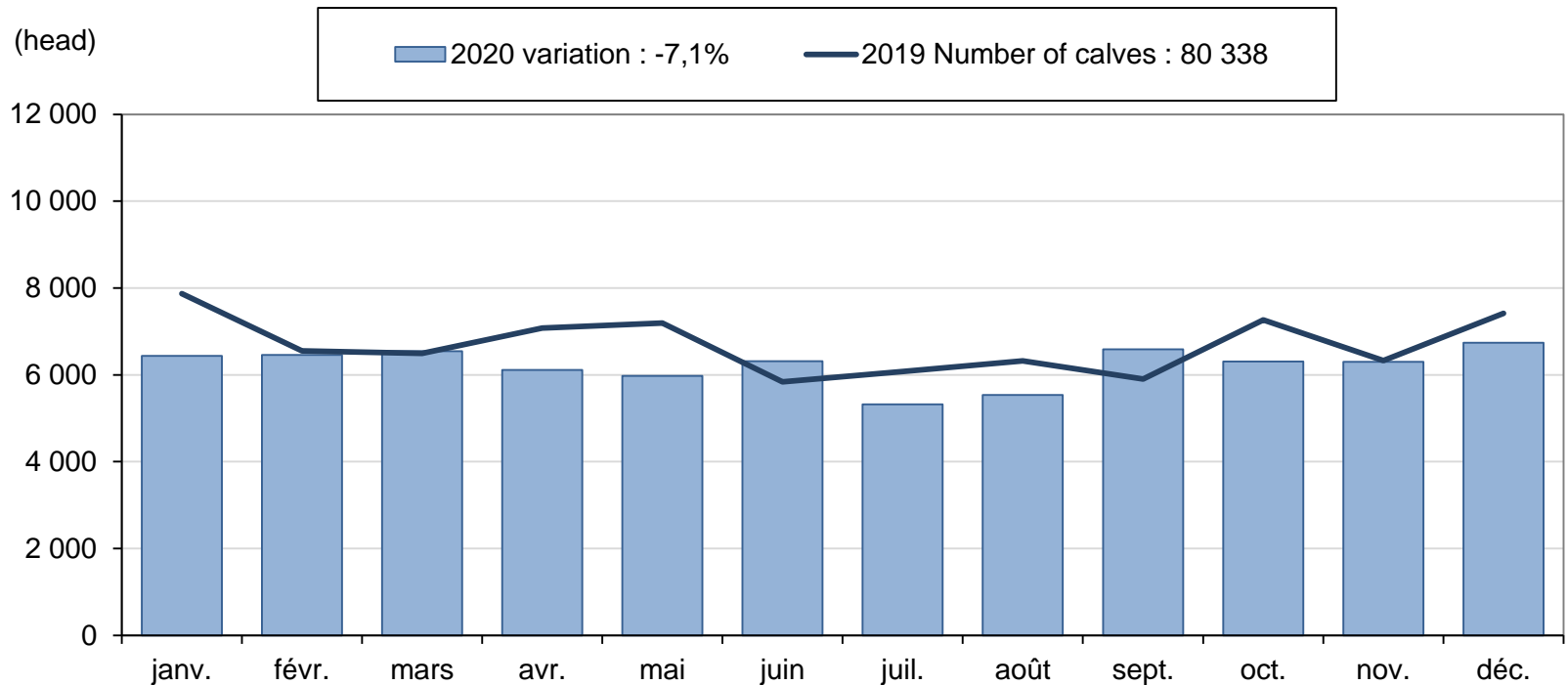


Sources :

- Quebec: Number of calves fed by Quebec producers, PBQ

Milk-fed veal

Number of calves fed in Quebec 2019-2020



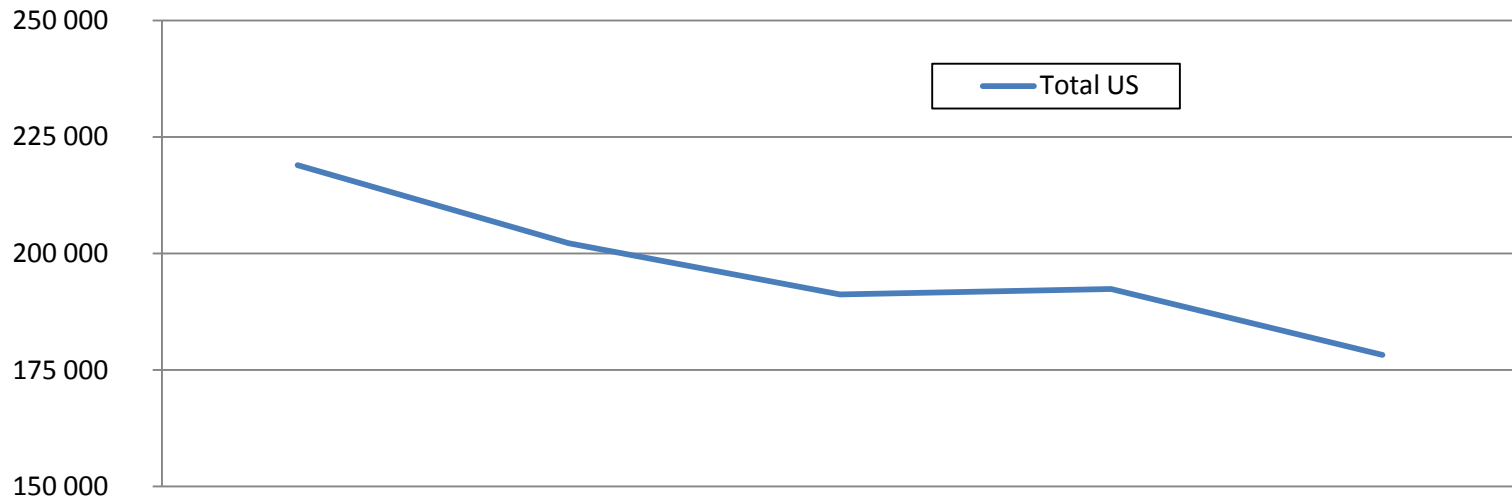
Sources :

- Quebec: Number of calves fed by Quebec producers, PBQ

Milk-fed veal

Number of calves slaughtered in United-States

(head)



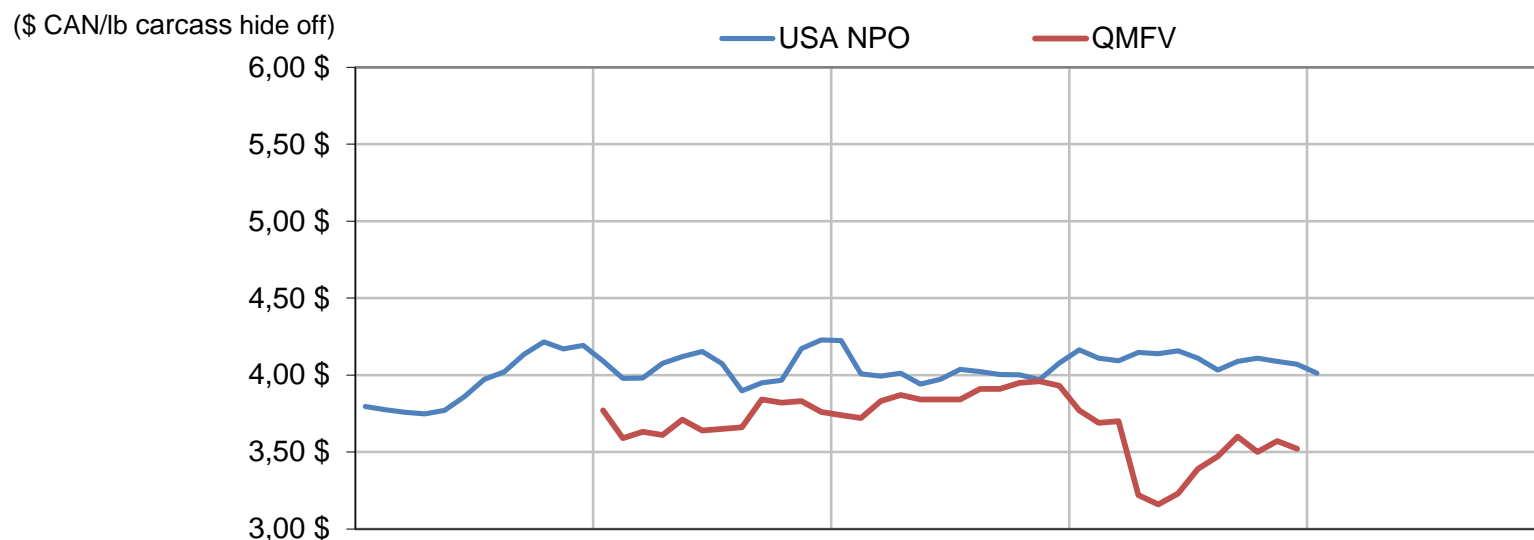
	2016	2017	2018	2019	2020
Total US	218 964	202 206	191 202	192 363	178 273

Sources :

- Number of special fed veal slaughtered in North-east and North-central of United-States, USDA

Milk-fed veal

Price of milk-fed veal calves in Quebec and United-States



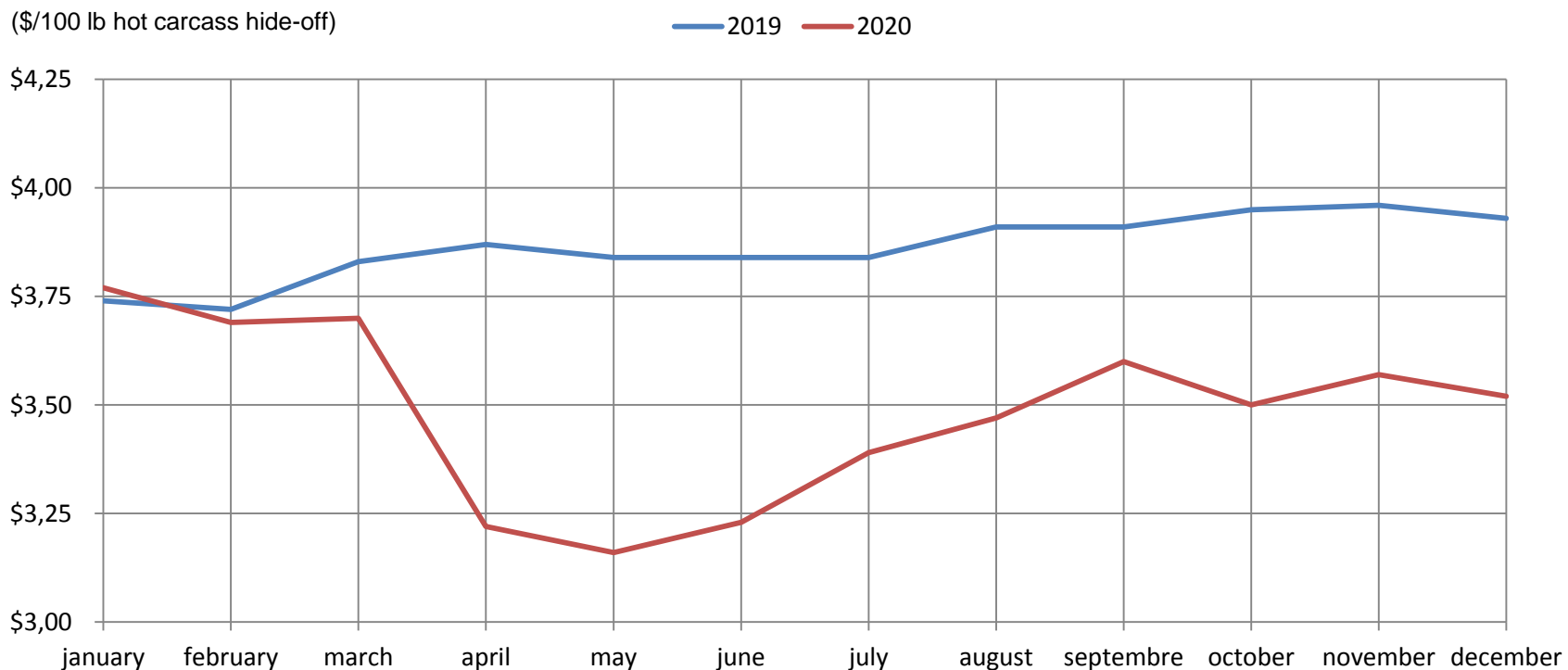
	2017	2018	2019	2020	2021
USA-NPO	3,87 \$	4,02 \$	4,02 \$	4,11 \$	
QMFV	0,00 \$	0,00 \$	3,86 \$	3,49 \$	

Sources :

- USDA : USDA converted to \$ CAN. Gross price.
- QMFV : net price collected by CECPA.

Milk-fed veal

Price of milk-fed veal calves in Quebec 2019-2020

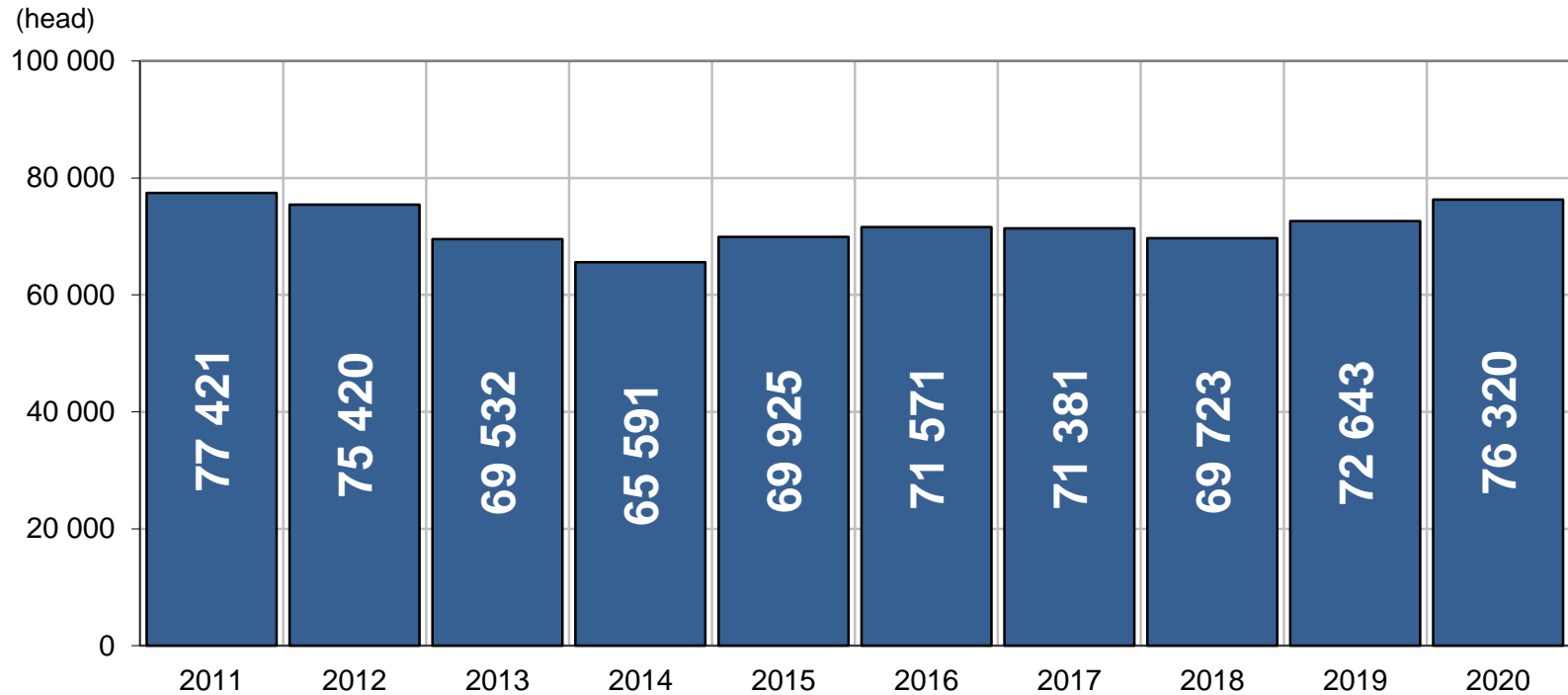


Sources :

- Net price collected by CECPA.

