



PROGRAM & POLICY ANALYSIS

# Manitoba Markets

LIVESTOCK  
Internet Edition

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All prices quoted in Canadian \$ unless otherwise stated.

December 24, 1999

U.S. \$ = C\$1.4765 Wednesday noon. ISSN: 0712-027 AGDEX: 841

Cattle Prices (\$/cwt) (Friday to Thursday)	Winnipeg		Brandon		Alberta South		Ontario		Nebraska Direct	
	Range	Change	Range	Change	Range	Change	Range	Change	Range	Change
Slaughter Cattle										
Choice Steers & Heifers	-	-	-	-	99.00 - 100.55 <sup>ab</sup>	+1.05	86.50 - 109.50 <sup>b</sup>	+0.25	98.93 - 100.40	-1.20
Select Steers & Heifers	-	-	-	-	99.70 -	-1.05	88.00 - 114.25 <sup>c</sup>	+0.50	98.93 - 100.40	-1.20
D1,2 Cows	-	-	-	-	52.00 - 65.00	+2.00	45.75 - 66.00	-3.50		
D3 Cows	-	-	-	-	49.00 - 56.00	+1.00				
Bulls	-	-	-	-	55.00 - 78.00	+10.00	64.50 - 85.50	+5.50		
Feeder Cattle (medium and large frame lean)										
Steers (801+ lb)	100.00 - 120.50	-0.50	-	-	100.00 - 124.00	-4.00	87.00 - 122.50	-2.00		
(601-800)	110.00 - 134.50	N.C.	-	-	117.00 - 140.00	N.C.				
(401-600)	130.00 - 158.00	-6.50	-	-	130.00 - 183.00	+3.00	127.50 - 154.75	-7.75		
Heifers (701+ lb)	90.00 - 121.00	-0.50	-	-	95.00 - 125.00	N.C.	81.00 - 121.50	-3.50		
(400-500)	130.00 - 156.00	+6.00	-	-	130.00 - 167.00	N.C.	122.50 - 142.25	-1.75		

<sup>a</sup> - Canfax Alberta Direct Sales Price <sup>b</sup> - Grade A Steers (1000+ lb) <sup>c</sup> - Grade A Heifers (850+ lb) \* Weekly price changes are derived from the top of the ranges.

Auction Market Sales (\$/cwt) (large and medium lean cattle - higher prices refer to larger frame and exotic breeds)	Strs. 801+ lb.	Strs. 6-800 lb.	Strs. 4-600 lb.	Hfns. 701+ lb.	Hfns. 6-700 lb.	Hfns. 4-600 lb.
Ashern	-	-	-	-	-	-
Grunthal	-	-	130.00 - 155.00	-	-	125.00 - 157.00
Ste Rose	-	-	-	-	-	-

Railgrade Cattle Prices - Winnipeg (\$/lb)	Current Week		Last Week		Wholesale Beef Prices (\$/lb) - f.o.b. Calgary				United States*	
	Current Week	Last Week	Current Week	Last Week	Beef Carcass		AAA Light Boxed Beef Cutout**		Current Week	Last Week
Grade A Steers	1.55 - 1.72	1.55 - 1.65	1.65 - 1.82	1.65 - 1.82	1.71	1.71	Carcass Price Index	107.02	107.72	
D1,2 Cows	1.00 - 1.07	1.00 - 1.07					Boxed Beef Value	US\$118.55	US\$118.52	

