



Co-product market report

April 2020

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Beef Co-products

Due to the current pandemic a number of the usual respondents were unavailable to provide their data which may impact the veracity of some price averages.

Beef offal prices were firmer across the range of products, with the exception that prices for thick skirt, thin skirt and tongues were softer and some products were not reported.

Table 1: Beef co-product prices

	Average (Mar Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$3.43		2	-2.1%	1.9%
Beef Lips - Halal	\$3.55	\$0.45	3	3.3%	-12.9%
Cheekmeat	\$7.73	\$2.80	3	12.5%	49.7%
Cheekmeat - Halal	\$7.80	\$2.60	3	-3.7%	38.7%
Diap. Membrane	\$7.10		2	54.3%	121.9%
Headmeat - Halal	\$4.65		2	4.5%	-4.1%
Heart	\$2.20		2	-5.7%	-6.4%
Heart - Halal	\$2.48	\$1.00	4	7.6%	3.1%
Heart - Aorta - Halal	\$8.85		2	12.7%	17.2%
Kidneys	\$3.00		2	200.0%	233.3%
Kidneys- Halal	\$3.00		2	76.5%	252.9%
Ligamentum	\$2.08	\$0.60	3	32.3%	-24.5%
Liver	\$1.58		2	11.2%	51.8%
Liver - Halal	\$1.71	\$0.80	4	18.1%	37.0%
Lungs	\$2.03		2	26.6%	78.7%
Lungs - Halal	\$2.12	\$0.30	3	46.0%	14.4%
Omasum	\$7.70		2	11.2%	14.5%
Omasum - Halal	\$7.87	\$1.40	3	20.1%	15.7%
Rum.Pill - Halal < 500	\$10.90		2	2.3%	-10.3%
Rum.Pill - Halal > 500 < 700	\$13.20		2	-1.1%	-43.7%
Rum.Pill - Halal > 700	\$16.65		2	0.6%	-32.2%
Rum.Pill < 500	\$9.55		2	1.1%	-26.5%
Rum.Pill > 500 < 700	\$12.35		2	2.5%	-41.9%
Rum.Pill > 700	\$15.00		2	-2.6%	-36.2%
Tail	\$10.25		2	-4.8%	1.2%
Tail - Halal	\$10.70	\$3.80	4	6.2%	2.9%
Thickskirt	\$9.17	\$1.50	3	-6.9%	-10.7%
Thickskirt - Halal	\$9.40	\$1.00	3	-2.4%	2.7%
Thinskirt	\$10.13	\$2.50	3	-3.0%	15.2%
Thinskirt - Halal	\$10.27	\$2.20	3	-2.5%	37.8%
Tongue Root Fillet	\$5.48		2	-1.4%	4.3%
Tongue Root Meat	\$2.50		2	-13.8%	-14.5%
Tongue Root Meat - Halal	\$2.53	\$0.10	3	-6.2%	-14.8%
Tongue SW	\$12.20	\$3.20	3	-11.8%	23.2%
Tongue SW - Halal	\$12.73	\$3.50	3	4.4%	19.6%
Tripe Pieces - Halal	\$3.68	\$1.40	3	5.2%	11.6%

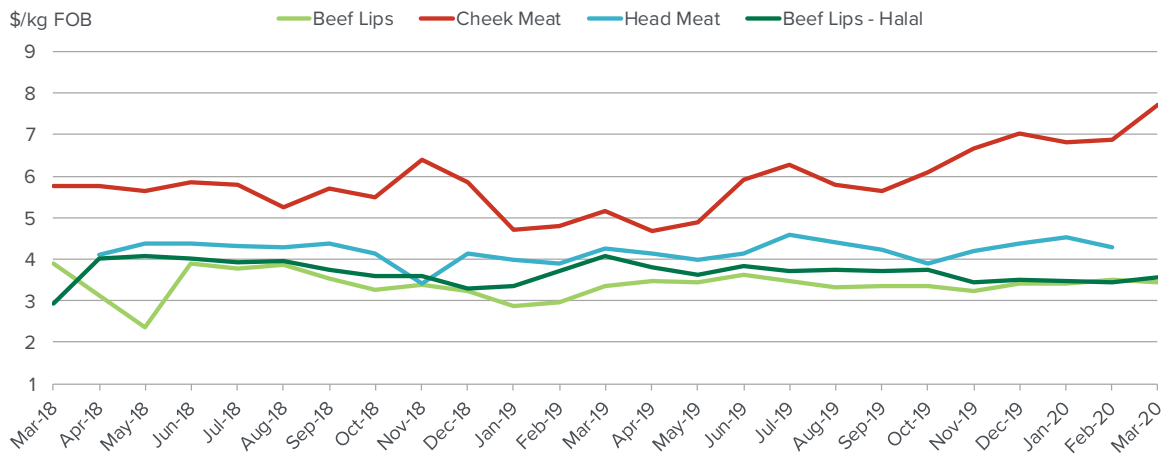
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Prices for head offal products were mixed this month. Head meat was not reported. Cheek meat was \$2.56/kg dearer than year-ago levels, averaging \$7.73/kg, which was 85¢/kg up from last month.

