



Co-product market report

February 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 were firmer across the range of products with cheek meat, aorta, kidneys and omasum trending down.

Table 1: Beef co-product prices

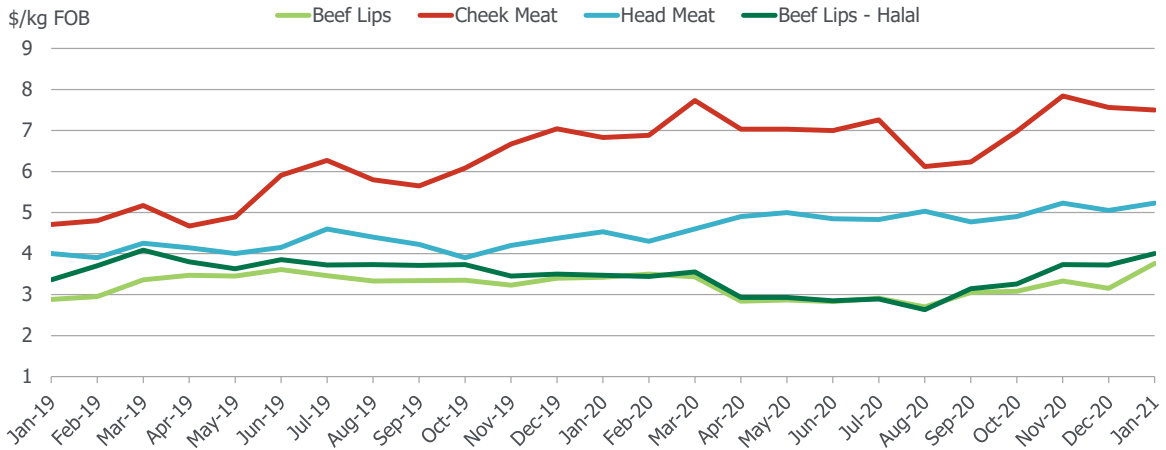
	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$3.76	\$1.80	5	19.4%	10.0%
Beef Lips - Halal	\$4.00	\$1.90	4	7.5%	15.4%
Cheekmeat	\$7.50	\$2.00	5	-0.7%	9.8%
Cheekmeat - Halal	\$7.80	\$2.90	4	13.8%	3.1%
Diap. Membrane	\$3.56	\$2.80	4	-12.1%	2.8%
Hc Tripe	\$7.50	\$1.20	5	1.9%	-9.4%
Hc Tripe - Halal	\$7.83	\$1.80	3	4.3%	-5.6%
Headmeat	\$5.23	\$1.50	4	3.5%	15.3%
Headmeat - Halal	\$5.35		2	-1.8%	15.1%
Heart	\$3.44	\$0.20	5	9.2%	42.3%
Heart - Halal	\$3.64	\$2.30	4	15.5%	50.8%
Heart - Aorta	\$7.50	\$1.00	4	-4.5%	-10.7%
Heart - Aorta - Halal	\$7.65		2	-1.4%	-15.5%
Kidneys	\$1.00		2	-32.2%	2.6%
Ligamentum	\$3.62	\$2.14	4	36.8%	133.2%
Liver	\$1.44	\$1.00	5	12.9%	41.6%
Liver - Halal	\$1.71	\$1.30	4	13.9%	20.2%
Lungs	\$2.30	\$1.90	3	10.3%	55.9%
Lungs - Halal	\$2.68		2	4.8%	44.6%
Omasum	\$6.20	\$4.50	5	-5.8%	-0.8%
Omasum - Halal	\$6.63	\$1.90	3	-2.3%	-12.5%
Rum.Pill - Halal < 500	\$5.67	\$4.00	3	7.6%	-46.5%
Rum.Pill - Halal > 500 < 700	\$8.50	\$3.00	3	8.5%	-31.2%
Rum.Pill - Halal > 700	\$10.27	\$1.20	3	12.8%	-30.4%
Rum.Pill < 500	\$5.74	\$6.90	5	0.0%	-31.1%
Rum.Pill > 500 < 700	\$7.52	\$5.90	5	-3.1%	-38.4%
Rum.Pill > 700	\$9.68	\$5.70	5	-2.8%	-36.2%
Tail	\$11.17	\$3.40	5	5.0%	4.1%
Tail - Halal	\$11.05	\$4.30	4	-0.9%	7.8%
Tendons	\$8.07	\$1.00	3	4.4%	40.3%
Thickskirt	\$8.76	\$1.20	5	5.8%	-9.0%
Thickskirt - Halal	\$8.83	\$2.00	4	8.2%	-6.1%
Thinskirt	\$8.83	\$1.45	5	-1.2%	-12.6%
Thinskirt - Halal	\$9.63	\$3.70	3	11.2%	-13.2%
Tongue Root Fillet	\$5.00		2	1.0%	-10.7%
Tongue Root Meat	\$2.94	\$1.40	5	13.6%	-21.9%
Tongue Root Meat - Halal	\$3.10	\$0.70	3	39.4%	-4.6%
Tongue SW	\$12.50	\$4.50	5	10.9%	-7.1%
Tongue SW - Halal	\$11.73	\$4.50	4	13.4%	-6.9%
Tripe Pieces	\$2.84	\$0.30	4	1.3%	-23.3%
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 \$5.23/kg which was 70¢/kg higher year-on-year and 18¢/kg above than last month. Cheek meat was 67¢/kg dearer than year-ago levels, averaging \$7.50/kg, but 6¢/kg softer than last month.

