

A GLANCE AT BEEF AND VEAL MARKET

March 2021

Les Producteurs
de bovins du
Québec



A GLANCE AT BEEF AND VEAL MARKETS

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de bovins du
Québec

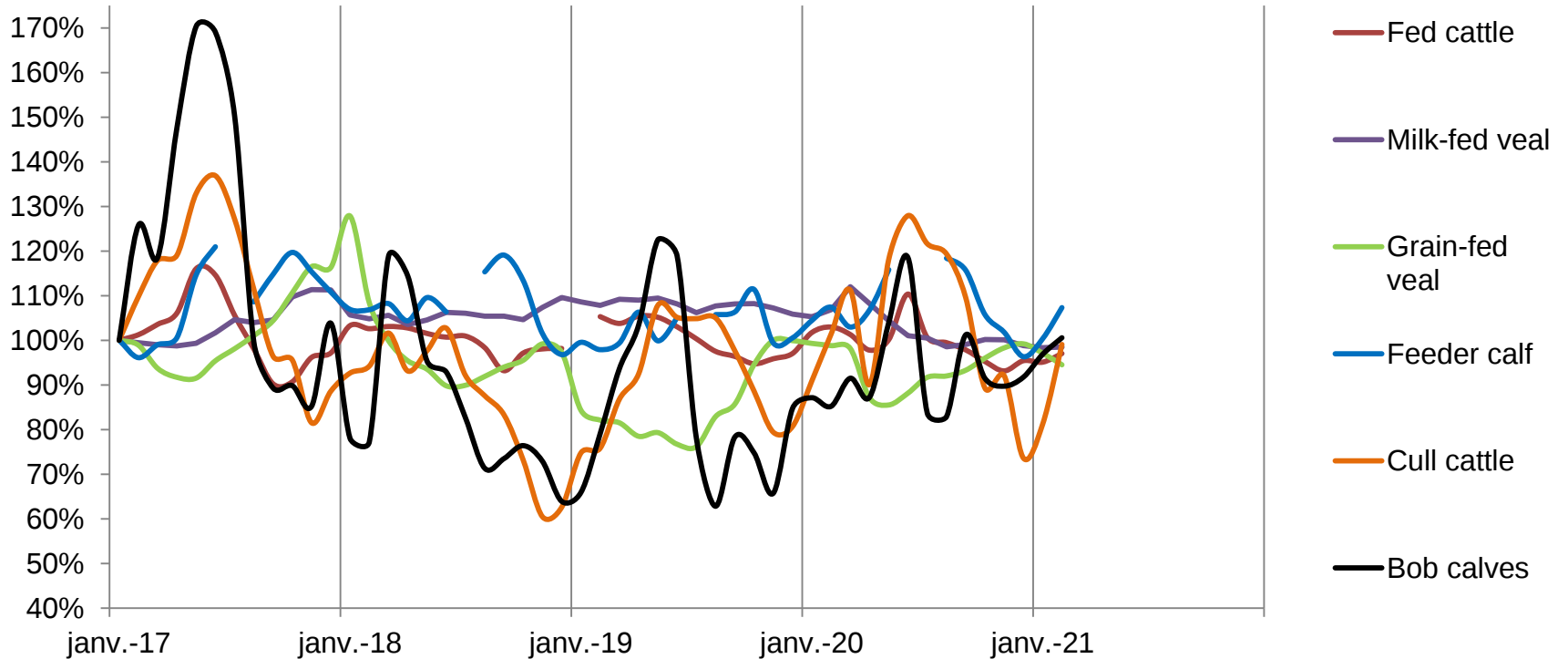


Slaughter volume (head) in 2021

		Canada			United-States
		West	East	Total	Total
Steers and heifers	2021	365 279	102 287	467 566	3 979 000
	% chg 2020	0,17	7 %	15 %	2 %
Cows and bulls	2021	68 564	18 657	87 221	1 115 000
	% chg 2020	- 16 %	19 %	- 10 %	1 %
Milk fed and grain fed calves	2021			27 882	25 176
	% chg 2020			- 3 %	- 16%

Source :
AAFC (Year to date)

Price variation of cattle in Quebec since January 2017

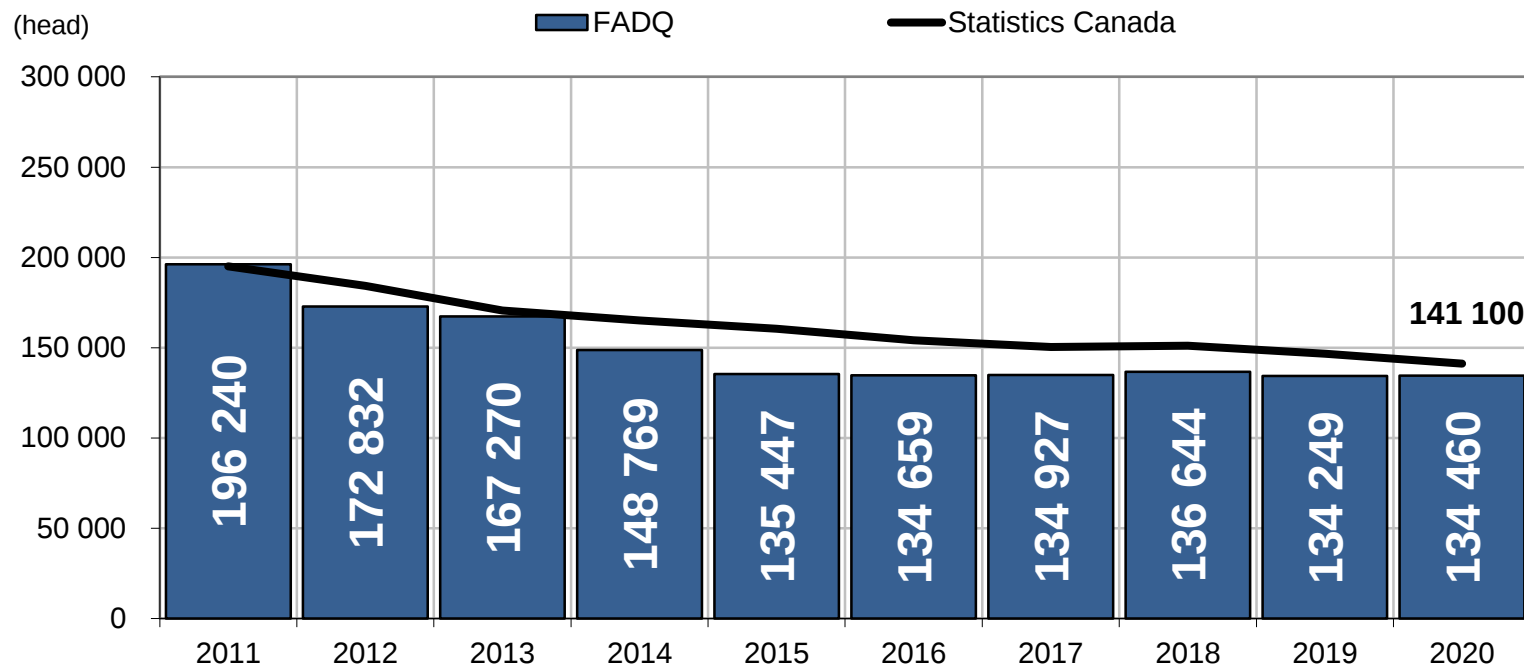


Source :

- PBQ

Feeder calf

Number of beef cows in Quebec

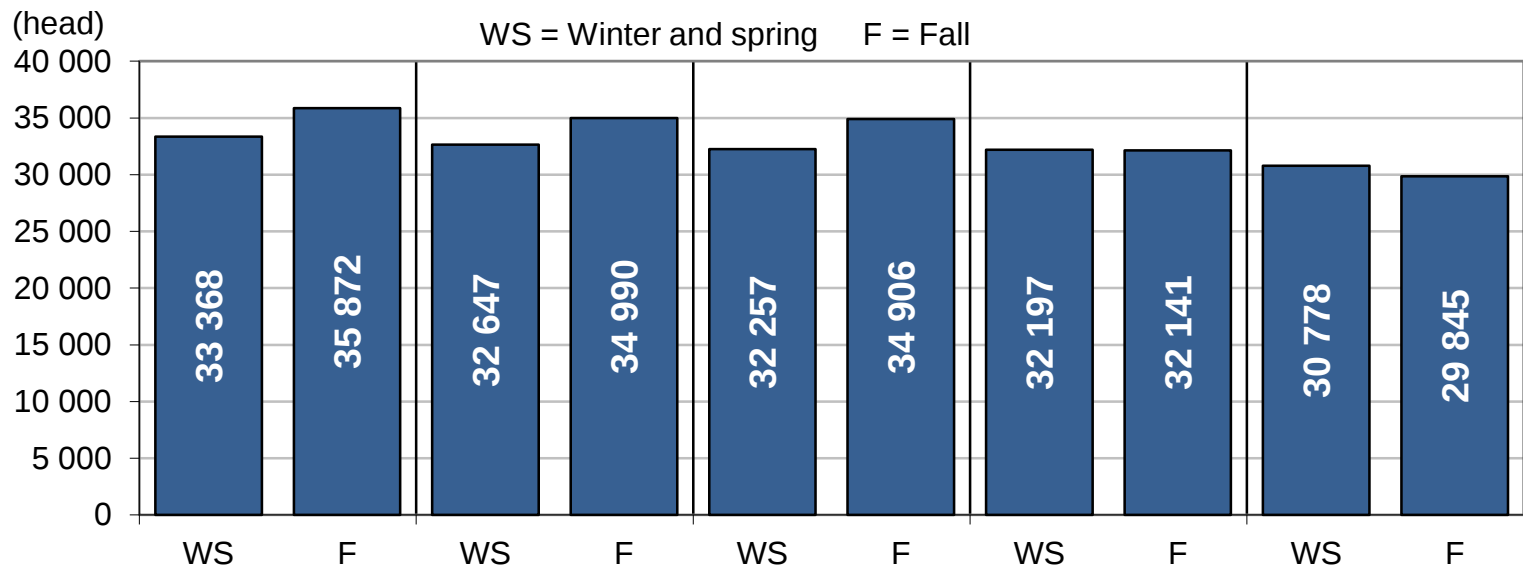


Sources :

- 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

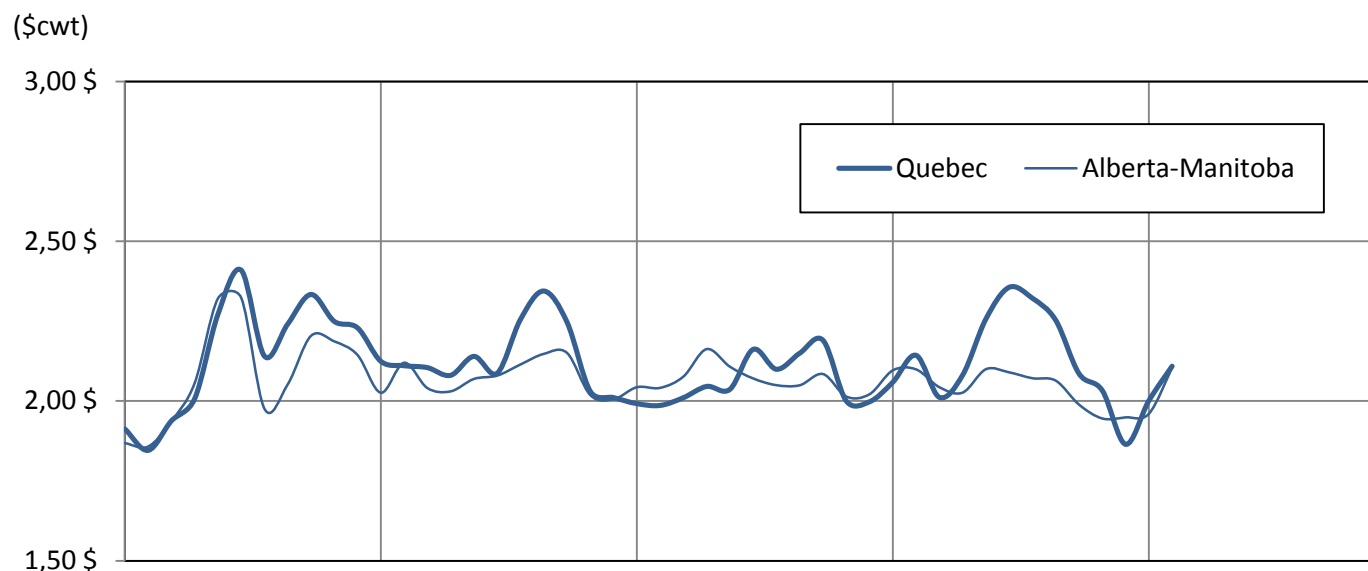
Source :

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 \$	2,05 \$
Que-(Alb-Man)	0,06 \$	0,07 \$	0,00 \$	0,09 \$	0,02 \$

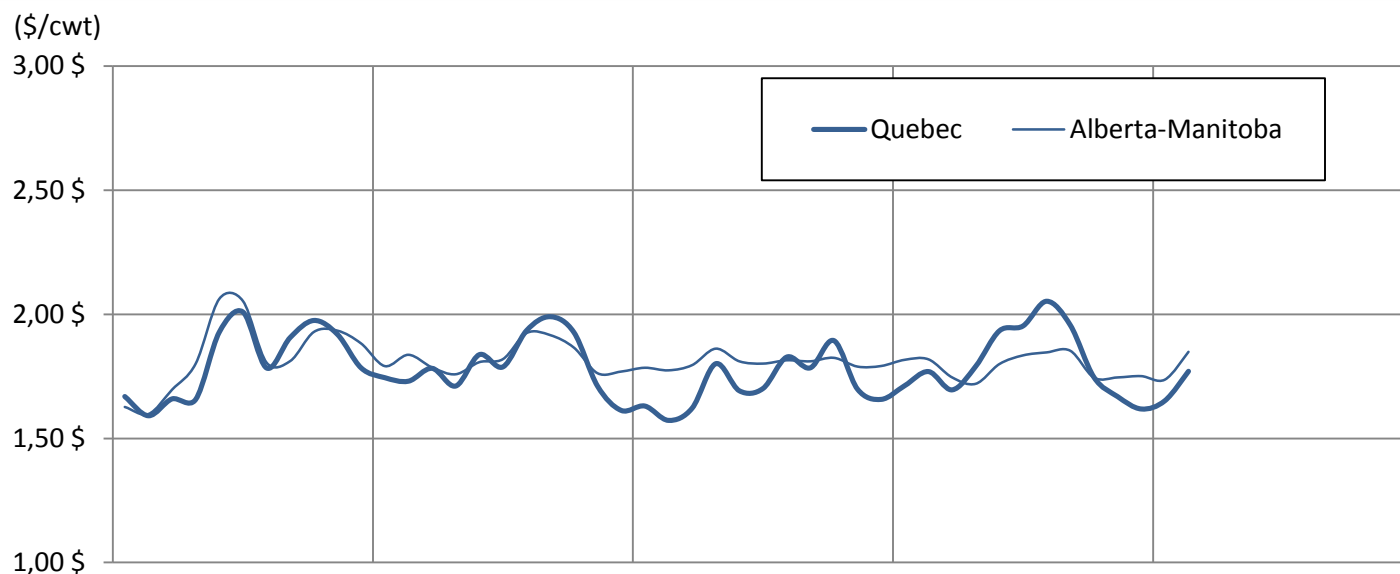
Sources :

- 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



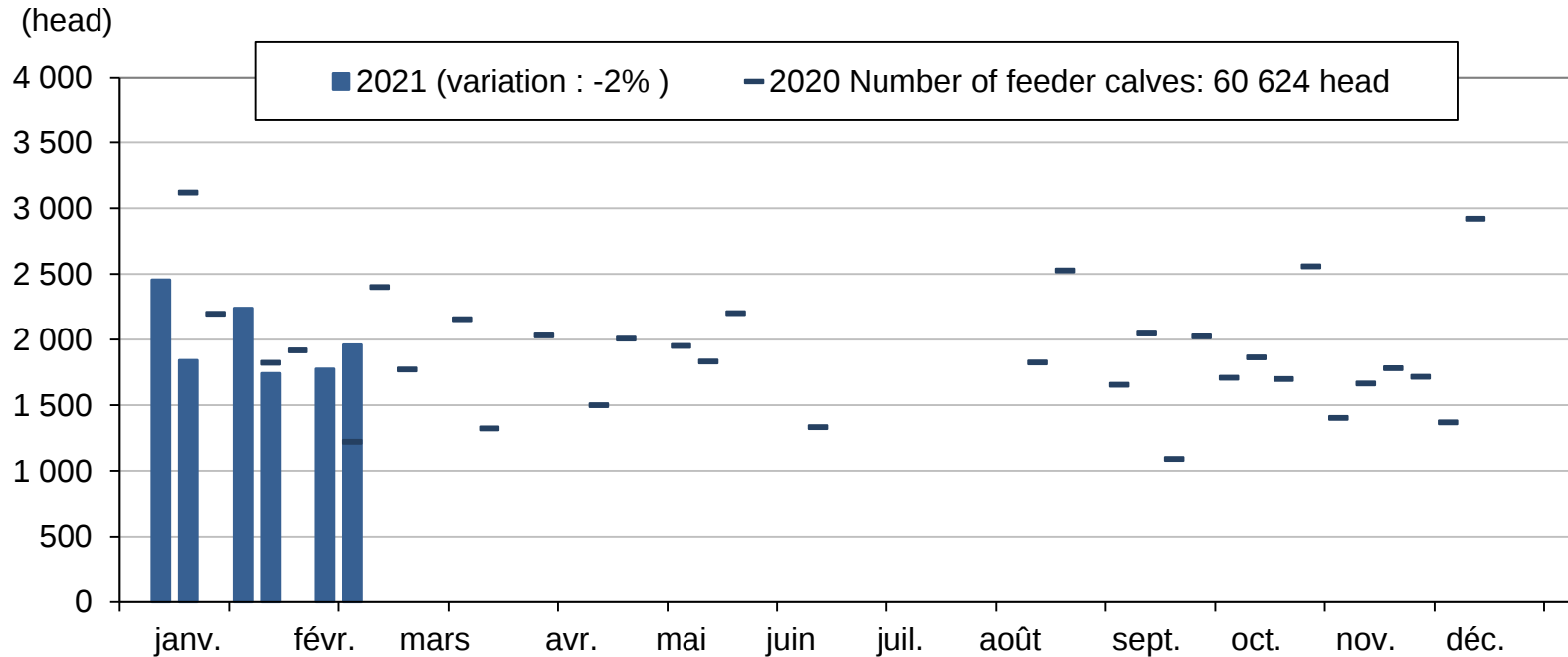
	2017	2018	2019	2020	2021
Quebec	1,84 \$	1,82 \$	1,81 \$	1,81 \$	1,71 \$
Que-(Alb-Man)	-0,03 \$	-0,02 \$	-0,09 \$	0,02 \$	-0,08 \$

