

A GLANCE AT BEEF AND VEAL MARKET

April 2022

Les Producteurs
de bovins du
Québec



A GLANCE AT BEEF AND VEAL MARKETS

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April 2022

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Québec



Slaughter volume (head) in 2022

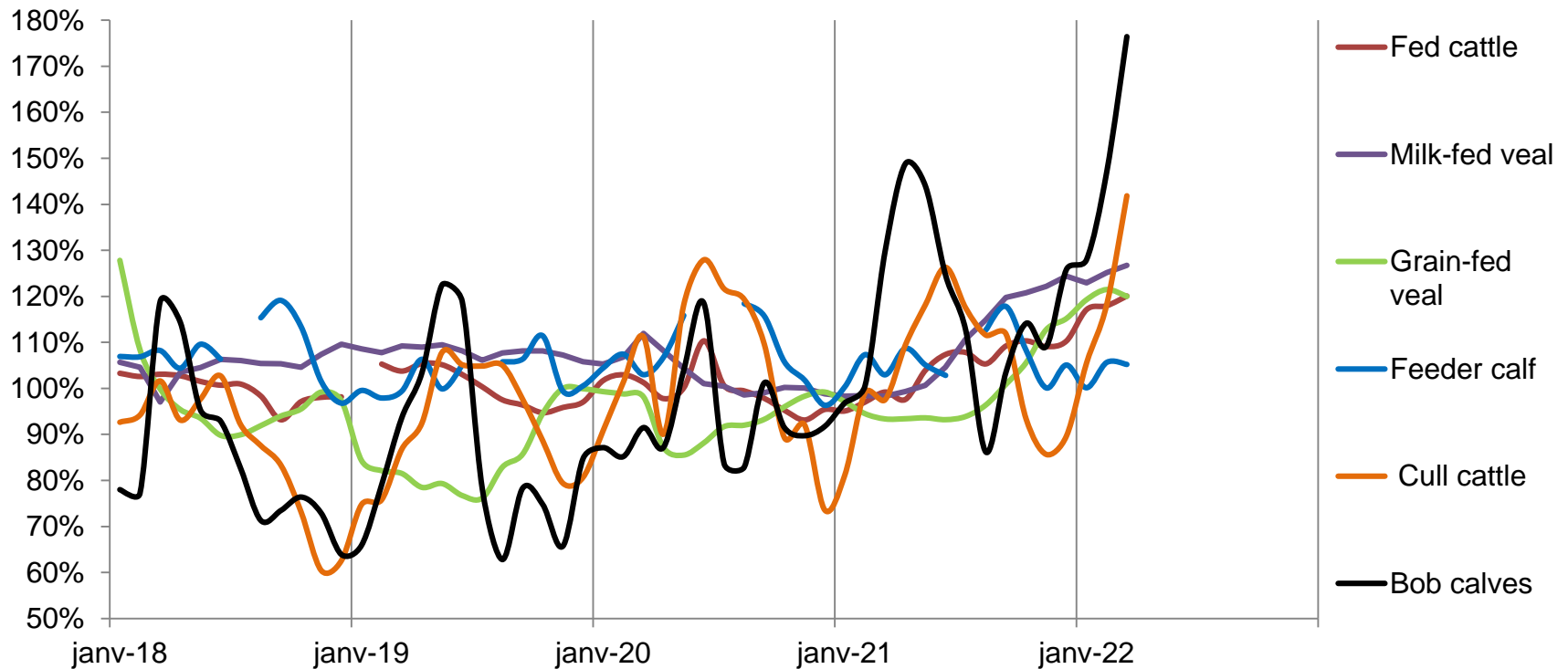
		Canada			United-States
		West	East	Total	Total
Steers and heifers	2022	551 770	144 934	696 704	5 950 000
	% chg 2021	6%	-2%	4%	-1%
Cows and bulls	2022	95 279	33 251	128 530	1 796 000
	% chg 2021	0	0,24	0,06	7%
Milk fed and grain fed calves	2022			40 979	36 084
	% chg 2021			0,006	-0,013

Sources :

AAFC (Year to date)

USDA (Year to date)

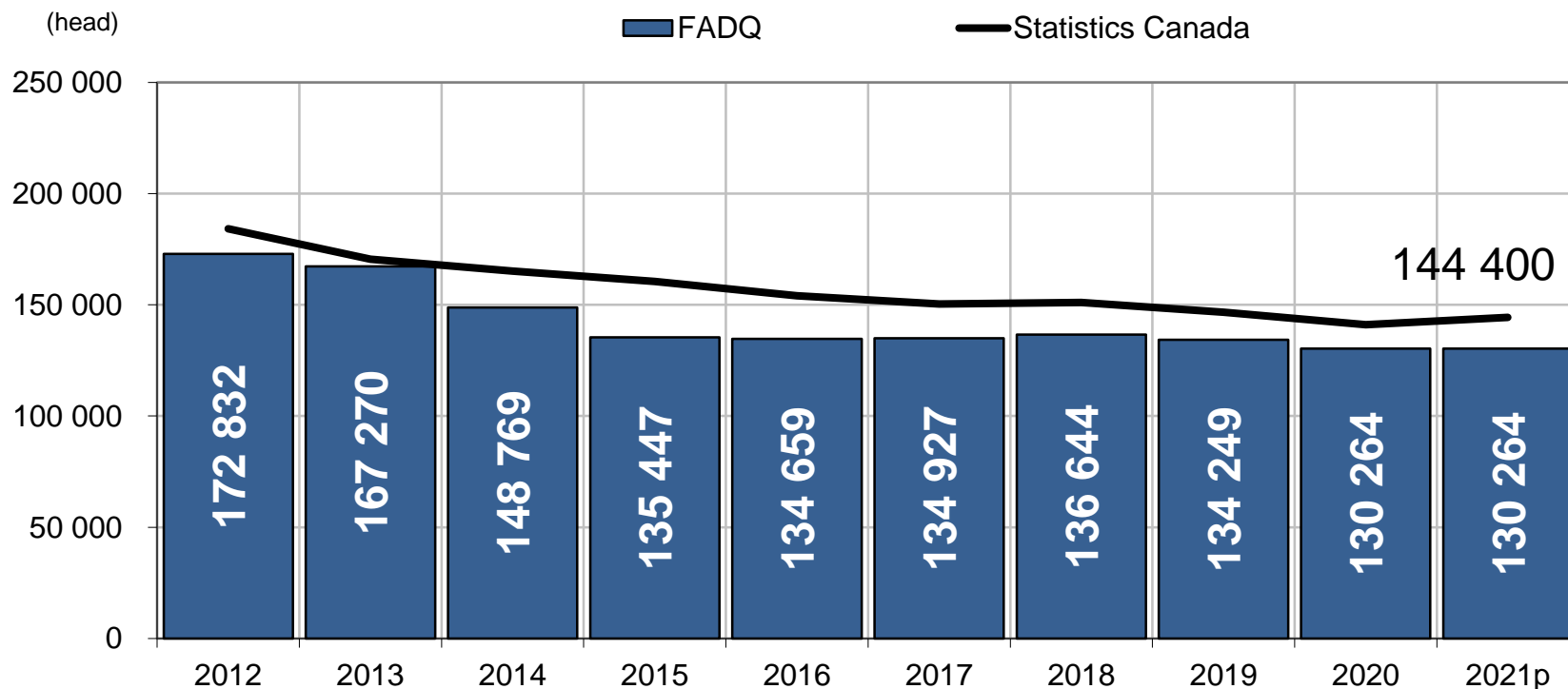
Price variation of cattle in Quebec since January 2018



Source :
• PBQ

Feeder calf

Number of beef cows in Quebec

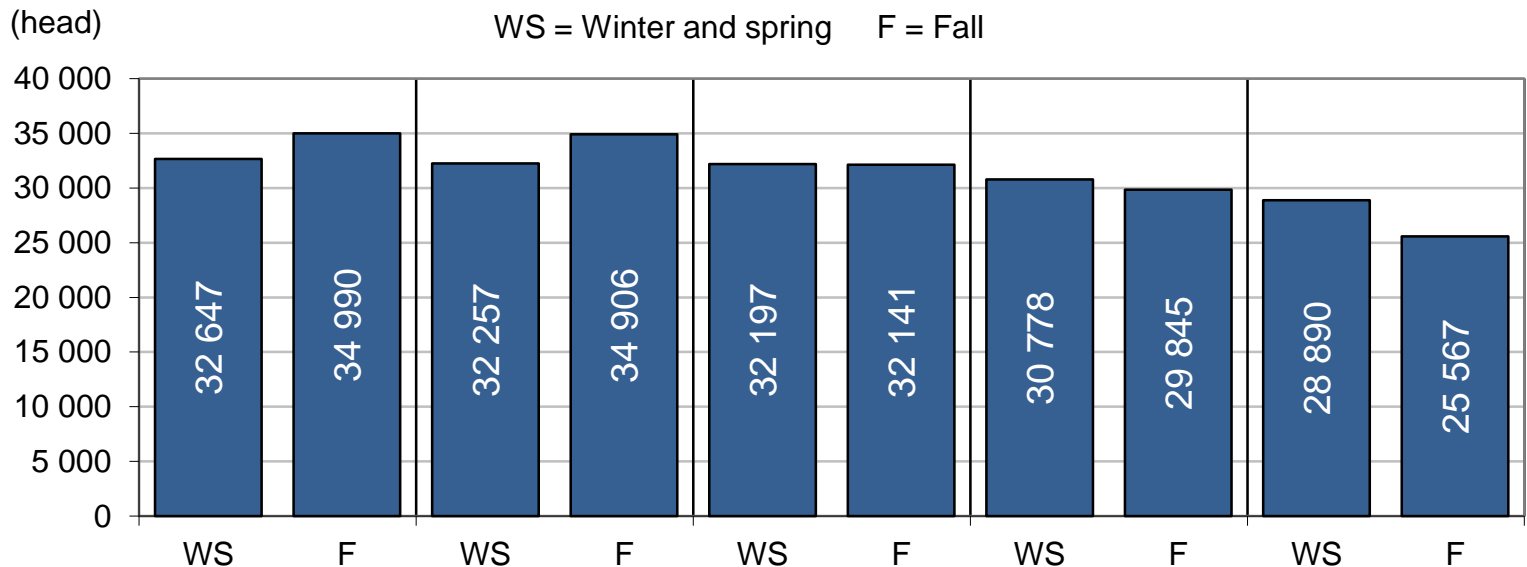


Sources :

- 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)



	2017	2018	2019	2020	2021
Head	67 637	67 163	64 338	60 623	54 457
Weight (lb)	659	657	664	667	681

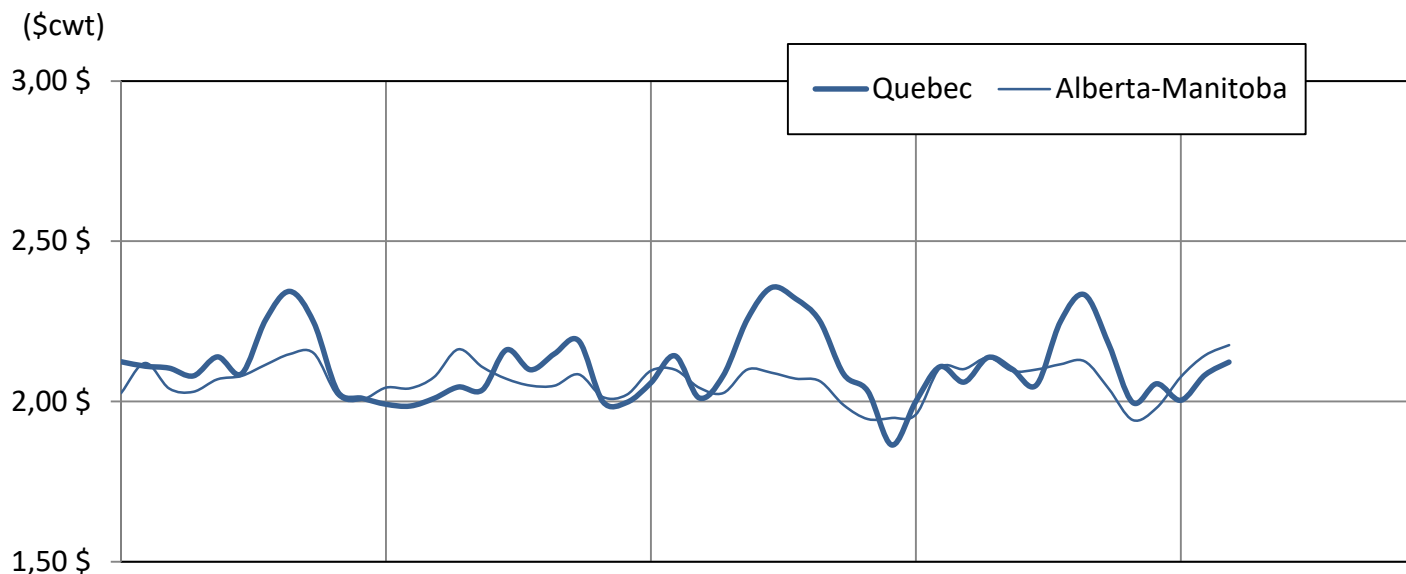
* preliminary

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



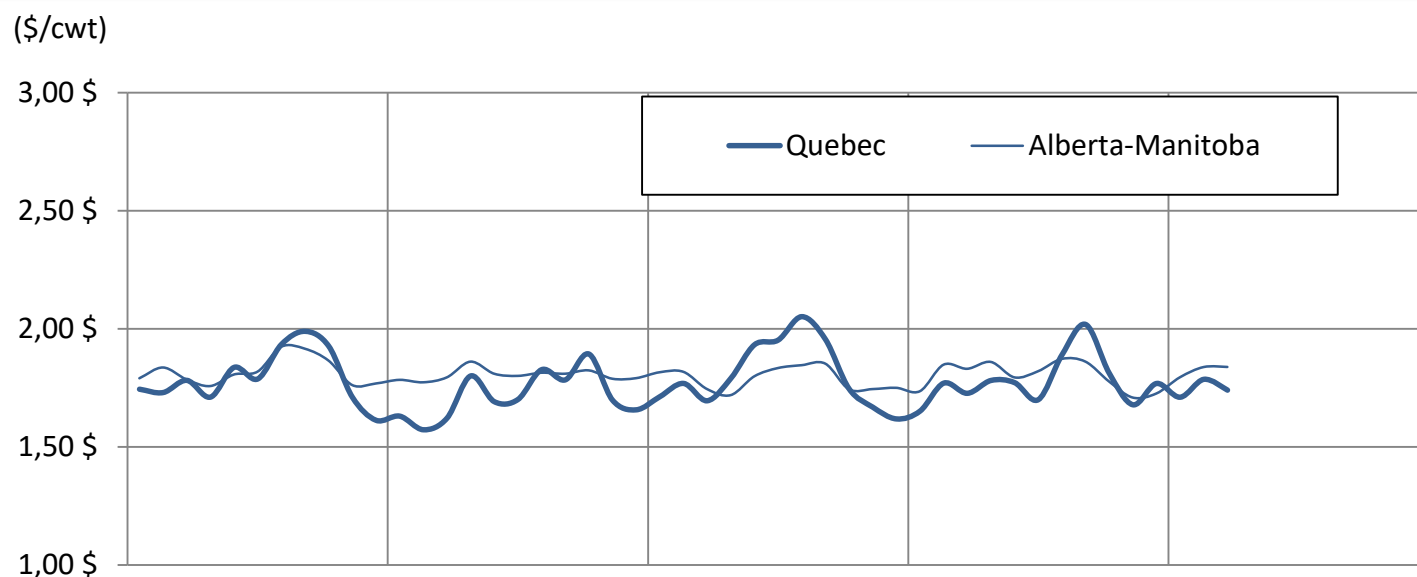
	2018	2019	2020	2021	2022
Quebec	2,14 \$	2,06 \$	2,13 \$	2,12 \$	2,07 \$
Que-(Alb-Man)	0,07 \$	0,00 \$	0,09 \$	0,05 \$	-0,06 \$

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



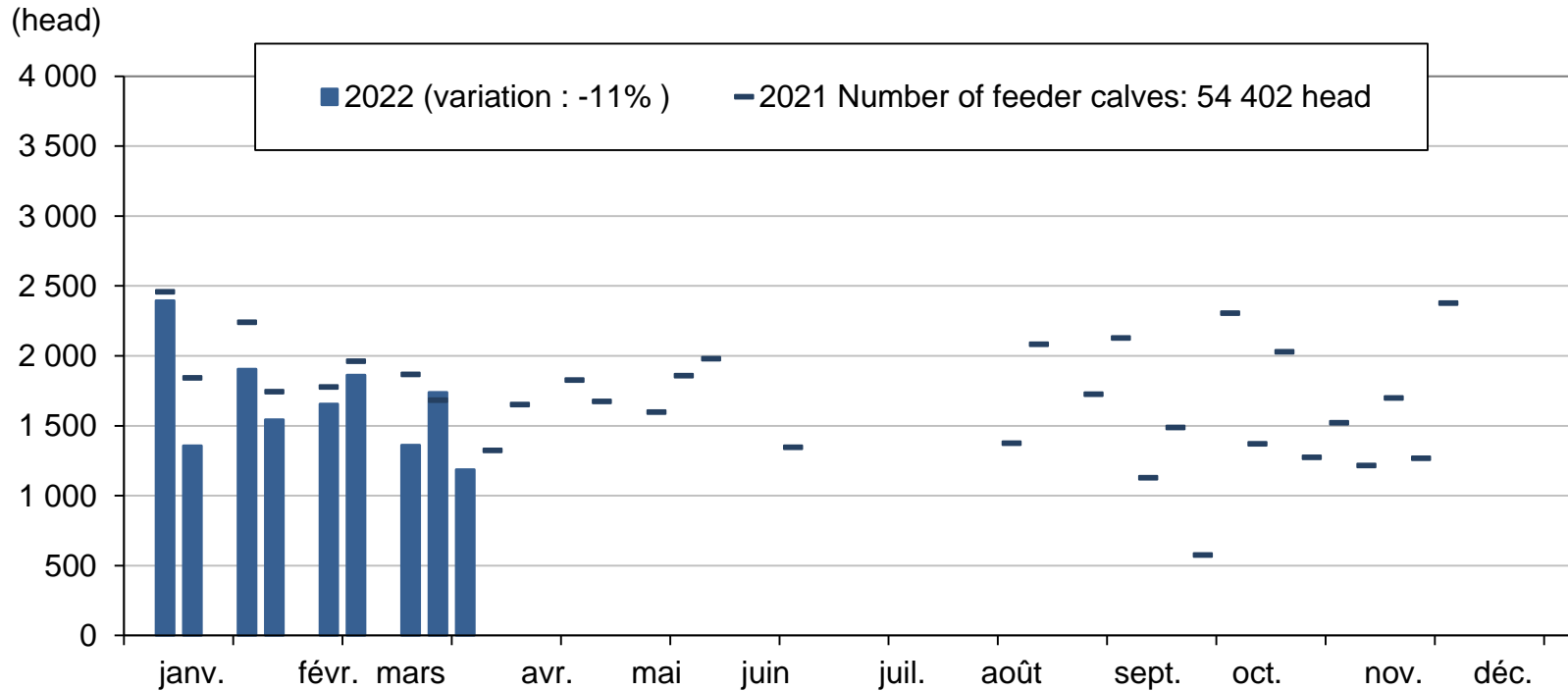
	2018	2019	2020	2021	2022
Quebec	1,82 \$	1,81 \$	1,79 \$	1,78 \$	1,75 \$
Que-(Alb-Man)	-0,02 \$	-0,09 \$	0,02 \$	-0,02 \$	-0,08 \$

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

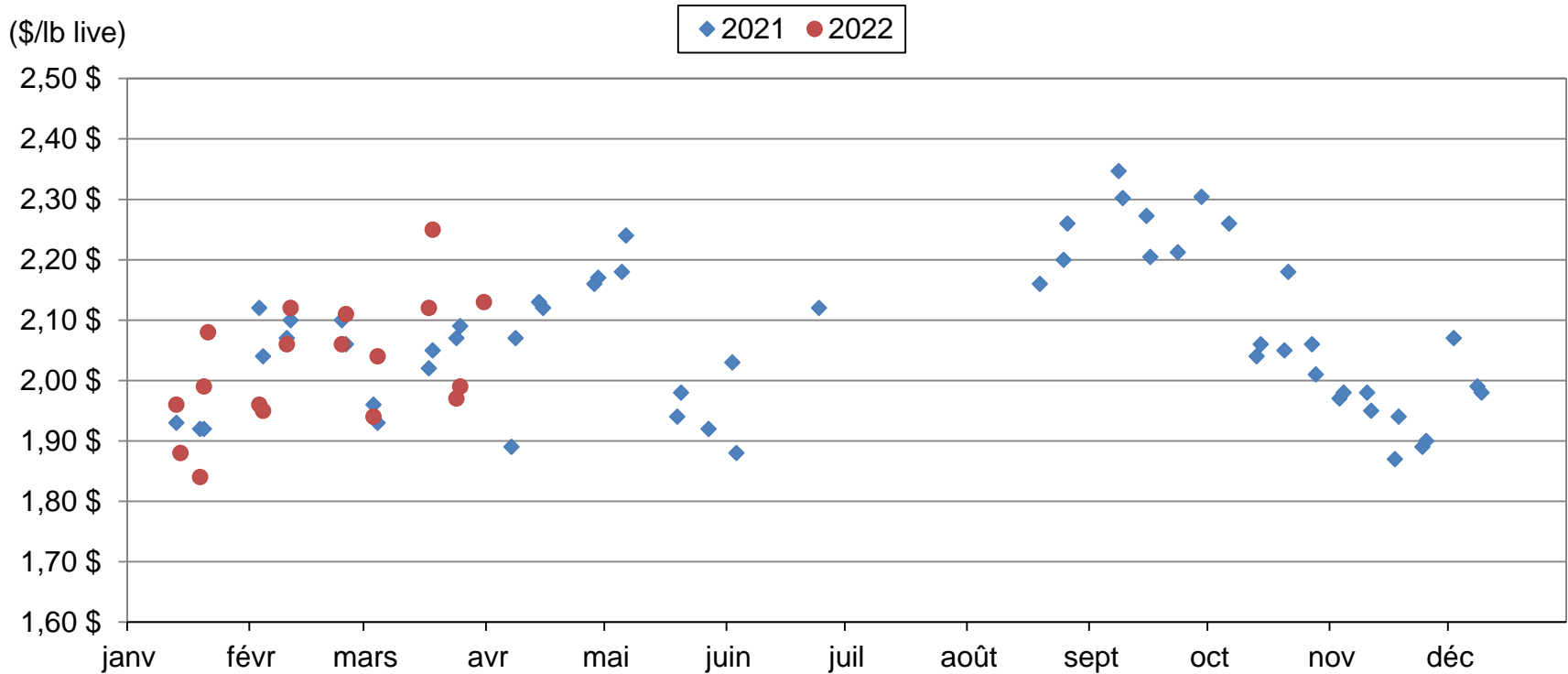


Source :
Number of feeder calves in Quebec specialized auctions in Quebec, PBQ

Feeder calf

Price of male feeder calves (600-700 lb)