Figure 1: Trends in beef head offal prices



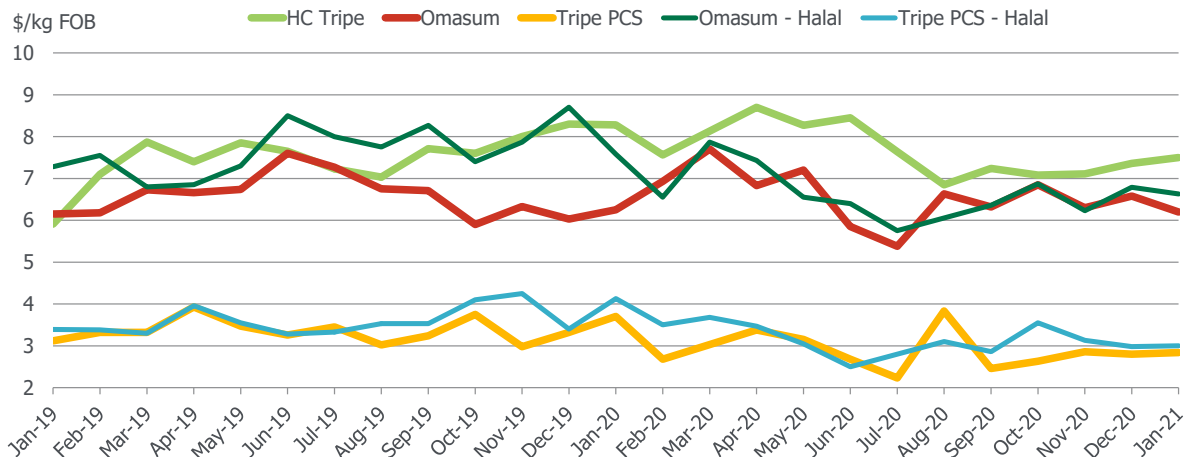
Beef offal trends

Lip export prices to the US and Mexico firmed 61¢/kg month-on-month, to average \$3.76/kg and 34¢/kg up on last year. Halal lips averaged \$4.00/kg, up 28¢/kg from last month and 53¢/kg higher than January 2020.

Omasum eased 38¢/kg from last month, to average \$6.20/kg, down 5¢/kg from year-ago prices. Halal omasum averaged \$6.63/kg, down 95¢/kg year-on-year and 16¢/kg easier month-on month.

Halal tripe pieces averaged \$3.00 down \$1.13kg year-on-year but 2¢/kg up from last month. Non-halal tripe pieces were 86¢/kg down year-on-year and 4¢/kg higher than December 2020 to average \$2.84/kg. Honeycomb tripe averaged \$7.50/kg to be 78¢/kg below year ago prices but 14¢/kg above last month.