Grain-fed veal

Number of calves fed in Quebec

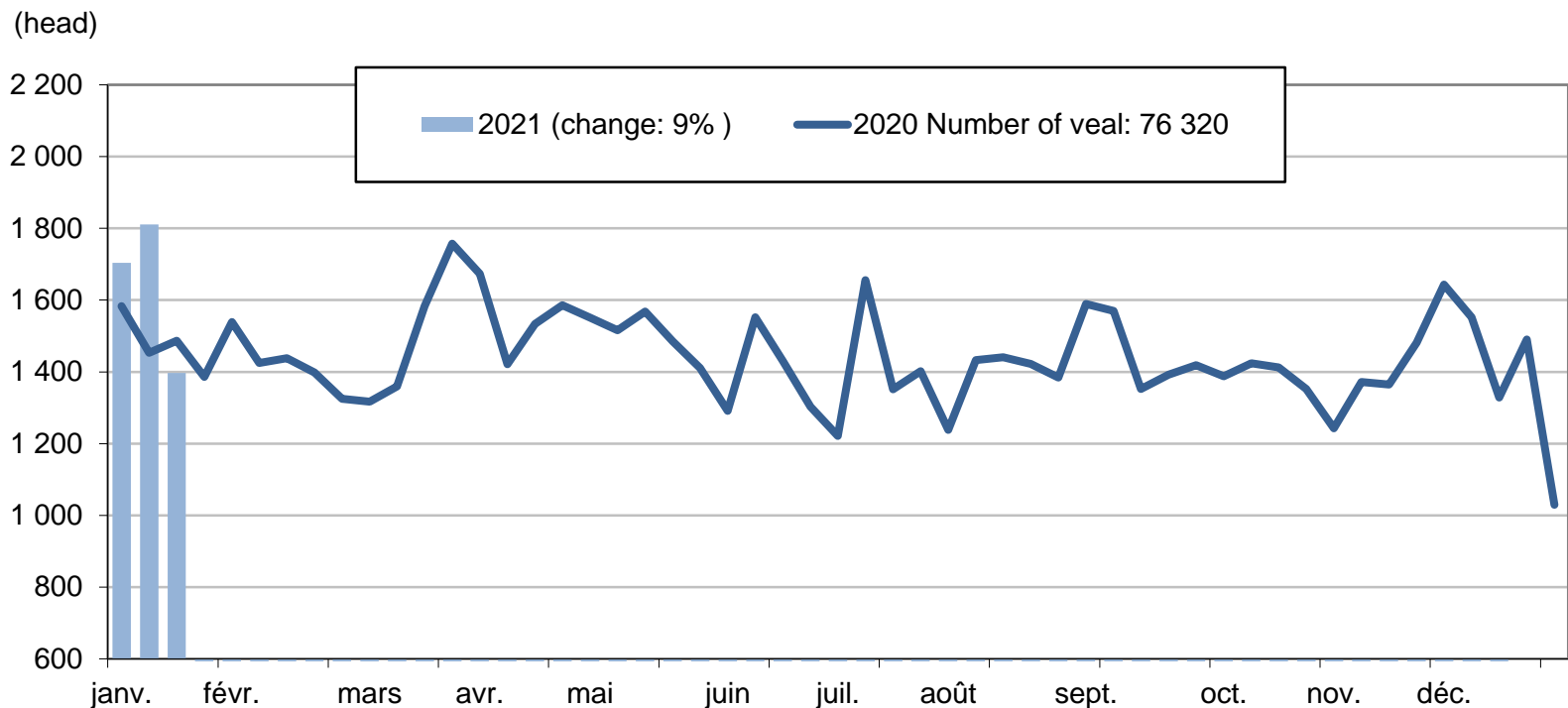


Sources :

- Quebec: Number of calves fed by Quebec producers, PBQ

Grain-fed veal

Number of calves fed in Quebec 2020-2021



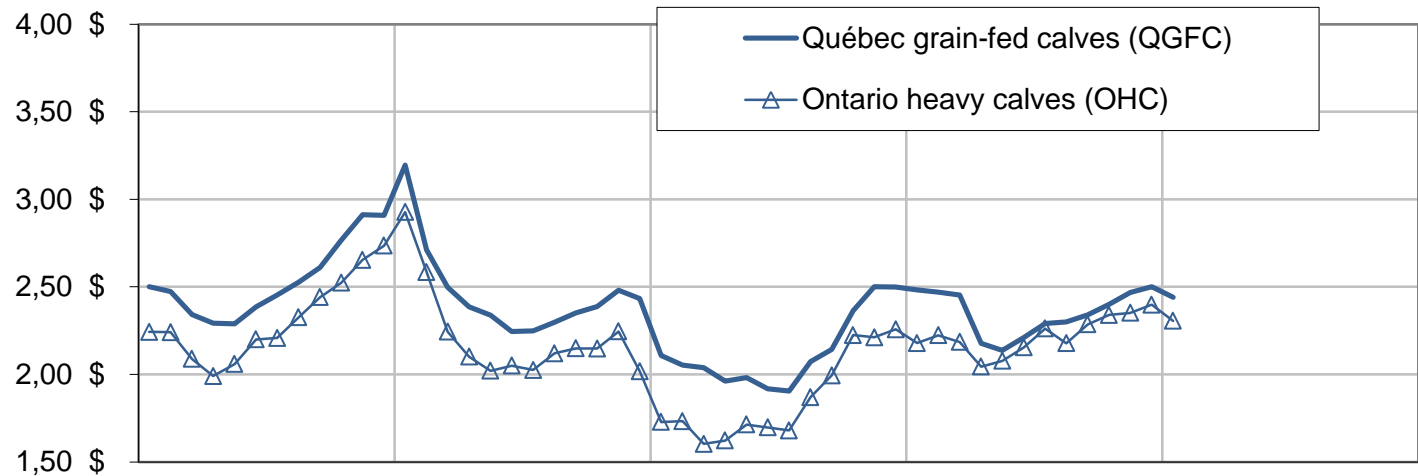
Sources :

- Quebec: Number of calves fed by Quebec producers, PBQ

Grain-fed veal

Price of grain-fed veal calves in Quebec and Ontario

(\$/lb carcass hide off)



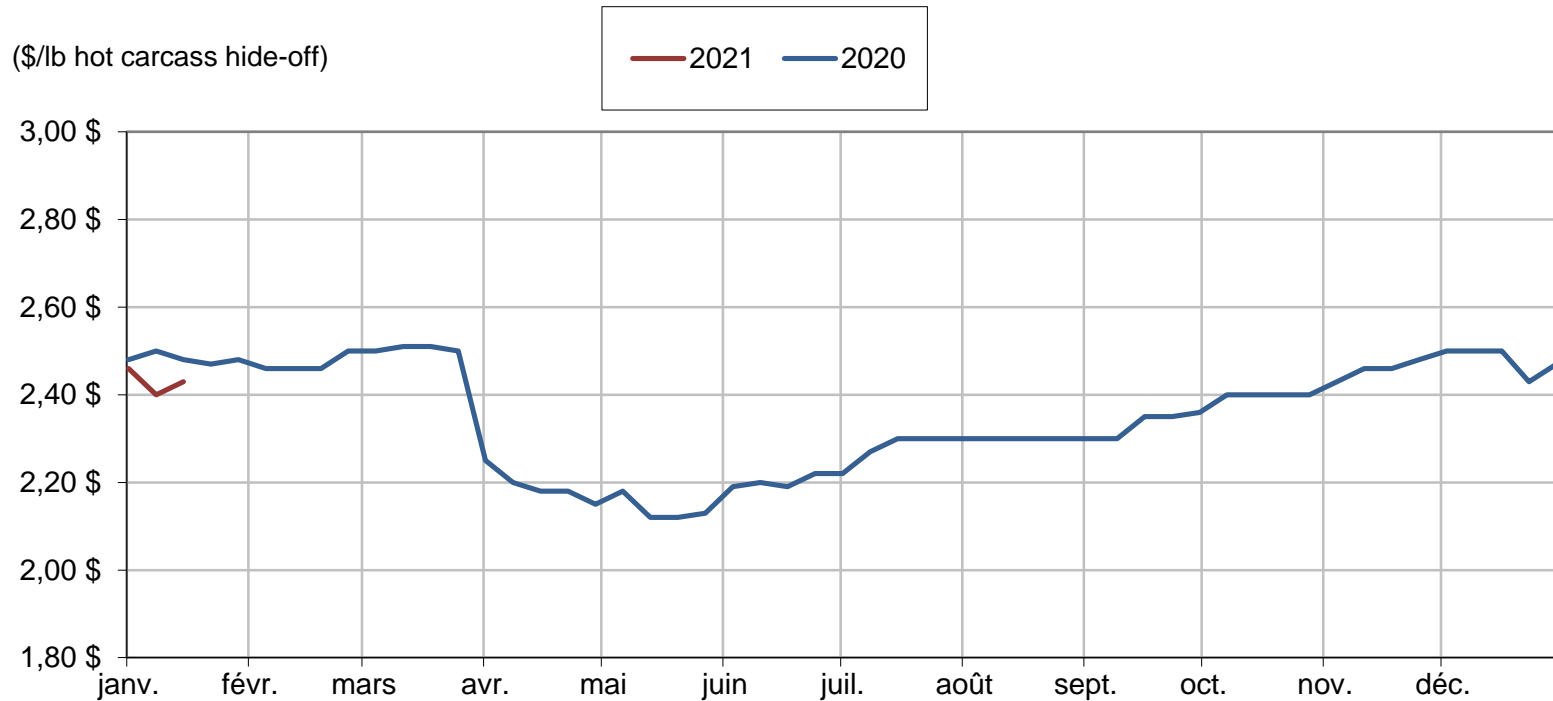
	2017	2018	2019	2020	2021
QGFC	2,54 \$	2,46 \$	2,13 \$	2,35 \$	2,44 \$
QGFC-OHC	0,23 \$	0,24 \$	0,27 \$	0,13 \$	0,13 \$

Sources :

- Quebec : Net price (auction price minus floor price program), PBQ
- Ontario : weekly price, category over 600 lbs, OCA

Grain-fed veal

Price of grain-fed veal calves in Quebec 2020-2021

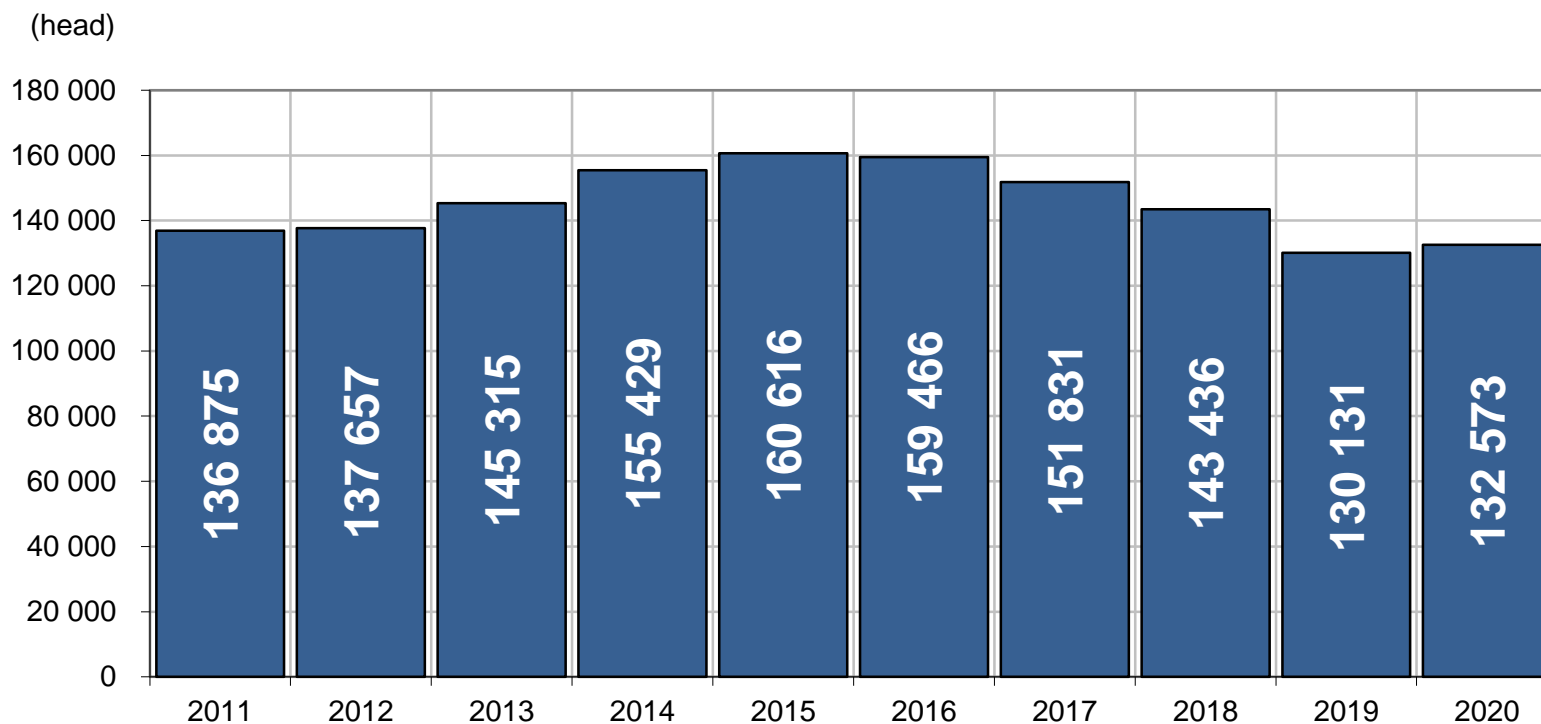


Sources :

