



Co-product market report

December 2019

Beef Co-products

Beef offal prices were generally firmer across the range of products, with notable exceptions. Prices for rumen pillars were softer, as were lips, tripe pieces and kidneys.

Table 1: Beef co-product prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$3.23	\$0.70	3	-3.5%	-4.1%
Beef Lips - Halal	\$3.45	\$0.40	5	-7.4%	-3.8%
Cheekmeat	\$6.67	\$1.50	3	9.7%	4.0%
Cheekmeat - Halal	\$6.88	\$3.30	4	12.7%	6.4%
Diap. Membrane	\$4.32	\$1.05	3	-23.9%	-1.0%
Hc Tripe	\$8.00	\$1.80	4	5.3%	17.6%
Hc Tripe - Halal	\$7.95		2		
Headmeat	\$4.20	\$0.40	3	7.7%	22.8%
Headmeat - Halal	\$4.53	\$1.40	3		30.5%
Heart	\$2.53	\$1.00	5	-1.7%	18.2%
Heart - Halal	\$2.55	\$0.55	3	4.8%	10.9%
Heart - Aorta	\$7.87	\$0.80	3	-8.5%	13.4%
Heart - Aorta - Halal	\$7.80		2		
Kidneys	\$0.93		2		
Kidneys- Halal	\$1.43	\$1.60	3		64.7%
Ligamentum	\$2.15	\$3.30	5	20.3%	-52.2%
Liver	\$1.10	\$0.20	3	0.0%	15.8%
Liver - Halal	\$1.28	\$1.20	5	-12.7%	8.9%
Lungs - Halal	\$1.43	\$1.30	4		23.9%
Omasum	\$6.33	\$1.20	3	7.3%	-18.4%
Omasum - Halal	\$7.87	\$2.10	3	6.3%	43.0%
Rum.Pill - Halal < 500	\$10.80		2		
Rum.Pill - Halal > 500 < 700	\$12.10		2		
Rum.Pill - Halal > 700	\$14.80		2		
Rum.Pill < 500	\$8.38	\$2.50	4	-7.5%	-23.6%
Rum.Pill > 500 < 700	\$12.38	\$4.00	4	-18.8%	-32.2%
Rum.Pill > 700	\$15.38	\$2.50	4	-14.7%	-26.2%
Tail	\$10.20	\$0.60	3	3.6%	3.7%
Tail - Halal	\$9.94	\$3.20	5	2.8%	3.3%
Thickskirt	\$9.13	\$1.50	4	-4.1%	31.1%
Thickskirt - Halal	\$9.25		2		
Thinskirt	\$9.55	\$0.40	4	2.3%	40.4%
Thinskirt - Halal	\$9.65		2		
Tongue Root Meat	\$2.85		2		
Tongue Root Meat - Halal	\$2.77	\$1.00	3	-2.9%	12.9%
Tongue SW	\$12.08	\$2.20	4	5.0%	31.0%
Tongue SW - Halal	\$10.43	\$2.40	4	-1.0%	20.5%
Tripe Pieces	\$3.36	\$2.00	4	-10.3%	-0.4%
Tripe Pieces - Halal	\$2.98	\$0.75	3	-27.2%	-10.1%

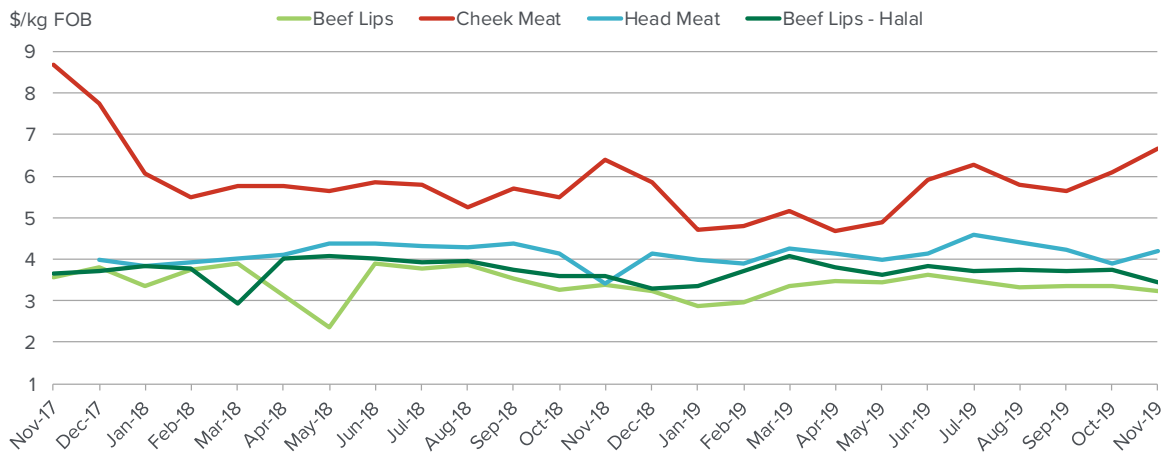
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Apart from lips, prices for head offal products firmed this month. Head meat averaged \$4.20/kg, up 78¢/kg from year-ago prices and 30¢/kg above last month. Cheek meat was 26¢/kg dearer than year-ago levels, averaging \$6.67/kg, which was 59¢/kg up from last month.