Lip export prices to the US and Mexico eased 7¢/kg month-on-month, to average \$3.43/kg. Halal lips averaged \$3.55/kg, up 11¢/kg from last month and 53¢/kg lower than March 2019.

Figure 1: Trends in beef head offal prices

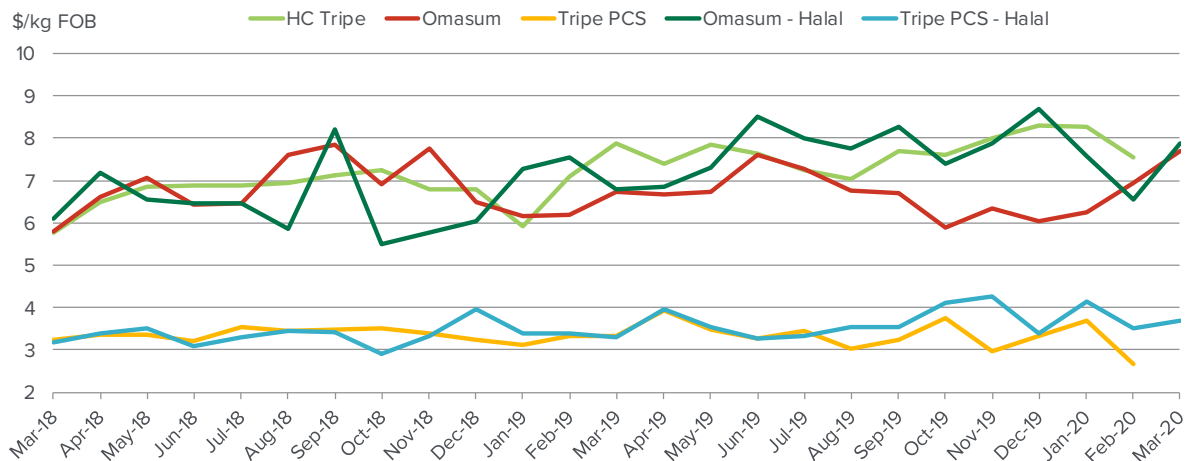


Beef offal trends

Omasum firmed 77¢/kg from last month, to average \$7.70/kg, up 97¢/kg from year-ago prices. Halal omasum averaged \$7.87/kg, up \$1.32/kg from last month and \$1.07/kg firmer year-on-year.

Halal tripe pieces firmed from February to average \$3.68/kg, up 18¢/kg month-on-month and 38¢/kg up from last year's levels. Non-halal tripe pieces were not reported. Honeycomb tripe was also unreported.