- Quebec : Net price (auction price minus floor price program), PBQ

Bob calves

Number of bob calves marketed in Quebec

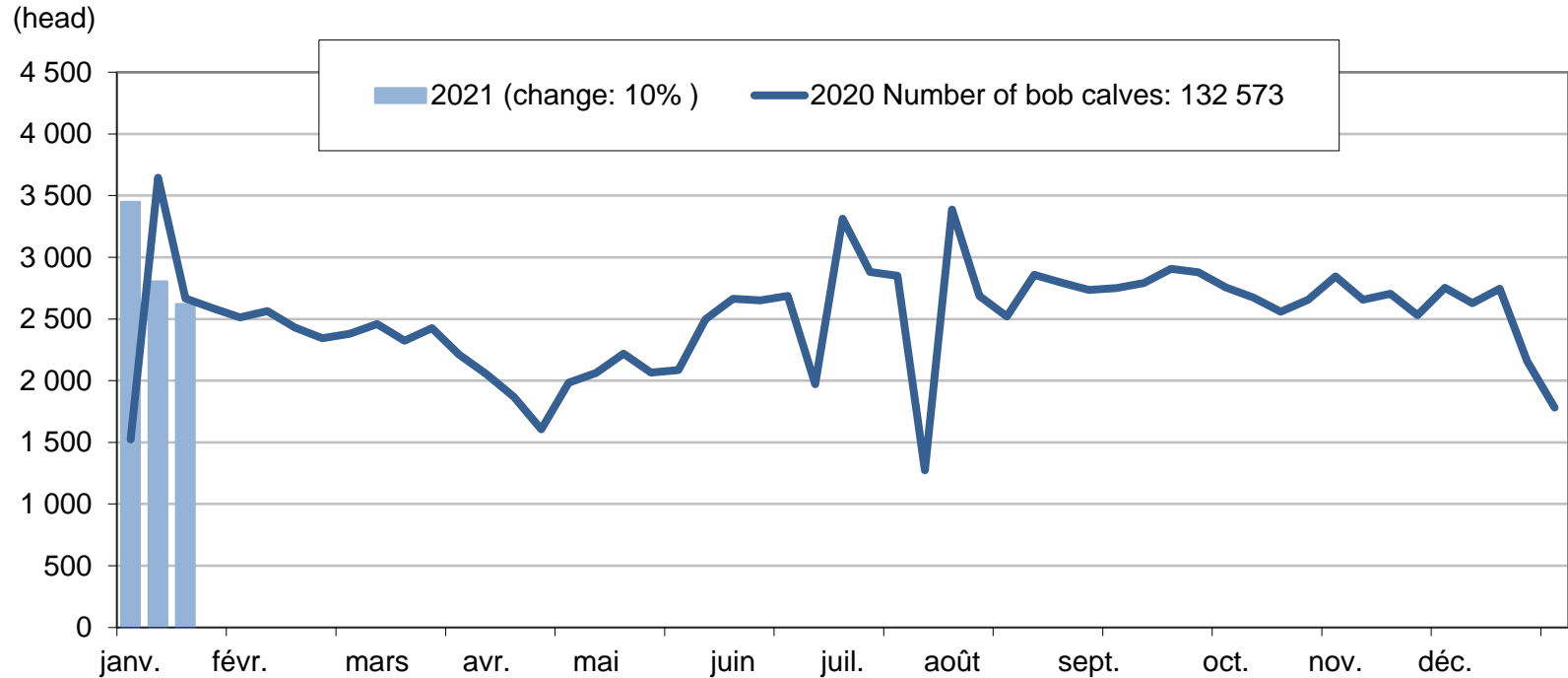


Source :

- Number of calves marketed by Quebec producers, PBQ

Bob calves

Number of bob calves marketed in Quebec 2020-2021

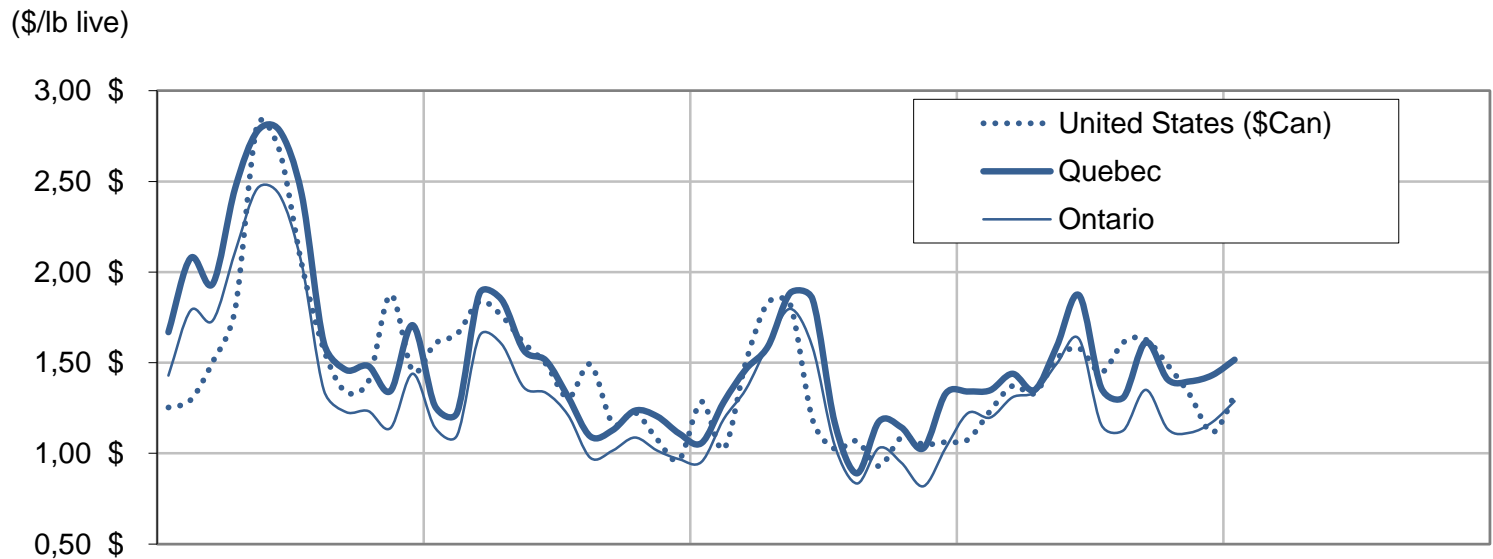


Sources :

- Number of calves marketed by Quebec producers, PBQ

Bob calves

Price of good replacement bob calves in Quebec, Ontario and United-States



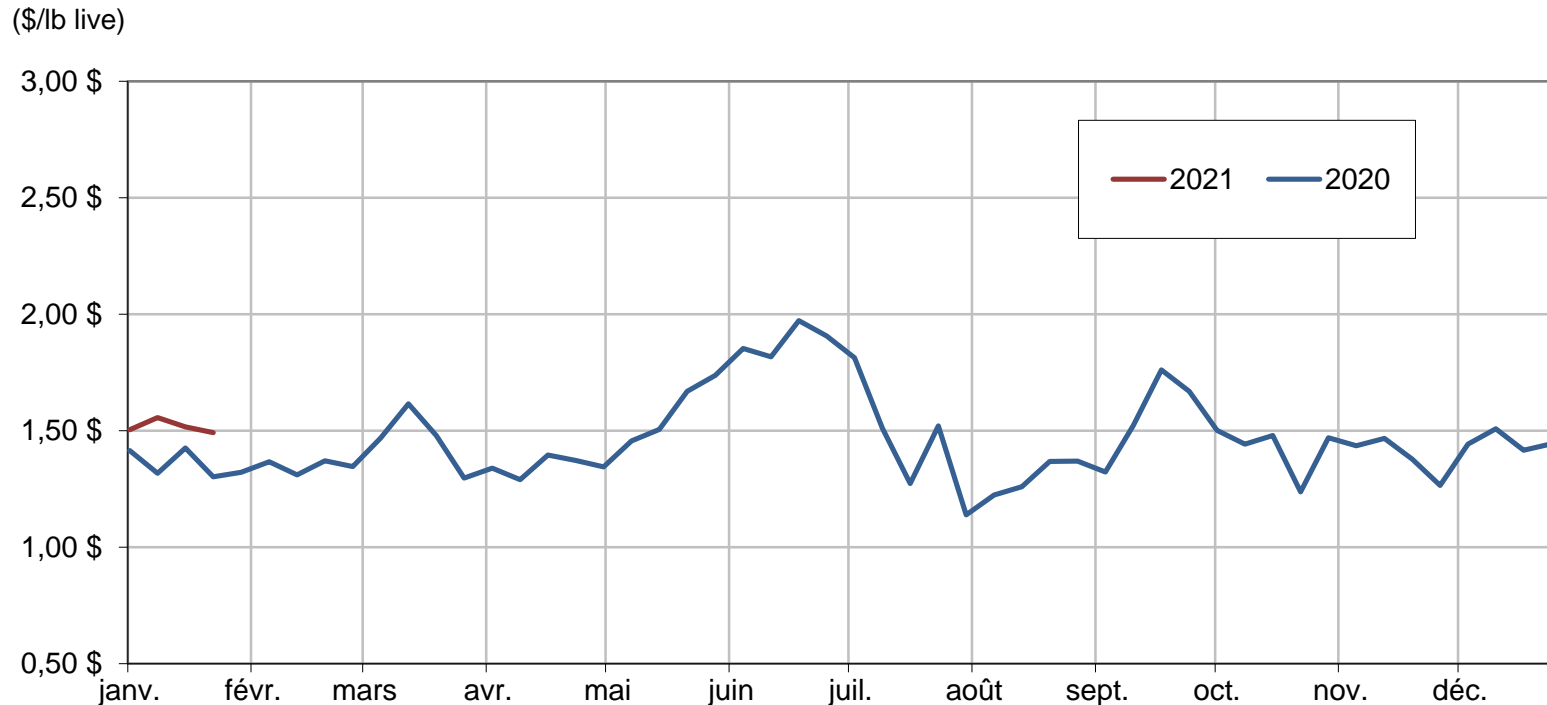
	2017	2018	2019	2020	2021
Quebec	1,98 \$	1,36 \$	1,32 \$	1,46 \$	1,50 \$
Que-US	0,23 \$	-0,07 \$	0,08 \$	0,06 \$	1,50 \$
Que-Ont	0,28 \$	0,16 \$	0,14 \$	0,19 \$	0,23 \$

Sources :

- Quebec : Price of good replacement bob calves marketed in Quebec auctions, PBQ
- Ontario : Price of male replacement bob calves marketed in Ontario auctions, OCA
- United States : Price of male replacement bob calves marketed in New Holland, Pennsylvania auctions, converted in \$ CAN

Bob calves

Price of good replacement bob calves in Quebec 2020-2021

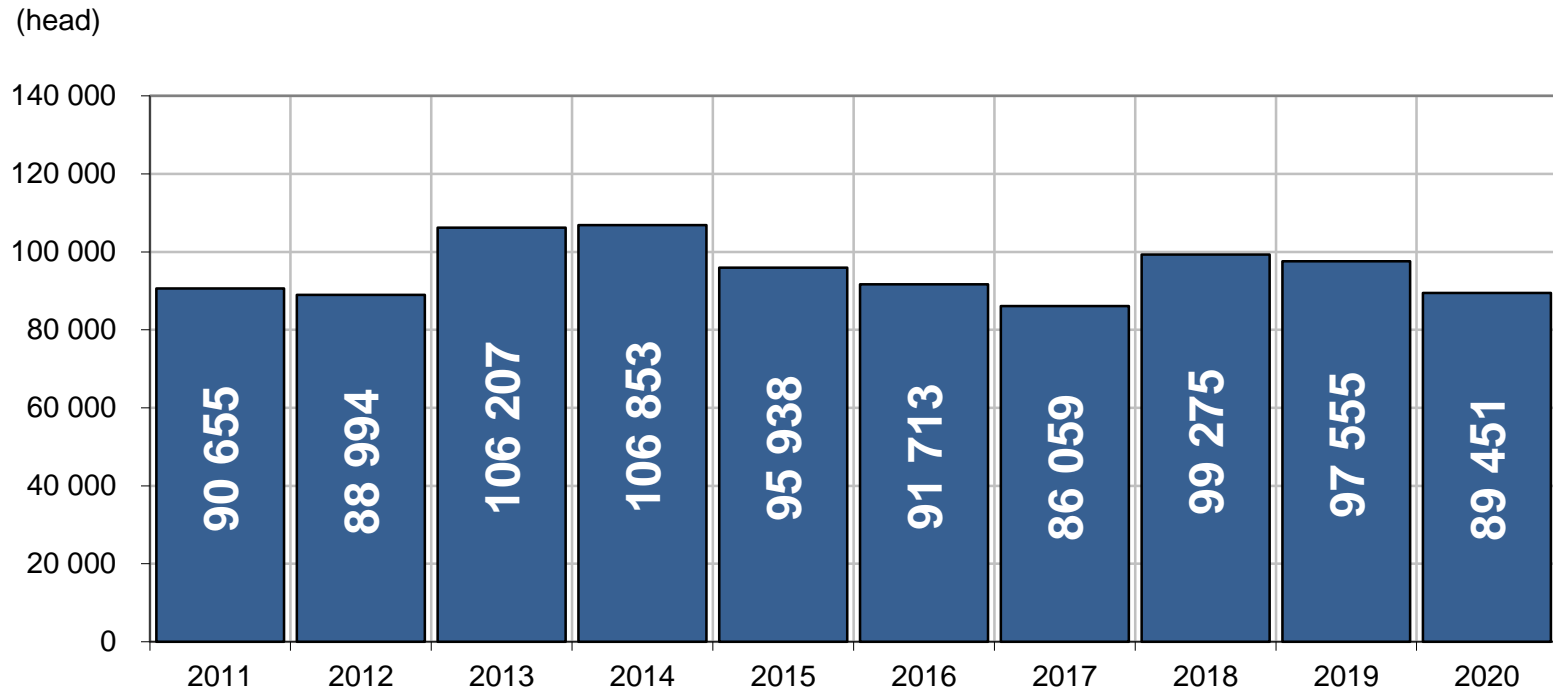


Sources :

- Quebec : Price of good replacement bob calves marketed in Quebec auctions, PBQ

Cull cattle

Number of cull cows marketed in Quebec

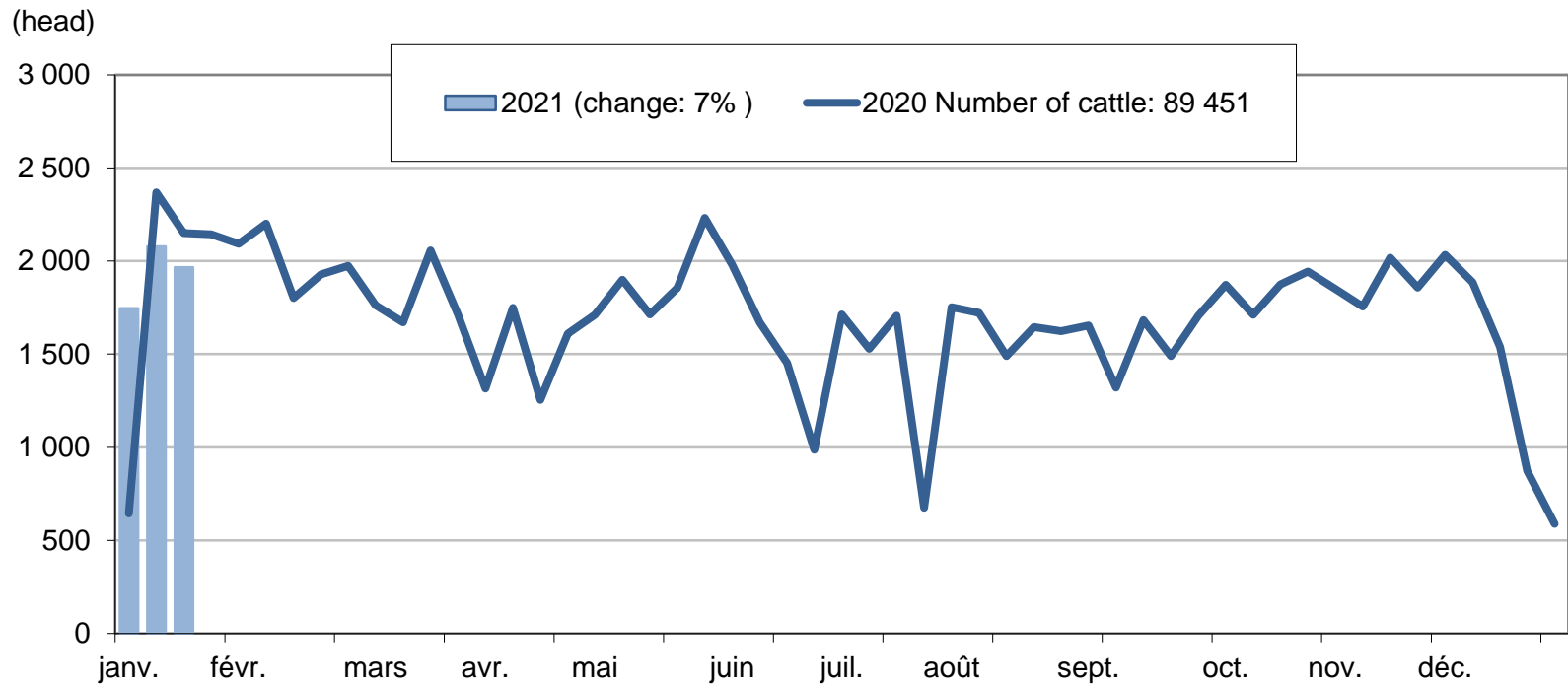


Source :

