

# **A GLANCE AT BEEF AND VEAL MARKET**

December 2022

Les Producteurs  
de bovins du  
Québec



# A GLANCE AT BEEF AND VEAL MARKETS

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December 2022

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# Slaughter volume (head) in 2022

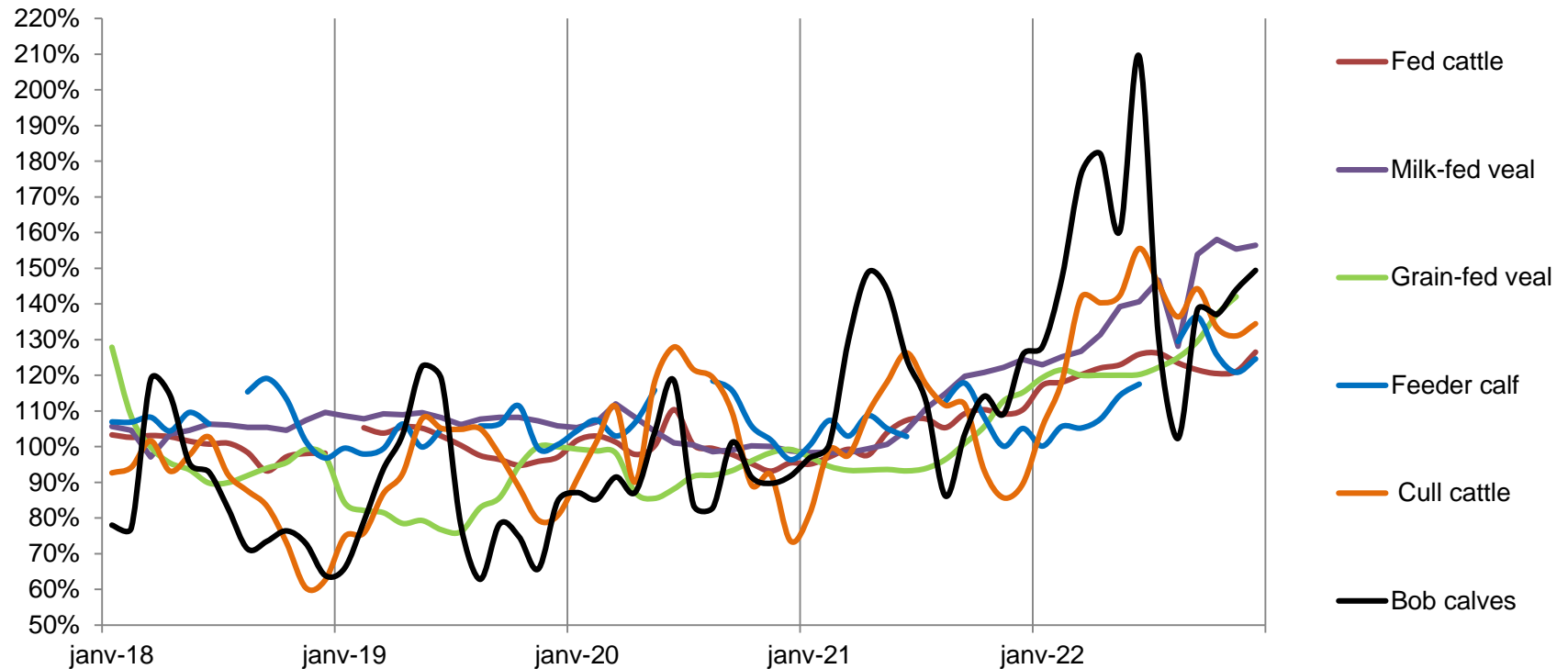
		Canada			United-States
		West	East	Total	Total
Steers and heifers	2022	2 083 248	525 065	2 608 313	23 742 000
	% chg 2021	<b>0%</b>	<b>-1%</b>	<b>0%</b>	<b>1%</b>
Cows and bulls	2022	330 049	109 147	439 196	6 834 000
	% chg 2021	<b>1%</b>	<b>2%</b>	<b>1%</b>	<b>5%</b>
Milk fed and grain fed calves	2022			144 199	130 164
	% chg 2021			<b>-2,1%</b>	<b>4,2%</b>

Sources :

AAFC (Year to date)

USDA (Year to date)

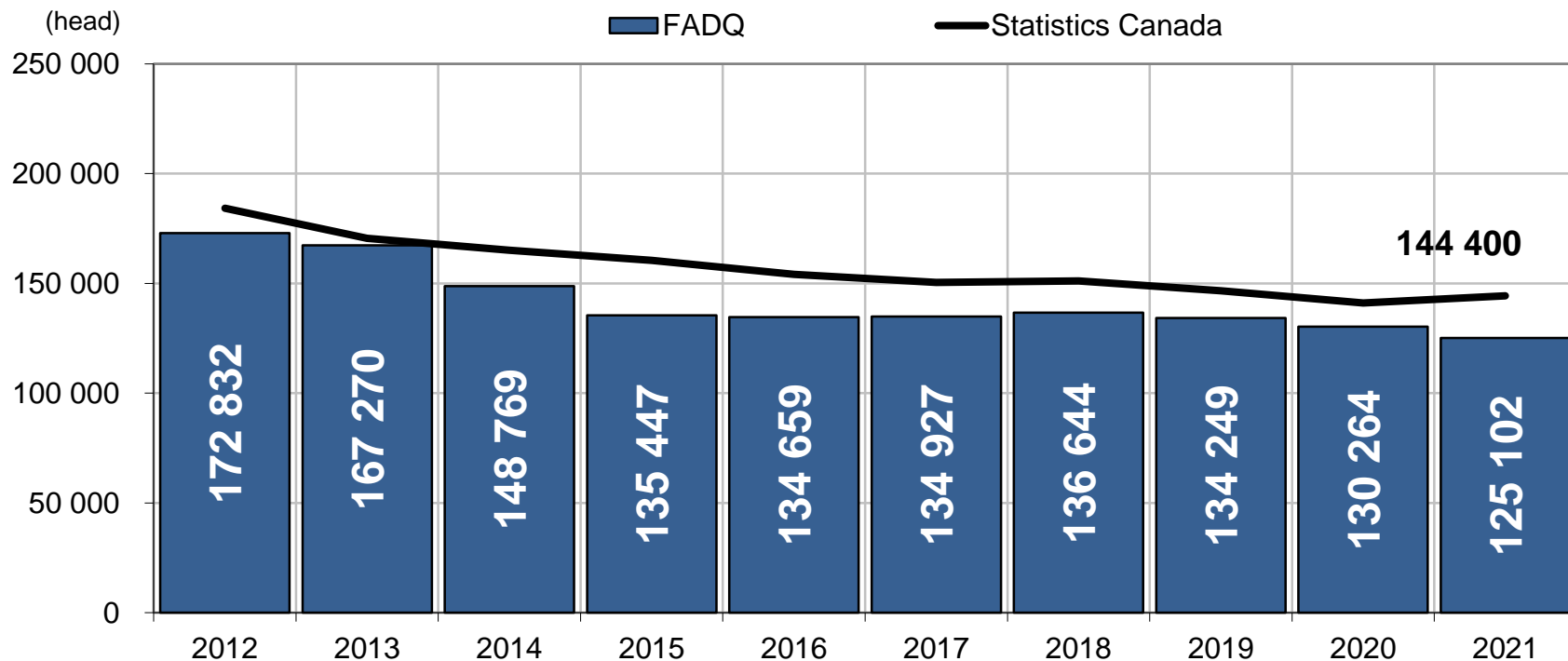
# Price variation of cattle in Quebec since January 2018



Source :  
• PBQ

# Feeder calf

## Number of beef cows in Quebec

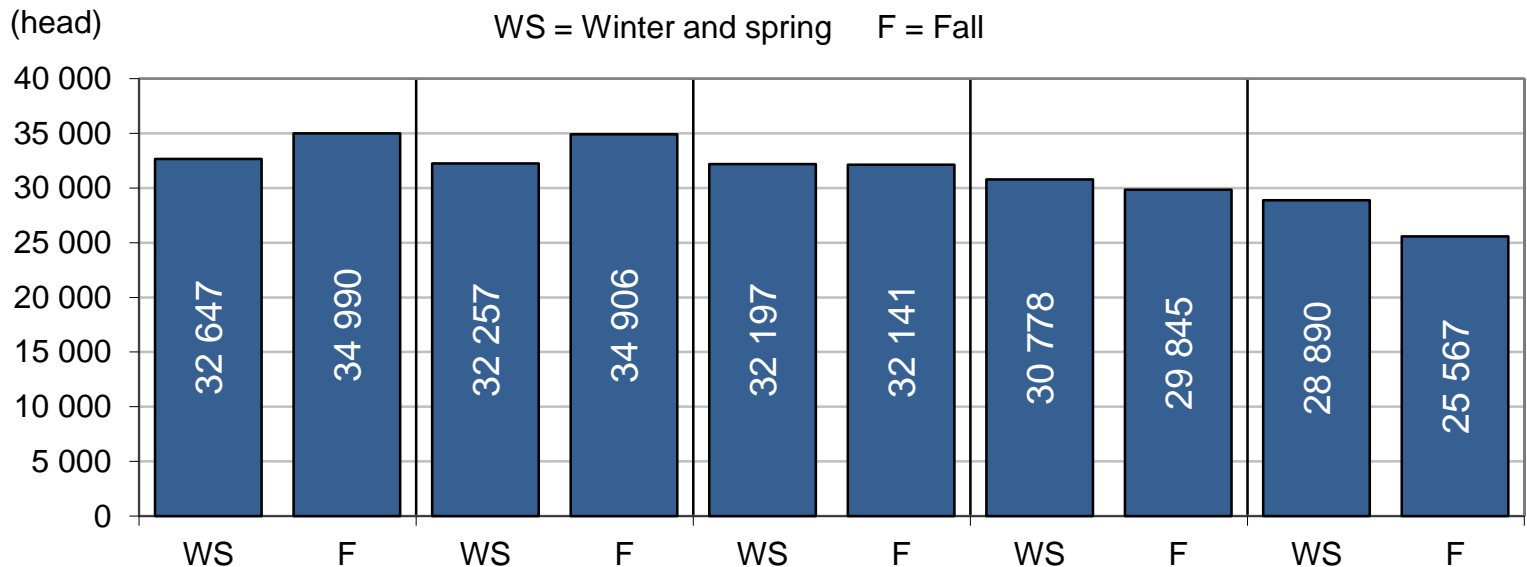


Sources :

- 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

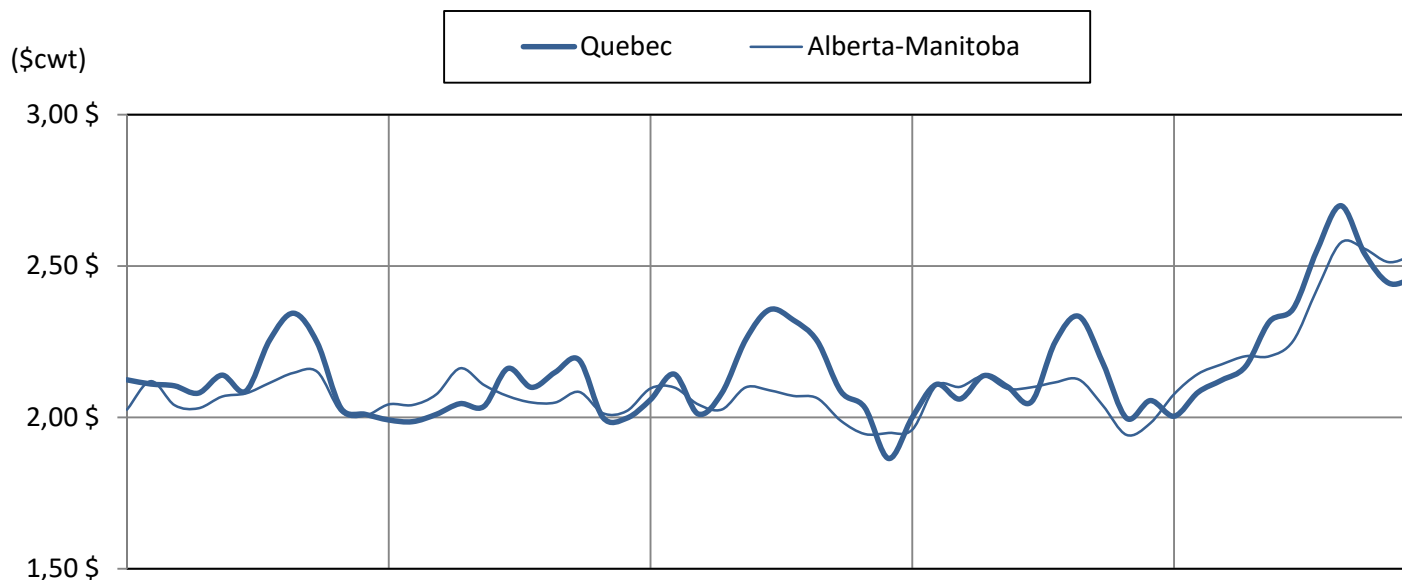
\* preliminary

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



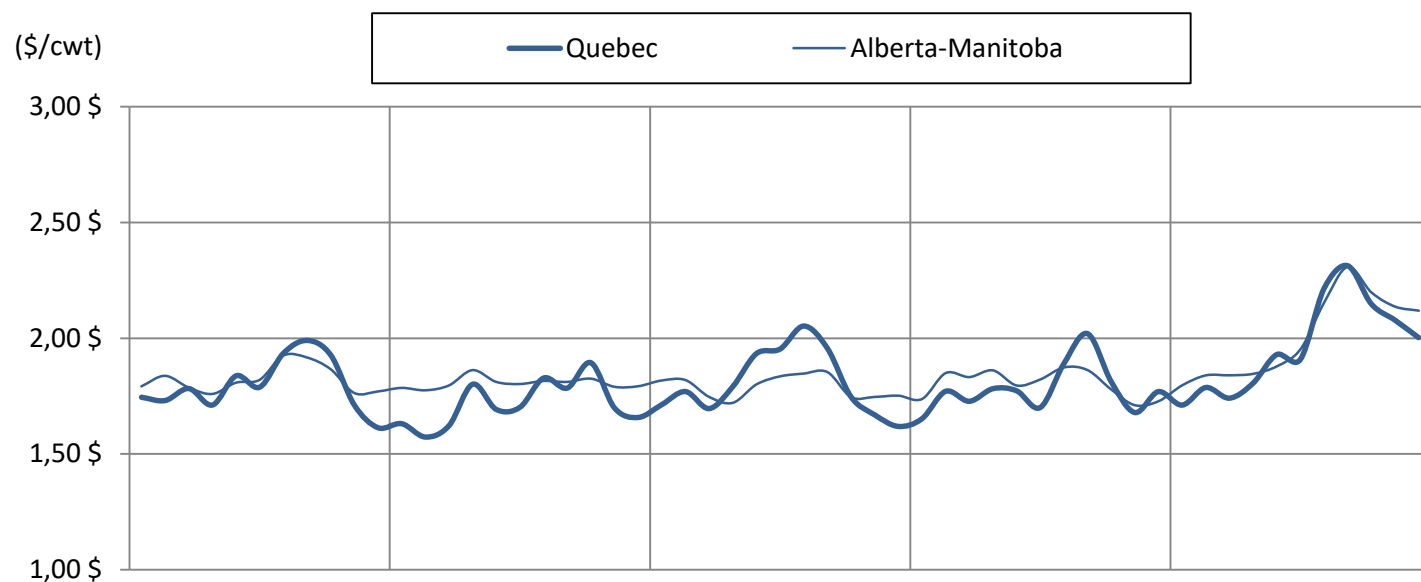
	2018	2019	2020	2021	2022
Quebec	2,14 \$	2,06 \$	2,13 \$	2,12 \$	2,34 \$
Que-(Alb-Man)	0,07 \$	0,00 \$	0,09 \$	0,05 \$	0,01 \$

### 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



	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Quebec	1,82 \$	1,81 \$	1,79 \$	1,78 \$	1,97 \$
Que-(Alb-Man)	-0,02 \$	-0,09 \$	0,02 \$	-0,02 \$	-0,04 \$

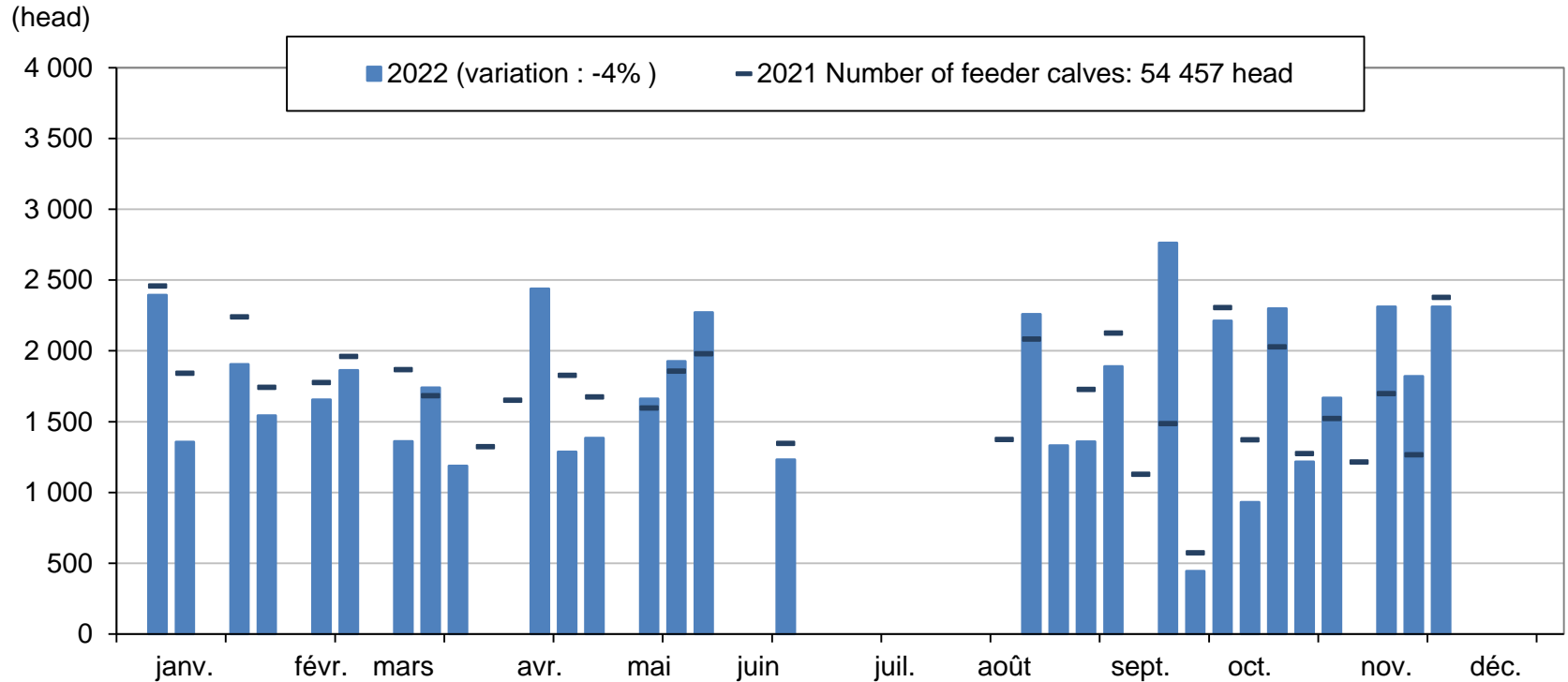
### Sources :

