



Co-product market report

November 2022

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Beef Co-products

Beef offal prices in October were mixed across all items with halal tails showing a downward trend whilst aorta showed a sharp upturn.

Table 1: Beef co-product prices

	Average (Oct Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$4.45		2	-3.3%	-7.0%
Beef Lips - Halal	\$6.01	\$4.35	4	16.5%	19.7%
Cheekmeat	\$13.20		2	-2.2%	37.5%
Cheekmeat - Halal	\$11.65	\$4.05	3	0.0%	29.6%
Diap. Membrane	\$4.26	\$8.25	4	-7.6%	-20.6%
Hc Tripe	\$8.10		2	1.2%	13.0%
Hc Tripe - Halal	\$8.68	\$1.25	3	8.5%	22.9%
Headmeat	\$6.85		2	0.0%	-0.1%
Headmeat - Halal	\$6.85		2	7.9%	22.3%
Heart	\$2.96		2	20.3%	-18.8%
Heart - Aorta	\$13.23	\$12.30	3	44.6%	34.8%
Heart - Aorta - Halal	\$13.70		2	25.7%	49.7%
Heart - Halal	\$3.38	\$0.75	4	-1.1%	-6.6%
Kidneys- Halal	\$1.62	\$0.80	3	-27.3%	19.8%
Ligamentum	\$3.59	\$0.70	4	-6.8%	-14.8%
Liver	\$1.89		2	0.0%	11.2%
Liver - Halal	\$1.81	\$1.05	4	-13.7%	-4.0%
Lungs	\$1.90		2	0.0%	-24.2%
Lungs - Halal	\$3.79	\$1.30	4	-13.6%	-5.0%
Omasum	\$8.90		2	4.7%	20.8%
Omasum - Halal	\$9.00		2	-11.8%	24.4%
Rum.Pill - Halal < 500	\$5.57	\$5.20	3	22.8%	0.3%
Rum.Pill - Halal > 500 < 700	\$9.17	\$2.50	3	15.5%	14.6%
Rum.Pill - Halal > 700	\$13.13	\$3.00	3	11.9%	36.1%
Rum.Pill < 500	\$3.70		2	-6.6%	-41.6%
Rum.Pill > 500 < 700	\$6.40		2	-16.2%	-23.4%
Rum.Pill > 700	\$10.38		2	-7.1%	-23.1%
Tail	\$11.50		2	1.8%	-39.2%
Tail - Halal	\$10.75		2	-10.3%	-41.5%
Tendons	\$12.90		2	8.4%	35.8%
Tendons - Halal	\$13.50		2	17.4%	
Thickskirt	\$10.70		2	-8.8%	7.0%
Thickskirt - Halal	\$11.67	\$1.00	3	-3.8%	12.0%
Thinskirt	\$11.67	\$5.50	3	-2.0%	16.1%
Thinskirt - Halal	\$11.25		2	-8.2%	5.0%
Tongue Root Fillet	\$6.23	\$1.20	3	-0.5%	2.2%
Tongue Root Meat	\$1.57		2	-18.1%	
Tongue Root Meat - Halal	\$4.13	\$3.80	3	27.2%	12.5%
Tongue SW - Halal	\$14.33	\$4.00	3	-11.2%	-48.8%
Tripe Pieces	\$2.47		2	4.2%	17.1%
Tripe Pieces - Halal	\$2.57	\$0.60	3	-2.5%	28.3%

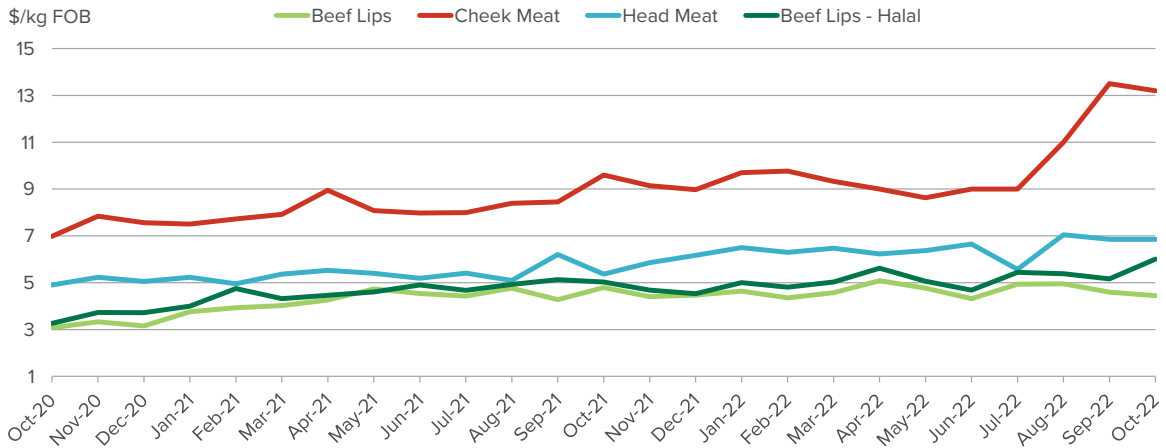
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Head meat averaged \$6.85/kg which was \$1.48/kg higher year-on-year but but even with last month. Cheek meat was \$3.60/kg dearer than year-ago levels, averaging \$13.20/kg, down 30¢/kg month-on-month.

