



Daily Market Information Report - Wednesday, June 27, 2018

The following information is collected from various sources and disseminated by Beef Farmers of Ontario.

ONTARIO DIRECT TO PACKER RAILGRADE CATTLE TRADE

Prices are on a carcass weight basis before grade and weight discounts, *regardless of delivery date.*

A Grade Steers	248.00-250.00
A Grade Heifers	247.00-249.00

ONTARIO LIVE CATTLE TRADE

Today at **Ontario Livestock Exchange: 730** stockers

Steers	Price Range	Top	Heifers	Price Range	Top
1000+	155.00-174.00		900+	139.00-149.00	
800-1000	170.00-175.50				
600-800	179.00-188.00				

Feeder cattle sold under pressure at easier prices.

Today at **Ontario Stockyards Inc.: 123** fed steers & heifers, **325** Cows, **25** Bulls & **12** Veal (sale in progress)

	Price Range	Top
Fancy Fed Steers	147.00-152.00	154.00
Fancy Fed Heifers	148.00-153.00	160.00
Good Fed Steers	141.00-146.00	
Good Fed Heifers	142.00-147.00	
Aged & Med Fed Cattle	126.00-138.00	
Good Beef Cows	78.00-89.00	91.00
Good Dairy Cows	68.00-78.00	79.00
Export Cows	57.00-66.00	67.50
Bulls	88.00-108.00	111.00

Fed steers and heifers traded actively with prices mostly steady. A medium quality offering of cows traded under pressure with prices \$4.00-\$5.00 cwt lower. Bulls sold steady and veal sold steady to Monday's increases. *400 stockers are expected for Thursday's sale!*

Denfield Livestock Exchange Inc., June 26, 2018- 270 Fed Cattle, **19** Veal, **6** Bulls, **180** Cows & **146** Drop Calves

	Price Range	Top		Price Range	Top
Choice steers	150.00-155.00	184.00	Good beef cows	80.00-90.00	
Good steers	145.00-150.00		Good Holstein cows	70.00-80.00	
Choice heifers	150.00-155.00	156.25	D1 & D2 Cows	60.00-70.00	
Good heifers	145.00-150.00		D3 & D4 Cows	50.00-60.00	
Good Holstein veal	110.00-120.00		Choice drop calves	\$220.00-\$300.00/hd	\$440.00/hd
Plain & heavy veal	90.00-105.00		Good drop calves	\$100.00-\$200.00/hd	
Good beef bulls	89.00-108.00		Plain & Newborns	\$50.00-\$100.00/hd	
Good Hol bulls	85.00-90.00				

The fed cattle sold fully steady with a good large offering on hand. Veal is still selling under pressure. With a large offering of cows the market traded a little easier at slightly lower prices. Drop calves sold steady and higher in some areas.

At **Renfrew Pontiac Livestock Ltd.:** June 26, 2018 – 16 Replacement Calves, 97 Cows, 10 Bulls

	Price Range	Top
Replacement Calves	100.00-140.00	390.00
Cows D1 & D2	81.00-94.00	108.00
Cows D3	74.00-80.00	
Cows D4	64.00-73.00	
Bulls	90.00-104.00	111.00

Cows sold actively.

Ontario auction sales on **TUESDAY** saw weighted prices for:

	Volume	Price Range	Average	Top
Large & Medium Frame Fed Steers +1250 lbs	29	139.00-152.00	143.52	152.00
Large & Medium Frame Fed Heifers +1000 lbs	41	135.00-152.25	145.36	160.00
Cows	789	59.44-82.28	70.28	111.00
Bulls under 1600 lbs	14	70.86-98.43	90.87	112.00
Bulls over 1600 lbs	21	77.76-104.52	92.71	112.00
Veal 600 lbs and over	433	99.24-120.23	109.24	175.00
Veal 125 & less	75	90.93-195.33	148.70	314.99

To check out individual auction market results on the Ontario Beef website go to <http://www.ontariobeef.com/markets/market-reports.aspx>

Stocker sale at: **Community Livestock Exchange: June 26, 2018 – 341** Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
1000+	100.00-170.50	165.79	170.50	900+	81.00-150.00	134.20	150.00
900-999	157.49-178.00	171.70	178.00	800-899	144.99-160.00	152.49	160.00
800-899	185.00-194.99	190.59	194.99	700-799	117.50-187.99	153.29	187.99
700-799	172.50-212.99	197.90	212.99	600-699	125.00-198.99	177.60	198.99
600-699	132.49-239.00	207.10	239.00	500-599	121.99-208.99	177.80	208.99
500-599	162.50-233.99	187.00	233.99	400-499	119.99-207.50	174.50	207.50
400-499	139.99-235.00	187.50	235.00				

