

# A GLANCE AT BEEF AND VEAL MARKET

July 2023

Les Producteurs  
de bovins du  
Québec



# A GLANCE AT BEEF AND VEAL MARKETS

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# Slaughter volume (head) in 2023

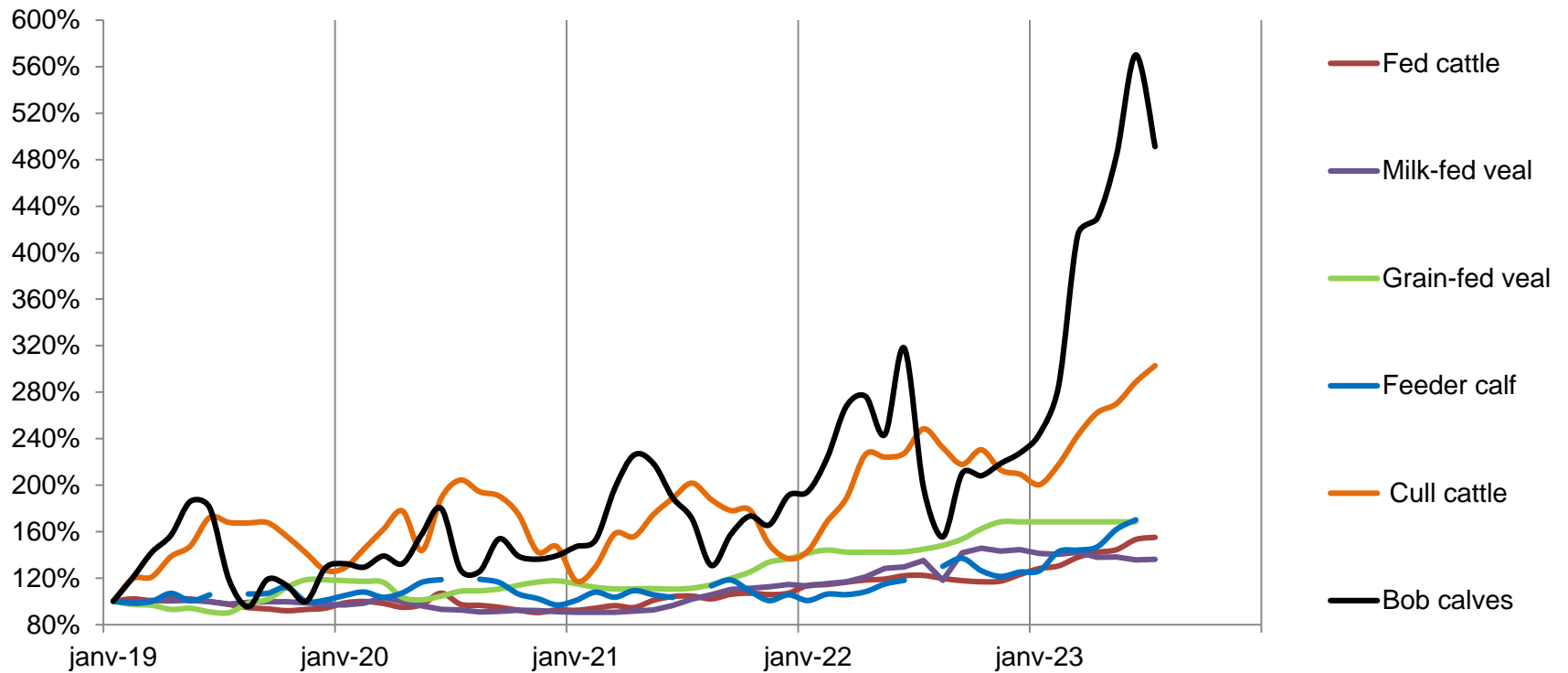
		Canada			United-States
		West	East	Total	Total
Steers and heifers	2023	1 079 643	267 971	1 347 614	12 688 000
	% chg 2022	<b>-7%</b>	<b>-8%</b>	<b>-7%</b>	<b>-3%</b>
Cows and bulls	2023	199 881	64 395	264 276	3 573 000
	% chg 2022	<b>7%</b>	<b>2%</b>	<b>6%</b>	<b>-3%</b>
Milk fed and grain fed calves	2023			83 364	62 842
	% chg 2022			<b>0,3%</b>	<b>-16,9%</b>

Sources :

AAFC (Year to date)

USDA (Year to date)

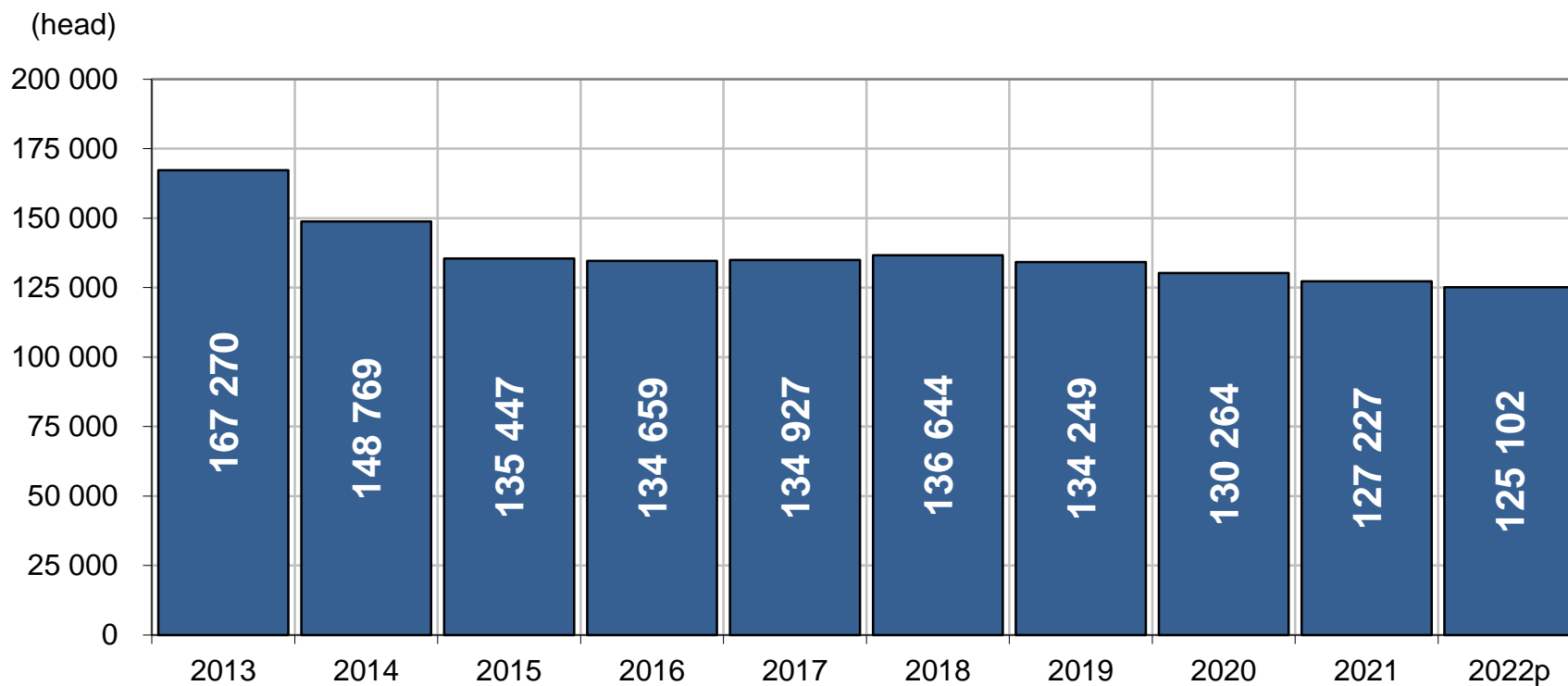
# Price variation of cattle in Quebec since January 2019



Source :  
• PBQ

# Feeder calf

## Number of beef cows in Quebec

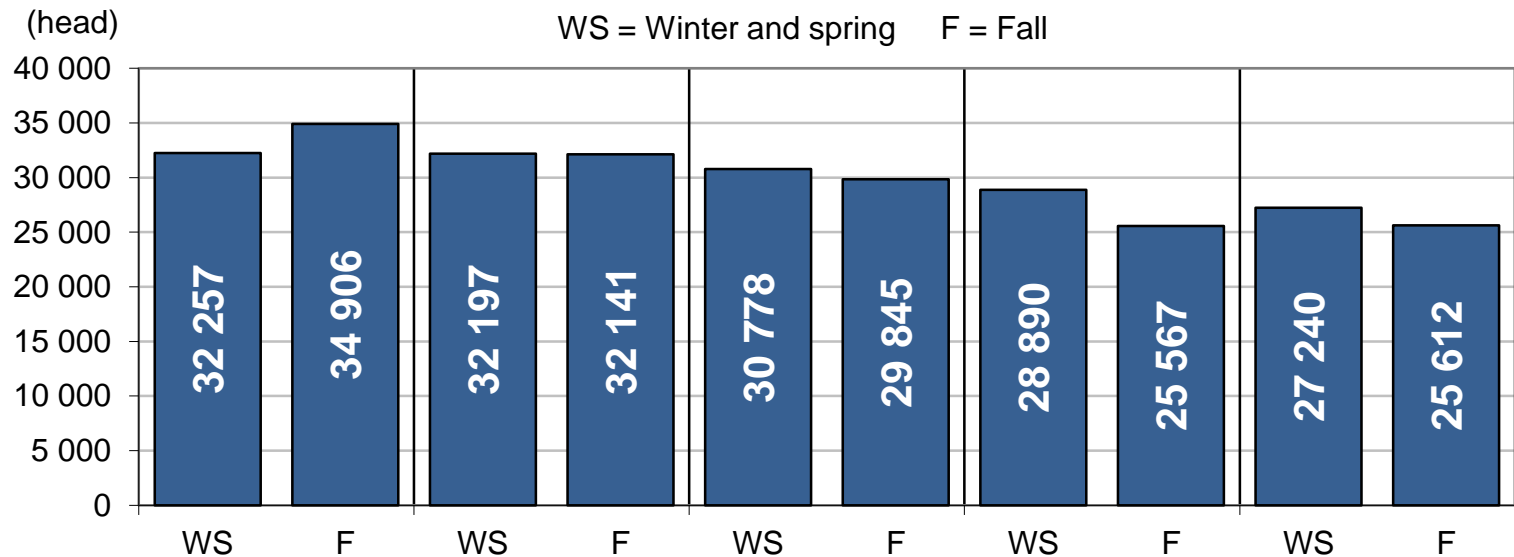


Sources :

- Number of beef cows on farms (annual average), FADQ cow calf ASRA Program

# Feeder calf

## Feeder calves in Quebec specialized auctions (numbers and weights)



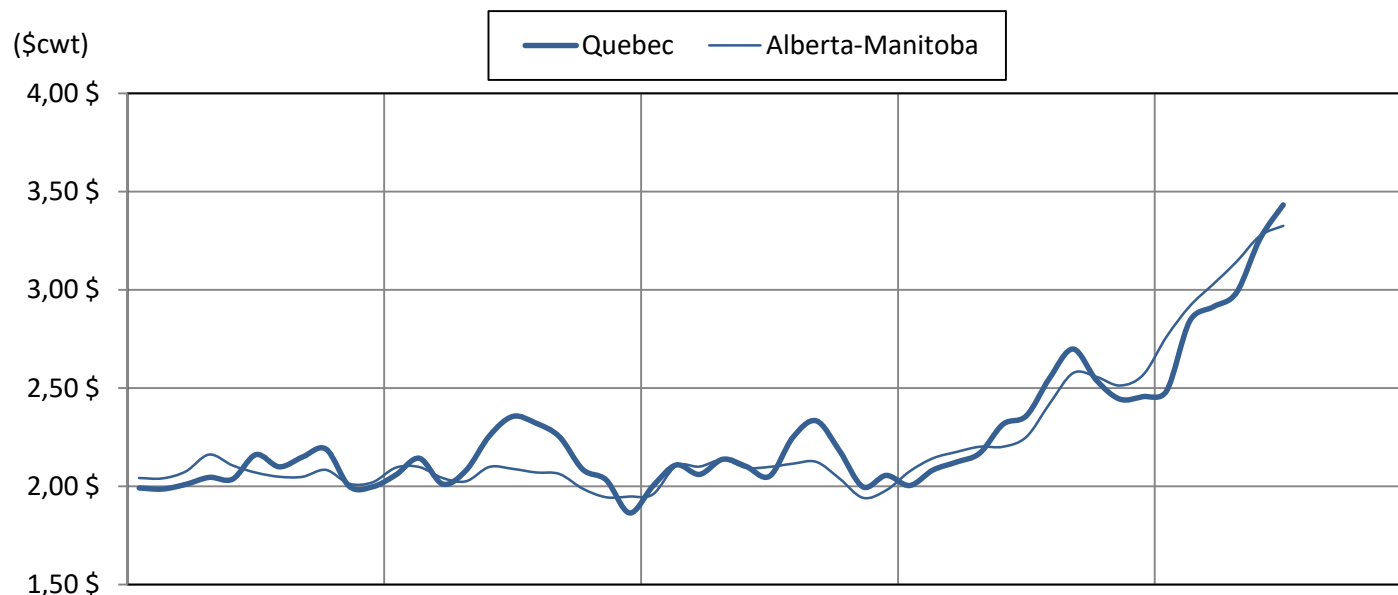
	2018	2019	2020	2021	2022
Head	67 163	64 338	60 623	54 457	52 852
Weight (lb)	657	664	667	681	676

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



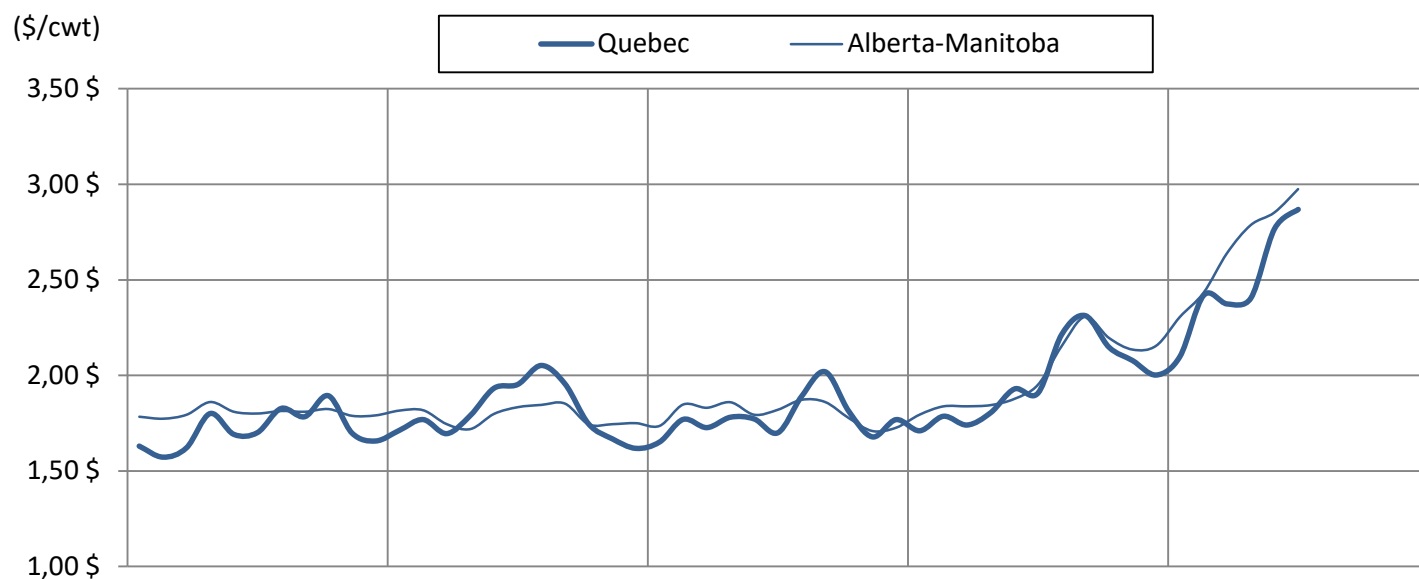
	2019	2020	2021	2022	2023
Quebec	2,06 \$	2,13 \$	2,12 \$	2,34 \$	2,99 \$
Que-(Alb-Man)	0,00 \$	0,09 \$	0,05 \$	0,01 \$	-0,09 \$

### 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



	2019	2020	2021	2022	2023
Quebec	1,81 \$	1,79 \$	1,80 \$	1,97 \$	2,49 \$
Que-(Alb-Man)	-0,09 \$	0,02 \$	-0,02 \$	-0,04 \$	-0,18 \$

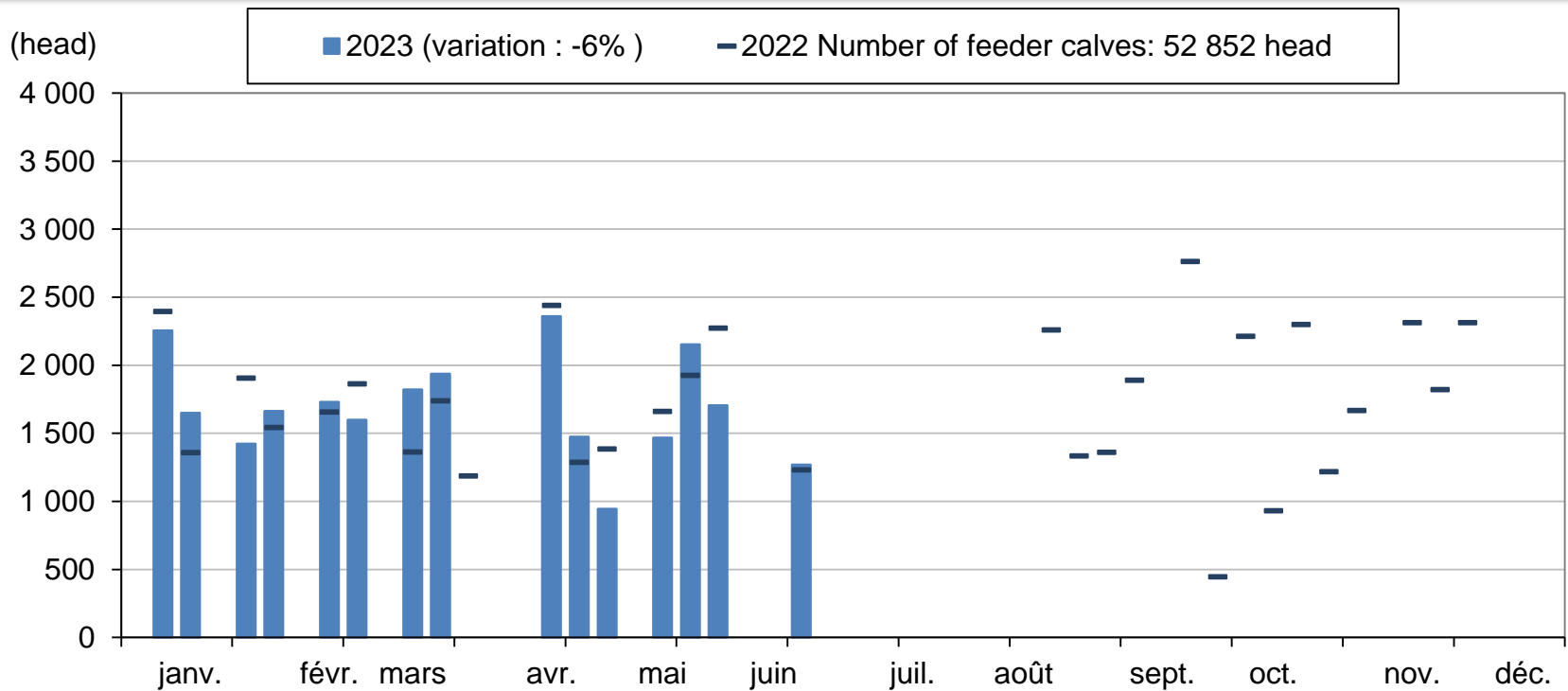
### Sources :

