

A GLANCE AT BEEF AND VEAL MARKET

July 2020

Les Producteurs
de bovins du
Québec



A GLANCE AT BEEF AND VEAL MARKETS

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Québec

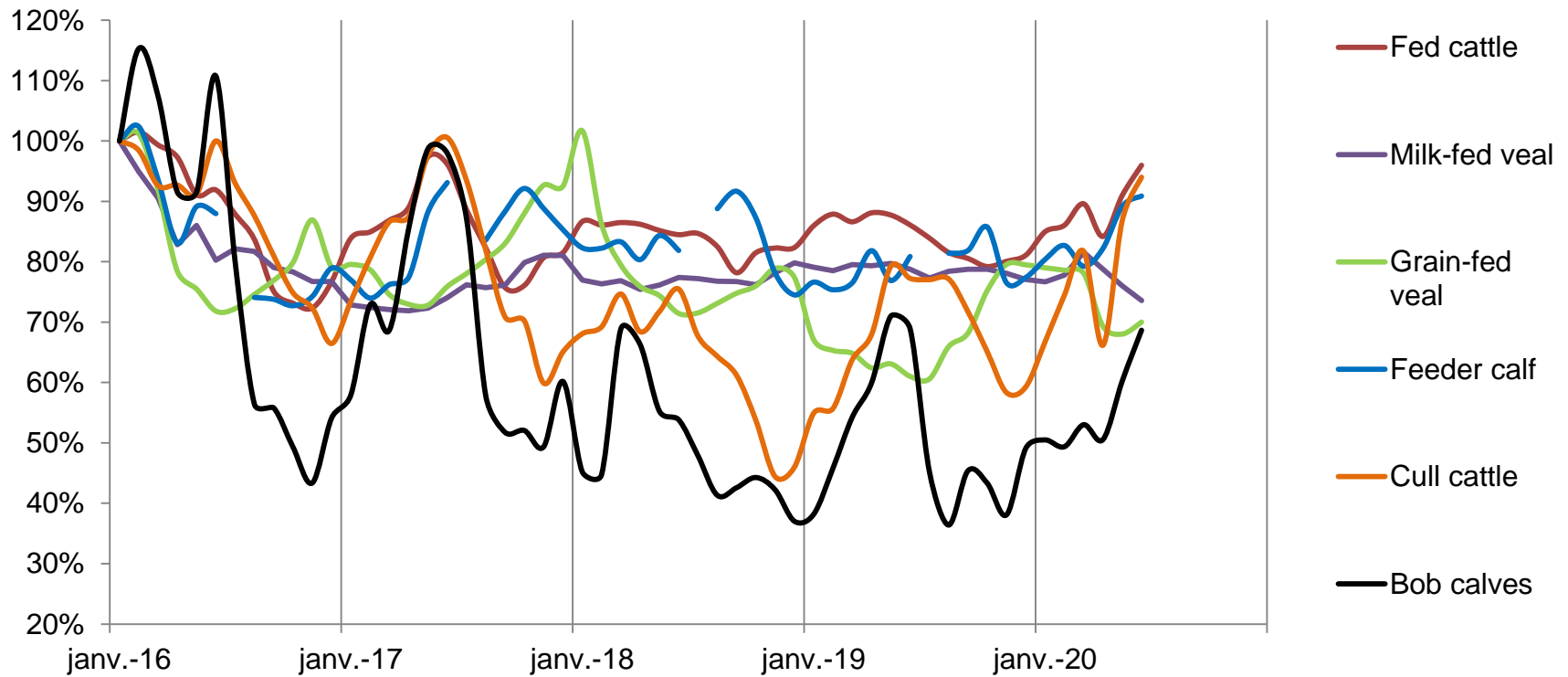


Slaughter volume (head) in 2020

		Canada			United-States
		West	East	Total	Total
Steers and heifers	2020	1 001 349	301 900	1 303 249	12 527 000
	% chg 2019	- 5 %	- 2 %	- 5 %	- 6%
Cows and bulls	2020	175 732	53 767	229 499	3 534 000
	% chg 2019	- 24 %	- 8 %	- 21 %	0 %
Milk fed and grain fed calves	2020			87 200	96 493
	% chg 2019			- 9 %	- 0,1 %

Source :
AAFC (Year to date)

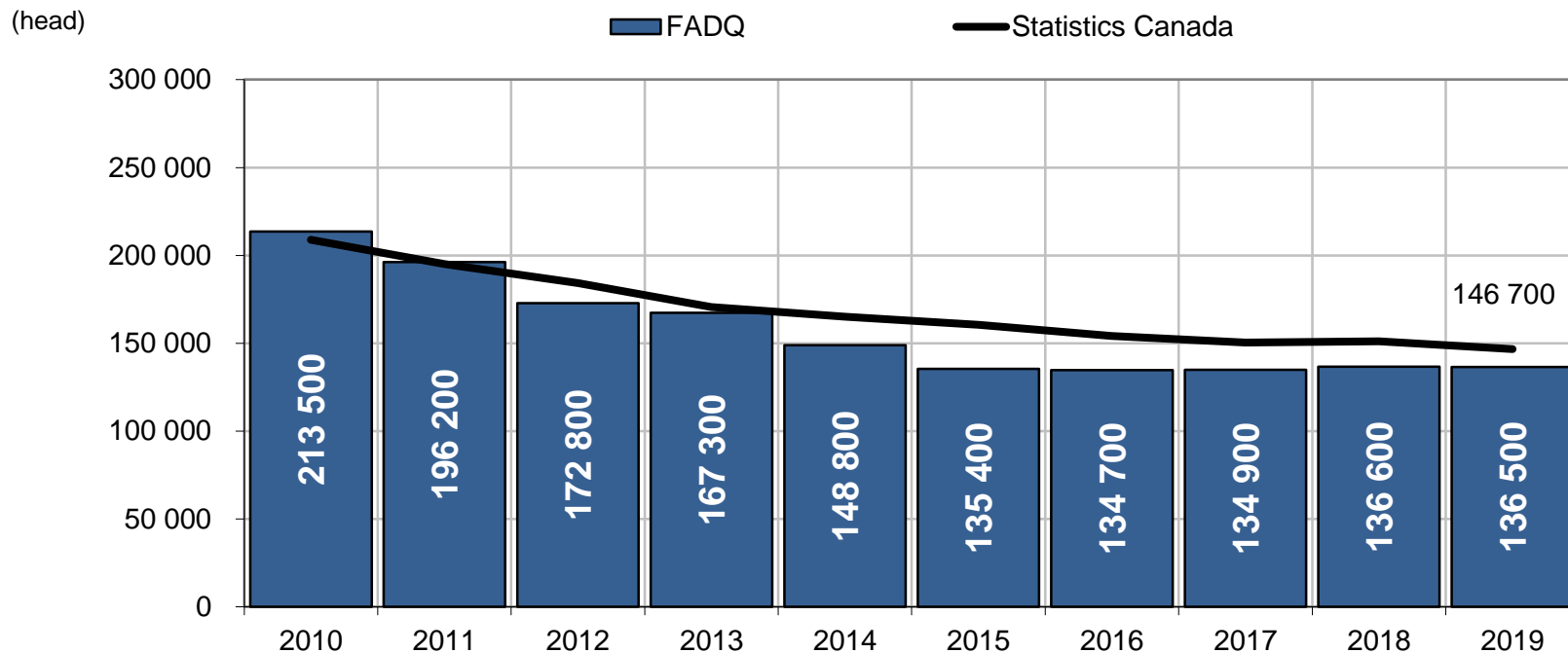
Price variation of cattle in Quebec since January 2016



Source :
• PBQ

Feeder calf

Number of beef cows in Quebec



Sources :

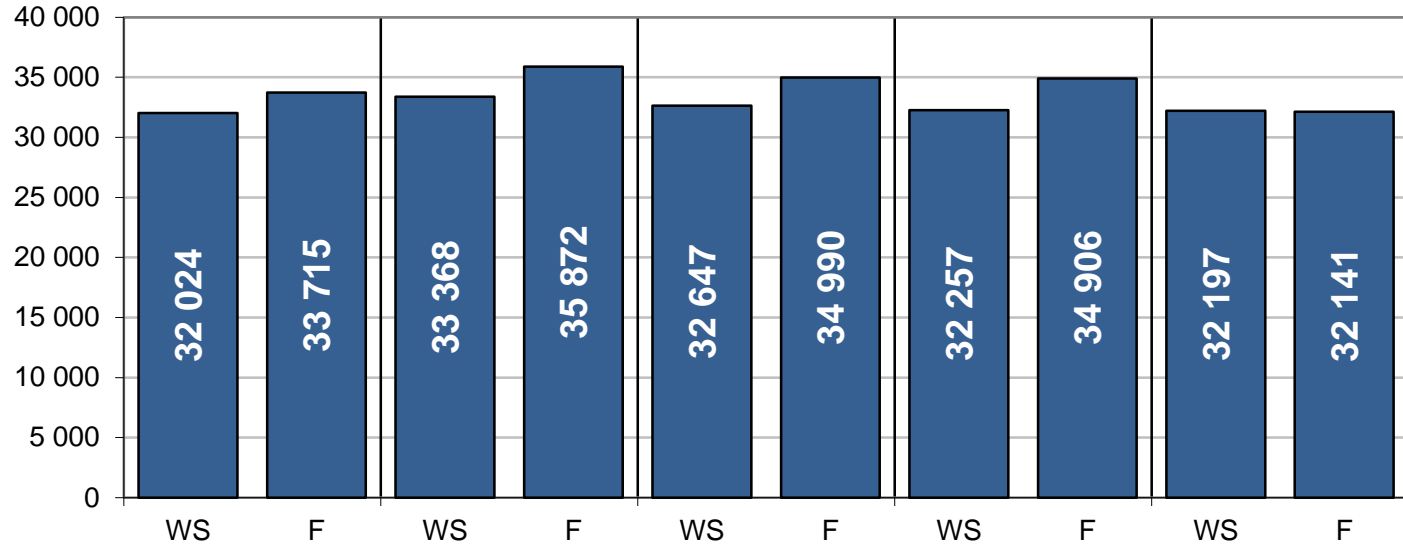
- Number of beef cows on farms (annual average), FADQ cow calf ASRA Program
- Number of beef cows on farms on January 1st, Statistics Canada

Feeder calf

Feeder calves in Quebec specialized auctions (numbers and weights)

(head)

WS = Winter and spring F = Fall



	2015	2016	2017	2018	2019
Head	65 739	69 240	67 637	67 163	64 338
Weight (lb)	655	658	659	657	664

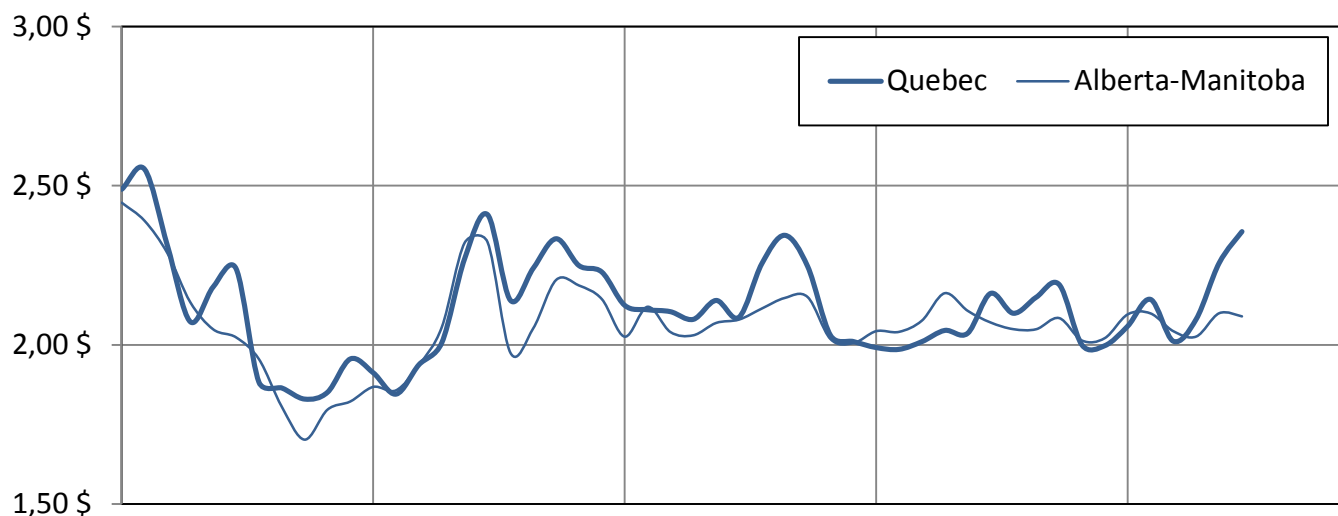
Source :

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

(\$cwt)



	2016	2017	2018	2019	2020
Quebec	2,11 \$	2,14 \$	2,14 \$	2,06 \$	2,15 \$
Que-(Alb-Man)	0,07 \$	0,06 \$	0,07 \$	0,00 \$	0,08 \$

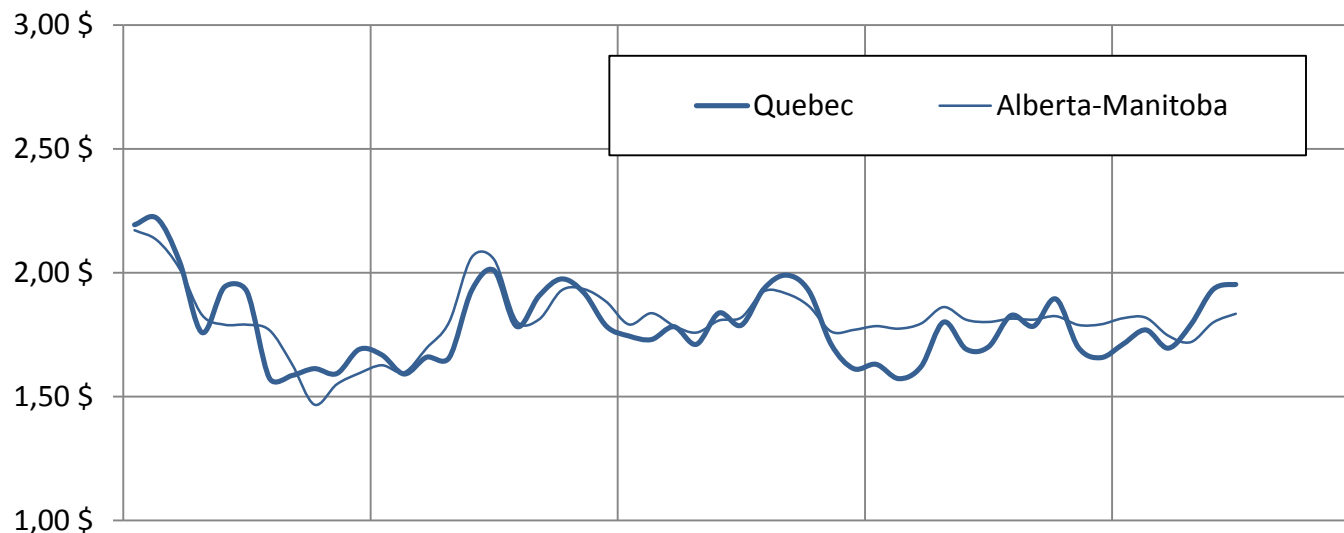
Sources :

- 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

(\$/cwt)



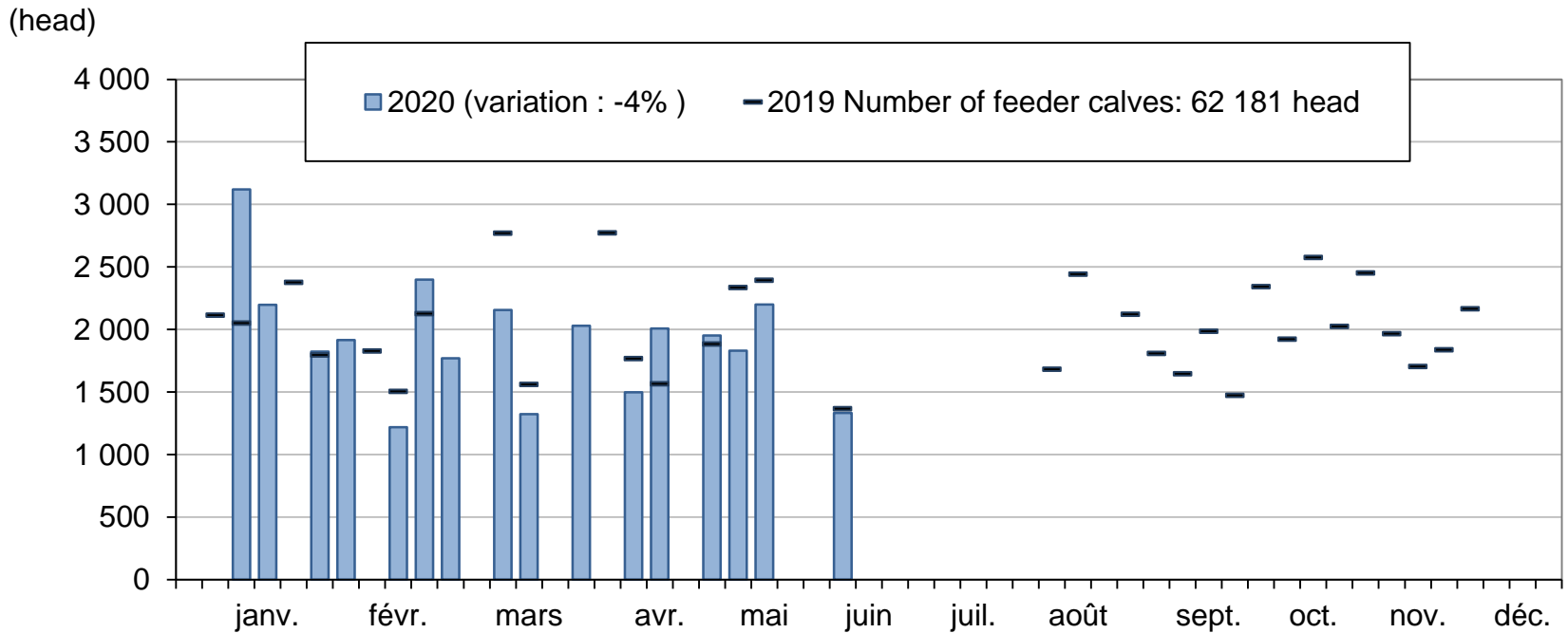
	2016	2017	2018	2019	2020
Quebec	1,79 \$	1,84 \$	1,82 \$	1,72 \$	1,81 \$
Que-(Alb-Man)	0,04 \$	-0,03 \$	-0,02 \$	-0,09 \$	0,02 \$