Figure 2: Trends in beef tripe prices

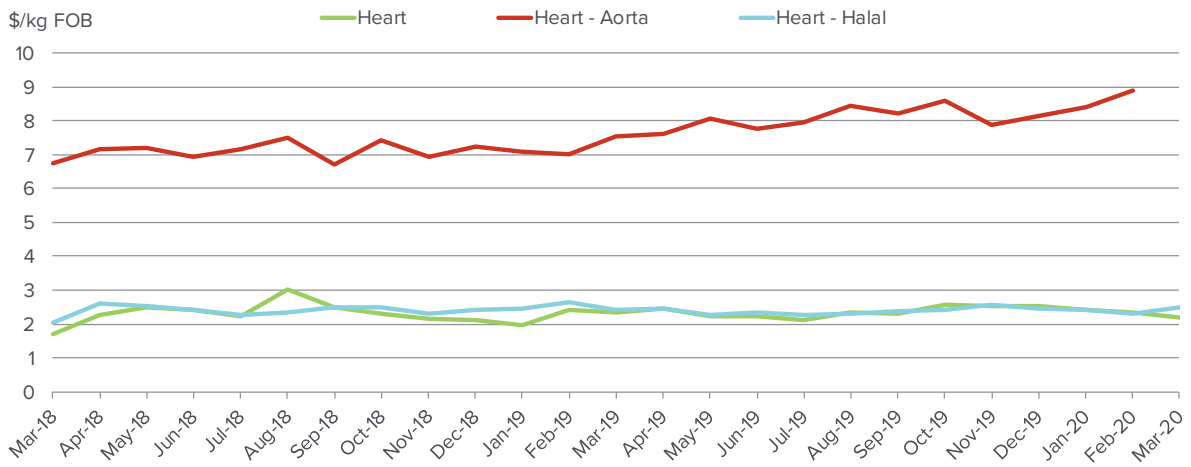


Beef offal trends continued...

Aorta was not reported for March.

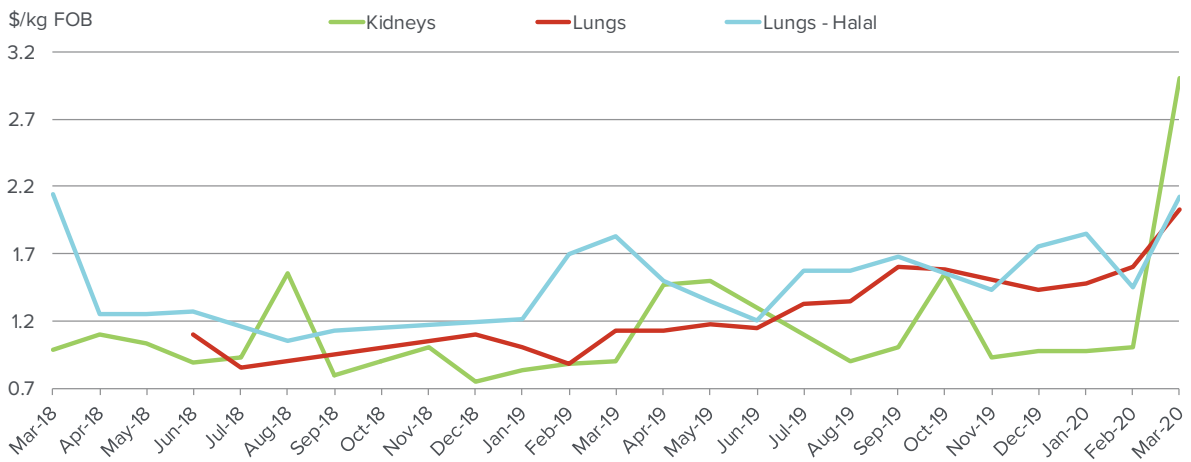
Heart prices were down from last month, averaging \$2.20/kg, to be 15¢/kg below year-ago levels and 13¢/kg below march prices. Halal hearts averaged \$2.48/kg, firming 18¢/kg month-on-month, and up 8¢/kg from March 2019.

Figure 3: Trends in beef offal prices



Kidneys averaged \$3.00/kg, which is quite a remarkable price to be \$2.00/kg above last month. Non-halal lungs were reported at \$2.03/kg up 90¢/kg from year ago levels and 43¢/kg stronger month-on-month, while halal lungs averaged \$2.12/kg up 67¢/kg month-on-month and 29¢/kg higher than March 2019.

