



Daily Market Information Report - Wednesday, December 19, 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	244.00- with light receipts and limited packer interest
A Grade Heifers	243.00- with light receipts and limited packer interest

ONTARIO LIVE CATTLE TRADE

Today at **Ontario Livestock Exchange: 703** stocker steers

Steers	Price Range	Top	Heifers	Price Range	Top
1000+	190.00-203.75		800+	N/T	
800-1000	198.00-214.00				
600-800	216.00-226.50				

Feeder steers sold on a good demand at stronger prices.

Today at **Ontario Stockyards Inc.: 80** fed steers & heifers, **350** Cows, **20** Bulls & **17** Veal

	Price Range	Top
Fancy Fed Steers	143.00-148.00	150.50
Fancy Fed Heifers	143.00-149.00	151.50
Good Fed Steers	138.00-142.00	
Good Fed Heifers	139.00-142.00	
Aged & Medium Fed Cattle	115.00-134.00	135.00
Good Beef Cows	50.00-66.00	69.00
Good Dairy Cows	44.00-57.00	59.50
Export Cows	40.00-47.00	48.50
Bulls	56.00-76.00	78.00

Fed steers and heifers traded fully steady to stronger. Cows traded at mostly steady prices with a few better kinds slightly stronger. Bulls sold about steady and veal traded on a dull demand at prices \$10.00-\$15.00 cwt lower. *800 stockers are expected for Thursday's sale!*

Denfield Livestock Exchange Inc., December 18, 2018: 101 Fed Cattle, **36** Veal, **4** Bulls, **139** Cows & **172** Drop Calves

	Price Range	Top		Price Range	Top
Choice steers	145.00-150.00		Good beef cows	50.00-60.00	75.00
Good steers	140.00-145.00		Good Holstein cows	45.00-55.00	
Choice heifers	145.00-150.00		D1 & D2 Cows	40.00-45.00	
Good heifers	140.00-145.00		D3 & D4 Cows	30.00-40.00	
Good Holstein veal	95.00-105.00		Choice drop calves	\$100.00-\$150.00/hd	\$175.00/hd
Plain & heavy veal	80.00-95.00		Good drop calves	\$50.00-\$100.00/hd	
Good beef bulls	55.00-96.00		Plain & Newborns	\$10.00-\$50.00/hd	

The fed cattle sold fully steady to last week. The veal traded under extreme pressure with little demand. Cull cows sold fully steady and slightly higher. Drop calves barely sold with not much demand. *Next regular sale is January 8, 2019*

At **Renfrew Pontiac Livestock Ltd.:** **December 18, 2018 - 9** Replacement Calves, **31** Cows, **9** Bulls

	Price Range	Top
Replacement Calves	25.00-75.00	100.00
Cows – D1 & D2	62.00-71.00	82.00
Cows – D3	55.00-62.00	
Cows – D4	42.00-54.00	
Bulls	66.00-78.00	90.00

Cows sold steady.

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

	Volume	Price Range	Average	Top
Large & Medium Frame Fed Steers +1250 lbs	76	131.00-143.75	138.25	143.75
Large & Medium Frame Fed Heifers +1000 lbs	31	102.00-135.50	125.44	138.00
Cows	682	471.78-56.74	48.98	94.00
Bulls under 1600 lbs	10	70.59-82.10	73.59	112.99
Bulls over 1600 lbs	25	62.00-79.87	71.33	95.69
Veal 600 lbs and over	363	92.94-122.72	109.45	150.00
Veal 125 & less	151	11.56-90.83	51.59	361.90

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: December 18, 2018 – 142** Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
700-799	130.00-194.99	174.50	194.99	600-699	114.99-167.99	136.00	167.99
600-699	150.00-222.00	200.40	222.00	500-599	92.50-189.99	143.79	189.99
500-599	139.99-231.00	190.10	231.00	400-499	97.49-171.99	135.00	225.00
400-499	120.99-235.00	185.29	235.00				

Next regular sale is January 8, 2019. *January 18, 2019 @ 11:00 am- Quinte Cattlemen's Stocker Sale! 100% vaccinated, catalogued and farm fresh.*

