

A GLANCE AT BEEF AND VEAL MARKET

August 2021

Les Producteurs
de bovins du
Québec



A GLANCE AT BEEF AND VEAL MARKETS

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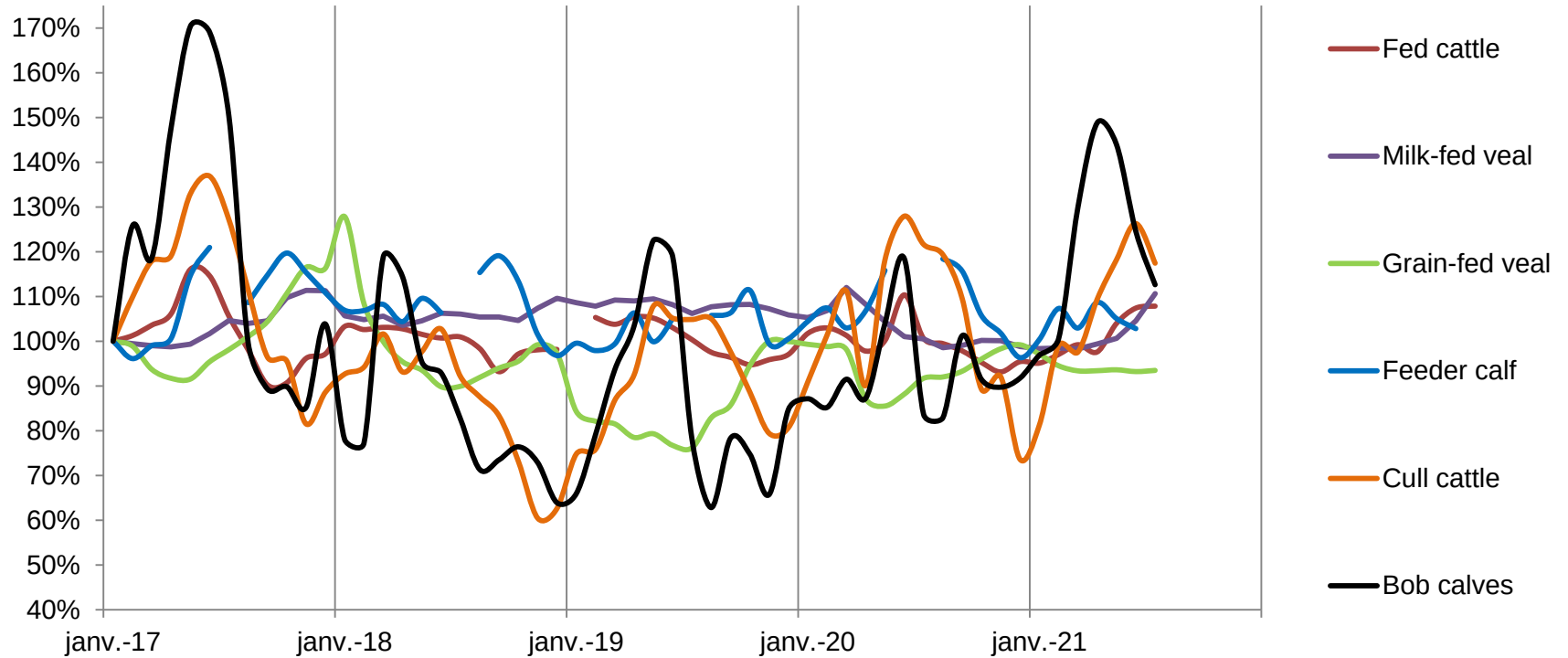


Slaughter volume (head) in 2021

		Canada			United-States
		West	East	Total	Total
Steers and heifers	2021	1 265 993	332 186	1 598 179	14 554 000
	% chg 2020	16 %	3 %	13 %	7 %
Cows and bulls	2021	205 899	60 846	266 745	3 975 000
	% chg 2020	11 %	5 %	10 %	5 %
Milk fed and grain fed calves	2021			92 772	77 066
	% chg 2020			0,1 %	- 26%

Source :
AAFC (Year to date)

Price variation of cattle in Quebec since January 2017

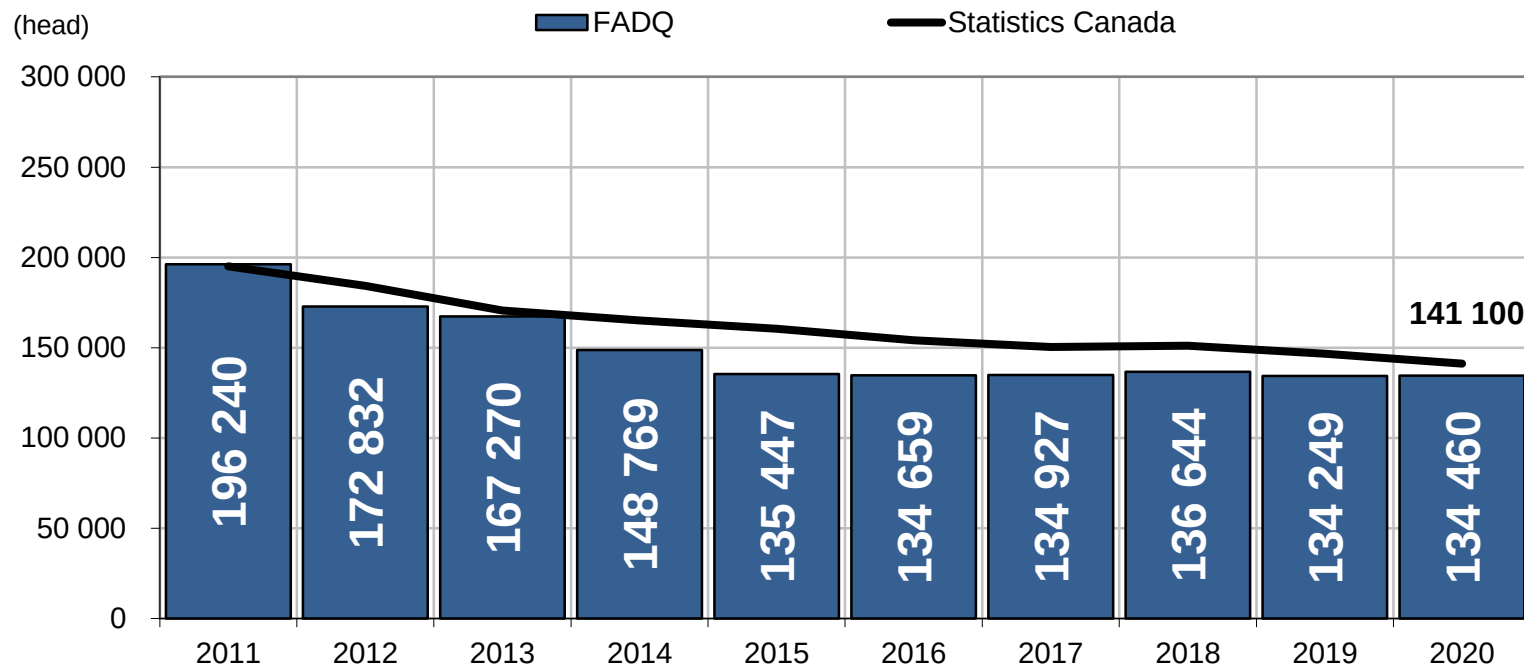


Source :

- PBQ

Feeder calf

Number of beef cows in Quebec

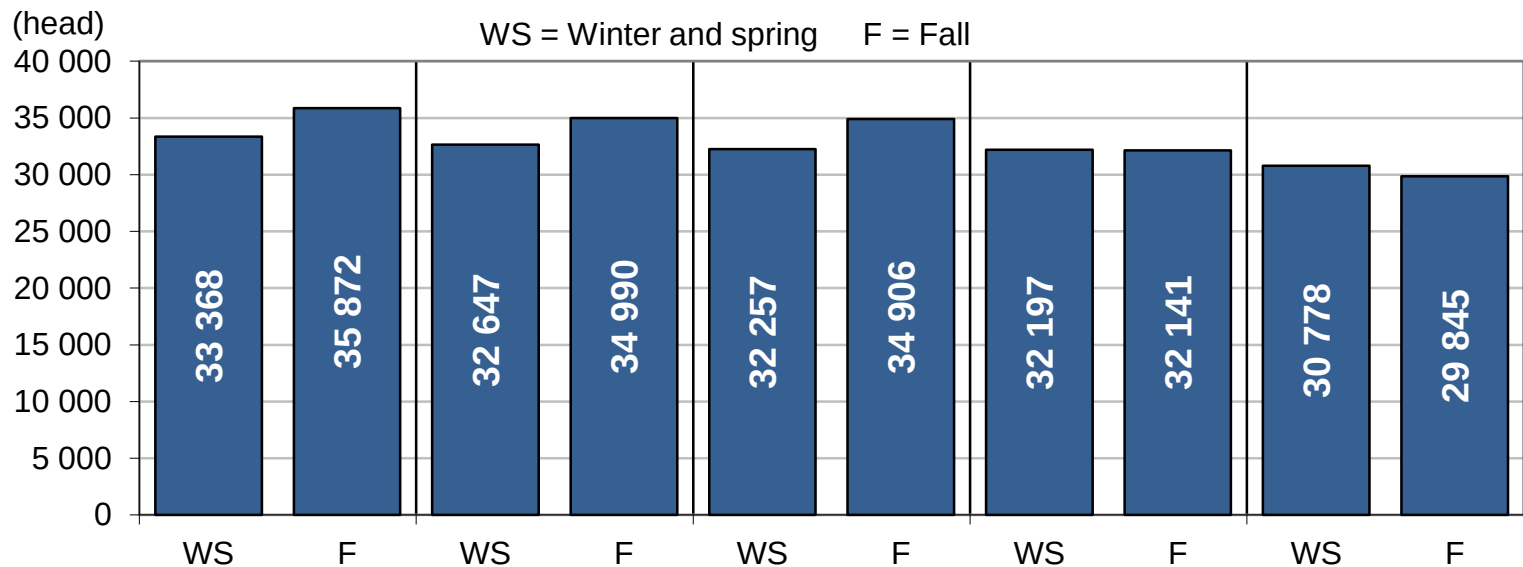


Sources :

- 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

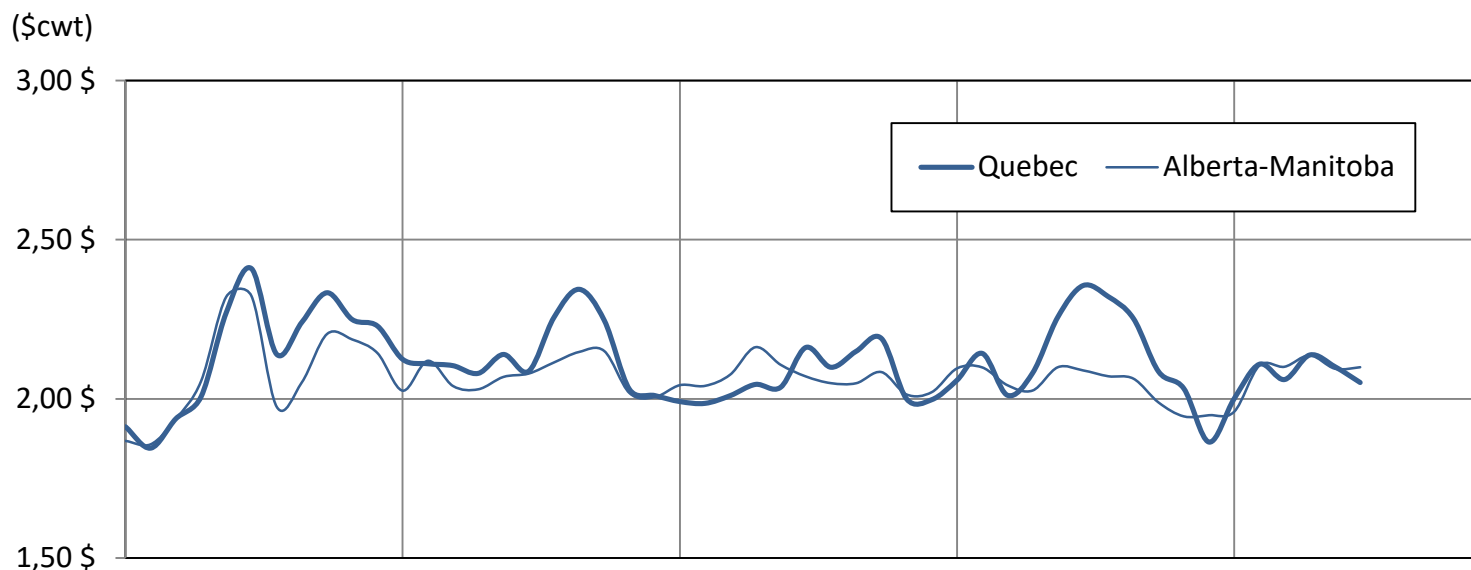
Source :

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 \$	2,08 \$
Que-(Alb-Man)	0,06 \$	0,07 \$	0,00 \$	0,09 \$	-0,01 \$

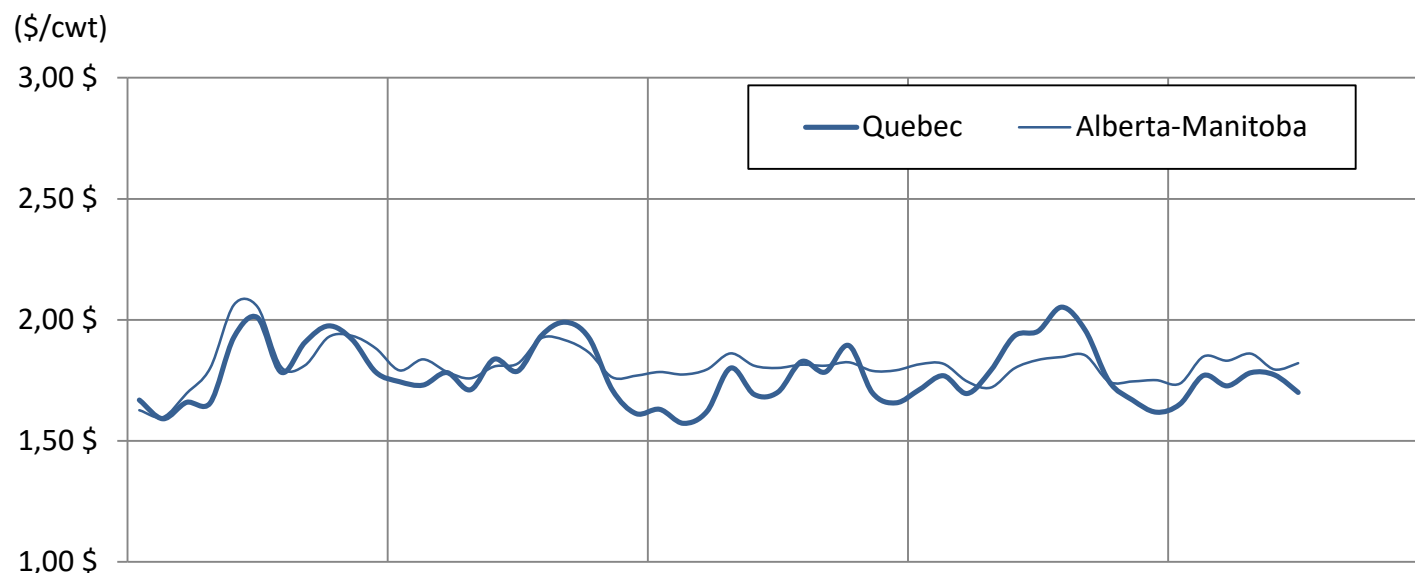
Sources :

- 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



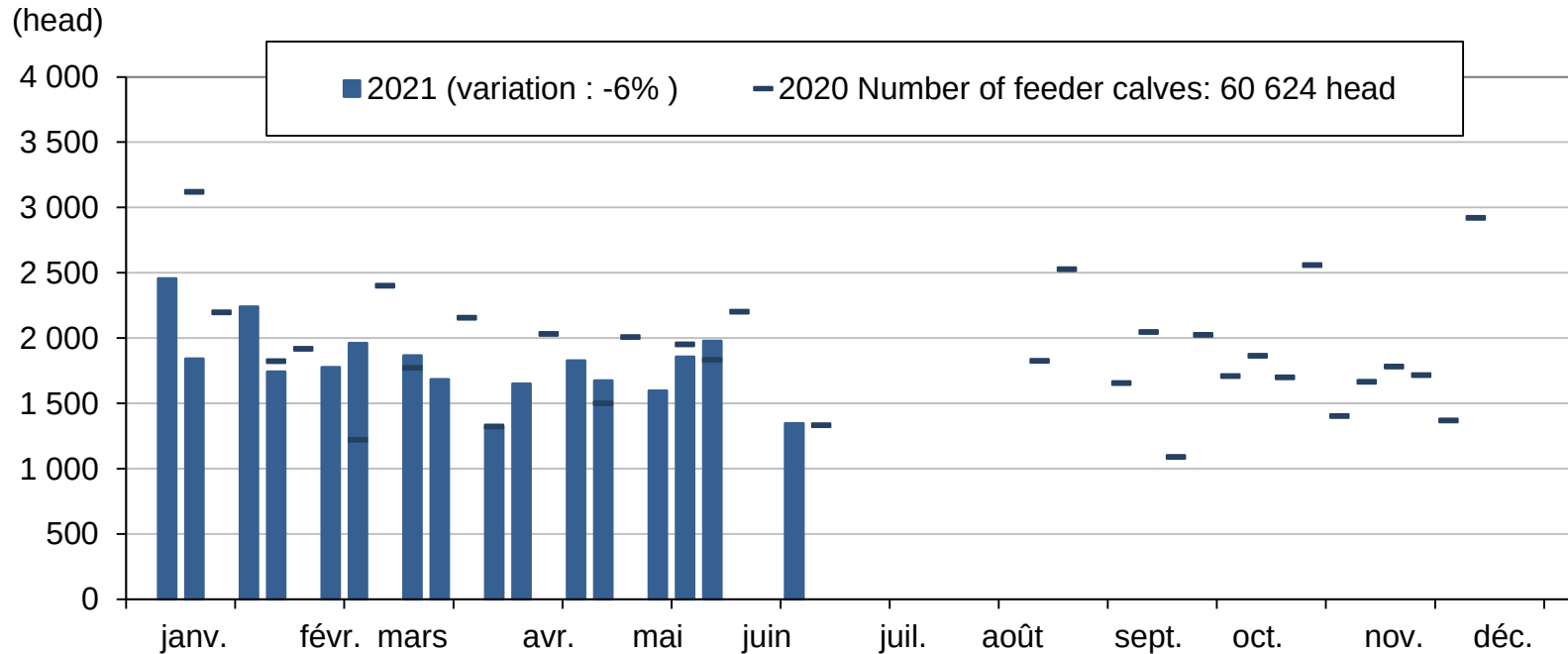
	2017	2018	2019	2020	2021
Quebec	1,84 \$	1,82 \$	1,81 \$	1,81 \$	1,73 \$
Que-(Alb-Man)	-0,03 \$	-0,02 \$	-0,09 \$	0,02 \$	-0,08 \$

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

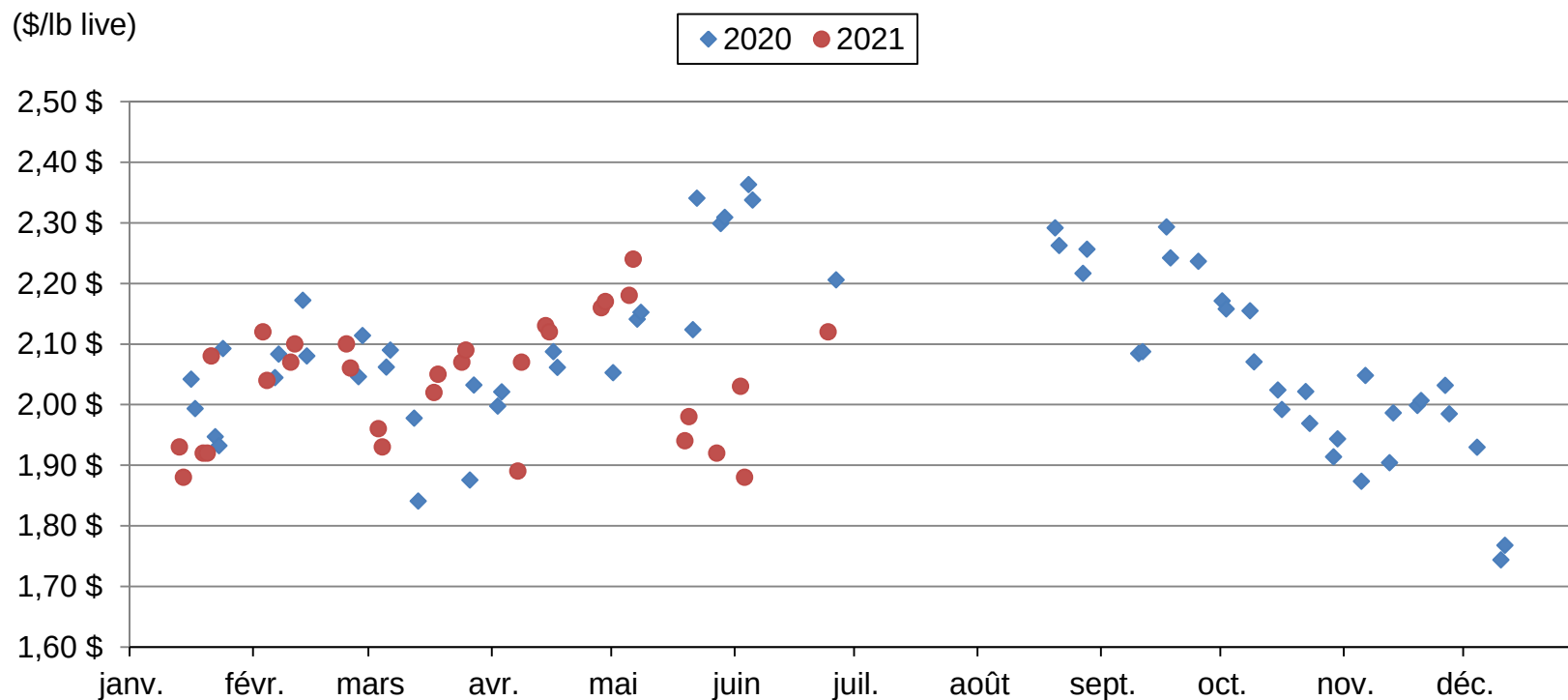


Source :
Number of feeder calves in Quebec specialized auctions in Quebec, PBQ

Feeder calf

Price of male feeder calves (600-700 lb)