- 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

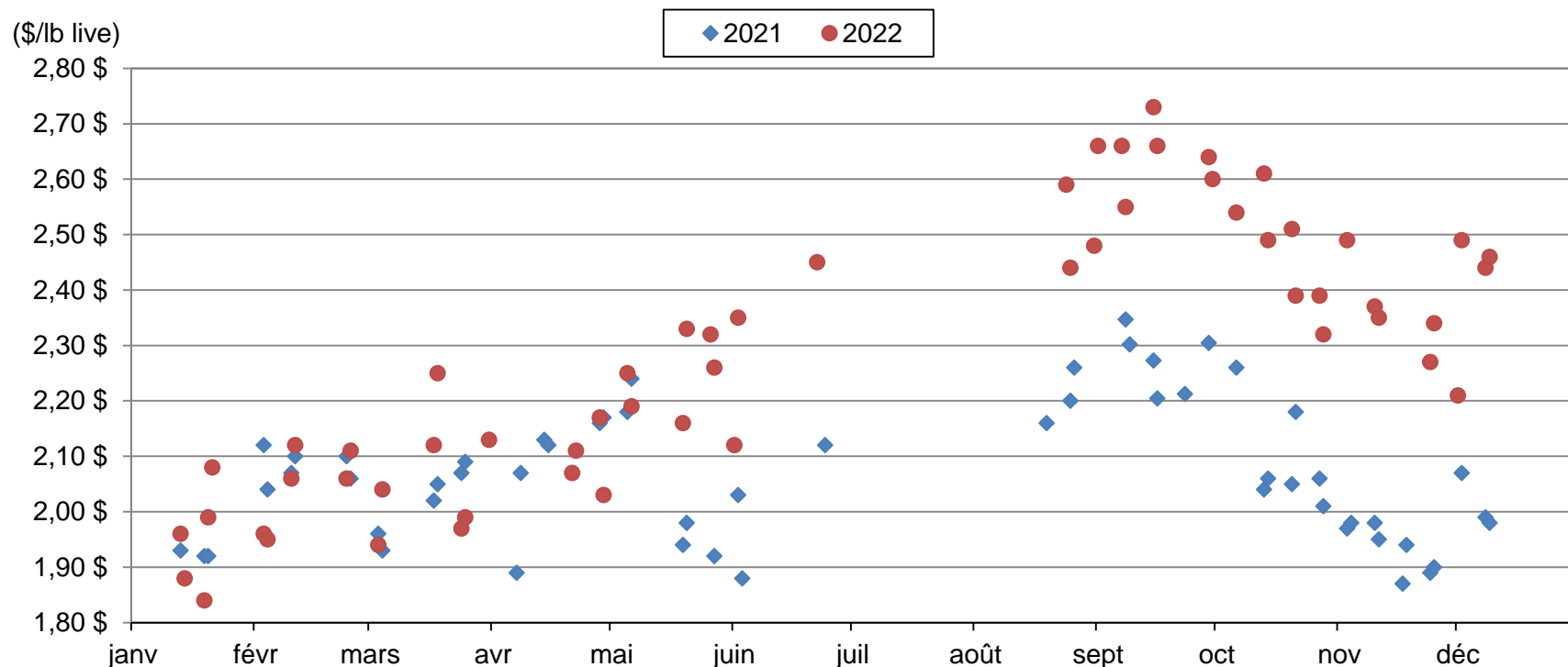


Source :  
Number of feeder calves in Quebec specialized auctions in Quebec, PBQ

# Feeder calf

## Price of male feeder calves (600-700 lb)

### Quebec specialized auctions 2021-2022



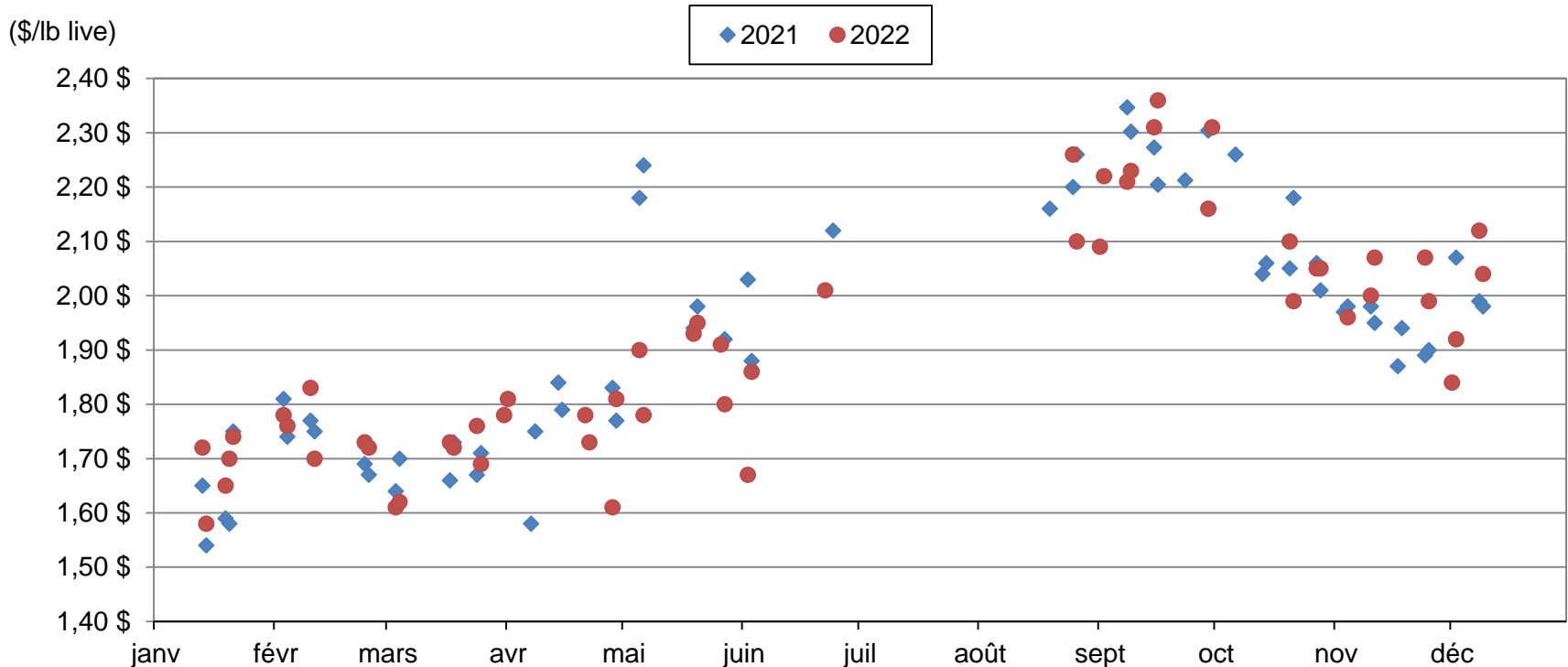
Sources :

- 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

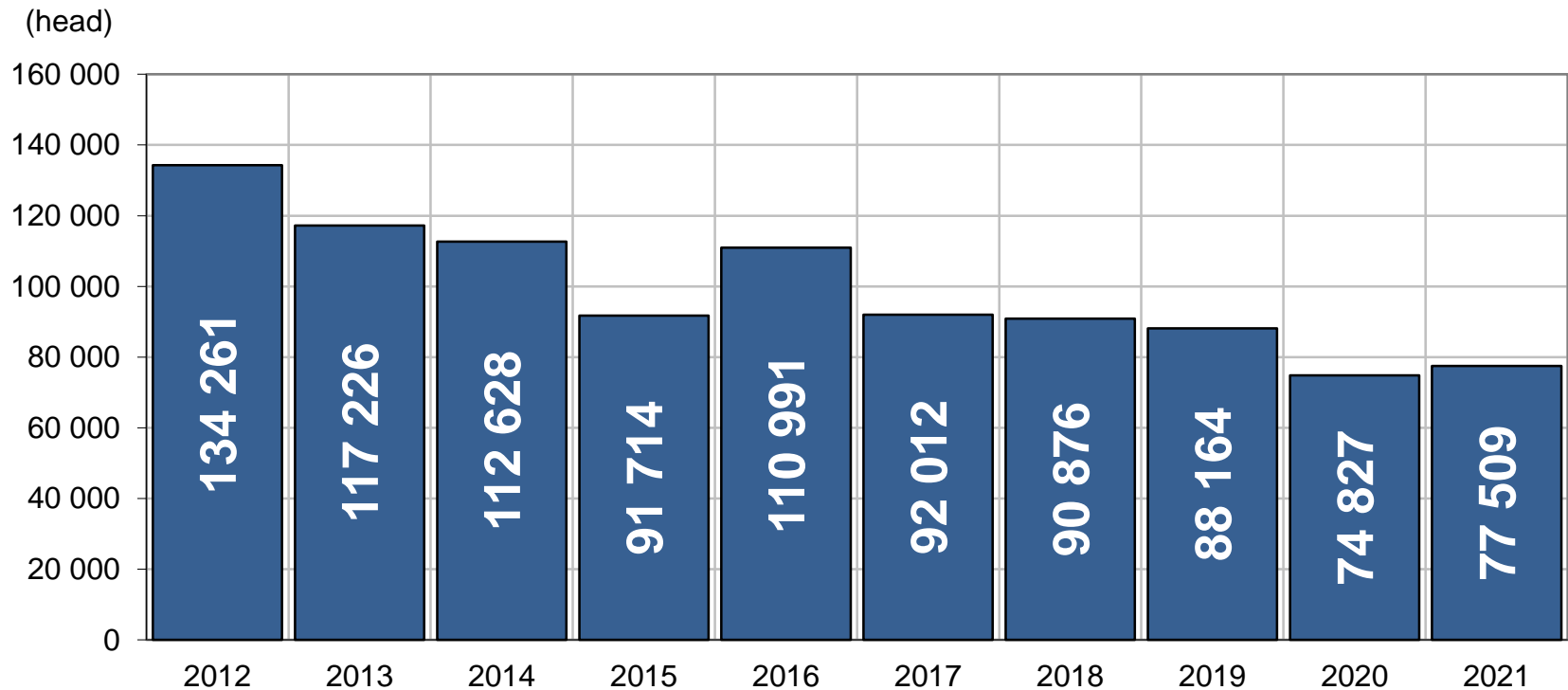


Sources :

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

# Fed cattle

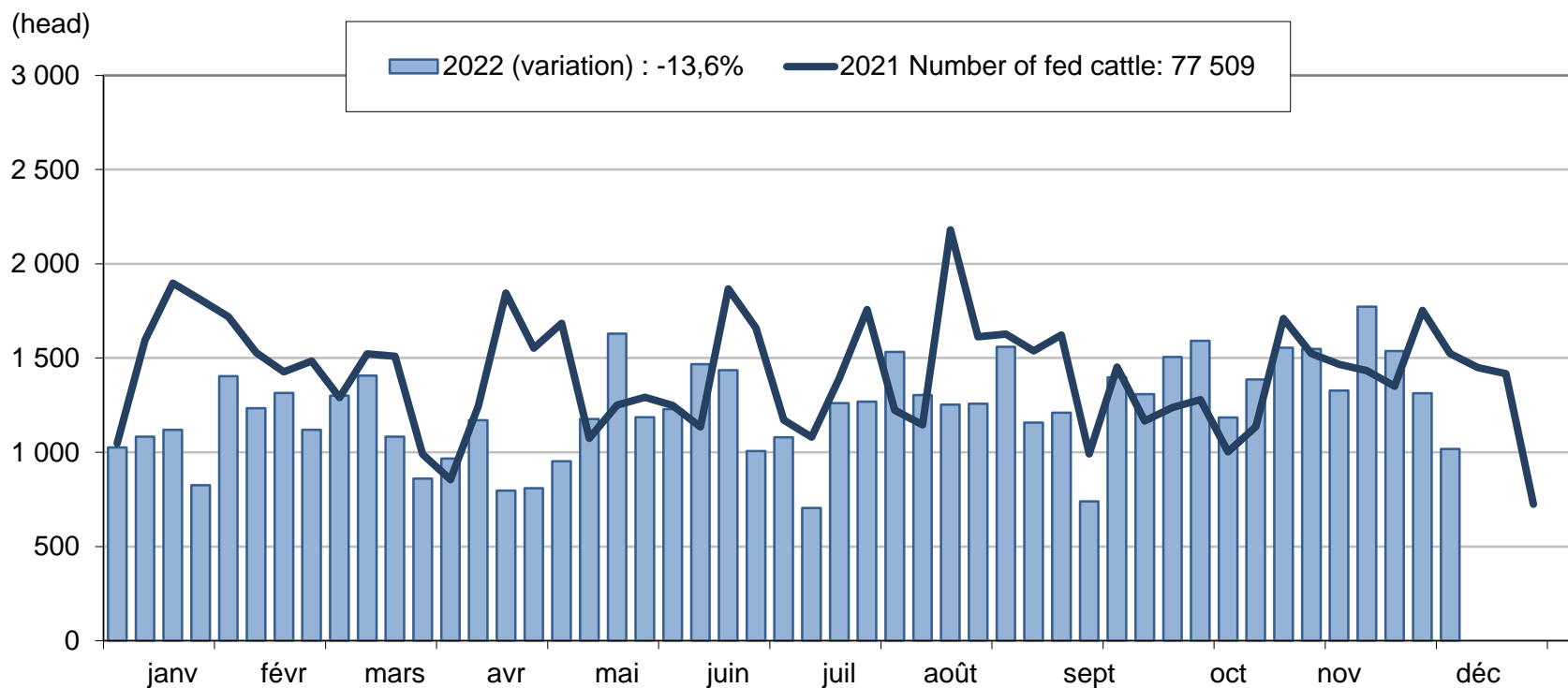
## Number of cattle fed in Quebec



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

# Fed cattle

## Number of cattle fed in Quebec 2021-2022

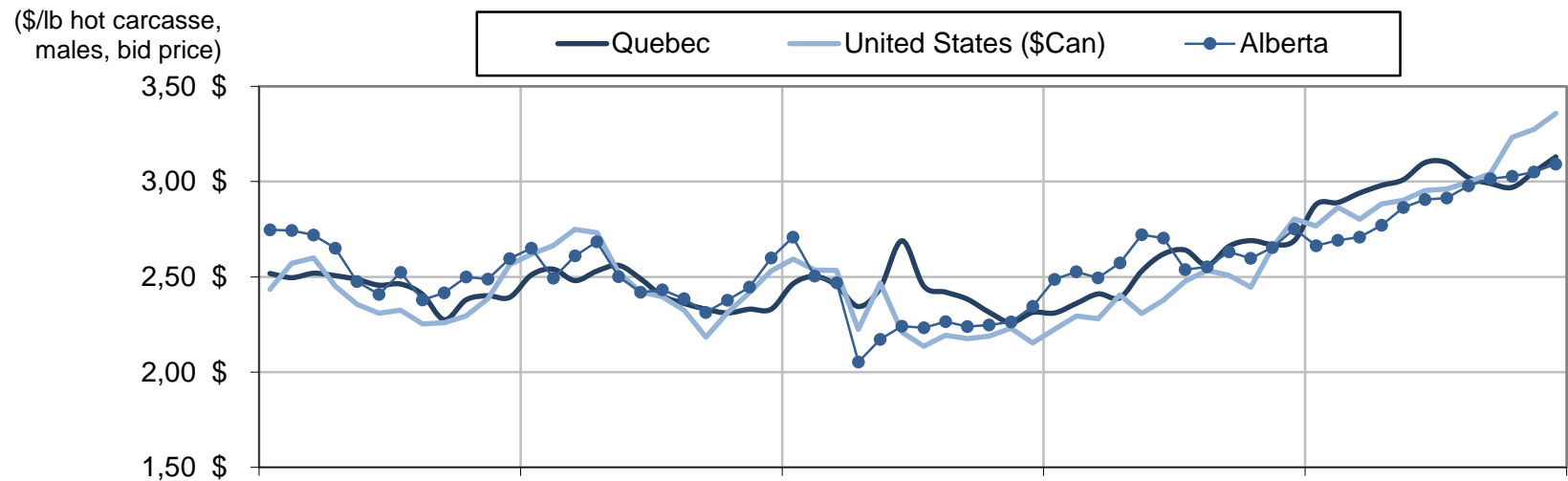


Source:

- Number of fed cattle marketed by Quebec producers , PBQ

# Fed cattle

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



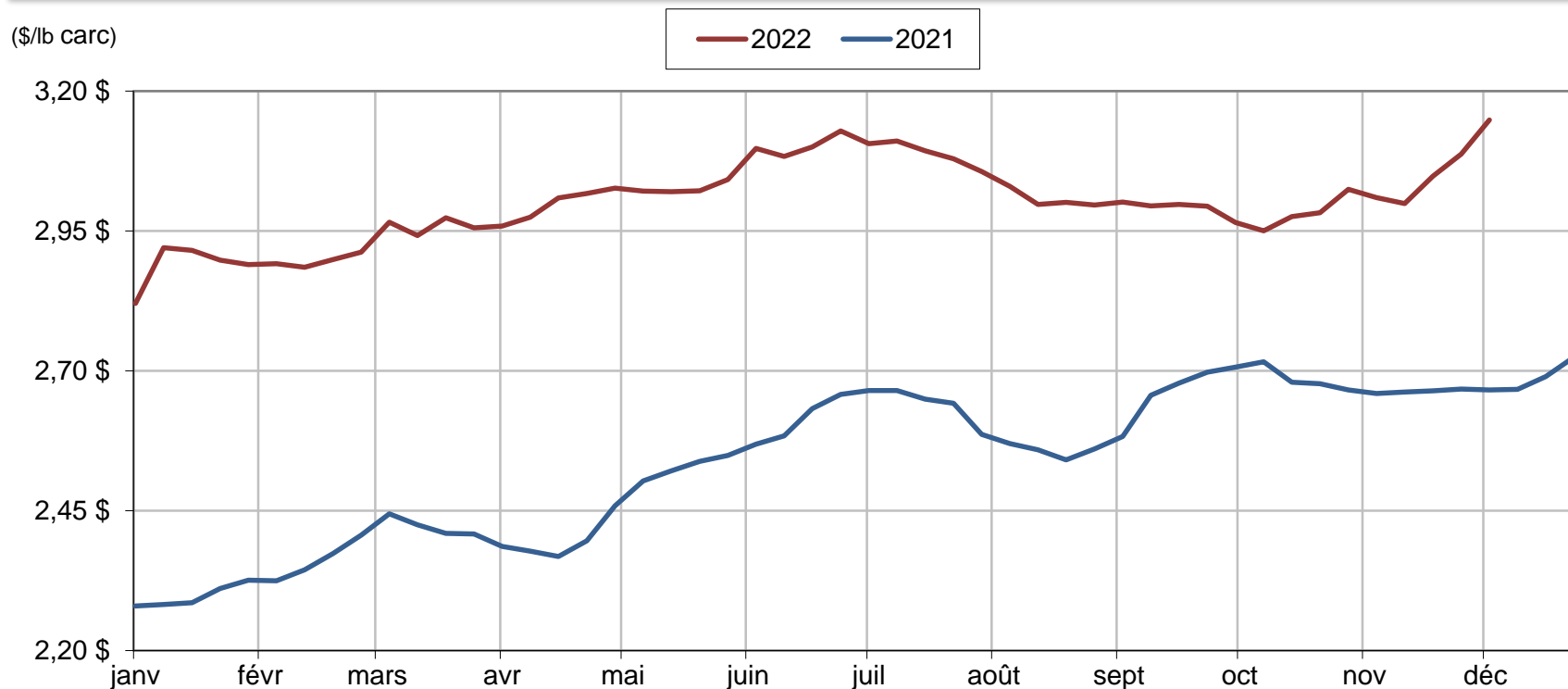
	2018	2019	2020	2021	2022
Quebec	2,44 \$	2,43 \$	2,42 \$	2,54 \$	3,01 \$
Que-Ont	-0,01 \$	-0,03 \$	0,01 \$	-0,03 \$	-0,03 \$
Que-US	0,04 \$	-0,06 \$	0,12 \$	0,10 \$	0,00 \$
Que-Alb	-0,11 \$	-0,06 \$	0,11 \$	-0,06 \$	0,11 \$

### 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 2021-2022

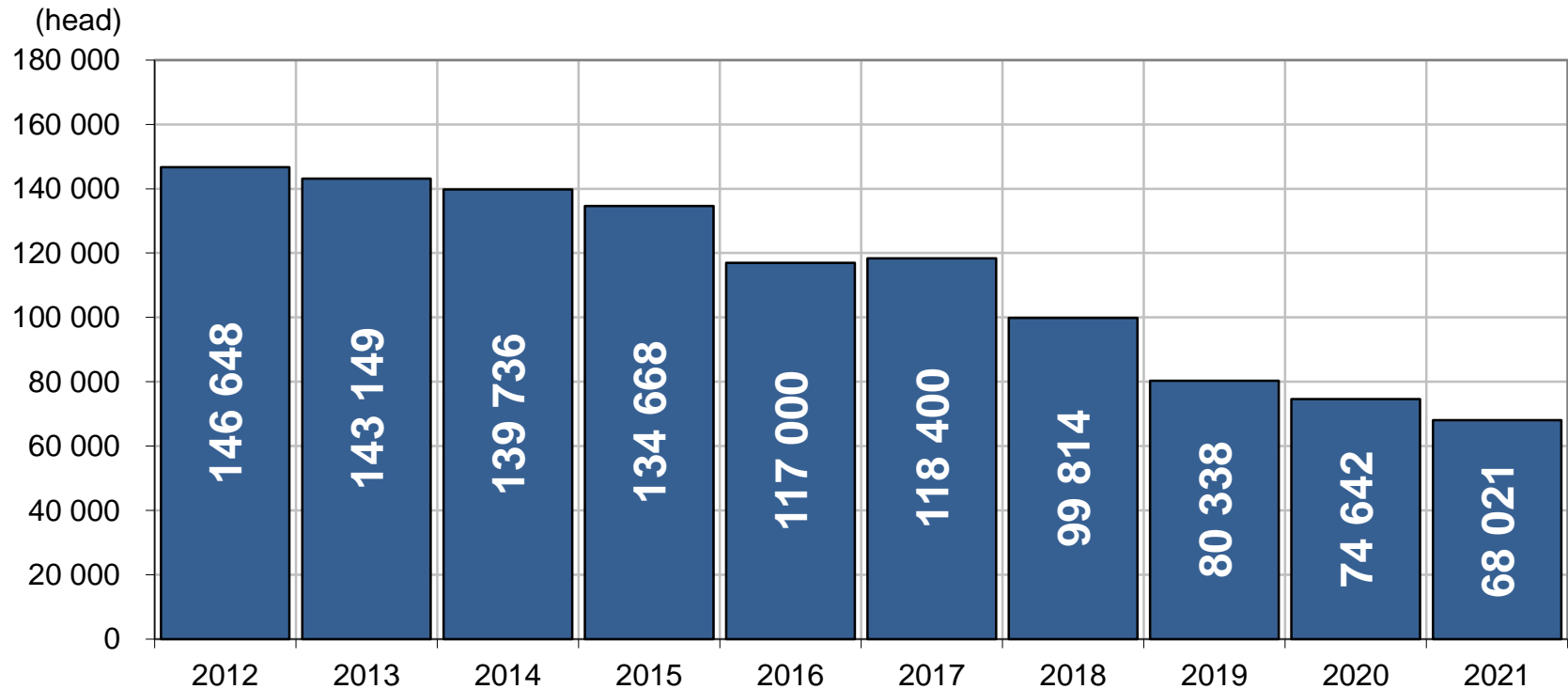


Sources :