Stocker sale at: **Keady Livestock Market: December 18, 2018 – 484** Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
1000+	187.50-188.00	187.74	188.00	900+	130.00-168.00	159.03	168.00
900-999	168.00-193.00	187.38	193.00	800-899	131.00-167.00	165.29	267.00
800-899	157.50-173.00	166.87	173.00	700-799	110.00-166.00	136.65	166.00
600-699	196.50-227.50	211.90	227.50	600-699	117.00-155.00	138.20	178.00
500-599	216.00-256.00	242.28	256.00	500-599	119.00-198.00	155.39	198.00
400-499	234.00-257.00	248.72	257.00	400-499	121.00-165.00	150.31	172.50
399-	232.50-256.00	241.70	256.00	300-399	132.50-150.00	146.25	150.00

Good quality stocker and feeder cattle sold fully steady. *Next sale is January 15, 2019.*

Stocker sale at: **Renfrew Pontiac Livestock: December 18, 2018 – 249** Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
700-799	165.99-208.00	181.49	208.00	700-799	132.00-155.00	140.99	155.00
600-699	119.99-218.99	199.70	218.99	600-699	114.99-196.99	167.99	196.99
500-599	167.99-239.00	216.50	239.00	500-599	112.50-222.00	179.09	222.00
400-499	164.99-243.00	216.59	243.00	400-499	119.99-206.99	160.49	206.99
399-	147.50-229.99	200.89	229.99	300-399			

Stockers sold steady to \$2.00 cwt higher on a brisk market. *Next regular sale is January 8, 2019*

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

	Choice 600-900	Select 600-900
Cutout Values (noon estimate):	212.04	205.75
Change (from yesterday's close):	-0.64	+1.02
Current Five Day Average:	212.21	202.84

ALBERTA DIRECT TRADE

Alberta direct trade remains untested this week however light to moderate trade is expected to develop this afternoon. Asking prices remain at \$265.00-\$270.00 cwt delivered on a dressed basis. No bids have been reported.

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

The U.S. cash cattle trade is basically untested this week with the exception of a couple of lots selling yesterday in Iowa at \$118.00 live and a couple this morning at the same price, but not enough have sold to establish a market. No bids are reported at time of reporting, with asking prices sitting around \$120.00-\$122.00 live in the south and \$191.00-\$192.00 dressed in the north. Active trade is not expected to develop before Thursday at the earliest.

At the Fed Cattle Exchange online auction today there were 255 heifers on offer, in 3 lots with delivery in 1-9 days and all from Kansas. Asking prices on all three lots were at \$119.00 live, with no bids reported and all cattle left unsold.

Choice and Select Steers and Heifers:	Live	118.00
	Rail	N/T

CHICAGO MERCANTILE EXCHANGE

Closing quotes on futures today were as follows:

Live Cattle		Feeder Cattle		Corn		Soybeans		Canadian \$	
Dec	119.72 -0.05	Jan	146.20 +0.00	Mar	3.816 -3.6	Jan	9.000 -7.6	Spot	74.10 -0.01
Feb	122.25 -0.32	Mar	144.27 -0.02	May	3.896 -3.6	Mar	9.130 -7.6	Mar	74.28 +0.01
Apr	124.57 -0.02	Apr	144.80 -0.15	Jul	3.966 -3.2	May	9.256 -8.2	Jun	74.41 +0.02
Jun	115.92 +0.02	May	145.05 -0.07	Sep	3.982 -3.0	Jul	9.376 -8.0	Sep	74.54 +0.02
Aug	113.30 +0.07	Aug	148.90 -0.27	Dec	4.024 -2.4	Aug	9.422 -8.0	Dec	74.66 +0.03
Oct	114.70 +0.12	Sep	148.72 -0.27	Mar	4.112 -2.2	Sep	9.436 -7.4	Mar	74.77 +0.03

Beef Farmers of Ontario, 130 Malcolm Road, Guelph, ON N1K 1B1 Phone: (519) 824-0334 Fax: (519) 824-9161 or email: markets@ontariobeef.com