Quebec specialized auctions 2020-2021



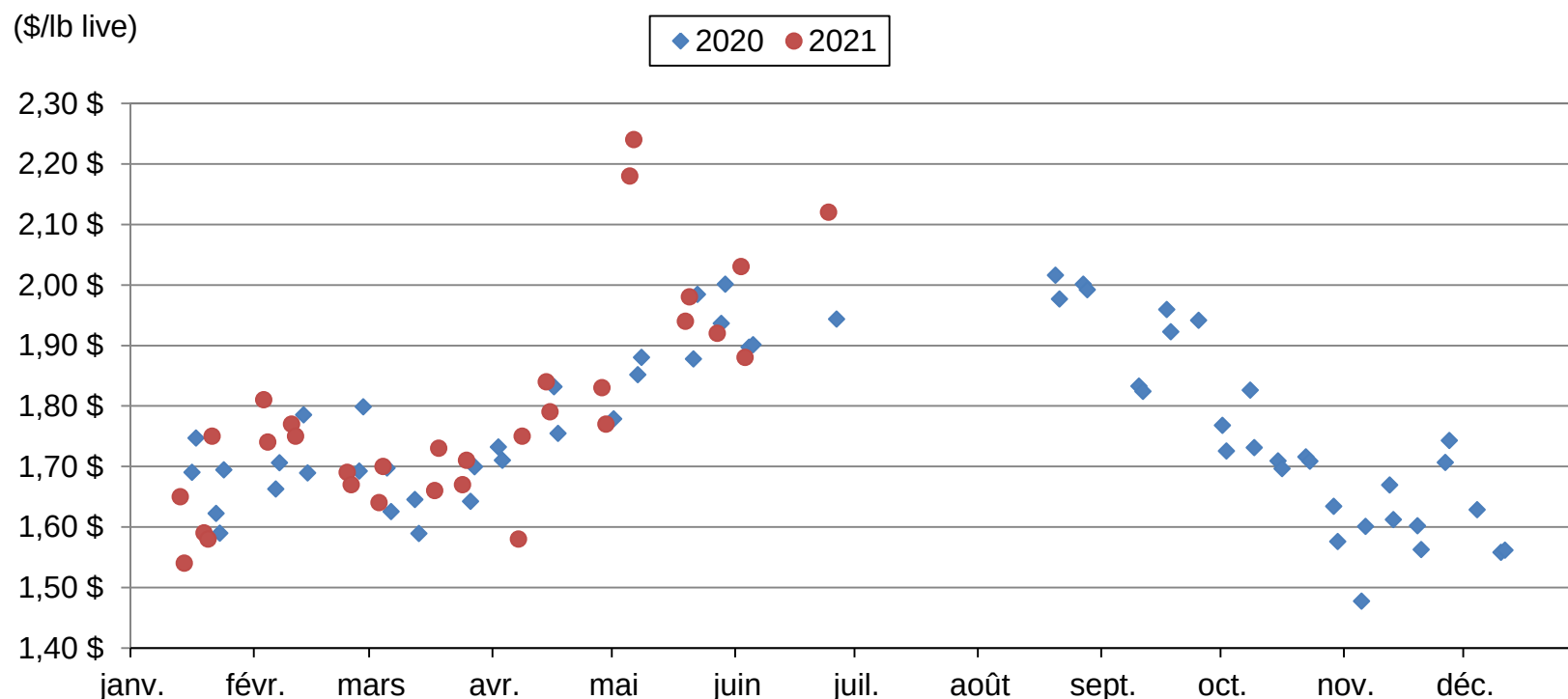
Sources :

- 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

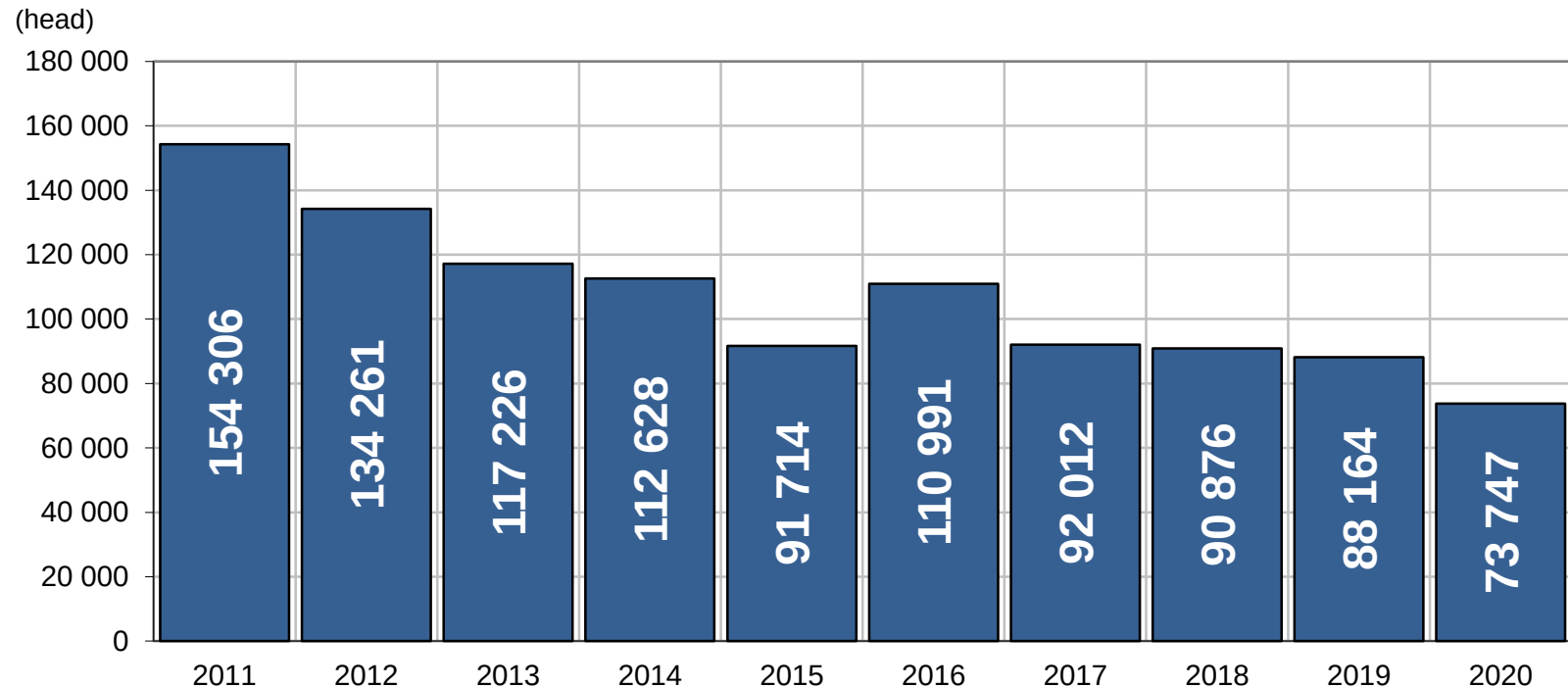


Sources :

- 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

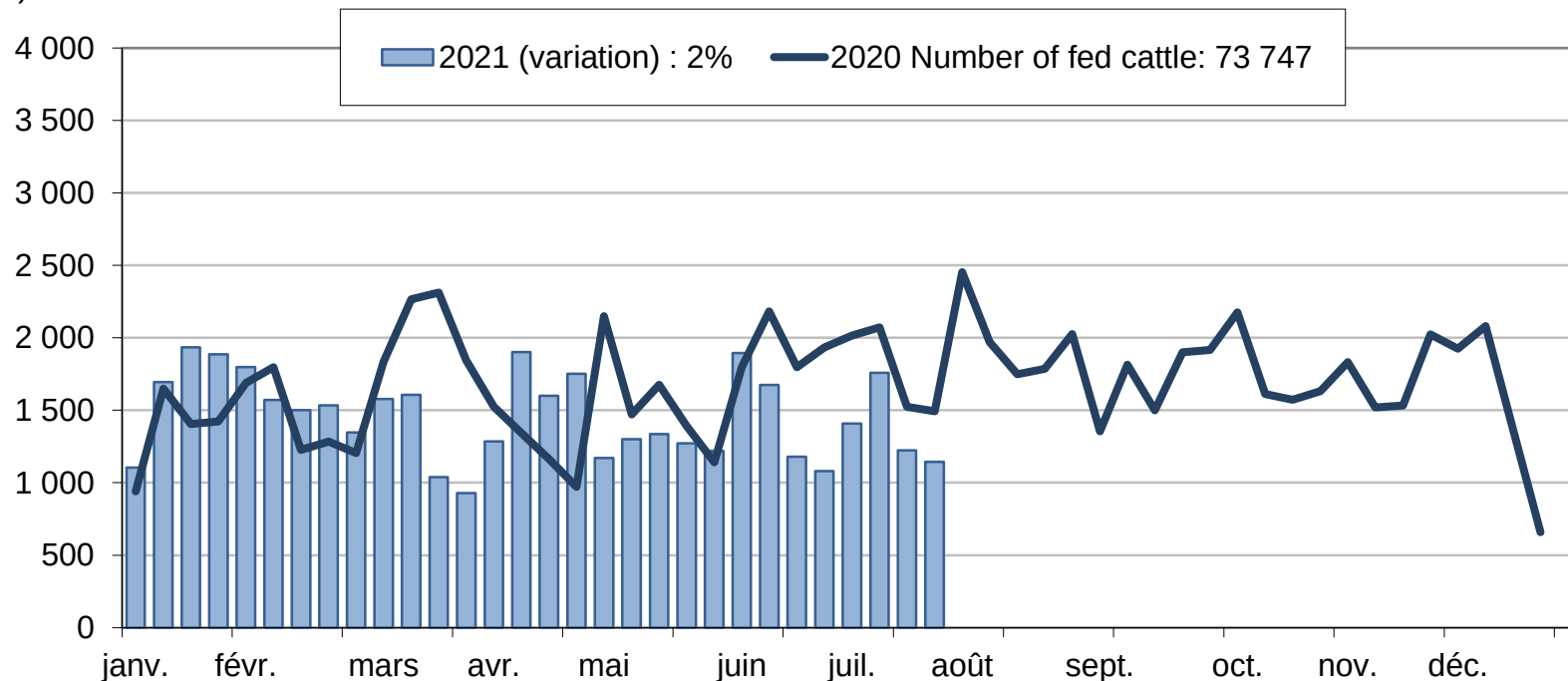


Source :
Number of fed cattle marketed by Quebec producers , PBQ

Fed cattle

Number of cattle fed in Quebec 2020-2021

(head)



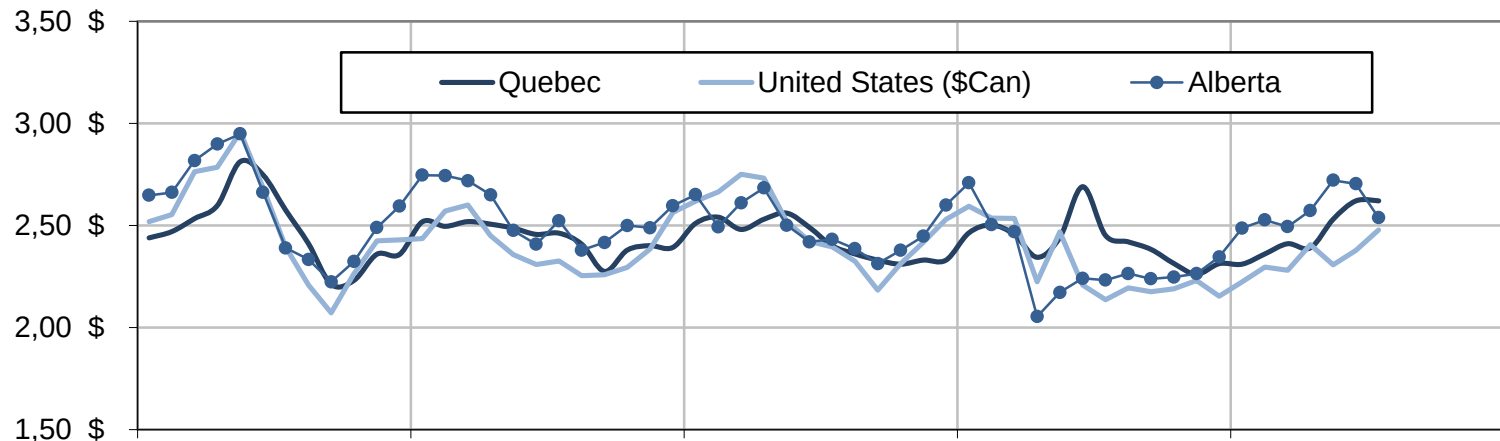
Source:

- 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 \$	2,46 \$
Que-Ont	-0,05 \$	-0,01 \$	-0,03 \$	0,01 \$	-0,03 \$
Que-US	-0,03 \$	0,04 \$	-0,06 \$	0,12 \$	0,13 \$
Que-Alb	-0,10 \$	-0,11 \$	-0,06 \$	0,11 \$	-0,11 \$

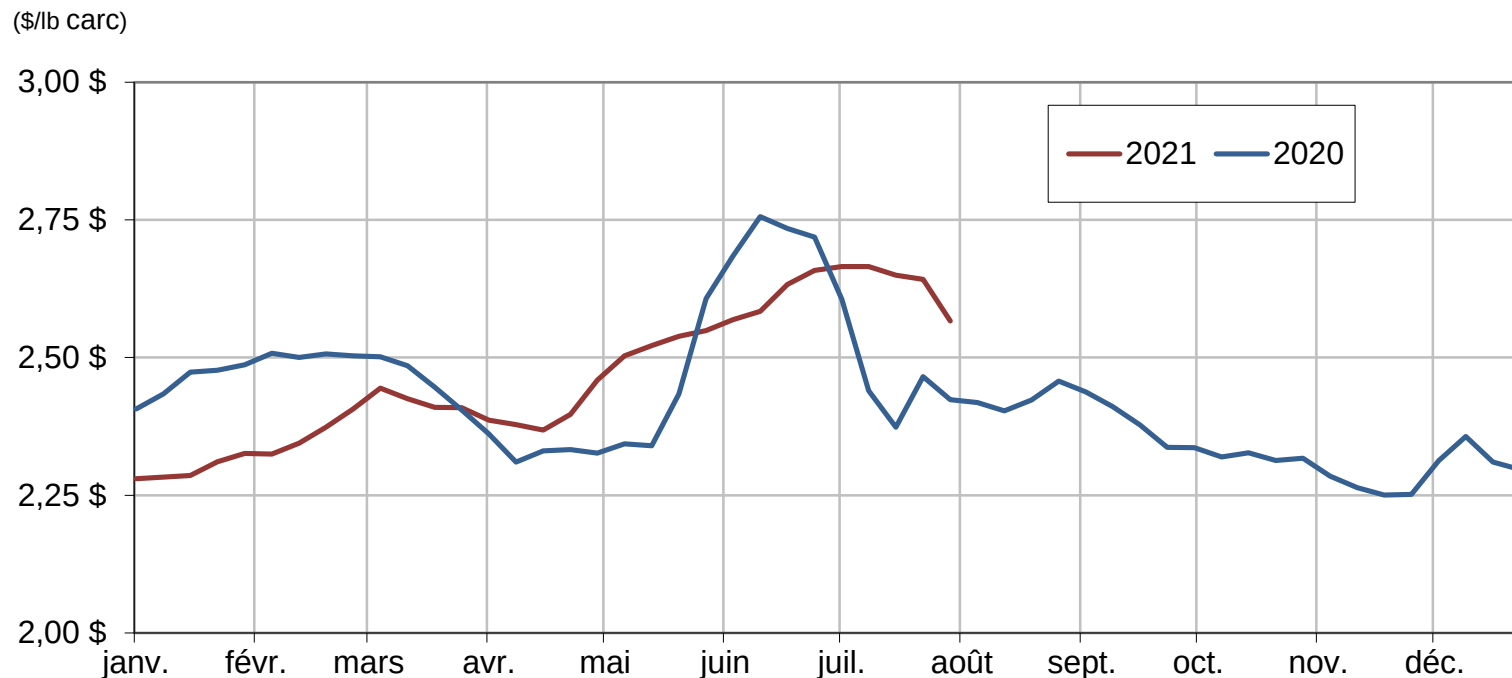
Sources :

- 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

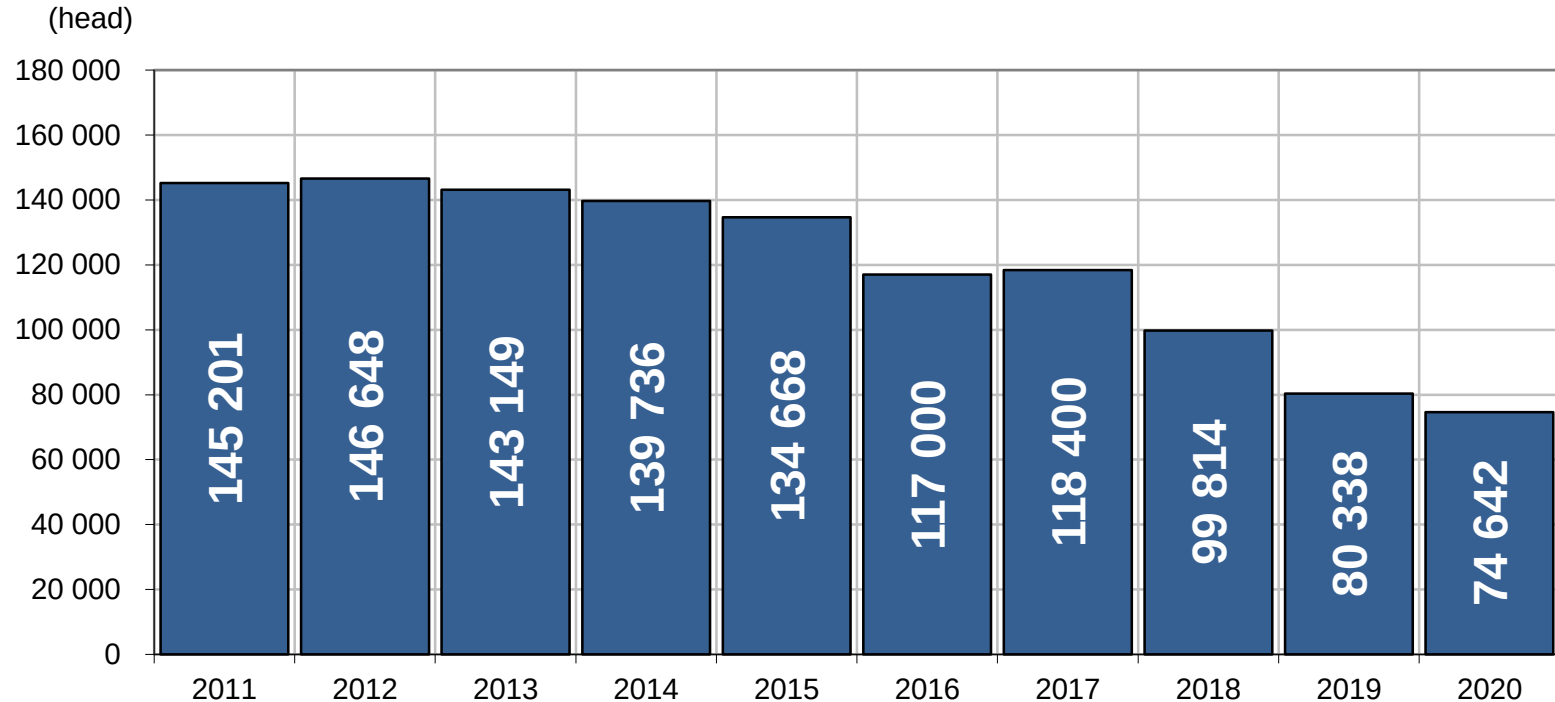


Sources :