- 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



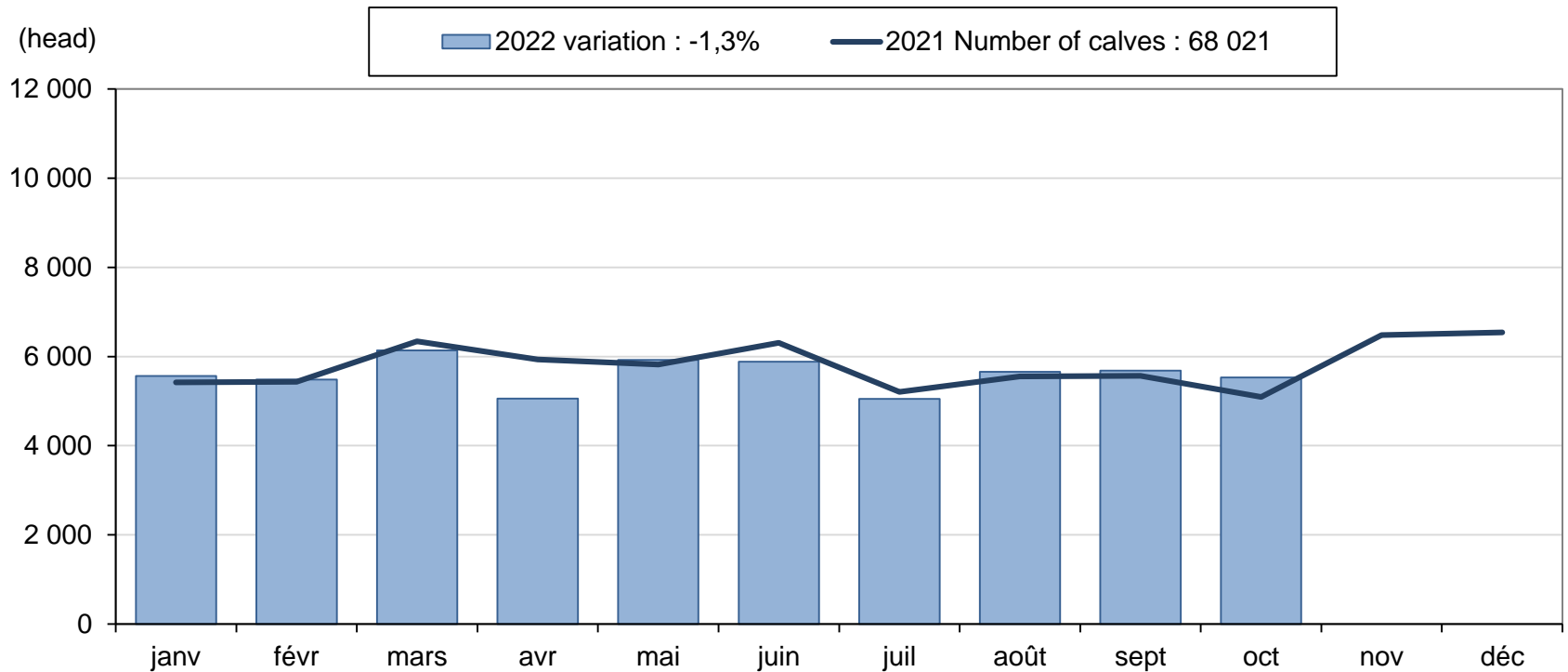
Sources :

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



# Milk-fed veal

## Number of calves fed in Quebec 2021-2022

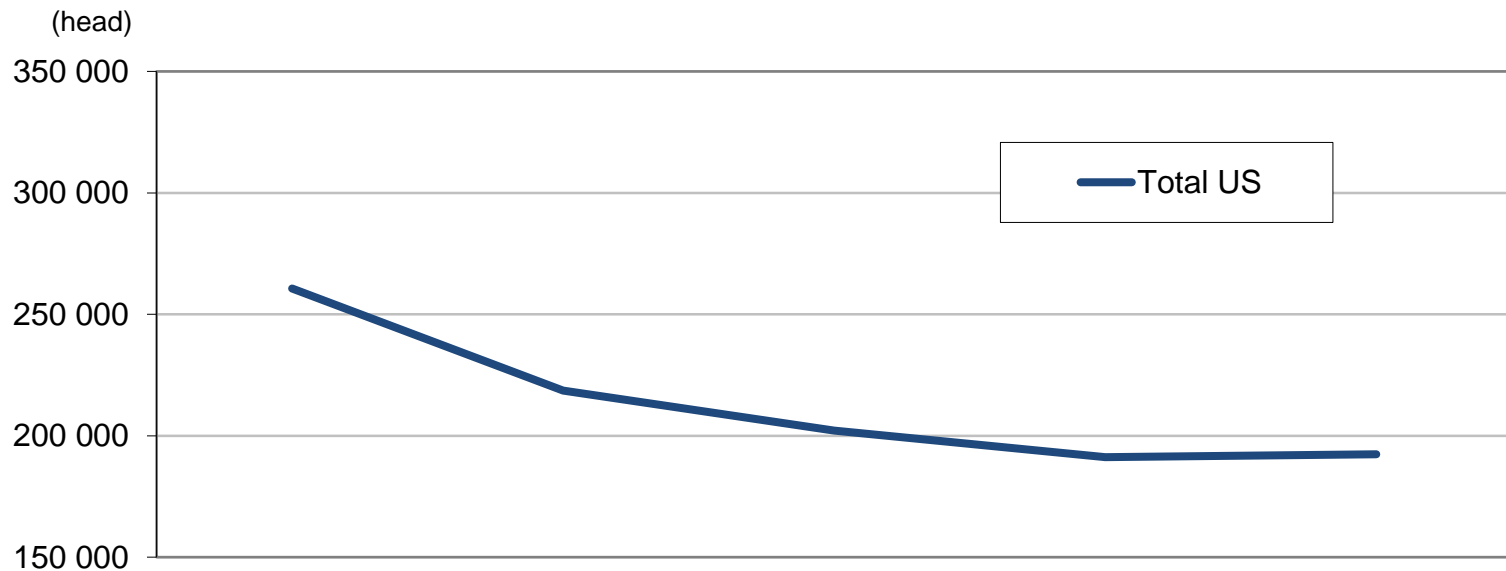


Sources :

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

# Milk-fed veal

## Number of calves slaughtered in United-States



	2017	2018	2019	2020	2021
Total US	202 206	191 202	192 363	178 273	136 955

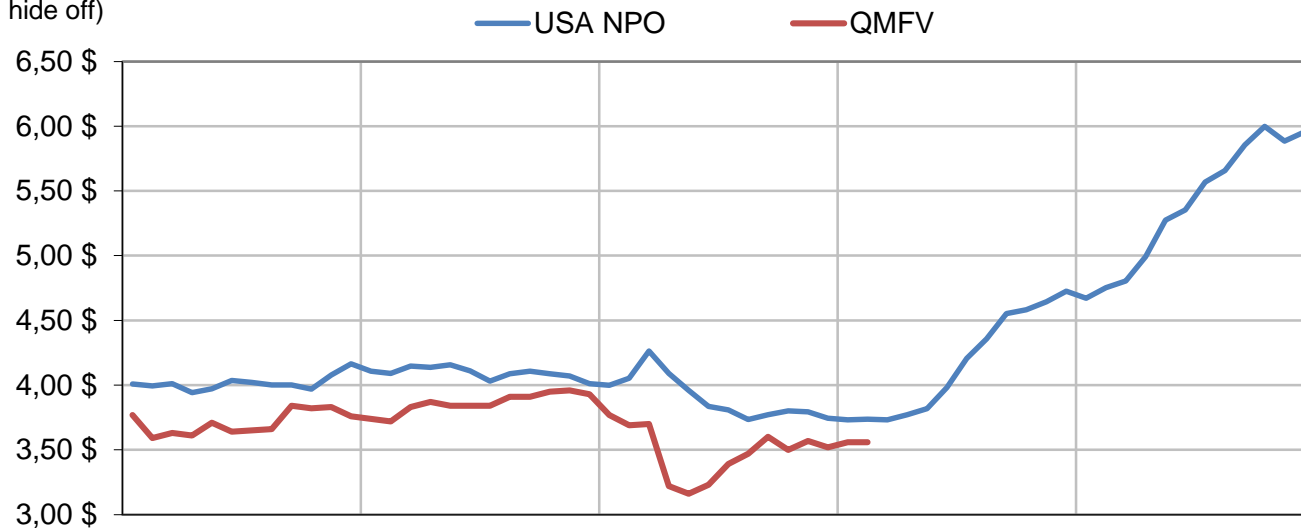
### Sources :

- 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)



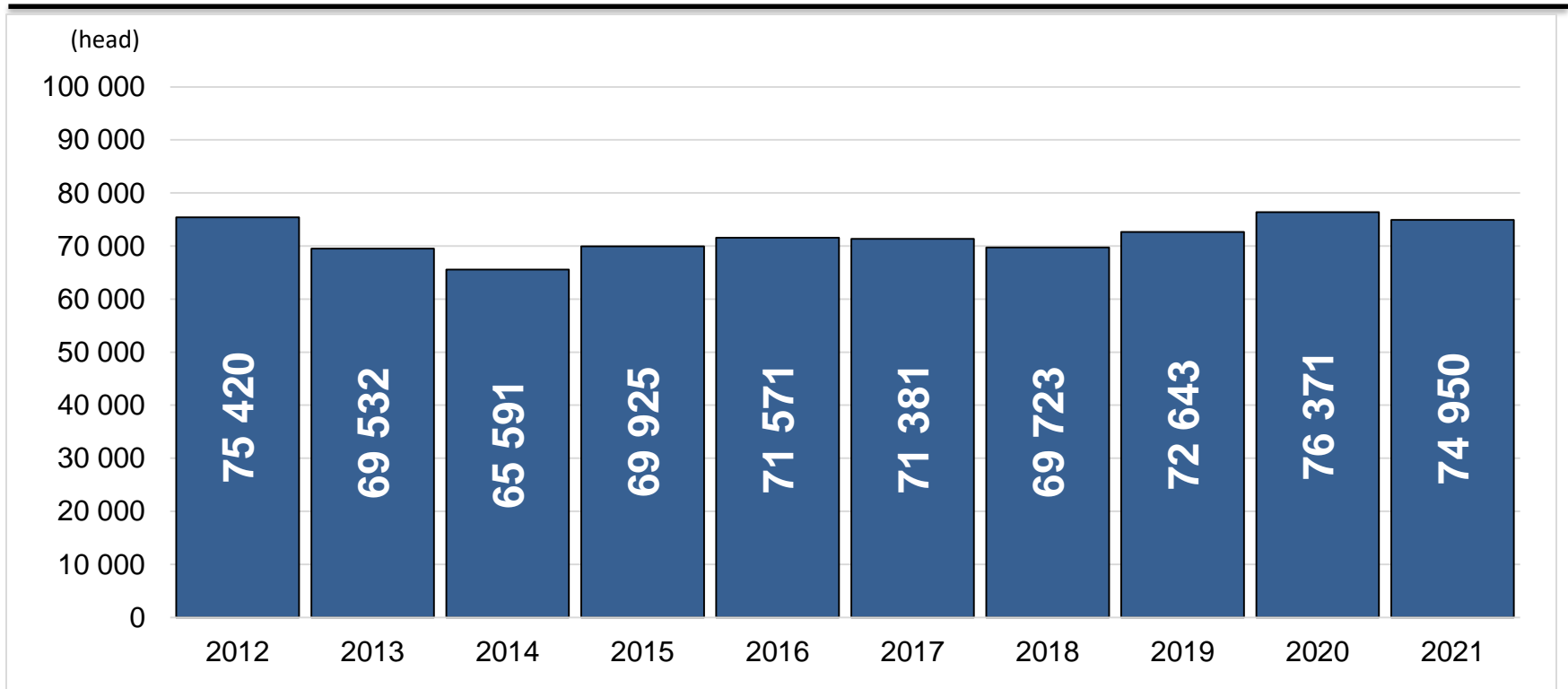
	2018	2019	2020	2021	2022
USA-NPO	4,02 \$	4,10 \$	3,90 \$	4,15 \$	5,35 \$
QMFV	3,71 \$	3,86 \$	3,49 \$	3,56 \$	

Sources :

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

# Grain-fed veal

## Number of calves fed in Quebec

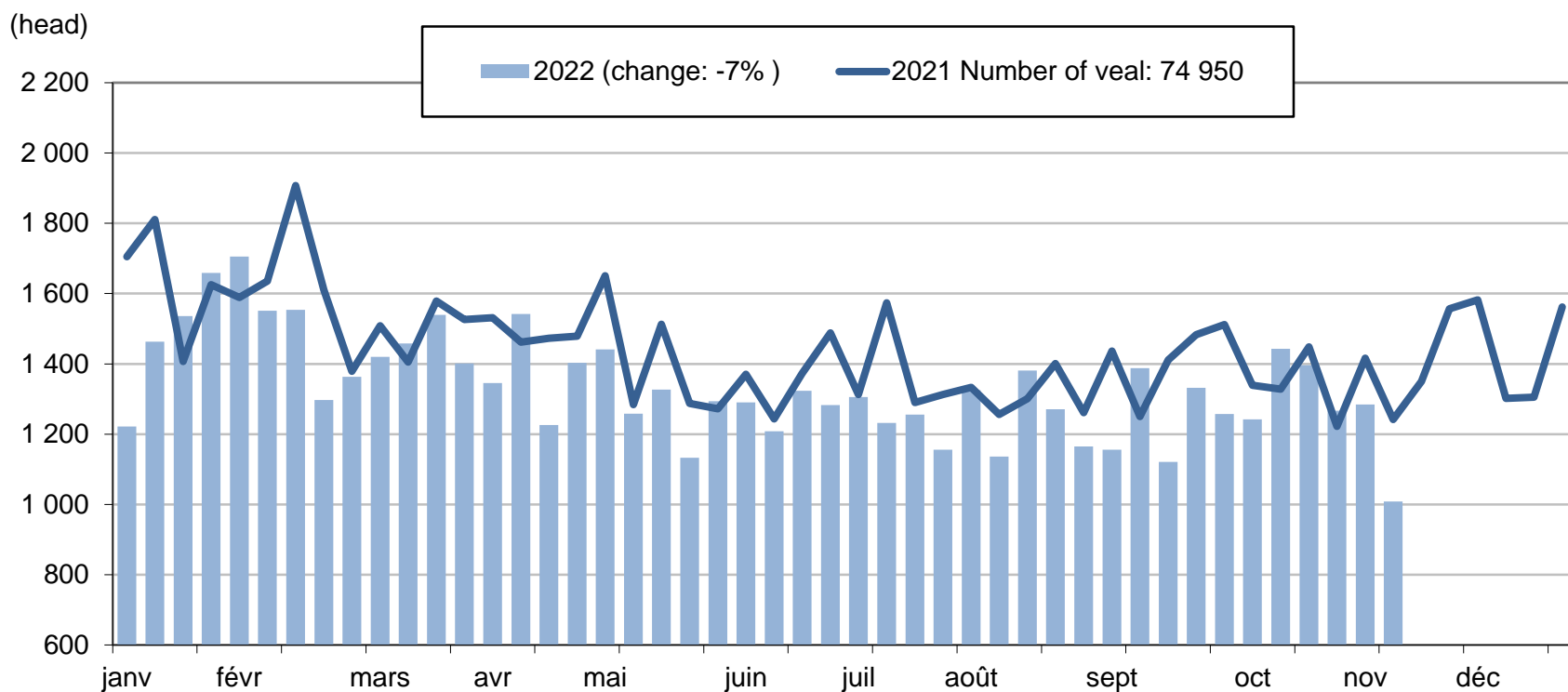


Sources :

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

# Grain-fed veal

## Number of calves fed in Quebec 2021-2022

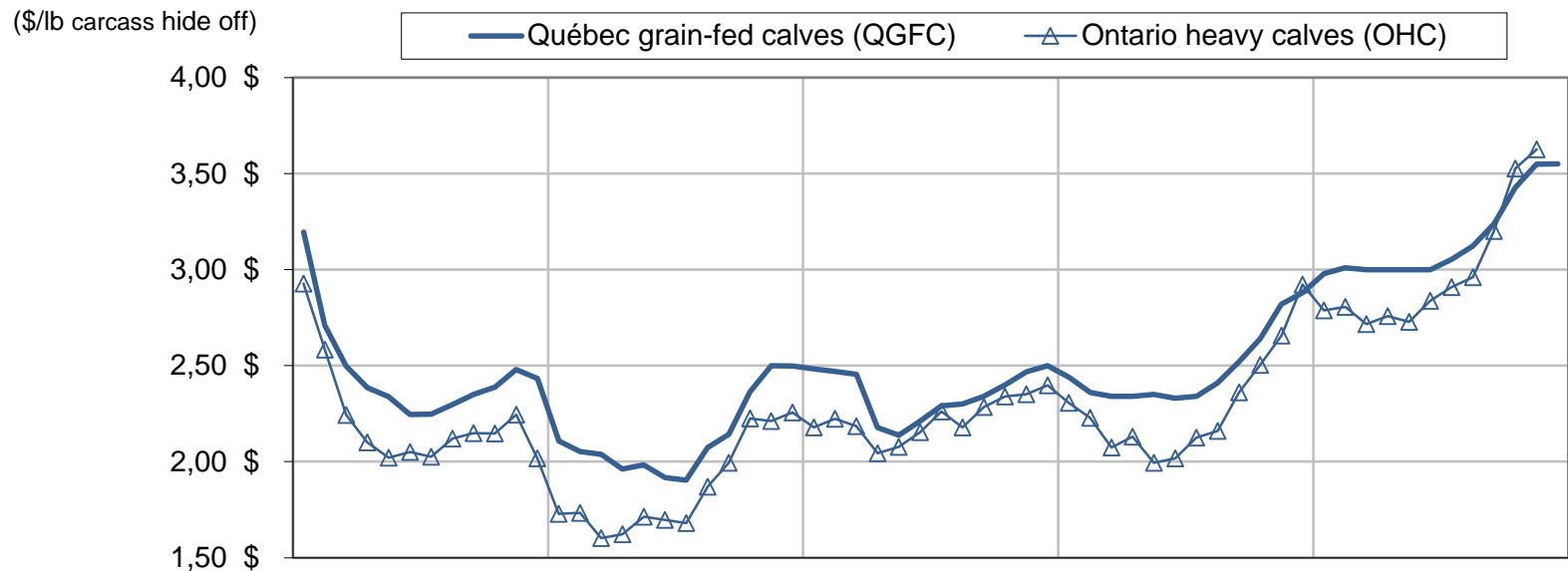


Sources :

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

# Grain-fed veal

## Price of grain-fed veal calves in Quebec and Ontario



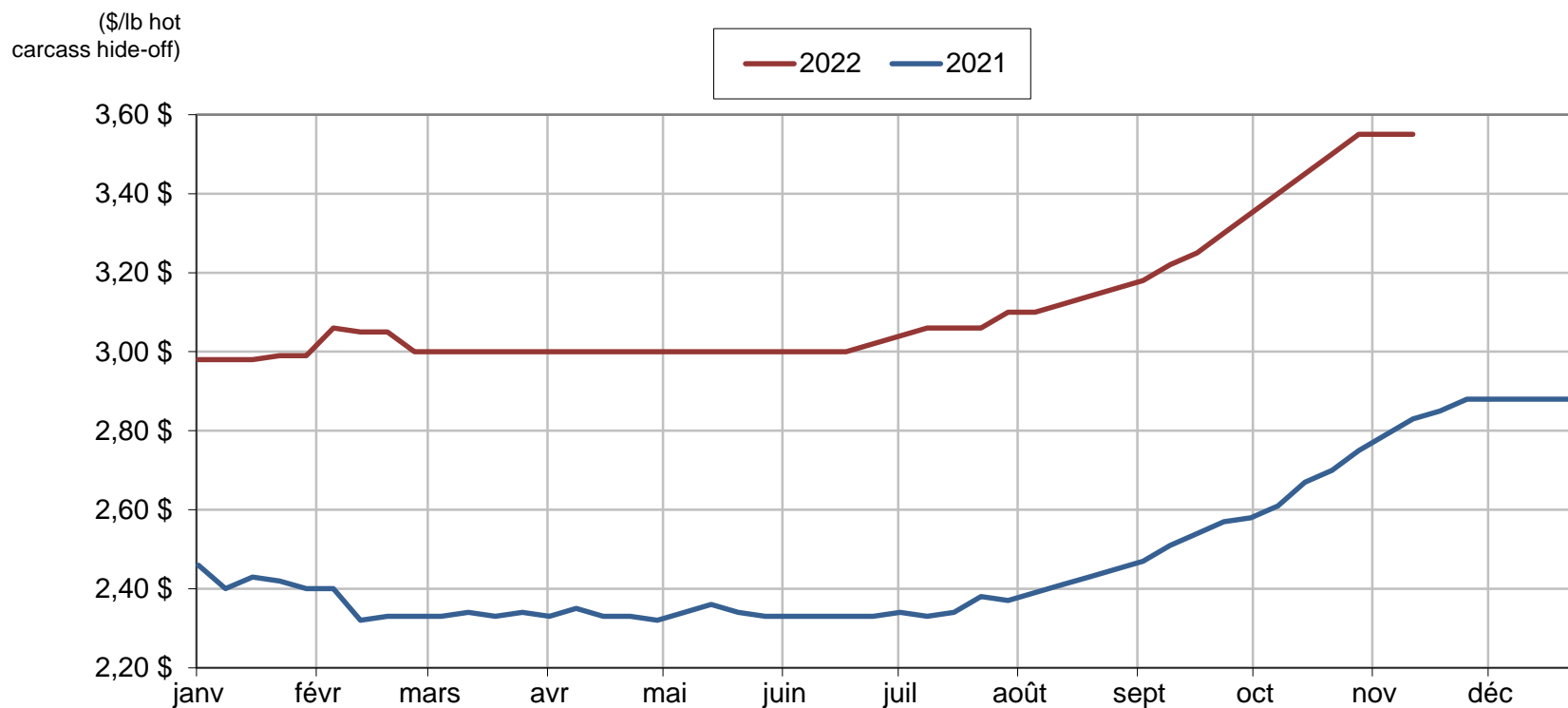
	2018	2019	2020	2021	2022
QGFC	2,46 \$	2,13 \$	2,35 \$	2,48 \$	3,16 \$
QGFC-OHC	0,24 \$	0,27 \$	0,13 \$	0,19 \$	0,17 \$