Figure 2: Trends in beef tripe prices

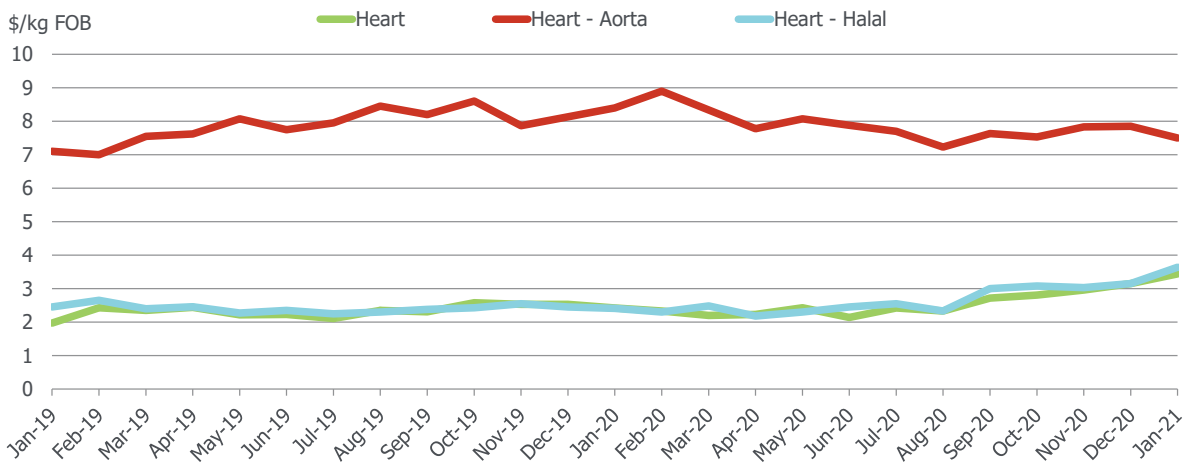


Beef offal trends continued...

Aorta traded softer to average \$7.50/kg down 35¢/kg month-on-month and down 90¢/kg from January 2020 price.

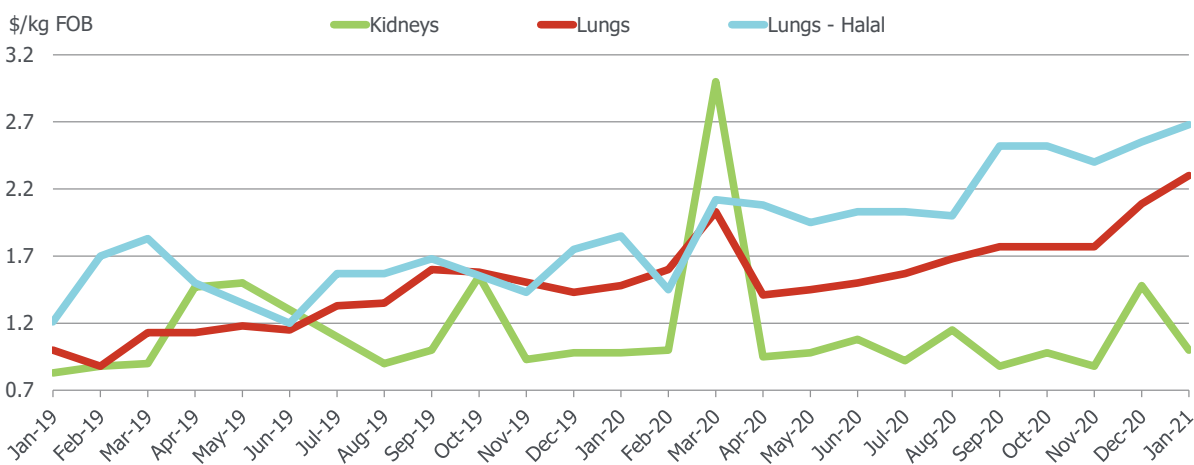
Heart prices were up from last month, averaging \$3.44/kg, to be \$1.02/kg above year-ago levels and 29¢/kg above December 2020 prices. Halal hearts averaged \$3.64/kg, firming 49¢/kg month-on-month and up \$1.23/kg from January 2020.

Figure 3: Trends in beef offal prices



Kidneys averaged \$1.00/kg, down 48¢/kg on November price but 2¢/kg firmer than a year ago. Non-halal lungs were reported at \$2.30/kg up 82¢/kg from year ago levels and 21¢/kg firmer month-on-month, while halal lungs averaged \$2.68/kg to be 13¢/kg up month-on-month and 83¢/kg up on year ago prices.

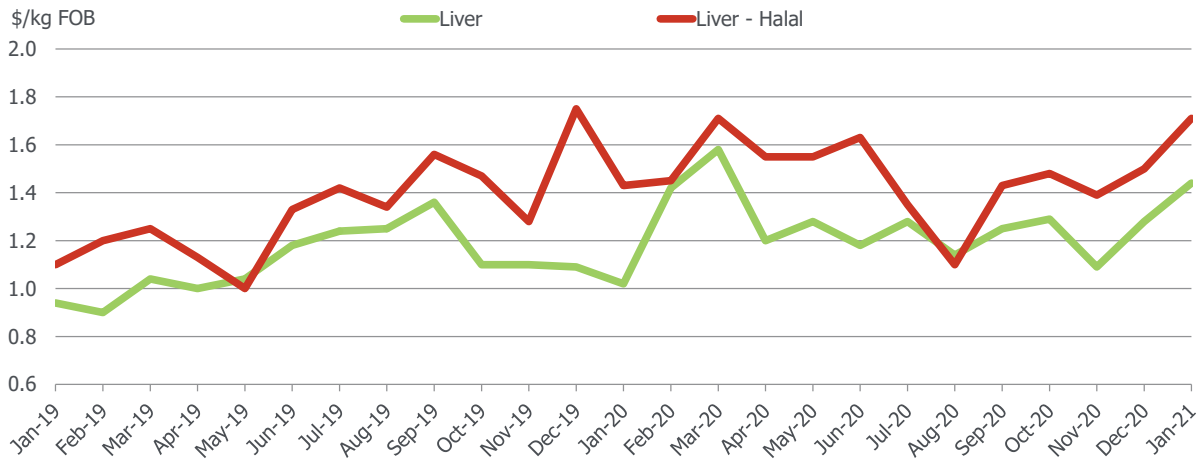
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.44/kg, up 16¢/kg month-on-month and 42¢/kg firmer than year-ago levels. Halal livers were up 21¢/kg from last month's price to average \$1.71/kg, up 28¢/kg on last year prices.