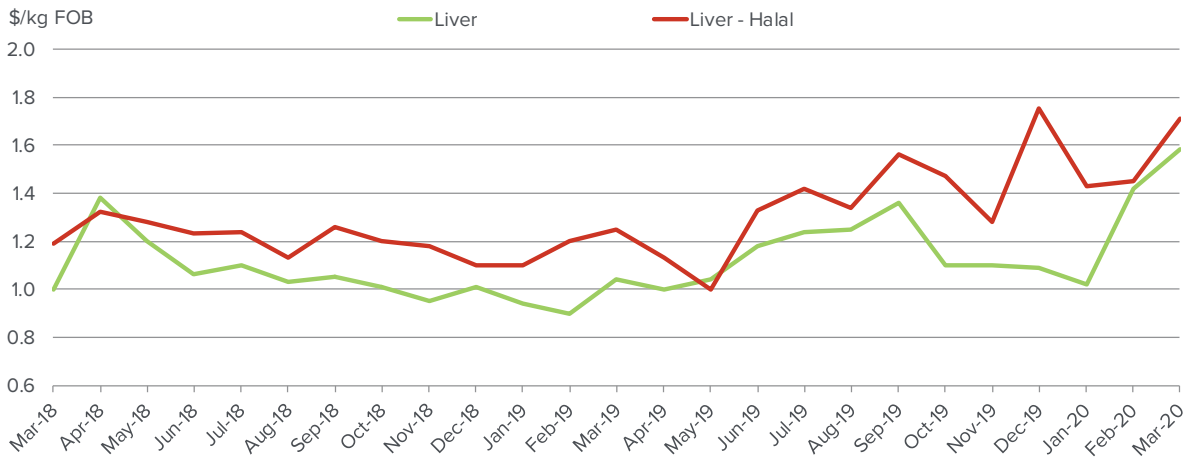
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.58/kg, 16¢/kg up month-on-month and 54¢/kg above year-ago levels. Halal livers firmed 26¢/kg from last month's price to average \$1.71/kg, up 46¢/kg on last year prices.

Figure 5: Trends in beef offal prices



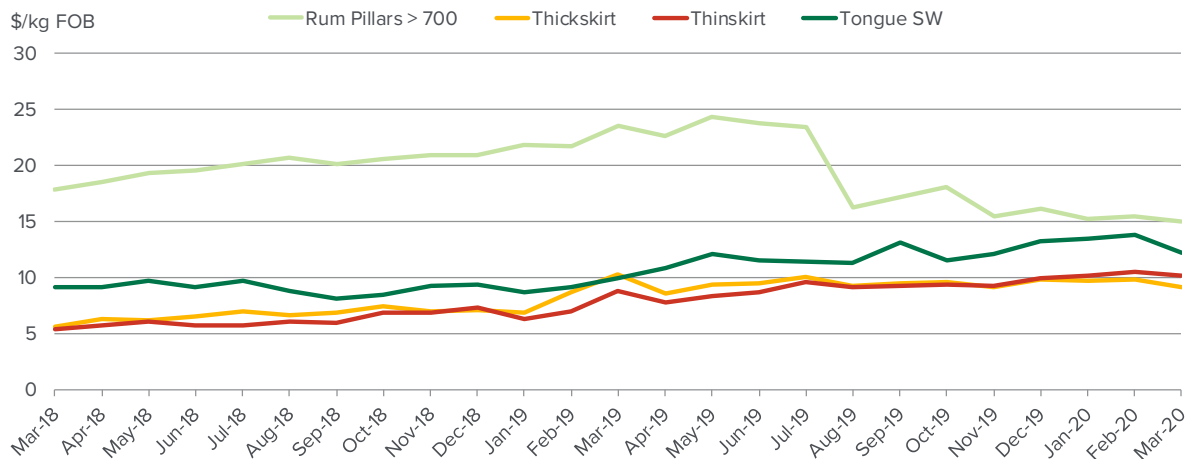
Japanese and Korean Offals

Tongue prices were \$1.63/kg down from February to average \$12.20/kg, but still \$2.30/kg above year-ago levels.

Thick skirt was \$1.09/kg lower year-on-year and 68¢/kg softer than last month, averaging \$9.17/kg. Thin skirt averaged \$10.13/kg, down 32¢/kg from February and \$1.33/kg above year-ago prices.

Rumen pillars eased with heavy weight product averaging \$15.00/kg, down 40¢/kg month-on-month and \$8.50/kg cheaper than March 2019 levels.