- Number of cull cows marketed by Quebec producers, PBQ

Cull cattle

Number of cull cows marketed in Quebec 2020-2021

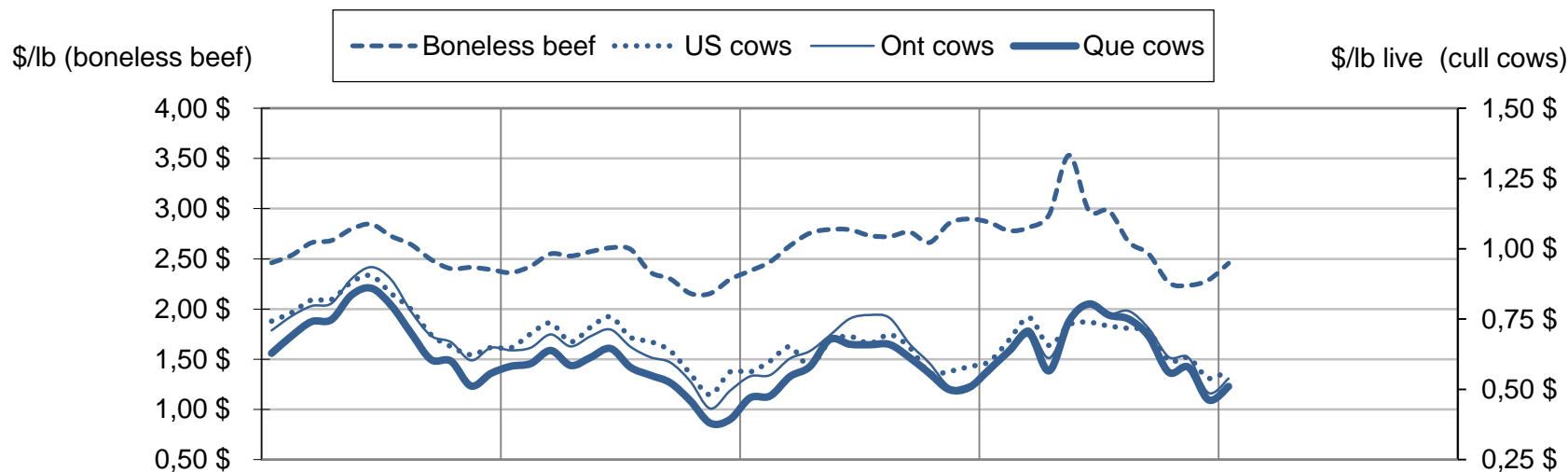


Source :

- Number of calves marketed by Quebec producers, PBQ

Cull cattle

Price of cull cows in Quebec, Ontario, Alberta and United-States



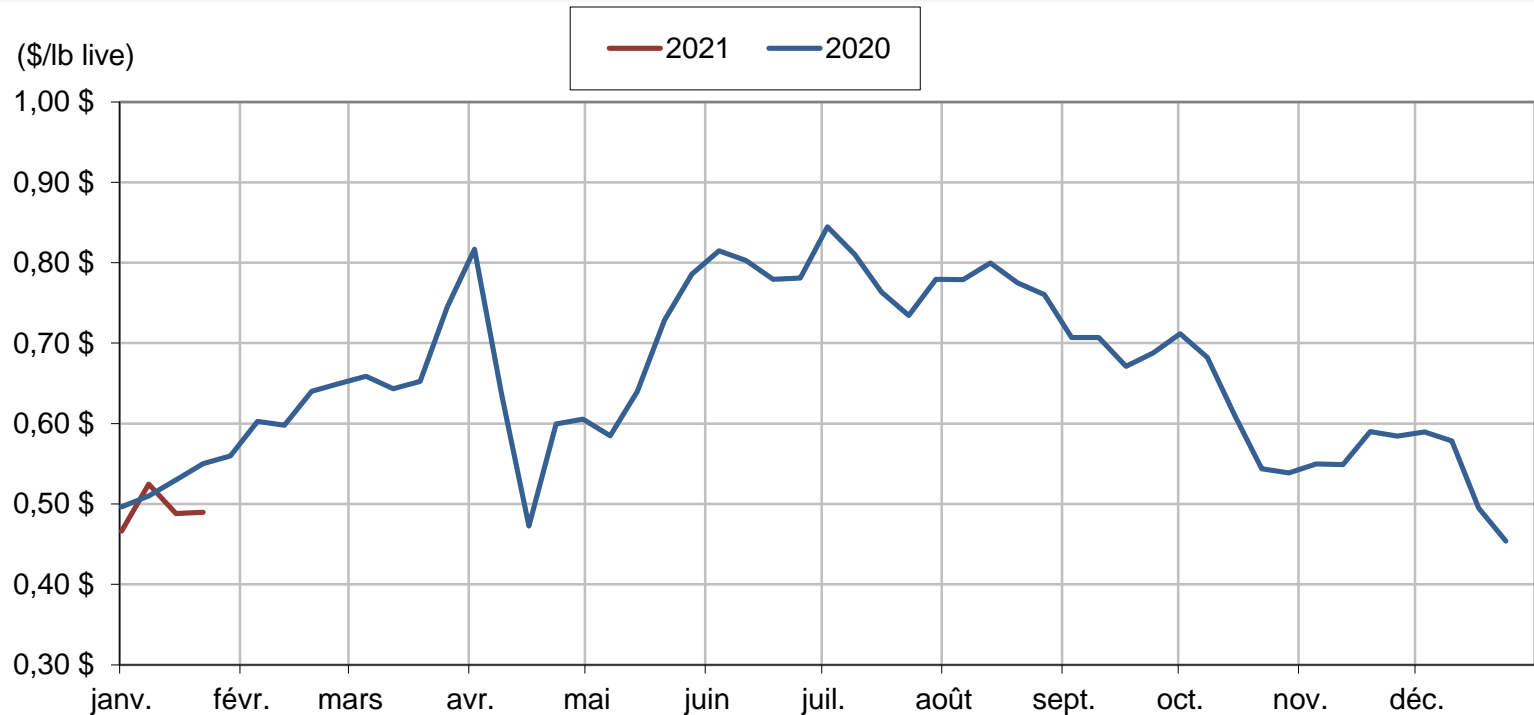
	2017	2018	2019	2020	2021
Boneless beef	2,59 \$	2,41 \$	2,70 \$	2,74 \$	2,46 \$
Que \$/cow	965 \$	763 \$	805 \$	912 \$	714 \$
Que \$/lb	0,69 \$	0,54 \$	0,58 \$	0,65 \$	0,51 \$
Que-US	-0,08 \$	-0,11 \$	-0,05 \$	-0,02 \$	-0,06 \$
Que-Ont	-0,08 \$	-0,07 \$	-0,06 \$	-0,02 \$	-0,03 \$

Sources :

- Quebec : Price of cull cows marketed in Quebec auctions, PBQ
- Ontario : Price of cull cows marketed in Ontario auctions, OCA
- Alberta. : Price of D1-D2 cull cows marketed in Alberta auctions, Canfax
- United States : Price of lean cull cows marketed in New Holland, Pennsylvania auctions, converted in \$ CAN

Cull cattle

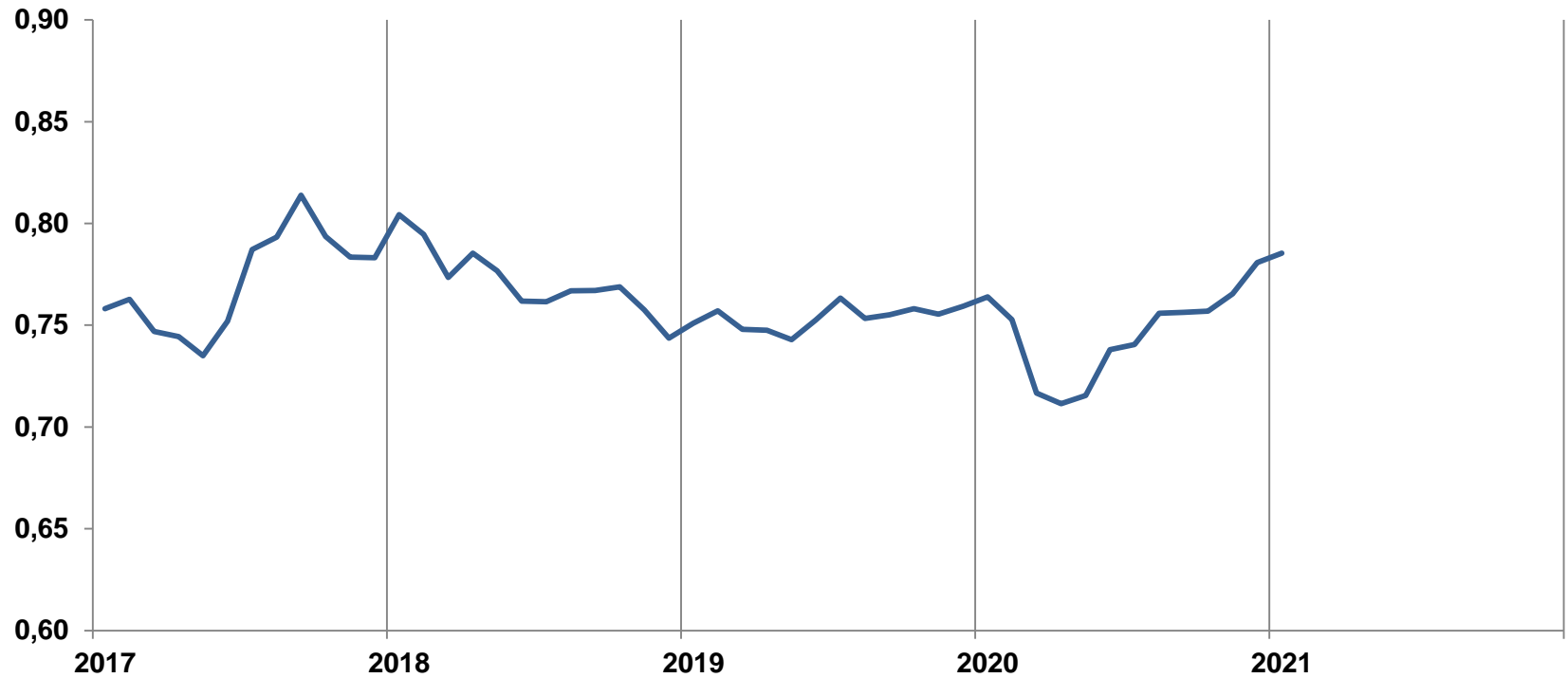
Price of cull cows in Quebec 2020-2021



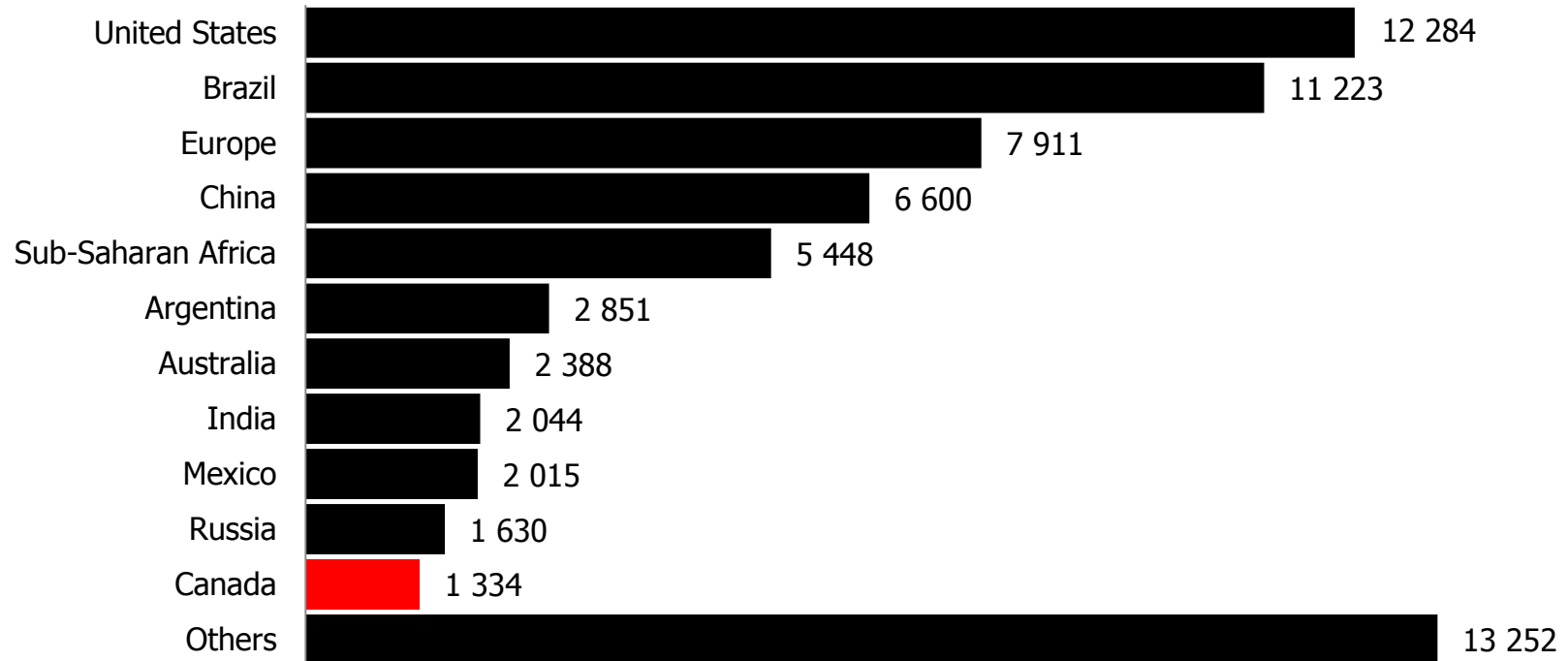
Sources :

