



Weekly Market Information Report for the week ending Thursday December 20, 2018

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

Due to the Christmas holiday, this is the last report until January 4, 2019

Merry Christmas and a happy, healthy New Year! All the best!

ONTARIO DIRECT TO PACKER RAILGRADE CATTLE TRADE

Prices are on a carcass weight basis before grade and weight discounts. Weekly Range:

A Grade Steers 244.00-248.00

A Grade Heifers 243.00-247.00

ONTARIO LIVE CATTLE TRADE

Ontario auction sales this week saw weighted average price ranges for:

FED CATTLE	Volume	Price Range	Average	Top	Last Week Avg
Large Frame Steers +1250	68	119.76-141.46	130.77	150.50	133.46
Medium Frame Steers +1250	92	118.18-142.74	133.64	148.25	136.56
Large & Medium Frame Steers +1250	160	124.47-144.06	134.59	150.50	134.90
Large Frame Heifers +1000	63	124.94-143.08	132.90	149.00	128.46
Medium Frame Heifers +1000	72	115.12-137.33	128.72	151.50	128.20
Large & Medium Frame Heifers +1000	135	115.76-141.26	130.31	151.50	128.50
Cows - All Weights	2,679	39.26-56.18	46.93	104.00	44.25
Bulls - All Weights	128	61.83-79.23	70.55	112.99	72.65

STOCKERS - Large and Medium Frame

STEERS	Volume	Price Range	Average	Top	Last Week Avg
1000+	474	176.08-195.98	186.56	203.75	179.24
900-999	364	189.47-203.36	198.72	206.00	197.59
800-899	242	177.21-204.34	194.95	214.00	183.05
700-799	268	162.13-212.48	192.30	226.25	188.14
600-699	422	170.50-220.85	203.39	230.00	202.48
500-599	396	188.60-236.68	218.38	256.00	207.67
400-499	270	187.97-246.90	222.31	257.00	215.43
-399	72	163.18-230.12	201.65	260.00	185.34

HEIFERS	Volume	Price Range	Average	Top	Last Week Avg
+900	366	143.89-167.47	157.65	176.00	149.95
800-899	140	128.88-161.25	151.67	182.00	165.24
700-799	223	137.17-165.28	150.73	180.00	149.06
600-699	254	123.67-174.86	150.55	202.00	157.82
500-599	428	129.54-185.82	160.56	222.00	165.28
400-499	302	128.97-192.63	165.43	229.50	173.90
300-399	96	128.13-167.48	151.73	190.00	156.50
-299	18	109.44-129.58	120.18	140.00	148.52

At Kawartha Lakes Community Sale Barn, December 15, 2018 – 152 cows, 10 bulls, 55 veal, 26 stockers

	Price Range	Avg.	Top
Cows	36.50-56.50	44.28	63.50
Bulls under 1600 lbs	63.00-80.50	70.25	80.50
Bulls over 1600 lbs	69.00-78.50	73.01	78.50
Veal 600 lbs+	60.00-116.00	87.10	116.00
Veal 125 lbs & under	30.00-212.50	91.23	230.00

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	

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

At Aylmer Stockyards Inc.: December 19, 2018 –29 Veal, 264 Cows, 13 Fed Cattle, 17 stockers, 2 bulls

	Price Range	Average	Top
Fed heifers, dairy and dairy cross +1000 lbs	76.00-90.50	82.99	90.50
Cows	30.99-63.50	47.19	81.00
Veal over 600 lbs	81.49-119.99	100.89	119.99

153 Replacement calves ranged from \$7.00 to \$400.00 for an average of \$71.17 per head.

ONTARIO STOCKER & FEEDER TRADE

Stocker sale at Brussels Livestock: December 14, 2018 – 1,379 Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
1000+	170.00-194.00	183.58	194.00	900+	159.50-176.00	168.28	176.00
900-999	185.00-200.50	193.44	200.50	800-899	154.75-175.50	169.14	182.00
800-899	192.00-205.00	201.12	205.00	700-799	152.00-172.00	159.37	180.00
700-799	179.00-218.50	206.17	218.50	600-699	125.00-189.00	158.46	202.00
600-699	181.50-230.00	210.94	230.00	500-599	140.00-188.00	162.19	192.00
500-599	190.00-240.00	225.01	240.00	400-499	159.00-229.50	204.42	229.50
400-499	190.00-257.00	226.92	257.00	300-399	132.00-190.00	164.38	190.00
399-	135.00-219.00	179.13	235.00				

