



Co-product market report

December 2020

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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 mixed across the range of products, with cheek meat and rumen pillars firmer while omasum and swiss cut tongues were softer.

Table 1: Beef co-product prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$3.33	\$1.50	5	8.3%	3.0%
Beef Lips - Halal	\$3.73	\$1.50	4	14.4%	8.0%
Cheekmeat	\$7.84	\$3.00	5	12.4%	17.6%
Cheekmeat - Halal	\$7.28	\$3.00	4	14.5%	5.8%
Diap. Membrane	\$5.10	\$6.50	3	-1.9%	18.1%
Hc Tripe	\$7.11	\$2.05	5	0.5%	-11.1%
Hc Tripe - Halal	\$7.53	\$1.30	3	0.7%	-5.2%
Headmeat	\$5.23	\$1.40	4	6.6%	24.4%
Headmeat - Halal	\$5.35		2		18.0%
Heart	\$2.96	\$1.90	5	5.3%	17.0%
Heart - Halal	\$3.03	\$2.00	4	-1.8%	18.6%
Heart - Aorta	\$7.83	\$0.80	4	4.0%	-0.5%
Heart - Aorta - Halal	\$7.60		2		-2.6%
Kidneys	\$0.88		2	-11.0%	-5.4%
Ligamentum	\$3.11	\$3.05	4	31.1%	44.8%
Liver	\$1.09	\$0.20	5	-15.3%	-0.9%
Liver - Halal	\$1.39	\$0.85	4	-6.0%	8.4%
Lungs	\$1.77	\$2.00	3	0.0%	96.3%
Lungs - Halal	\$2.40		2	-4.8%	-0.5%
Omasum	\$6.30	\$4.30	5	-8.0%	-20.8%
Omasum - Halal	\$6.23	\$1.30	3	-9.3%	-46.0%
Rum.Pill - Halal < 500	\$5.83	\$2.50	3	11.1%	-32.5%
Rum.Pill - Halal > 500 < 700	\$8.17	\$3.00	3	8.9%	-35.8%
Rum.Pill - Halal > 700	\$9.50	\$1.50	3	15.9%	-36.7%
Rum.Pill < 500	\$5.30	\$3.50	5	24.2%	-38.6%
Rum.Pill > 500 < 700	\$7.60	\$4.00	5	8.6%	-35.6%
Rum.Pill > 700	\$9.90	\$2.00	5	15.6%	4.5%
Tail	\$10.66	\$3.70	5	-1.8%	10.7%
Tail - Halal	\$11.00	\$4.50	3	3.8%	27.2%
Tendons	\$7.63	\$2.90	3	5.5%	-6.3%
Thickskirt	\$8.55	\$2.40	4	-2.0%	-13.5%
Thickskirt - Halal	\$8.00	\$2.00	3	-1.4%	-2.4%
Thinskirt	\$9.33	\$5.30	4	7.3%	-16.4%
Thinskirt - Halal	\$8.07	\$2.30	3	-5.2%	-4.9%
Tongue Root Fillet	\$4.85		2	7.8%	-16.7%
Tongue Root Meat	\$2.38	\$1.50	4	21.8%	-8.4%
Tongue Root Meat - Halal	\$2.53	\$1.50	3	27.3%	-26.6%
Tongue SW	\$8.86	\$12.50	5	-10.7%	1.4%
Tongue SW - Halal	\$10.57	\$3.40	3	3.1%	-14.9%
Tripe Pieces	\$2.86	\$1.40	5	8.6%	5.0%
Tripe Pieces - Halal	\$3.13	\$0.70	3	-11.7%	