- 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

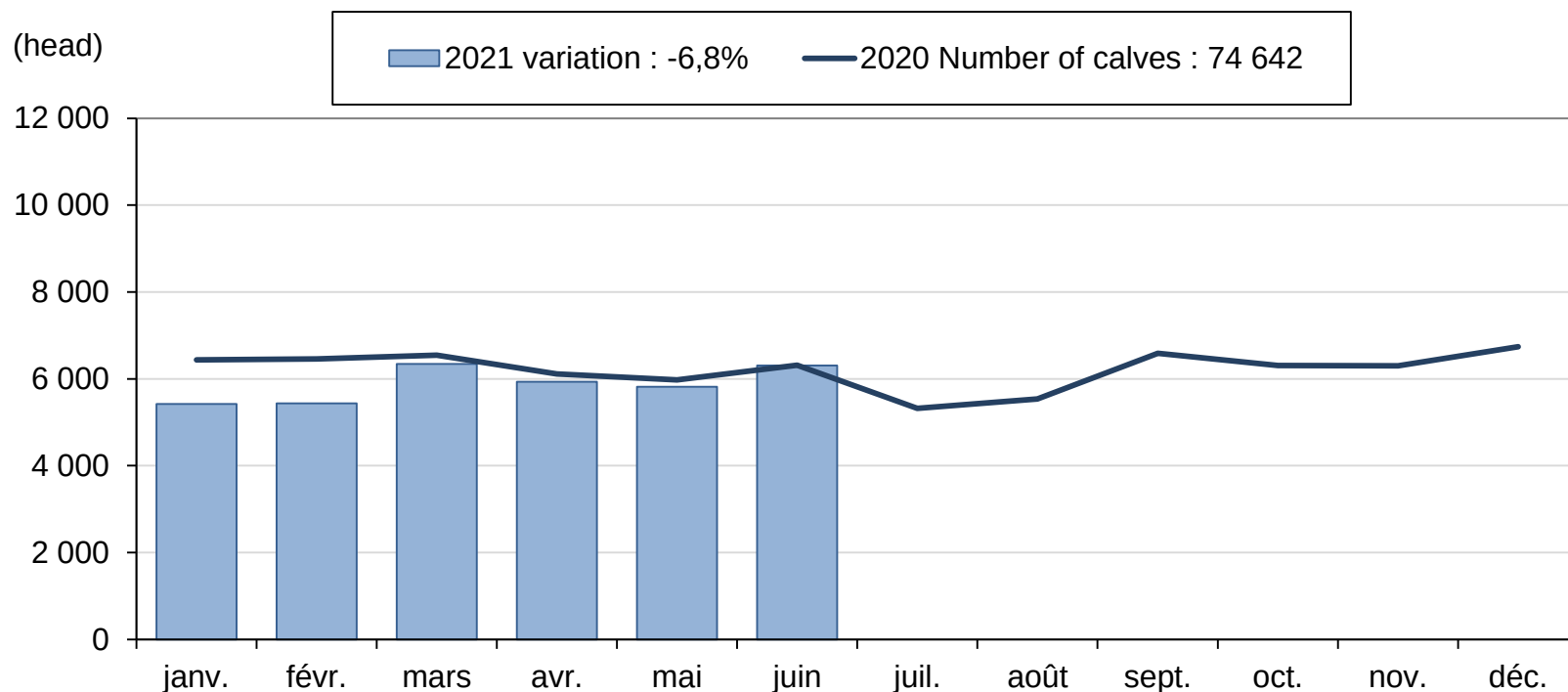


Sources :

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

Milk-fed veal

Number of calves fed in Quebec 2020-2021



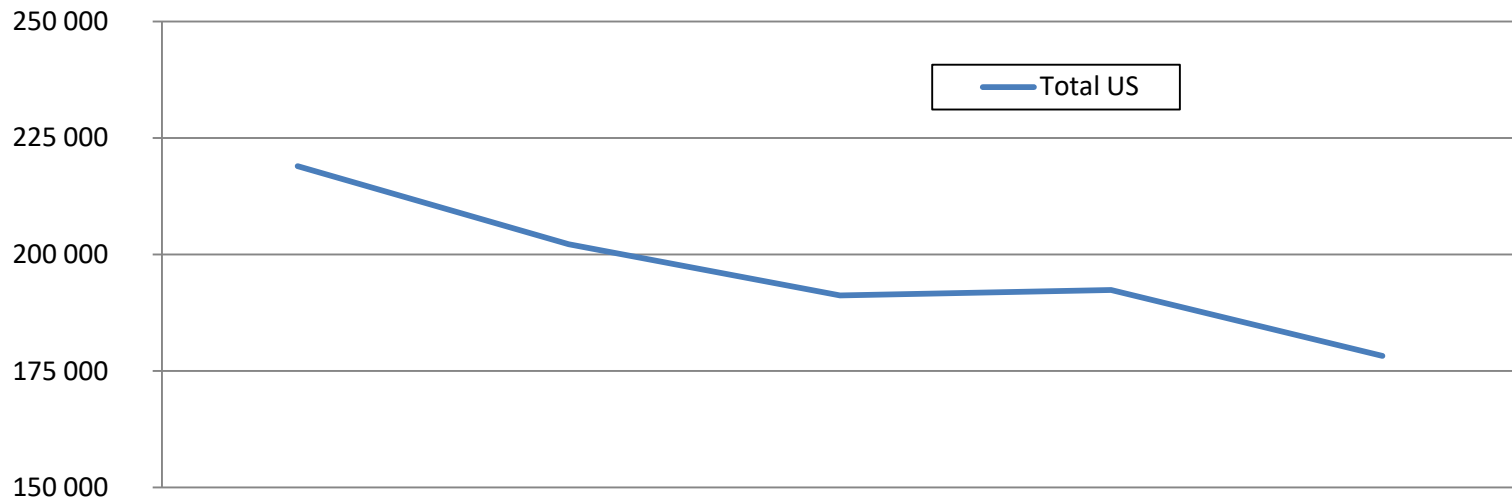
Sources :

- 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

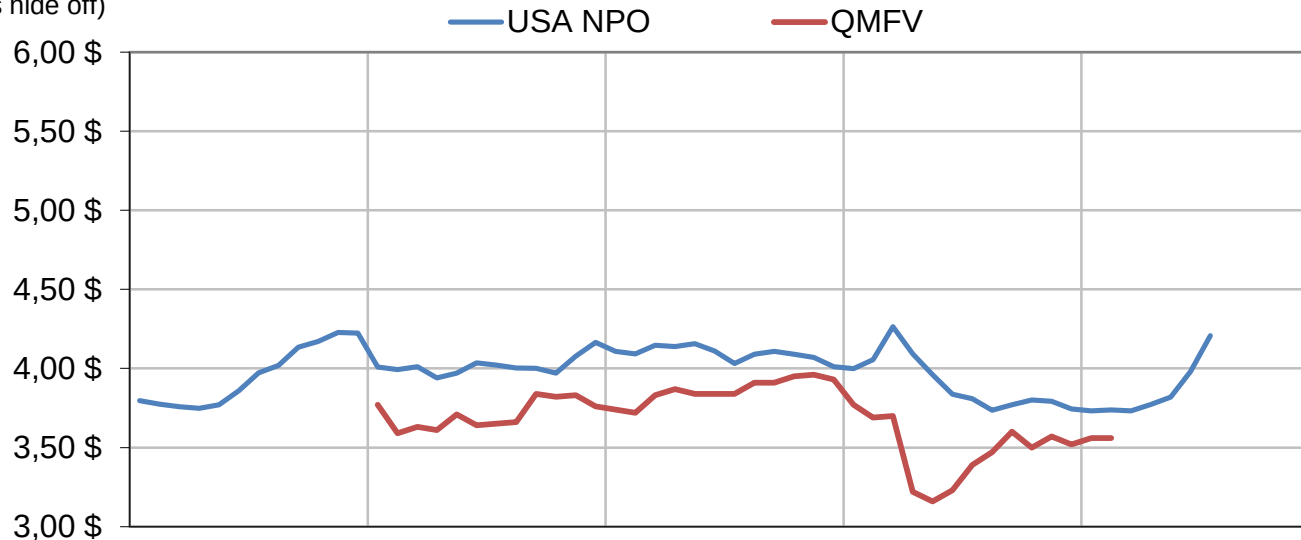
Sources :

- 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

(\$ CAN/lb carcass hide off)



	2017	2018	2019	2020	2021
USA-NPO	3,87 \$	4,02 \$	4,10 \$	3,90 \$	3,85 \$
QMFV	0,00 \$	0,00 \$	3,86 \$	3,49 \$	3,56 \$

Sources :

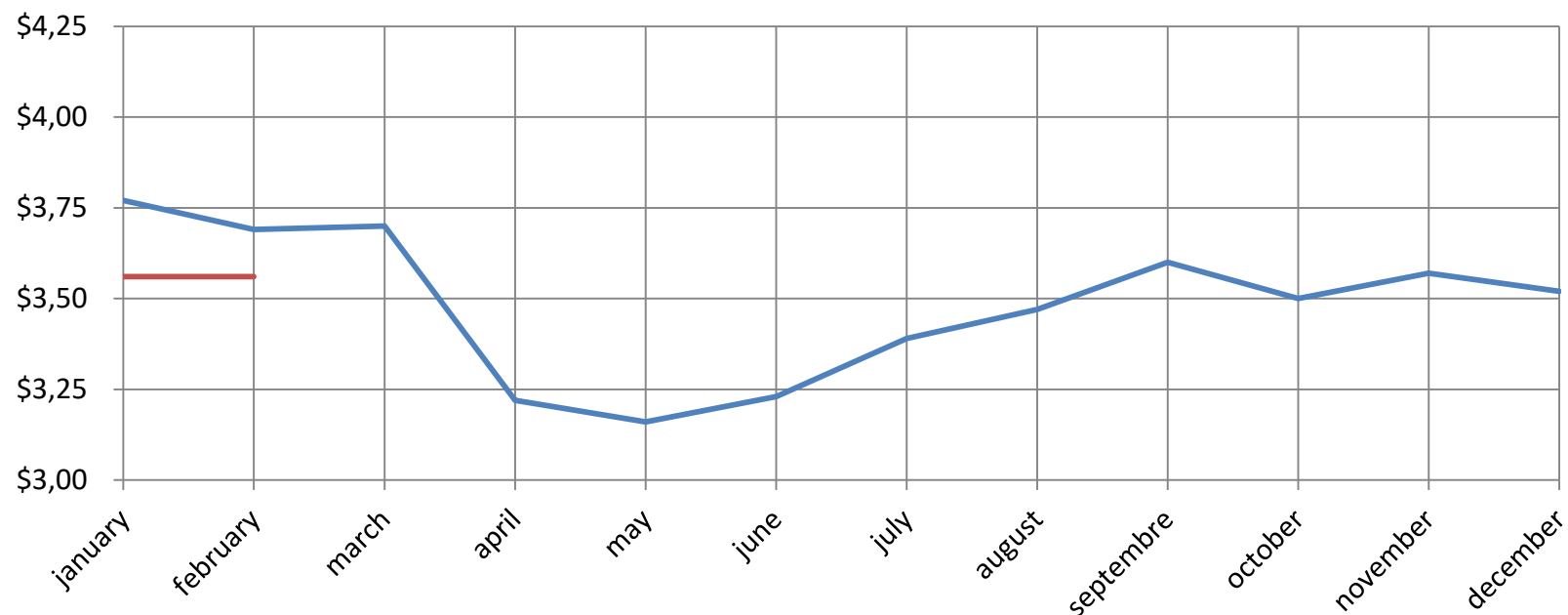
- USDA : USDA converted to \$ CAN. Gross price.
- QMFV : net price collected by CECPA.

Milk-fed veal

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

(\$/100 lb hot carcass hide-off)

— 2020 — 2021

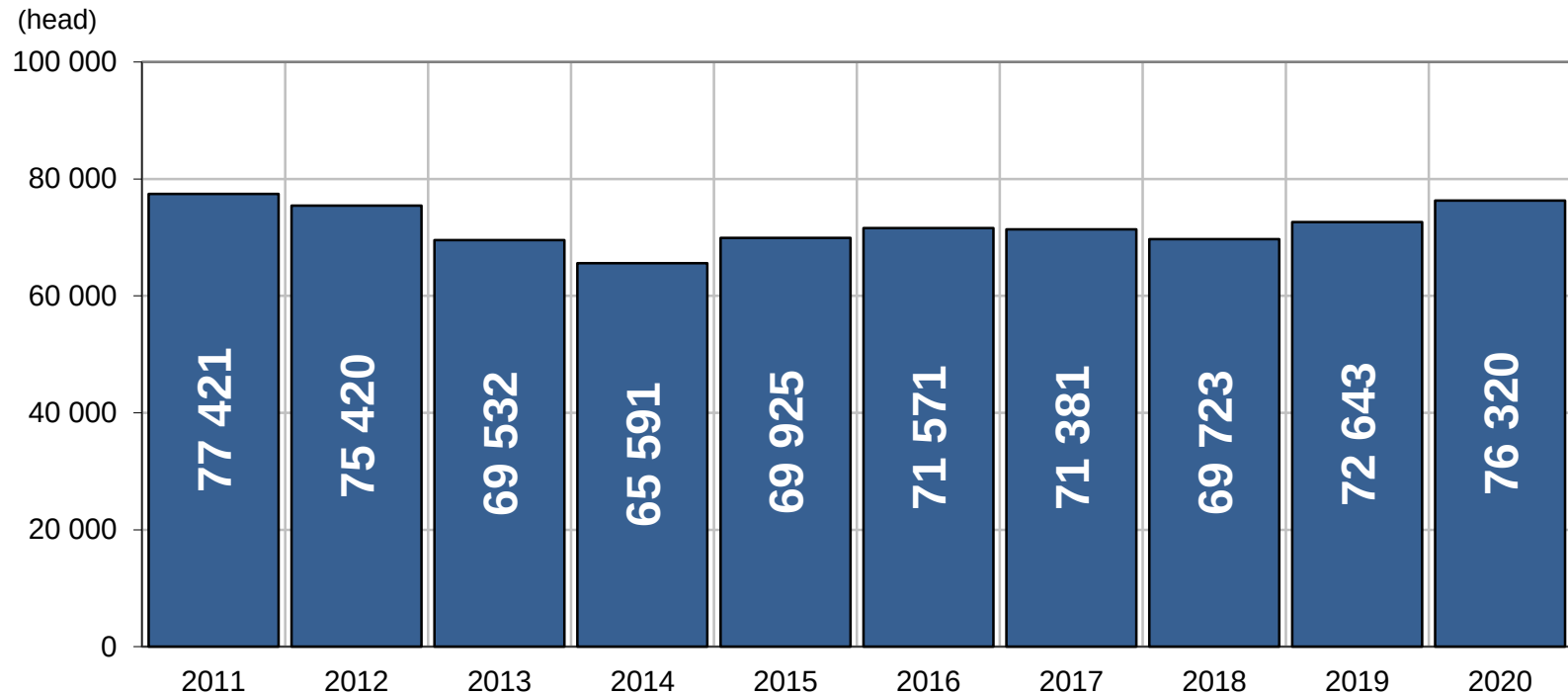


Sources :

- Net price collected by CECPA.

Grain-fed veal

Number of calves fed in Quebec

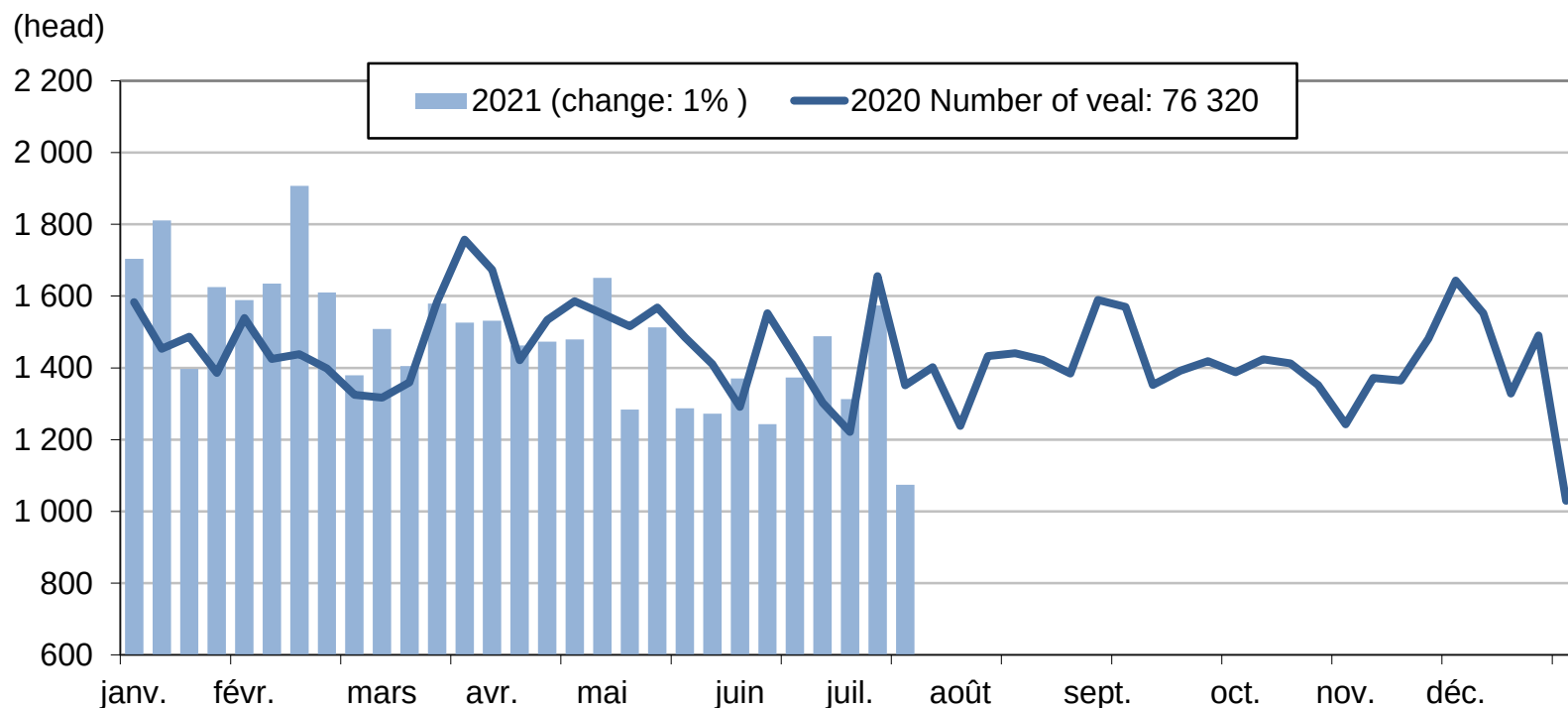


Sources :

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

Grain-fed veal

Number of calves fed in Quebec 2020-2021



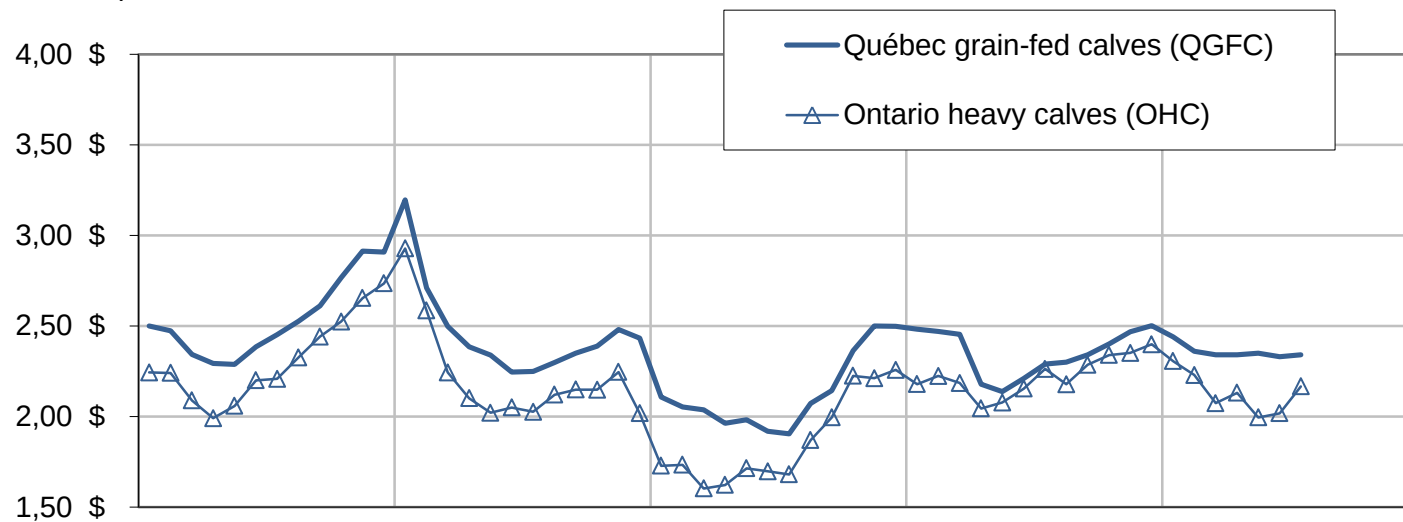
Sources :

- 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)



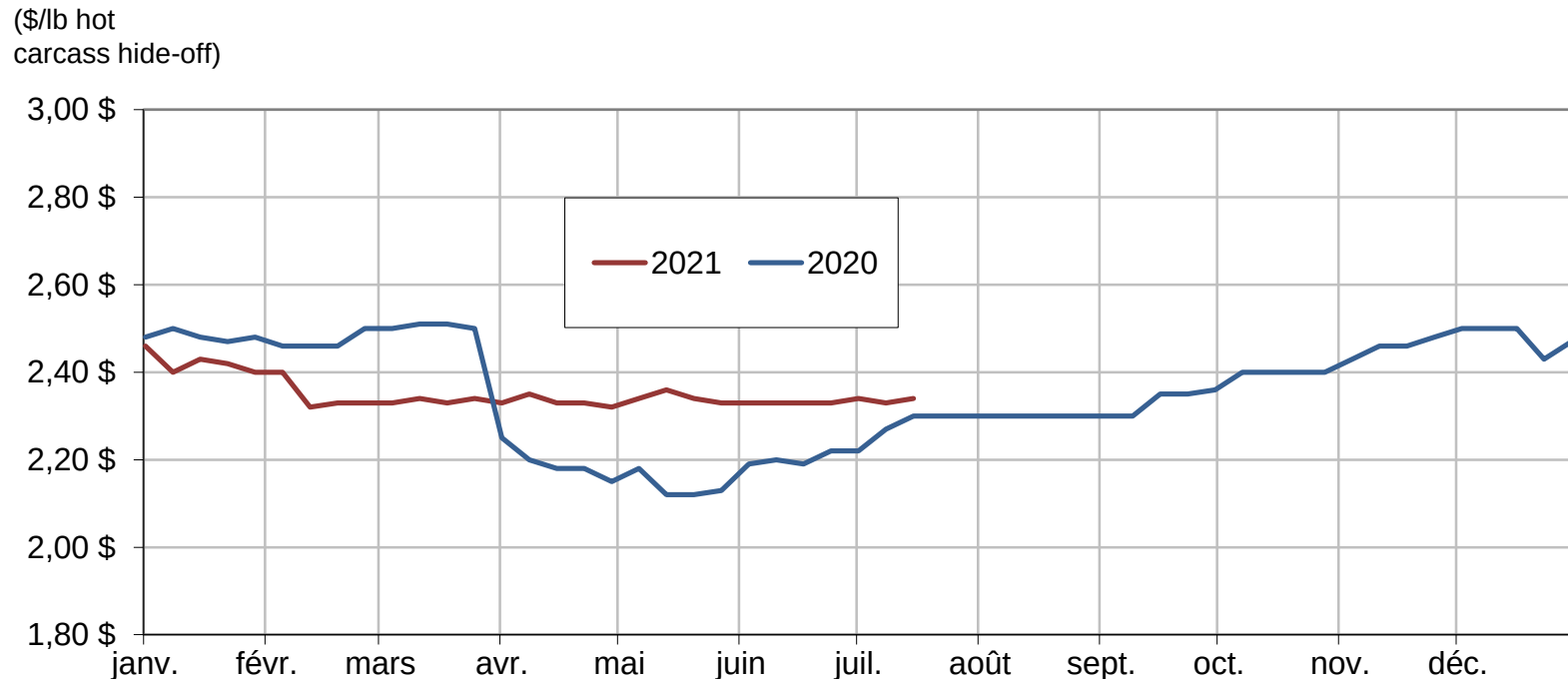
	2017	2018	2019	2020	2021
QGFC	2,54 \$	2,46 \$	2,13 \$	2,35 \$	2,36 \$
QGFC-OHC	0,23 \$	0,24 \$	0,27 \$	0,13 \$	0,23 \$

