



Co-product market report

January 2020

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Beef Co-products

Beef offal prices were again firmer across the range of products, with only three notable exceptions. Prices for halal tripe pieces were softer, as were omasum and halal hearts.

Table 1: Beef co-product prices

	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$3.40	\$0.20	4	5.2%	5.3%
Beef Lips - Halal	\$3.50	\$0.20	3	1.4%	6.1%
Cheekmeat	\$7.04	\$3.30	4	5.6%	20.0%
Cheekmeat - Halal	\$6.70		2	-2.5%	16.2%
Diap. Membrane	\$3.33	\$3.90	3	-22.8%	-18.7%
Hc Tripe	\$8.30	\$1.90	3	3.8%	22.5%
Hc Tripe - Halal	\$8.75		2	10.1%	41.9%
Headmeat	\$4.37	\$0.60	3	4.0%	5.2%
Headmeat - Halal	\$5.10		2	12.5%	15.9%
Heart	\$2.53	\$1.00	5	0.0%	20.5%
Heart - Halal	\$2.45		2	-3.9%	2.1%
Heart - Aorta	\$8.13	\$1.80	3	3.4%	12.2%
Heart - Aorta - Halal	\$8.00		2	2.6%	11.1%
Kidneys	\$1.90	\$1.60	3	105.4%	153.3%
Ligamentum	\$2.06	\$1.60	4	-4.1%	-41.9%
Liver	\$1.09	\$0.30	4	-1.1%	7.7%
Liver - Halal	\$1.75	\$0.55	3	36.7%	59.1%
Lungs	\$1.43	\$1.20	3		30.3%
Lungs - Halal	\$1.75		2	22.8%	52.2%
Omasum	\$6.03	\$0.90	4	-4.9%	-6.9%
Omasum - Halal	\$8.70		2	10.6%	43.8%
Rum.Pill - Halal < 500	\$10.55		2	-2.3%	18.3%
Rum.Pill - Halal > 500 < 700	\$12.33		2	1.9%	-25.0%
Rum.Pill - Halal > 700	\$14.75		2	-0.3%	-25.3%
Rum.Pill < 500	\$8.93	\$2.50	4	6.6%	-13.8%
Rum.Pill > 500 < 700	\$12.93	\$1.70	4	4.4%	-26.0%
Rum.Pill > 700	\$16.13	\$2.50	4	4.9%	-22.8%
Tail	\$10.18	\$2.00	4	-0.2%	3.4%
Tail - Halal	\$10.33	\$1.90	3	4.0%	10.7%
Tendons	\$7.00		2		-5.4%
Thickskirt	\$9.81	\$2.00	4	7.5%	39.4%
Thickskirt - Halal	\$9.85		2	6.5%	50.0%
Thinskirt	\$9.96	\$1.30	4	4.3%	37.6%
Thinskirt - Halal	\$9.85		2	2.1%	46.3%
Tongue Root Fillet	\$5.60		2		33.3%
Tongue Root Meat	\$2.60	\$0.70	3	-8.8%	8.3%
Tongue Root Meat - Halal	\$2.55	\$0.55	3	-7.8%	6.3%
Tongue SW	\$13.20	\$4.00	5	9.3%	40.8%
Tongue SW - Halal	\$12.60		2	20.9%	31.7%
Tripe Pieces	\$3.32	\$0.40	3	-1.4%	2.4%
Tripe Pieces - Halal	\$3.40	\$1.70	3	14.0%	5.2%

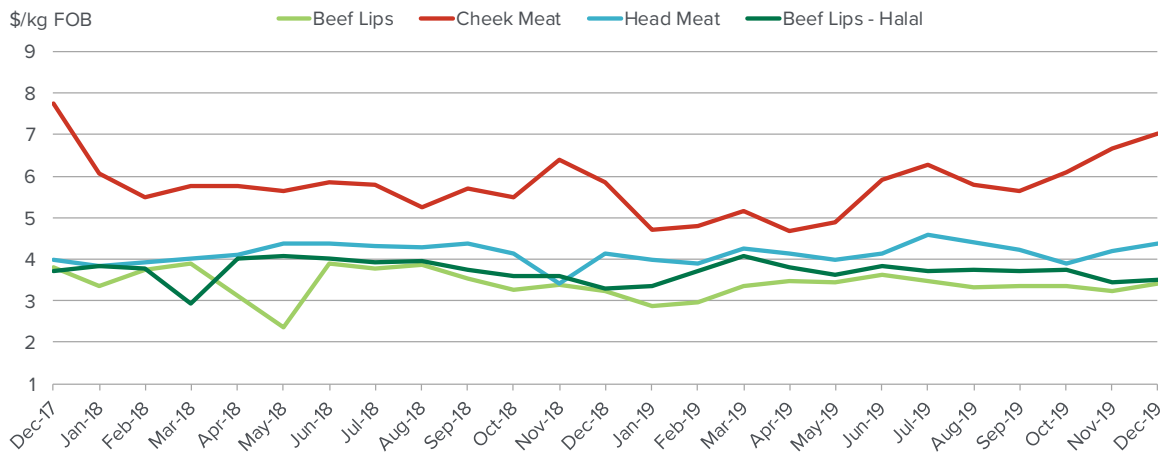
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Prices for head offal products firmed this month. Head meat averaged \$4.37/kg, up 22¢/kg from year-ago prices and 17¢/kg above last month. Cheek meat was \$1.18/kg dearer than year-ago levels, averaging \$7.04/kg, which was 37¢/kg up from last month.

