



Weekly Market Information Report

Week ending Thursday May 19, 2005



The following information is collected from various sources and disseminated by the Ontario Cattlemen's Association.

FEDERAL FED CATTLE SET-ASIDE AUCTION

Auction Week	# Bidders	# Participants this week	Weighted average accepted bid price	Provinces with accepted bids	Scheduled release date
May 18/05	754	41	\$1.19	AB,SK,MB,ON,QC	Aug 17/05
May 11/05	746	35	\$1.17	AB,MB,ON,QC	Aug 10/05
May 4/05	735	32	\$1.18	AB,MB,ON	Aug 03/05
April 27/05	719	31	\$1.16	AB,MB,ON,QC	July 27/05
April 20/05	704	153	\$1.14	AB,SK,MB,ON,QC	July 20/05
April 13/05	669	106	\$1.19	AB, MB, ON	July 13/05

To participate in the Fed Cattle Set-Aside program you must register by calling 1-888-292-5856. Auctions run every Monday at 2:00 pm to Wednesday at 2:00 p.m.

ONTARIO DIRECT TO PACKER RAILGRADE CATTLE TRADE

This is a summary for the **week** of rail grade prices on a carcass weight basis, before grade and weight discounts.

	Price Range	Last Week
A grade steers	N/T	148-151
A grade heifers	N/T	147-149

ONTARIO LIVE CATTLE TRADE

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

FED CATTLE

	Price Range	Average	Top	Last week avg.
Large Frame Steers +1250	78.94-92.94	86.18	103.00	89.27
Medium Frame Steers +1250	71.54-88.72	82.44	100.00	87.25
Large & Medium Frame Steers +1250	77.70-92.41	85.62	103.00	88.20
Large Frame Heifers +1000	77.05-92.10	85.05	107.25	85.90
Medium Frame Heifers +1000	67.95-87.78	79.22	100.00	81.43
Large & Medium Frame Heifers +1000	75.49-93.17	84.05	107.25	84.80
Cows-all weights	19.05-33.18	25.81	64.00	27.72
Bulls-all weights	29.44-49.10	36.89	80.00	36.45

STOCKERS – Large & Medium Frame

STEERS	Price Range	Average	Top
1000+	85.85-95.07	90.72	100.75
900-999	91.19-99.55	95.77	114.50
800-899	91.42-108.40	101.35	113.00
700-799	91.36-112.25	103.68	117.50
600-699	96.65-119.82	108.55	128.00
500-599	91.74-124.64	112.05	137.50
400-499	98.33-126.17	113.82	137.00

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HEIFERS	Price Range	Average	Top
900+	74.94-89.69	82.81	99.00
800-899	86.05-97.06	92.08	107.00
700-799	81.90-101.06	92.47	115.00
600-699	85.10-107.56	97.42	113.50
500-599	83.38-112.46	100.29	119.00
400-499	82.28-111.49	99.45	135.00

At Talbotville Livestock: Saturday May 14, 2005

	Price Range	Top
Good & choice steers	75.00-94.00	115.25
Good & choice heifers	75.00-93.00	99.25
Cows	25.00-38.00	47.00
	32.00-44.00	

Stocker Sale: Brussel's Livestock, May 13, 2005

STEERS	Price Range	Top	HEIFERS	Price Range	Top
1000+	83.50-94.10	94.10	900+	75.25-94.50	94.50
900-999	85.50-96.00	107.00	800-899	86.75-92.50	104.50
800-899	89.00-108.00	108.00	700-799	79.00-97.00	97.00
700-799	94.75-110.00	115.50	600-699	84.00-105.50	113.50
600-699	102.00-115.00	124.00	500-599	82.50-112.00	113.00
500-599	100.50-125.00	127.00	400-499	95.00-113.00	135.00
400-499	108.00-126.50	136.00			

Stocker Sale: Keady Livestock, May 17, 2005

STEERS	Price Range	Top	HEIFERS	Price Range	Top
900-999	102.50-104.50	104.50			
800-899	97.00-113.00	113.00			
700-799	93.50-116.50	116.50	700-799	85.50-99.75	102.50
600-699	104.50-126.00	126.00	600-699	93.00-109.25	109.25
500-599	110.00-123.00	129.00	500-599	96.00-114.50	114.50
400-499	110.00-122.50	127.00	400-499	89.00-110.00	110.00