- 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 2022-2023

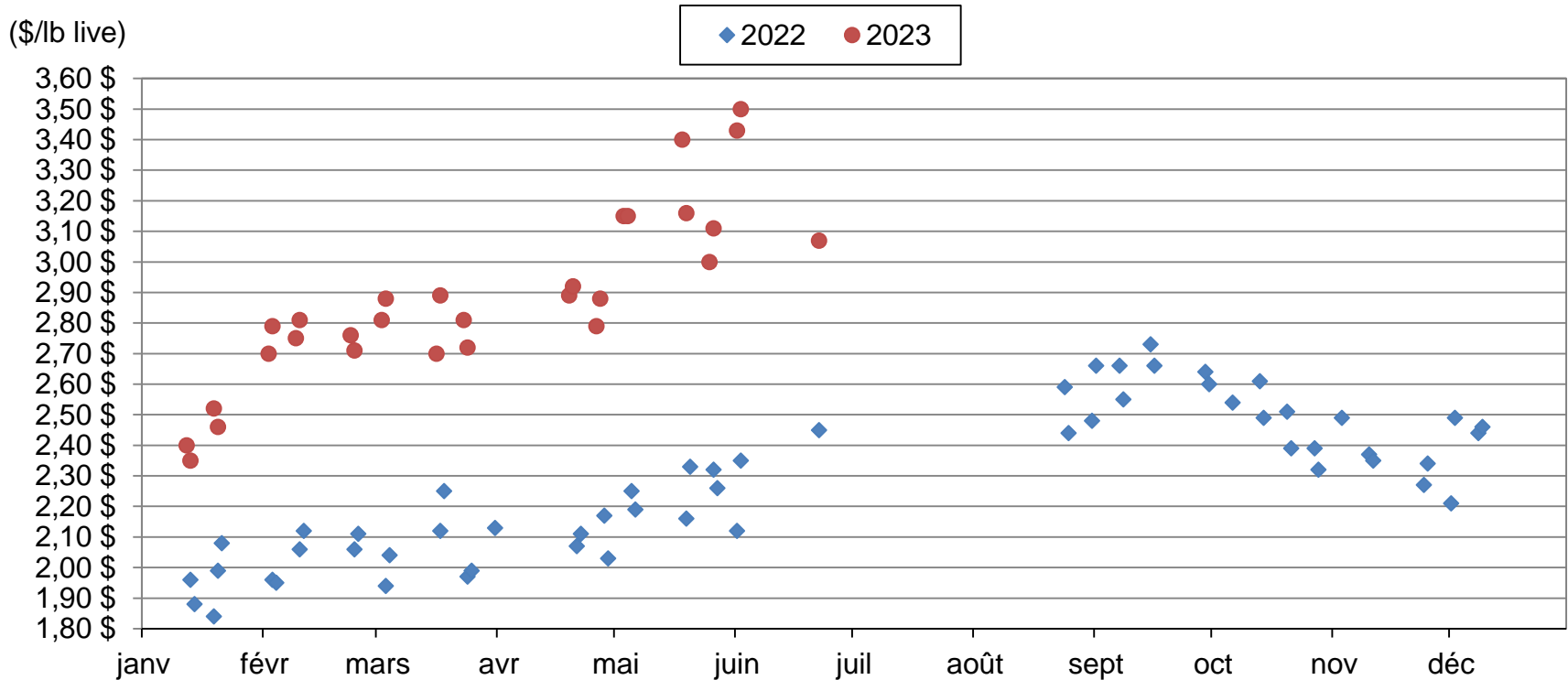


Source :  
Number of feeder calves in Quebec specialized auctions in Quebec, PBQ

# Feeder calf

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

### Quebec specialized auctions 2022-2023



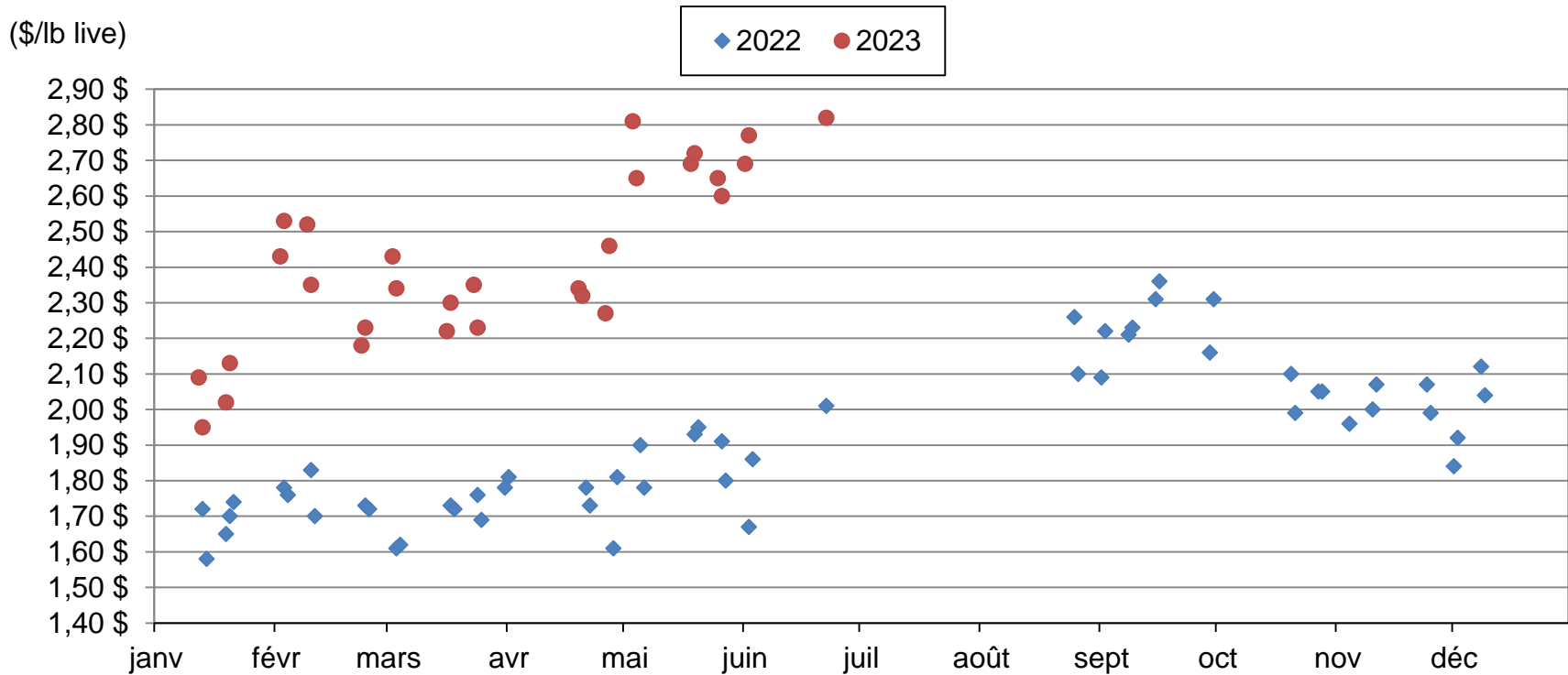
Sources :

- 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 2022-2023

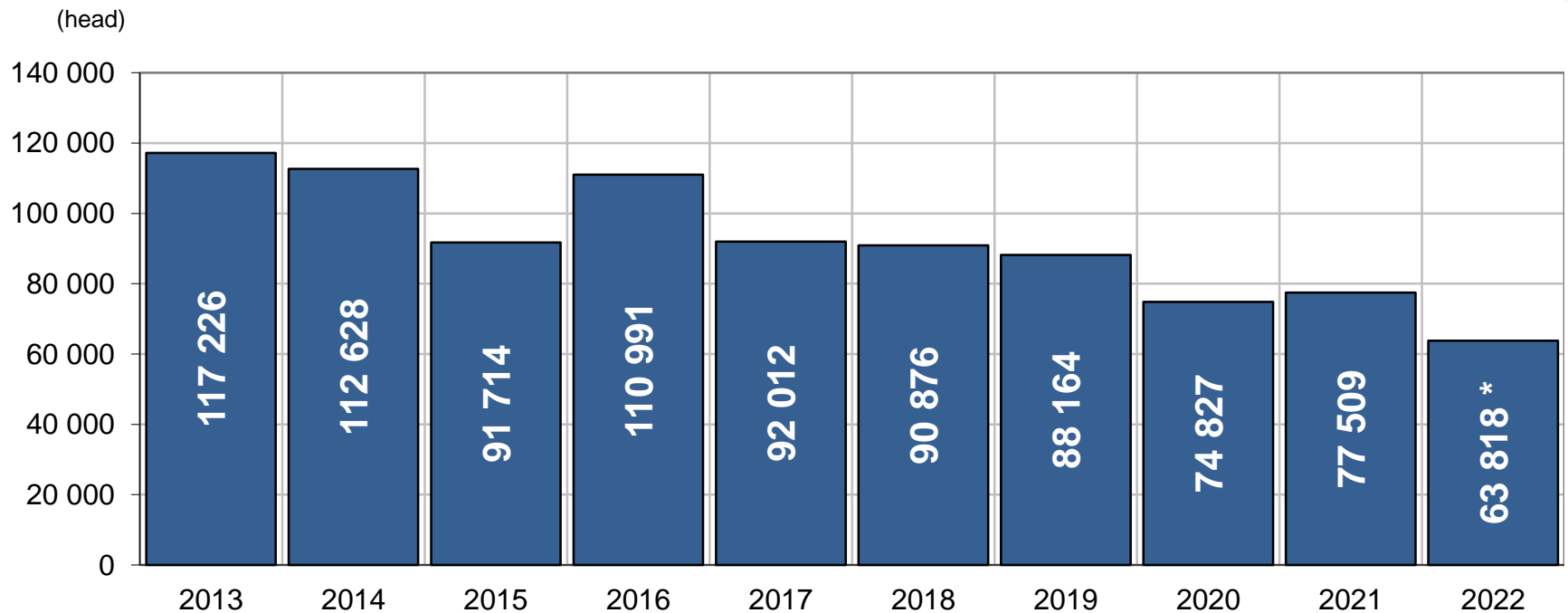


Sources :

- 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

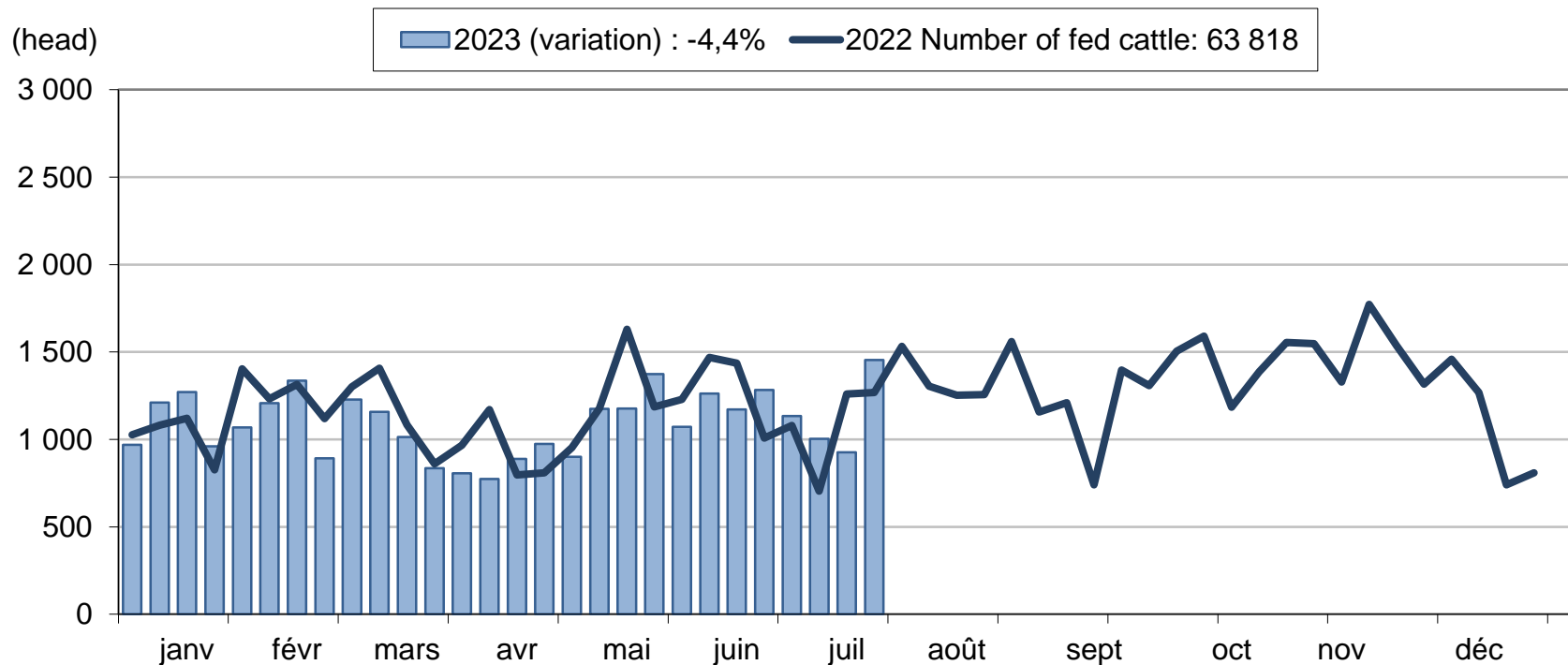


\* The 2022 volume does not include sales paid directly to producers.

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

# Fed cattle

## Number of cattle fed in Quebec 2022-2023

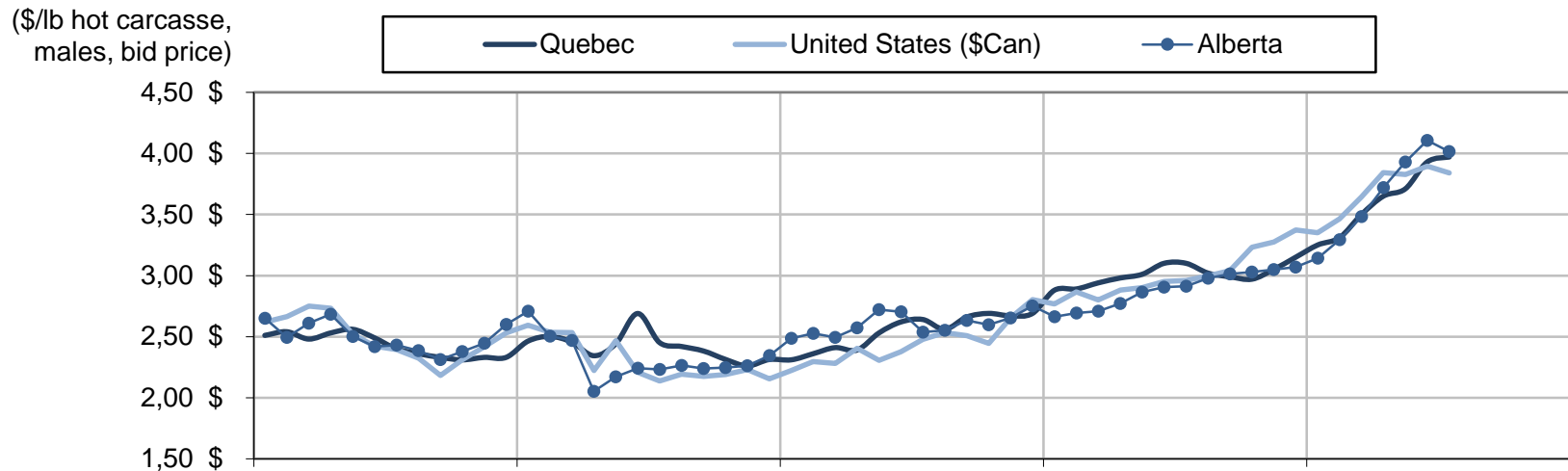


Source:

- Number of fed cattle marketed by Quebec producers , PBQ

# Fed cattle

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



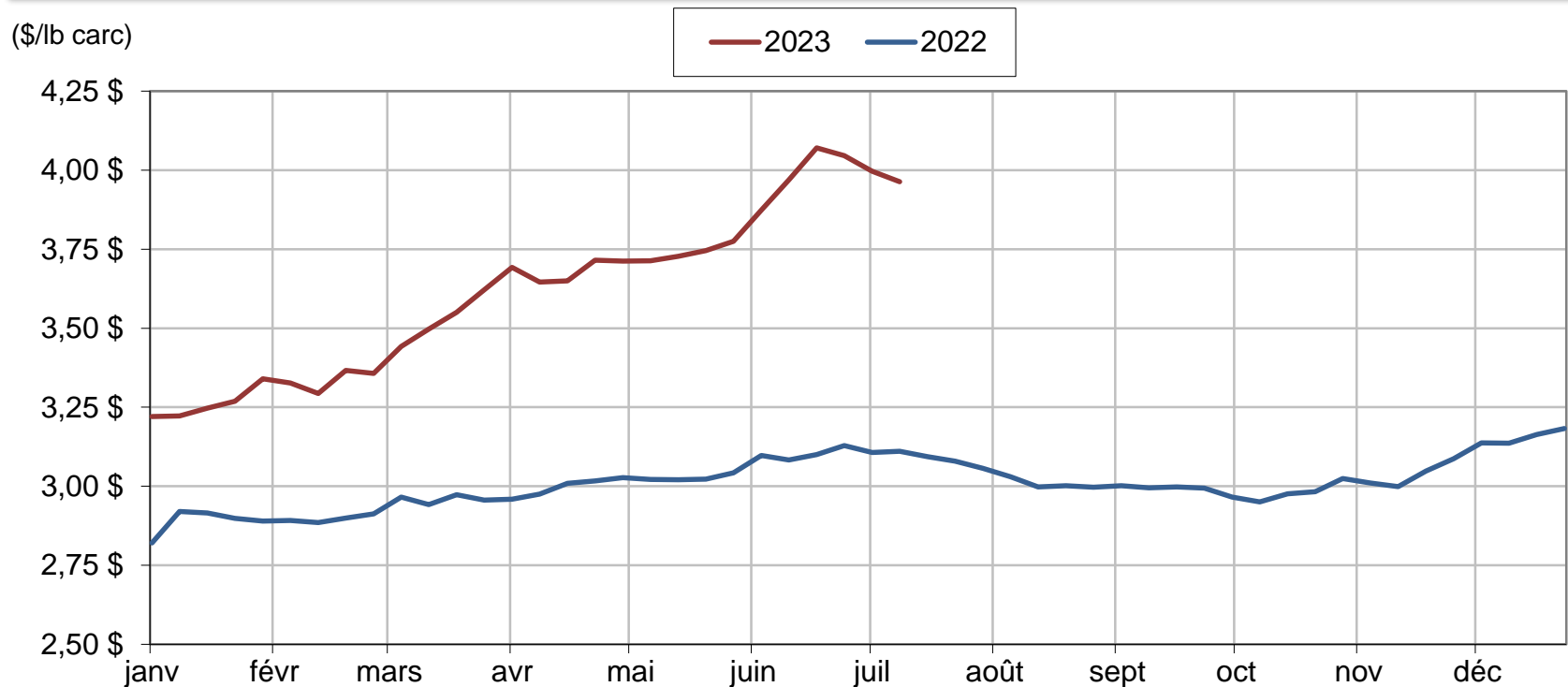
	2019	2020	2021	2022	2023
Quebec	2,43 \$	2,42 \$	2,54 \$	3,01 \$	3,62 \$
Que-Ont	-0,03 \$	0,01 \$	-0,03 \$	-0,03 \$	-0,05 \$
Que-US	-0,06 \$	0,12 \$	0,10 \$	0,00 \$	-0,08 \$
Que-Alb	-0,06 \$	0,11 \$	-0,06 \$	0,12 \$	-0,05 \$

### 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 2022-2023

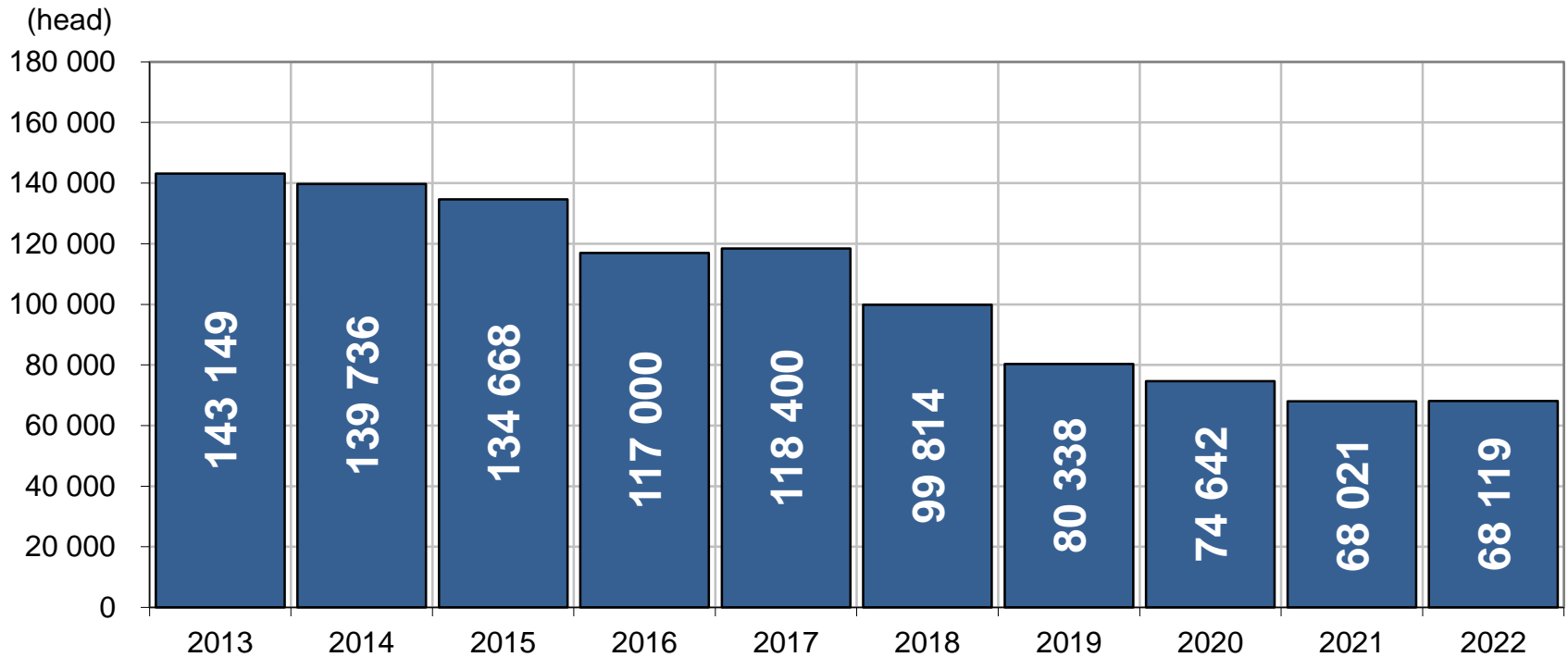


Sources :

- 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 :