Futures (US\$/cwt) (Thursday, December 23, 1999)				Thurs. Close Fixed				Hog Prices (Friday - Thursday) (\$/100 kg)					
Fed Cattle		Feeder Cattle		Hogs		Manitoba Contracts		E estimate		Current Week		Last Week	
Dec '99	69.67 +0.77	Jan '00	85.10 +0.93	Feb '00	55.82 -0.33	Jan	131.44	Manitoba (\$/hog)	156.00E	152.00E	59.77		
Feb '00	69.42 +0.82	Mar '00	85.40 +1.08	Apr '00	57.47 +0.65	Feb	133.26	Manitoba (all weights)	141.00E	138.00E	55.05		
Apr '00	71.25 +0.73	Apr '00	85.32 +1.05	Jun '00	64.67 -0.03	Mar	132.57	Ontario (Index 100)	135.69	134.58	38.32		
Jun '00	69.17 +0.27	May '00	85.30 +0.95	Jul '00	63.45 +0.15	Apr	136.18	Quebec (Index 100)	138.74	140.83	45.44		
Aug '00	69.45 +0.53	Aug '00	86.25 +0.80	Aug '00	61.35 -0.15	May	144.98	Iowa S. Minn. (51-52% lean)	146.73	143.90	53.14	64.35	
Oct '00	71.15 +0.73	Sept '00	86.45 +0.90	Oct '00	56.87 +0.12	June	155.81	Sows dressed					
Dec '00	72.42 +0.72			Dec '00	54.70 +0.05	July	151.63	Domestic #2	92.00 - 94.00	91.95	16.00	18.00	
				Feb '01	57.40 +2.25	Aug	152.32	Export #1	98.00 - 100.00	97.46	22.00	24.00	

(\$/cwt)	Winnipeg	Toronto	South St. Paul	Canada West	Goats:	Alberta (\$/cwt)	Winnipeg (each)	Toronto (\$/cwt)
Ewes (110+ lb.)	-	55.21 - 93.34	32.48 - 47.25	15.00 - 25.00	Kids	-	-	68.66 - 148.44
Lambs (95-109 lb.)	-	95.88 - 109.19	104.83 - 112.21	70.00 - 80.00	Nannys	-	-	65.14 - 178.42
(80-94 lb.)	-	112.19 - 127.96	-	80.00 - 90.00	Billys	-	-	65.14 - 178.42
(Under 80 lb.)	-	116.26 - 141.11	106.31 - 125.50	80.00 - 90.00	Horses:	(\$/cwt)	(\$/cwt)	(\$/cwt)
(New Crop)	-	131.39 - 274.67	125.50 - 140.27	-	<1,000 lb.	-	-	48.33 - 97.67
					1,000+ lb.	-	-	60.05 - 85.63

Hog Slaughter		Cattle Slaughter		Cattle Grades (Canada)		Cattle Classes (Canada)	
Week Ending	Previous Year	Week Ending	Previous Year	Week Ending	Previous Year	Week Ending	Previous Year
December 18	Year	December 18	Year	December 18	Year	December 18	Year
Canada	395,111	372,330	60,654	62,059	A	2,328	2,764
East	256,294	238,912	16,266	16,648	AA	23,796	26,208
West	138,817	133,418	44,388	45,411	AAA	21,287	16,256
Manitoba	69,845	63,750	2,937 *	3,644 *	APR	323	165
U.S.	2,155,000	2,265,000	677,000	677,000	B	604	544
					D	3,957	3,243
					E	108	77

