



BISON MARKET AND SUPPLY UPDATE

Prepared by Red Meat Section/Agriculture and Agri-Food Canada - September 22, 2010

Weekly Federal Bison Slaughter

| | 07-Aug | 14-Aug | 21-Aug | 28-Aug | Aug Total | 2010 YTD | 2009 YTD | % Change |
|----------------------|------------|------------|------------|------------|--------------|---------------|---------------|-------------|
| Total Canada | 361 | 137 | 350 | 233 | 1,081 | 11,323 | 13,364 | -15% |
| <i>previous year</i> | 350 | 313 | 406 | 241 | 1,310 | | | |

Provincially Inspected Slaughter

| | Mar-10 | Apr | May | June | July-10 | July-09 | 2010 YTD | 2009 YTD | % Change |
|-----------------------|------------|------------|------------|------------|------------|------------|-------------|-------------|-------------|
| Alberta | 151 | 221 | 147 | 174 | 177 | 223 | 1183 | 1437 | -18% |
| Saskatchewan | 34 | 43 | 18 | 21 | 15 | 20 | 202 | 227 | -11% |
| Manitoba/BC | 64 | 62 | 84 | 118 | 89 | 71 | 522 | 509 | 3% |
| Ontario/Quebec | 44 | 60 | 48 | 56 | 51 | 49 | 345 | 343 | 1% |
| Total | 293 | 386 | 297 | 369 | 332 | 363 | 2252 | 2516 | -10% |

** Ontario/Quebec Provincial slaughter numbers are estimated due to a delay in reporting

*Source AAFC Red Meat Section : Due to varying provincial reporting schedules, total Fed. and Prov. has a one month delay in Prov. Data

| | 2010 | 2009 | % Change |
|--|---------------|---------------|-------------|
| Total Canadian Federal and Provincial Slaughter | 13,575 | 15,880 | -15% |

US Federal Slaughter*

| for week ending: | 07-Aug | 14-Aug | 21-Aug | 28-Aug | Aug Total | 2010 YTD | 2009 YTD | % Change |
|----------------------|------------|------------|------------|------------|--------------|---------------|---------------|-----------|
| | 910 | 744 | 917 | 842 | 3,413 | 35,975 | 34,679 | 4% |
| <i>previous year</i> | 931 | 945 | 878 | 998 | 3,752 | | | |

*actual slaughter numbers in federally inspected plants, not necessarily inspected, source USDA

Canada Live Bison Exports to US

| | May-10 | June-10 | July-10 | Aug-10 | 2010 YTD | 2009 YTD | % Change |
|------------------|--------------|--------------|--------------|--------|---------------|---------------|------------|
| Slaughter Male | 505 | 329 | 995 | N/A | 4,797 | 4,508 | 6% |
| Slaughter Female | 491 | 385 | 813 | N/A | 4,522 | 5,228 | -14% |
| Feeder Male | 203 | 870 | 349 | N/A | 3,555 | 2,056 | 73% |
| Feeder Female | 170 | 575 | 349 | N/A | 2,703 | 1,723 | 57% |
| Total | 1,369 | 2,159 | 2,506 | | 15,577 | 13,515 | 15% |