Figure 5: Trends in beef offal prices



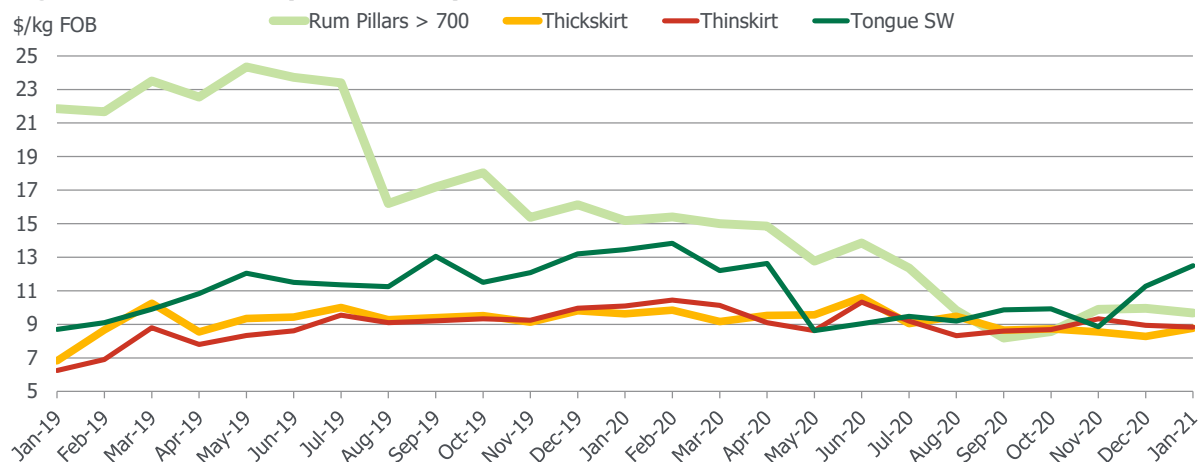
Japanese and Korean Offals

Tongue prices were \$1.23/kg up from December 2020 to average \$12.50/kg, but 95¢/kg below year-ago levels.

Thick skirt was 87¢/kg softer year-on-year but 48¢/kg above than last month, averaging \$8.76/kg. Thin skirt averaged \$8.83/kg, down 11¢/kg from December 2020 and \$1.27 below year-ago prices.

Rumen pillars eased with heavy weight product averaging \$9.68/kg, down 28¢/kg month-on-month and \$5.15/kg cheaper than January 2020 levels.

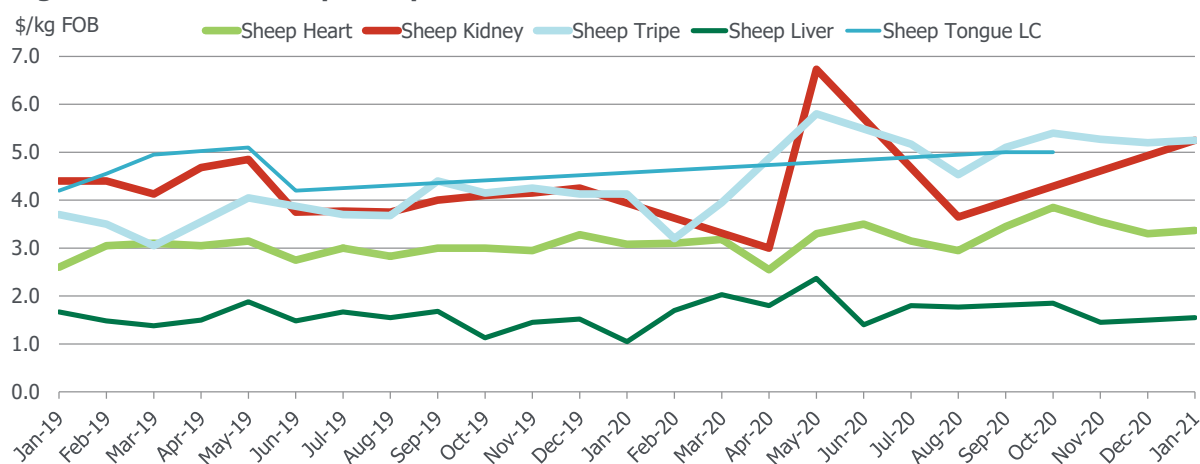
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices to Korea firmed 54¢/kg from last month, averaging \$11.17/kg, to be 44¢/kg above year-ago levels. Halal tails averaged \$11.05/kg, down 10¢/kg from last month but 80¢/kg above year-ago prices. Tendons averaged \$8.07 this month to be 34¢/kg up month-on-month and \$2.32/kg dearer than last January.