Lip export prices to the US and Mexico eased 12¢/kg month-on-month, to average \$3.23/kg. Halal lips averaged \$3.45/kg, down 28¢/kg from last month and 14¢/kg lower than November 2018.

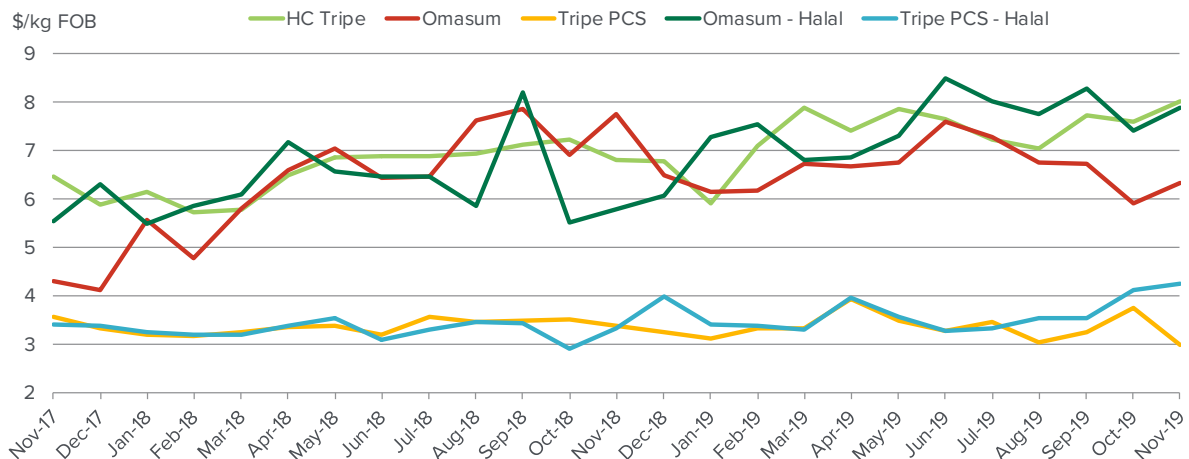
Figure 1: Trends in beef head offal prices



Beef offal trends

Omasum firmed 43¢/kg from last month, to average \$6.33/kg, down \$1.43/kg from year-ago prices. Halal omasum averaged \$7.87/kg, up 47¢/kg from last month and \$1.95/kg stronger year-on-year. Halal tripe pieces firmed from October to average \$4.25/kg, up 15¢/kg month-on-month and up 93¢/kg from last year's levels. Non-halal product eased 77¢/kg from last month's prices, averaging \$2.98/kg, to be down 40¢/kg on last year. Honeycomb tripe firmed to average \$8.00/kg, up 40¢/kg month-on-month and \$1.20/kg above November 2018 prices.