*source USDA

Canadian Fresh or Chilled Bison Meat Exports

| Boneless | March | April | May | June | July | YTD 2010 | YTD 2009 | % Change |
|-----------------------------|-----------------------|---------|---------|---------|---------|-----------|-----------|----------|
| USA | Kg 50,036 | 25,523 | 40,240 | 42,845 | 52,922 | 282,831 | 241,958 | 17% |
| | Value (\$Cdn) 414,742 | 238,875 | 363,064 | 426,411 | 536,044 | 2,563,097 | 2,013,999 | 27% |
| France | Kg 28,894 | 17,796 | 3,307 | 10,018 | 2,086 | 114,420 | 211,948 | -46% |
| | Value (\$Cdn) 358,500 | 313,358 | 44,734 | 134,981 | 50,386 | 1,398,941 | 2,946,207 | -53% |
| Germany | Kg 709 | 589 | 689 | - | - | 3,305 | 14,032 | -76% |
| | Value (\$Cdn) 10,771 | 13,457 | 11,900 | - | - | 60,508 | 198,806 | -70% |
| Switzerland | Kg 4,288 | 7,111 | 6,501 | 6,264 | 6,053 | 36,022 | 28,443 | 27% |
| | Value (\$Cdn) 148,430 | 246,810 | 224,201 | 232,907 | 227,582 | 1,307,882 | 1,050,650 | 24% |
| Mexico | Kg - | - | - | - | - | - | 423 | N/A |
| | Value (\$Cdn) - | - | - | - | - | - | 16,165 | N/A |
| China P.Rep. | Kg - | - | - | - | - | - | - | N/A |
| | Value (\$Cdn) - | - | - | - | - | - | - | N/A |
| Saudi Arabia | Kg - | - | - | - | - | - | 10,073 | N/A |
| | Value (\$Cdn) - | - | - | - | - | - | 209,682 | N/A |
| Egypt | Kg - | - | 11,682 | - | - | 11,682 | - | N/A |
| | Value (\$Cdn) - | - | 173,422 | - | - | 173,422 | - | N/A |
| United Arab Emirates | Kg - | 173 | 359 | 216 | - | 2,404 | 666 | 261% |
| | Value (\$Cdn) - | 3,759 | 17,038 | 10,712 | - | 77,261 | 19,032 | 306% |
| Macau | Kg - | - | 1,000 | - | - | 1,000 | - | N/A |
| | Value (\$Cdn) - | - | 8,787 | - | - | 8,787 | - | N/A |
| Singapore | Kg - | - | - | - | 1,381 | 1,381 | - | N/A |
| | Value (\$Cdn) - | - | - | - | 17,517 | 17,517 | - | N/A |
| French S. Terr. | Kg - | - | - | - | - | - | 195 | N/A |
| | Value (\$Cdn) - | - | - | - | - | - | 2,971 | N/A |
| Japan | Kg - | - | - | - | - | - | 2,099 | N/A |
| | Value (\$Cdn) - | - | - | - | - | - | 4,768 | N/A |
| Total | Kg 83,927 | 51,192 | 63,778 | 59,343 | 62,442 | 455,144 | 507,738 | -10% |
| | Value (\$Cdn) 932,443 | 816,259 | 843,146 | 805,011 | 831,529 | 5,612,183 | 6,457,512 | -13% |

Bone-in

| | March | April | May | June | July | YTD 2010 | YTD 2009 | % Change |
|--------------|----------------------|-------|-------|------|---------|----------|----------|----------|
| Total | Kg 17,966 | 730 | 388 | - | 18,874 | 37,958 | 9,163 | 314% |
| | Value (\$Cdn) 49,162 | 6,675 | 4,243 | - | 160,622 | 220,702 | 43,943 | 402% |

Total Exports, Boneless and Bone-in

| | March | April | May | June | July | YTD 2010 | YTD 2009 | % Change |
|--------------|-----------------------|---------|---------|---------|---------|-----------|-----------|----------|
| Total | Kg 101,893 | 51,922 | 64,166 | 59,343 | 81,316 | 493,102 | 516,901 | -5% |
| | Value (\$Cdn) 981,605 | 822,934 | 847,389 | 805,011 | 992,151 | 5,832,885 | 6,501,455 | -10% |