Lip export prices to the US and Mexico firmed 17¢/kg month-on-month, to average \$3.40/kg. Halal lips averaged \$3.50/kg, up 5¢/kg from last month and 20¢/kg higher than December 2018.

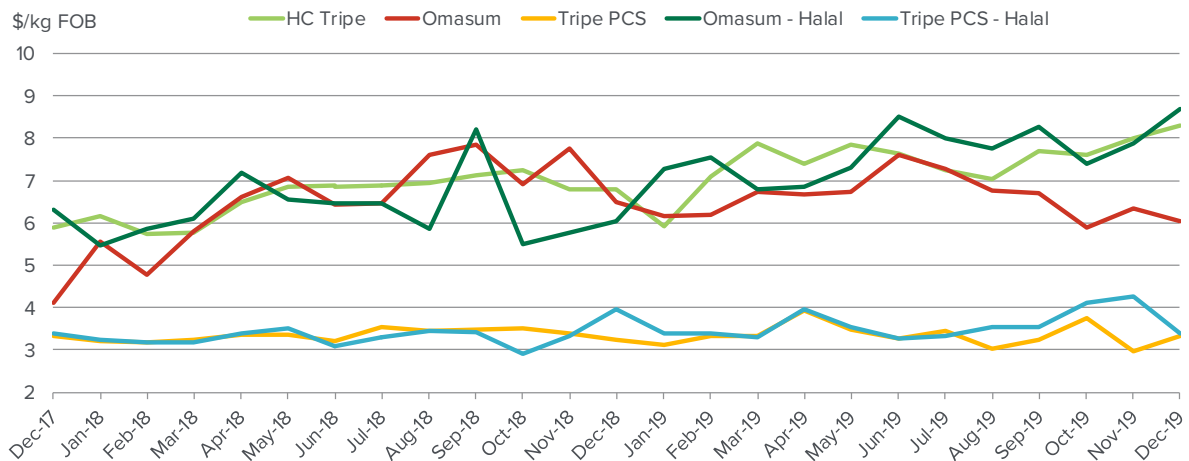
Figure 1: Trends in beef head offal prices



Beef offal trends

Omasum eased 30¢/kg from last month, to average \$6.03/kg, down 45¢/kg from year-ago prices. Halal omasum averaged \$8.70/kg, up 83¢/kg from last month and \$2.65/kg stronger year-on-year. Halal tripe pieces eased from November to average \$3.40/kg, down 85¢/kg month-on-month and down 57¢/kg from last year's levels. Non-halal product firmed 34¢/kg from last month's prices, averaging \$3.32/kg, to be up 8¢/kg on last year. Honeycomb tripe firmed to average \$8.30/kg, up 30¢/kg month-on-month and \$1.52/kg above December 2018 prices.

