

The Canadian monthly Cattle on Feed report was published last Friday by Canfax, which is a division of the Canadian Cattlemen's Association. Canfax provides market data, analysis, and timely newsletters; their website is [here](http://www.canfax.com). Two provinces are included in the on-feed count, Alberta, and Saskatchewan. We cite/use their report with permission. (Note that USDA-NASS will release the U.S. Cattle on Feed report this Friday.)

Canada is an important and closely intertwined component of the North American cattle/beef industry. As of September 1, 2017, together Alberta and Saskatchewan had just over 607,000 cattle-on-feed. For comparison purposes, in the U.S. monthly reported data for August, Iowa was the fifth largest cattle feeding state and had 640,000 head on-feed in lots with more than 1000 head capacity.

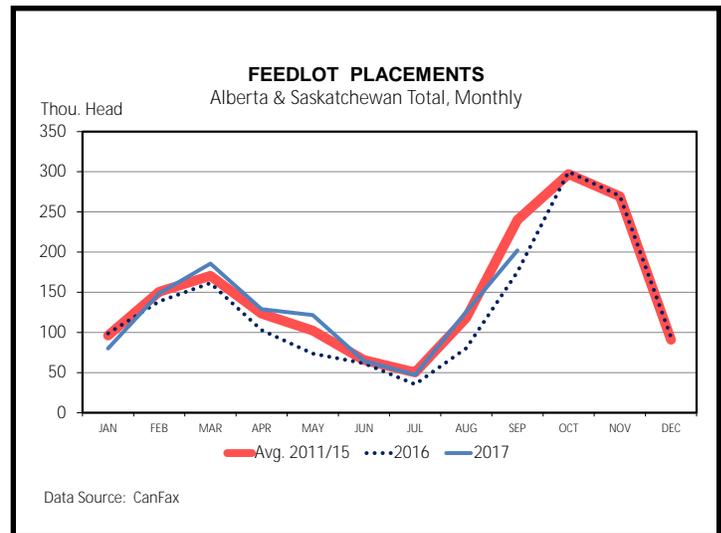
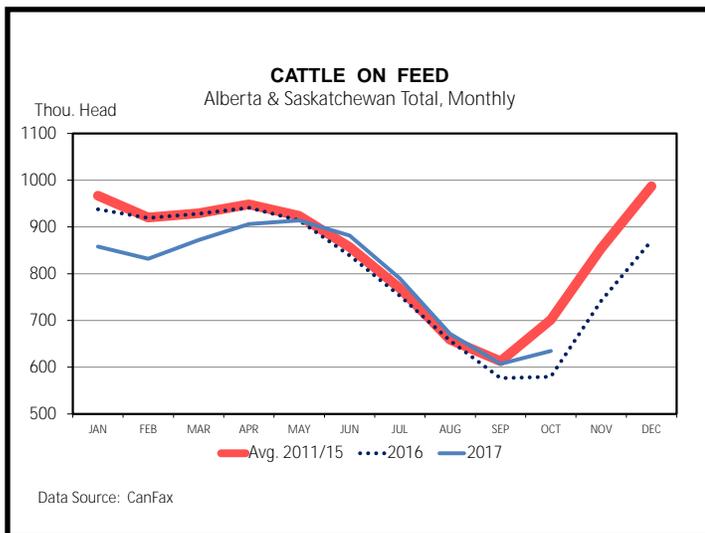
As of October 1st, the Canadian on-feed count showed a year-over-year increase, continuing a trend that began as of June 1, 2017. Cattle on feed were up 9.6% compared to a year ago (an increase of over 55,000 head), but remained below the prior 5-year average (2011-15).

The number of animals placed into feedlots has remained above 2016's each month this year since January. From January through September cumulative placement's were 1.1 million head, which was 178,000 above 2016's. Some areas of dry conditions along with strong calf and yearling prices have recently pulled more animals than last year into feedlots. Mid-

year survey results by Statistics Canada put the 2017 national calf crop only slightly above a year ago (up 0.2% or 8,500 head). Larger placements have been achieved mostly by declining feeder cattle exports to the U.S. Preliminary weekly Canadian animal export data to the U.S. by Canada are collected by USDA's Animal Health Inspection Service and reported by the Agricultural Marketing Service (Market News Division). Year-to-date, U.S. imports of Canadian feeder cattle have dropped by nearly 57,000 head (down about 1,500 animals per week). Canadian cattle feeders have bid-up prices to levels that made exports to the U.S. less attractive than normal.

As in the U.S., fed cattle marketed have been aggressive, especially in May through August. During September, head sold was down slightly compared to 2016's (slipping 1,000 head which was well less than 1%). Animals marketed so far in 2017 was 53,000 head more (up 4.3%) than during the same months in 2016. According to the weekly preliminary data from USDA, year-to-date U.S. imports of Canadian slaughter steers and heifers were above a year ago by about 14,500 head (6.4%). So, most of the year-over-year increase this year has been harvested in Canadian plants.

Looking ahead to 2018, Canfax forecasts that domestic output (production plus live exports) will increase about 2%. To achieve that, they expect a 2.6% rise in Canadian production and a 2.0% decrease in live fed animal exports to the U.S.



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