### 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

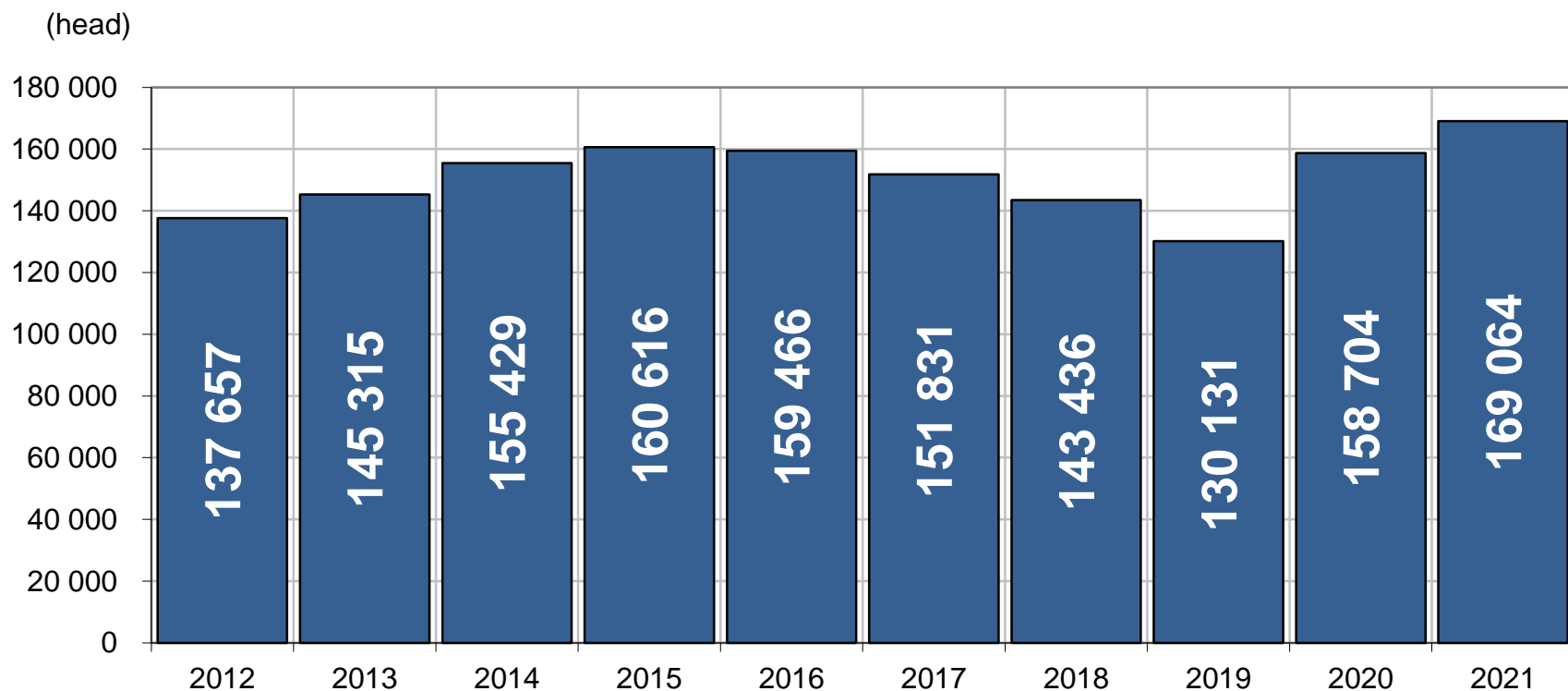


Sources :

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

# Bob calves

## Number of bob calves marketed in Quebec



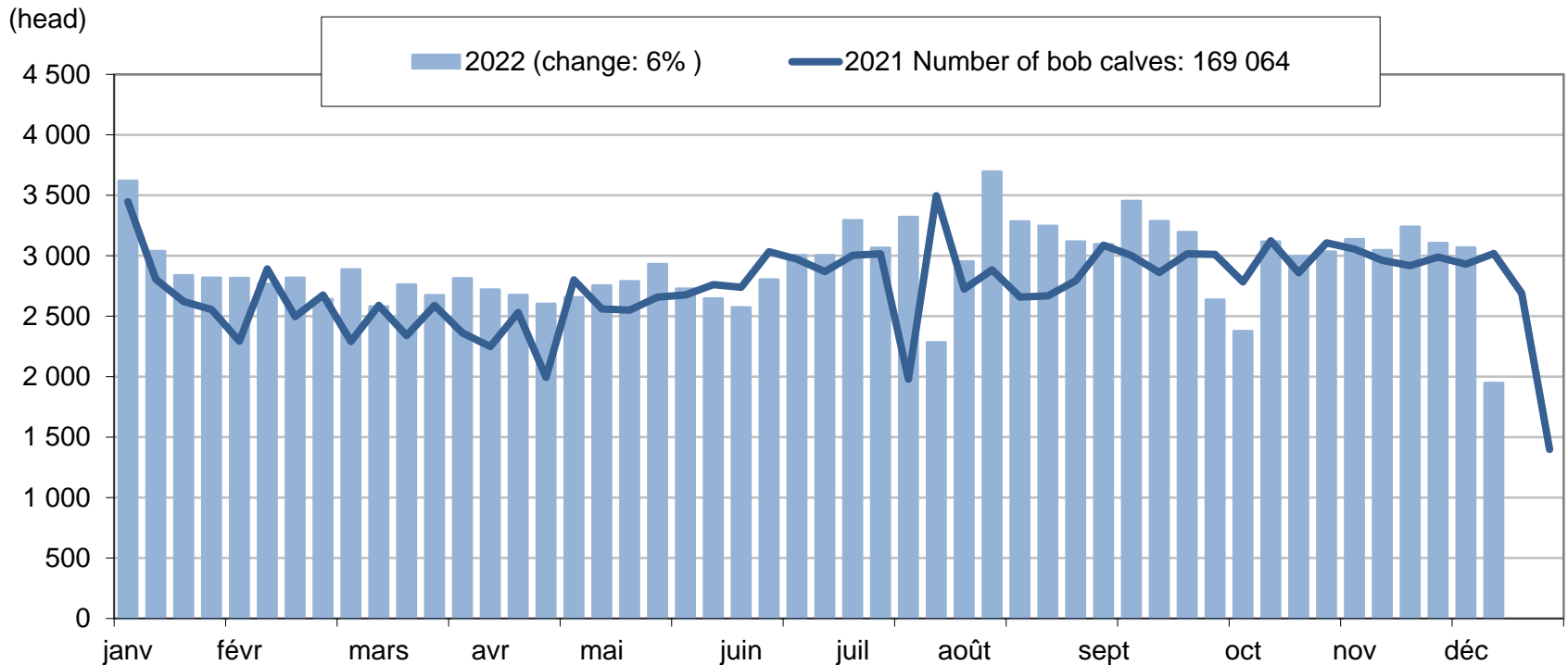
Source :

- Number of calves marketed by Quebec producers, PBQ



# Bob calves

## Number of bob calves marketed in Quebec 2021-2022

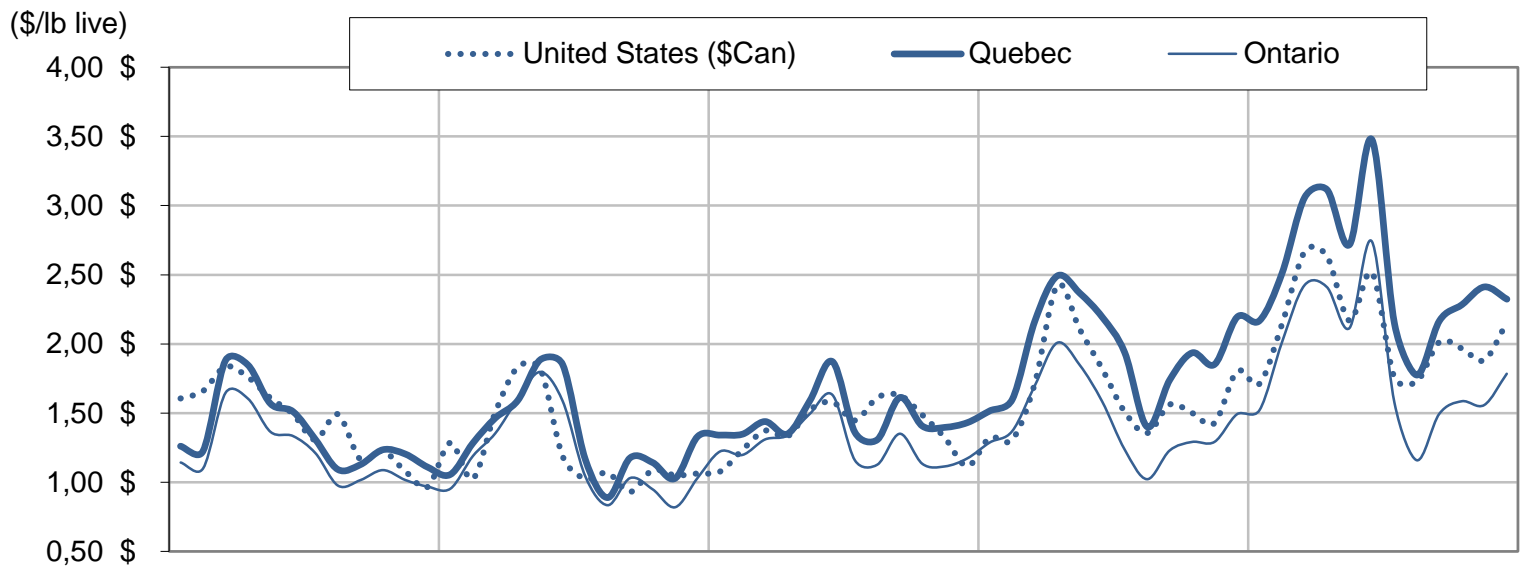


Sources :

- Number of calves marketed by Quebec producers, PBQ

# Bob calves

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



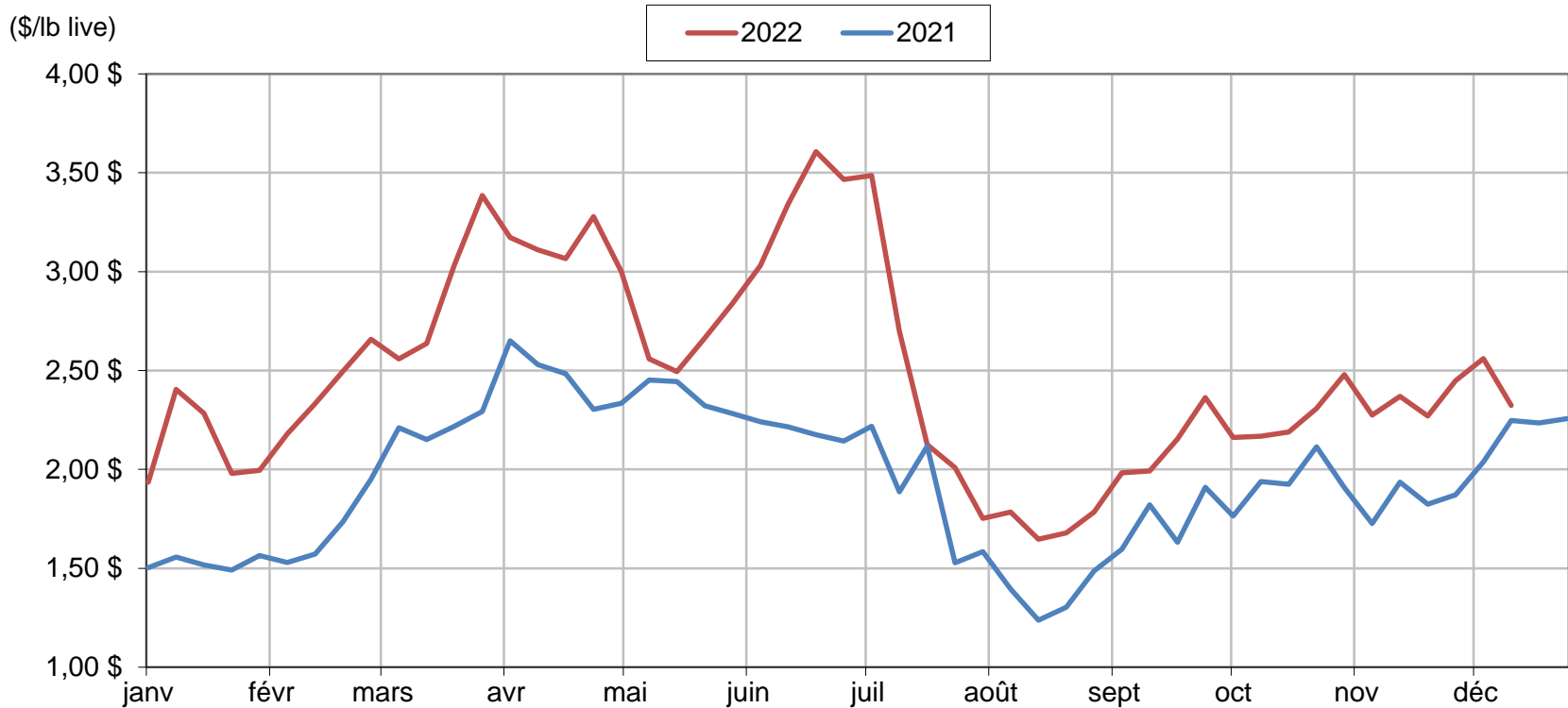
	2018	2019	2020	2021	2022
Quebec	1,36 \$	1,32 \$	1,46 \$	1,95 \$	2,51 \$
Que-US	-0,07 \$	0,08 \$	0,06 \$	0,42 \$	0,40 \$
Que-Ont	0,16 \$	0,14 \$	0,18 \$	0,50 \$	0,65 \$

### 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

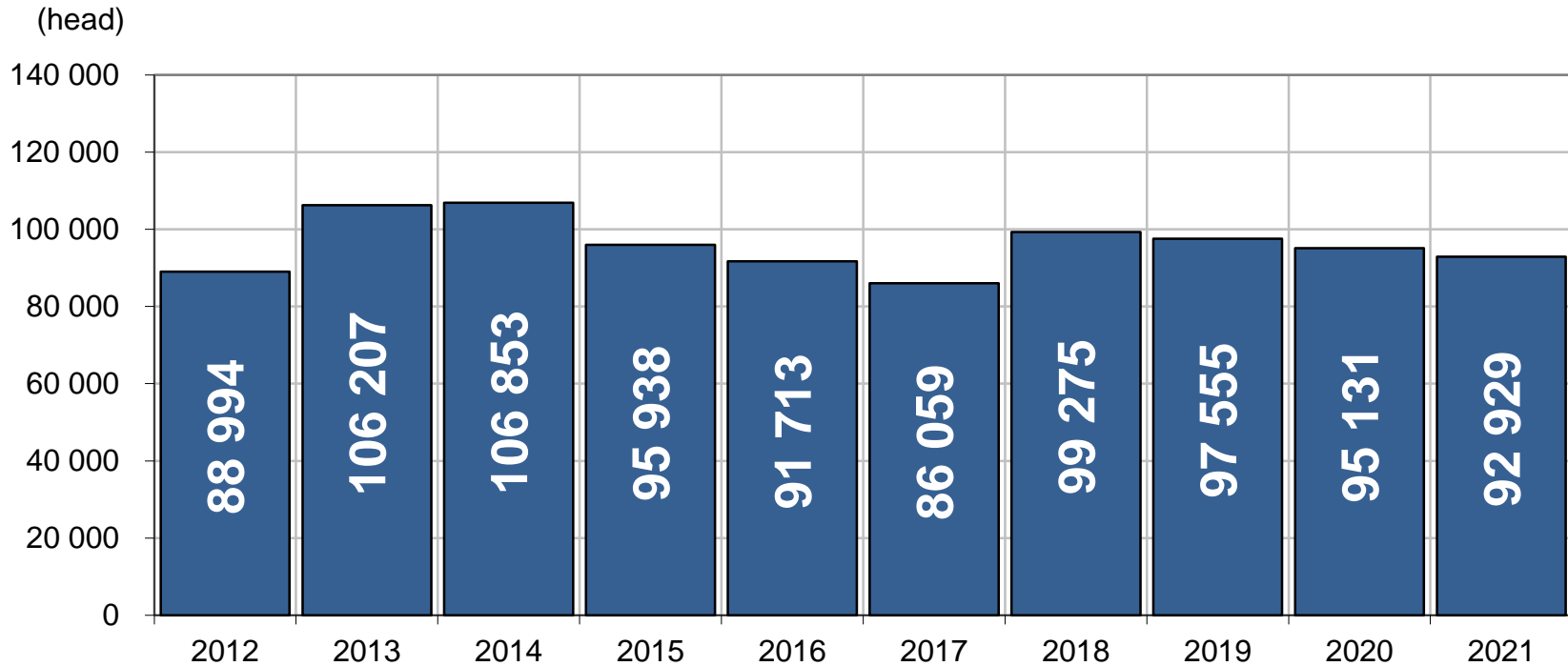


Sources :

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

# Cull cattle

## Number of cull cows marketed in Quebec

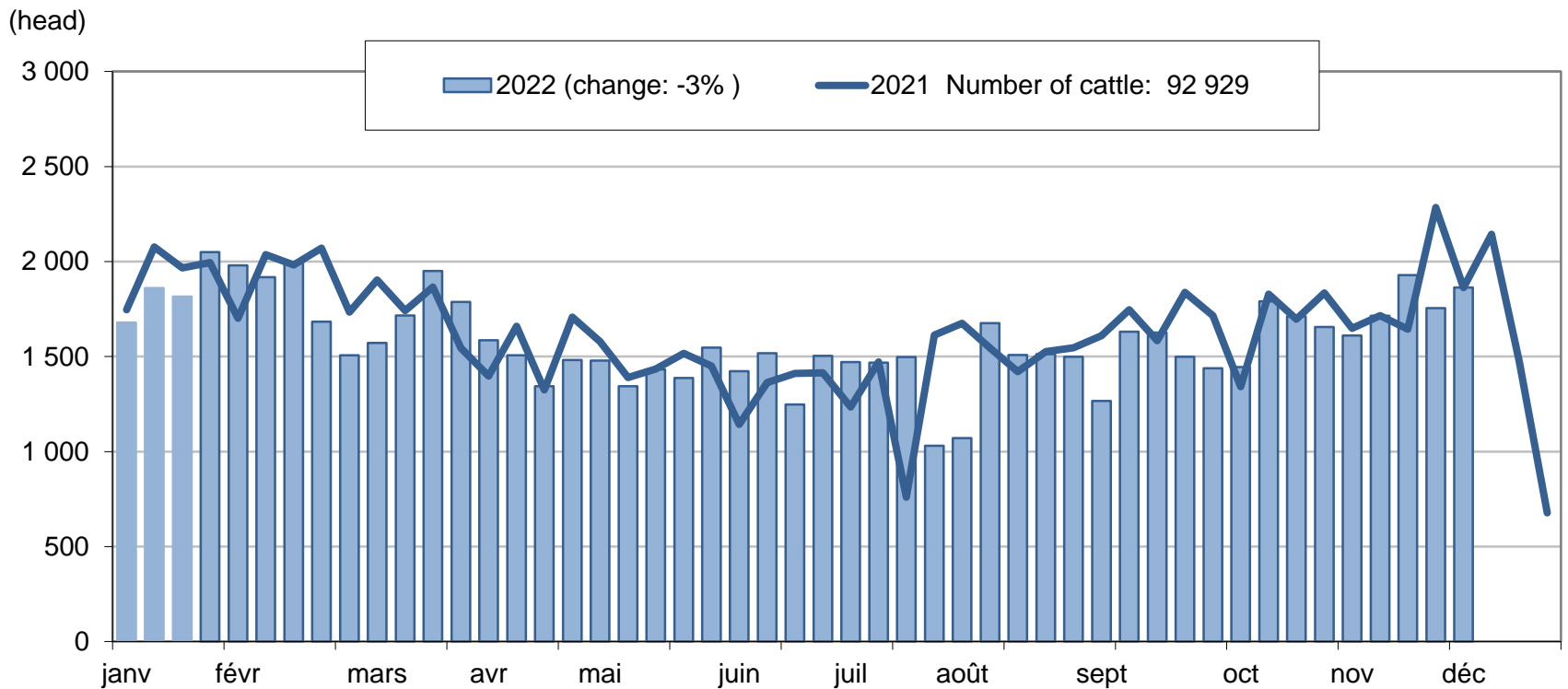


Source :

- Number of cull cows marketed by Quebec producers, PBQ

# Cull cattle

## Number of cull cows marketed in Quebec 2021-2022

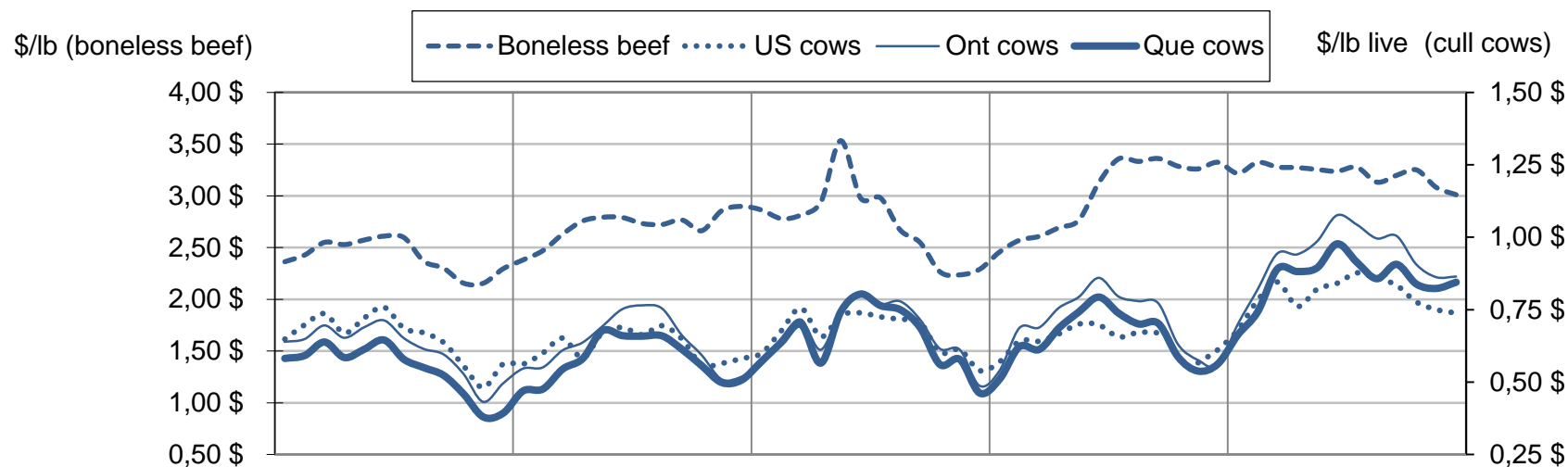


Source :