- Quebec : Price of cull cows marketed in Quebec auctions, PBQ

Exchange rate \$ CAN / \$ US



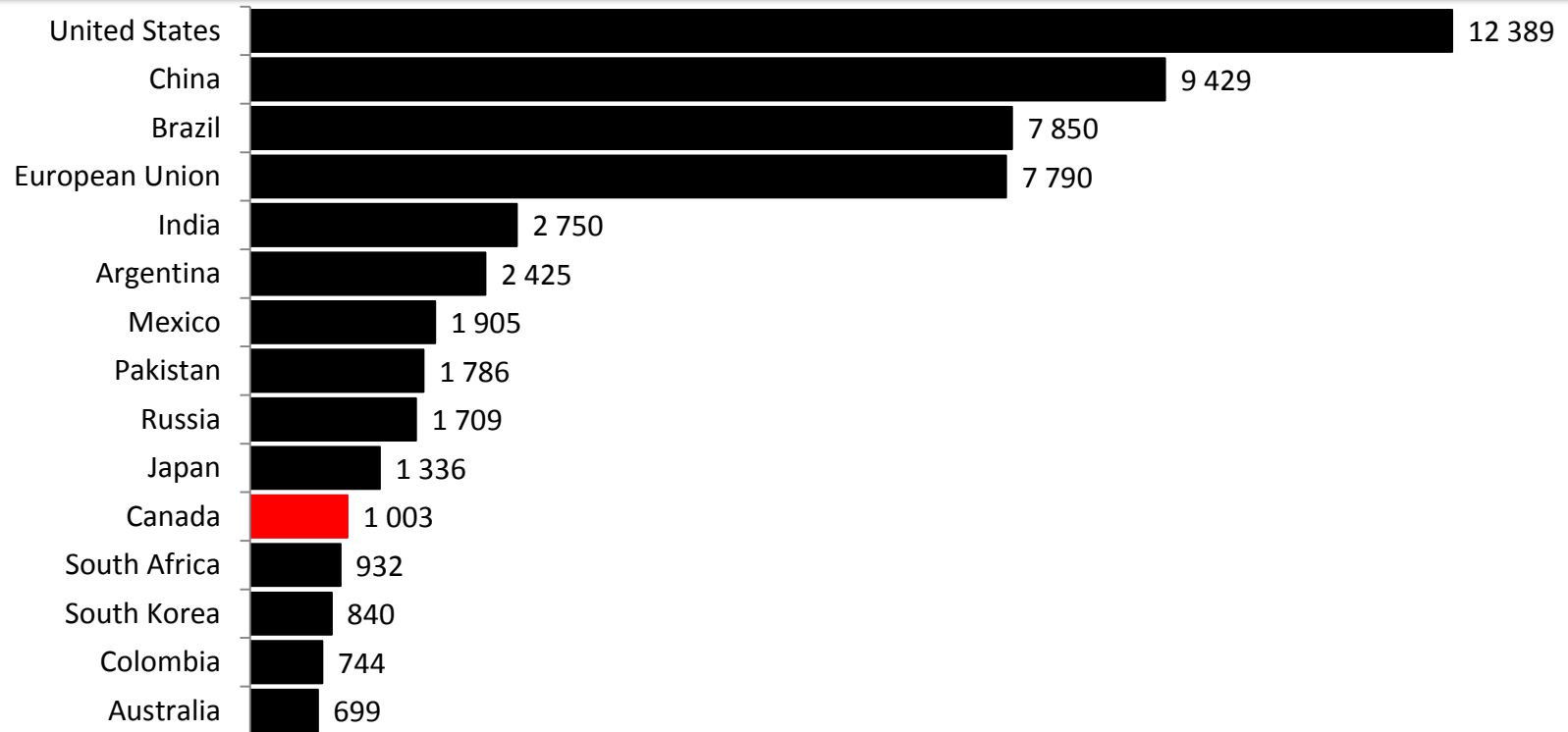
Beef and veal net production (1000 t, cwe) - 2019



Source :

- GIRA

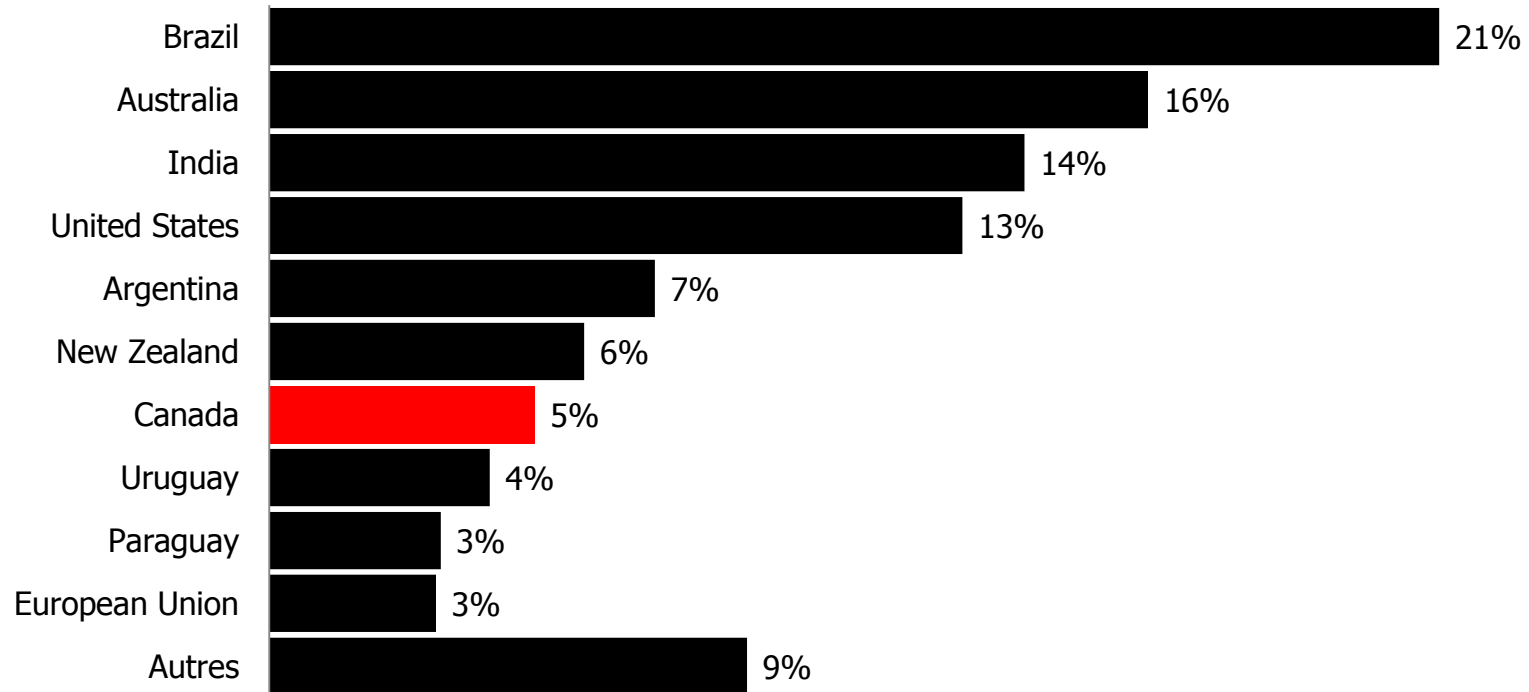
Beef and veal meat consumption by countries (1000 t, cwe) - 2019



Source :

- GIRA

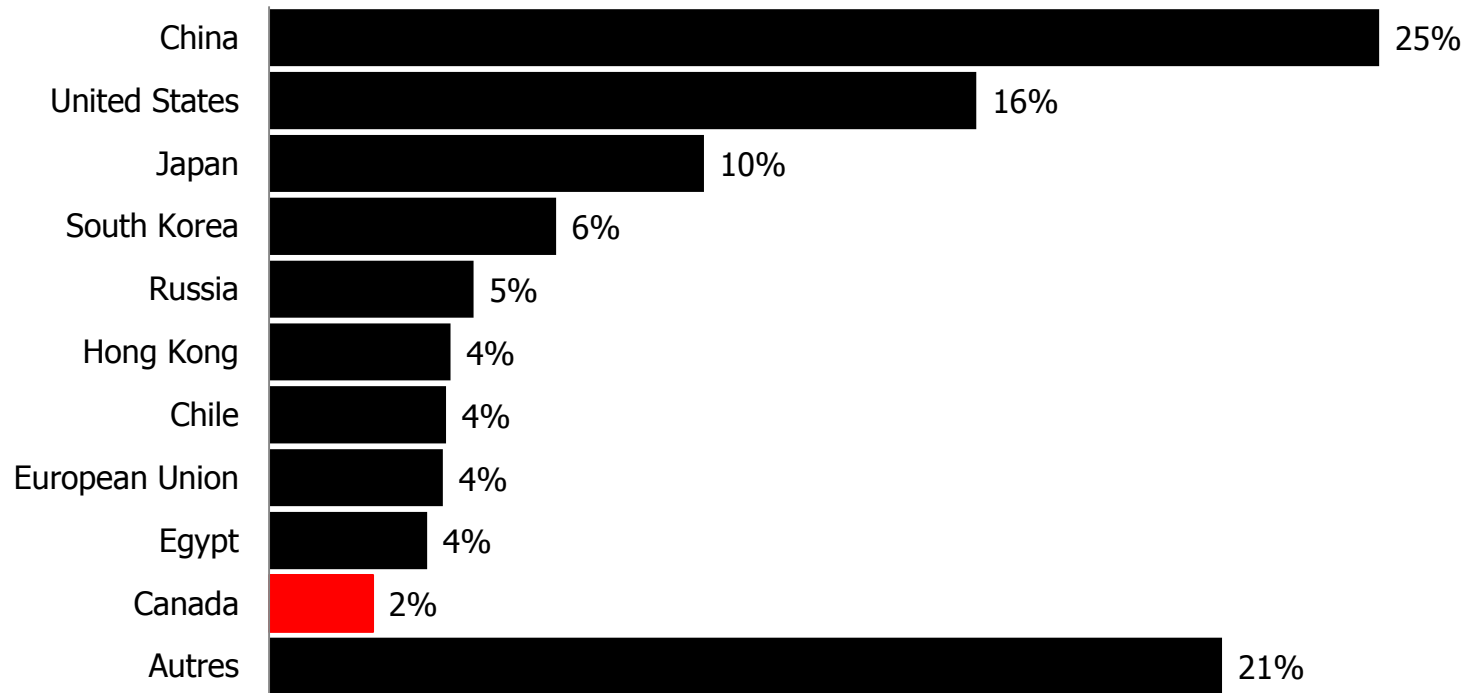
World top beef exporters (% world) - 2019



Source :

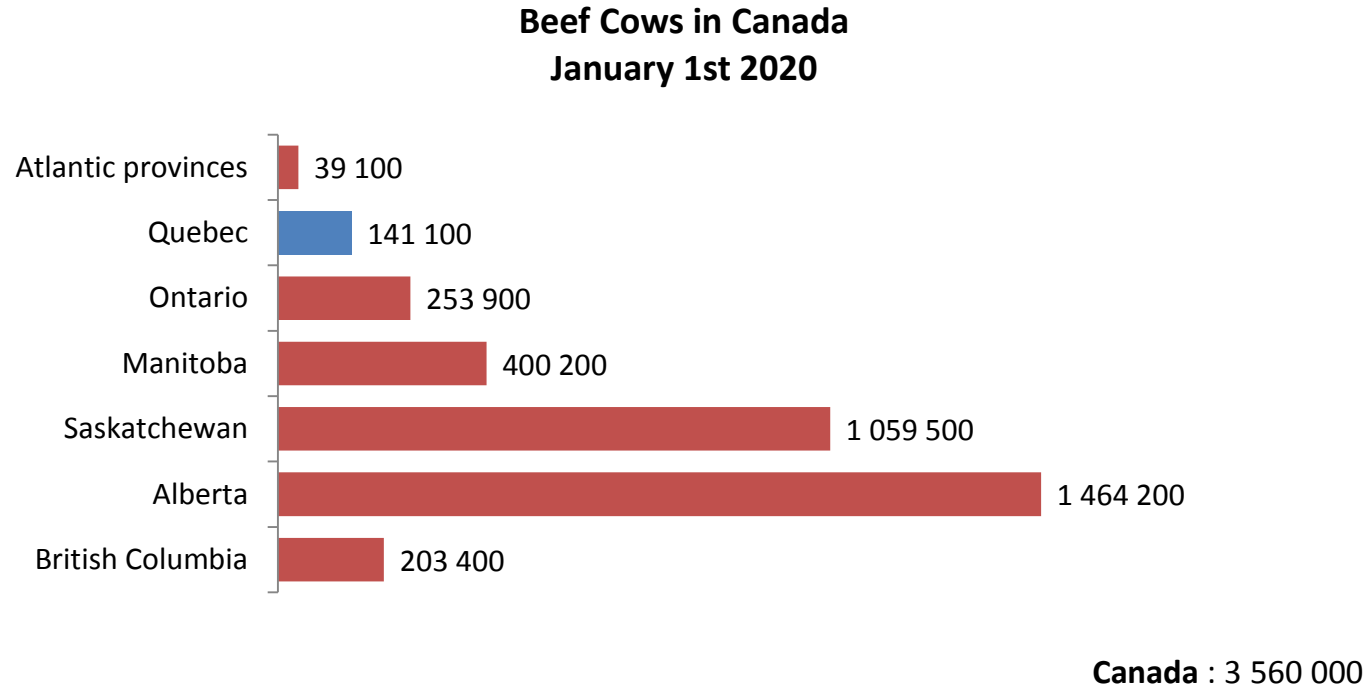
- GIRA

World top beef importers (% world) - 2019



Source :
• GIRA

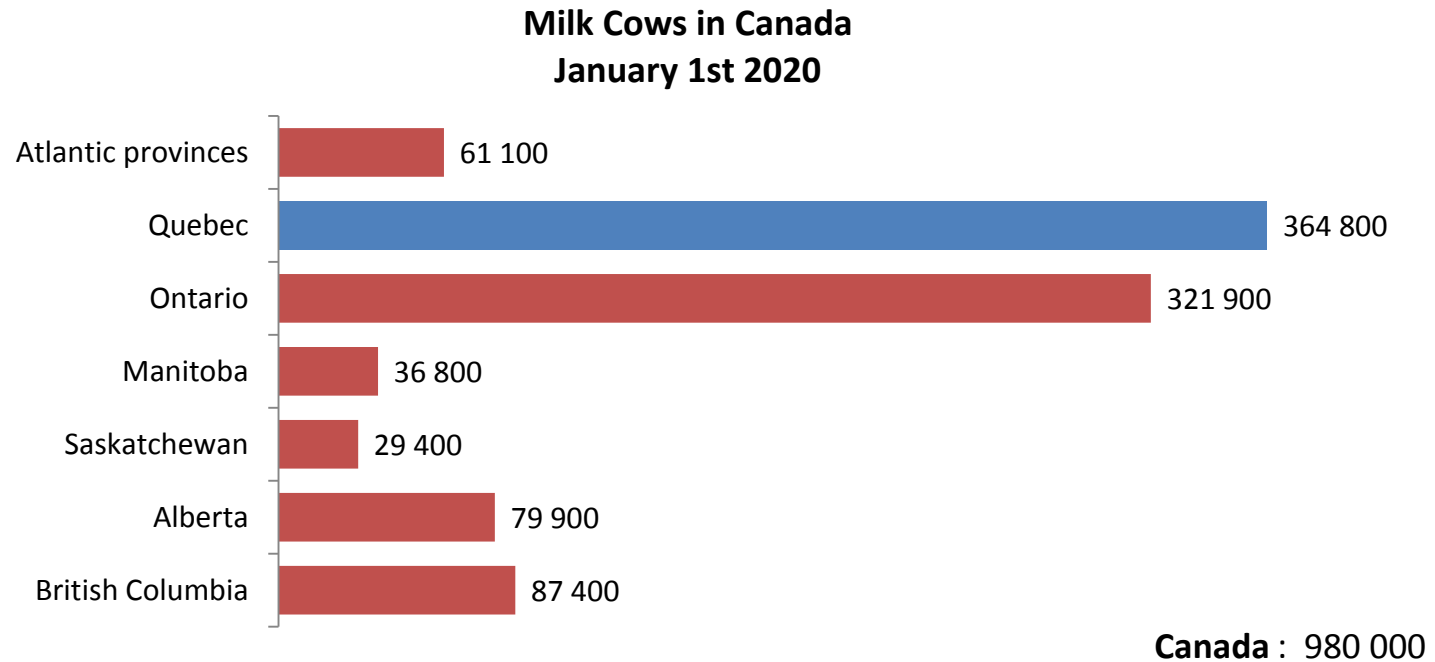
Beef Cow inventory in Canada 2020



Source :