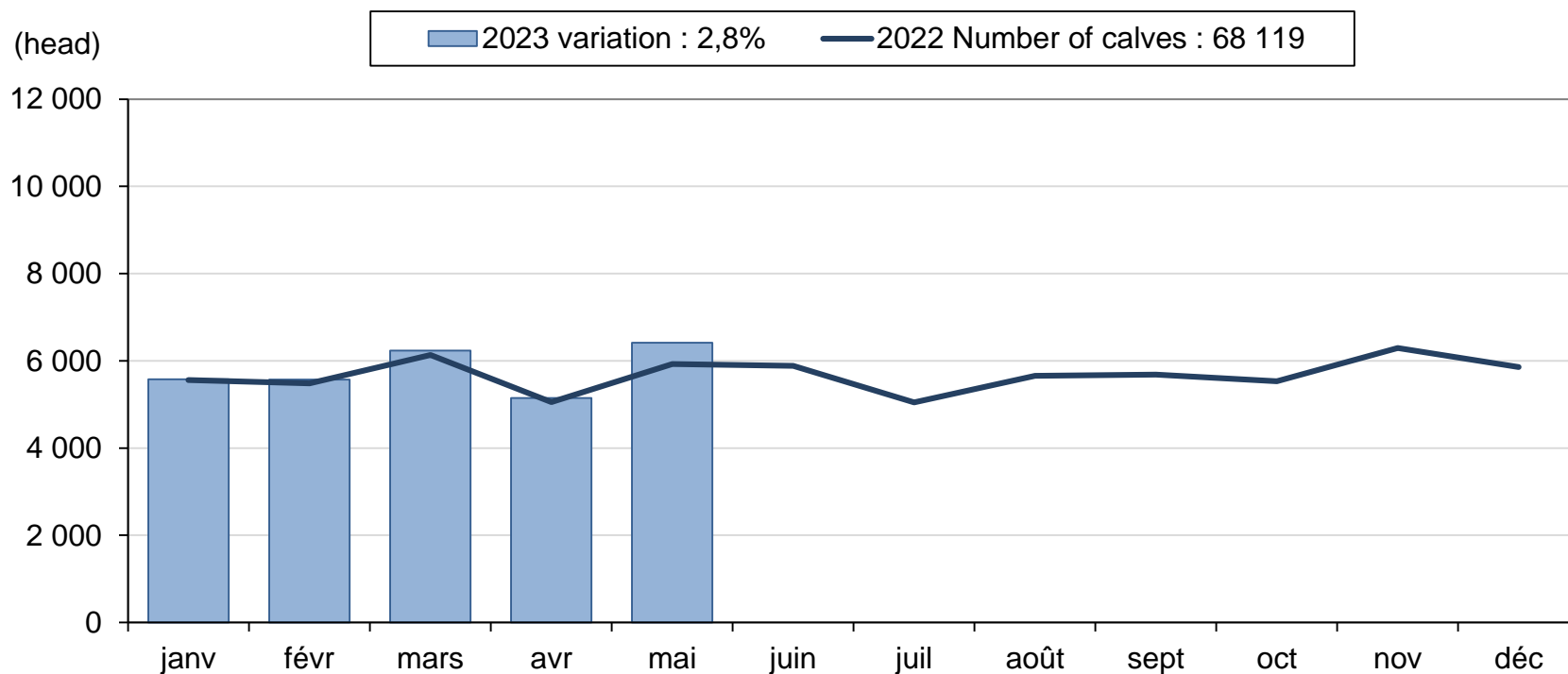
- Quebec: Number of calves fed by Quebec producers, PBQ



# Milk-fed veal

## Number of calves fed in Quebec

### 2022-2023

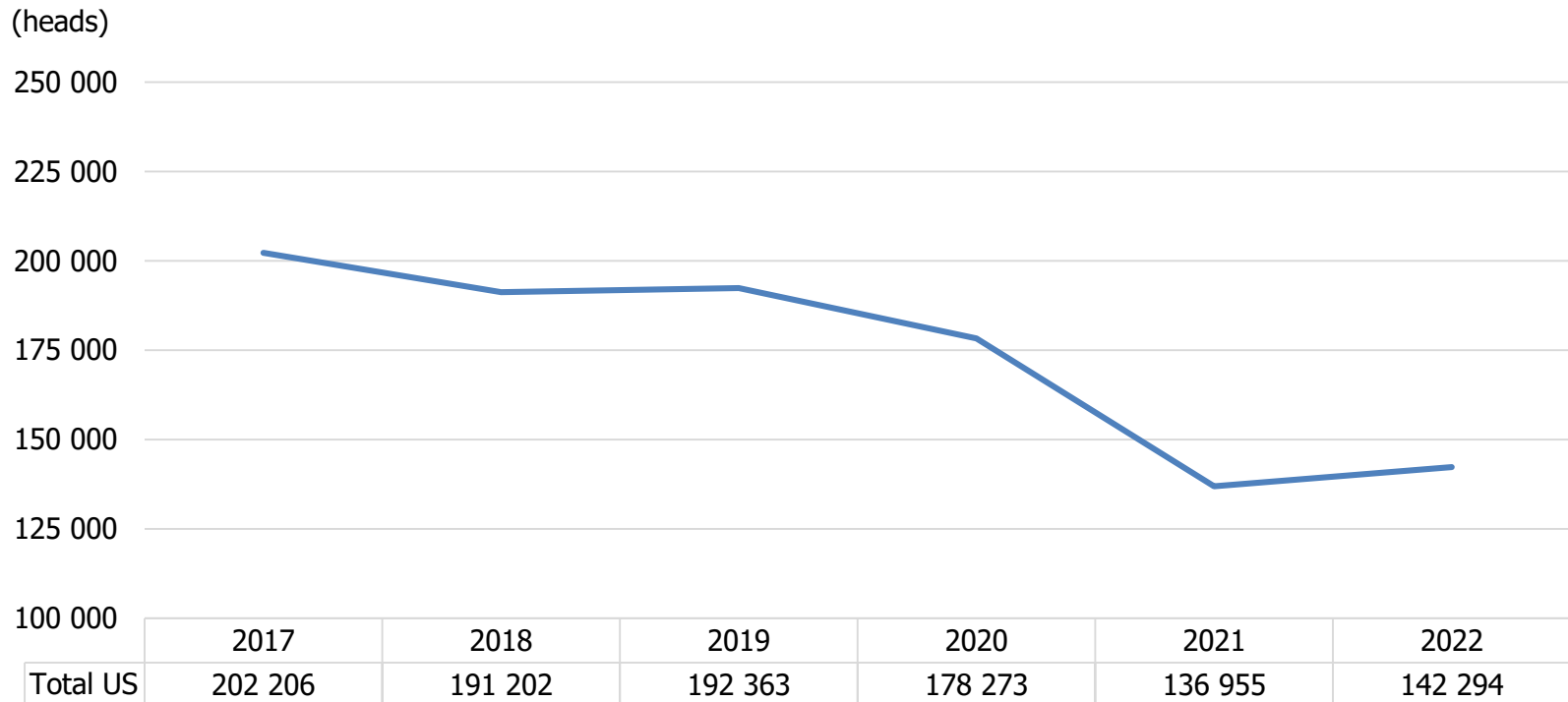


Sources :

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

# Milk-fed veal

## Number of calves slaughtered in United-States



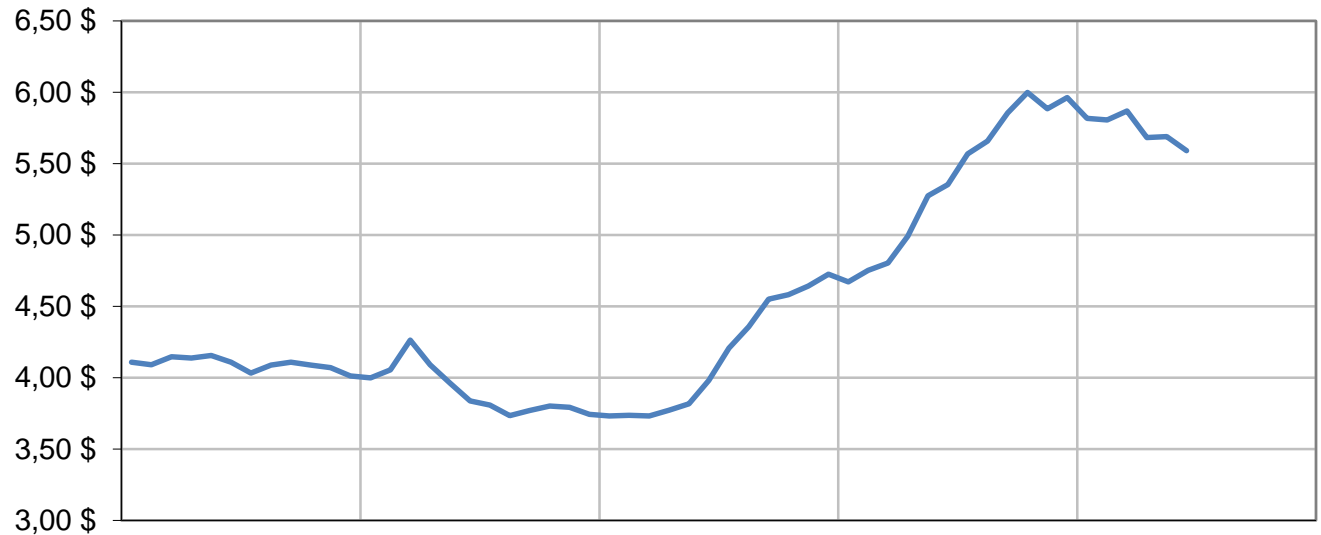
Sources :

- 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 United-States

(\$ CAN/lb carcass hide off)



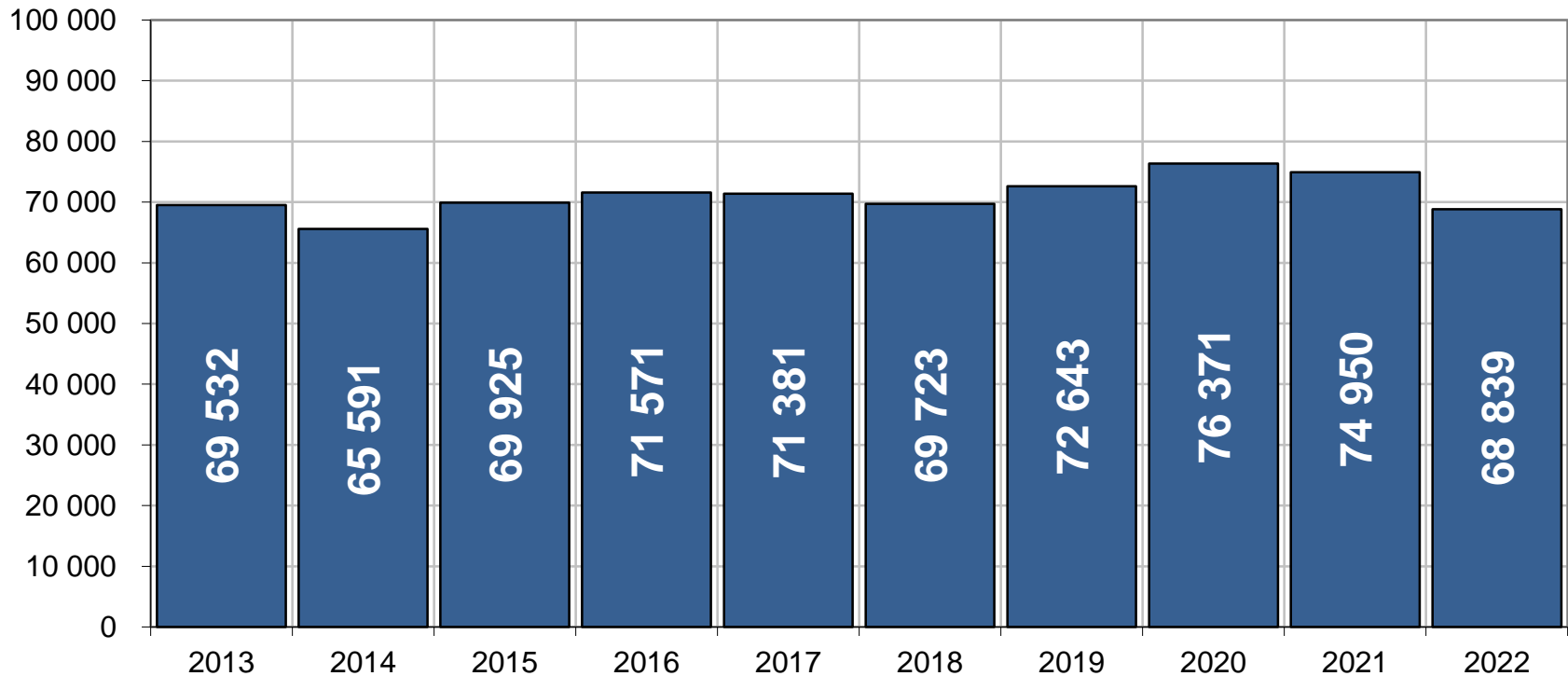
	2019	2020	2021	2022	2023
USA	4,10 \$	3,90 \$	4,15 \$	5,40 \$	5,74 \$

Sources :

- USA : USDA converted to \$ CAN. Gross price.

# Grain-fed veal

## Number of calves fed in Quebec

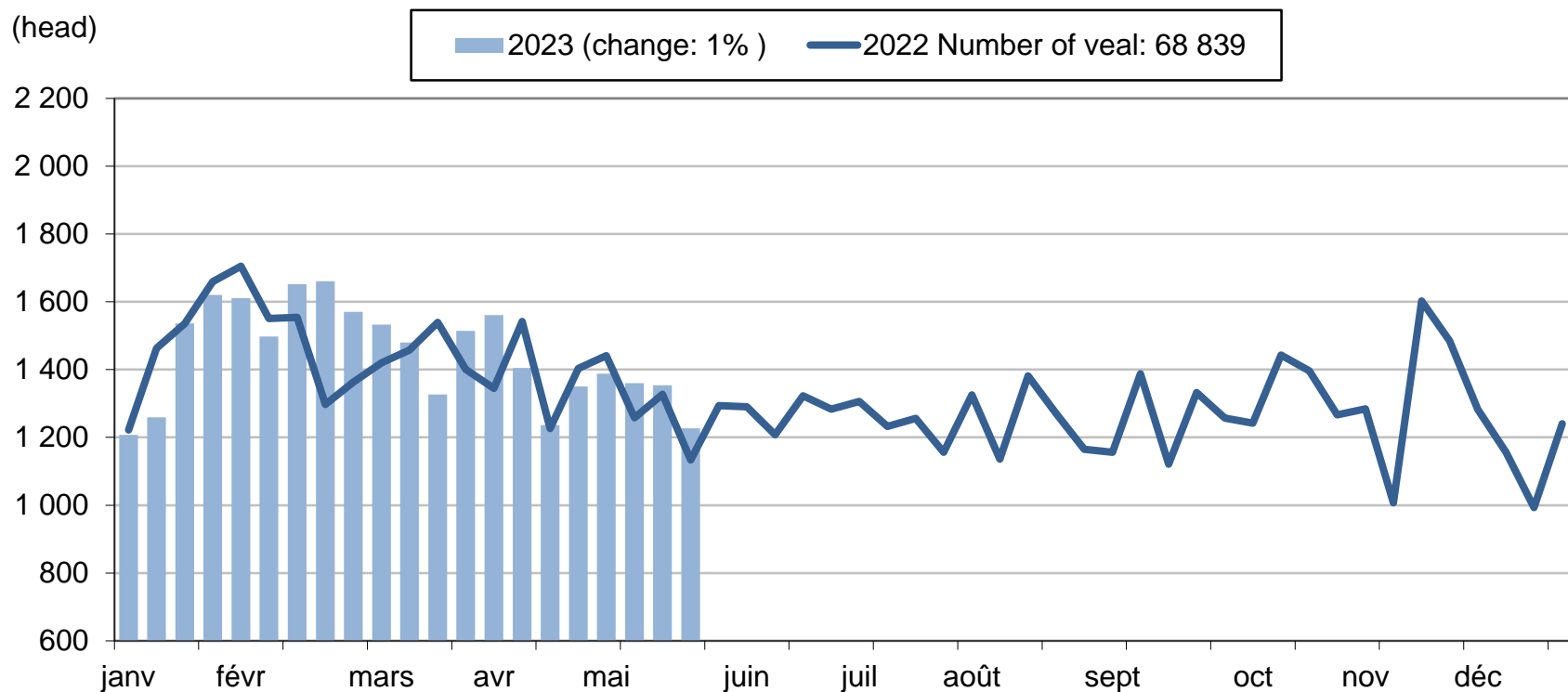


Sources :

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

# Grain-fed veal

## Number of calves fed in Quebec 2022-2023

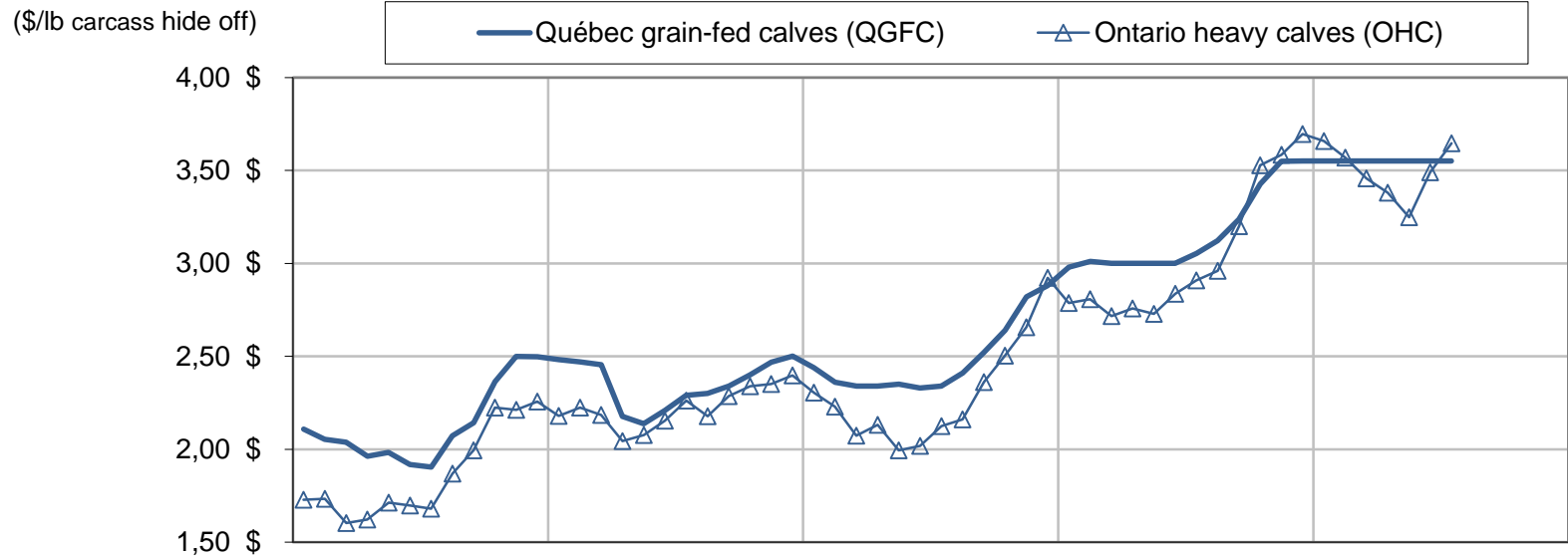


Sources :

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

# Grain-fed veal

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



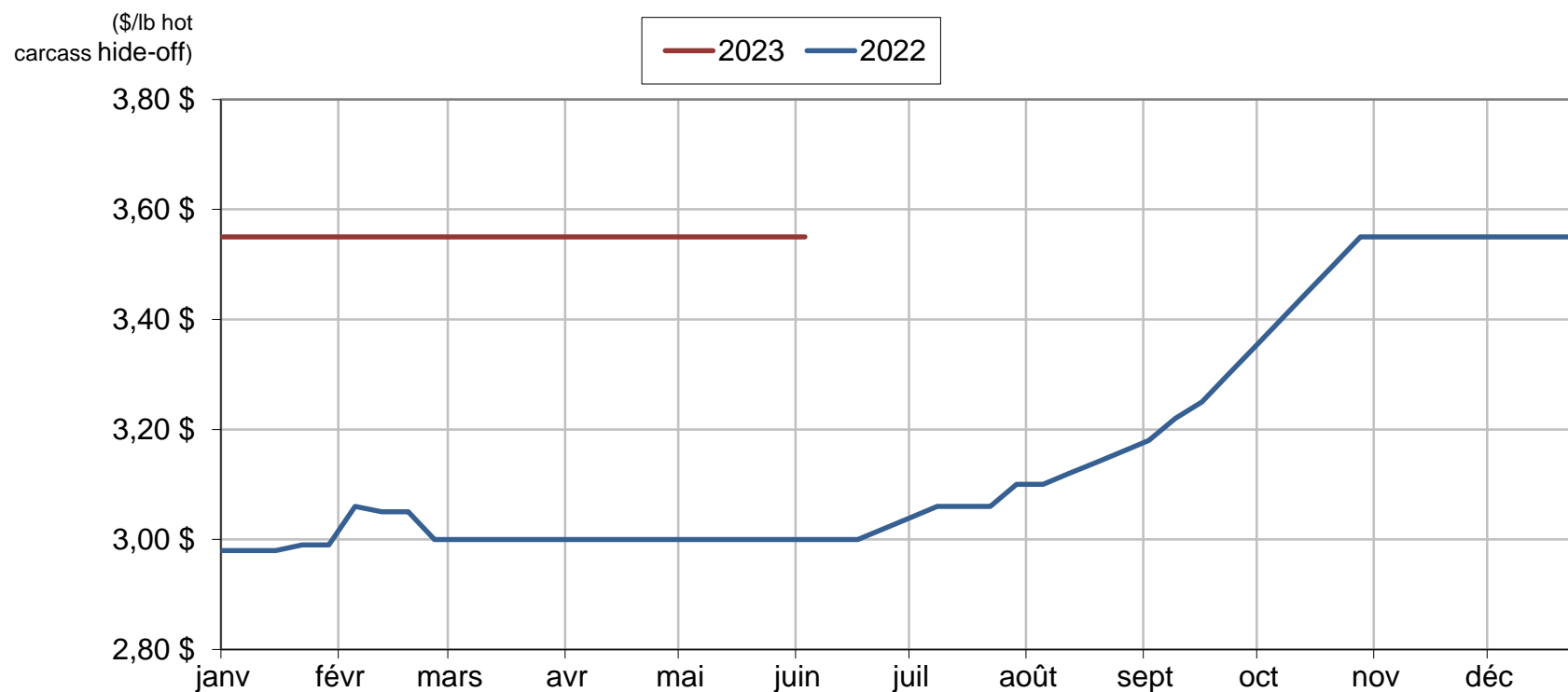
	2019	2020	2021	2022	2023
QGFC	2,13 \$	2,35 \$	2,48 \$	3,16 \$	3,55 \$
QGFC-OHC	0,27 \$	0,13 \$	0,19 \$	0,12 \$	0,06 \$