- Number of calves marketed by Quebec producers, PBQ

# Cull cattle

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



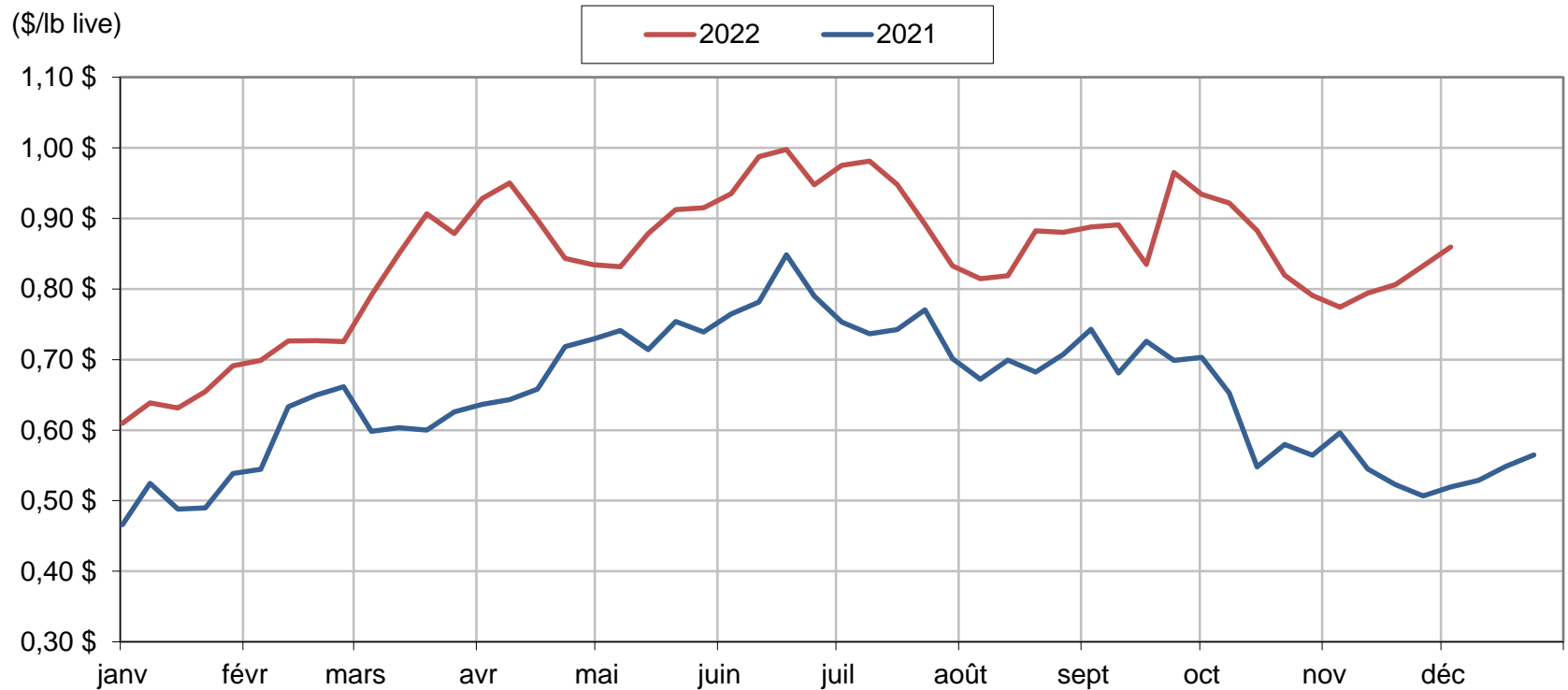
	2018	2019	2020	2021	2022
Boneless beef	2,41 \$	2,70 \$	2,74 \$	3,01 \$	3,21 \$
Que \$/cow	763 \$	805 \$	912 \$	910 \$	1 194 \$
Que \$/lb	0,54 \$	0,58 \$	0,65 \$	0,65 \$	0,85 \$
Que-US	-0,11 \$	-0,05 \$	-0,02 \$	0,00 \$	0,06 \$
Que-Ont	-0,07 \$	-0,06 \$	-0,02 \$	-0,05 \$	-0,08 \$

### 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

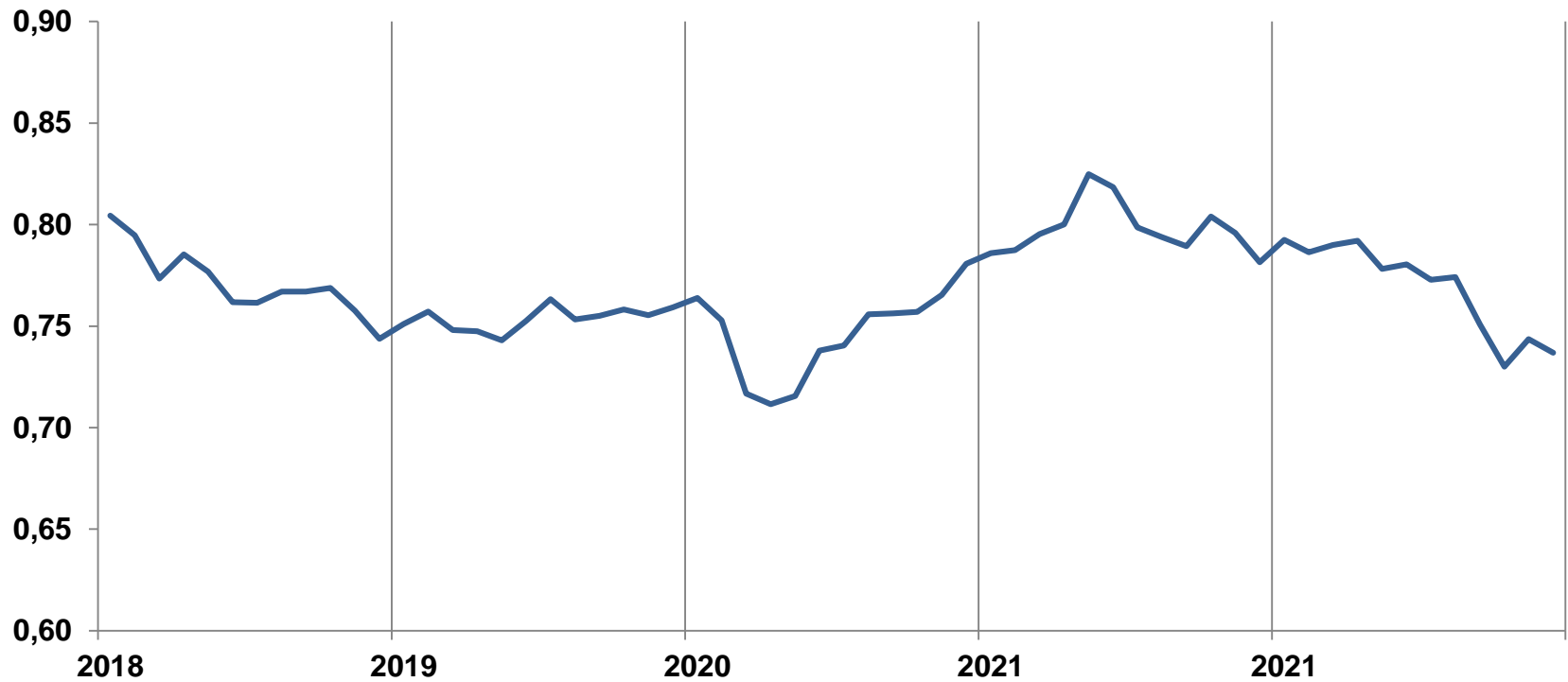
## Price of cull cows in Quebec 2021-2022



Sources :

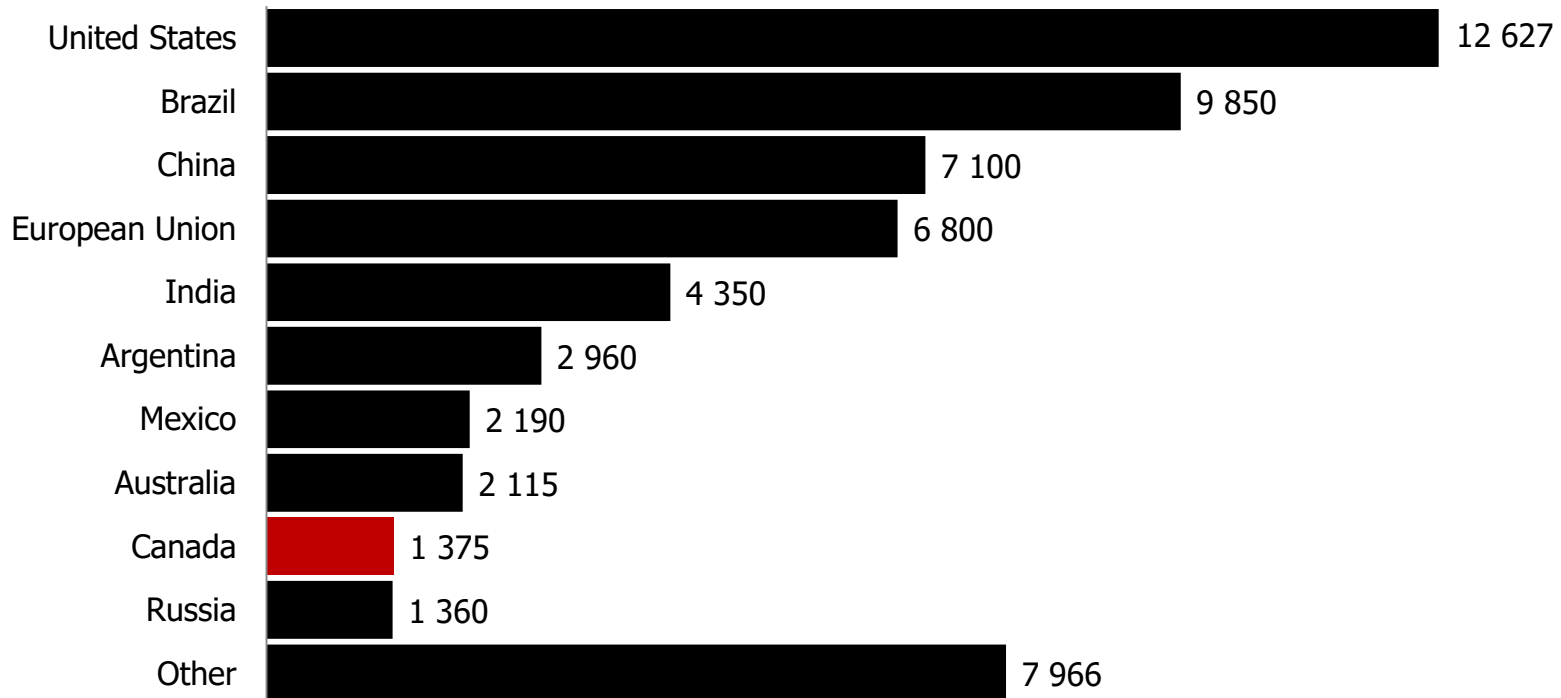
- Quebec : Price of cull cows marketed in Quebec auctions, PBQ