*source Statistics Canada

US Bison Carcasses - Grain Fed (Hot Carcass Wt \$US/cwt) FOB Plant Basis
wghtd avg

| | Bulls (UTM) | Heifers (UTM) | Bulls (OTM) | Cows (OTM) |
|-----------|-------------|---------------|-------------|------------|
| Sep 2009 | 235.11 | 218.8 | 159.88 | 147.3 |
| Oct 2009 | 237.4 | 222.18 | 162.14 | 148.5 |
| Nov 2009 | 239.53 | 221.9 | 160.61 | 159.98 |
| Dec 2009 | 242.27 | 223.67 | 163.29 | 164.8 |
| Jan 2010 | 241 | 222.99 | 161.3 | 158.77 |
| Feb 2010 | 246.99 | 228.58 | 180.73 | 171.43 |
| Mar 2010 | 246.53 | 238.7 | 185 | 165.1 |
| Apr 2010 | 249.04 | 236.58 | 195 | 174.29 |
| May 2010 | 255.59 | 241.74 | | 182.07 |
| June 2010 | 260.77 | 249.48 | 186.36 | 176.32 |
| July 2010 | 266.74 | 258.33 | 208.75 | 186.43 |
| Aug 2010 | 272.93 | 263.38 | 225 | 224.74 |

**source USDA*
Canadian Bison Carcasses - Grain Fed (Hot Carcass Wt Cdn\$/cwt) FOB Plant Basis
wghtd avg

| | Bulls | Heifers | Mature Bulls | Mature Cows |
|-----------|---------|---------|--------------|-------------|
| Sep 2009 | 235-275 | 225-250 | 130-140 | 130-150 |
| Oct 2009 | 235-275 | 225-250 | 130-140 | 130-150 |
| Nov 2009 | 245-260 | 225-245 | 140-165 | 140-165 |
| Dec 2009 | 225-260 | 215-245 | 140-150 | 140-150 |
| Jan 2010 | 220-255 | 210-240 | 140-155 | 140-150 |
| Feb 2010 | 240-255 | 220-240 | 140-155 | 140-155 |
| Mar 2010 | 225-260 | 225-245 | 150-160 | 145-155 |
| Apr 2010 | 245-260 | 240-255 | 150-160 | 150-160 |
| May 2010 | 245-265 | 225-250 | 150-170 | 150-170 |
| June 2010 | 255-285 | 235-270 | 175-200 | 175-200 |
| July 2010 | 255-285 | 235-270 | 160-200 | 160-200 |
| Aug 2010 | 285-290 | 275-290 | 180-220 | 180-220 |
| Sep 2010 | 280-310 | 280-310 | 180-220 | 180-220 |

**source CBA survey of marketers*
USDA Key Cuts - Grain Fed Wholesale (\$US/cwt)

| | June | | July | | August | | Change Current Month vs. | |
|----------------------------|-----------|---------|-----------|---------|-----------|---------|--------------------------|---------------|
| | Range | Wt. Avg | Range | Wt. Avg | Range | Wt. Avg | 2 months prior | 1 month prior |
| Ribeye Lip-On Fresh | 840-1225 | 995.61 | 750-1225 | 998.68 | 750-1225 | 1008.3 | 1% | 1% |
| Chuckroll/Clod Fresh | 340-465 | 369.23 | 350-450 | 368.91 | 350-525 | 369.52 | 0% | 0% |
| Striploin Fresh | 610-1050 | 916.51 | 650-1095 | 654.2 | 650-1095 | 978.07 | 7% | 50% |
| Tenderloin Fresh | 1000-1650 | 1169.71 | 1050-1650 | 1239.1 | 1200-1650 | 1404.61 | 20% | 13% |
| Ground 90% Bulk, Fresh | 300-395 | 362 | 360-420 | 362 | 360-420 | 362 | 0% | 0% |
| Ground 85% Bulk, Frozen | 405-500 | 443.8 | 390-510 | 461.65 | 390-540 | 480.98 | 8% | 4% |
| Ground 85% Patties, Frozen | 390-440 | 425.71 | 401-455 | 425.07 | 410-540 | 465.44 | 9% | 9% |