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 2019-2020

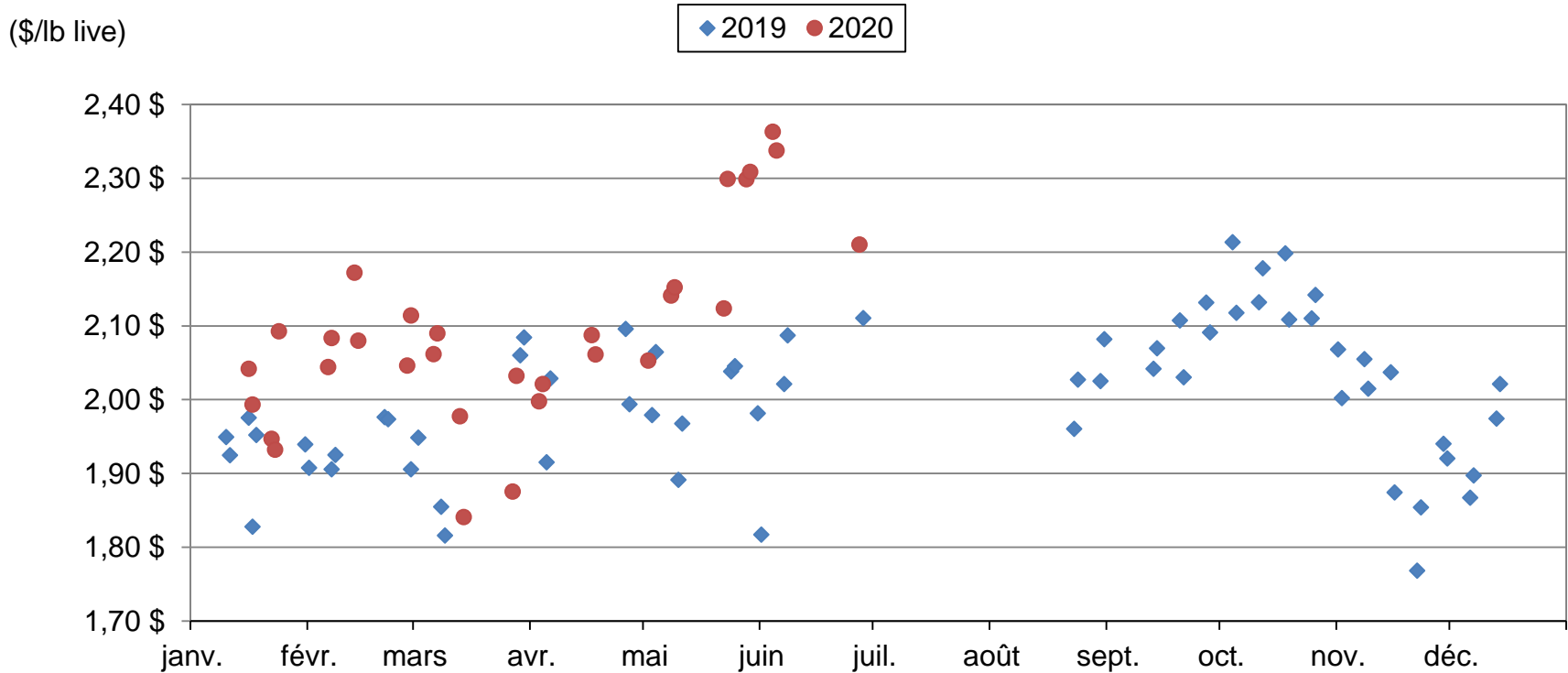


Source :
Number of feeder calves in Quebec specialized auctions in Quebec, PBQ

Feeder calf

Price of male feeder calves (600-700 lb)

Quebec specialized auctions 2019-2020



Sources :

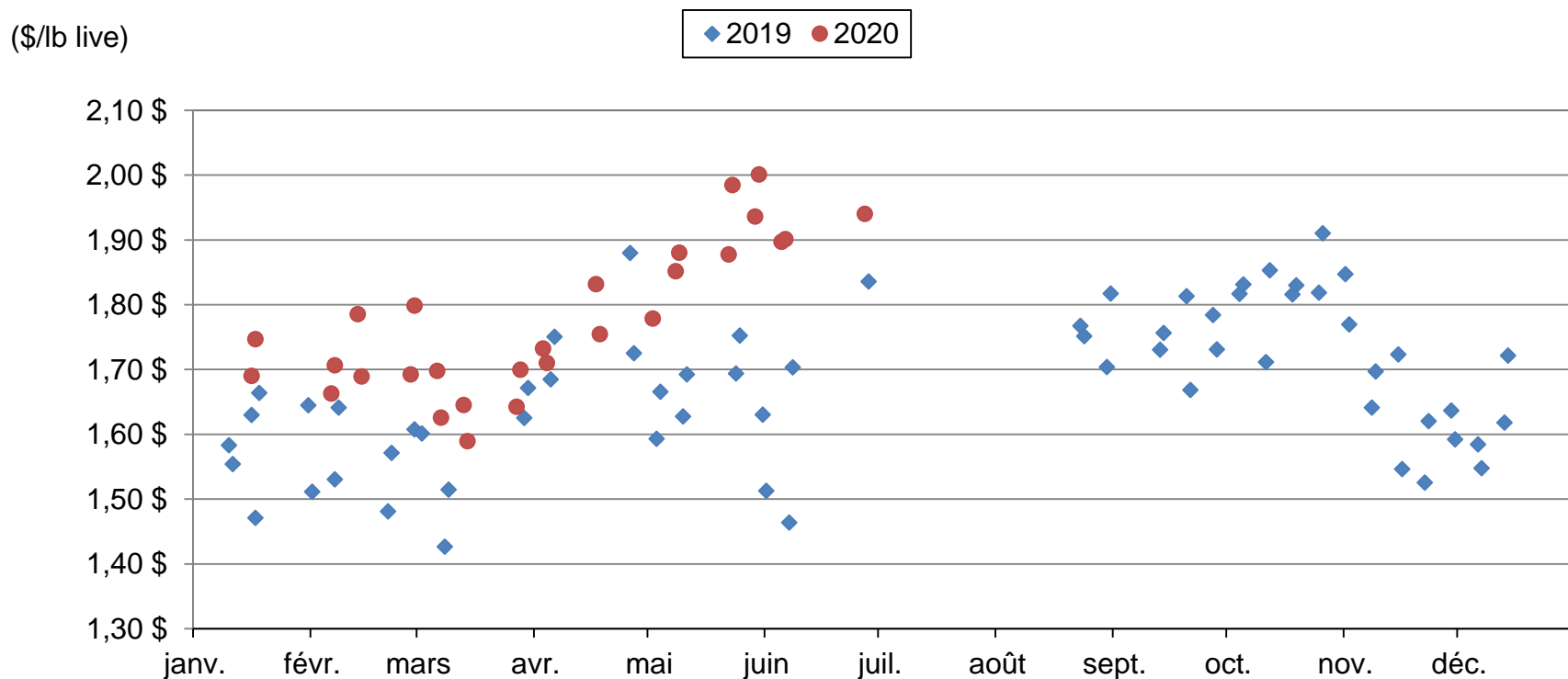
- Quebec : Price of male feeder calves, 600 to 700 lb, sold in the specialized market auctions in Quebec, PBQ



Feeder calf

Price of female feeder calves (600-700 lb)

Quebec specialized auctions 2019-2020



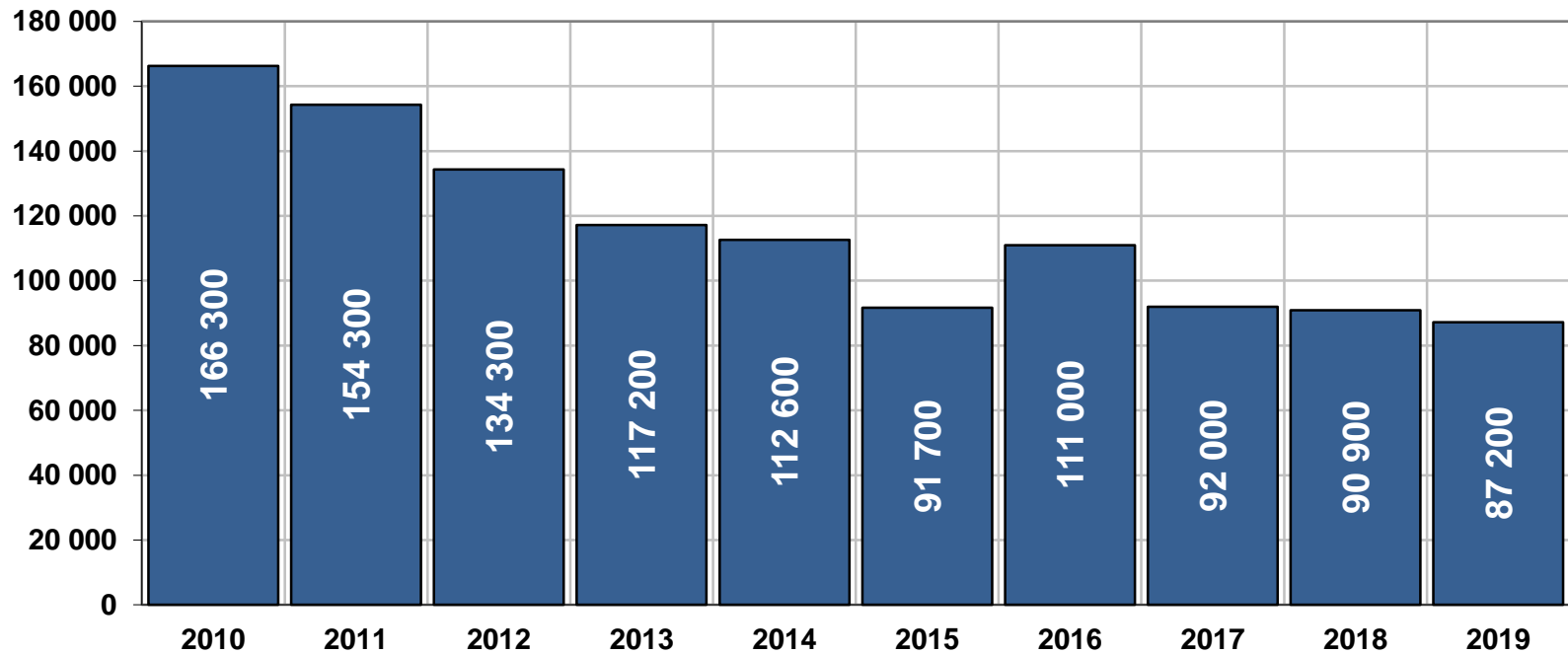
Sources :

- 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

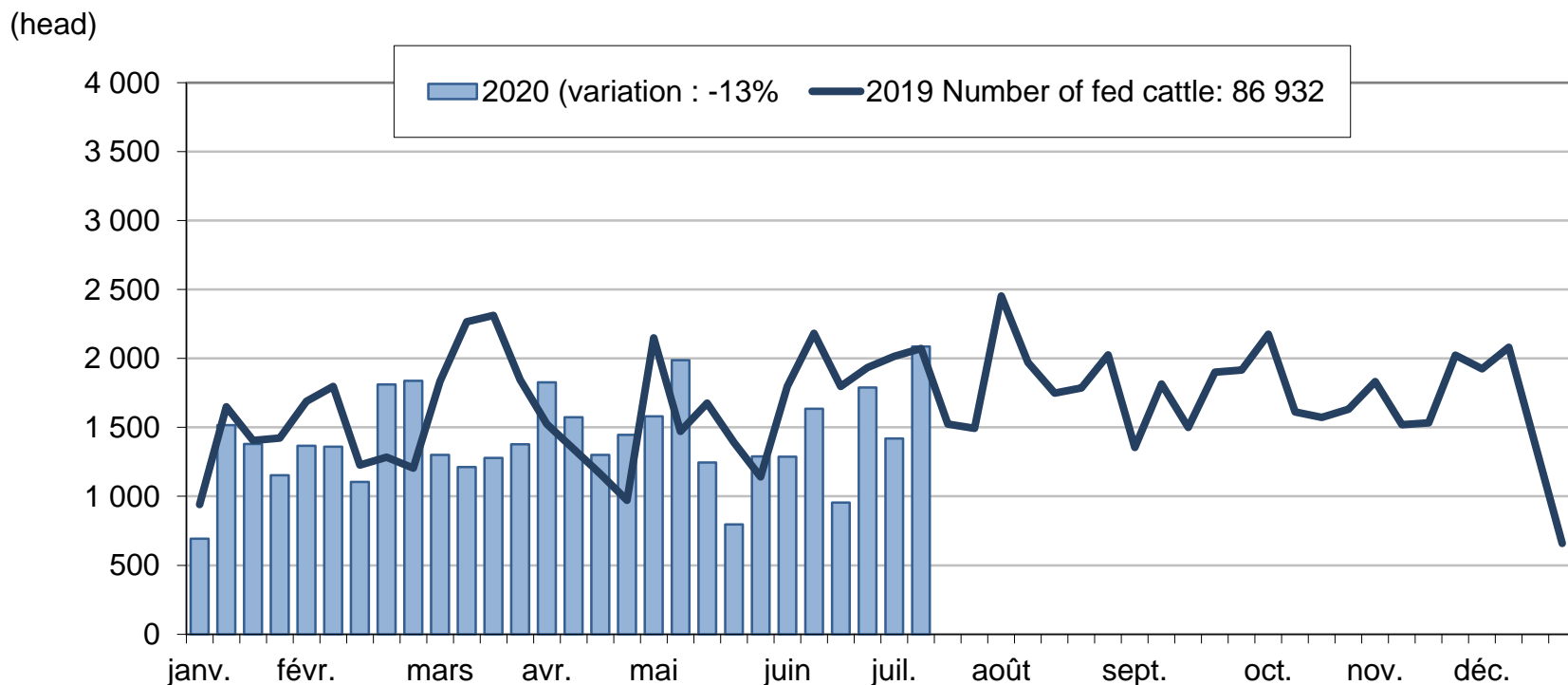
(head)



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

Fed cattle

Number of cattle fed in Quebec 2019-2020



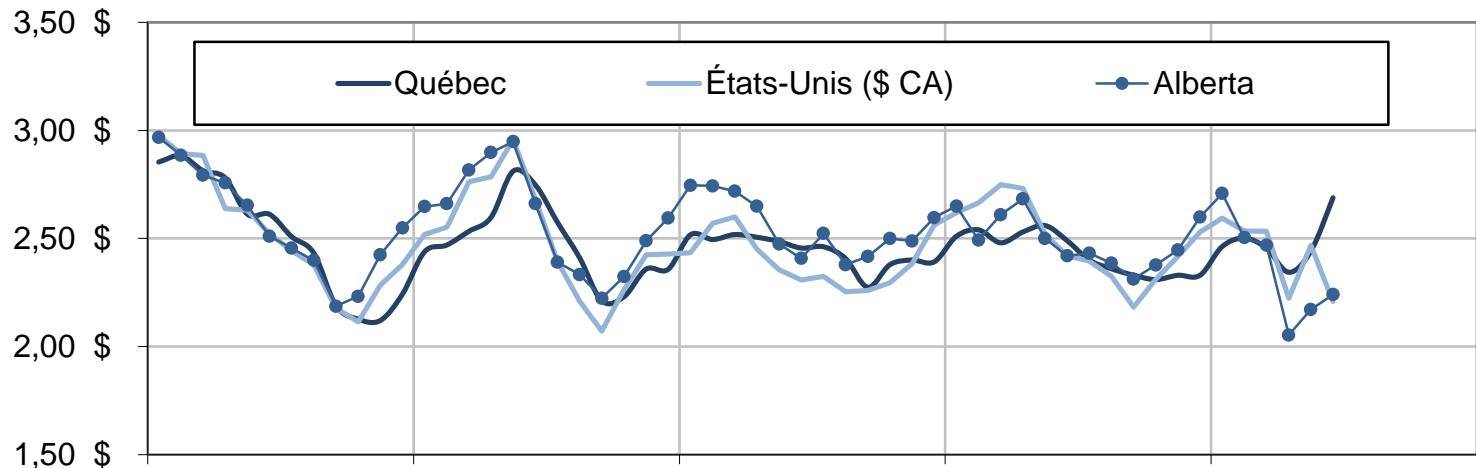
Source:

- Number of fed cattle marketed by Quebec producers , PBQ

Fed cattle

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

(\$/lb carcasse chaude, mâles, prix misé)



	2016	2017	2018	2019	2020
Quebec	2,74 \$	2,48 \$	2,44 \$	2,43 \$	2,48 \$
Que-Ont	0,00 \$	-0,05 \$	-0,01 \$	-0,03 \$	0,02 \$
Que-US	-0,01 \$	-0,03 \$	0,04 \$	-0,06 \$	0,06 \$
Que-Alb	-0,05 \$	-0,10 \$	-0,11 \$	-0,06 \$	0,12 \$

Sources :

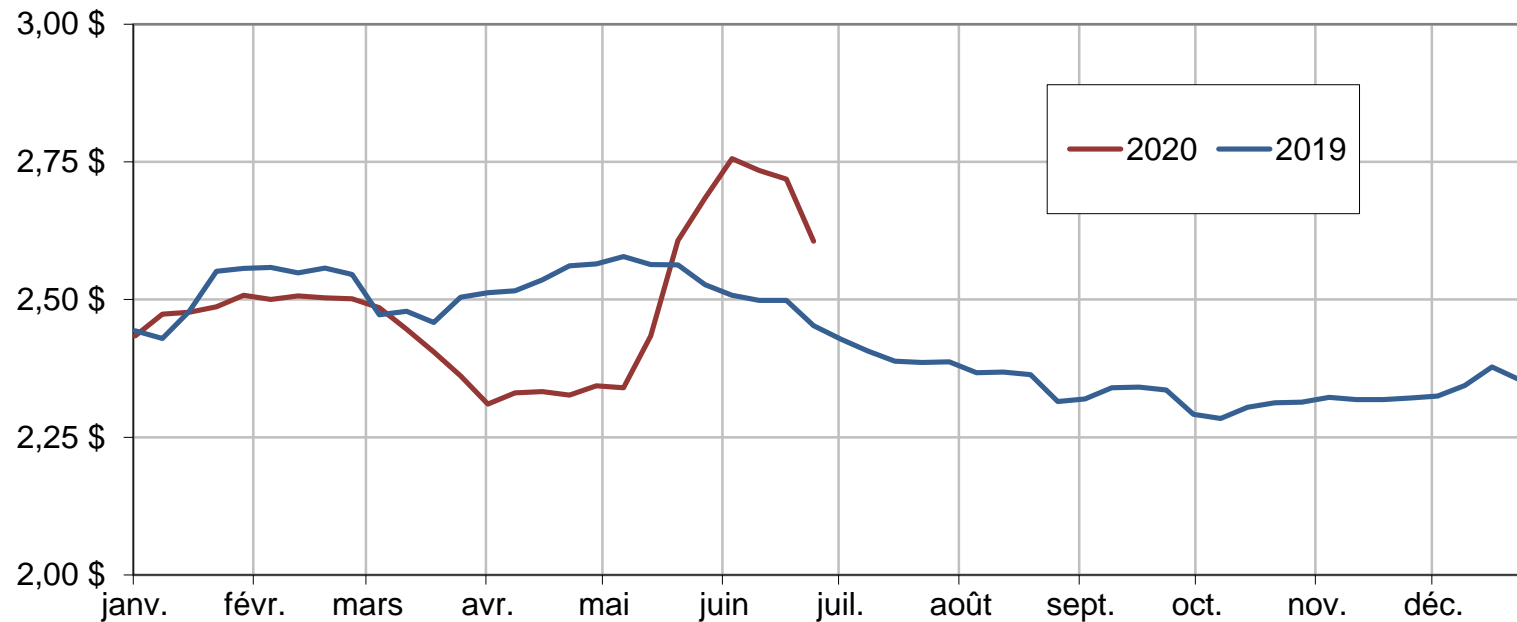
- Quebec : Bid price for steers, complete loads, sold to Canada and United-States, spot market, FOB, PBQ
- Ontario : Bid price for steers, direct sales, OCA
- Alberta : Bid price for steers, direct sales, Canfax
- United-States : Bid price for steers, direct sales, Five Area, USDA

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Fed cattle

Price of fed cattle in Quebec 2019-2020

(\$/lb carc)

