

USDA's Foreign Agriculture Service posted the annual GAIN report "Canada: Livestock and Products Annual," by their Canadian Embassy staff (FAS/Ottawa) on September 12th. It is a very useful summary of developments and prospects in the Canadian cattle/beef and hogs/pork sectors (the full report is available [here](#)).

Per the Executive Summary, for Canadian cattle/beef:

- Cattleherd size is forecast to remain flat in 2019. Increased heifer and cow slaughter coupled with high feed pricing and feeder cattle shortages in the second half of 2018 will be contributing factors.
- Imports of U.S. cattle will further increase as Canadian feedlots look to maintain a consistent supply.
- Sustained demand in export markets will see an increase in Canadian beef exports in 2019.
- Increased imports of U.S. beef, needed to maintain a steady supply for the Canadian market, given the limited availability of domestic product.

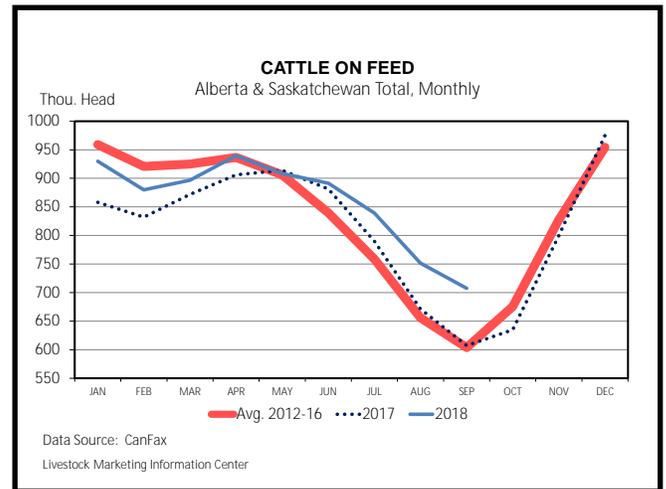
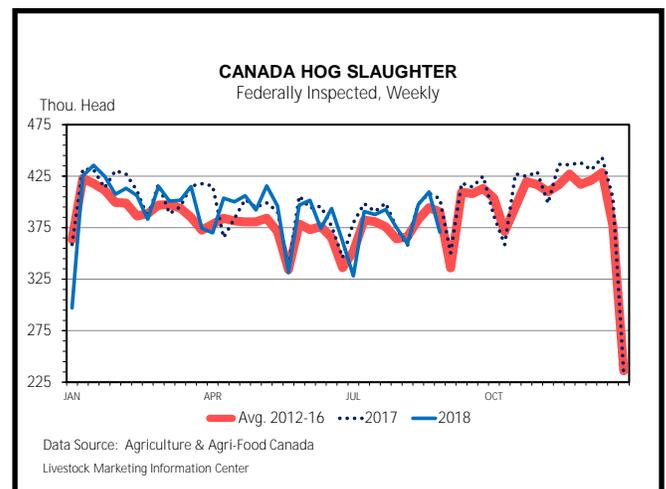
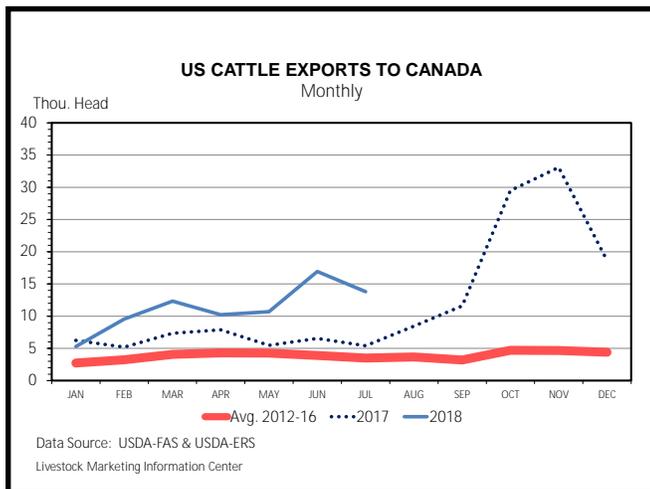
FAS/Ottawa forecasts for Canadian hogs/pork include:

- Swineherd is expected to remain about unchanged in 2019.
- Exports of live hogs will remain flat, given weak demand from the U.S.
- Canadian pork exports will remain steady in 2019, as world markets face abundant supplies following global increases in pork production.

The first graphic shows the monthly U.S. exports of cattle (all types) to Canada, and the increase posted during the fourth

quarter of 2017. The second graphic shows that Canadian hog slaughter has tracked about unchanged compared to a year ago, which is in stark contrast to the substantial gains posted in the U.S.

Last Friday, CanFax (see the website [here](#)) released their monthly Canadian (Alberta and Saskatchewan) Cattle on Feed report. We suggest that serious North American market watchers subscribe to their reports and data compilations. The summer decline in on-feed numbers dropped less than during the last few years. Drought drove the September 1 count to the largest number since 2007's. In August, compared to a year ago, heifers placed on-feed increased by 30%, while steers placed rose by 19%.



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