



Co-product market report

March 2021

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Beef Co-products

Due to COVID-19 some of the usual respondents were unavailable to provide their data which may impact the veracity of some price averages.

Beef offal prices remained firm across the range of products with head meat, omasum and tripe pieces trending down.

Table 1: Beef co-product prices

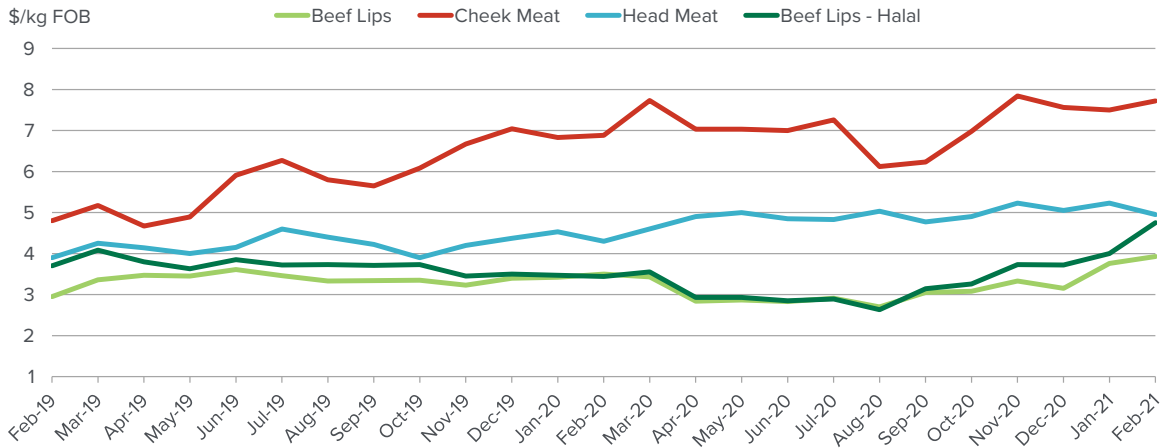
	Average (Feb Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$3.93	\$1.60	4	4.4%	12.1%
Beef Lips - Halal	\$4.75	\$0.10	2	18.8%	38.2%
Cheekmeat	\$7.72	\$3.20	5	2.9%	12.3%
Cheekmeat - Halal	\$6.90	\$1.20	2	-11.5%	-14.8%
Diap. Membrane	\$4.28	\$6.50	5	20.1%	-7.0%
Hc Tripe	\$7.30	\$2.80	5	-2.7%	-3.5%
Hc Tripe - Halal	\$7.63	\$1.40	3	-2.6%	-6.9%
Headmeat	\$4.95	\$1.00	4	-5.3%	15.1%
Headmeat - Halal	\$5.40	\$1.00	2	0.9%	21.3%
Heart	\$3.42	\$1.30	5	-0.6%	46.6%
Heart - Halal	\$4.20	\$0.40	3	15.5%	82.6%
Heart - Aorta	\$7.58	\$1.20	4	1.0%	-14.9%
Heart - Aorta - Halal	\$8.00	\$0.00	2	4.6%	1.9%
Kidneys	\$1.15	\$0.30	2	15.0%	15.0%
Ligamentum	\$3.35	\$3.00	4	-7.3%	112.7%
Liver	\$1.40	\$0.70	5	-2.8%	-1.2%
Liver - Halal	\$1.83	\$0.50	3	7.1%	26.4%
Lungs	\$2.60	\$2.40	3	13.0%	62.5%
Omasum	\$6.26	\$3.70	5	1.0%	-9.6%
Omasum - Halal	\$6.30	\$1.70	3	-5.0%	-3.8%
Rum.Pill - Halal < 500	\$4.73	\$3.00	3	-16.5%	-55.6%
Rum.Pill - Halal > 500 < 700	\$7.30	\$4.90	3	-14.1%	-45.3%
Rum.Pill - Halal > 700	\$9.33	\$4.00	3	-9.1%	-43.6%
Rum.Pill < 500	\$4.83	\$2.70	3	-15.8%	-48.9%
Rum.Pill > 500 < 700	\$7.80	\$3.40	3	3.7%	-35.3%
Rum.Pill > 700	\$9.67	\$4.50	3	-0.1%	-37.2%
Tail	\$11.42	\$3.70	5	2.2%	6.1%
Tail - Halal	\$11.40	\$3.30	3	3.2%	13.2%
Tendons	\$8.18	\$1.30	3	1.4%	16.9%
Thickskirt	\$8.70	\$0.60	4	-0.7%	-11.7%
Thickskirt - Halal	\$8.53	\$0.70	3	-3.3%	-11.4%
Thinskirt	\$8.83	\$0.60	4	-0.1%	-15.6%
Thinskirt - Halal	\$8.70	\$0.80	3	-9.7%	-17.4%
Tongue Root Fillet	\$4.90	\$0.60	2	-2.0%	-11.7%
Tongue Root Meat	\$2.80	\$1.20	4	-4.8%	-3.4%
Tongue Root Meat - Halal	\$2.83	\$1.70	4	-8.9%	4.6%
Tongue SW	\$13.23	\$5.40	4	5.8%	-4.4%
Tongue SW - Halal	\$12.27	\$3.20	3	4.6%	0.5%
Tripe Pieces	\$2.55	\$0.80	4	-10.1%	-5.0%
Tripe Pieces - Halal	\$2.80	\$1.50	3	-6.7%	-20.0%
Tripe Pieces - Halal	\$3.00	\$0.80	3	0.6%	-27.4%
Tripe Pieces	\$2.80	\$0.30	5	-2.1%	-15.6%
Tripe Pieces - Halal	\$2.98	\$0.45	3	-4.8%	-12.3%