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				

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

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			

Stocker sale at **Ontario Livestock Exchange: December 19, 2018 – 703** Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
1000+	182.50-203.75	193.72	203.75	900+	Not enough sold		
900-999	195.00-206.00	202.25	206.00				
800-899	203.50-214.00	209.43	214.00				
700-799	182.50-185.00	184.38	185.00				
600-699	214.50-226.50	223.23	226.50				

Stocker sale at: **Ontario Livestock Exchange, December 20, 2018– 425** Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
800-899	102.50-207.00	163.39	207.00	900+	45.00-117.50	87.29	122.50
700-799	102.50-202.00	166.66	202.00	800-899	57.50-105.00	84.62	142.50
600-699	127.50-206.00	178.02	206.00	700-799	80.00-158.00	119.64	158.00
500-599	137.50-230.00	182.84	230.00	600-699	67.50-130.00	104.83	196.00
400-499	167.50-222.50	203.68	222.50	500-599	92.50-170.00	152.71	170.00
399-	205.00-222.50	209.58	222.50	400-499	101.00-122.50	105.30	185.00

Stocker sale at: **Ontario Stockyards Inc. – December 20, 2018– 846** Stockers

Steers	Price Range	Average	Top	Heifers	Price Range	Average	Top
1000+	61.00-117.00	80.73	174.00	900+	67.00-110.00	86.06	137.00
900-999	171.00-177.00	176.15	177.00	800-899	100.00-151.00	127.64	153.00
800-899	136.00-212.50	191.12	212.50	700-799	145.00-165.00	157.70	165.00
700-799	172.50-226.25	200.71	226.25	600-699	147.00-173.50	156.74	185.00
600-699	190.00-226.00	212.71	226.00	500-599	137.50-175.00	162.06	177.50
500-599	199.00-238.00	222.46	238.00	400-499	115.00-178.00	149.69	200.00
400-499	204.00-257.00	233.37	257.00	300-399	120.00-160.00	146.19	162.50
399-	170.00-260.00	231.13	260.00	299-	120.00-132.50	128.90	132.50

ONTARIO BRED COW SALES

Keady Livestock Market, December 14, 2018- 254 Bred cows & heifers, 6 Cow/calf pairs

	Exotic and Exotic X	British and British X
Top quality bred cows & heifers	\$1500-\$1800	\$1300-\$1700
Avg quality bred cows & heifers	\$1000-\$1400	\$900-\$1200
Top quality cow/calf pairs	\$1900-\$2050	\$1650-\$1800

(prices are per head/pair) 254 bred cows and heifers sold on selective demand to 50 buyers.

Ontario Stockyards Inc, December 14, 2018- 317 Bred cows

	Exotic and Exotic X	British and British X
Top quality bred cows & heifers	\$1350-\$1500	N/T
Avg quality bred cows & heifers	\$950-\$1300	\$900-\$1300

(prices are per head) Cows sold actively to a larger compliment of buyers, with cows being purchased by 46 different buyers.

LIVE CATTLE EXPORTS-ONTARIO

	Week ending Dec 1, 2018	Week ending Nov. 24, 2018	Year to Date
Total live slaughter cattle exported from Ontario to the U.S.	2,702	2,358	108,328
Steers & Heifers & Cows	2,382	2,208	94,177
Bulls	320	150	14,151

QUEBEC ELECTRONIC AUCTION MARKET (F.O.B. THE FEEDLOT)

	Price	Change from Last Week
For the week ending December 20, 2018	242.00-244.00	+7.00

ALBERTA DIRECT TRADE

For the week ending Thursday, December 20, 2018

Steers	Live FOB	155.00	Rail FOB	257.00-259.50
Heifers	Live FOB	156.50	Rail FOB	259.50