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

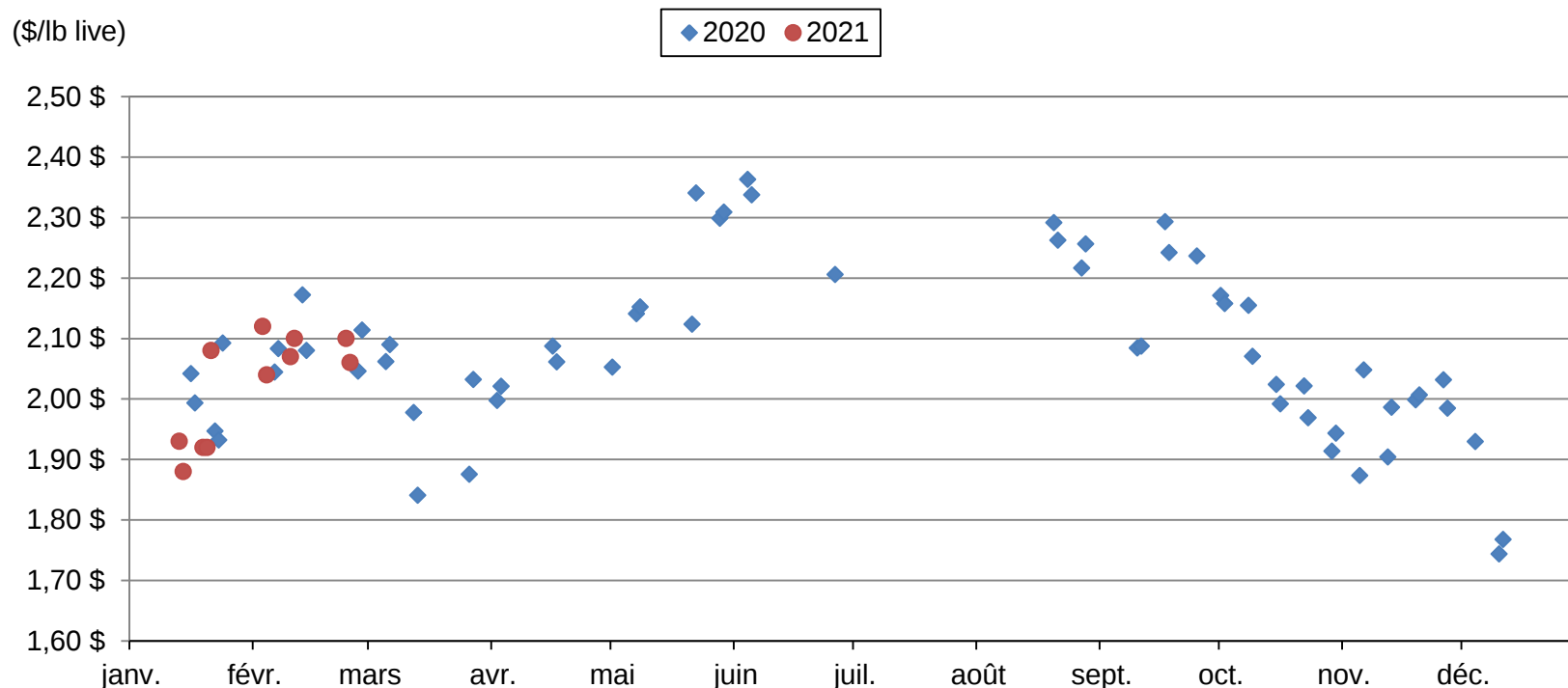


Source :
Number of feeder calves in Quebec specialized auctions in Quebec, PBQ

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

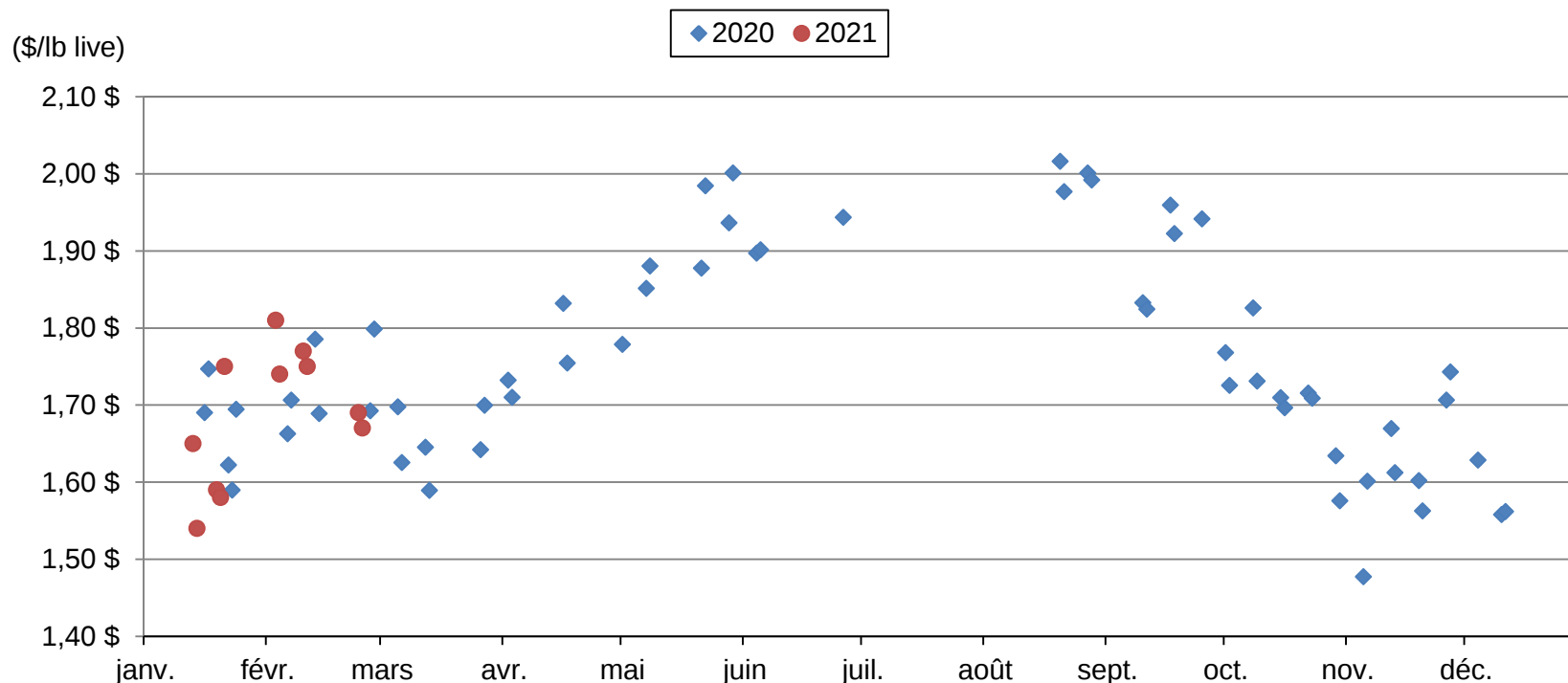
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Feeder calf

Price of female feeder calves (600-700 lb)

Quebec specialized auctions 2020-2021

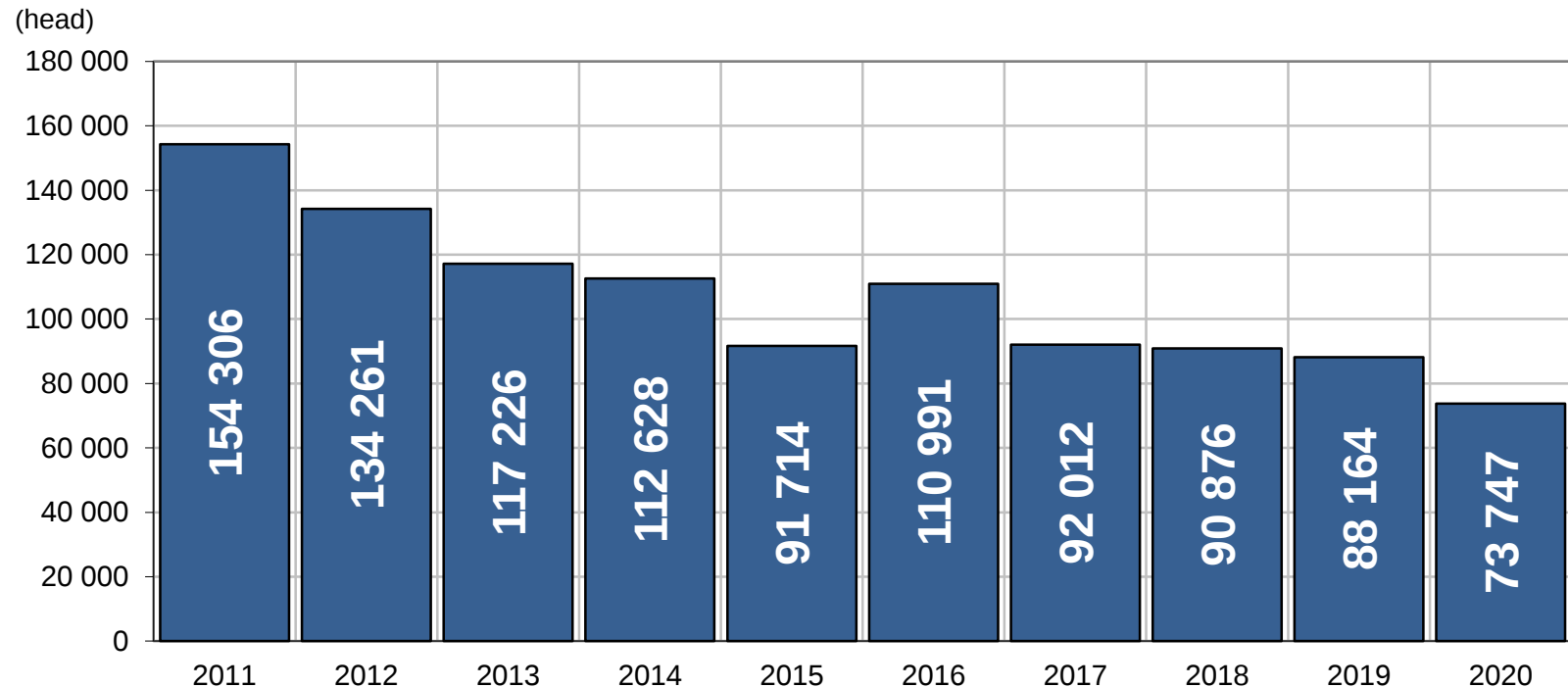


Sources :

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

Fed cattle

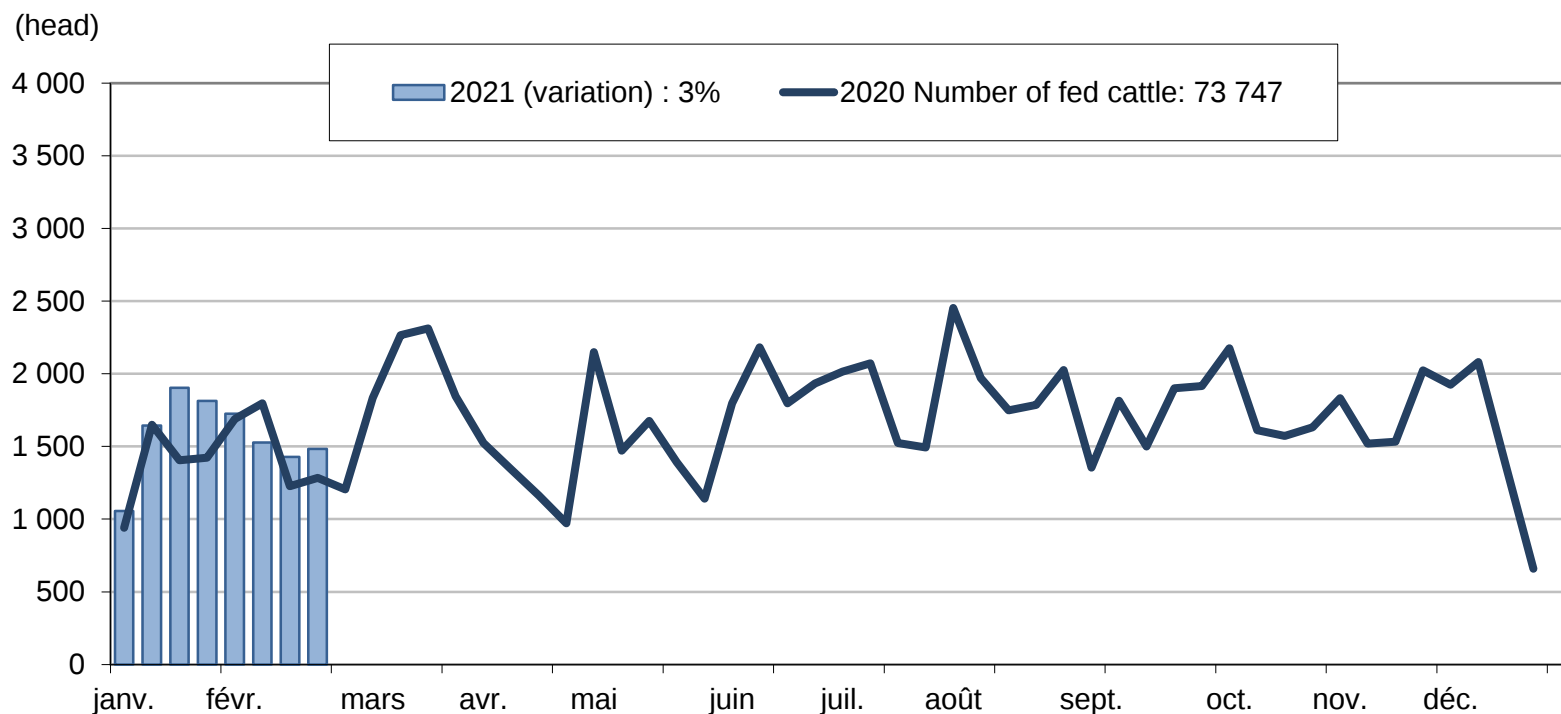
Number of cattle fed in Quebec



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

Fed cattle

Number of cattle fed in Quebec 2020-2021



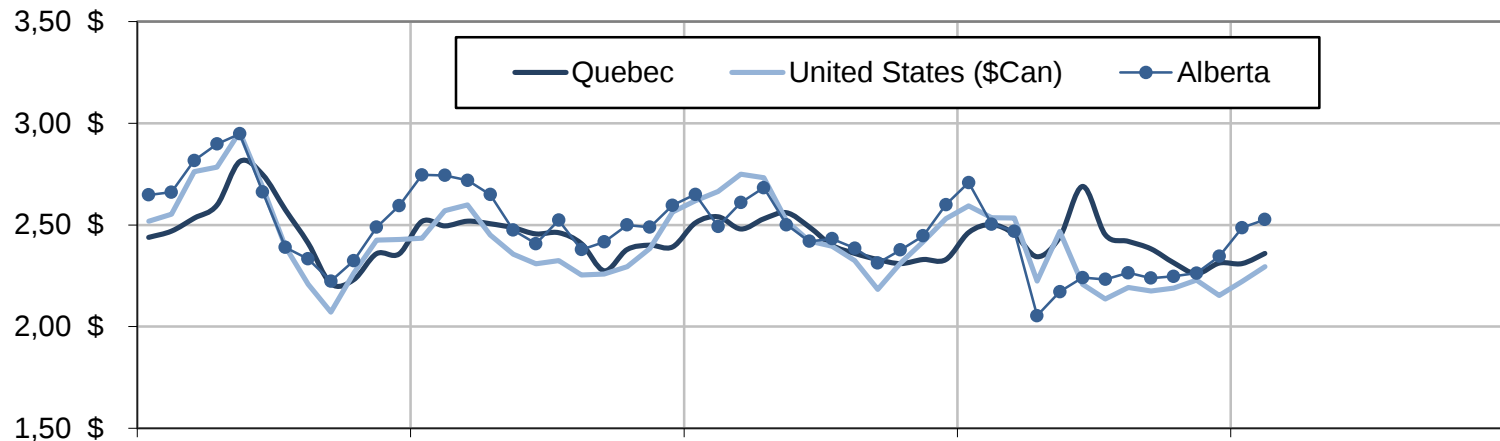
Source:

- 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 \$	2,34 \$
Que-Ont	-0,05 \$	-0,01 \$	-0,03 \$	0,01 \$	-0,04 \$
Que-US	-0,03 \$	0,04 \$	-0,06 \$	0,12 \$	0,08 \$
Que-Alb	-0,10 \$	-0,11 \$	-0,06 \$	0,11 \$	-0,17 \$

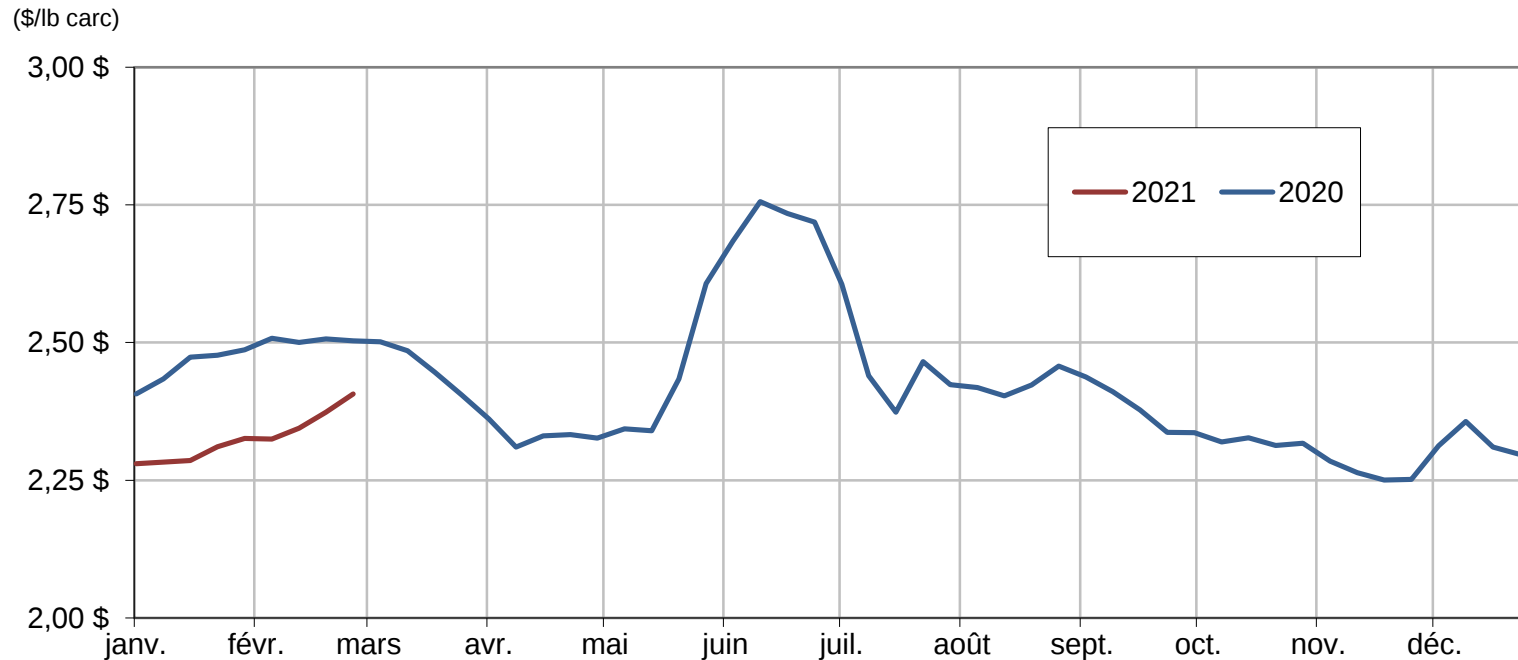
Sources :