- Statistique Canada

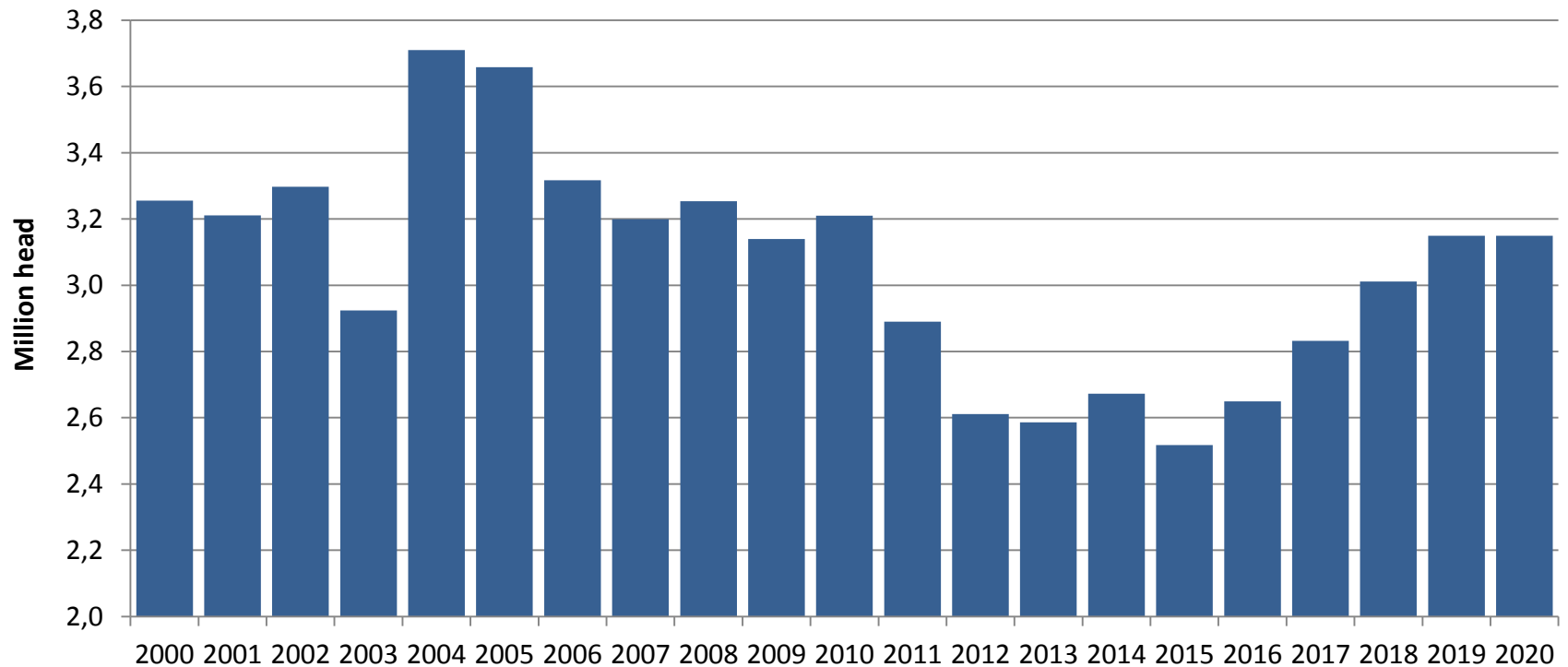
Milk Cow inventory in Canada 2020



Source :

- Statistics Canada

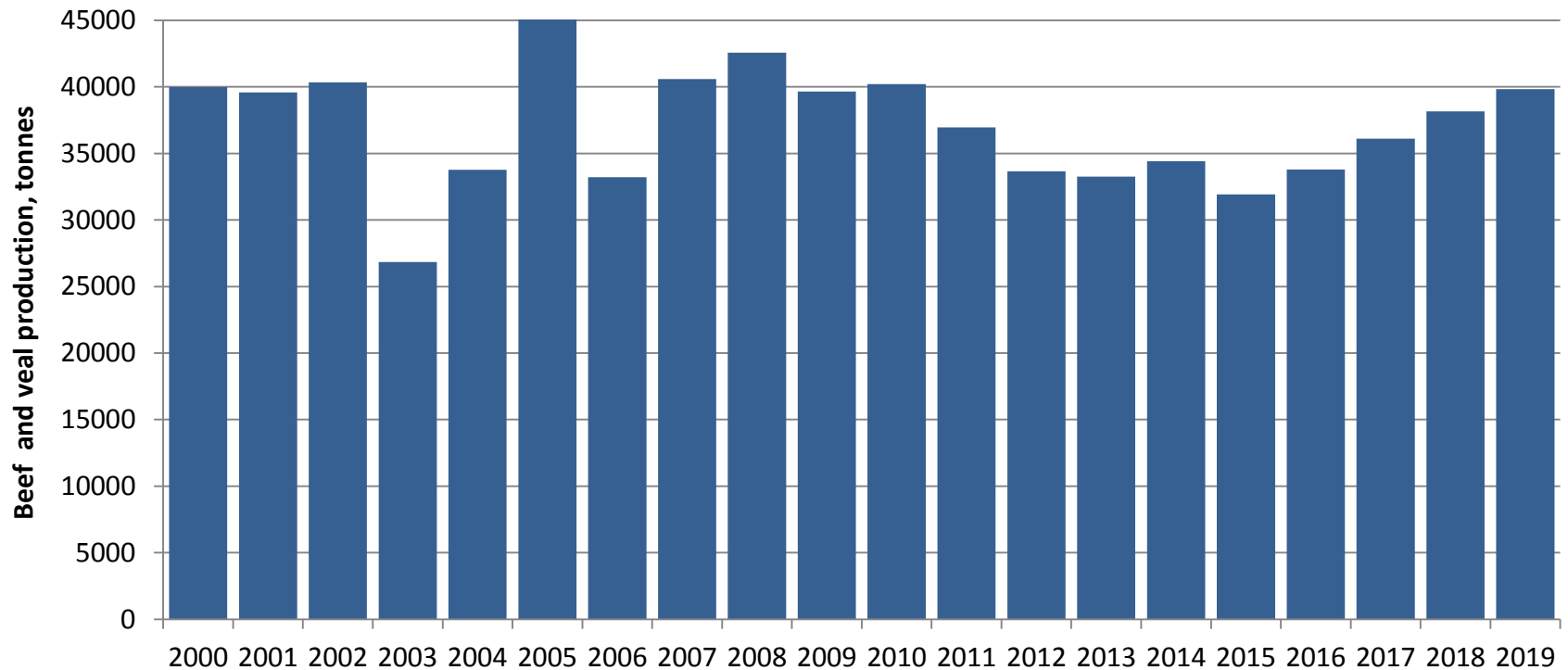
Number of cattle Slaughtered in Federally Inspected Plants



Sources :

- Canadian Beef Grading Agency, AAFC

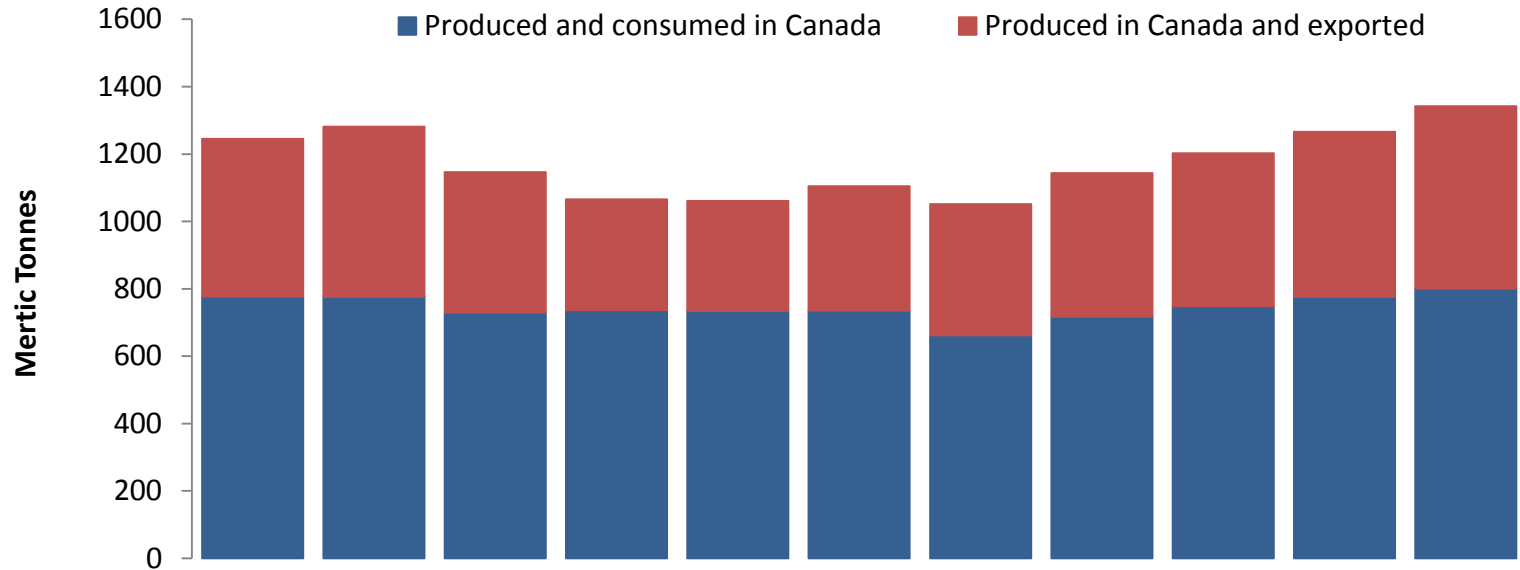
Canadian beef and veal production



Sources :

- Statistics Canada (Edible offal, meat production)

% Canadian beef and veal production exported

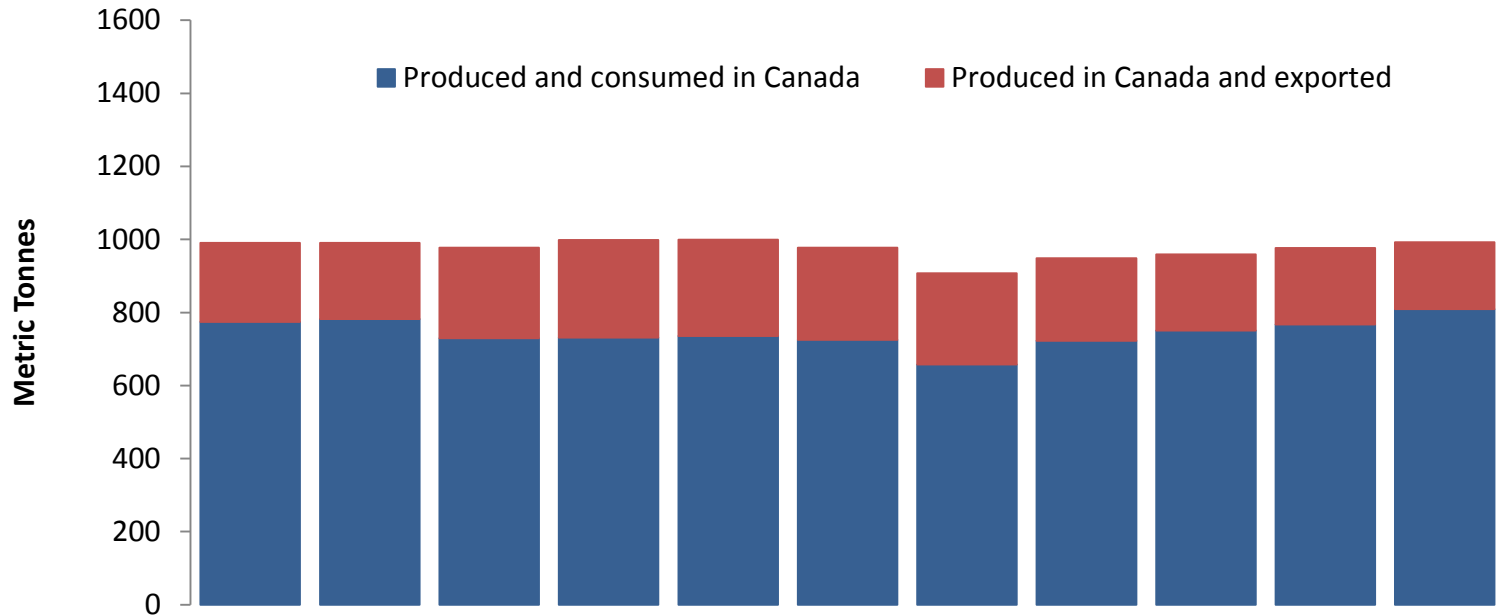


	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
% exported / production	38%	39%	36%	31%	31%	33%	37%	37%	38%	39%	40%

Sources :

- Statistics Canada

% Canadian beef and veal consumption imported



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
% imported / consumed	22%	21%	25%	27%	26%	26%	28%	24%	22%	21%	18%

Sources :

- Statistics Canada

Beef and veal meat exports from Canada

Beef and veal meat exports (tonnes)	Jan. 1 - December 31		
	2020	2019	% chg
United States	309 562	316 700	-2%
Japan	45 147	49 333	-8%
Hong Kong	14 172	16 845	-16%
Mexico	15 155	16 624	-9%
China	10 504	12 052	-13%
South Korea	7 042	1 276	452%
Vietnam	6 784	5 659	20%
Angola	2 757	2 552	8%
Taiwan	2 224	2 790	-20%
Others	11 714	14 795	-21%
Total	452 061	438 626	3%

Sources :

- Statistics Canada, AACF

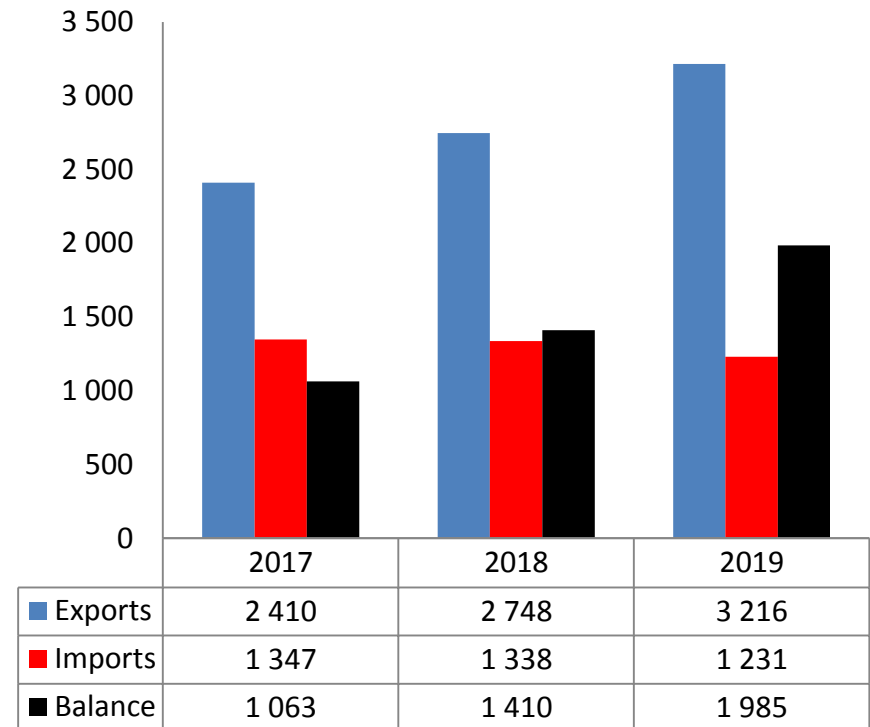
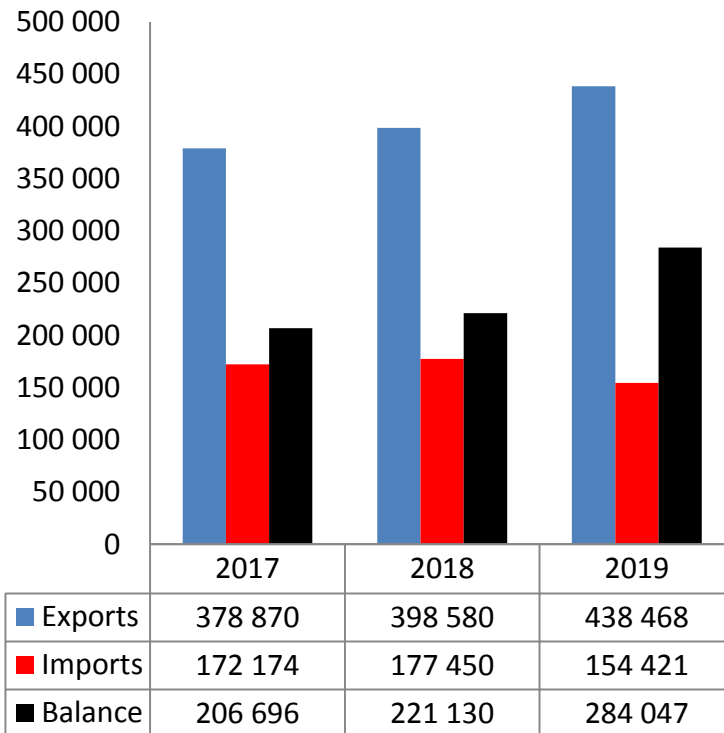
Beef and veal imports to Canada