Quebec specialized auctions 2021-2022



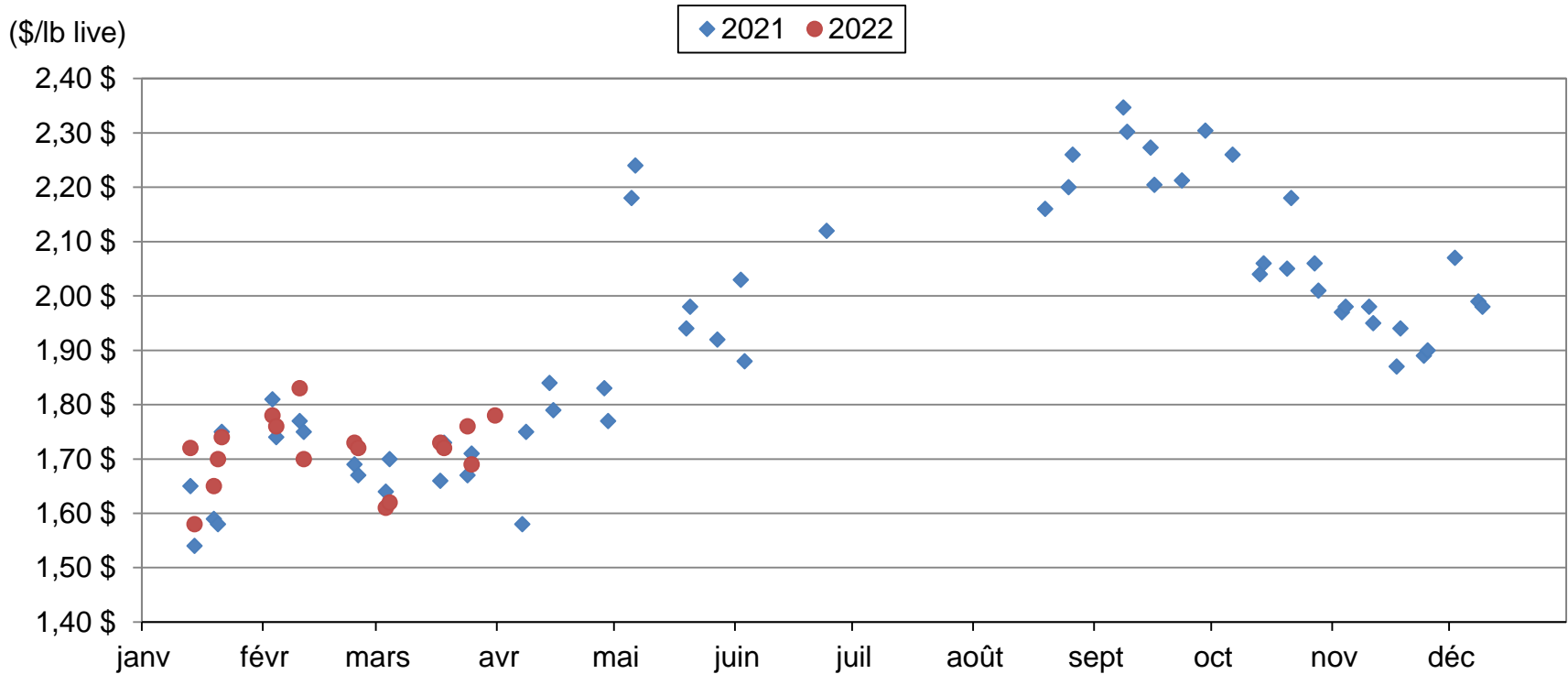
Sources :

- 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

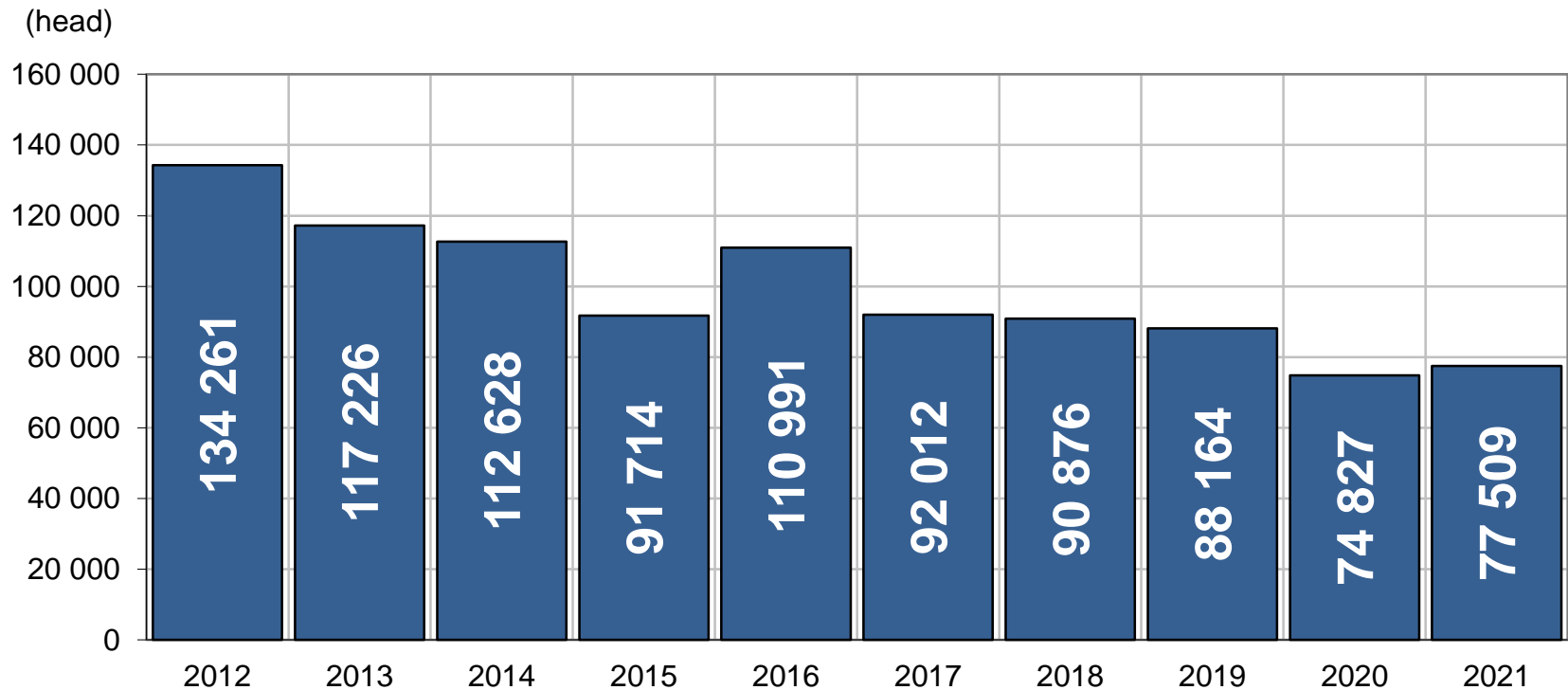


Sources :

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

Fed cattle

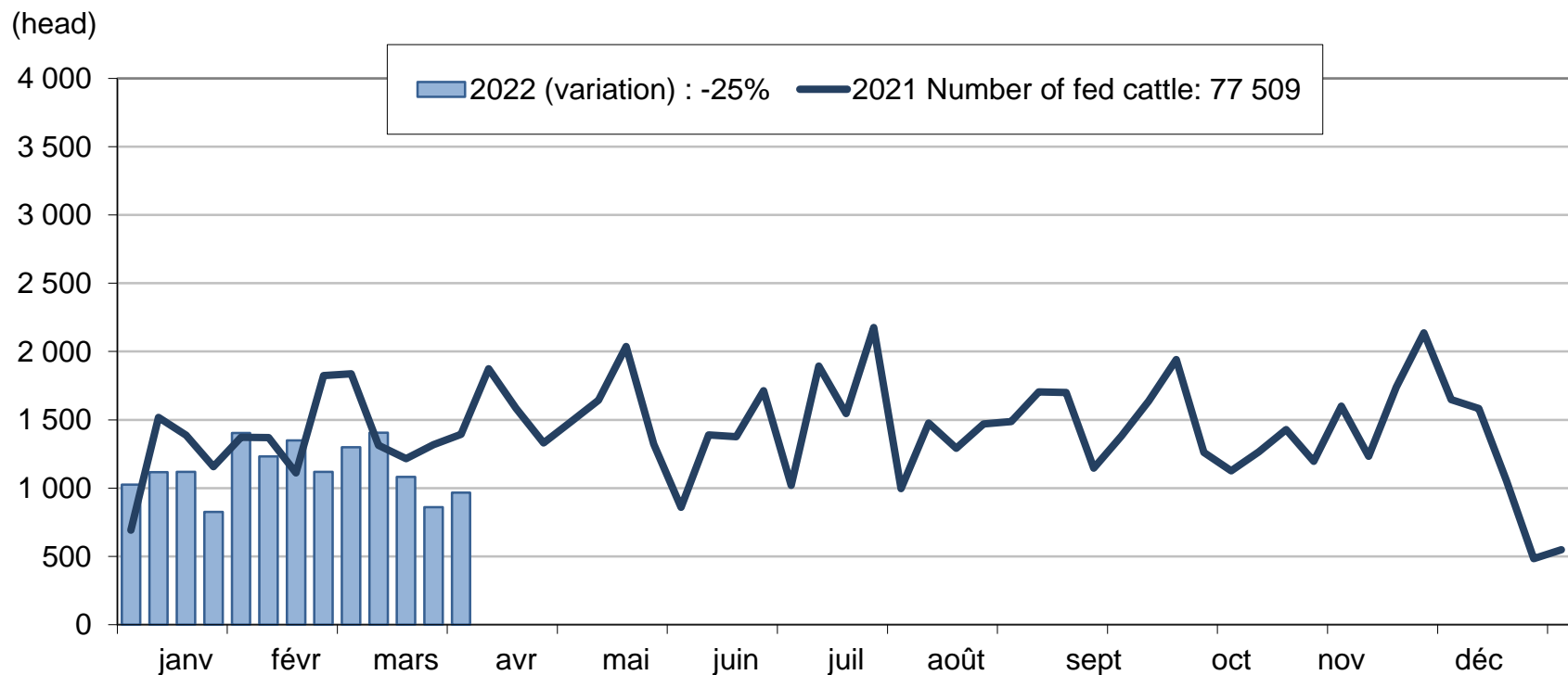
Number of cattle fed in Quebec



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

Fed cattle

Number of cattle fed in Quebec 2021-2022

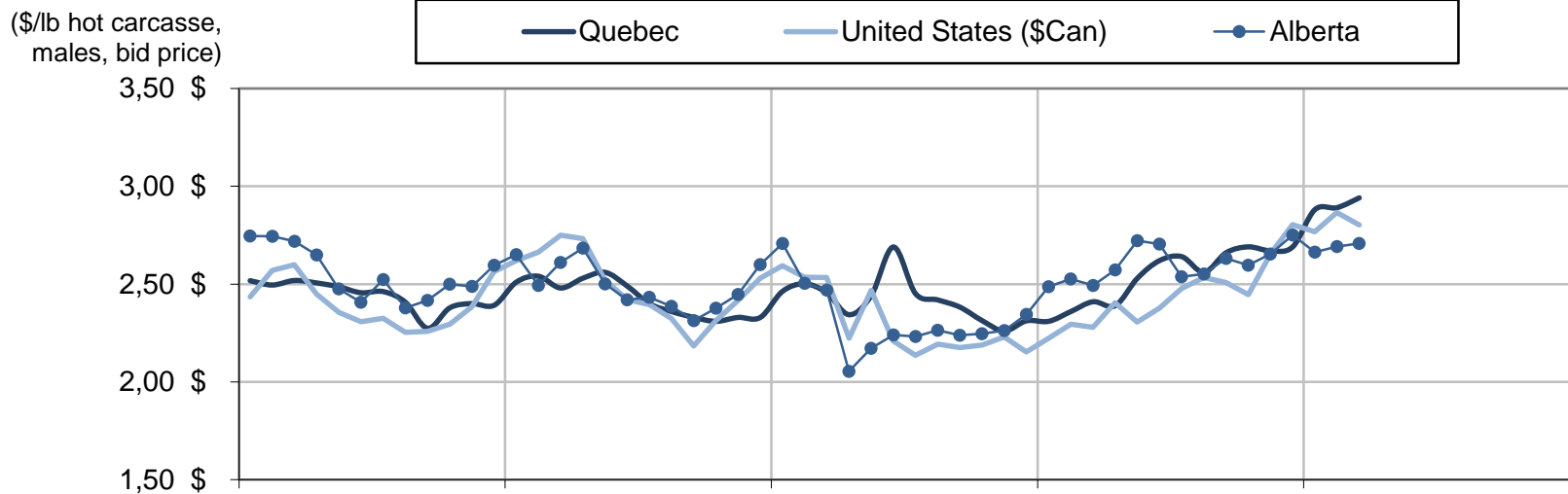


Source:

- Number of fed cattle marketed by Quebec producers , PBQ

Fed cattle

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



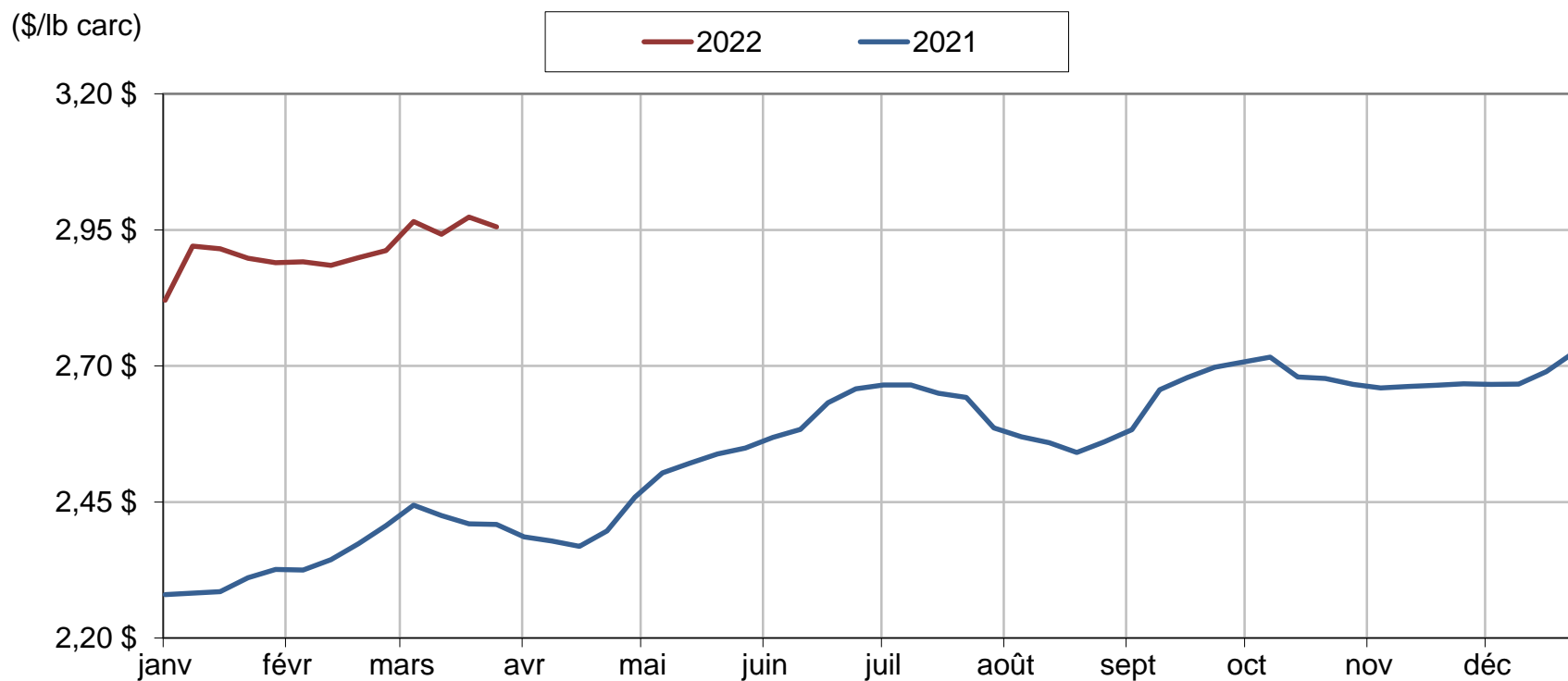
	2018	2019	2020	2021	2022
Quebec	2,44 \$	2,43 \$	2,42 \$	2,54 \$	2,90 \$
Que-Ont	-0,01 \$	-0,03 \$	0,01 \$	-0,03 \$	0,00 \$
Que-US	0,04 \$	-0,06 \$	0,12 \$	0,10 \$	0,09 \$
Que-Alb	-0,11 \$	-0,06 \$	0,11 \$	-0,06 \$	0,22 \$

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 2021-2022

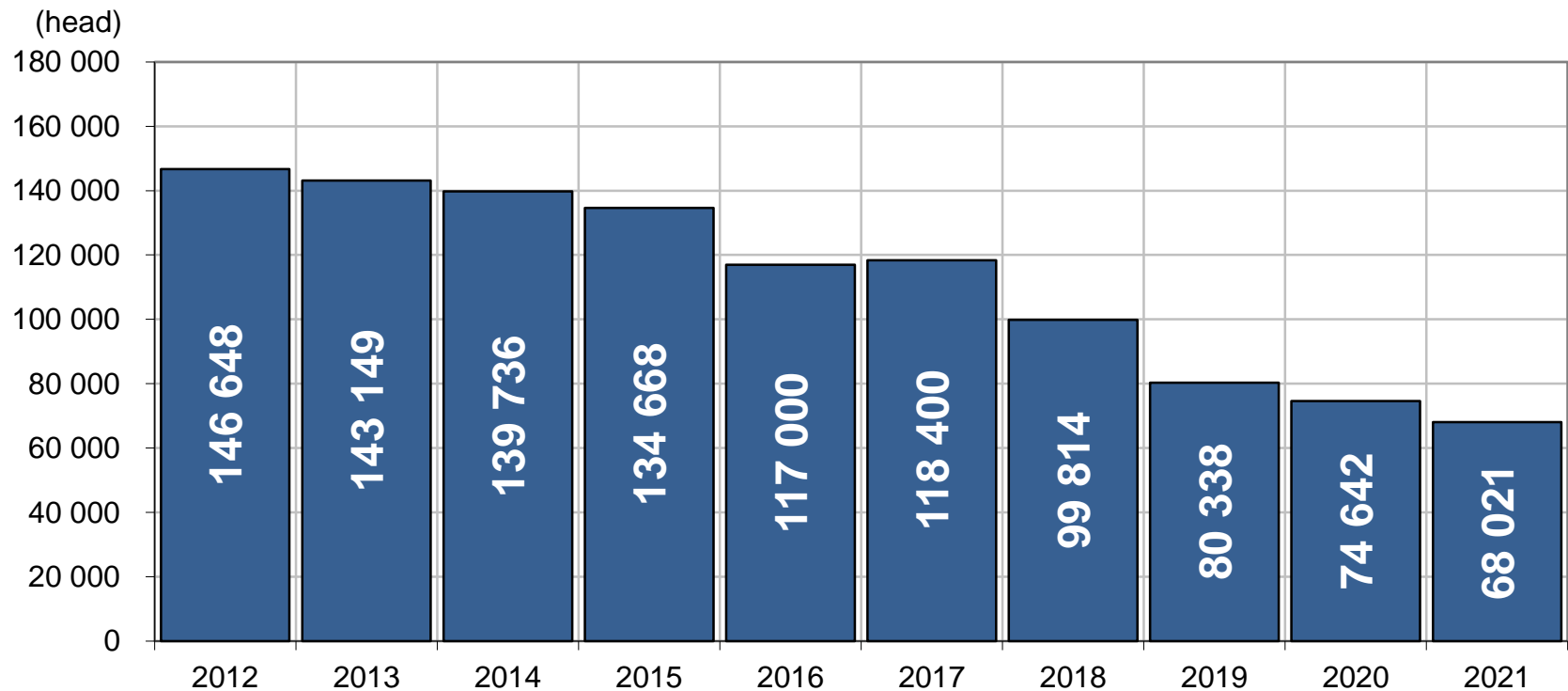


Sources :