Stocker sale at: **Keady Livestock Market: June 26, 2018 – 344** Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
1000+	153.00-174.00	161.13	180.75	900+	150.00-172.50	155.63	172.50
900-999	135.00-179.50	166.35	179.50	800-899	162.00-187.62	181.22	187.62
800-899	159.00-190.50	185.67	190.50	700-799	183.50-198.50	191.14	198.50
700-799	193.50-212.00	196.84	212.00	600-699	185.00-205.75	195.91	205.75
600-699	187.00-238.00	218.60	238.00	500-599	161.00-212.50	186.50	212.50
500-599	215.00-227.50	223.33	227.50	400-499	188.00-228.00	204.63	228.00
400-499	202.50-222.50	216.25	222.50				

Heavier short keep cattle sold at prices \$1.00-\$2.00 cwt higher, while lighter weights sold at prices \$4.00-\$7.00 cwt higher.

Stocker sale at: **Renfrew Pontiac Livestock: June 26, 2018 – 115** Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
600-699	155.00-232.50	197.30	232.50	600-699	150.00-194.99	171.19	194.99
500-599	177.49-229.99	214.50	229.99	500-599	142.50-196.99	184.00	196.99
400-499	200.00-242.49	228.90	242.49	400-499	168.99-198.99	187.40	198.99
399-	145.99-227.49	177.60	227.49				

Stockers sold well at steady prices.

U.S. BOXED BEEF CUT-OUT VALUES (U.S. funds)

	Choice 600-900	Select 600-900
Cutout Values (noon estimate):	215.35	201.24
Change (from yesterday's close):	-1.48	-0.33
Current Five Day Average:	217.48	201.63

ALBERTA DIRECT TRADE

Alberta direct trade on Tuesday remained untested, however some trade could surface this afternoon. Canfax reports: "Technical prices levels are unchanged from Monday. In terms of slaughter rates, summer fed cattle supplies are being worked through quite aggressively. With Saturday shifts being added to work week schedule. This would indicate packers are profitable and big slaughter volumes should support interest in the cash market."

U.S. TRADE (U.S. funds)

At the Fed Cattle Exchange online auction in the U.S. this morning there were 306 head on offer, one lot from Nebraska and one lot from Kansas, with delivery set for 1-9 days. Both lots had a minimum bid of \$106.00 live and both lots sold for the \$106.00 live, down \$4.00 from last week's online price and \$2.70 below last week's cash markets weighted average.

The cash cattle trade is light to moderate this afternoon in parts of Kansas and Nebraska with live trade sitting at \$106.00 which is down \$2.70 from last week and steady to the online market this morning. In the north dressed deals are sitting at \$169.00-\$170.00 dressed, down \$3.00-\$4.00 from last week in Nebraska. The live cattle futures closed slightly higher today with the June contract with the largest increase, which could result in sellers holding out for better prices tomorrow.

Choice and Select Steers and Heifers:	Live	106.00
	Rail	169.00-170.00

CHICAGO MERCANTILE EXCHANGE

Closing quotes on futures today were as follows:

Live Cattle			Feeder Cattle			Corn			Soybeans			Canadian \$		
Jun	107.02	+1.10	Aug	145.77	-0.32	Jul	3.524	+0.0	Jul	8.674	+0.2	Spot	75.08	-0.12
Aug	102.72	+0.30	Sep	146.47	-0.20	Sep	3.616	+0.4	Aug	8.730	+0.0	Sep	75.23	-0.08
Oct	106.15	+0.25	Oct	146.47	-0.12	Dec	3.732	+0.0	Sep	8.784	+0.4	Dec	75.35	-0.09
Dec	110.72	+0.12	Nov	146.50	-0.15	Mar	3.826	+0.0	Nov	8.890	+1.4	Mar	75.50	-0.09
Feb	114.12	+0.02	Jan	144.32	-0.20	May	3.894	+0.0	Jan	8.980	+1.2	Jun	75.64	-0.09
Apr	115.30	-0.05	Mar	143.40	-0.50	Jul	3.956	-0.2	Mar	9.032	+2.2	Sep	75.79	-0.08