Lip export prices to the US and Mexico eased 15¢/kg month-on-month, averaging \$4.45/kg to be 34¢/kg down on last year. Halal lips averaged \$6.01/kg to be 98¢/kg firmer than October 2021 and 85¢/kg higher than last month.

Figure 1: Trends in beef head offal prices

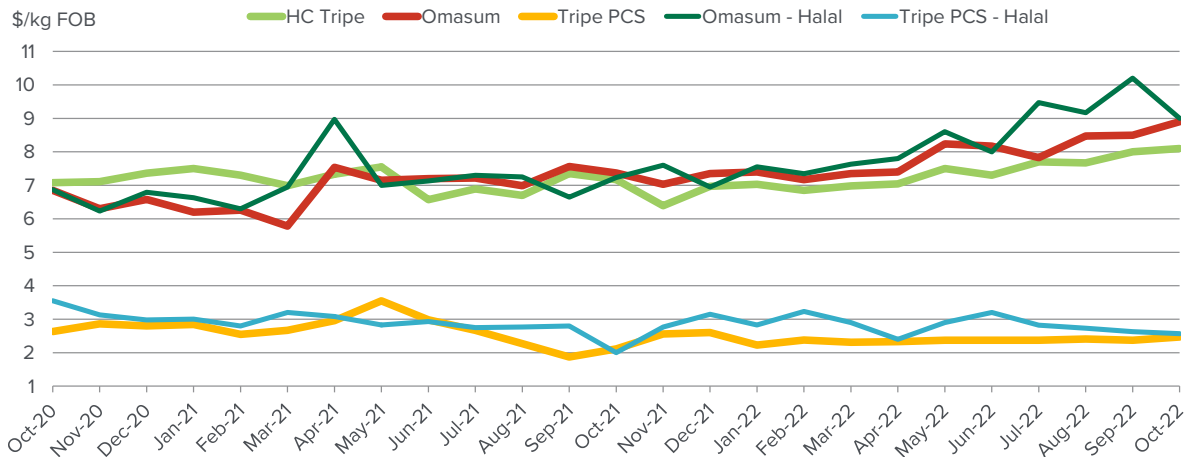


Beef offal trends

Omasum firmed 40¢/kg from last month, to average \$8.90/kg, up \$1.53/kg from year-ago prices. Halal omasum averaged \$9.00/kg, up \$1.77/kg year-on-year but \$1.20/kg softer month-on month correcting a sharp spike last month.

Halal tripe pieces averaged \$2.57/kg up 57¢/kg year-on-year but 6¢/kg lower than last month. Non-halal tripe pieces averaged \$2.47/kg to be 36¢/kg firmer year-on-year but 10¢/kg lower month-on-month. Honeycomb tripe averaged \$8.10/kg to be 93¢/kg above year ago prices and 10¢/kg up on last month.