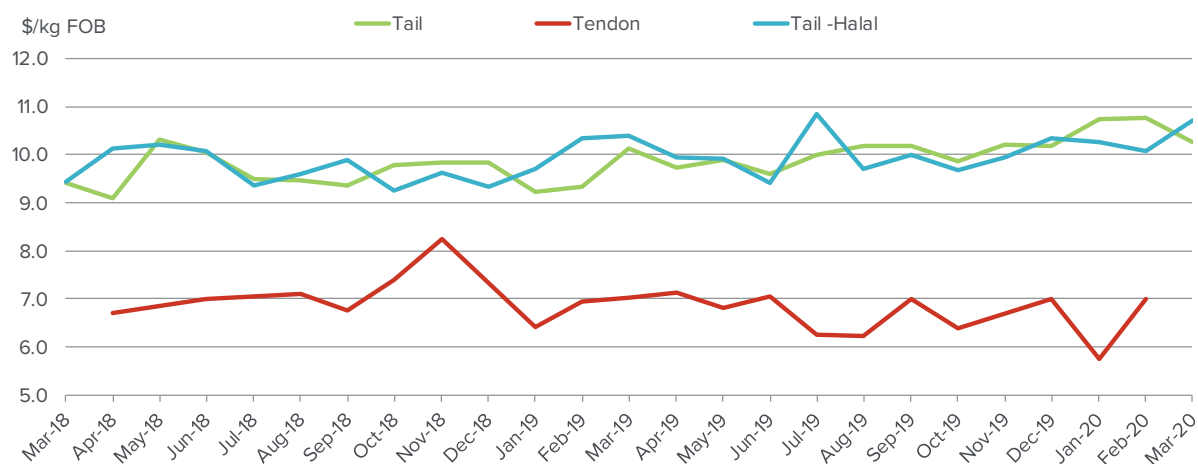
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices to Korea eased 52¢/kg from last month, averaging \$10.25/kg, to be 12¢/kg above year-ago levels. Halal tails averaged \$10.70/kg, up 62¢/kg from last month and 30¢/kg above year-ago prices. Tendons went unreported this month.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices were firmer across the reported products in March.

Table 2: Sheep co-product prices

	Average (Mar Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$3.18	\$1.80	3	2.7%	2.7%
Liver Sheep - Halal	\$2.03	\$3.00	3	19.6%	47.0%
Runners Lamb	\$3.25		2	1.6%	
Runners Sheep	\$1.80		2	38.5%	
Tripe Sheep - Halal	\$3.95		2	23.4%	29.5%

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

Sheep offal

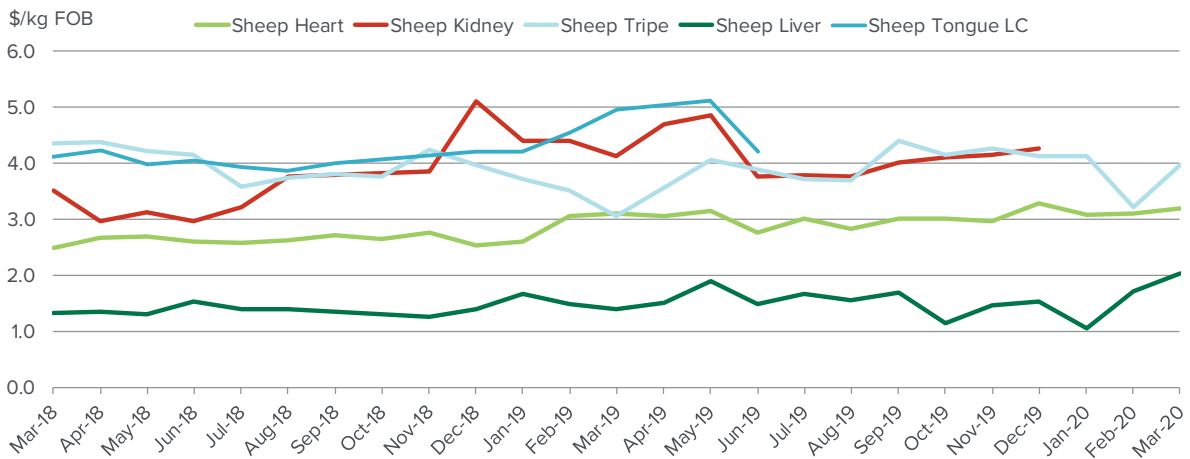
Sheep hearts averaged \$3.18/kg, up 8¢/kg month-on-month and 8¢/kg dearer than year-ago levels. Kidney prices were not reported for the month

Sheep livers were 33¢/kg up month-on-month to average \$2.03/kg and 65¢/kg above prices a year ago.