Figure 2: Trends in beef tripe prices

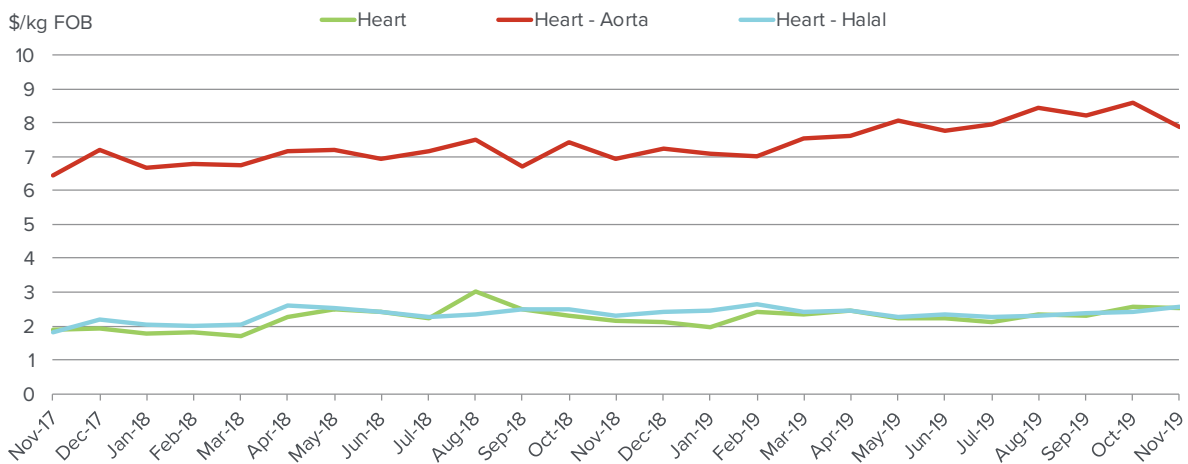


Beef offal trends continued...

Aorta averaged \$7.87/kg for the month; which was 73¢/kg softer than October, but 93¢/kg above year-ago levels.

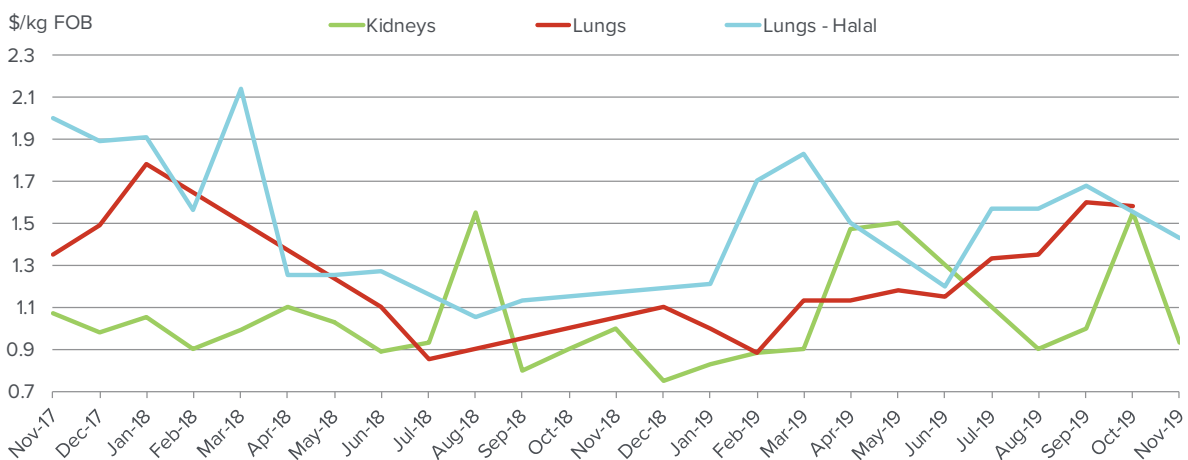
Heart prices eased 5¢/kg from last month, averaging \$2.53/kg, to be 39¢/kg above year-ago levels. Halal hearts averaged \$2.55/kg, firming 12¢/kg month-on-month, and up 25¢/kg from November 2018.

Figure 3: Trends in beef offal prices



Kidneys averaged 93¢/kg, down 62¢/kg month-on-month and 7¢/kg down on year-ago prices. Non-halal lungs were not reported however halal lungs averaged \$1.43/kg.

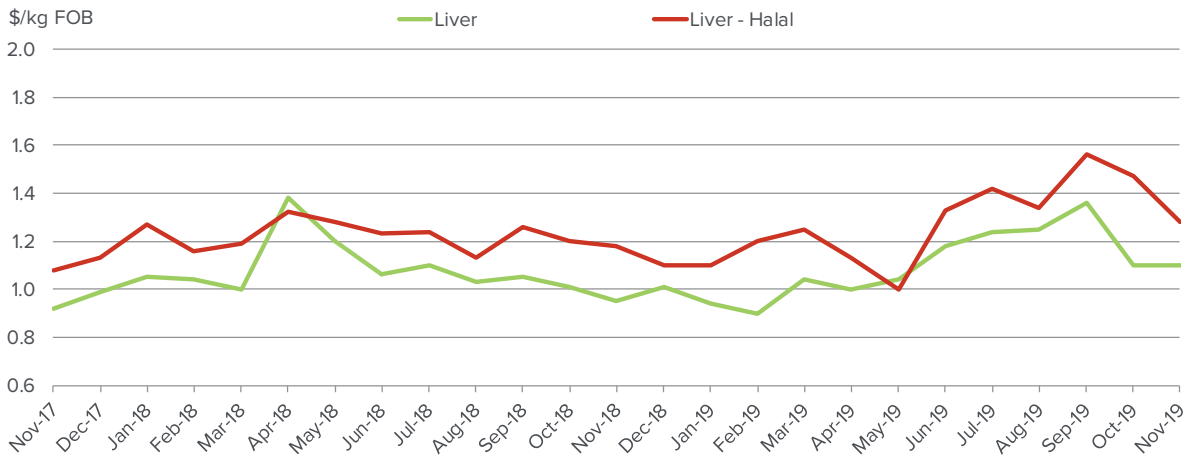
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.10/kg, even month-on-month and 15¢/kg above year-ago levels. Halal livers eased 19¢/kg from last month's price to average \$1.28/kg, up 10¢/kg on November 2018 prices.