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

Head offal

Prices for head offal products were generally firmer this month. Head meat averaged \$4.95/kg which was 65¢/kg higher year-on-year but 28¢/kg below last month. Cheek meat was 84¢/kg dearer than year-ago levels, averaging \$7.72/kg, and 22¢/kg firmer than last month.

Figure 1: Trends in beef head offal prices



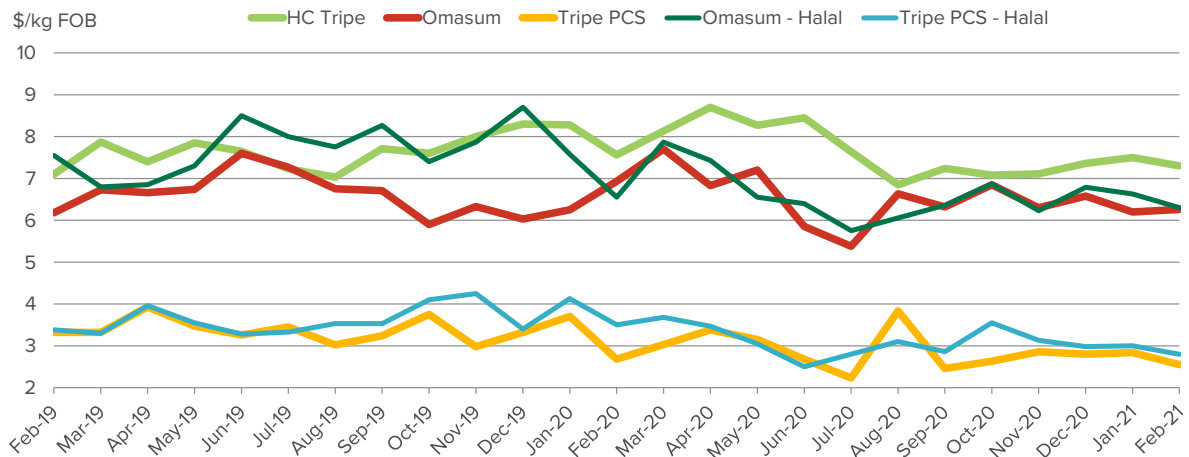
Beef offal trends

Lip export prices to the US and Mexico firmed 17¢/kg month-on-month, to average \$3.93/kg and 43¢/kg up on last year. Halal lips averaged \$4.95/kg, up 75¢/kg from last month and \$1.31/kg higher than February 2020.

Omasum firmed 6¢/kg from last month, to average \$6.26/kg, down 67¢/kg from year-ago prices. Halal omasum averaged \$6.30/kg, down 25¢/kg year-on-year and 33¢/kg easier month-on month.

Halal tripe pieces averaged \$2.80 down 70¢/kg year-on-year and 20¢/kg down from last month. Non-halal tripe pieces were 13¢/kg down year-on-year and 29¢/kg lower than January to average \$2.55/kg. Honeycomb tripe averaged \$7.30/kg to be 26¢/kg below year ago prices and 20¢/kg below last month.