# Exchange rate \$ CAN / \$ US



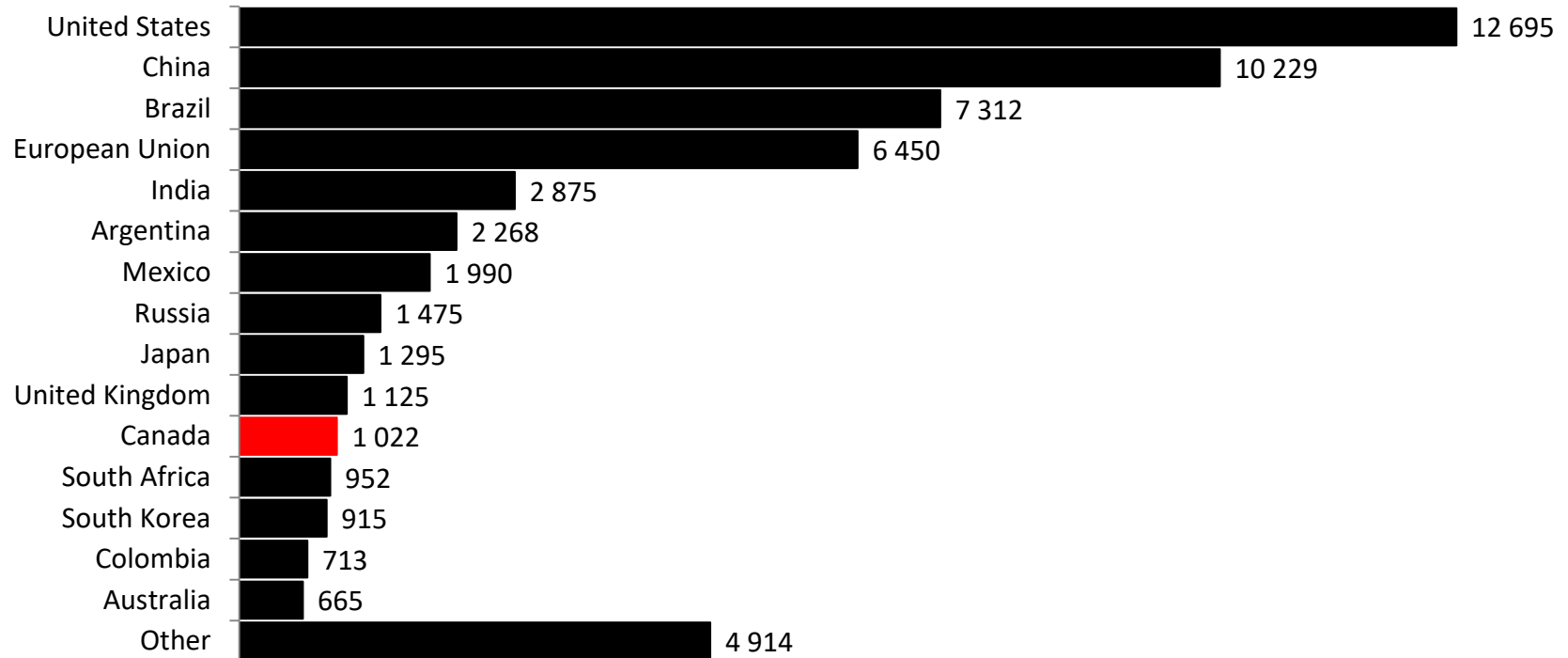


# Beef and veal net production (1000 t, cwe) – 2022F



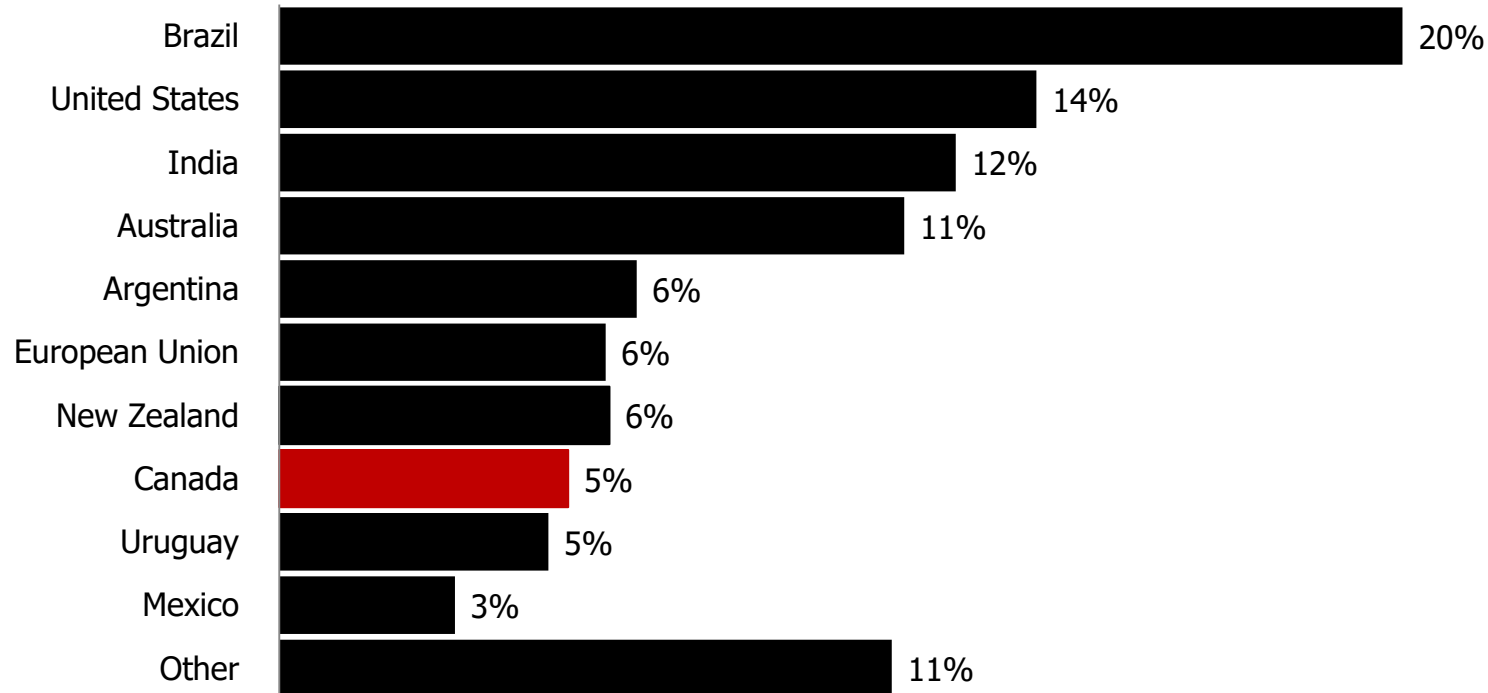
Source :  
• Canfax

# Beef and veal meat consumption by countries (1000 t, cwe) – 2022F



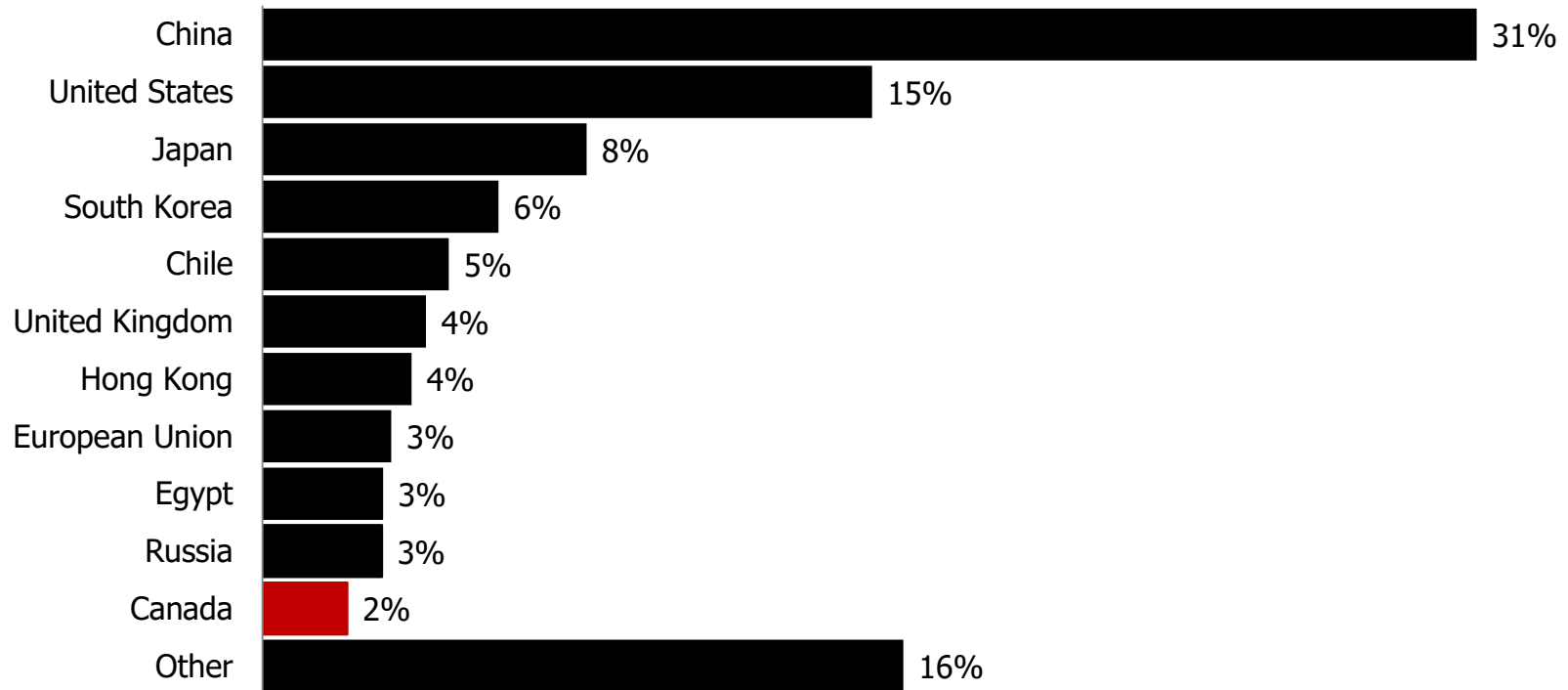
Source :  
• Canfax

# World top beef exporters (% world) - 2021



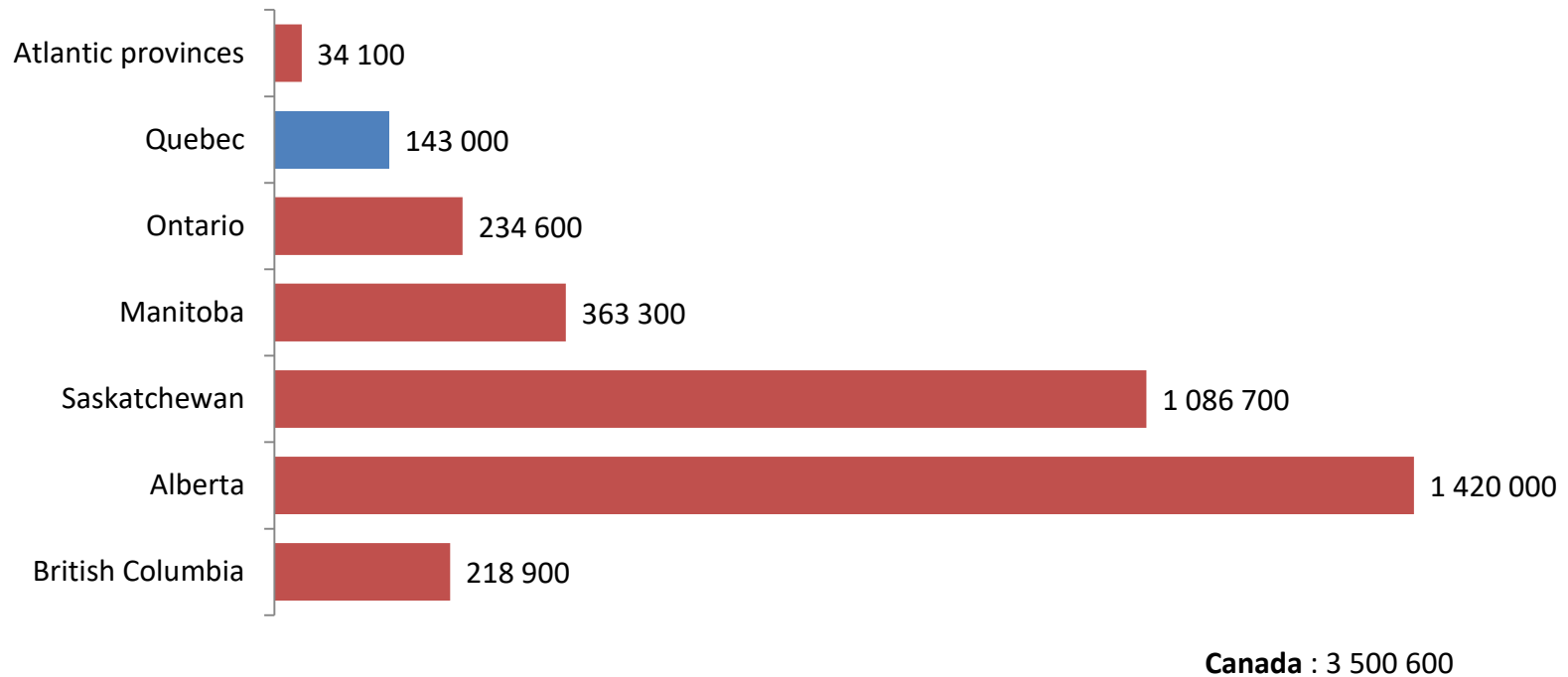
Source :  
• Canfax

# World top beef importers (% world) - 2021



Source :  
• Canfax

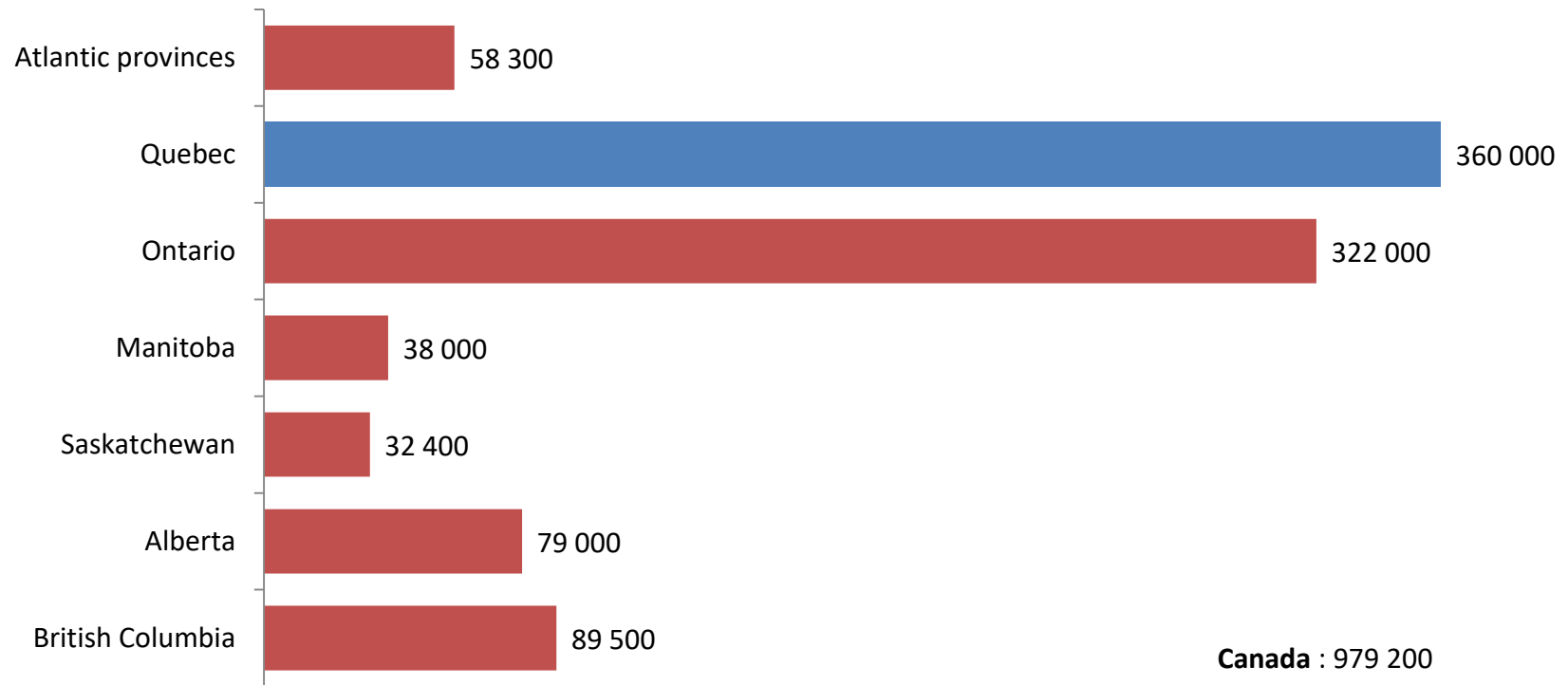
# Beef Cow inventory in Canada 2022



Source :

- Statistique Canada

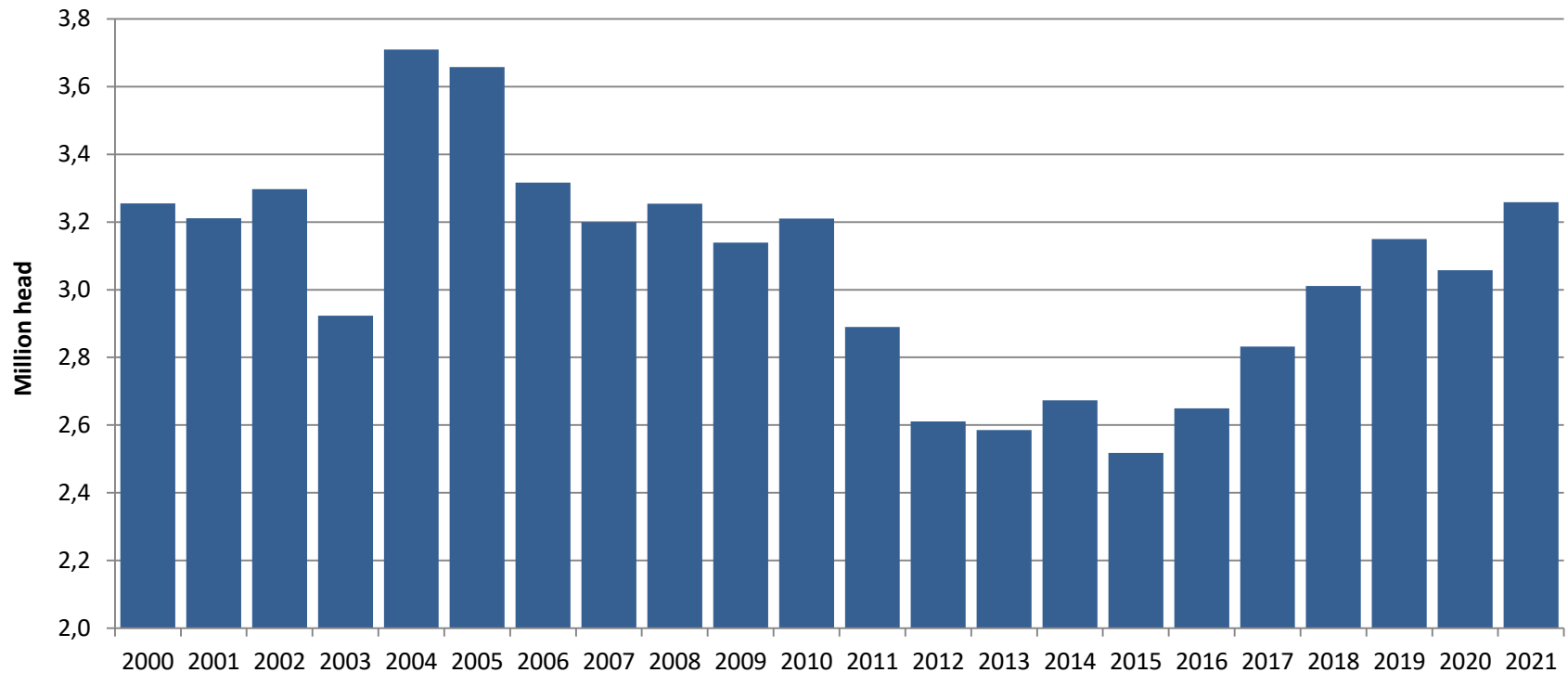
# Milk Cow inventory in Canada 2022



Source :

- Statistics Canada

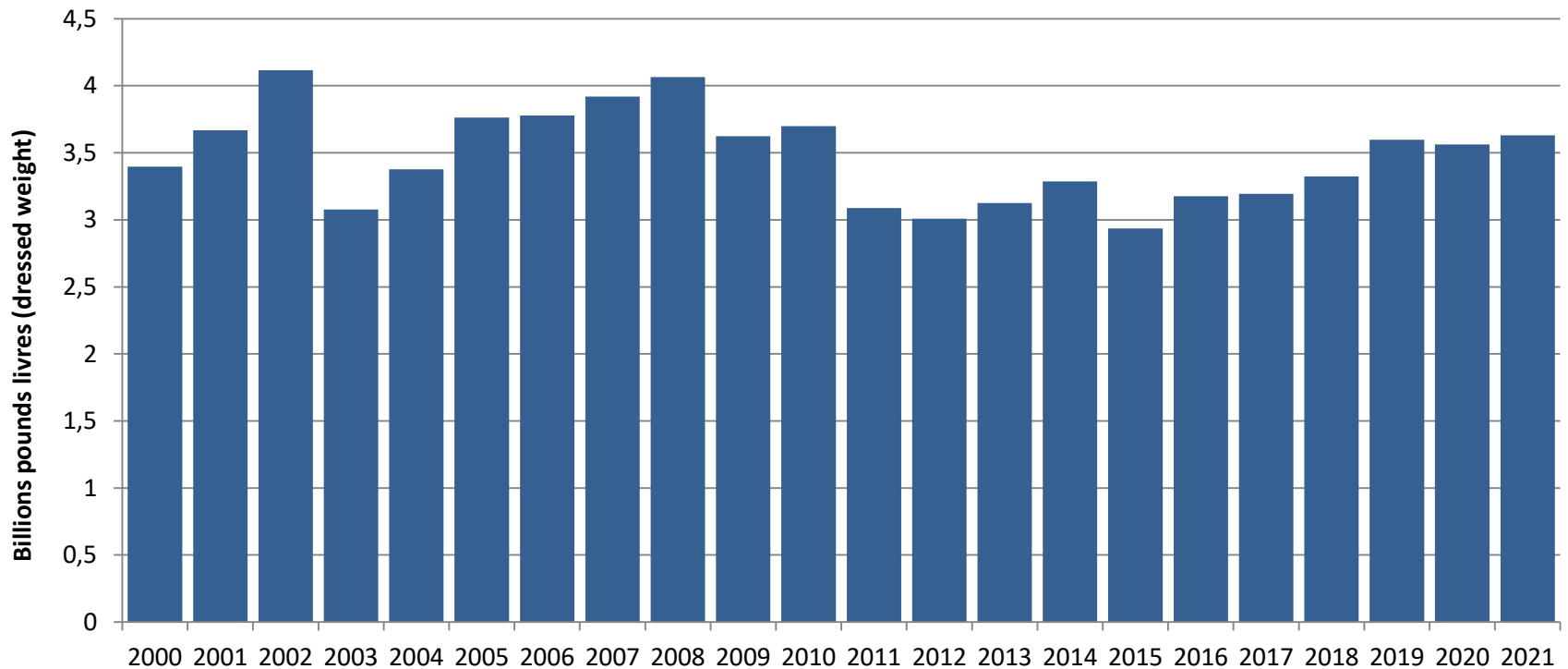
# Number of cattle Slaughtered in Federally Inspected Plants



Sources :

- Canadian Beef Grading Agency, AAFC

# Canadian beef and veal production

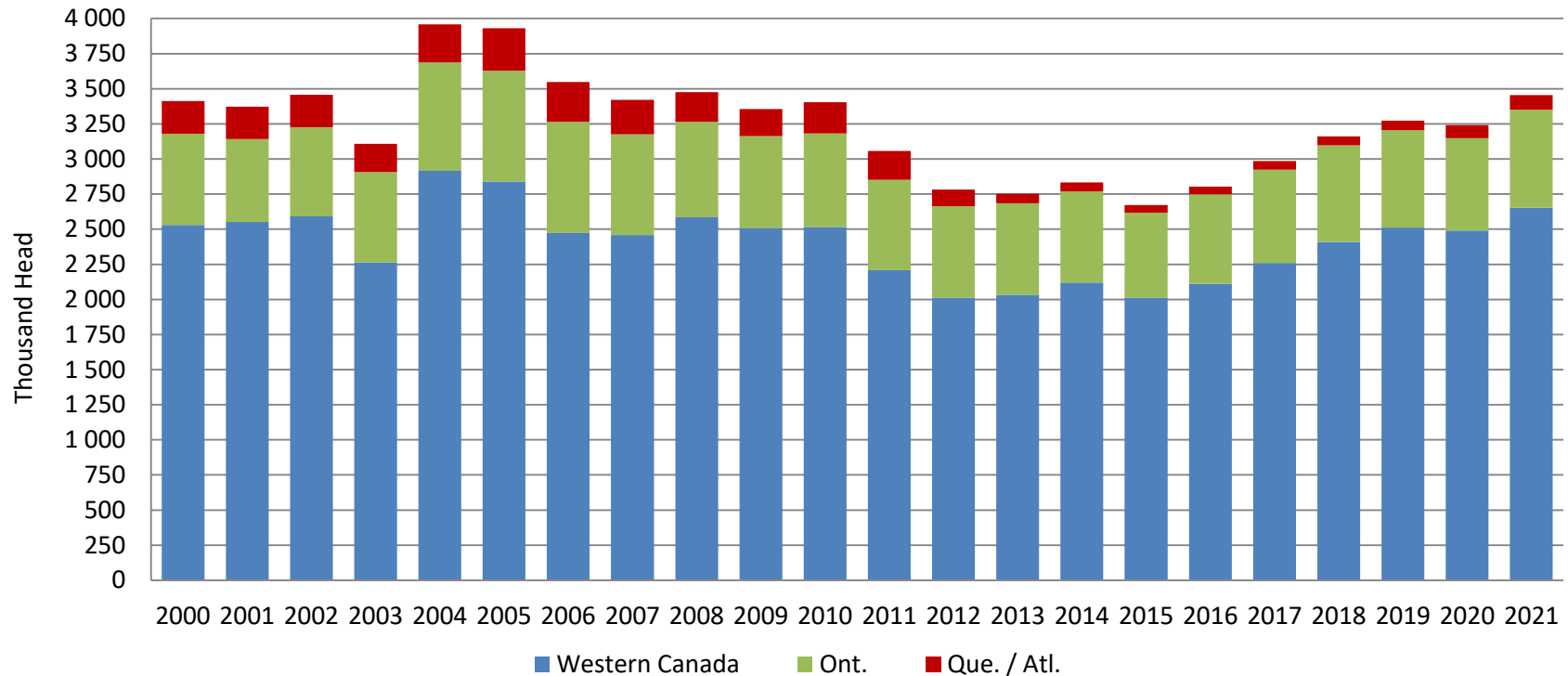


Sources :

- Statistics Canada (Edible offal, meat production)



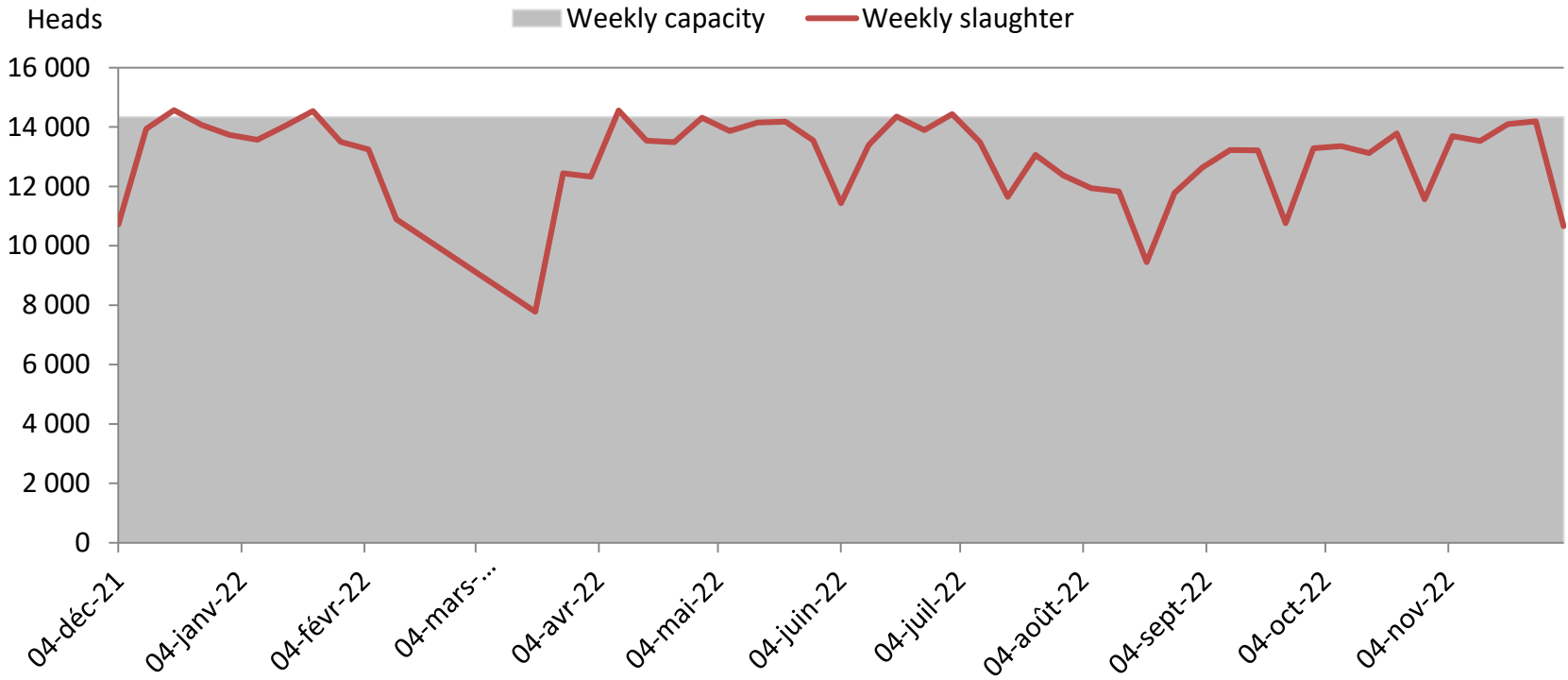
# Total annual cattle Slaughter by Region in Canada



Sources :