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

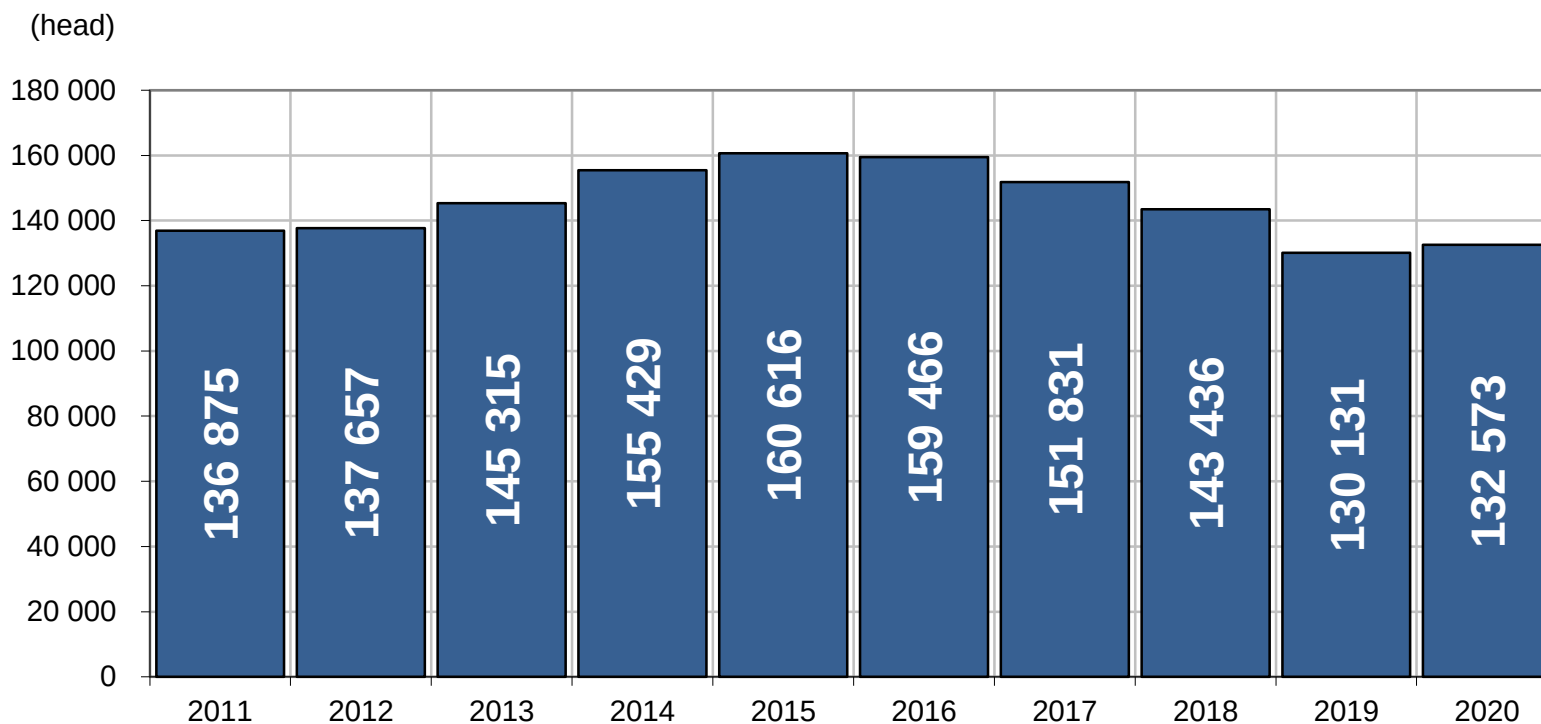


Sources :

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

Bob calves

Number of bob calves marketed in Quebec

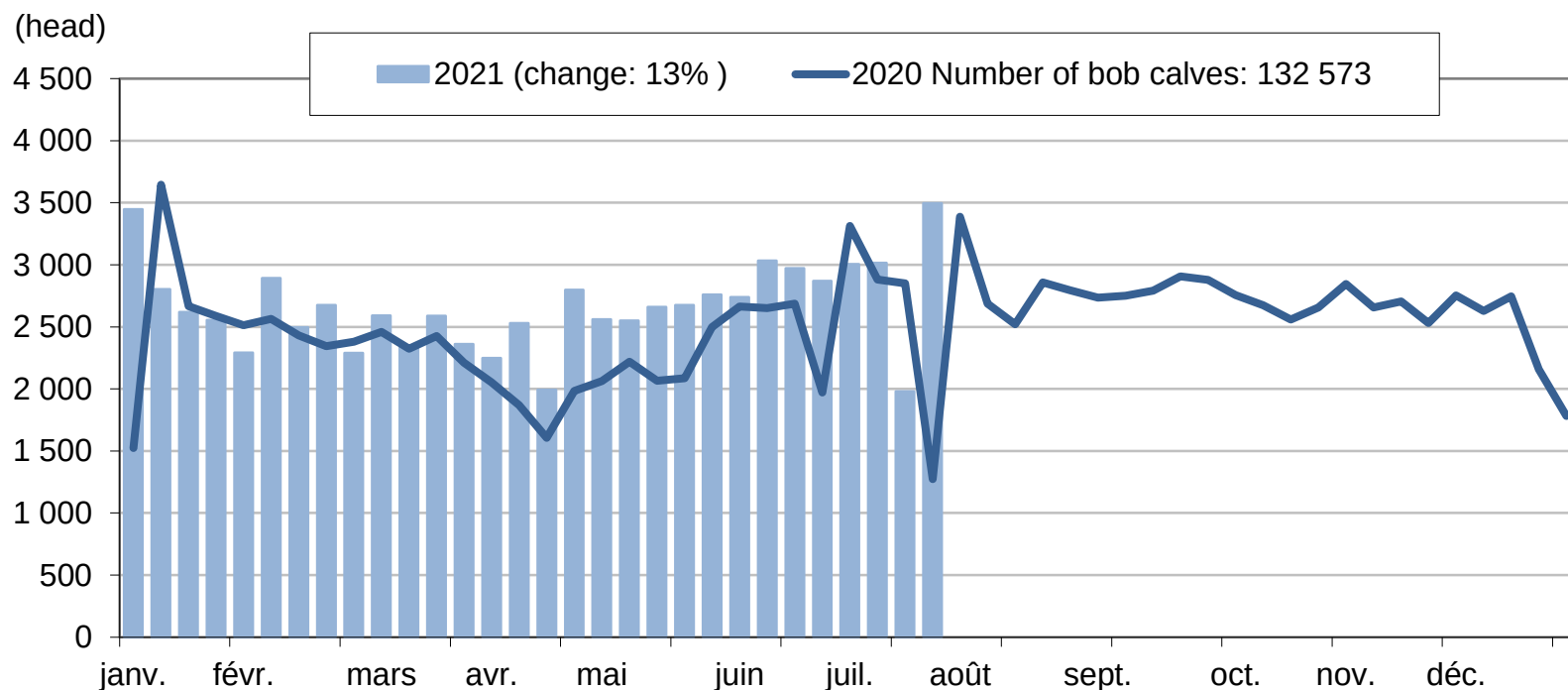


Source :

- Number of calves marketed by Quebec producers, PBQ

Bob calves

Number of bob calves marketed in Quebec 2020-2021

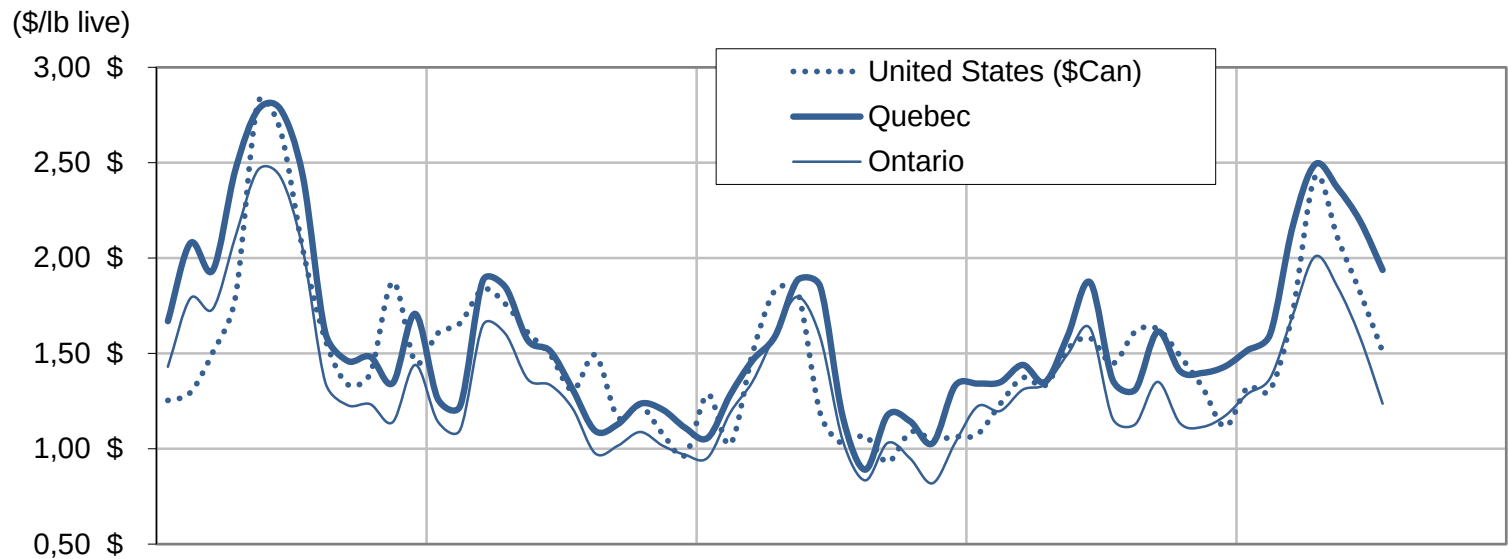


Sources :

- Number of calves marketed by Quebec producers, PBQ

Bob calves

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



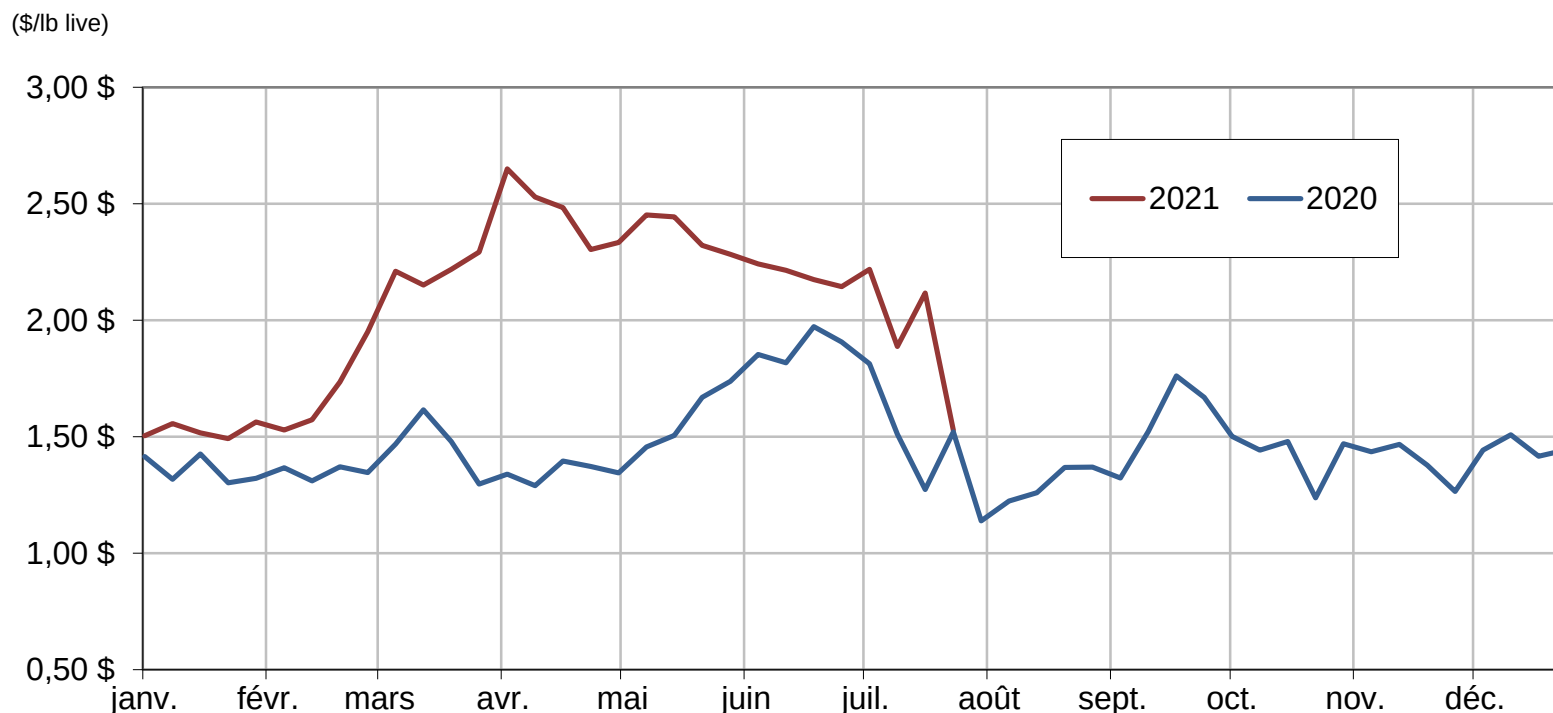
	2017	2018	2019	2020	2021
Quebec	1,98 \$	1,36 \$	1,32 \$	1,46 \$	2,04 \$
Que-US	0,23 \$	-0,07 \$	0,08 \$	0,06 \$	0,30 \$
Que-Ont	0,28 \$	0,16 \$	0,14 \$	0,19 \$	0,46 \$

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

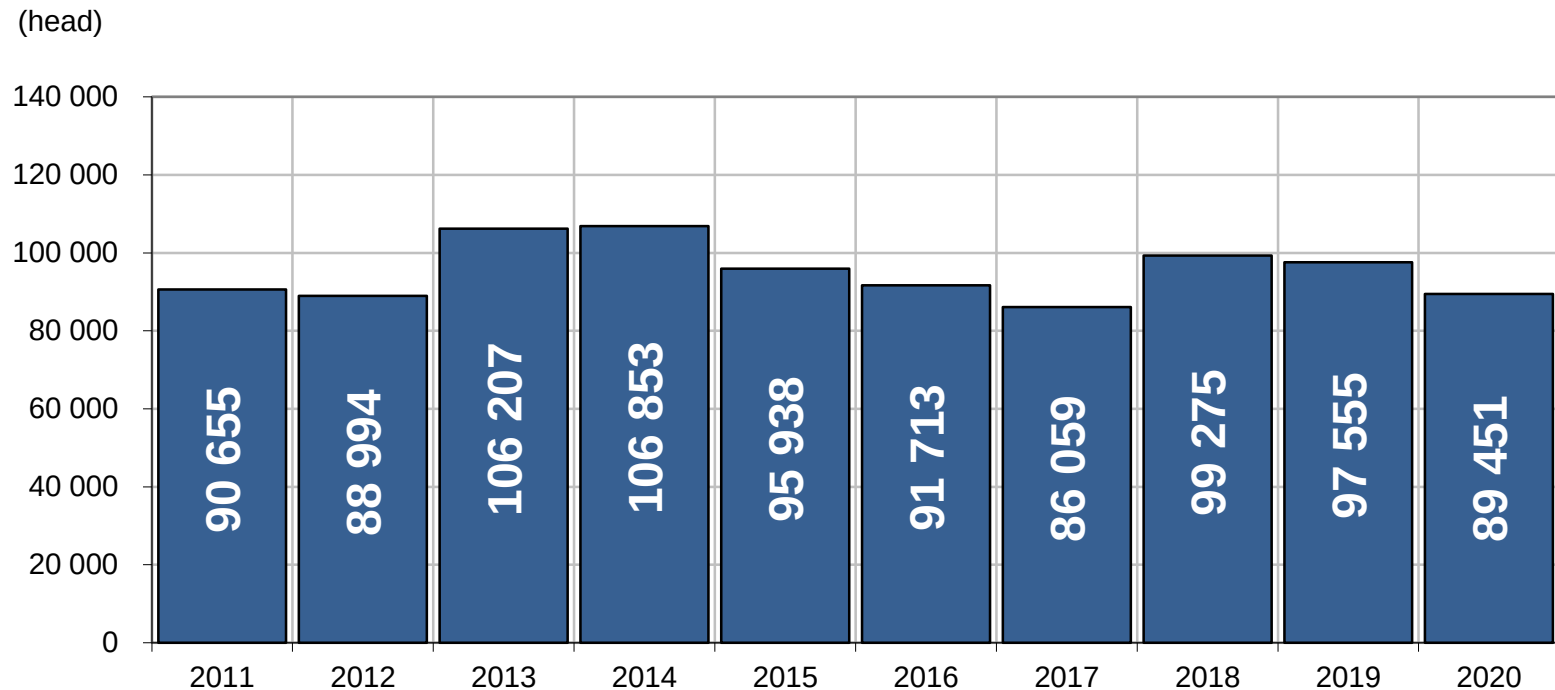


Sources :

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

Cull cattle

Number of cull cows marketed in Quebec

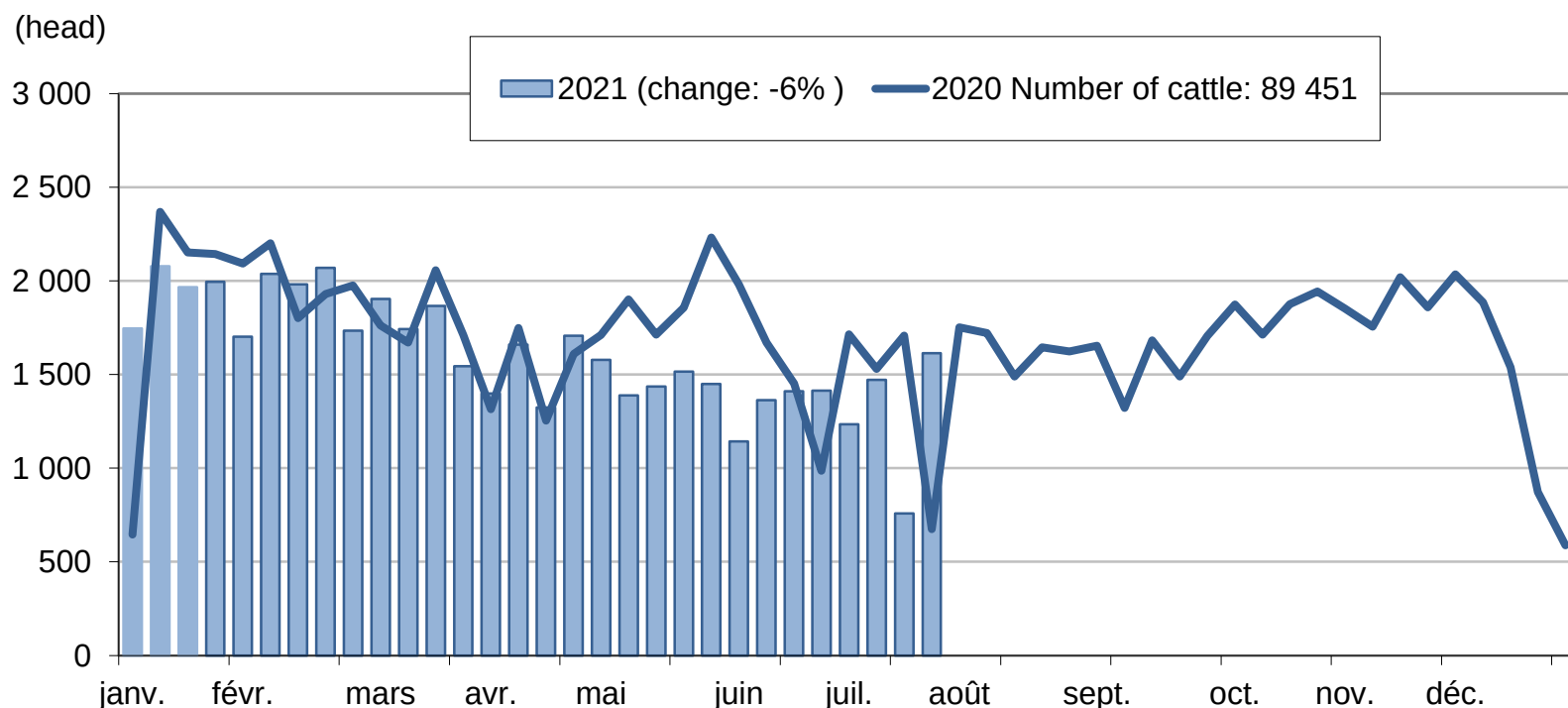


Source :