Figure 2: Trends in beef tripe prices

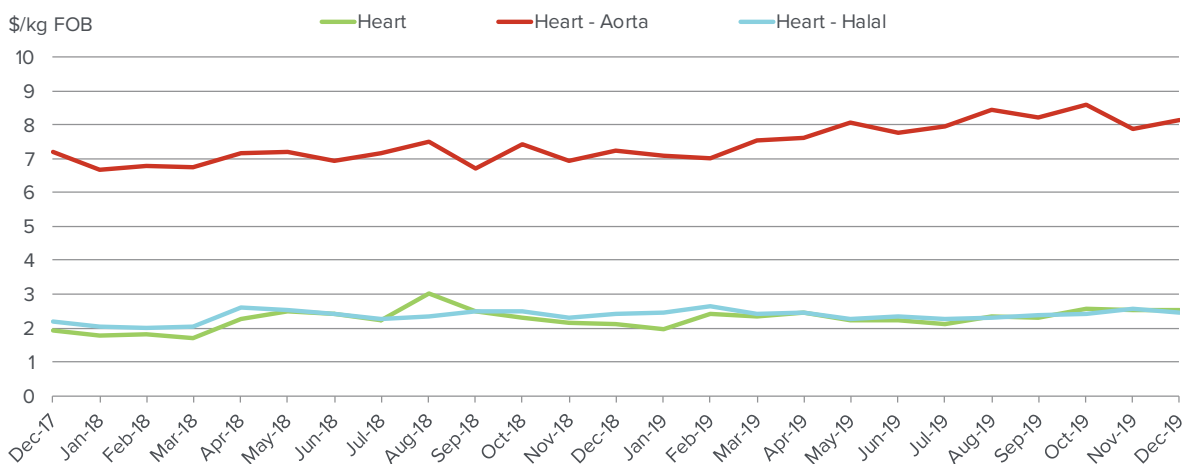


Beef offal trends continued...

Aorta averaged \$8.13/kg for the month; which was 26¢/kg firmer than November, and 88¢/kg above year-ago levels.

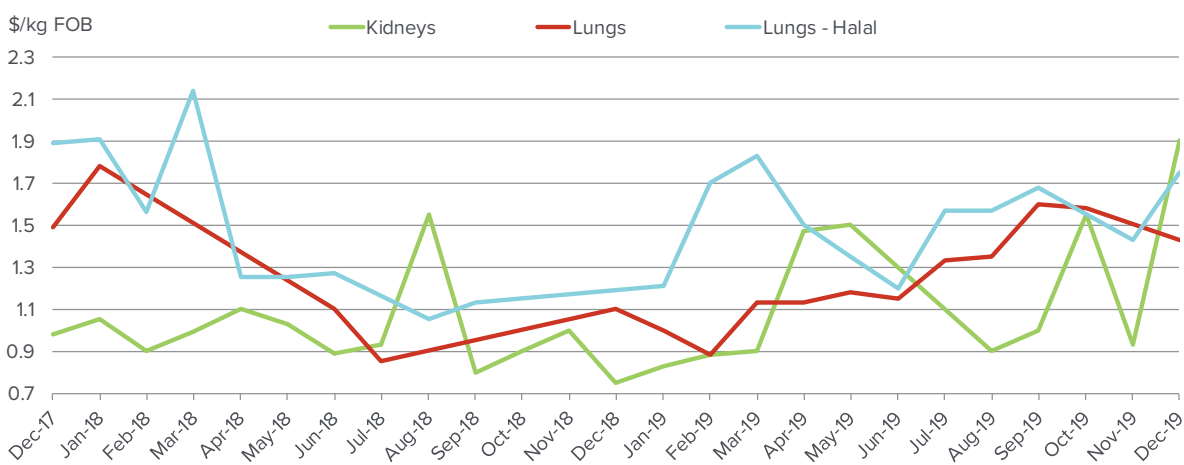
Heart prices were even with last month last month, averaging \$2.53/kg, to be 43¢/kg above year-ago levels. Halal hearts averaged \$2.45/kg, easing 10¢/kg month-on-month, and up 5¢/kg from December 2018.

Figure 3: Trends in beef offal prices



Kidneys averaged 1.90¢/kg, up 97¢/kg month-on-month and \$1.15kg up on year-ago prices. This may have been due to a transcription error, but the reporter was on leave so the entry could not be confirmed. Non-halal lungs were reported at \$1.43/kg up 33¢/kg from year ago levels while halal lungs averaged \$1.75/kg up 47¢/kg month-on-month and 65¢/kg higher than December 2018.