### 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 2022-2023

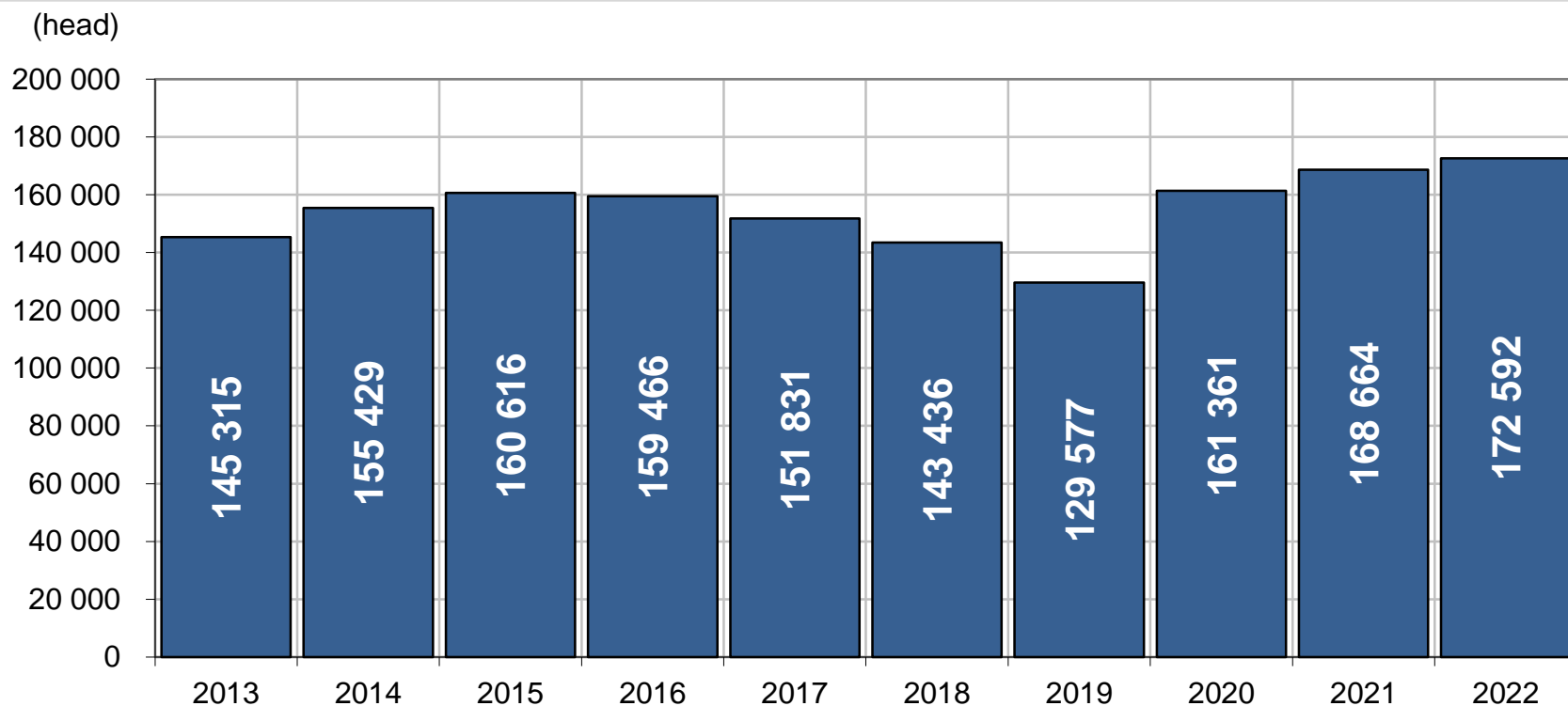


Sources :

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

# Bob calves

## Number of bob calves marketed in Quebec



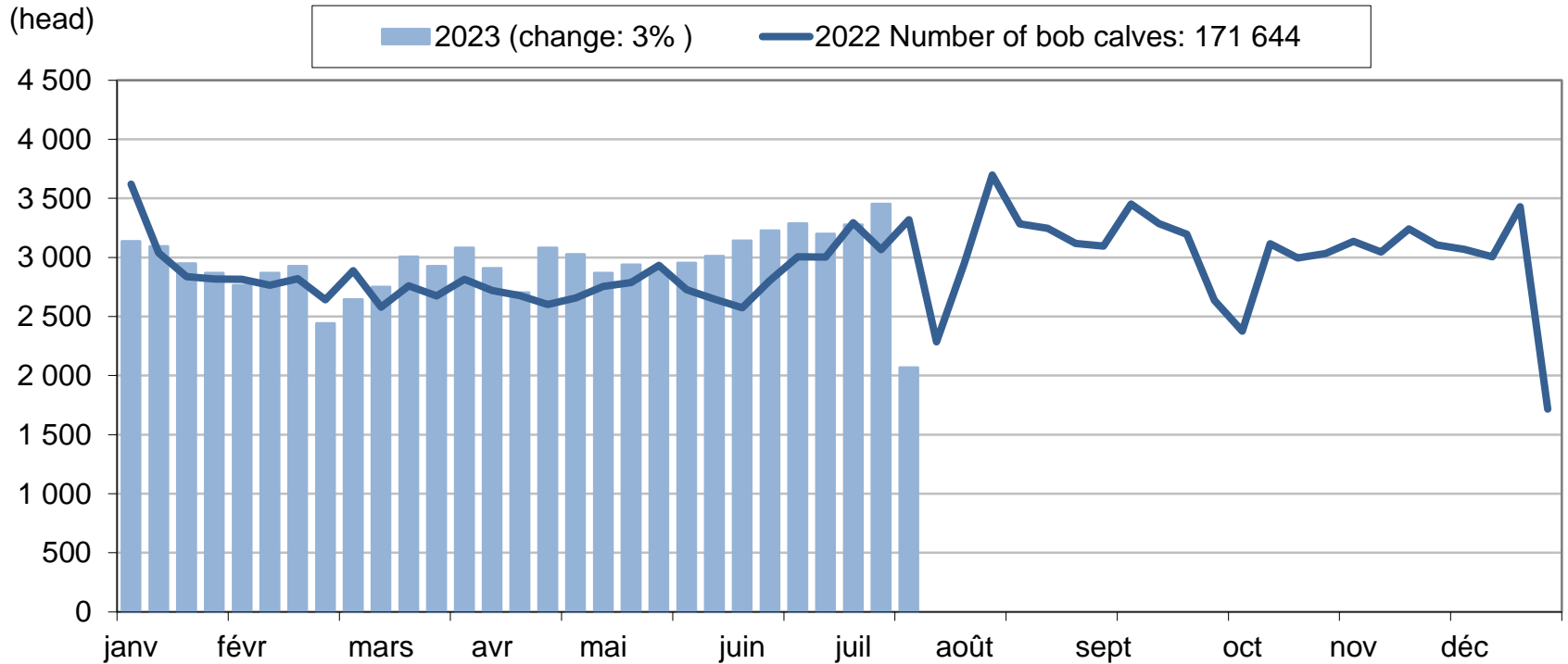
Source :

- Number of calves marketed by Quebec producers, PBQ



# Bob calves

## Number of bob calves marketed in Quebec 2022-2023

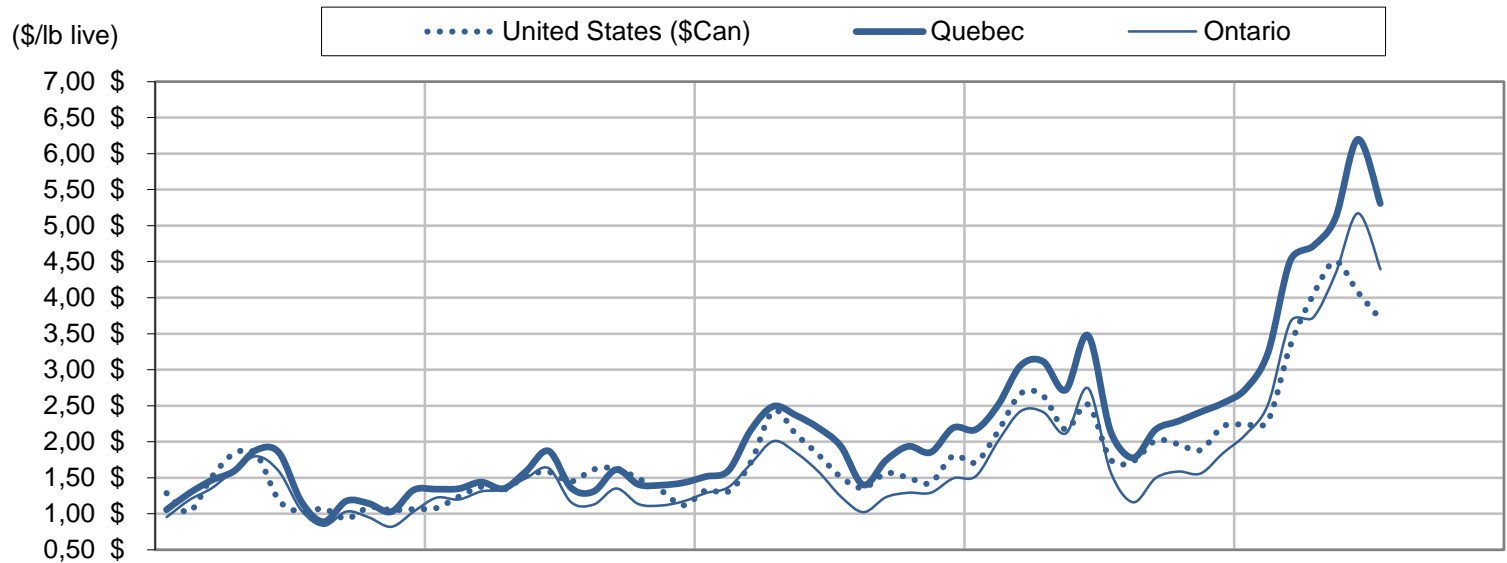


Sources :

- Number of calves marketed by Quebec producers, PBQ

# Bob calves

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



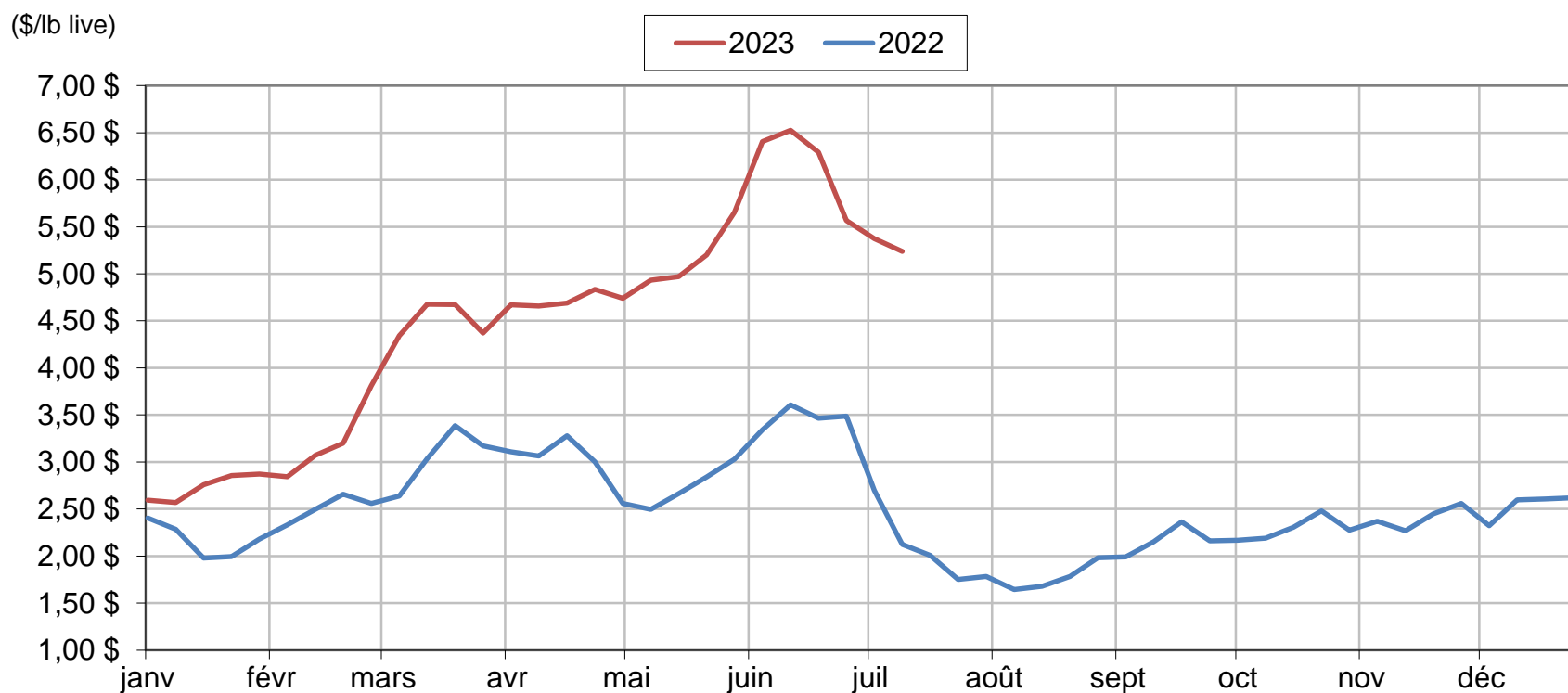
	2019	2020	2021	2022	2023
Quebec	1,32 \$	1,46 \$	1,95 \$	2,53 \$	4,54 \$
Que-US	0,08 \$	0,06 \$	0,42 \$	0,41 \$	1,09 \$
Que-Ont	0,14 \$	0,18 \$	0,50 \$	0,66 \$	0,84 \$

### 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 2022-2023

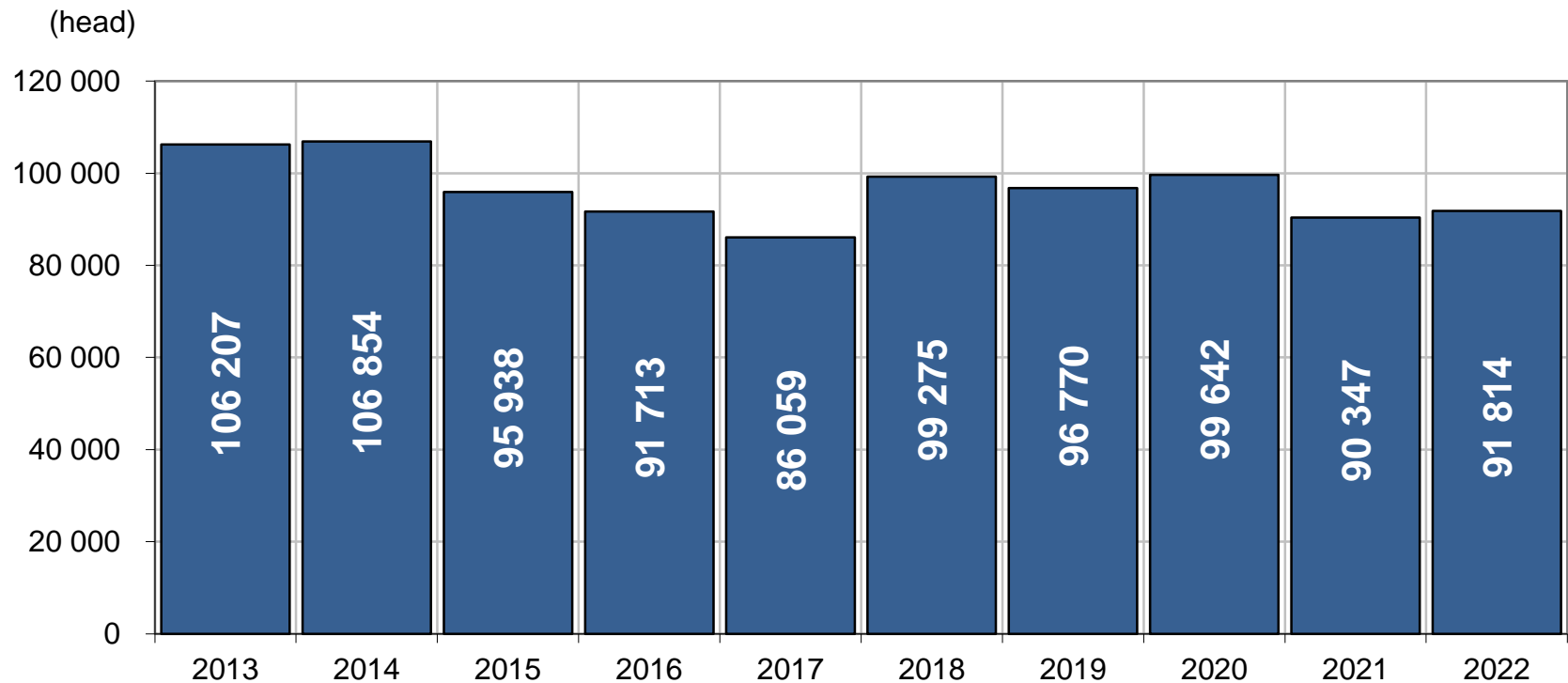


Sources :

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

# Cull cattle

## Number of cull cows marketed in Quebec

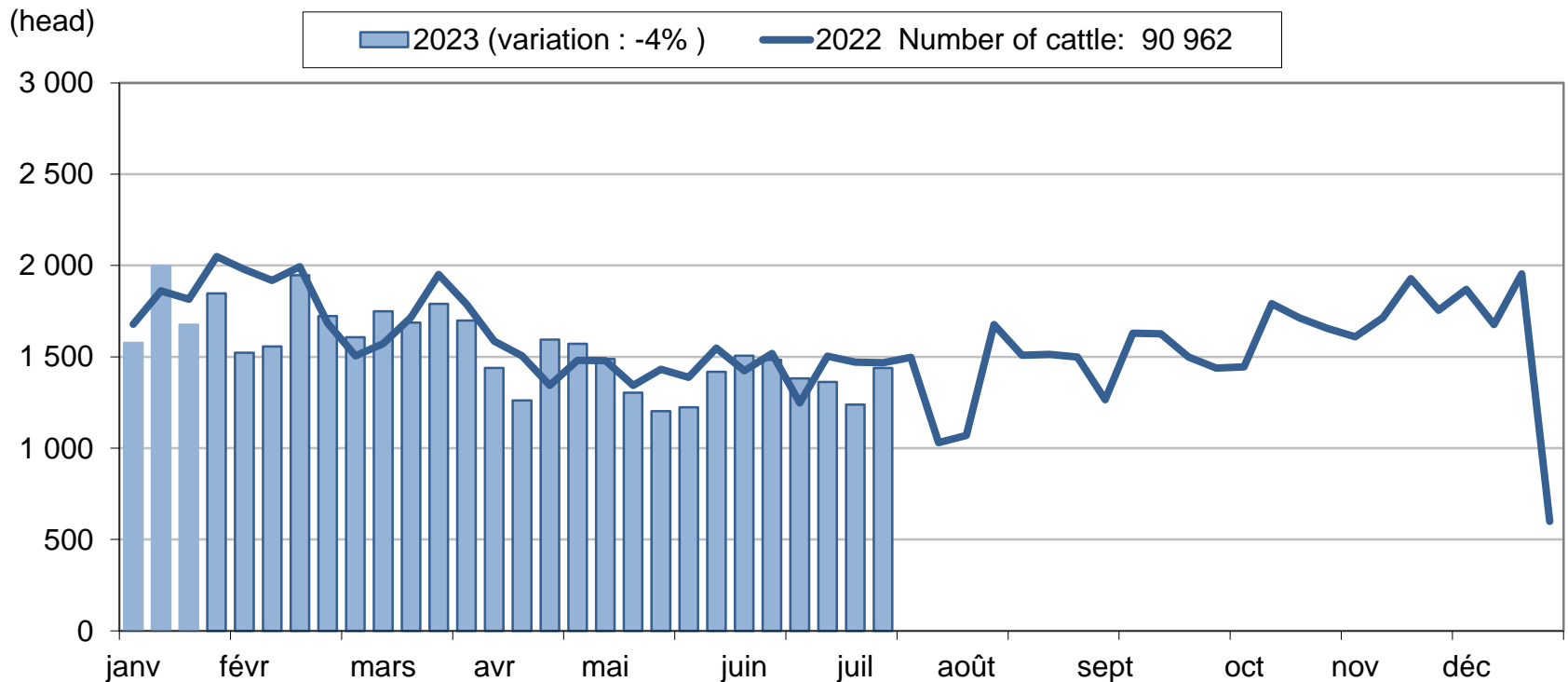


Source :