- 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

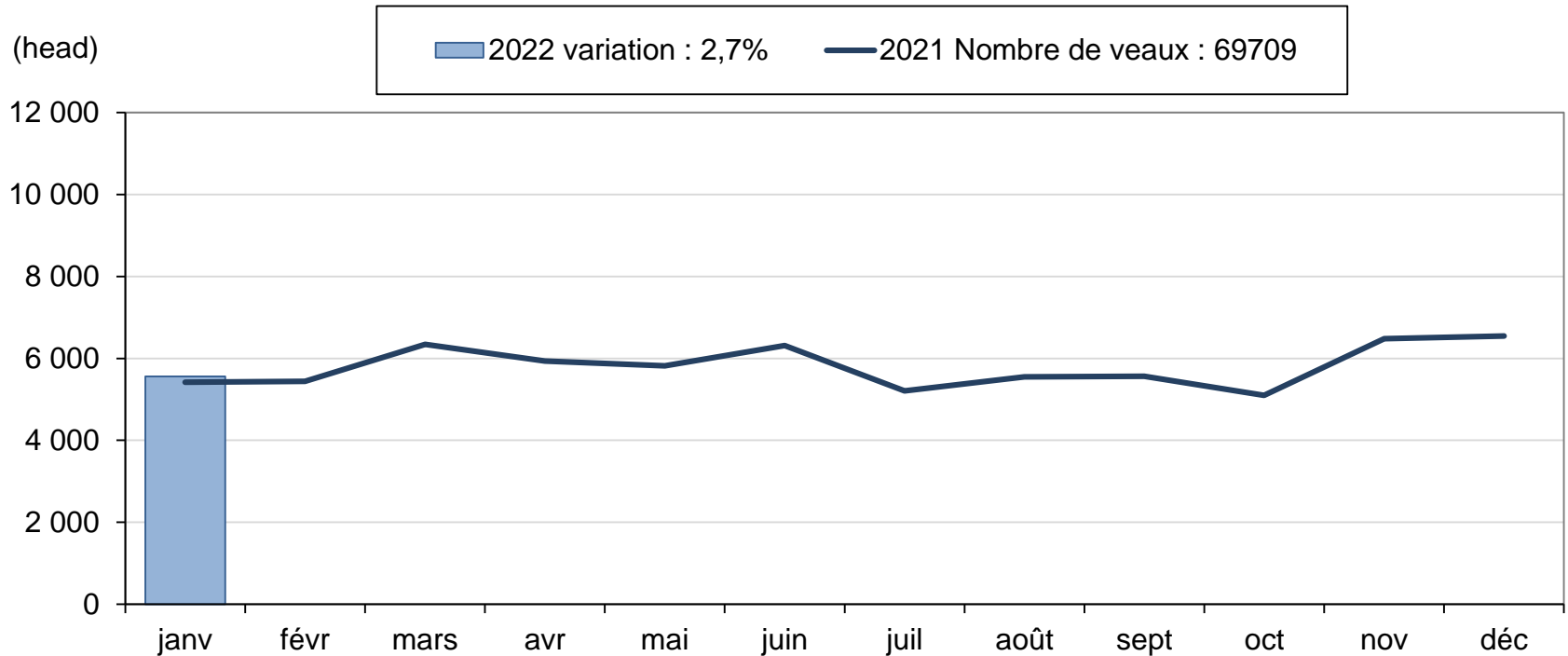


Sources :

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

Milk-fed veal

Number of calves fed in Quebec 2021-2022



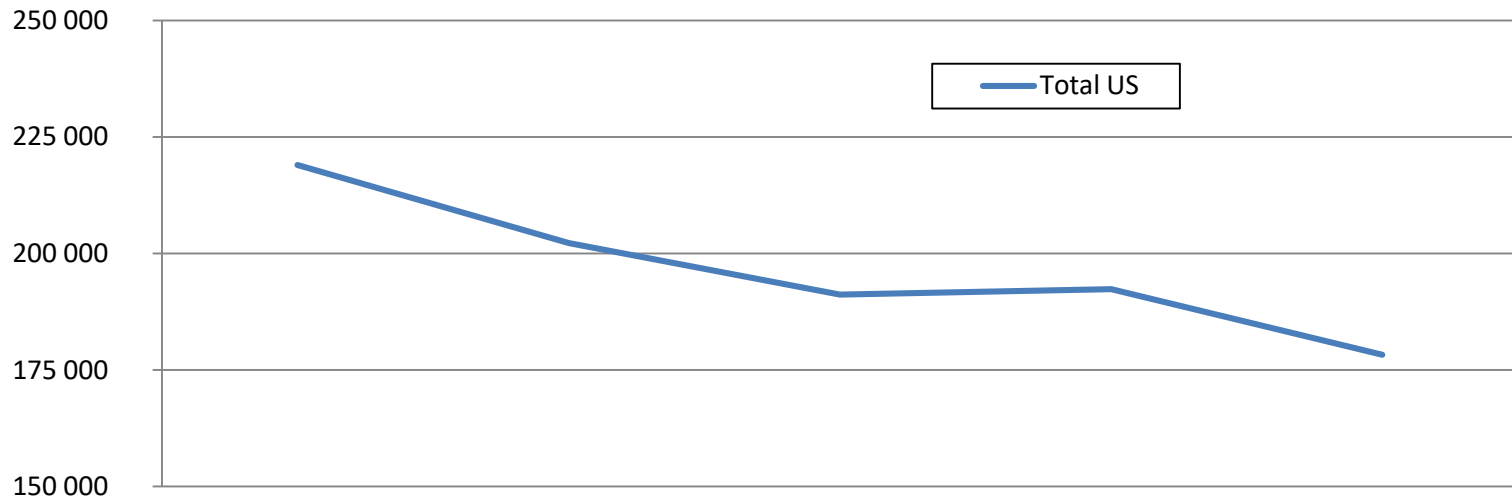
Sources :

- 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

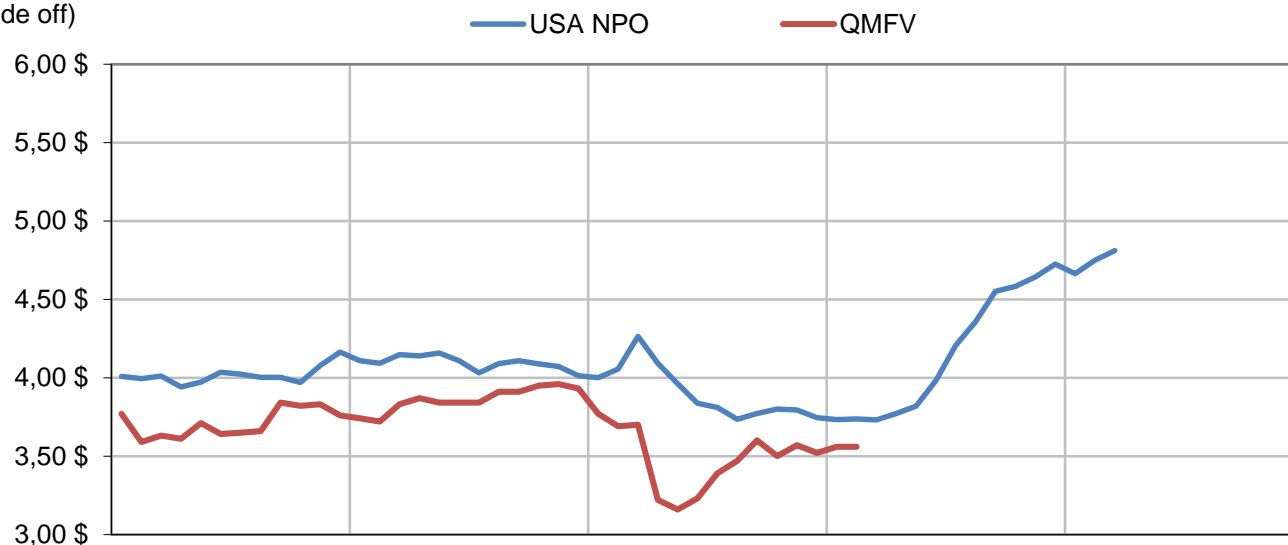
Sources :

- 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)



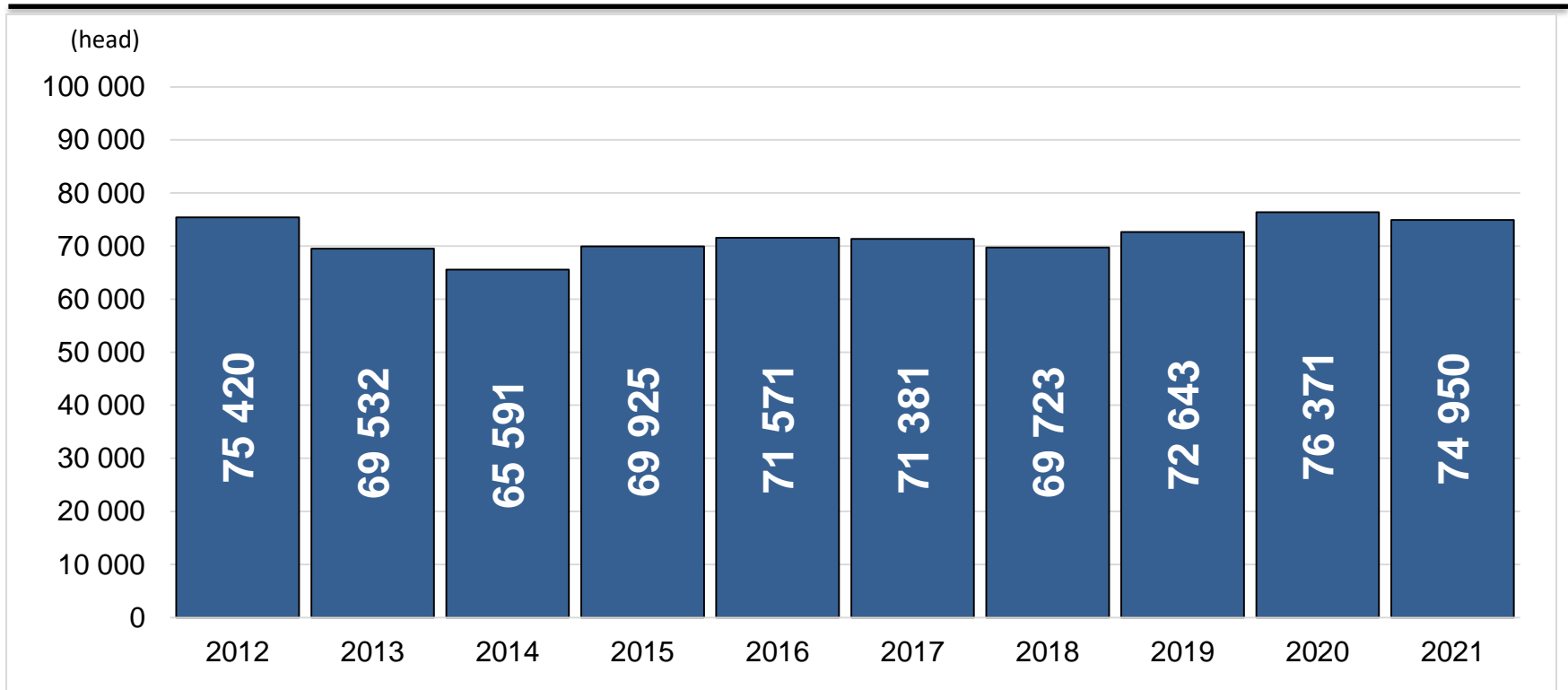
	2018	2019	2020	2021	2022
USA-NPO	4,02 \$	4,10 \$	3,90 \$	4,15 \$	4,74 \$
QMFV	3,71 \$	3,86 \$	3,49 \$	3,56 \$	

Sources :

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

Grain-fed veal

Number of calves fed in Quebec

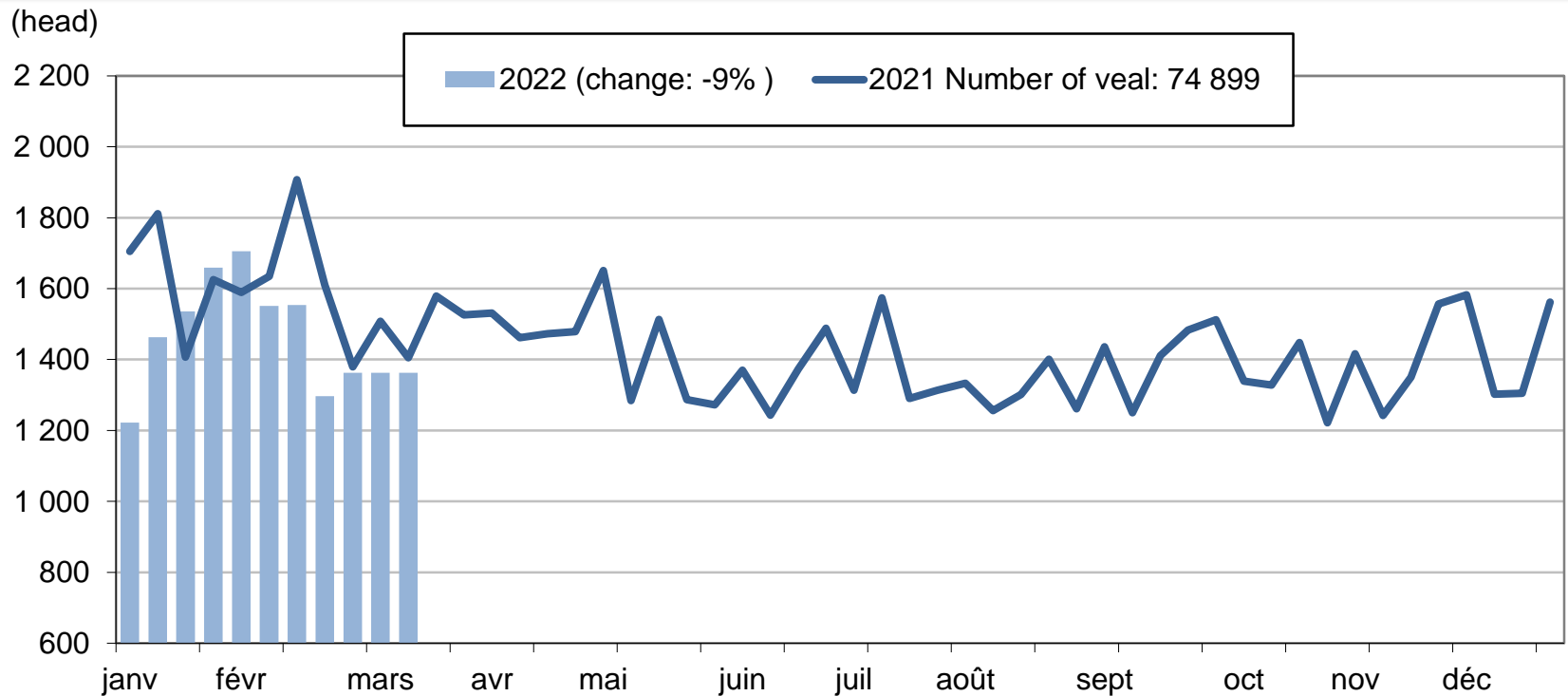


Sources :

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

Grain-fed veal

Number of calves fed in Quebec 2021-2022



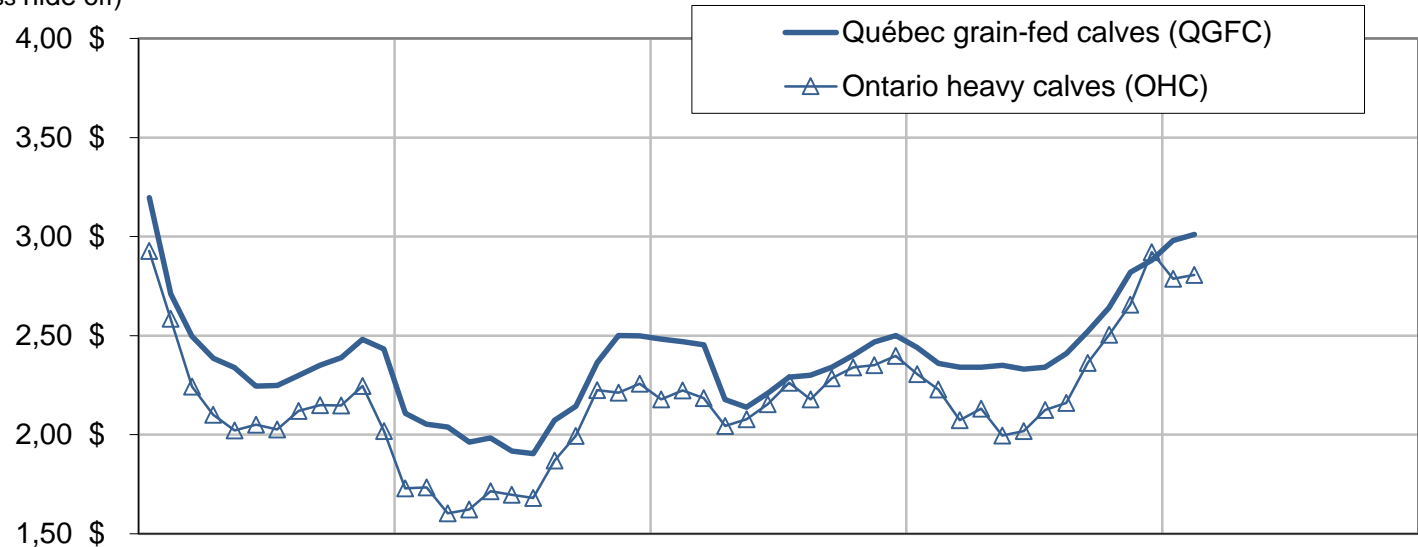
Sources :

- 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)



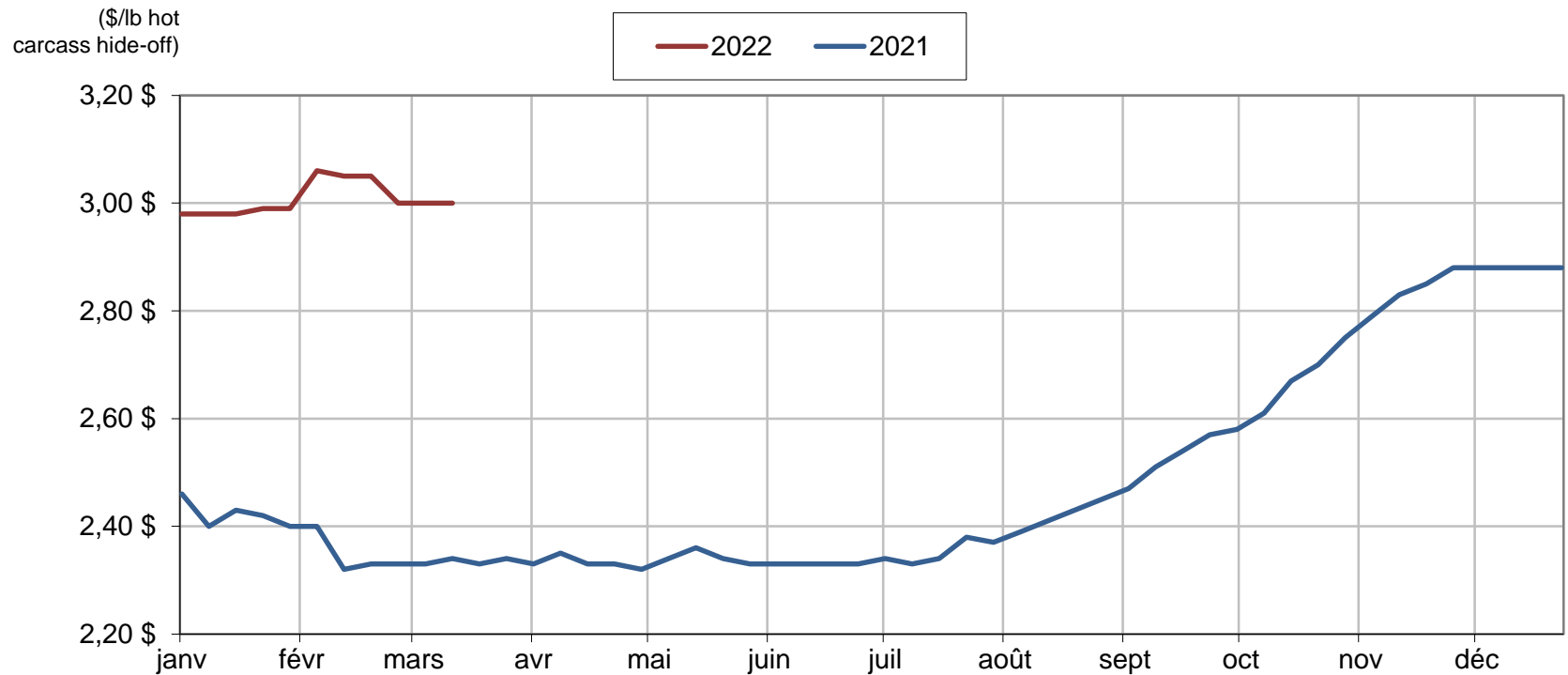
	2018	2019	2020	2021	2022
QGFC	2,46 \$	2,13 \$	2,35 \$	2,48 \$	3,00 \$
QGFC-OHC	0,24 \$	0,27 \$	0,13 \$	0,19 \$	0,20 \$