Figure 5: Trends in beef offal prices



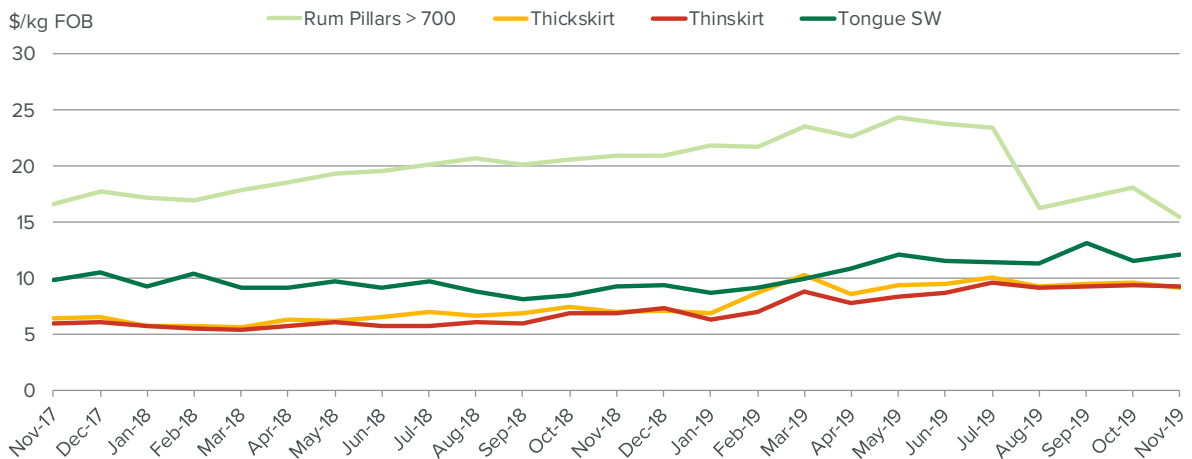
Japanese and Korean Offals

Tongue prices were 58¢/kg up from October to average \$12.08/kg, remaining \$2.86/kg above year-ago levels.

Thick skirt was \$2.17/kg higher year-on-year but 39¢/kg softer than last month, averaging \$9.13/kg. Thin skirt averaged \$9.25/kg, down 8¢/kg from October and \$2.45/kg above year-ago prices.

Rumen pillars continued to soften after an extended firm period with heavy weight product averaging \$15.38/kg, down \$2.65¢/kg month-on-month and \$5.45/kg cheaper than November 2018 levels.

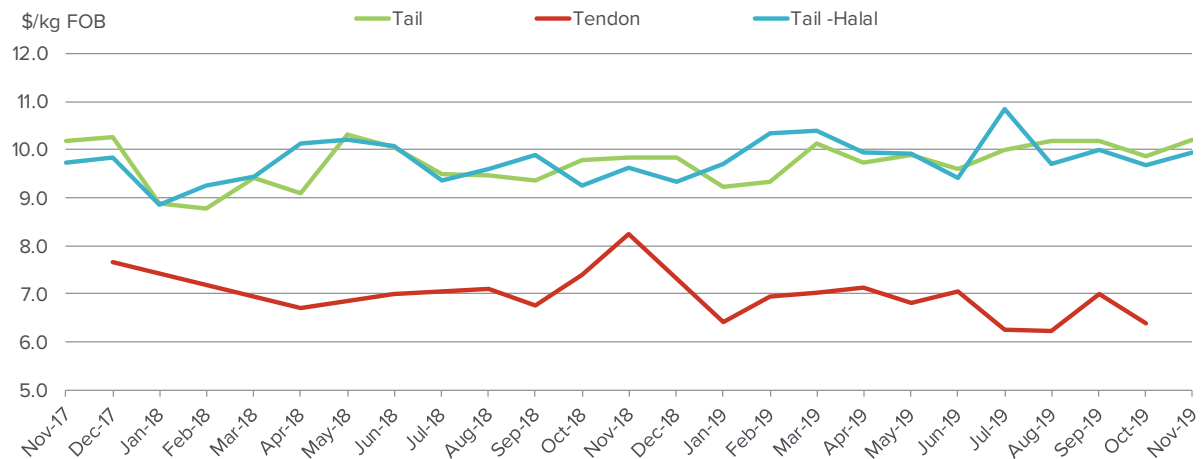
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices to Korea rallied 35¢/kg from last month, averaging \$10.20/kg, to be 36¢/kg above year-ago levels. Halal tails averaged \$9.94/kg, up 27¢/kg from last month and 31¢/kg above year-ago prices. Tendons were not reported.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices were firmer than October with runners a little firmer this month.