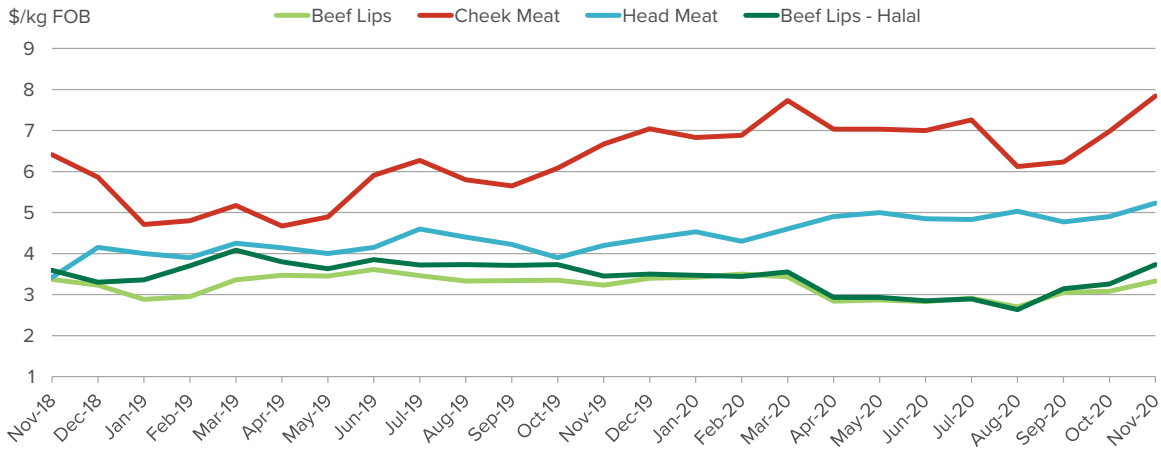
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Prices for head offal products were firmer this month. Head meat averaged \$5.23/kg which was \$1.03/kg firmer year-on-year and 33¢/kg higher than last month. Cheek meat was \$1.17/kg dearer than year-ago levels, averaging \$7.84/kg, and 86¢/kg firmer than last month.

Lip export prices to the US and Mexico firmed 25¢/kg month-on-month, to average \$3.33/kg and 10¢/kg up on last year. Halal lips averaged \$3.73/kg, up 47¢/kg from last month and 28¢/kg higher than November 2019.

Figure 1: Trends in beef head offal prices

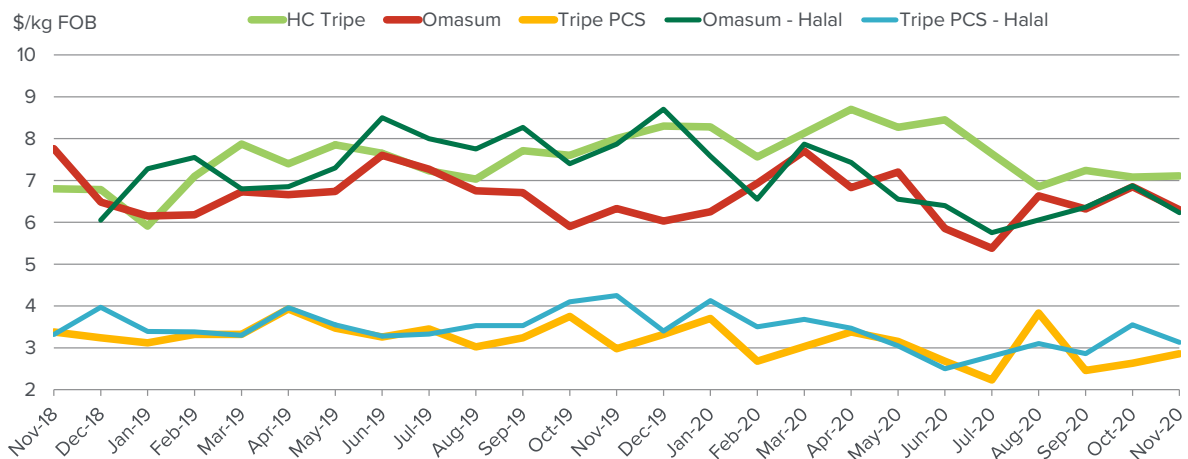


Beef offal trends

Omasum eased 55¢/kg from last month, to average \$6.30/kg, down 3¢/kg from year-ago prices. Halal omasum averaged \$6.23/kg, down \$1.64kg year-on-year and 64¢/kg firmer month-on month.

Halal tripe pieces averaged \$3.13 down \$1.12/kg year-on-year and 42¢/kg down from last month. Non-halal tripe pieces were 12¢/kg down year-on-year but 23¢/kg firmer than October to average \$2.86/kg. Honeycomb tripe averaged \$7.11/kg to be 89¢/kg below year ago prices but 3¢/kg above last month.

