



BISON MARKET AND SUPPLY UPDATE

Prepared by Red Meat Section/Agriculture and Agri-Food Canada - Jan 4th, 2010

Weekly Federal Bison Slaughter

| | 06-Nov | 13-Nov | 20-Nov | 27-Nov | Nov Total | 2010 | 2009 | % Change |
|----------------------|------------|------------|------------|------------|--------------|---------------|---------------|---------------|
| Total Canada | 383 | 275 | 351 | 443 | 1,452 | 14,860 | 18,010 | -17.5% |
| <i>previous year</i> | 455 | 471 | 443 | 484 | 1,853 | | | |

November YTD

Provincially Inspected Slaughter

| | June 2010 | July | Aug | Sept | Oct 2010 | Oct 2009 | 2010 | 2009 | % Change |
|-------------------------|------------|------------|------------|------------|------------|------------|-------------|-------------|---------------|
| Alberta | 174 | 177 | 124 | 110 | 114 | 220 | 1531 | 1976 | -22.5% |
| Saskatchewan | 21 | 15 | 25 | 19 | 11 | 25 | 260 | 293 | -11.3% |
| Manitoba/BC | 118 | 89 | 35 | 90 | 56 | 96 | 705 | 729 | -3.3% |
| Ontario/Quebec** | 56 | 51 | 54 | 37 | 68 | 42 | 504 | 512 | -1.6% |
| Total | 369 | 332 | 238 | 256 | 249 | 383 | 3000 | 3510 | -14.5% |

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

| | 2010 | 2009 | % Change |
|--|---------------|---------------|---------------|
| Total Canadian Federal and Provincial Slaughter * | 17,860 | 21,520 | -17.0% |

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

US Federal Slaughter*

| | 06-Nov | 13-Nov | 20-Nov | 27-Nov | Nov Total | 2010 | 2009 | % Change |
|----------------------|-------------|-------------|------------|------------|--------------|---------------|---------------|--------------|
| Total | 1003 | 1011 | 944 | 700 | 3,658 | 48,104 | 48,282 | -0.4% |
| <i>previous year</i> | 1202 | 1196 | 1265 | 676 | 4,339 | | | |

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

Canada Live Bison Exports to US

| | July-10 | Aug-10 | Sept-10 | Oct-10 | Nov-10 | 2010 | 2009 | % Change |
|-------------------------|--------------|--------|---------|--------------|--------------|---------------|---------------|---------------|
| Slaughter Male | 995 | N/A | N/A | 240 | 322 | 5,359 | 6,849 | -21.8% |
| Slaughter Female | 813 | N/A | N/A | 429 | 267 | 5,218 | 8,292 | -37.1% |
| Feeder Male | 349 | N/A | N/A | 784 | 629 | 4,968 | 4,159 | 19.5% |
| Feeder Female | 349 | N/A | N/A | 350 | 159 | 3,212 | 3,565 | -9.9% |
| Total | 2,506 | | | 1,803 | 1,377 | 18,757 | 22,865 | -18.0% |