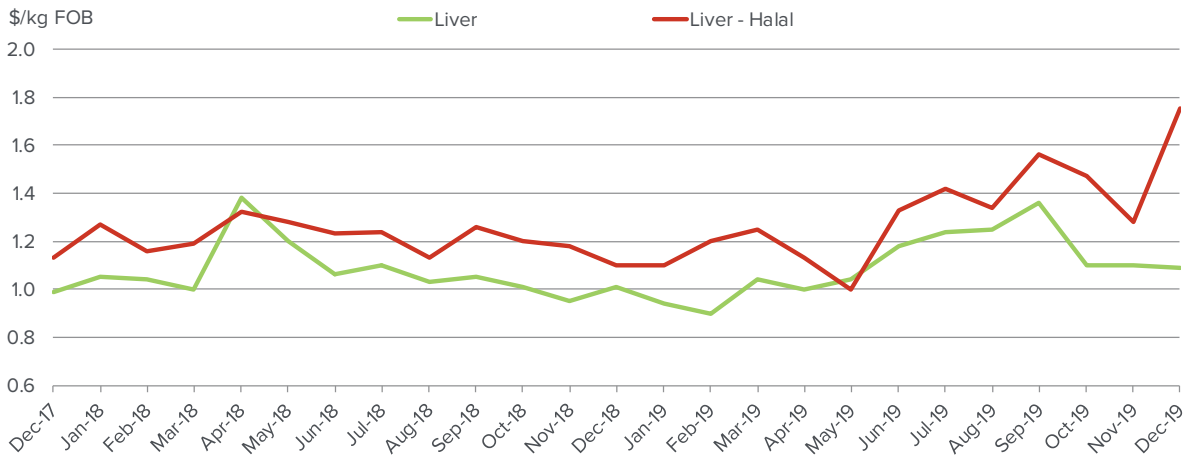
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.09/kg, 1¢/kg down month-on-month and 8¢/kg above year-ago levels. Halal livers gained 47¢/kg from last month's price to average \$1.75/kg, up 60¢/kg on December 2018 prices.

Figure 5: Trends in beef offal prices



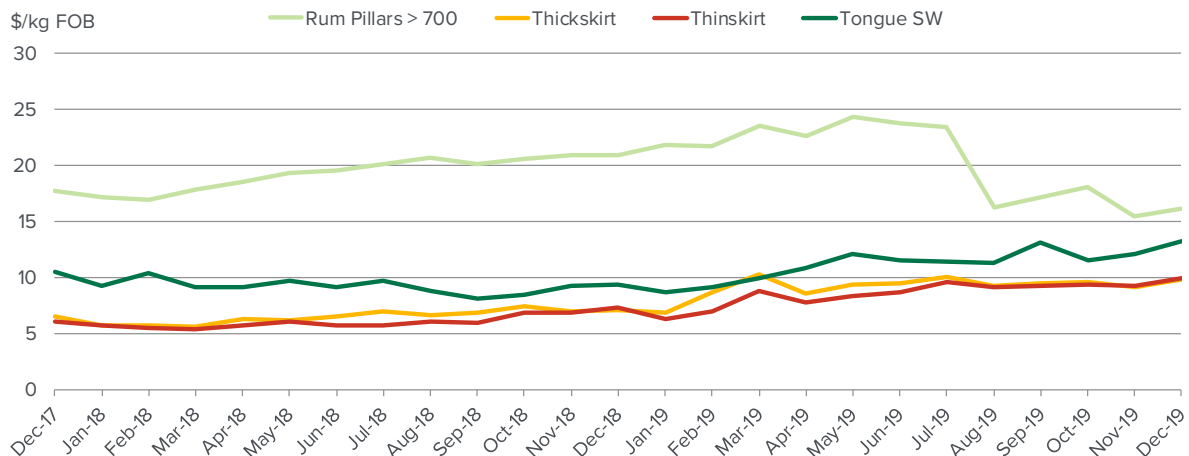
Japanese and Korean Offals

Tongue prices were \$1.12¢/kg up from November to average \$13.20/kg, and \$3.82/kg above year-ago levels.

Thick skirt was \$2.77/kg higher year-on-year and 68¢/kg firmer than last month, averaging \$9.81/kg. Thin skirt averaged \$9.96/kg, up 71¢/kg from November and \$2.72/kg above year-ago prices.

Rumen pillars steadied after five weeks of falling prices with heavy weight product averaging \$16.13/kg, up 75¢/kg month-on-month and \$4.75/kg cheaper than December 2018 levels.

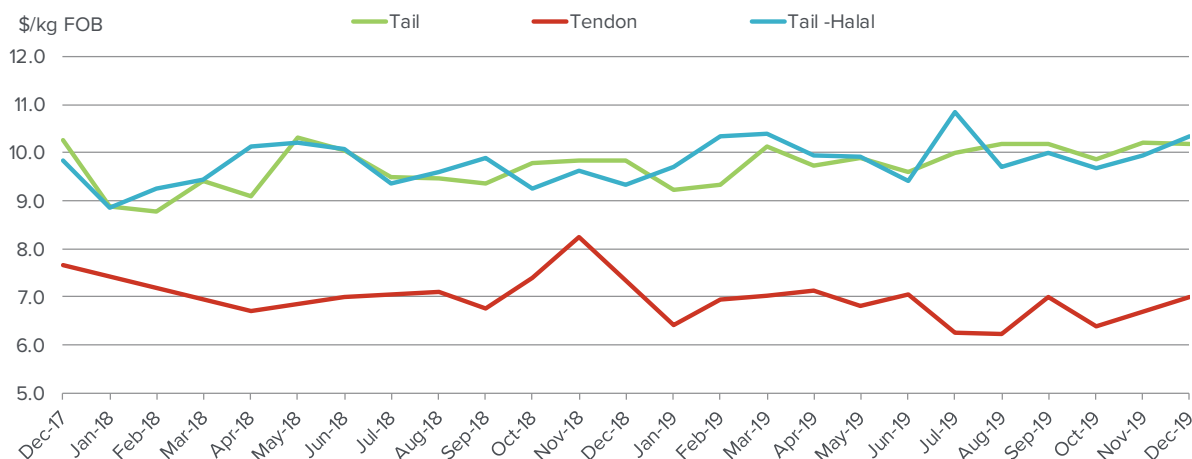
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices to Korea eased 2¢/kg from last month, averaging \$10.18/kg, to be 34¢/kg above year-ago levels. Halal tails averaged \$10.33/kg, up 39¢/kg from last month and \$1.00/kg above year-ago prices. Tendons averaged \$7.00/kg, similar to prices a year ago.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices were firmer than November.