- Number of cull cows marketed by Quebec producers, PBQ

# Cull cattle

## Number of cull cows marketed in Quebec 2022-2023

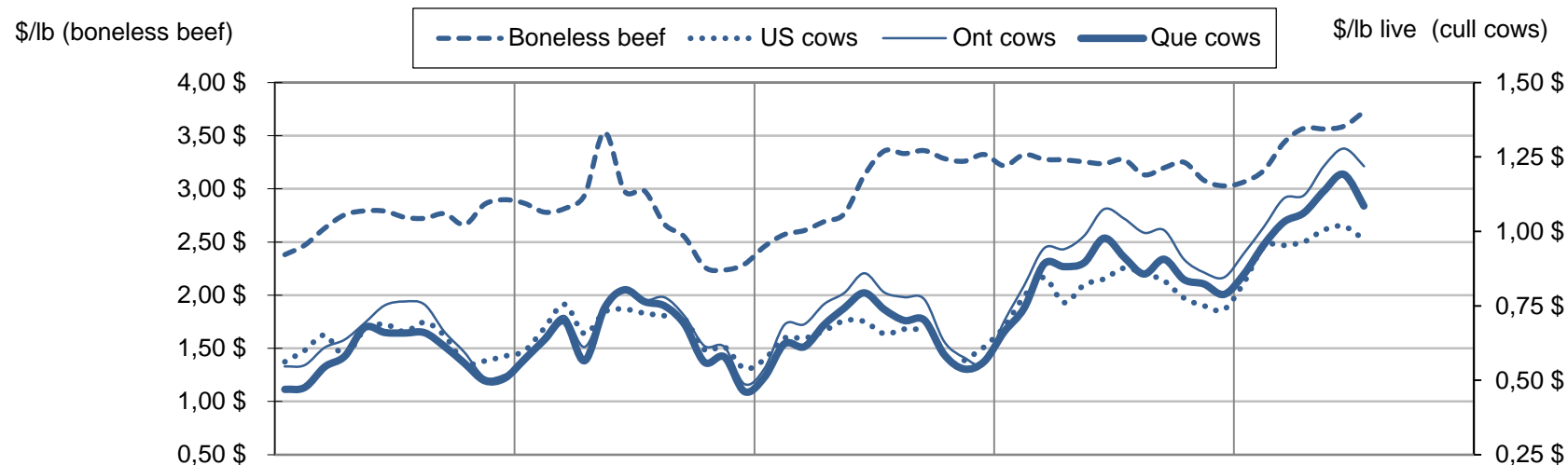


Source :

- Number of calves marketed by Quebec producers, PBQ

# Cull cattle

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



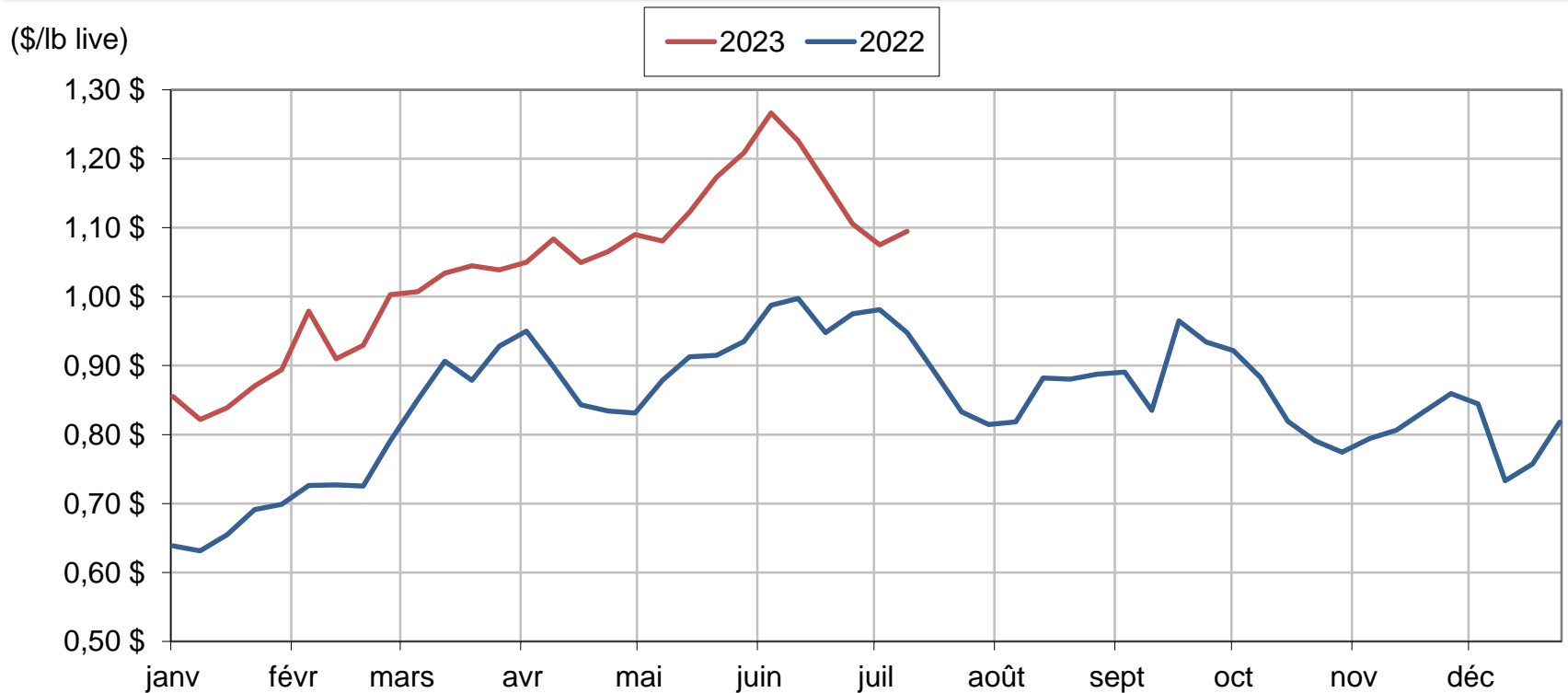
	2019	2020	2021	2022	2023
Boneless beef	2,70 \$	2,74 \$	3,01 \$	3,21 \$	3,45 \$
Que \$/cow	805 \$	912 \$	910 \$	1 187 \$	1 4763\$
Que \$/lb	0,58 \$	0,65 \$	0,65 \$	0,85 \$	1,05 \$
Que-US	-0,05 \$	-0,02 \$	0,00 \$	0,05 \$	0,09 \$
Que-Ont	-0,06 \$	-0,02 \$	-0,05 \$	-0,08 \$	-0,08 \$

### 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

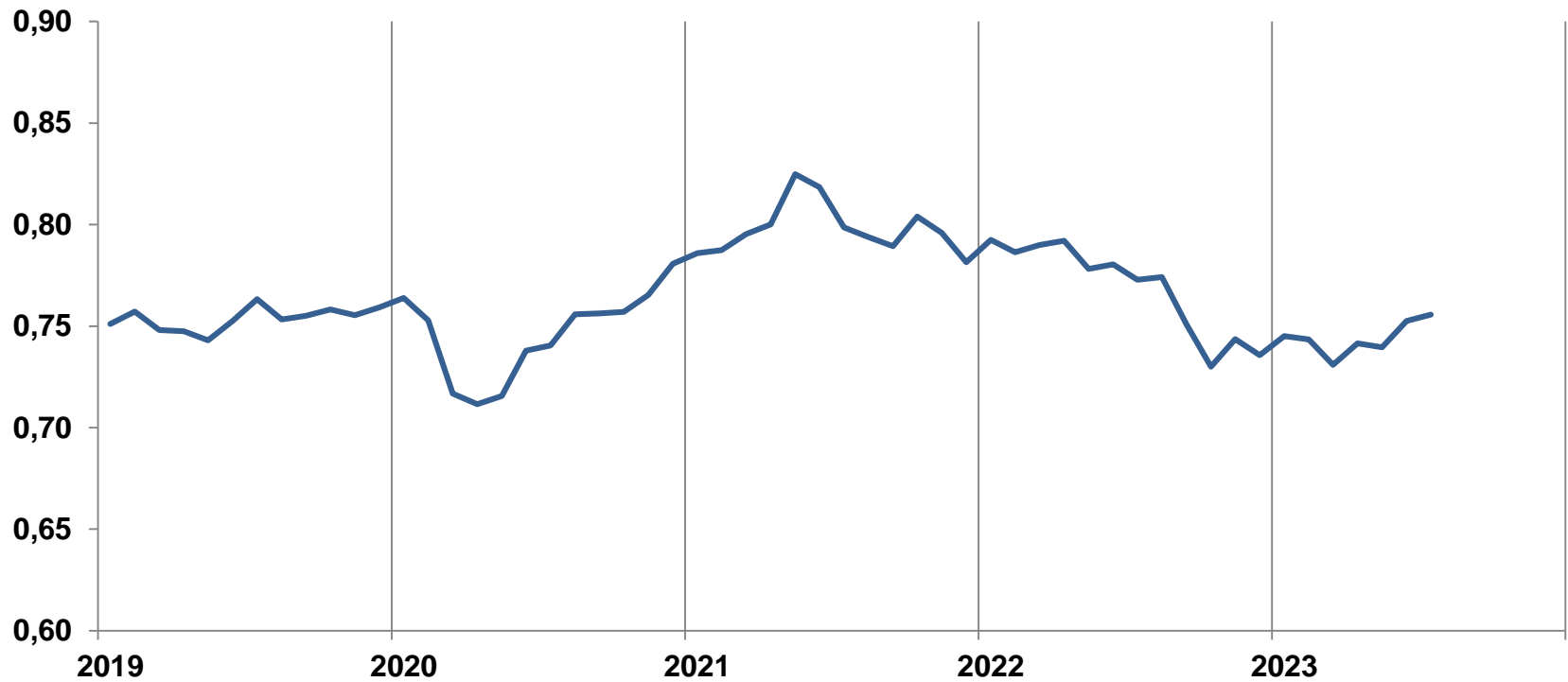
## Price of cull cows in Quebec 2022-2023



Sources :

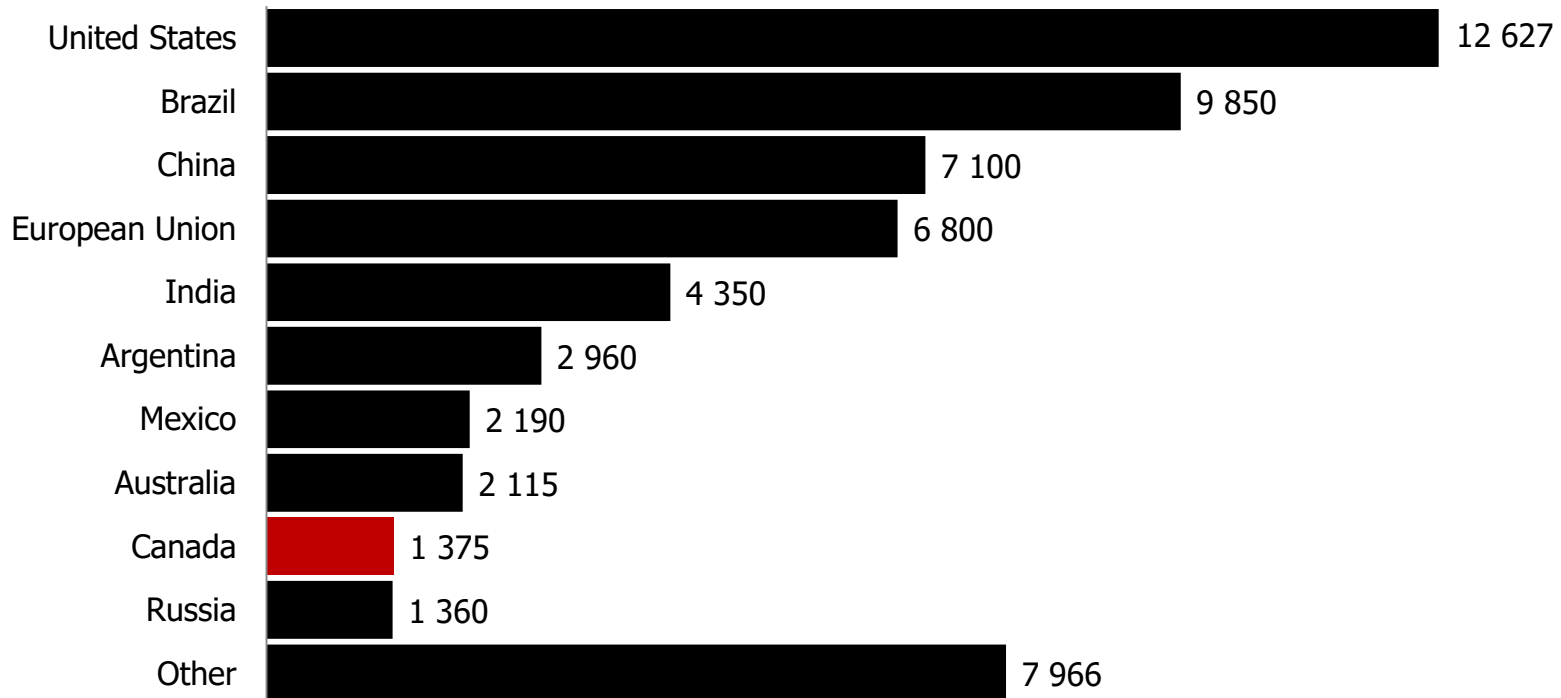
- Quebec : Price of cull cows marketed in Quebec auctions, PBQ