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 2021-2022

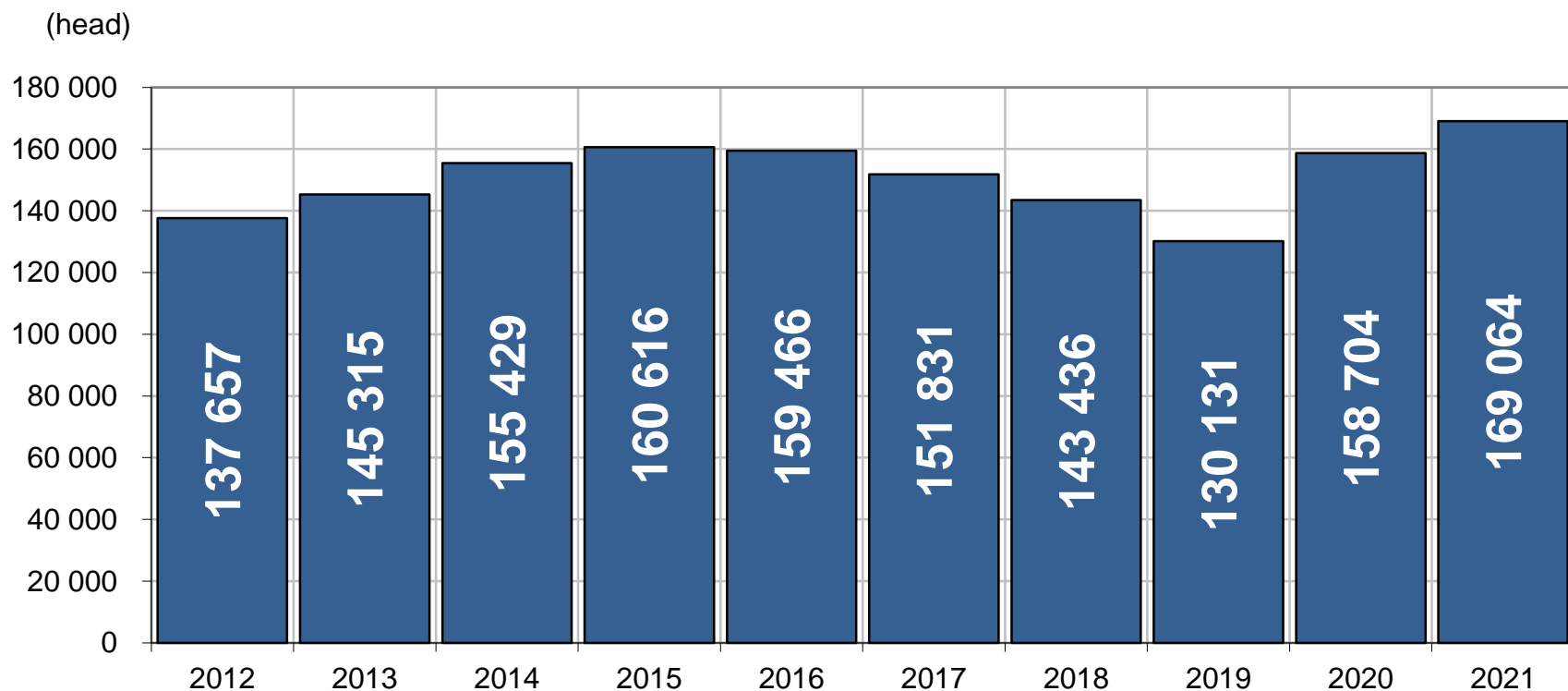


Sources :

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

Bob calves

Number of bob calves marketed in Quebec

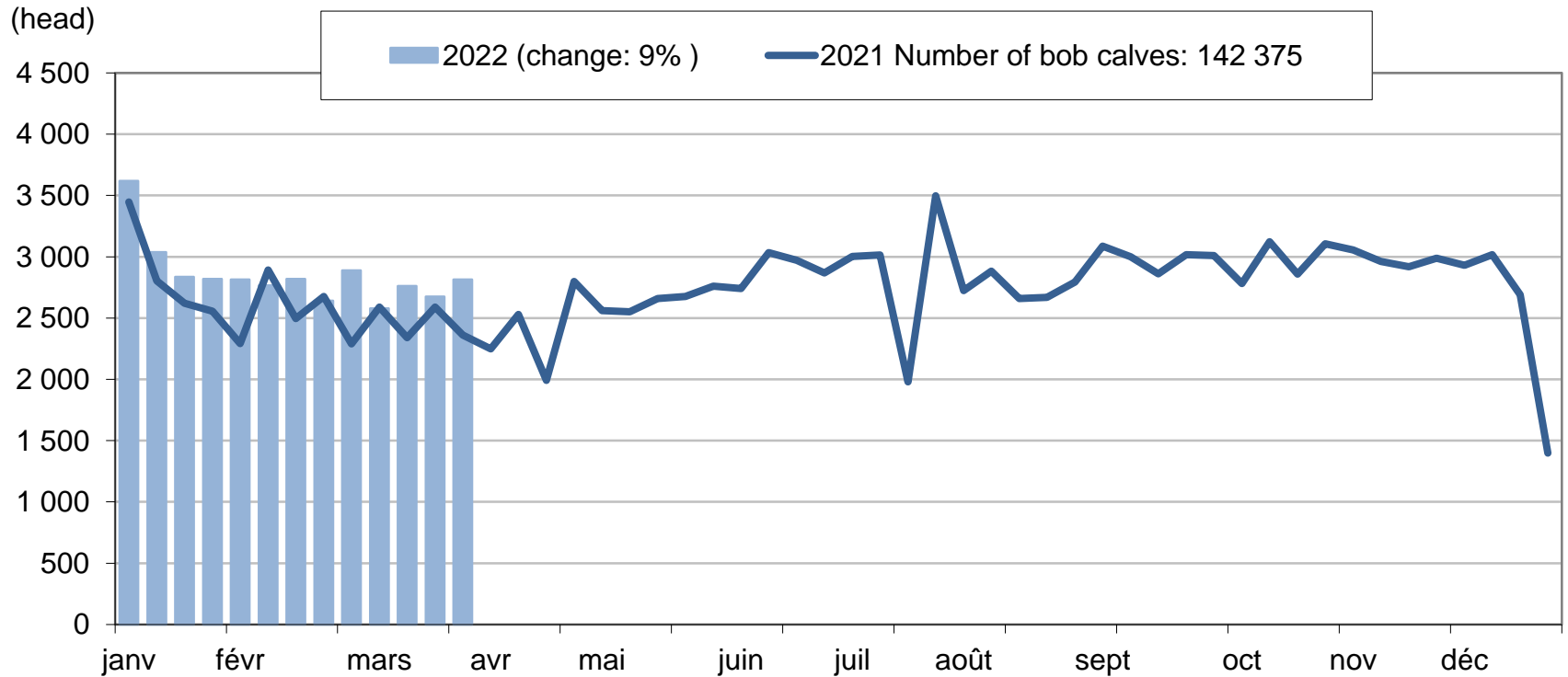


Source :

- Number of calves marketed by Quebec producers, PBQ

Bob calves

Number of bob calves marketed in Quebec 2021-2022

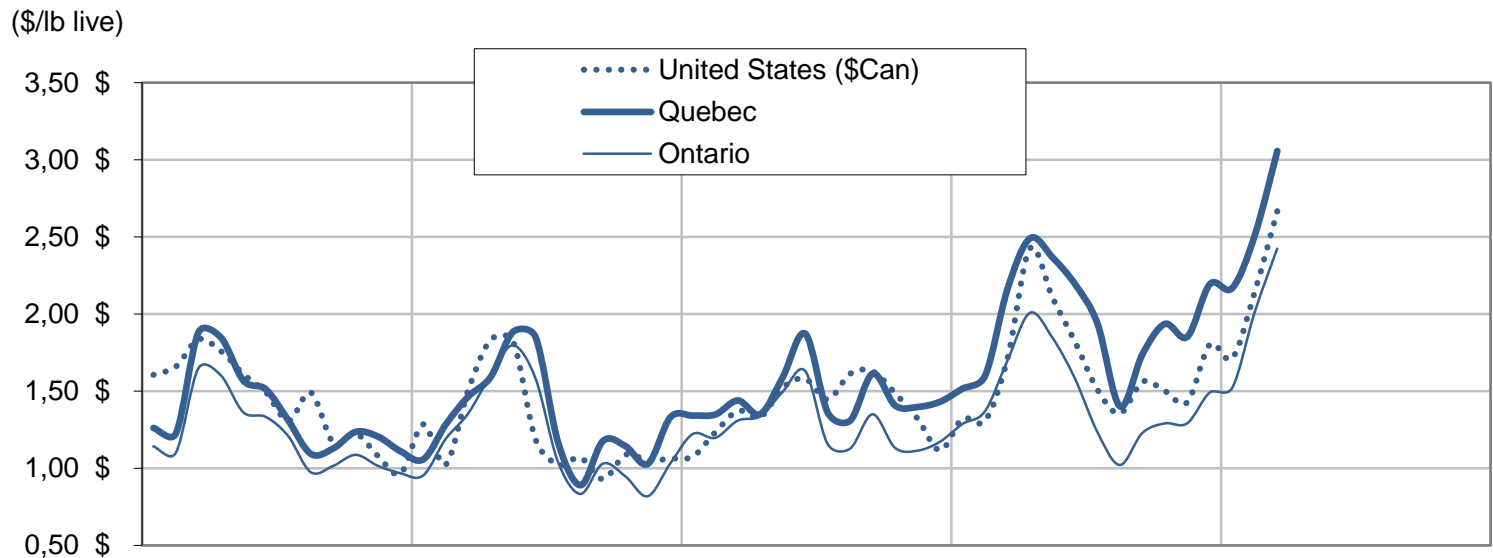


Sources :

- Number of calves marketed by Quebec producers, PBQ

Bob calves

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



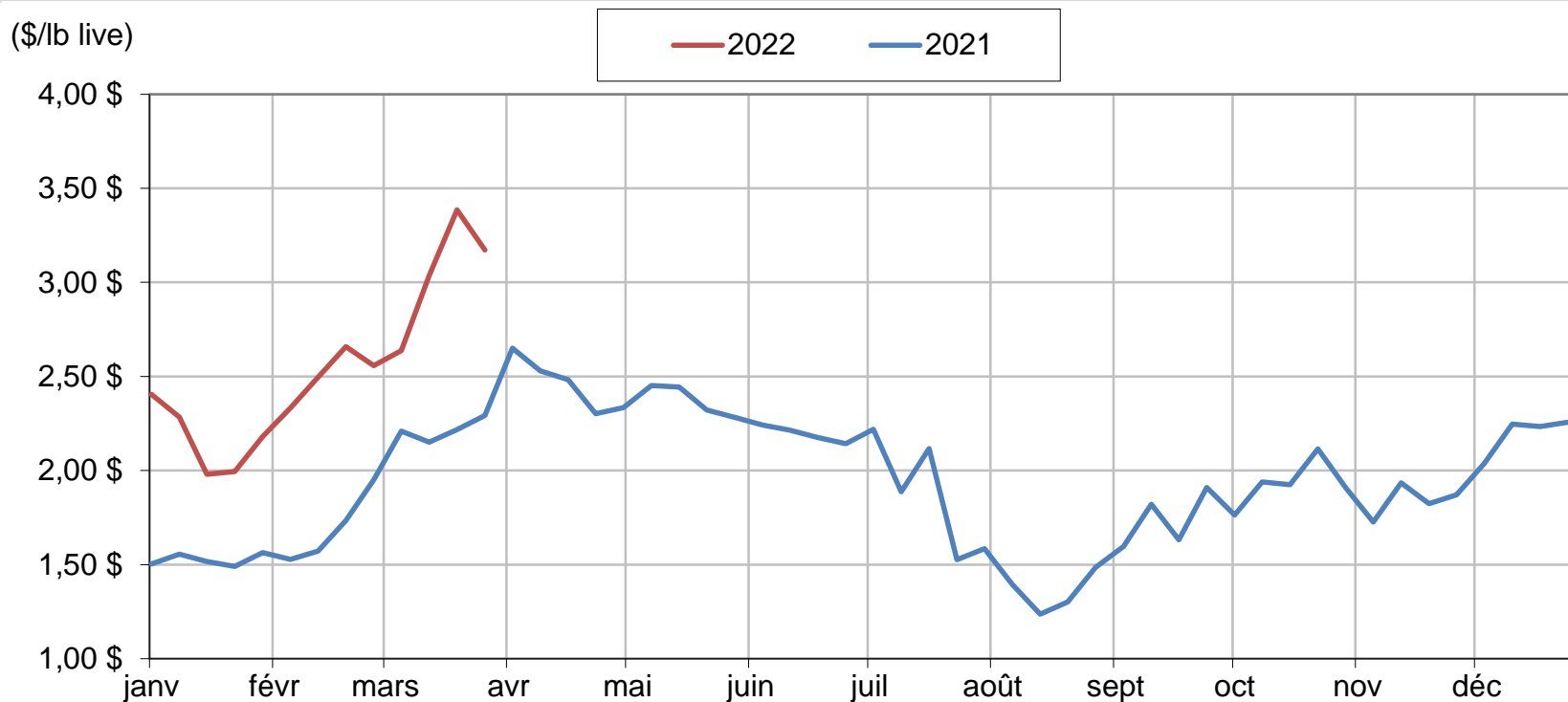
	2018	2019	2020	2021	2022
Quebec	1,36 \$	1,32 \$	1,46 \$	1,95 \$	2,58 \$
Que-US	-0,07 \$	0,08 \$	0,06 \$	0,42 \$	0,40 \$
Que-Ont	0,16 \$	0,14 \$	0,18 \$	0,50 \$	0,59 \$

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 2021-2022

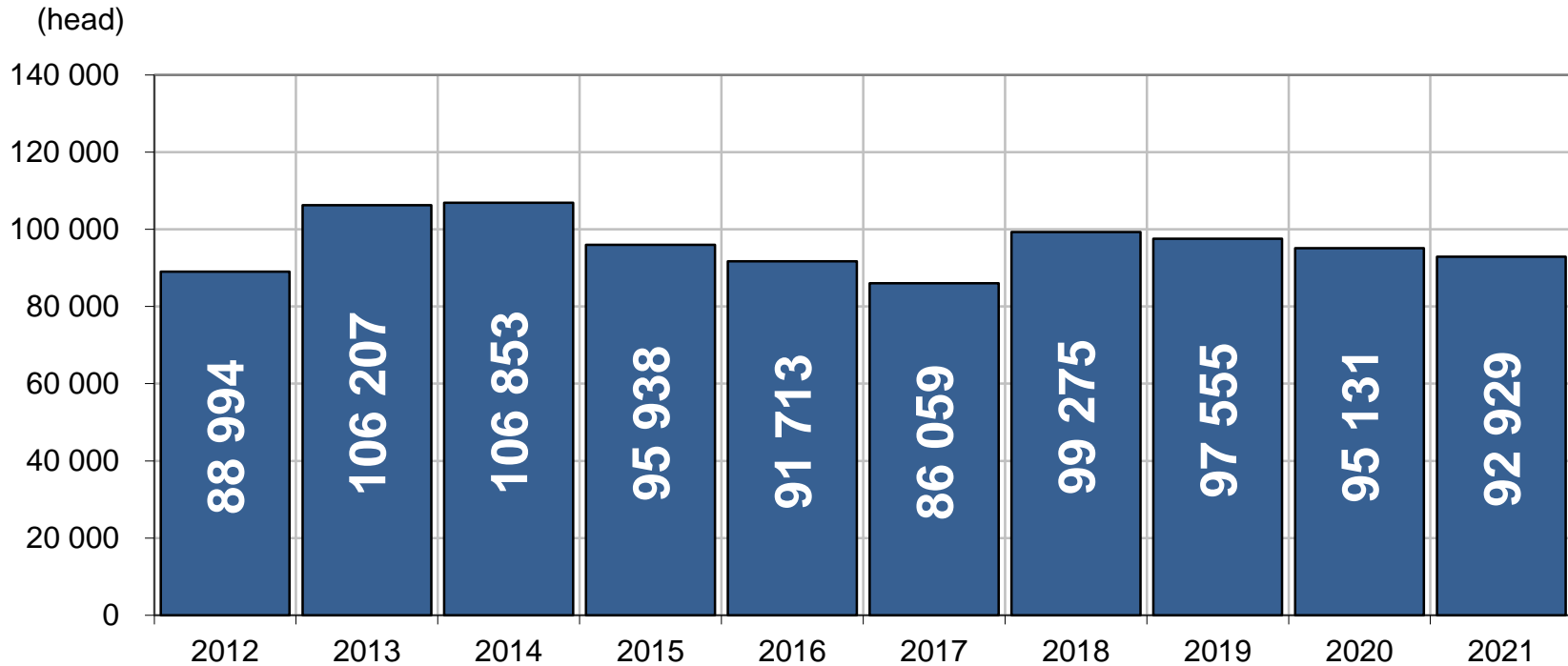


Sources :

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

Cull cattle

Number of cull cows marketed in Quebec

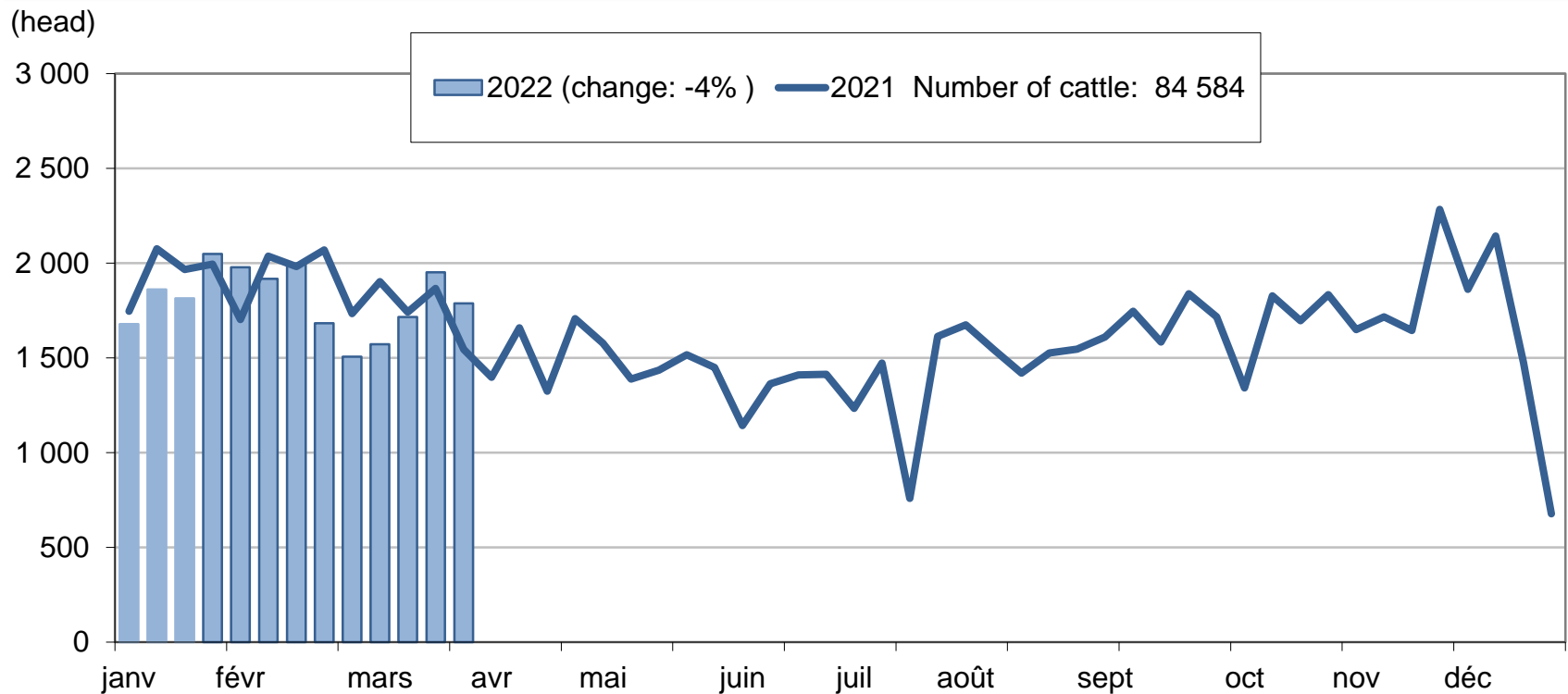


Source :

- Number of cull cows marketed by Quebec producers, PBQ

Cull cattle

Number of cull cows marketed in Quebec 2021-2022

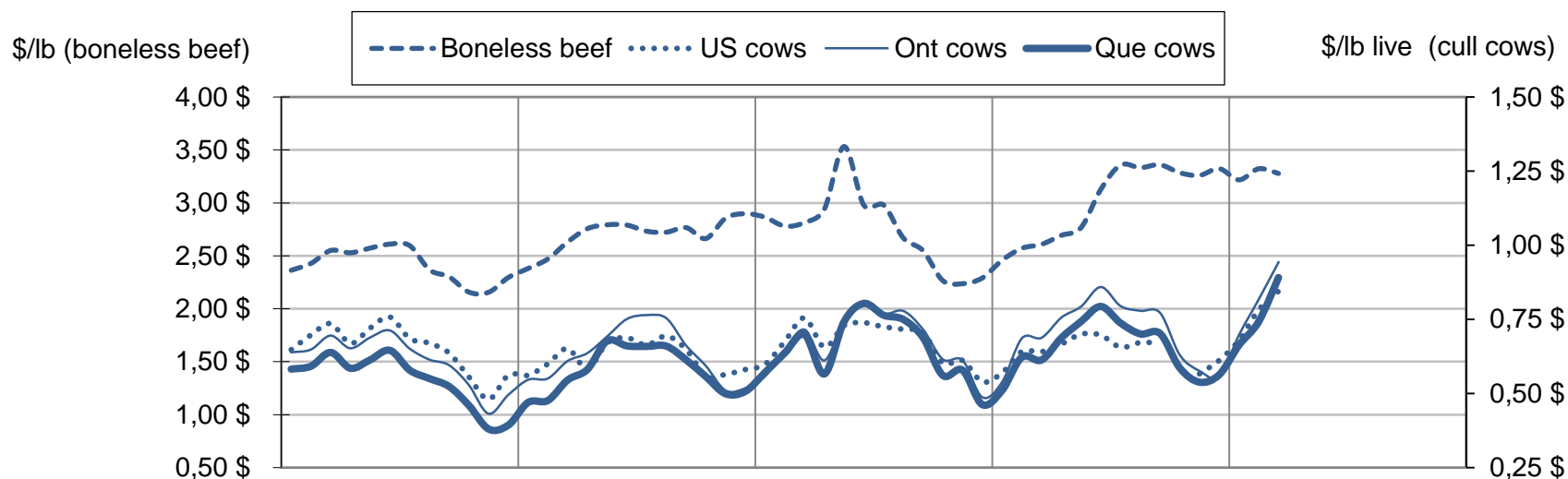


Source :