- 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

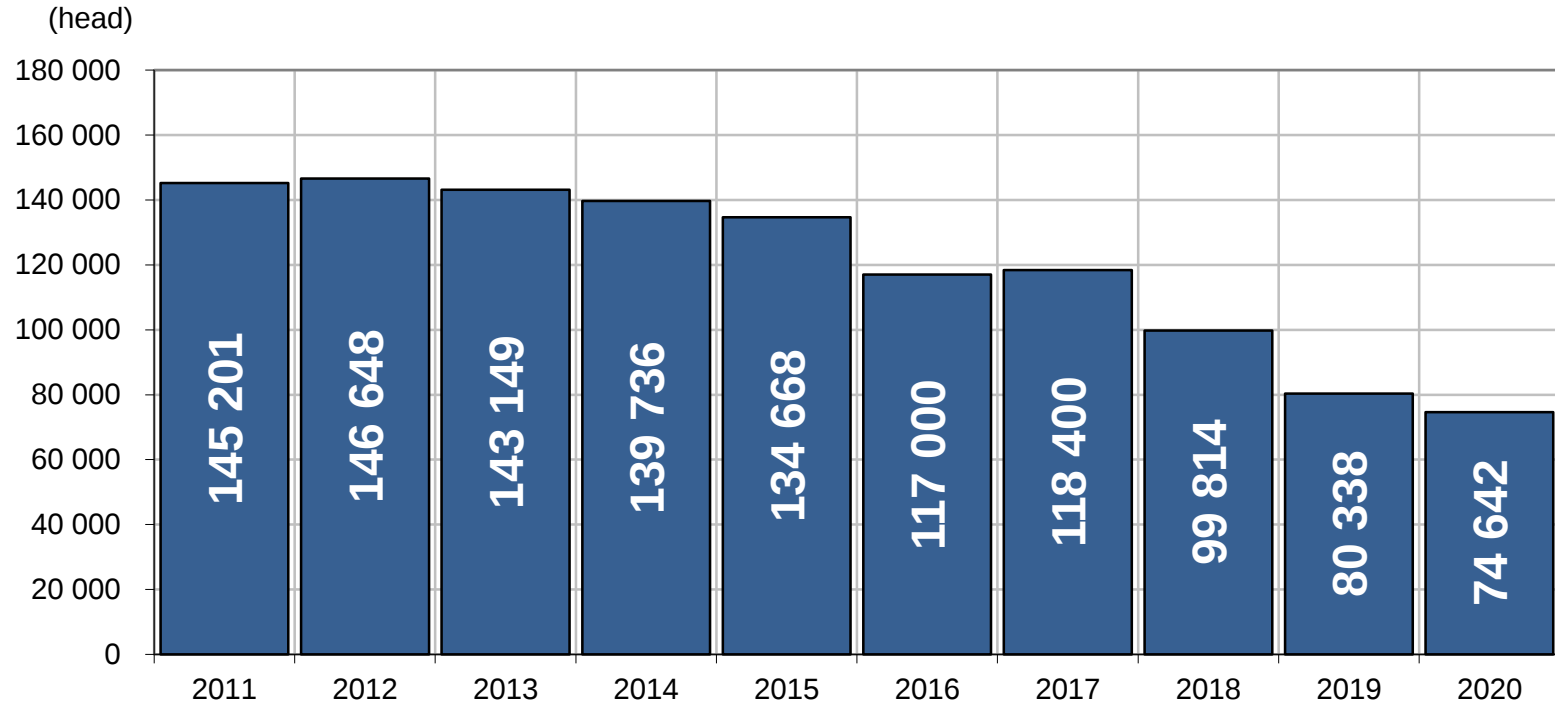


Sources :

- 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

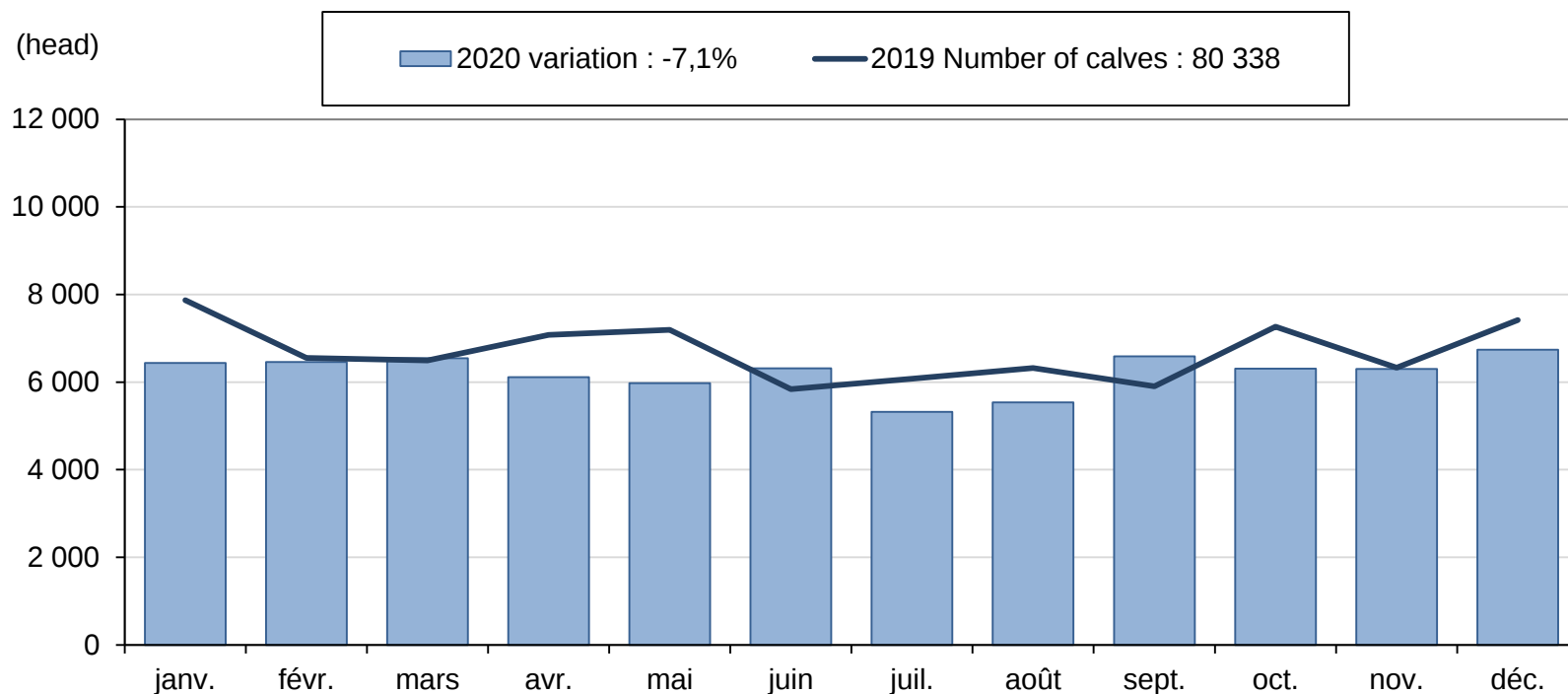


Sources :

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

Milk-fed veal

Number of calves fed in Quebec 2019-2020



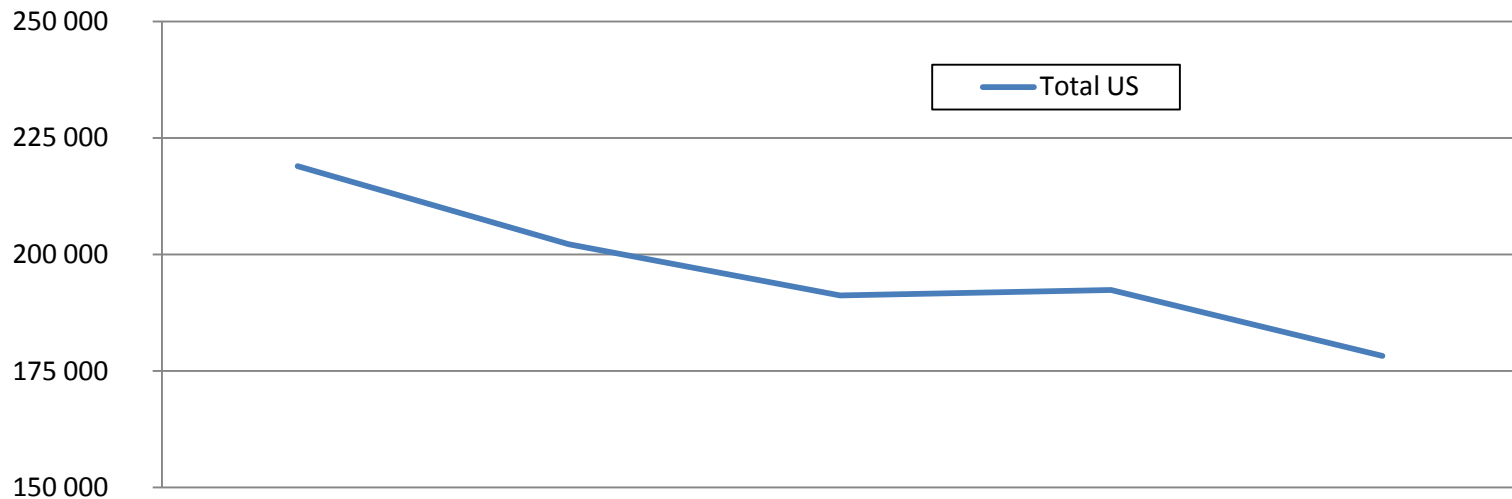
Sources :

- 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

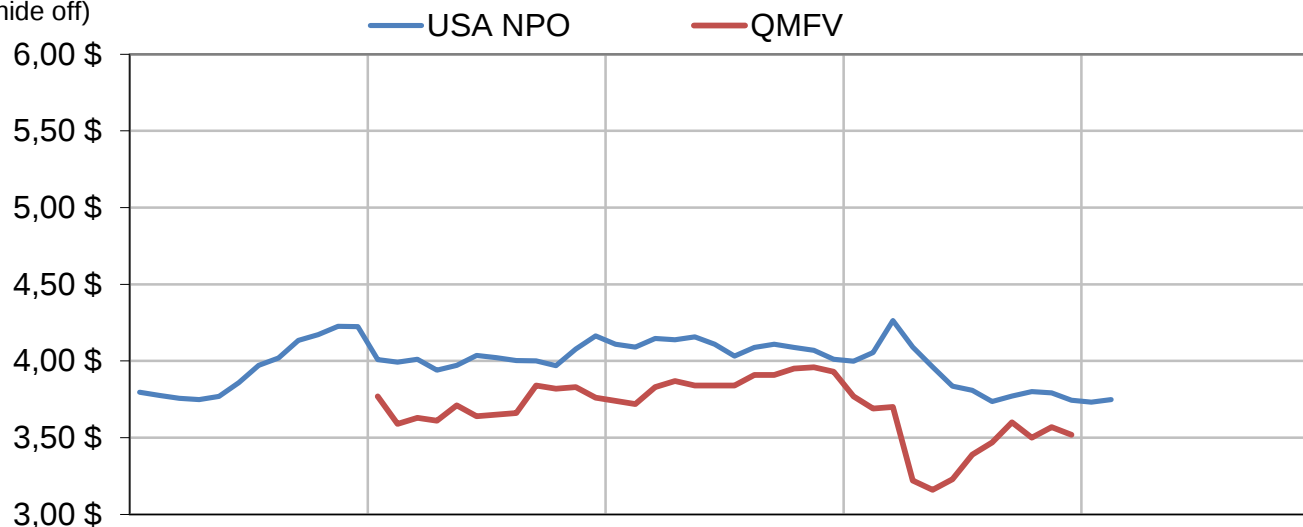
Sources :

- 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

(\$ CAN/lb carcass hide off)



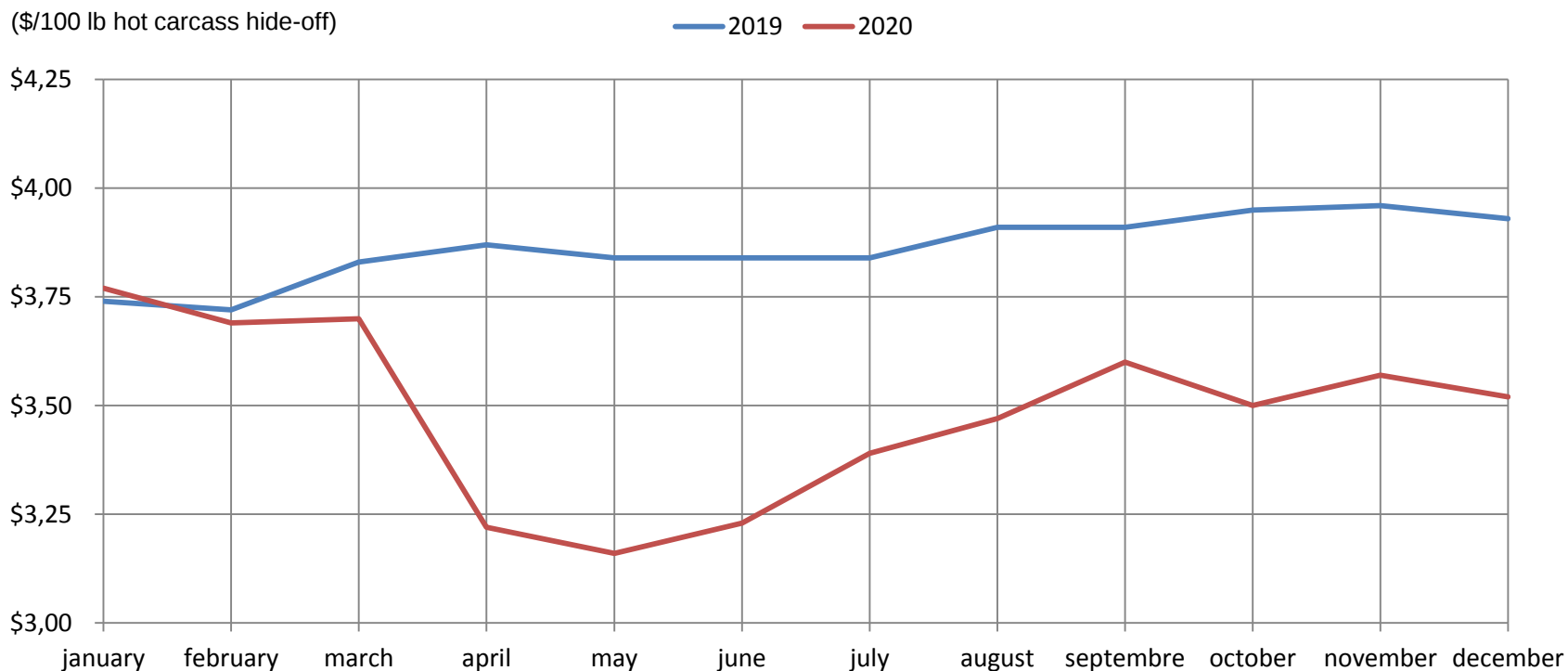
	2017	2018	2019	2020	2021
USA-NPO	3,87 \$	4,02 \$	4,02 \$	4,11 \$	
QMFV	0,00 \$	0,00 \$	3,86 \$	3,49 \$	3,74 \$

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

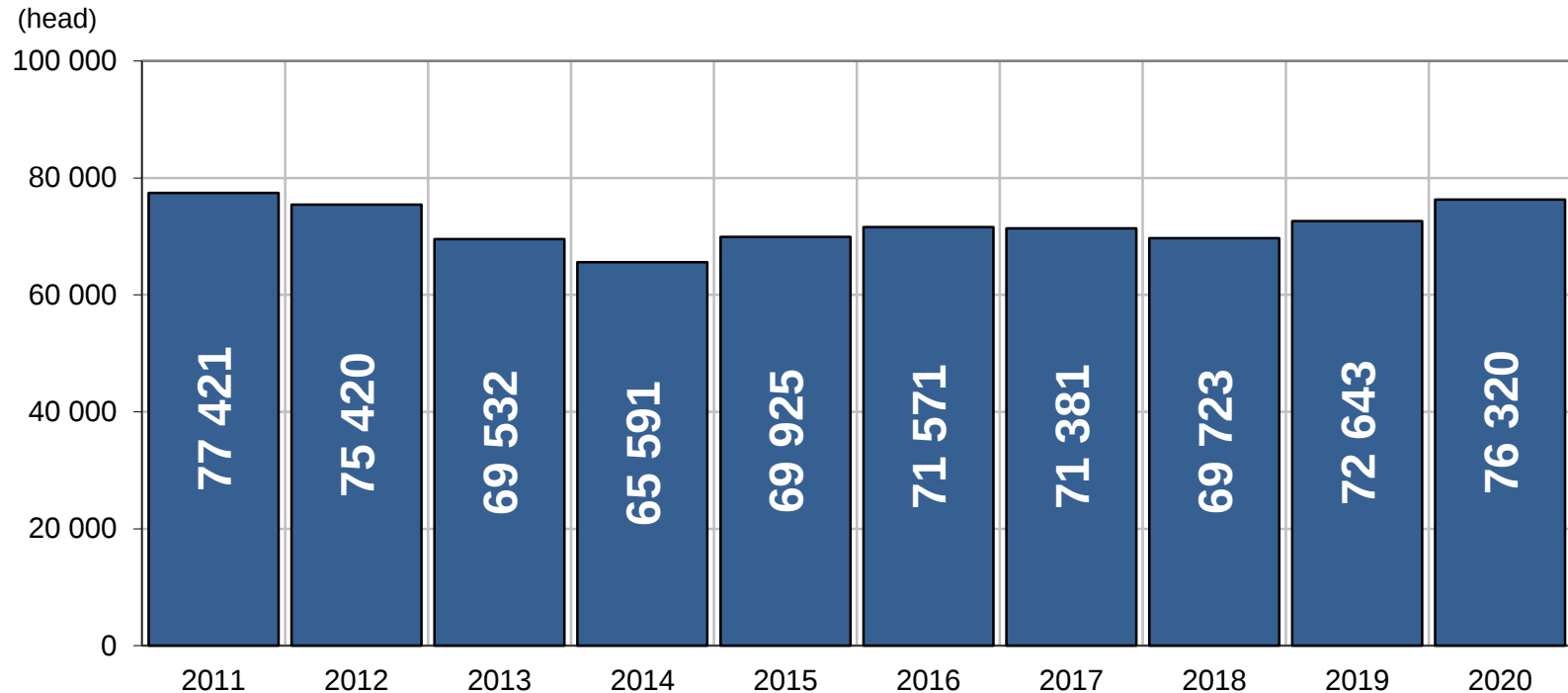


Sources :

- Net price collected by CECPA.