Figure 2: Trends in beef tripe prices

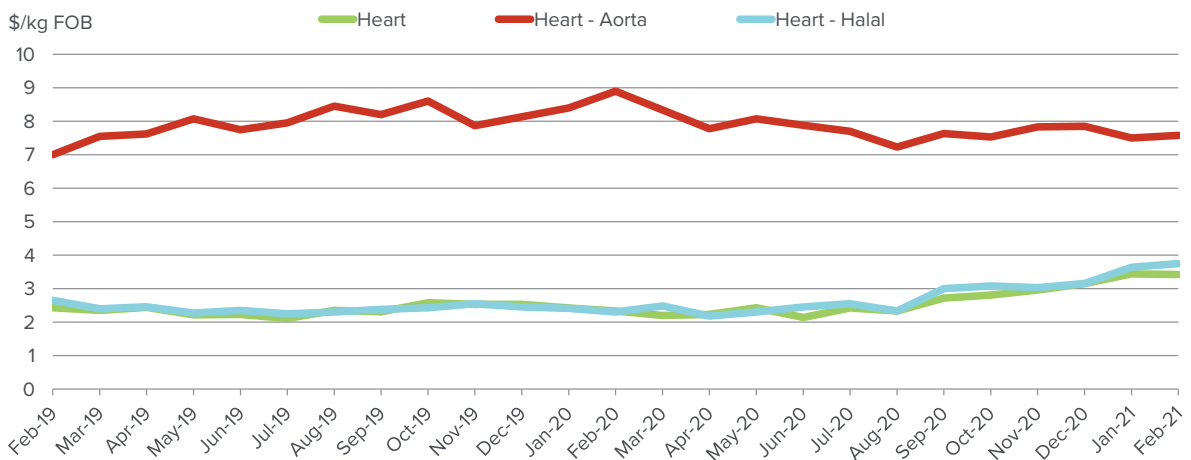


Beef offal trends continued...

Aorta traded stronger to average \$7.58/kg up 8¢/kg month-on-month but down \$1.32/kg from February 2020 price.

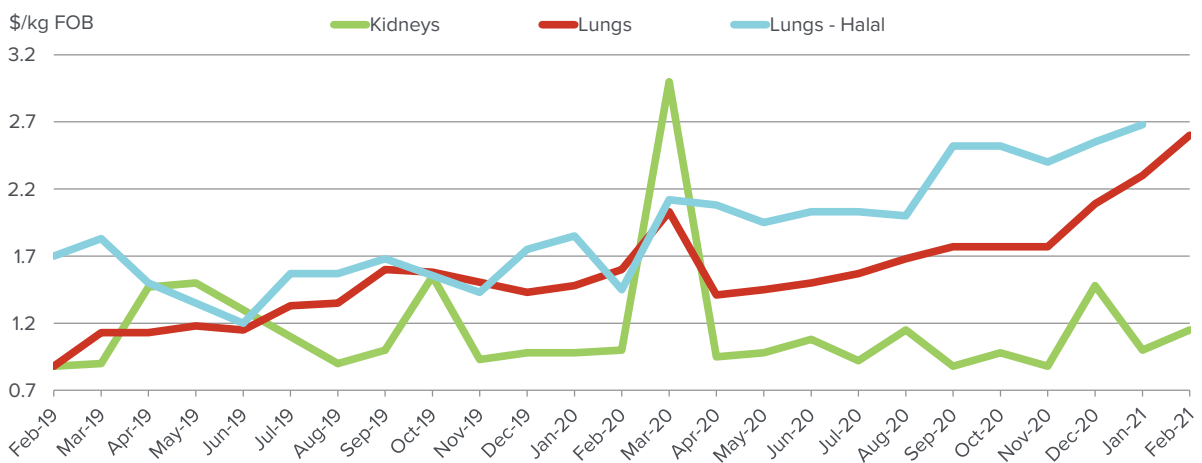
Heart prices were up from last month, averaging \$3.42/kg, to be \$1.09/kg above year-ago levels but 2¢/kg below January prices. Halal hearts averaged \$3.75/kg, firming 11¢/kg month-on-month and up \$1.45/kg from February 2020.

Figure 3: Trends in beef offal prices



Kidneys averaged \$1.15/kg, up 15¢/kg on January price and 15¢/kg firmer than a year ago. Non-halal lungs were reported at \$2.60/kg up \$1.00/kg from year ago levels and 30¢/kg firmer month-on-month, while halal lungs were not reported.