Figure 8: Trends in sheep offal prices



Sheep Co-products

Sheep offal prices have been lightly reported for some time but were firmer across the board.

Table 2: Sheep co-product prices

	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$3.37	\$2.20	3	2.0%	9.2%
Kidneys Sheep - Halal	\$5.25		2		110.0%
Liver Sheep - Halal	\$1.55		2	3.3%	47.6%
Runners Lamb	\$4.85	\$0.75	3	-0.5%	42.6%
Runners Sheep	\$3.77	\$0.50	3	0.4%	115.2%
Tripe Sheep - Halal	\$5.25		2	1.0%	27.3%

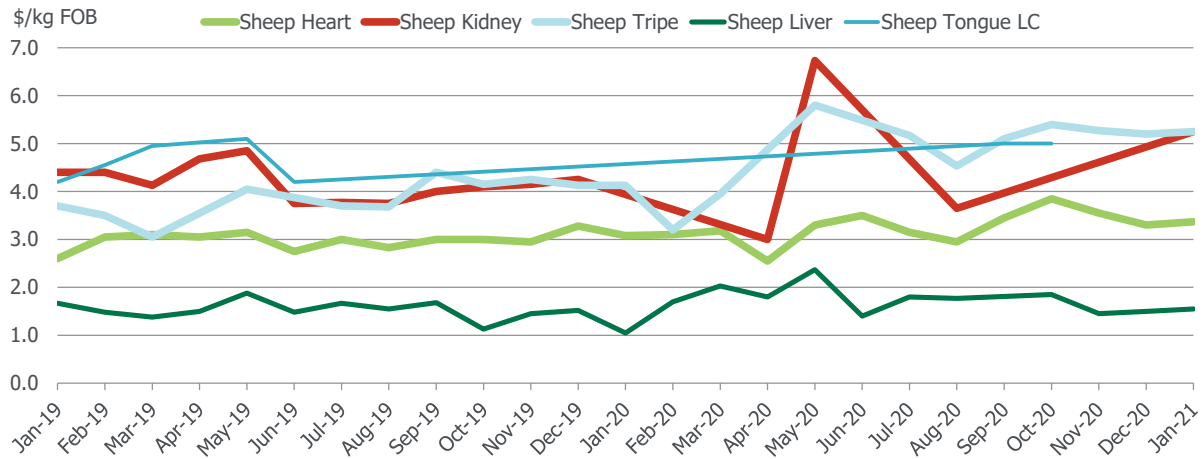
Price quoted is average price reported in \$/kg FOB Australian port and runners as \$/piece.

Sheep offal

Sheep hearts averaged \$3.37/kg, up 7¢/kg month-on-month and 29¢/kg dearer than year-ago levels. Sheep kidneys were reported at \$5.25/kg while sheep livers averaged \$1.55/kg up 5¢/kg from December 2020 and 50¢/kg higher year-on-year.