Table 2: Sheep co-product prices

	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$3.28	\$2.00	3	11.3%	29.6%
Kidneys Sheep - Halal	\$4.25		2	2.4%	-16.7%
Liver Sheep - Halal	\$1.52	\$1.75	3	4.6%	8.3%
Runners Lamb	\$3.37	\$1.00	3	-3.8%	-19.8%
Runners Sheep	\$1.83	\$0.80	3	1.8%	-8.3%
Tripe Sheep - Halal	\$4.13		2	-2.9%	4.0%

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

Sheep offal

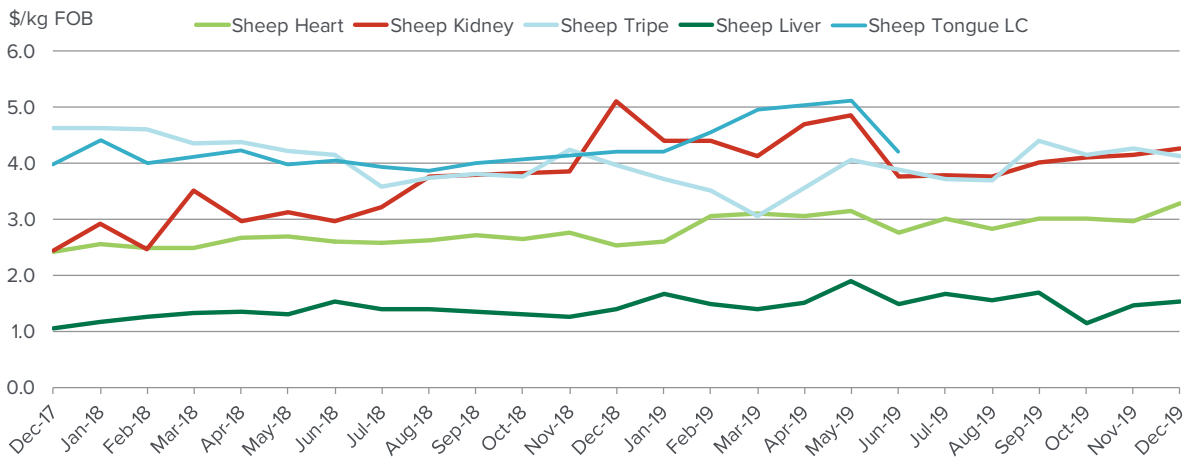
Sheep hearts averaged \$3.28/kg, up 33¢/kg month-on-month and 75¢/kg dearer than year-ago levels. Kidney prices returned \$4.25/kg, to be 85¢/kg above year ago levels and 10¢/kg higher than November prices.

Sheep livers were 7¢/kg up month-on-month to average \$1.52/kg and 12¢/kg above prices a year ago.

Sheep tripe averaged \$4.13/kg, up 16¢/kg year-on-year and 12¢/kg softer than November.