# Exchange rate \$ CAN / \$ US



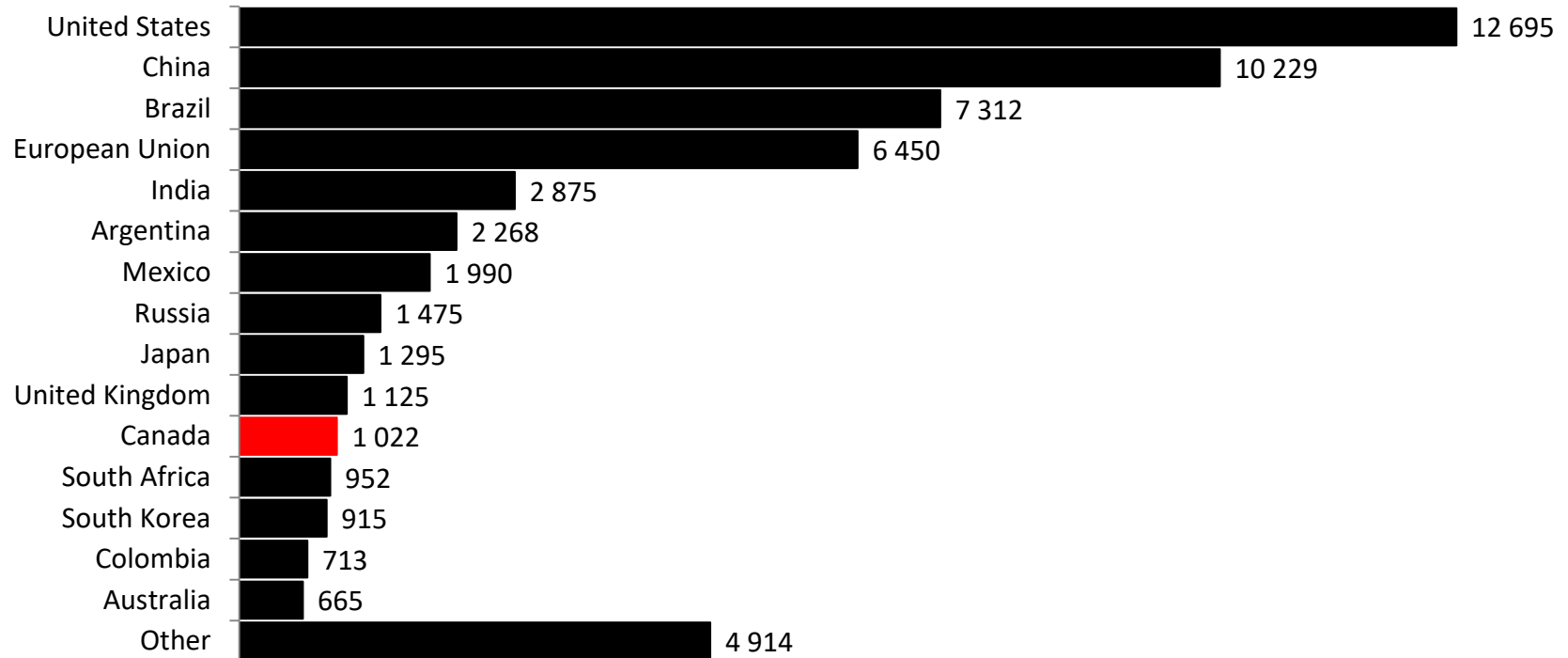


# Beef and veal net production (1000 t, cwe) – 2022F



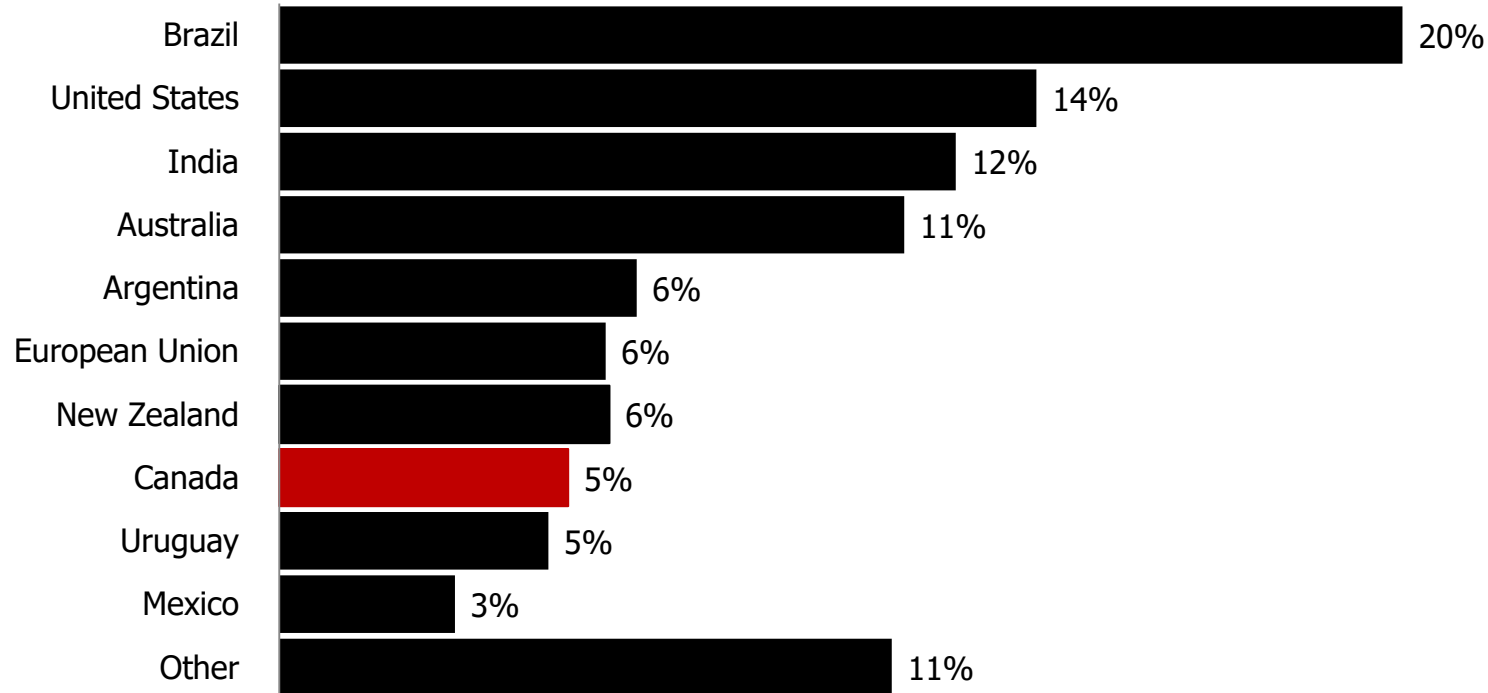
Source :  
• Canfax

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



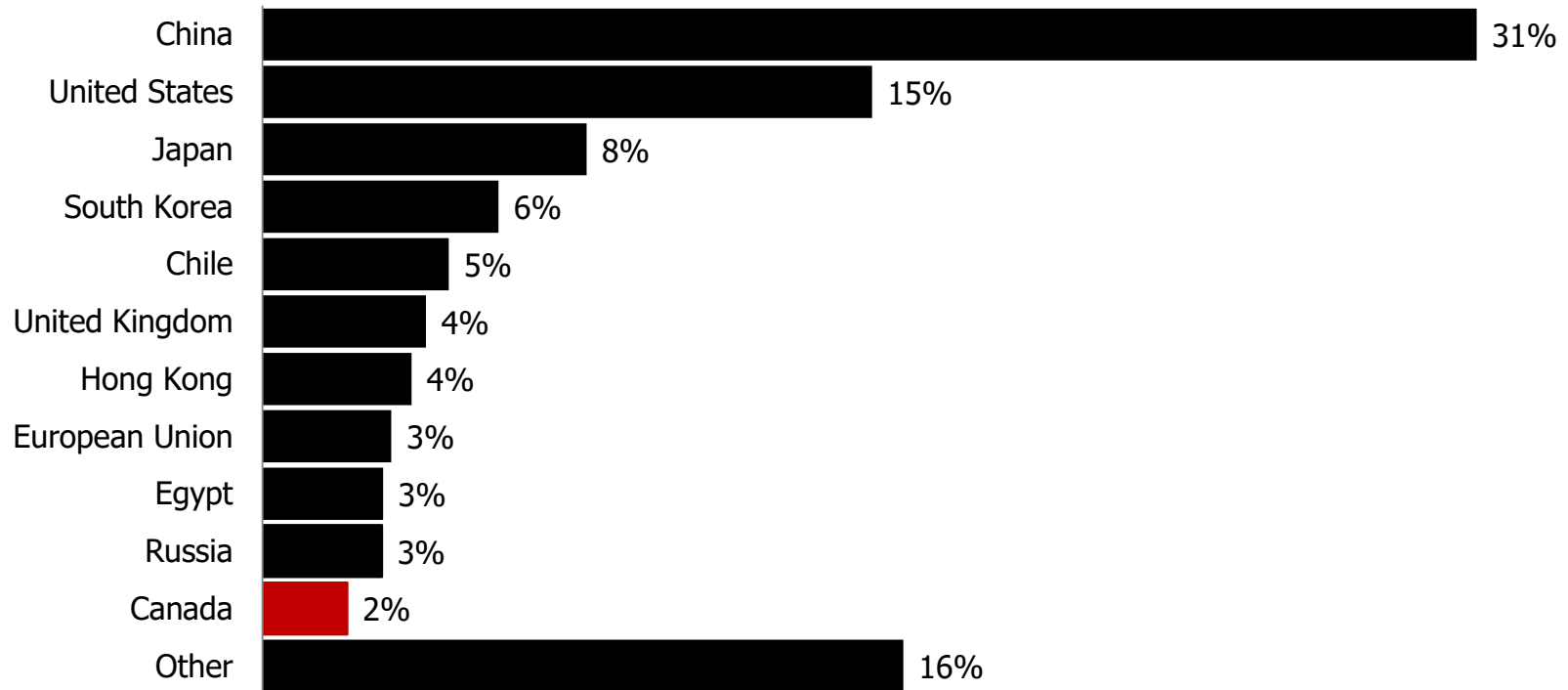
Source :  
• Canfax

# World top beef exporters (% world) - 2021



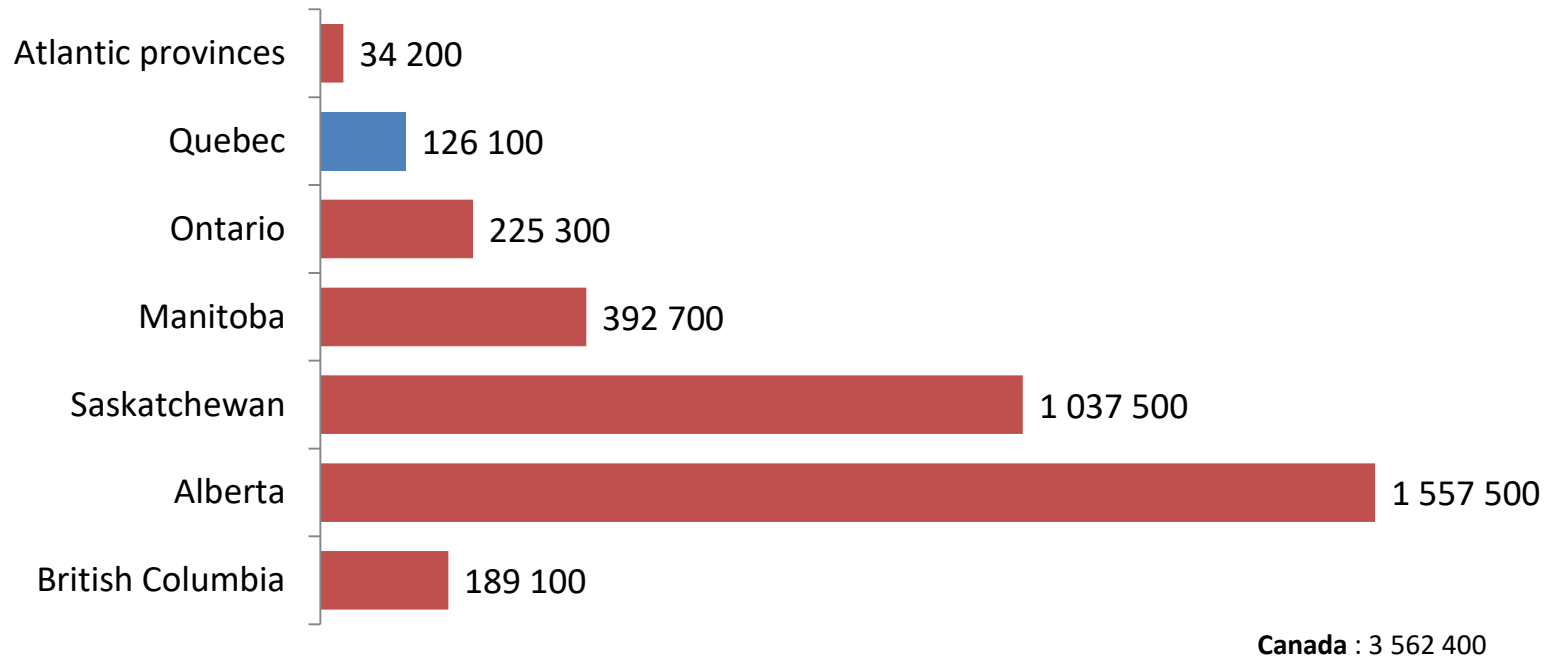
Source :  
• Canfax

# World top beef importers (% world) - 2021



Source :  
• Canfax

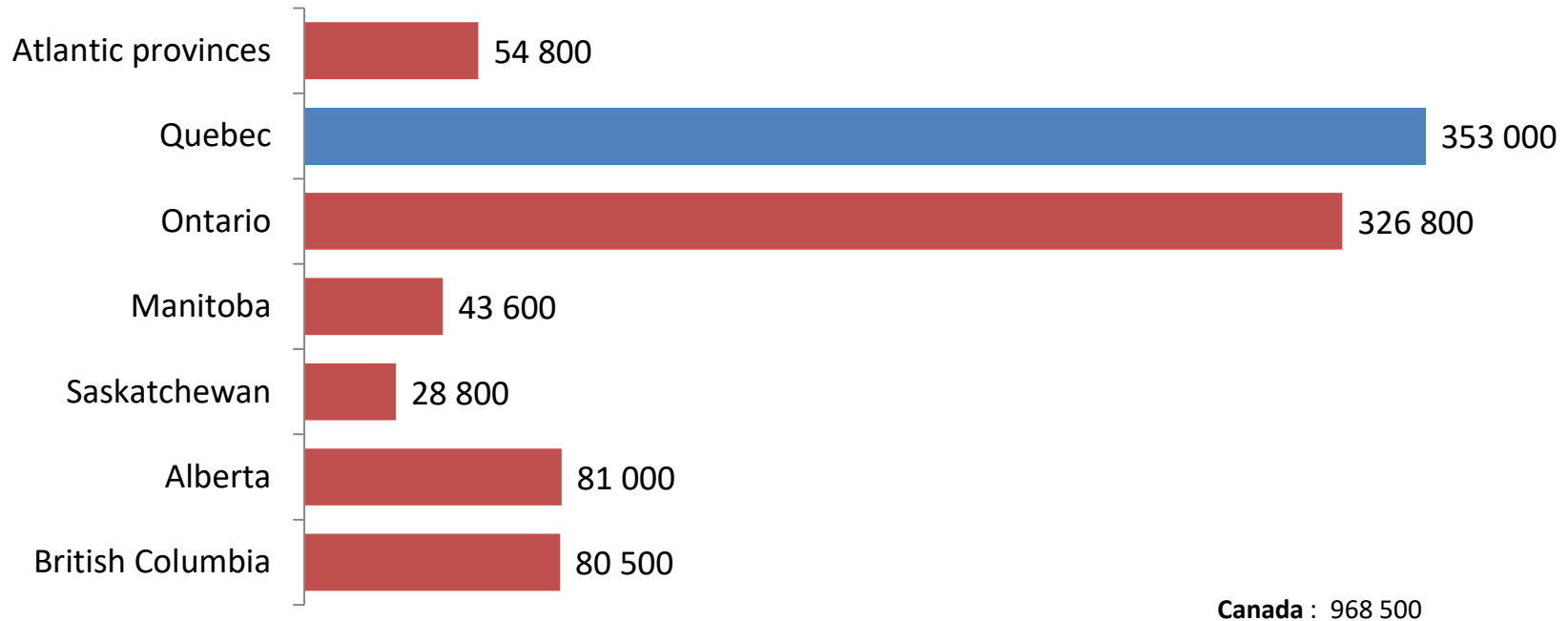
# Beef Cow inventory in Canada 2023



Source :

- Statistique Canada

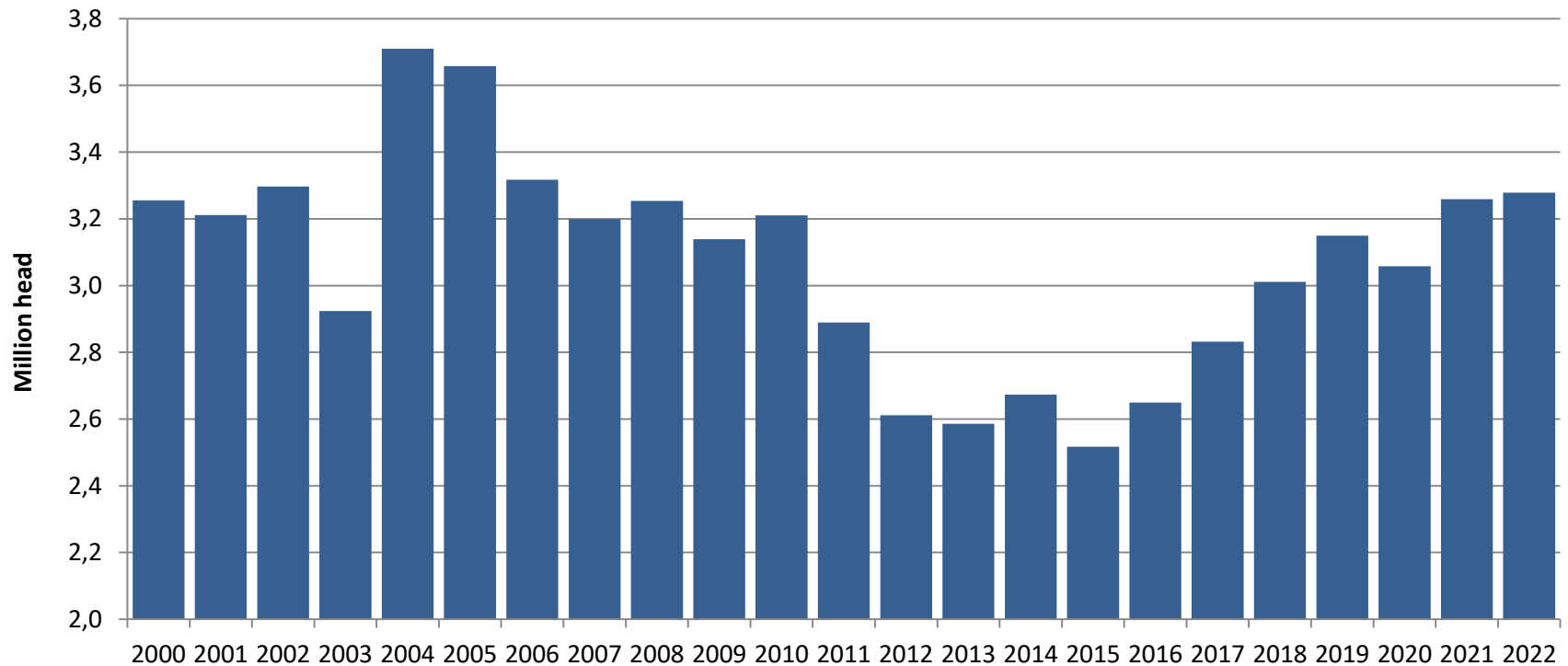
# Milk Cow inventory in Canada 2023



Source :

- Statistics Canada

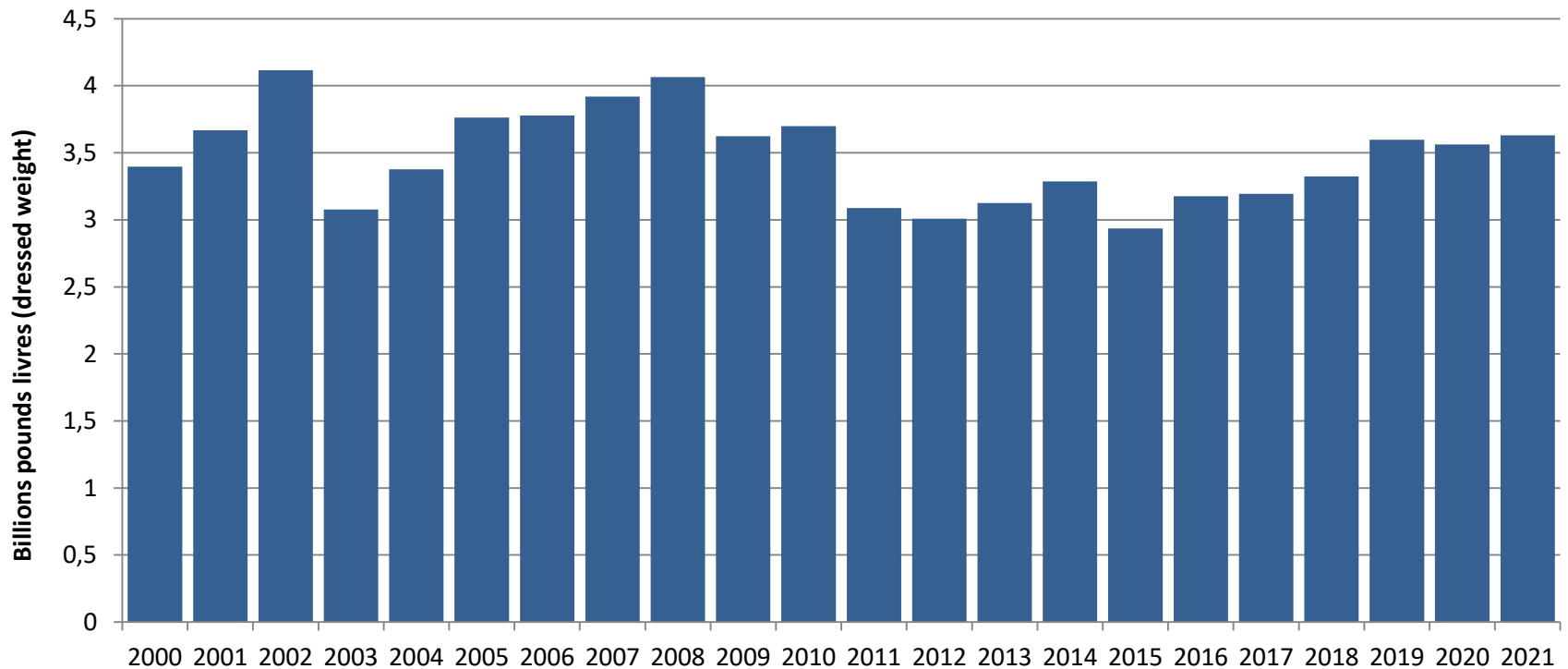
# Number of cattle Slaughtered in Federally Inspected Plants



Sources :

- Canadian Beef Grading Agency, AAFC

# Canadian beef and veal production

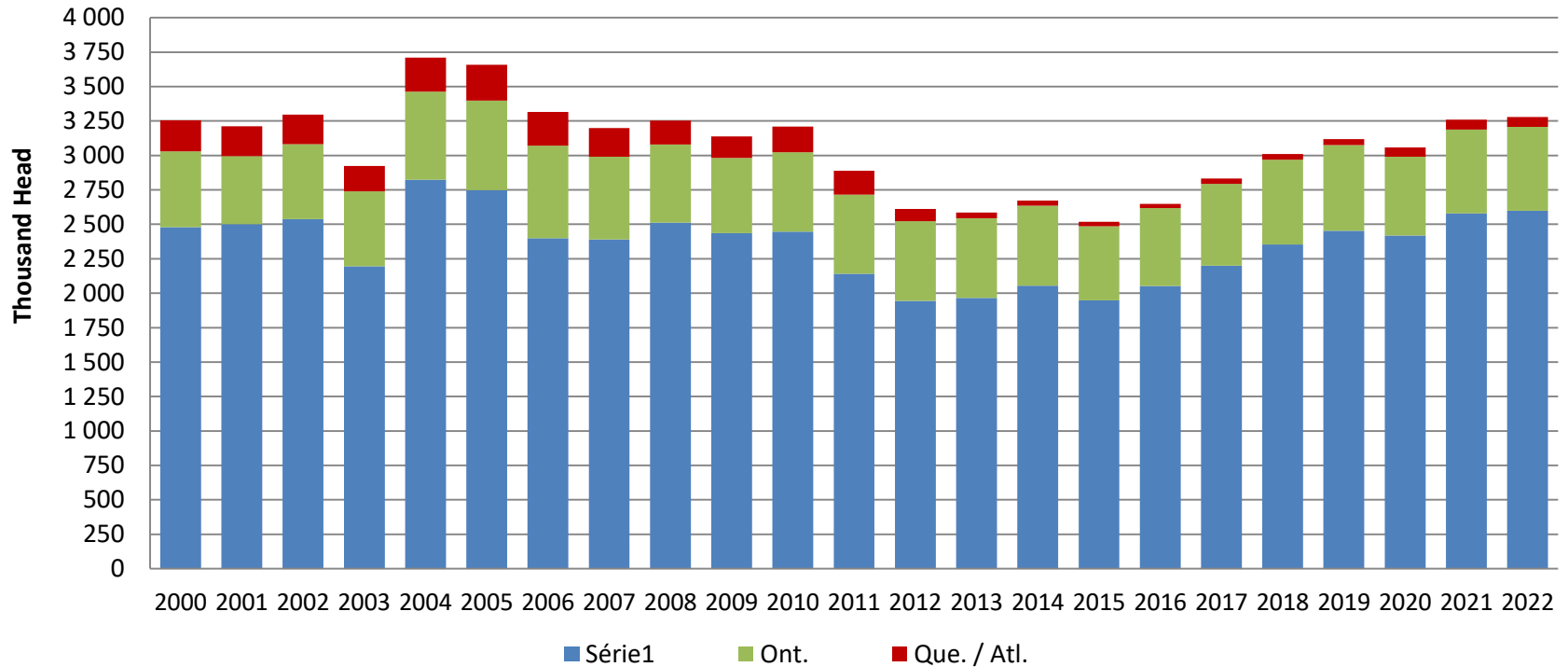


Sources :

- Statistics Canada (Edible offal, meat production)



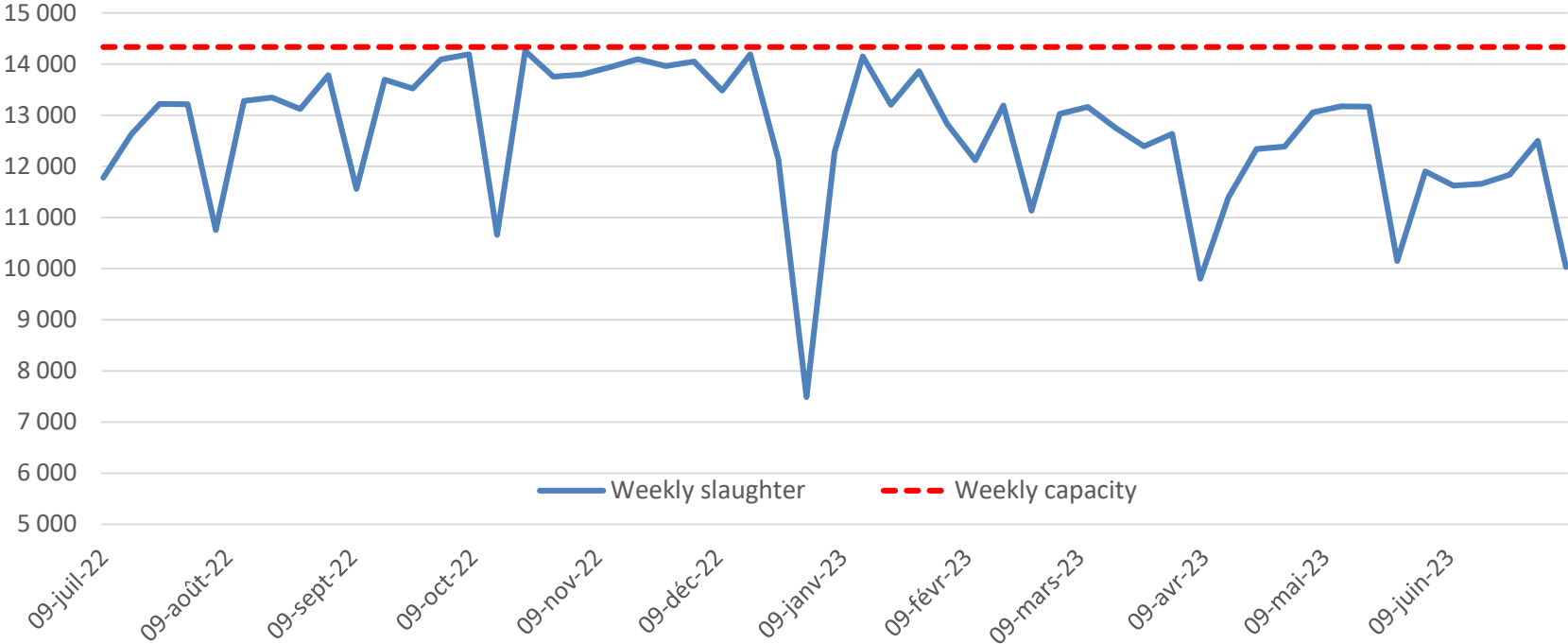
# Total annual cattle Slaughter by Region in Canada