Table 2: Sheep co-product prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$2.95	\$1.10	3	-1.7%	7.3%
Kidneys Sheep - Halal	\$4.15		2		
Liver Sheep - Halal	\$1.45		2		
Runners Lamb	\$3.50		2		
Runners Sheep	\$1.80		2		
Tripe Sheep - Halal	\$4.25		2		

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

Sheep offal

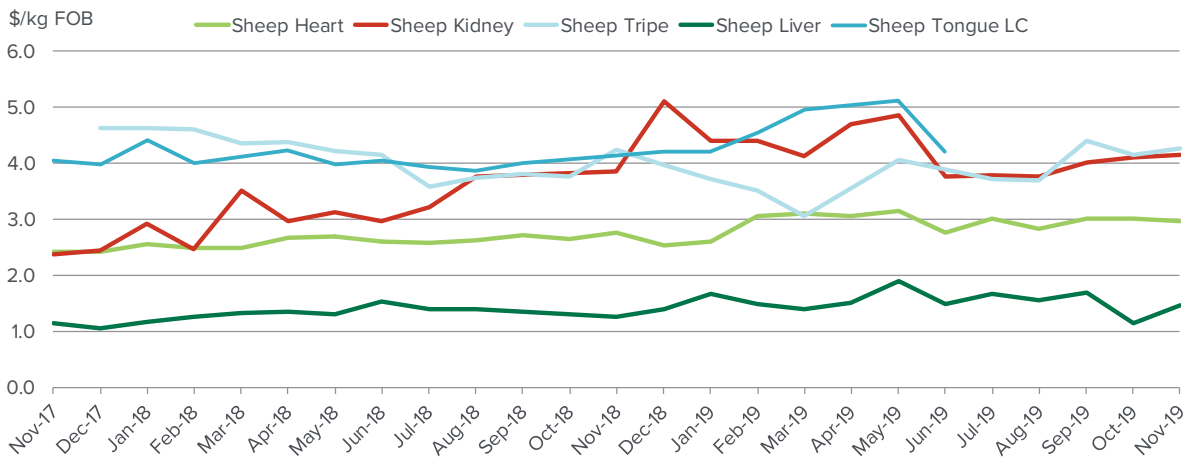
Sheep hearts averaged \$2.95/kg, down 5¢/kg month-on-month but 20¢/kg dearer than year-ago levels. Kidney prices returned \$4.15/kg, to be 30¢/kg above year ago levels and 5¢/kg higher than October prices.

Sheep livers were 32¢/kg up month-on-month to average \$1.45/kg and 20¢/kg above prices a year ago.

Sheep tripe averaged \$4.25/kg, up 2¢/kg year-on-year and 10¢/kg firmer than October.

