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Weekly Cattle Market Update

For the Week Ending November 9, 2018

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices (\$/cwt)								
Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Nov. 9/2018	Average	\$263.07	\$234.38	\$215.17	\$202.85	\$199.53	\$190.54	\$178.17
Nov. 9/2018	Range	254-274	223-250	208-226	198-208	194-203	185-196	170-185
week/week	Change	-\$3.86	-\$0.40	-\$0.51	-\$4.90	-\$5.43	-\$5.42	-\$2.27
Nov. 2/2018	Average	\$266.93	\$234.78	\$215.68	\$207.75	\$204.96	\$195.96	\$180.44
Feeder Heifers		300-400	400-500	500-600	600-700	700-800	800+ lb.	
Nov. 9/2018	Average	\$207.36	\$190.67	\$182.11	\$178.28	\$174.25	\$168.00	
Nov. 9/2018	Range	198-218	182-204	177-190	173-184	167-179	164-176	
week/week	Change	-\$7.33	-\$2.90	-\$2.66	-\$3.08	-\$3.21	-\$2.70	
Nov. 2/2018	Average	\$214.69	\$193.57	\$184.77	\$181.36	\$177.46	\$170.70	

Source: Canadian data is provide by CanFax and cannot be redistributed without Canfax consent (www.canfax.ca).

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Wednesday the current week. N.A. means not available due to lack of sufficient data.

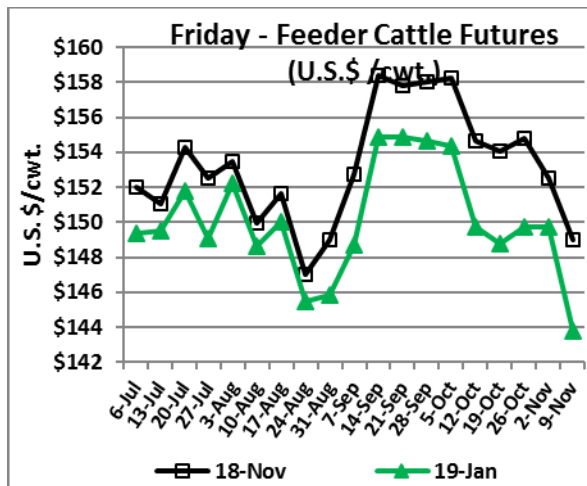
Canfax reported that a total of 42,779 head of cattle were sold in Saskatchewan over the week, down from 48,600 head the previous week, and down from 53,665 head the same week a year ago.

Saskatchewan feeder cattle prices were lower in all weight categories over the week. Saskatchewan feeder steer prices declined between \$0.40 per cwt and \$5.43 per cwt over the week. The biggest price declines were in the 700-800 lb. feeder steer weight category. On average, Saskatchewan feeder steer prices declined by over \$3 per cwt over the week.

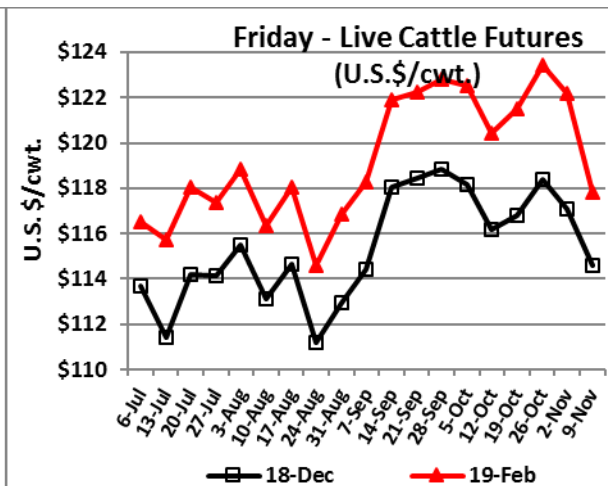
Saskatchewan feeder heifer prices were also lower in all weight categories over the week. Feeder heifer prices declined between \$2.66 per cwt and \$7.33 per cwt over the week. The biggest price declines over the week were in the 300-400 lb. feeder heifer weight category. On average, Saskatchewan feeder heifer prices declined by close to \$4 per cwt over the week. Saskatchewan feeder cattle prices are provided by Canfax (#403-275-5110) or (www.canfax.ca) and cannot be redistributed without permission.

The Saskatchewan 750 lb. feeder steer basis compared to the Nov. 8, 2018, U.S. feeder cattle index at US\$151.63 per cwt was calculated at (-\$0.71) per cwt (\$199.53 - US\$151.63/0.7572), a basis weakening of \$4.01 per cwt from the basis of (+\$3.30) per cwt from November 1, 2018.

Feeder cattle daily futures prices were primarily lower over the week with big losses on Monday and Friday to help push prices lower, week-over-week. The November feeder cattle contract declined US\$3.50 per cwt over the week to settle Friday US\$149.00 per cwt; while the January feeder cattle contract declined US\$5.950 per cwt to settle Friday at US\$143.800 per cwt.



Source: CME, LMIC



Source: CME, LMIC

Live daily cattle futures prices were also lower over the week with bigger price declines also Monday and Friday to push prices lower. The December contract declined US\$2.500 per cwt over the week to settle Friday at US\$114.575 per cwt; while the February contract declined US\$4.400 per cwt to settle Friday at US\$117.800 per cwt.

Fed and Non-fed Cattle

	November 9, 2018	November 2, 2018	Over Week
Steers (Alberta)			
Live	\$148.45	\$147.72	+\$0.73
Rail	\$244.50 to \$246.50	\$245.00 to \$246.50	-\$0.50 to n/c
Cows (Alberta)			
D1,2 Live	\$80.11	\$81.08	-\$0.97
D3 Live	\$68.56	\$69.92	-\$1.36
Rail	\$153-158	\$155-158	-\$2 to n/c

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were lower over the week. The price of D1,2 slaughter cows declined \$0.97 per cwt to average \$80.11 per cwt; while the price of D3 slaughter cows declined \$1.36 per cwt to average \$68.56 per cwt over the week.