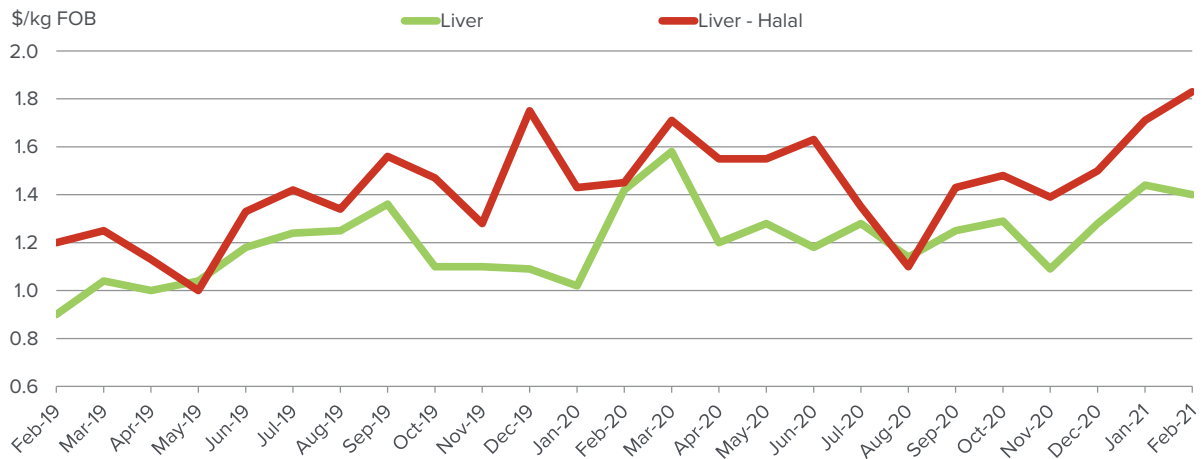
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.40/kg, down 4¢/kg month-on-month and 2¢/kg softer than year-ago levels. Halal livers were up 12¢/kg from last month's price to average \$1.83/kg, up 38¢/kg on last year prices.

Figure 5: Trends in beef offal prices



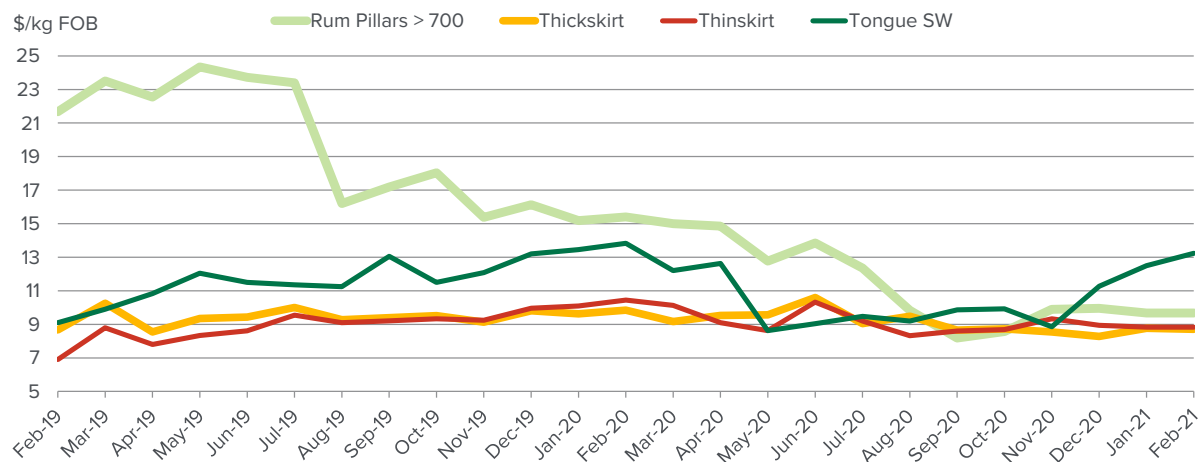
Japanese and Korean Offals

Tongue prices were 73¢/kg up from January to average \$13.23/kg, but 60¢/kg below year-ago levels.

Thick skirt was \$1.15/kg softer year-on-year and 6¢/kg lower than last month, averaging \$8.70/kg. Thin skirt averaged \$8.83/kg, on par with January but \$1.62 below year-ago prices.

Rumen pillars eased with heavy weight product averaging \$9.67/kg, down 1¢/kg month-on-month and \$5.73/kg cheaper than February 2020 levels.