Beef and veal meat imports (tonnes)	Jan. 1 - February 6		
	2021	2020	% chg
United States	11 105	11 037	1%
New Zealand	2 429	1 072	127%
Uruguay	1 182	208	468%
Australia	1 212	1 227	-1%
Mexico	582	482	21%
United Kingdom	206	600	-66%
Others	986	1 703	-42%
Total	17 702	16 330	8%

Sources :

- Statistics Canada, AACF

Imports and exports of beef and veal, Canada (kg, \$CA) 2017-2019



Sources :

- Statistics Canada, AACF

Veal exports from Canada

Veal exports (tonnes)	Jan. 1 - December 30		
	2020	2019	% chg
United States	2 447	2 184	12%
Émirats Arabes Unis	99	209	-53%
Saint-Pierre et Miquelon	9	19	-23%
Autres	1	7	
Total	2 556	2 419	6%

Sources :

- Statistics Canada, AACF

Veal imports to Canada

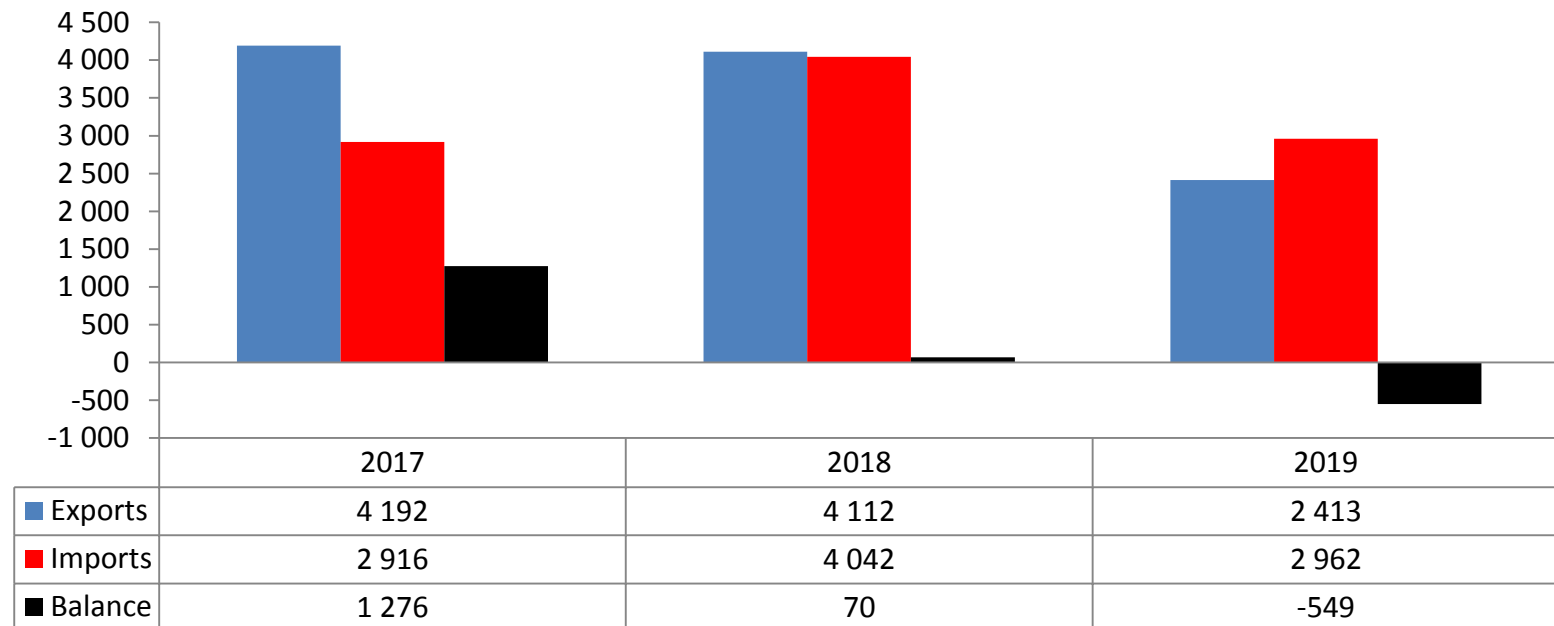
Veal imports (tonnes)	Jan. 1 - February 6		
	2021	2020	% chg
United States	85	101	-16%
New Zeland	147	52	183%
Australia	0	29	-100%
European Union - 27			
Netherland	30	47	-36%
Others	35	24	46%
Total	298	254	17%

Sources :

- Statistics Canada, AACF

Imports and exports of veal, Canada annual data (tonnes) 2017-2019

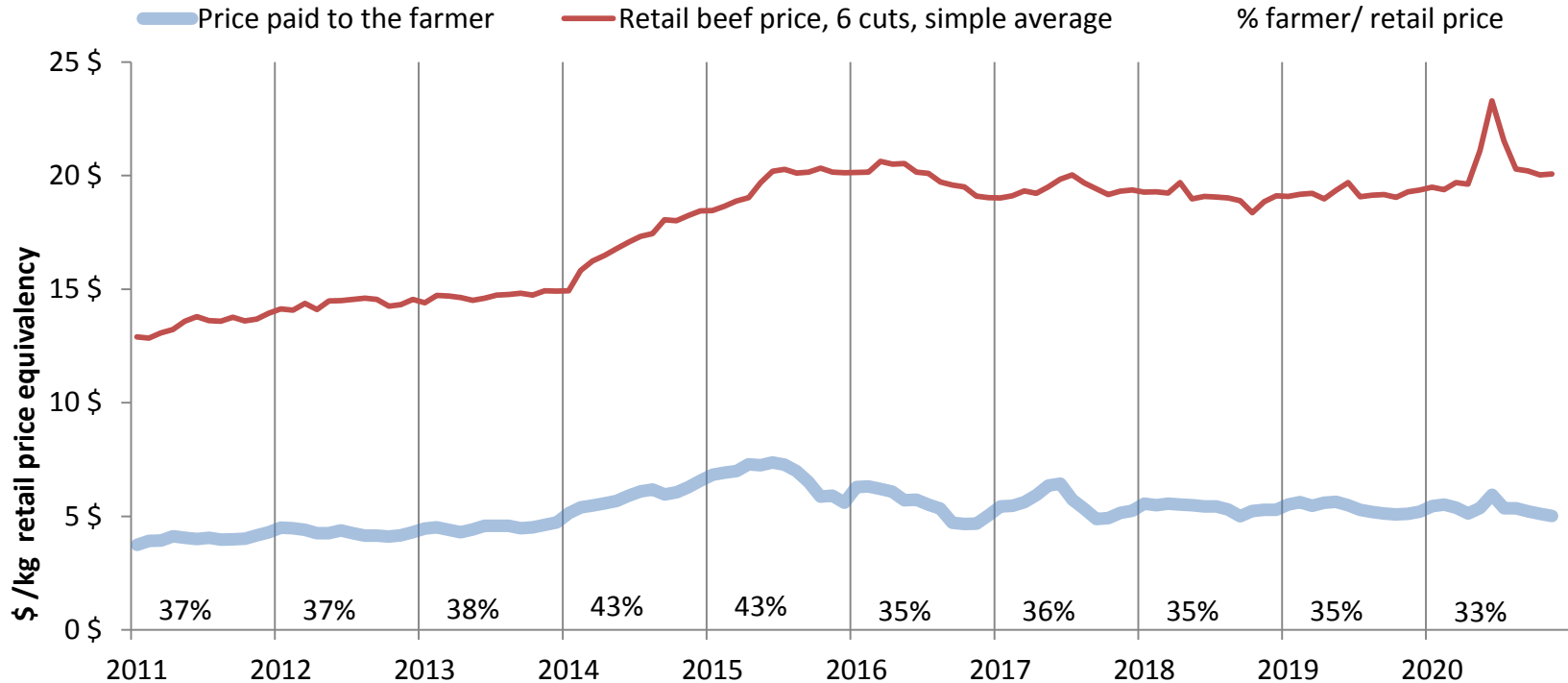
tonnes



Sources :

- Statistics Canada, AACF

Beef price cuts vs price paid to the producer

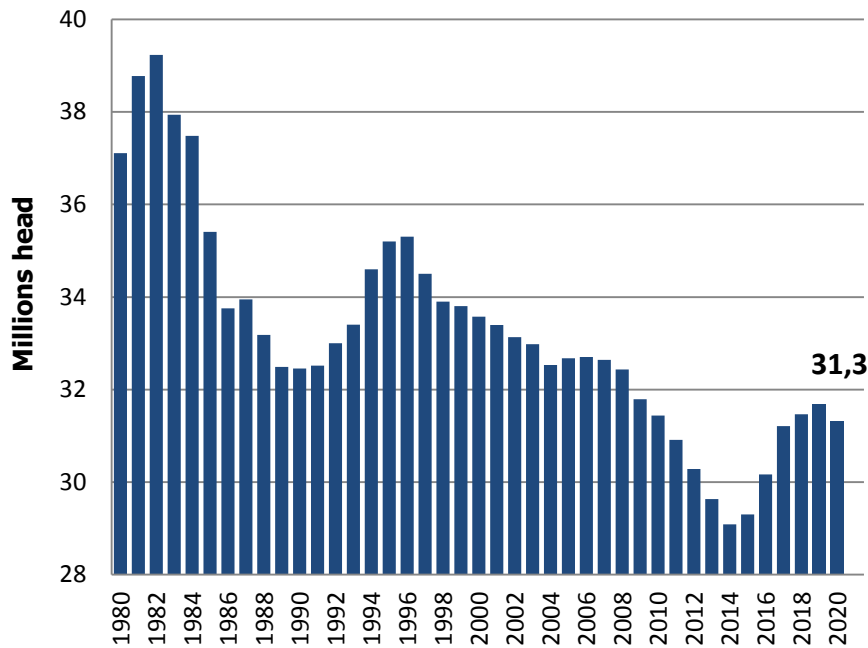


Sources :

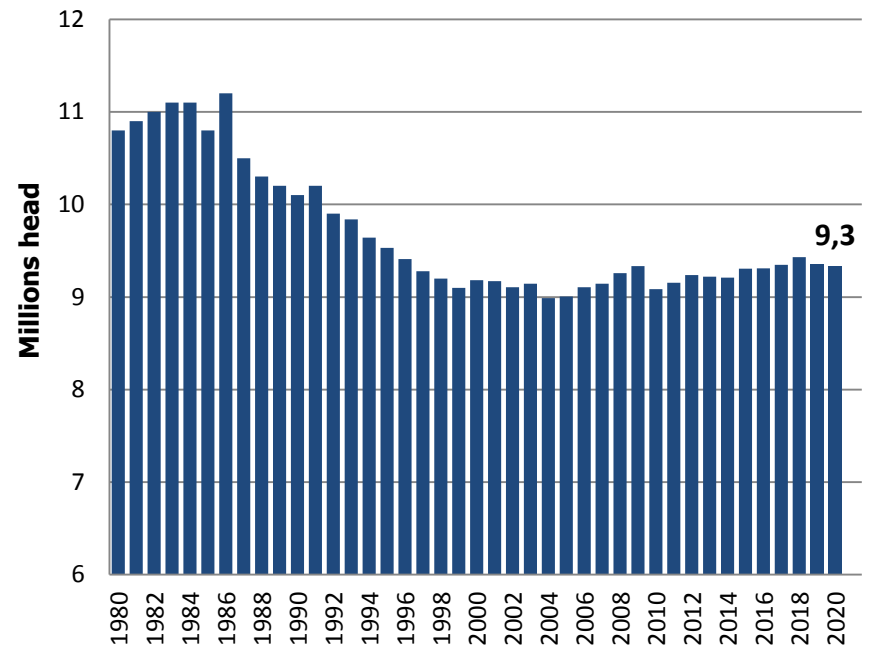
- Statistics Canada pour les prix au détail moyenne arithmétique 6 coupes (bifteck de ronde, bifteck de surlonge, rôti de côtes de choix, rôti de palette, bœuf à ragout, bœuf haché régulier)
- PBQ pour le prix aux producteurs (rendement de 46% pour ramener le prix vif en prix de détail)