Sheep tripe averaged \$3.95/kg, up 90¢/kg year-on-year and 75¢/kg above December prices.

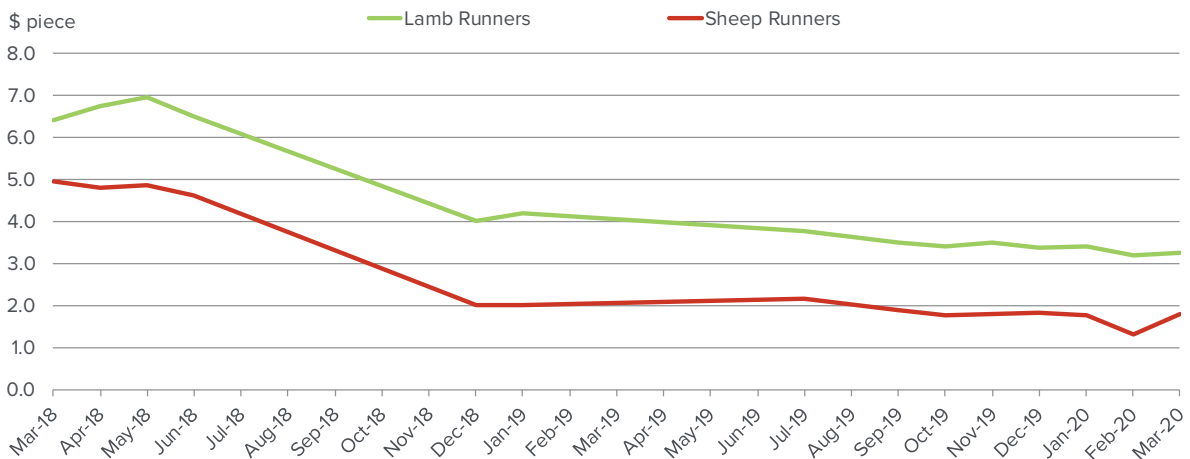
Long cut tongues were again not reported.

Figure 8: Trends in sheep offal prices



Lamb runners were quoted at \$3.25/piece, up 5¢/piece month-on-month with sheep runners returning \$1.80/piece which was 50¢/piece higher than February. Demand remained weak with continued over supply in the market.

Figure 9: Trends in runner prices



Pharmaceutical products

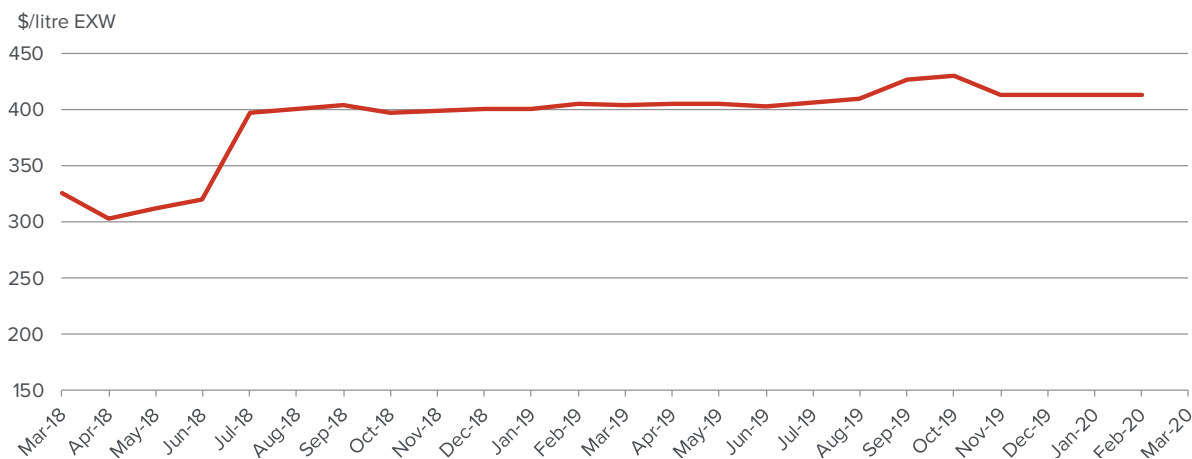
Table 3: Pharmaceutical prices

	Average (Mar Data)	Range	Responses	Monthly Change	Annual Change

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

Foetal calf blood was not reported in March.