Figure 2: Trends in beef tripe prices

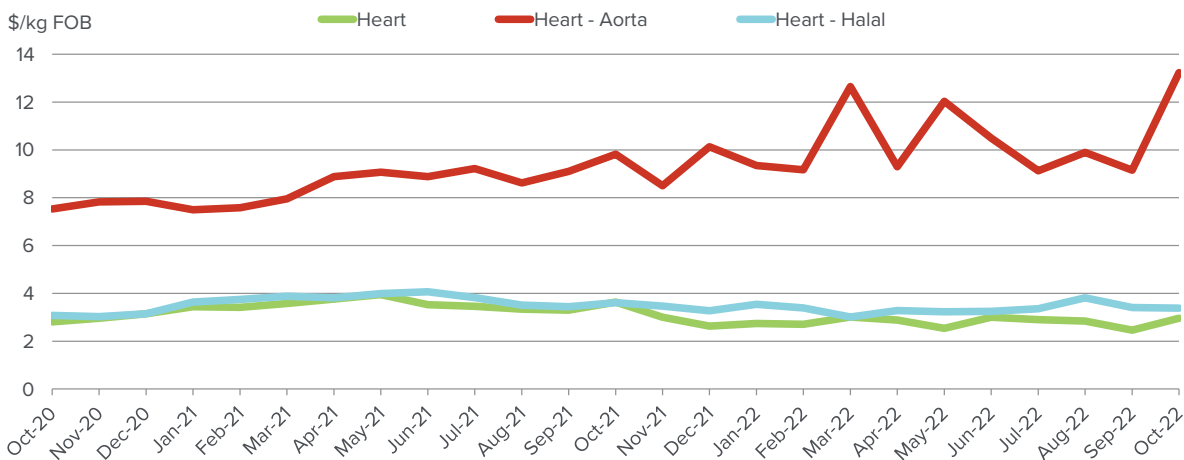


Beef offal trends continued...

Aorta eased to average \$13.23/kg up \$4.08/kg month-on-month and was \$3.41/kg above the October 2021 price.

Heart prices were up from last month, averaging \$2.96/kg, to be 68¢/kg below year-ago levels but 50¢/kg above the September price. Halal hearts averaged \$3.38/kg, easing 3¢/kg month-on-month and down 23¢/kg from October 2021.

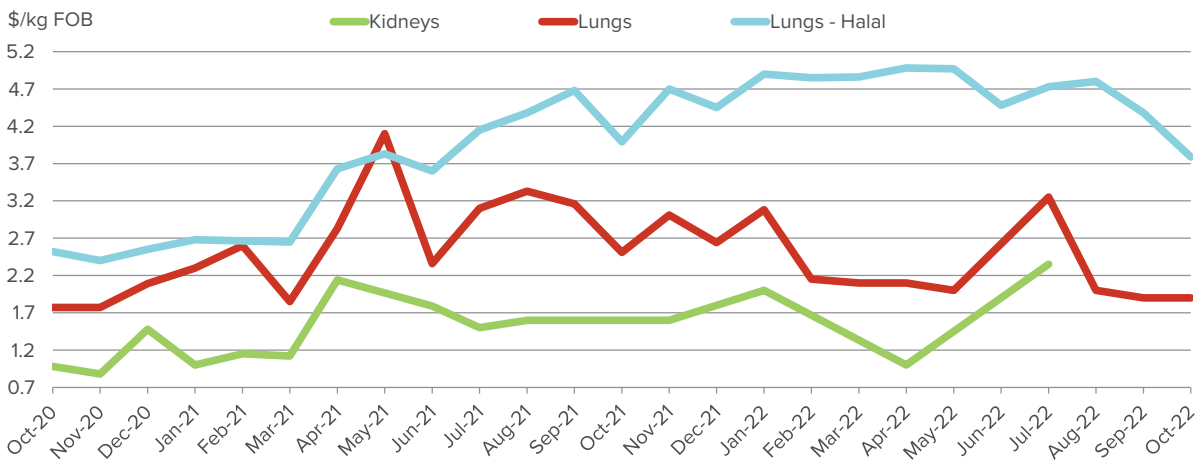
Figure 3: Trends in beef offal prices



Kidneys were not reported this month.

Halal lungs averaged \$3.79/kg, down 20¢/kg year-on-year and 59¢/kg lower than last month. Non-halal lungs returned \$1.90/kg to be 61¢/kg below October 2021 but even month-on-month.