- Number of calves marketed by Quebec producers, PBQ

Cull cattle

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



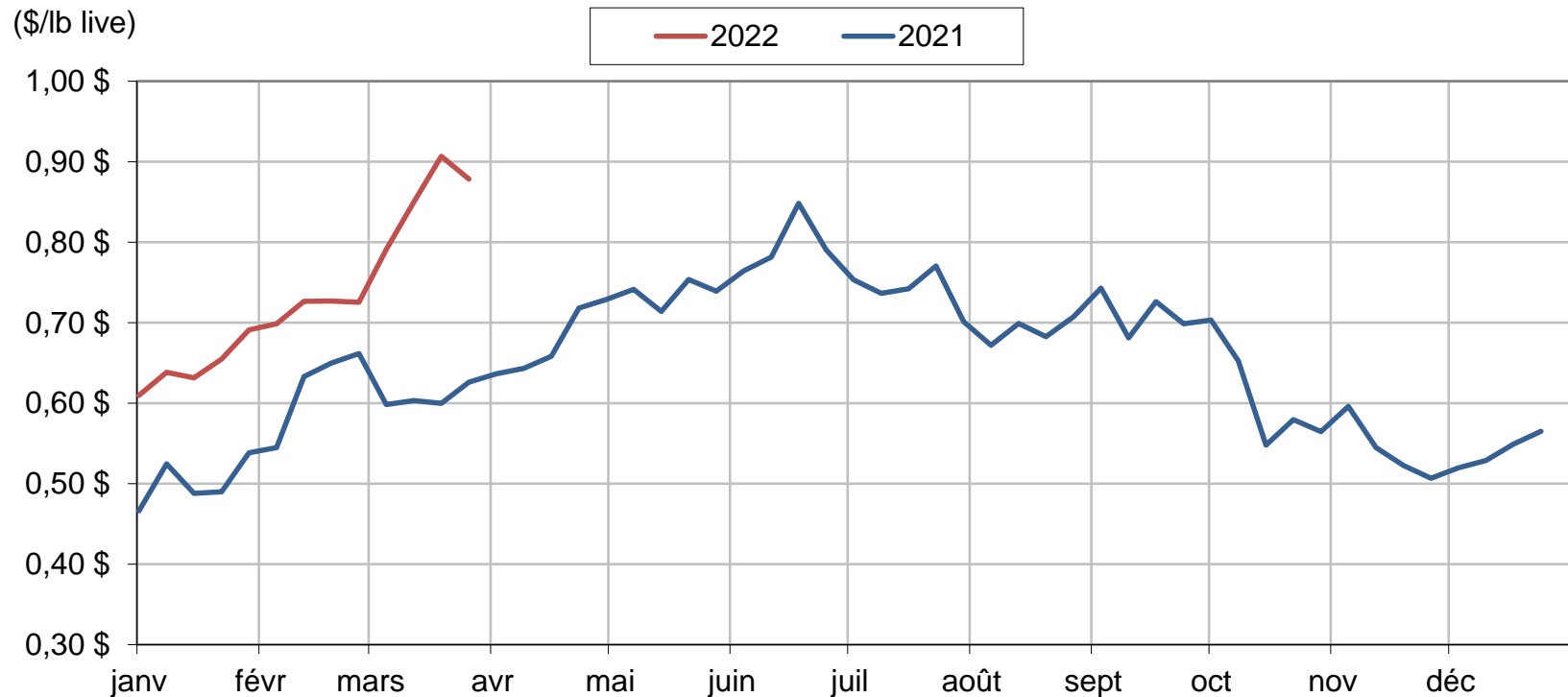
	2018	2019	2020	2021	2022
Boneless beef	2,41 \$	2,70 \$	2,74 \$	3,01 \$	3,27 \$
Que \$/cow	763 \$	805 \$	912 \$	910 \$	1 072 \$
Que \$/lb	0,54 \$	0,58 \$	0,65 \$	0,65 \$	0,77 \$
Que-US	-0,11 \$	-0,05 \$	-0,02 \$	0,00 \$	0,00 \$
Que-Ont	-0,07 \$	-0,06 \$	-0,02 \$	-0,05 \$	-0,05 \$

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

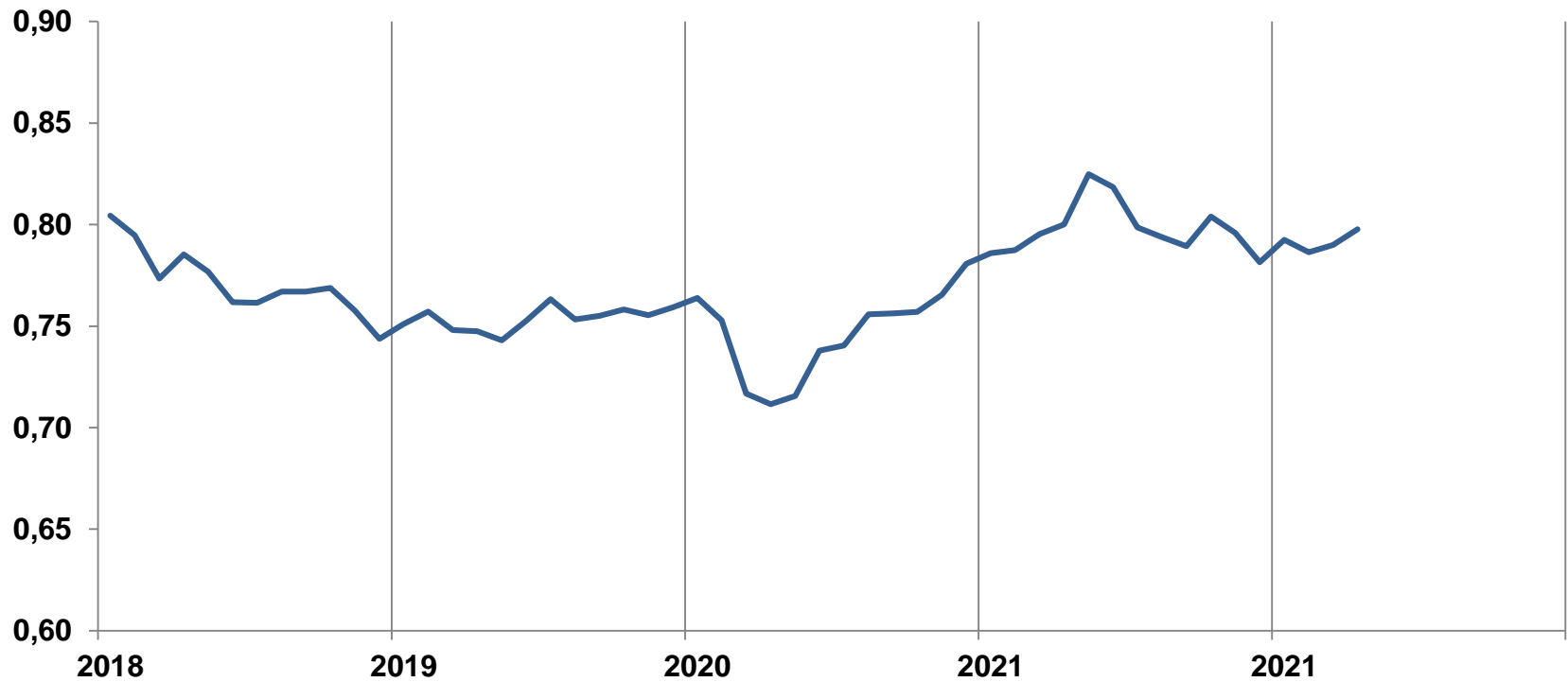
Price of cull cows in Quebec 2021-2022



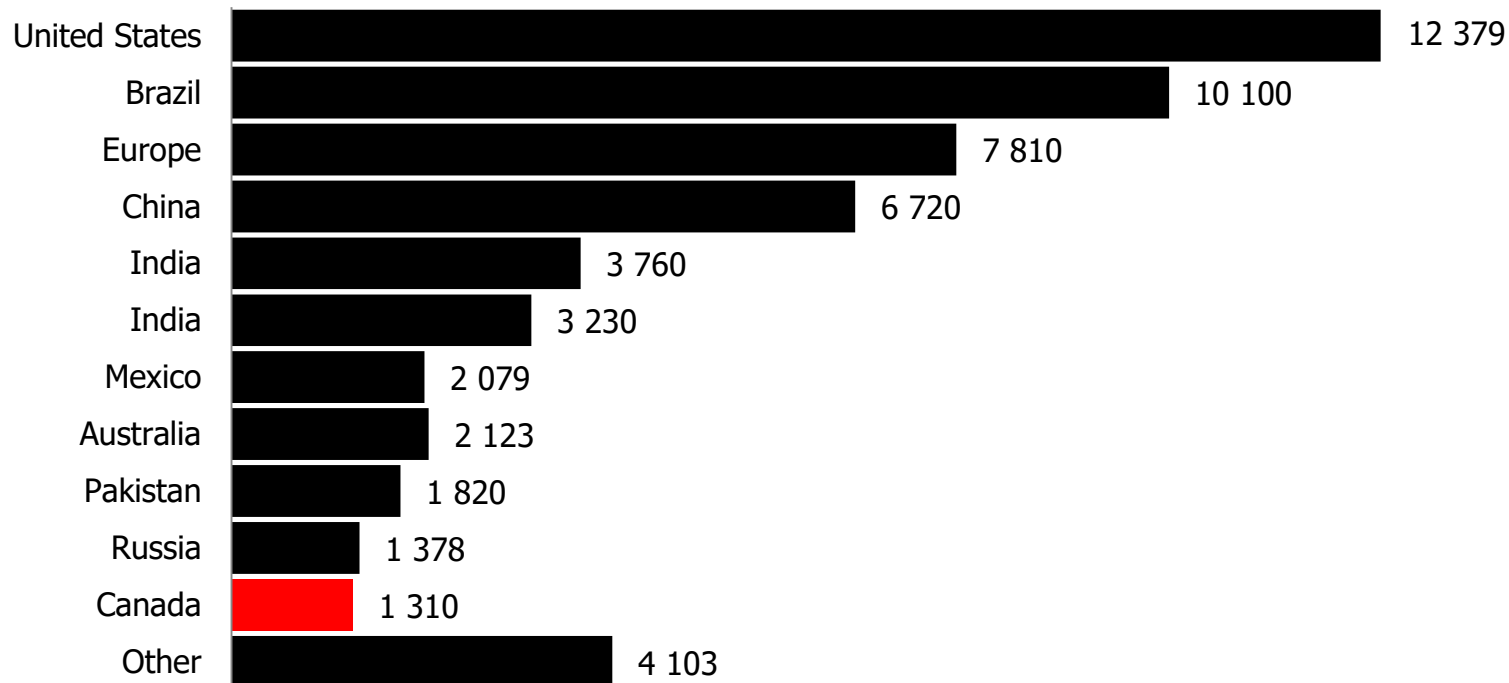
Sources :