Grain-fed veal

Number of calves fed in Quebec



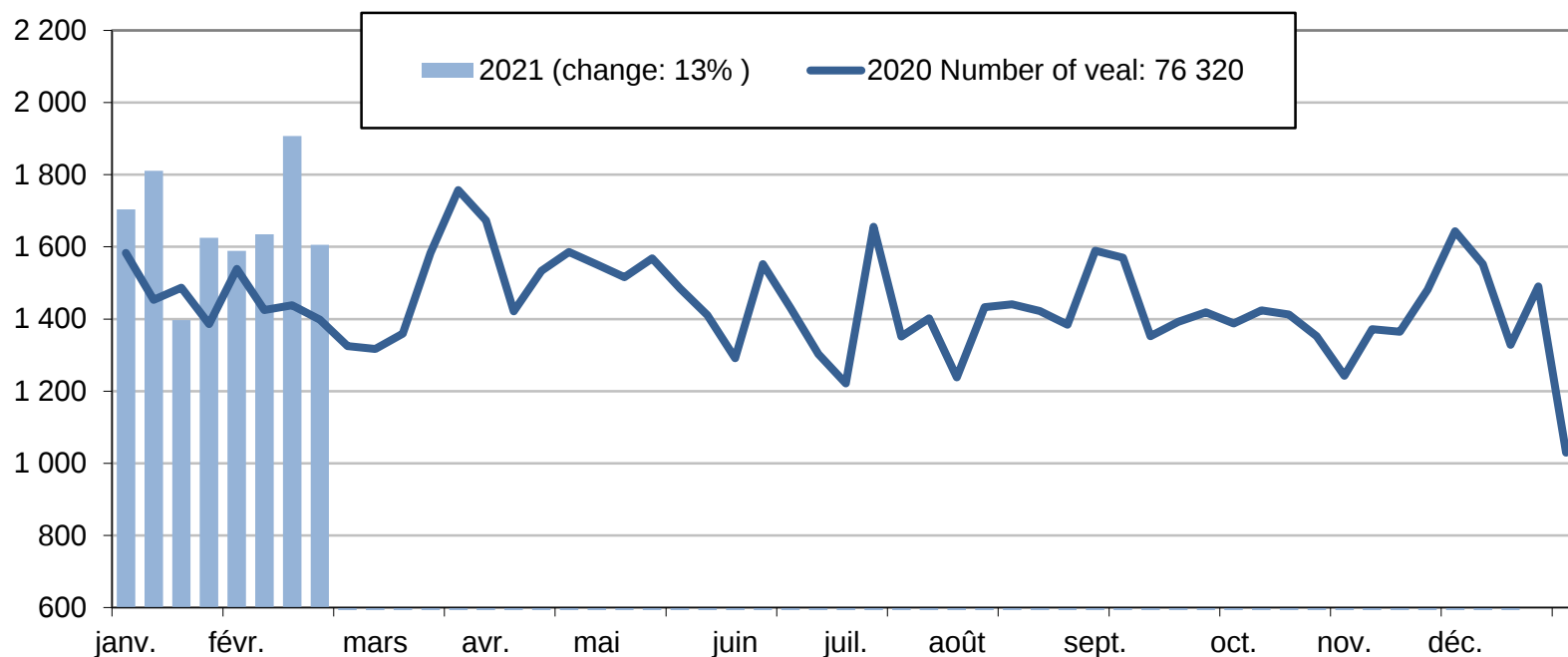
Sources :

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

Grain-fed veal

Number of calves fed in Quebec 2020-2021

(head)



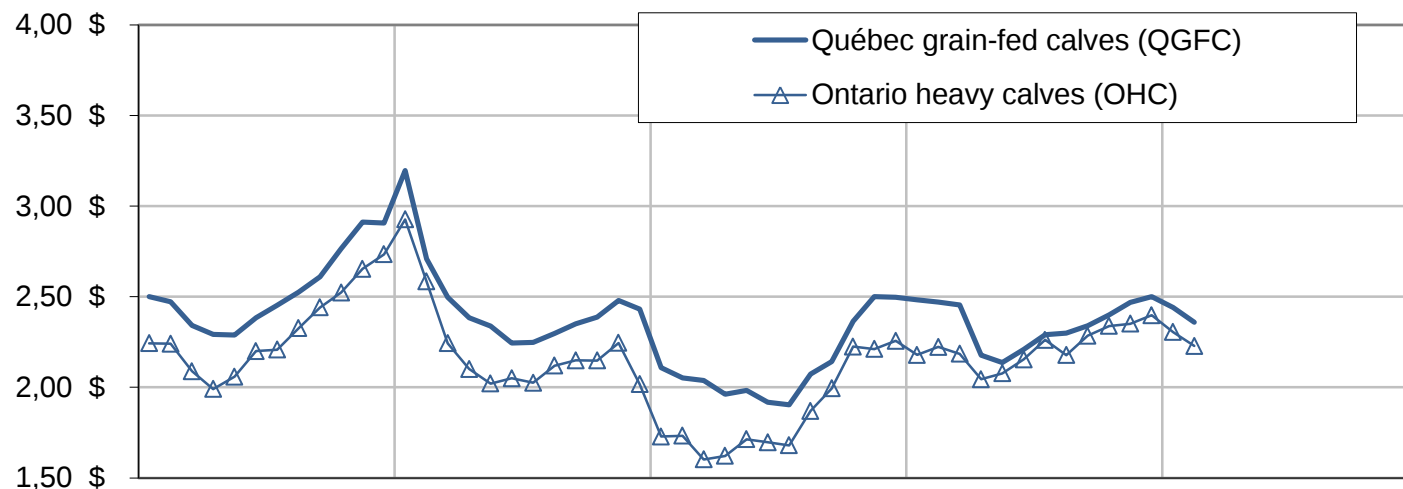
Sources :

- 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 \$	2,40 \$
QGFC-OHC	0,23 \$	0,24 \$	0,27 \$	0,13 \$	0,13 \$

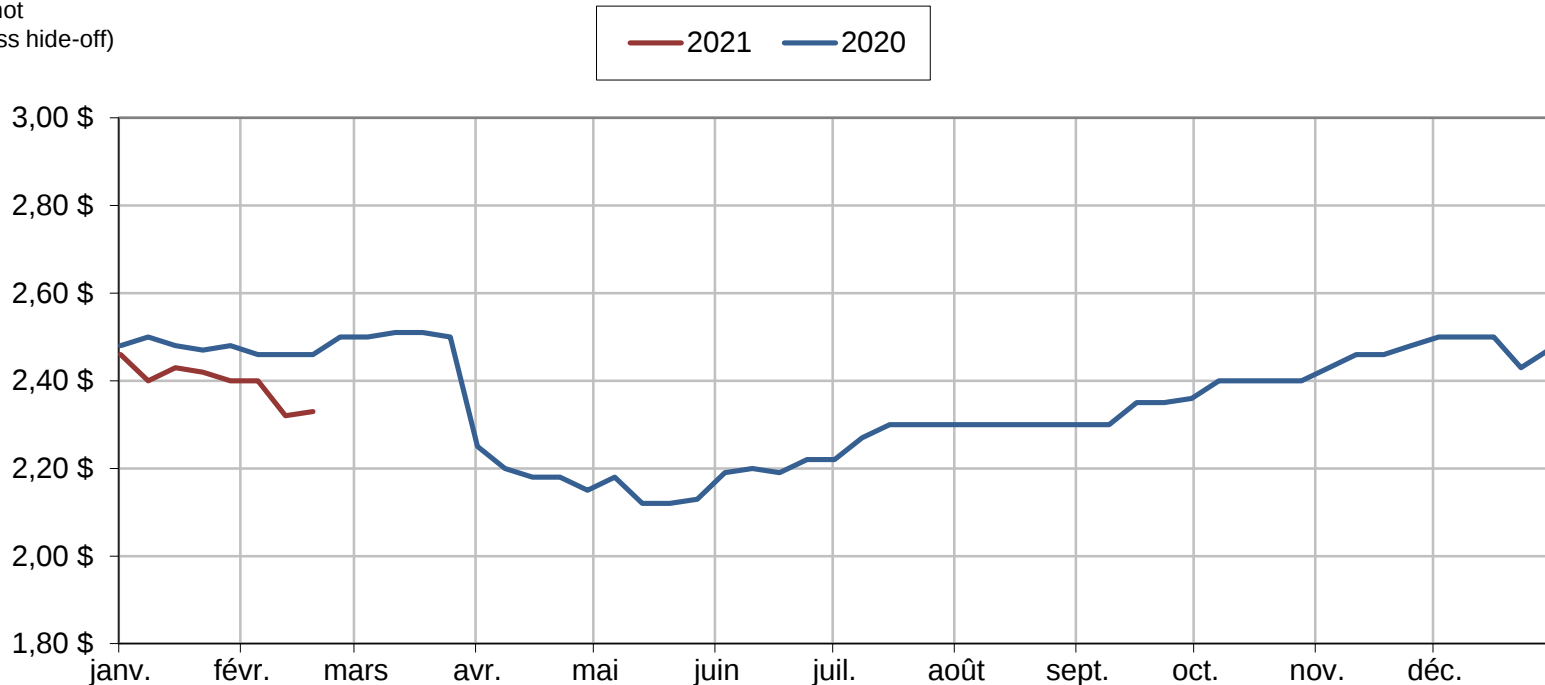
Sources :

- 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

(\$/lb hot
carcass hide-off)

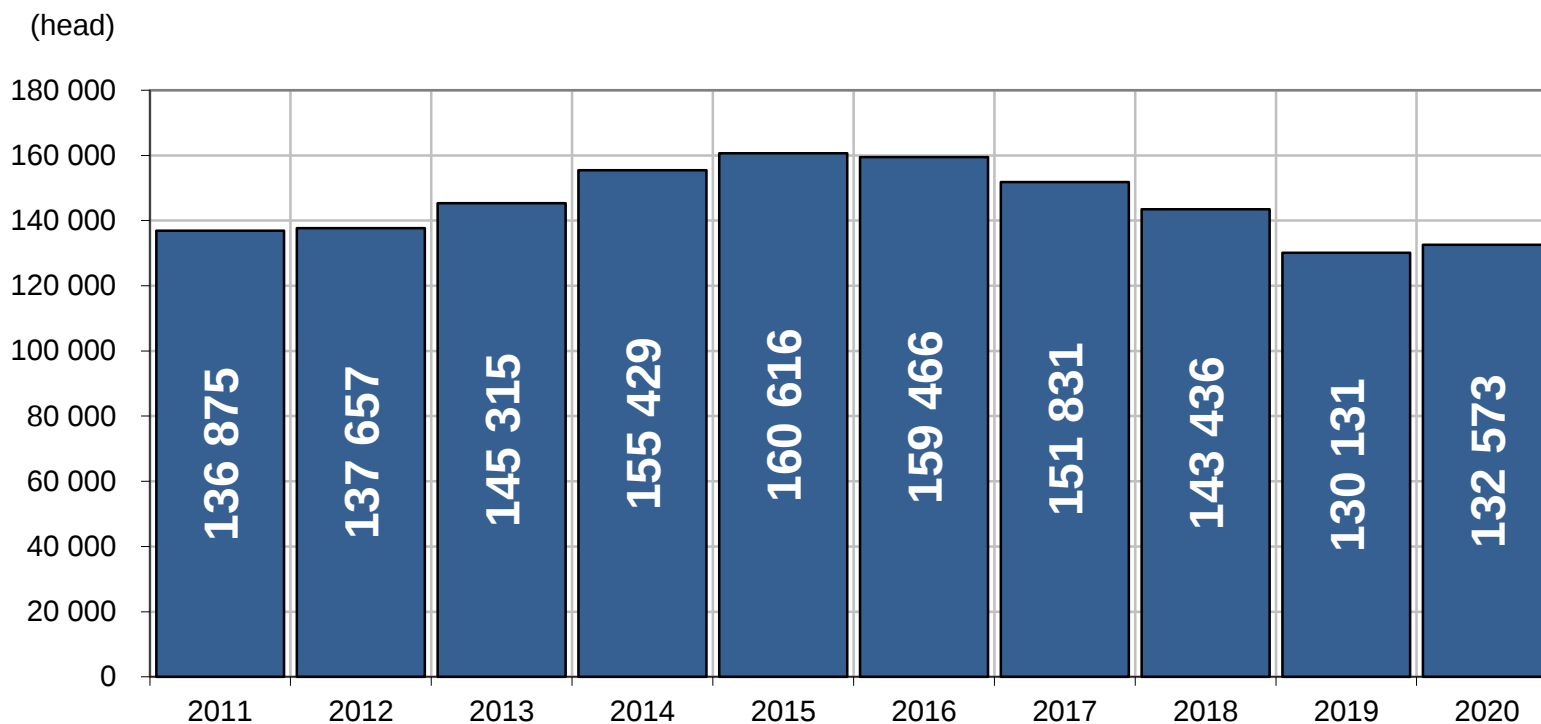


Sources :

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

Bob calves

Number of bob calves marketed in Quebec

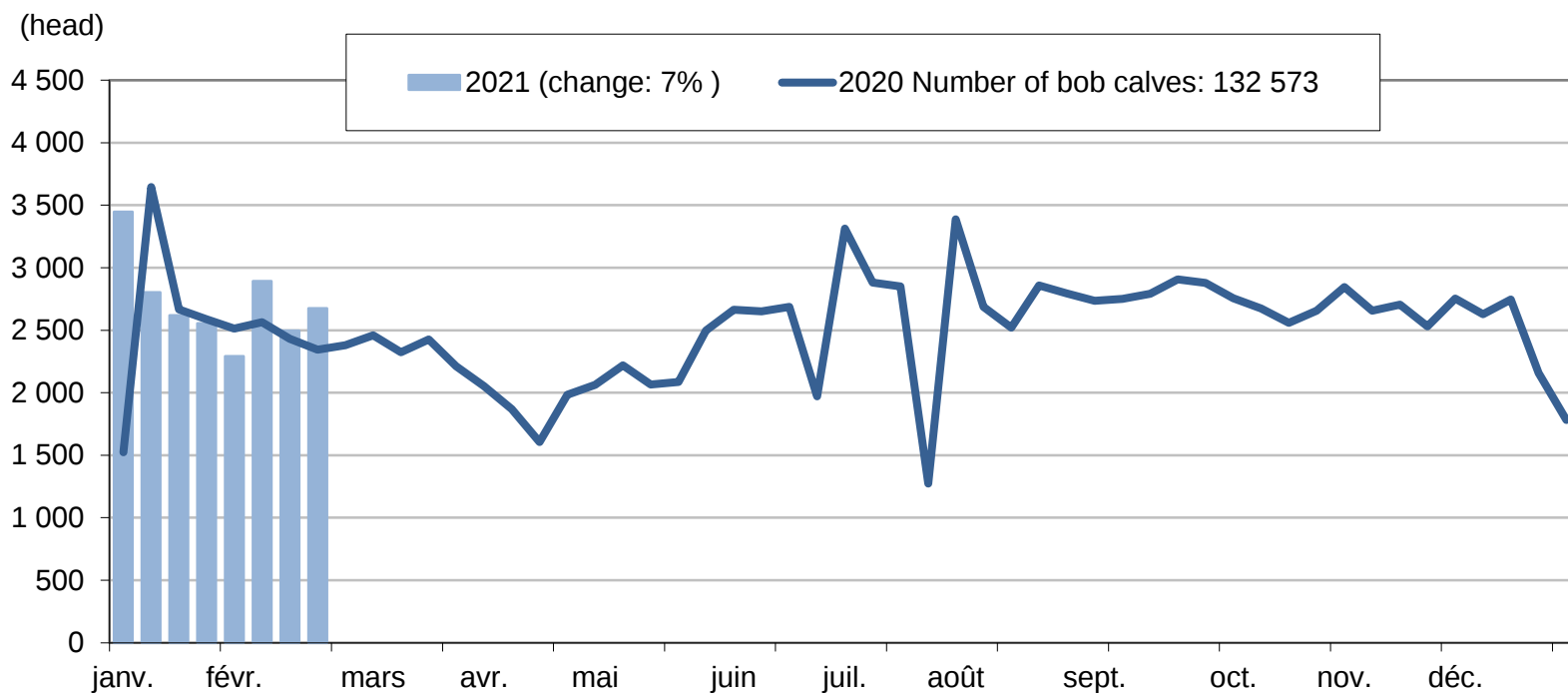


Source :

- Number of calves marketed by Quebec producers, PBQ

Bob calves

Number of bob calves marketed in Quebec 2020-2021

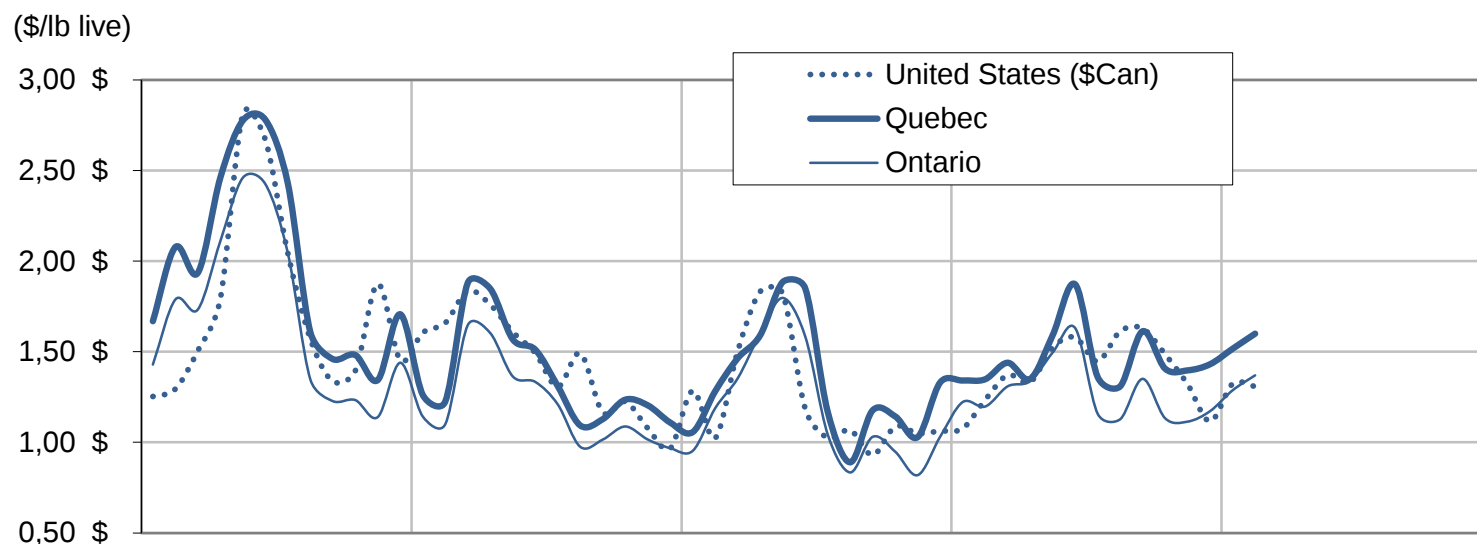


Sources :

- 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 \$	1,56 \$
Que-US	0,23 \$	-0,07 \$	0,08 \$	0,06 \$	0,24 \$
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

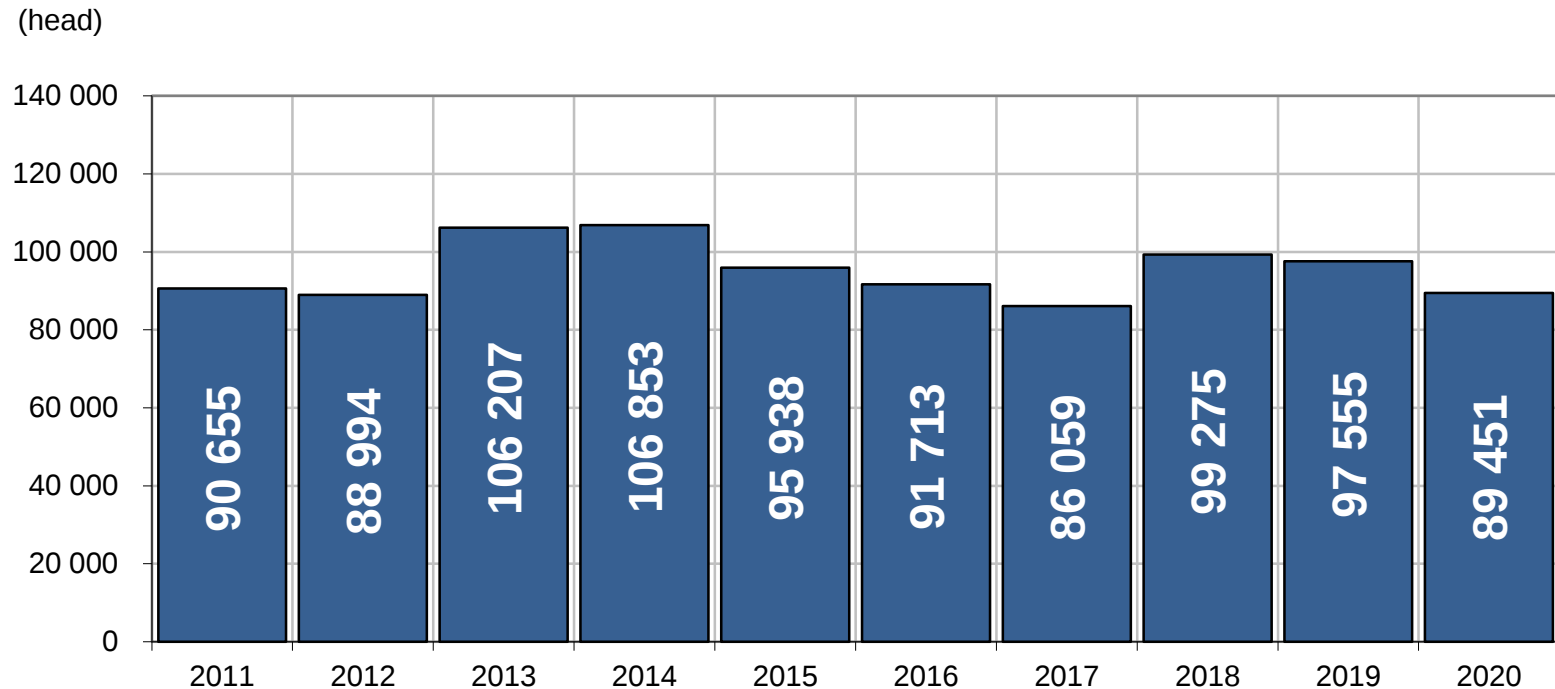


Sources :