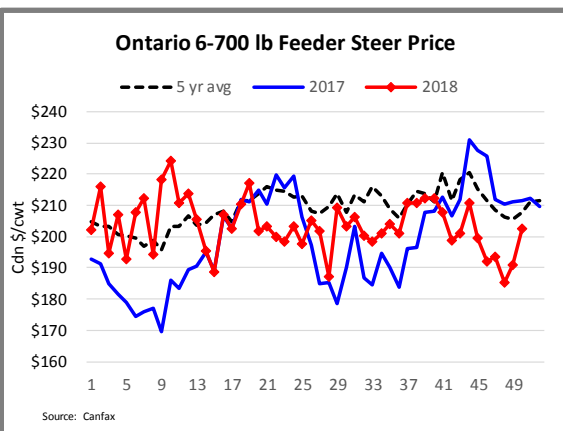
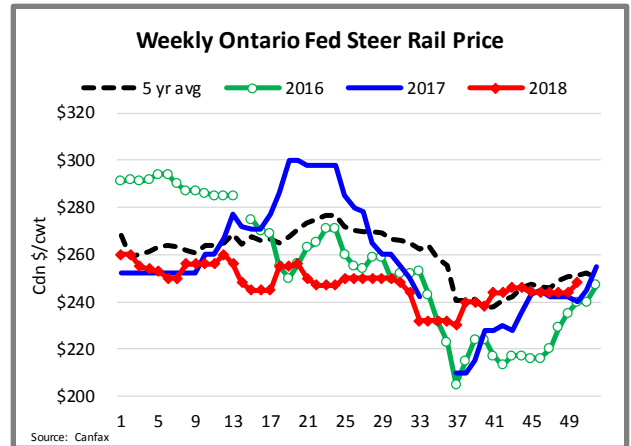


Year in Review

Ontario fed cattle prices have been steady around \$244/cwt (rail) since mid-October; following the five-year average and not the seasonal index of stronger prices going into the holiday season. The annual average for 2018 is expected to end the year down 4% at \$247/cwt (rail).

Ontario rail prices were par with Alberta at the end of October but have been sliding into a discount position in November and December as the Alberta price has been steady to stronger. This is consistent with the 2014-18 average that moves weaker from July through December. The Ontario to Alberta price spread is expected to average -\$9/cwt (rail) in 2018 compared to -\$4/cwt in 2017 and -\$3/cwt in 2016.

Ontario 6-700 lb steer prices were stronger than last year in the first and third quarters, pulling the annual average up 2.5% to \$204/cwt in 2018. However, fourth quarter prices were pressured lower with large supplies of protein, uncertain trade situation, and softer fed cattle prices. Price made a low in late November but have rebounded in December to above \$200/cwt.

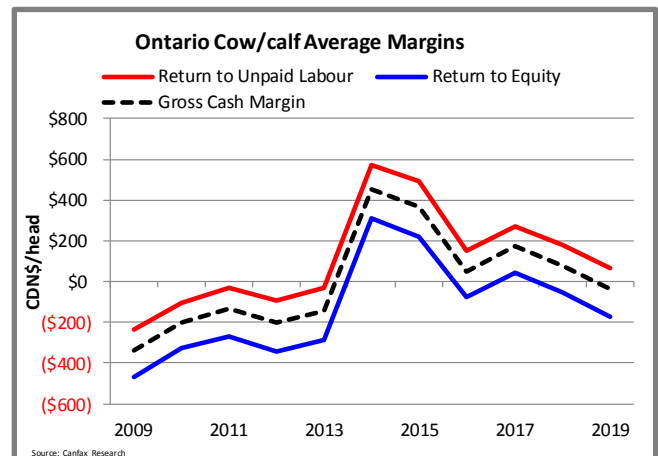


Auction market volumes are down 3% year to date after a slow start in the first half of the year. Volumes picked up in August (up 13% from last year and 11% from the five-year average) and October/November (up 5% from last year and up 4% from the five-year average).

Cow-calf profitability is estimated based on provincial averages for feed costs (from OMAFRA), replacement stock and calves. The purpose of such an approach is not to represent all producers or even the average producer but to monitor changes over time. It is expected that producers would have a range of costs with one-third of producers experiencing

lower costs, one-third around the average and one-third having higher costs. Being a higher cost producer does not necessarily mean lower profitability; especially if higher prices are obtained through marketing.

Cow-calf margins have been positive since 2014 but are projected to be lower in 2018 and 2019 compared to 2017. It should be remembered that this includes the opportunity cost of hay if sold. Hay prices have pushed winter feed costs higher since 2015. Since most producers grow their own hay they would not see this as a cash cost and be experiencing higher gross margins to unpaid labour than shown here. - Brenna Grant



CANFAX (West)

180, 6815-8th Street NE, Calgary, AB T2E 7H7
Ph 403-275-5110, Fax 403-275-6943

Website: www.canfax.ca; Email: info@canfax.ca

CANFAX (East)

130 Malcolm Road, Guelph, ON N1K 1B1
Ph 519-824-0334

Email: markets@ontariobeef.com