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

Exchange rate \$ CAN / \$ US

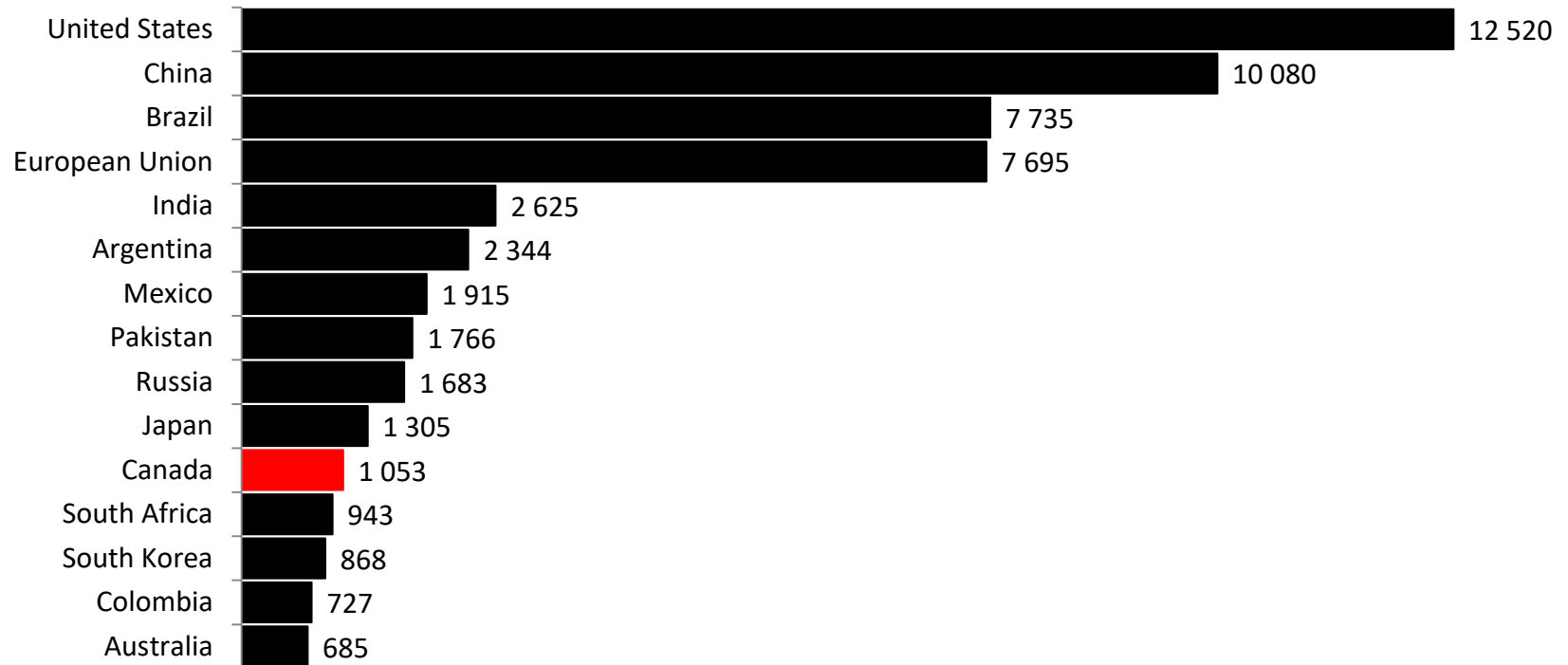


Beef and veal net production (1000 t, cwe) - 2020



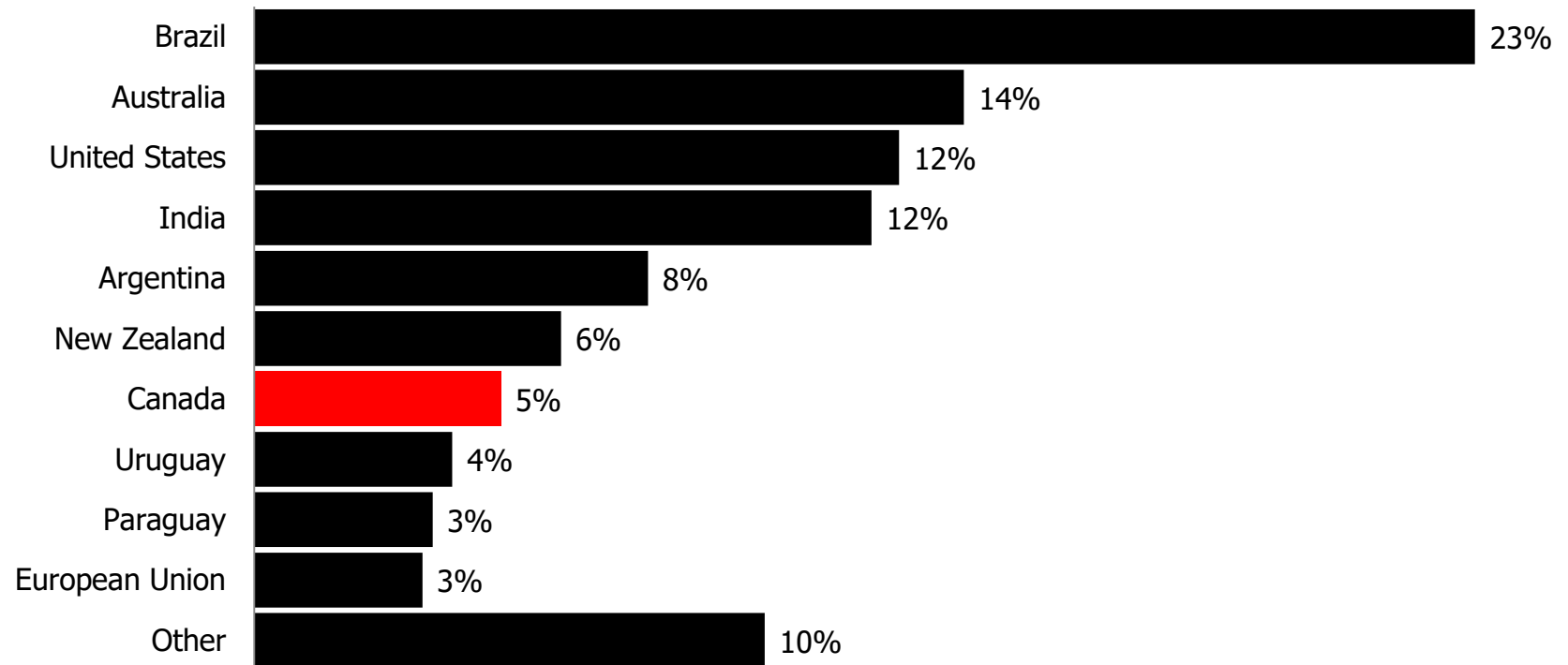
Source :
• Canfax

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



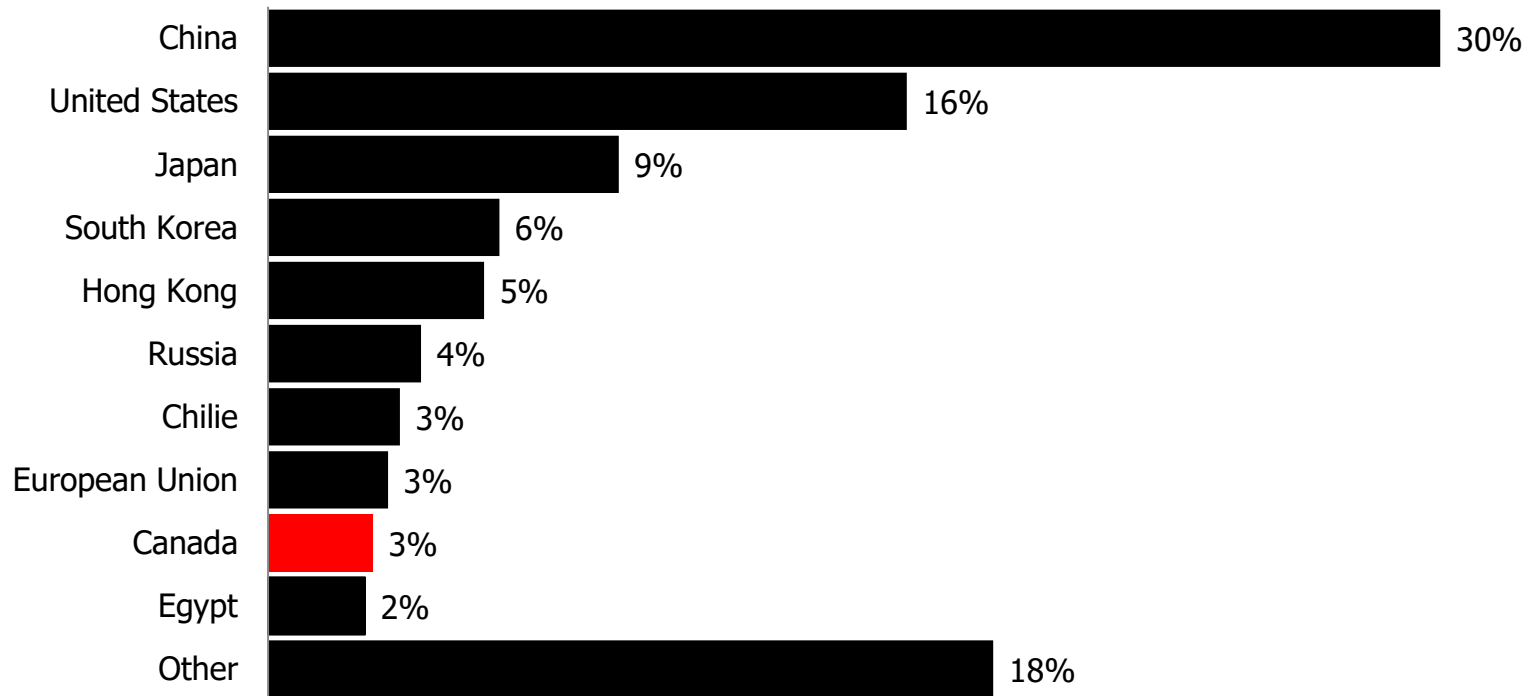
Source :
• Canfax

World top beef exporters (% world) - 2020



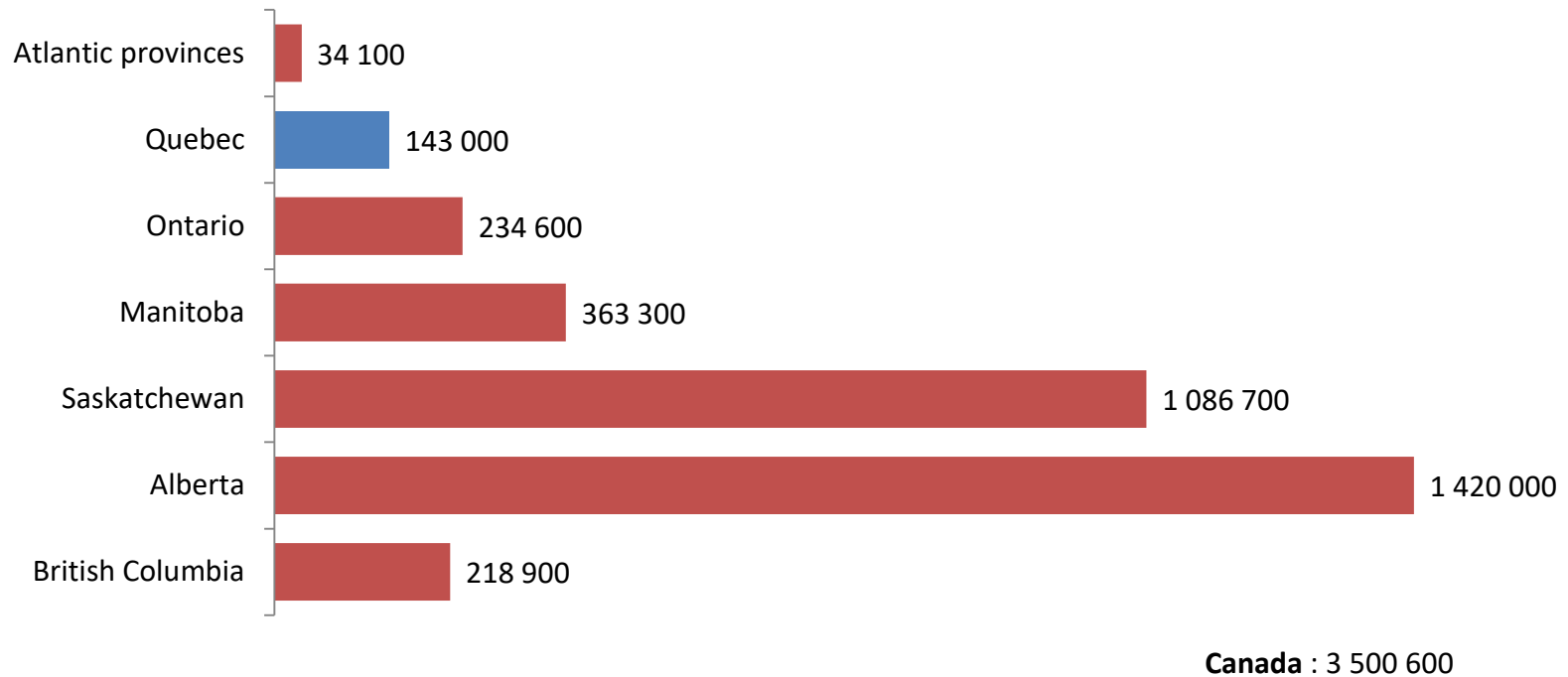
Source :
• Canfax

World top beef importers (% world) - 2020



Source :
• Canfax

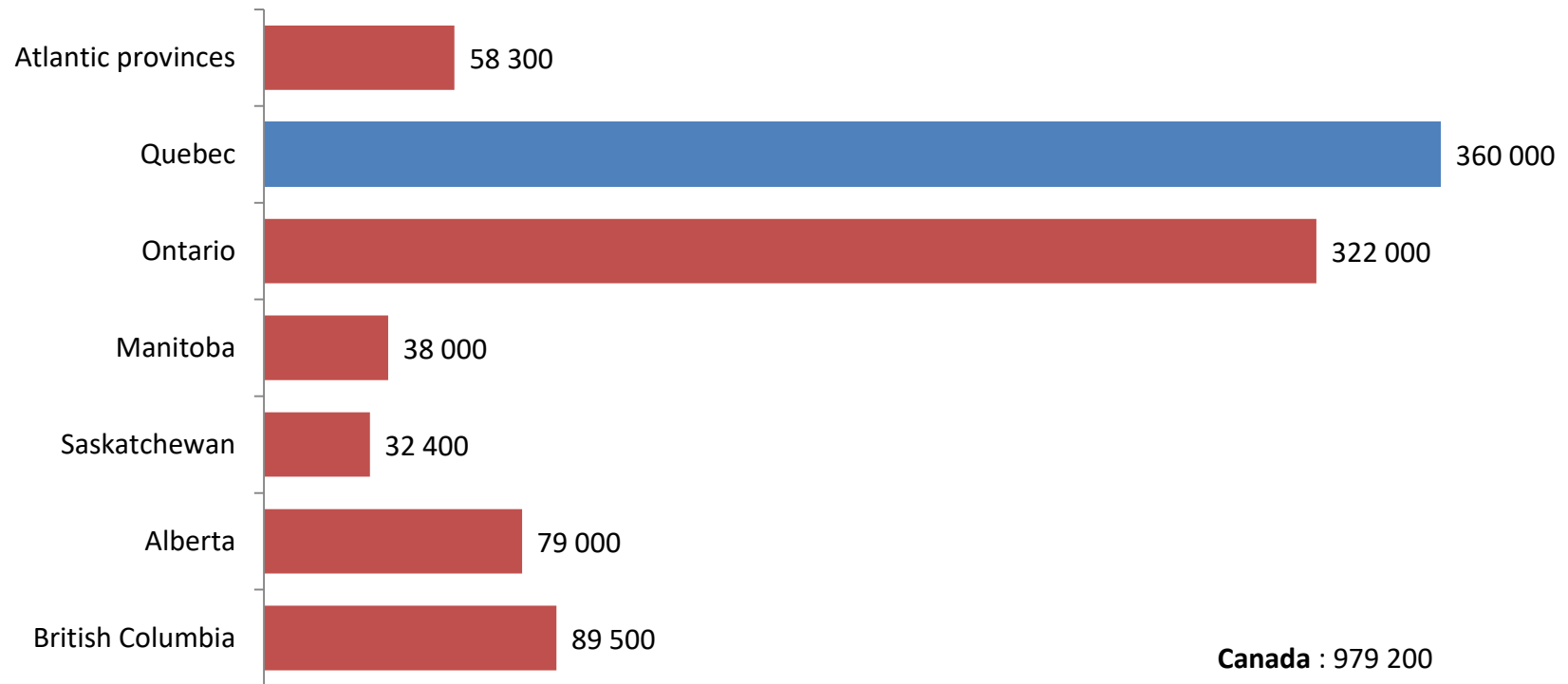
Beef Cow inventory in Canada 2022



Source :

- Statistique Canada

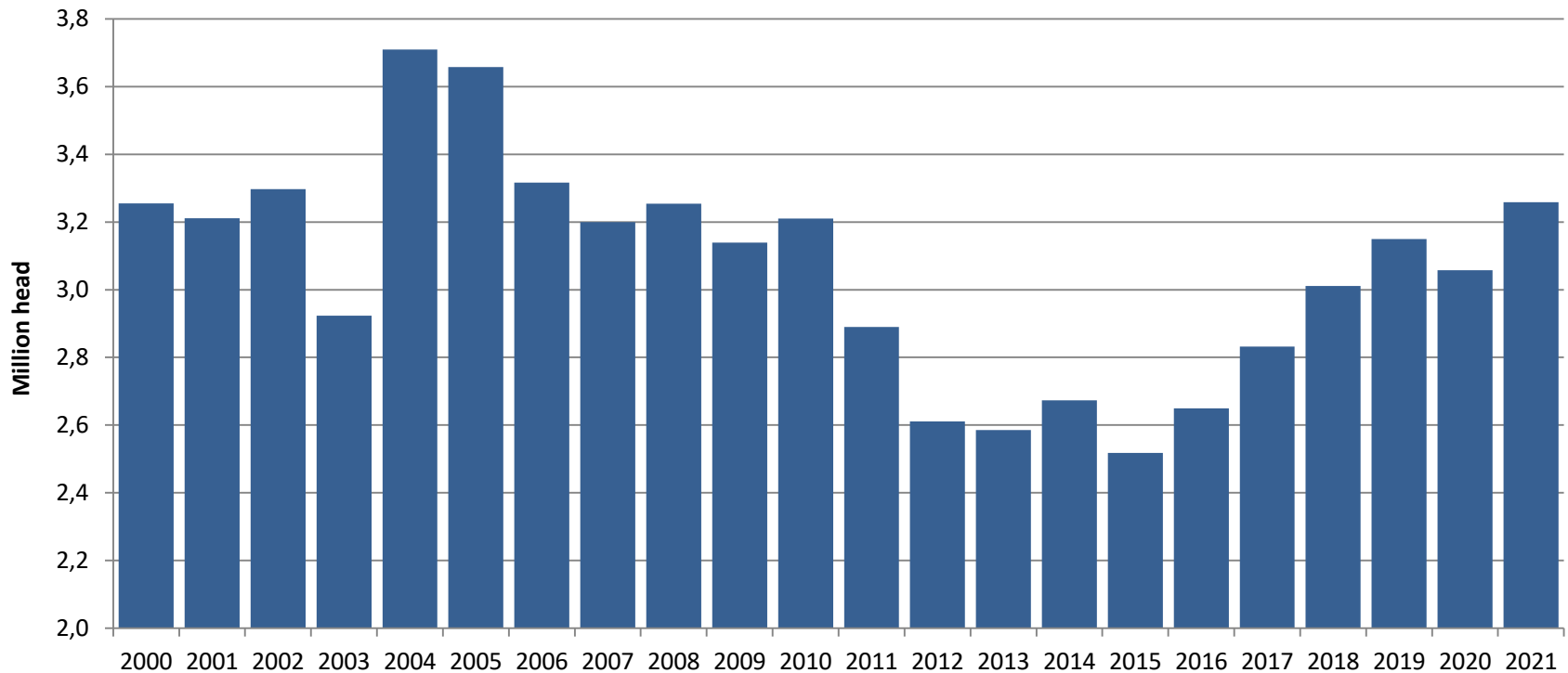
Milk Cow inventory in Canada 2022



Source :

- Statistics Canada

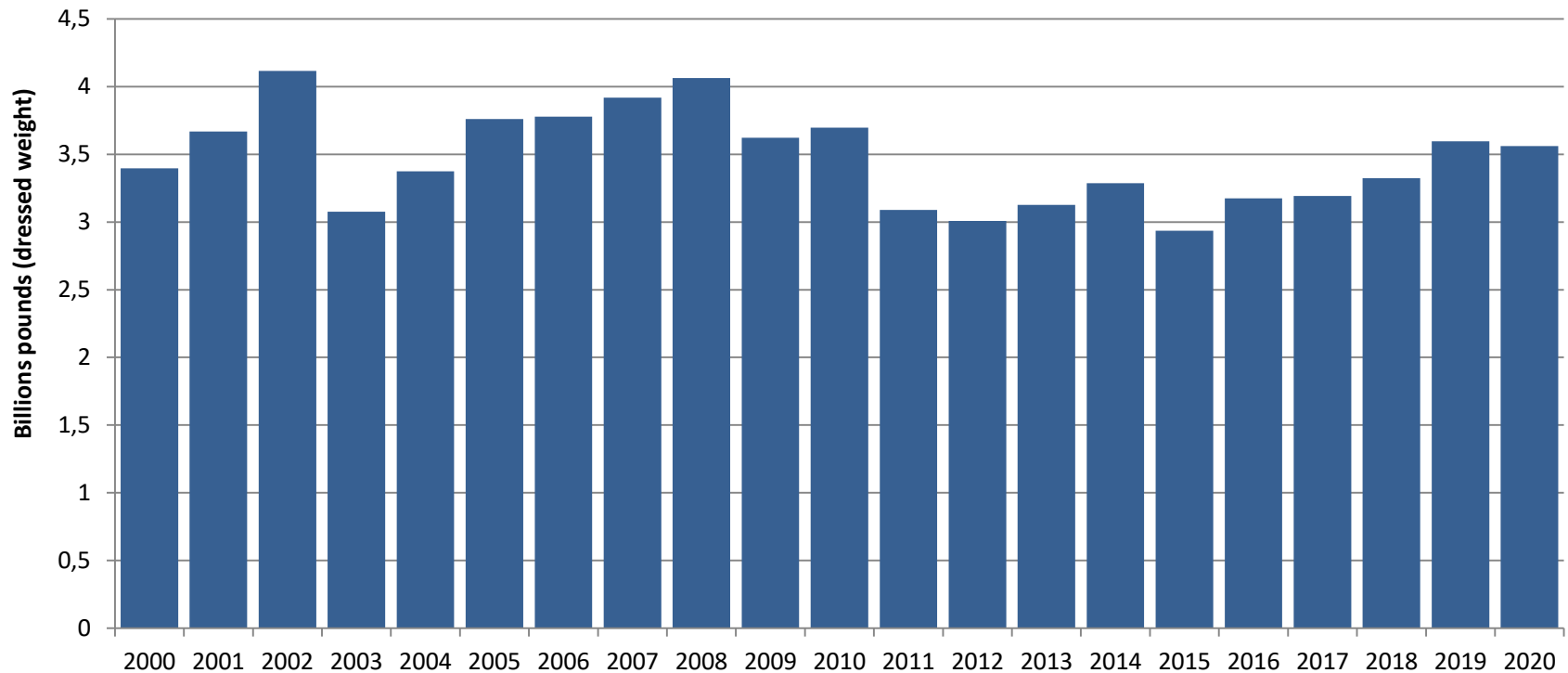
Number of cattle Slaughtered in Federally Inspected Plants



Sources :

- Canadian Beef Grading Agency, AAFC

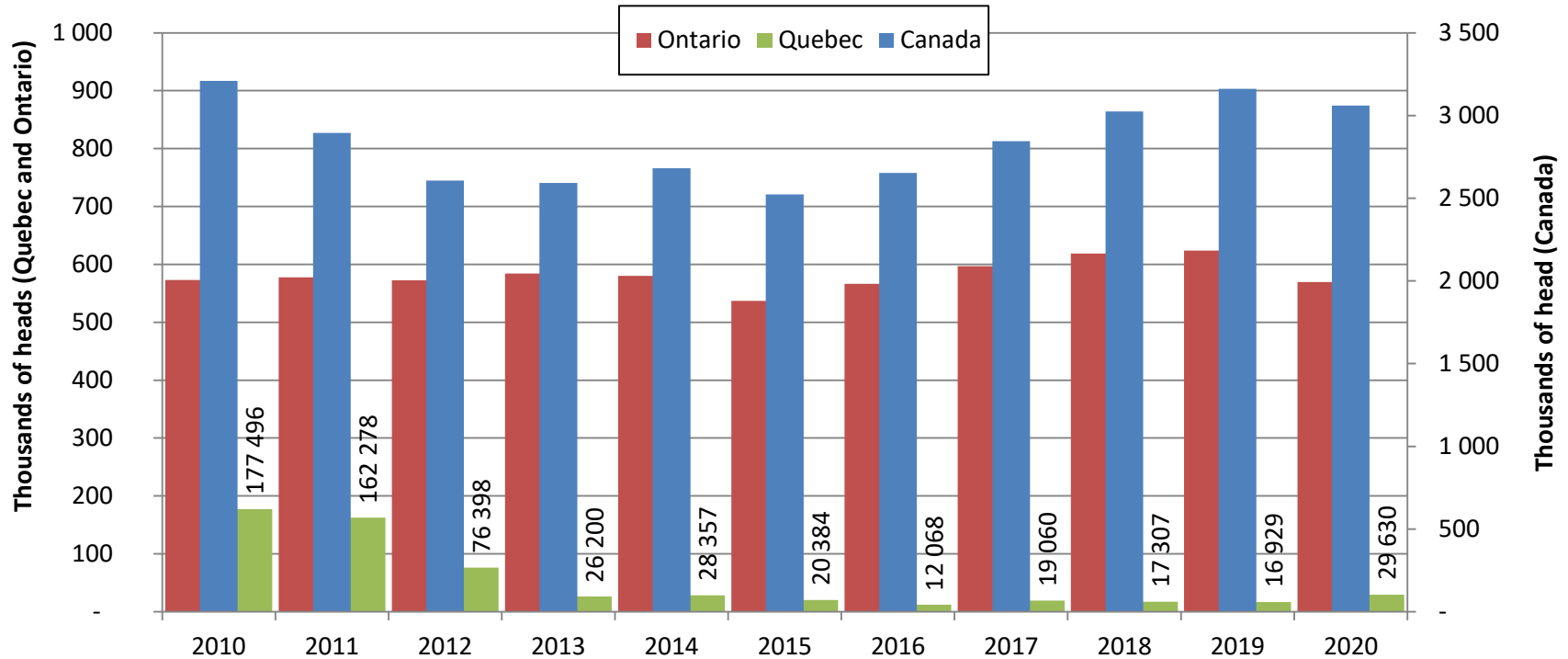
Canadian beef and veal production



Sources :

- Statistics Canada (Edible offal, meat production)

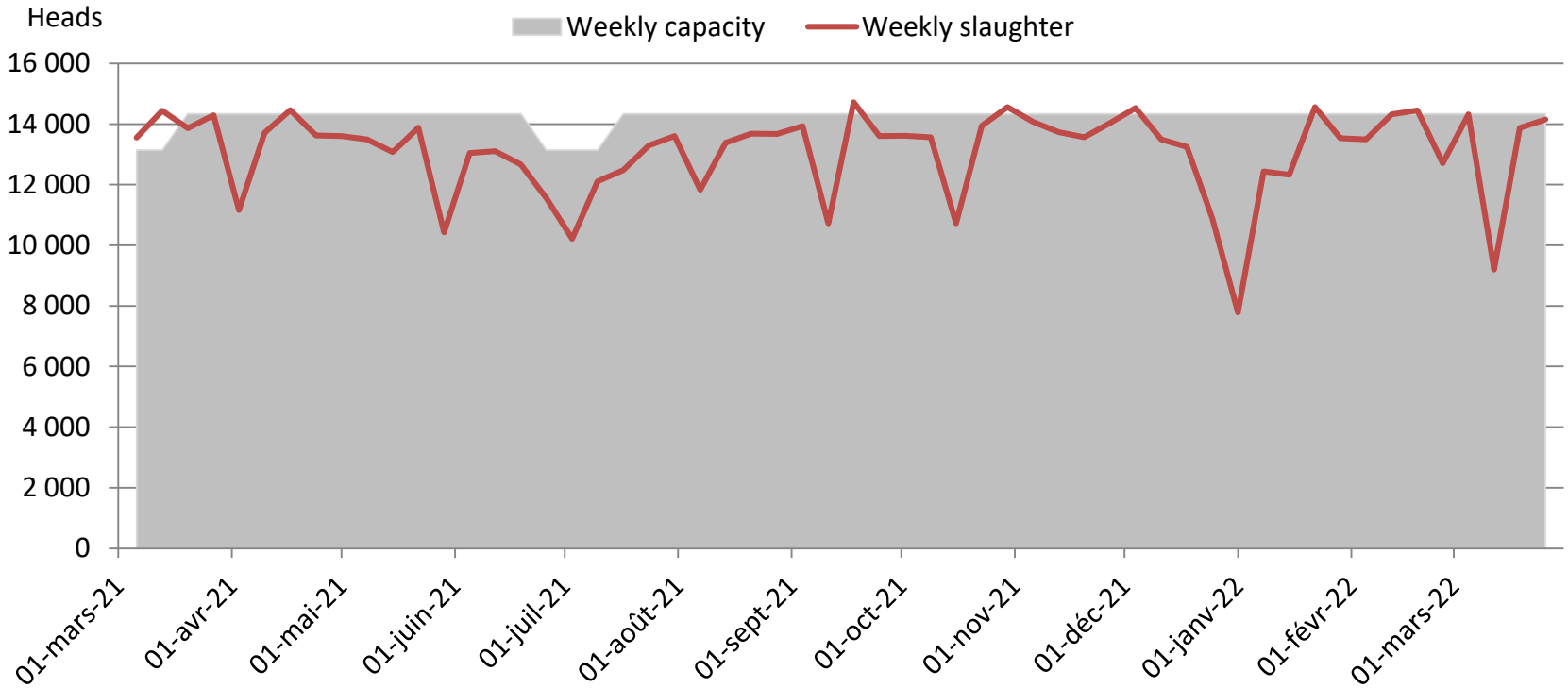
Annual cattle Slaughter Capacity in Canada



Sources :