- ACIA
- Statistics Canada
- PBQ estimate

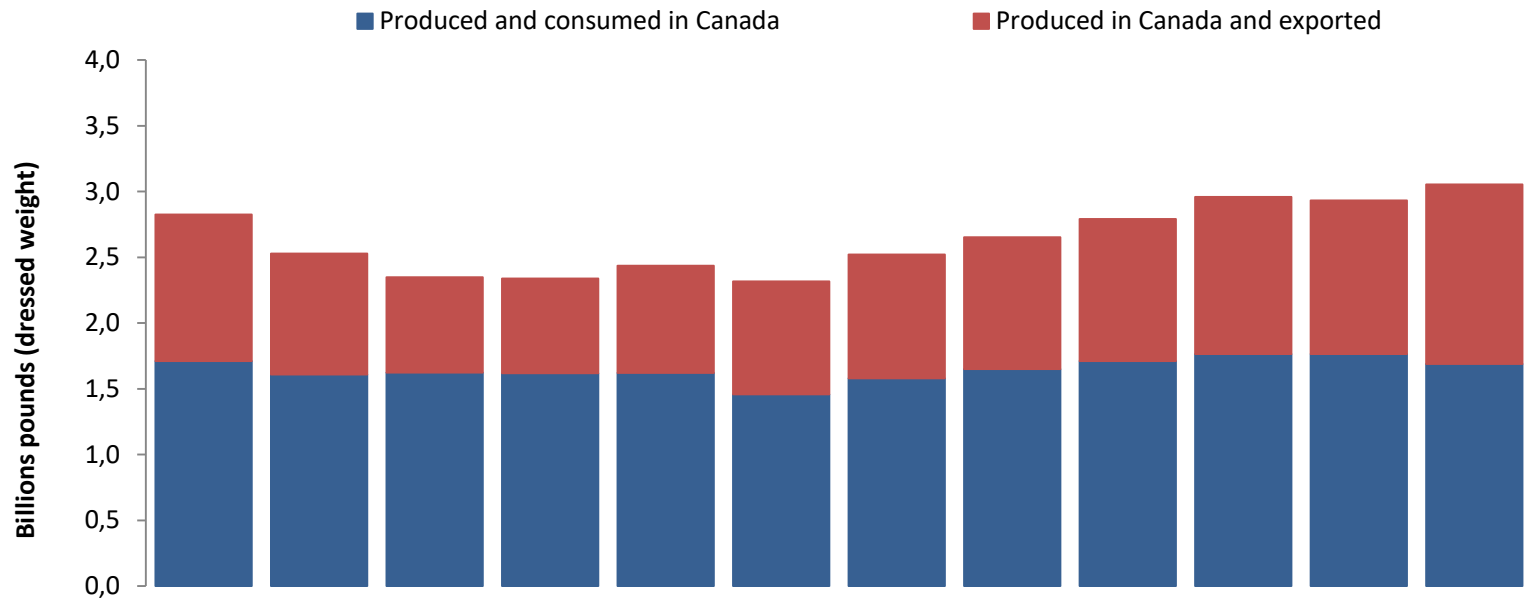
# Slaughter capacity and beef production in federally inspected slaughterhouses in Eastern Canada



- Sources :
- ACCB
  - Canfax
  - PBQ estimate

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# % Canadian beef and veal production exported

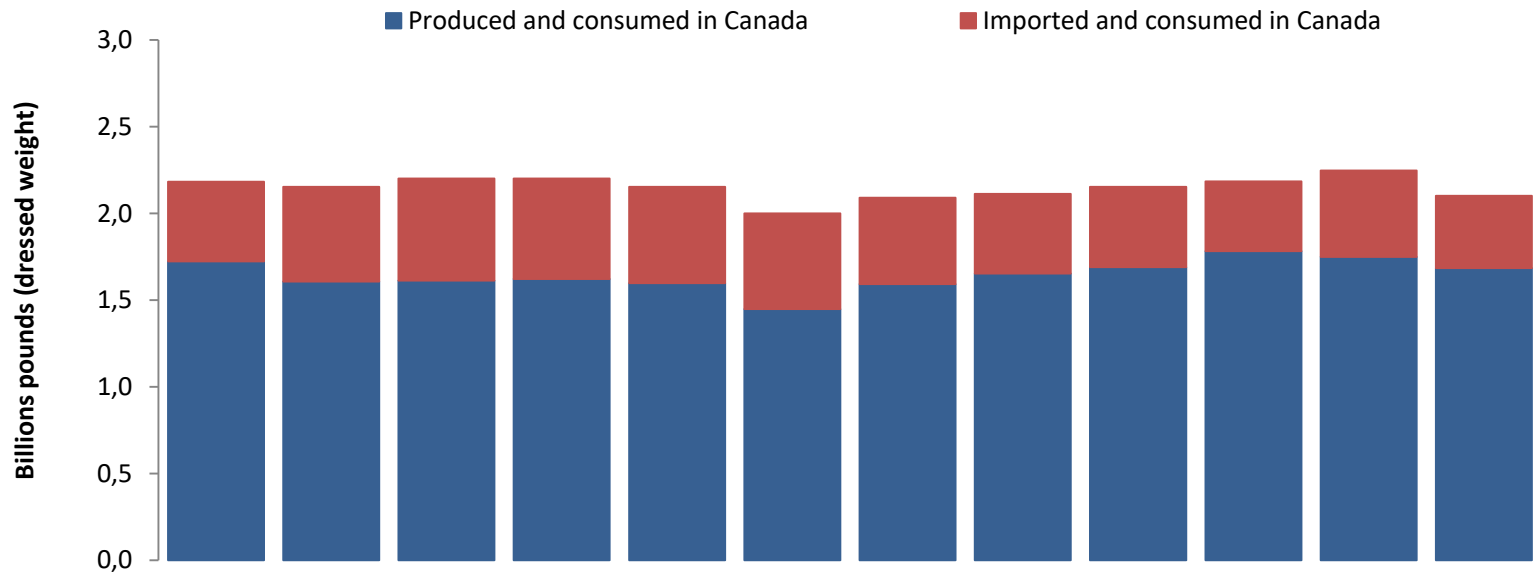


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>% exported / production</b>	39%	36%	31%	31%	33%	37%	37%	38%	39%	40%	40%	45%

Sources :

- Statistics Canada

# % Canadian beef and veal consumption imported



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>% imported / consumed</b>	21%	25%	27%	26%	26%	28%	24%	22%	21%	18%	22%	20%

Sources :

- Statistics Canada

# Beef and veal meat exports from Canada

Beef and veal meat exports (tonnes)	Jan. 1 - Octobre 31		
	2022	2021	% chg
United States	298 758	298 849	0%
Japan	58 974	51 162	15%
Hong Kong	4 203	7 234	-42%
Mexico	21 863	19 690	11%
Saudi Arabia	2 221	716	210%
South Korea	15 957	9 677	65%
Vietnam	14 647	10 671	37%
Angola	1 711	1 588	8%
Côte d'Ivoire	2 646	4 468	-41%
Others	7 930	26 618	-70%
Total	428 910	430 672	0%

Sources :

- Statistics Canada, AACF

# Beef and veal imports to Canada

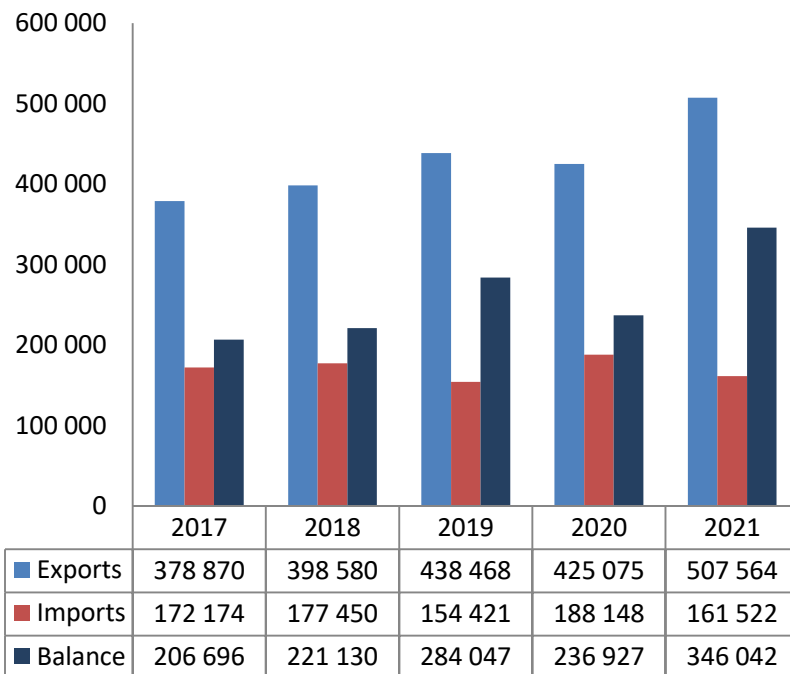
Beef and veal meat imports (tonnes)	Jan. 1 - December 3		
	2022	2021	% chg
United States	96 511	90 397	7%
New Zealand	9 594	11 692	-18%
Uruguay	8 607	8 054	7%
Australia	5 797	8 301	-30%
Mexico	9 266	6 688	39%
United Kingdom	3 661	2 386	53%
Others	17 622	18 560	-5%
Total	151 058	146 078	3%

Sources :

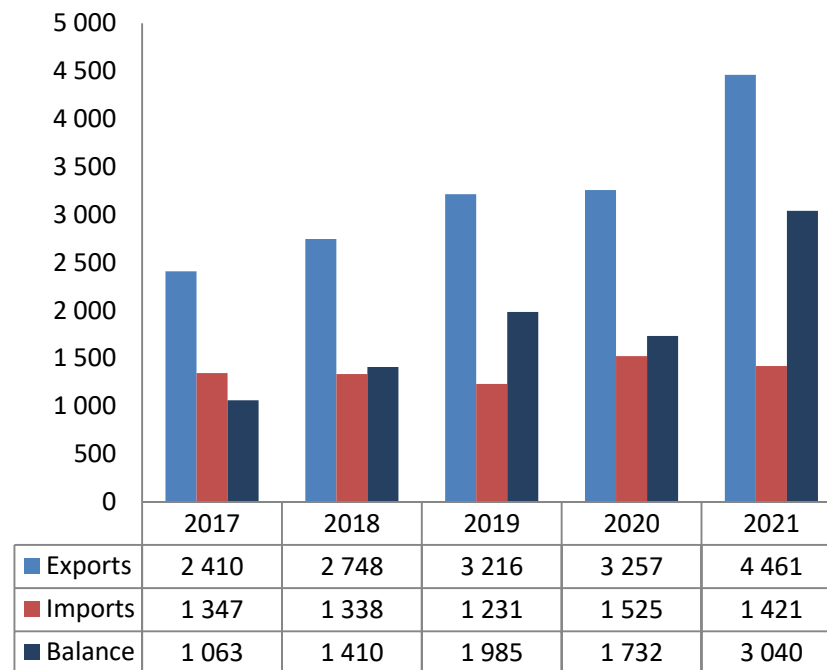
- Statistics Canada, AACF

# 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 - October 31		
	2022	2021	% chg
United States	3 021	3 012	0%
Qatar	7	0	-
United Arab Emirates	175	125	40%
Autres	3	0	-
Total	3 206	3 137	1,2%

Sources :

- Statistics Canada, AACF



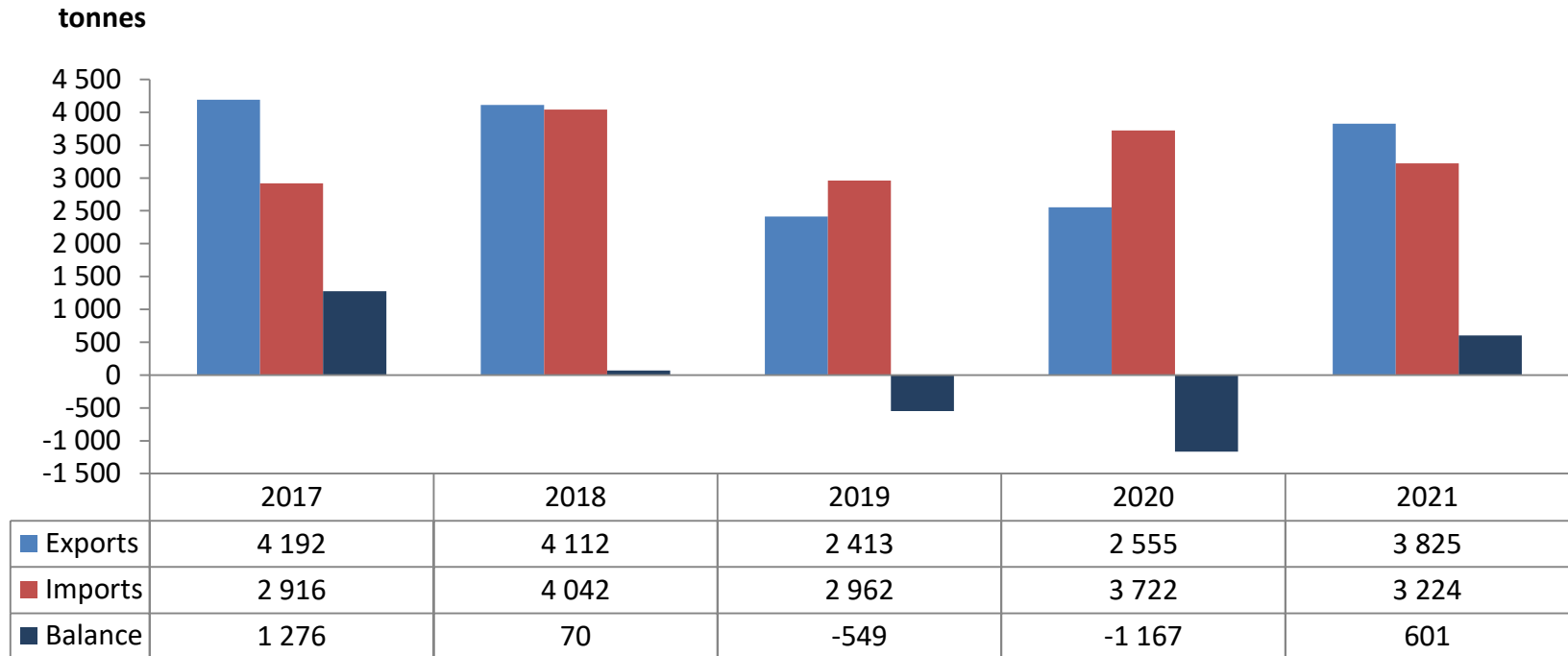
# Veal imports to Canada

Veal imports (tonnes)	Jan. 1 - December 3		
	2022	2021	% chg
United States	596	603	-1%
New Zeland	1 635	1 667	-2%
Australia	0	32	0%
<b>European Union - 27</b>			
Netherland	461	402	15%
Others	251	393	-36%
<b>Total</b>	<b>2 956</b>	<b>3 121</b>	<b>-5%</b>

Sources :

- Statistics Canada, AACF

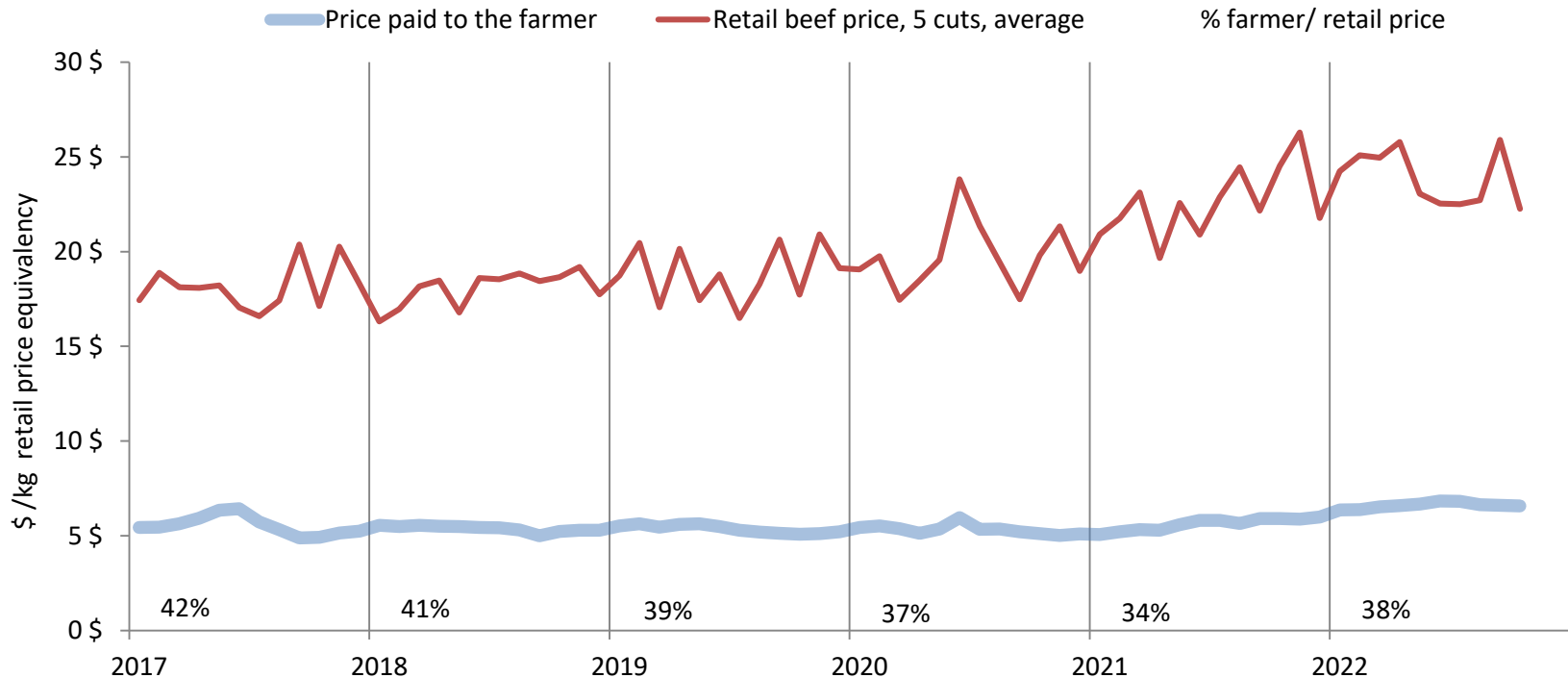
# Imports and exports of veal, Canada annual data (tonnes) 2018-2020



Sources :

- Statistics Canada, AACF

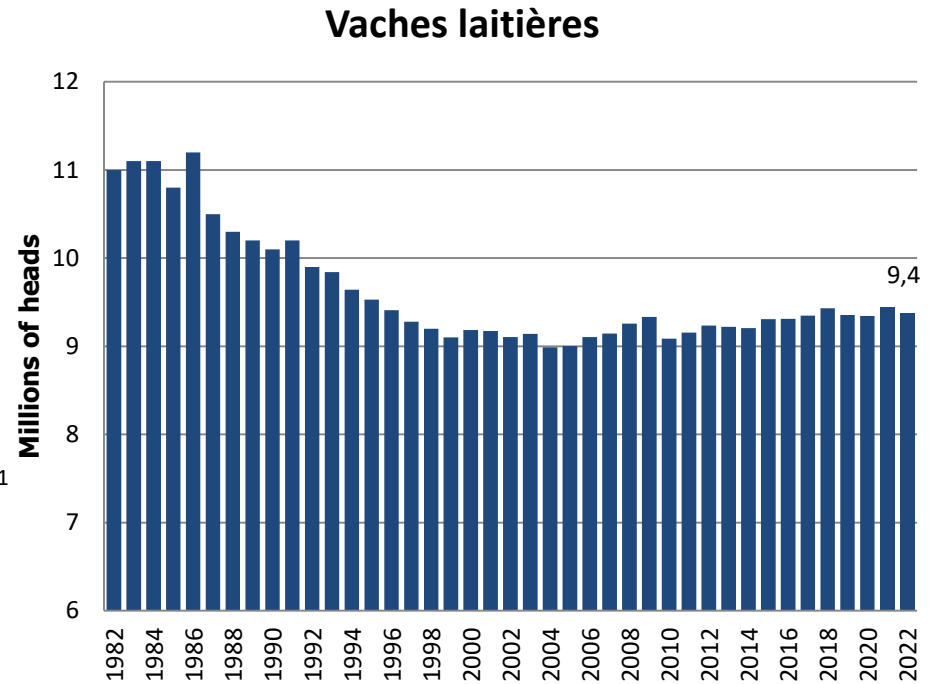
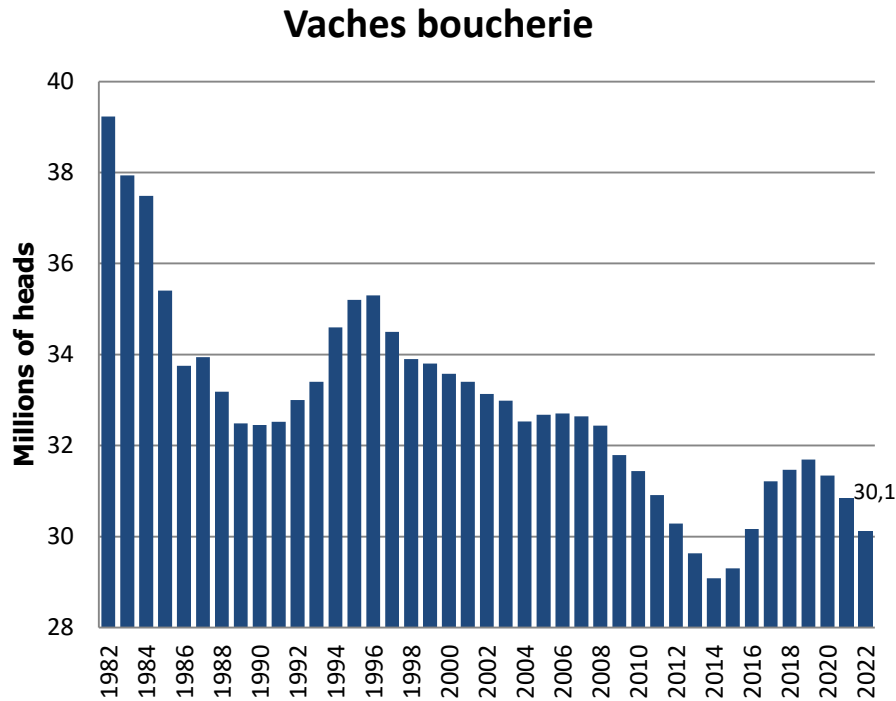
# Beef price cuts vs price paid to the producer