Sources :

- ACIA
- Statistics Canada
- PBQ estimate

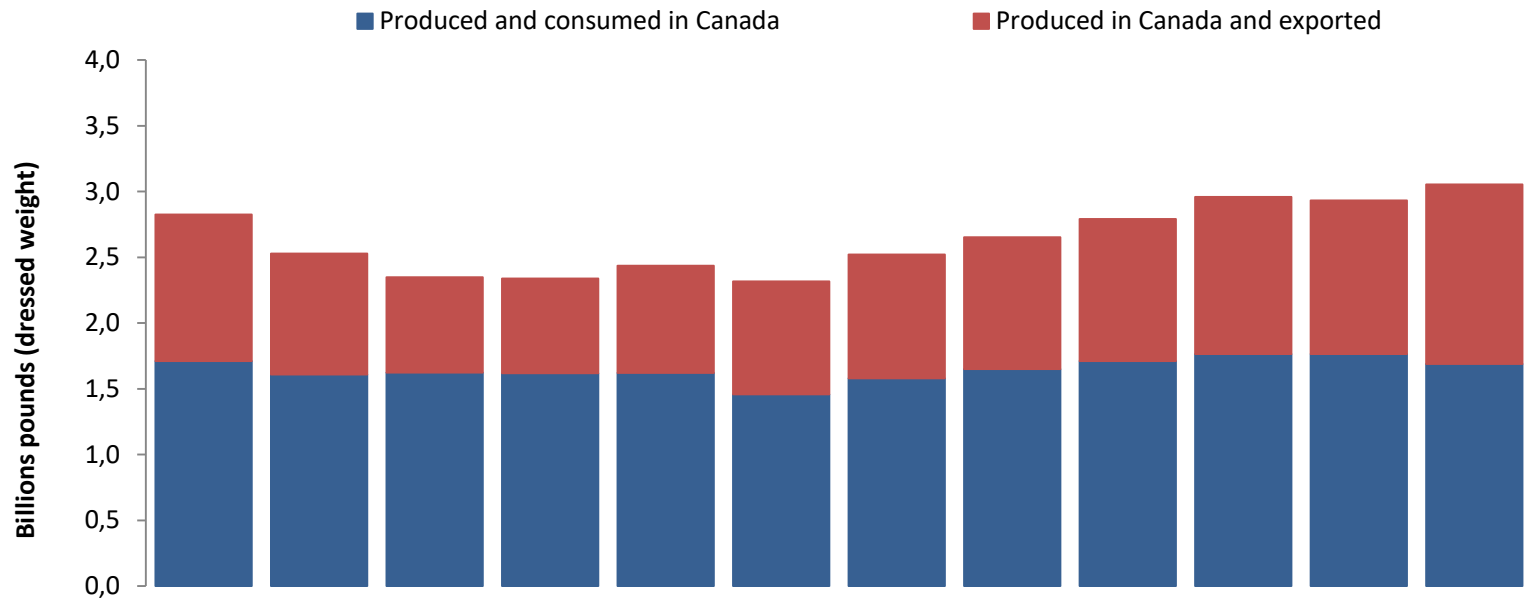
# Slaughter capacity and beef production in federally inspected slaughterhouses in Eastern Canada



- Sources :
- ACCB
  - Canfax
  - PBQ estimate

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# % Canadian beef and veal production exported

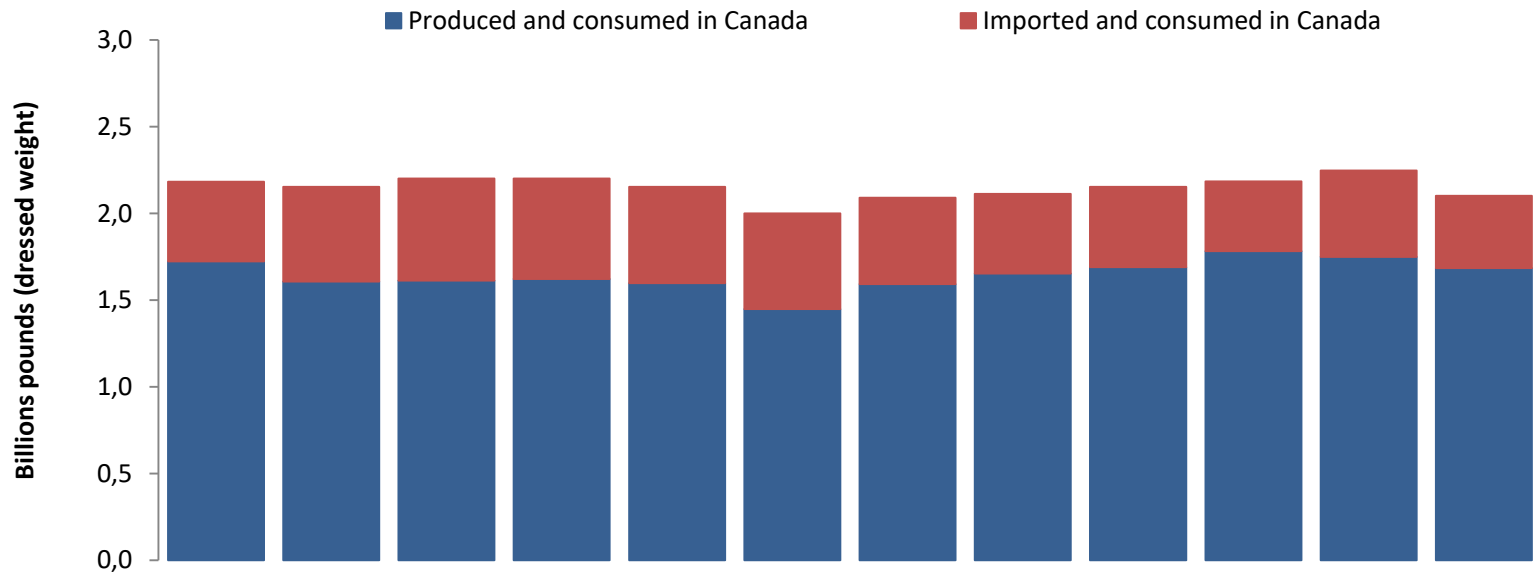


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>% exported / production</b>	39%	36%	31%	31%	33%	37%	37%	38%	39%	40%	40%	45%

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 - May 31		
	2023	2022	% chg
United States	147 424	144 333	2%
Japan	20 274	27 124	-25%
Mexico	14 301	10 909	31%
South Korea	7 712	10 785	-28%
Vietnam	6 412	5 730	
Hong Kong	2 099	1 741	21%
Saudi Arabia	584	722	-19%
Taiwan	649	143	353%
Peru	612	262	134%
Others	3 848	5 333	-28%
Total	203 916	207 082	-2%

Sources :

- Statistics Canada, AACF

# Beef and veal imports to Canada

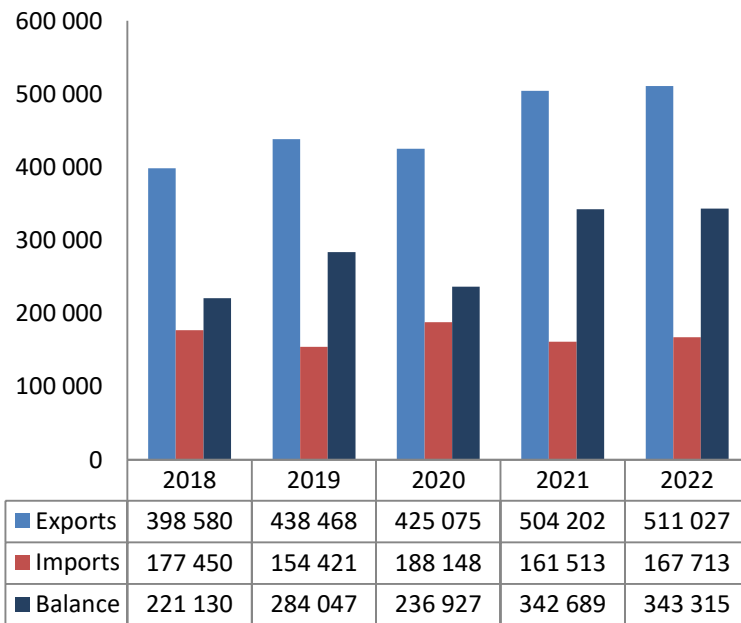
Beef and veal meat imports (tonnes)	Jan. 1 - July 8		
	2023	2022	% chg
United States	55 206	54 852	1%
Australia	6 168	5 095	21%
Mexico	5 829	5 104	14%
Uruguay	5 675	5 734	-1%
New Zealand	5 008	6 054	-17%
Brazil	3 603	810	345%
Others	5 475	12 524	-56%
Total	86 964	90 173	-4%

Sources :

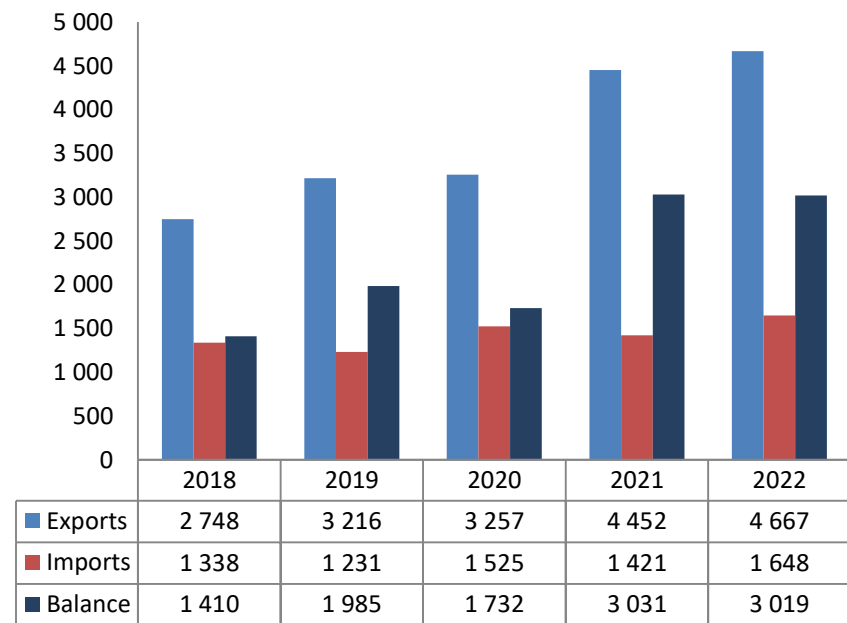
- Statistics Canada, AACF

# Imports and exports of beef and veal, Canada (kg, \$CA) 2017-2021

Trade balance in tonnes



Trade balance in M\$ CAD



Sources :

- Statistics Canada, AACF

# Veal imports-exports from Canada

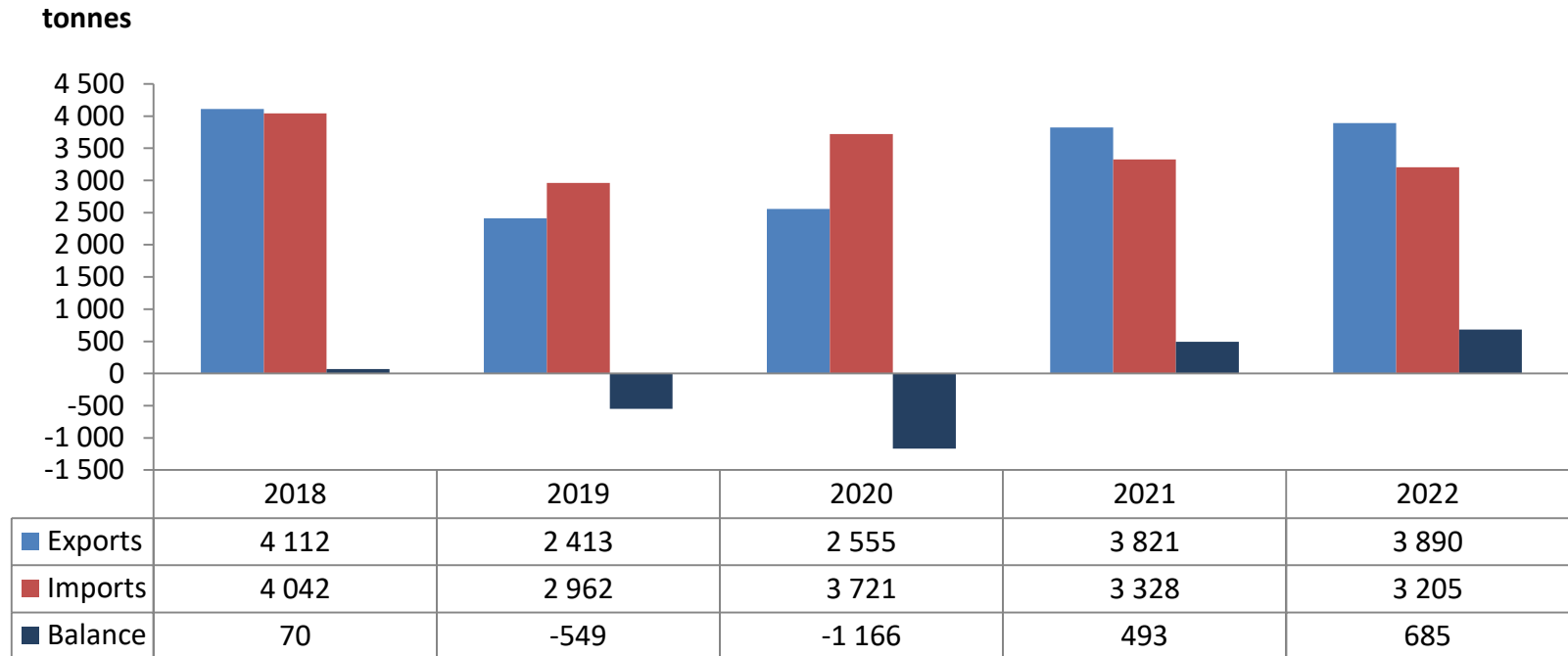
Veal imports (tonnes)	Jan. 1 - July 8			Veal exports (tonnes)	Jan. 1 - May 31		
	2023	2022	% chg		2023	2022	% chg
United States	432	294	47%	United States	1 631	1 468	11%
New Zeland	32	139	-77%	United Arab Emirates	75	85	-12%
Australia	0	0		Qatar	5	0	-
<b>European Union - 27</b>				Autres	0	3	-
Netherland	245	280	-12%	Total	1 710	1 556	10%
Others	95	144	-34%				
Total	804	857	-7%				

Sources :

- Statistics Canada, AACF



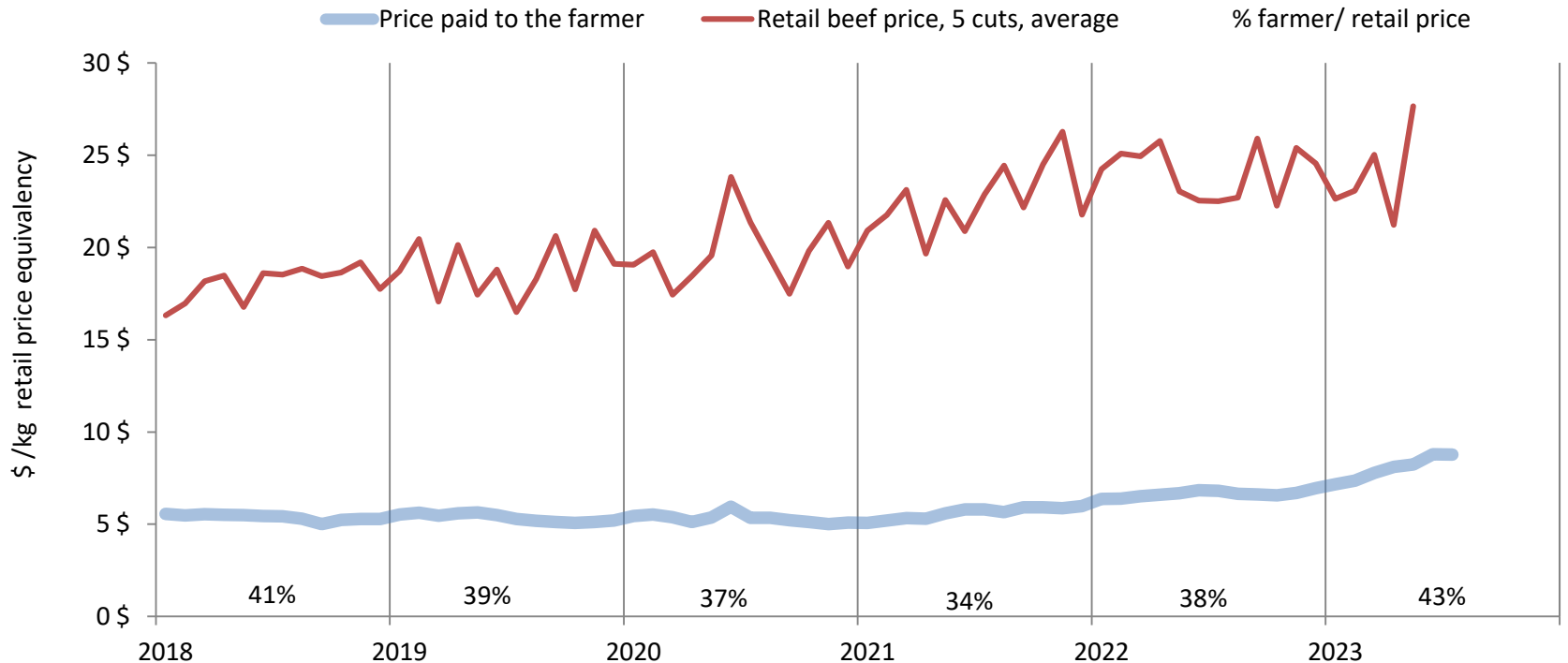
# Imports and exports of veal, Canada annual data (tonnes) 2017-2022



Sources :

- Statistics Canada, AACF

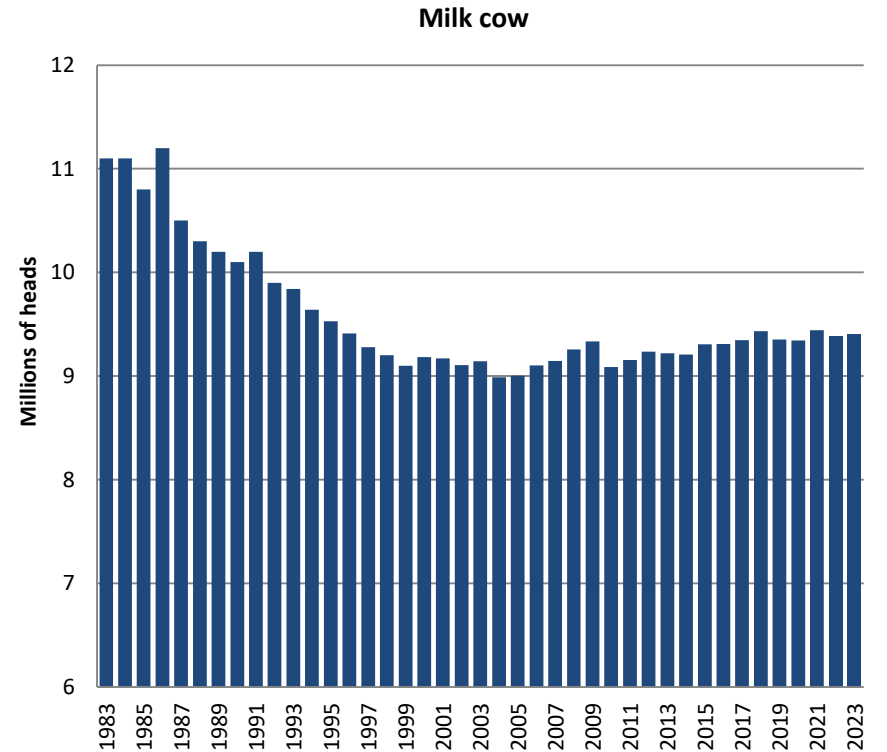
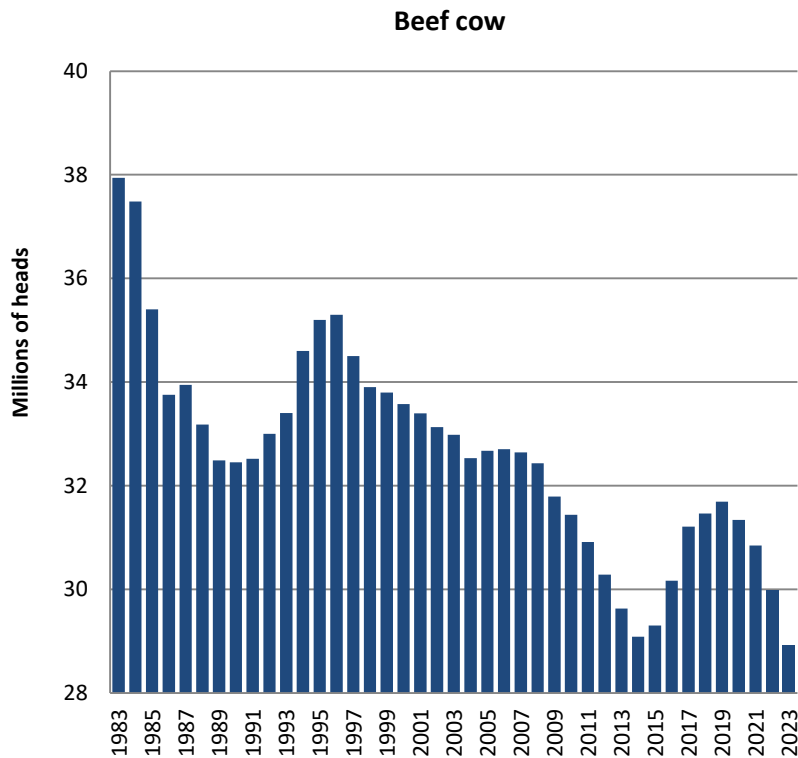
# Beef price cuts vs price paid to the producer