- Number of cull cows marketed by Quebec producers, PBQ

Cull cattle

Number of cull cows marketed in Quebec 2020-2021

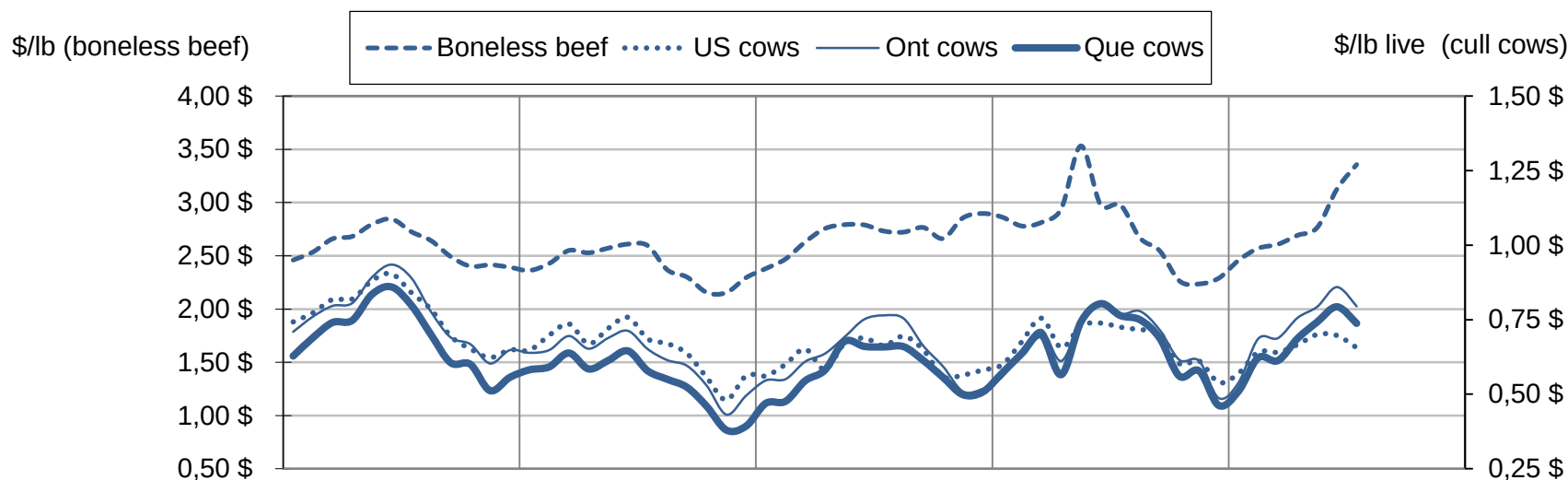


Source :

- Number of calves marketed by Quebec producers, PBQ

Cull cattle

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



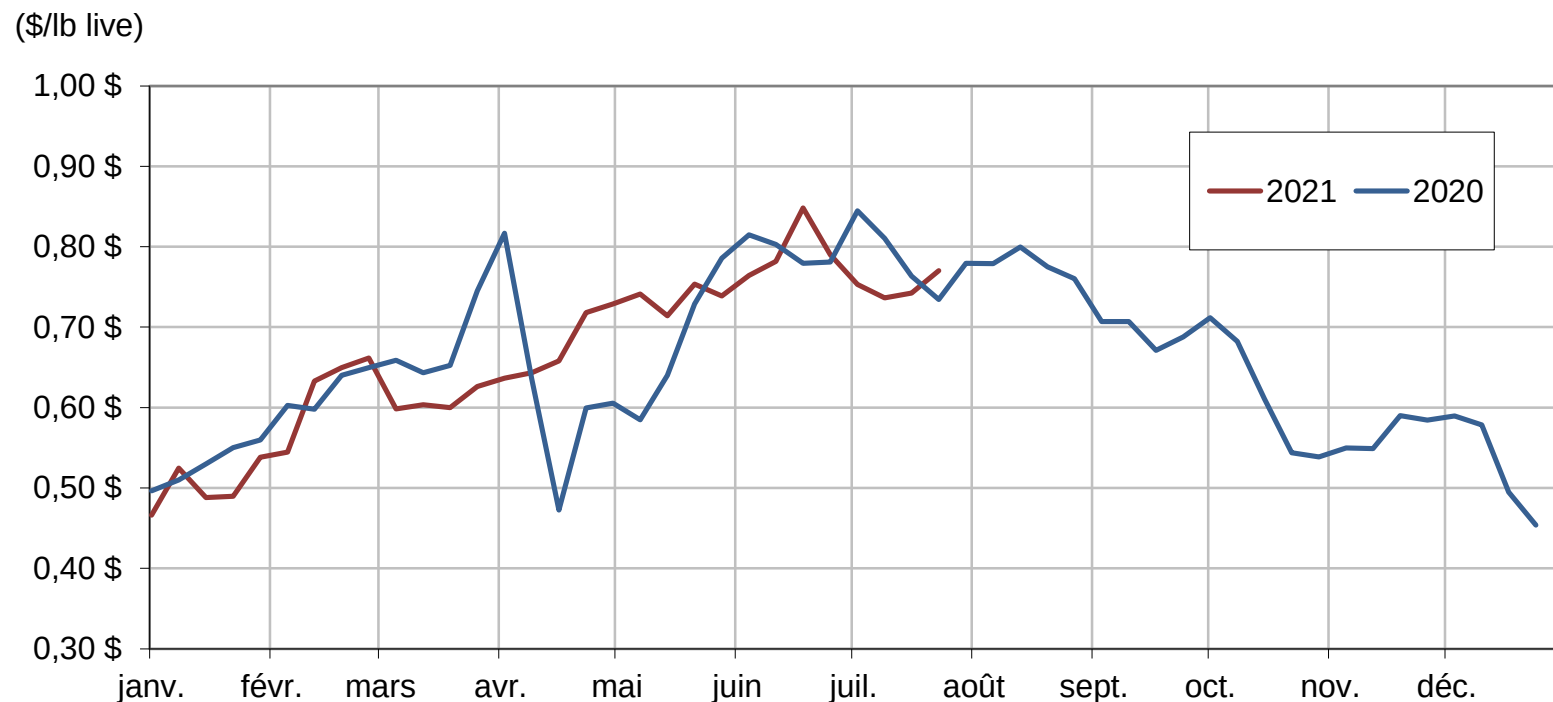
	2017	2018	2019	2020	2021
Boneless beef	2,59 \$	2,41 \$	2,70 \$	2,74 \$	2,80 \$
Que \$/cow	965 \$	763 \$	805 \$	912 \$	941 \$
Que \$/lb	0,69 \$	0,54 \$	0,58 \$	0,65 \$	0,67 \$
Que-US	-0,08 \$	-0,11 \$	-0,05 \$	-0,02 \$	0,02 \$
Que-Ont	-0,08 \$	-0,07 \$	-0,06 \$	-0,02 \$	-0,06 \$

Sources :

- Boneless beef : Wholesale price, domestic cow 85%, BFO
- 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

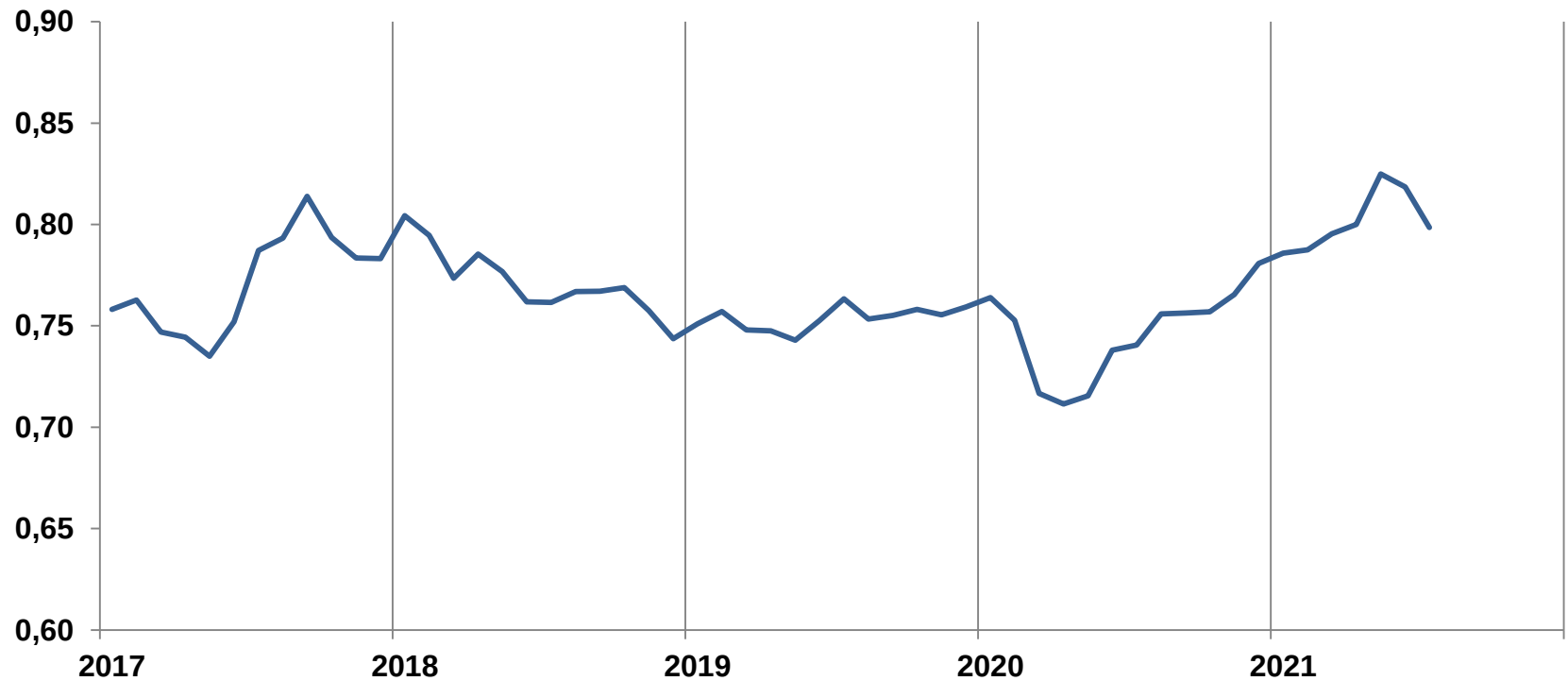
Price of cull cows in Quebec 2020-2021



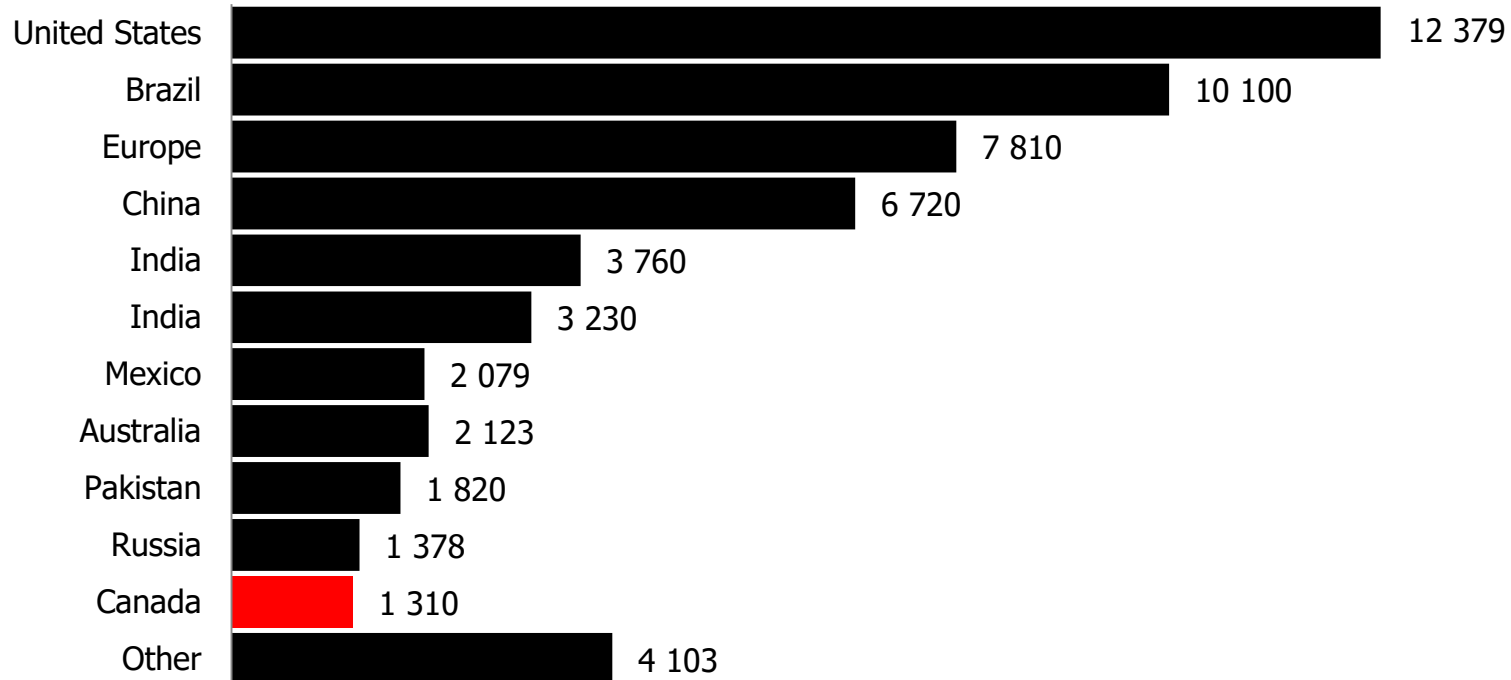
Sources :