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

For the week Ending Thursday, December 20, 2018

Choice and Select Steers and Heifers:	Live	115.00-120.50
	Rail	187.00-190.00

FEDERALLY INSPECTED CANADIAN PROCESSING

	Week Ending Dec 15, 2018	# of hd change from week ago	YTD	% Change (Week Ago)	% Change (Year Ago)
Grand Total	56,267	-5,558	2,909,540	-9%	+6%
Western Slaughter	42,797	-4,817	2,272,291	-10%	+7%
Eastern Slaughter	13,470	-741	637,249	-5%	+4%

AVERAGE CARCASS WEIGHTS – CANADA

	Steers	Heifers
Dec 15, 2018	922	841
Dec 8, 2018	934	854
Dec 16, 2017	910	841

USDA ESTIMATED CATTLE PROCESSING VOLUME

	Week Ending December 22, 2018	Previous Week	Year Ago
Grand Total	659,000	654,000	611,000

CANADIAN BOXED BEEF CUT-OUT VALUES

Week Ending	AAA	AA
December 7, 2018	2.7372	2.6104
November 30, 2018	2.7242	2.5672
November 23, 2018	2.7041	2.5723

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

	Choice 600-900	Select 600-900
Current Five Day Average:	212.10	204.35

LIVE CATTLE – CANADA

IMPORTS	<i>Import % change from 2017 YTD</i>	EXPORTS	<i>Export % change from 2017 YTD</i>		
<i>Jan 1- Oct 31/18</i>		<i>Jan 1- Dec 8/18</i>			
Pure bred	5,089	-20%	Slaughter steers & heifers & cows	364,672	-18%
Non-pure bred	150,208	+85%	Feeder cattle & calves	191,863	+66%
			Bulls	43,132	-14%

BEEF EXPORTS – CANADA

United States	<i>Change from last year YTD</i>	Mexico	<i>Change from last year YTD</i>	
<i>Jan 1- Oct 31/18</i>		<i>Jan 1- Oct 31/18</i>		
Total	246,406 tonnes	+5% or +11,503 tonnes	12,665 tonnes	-12% or -1,804 tonnes

BEEF PRODUCTION – CANADA

	<i>Jan 1 – Dec 15/18</i>	<i>Last Year Same Time</i>	<i>% Change</i>
Fed	950,840 tonnes	903,749 tonnes	+5%
Non-fed	167,926 tonnes	149,991 tonnes	+12%

BEEF IMPORTS – CANADA

	<i>Jan 1 – Dec 15/18</i>	<i>Last Year Same Time</i>	<i>% Change</i>
United States	116,810 tonnes	118,071 tonnes	-1%
Non-NAFTA	47,102 tonnes	46,342 tonnes	+2%
EU-28 (beef/veal total)	2,010 tonnes	2,027 tonnes	-1%
Total	174,405 tonnes	171,298 tonnes	+2%

CHICAGO MERCANTILE EXCHANGE

Closing quotes on futures today were as follows:

Live Cattle		Feeder Cattle		Corn		Soybeans		Canadian \$	
Dec	120.87 +0.65	Jan	147.35 -0.07	Mar	3.784 +3.2	Jan	8.846 -8.6	Spot	73.58 -0.51
Feb	122.70 +0.35	Mar	145.52 +0.07	May	3.862 +3.2	Mar	8.976 -8.4	Mar	73.75 -0.53
Apr	124.82 +0.25	Apr	145.97 +0.07	Jul	3.934 +3.2	May	9.104 -8.6	Jun	73.87 -0.54
Jun	115.95 -0.12	May	146.05 +0.07	Sep	3.952 +3.0	Jul	9.230 -8.2	Sep	74.00 -0.54
Aug	113.30 -0.17	Aug	149.77 -0.07	Dec	3.992 +2.4	Aug	9.280 -7.6	Dec	74.12 -0.55
Oct	114.85 -0.15	Sep	149.50 +0.00	Mar	4.086 +2.6	Sep	9.296 -7.6	Mar	74.23 -0.54