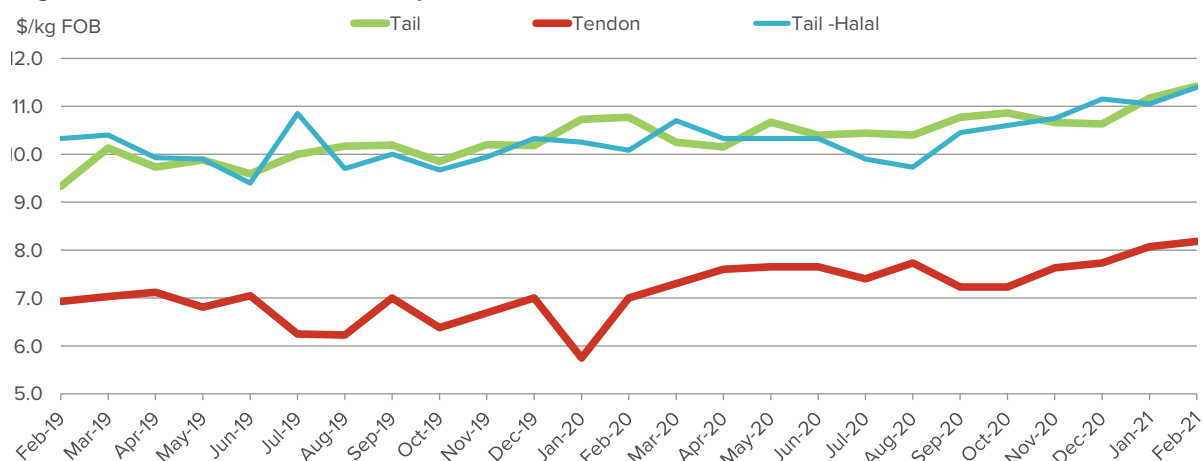
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices to Korea firmed 25¢/kg from last month, averaging \$11.42/kg, to be 65¢/kg above year-ago levels. Halal tails averaged \$11.40/kg, up 35¢/kg from last month but \$1.32/kg above year-ago prices. Tendons averaged \$8.18 this month to be 11¢/kg up month-on-month and \$1.18/kg dearer than last February.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices have been lightly reported with some respondents having left the industry. Hoping to have some new faces contributing soon.

Table 2: Sheep co-product prices

	Average (Feb Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$3.75	\$1.70	2	11.4%	21.0%
Tripe Sheep - Halal	\$5.10	\$0.80	2	-2.9%	59.4%

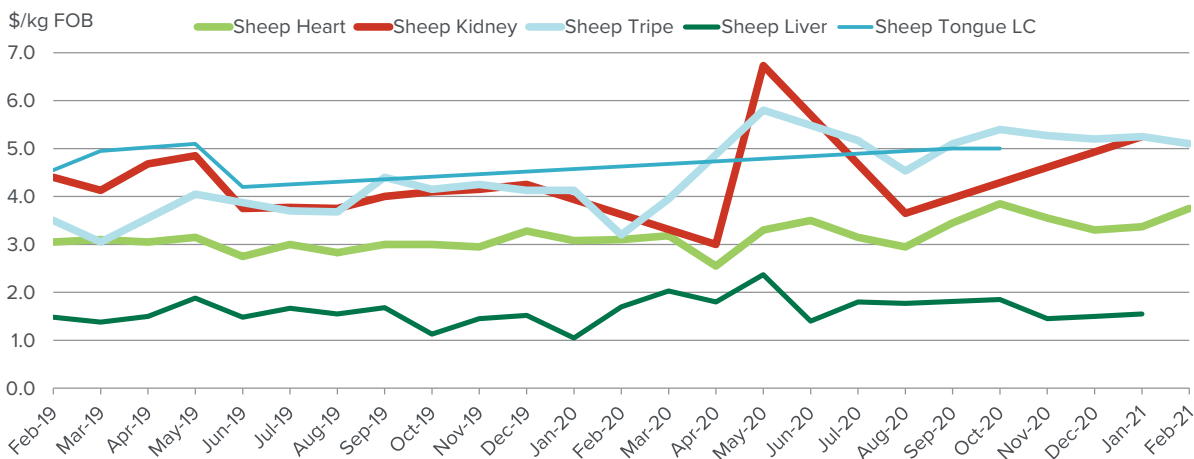
Price quoted is average price reported in \$/kg FOB Australian port and runners as \$/piece.

Sheep offal

Sheep hearts averaged \$3.75/kg, up 38¢/kg month-on-month and 65¢/kg dearer than year-ago levels. Sheep kidneys were not reported and neither were sheep livers.

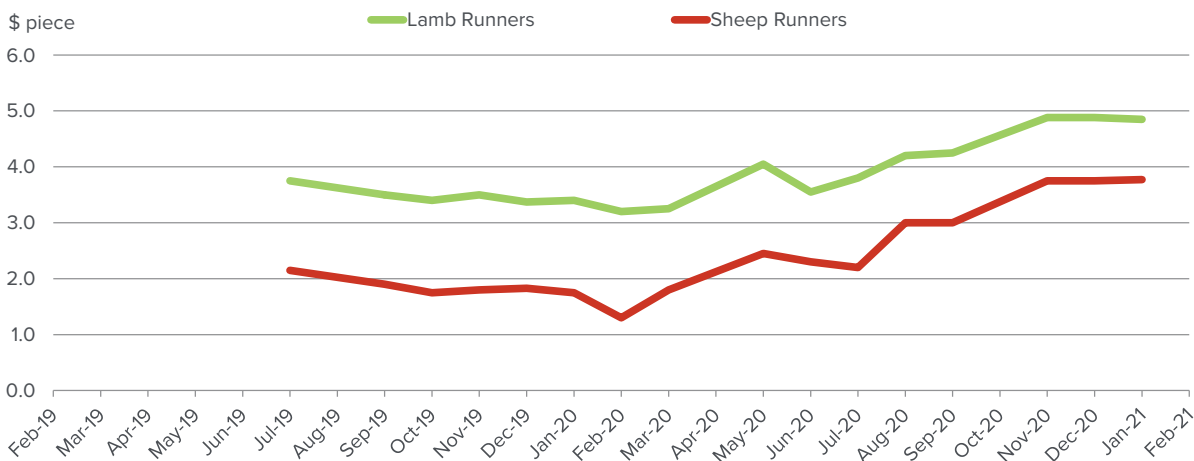
Sheep tripe averaged \$5.10/kg, which is \$1.90/kg above year ago prices and down 15¢/kg month-on-month, whilst long cut tongues were again not reported.