*source USDA

Canadian Fresh or Chilled Bison Meat Exports

| Country | Unit | May | June | July | August | September | October | October YTD | | | |
|-----------------------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|-------------|--|
| | | | | | | | | 2010 | 2009 | % Change | |
| Boneless | | | | | | | | | | | |
| USA | Kg | 40,240 | 42,845 | 52,922 | 45,473 | 85,087 | 34,190 | 447,581 | 327,076 | 37% | |
| | Value (\$Cdn) | 363,064 | 426,411 | 536,044 | 500,843 | 513,514 | 393,613 | 3,971,067 | 2,720,839 | 46% | |
| France | Kg | 3,307 | 10,018 | 2,086 | 8,408 | 2,258 | 451 | 125,537 | 301,449 | -58% | |
| | Value (\$Cdn) | 44,734 | 134,981 | 50,386 | 131,121 | 36,307 | 11,430 | 1,577,799 | 4,143,364 | -62% | |
| Germany | Kg | 689 | - | - | - | 431 | 1,416 | 5,152 | 24,955 | -79% | |
| | Value (\$Cdn) | 11,900 | - | - | - | 10,781 | 40,001 | 111,290 | 324,824 | -66% | |
| Switzerland | Kg | 6,501 | 6,264 | 6,053 | 5,532 | 2,015 | 3,957 | 47,526 | 38,006 | 25% | |
| | Value (\$Cdn) | 224,201 | 232,907 | 227,582 | 212,482 | 76,599 | 145,691 | 1,742,654 | 1,390,798 | 25% | |
| Mexico | Kg | - | - | - | - | - | - | 0 | 423 | N/A | |
| | Value (\$Cdn) | - | - | - | - | - | - | 0 | 16,165 | N/A | |
| China P.Rep. | Kg | - | - | - | - | - | - | 0 | 186 | N/A | |
| | Value (\$Cdn) | - | - | - | - | - | - | 0 | 1,030 | N/A | |
| Saudi Arabia | Kg | - | - | - | - | - | - | 0 | 10,073 | N/A | |
| | Value (\$Cdn) | - | - | - | - | - | - | 0 | 209,682 | N/A | |
| Egypt | Kg | 11,682 | - | - | - | - | - | 11,682 | 0 | N/A | |
| | Value (\$Cdn) | 173,422 | - | - | - | - | - | 173,422 | 0 | N/A | |
| United Arab Emirates | Kg | 359 | 216 | - | - | 102 | 185 | 2,691 | 864 | 211% | |
| | Value (\$Cdn) | 17,038 | 10,712 | - | - | 2,199 | 9,925 | 89,385 | 24,678 | 262% | |
| Macau | Kg | 1,000 | - | - | - | - | - | 1,000 | 0 | N/A | |
| | Value (\$Cdn) | 8,787 | - | - | - | - | - | 8,787 | 0 | N/A | |
| Singapore | Kg | - | - | 1,381 | - | - | - | 1,381 | 0 | N/A | |
| | Value (\$Cdn) | - | - | 17,517 | - | - | - | 17,517 | 0 | N/A | |
| French S. Terr. | Kg | - | - | - | - | - | - | 0 | 195 | N/A | |
| | Value (\$Cdn) | - | - | - | - | - | - | 0 | 2,971 | N/A | |
| Others | Kg | - | - | - | - | - | - | 0 | 1,008 | N/A | |
| | Value (\$Cdn) | - | - | - | - | - | - | 0 | 15,760 | N/A | |
| Total | Kg | 63,778 | 59,343 | 62,442 | 59,413 | 89,893 | 40,199 | 642,550 | 704,235 | -9% | |
| | Value (\$Cdn) | 843,146 | 805,011 | 831,529 | 844,446 | 639,400 | 600,660 | 7,691,921 | 8,850,111 | -13% | |

Bone-in

| | May | June | July | August | September | October | 2010 | 2009 | % Change |
|--------------|--------------|----------|----------------|----------|-----------|----------|----------------|----------------|------------|
| Total | 388 | - | 18,874 | - | - | - | 37,958 | 26,471 | 43% |
| | 4,243 | - | 160,622 | - | - | - | 220,702 | 225,771 | -2% |

Total Exports, Boneless and Bone-in

| | May | June | July | August | September | October | 2010 | 2009 | % Change |
|--------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------------|-------------|
| Total | 64,166 | 59,343 | 81,316 | 59,413 | 89,893 | 40,199 | 680,508 | 730,706 | -7% |
| | 847,389 | 805,011 | 992,151 | 844,446 | 639,400 | 600,660 | 7,912,623 | 9,075,882 | -13% |

*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) |
|-----------|-------------|---------------|-------------|------------|
| Nov 2009 | 239.53 | 221.90 | 160.61 | 159.98 |
| Dec 2009 | 242.27 | 223.67 | 163.29 | 164.80 |
| Jan 2010 | 241.00 | 222.99 | 161.30 | 158.77 |
| Feb 2010 | 246.99 | 228.58 | 180.73 | 171.43 |
| Mar 2010 | 246.53 | 238.70 | 185.00 | 165.10 |
| Apr 2010 | 249.04 | 236.58 | 195.00 | 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 | 225.00 | 224.74 |
| Sept 2010 | 296.03 | 276.84 | 228.75 | 206.18 |
| Oct 2010 | 317.57 | 304.34 | 234.38 | 233.46 |
| Nov 2010 | 325.34 | 312.02 | 237.88 | 228.73 |

**source USDA*

Canadian Bison Carcasses - Grain Fed (Hot Carcass Wt Cdn\$/cwt) FOB Plant Basis

wghtd avg

| | Bulls | Heifers | Mature Bulls | Mature Cows |
|-----------|---------|---------|--------------|-------------|
| 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 |
| Oct 2010 | 330-345 | 310-345 | 220-240 | 220-240 |
| Nov 2010 | 345-350 | 330-335 | 220-230 | 210-220 |
| Dec 2010 | 325-350 | 325-340 | 220-225 | 200-225 |