Beef cow and milk cow inventory in United-States

Beef cow

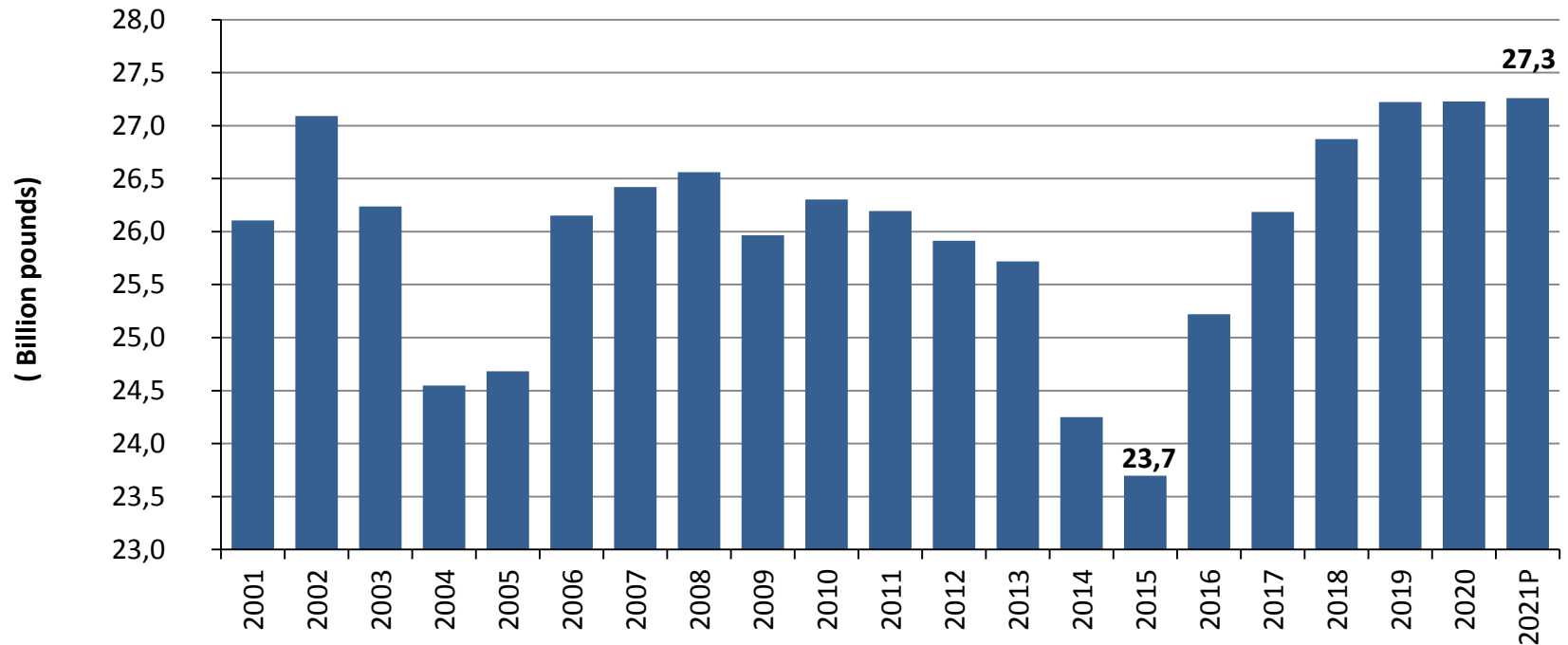


Milk cow



Source :
• USDA

Beef production in United-States

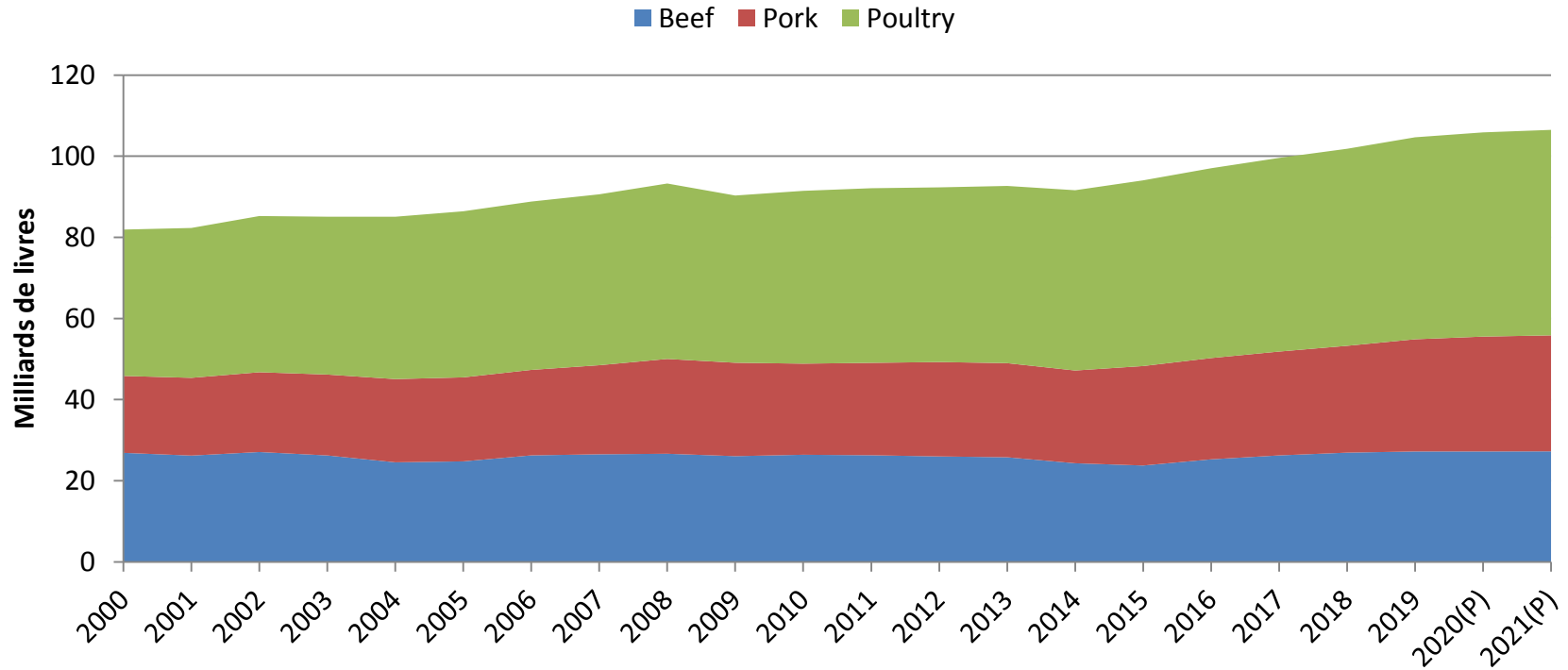


Sources :

- USDA and WASDE projection

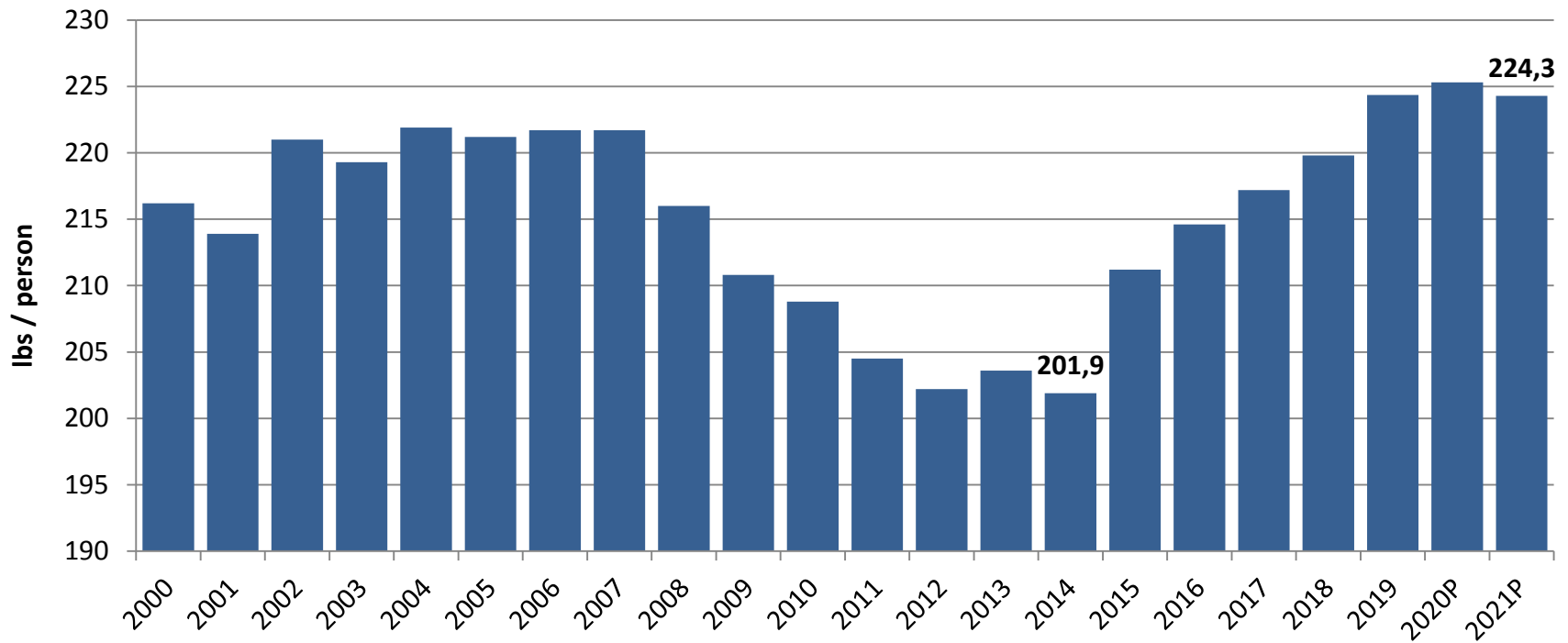


Beef – pork –poultry production in United-States



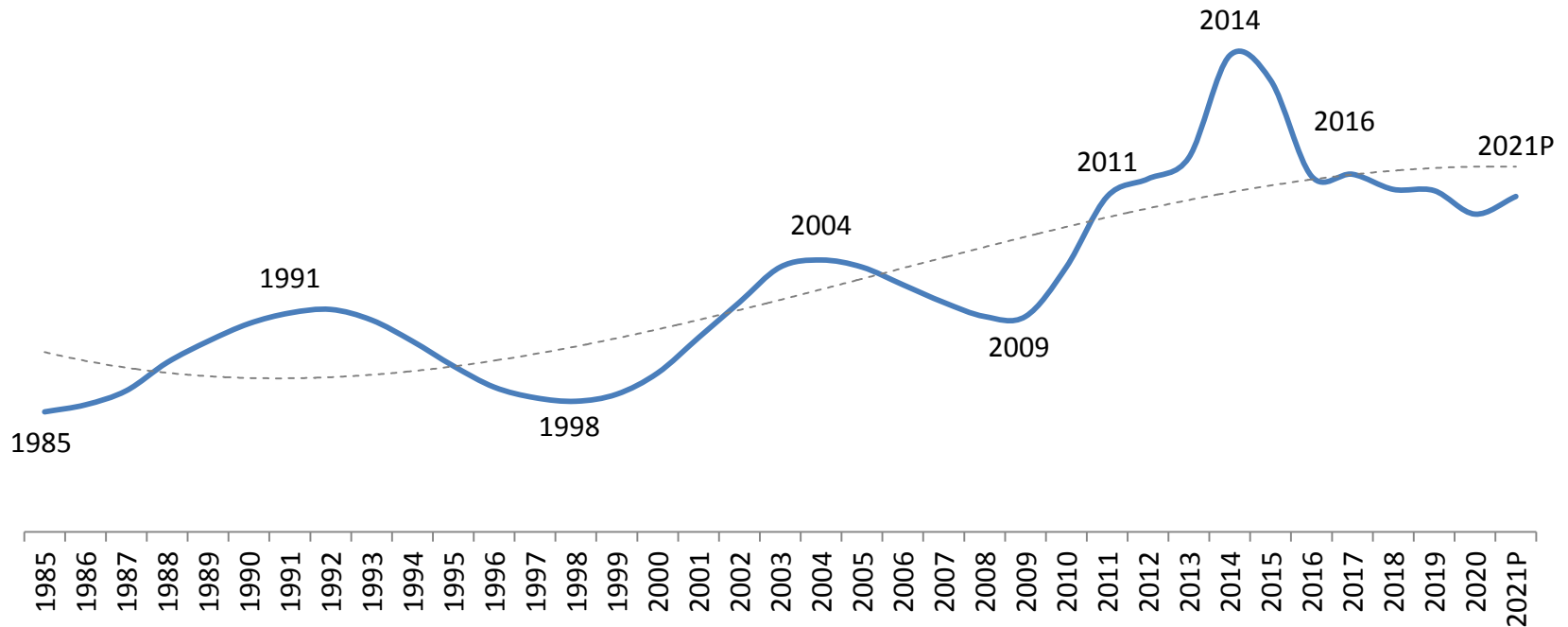
Sources :
• USDA

Beef – pork – poultry Consumption per capita in United-States (lb)



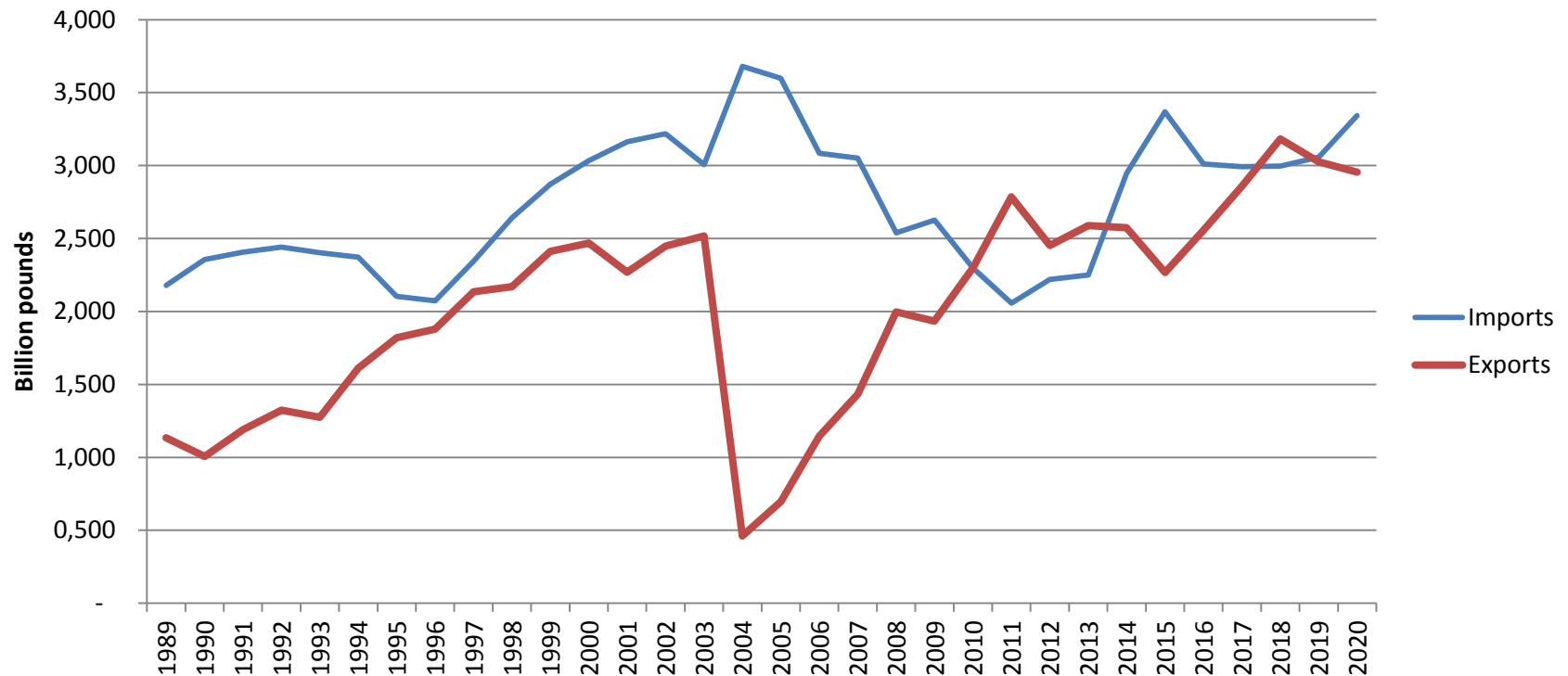
Source :
• USDA

Cattle price cycle in United-States



Sources :
• CattleFax

Beef imports and exports in United-States



Sources :

- USDA et Cattlefax



Short term outlook

- Now that the backlog of cattle has been cleared, the cattle market is returning to a sense of normalcy.
 - Carcass weights remain extremely high, further increasing beef production.
 - With delays in vaccination and a high number of COVID-19 cases, food services are still in slow motion.
 - The futures market is very bullish for this spring. Due to the drop in feedlot placement for the last quarter of 2020, a tightening beef supply is projected.
-

Long term outlook

- Beef cattle herd contraction is underway in United-States which should have lead to less beef production and somewhat firmer prices.
- However, due to the backlog of cattle created by the pandemic, the decline in production is not expected until the second half of 2021.
- Rising exports to China and growing optimism for COVID-19 vaccine are expected to support the market in the medium to long term.

Source : Canfax, CattleFax, Canadian Boxed Beef Report



PRODUCTEURS DE BOVINS DU QUÉBEC

Sources :

AAFC, USDA, Canfax, Cattlefax, PBQ, GIRA, Kevin Grier

Links:



Maxime d'Almeida, M.Sc. | Agroeconomiste
Les Producteurs de bovins du Québec - UPA

Thank you!

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