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

Cull cattle

Number of cull cows marketed in Quebec

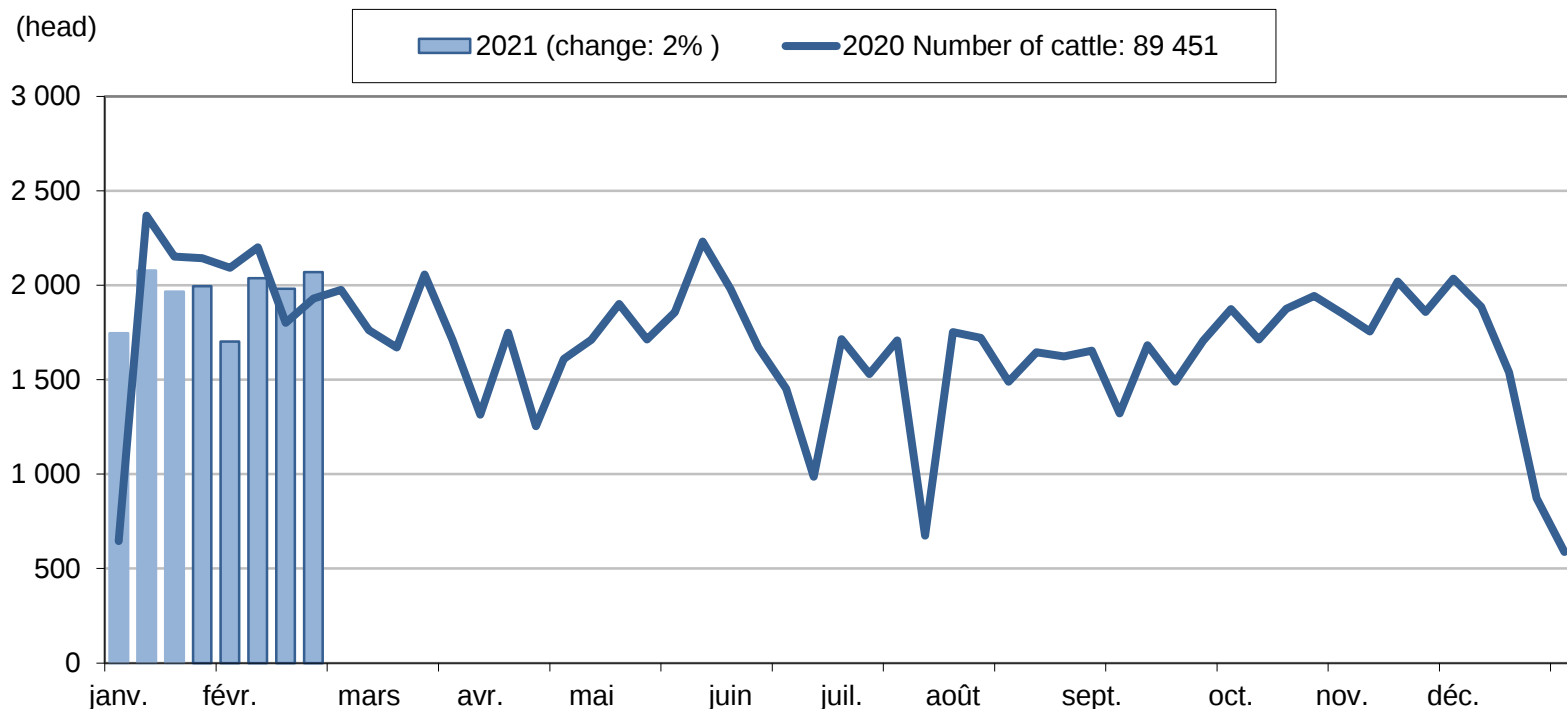


Source :

- Number of cull cows marketed by Quebec producers, PBQ

Cull cattle

Number of cull cows marketed in Quebec 2020-2021

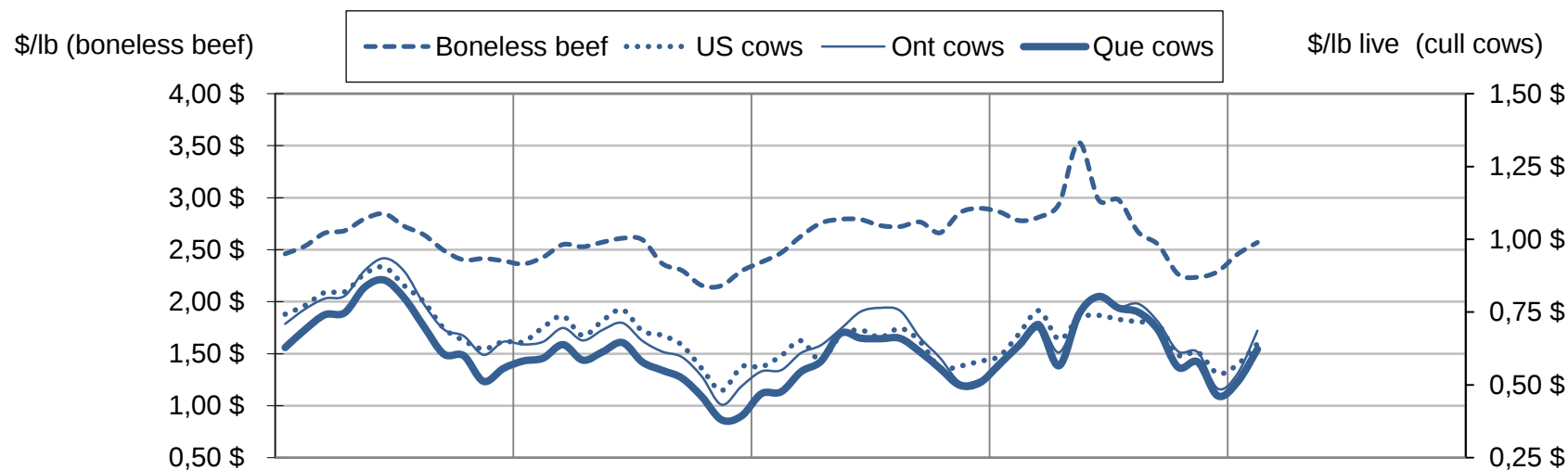


Source :

- Number of calves marketed by Quebec producers, PBQ

Cull cattle

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



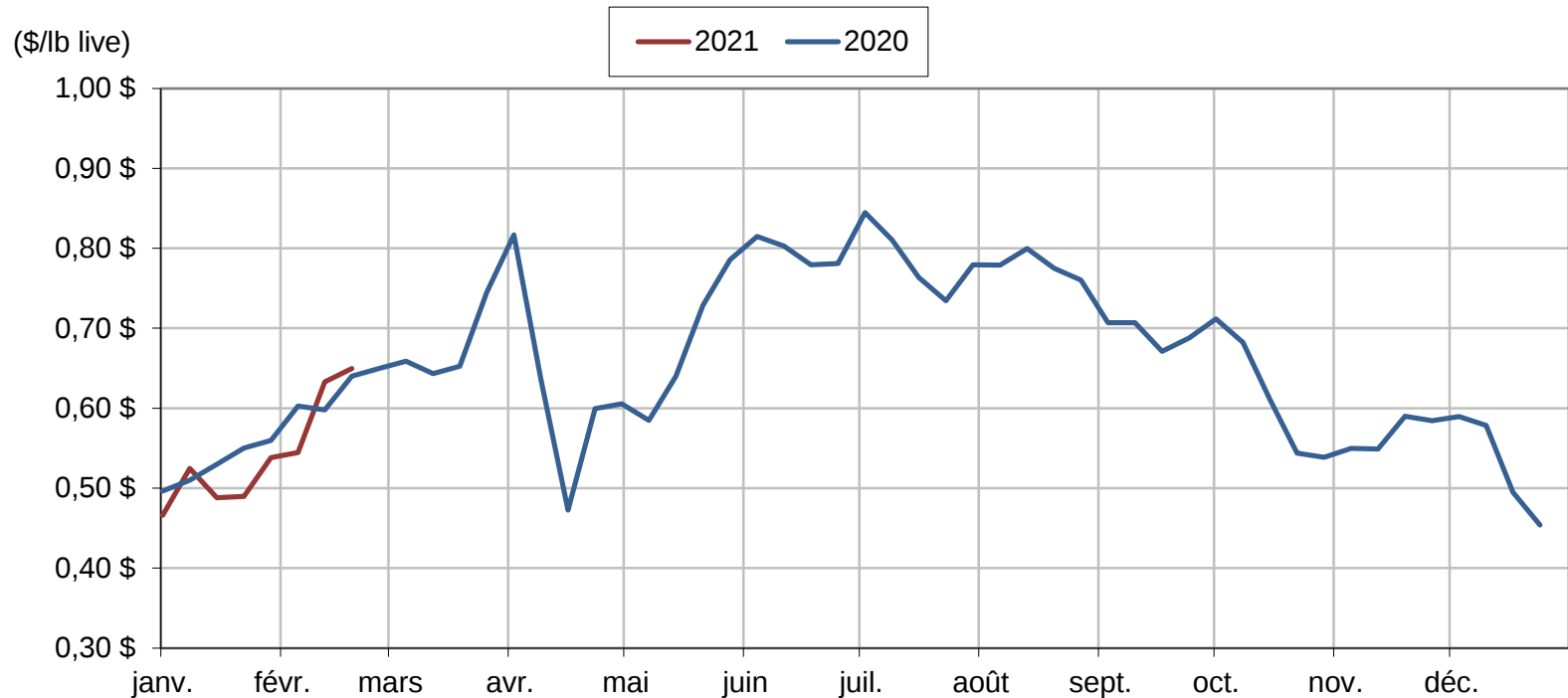
	2017	2018	2019	2020	2021
Boneless beef	2,59 \$	2,41 \$	2,70 \$	2,74 \$	2,51 \$
Que \$/cow	965 \$	763 \$	805 \$	912 \$	793 \$
Que \$/lb	0,69 \$	0,54 \$	0,58 \$	0,65 \$	0,57 \$
Que-US	-0,08 \$	-0,11 \$	-0,05 \$	-0,02 \$	-0,04 \$
Que-Ont	-0,08 \$	-0,07 \$	-0,06 \$	-0,02 \$	-0,05 \$

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

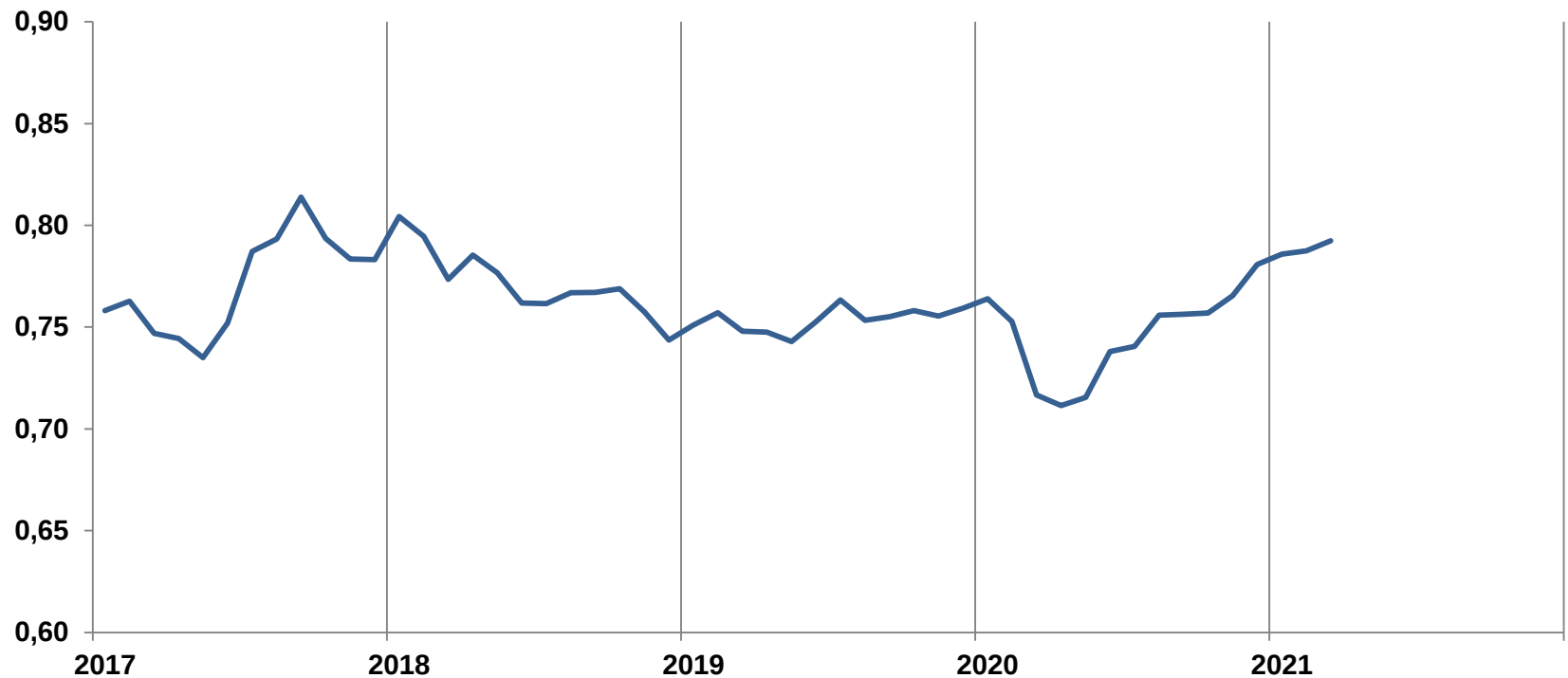
Price of cull cows in Quebec 2020-2021



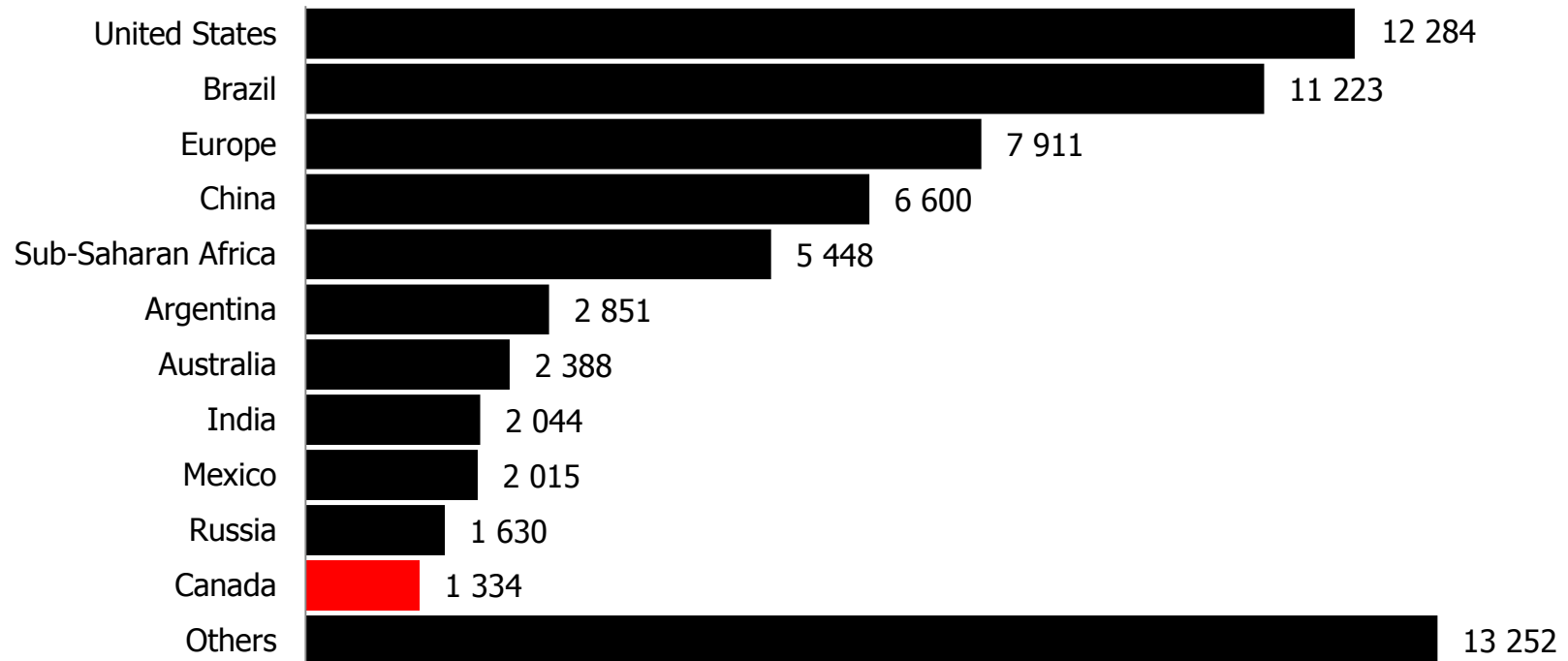
Sources :

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

Exchange rate \$ CAN / \$ US



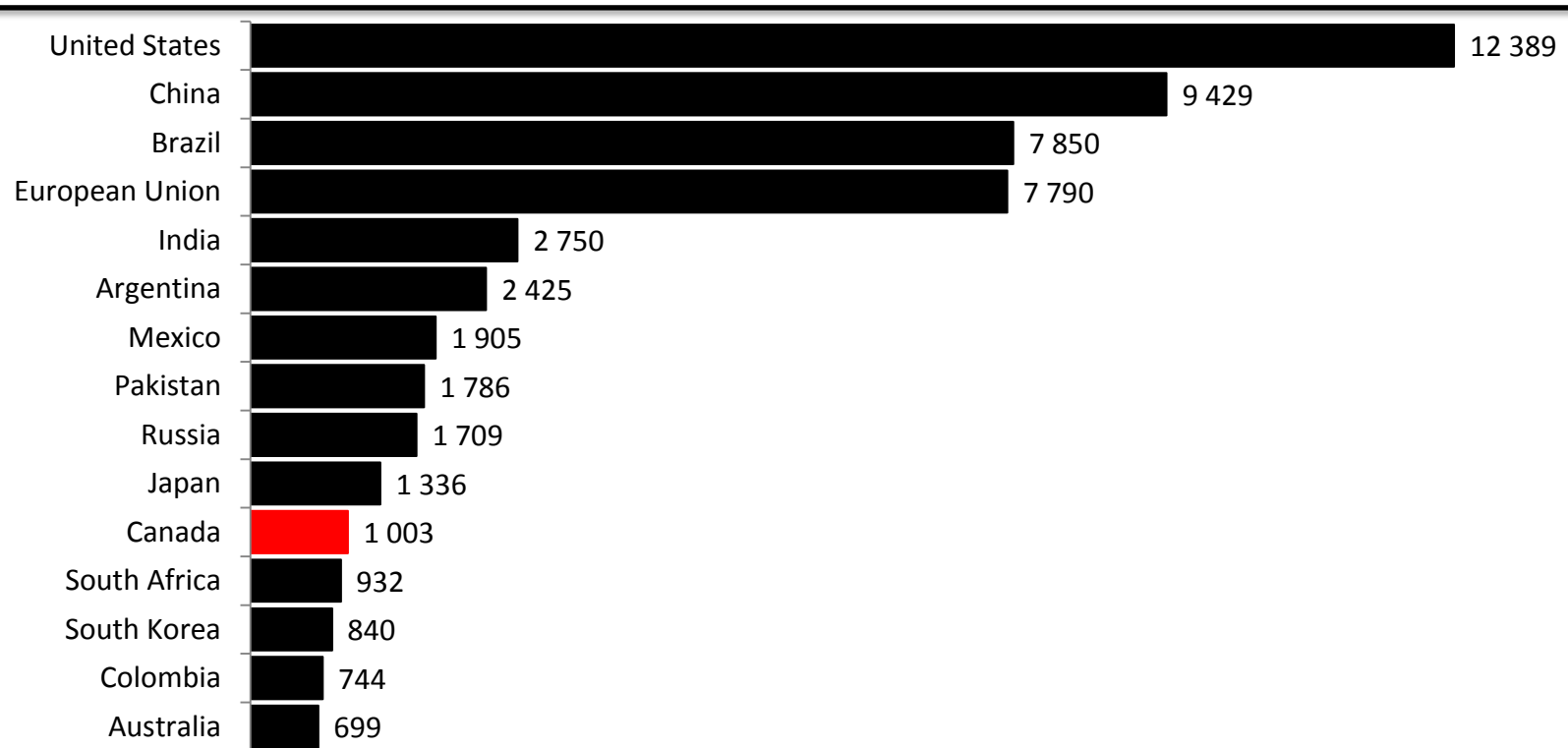
Beef and veal net production (1000 t, cwe) - 2019