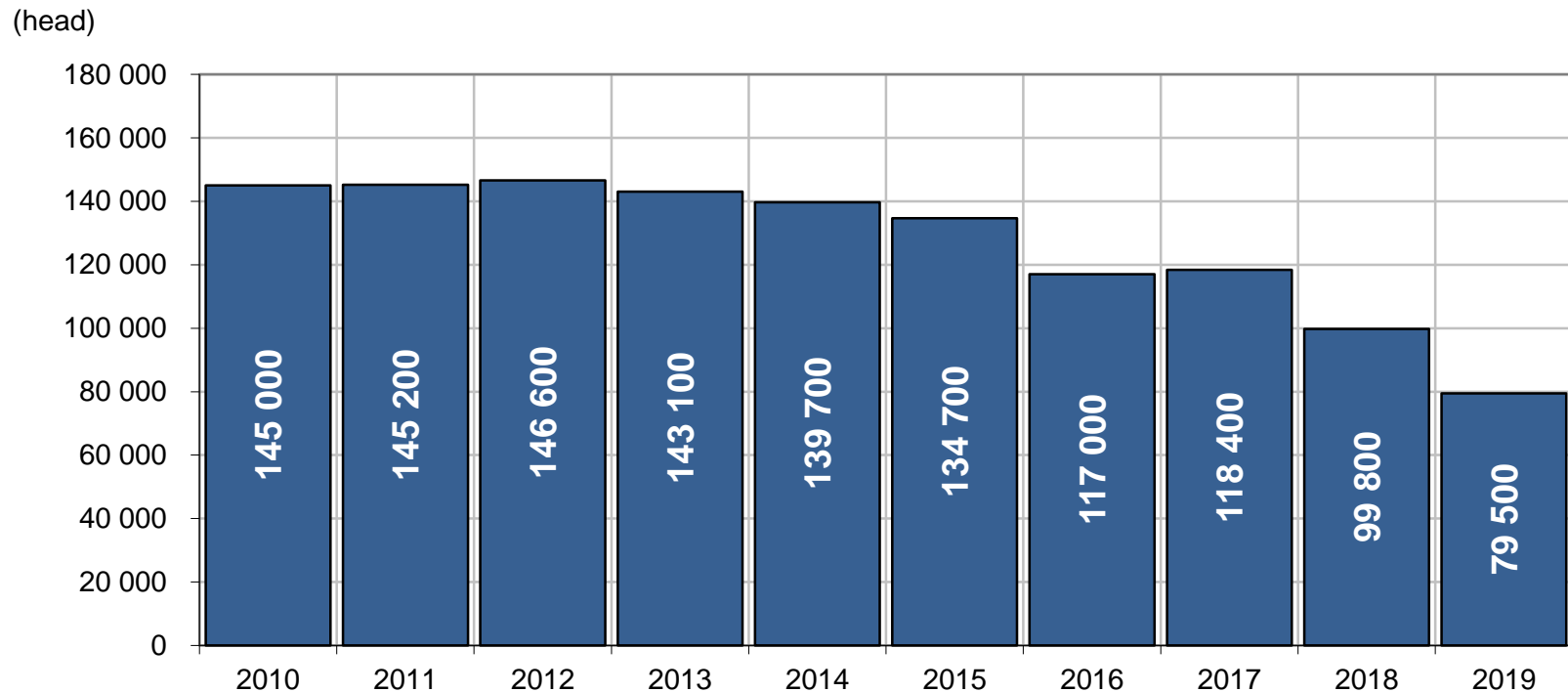


Sources :

- 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

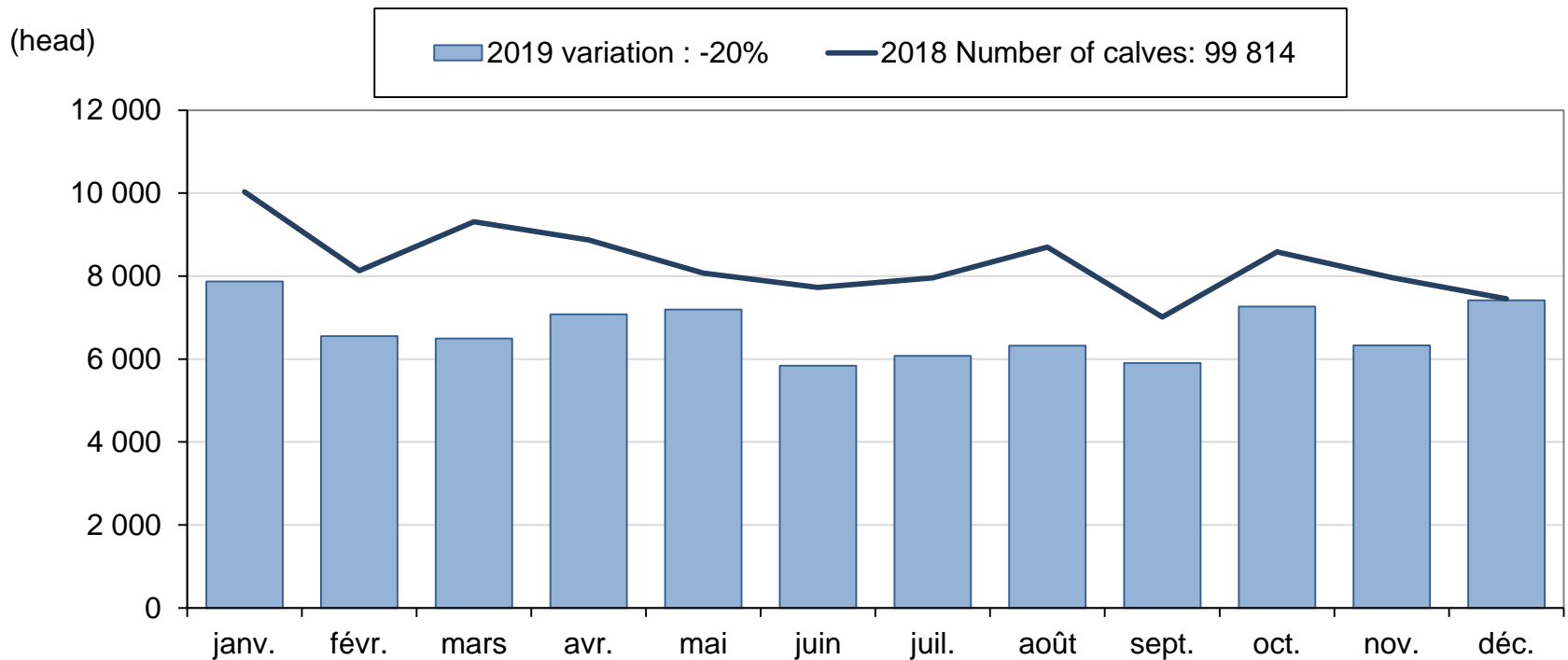


Sources :

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

Milk-fed veal

Number of calves fed in Quebec 2018-2019

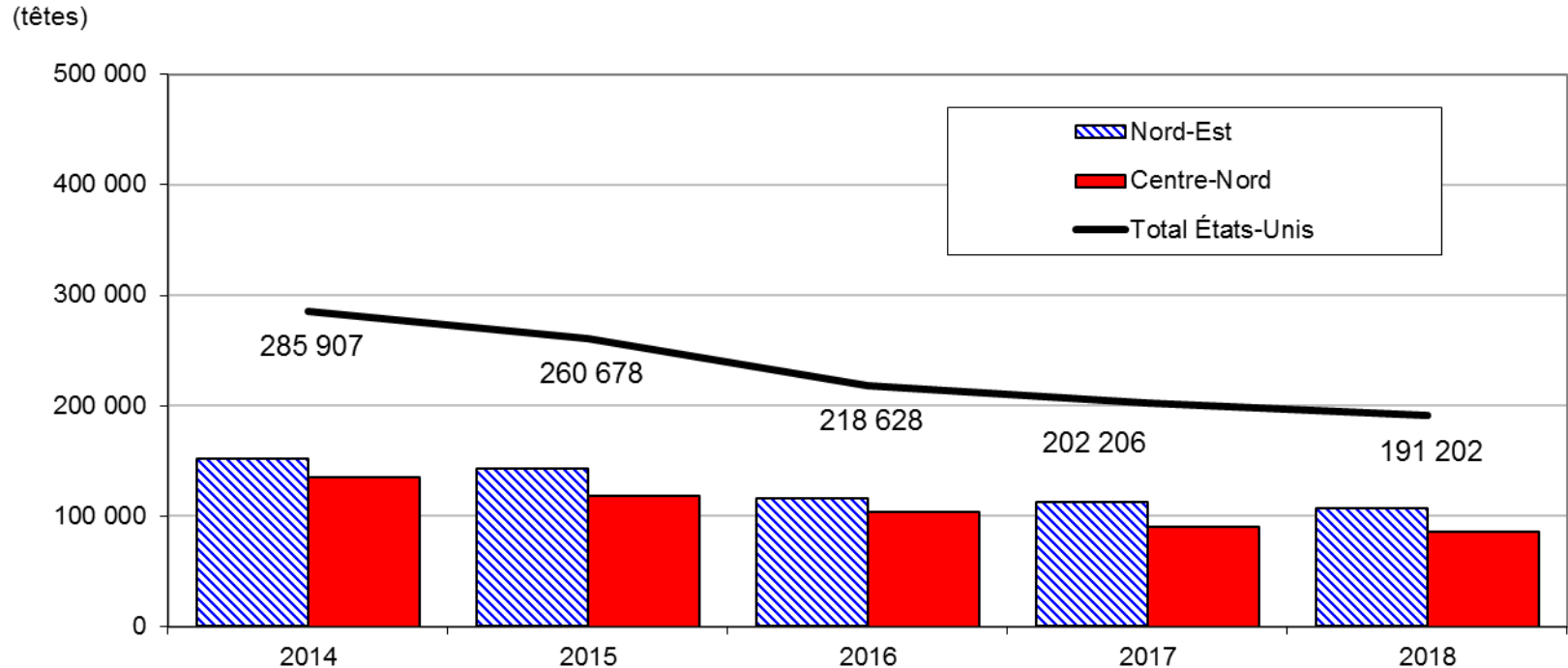


Sources :

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

Milk-fed veal

Number of calves slaughtered in United-States



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

- We have removed the graph on the evolution of the price of milk-fed calves in the United States converted into Canadian dollars since it does not correspond to the price received by Quebec producers.
- A study is underway by CECPA to establish data representative of the selling price of milk-fed calves in Quebec.

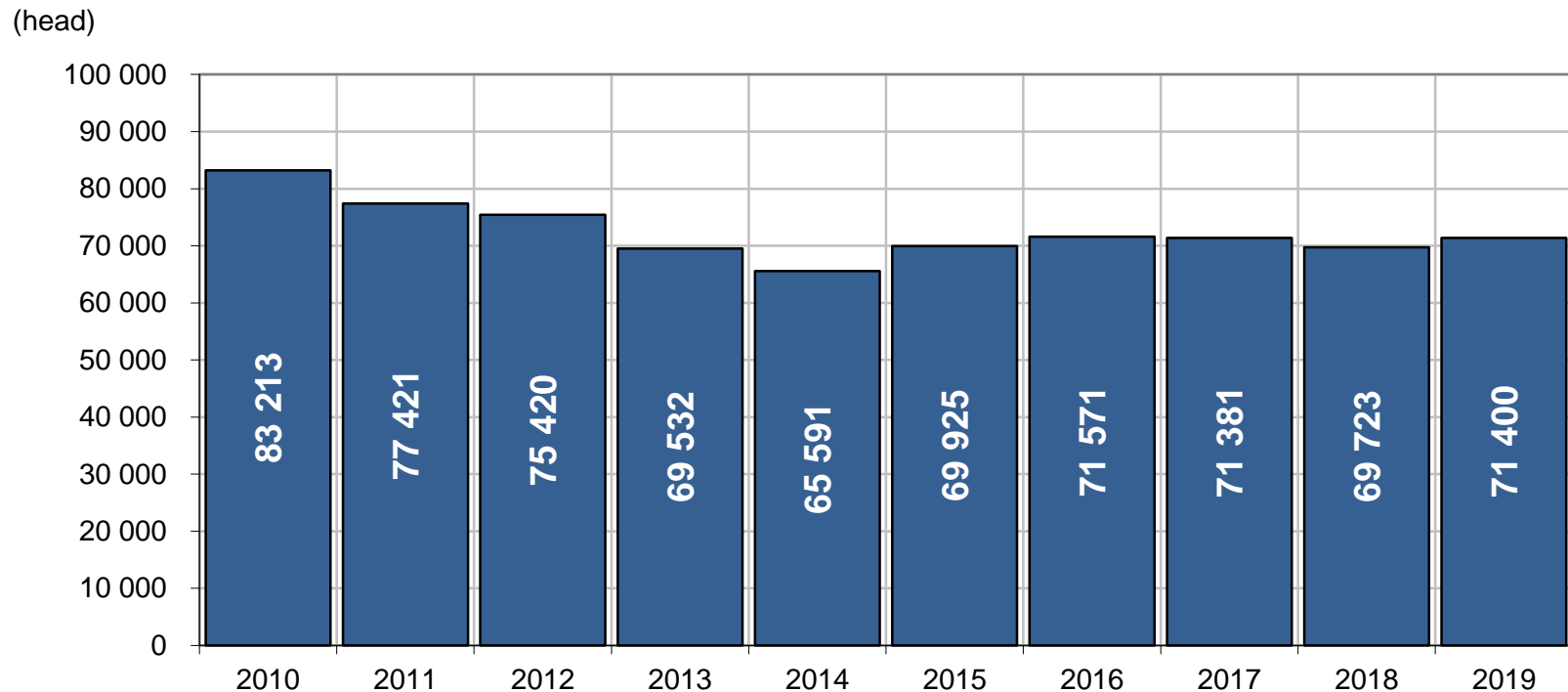
Milk-fed veal

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

- We have removed the graph on the evolution of the price of milk-fed calves in the United States converted into Canadian dollars since it does not correspond to the price received by Quebec producers.
- A study is underway by CECPA to establish data representative of the selling price of milk-fed calves in Quebec.

Grain-fed veal

Number of calves fed in Quebec



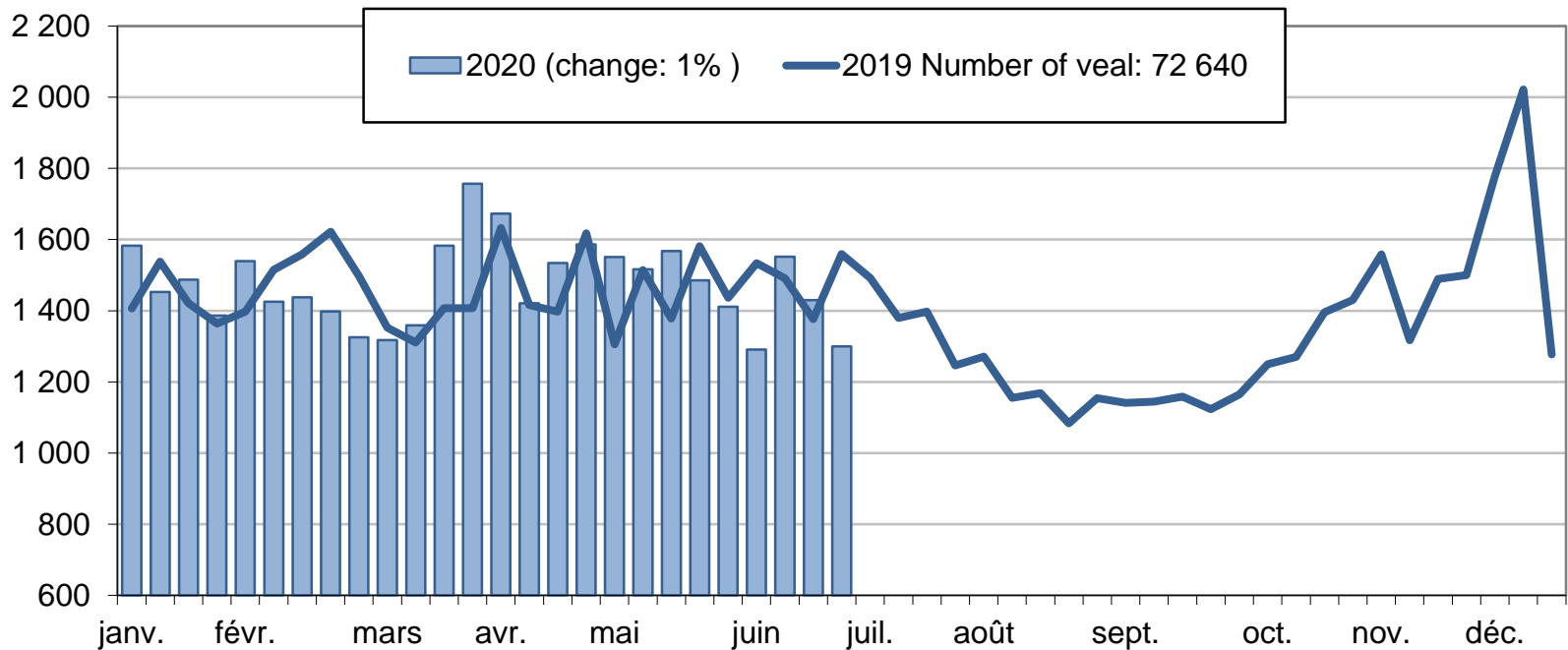
Sources :

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

Grain-fed veal

Number of calves fed in Quebec 2019-2020

(head)

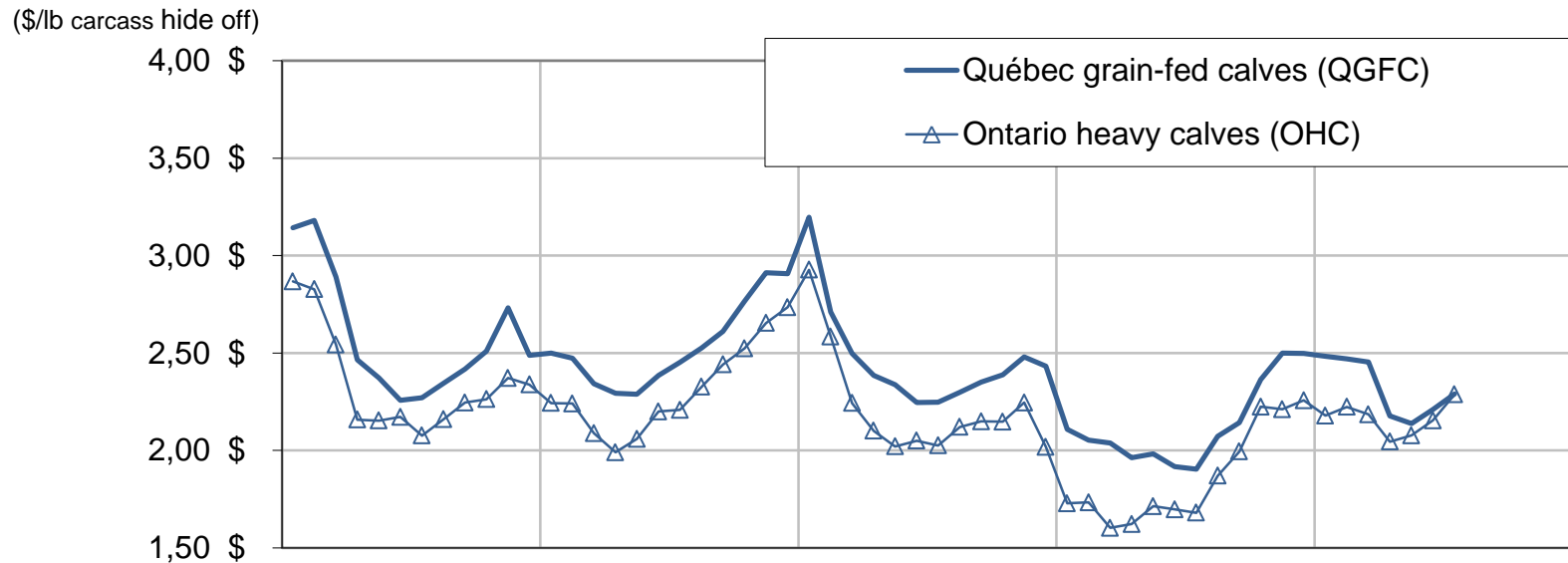


Sources :