Figure 10: Trends for foetal blood prices



Concentrated gall was unreported this month.

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered meal prices firmed on improved demand, whilst tallow prices eased slightly with continuing strong demand from the bio-fuel market supported by the US blenders credits.

Table 4: Rendered product prices

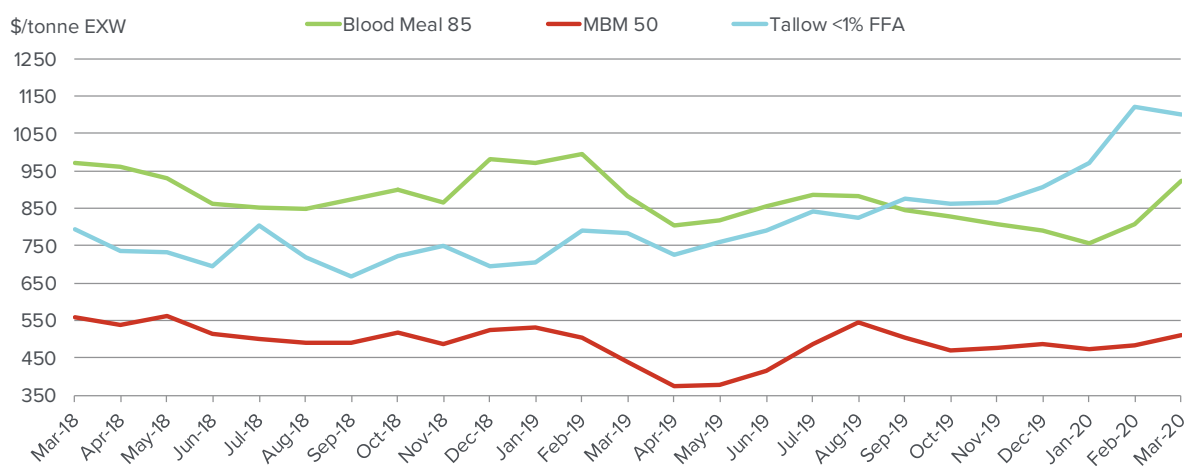
	Average (Mar Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$925.00		2	14.4%	4.6%
MBM 50	\$510.00	\$70.00	3	5.6%	15.9%
Tallow Ined.<1FFA	\$1,100.00		2	-2.0%	40.1%

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

The price for 50% protein MBM firmed \$27/tonne from last month, averaging \$510/tonne, to be \$70/tonne above March 2019 levels. Blood meal averaged \$925/tonne, up \$41/tonne with last year's price, and \$117/tonne firmer month-on-month.

Tallow prices steadied, with the price for 1% FFA tallow averaging \$1100/tonne, down \$22/tonne from February and \$315/tonne above year-ago prices.

Figure 12: Trends in rendered co-product prices



Hides

The hide market was very flaky, with even more product being of no commercial value. The market in China are closed with tanneries shut down and seaports closed. Inventory is building with no obvious market on the horizon.