- ACIA
- Statistics Canada
- PBQ estimate

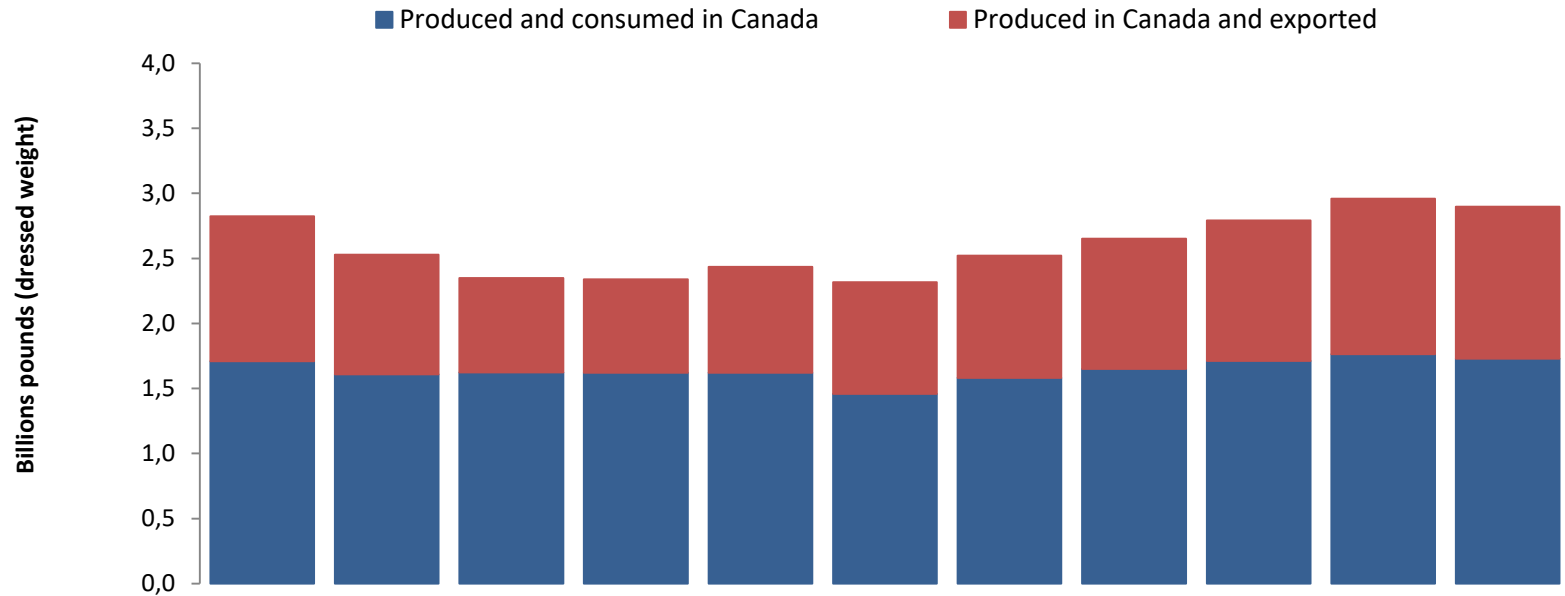
Slaughter capacity and beef production in federally inspected slaughterhouses in Eastern Canada



- Sources :
- ACCB
 - Canfax
 - PBQ estimate

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% Canadian beef and veal production exported

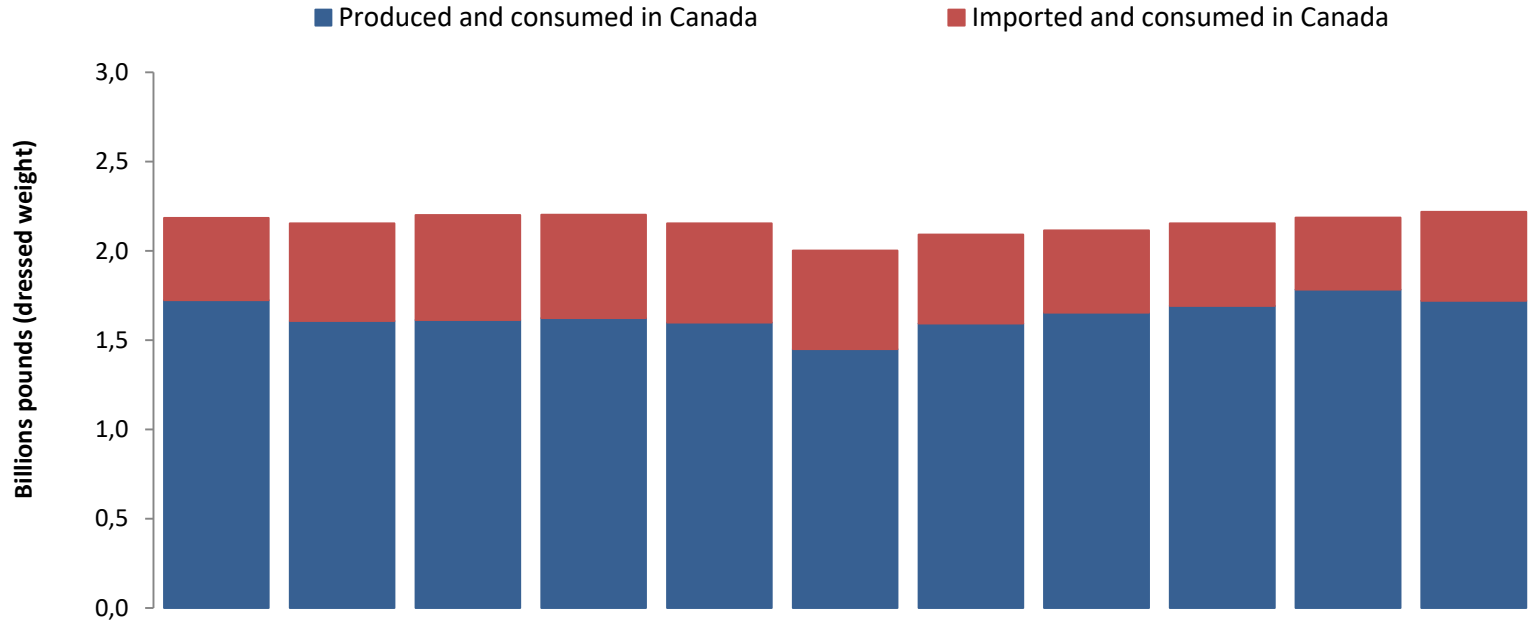


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
% exported / production	39%	36%	31%	31%	33%	37%	37%	38%	39%	40%	40%

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 - February 28		
	2022	2021	% chg
United States	54 762	48 474	13%
Japan	10 145	8 121	25%
Hong Kong	682	1 538	-56%
Mexico	4 454	4 193	6%
Saudi Arabia	362	179	102%
South Korea	2 411	1 683	43%
Vietnam	2 428	1 781	36%
Angola	441	471	-6%
Côte d'Ivoire	343	200	72%
Others	1 345	4 233	-68%
Total	77 375	70 874	9%

Sources :

- Statistics Canada, AACF

Beef and veal imports to Canada

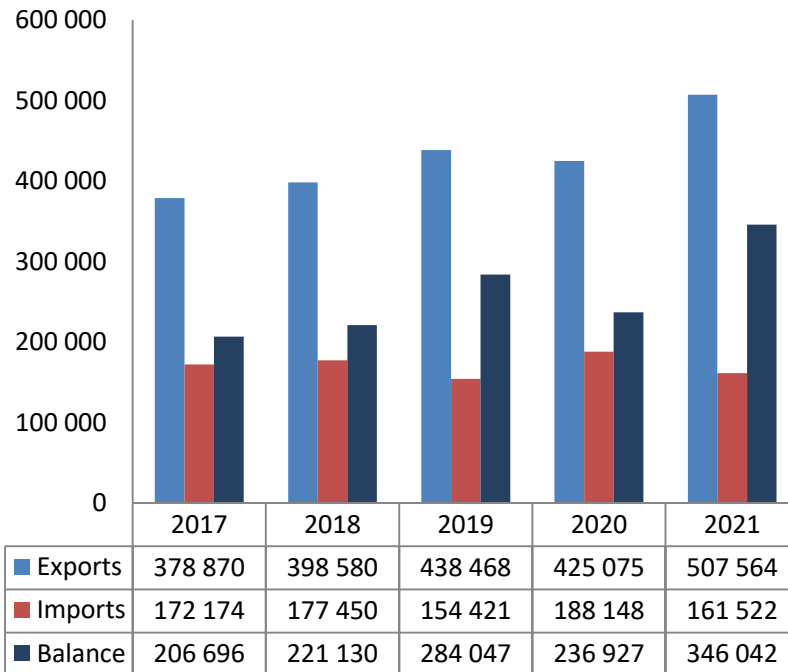
Beef and veal meat imports (tonnes)	Jan. 1 - April 2		
	2022	2021	% chg
United States	24 395	25 332	-4%
New Zealand	2 517	5 756	-56%
Uruguay	2 394	2 286	5%
Australia	2 171	4 064	-47%
Mexico	3 009	1 687	78%
Spain	956	749	28%
Others	3 656	4 716	-22%
Total	39 098	44 590	-12%

Sources :

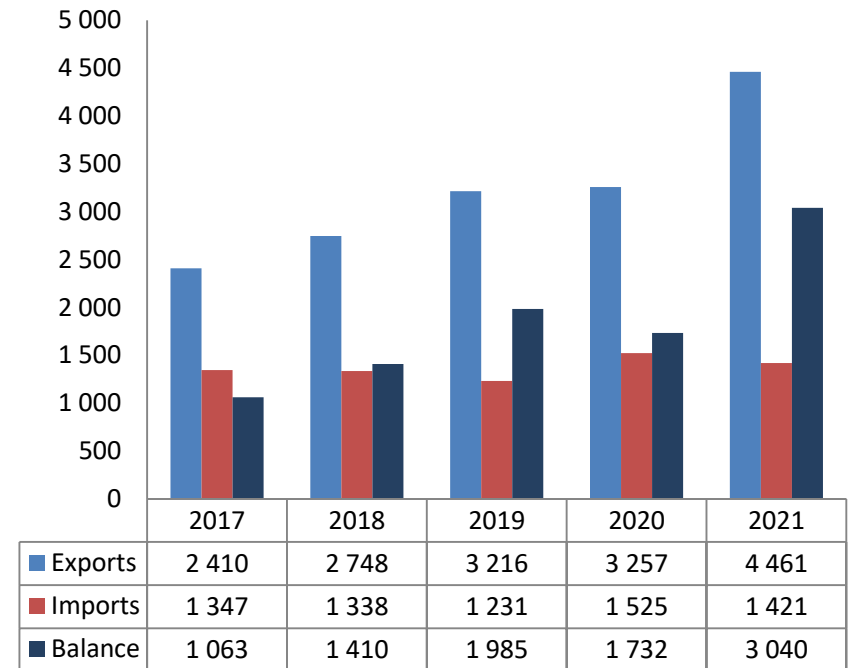
- Statistics Canada, AACF

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

Trade balance in tonnes



Trade balance in M\$ CAD



Sources :

- Statistics Canada, AACF

Veal exports from Canada

Veal exports (tonnes)	Jan. 1 - February 28		
	2022	2021	% chg
United States	553	503	10%
Japan	0	0	-
United Arab Emirates	29	28	4%
Autres	0	0	-
Total	582	531	10%

Sources :

- Statistics Canada, AACF

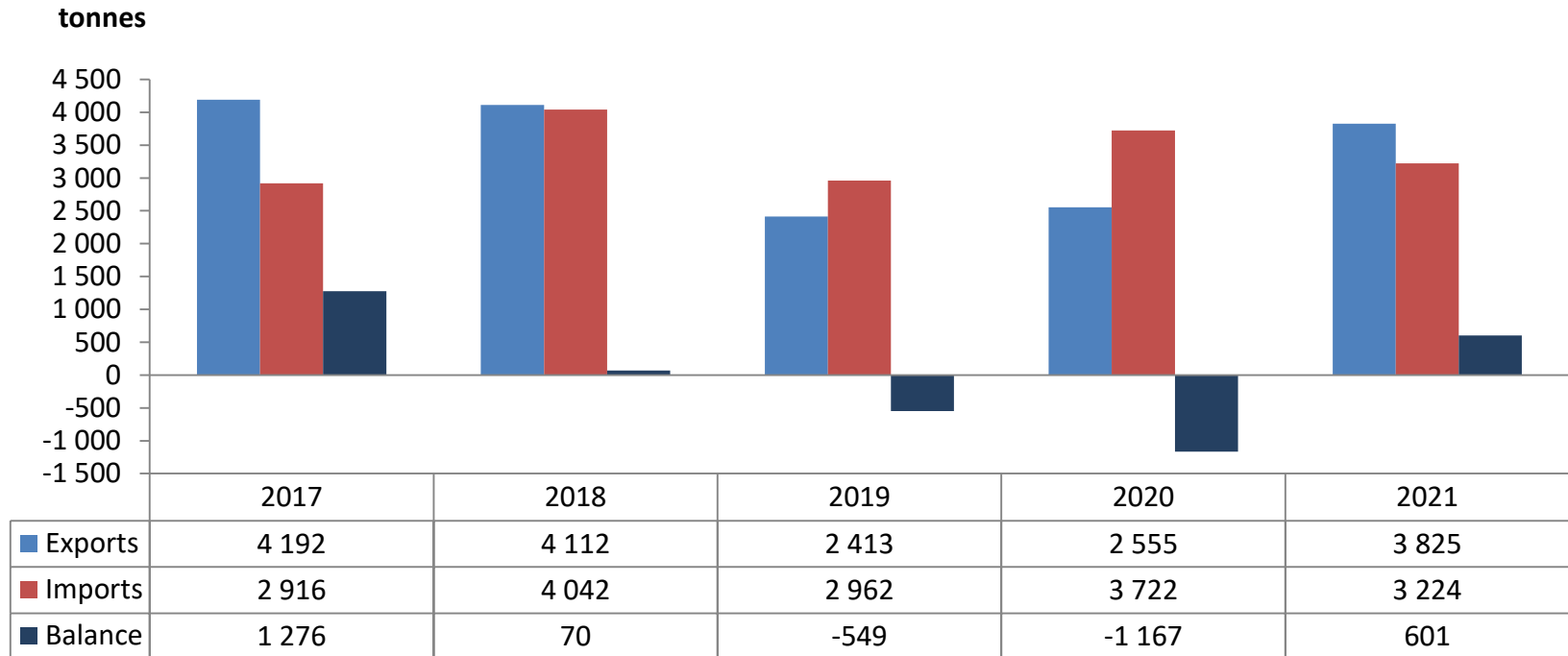
Veal imports to Canada

Veal imports (tonnes)	Jan. 1 - April 2		
	2022	2021	% chg
United States	133	186	-28%
New Zeland	127	386	-67%
Australia	0	0	0%
European Union - 27			
Netherland	93	70	33%
Others	59	96	-40%
Total	413	762	-46%

Sources :

- Statistics Canada, AACF

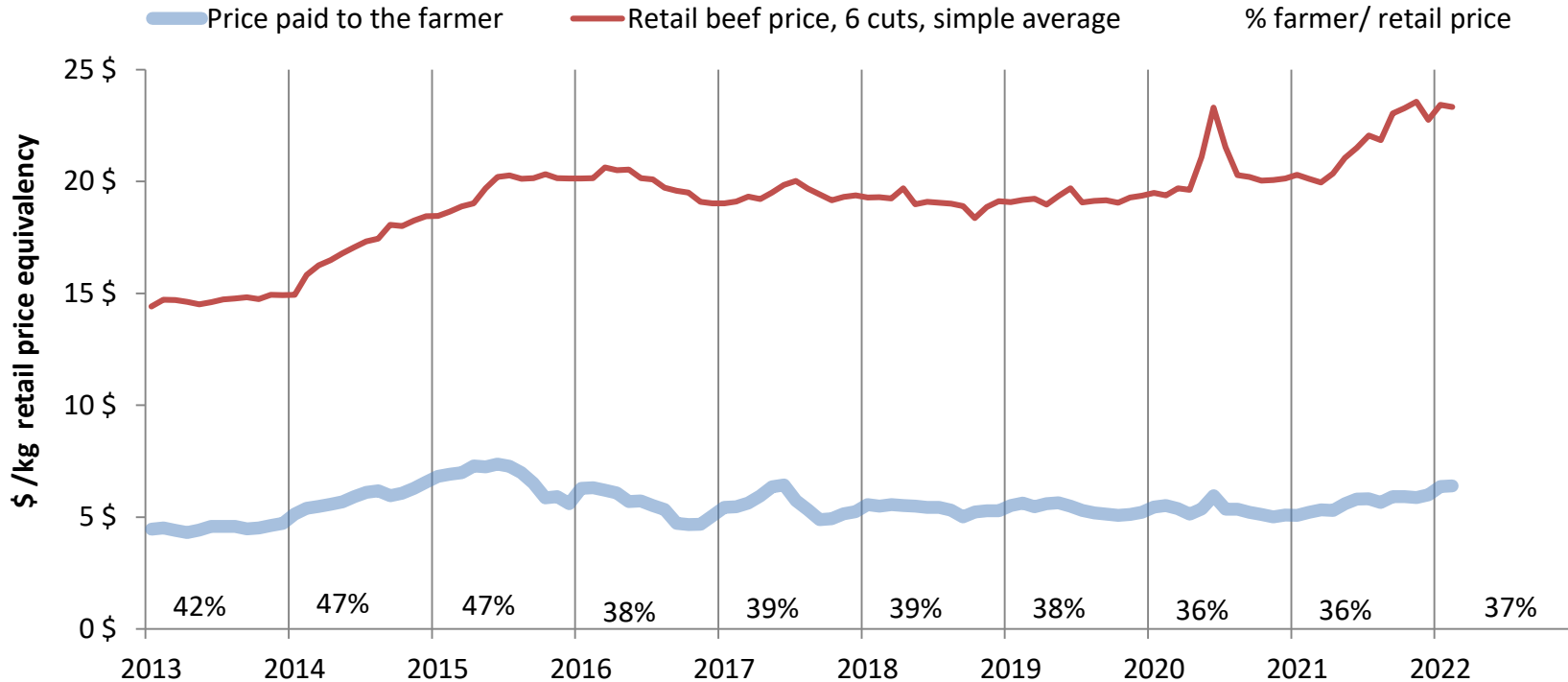
Imports and exports of veal, Canada annual data (tonnes) 2018-2020



Sources :

- Statistics Canada, AACF

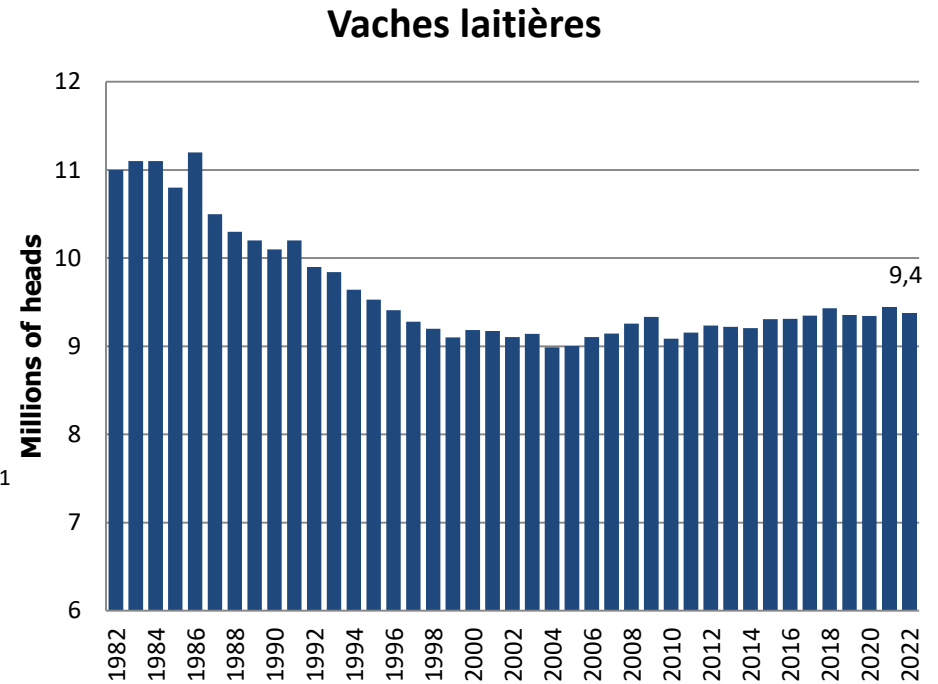
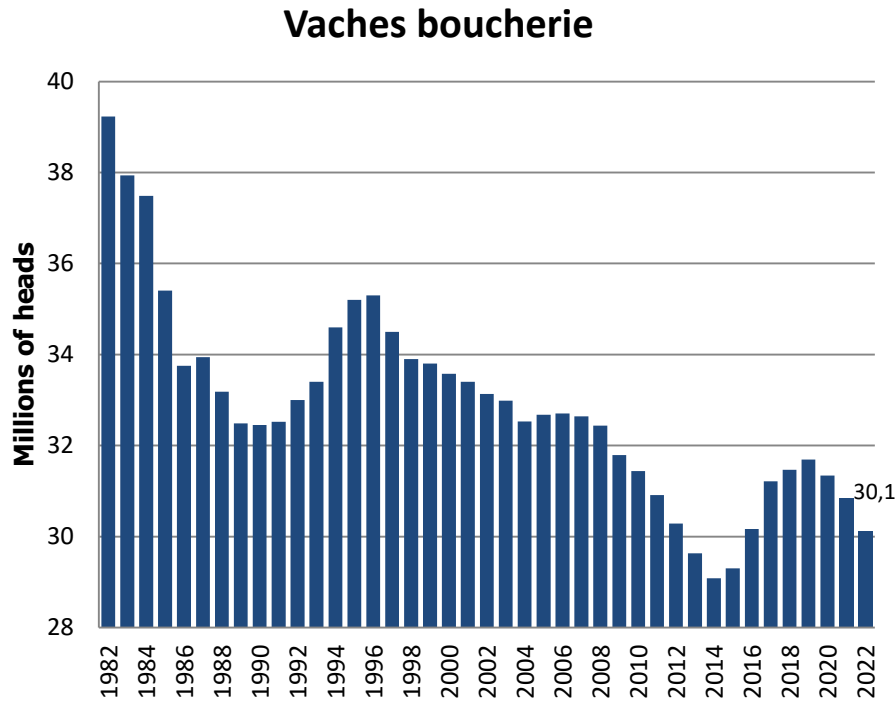
Beef price cuts vs price paid to the producer