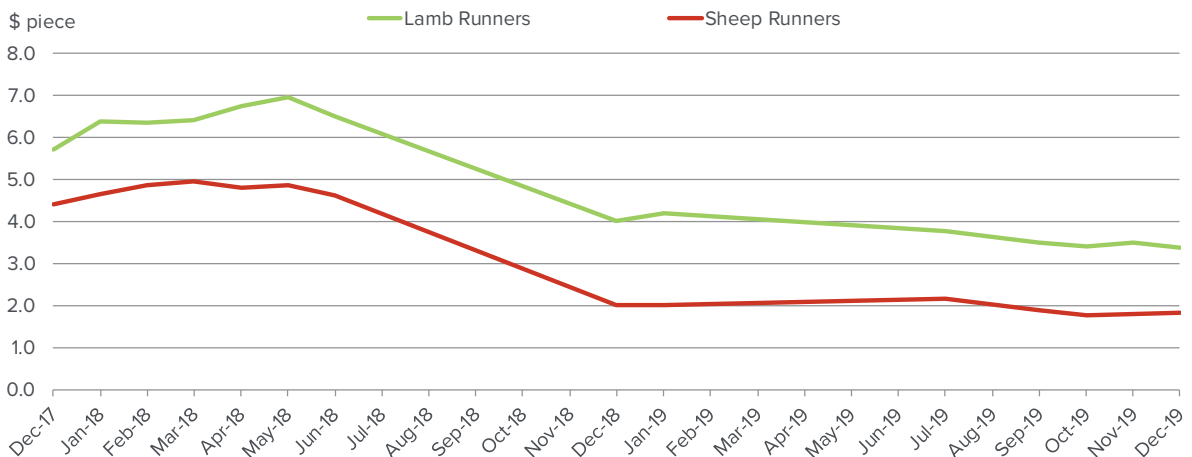
Long cut tongues were again not reported.

Figure 8: Trends in sheep offal prices



Lamb runners were quoted at \$3.37/piece, down 13¢/piece month-on-month with sheep runners returning \$1.3/piece which was 3¢/piece firmer than November. Demand remained weak with continued over supply in the market.

Figure 9: Trends in runner prices



Pharmaceutical products

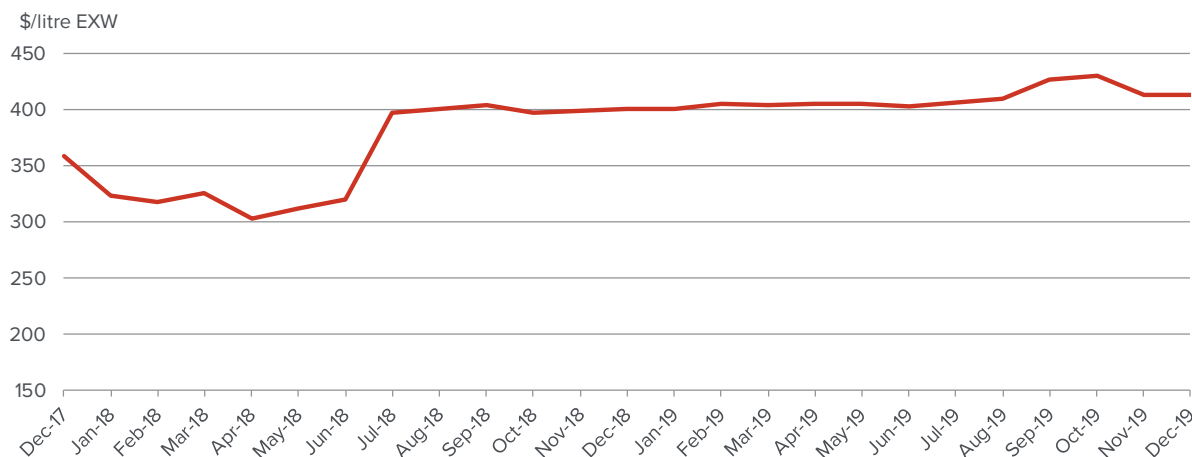
Table 3: Pharmaceutical prices

	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$413.33	\$10.00	3	0.0%	3.3%
Gall Concentrated	\$27.25		2	-13.5%	2.8%

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

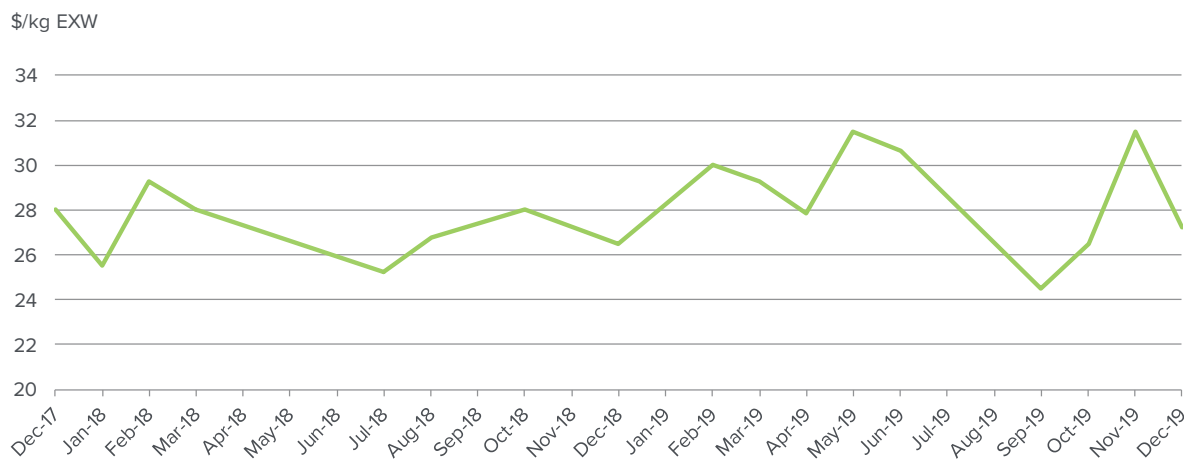
Foetal calf blood was reported at \$413/litre, which is up \$13/litre year-on-year and even with last month.