## Sources :

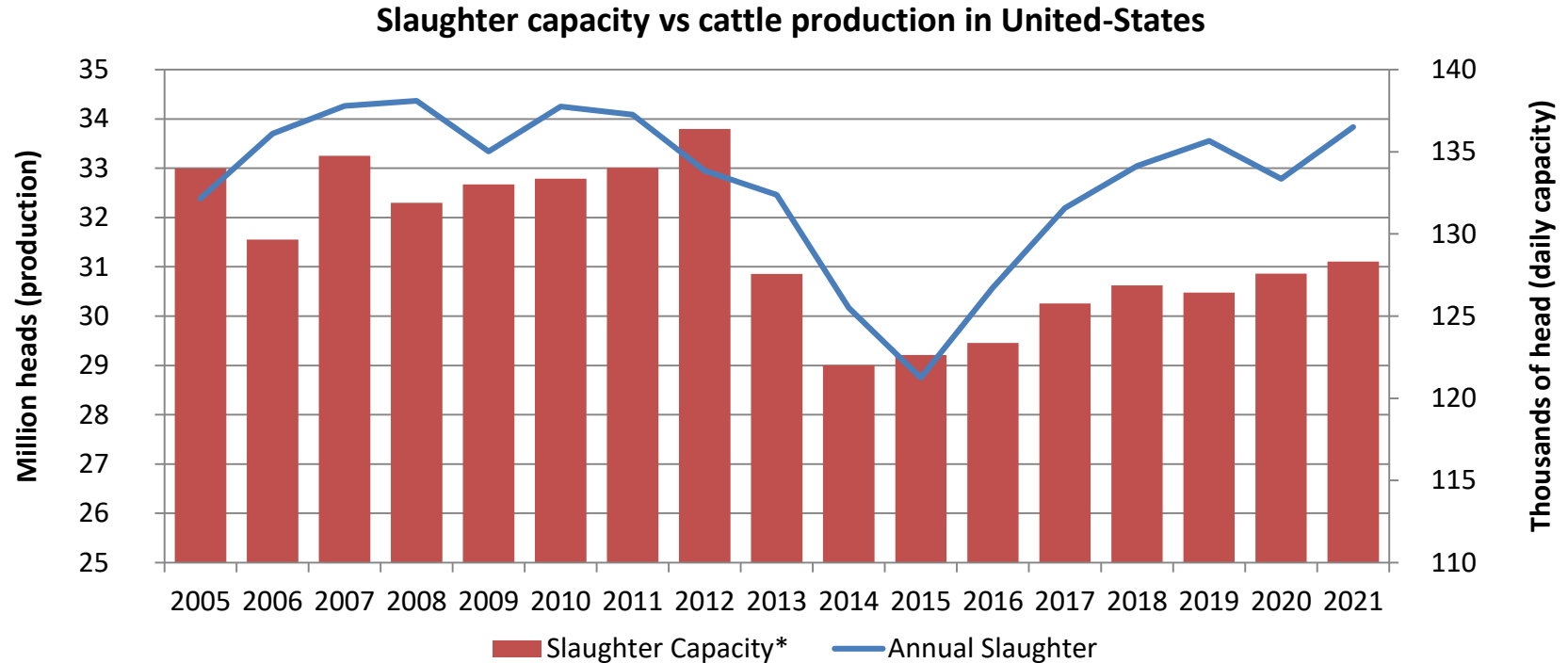
- Statistics Canada for retail prices average arithmetic 5 cuts (beef stewing, beef striploin, beef top sirloin, beef ribs, ground beef)
- PBQ for producer price (46% yield to bring live price back to retail price)

# Beef cow and milk cow inventory in United-States



Source :  
• USDA

# Slaughter capacity vs cattle production in United-States



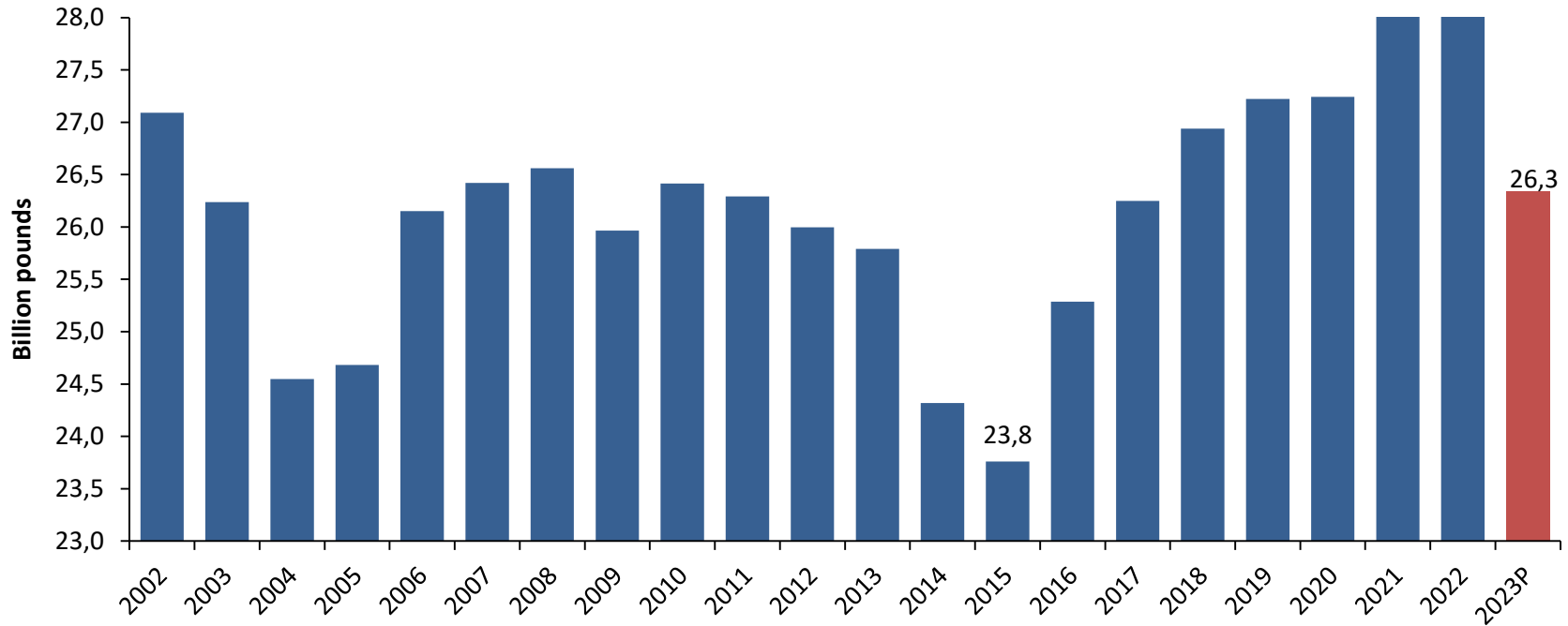
\*Daily slaughter capacity of the 30 largest slaughterhouses in the United States

Source :

- USDA
- Cattle Buyers Weekly



# Beef production in United-States

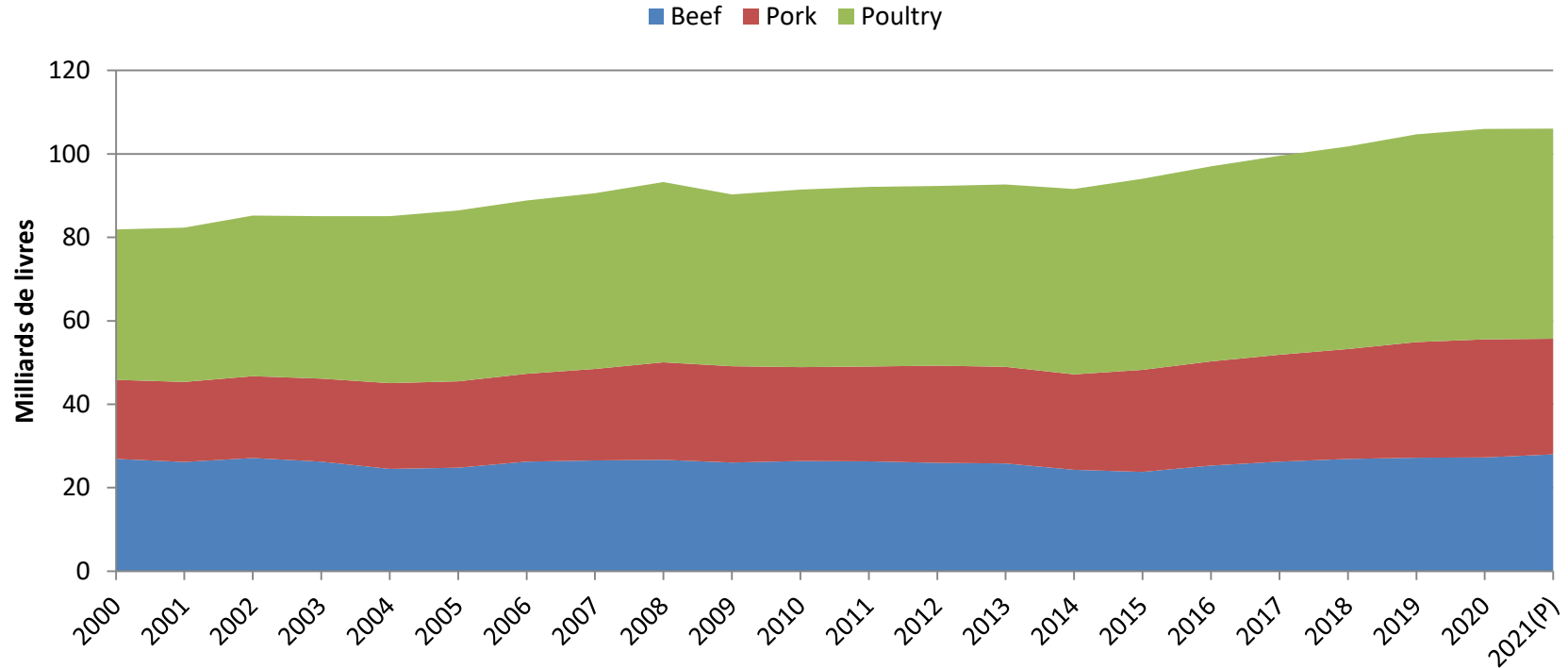


Sources :

- USDA and WASDE projection



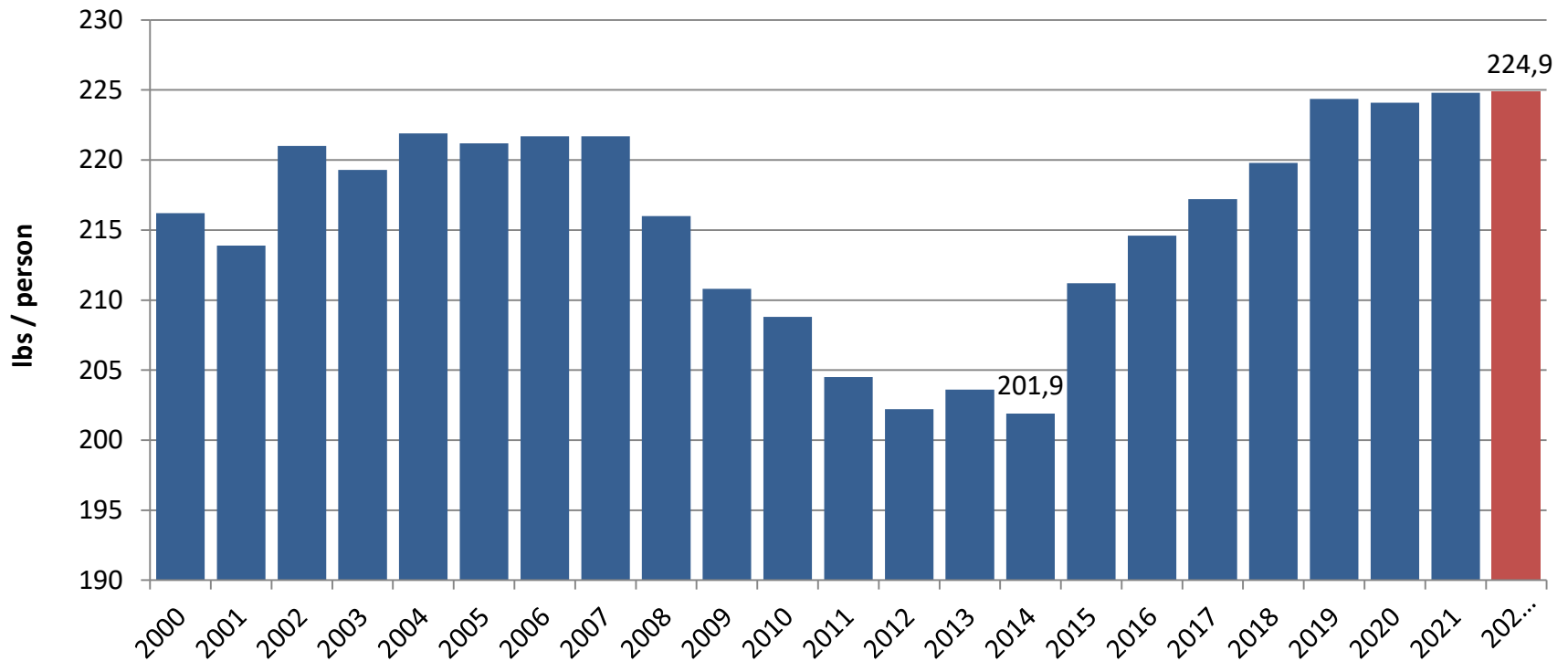
# Beef – pork –poultry production in United-States



Sources :

- USDA

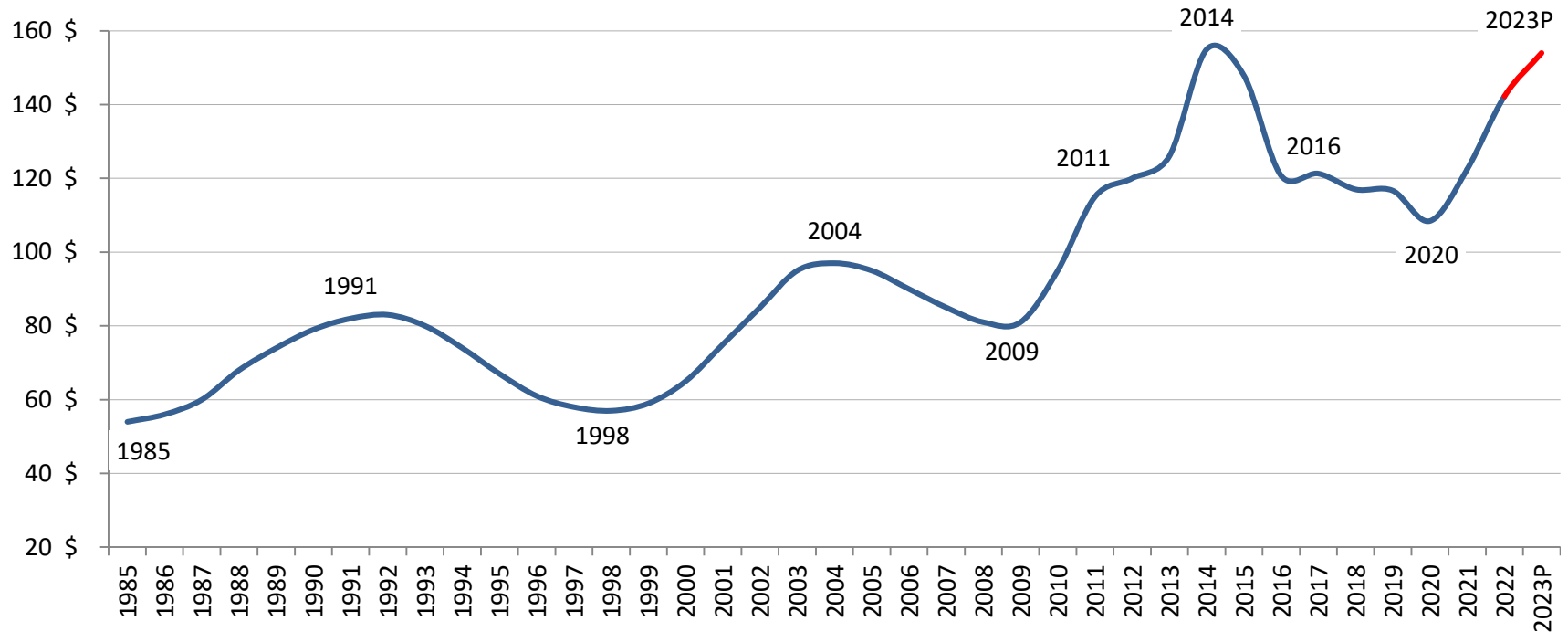
# Beef – pork – poultry Consumption per capita in United-States (lb)



Source :  
• USDA

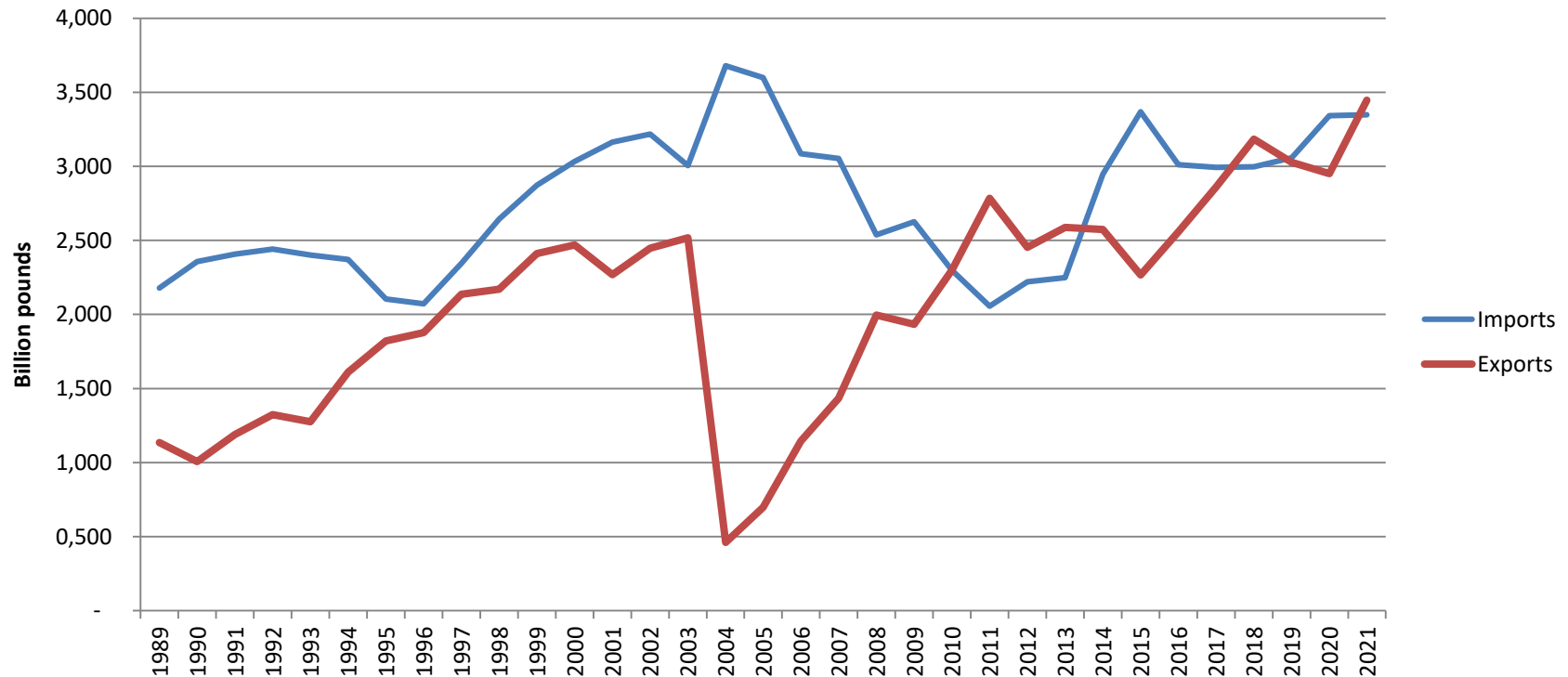


# Cattle price cycle in United-States



Sources :  
• CattleFax

# Beef imports and exports in United-States



Sources :

- USDA et Cattlefax



# Short term outlook

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- Beef orders for the holidays have been filled. The price of the cuts has been falling since mid-November.
  - Even with the decline in demand, cattle prices rose slightly in November and continue to defy seasonality. This is proof that producers are now in a much better position to negotiate fair prices.
  - Despite the weakness of the Canadian dollar, logistical problems, particularly transportation, prevent Canadian producers from taking advantage of market opportunities in the United States. The Canadian beef market is therefore likely to underperform compared to its southern neighbour.
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# Long term outlook

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- Beef cattle herd contraction is underway in United-States which should have lead to less beef production and somewhat firmer prices. However, successive crises (fire, covid-19, drought...) delay the inevitable beef cycle.
  - Soaring consumer prices and recession fear will certainly hurt North American consumer demand for beef products. Rising exports to Asia and tightening beef supply are expected to support the market in the medium to long term.
  - Once covid-19 and its impacts are contained, the beef sector will have to face new challenges: the problem of labor in processing plants, transport problems, the rise in the price of inputs and the frequency of climatic episodes.
- 



# 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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