Fed cattle prices for Alberta fed steers were reported to average \$148.45 per cwt over the week, a price increase of \$0.73 per cwt from \$147.72 per cwt from the previous week. Western Canadian slaughter cattle prices are provided by Canfax and cannot be redistributed without their permission. www.canfax.ca

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US\$113.70 per cwt, down US\$1.25 per cwt or 1.1 per cent from US\$114.95 per cwt the previous week; and down 7.3 per cent from US\$122.71 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$179.16 per cwt, down US\$1.11 per cwt or 0.6 per cent from US\$180.27 per cwt the previous week, and down 6.5 per cent from US\$191.62 per cwt the same week a year ago.

USDA World Agricultural Supply and Demand Estimates (WASDE)

On November 8, the USDA released the November World Agricultural Supply and Demand Estimates (WASDE). The November USDA WASDE report revised the 2018 United States Red Meat and Poultry production estimates slightly lower to 102.526 billion lb. from the October estimates. USDA estimates from the previous month were reduced 0.4 per cent for pork on lower second-half commercial hog slaughter numbers and lighter carcass weights.

USDA November World Agricultural Supply and Demand Estimates

Quarter		Million Pounds				Total Red Meat & Poultry
		Beef	Pork	Broiler	Turkey	
2016	Annual	25,221	24,941	40,695	5,981	97,612
2017	Annual	26,187	25,584	41,662	5,981	100,169
% Chg.	2016 to 2017	3.83%	2.58%	2.38%	0.00%	2.62%
2018	Oct. proj.	26,944	26,425	42,570	5,899	102,607
2018	Nov. proj.	26,914	26,320	42,649	5,875	102,526
% Chg.	Oct. to Nov.	-0.11%	-0.40%	0.19%	-0.41%	-0.08%
% Chg.	2017 to 2018	2.78%	2.88%	2.37%	-1.77%	2.35%
2019	Oct. proj.	27,910	27,810	43,370	5,985	105,845
2019	Nov. proj.	27,810	27,715	43,370	5,905	105,570
% Chg.	Oct. to Nov.	-0.36%	-0.34%	0.00%	-1.34%	-0.26%
% Chg.	2018 to 2019	3.70%	5.66%	1.69%	1.87%	3.24%

Source: USDA November WASDE Report, November 8, 2018

U.S. meat production estimates for 2018 are projected to increase 2.35 per cent from 2017. United States meat production numbers for 2018 were estimated to increase for pork (+2.88%), beef (+2.78%), and broilers (+2.37%); while turkeys were projected to decline 1.77 per cent. Projections for the 2019 production year were estimated to further increase 3.24 per cent from 2018; with increases to pork (+5.66%), beef (+3.70%), turkey (+1.87%) and broilers (1.69%) (Source: USDA WASDE).

United States current corn crop projections (2018/19) for November were further reduced from the October projections. Projected yield per acre in November was estimated at 178.9 bushels per acre, a decline of 1.8 bushels per acre from 180.7 bushels per acre in the October estimates.

Total corn production in the November estimates was projected to decline 152 million bushels to 14.626 billion bushels from the October estimates. November production reductions were partly offset as domestic corn usage was reduced by 50 million bushels and corn exports reduced by 25 million bushels from the October estimates. Ending corn stocks were projected to decline 77 million bushels or 4.2 per cent from the October estimates to 1.736 billion bushels.

Friday Price Information

Product	Week of: (Nov. 9, 2018)	Week of: (Nov. 2, 2018)	Week of: (Nov. 10, 2017)
Canadian Dollar (closing rate US\$)	.7572	.7631	.7885
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)	151.62	153.89	159.38
Seven-day Weighted Average FC Index Wt. (lb.)	777	784	781
Live Fed 5-area Steer Price (US\$ per cwt)	113.70	114.95	123.05
Feed Grains			
Barley			
Lethbridge (\$/tonne)	\$239.50	\$239.00	\$213.00
(\$ per bu.) mid-point price	\$5.21	\$5.20	\$4.64
Corn			
Iowa State Average (CDN\$/tonne)*	171.57	169.21	147.79
(US\$ per bu.)	3.30	3.28	2.96
Omaha, NE (CDN\$/tonne)*	183.53	174.37	151.78
(US\$ per bu.)	3.53	3.38	3.04
Futures			
December Corn (US\$ per bu.)	3.69 ³ / ₄	3.71 ¹ / ₄	3.43 ¹ / ₂
March Corn (US\$ per bu.)	3.81 ¹ / ₄	3.83 ¹ / ₄	3.56 ³ / ₄
December Live Cattle (US\$ per cwt)	114.575	117.075	120.575
February Live Cattle (US\$ per cwt)	117.800	122.200	126.750
November Feeder Cattle (US\$ per cwt)	149.000	152.500	158.475
January Feeder Cattle (US\$ per cwt)	143.800	149.750	157.175

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN\$ is based on Friday's CDN\$ closing rate.

U.S. beef production for the week ending November 10, 2018 was estimated at 526.4 million lb., down 0.8 percent from 530.6 million lb. the previous week, but up 1.9 per cent from 516.6 million lb. the same week a year ago.

Choice beef cutout prices (600-900 lb.) for the week averaged US\$217.13 per cwt over the week, up US\$0.70 per cwt or 0.3 per cent from US\$216.67 per cwt the previous week, and up 2.2 per cent from US\$212.59 per cwt the same week a year ago.

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