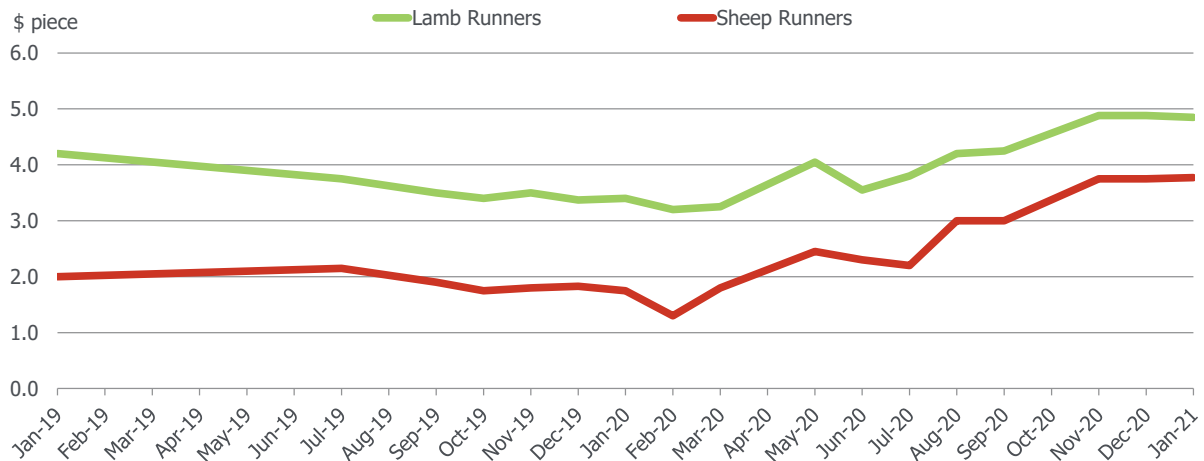
Sheep tripe averaged \$5.25/kg, which is \$1.12/kg above year ago prices and up 5¢/kg month-on-month, whilst long cut tongues were again not reported.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$4.85/piece to be \$1.45 up year-on-year while sheep runners were reported at \$3.77/piece which is \$2.02/piece firmer than a year ago.

Figure 9: Trends in runner prices



Pharmaceutical products

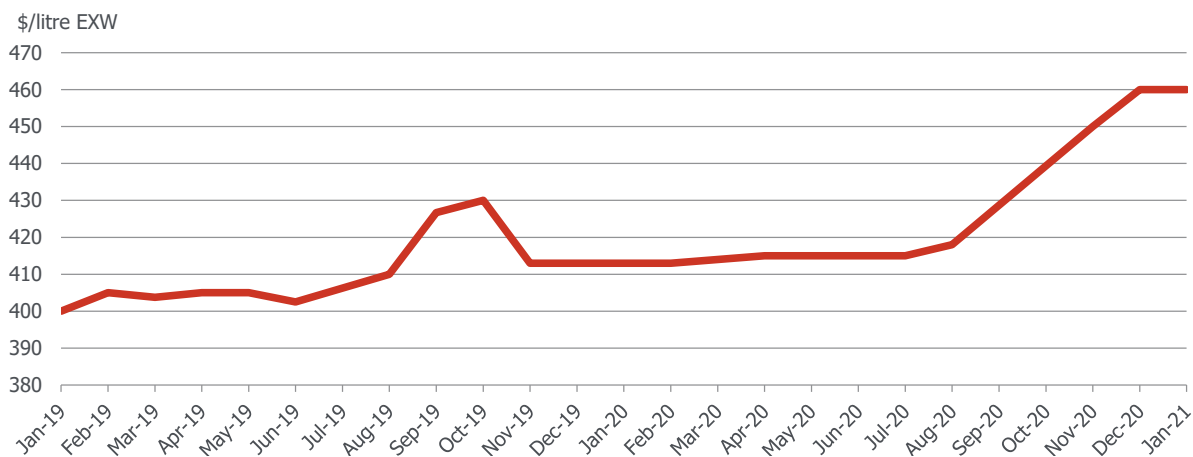
Table 3: Pharmaceutical prices

	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$460.00		2	0.0%	11.3%
Gall Concentrated	\$23.00		2	0.0%	-16.4%

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

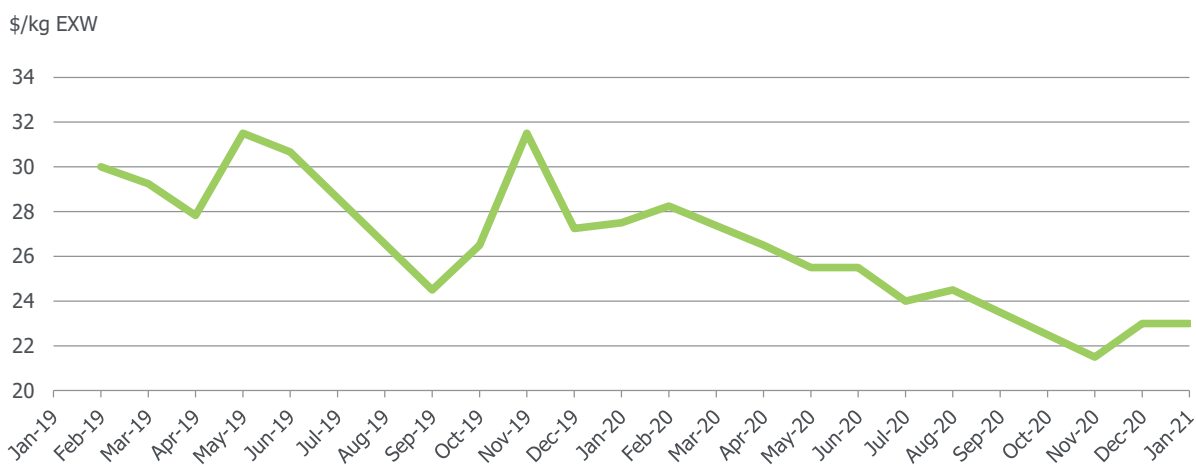
Foetal calf blood has firmed \$47/litre year-on-year to average \$460/litre and even month-on-month.