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

Grain-fed veal

Price of grain-fed veal calves in Quebec and Ontario



	2016	2017	2018	2019	2020
QGFC	2,58 \$	2,52 \$	2,47 \$	2,12 \$	2,32 \$
QGFC-OHC	0,23 \$	0,21 \$	0,25 \$	0,26 \$	0,18 \$

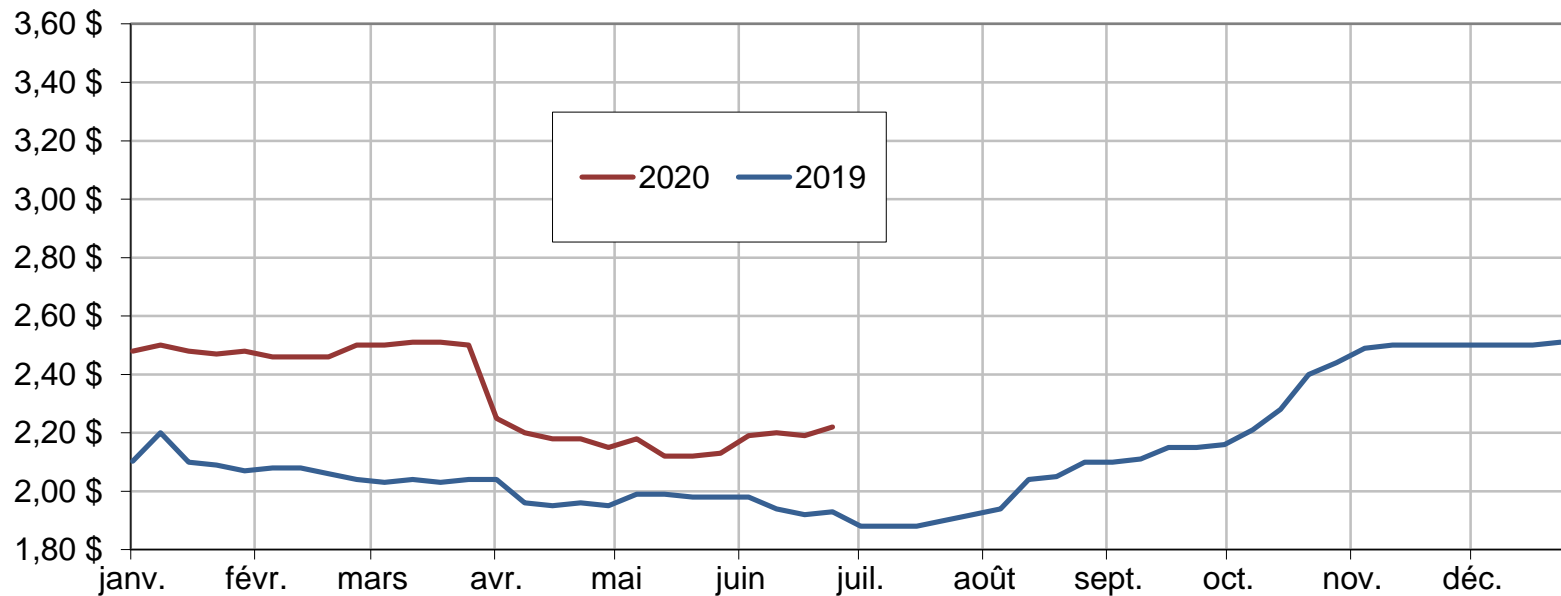
Sources :

- 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 2019-2020

(\$/lb hot
carcass hide-off)



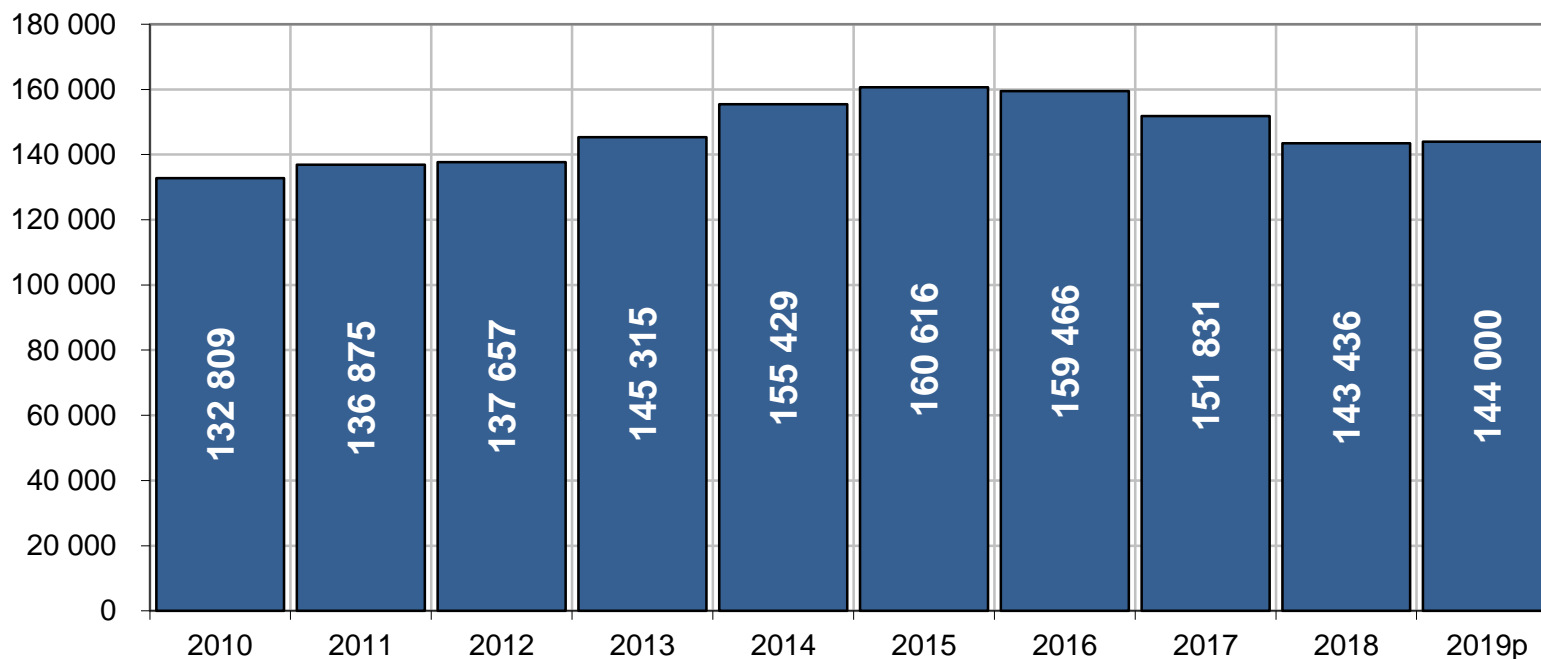
Sources :

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

Bob calves

Number of bob calves marketed in Quebec

(head)



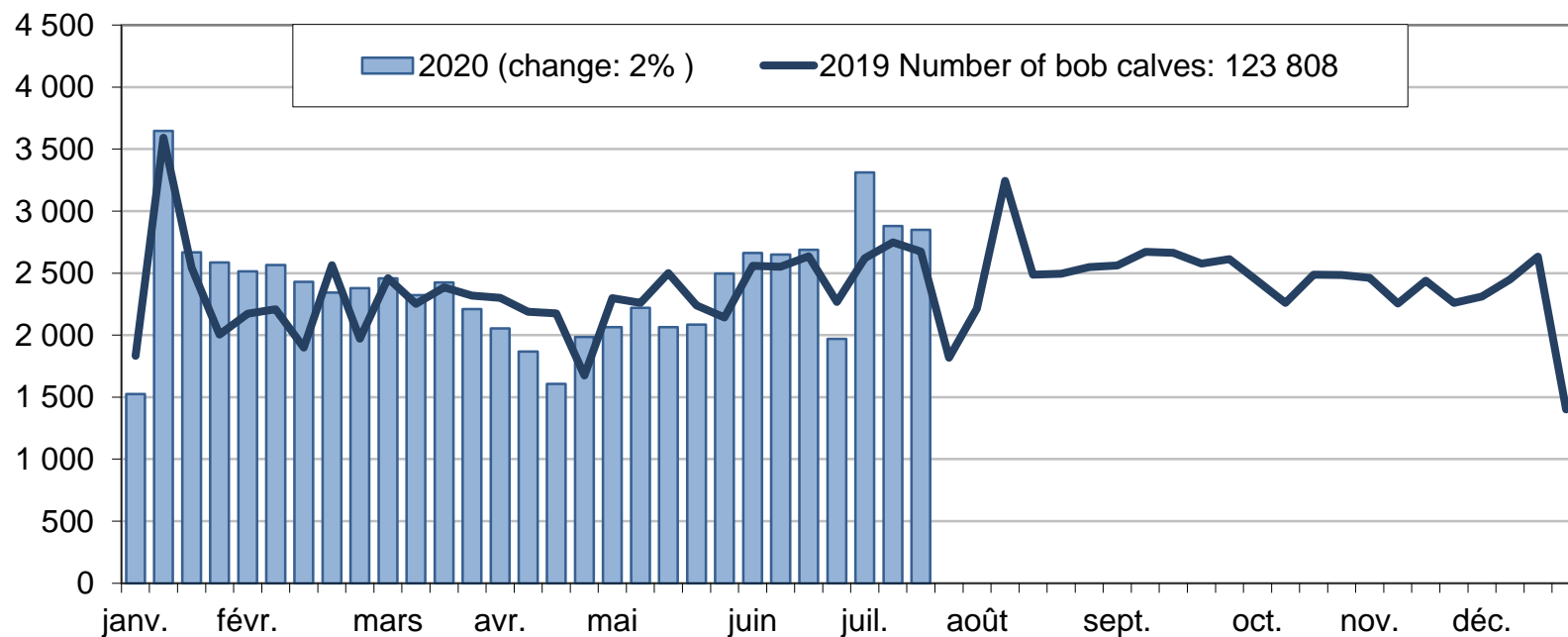
Source :

- Number of calves marketed by Quebec producers, PBQ

Bob calves

Number of bob calves marketed in Quebec 2019-2020

(head)



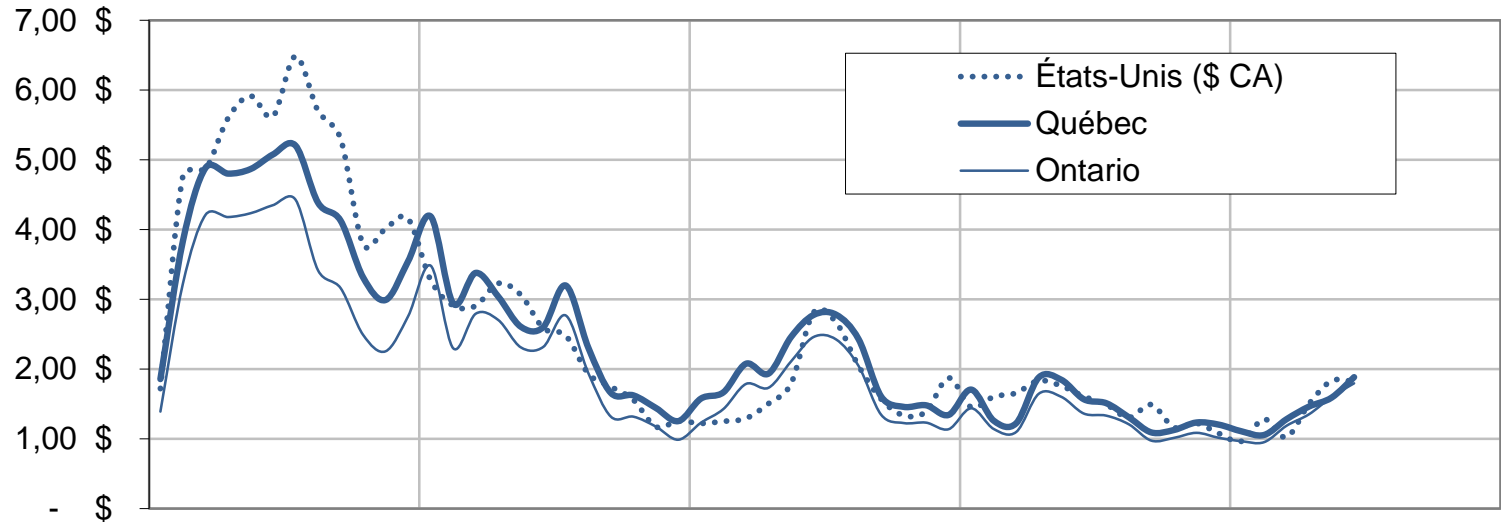
Sources :

- Number of calves marketed by Quebec producers, PBQ

Bob calves

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

(\$/lb vif)



	2016	2017	2018	2019	2020
Quebec	4,07 \$	2,52 \$	1,97 \$	1,41 \$	1,40 \$
Que-US	-0,75 \$	0,18 \$	0,24 \$	-0,06 \$	-0,01 \$
Que-Ont	0,73 \$	0,40 \$	0,29 \$	0,17 \$	0,09 \$

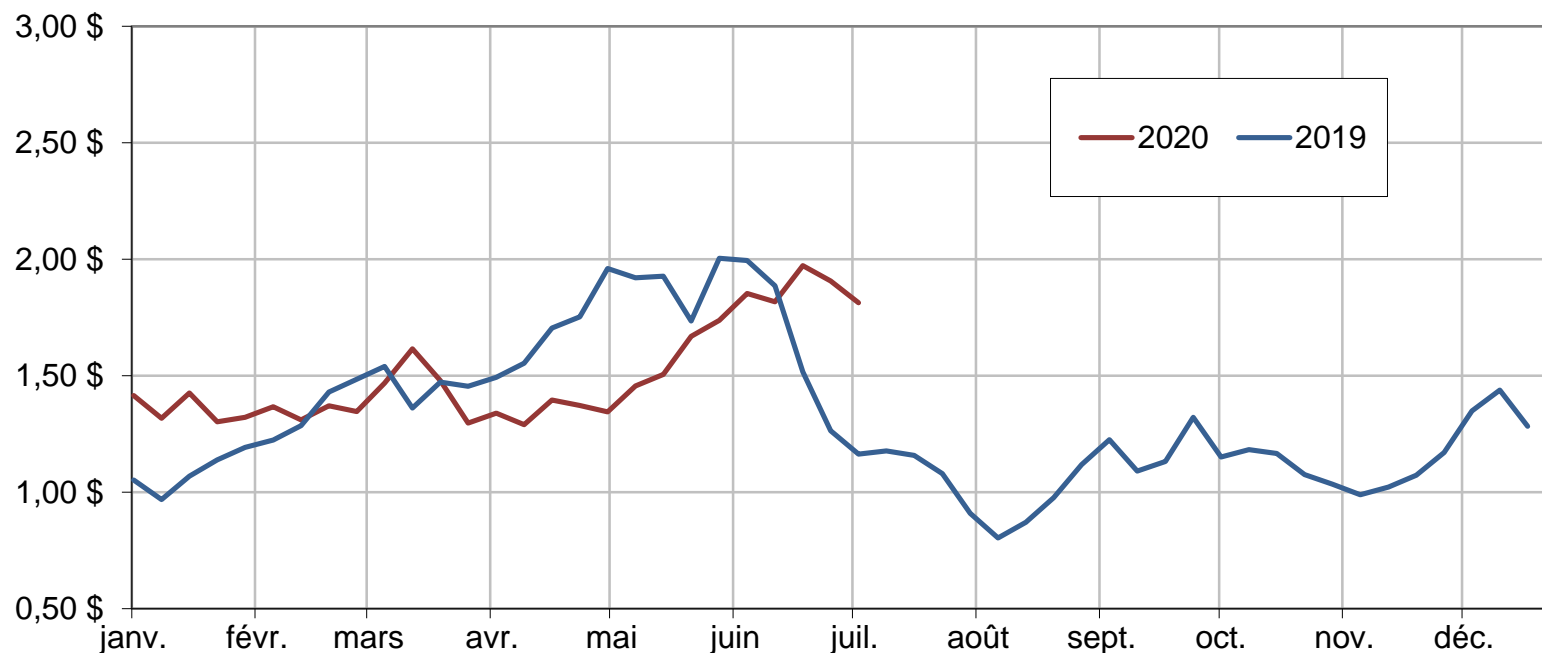
Sources :

- 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 2019-2020

(\$/lb live)



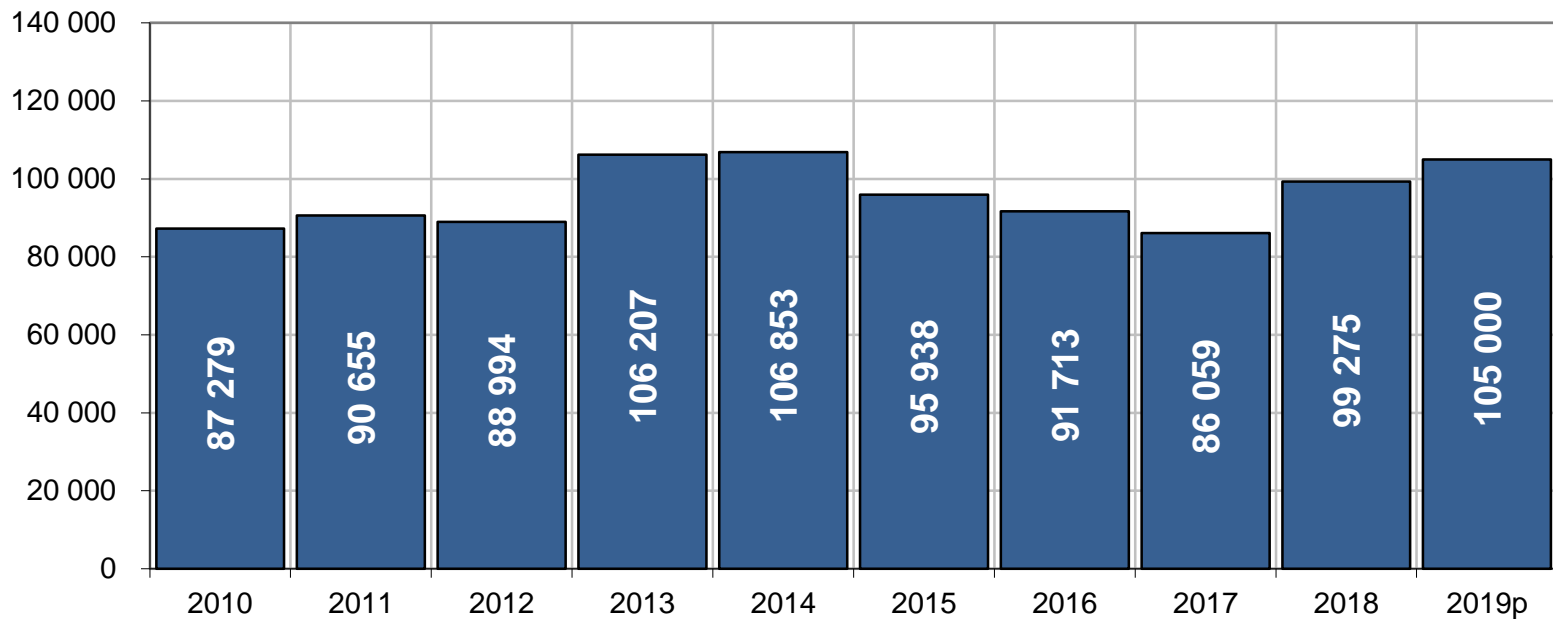
Sources :

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

Cull cattle

Number of cull cows marketed in Quebec

(head)