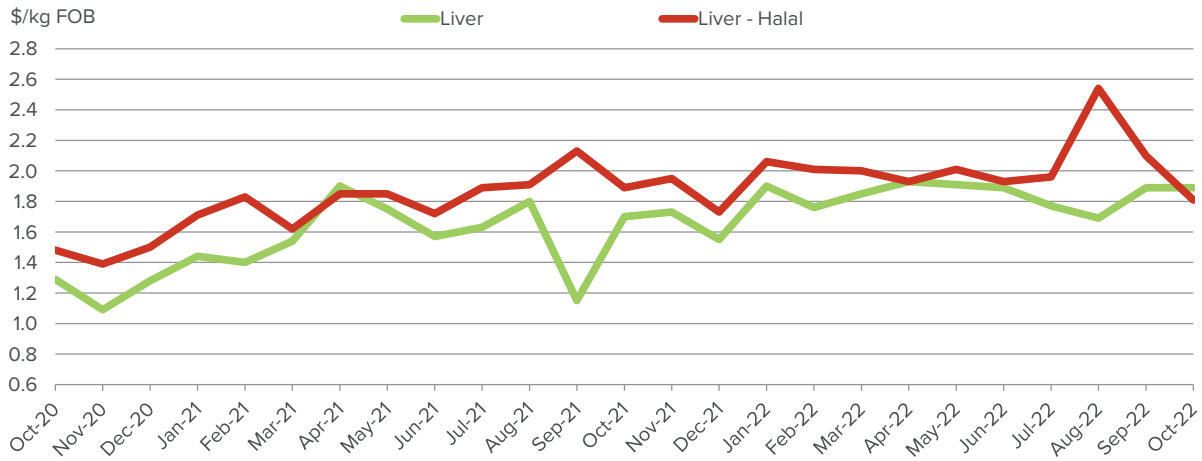
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.89/kg, even month-on-month and 19¢/kg firmer than year-ago levels. Halal livers were 29¢/kg down on last month's price to average \$1.81/kg down 8¢/kg on last year prices.

Figure 5: Trends in beef offal prices



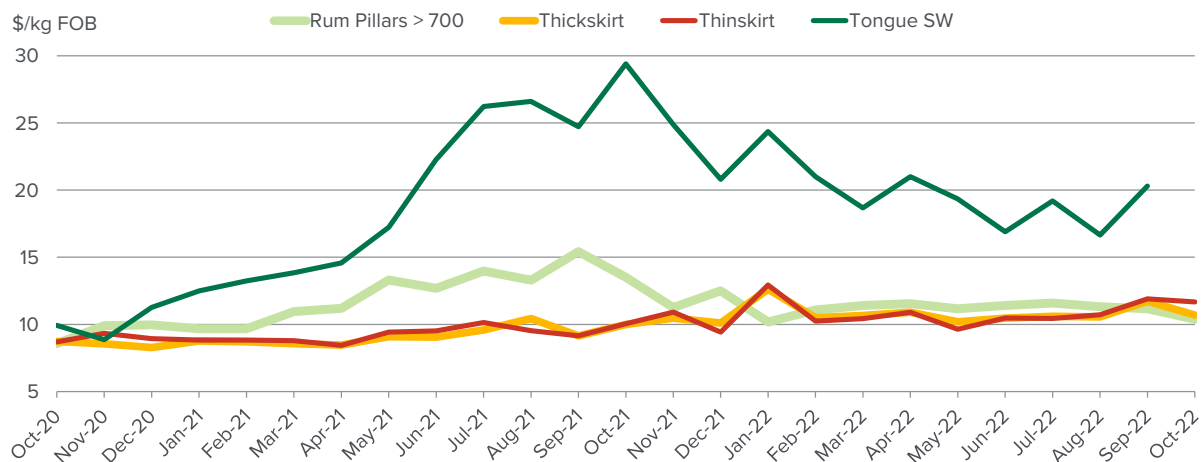
Japanese and Korean Offals

Tongue was not reported.

Thick skirt was 70¢/kg firmer year-on-year but \$1.03/kg lower than last month, averaging \$10.70/kg. Thin skirt averaged \$11.67/kg to be 23¢/kg below last month but \$1.62/kg firmer year-on-year.

Rumen pillars eased with heavy weight product averaging \$10.38/kg, down 79¢/kg month-on-month but \$3.12/kg lower than October 2021 levels.