Figure 8: Trends in sheep offal prices



Lamb runners and sheep runners were not reported.

Figure 9: Trends in runner prices



Pharmaceutical products

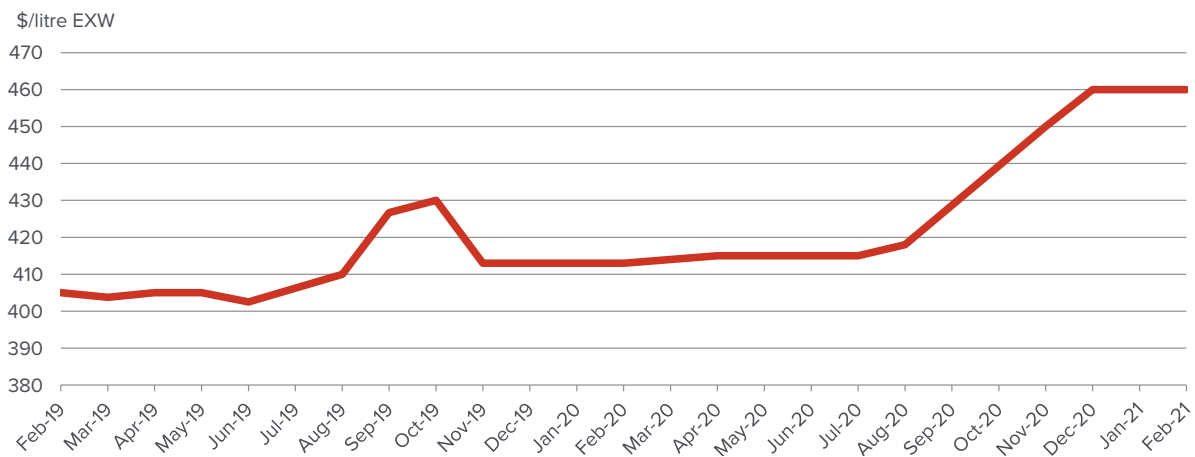
Table 3: Pharmaceutical prices

	Average (Feb Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$460.00	\$0.00	2	0.0%	11.3%
Gall Concentrated	\$22.00	\$2.00	2	-4.3%	-22.1%

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

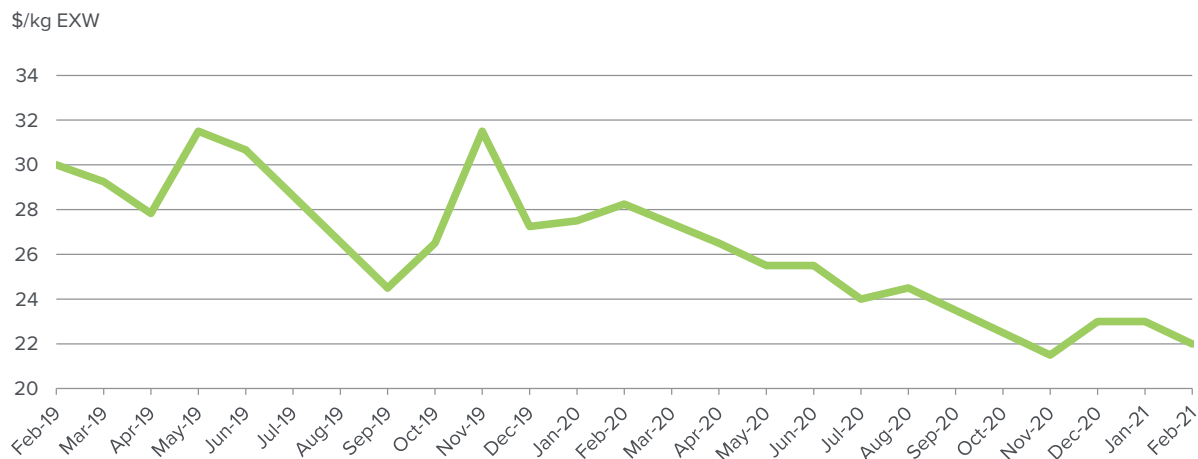
Foetal calf blood has firmed \$47/litre year-on-year to average \$460/litre and even month-on-month.