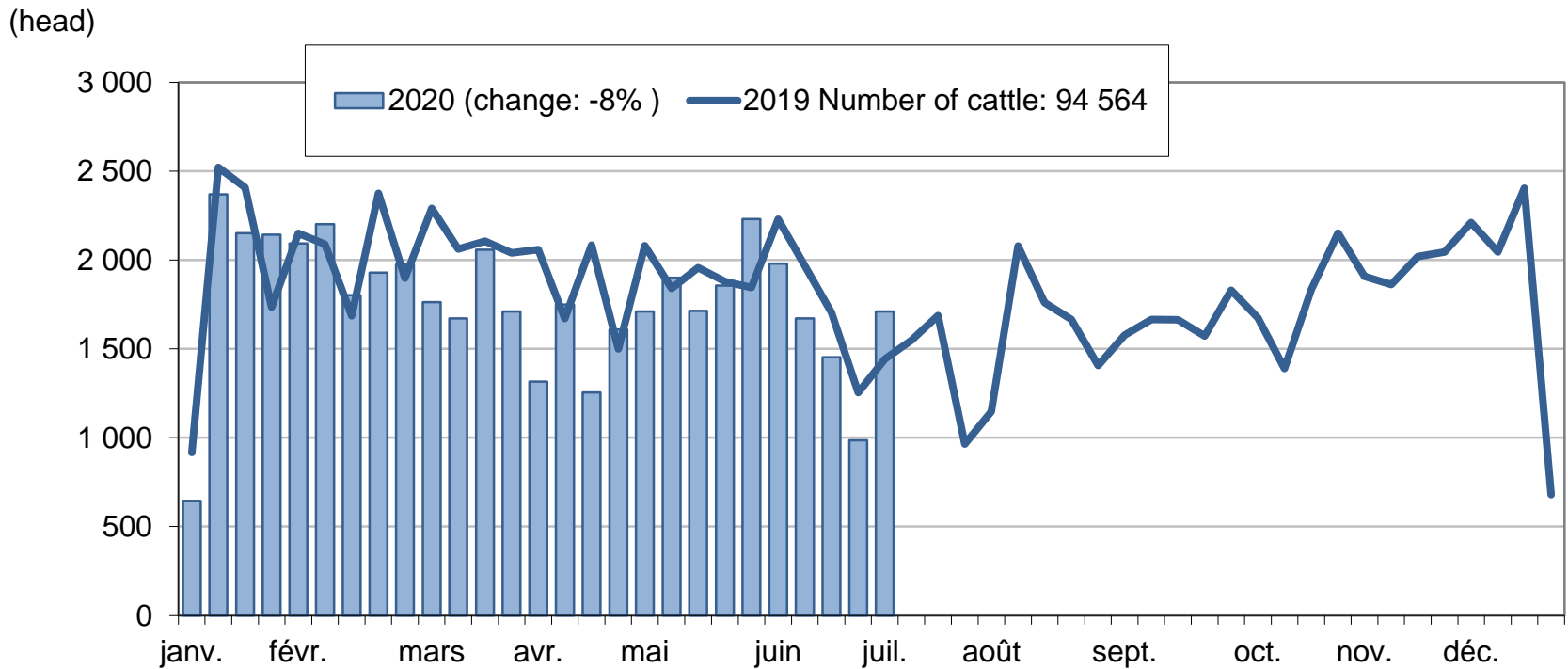


Source :

- Number of cull cows marketed by Quebec producers, PBQ

Cull cattle

Number of cull cows marketed in Quebec 2019-2020

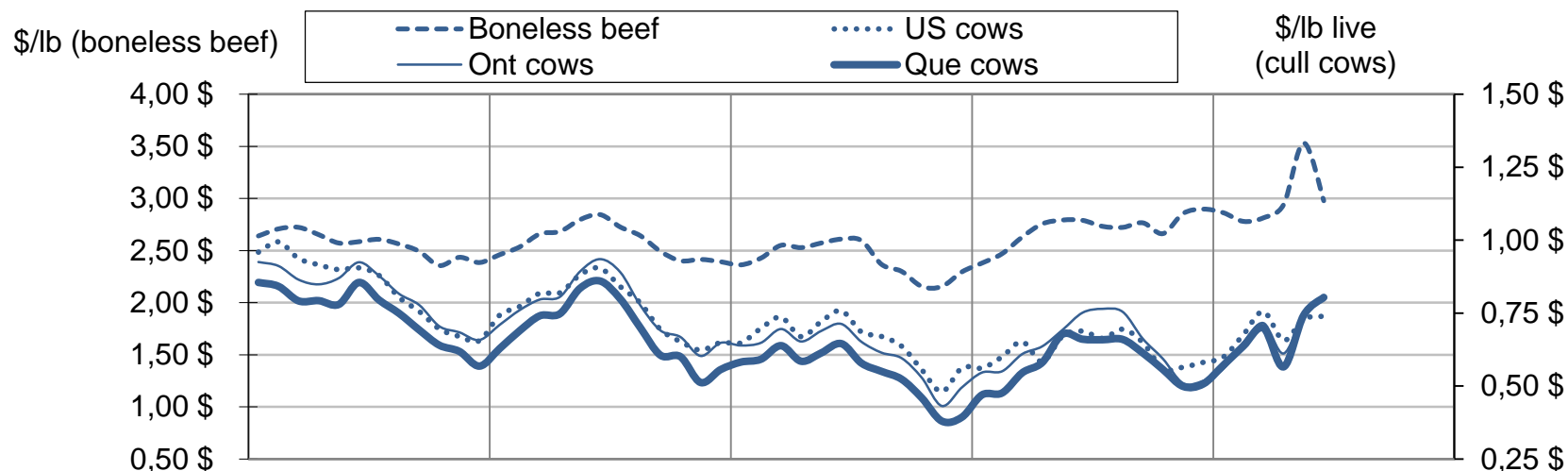


Source :

- Number of calves marketed by Quebec producers, PBQ

Cull cattle

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



	2016	2017	2018	2019	2020
Boneless beef	2,56 \$	2,59 \$	2,41 \$	2,70 \$	2,98 \$
Que \$/cow	1 047 \$	965 \$	763 \$	805 \$	937 \$
Que \$/lb	0,75 \$	0,69 \$	0,54 \$	0,58 \$	0,67 \$
Que-US	-0,09 \$	-0,08 \$	-0,11 \$	-0,05 \$	-0,02 \$
Que-Ont	-0,07 \$	-0,08 \$	-0,07 \$	-0,06 \$	-0,01 \$

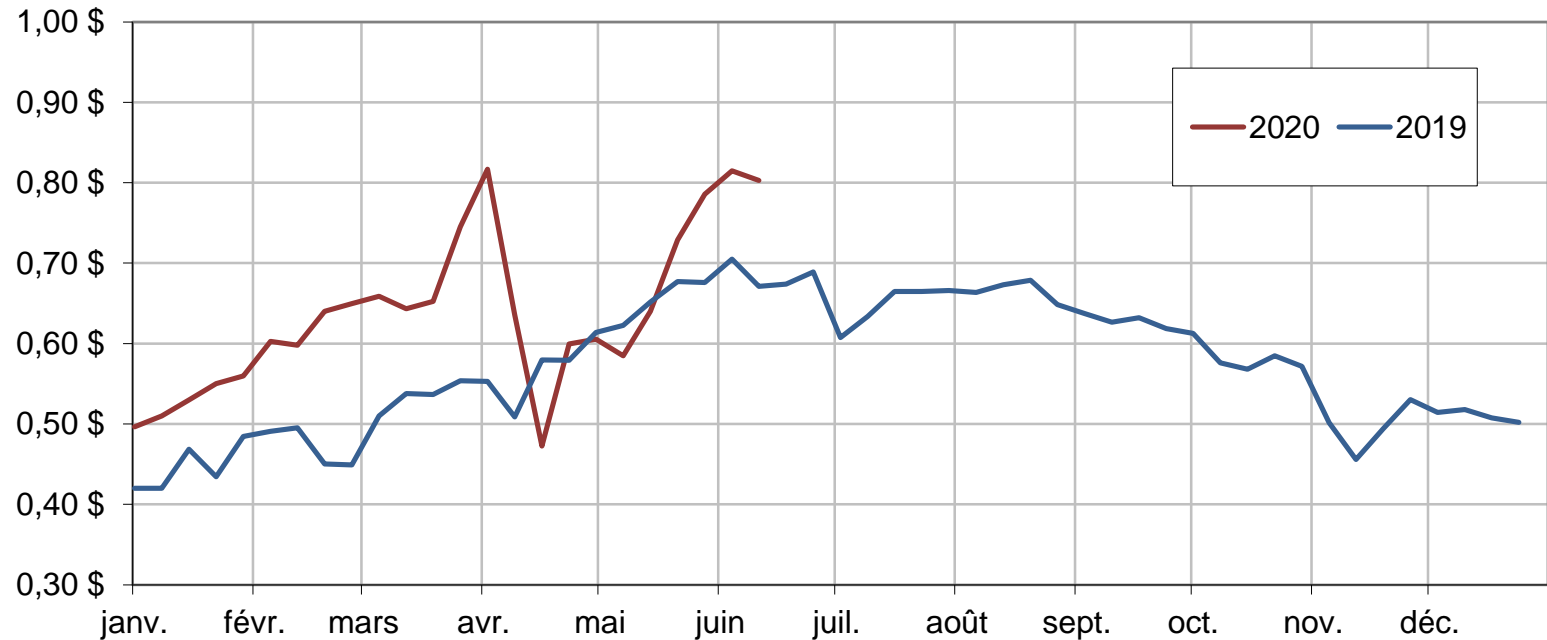
Sources :

- 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 2019-2020

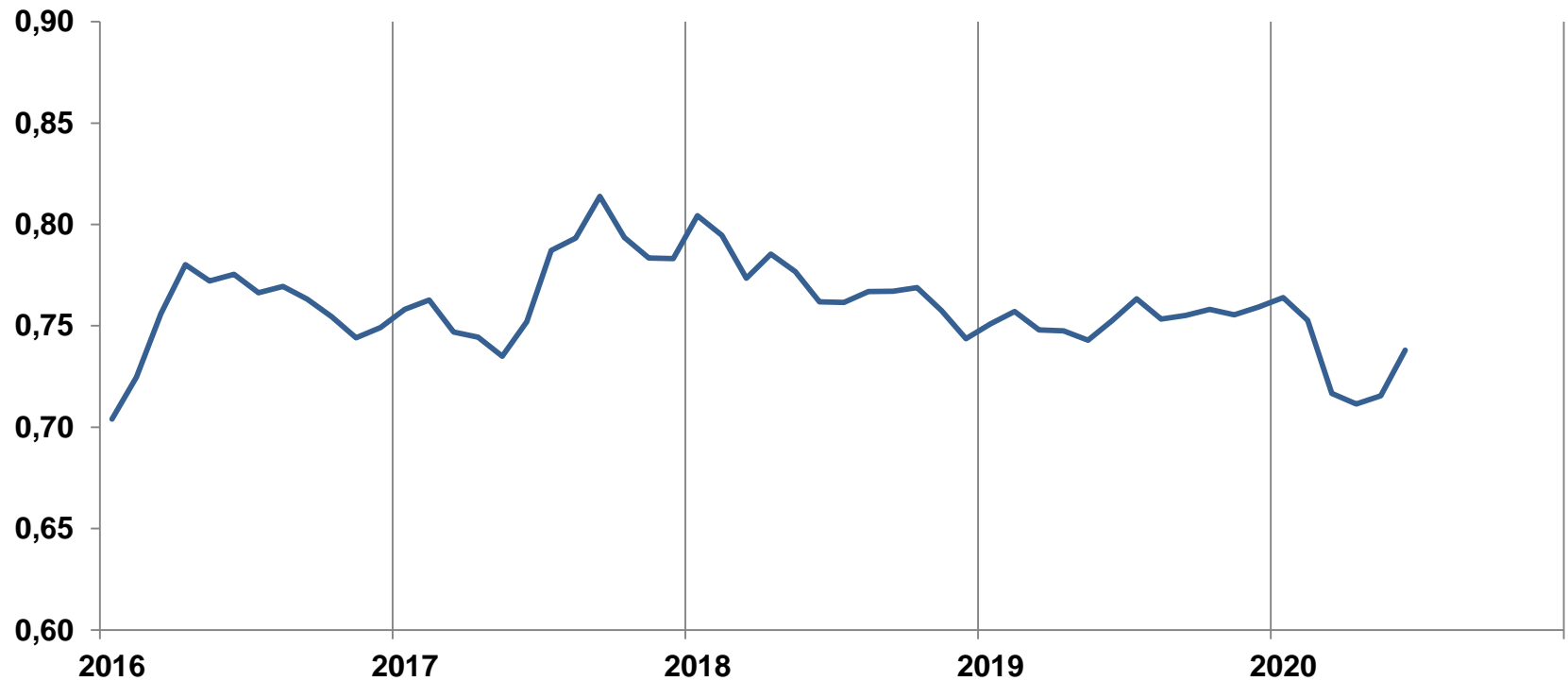
(\$/lb live)



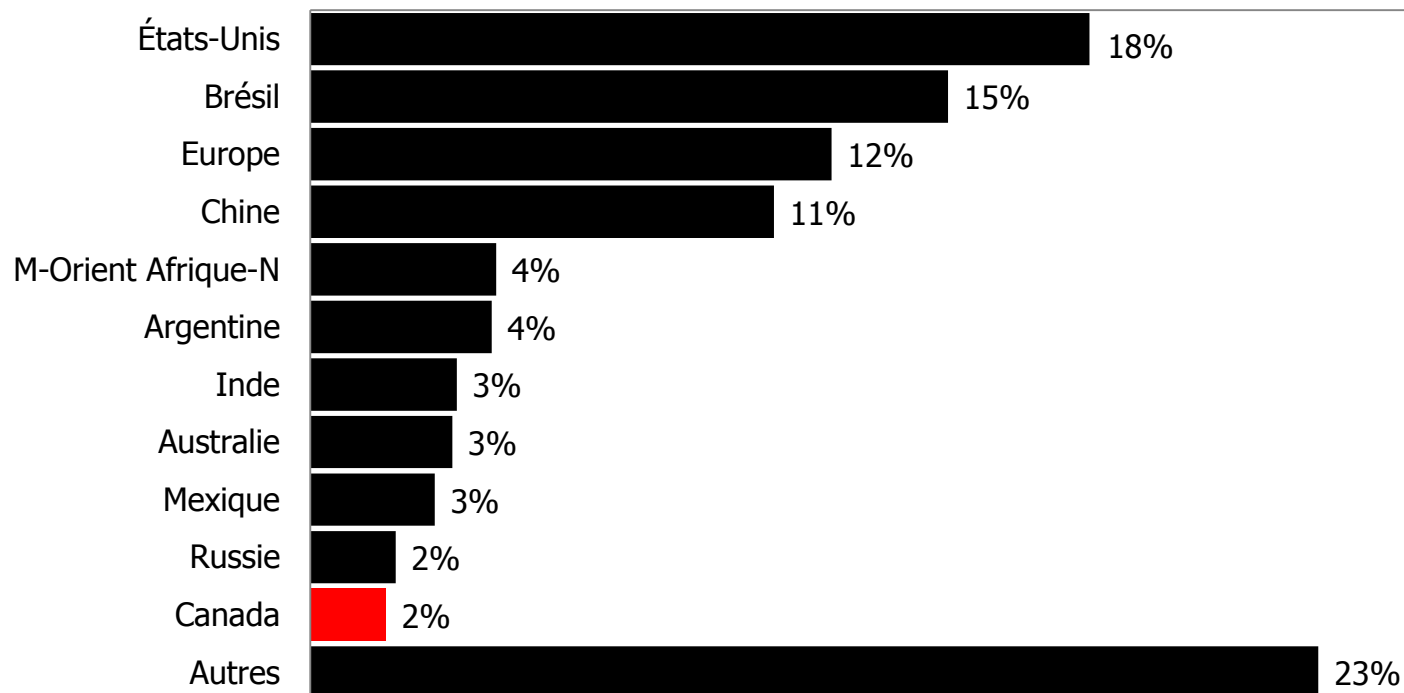
Sources :

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

Exchange rate \$ CAN / \$ US



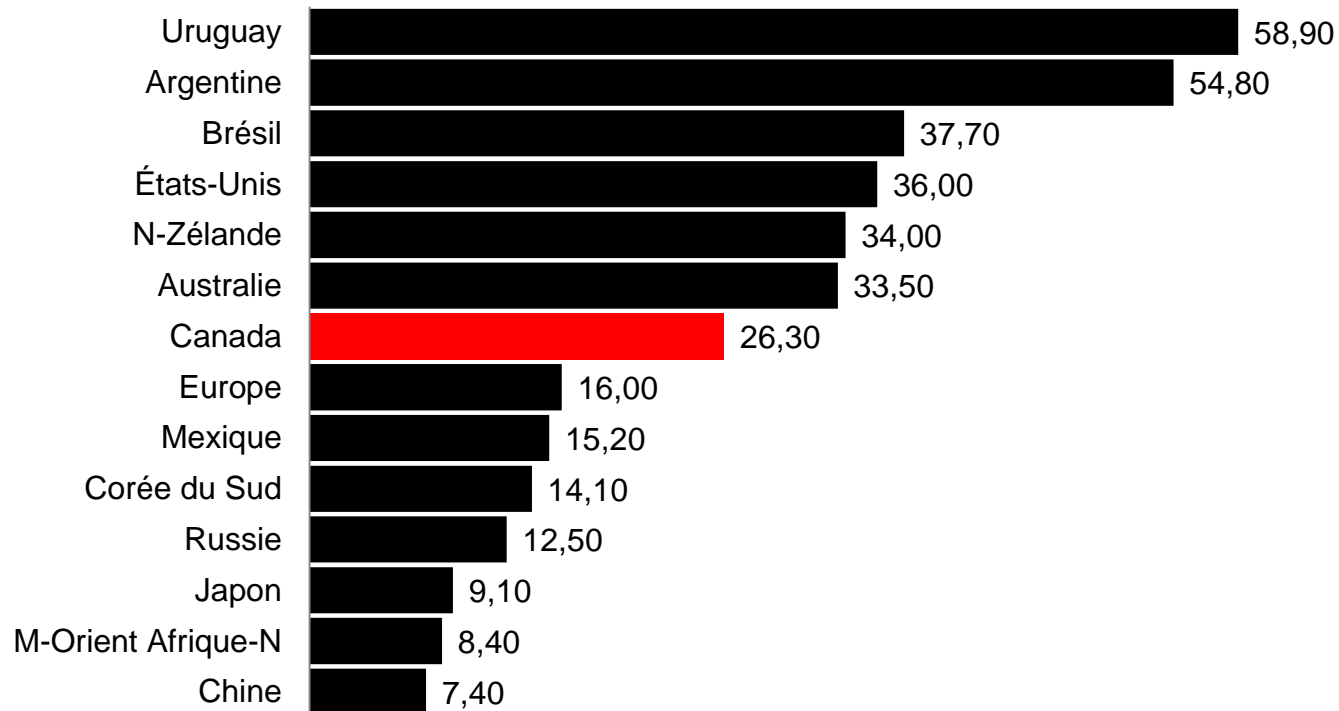
Beef and veal net production (% of world) 2017



Source :