Figure 10: Trends for foetal blood prices



Concentrated gall averaged \$27.25/kg down \$4.25/kg from November and 75¢/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 firmer with continuing strong demand from the bio-fuel market, looking to ensure supply over the holiday period.

Table 4: Rendered product prices

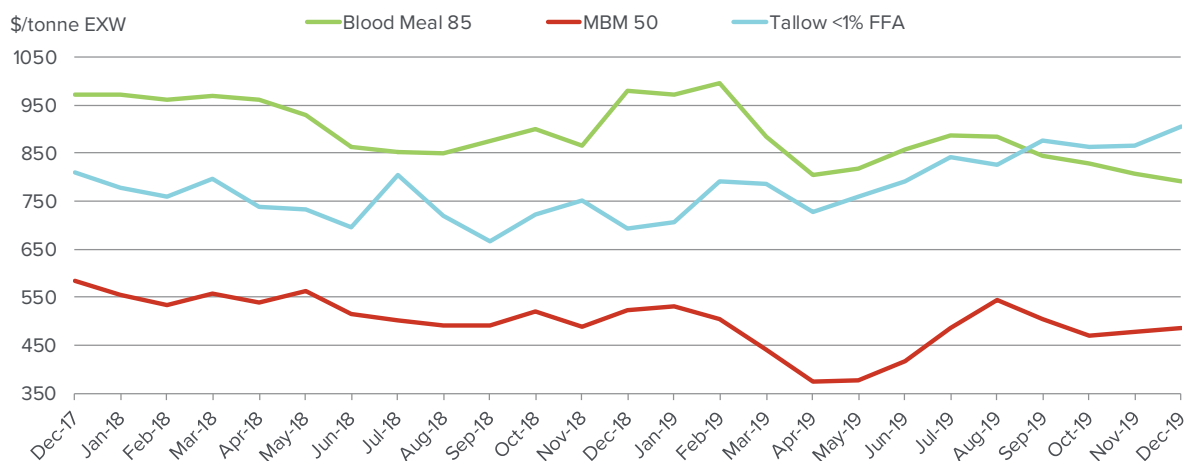
	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$791.00	\$125.00	5	-1.9%	-19.3%
MBM 50	\$487.00	\$95.00	5	1.8%	-7.1%
Tallow Ined.<1FFA	\$906.25	\$50.00	4	4.9%	30.6%
Tallow Ined.<2FFA	\$890.00		2		27.8%
Tallow Ined.<4FFA	\$860.00	\$70.00	3	5.8%	30.3%

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

The price for 50% protein MBM firmed \$9/tonne from last month, averaging \$487/tonne, to be \$37/tonne below December 2018 levels. Blood meal averaged \$791/tonne, down \$189/tonne with last year's price, and \$15/tonne softer month-on-month.

Tallow prices firmed, with the price for 1% FFA tallow averaging \$906/tonne, up \$42/tonne from November and \$212/tonne above year-ago prices. The tallow was negative by \$126/tonne to palm stearin which is \$42/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. A lift in leather use in shoes and furniture helped to strengthen prices slightly with processors reporting more interest from buyers.