Stocker Sale: D. H. Hickson, May 17, 2005

STEERS	Price Range	Top	HEIFERS	Price Range	Top
600-699	59.50-124.00	124.00			
500-599	62.00-127.00	127.00	500-599	66.00-112.00	112.00
400-499	72.00-127.50	127.50	400-499	54.00-108.00	108.00

Stocker Sale: Ontario Stockyards, May 17, 2005

STEERS	Price Range	Top	HEIFERS	Price Range	Top
900-999	90.00-106.00	114.50			
800-899	91.00-109.50	111.50	800-899	91.00-107.00	107.00
700-799	100.00-115.25	115.25	700-799	92.00-105.75	115.00
600-699	104.25-122.00	128.00	600-699	93.00-110.00	110.00
500-599	105.00-130.50	130.50	500-599	85.00-116.00	119.00
400-499	105.00-131.00	131.00	400-499	85.00-113.50	116.00

Denfield Livestock: May 17, 2005

	Price Range

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Choice steers	90.00-96.00	
Good steers	84.00-88.00	
Plain steers	60.00-70.00	
Choice exotic cross heifers	90.00-99.75	
Good heifers	82.00-87.00	
Plain heifers	60.00-70.00	
Good fed cows	35.00-50.00	
D1 & D2 cows	28.00-35.00	
D3 & D4 cows	20.00-26.00	
Good beef bulls	30.00-48.50	
The market traded on a good demand at steady prices. A good offering of cows sold very active with good cows sharply higher.		

Stocker sale: **Ontario Livestock Exchange, May 18, 2005**

STEERS	Price Range	Top	HEIFERS	Price Range	Top
+1000	89.50-97.75	98.00	+900	86.00-92.50	92.50
900-999	91.75-100.25	109.00	800-899	87.50-92.00	92.00
700-799	95.75-103.50	108.00			

Stocker sale: **Kawartha Lakes May 18, 2005**

STEERS	Price Range	Top	HEIFERS	Price Range	Top
800-899	74.00-107.00	107.00	700-799	60.00-100.50	100.50
700-799	66.50-114.75	114.75	600-699	81.50-109.00	109.00
600-699	96.00-126.50	126.50	500-599	70.00-113.00	113.00
500-599	75.00-131.50	131.50	400-499	83.50-113.00	113.00

CANADIAN BOXED BEEF CUTOUT VALUE

Week ending – May 13, 2005	AAA	AA
Cutout value	1.8894	1.7700
Last week	1.8603	1.7504

AVERAGE CARCASS WEIGHTS – CANADA

	STEERS	HEIFERS
May 7, 2005	806	765
May 8, 2004	829	763

FEDERALLY INSPECTED CANADIAN KILL

	Week Ending May 7, 2005	YTD	% of Yr. Ago
Grand Total	83,064	1,311,524	105%
Alberta Slaughter	56,308	887,674	100%
Ontario Slaughter	13,699	224,500	110%

USDA ESTIMATED CATTLE KILL

	Week Ending May 14, 2005	Last Week	Year Ago

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Grand Total	649,000	656,000	691,000
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ALBERTA DIRECT TRADE

Week ending **Thursday May 19, 2005**

Steers	Live	77.50-81.10	Flat rail	132.00-134.00
Heifers	Live	77.50-81.00	Flat rail	132.00-134.00

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

Week ending **May 19, 2005**

Weekly range for choice and select steers and heifers:	Live	N/T
	Rail	\$141.00-143.00

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

	Choice	Select
	600-900	600-900
Current 5 day average:	155.70	140.07

BEEF EXPORTS

	United States Jan 2– May 14	Mexico Jan 1 – Mar 19
Total	125,509 tonnes	15,765 tonnes

BEEF IMPORTS

	Jan 1 – May 7, 2005	Last Year Same Time	% Change
Total	37,883 tonnes	26,306 tonnes	+44.0%

BEEF PRODUCTION

	Jan 1 – May 14	Last Year Same Time	% Change
Fed	438,506 tonnes	432,931 tonnes	+1.3%
Non-fed	61,039 tonnes	49,235 tonnes	+24.0%

CHICAGO MERCANTILE EXCHANGE

Closing quotes on futures today were as follows:

Live Cattle			Feeder Cattle			Corn			Soybeans			Canadian \$					
\$/cwt US			\$/cwt US			\$/bu US		¢/bu		\$/bu US		¢/bu					
Jun	85.62	-0.20	May	111.47	-0.27	Jul	2.132	+3.6	Jul	6.320	+2.6	Spot	79.00	-0.43			
Aug	85.02	-0.45	Aug	111.55	-0.77	Sep	2.212	+3.4	Aug	6.320	+2.6	Jun	79.02	-0.43			
Oct	86.40	-0.37	Sep	110.27	-0.90	Dec	2.310	+3.2	Sep	6.300	+4.0	Sep	79.19	-0.43			
Dec	87.72	-0.25	Oct	109.20	-0.80	Mar	2.392	+3.2	Nov	6.300	+4.0	Dec	79.37	-0.43			