Source :

- GIRA

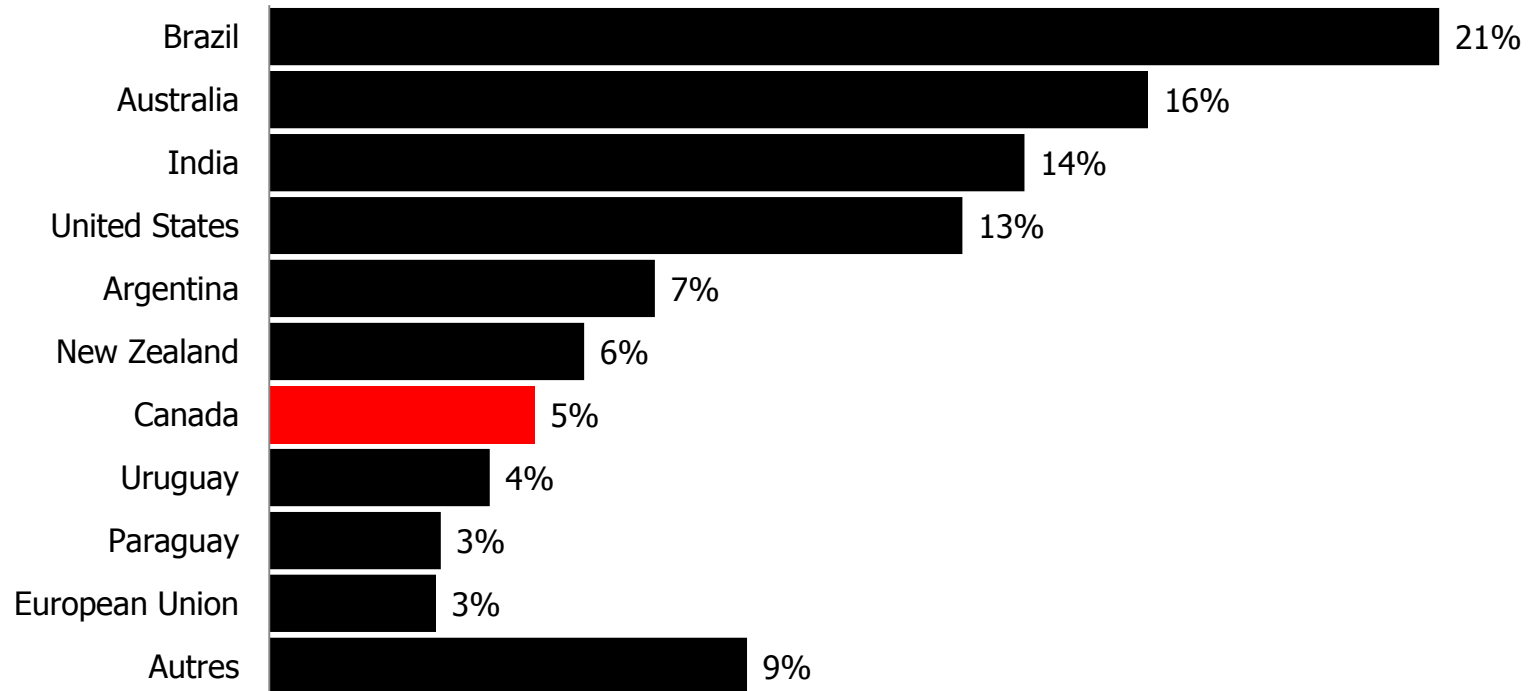
Beef and veal meat consumption by countries (1000 t, cwe) - 2019



Source :

- GIRA

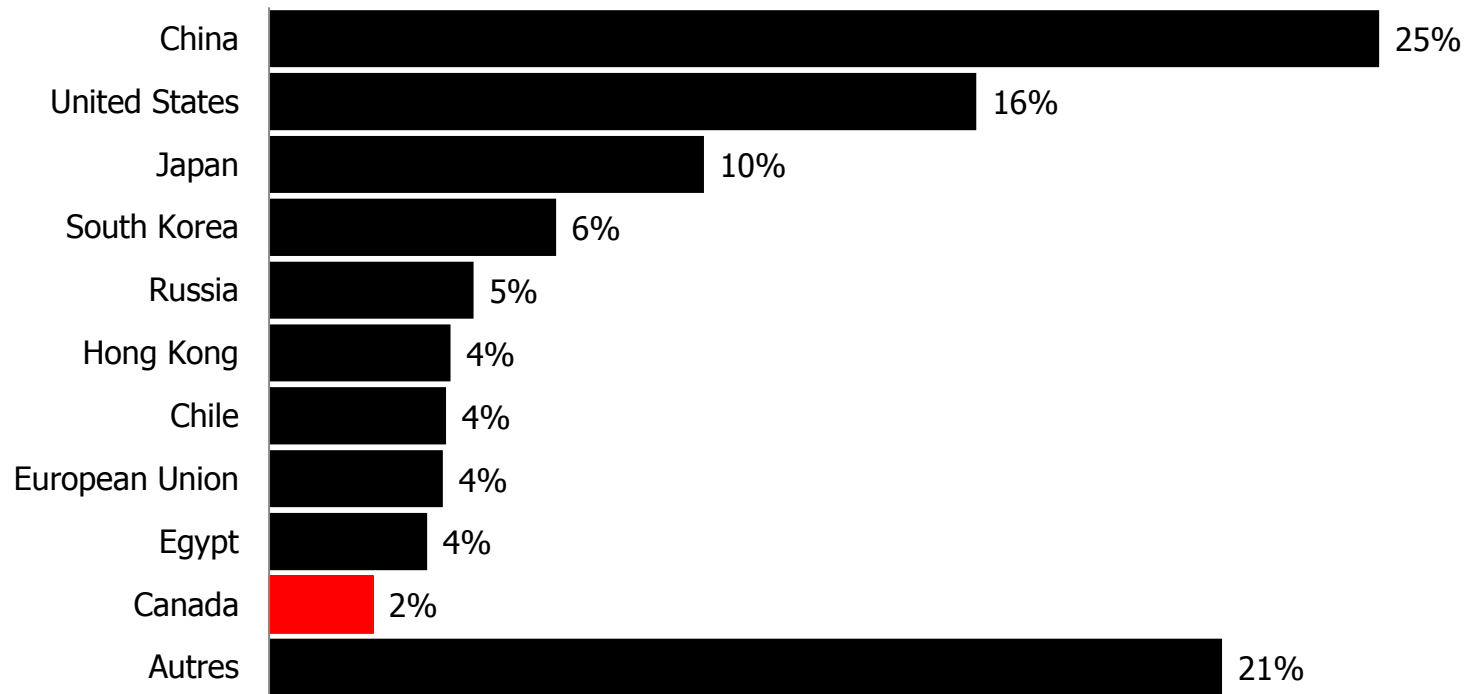
World top beef exporters (% world) - 2019



Source :

- GIRA

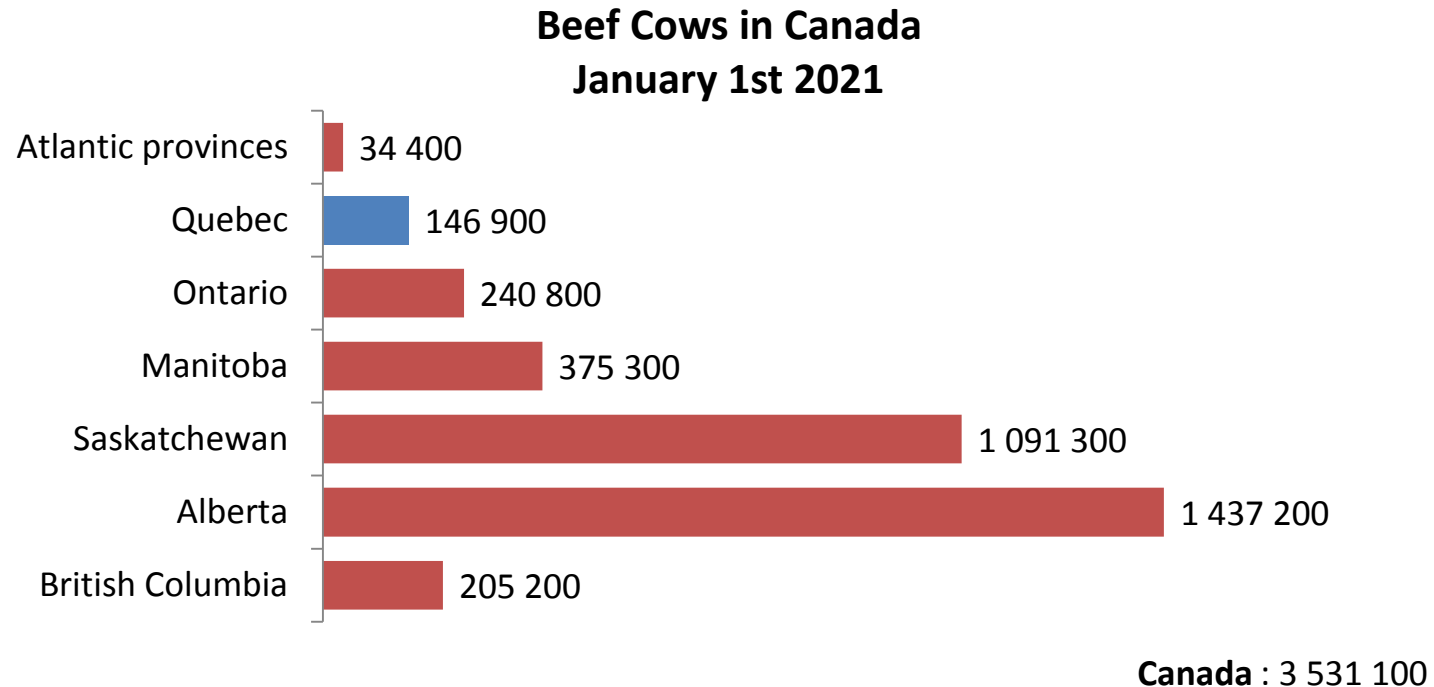
World top beef importers (% world) - 2019



Source :

- GIRA

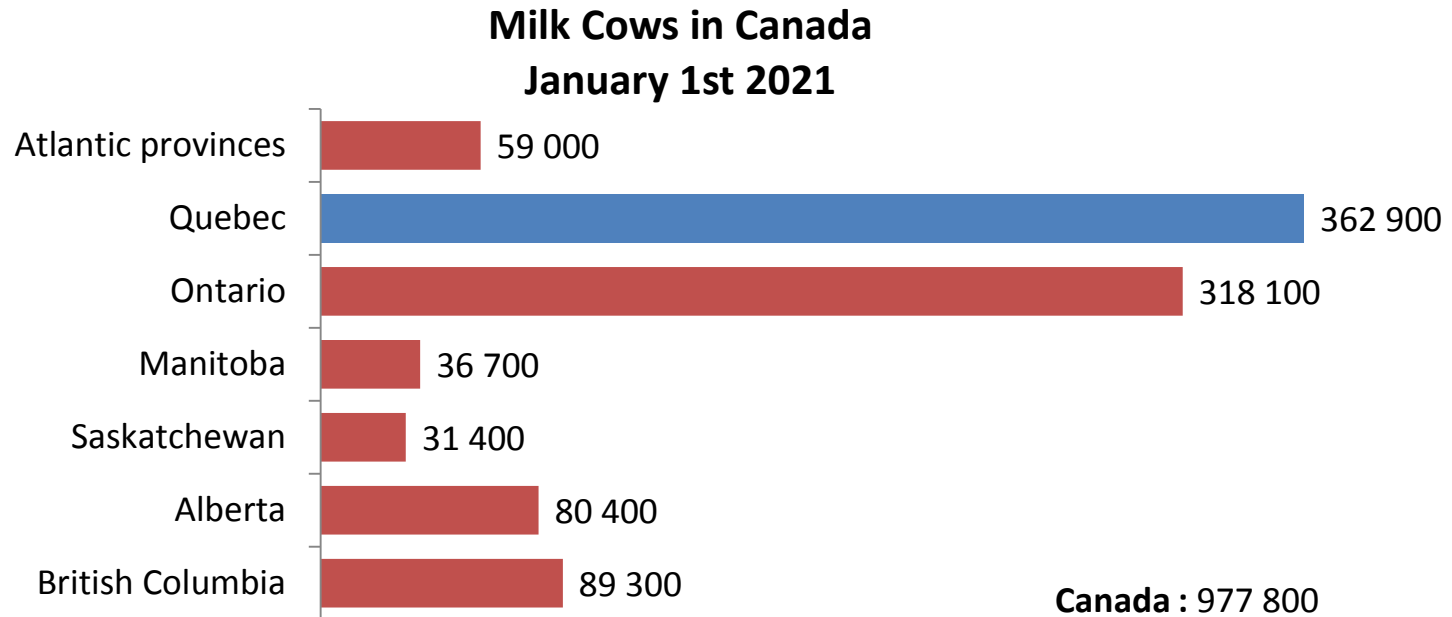
Beef Cow inventory in Canada 2021



Source :

- Statistique Canada

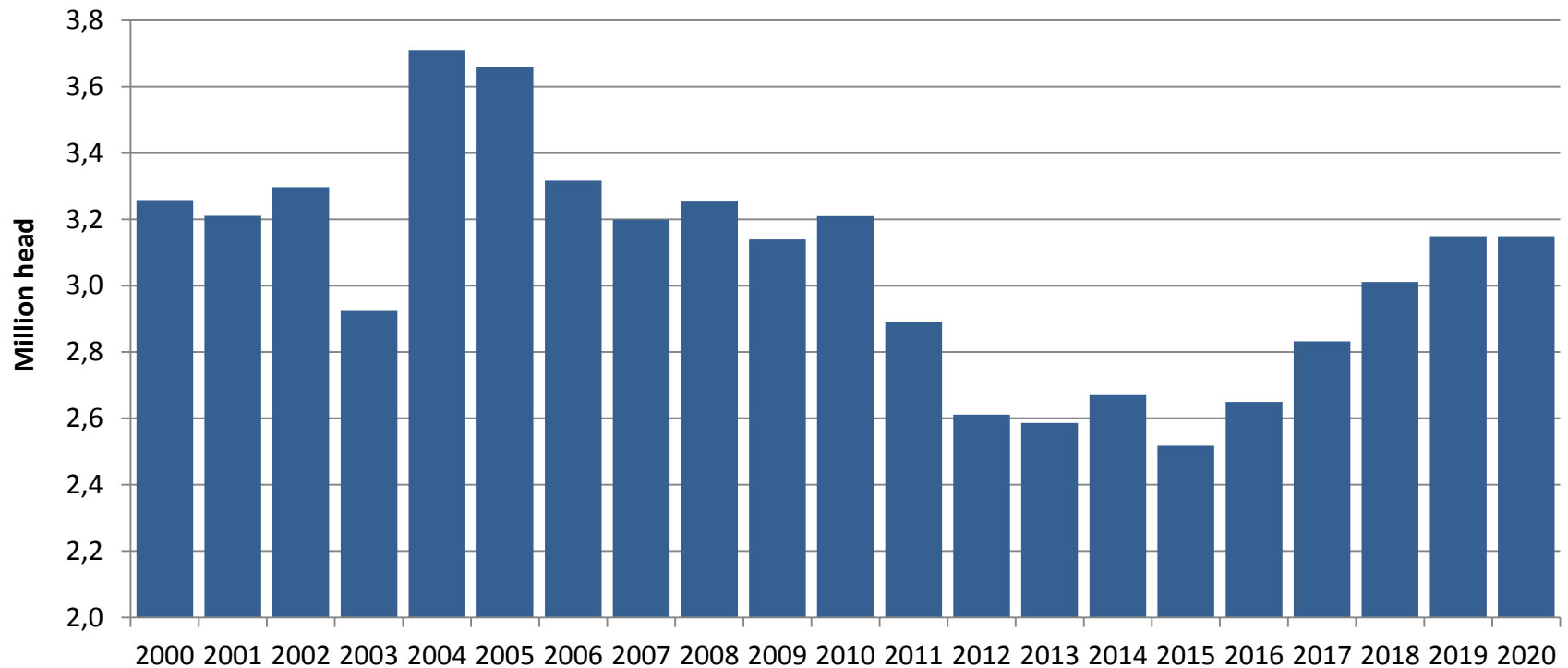
Milk Cow inventory in Canada 2021



Source :

- Statistics Canada

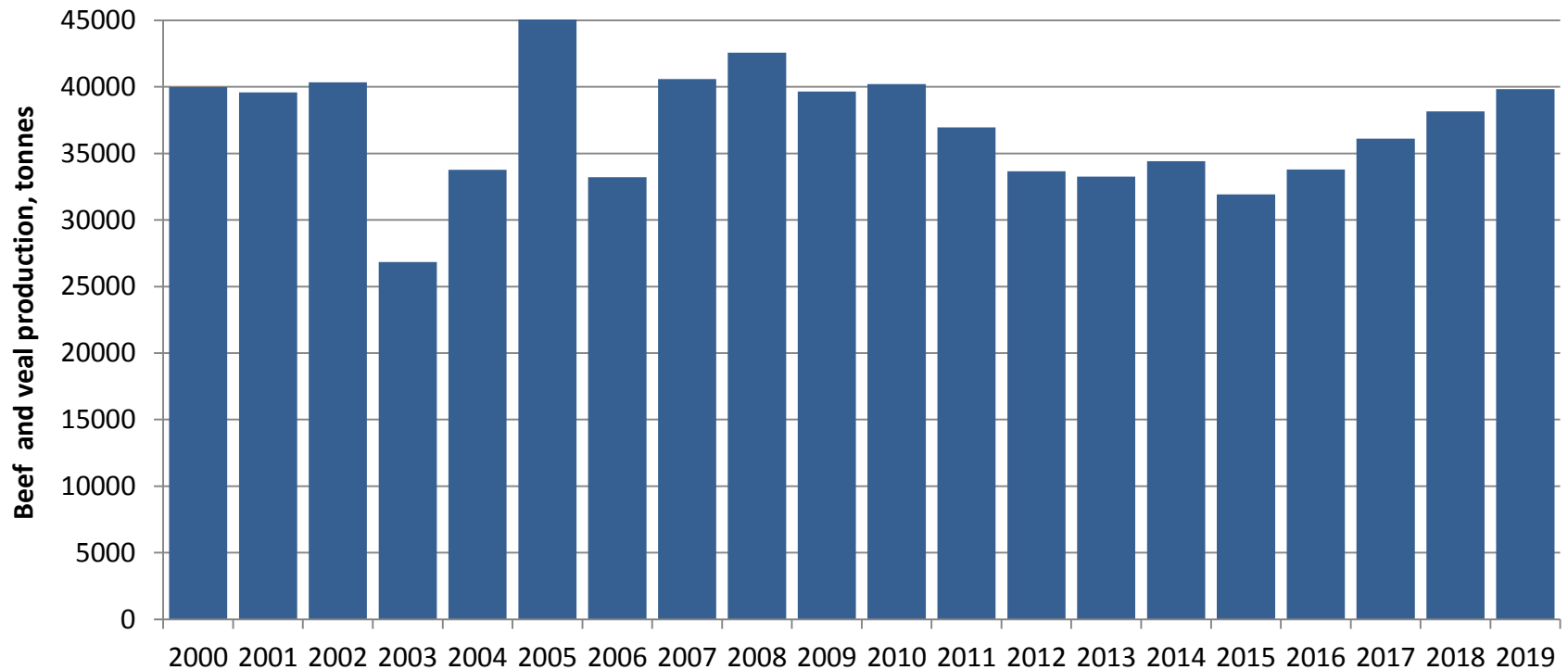
Number of cattle Slaughtered in Federally Inspected Plants