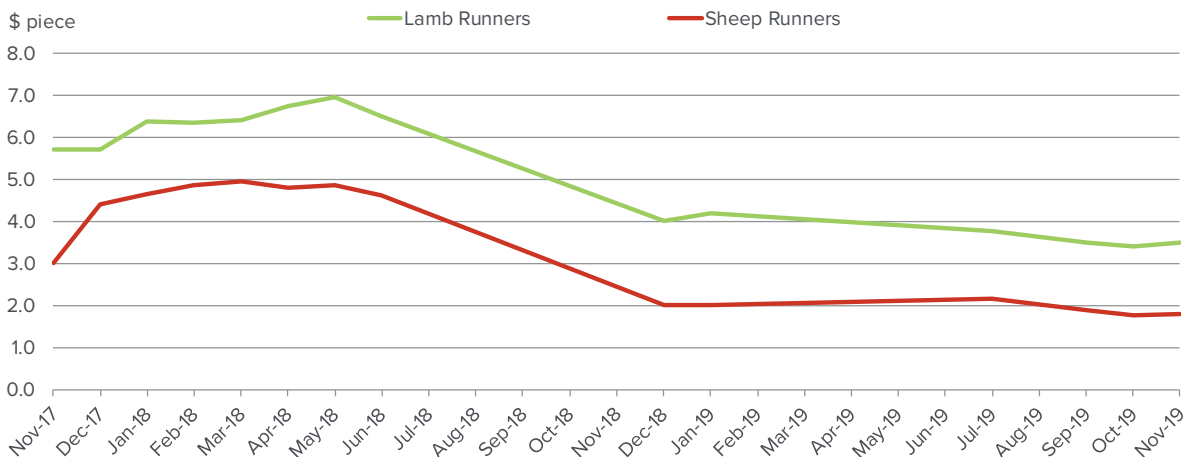
Long cut tongues were again not reported.

Figure 8: Trends in sheep offal prices



Lamb runners were quoted at \$3.50/piece, up 10¢/piece month-on-month with sheep runners returning \$1.80/piece which was 5¢/piece firmer than October. Demand remained weak with continued over supply in the market.

Figure 9: Trends in runner prices



Pharmaceutical products

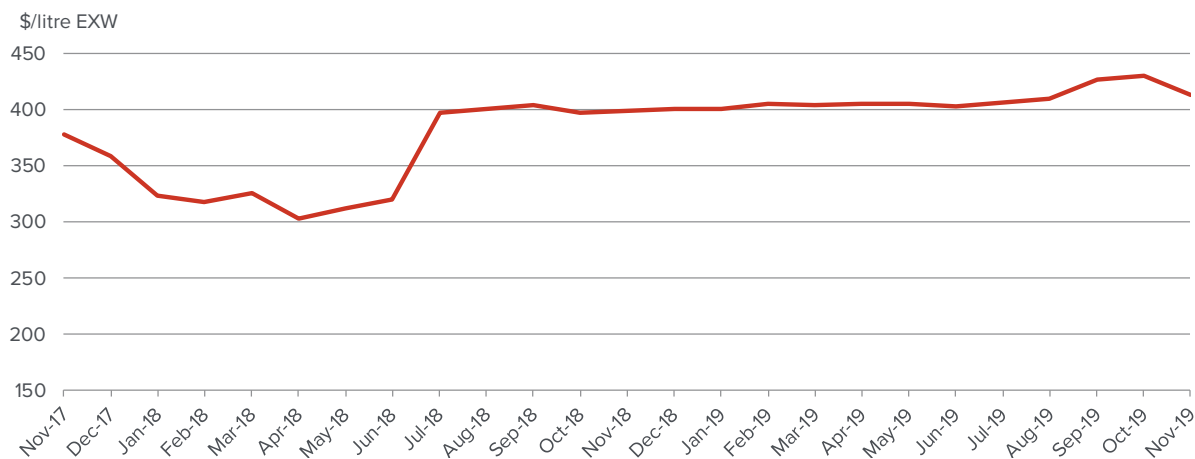
Table 3: Pharmaceutical prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$413.33	\$10.00	3	-3.9%	
Gall Concentrated	\$31.50		2		

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

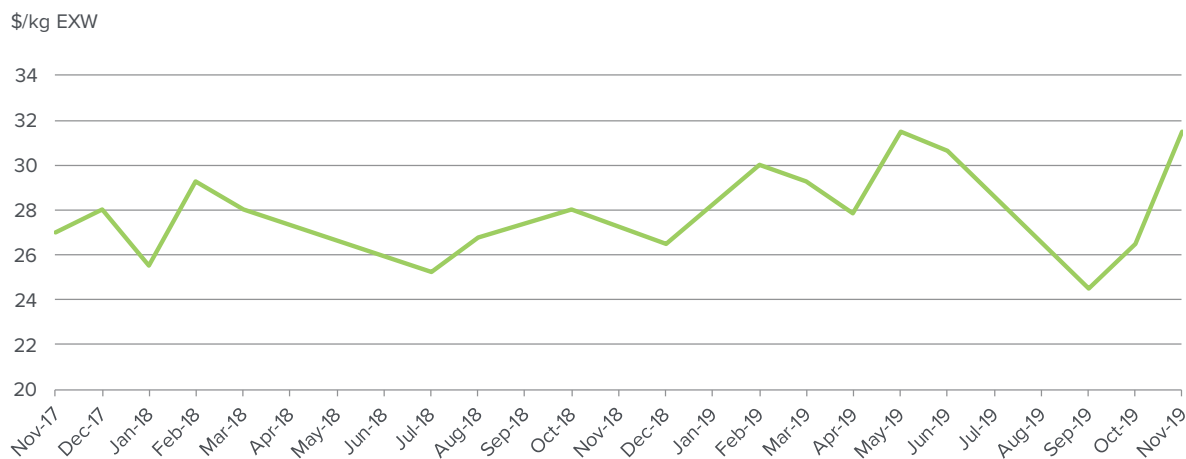
Foetal calf blood was reported at \$413/litre, which is up \$13/litre year-on-year and \$17/litre below last month.