Figure 10: Trends for foetal blood prices



Concentrated gall eased \$4.50/kg from last year to average \$23/kg, even with last month.

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered meals and tallow prices remained firm on the back of reduced production.

Table 4: Rendered product prices

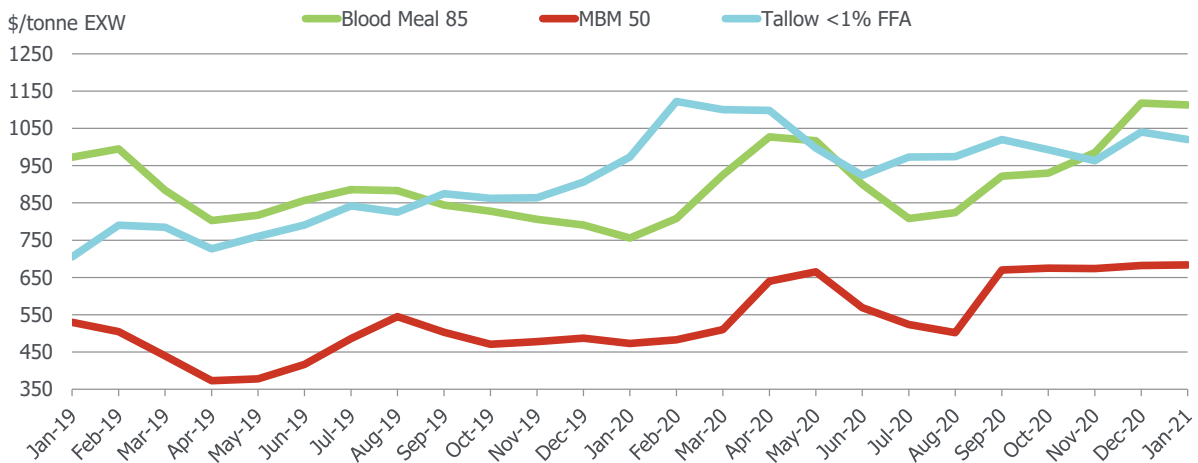
	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,113.33	\$310.00	6	-0.4%	47.3%
MBM 50	\$684.00	\$85.00	5	0.3%	44.6%
MBM 50 Sheep	\$1,090.00		2		
Tallow Ined.<1FFA	\$1,020.00	\$70.00	4	-1.9%	4.8%
Tallow Ined.<2FFA	\$1,010.00	\$80.00	3	-3.8%	8.8%
Tallow Ined.<4FFA	\$972.50	\$80.00	4	-2.3%	7.2%

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

The price for 50% protein MBM firmed \$2/tonne from last month, averaging \$684/tonne which was \$211/tonne above January 2020 levels. Blood meal averaged \$1113/tonne, up \$357/tonne compared with last year's price, but \$5/tonne easier month-on-month.

Tallow prices were slightly softer, with the price for 1% FFA tallow averaging \$1020/tonne, down \$20/tonne from December 2020 but \$47/tonne above year-ago 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, however with the holiday period over, increased supply may slow the recovery.