Sources :

- Canadian Beef Grading Agency, AAFC

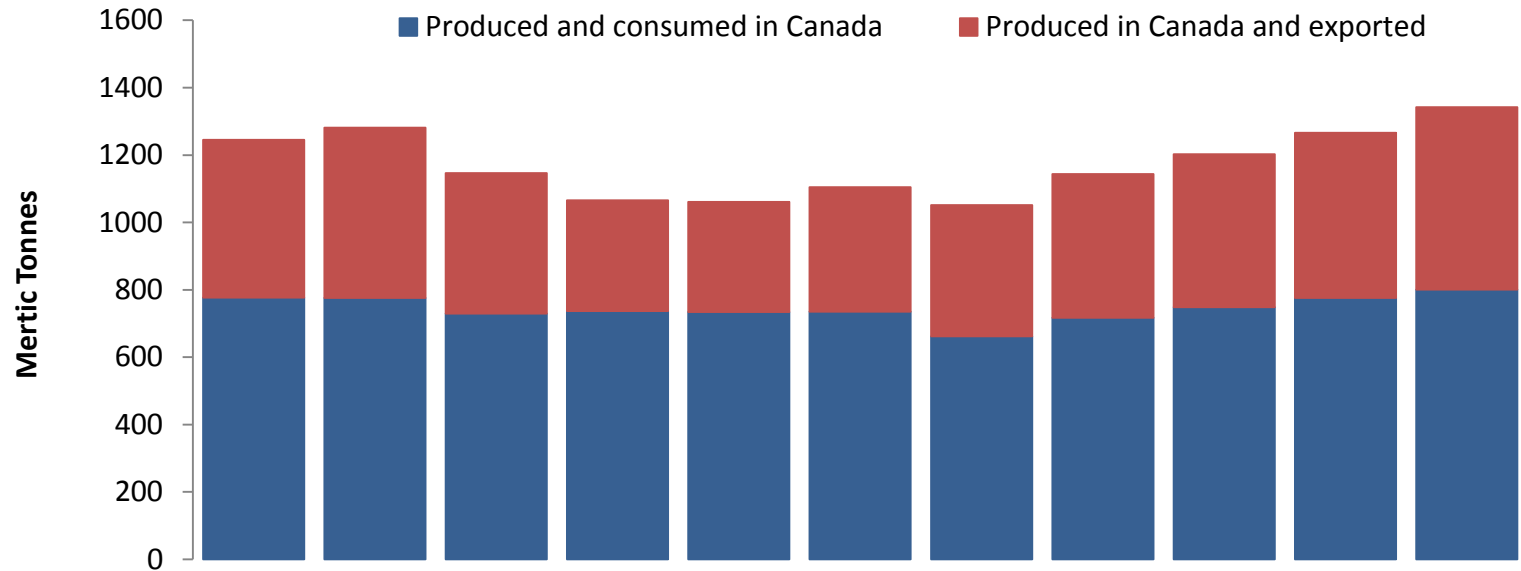
Canadian beef and veal production



Sources :

- Statistics Canada (Edible offal, meat production)

% Canadian beef and veal production exported

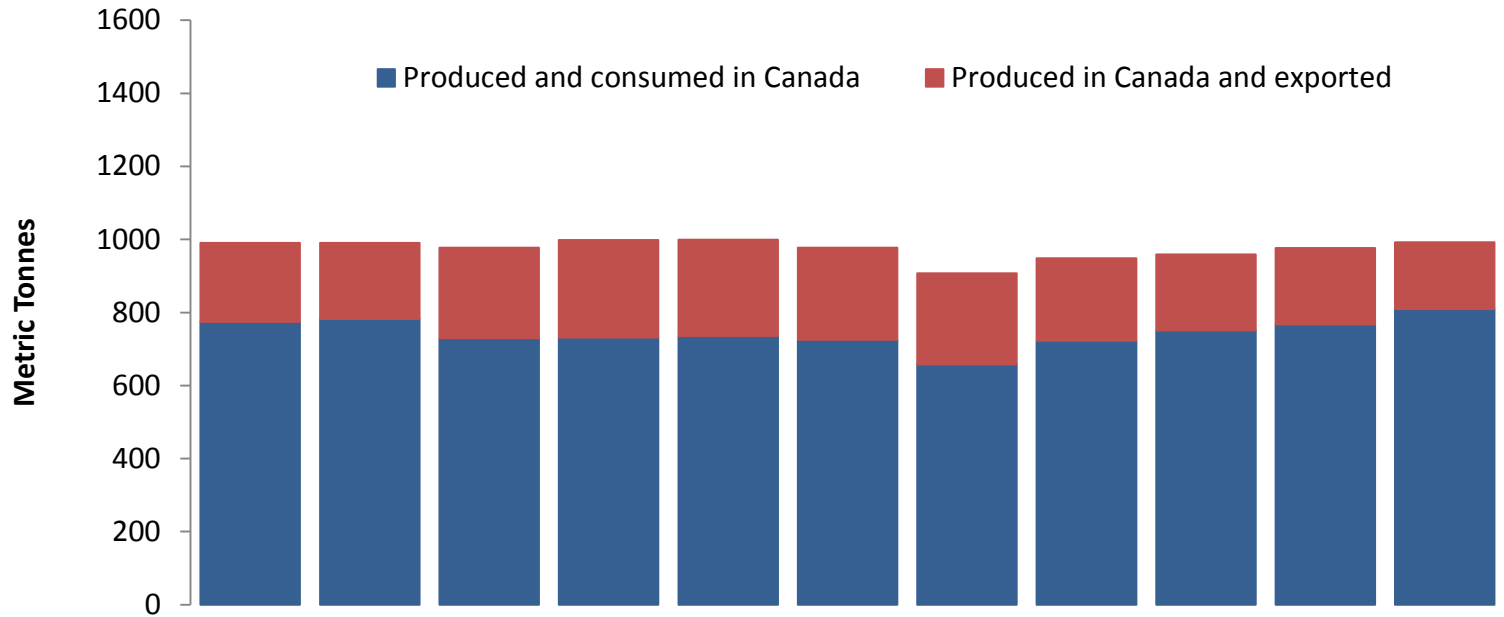


	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
% exported / production	38%	39%	36%	31%	31%	33%	37%	37%	38%	39%	40%

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 - Jan 31		
	2021	2020	% chg
United States	24 875	23 577	6%
Japan	4 314	4 179	3%
Hong Kong	757	146	418%
Mexico	2 539	1 490	70%
China	1 198	818	46%
South Korea	1 031	507	103%
Vietnam	943	1 568	-40%
Angola	248	199	25%
Philippines	804	1 283	-37%
Others	804	1 283	-37%
Total	36 903	33 845	9%

Sources :

- Statistics Canada, AACF

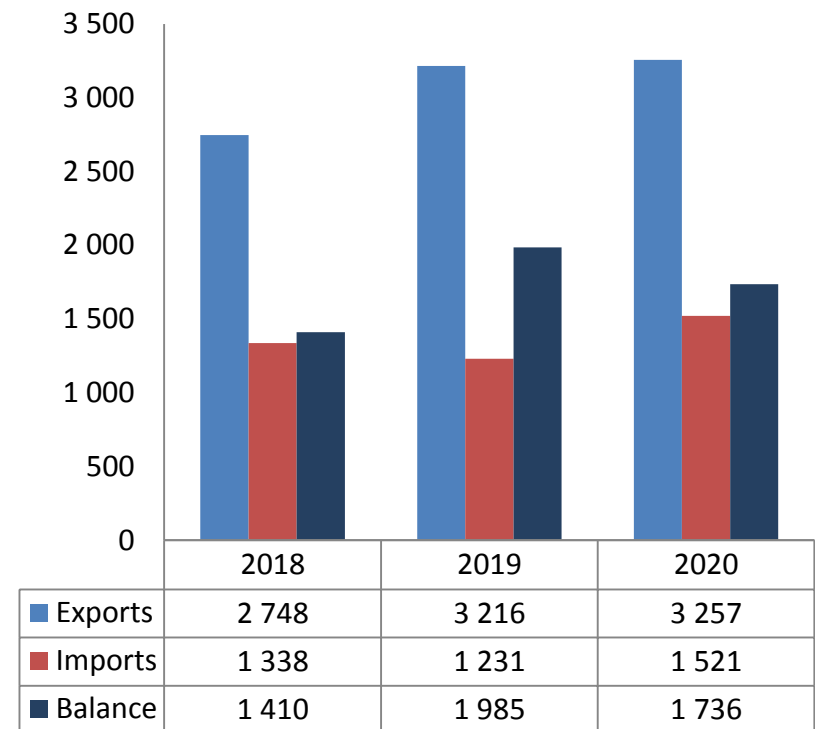
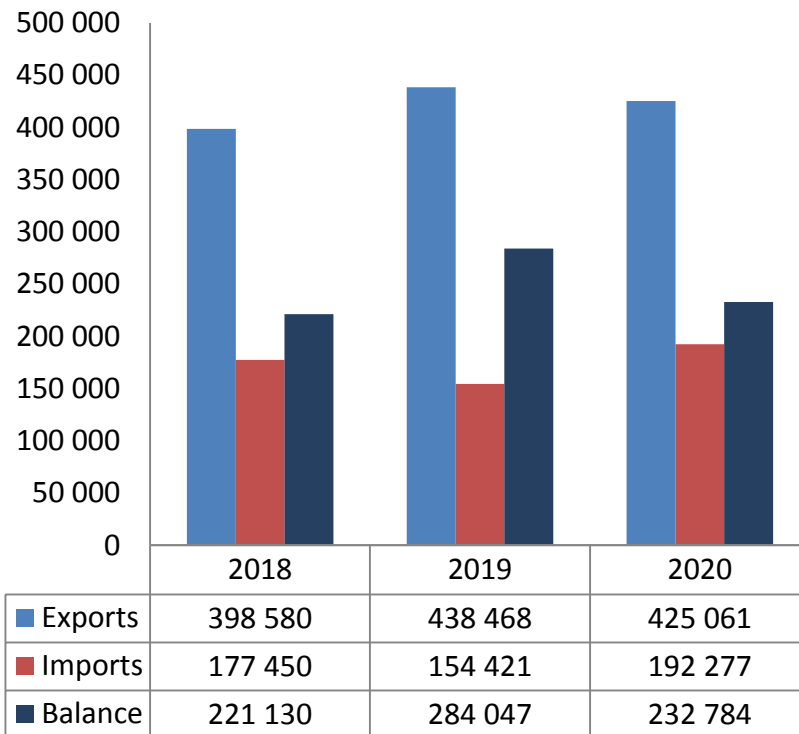
Beef and veal imports to Canada

Beef and veal meat imports (tonnes)	Jan. 1 - March 6		
	2021	2020	% chg
United States	17 579	20 315	-13%
New Zealand	3 951	2 210	79%
Uruguay	1 827	1 611	13%
Australia	1 797	1 761	2%
Mexico	947	1 188	-20%
Ireland	570	481	19%
Others	1 989	3 325	-40%
Total	28 660	30 892	-7%

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 - Jan. 31		
	2021	2020	% chg
United States	278	106	162%
Japan	137	0	-
United Arab Emirates	25	19	-23%
Autres	0	1	
Total	440	126	249%

Sources :

- Statistics Canada, AACF

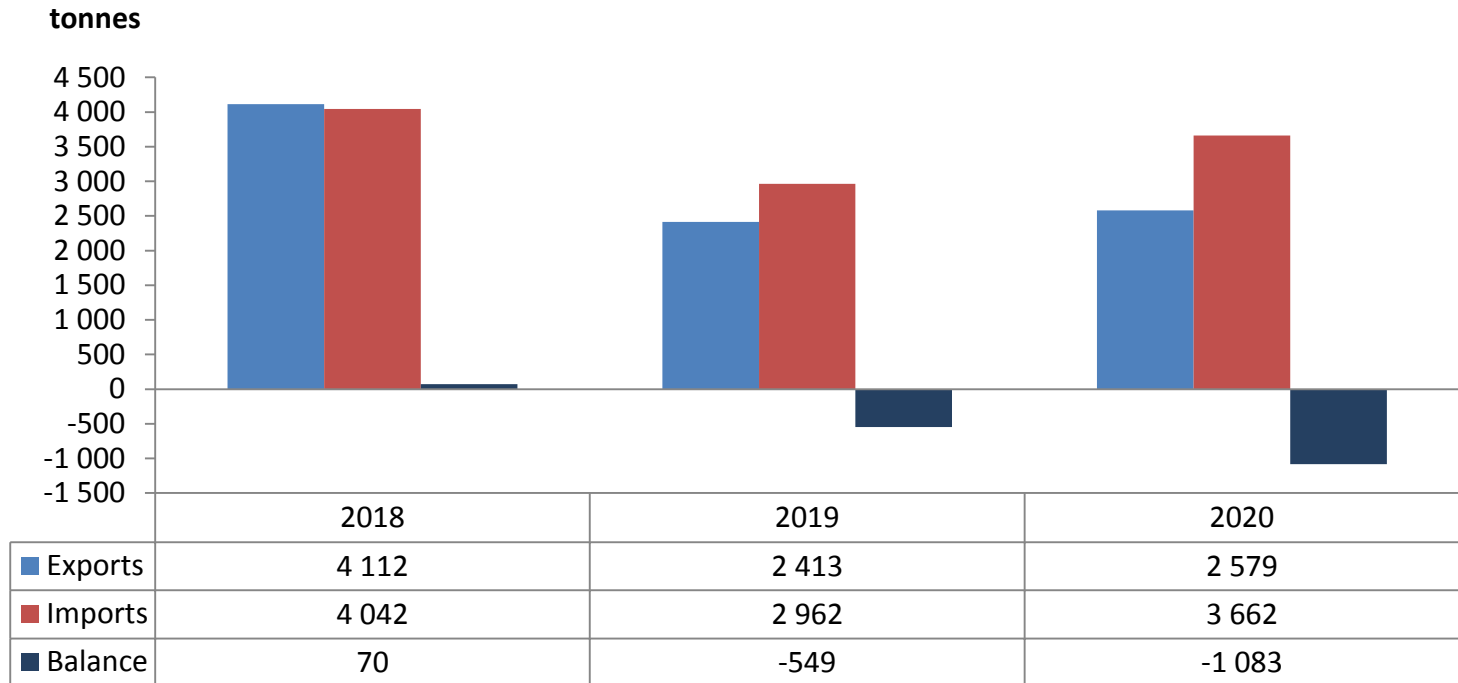
Veal imports to Canada

Veal imports (tonnes)	Jan. 1 - March 6		
	2021	2020	% chg
United States	160	192	-17%
New Zeland	184	108	70%
Australia	0	47	0%
European Union - 27			
Netherland	43	58	-26%
Others	37	27	37%
Total	424	432	-2%

Sources :

- Statistics Canada, AACF

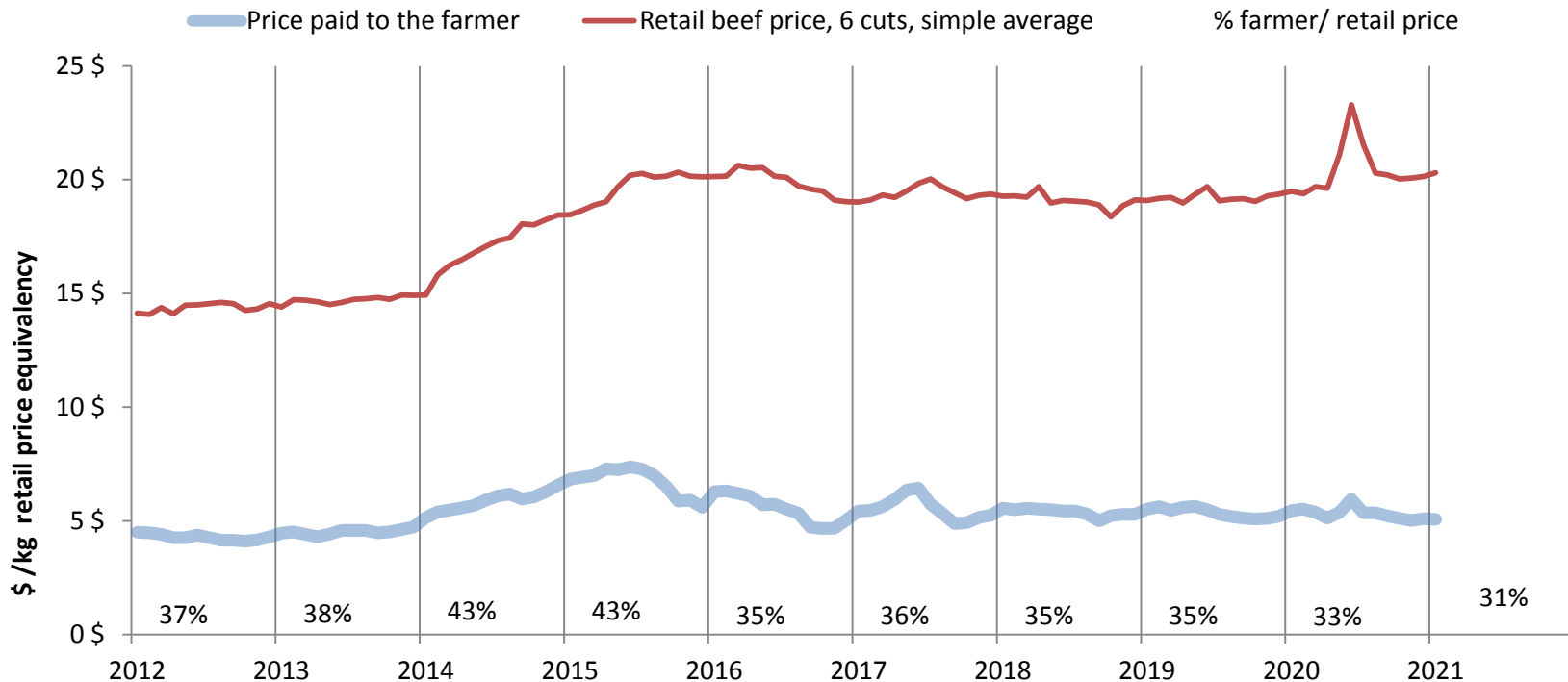
Imports and exports of veal, Canada annual data (tonnes) 2018-2020



Sources :