**source CBA survey of marketers*

USDA Key Cuts - Grain Fed Wholesale (\$US/cwt)

| | September 2010 | | October 2010 | | November 2010 | | Change Current Month vs. | |
|----------------------------|---------------------|----------|--------------|----------|---------------|----------|--------------------------|---------------|
| | Range | Wt. Avg | Range | Wt. Avg | Range | Wt. Avg | 2 months prior | 1 month prior |
| | Ribeye Lip-On Fresh | 775-1295 | 1031.74 | 750-1250 | 1060.45 | 800-1375 | 1090.87 | 5.7% |
| Chuckroll/Clod Fresh | 400-616 | 407.92 | 440-550 | 451.20 | 440-580 | 456.79 | 12.0% | 1.2% |
| Striploin Fresh | 675-1150 | 929.00 | 650-1150 | 1024.46 | 650-1150 | 1029.37 | 10.8% | 0.5% |
| Tenderloin Fresh | 1112-1700 | 1412.67 | 1340-1695 | 1552.99 | 1500-1795 | 1627.09 | 15.2% | 4.8% |
| Ground 90% Bulk, Fresh | 375-470 | 443.00 | 450-585 | 484.56 | 450-585 | 482.00 | 8.8% | -0.5% |
| Ground 85% Bulk, Frozen | 400-595 | 518.22 | 465-645 | 541.20 | 490-580 | 550.66 | 6.3% | 1.7% |
| Ground 85% Patties, Frozen | 424-595 | 491.09 | 460-635 | 536.26 | 480-580 | 538.83 | 9.7% | 0.5% |

**source USDA*

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

| | Mid-September Pricing | Mid-October Pricing | Mid-November Pricing | Mid-December Pricing |
|-----------------------------|-----------------------|---------------------|----------------------|----------------------|
| Tenderloin - Fresh | \$44.00 - \$48.98 | \$44.00 - \$54.95 | \$40.00 - \$60.00 | \$37.95 - \$46.75 |
| Strip Loin Boneless - Fresh | \$24.50 - \$29.00 | \$24.00 - \$34.95 | \$24.00 - \$34.00 | \$24.95 - \$28.65 |
| Inside Round - Fresh | \$11.50 - \$15.00 | \$11.29 - \$16.75 | \$11.00 - \$17.00 | \$11.95 - \$14.88 |
| Ground 90% Bulk Fresh | \$12.00 - \$12.50 | \$10.95 - \$12.75 | \$10.50 - \$13.75 | \$10.95 - \$11.70 |
| Fresh Bison Trim | \$10.25 - \$10.50 | \$10.25 - \$11.20 | \$9.75 - \$11.50 | \$9.95 - \$11.75 |

**source CBA survey of marketers*

Live Auction Reports *most recent reported, may not reflect current market

| Sekura Auctions (AB) (Nov 6, 2010) | | | Sekura Auctions (AB) (Dec 4, 2010) | | | Willow view Auctions (AB) (Dec 11, 2010) | | |
|------------------------------------|---------|------------------|------------------------------------|-----------|------------------|--|----------|----------------------|
| Birth Year, Sex | lbs | Average (\$/cwt) | Birth Year, Sex | lbs | Average (\$/cwt) | Birth Year, Sex | lbs | Average (\$/cwt) |
| 2008 Bulls | 600-699 | 202.15 | 2006 Bulls | 1000-9999 | 130.25 | 2010 Bull Calves | 400-450 | 239-246 |
| | 700-799 | 201.00 | | 800-899 | 204 | | 500-525 | 240-247 |
| | 900-999 | 186.10 | | 900-999 | 190 | | | |
| 2009 Bulls | 400-500 | 201.00 | 2009 Bulls | 1000-9999 | 182.5 | 2010 Heifer Calves | 350-400 | 235-239 |
| | | | | 600-699 | 231.21 | | 400-450 | 239-250 |
| | | | | 700-799 | 225.44 | | | |
| 2010 Bulls | 400-499 | 205.00 | 2010 Bulls | 800-899 | 216.61 | 2009 Yearling Bulls | 600-650 | 205 |
| | | | | 300-399 | 205 | | 650-700 | 210-215 |
| | | | | 400-499 | 227.5 | | 700-800 | 210-214 |
| 2008 Heifers | 500-599 | 200.00 | 2008 Heifers | 500-599 | 209.5 | 2009 Yearling Heifers | 500-600 | 203-208 |
| | | | | 700-799 | 115.00 | | 900-999 | 172.5 |
| | | | | | | | 600-699 | 215.14 |
| 2009 Heifers | 400-500 | 197.20 | 2009 Heifers | 700-799 | 195.97 | 2008 Yearling Heifers | 600-750 | 207-214 |
| | | | | 300-399 | 232.89 | | 300-399 | 152.5 |
| | | | | | | | 400-499 | 140.32 |
| 2010 Heifers | 300-399 | 232.89 | 2010 Heifers | 500-599 | 196.15 | 2008 Bulls | 900-1100 | 190.00 |
| | | | | | | | 800-9999 | 141.69 |
| | | | | | | | 0-999 | 172.18 |
| Cows | 0-9999 | 138.17 | Mature Bulls | | | | 124-149 | |
| | | | Mature Cows | | | | | \$1500-\$1675 / head |