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

Exchange rate \$ CAN / \$ US

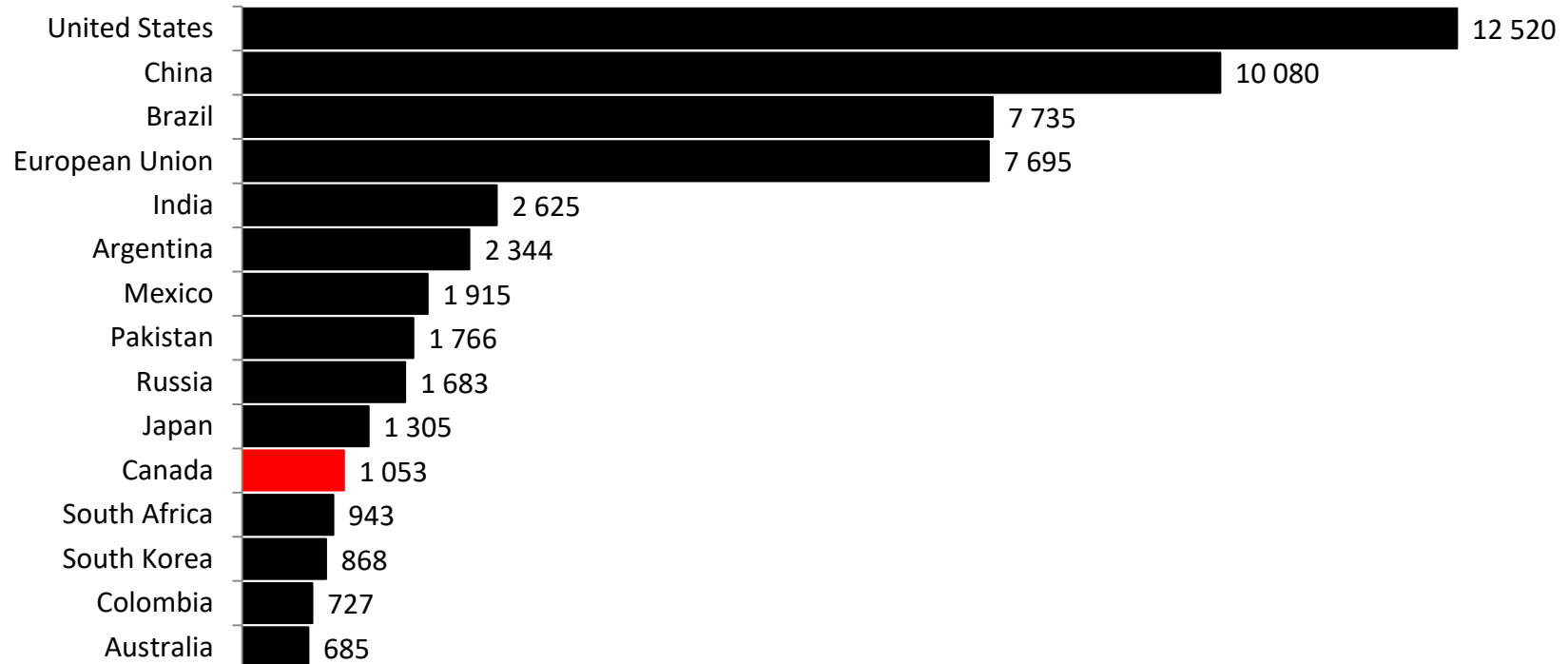


Beef and veal net production (1000 t, cwe) - 2020



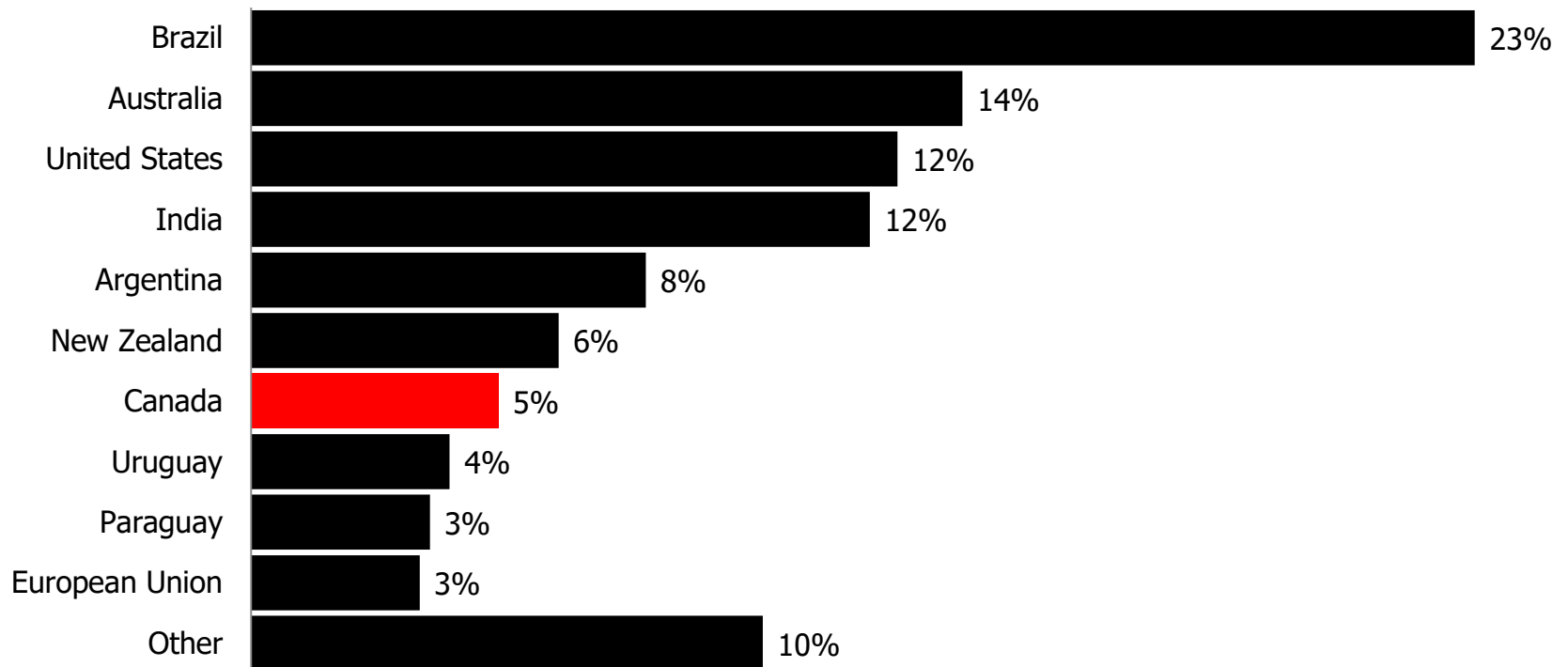
Source :
• Canfax

Beef and veal meat consumption by countries (1000 t, cwe) – 2021F



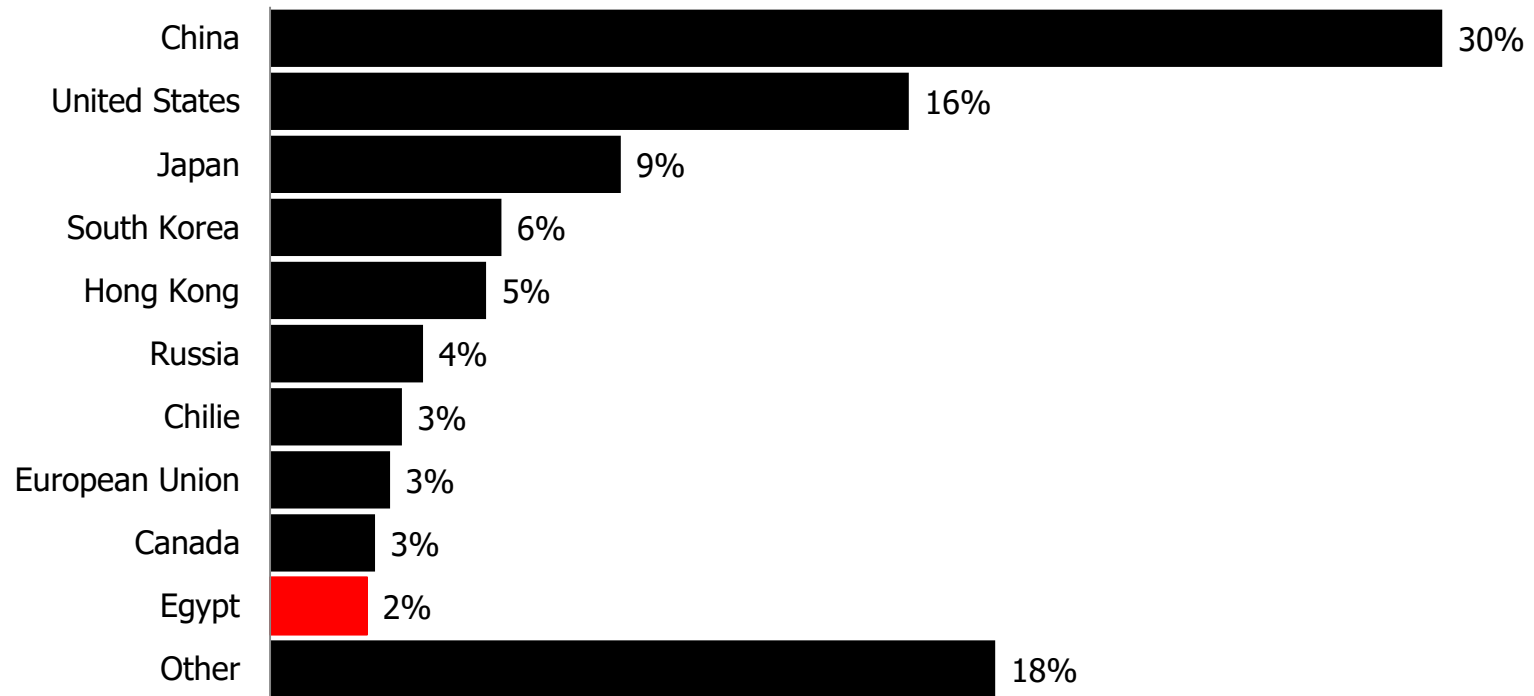
Source :
• Canfax

World top beef exporters (% world) - 2020



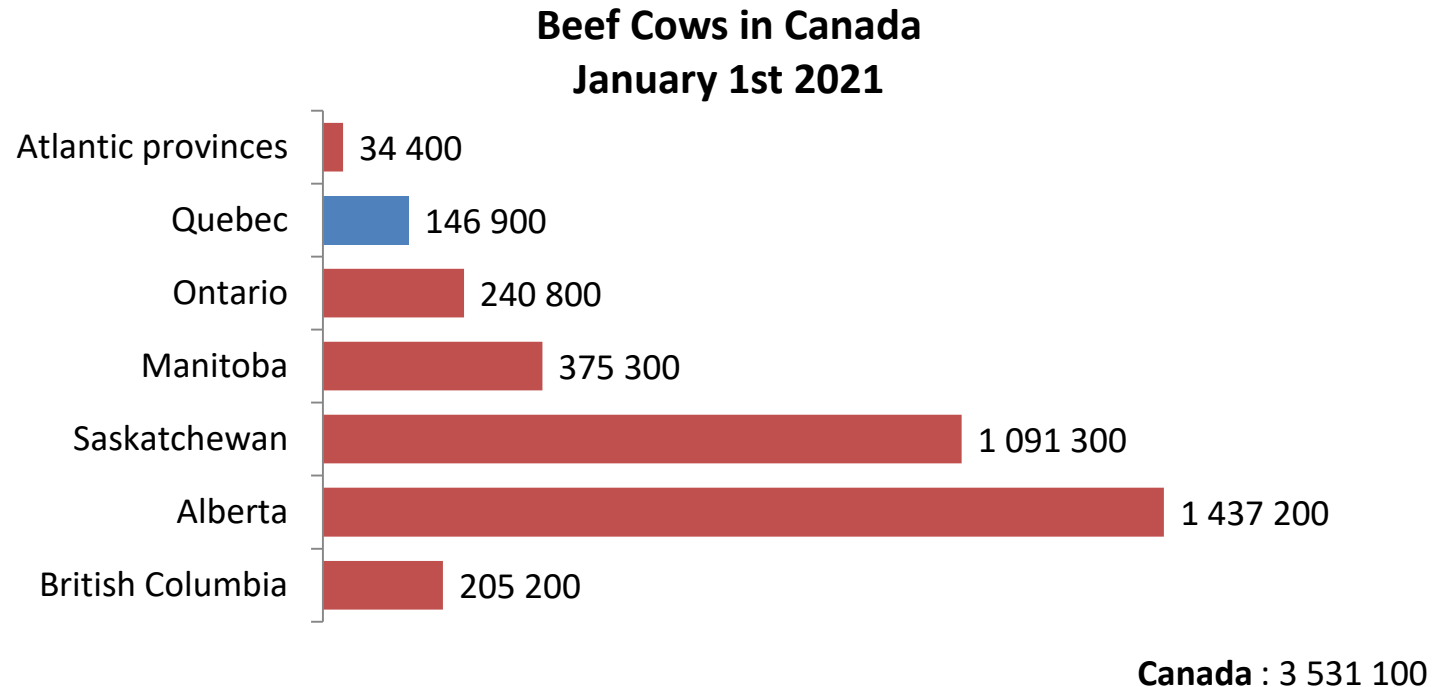
Source :
• Canfax

World top beef importers (% world) - 2020



Source :
• Canfax

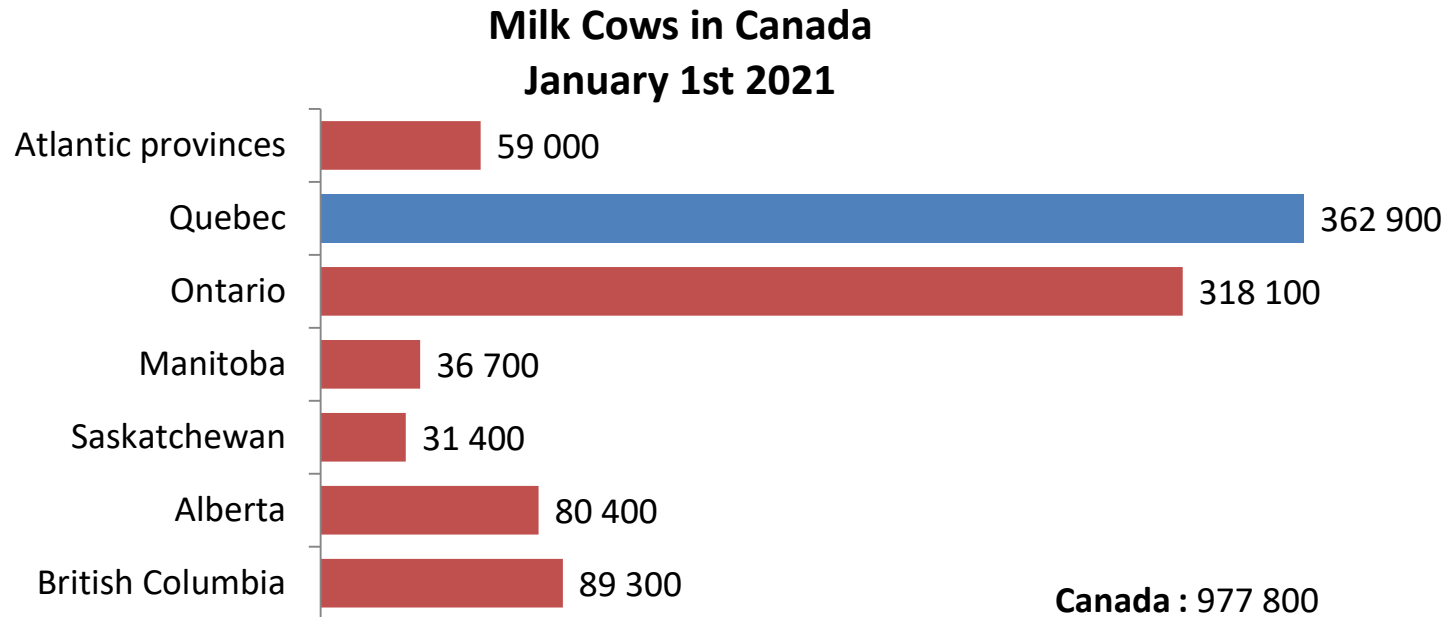
Beef Cow inventory in Canada 2021



Source :

- Statistique Canada

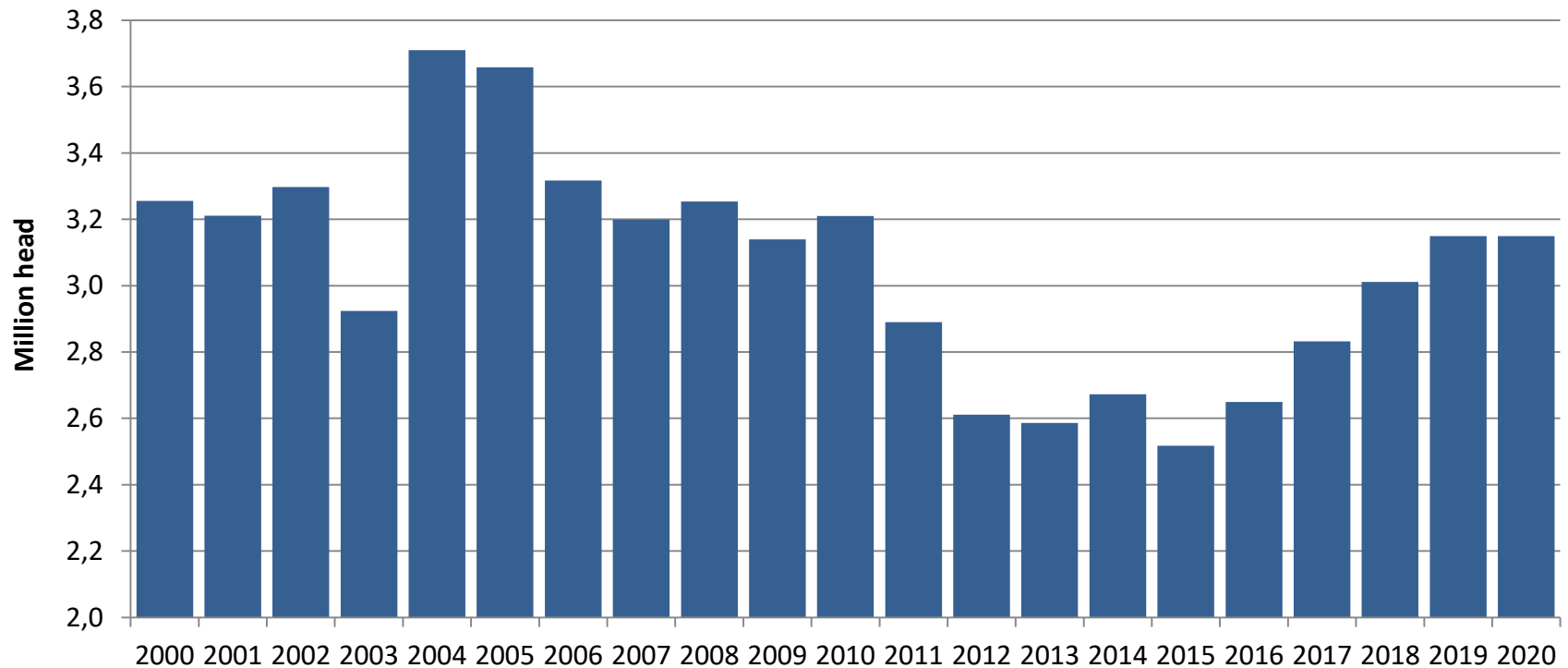
Milk Cow inventory in Canada 2021



Source :

- Statistics Canada

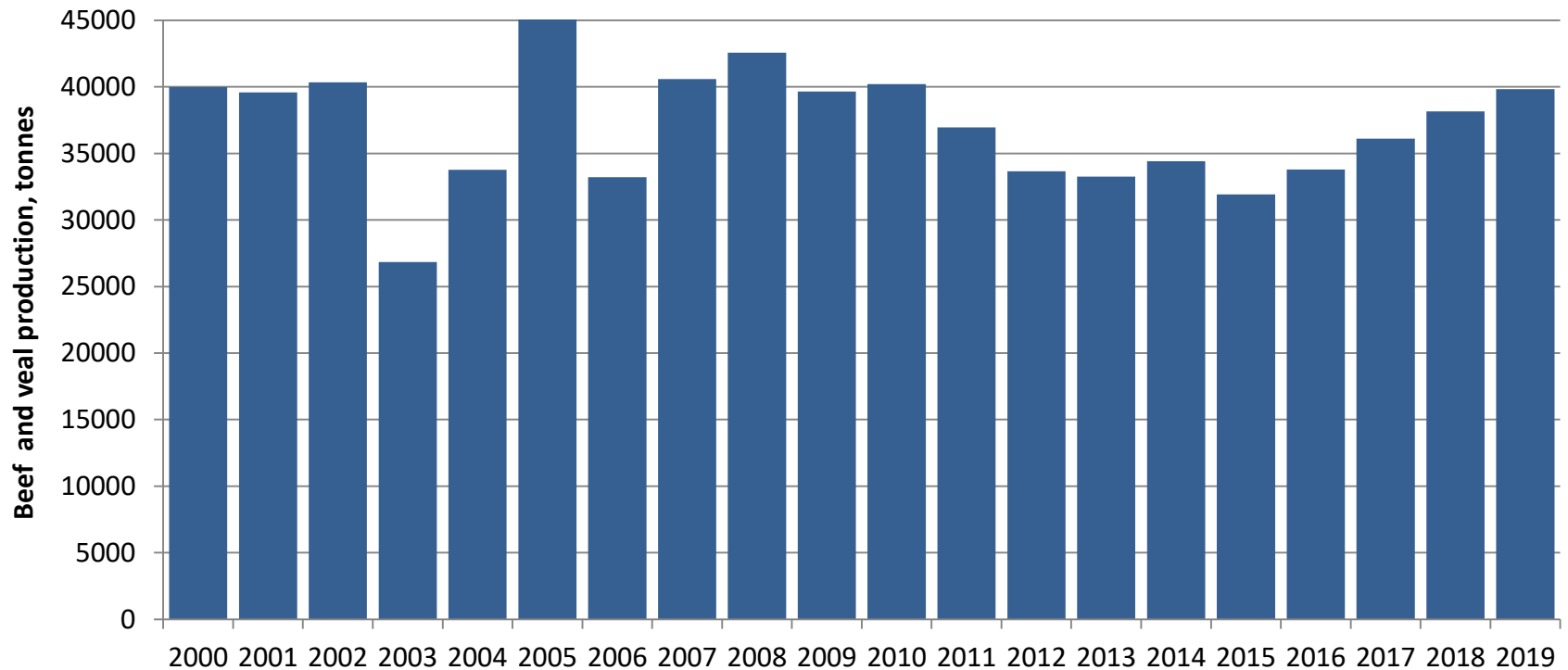
Number of cattle Slaughtered in Federally Inspected Plants



Sources :

- Canadian Beef Grading Agency, AAFC

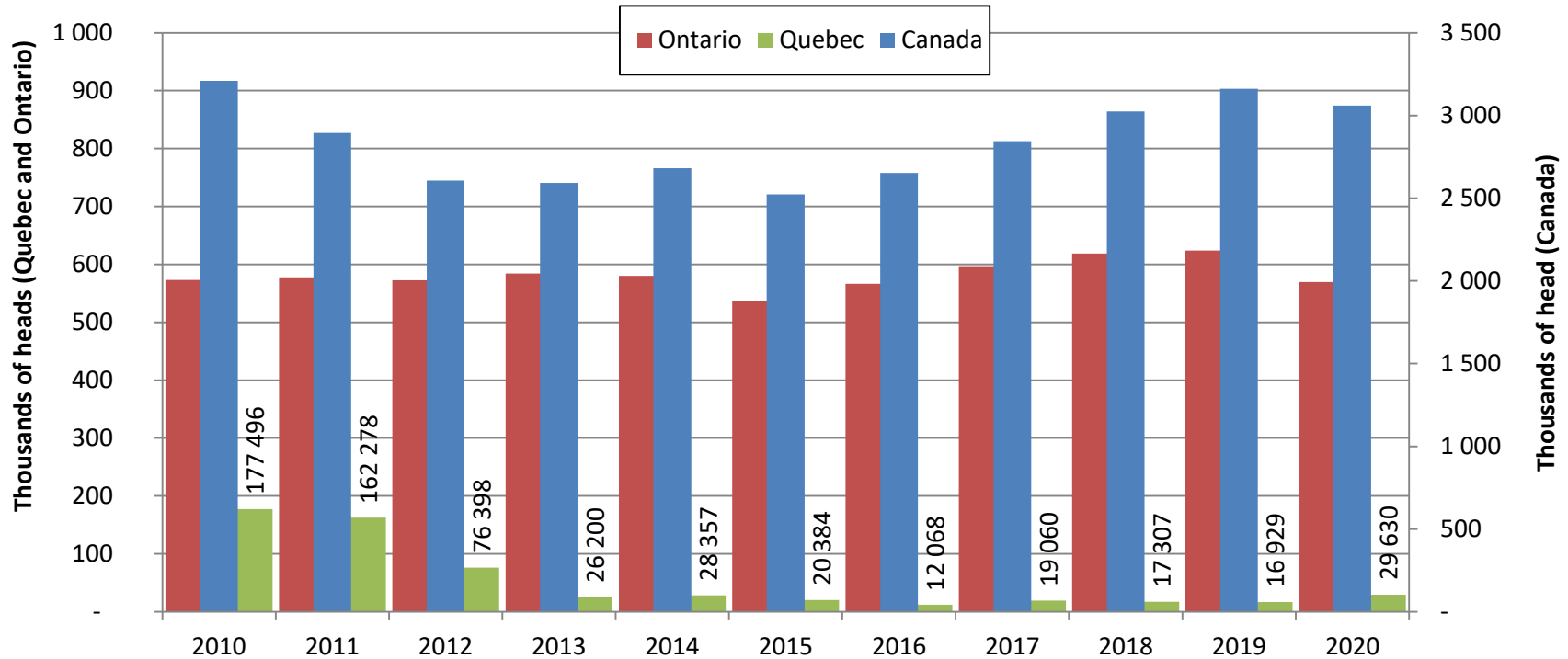
Canadian beef and veal production



Sources :

- Statistics Canada (Edible offal, meat production)

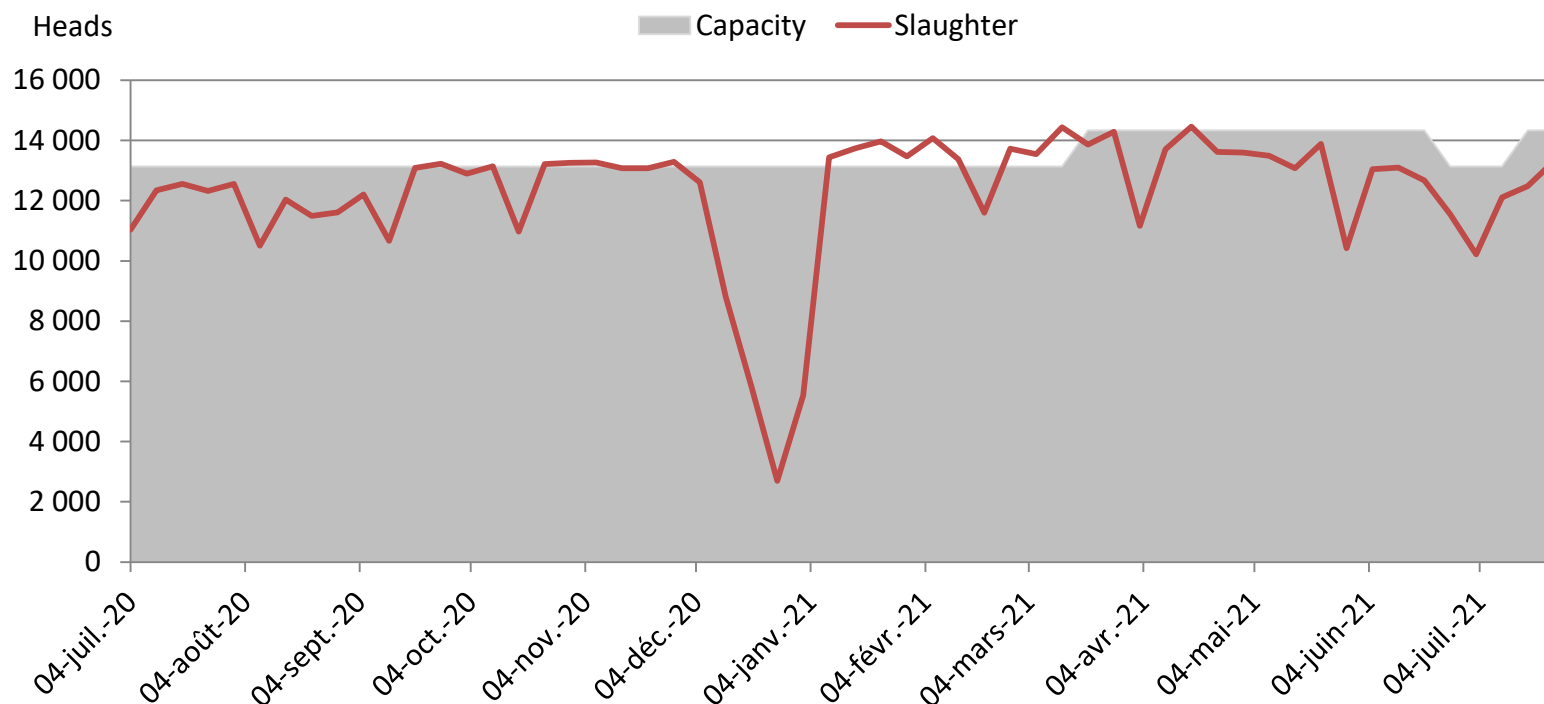
Annuel cattle Slaughter Capacity in Canada