- Statistics Canada, AACF

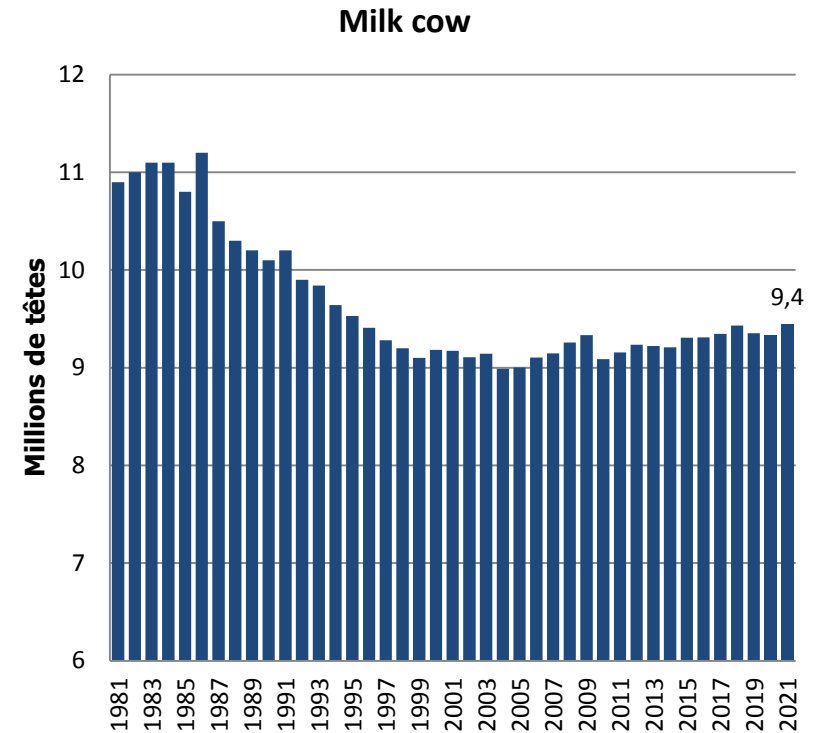
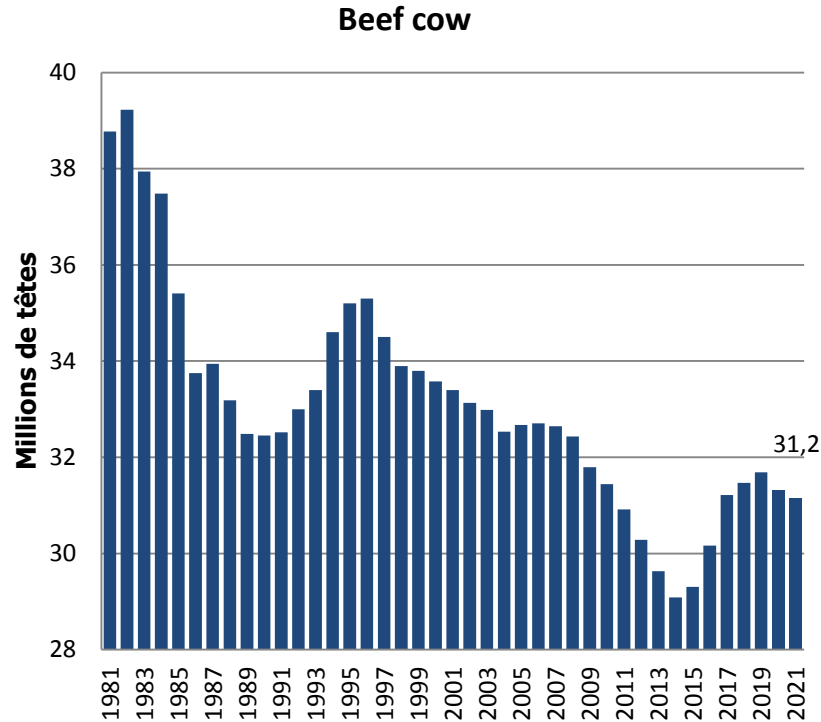
Beef price cuts vs price paid to the producer



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

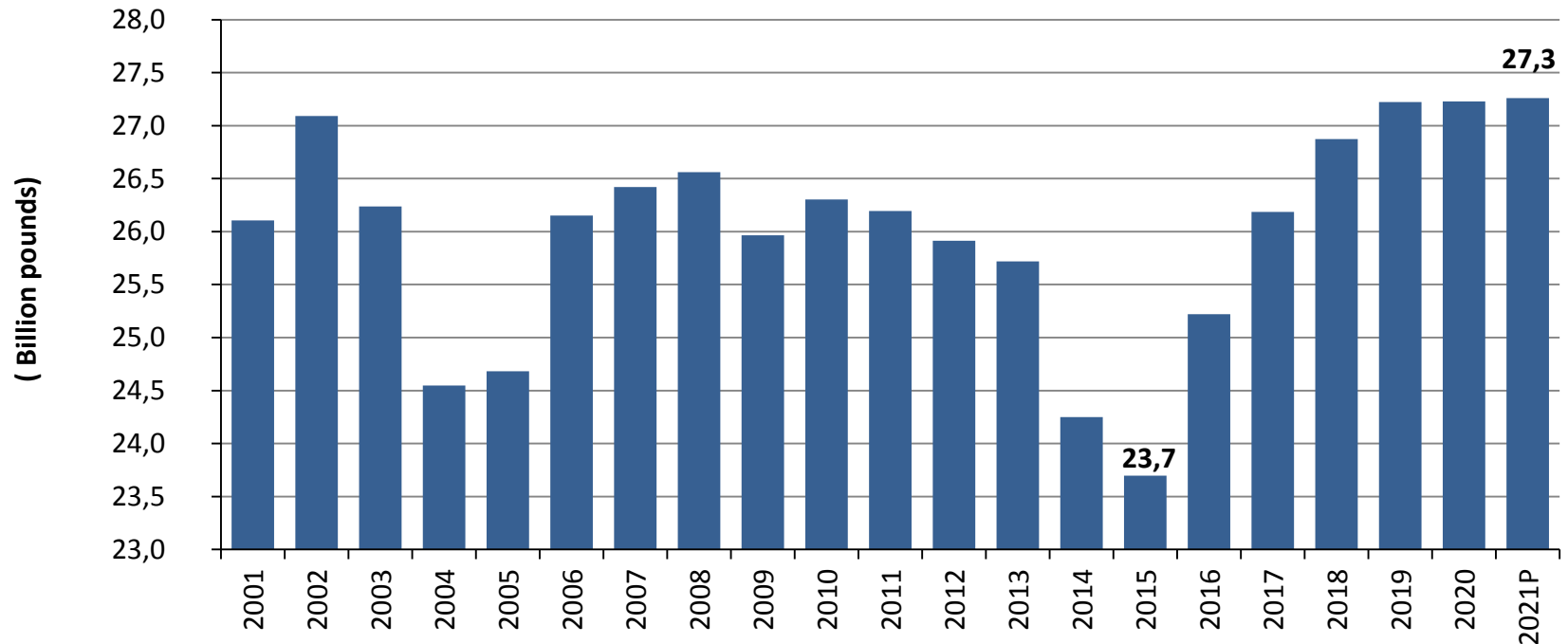


Source :

- USDA



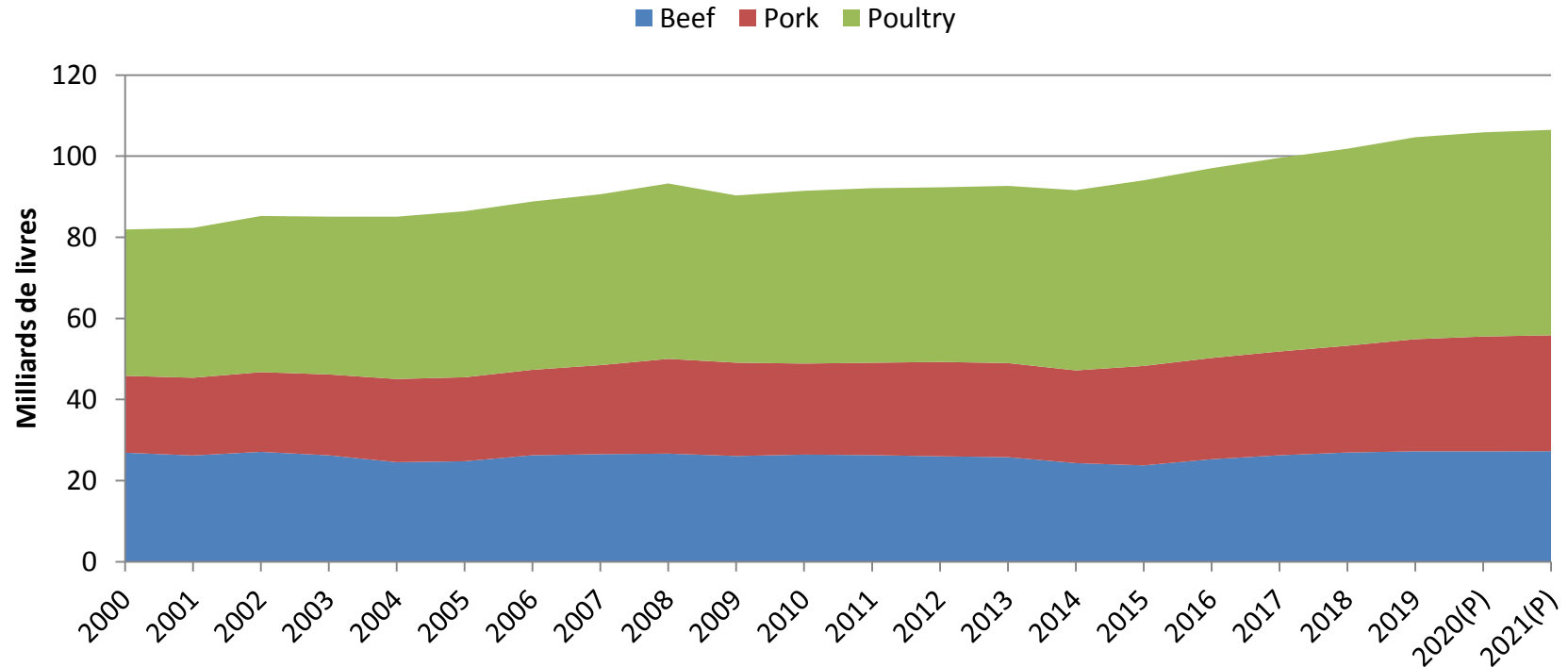
Beef production in United-States



Sources :

- USDA and WASDE projection

Beef – pork –poultry production in United-States



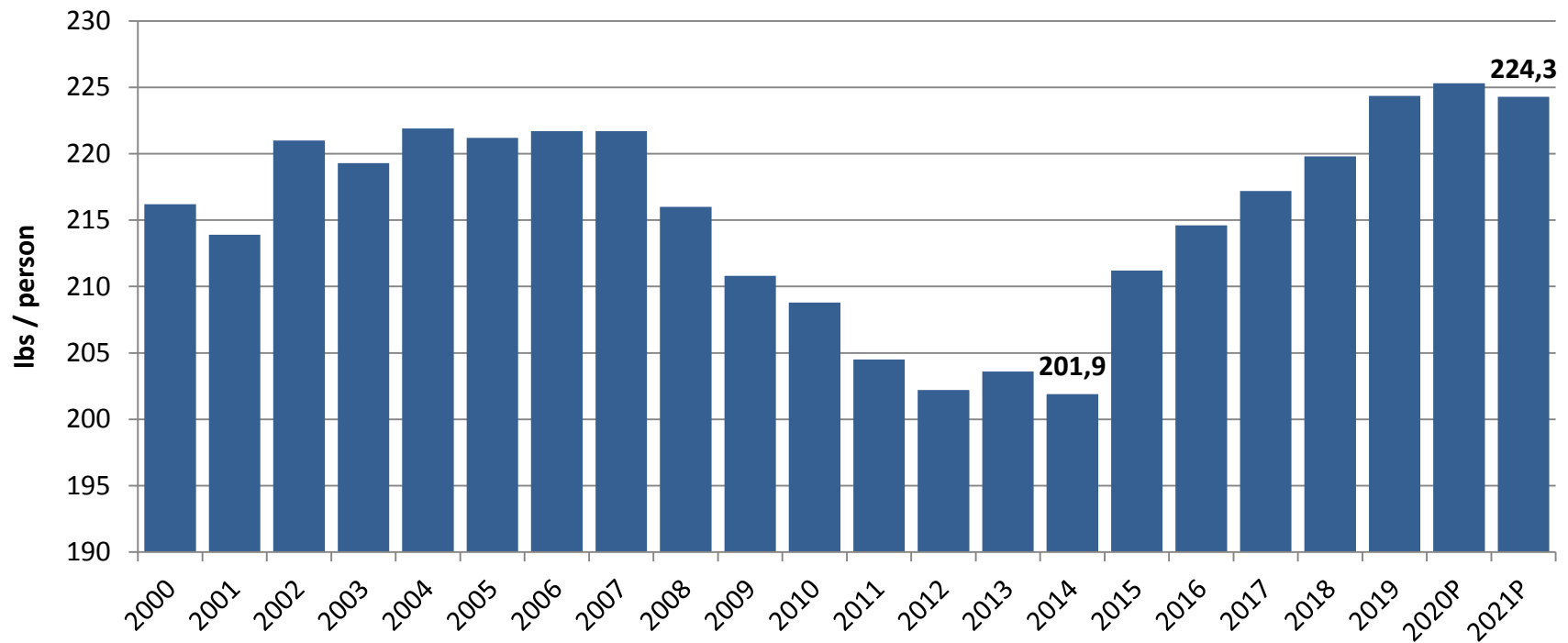
Sources :

- USDA



Beef – pork – poultry

Consumption per capita in United-States (lb)

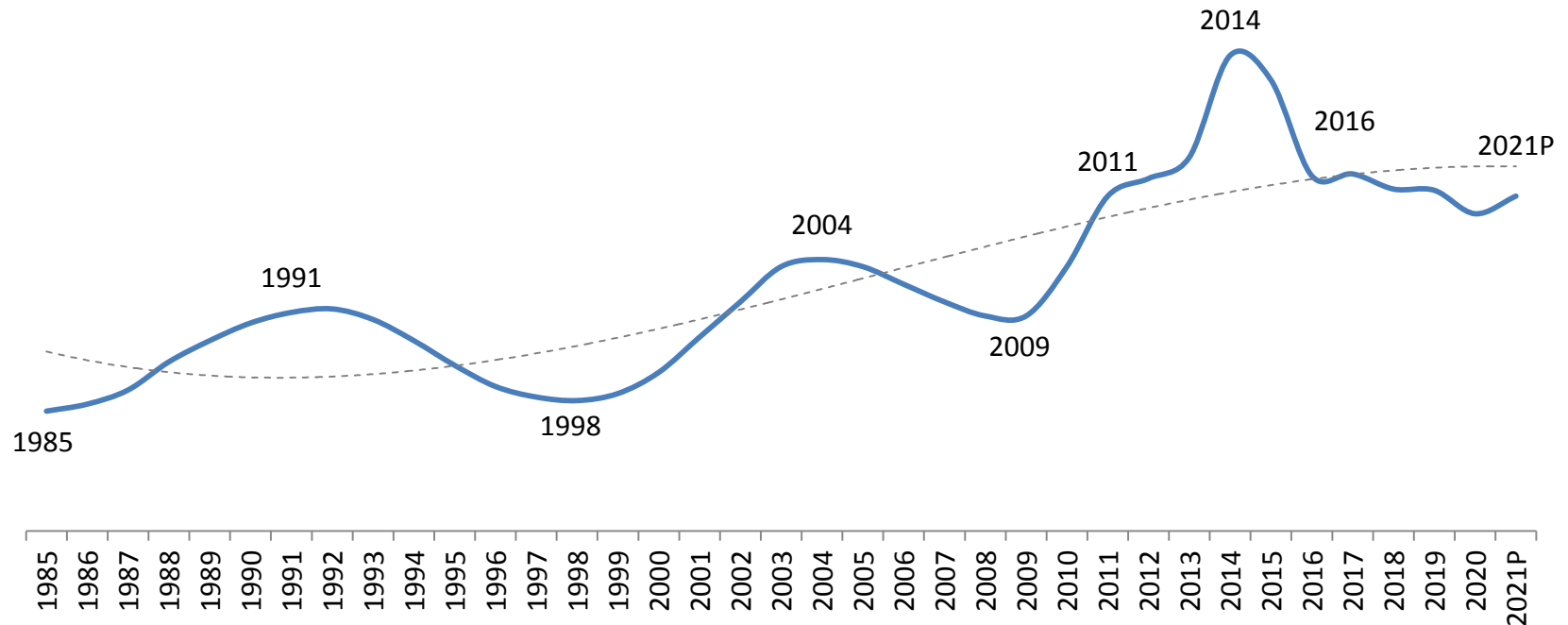


Source :

- USDA



Cattle price cycle in United-States

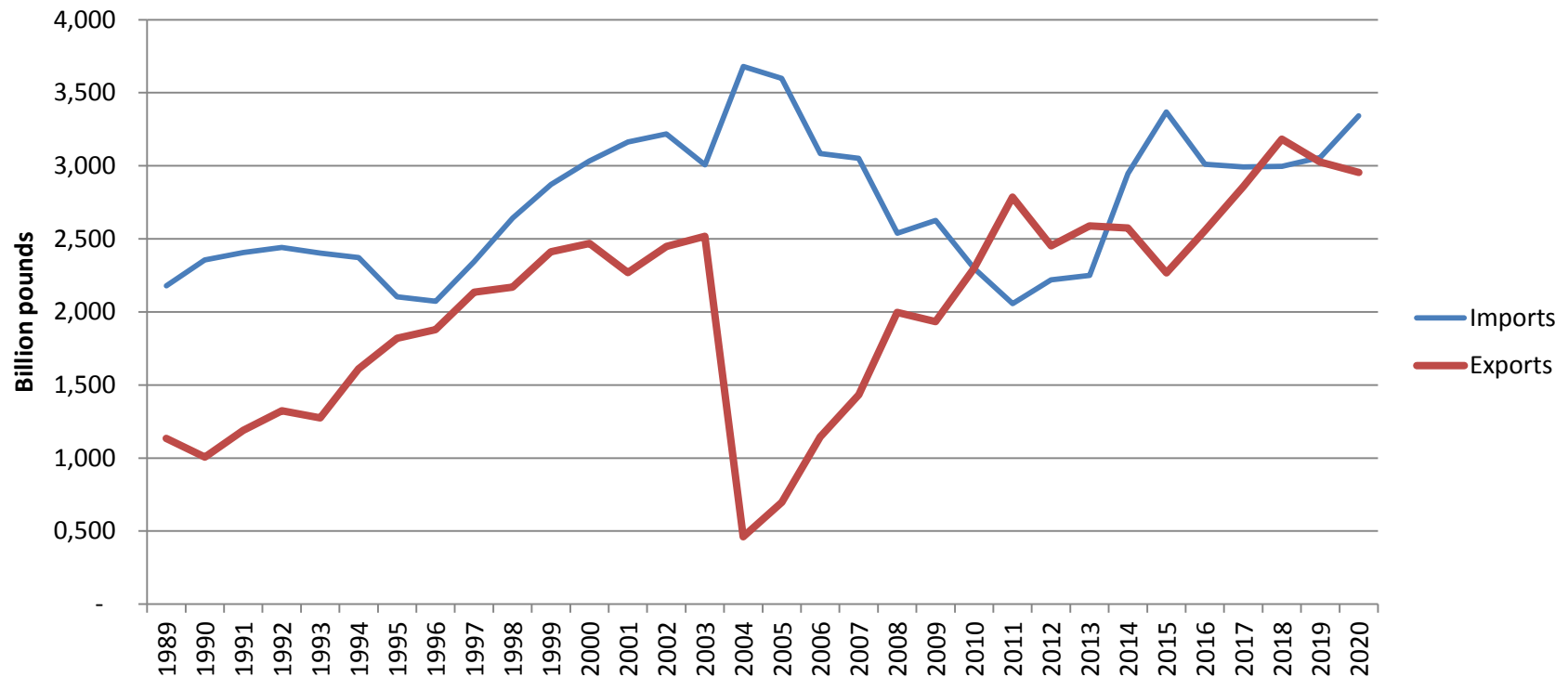


Sources :

- 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, growing optimism for COVID-19 vaccines and decrease in 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. | Agroeconomiste
Les Producteurs de bovins du Québec - UPA

Thank you!

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