Figure 10: Trends for foetal blood prices



Concentrated gall eased \$6.25/kg from last year to average \$22/kg, down \$1.00 from last month.

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered meals and tallow prices remained firm on the back of reduced production as slaughter numbers at most works easing.

Table 4: Rendered product prices

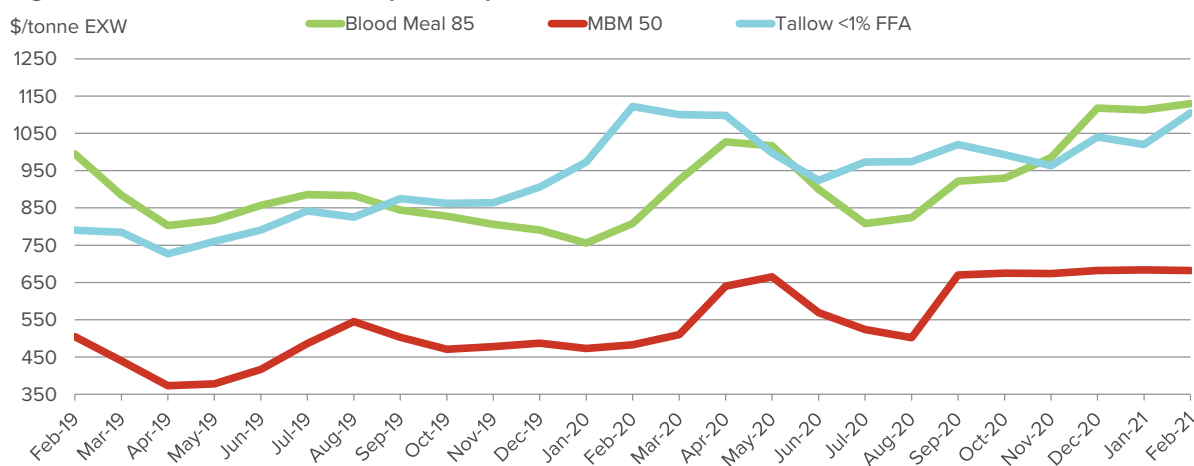
	Average (Feb Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,130.00	\$270.00	3	1.5%	39.8%
MBM 50	\$681.67	\$55.00	3	-0.3%	41.1%
Tallow Ined.<1FFA	\$1,105.00	\$10.00	2	8.3%	-1.6%
Tallow Ined.<2FFA	\$1,085.00	\$30.00	2	7.4%	-1.7%
Tallow Ined.<4FFA	\$1,065.00	\$30.00	2	9.5%	5.1%

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

The price for 50% protein MBM eased \$2/tonne from last month, averaging \$682/tonne which was \$199/tonne above February 2020 levels. Blood meal averaged \$1130/tonne, up \$322/tonne compared with last year's price, and \$17/tonne firmer month-on-month.

Tallow prices were firmer, with the price for 1% FFA tallow averaging \$1105/tonne, down \$17/tonne from February 2020 but \$85/tonne above last month prices.

Figure 12: Trends in rendered co-product prices



Hides

The hide market continues to show further signs of recovery with the upholstery and automotive sector showing improved demand.