Figure 10: Trends for foetal blood prices



Concentrated gall averaged \$31.50/kg up \$5.00/kg from October and \$5.00/kg above year ago prices.

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered bloodmeal prices eased on lower demand, whilst tallow prices were steady with continuing strong demand from the bio-fuel market.

Table 4: Rendered product prices

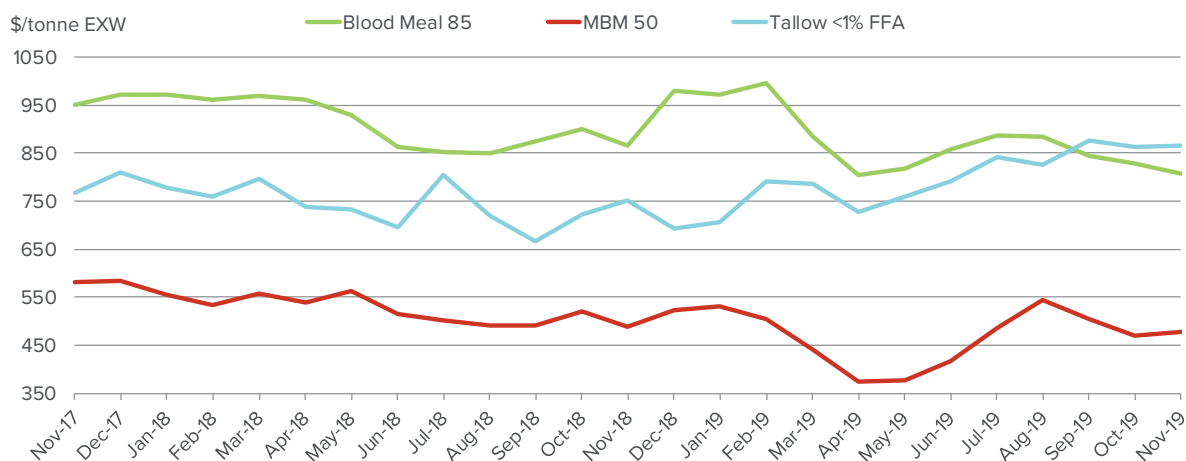
	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$806.00	\$140.00	5	-2.6%	-6.8%
MBM 50	\$478.33	\$80.00	6	1.5%	-1.9%
Tallow Ined.<1FFA	\$863.75	\$75.00	4	0.2%	15.2%
Tallow Ined.<4FFA	\$812.50		2		

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

The price for 50% protein MBM firmed \$7/tonne from last month, averaging \$478/tonne, to be \$10/tonne below November 2018 levels. Blood meal averaged \$806/tonne, down \$59/tonne with last year's price, and \$22/tonne softer month-on-month.

Tallow prices firmed slightly, with the price for 1% FFA tallow averaging \$864/tonne, up \$2/tonne from October and \$114/tonne above year-ago prices. The tallow was negative by \$68/tonne to palm stearin which is \$162/tonne firmer than last month.

Figure 12: Trends in rendered co-product prices



Hides

The hide market rallied slightly, with small and lesser quality product remaining of no commercial value. Poor demand for leather continued to make product difficult to sell.