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UPCOMING ONTARIO AUCTION MARKETS SPECIAL FALL SALES

Jan 9/19	10:00 am	Kawartha Lakes Community Sale Barn	Special Stocker Sale
Jan 18/19	11:00 am	Community Livestock Exchange	Quinte Cattlemen's All Vaccinated Sale

Comments for the week ending December 20, 2018

Lighter receipts of fed steers and heifers sold through auction markets this week totaling 295 head, down 97 from last week and 16 less than the same time last year. Fed steers traded from \$124.47-\$144.06 averaging \$134.59 down \$0.31 from last week and \$4.39 lower than the same time last year. Heifers ranged from \$115.76-\$141.26 averaging \$130.31 up \$1.81 from the previous week but \$9.43 below year ago prices, with quality affecting the average prices this week. Auction markets reported trade as steady to fully steady for most of the week but by Wednesday sales were fully steady to stronger. The market ended the week fully steady.

Ontario railgrade prices were spotty this week with no trade reported the previous Friday and one packer pulling their bid. By Monday, all packers were active with sales submitted from \$244.00-\$248.00 dressed for steers and \$243.00-\$247.00 for heifers. By Wednesday, sales reported were limited with one packer not buying and sales reported at \$244.00 dressed for steers and \$243.00 for heifers. This week's average prices are up \$0.50 from last week \$4.25 stronger than the same time last year. Delivery of the cattle sold this week was reported from next week out to the week of January 21, 2019.

Lighter receipts of cull/fed cows were sold through auction markets this week totaling 2,697 head, down 87 from last week and 559 more than the same week last year. Cows ranged from \$39.29-\$56.18 averaging \$46.93 up \$2.2.68 from last week, but \$15.66 below year ago prices. This is the fourth consecutive week cow prices have increased. Auction markets reported active trading at stronger prices for the first part of the week, with most reporting prices \$1.00-\$2.00 higher. As the week progressed, trade was steady to slightly higher and by Wednesday trade was mostly steady with the better types selling slightly stronger. The market ended the week on a good demand at stronger prices.

4,335 head of stocker and feeder cattle sold through auction markets this week, down 1,400 from last week but 429 more than the same time last year. Auction markets reported trade as active with good calves steady to fully steady, with some up to \$2.00 cwt higher. Heavier cattle were steady early week with heavier heifers noted as \$5.00 cwt higher. As the week progressed the heavier cattle were noted as trading actively on a good demand at stronger prices by Wednesday and selectively at steady prices by Thursday. Plainer types of cattle sold under pressure. Actual average prices for this week saw steers 400-500 lbs up \$6.88 from last week on average, 500-600 lbs up \$10.71, 600-700 lbs up \$0.91, 700-800 lbs up \$4.16, 800-900 lbs up \$11.90, 900-1000 lbs up \$1.13 and steers 1000 lbs and over averaged \$7.32 stronger than last week. Heifers 300-400 lbs were down \$4.77 from the previous week on average, 400-500 lbs down \$8.47, 500-600 lbs down \$4.72, 600-700 lbs down \$7.27, 700-800 lbs up \$1.67, 800-900 lbs down \$13.57 and heifers 900 lbs and over averaged \$7.70 higher than last week on average.

The Quebec electronic market this week ranged from \$242.00-\$244.00 dressed, up \$7.00 from last week on average.

Alberta direct trade on Thursday was reported by Canfax as light with dressed deals reported at \$261.00 delivered on a dressed basis, which is up \$1.00 from last week. On a picked up basis Canfax reported live steers at \$155.00 up \$0.23 on average, with heifers at \$156.50 live up \$2.40 from last week. Rail prices on a picked up basis were from \$257.00-\$259.50 dressed, with steers averaging \$259.25 up \$2.52 and heifers \$259.50 with no trade last week to compare too. Canfax reports: "Buying interest in the cash market remains mixed with one packer more active compared to the other two plants. Cattle that were bought this week were being scheduled for the week of January 7th delivery."

US cash cattle trade for the week ending December 14th was light to moderate late Friday afternoon with prices fully steady to slightly stronger. The USDA Mandatory Price Report, for the week listed live sales from \$114.50-\$119.00, with steers averaging \$118.14 up \$0.03, while live heifers averaged \$118.57 up \$0.73 from the previous week on average. On the rail sales ranged from \$185.00-\$191.00 dressed, with steers averaging \$187.62 up \$1.63 and heifers \$187.67 up \$1.48 from the previous week, on average.