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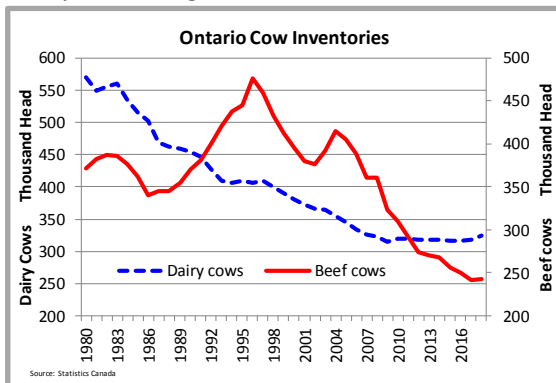
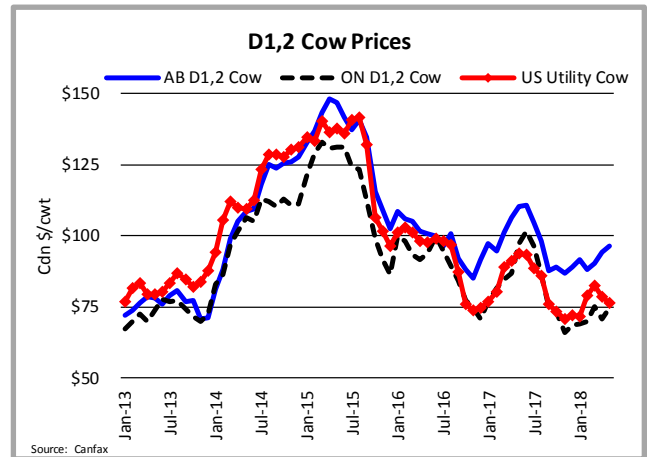
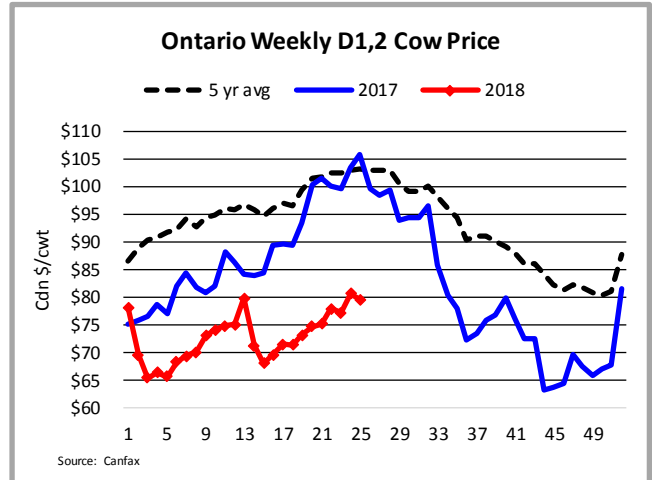
The Cow Market

Ontario D2 cow prices for week ending June 23rd at \$80/cwt were down 25% from last year and 23% from the five-year average. Seasonally, cow prices peak in June and move steadily lower throughout the second half of the year to a November or December low. D2 cow prices in 2017 averaged \$83/cwt, while down from the 2015 record high it was still 14% above the 2013 average of \$73/cwt. Cow prices are anticipated to be pressured in the second half of 2018 with larger beef supplies in North America

Alberta D2 cow prices have been at a premium to the Ontario since February 2014, but that more than doubled in August 2014 to \$13/cwt and has generally ranged between \$10-24/cwt since. The only changes in cow packing plant capacity in 2014 occurred in Saskatchewan (Qu'Appelle Valley in March and Northern Natural Processing in July) and would not be expected to impact the Ontario market. In April and May 2018, Ontario D2 cow prices have been \$22-23.50/cwt behind the Alberta market. The western Canadian cow market was pressured this spring by a higher proportion of post-calving culls due to snow and freezing temperatures in April.

The Canadian cow market has been strong over the last two years. Ontario has moved from a \$3.22/cwt discount to the U.S. utility cow prices in 2016 to a \$0.39/cwt premium in 2017. In the first five months of 2018 that has slipped to a \$5.84/cwt discount, which is still stronger than the five-year average of -\$7.30/cwt.

Canadian cow prices have been supported by stronger 85% trim prices, which traded at a \$16/cwt premium over the U.S. in 2017 and a \$17/cwt premium year to date, compared to a five-year average of -\$1/cwt. The correlation between 85% trim and Ontario D2 cow prices is 89.3%.



Eastern cow marketings are up so far in 2018 with slaughter up 10% from January to mid-June and exports to the U.S. up 4% or 1,048 head from January to April. Ontario dairy cows have been steady around 315,000 head since 2009 while beef cow inventories had declined to a low of 242,000 head in 2017 before increasing slightly to 243,000 head on January 1, 2018. Larger cow marketings would indicate that the initial signs of expansion seen last year have stopped. However, larger dairy cow numbers that typically have a higher culling rate, make it difficult to determine how the beef herd is changing. - Brenna Grant

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