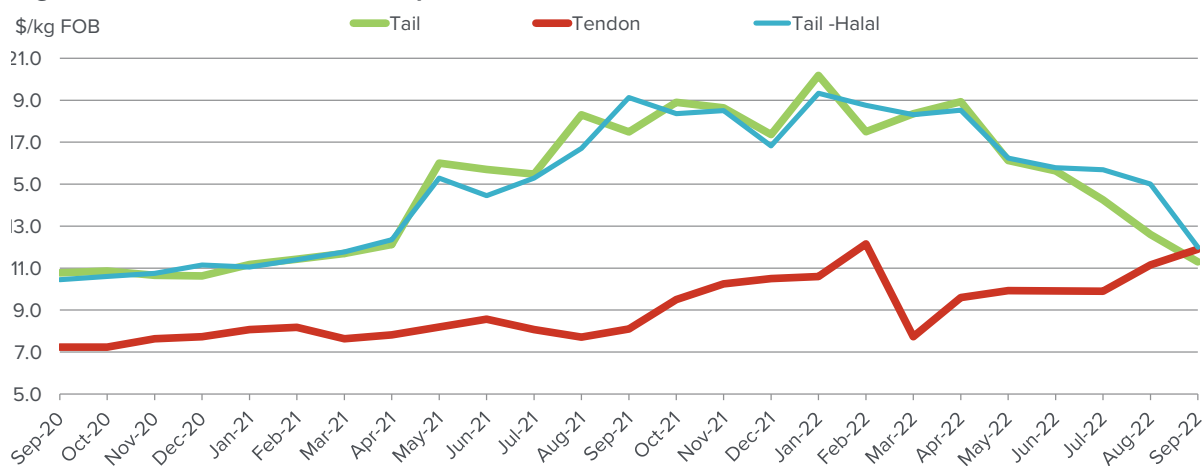
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices firmed 20¢/kg from last month, averaging \$11.50/kg, to be \$7.40/kg below year-ago levels. Halal tails averaged \$10.75/kg, down \$1.24/kg from last month and \$7.61/kg below year-ago prices. Tendons averaged \$12.90/kg to be \$3.40/kg higher year-on-year and \$1.00/kg up from last month.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices were mixed this month.

Table 2: Sheep co-product prices

	Average (Oct Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$5.85	\$3.45	3	1.5%	33.5%
Kidneys Sheep - Halal	\$4.08		2	-14.9%	-32.6%
Liver Sheep - Halal	\$2.85	\$2.45	3	13.4%	36.8%
Runners Lamb	\$7.13	\$0.10	3	0.5%	6.5%
Runners Sheep	\$6.13	\$0.10	3	1.7%	9.0%
Tongue LC Sheep - Halal	\$6.90		2	-6.1%	38.0%

Price quoted is average price reported in \$/kg FOB Australian port and runners as \$/piece.

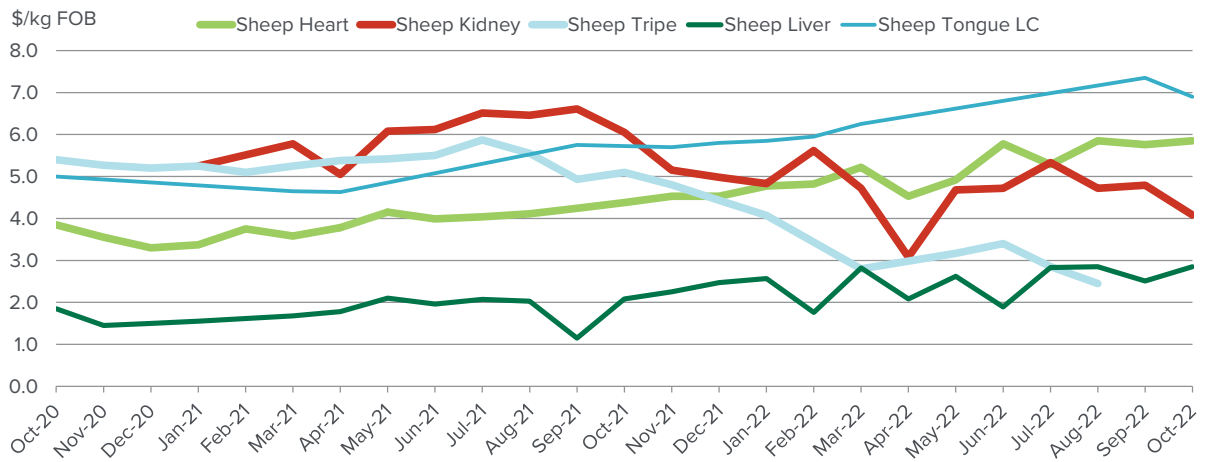
Sheep offal

Sheep hearts averaged \$5.85/kg, up 9¢/kg month-on-month and \$1.47/kg dearer than year-ago levels. Sheep kidneys were reported at \$4.08/kg which was 71¢/kg below the September average and \$1.97/kg down year-on-year. Sheep liver averaged \$2.85/kg to be 34¢/kg firmer month-on-month and 77¢/kg higher than October 2021.

Sheep tripe was not reported.