- GIRA

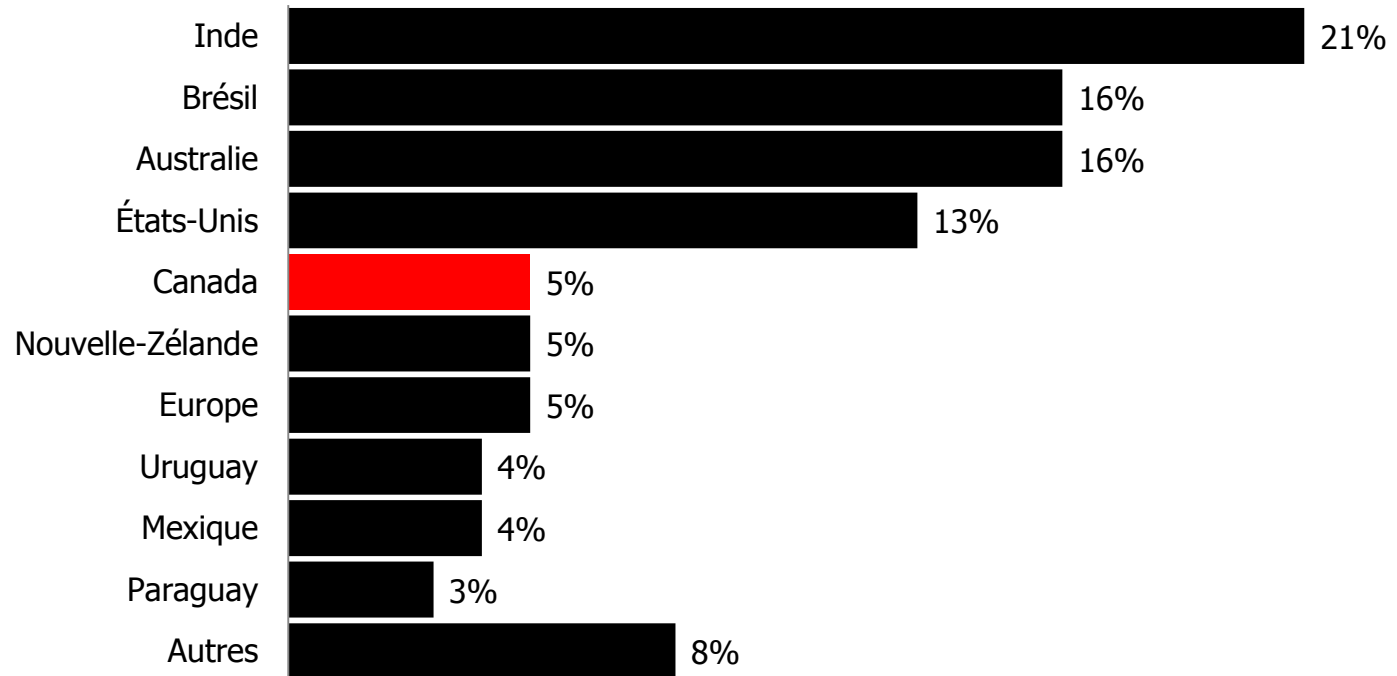
Domestic Beef and veal meat consumption (kg carcass per capita) 2017



Source :

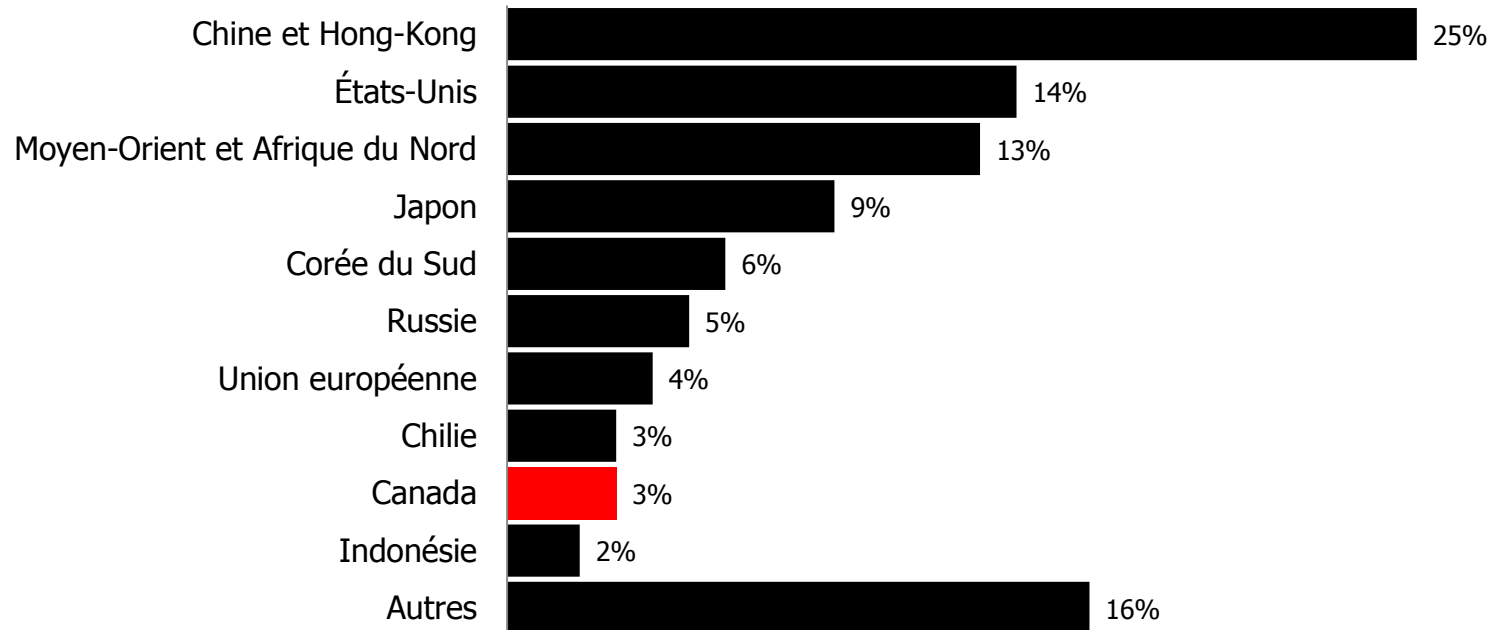
- GIRA

World top beef exporters (% world) 2017



Source :
• GIRA

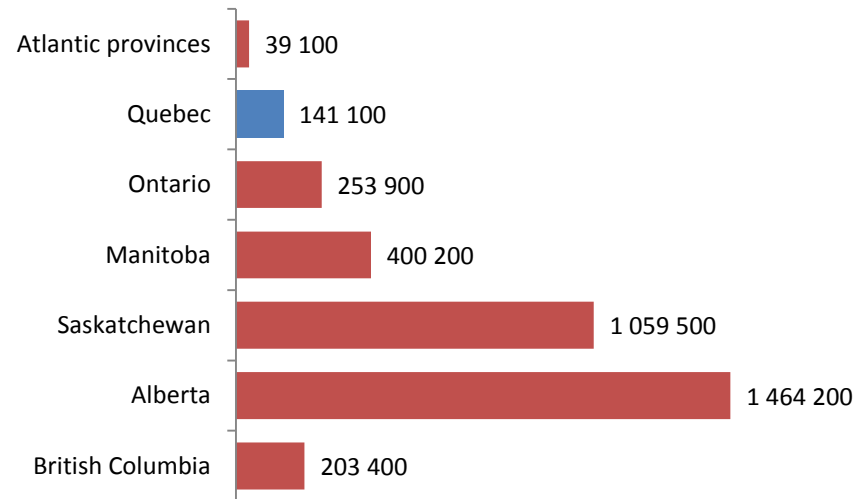
World top beef importers (% world) 2017



Source :
• GIRA

Beef-Cow inventory in Canada 2020

Beef Cows in Canada January 1st 2020

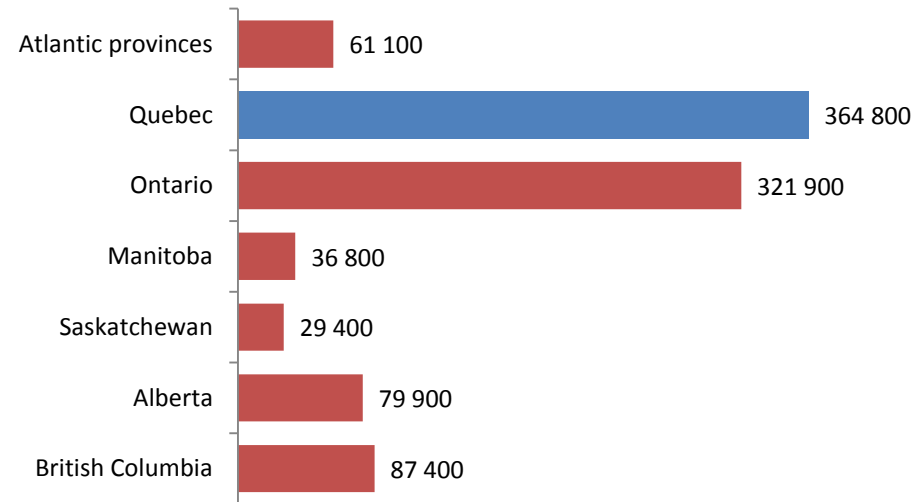


Source :

- Statistique Canada

Beef-Cow inventory in Canada 2019

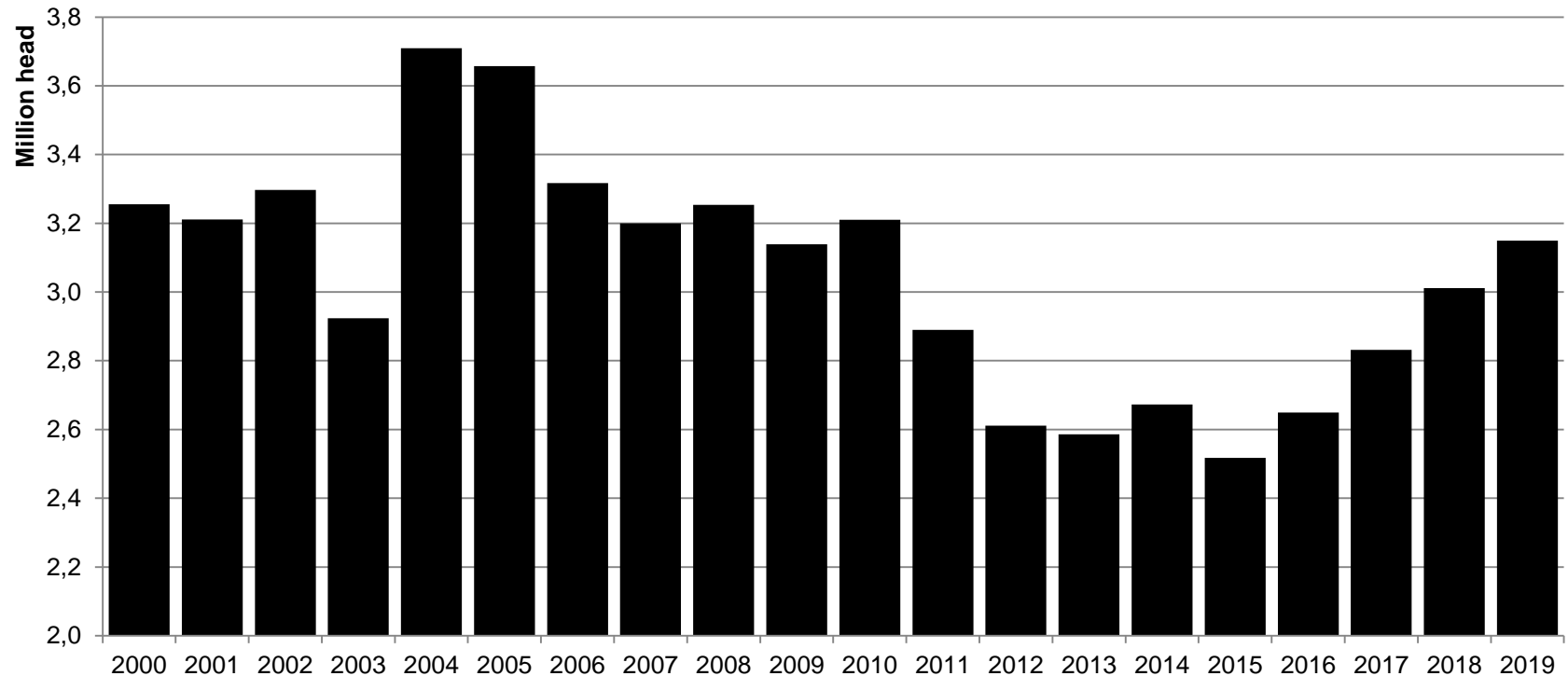
Milk Cows in Canada January 1st 2020



Source :

- Statistics Canada

Number of cattle Slaughtered in Federally Inspected Plants

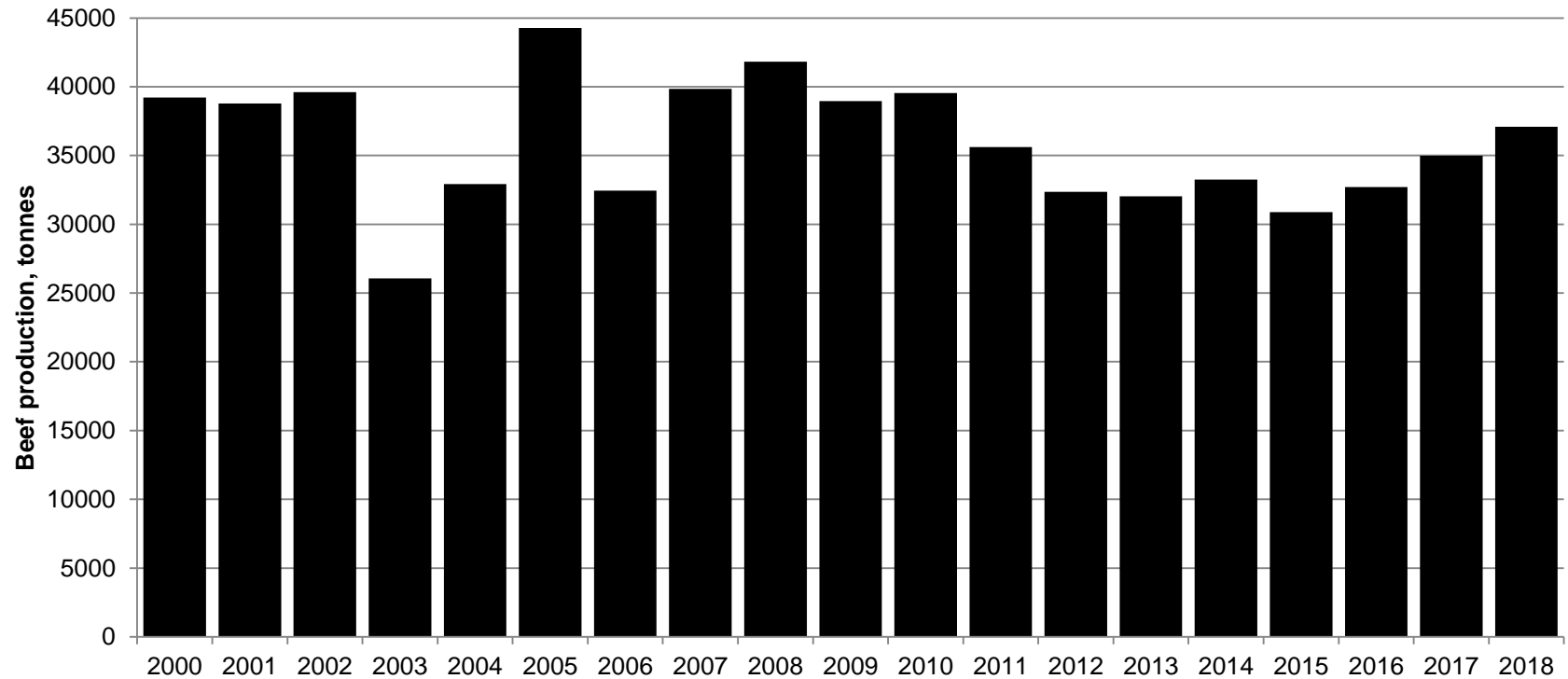


Sources :

- Canadian Beef Grading Agency, AAFC

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Canadian beef and veal production

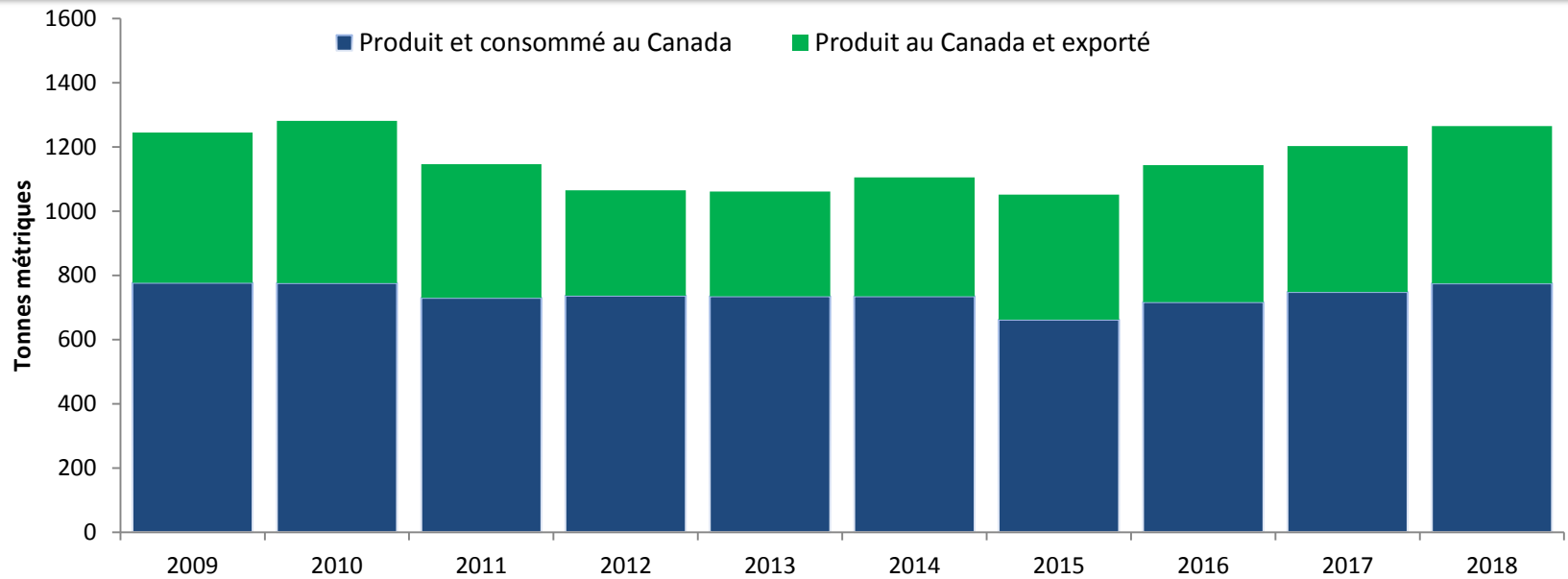


Sources :

- Statistics Canada (Edible offal, meat production)

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% Canadian beef and veal production exported

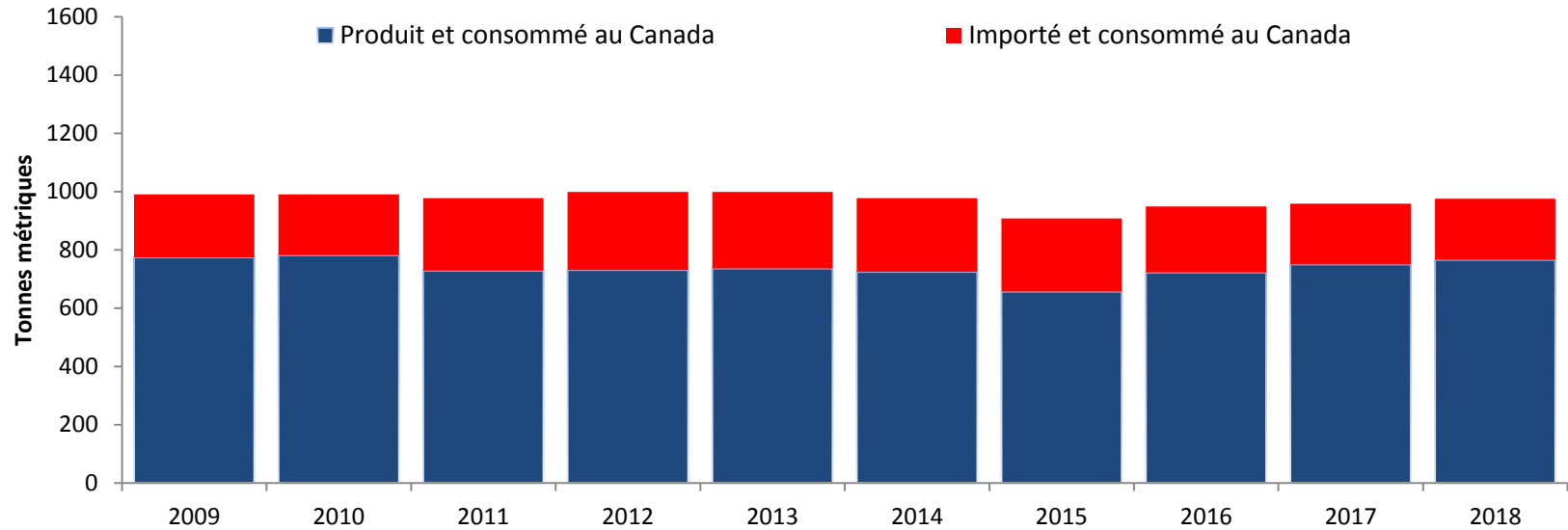


% exporté / produit	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
% exporté / produit	38%	39%	36%	31%	31%	33%	37%	37%	38%	39%