Comments for the week ending May 19, 2005

Two years ago marked a time in history that we hope to never experience again. Many thought that the border would have opened to live cattle way before now. I recall also talking to many people who told me that the border would not open for five years. Of course there is not one single person that has the answer for us on when the border will open. There are many people in the beef industry that need to be commended on their hard work and diligence in working to keep our industry somewhat afloat. Focusing on a domestic market has been the vision for many. Total slaughter has increased nationally and meat exports are higher this year as well.

At the beginning of the week fed cattle sold fairly strong. By the end of the week sales were under pressure. There were 1,955 head of finished steers and heifers sold live through Ontario auction markets. The average fed steer price was \$85.62 down \$2.58 and the average heifer price was \$84.05 down \$0.75 from

last week. Auction markets reported fed cattle sold on a good demand at strong prices and by Wednesday cattle sold under pressure with prices barely steady.

Slaughter cows saw another strong week of trade. The volume of cows sold through auction markets was 2,171. This week's average price was \$25.81 down \$1.91 from last week. Auction markets reported cows sold actively with prices \$1-3 higher. Similar to the finished cattle, cow pricing dropped \$1-2 at the end of the week.

Replacement cattle sold very strong as well. Total stockers sold live through auction markets was 7,746 up 20% from last week. Auction markets reported all classes of stocker cattle sold actively with prices \$2-3 higher.

Direct to packer railgrade cattle prices were unestablished this week.

In Alberta, cattle trade was moderately active with prices steady to \$2 lower. Steers sold at \$77.50-81.10 live and \$132.00-134.00 flat rail. Heifers sold at \$77.50-81.00 live and \$132.00-134.00 flat rail.

U.S. cash cattle trade was fairly active mostly in the north with prices \$2 lower. Steers and heifers sold at \$141.00-143.00 dressed.

Local beef trade was moderately active. Middle cuts are under pressure and end cuts are selling steady.

Legal Update from Canadian Cattlemen's Association

On May 18 Judge Richard Cebull of the U.S. District Court, Montana Division denied the CCA and Alberta Beef Producers' request for intervenor status in the case for a permanent injunction against Canadian live cattle and beef exports. The decision was not entirely unexpected. Legal counsel representing the interests of Canada's cattle producers, in close consultation with legal counsel for the Government of Canada, is determining next steps to be taken to assist in building the strongest case possible against R-CALF's request for a permanent injunction. Further information on this and other issues is available on the CCA website www.cattle.ca.

R-CALF had earlier received a two-week delay in a filing deadline in the USDA appeal of the preliminary injunction, to be heard in the 9th Circuit Court of Appeals, San Francisco. This means that the appeal of the preliminary injunction will not likely be heard until near the date of the case for the permanent injunction. That case is scheduled to be heard July 27 in Billings, Montana.

Meanwhile, USDA Secretary of Agriculture Mike Johanns made clear USDA's intention to reopen the border when he announced a June 9 roundtable discussion in Minnesota on "The Safety of North American Beef and the Economic Effect of BSE on the U.S. Industry". In making the announcement Johanns stated, "Some refuse to look beyond the short-term economic benefits of keeping the Canadian border closed. They don't see the long-term harm to this industry."

Boxed Beef

Because the USDA rule outlines the import rules for both beef and live cattle, and because R-CALF is challenging the rule, there is a possibility for beef exports to be disrupted should the court find in favour of the

plaintiff, R-CALF. There is no scientific or even logical reason why this should happen, but it can't be ruled out. Immediate legal steps would be taken to get beef moving again. Strong allies in the U.S. are working to raise awareness of the economic impact in the U.S.

Cattle producers should consider their own contingency plans for optimizing feed to allow flexibility in marketing decisions in the event of a disruption.

Both industry and government are developing contingency plans that will be activated in the event that beef exports to the U.S. are disrupted. These plans include but are not limited to certification for export markets which may include BSE testing, marketing strategies to move additional beef, and targeted herd renewal strategies. Details will be announced when appropriate.

Daily Updates on the current situation are available at www.info-cca.ca or by calling 1-866-INFO-CCA.