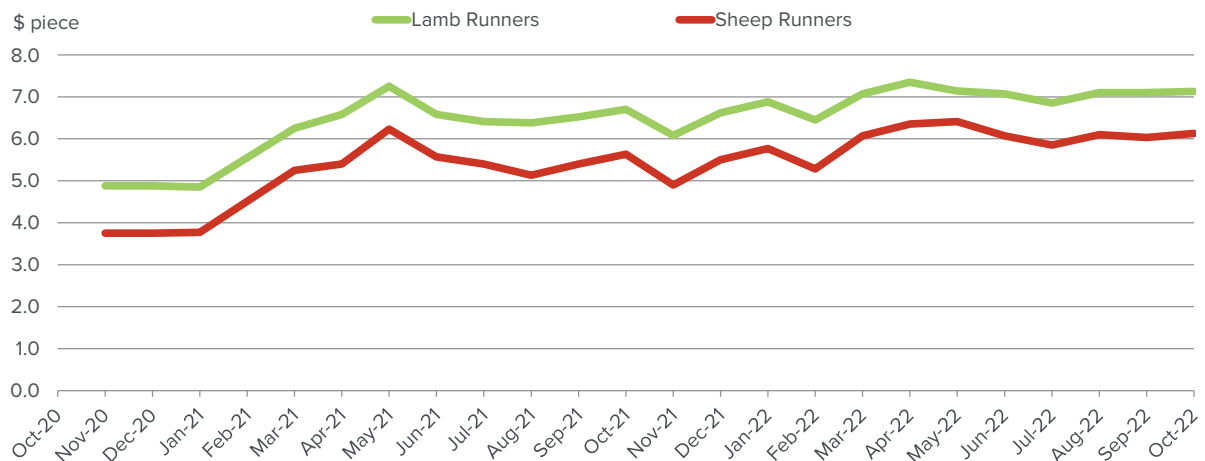
Long cut tongues were reported at \$6.90/kg up \$1.20/kg from a year ago but 45¢/kg lower than last month.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$7.13/piece firming 43¢/piece year-on-year and 3¢/piece firmer than September while sheep runners were reported at \$6.13/piece, up 10¢/piece month-on-month and 50¢/piece higher year-on-year.

Figure 9: Trends in runner prices



Pharmaceutical products

Pharmaceutical products were mixed this month.

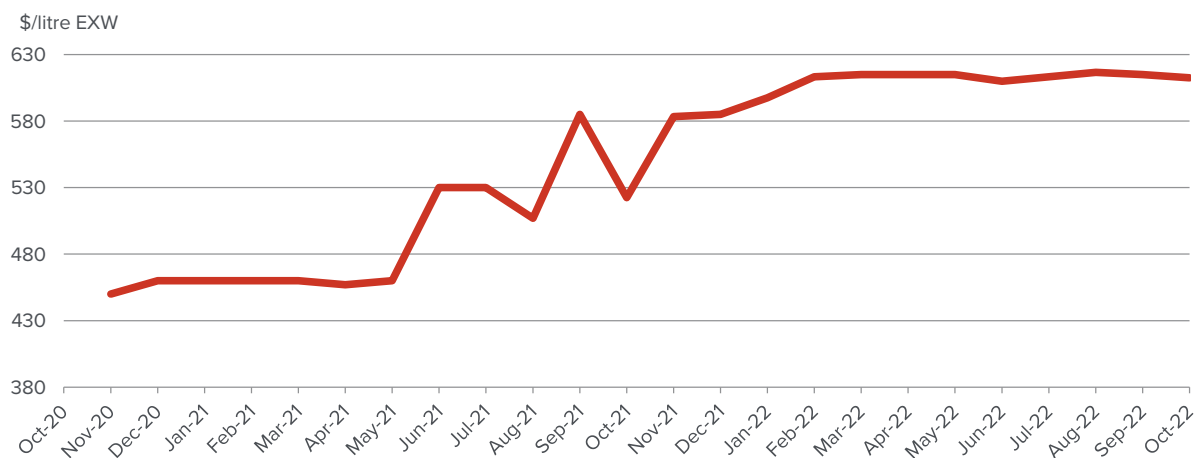
Table 3: Pharmaceutical prices

	Average (Oct Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$612.50		2	-0.4%	17.2%
Gall Concentrated	\$25.50		2	0.0%	4.1%

Price quoted is average price reported in \$/kg FOB Australian port and foetal blood \$/litre EXW