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 genevieve.rodrique@agr.gc.ca

Prices for live bison and meat cuts remain strong as reported in last months report. These prices are driven by a short supply of bison and expectations that supply of finished bison will be tighter as we move into next year. Prices marketers are offering for finished bison are being reflected in meat prices to consumers. Significantly higher prices are resulting in some buying resistance at the consumer level. Although the demand for bison products remains strong in the U.S. and to a lesser extent in Europe, the domestic consumers are showing resistance at present prices.

Nationally, federal slaughter is down 17.8% for the 48 weeks of this year (15,241 in 2010 compared to 18,536 for the same period in 2009). Exports of live animals to the end of November at 21,892 are down by about 4.0% compared to the 22,865 exported the same period last year. The average price for Grade A bulls and heifers continues to be strong at strengthened reaching \$3.50 per pound in December 2010 compared to \$2.60 per pound in December 2009. Mature bulls to mid-December 2010 ranged from \$2.20 - \$2.25 per pound, much higher than the \$1.50 reported in 2009. Today's price for fresh bison trim at a high of \$11.75 per kg is 61.0% higher than the \$7.30 reported in December 2009.

Data suggest that federally slaughtered bison in Canada will be down as much 18.0% this year with live bison being exported to the U.S. being down an estimated 5.0%. With some producers retaining heifers to grow their herds and while others renew their cow herds; supply growth will be slow. This has major implications for the processing industry which has geared up to handle a significantly larger number of animals than are coming to the market. As previously reported consolidation is expected at the processing and marketer levels. Alternatively processors and marketers may add non-bison products to their product lines.

Chart 1

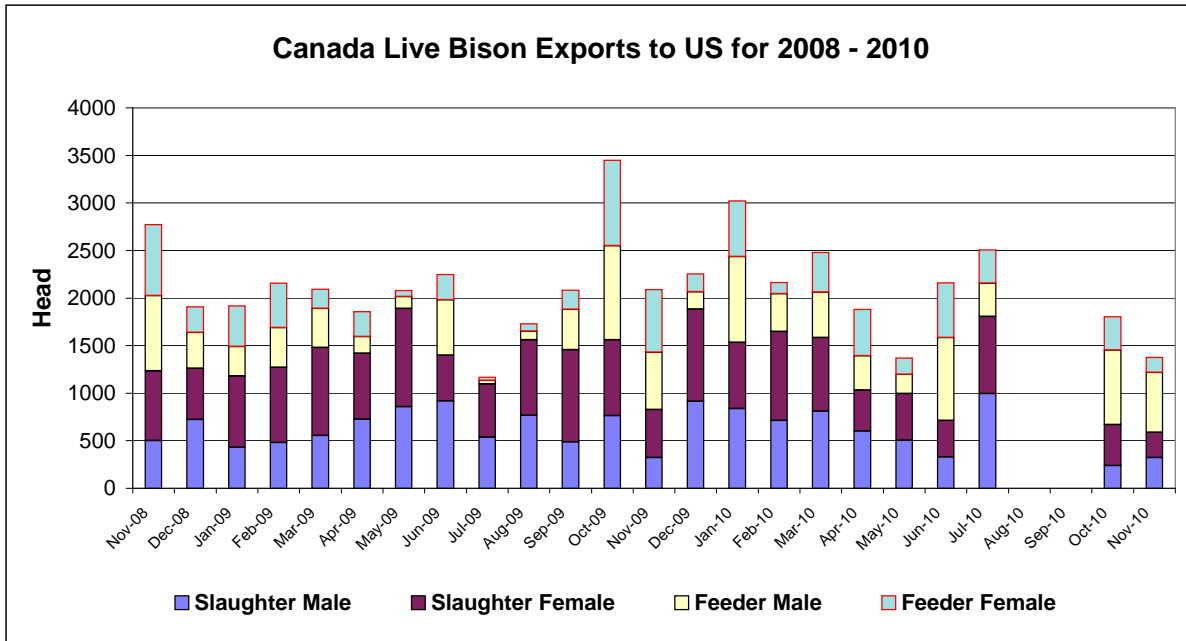


Chart 2