**source USDA*
Canadian Bison Cuts - Grain Fed Wholesale (\$Cdn/kilogram)

| | Mid-June Pricing | Mid-July Pricing | Mid-August Pricing | Mid-September Pricing |
|-----------------------------|-------------------|-------------------|--------------------|-----------------------|
| Tenderloin - Fresh | \$34.95 - \$46.00 | \$34.95 - \$48.00 | \$38.00 - \$48.00 | \$44.00 - \$48.98 |
| Strip Loin Boneless - Fresh | \$22.24 - \$28.50 | \$22.24 - \$28.50 | \$23.00 - \$28.00 | \$24.50 - \$29.00 |
| Inside Round - Fresh | \$10.95 - \$13.60 | \$10.95 - \$15.00 | \$12.80 - \$15.00 | \$11.50 - \$15.00 |
| Ground 90% Bulk Fresh | \$9.45 - \$11.45 | \$9.45 - \$12.50 | \$11.35 - \$12.50 | \$12.00 - \$12.50 |
| Fresh Bison Trim | \$9.15 - \$9.25 | \$9.15 - \$10.00 | \$10.25 - \$10.25 | \$10.25 - \$10.50 |

**source CBA survey of marketers*
Live Auction Reports *most recent reported, may not reflect current market

| Kramer Auctions (SK) (May 12, 2010) | | | | Sekura Auctions (AB) (April 10, 2010) | | | Willowview Auctions (AB) (March 20, 2010) | | |
|-------------------------------------|---------|-----------|------------------|---------------------------------------|-----------|------------------|---|------------|------------------|
| Birth Year, Sex | lbs | # of head | Average (\$/cwt) | Birth Year, Sex | lbs | Average (\$/cwt) | Birth Year, Sex | lbs | Average (\$/cwt) |
| 2009 Bulls | 425-525 | 57 | 183 | 2007 Males | 800-899 | 125.00 | 2009 Bull Calves | 300-350 | 136-140 |
| | 526-625 | 77 | 187 | 2008 Males | 500-599 | 125.00 | | 400-450 | 152-156 |
| 2009 Heifers | 350-450 | 21 | 160 | | 600-699 | 120.00 | | 450-550 | 154-158 |
| | 451-500 | 26 | 151 | 2009 Males | 700-799 | 119.25 | 2009 Heifer Calves | 300-350 | 130-135 |
| | 501-610 | 72 | 172 | | 0-300 | 117.50 | | 400-450 | 138-141 |
| | | | | | 300-400 | 134.58 | 2008 Yearling Bulls | 500-600 | 110-120 |
| | | | | 2008 Females | 400-500 | 150.90 | | 600-650 | 128-135 |
| | | | | | 400-499 | 85.00 | | 700-800 | 145-148 |
| | | | | | 500-599 | 105.50 | 800-900 | 146-148 | |
| | | | | | 600-699 | 120.37 | 2008 Yearling Heifers | 500-600 | 120-125 |
| | | | | | 700-799 | 124 | | 600-700 | 129-135 |
| | | | | 2009 Females | 0-300 | 118.66 | | 700-800 | 135-138 |
| | | | | | 300-400 | 129.11 | Mature Bulls | | 83-90 |
| | | | | | 400-500 | 137.20 | | Bison Cows | |
| | | | | Mature Bulls | 1000-9999 | 104.00 | | | |
| | | | | Cows | 0-999 | 93.54 | | | |

Commentary

By Terry Kremenik, Executive Director, CBA

This report can only be improved with your feedback. Please send any comments that you have to either cba2@sasktel.net or diane.kelly@agr.gc.ca

All marketers report difficulty in meeting customer demand. With the strong demand, marketers are locking in as much supply as possible. This has resulted in higher prices to the producers. While the high prices to producers are encouraging industry investment, some producers see this as a time to exit the industry. Animal shortages have also had an impact on the processing industry as they must now look to processing other species to maintain viability. The 2009 crop of animals will be coming to market later this year and early next year but it will be reduced as producers withhold heifers to grow the herd. It will take up to five years for the supply of animals to meet growing demand.