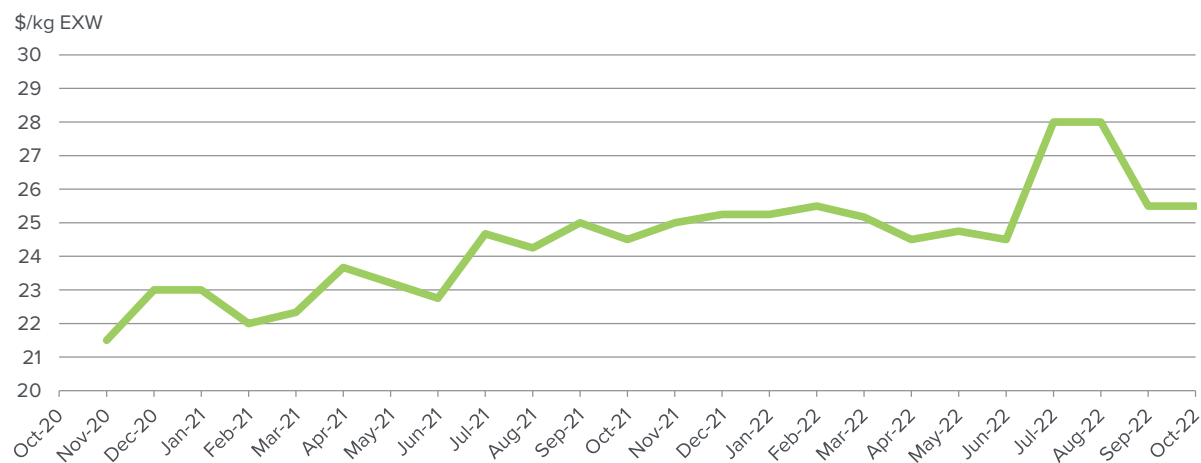
The average foetal calf blood price has firmed \$90/litre year-on-year to average \$612.50/litre, which was \$2.50/litre down from last month.

Figure 10: Trends for foetal blood prices



Concentrated gall averaged \$25.50/kg to be \$1.00/kg up on September 2021 price but even month-on-month.

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered products remained buoyant while tallow prices remain very strong based on biofuel demand from Singapore and the USA.

Table 4: Rendered product prices

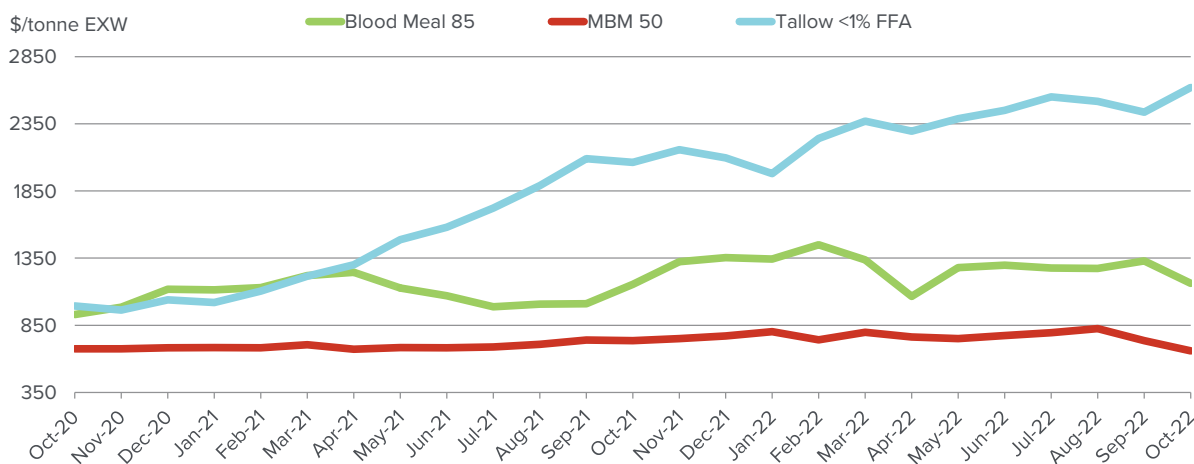
	Average (Oct Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,162.50	\$600.00	4	-12.5%	0.7%
MBM 50	\$659.88	\$840.75	6	-10.3%	-10.3%
MBM 50 Sheep	\$2,325.00		2	3.2%	92.9%
Tallow Ined.<1FFA	\$2,620.00		2	7.5%	27.0%
Tallow Ined.<2FFA	\$2,610.00	\$20.00	3	11.7%	28.1%
Tallow Ined.<4FFA	\$2,525.00		2	15.3%	31.4%

Price quoted is average price reported ex works \$/tonne.