## Sources :

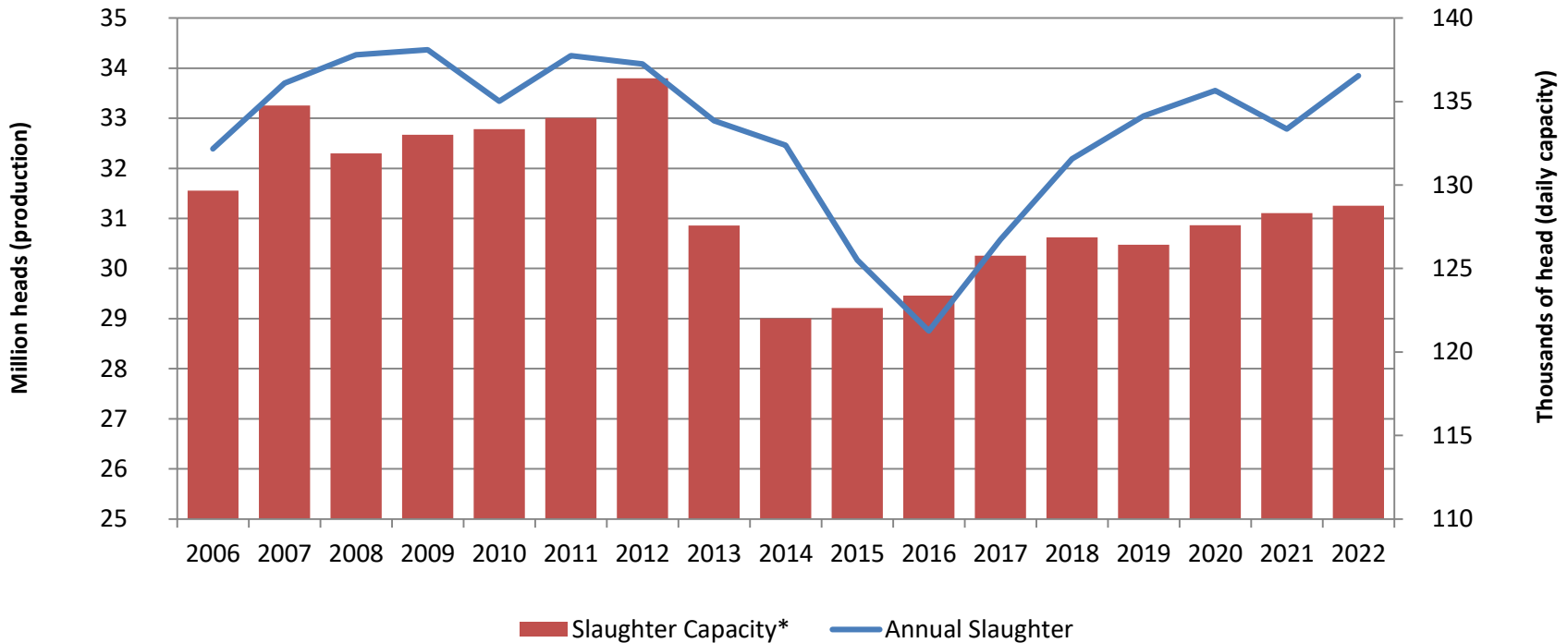
- Statistics Canada for retail prices in Quebec, arithmetic average of 5 cuts (stewing beef, top sirloin, sirloin steaks, rib steaks, ground beef)
- PBQ for producer price (46% yield to bring live price back to retail price)

# Beef cow and milk cow inventory in United-States



Source :  
 • USDA

# Slaughter capacity vs cattle production in United-States

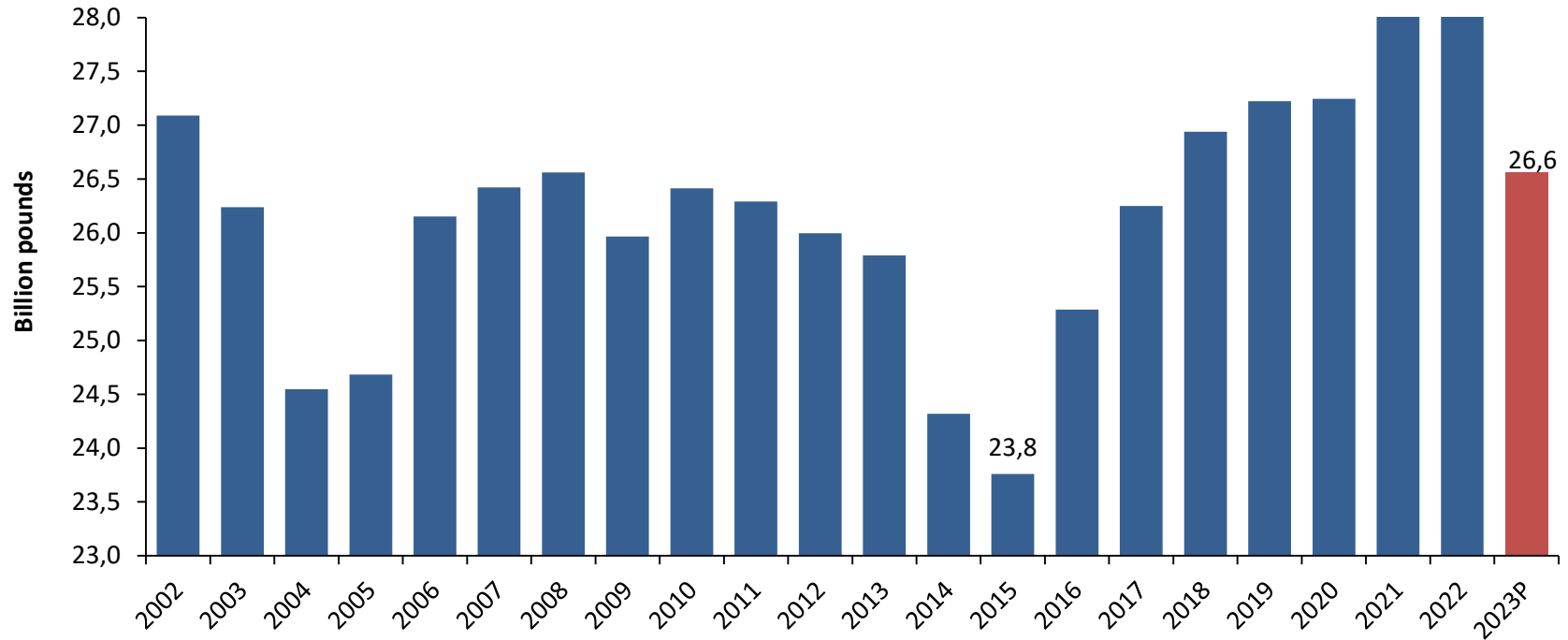


\*Daily slaughter capacity of the 30 largest slaughterhouses in the United States

Source :

- USDA
- Cattle Buyers Weekly

# Beef production in United-States

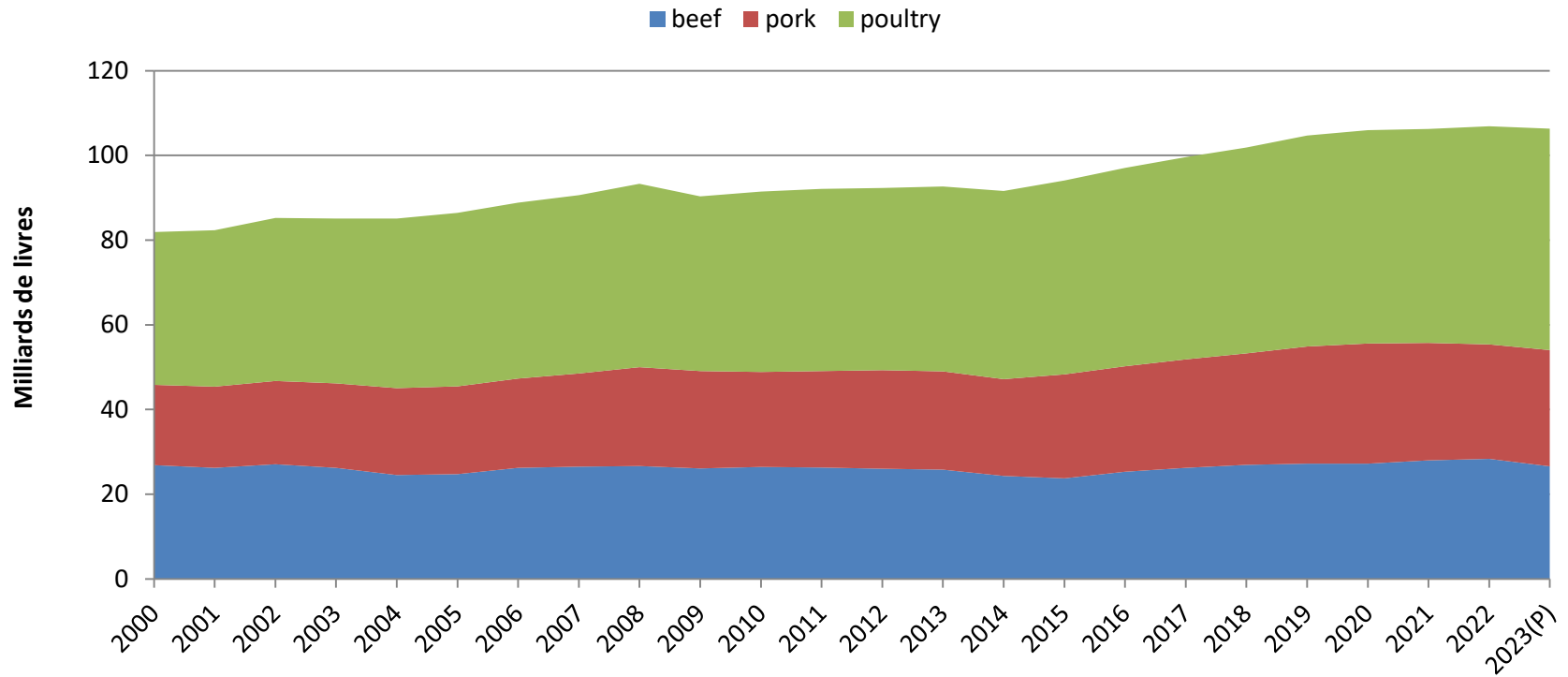


Sources :

- USDA and WASDE projection



# Beef – pork –poultry production in United-States

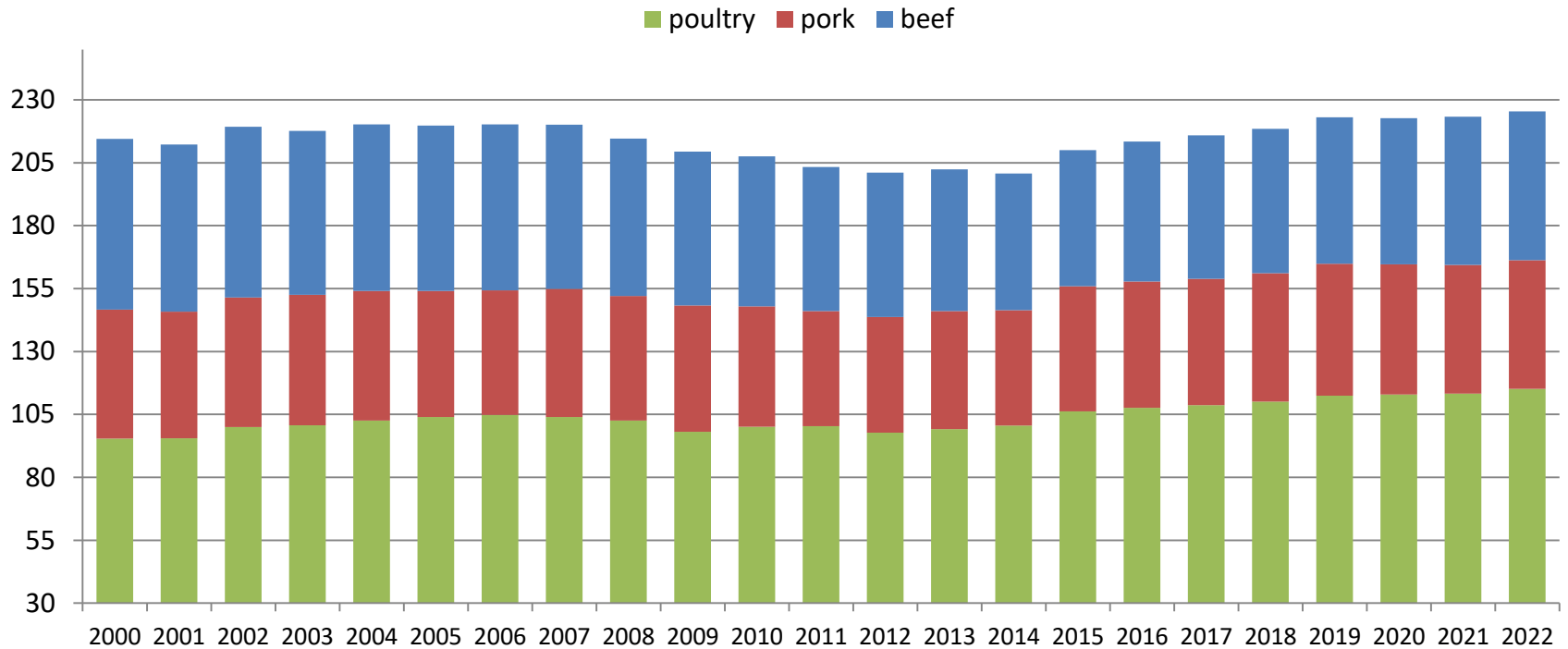


Sources :

- USDA

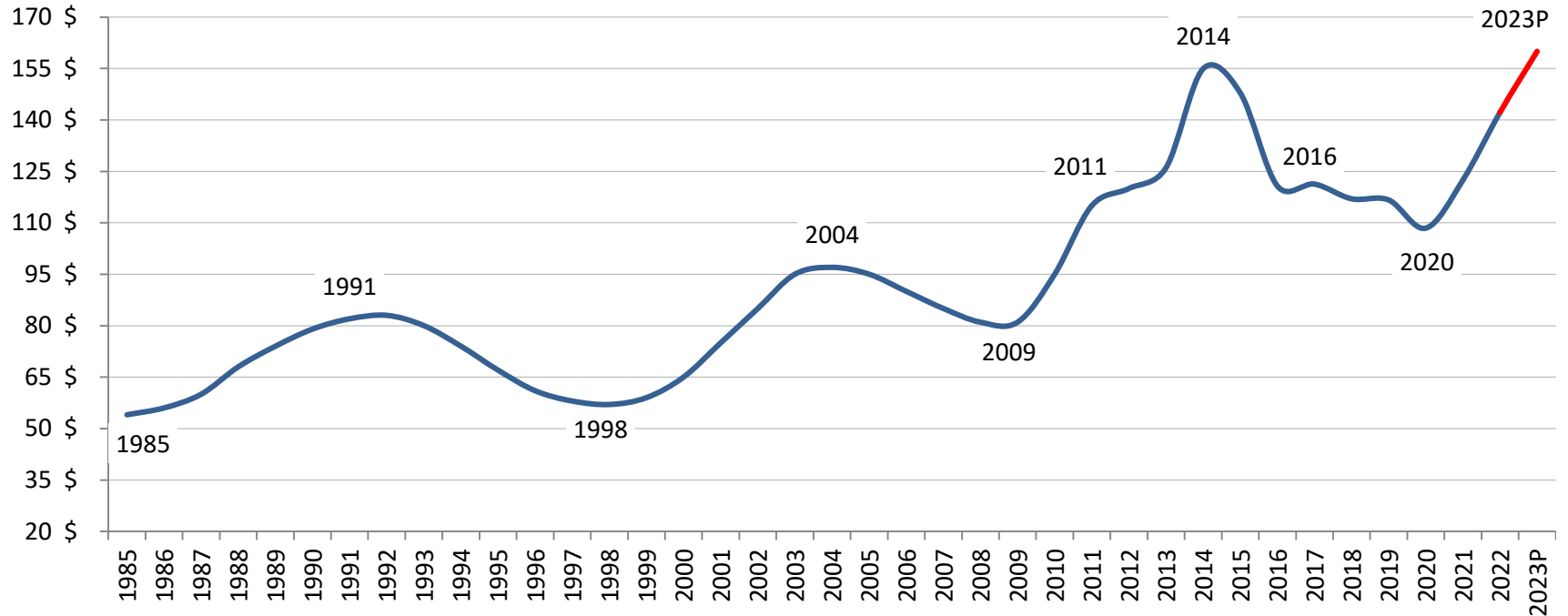


# Beef – pork – poultry Consumption per capita in United-States (lb)



Source :  
• USDA

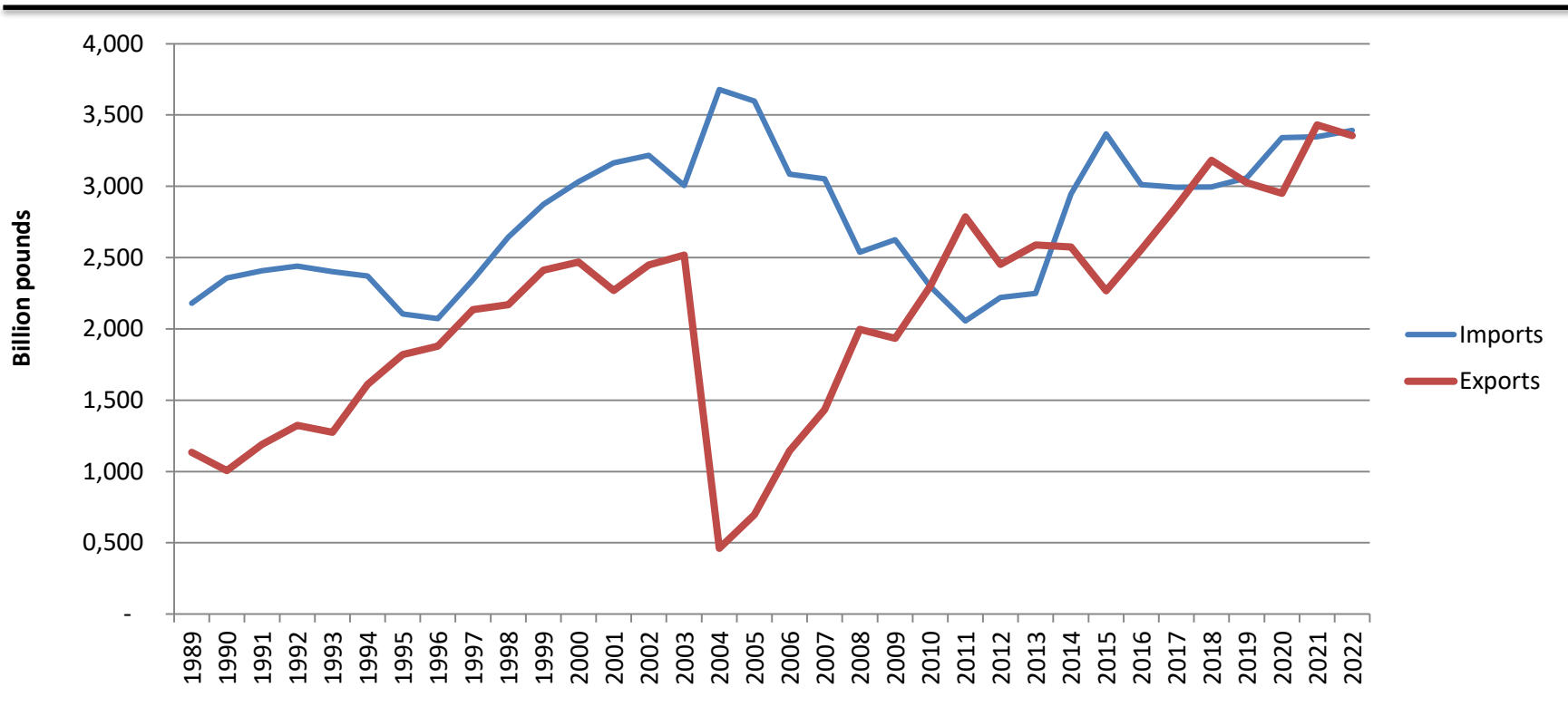
# Cattle price cycle in United-States



Sources :  
• CattleFax



# Beef imports and exports in United-States



Sources :

- USDA et Cattlefax

# Short term outlook

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- Usually, beef is not very popular in the hot summer months especially in July and August. This year is no exception, the price of cuts has been falling steadily since the end of June. For producers, the drop in supply strengthens their bargaining power and keeps prices high.
- The fall in the price of the cuts added to the high price of steers leads to a consequent deterioration in the margin of the slaughterhouses. It is therefore to be expected that processing plants will reduce slaughterings to protect their margins. In the short and medium term, the reduction in supply should continue to support producer prices.



# Long term outlook

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- The cattle herd in the United States and Canada is in a contraction phase of the cattle cycle. With the drought still present in certain cow-calf producing regions, the reconstruction of the herd is not yet relevant. The decline in herds that began in 2019 will lead to a significant drop in beef production at least until 2025.
  - Measures taken to fight inflation will lead to an economic slowdown that will likely hurt consumer demand for beef products. However, the resilience of global demand and especially the decline in North American beef supply should support the market in the medium and 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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