Sources :

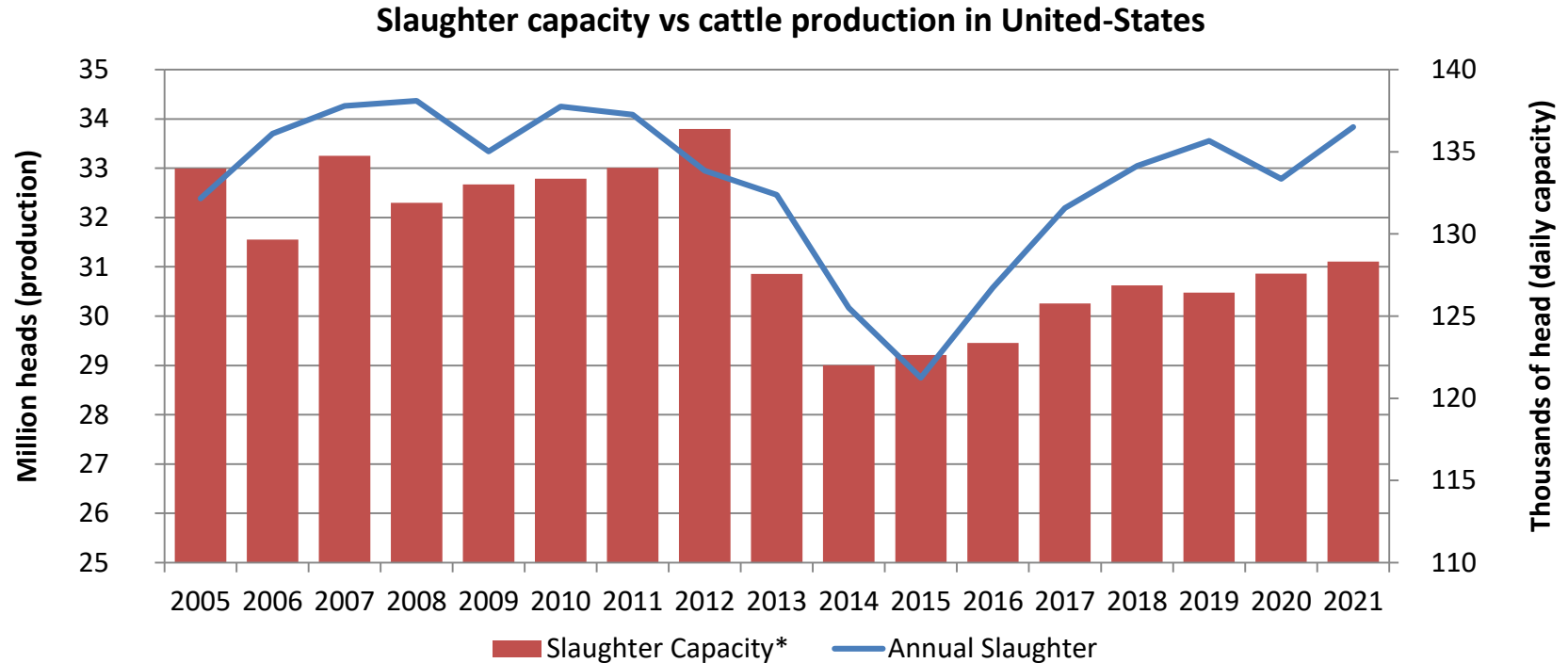
- Statistics Canada pour les prix au détail moyenne arithmétique 6 coupes (bifteck de ronde, bifteck de surlonge, rôti de côtes de choix, rôti de palette, bœuf à ragout, bœuf haché régulier)
- PBQ pour le prix aux producteur (rendement de 46% pour ramener le prix vif en prix de détail)

Beef cow and milk cow inventory in United-States



Source :
• USDA

Slaughter capacity vs cattle production in United-States



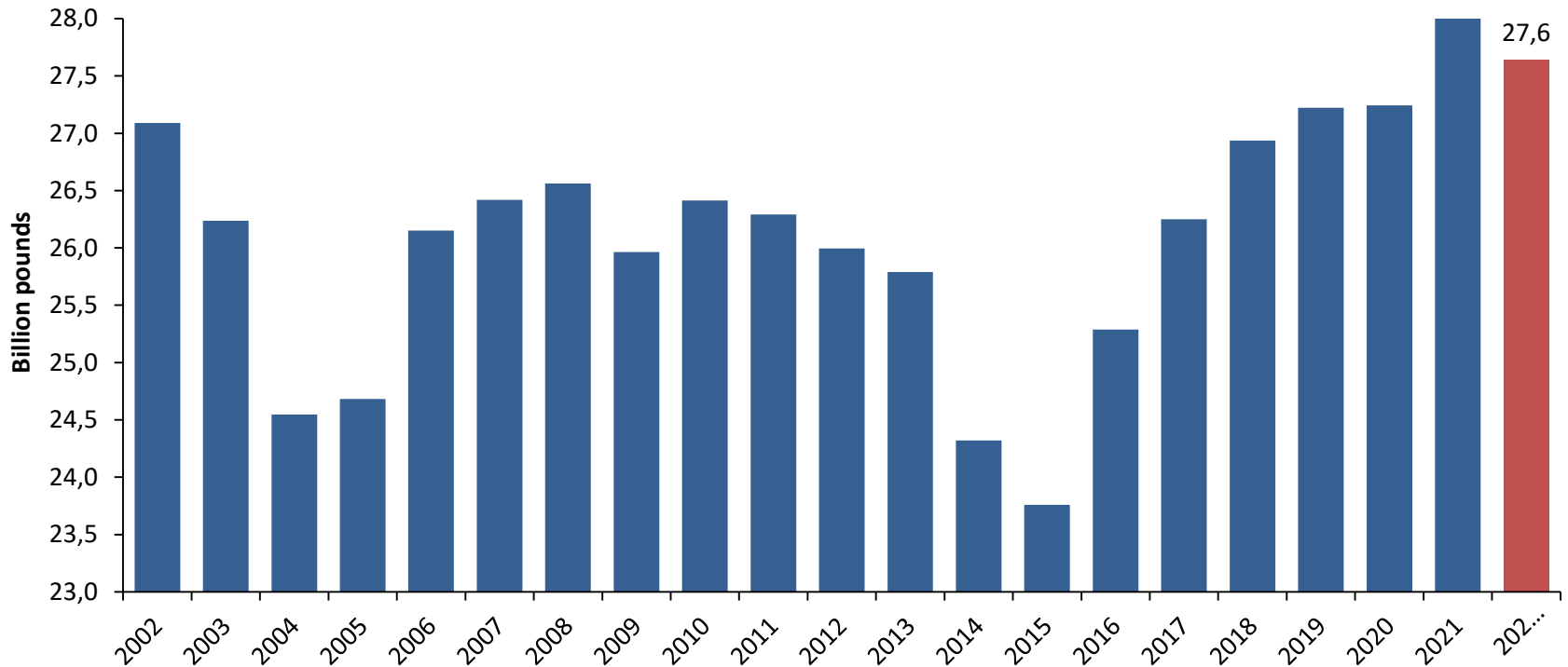
*Daily slaughter capacity of the 30 largest slaughterhouses in the United States

Source :

- USDA
- Cattle Buyers Weekly



Beef production in United-States

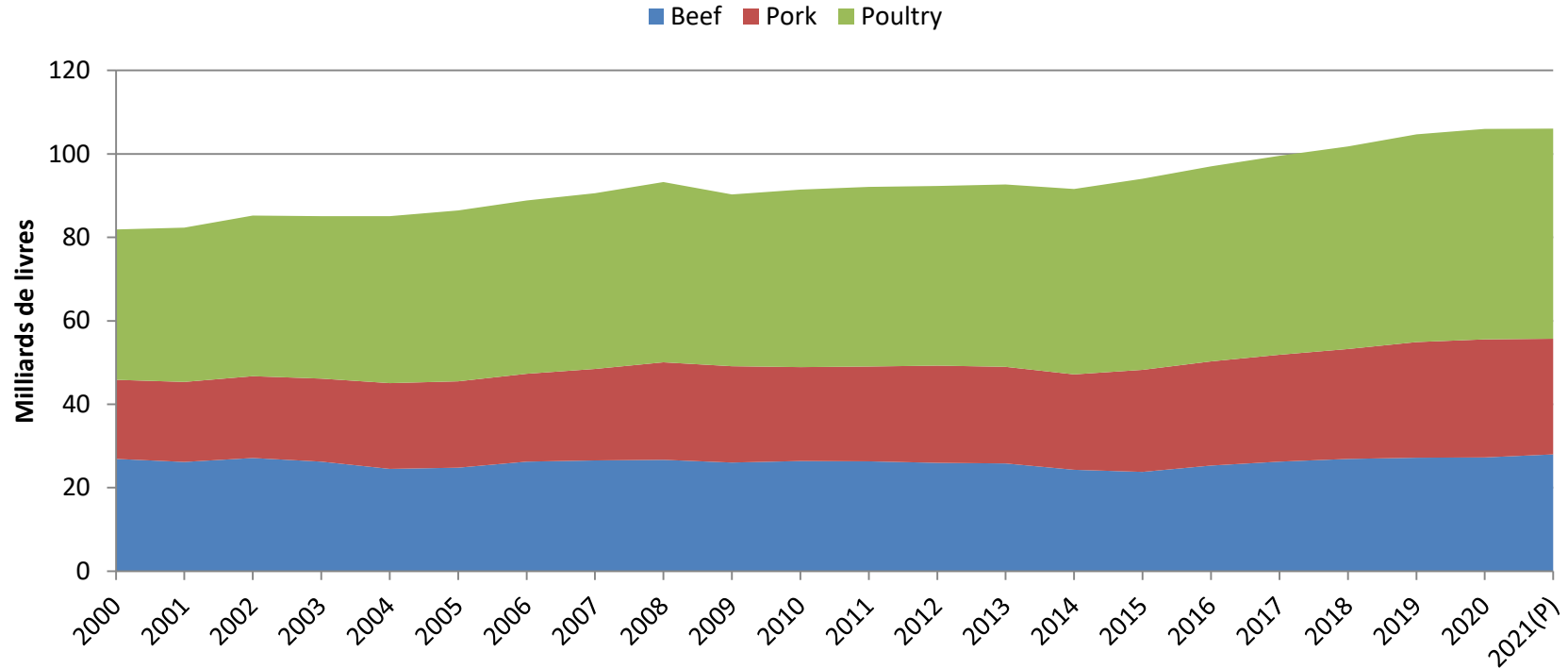


Sources :

- USDA and WASDE projection

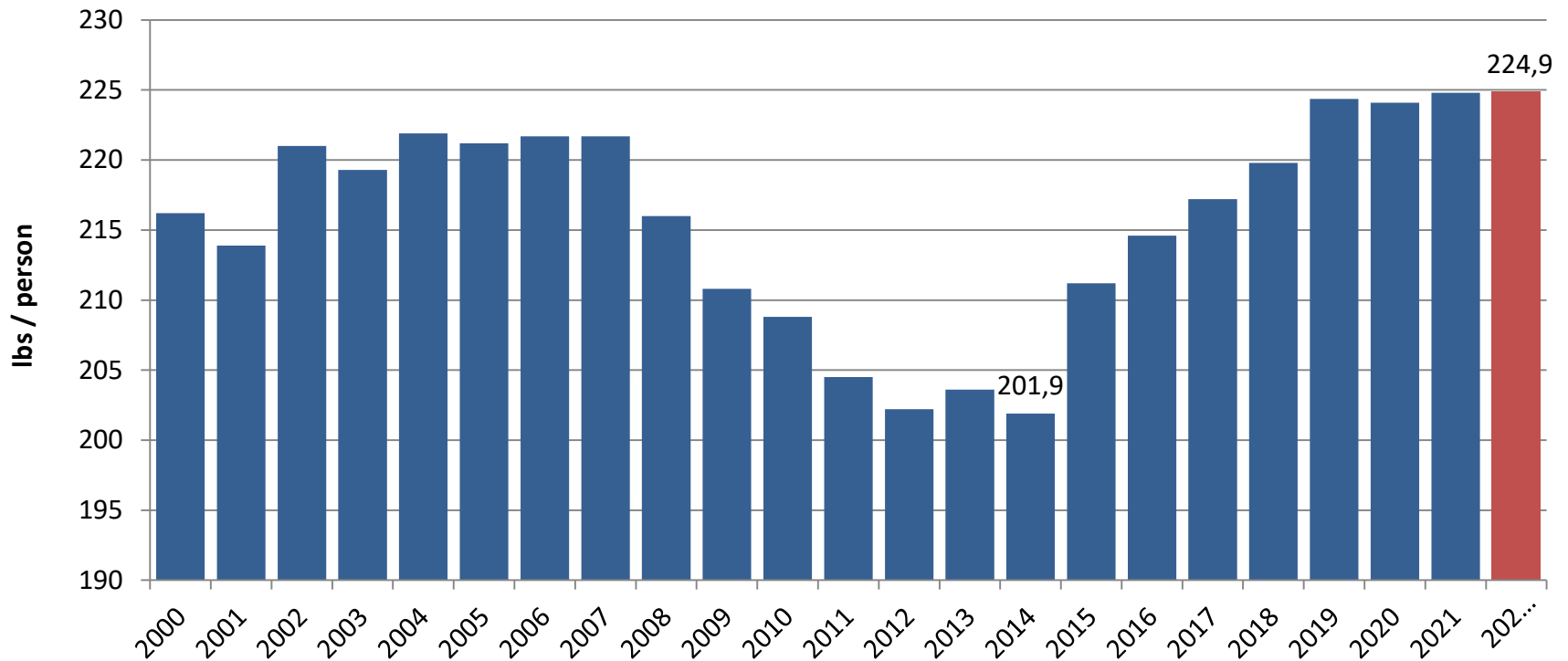


Beef – pork –poultry production in United-States



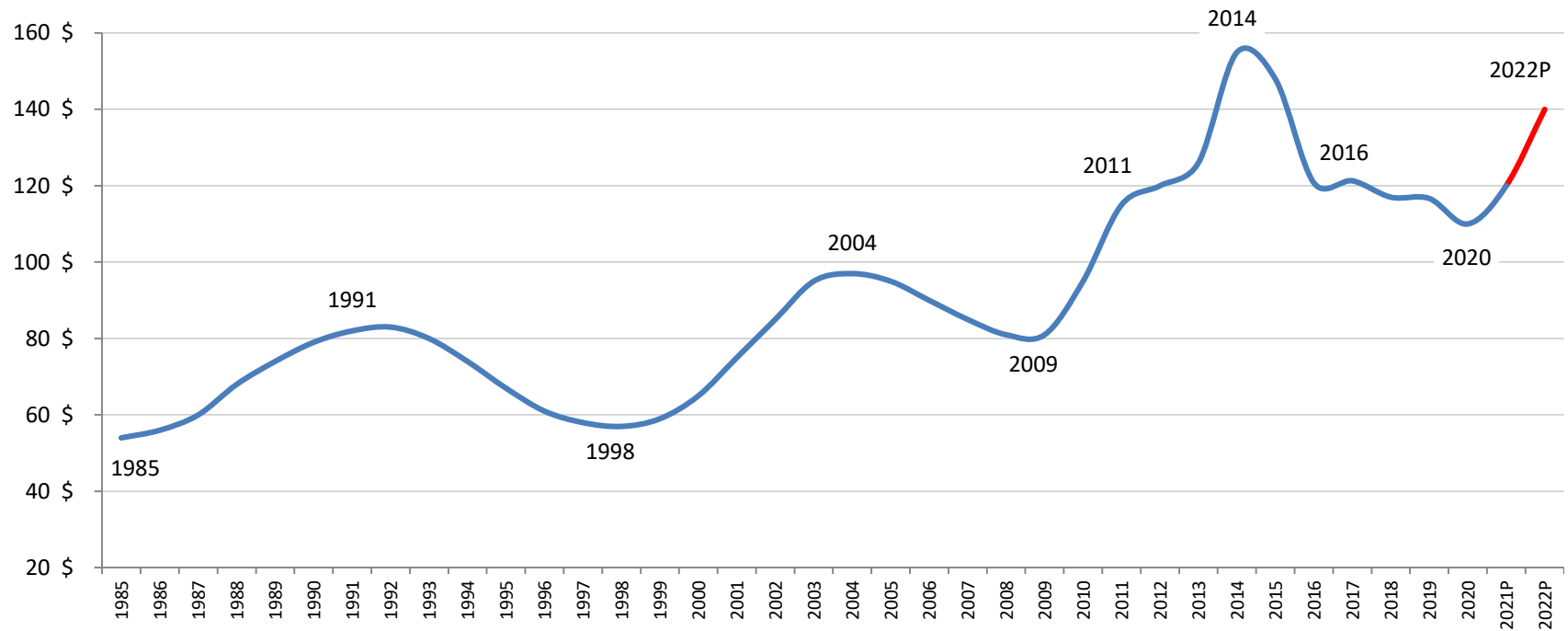
Sources :
• USDA

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



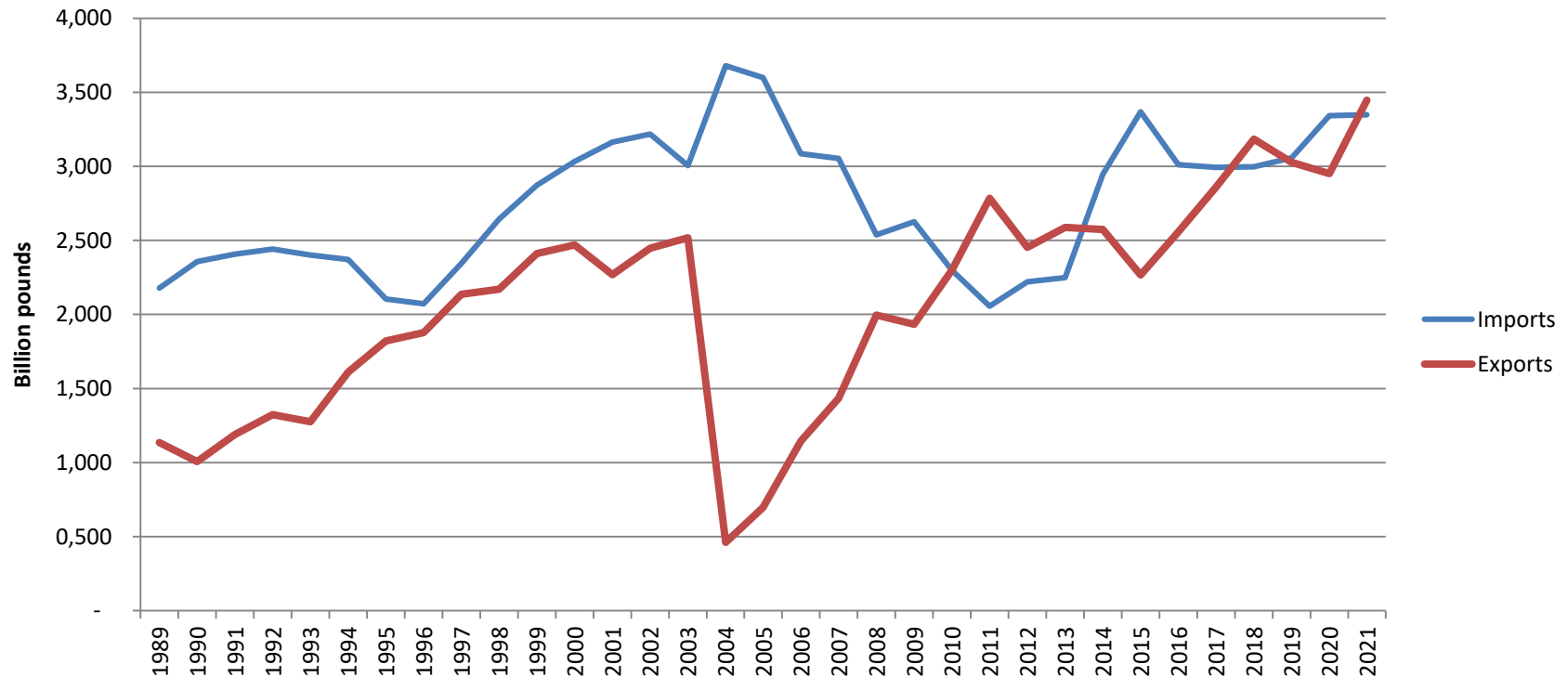
Source :
• USDA

Cattle price cycle in United-States



Sources :
• CattleFax

Beef imports and exports in United-States



Sources :

- USDA et Cattlefax

Short term outlook

- The cattle market is torn between good seasonal demand for the grilling season and a still very high grain prices with no prospect of a drop in the short term.
 - With the drought continuing to intensify in the United States, the liquidation of cows is increasing the beef supply on the market, thus limiting the potential for higher prices to producers.
 - In Canada, the suspension of the strike motion by Canadian Pacific Railway (CP) employees is one of the few pieces of good news for the beef industry.
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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. The meteoric rise in grain prices due to the Ukrainian conflict has added an additional constraint to the beef sector.
 - Rising exports to Asia, accelerating COVID vaccination campaigns and tightening beef supply are expected to support the market in the medium to long term.
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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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