Sources :

- ACIA
- Statistics Canada
- PBQ estimate

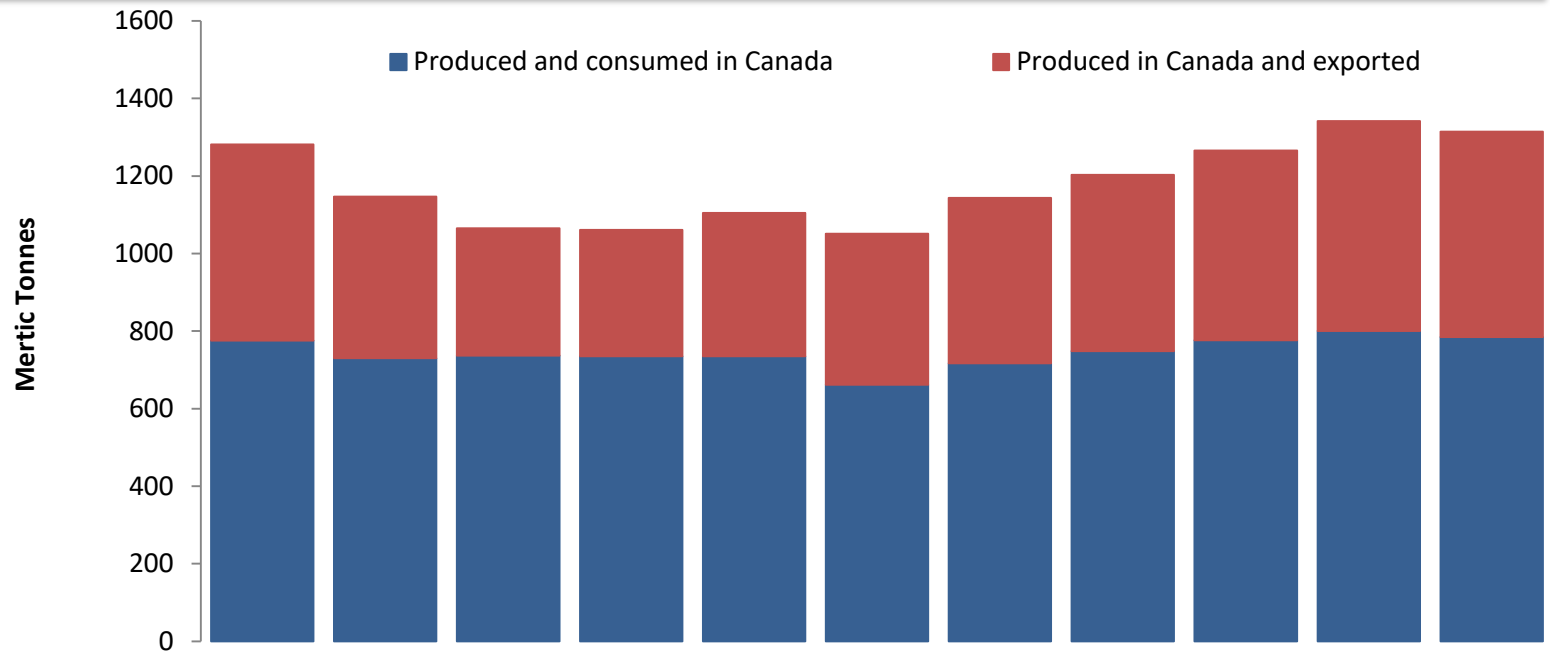
Slaughter capacity and beef production in federally inspected slaughterhouses in Eastern Canada



Sources :

- ACCB
- Canfax
- PBQ estimate

% Canadian beef and veal production exported

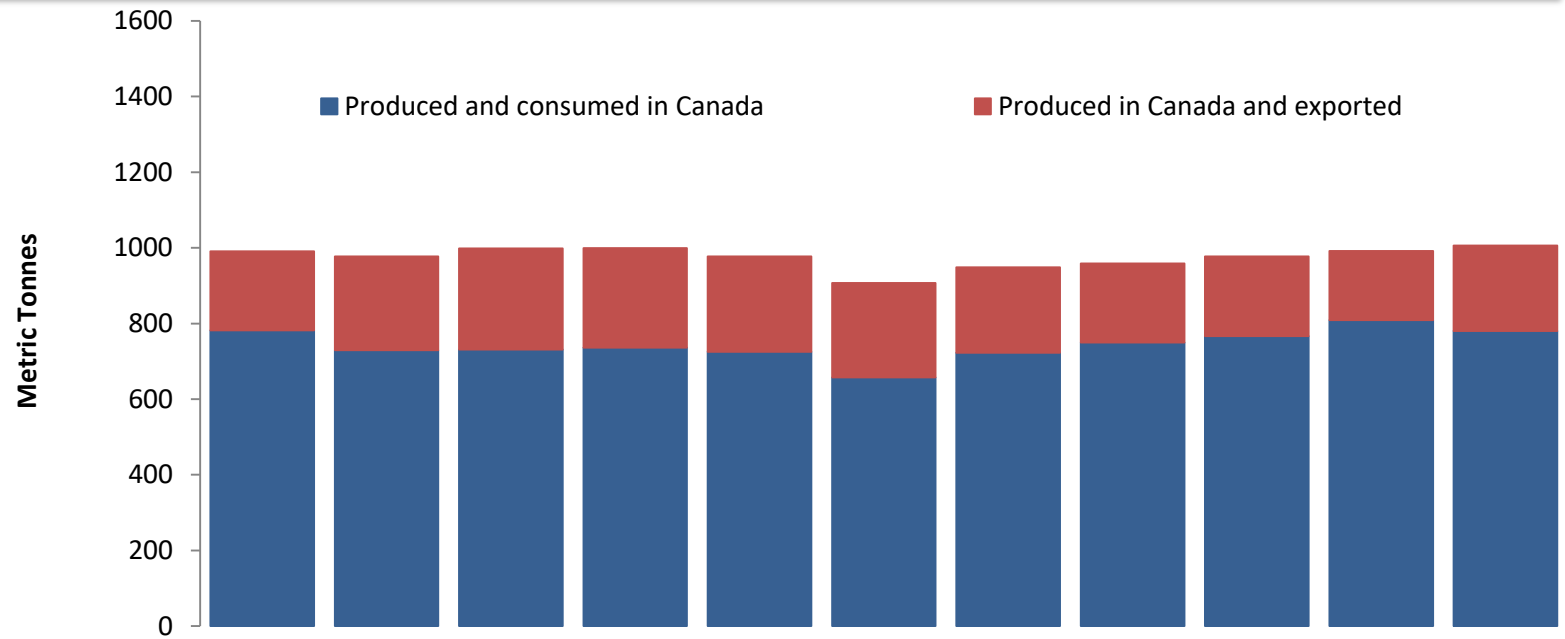


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
% exported / production	39%	36%	31%	31%	33%	37%	37%	38%	39%	40%	40%

Sources :

- Statistics Canada

% Canadian beef and veal consumption imported



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
% imported / consumed	21%	25%	27%	26%	26%	28%	24%	22%	21%	18%	22%

Sources :

- Statistics Canada

Beef and veal meat exports from Canada

Beef and veal meat exports (tonnes)	Jan. 1 - July 30		
	2021	2020	% chg
United States	165 200	141 870	16%
Japan	27 339	20 290	35%
Hong Kong	4 401	6 056	-27%
Mexico	11 401	5 494	108%
China	9 947	3 961	151%
South Korea	4 651	2 482	87%
Vietnam	6 996	1 601	337%
Angola	966	1 272	-24%
Philippines	3 084	319	867%
Others	5 276	5 632	-6%
Total	239 261	188 976	27%

Sources :

- Statistics Canada, AACF

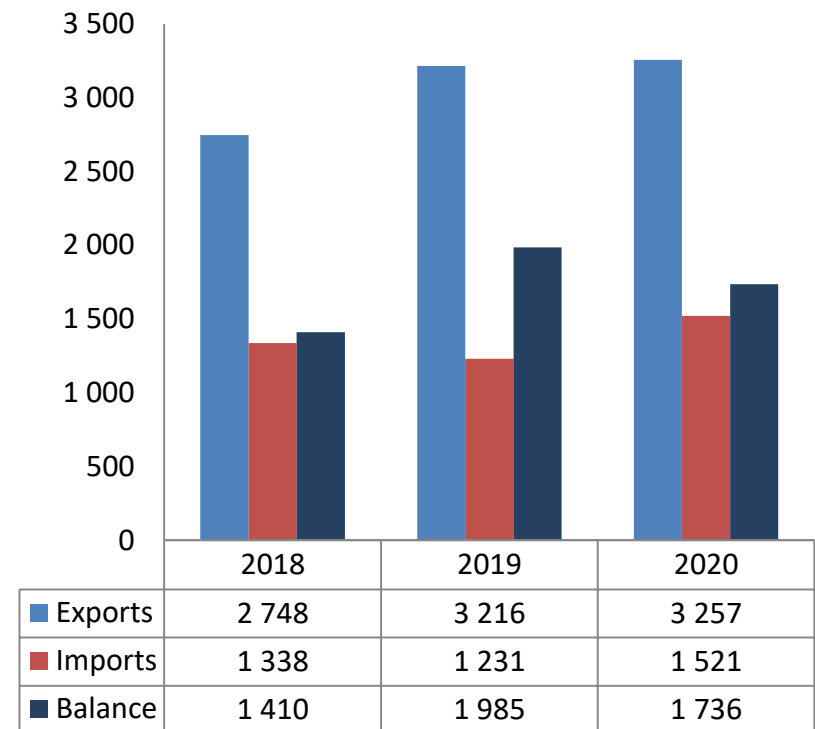
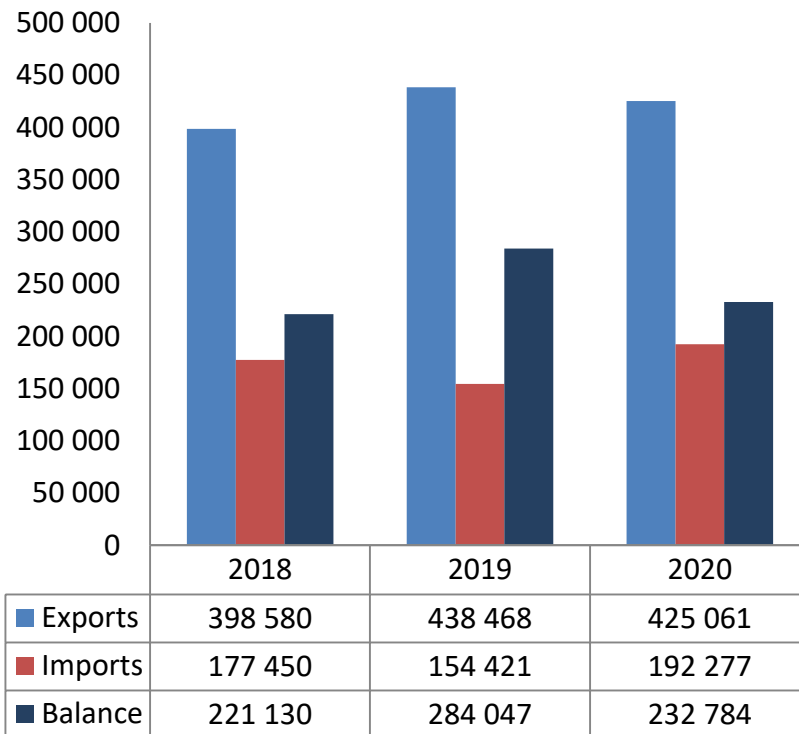
Beef and veal imports to Canada

Beef and veal meat imports (tonnes)	Jan. 1 - July 31		
	2021	2020	% chg
United States	59 583	66 198	-10%
New Zealand	8 420	11 191	-25%
Uruguay	7 621	10 215	-25%
Australia	4 190	7 890	-47%
Mexico	5 166	4 992	3%
United Kingdom	1 607	2 633	-39%
Others	9 776	13 163	-26%
Total	96 539	115 573	-16%

Sources :

- Statistics Canada, AACF

Imports and exports of beef and veal, Canada (kg, \$CA) 2018-2020



Sources :

- Statistics Canada, AACF

Veal exports from Canada

Veal exports (tonnes)	Jan. 1 - June 30		
	2021	2020	% chg
United States	1 769	956	85%
Japan	0	0	-
United Arab Emirates	82	46	78%
Autres	4	5	-
Total	1 855	1 007	-

Sources :

- Statistics Canada, AACF

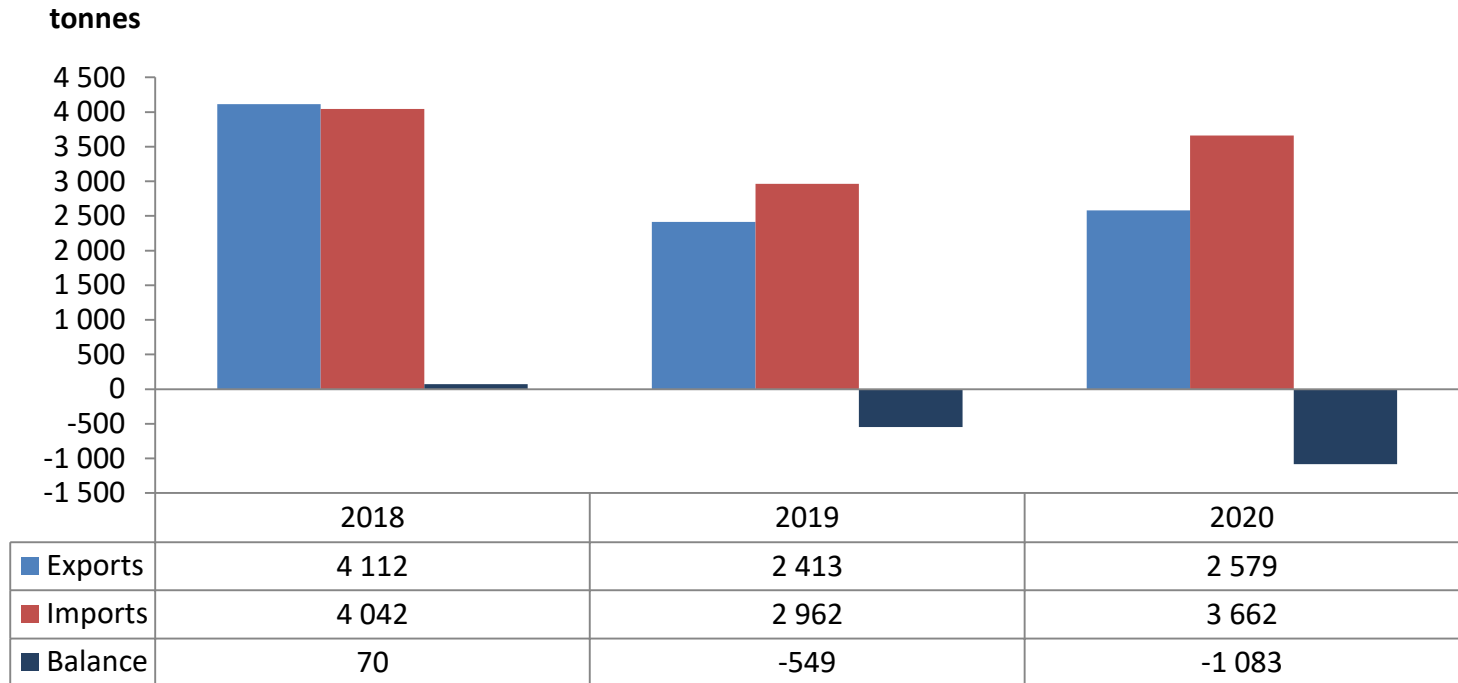
Veal imports to Canada

Veal imports (tonnes)	Jan. 1 - July 31		
	2021	2020	% chg
United States	329	441	-25%
New Zeland	386	108	-
Australia	24	105	-77%
European Union - 27			-
Netherland	233	177	32%
Others	188	84	-
Total	1 185	9 147	30%

Sources :

- Statistics Canada, AACF

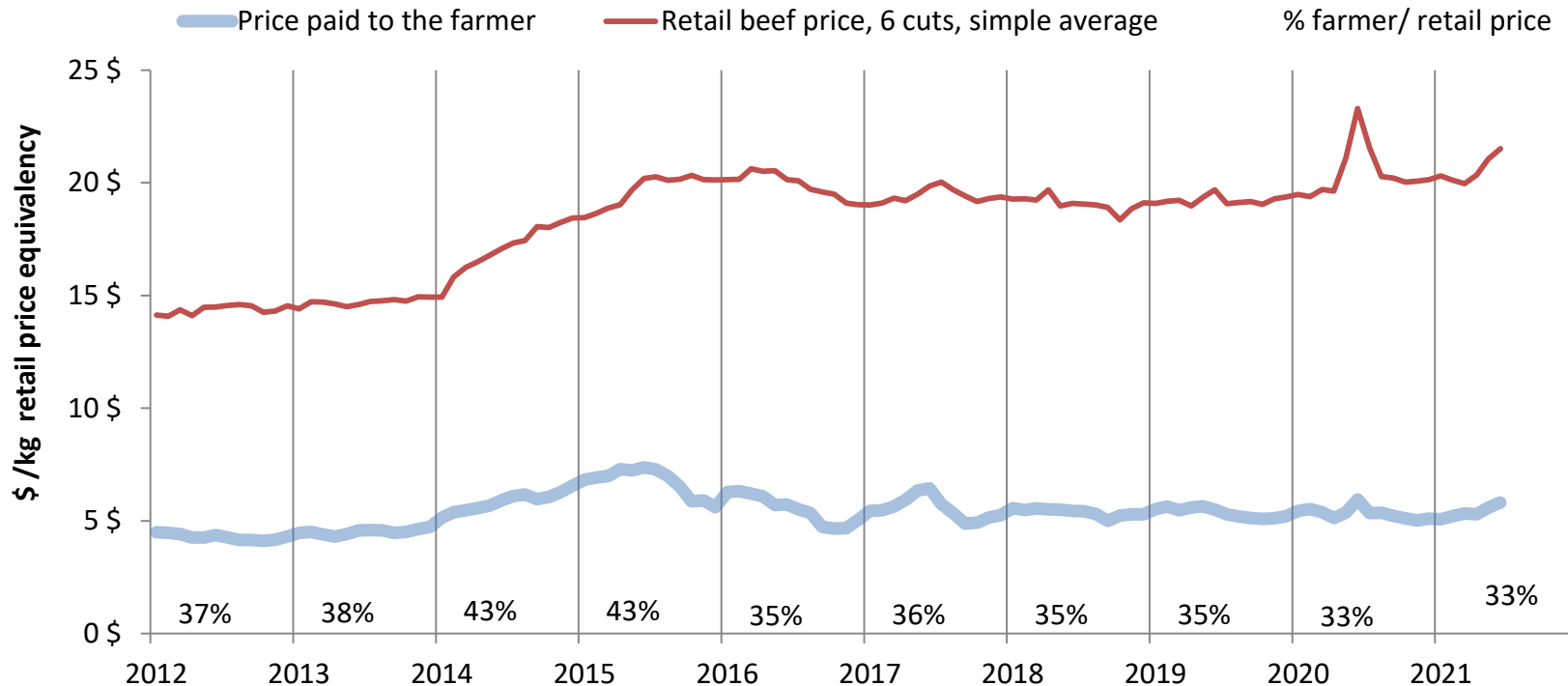
Imports and exports of veal, Canada annual data (tonnes) 2018-2020



Sources :

- Statistics Canada, AACF

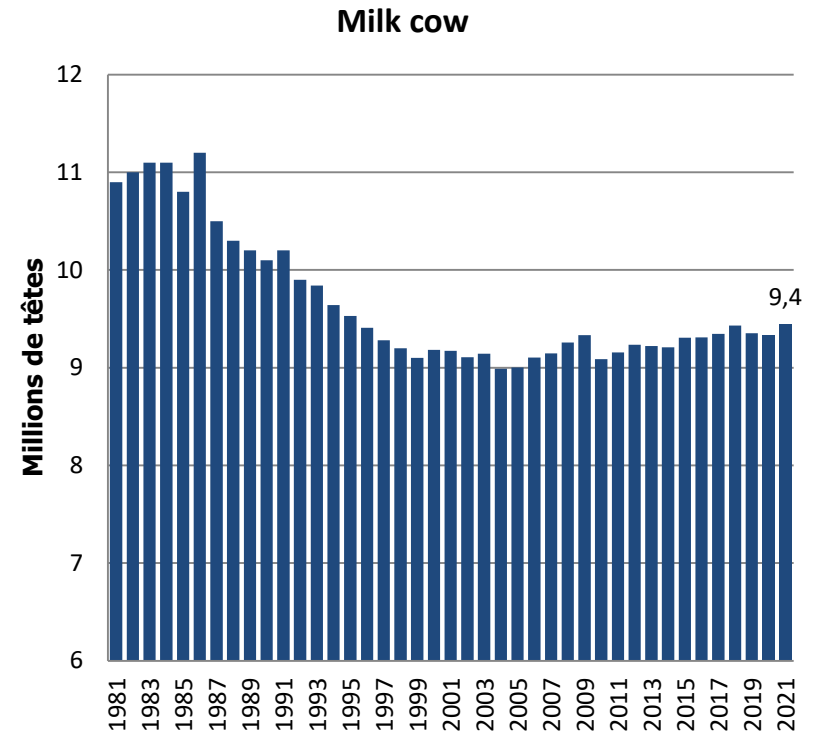
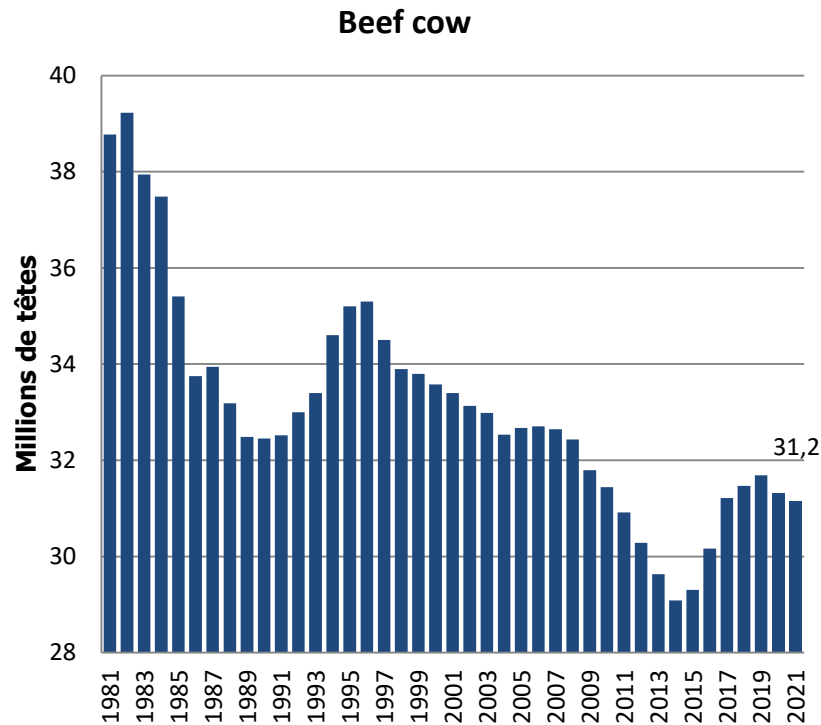
Beef price cuts vs price paid to the producer