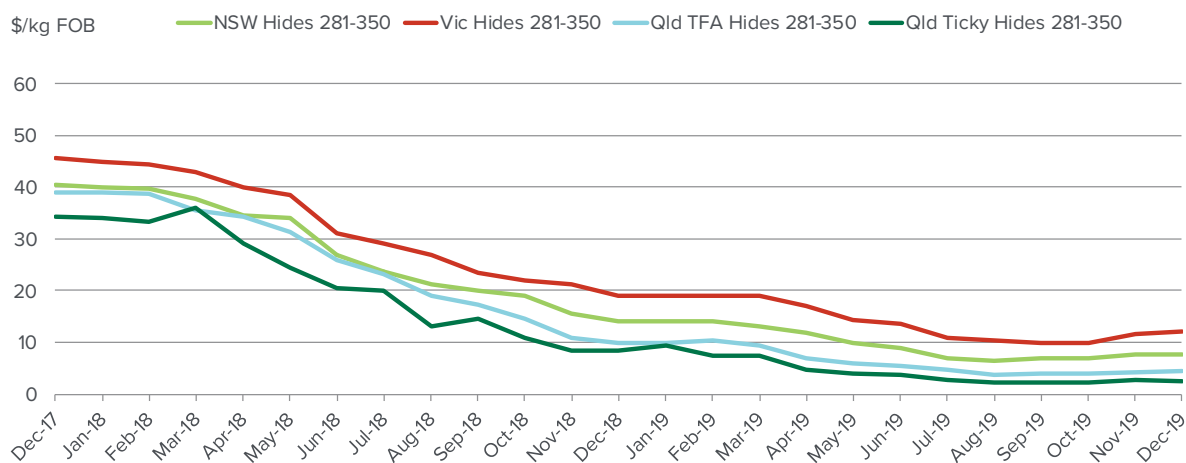
Table 5: Hide prices

	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 181 - 220	\$1.00		2	0.0%	-83.3%
Hides NSW 221 - 280	\$3.75		2	0.0%	-58.3%
Hides NSW 281 - 350	\$7.75		2	0.0%	-44.6%
Hides NSW 351 Up	\$13.25		2	5.0%	-38.4%
Hides QLD TFA 221 - 280	\$0.88		2	0.0%	-84.1%
Hides QLD TFA 281 - 350	\$4.42	\$2.75	3	1.9%	-55.8%
Hides QLD TFA 351 Up	\$6.67	\$4.50	3	0.0%	-54.5%
Hides QLD Ticky 281 - 350	\$2.50		2	-6.3%	-70.6%
Hides QLD Ticky 350 Up	\$3.50		2	-16.0%	-72.0%
Hides VIC 141-180	\$1.50		2	0.0%	-78.6%
Hides VIC 181-220	\$3.75		2	0.0%	-62.5%
Hides VIC 221 - 280	\$9.00		2	5.9%	-33.3%
Hides VIC 281-350	\$12.00		2	3.2%	-36.8%
Hides VIC 351 Up	\$19.00		2	2.0%	-28.3%

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.

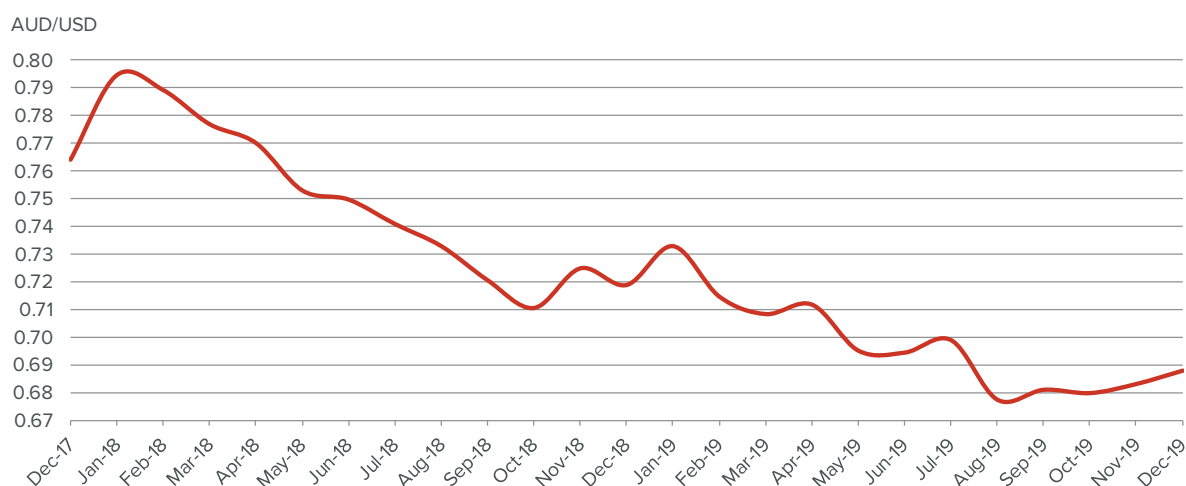
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar was slightly firmer against the US dollar during December. The \$A opened the month at 67.74US¢ and traded up to close at 70.06US¢, averaging 68.77US¢ for December, an increase of 0.48US¢ month-on-month, and down 3.09US¢ from December 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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