North American demand for bison remains strong although there is some price resistance from some customers. With the difficulty in getting sufficient bison, some customers have reduced or terminated their bison program while other customers are working with the supply they are able to get. European demand is expected to pick up as they prepare for the Christmas demand.

Nationally, federal slaughter is down 15.3% for the first 34 weeks of this year (11,323 in 2010 compared to 13,364 for the same period in 2009). Exports of live animals to the end of July rose by 12.5% in 2010 when compared to the same period in 2009 (15,858 in 2010 compared to 14,097 in 2009). The average price for Grade A bulls and heifers strengthened, reaching \$3.10 per pound in 2010 with some sales higher, compared to \$2.75 per pound in September 2009. Mature bulls to mid-September 2010 ranged from \$1.80 - \$2.20 per pound, much higher than the \$1.30 - \$1.40 range reported in 2009. Today's price for fresh bison trim at \$10.50 per kilo is 38.5% higher than the \$7.35 reported in September 2009.

Total boneless bison meat exports to July 31, 2010 are down 10.4 % with a decline in exports to France and Germany. Boneless meat exports have increased to the U.S., Switzerland, United Arab Emirates and Egypt.

Chart 1

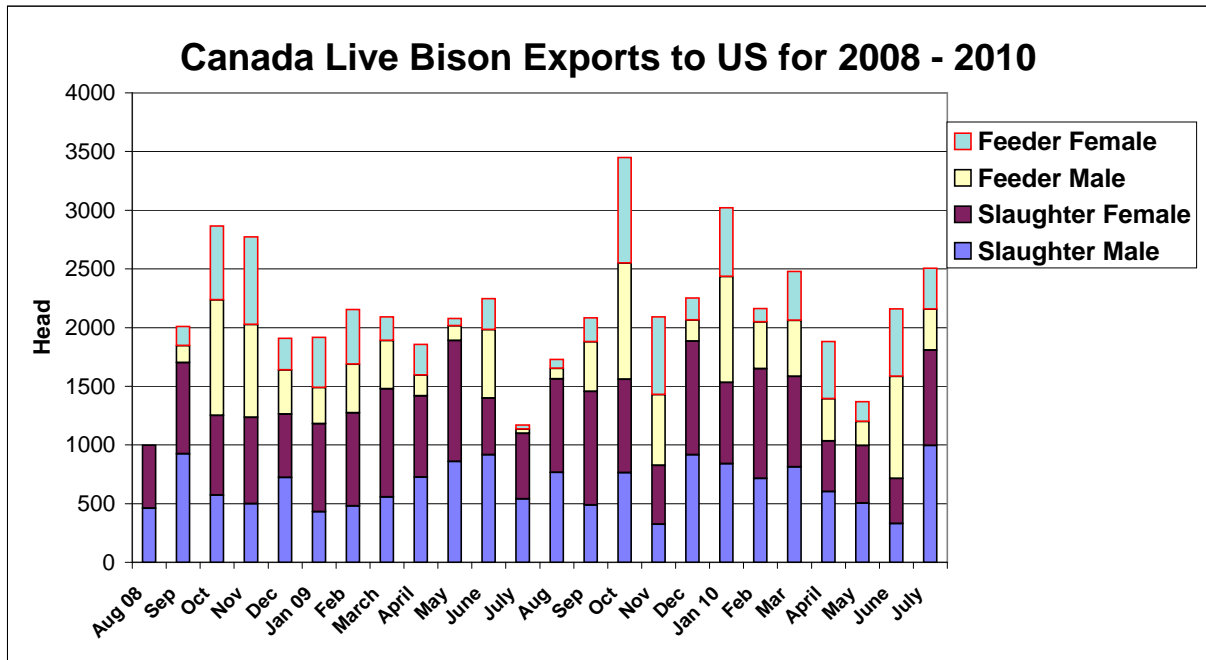


Chart 2