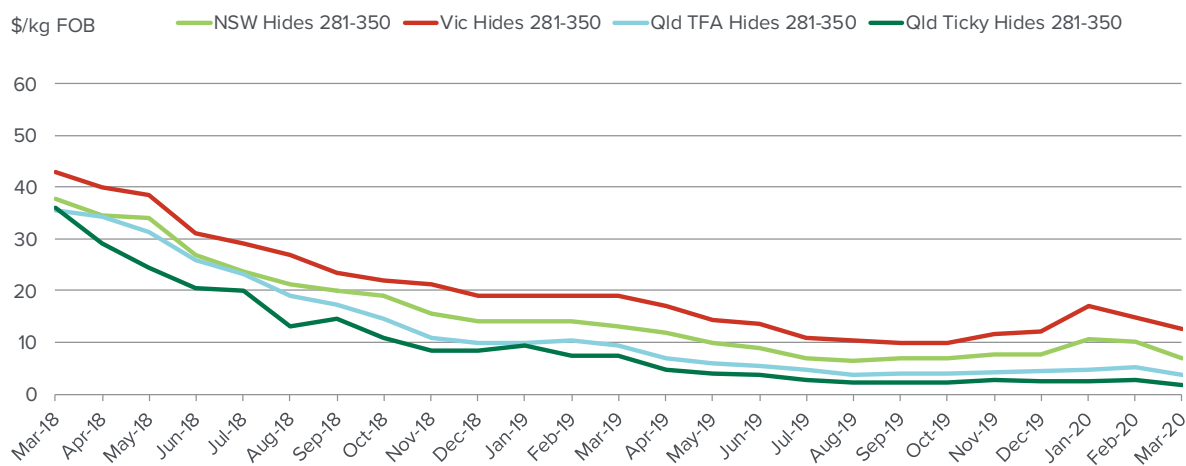
Table 5: Hide prices

	Average (Mar Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 181 - 220	\$1.75		2	-52.3%	-66.7%
Hides NSW 221 - 280	\$5.25		2	-25.0%	-40.0%
Hides NSW 281 - 350	\$10.25		2	-3.9%	-26.8%
Hides NSW 351 Up	\$17.00		2	10.9%	-20.9%
Hides QLD TFA 221 - 280	\$0.75		2	0.0%	-84.2%
Hides QLD TFA 281 - 350	\$5.17		3	10.7%	-50.8%
Hides QLD TFA 351 Up	\$7.67		3	9.5%	-47.7%
Hides QLD Ticky 281 - 350	\$2.75		2	15.8%	-63.3%
Hides QLD Ticky 350 Up	\$4.25		2	21.4%	-66.0%
Hides VIC 141-180	\$2.25		2	-10.0%	-67.9%
Hides VIC 181-220	\$6.00		2	-2.7%	-38.5%
Hides VIC 221 - 280	\$11.00		2	-15.4%	-15.4%
Hides VIC 281-350	\$14.75		2	-13.2%	-22.4%
Hides VIC 351 Up	\$22.00		2	1.5%	-15.4%

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

Local prices for hides were softer across the board, with wider ranging price falls expected going forward.

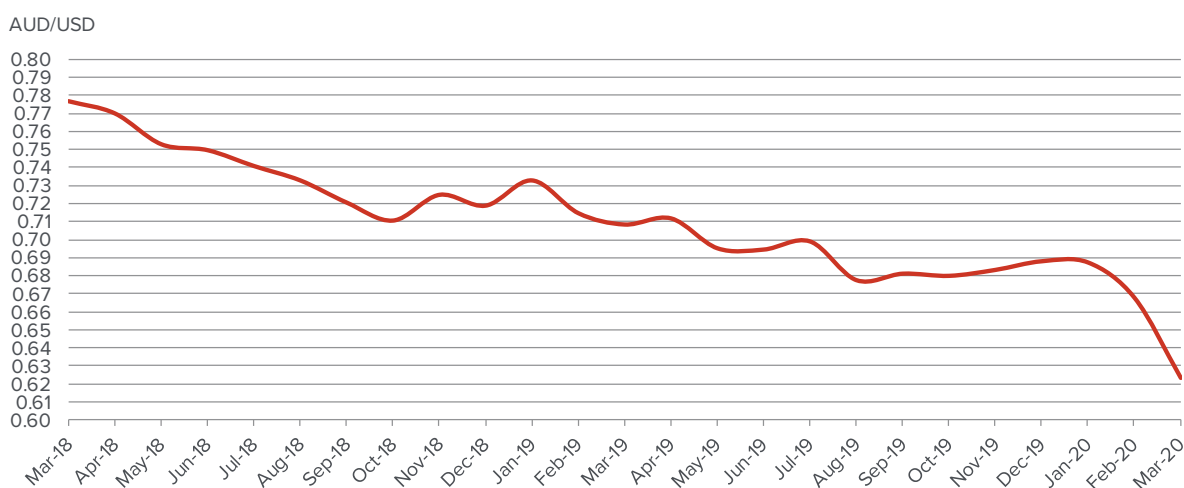
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar struggled against the US dollar during March. The \$A opened the month at 65.22US¢ and traded as low as 55.71US¢ before rallying to close at 61.75US¢, averaging 62.29US¢ for March, a decrease of 4.45US¢ month-on-month, and down 8.52US¢ from March 2019.

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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