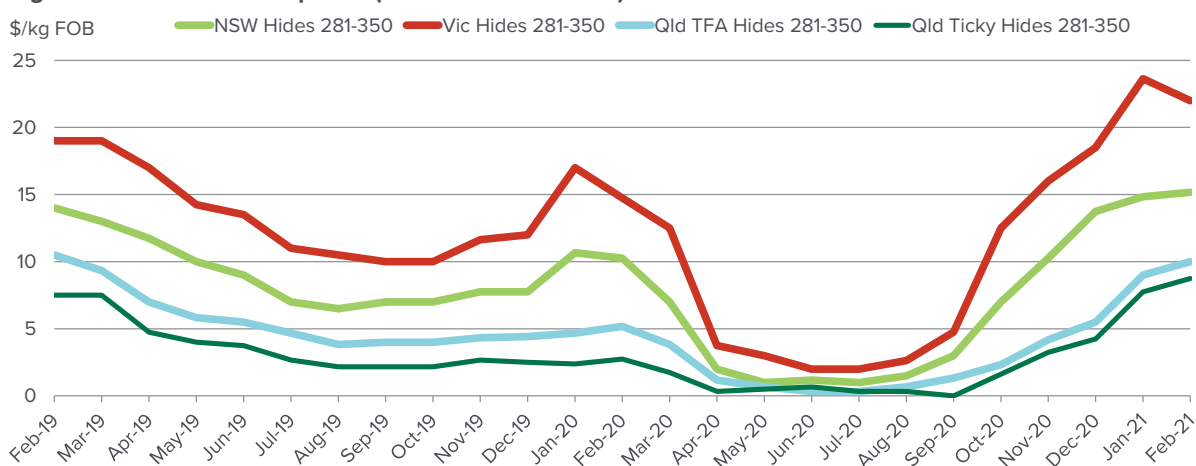
Table 5: Hide prices

	Average (Feb Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$4.27	\$5.80	3	42.2%	326.7%
Hides NSW 181 - 220	\$7.00	\$3.00	3	23.5%	300.0%
Hides NSW 221 - 280	\$10.67	\$2.50	3	12.3%	103.2%
Hides NSW 281 - 350	\$15.17	\$7.00	3	2.2%	48.0%
Hides NSW 351 Up	\$18.83	\$10.50	3	-8.1%	10.8%
Hides QLD TFA 281 - 350	\$10.00	\$4.00	2	11.1%	93.5%
Hides QLD TFA 351 Up	\$13.75	\$5.50	2	14.6%	79.3%
Hides QLD Ticky 281 - 350	\$8.75	\$3.50	2	12.9%	218.2%
Hides QLD Ticky 350 Up	\$11.50	\$5.00	2	9.5%	170.6%
Hides VIC 141-180	\$4.00	\$0.00	2	-33.3%	77.8%
Hides VIC 181-220	\$10.50	\$1.00	2	-16.8%	75.0%
Hides VIC 221 - 280	\$17.00	\$4.00	2	-6.8%	54.5%
Hides VIC 281-350	\$22.00	\$4.00	2	-6.9%	49.2%
Hides VIC 351 Up	\$30.00	\$4.00	2	0.0%	36.4%

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

Local prices for hides continued to improve with prices for lines returning to levels not seen for 2 years.

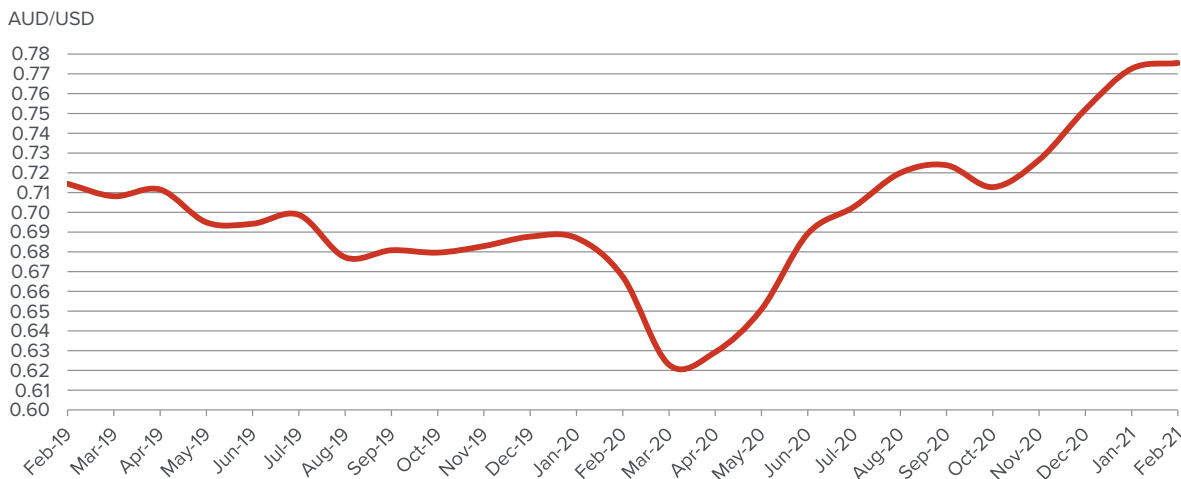
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar steady on average against the US dollar during February. It opened the month at 76.52US¢ to trade up to 79.70 US¢ before easing to finish the month at 78.29US¢ to average 77.55US¢, an increase of 0.29US¢ month-on-month, and up 10.81US¢ from February 2020.

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:

Please call Nicole Selwood on 02 9463 9384 or nselwood@mla.com.au

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



MEAT & LIVESTOCK AUSTRALIA

Market Information
 Meat & Livestock Australia
 Ph: 02 9463 9372
 Fax: 02 9463 9220
 Email: marketinfo@mla.com.au
www.mla.com.au/prices-markets

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