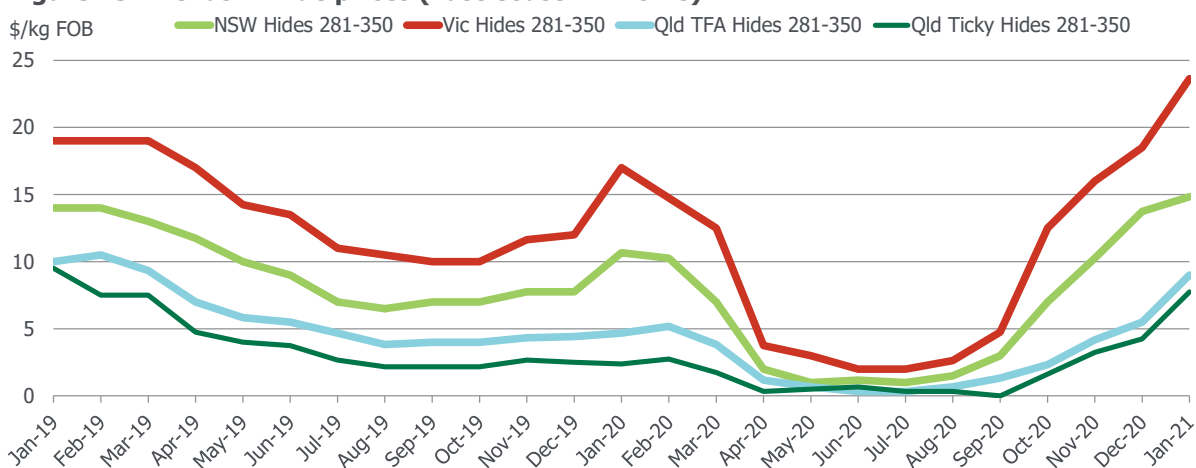
Table 5: Hide prices

	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$3.00	\$5.00	3	140.0%	50.0%
Hides NSW 181 - 220	\$5.67	\$4.00	3	33.3%	54.5%
Hides NSW 221 - 280	\$9.50	\$3.50	3	8.6%	35.7%
Hides NSW 281 - 350	\$14.83	\$4.50	3	7.9%	39.1%
Hides NSW 351 Up	\$20.50	\$5.50	3	10.8%	33.7%
Hides QLD TFA 281 - 350	\$9.00		2	63.6%	92.9%
Hides QLD TFA 351 Up	\$12.00		2	53.2%	71.4%
Hides QLD Ticky 281 - 350	\$7.75		2	82.4%	226.3%
Hides QLD Ticky 350 Up	\$10.50		2	75.0%	200.0%
Hides VIC 141-180	\$6.00	\$6.00	4	71.4%	140.0%
Hides VIC 181-220	\$12.63	\$14.00	4	68.3%	104.7%
Hides VIC 221 - 280	\$18.25	\$15.00	4	40.4%	40.4%
Hides VIC 281-350	\$23.63	\$14.50	4	27.7%	39.0%
Hides VIC 351 Up	\$30.00	\$9.00	4	15.4%	38.5%

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

Local prices for hides continued to improve with prices for most lines returning to levels not seen for 2 years and some weight ranges up by \$5 to \$6 per piece month-on-month.

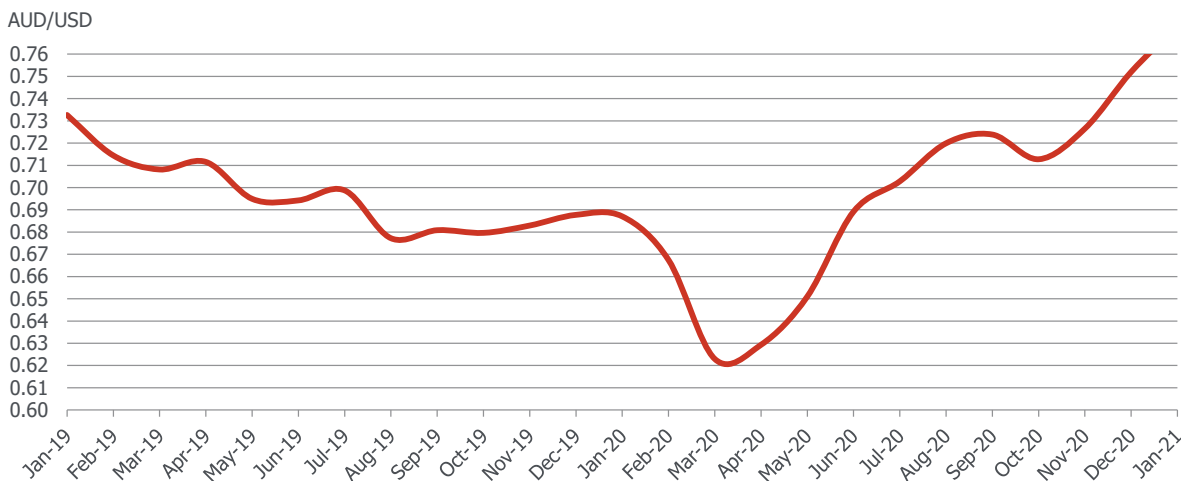
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar firmed against the US dollar during January. It opened the month at 77.03US¢ to trade up to 77.95US¢ before easing to finish the month at 76.45US¢ to average 77.26US¢, an increase of 2.06US¢ month-on-month, and up 8.56US¢ from January 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:

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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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Published by Meat & Livestock Australia Limited
 ABN 39 081 678 364
 February 2021

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