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

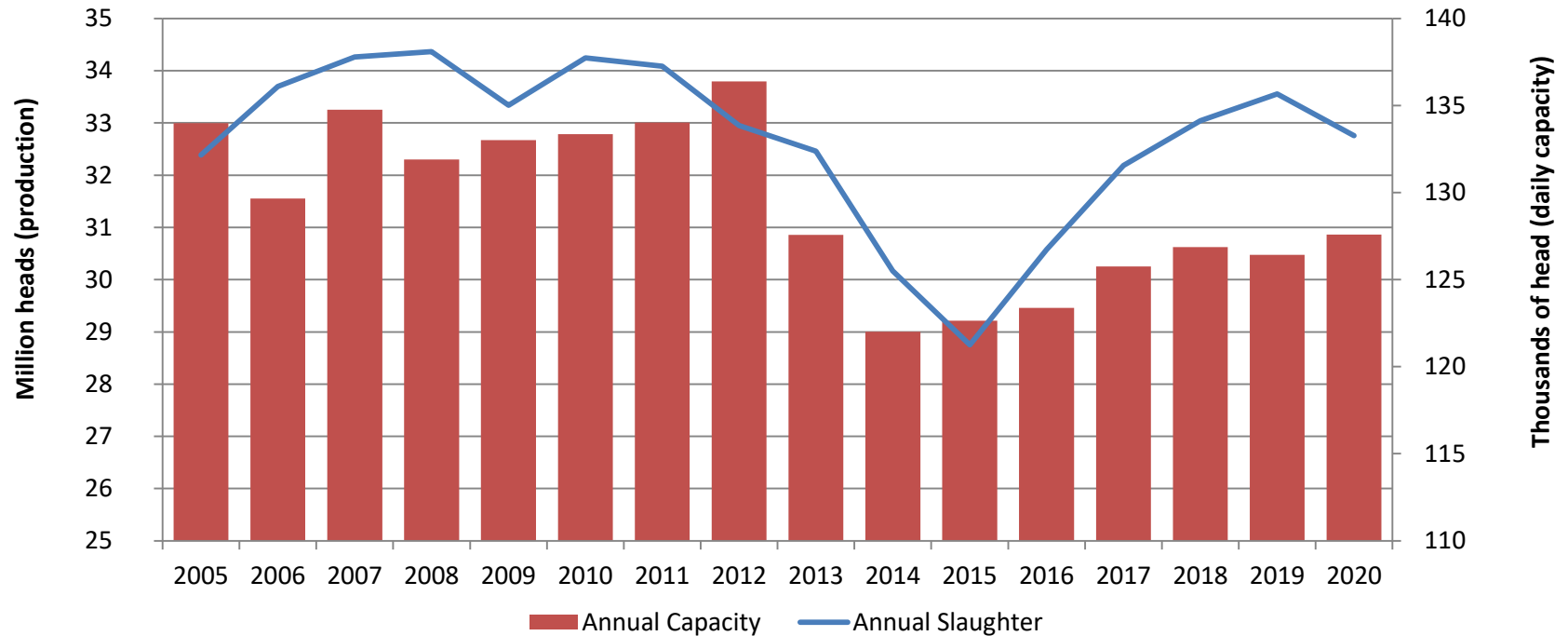


Source :

- USDA



Slaughter capacity vs cattle production in United-States

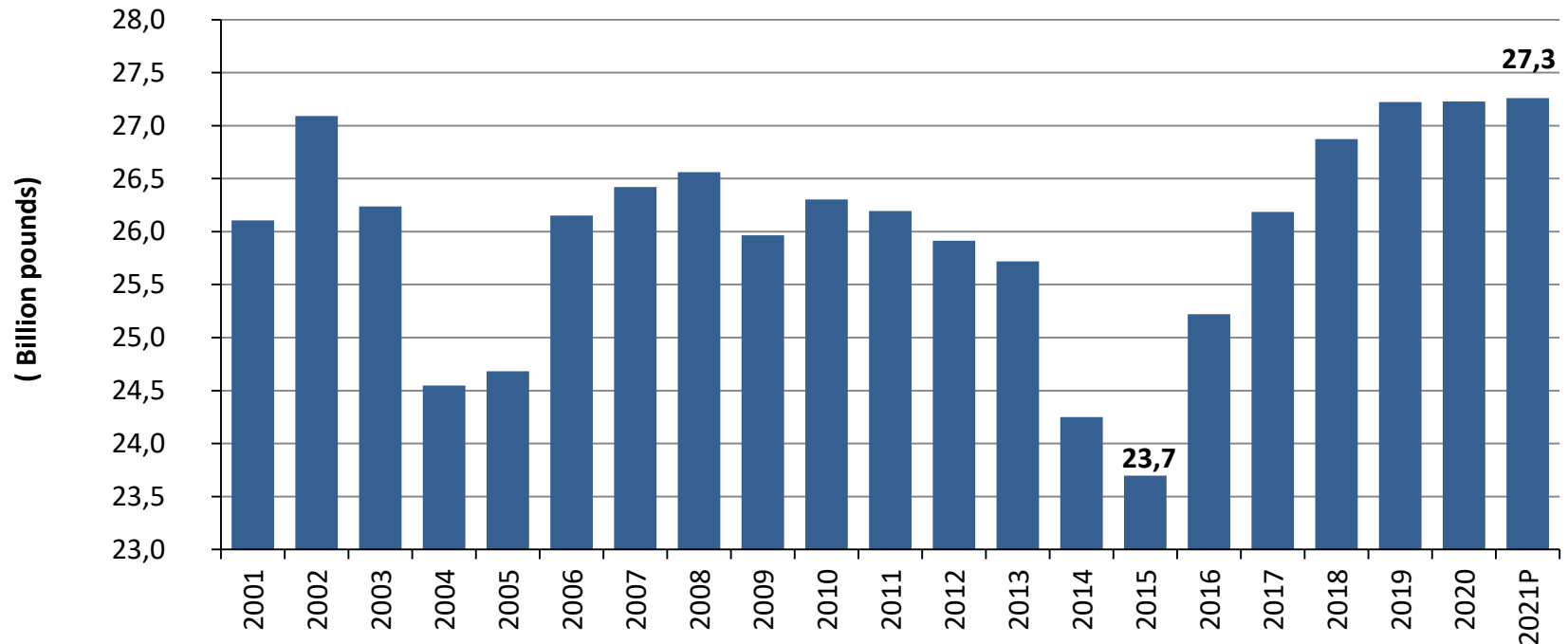


Source :

- USDA
- Cattle Buyers Weekly



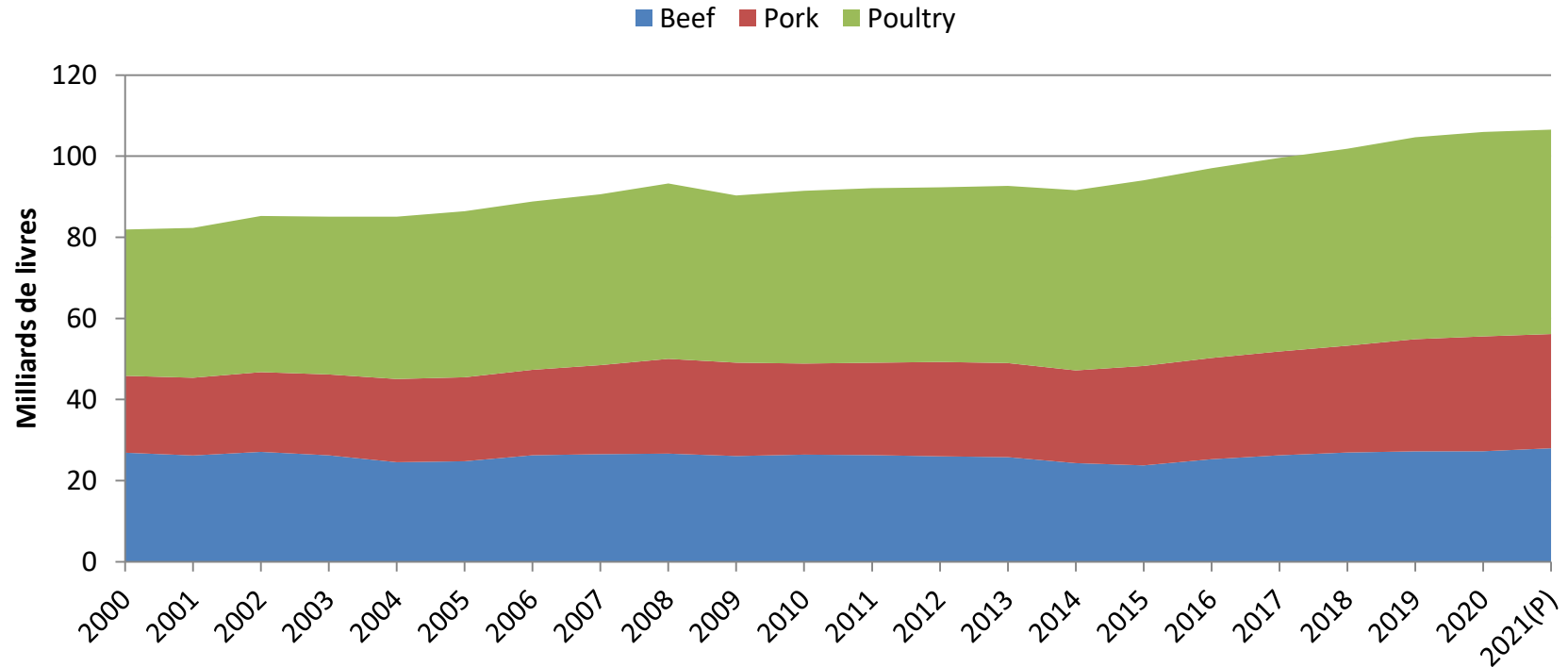
Beef production in United-States



Sources :

- USDA and WASDE projection

Beef – pork –poultry production in United-States

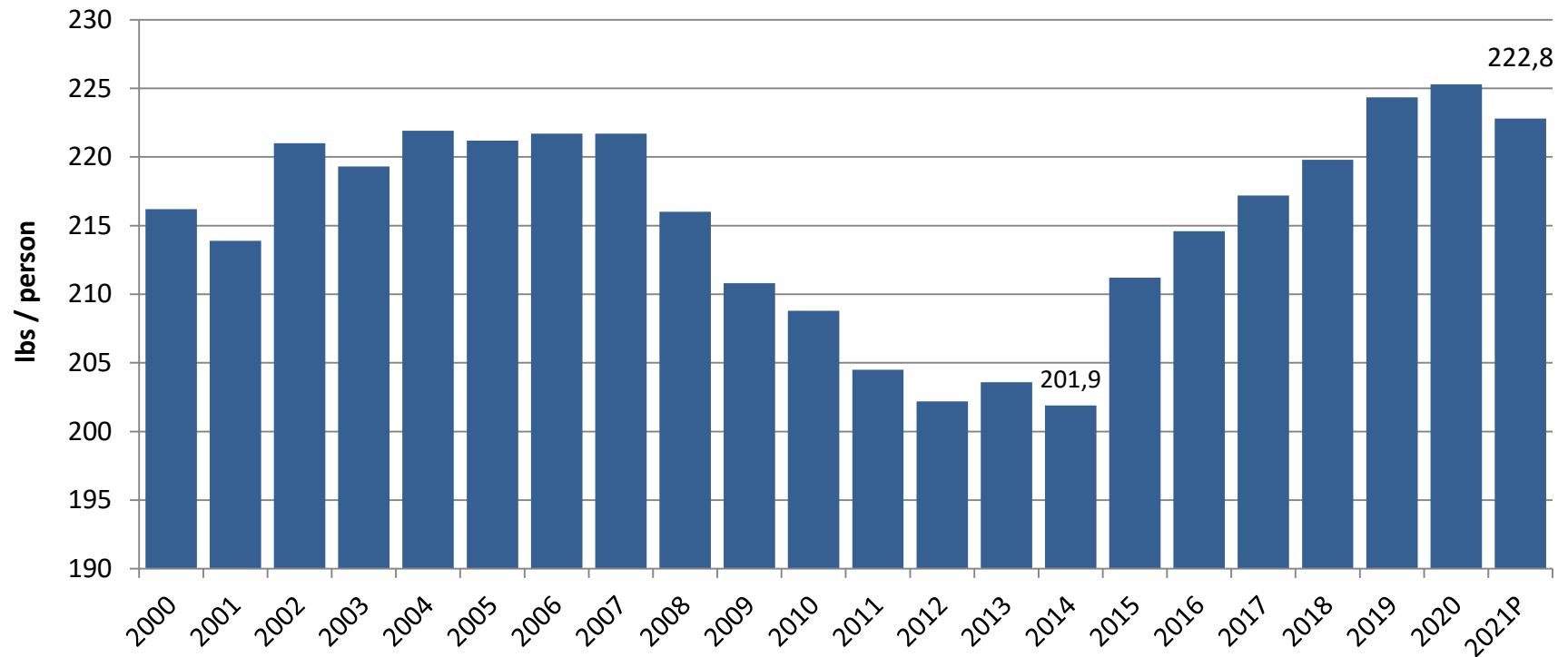


Sources :

- USDA

Beef – pork – poultry

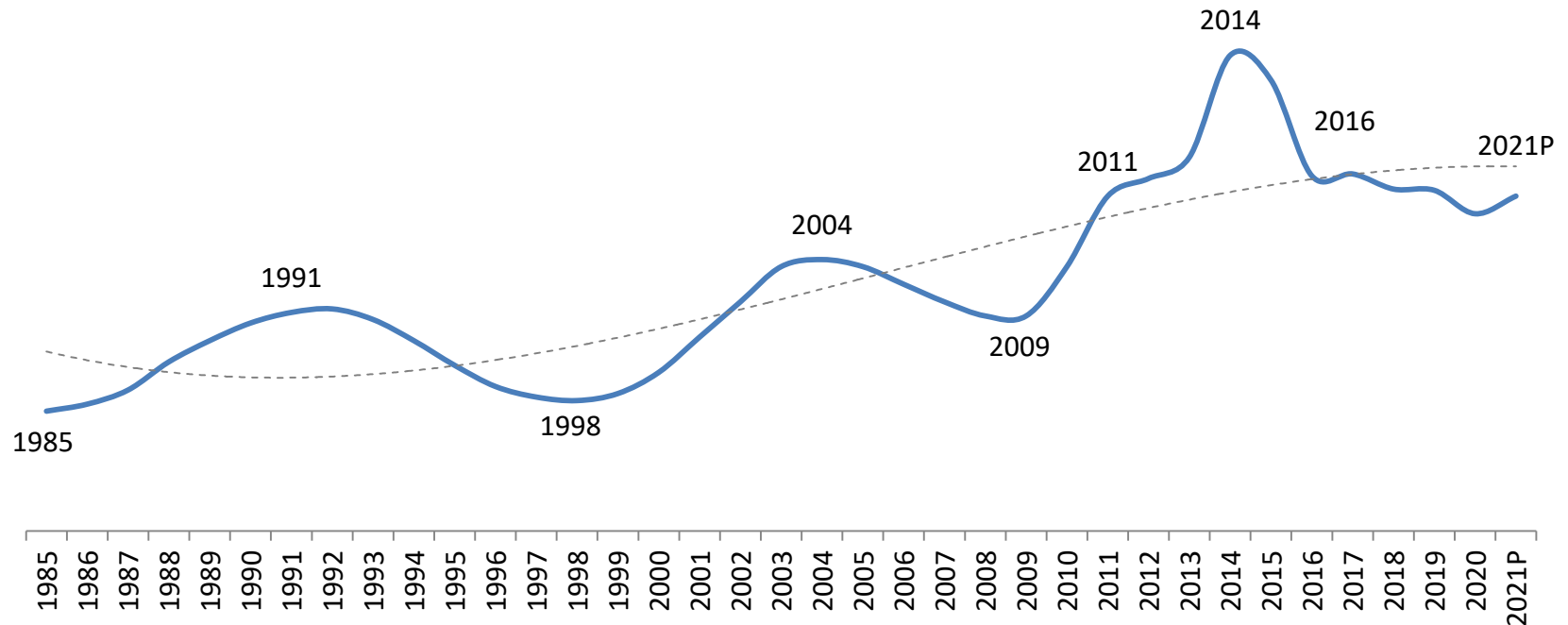
Consumption per capita in United-States (lb)



Source :

- USDA

Cattle price cycle in United-States

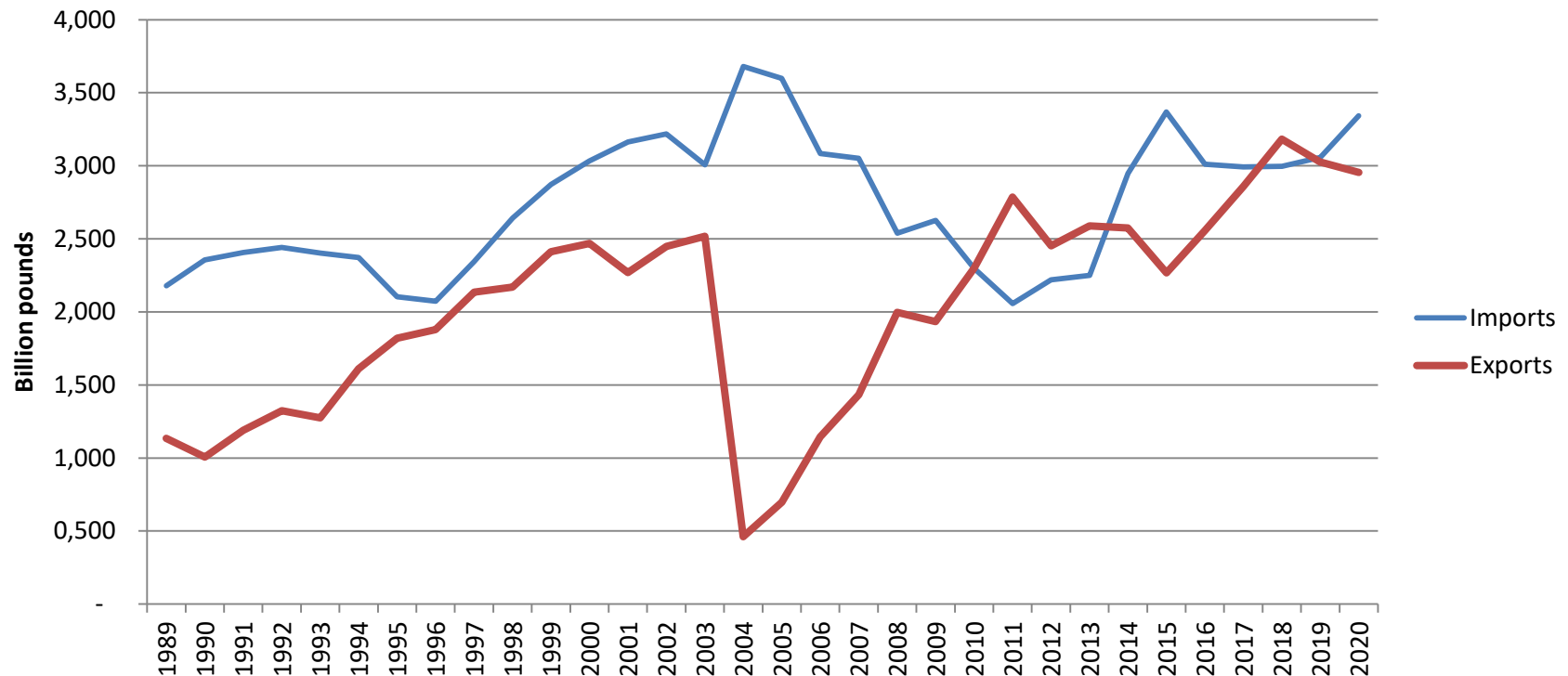


Sources :

- CattleFax



Beef imports and exports in United-States



Sources :

- USDA et Cattlefax



Short term outlook

- After an encouraging spring recovery, the cattle market is starting to run out of steam due to the seasonal decline in demand.
 - Carcass weights have dropped by around 10 lbs in recent weeks. However, marketed cattle are still heavier than normal at this time of year.
 - Despite the fears of a fourth wave of COVID-19 contamination, resumption of food services across the country is expected to strengthen demand.
-

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 technical constraints (social distancing and labour issue), the slaughterhouses are still operating below pre-COVID levels.
 - Rising exports to Asia, accelerating COVID vaccination campaigns and tightening beef supply are expected to support the market in the medium to long term.
-



PRODUCTEURS DE BOVINS DU QUÉBEC

Sources :

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

Links:



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

Thank you!

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