Sources :
 • Statistics Canada

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% Canadian beef and veal consumption imported



% Importé / consommé	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
% Importé / consommé	22%	21%	25%	27%	26%	26%	28%	24%	22%	22%

Sources :
 • Statistics Canada

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Veal exports from Canada

EXPORTS (KG)		J	F	M	A	M	J	J	A	S	O	N	D	J-M	var
United States	2019	287 914	221 807	215 895	214 674	208 883	169 839	234 823	262 571	153 657	99 891	33 362	80 422	940 290	
	2020	106 237	160 473	159 713	134 726	195 884								757 033	-19%
United Arab Emirates	2019	13 071	64 211	15 369	9 451	12 453	11 229	4 892	10 325	13 731	16 754	18 478	18 591	114 555	
	2020	18 907	12 813	6 928	0	1 198								39 846	-65%
Other	2019	686	978	6 236	1 148	1 554	992	2 200	324	1 271	1 542	1 568	945	10 602	
	2020	784	943	1 381	1 084	1 172								5 364	-49%
Total	2019	301 671	286 996	237 500	225 273	222 890	182 060	241 915	273 220	168 659	118 187	53 408	99 958	1 274 330	
	2020	125 928	174 229	168 022	135 810	198 254								802 243	-37%

Sources :

- Statistics Canada, AACF

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Veal imports to Canada

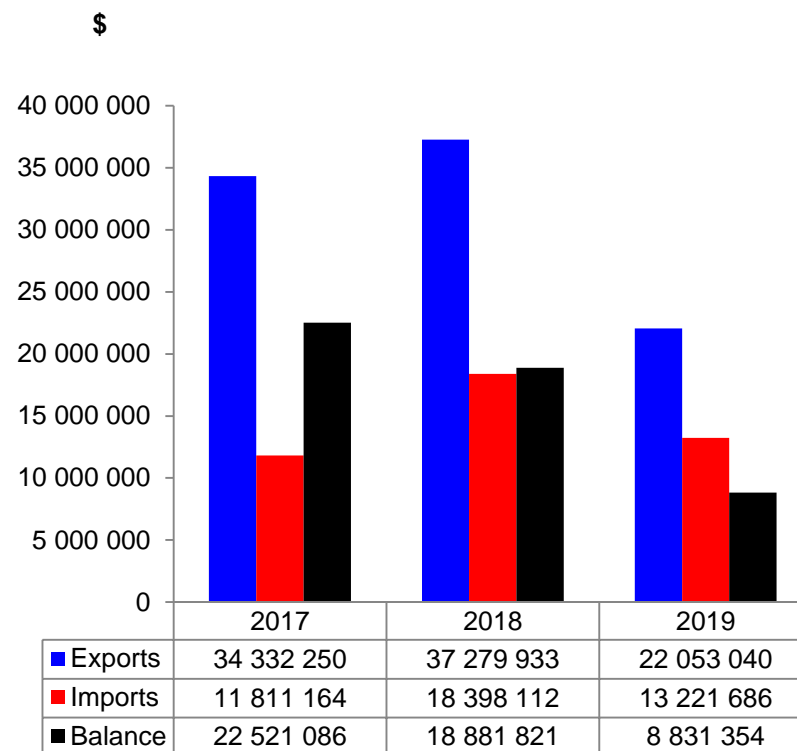
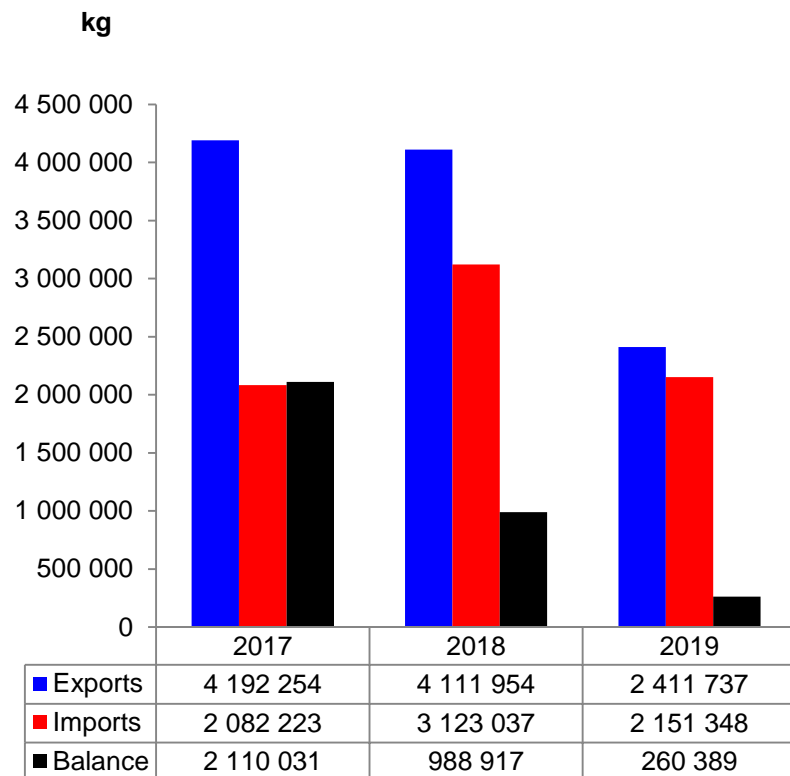
IMPORTS (KG)		J	F	M	A	M	J	J	A	S	O	N	D	J-M	var
Netherlands	2019	21 530	43 116	38 402	50 616	27 500	32 243	37 235	13 071	13 743	21 167	27 496	60 908	181 164	
	2020	36 655	16 688	22 691	27 775	39 177								142 986	-21%
New Zealand	2019	50 108	13 430	0	0	0	32 035	0	0	274 486	467 280	232 341	73 967	63 538	
	2020	56 875	17 952	33 283	0	0								108 110	70%
Australia	2019	19 554	0	56 962	1 123	22 155	0	0	41 081	24 882	0	0	18 317	99 794	
	2020	73 107	20 961	28 036	21 502	0								143 606	44%
United States	2019	7 137	10 038	17 488	35 608	12 241	27 144	87 114	33 105	46 293	62 881	55 761	40 771	82 512	
	2020	28 243	31 684	24 421	19 576	19 250								123 174	49%
Other	2018	0	0	275	2	0	742	0	0	0	0	0	0	277	
	2020	0	0	0	0	0								0	0%
Total	2019	98 329	66 584	113 127	87 349	61 896	92 164	124 349	87 257	359 404	551 328	315 598	193 963	427 285	
	2020	194 880	87 285	108 431	68 853	58 427								517 876	21%

Sources :

- Statistics Canada, AACF

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



Sources :

- Statistics Canada, AACF

Beef exports from Canada

		J	F	M	A	M	J	J	A	S	O	N	D	J-M	var
United States	2019	24 120 109	23 531 270	29 403 812	24 141 441	25 719 550	28 625 886	26 593 031	29 495 402	27 618 540	27 831 644	27 534 739	22 115 327	126 916 182	
	2020	23 574 042	21 650 624	25 691 581	17 379 480	23 233 141								111 528 868	-12%
Japon	2019	2 623 422	3 148 222	4 057 271	3 619 165	5 100 736	4 034 811	4 817 687	5 010 101	5 215 229	4 815 090	3 256 293	3 586 787	18 548 816	
	2020	4 178 323	3 013 237	3 742 921	3 629 509	2 782 990								17 346 980	-6%
China	2019	1 384 579	1 788 471	2 068 899	2 414 111	2 012 466	1 646 474	239 965	0	0	0	0	577 142	9 668 526	
	2020	818 123	513 148	1 234 483	816 053	303 570								3 685 377	-62%
Hong Kong	2019	1 516 181	1 175 706	1 299 664	1 100 959	1 091 041	1 137 662	1 151 541	560 259	142 772	2 310 701	2 117 993	1 991 796	5 092 510	
	2020	1 568 298	923 251	614 252	979 133	1 170 172								5 255 106	3%
Mexico	2019	1 274 656	1 252 195	1 157 265	908 851	1 086 636	1 492 773	1 421 494	1 844 854	1 438 977	1 928 592	1 502 670	1 161 269	5 679 603	
	2020	1 490 133	1 495 475	820 616	297 596	294 567								4 398 387	-23%
Korea, South	2019	387 596	537 184	649 333	634 180	444 147	290 461	348 412	268 151	234 255	595 562	638 947	630 543	2 652 440	
	2020	507 065	352 354	538 506	459 615	234 637								2 092 177	-21%
Autres	2019	1 064 251	1 565 445	2 048 895	1 918 444	1 952 528	2 088 214	1 608 133	1 975 046	3 273 732	1 793 573	1 916 596	1 464 626	8 549 563	
	2020	1 700 726	1 565 742	1 768 354	1 495 098	919 709								7 449 629	-13%
Total	2019	32 370 794	32 998 493	40 685 139	34 737 151	37 407 104	39 316 281	36 180 263	39 153 813	37 923 505	39 275 162	36 967 238	31 527 490	178 198 681	
	2020	33 836 710	29 513 831	34 410 713	25 056 484	28 938 786								151 756 524	-15%

Sources :

- Statistics Canada, AACF

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Beef imports from Canada

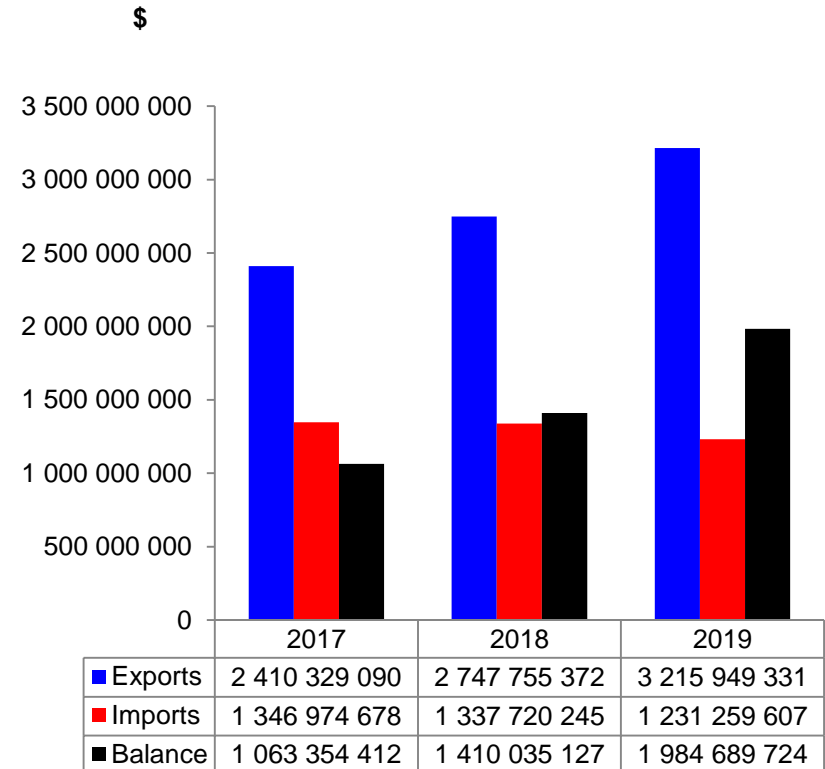
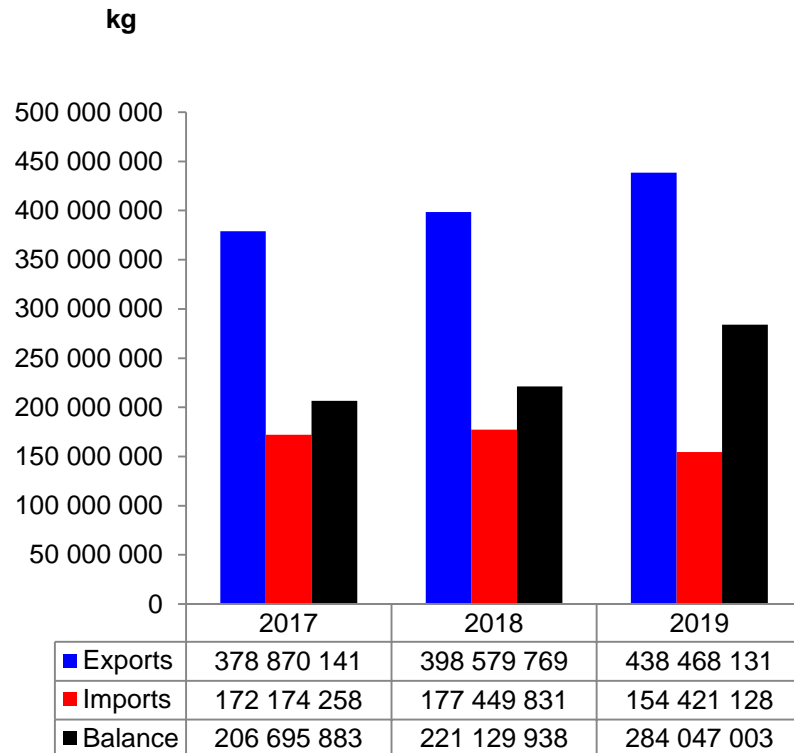
IMPORTS (KG)		J	F	M	A	M	J	J	A	S	O	N	D	J-M	var
United States	2019	8 718 180	6 894 437	7 136 995	7 571 098	9 283 288	7 919 942	8 011 620	8 548 408	7 945 835	8 611 055	8 126 714	8 557 686	39 603 998	
	2020	9 210 857	9 115 154	9 451 611	10 659 125	7 506 927								45 943 674	16%
Australia	2019	2 449 372	1 191 575	920 352	1 649 688	1 072 018	840 218	1 016 853	1 247 558	1 097 077	1 585 817	1 936 335	1 332 764	7 283 005	
	2020	1 184 479	644 321	783 520	1 287 446	1 807 155								5 706 921	-22%
New Zealand	2019	2 319 829	1 311 404	1 750 273	839 957	1 130 137	1 022 412	978 891	888 197	607 848	996 870	842 397	1 203 303	7 351 600	
	2020	1 173 891	902 893	2 305 352	2 161 651	1 635 948								8 179 735	11%
Uruguay	2019	1 344 750	1 477 210	1 651 368	952 681	772 147	586 781	307 142	148 312	82 014	265 635	214 562	182 619	6 198 156	
	2020	239 097	524 910	3 250 755	2 551 081	981 914								7 547 757	22%
Mexico	2019	417 810	290 374	307 748	462 351	641 598	795 535	526 628	533 227	435 902	537 263	539 414	495 845	2 119 881	0%
	2020	458 143	725 714	716 425	470 174	1 381 918								3 752 374	77%
United Kingdom	2019	120 017	441 334	525 942	161 993	60 750	141 824	126 800	160 587	56 778	256 676	477 022	433 091	1 310 036	
	2020	427 149	419 485	498 375	525 611	319 302								2 189 922	67%
Other	2019	396 271	492 593	525 537	520 023	701 353	506 890	1 090 064	1 062 417	823 556	999 102	936 190	1 903 786	2 635 777	
	2020	1 670 560	989 575	1 812 384	1 268 916	1 291 358								7 032 793	167%
Total	2019	15 766 229	12 098 927	12 818 215	12 157 791	13 661 291	11 813 602	12 057 998	12 588 706	11 049 010	13 252 418	13 072 634	14 109 094	66 502 453	
	2020	14 364 176	13 322 052	18 818 422	18 924 004	14 924 522								80 353 176	21%

Sources :

- Statistics Canada, AACF

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Beef imports and exports, Canada (kg, \$CA) 2017-2019

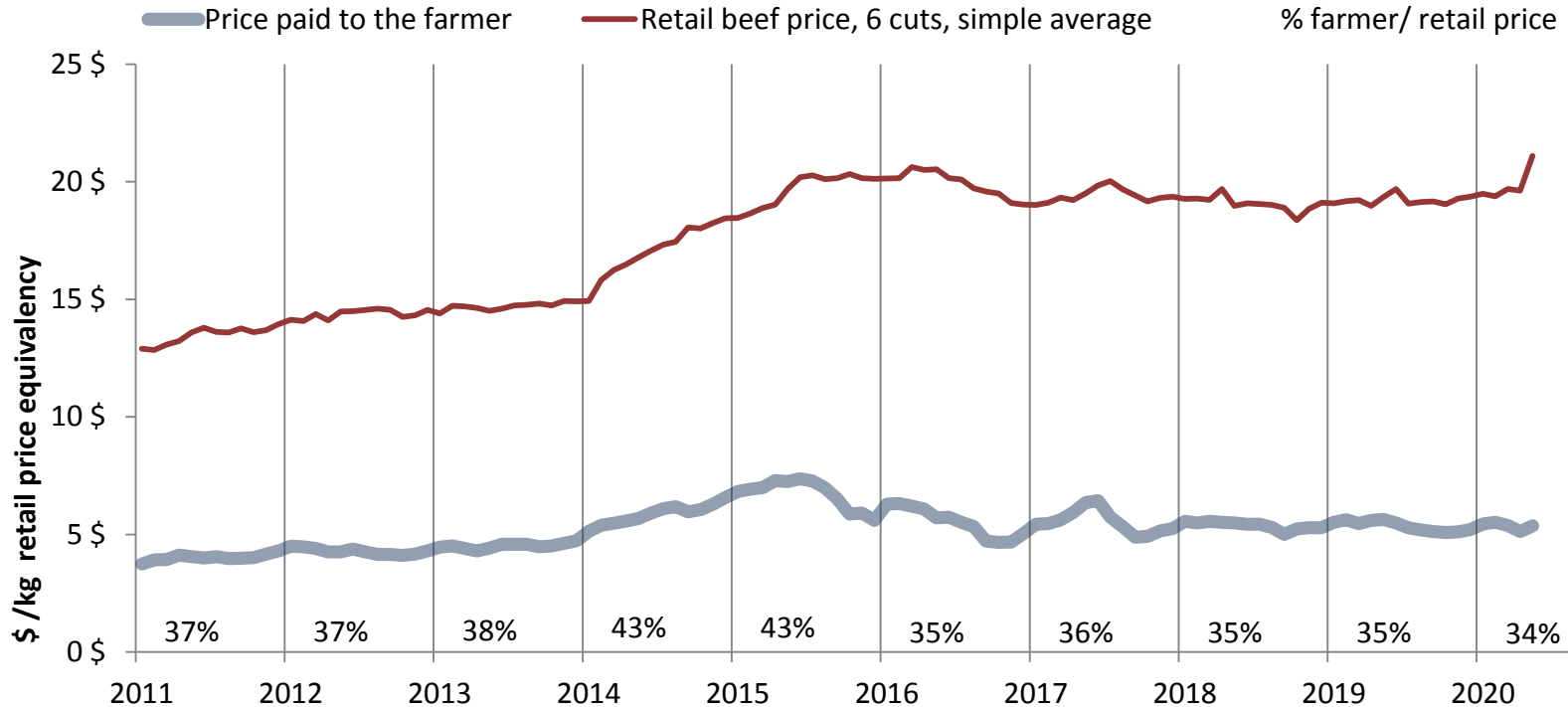


Sources :