The price for 50% protein MBM eased \$76/tonne from last month, averaging \$660/tonne which was \$76/tonne below October 2021 levels. Blood meal averaged \$1162/tonne, up \$8.50/tonne compared with last year's price but \$166.50/tonne softer month-on-month.

Tallow prices remain firm, with the price for 1% FFA tallow averaging \$2620/tonne, up \$557/tonne from October 2021 and \$184/tonne above last month's price to set a new record price.

Figure 12: Trends in rendered co-product prices



Hides

This month's market news is a continuation of previous months, that is, supply and demand are out of balance with many more hides available than tanners can use for leather orders. Rising interest rates, inflation, and cost of living pressures are taking a toll on the leather business, especially on the shoe and furniture sectors.

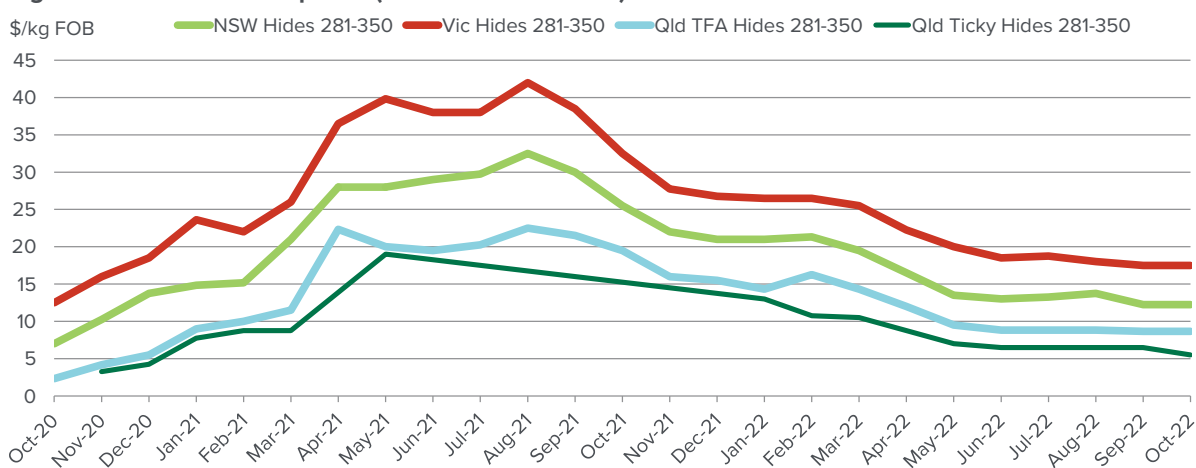
Table 5: Hide prices

	Average (Oct Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$3.00		2	0.0%	-45.5%
Hides NSW 181 - 220	\$4.75		2	0.0%	-54.8%
Hides NSW 221 - 280	\$7.50		2	0.0%	-54.5%
Hides NSW 281 - 350	\$12.25		2	0.0%	-52.0%
Hides NSW 351 Up	\$19.25		2	0.0%	-43.4%
Hides QLD TFA 281 - 350	\$8.67	\$4.00	3	0.0%	-55.6%
Hides QLD TFA 351 Up	\$13.00	\$5.00	3	0.0%	-51.4%
Hides QLD Ticky 281 - 350	\$5.50		2	-15.4%	-69.4%
Hides QLD Ticky 350 Up	\$10.50		2	0.0%	-58.0%
Hides VIC 141-180	\$4.00		2	0.0%	-48.4%
Hides VIC 181-220	\$7.00		2	0.0%	-54.8%
Hides VIC 221 - 280	\$11.25		2	0.0%	-54.1%
Hides VIC 281-350	\$17.50		2	0.0%	-46.2%
Hides VIC 351 Up	\$25.00		2	0.0%	-42.5%

Price quoted is average price reported for ex works \$/each.

Local prices for hides were steady across the board and remain very weak.

Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar opened the month at 64.74US¢ and traded downwards mid-month before a rally to close at 64.20US¢ to average 63.61US¢, down 3.26US¢ month-on-month, and down 10.42US¢ from October 2021.

Figure 14: AUD /USD Foreign Exchange



Source: Reserve Bank Australia

Export statistics



To access the latest co-products statistics please click here:



For more information:

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This report is produced from a monthly MLA survey of approximately 25 processors across Australia, collating average prices and analysing trends on a range of co-products items



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