This week, the U.S. cash cattle trade was fairly quiet early week, with just a couple of scattered deals reported at \$118.00 live, but for the most part the market was untested as there were only a couple of lots sold. Three lots were on offer at the Fed Cattle Exchange online auction on Wednesday with asking prices of \$119.00 live, but all three lots were left unsold with no packers bidding. On Thursday a light to moderate trade developed in the north with sales from \$115.00-\$120.50 live, mostly \$119.00 which is \$1.00 higher than last week, with dressed sales from \$187.00-\$190.00, mostly \$190.00 which is \$2.00 higher than last week. Today, the south is seeing bids at \$119.00 live which is \$1.00 higher than last week's trade, while asking prices are holding firm at \$121.00-\$122.00. Business should develop this afternoon in the south. Light trade in the north has been reported at \$119.00 live today, up \$1.00.

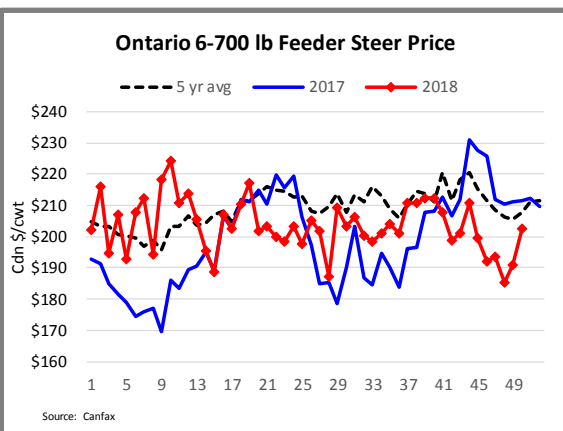
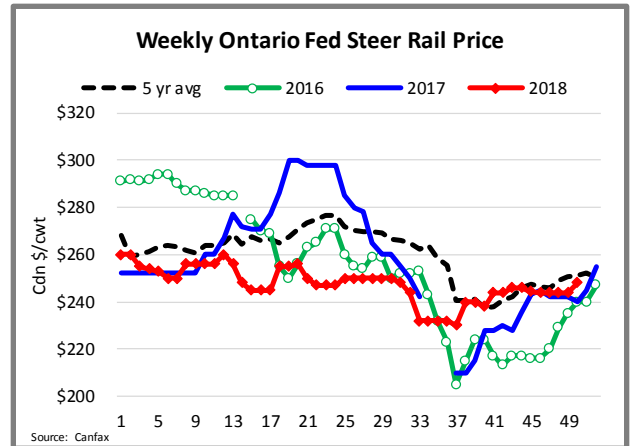


Year in Review

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.

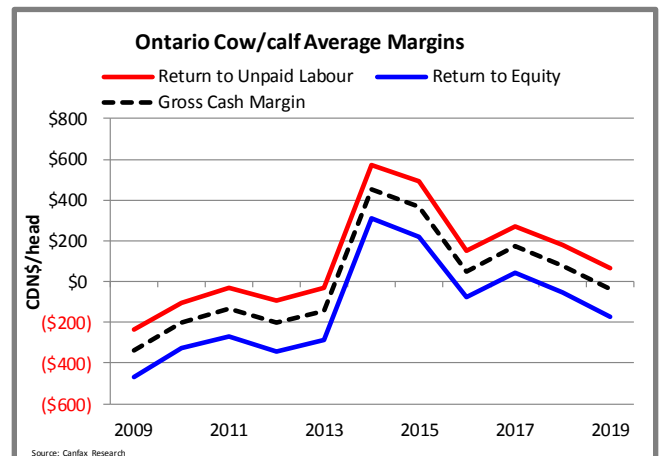


Auction market volumes are down 3% year to date after a slow start in the first half of the year. Volumes picked up in August (up 13% from last year and 11% from the five-year average) and October/November (up 5% from last year and up 4% from the five-year average).

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



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