- Statistics Canada, AACF

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Beef price cuts vs price paid to the producer

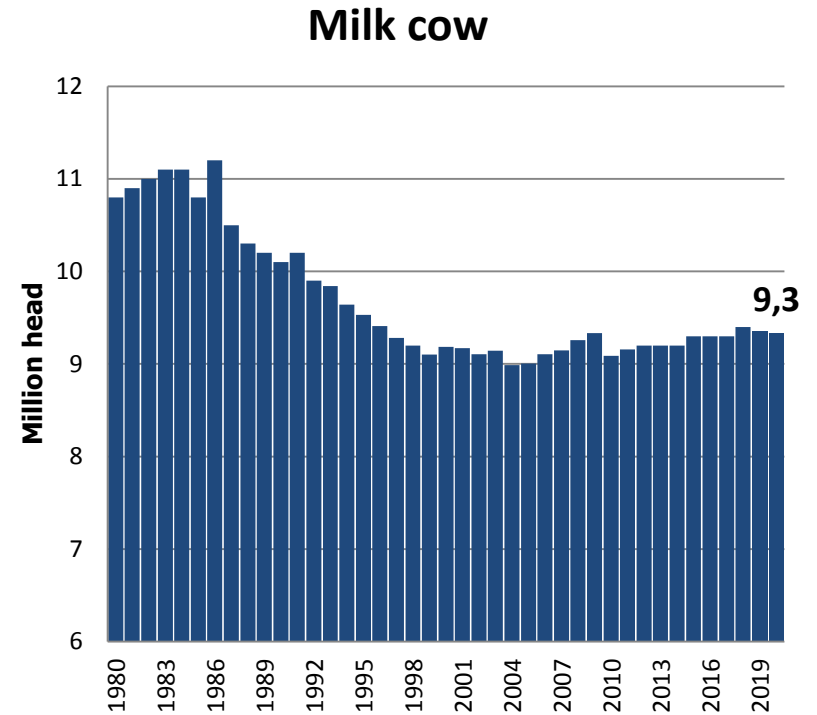
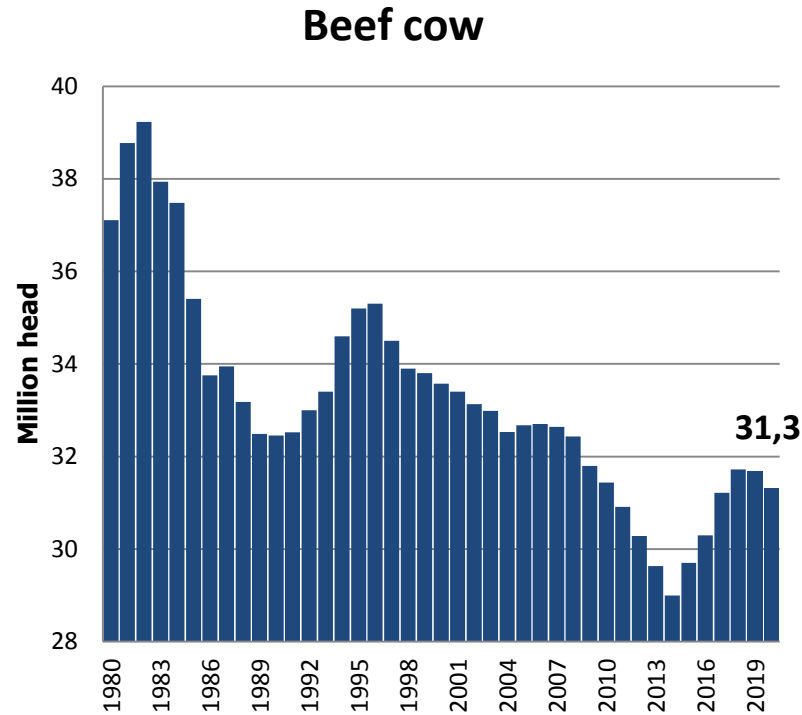


Sources :

- 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 producteur (rendement de 46% pour ramener le prix vif en prix de détail)

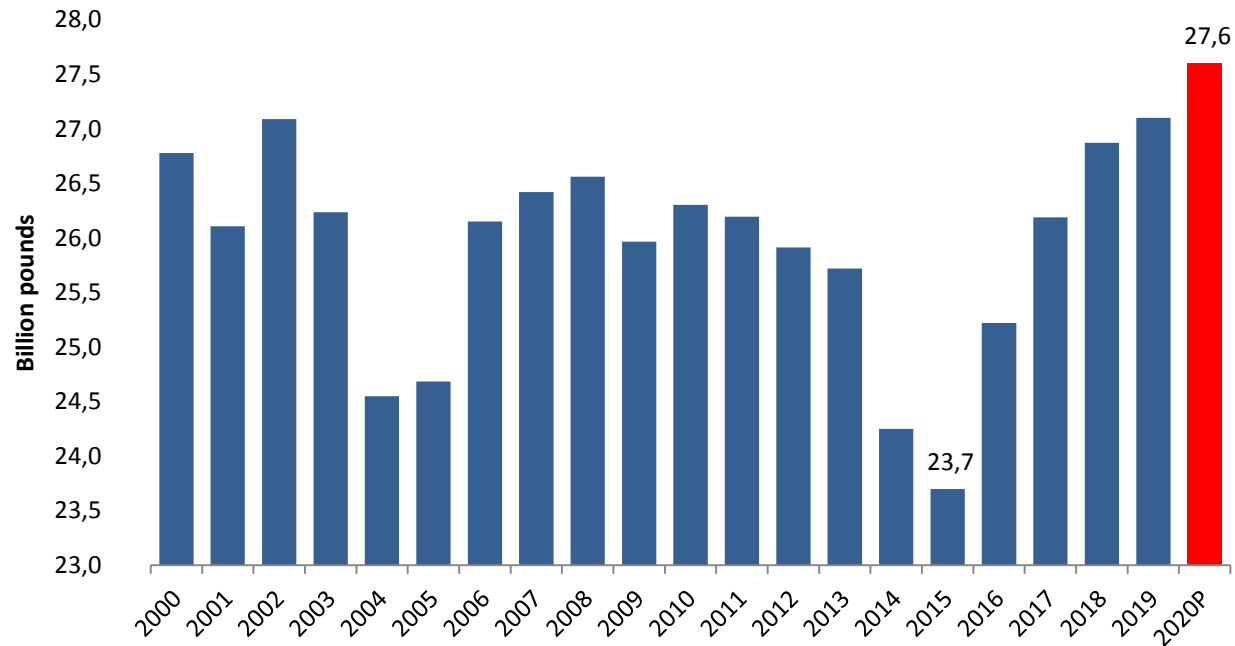
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Beef cow and milk cow inventory in United-States



Source :
• USDA

Beef production in United-States

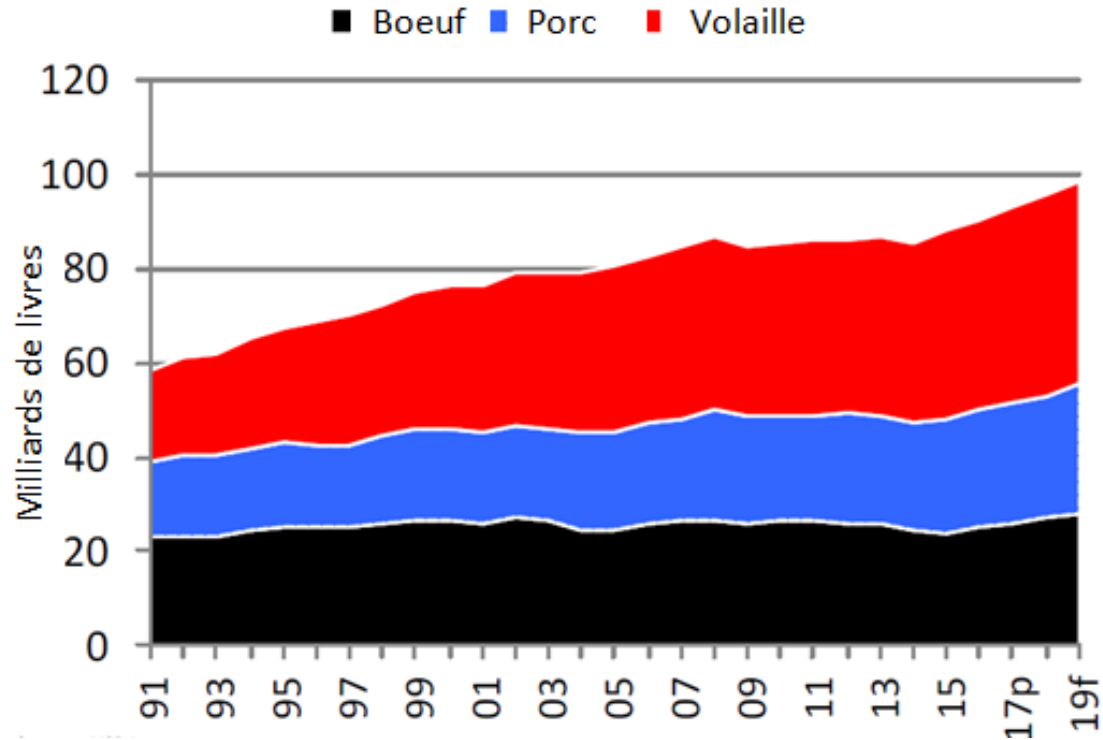


Sources :

- USDA et CattleFax

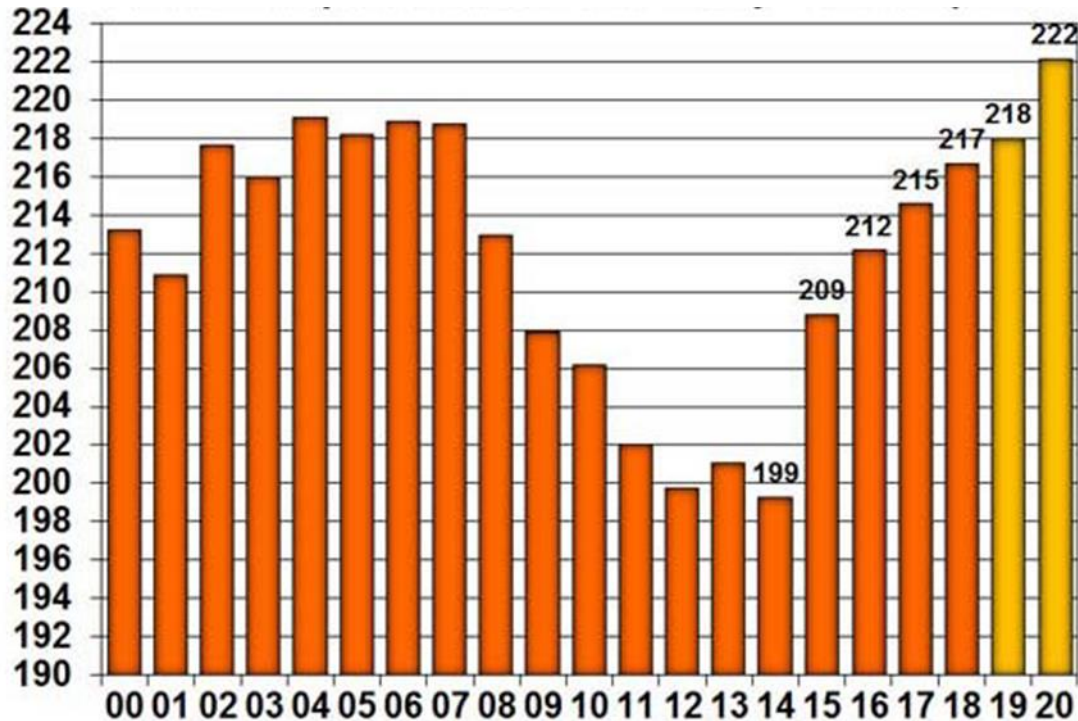


Beef – pork –poultry production in United-States



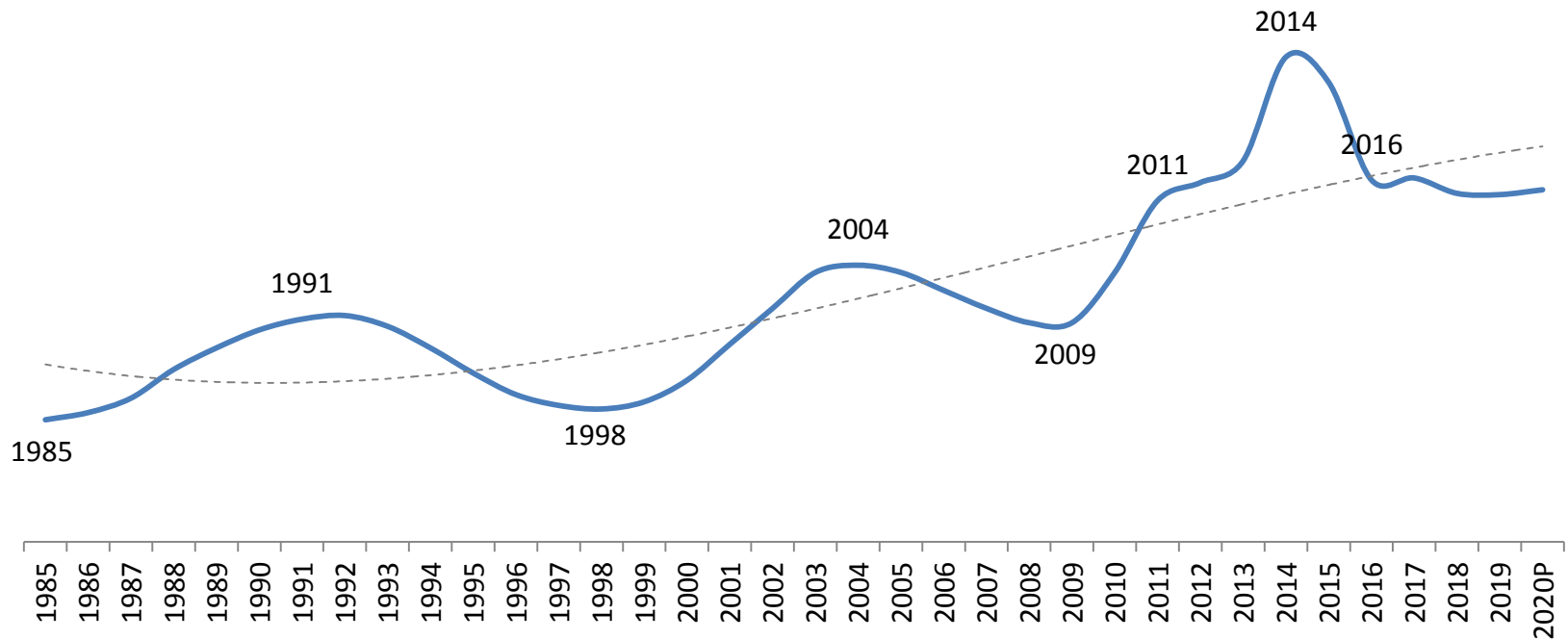
Sources :
• USDA

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



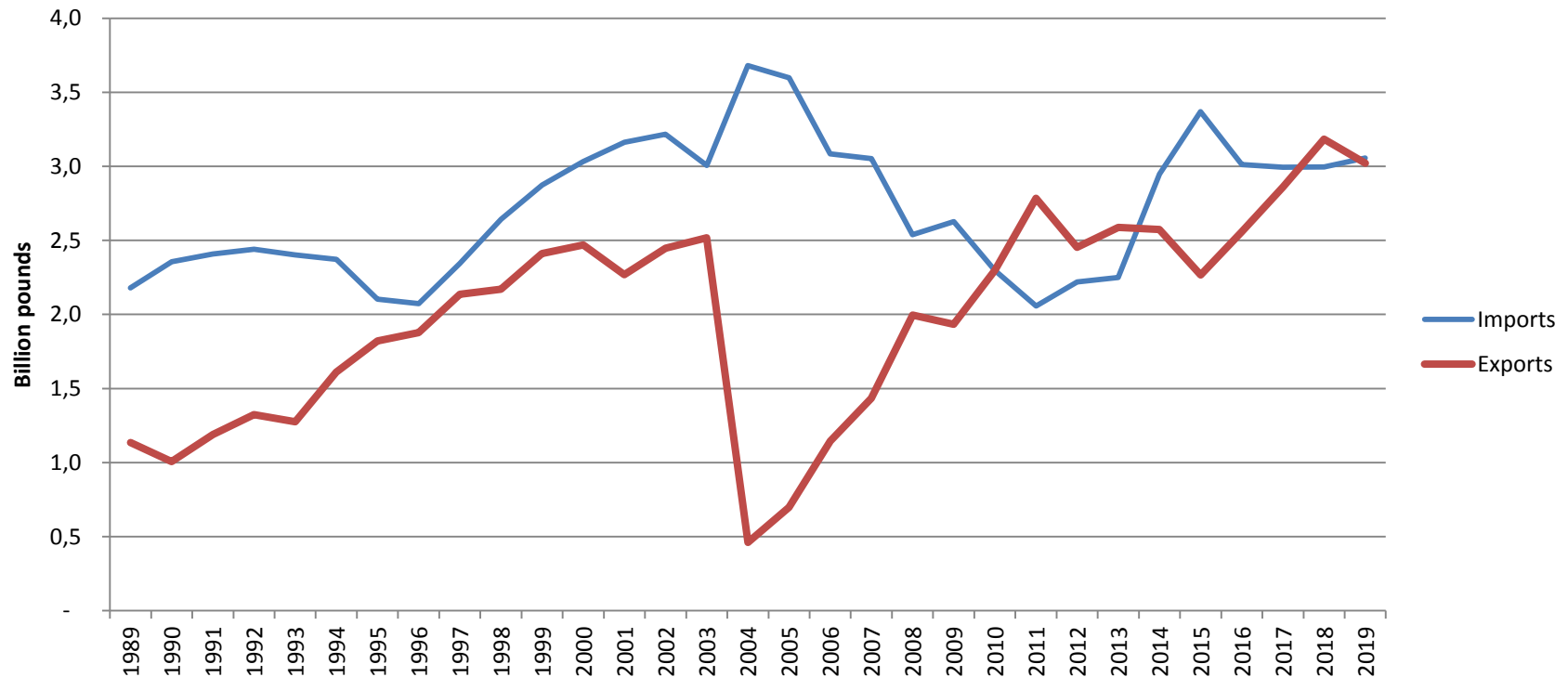
Sources :
• USDA, CattleFax

Cattle price cycle in United-States



Sources :
• CattleFax

Beef imports and exports in United-States



Sources :

- USDA et Cattlefax



Long term outlook

- Beef cattle herd contraction is underway in United-States which should have lead to less beef production and somewhat firmer prices by the end of 2020.
 - However, COVID-19 is causing extreme volatility and blurring market signals.
 - The economic recession could cause demand to decline in the medium to long term.
-

Short term outlook

- Slaughter capacity is increasing but there are still cattle backlogged (especially in Western Canada).
 - Carcass weights remain extremely high this summer, further increasing beef production.
 - The arrival of hot weather generally leads to a drop in demand in mid- summer.
 - Restaurants are still operation at slow pace
 - The futures market remains relatively optimistic for this fall
-

PRODUCTEURS DE BOVINS DU QUÉBEC

Sources :

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

Links:



Ann Fornasier, agr., M. Sc. | Agroeconomiste
Les Producteurs de bovins du Québec - UPA

Thank you!

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