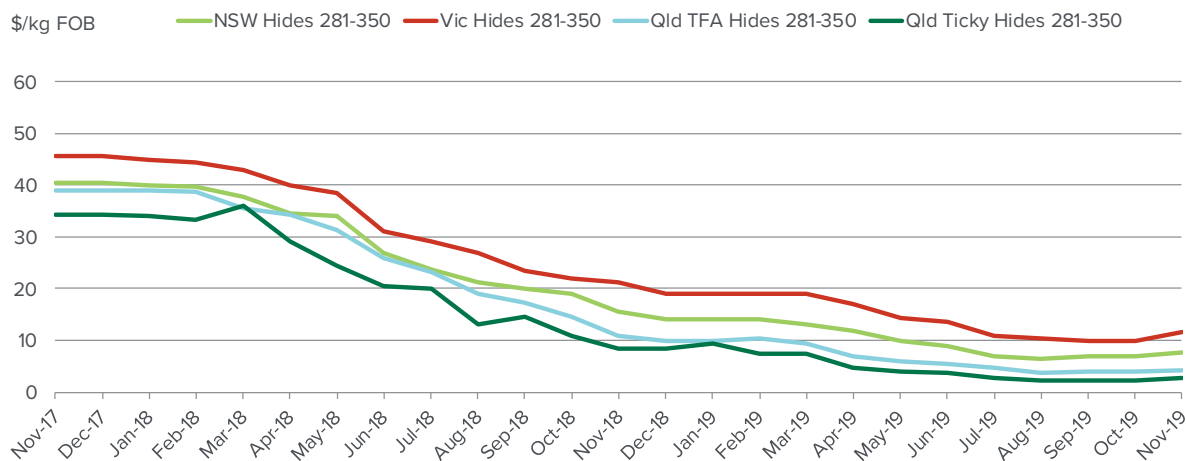
Table 5: Hide prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 181 - 220	\$1.00		2		
Hides NSW 221 - 280	\$3.75		2		
Hides NSW 281 - 350	\$7.75		2		
Hides NSW 351 Up	\$12.63		2		
Hides QLD TFA 221 - 280	\$0.88		2		
Hides QLD TFA 281 - 350	\$4.33	\$3.00	3	8.3%	-60.6%
Hides QLD TFA 351 Up	\$6.67	\$4.50	3	11.1%	-56.5%
Hides QLD Ticky 281 - 350	\$2.67	\$2.75	3	23.1%	-68.6%
Hides QLD Ticky 350 Up	\$4.17	\$4.00	3	19.0%	-66.7%
Hides VIC 141-180	\$1.50		2		
Hides VIC 181-220	\$3.75		2		
Hides VIC 221 - 280	\$8.50		2		
Hides VIC 281-350	\$11.63		2		

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

Local prices for hides were up marginally across the market, with few higher quality grade hides showing processors a positive return.

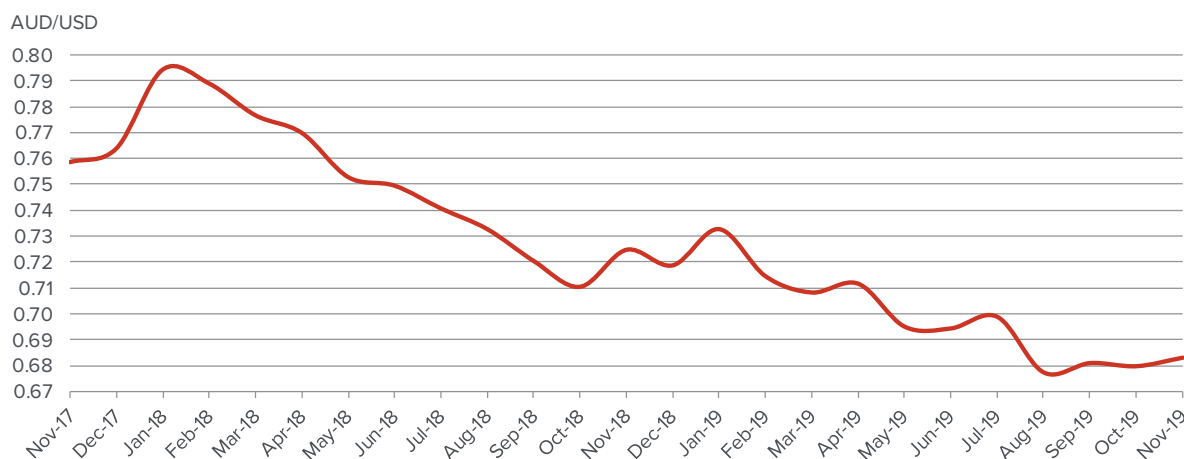
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar was slightly firmer against the US dollar during November. The \$A opened the month at 69.05US¢ and traded down to close at 67.77US¢, averaging 68.29US¢ for October, an increase of 0.33US¢ month-on-month, and down 4.17US¢ from November 2018.

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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