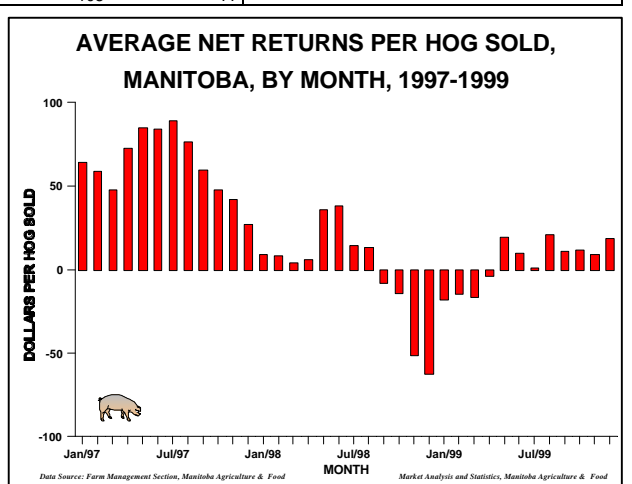
**COMMENTARY: Hogs: Markets.** Even with over 2.1 million hogs killed in the U.S. last week, hog prices started the week at a higher level than a week ago. Prices remained relatively steady until Thursday despite concerns that hog supplies would back-up during the holiday-shortened slaughter weeks. Pork stocks in cold storage are still relatively large, which could mean lower hog prices if hog marketings rise and the recent strong demand for pork wanes during and just after the holiday season. Iowa-S. Minnesota hog prices (plant top, 51-52% lean, live equivalent) declined from US\$41.75/cwt on Monday to US\$40.25/cwt on Thursday. Despite higher hog prices, apparently U.S. packer margins are still over US\$20/head, down from a peak of US\$48/head last December, but well above the December, 1993-1997 average margin of about US\$14.50/head. **USDA's December 1, 1999 Hogs and Pigs report**, due for release on December 28, is expected to show a 4-5 percent decline in hogs on farms, a 5-7 percent drop in the breeding herd and a 4-5 percent decrease in market hogs. **Manitoba Index 100 hog prices** (incl. premiums) averaged close to \$141/100kg this week, a rise of about \$3/100kg from last week. The average hog price for the fourth quarter, 1999 is expected to be \$134/100kg, up by 68 percent from the same period in 1998.

**Cattle: Markets.** The supply of Choice cattle has declined, but packers were unwilling to increase their bids to match feedlot asking prices of US\$69-70/cwt earlier this week. However, Choice steers sold for US\$68-68.50/cwt on Thursday.

The **Northwest Cattle Project** is a bilateral agreement, which allows the importation of cattle into Canada during October 1 to March 31 from low-disease-risk states, such as North Dakota, Montana, Idaho, Washington, Alaska and Hawaii. Imports of U.S. feeder cattle into Western Canada during the period October 1 to December 10, 1999 totalled 102,171 head, more than double the 51,009 feeders brought in during October 1 to March 31, 1998. Over 94 percent of the imported cattle were shipped into Alberta, 4 percent into B.C. and almost 2 percent into Saskatchewan. Given the strong Alberta cattle market this fall, it is not surprising that significantly more U.S. feeders have been moving into the province this year. Most **Manitoba** auction markets were closed this week so price data were limited to feeder cattle. Prices for almost all categories of feeders, except heifer calves, were steady to lower than last week.

**Outlook:** Higher Choice cattle prices projected for the U.S. in 2000 could have a positive effect on Manitoba prices. However, the value of the Canadian dollar is projected to rise to US\$0.69-0.71 in 2000, which would have a slight negative impact on prices relative to those in 1999. Manitoba Grade A steer prices could average \$86-90/cwt in 2000, an increase of 0-5 percent from 1999. Prices could average \$87-91/cwt in the first and second quarters and \$85-89/cwt in the third and fourth quarters. If feed costs remain low and fed cattle prices reach expected levels, the average price of 800-900 lb feeders in 2000 could be in the \$103-108/cwt range, up to 4 percent above the 1999 level. Calf prices are expected to increase by 1-5 percent from 1999 to average \$128-133/cwt in 2000, with the low end of the range possible if feed costs rise slightly in the second half of the year.

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U.S.D.A. CATTLE-ON-FEED REPORT - UNITED STATES			
1000+ capacity feedlots: (000 head)	1998	1999	99 as a % of 98
On feed November 1	10,784	11,455	106
Placed on feed in Nov	2,065	2,170	105
Less than 600 lb	745	766	103
600-699 lb	556	657	118
700-799 lb	442	416	94
800 lb and over	322	331	103
Marketed in November	1,708	1,796	105
Other disappearances <sup>1</sup>	78	83	106
<b>On feed December 1</b>	<b>11,063</b>	<b>11,746</b>	<b>106</b>

<sup>1</sup>Includes death losses & feedlot movements.

Source: U.S.D.A., Globalink, December 17, 1999