Figure 2: Trends in beef tripe prices

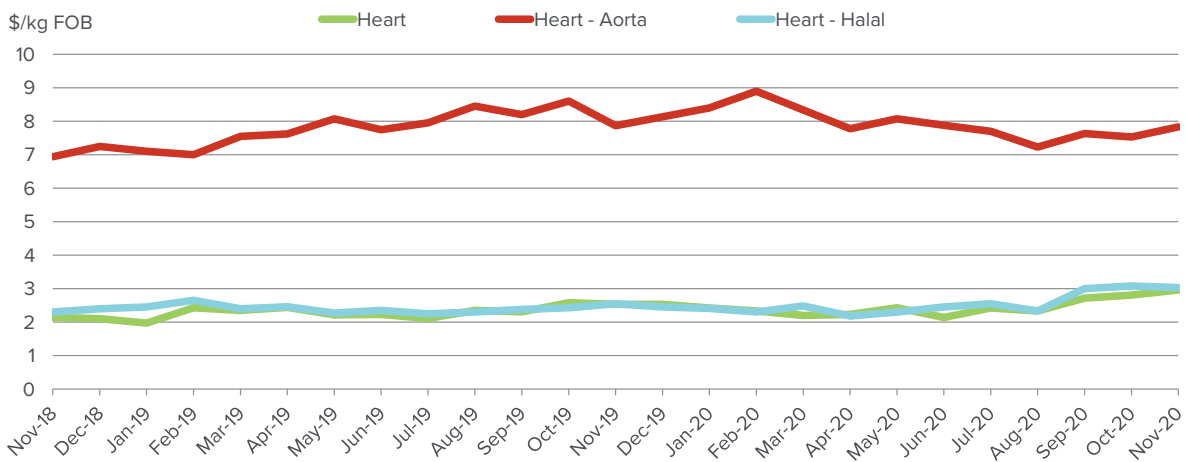


Beef offal trends continued...

Aorta traded firmer to average \$7.83/kg up 30¢/kg month-on-month but down 4¢/kg from November 2019 price.

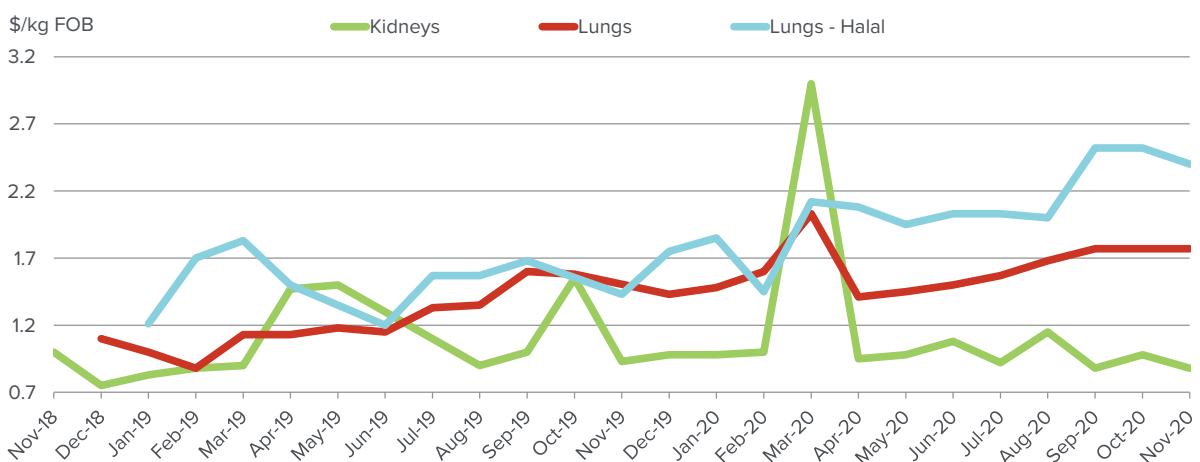
Heart prices were up from last month, averaging \$2.96/kg, to be 43¢/kg above year-ago levels and 15¢/kg above October prices. Halal hearts averaged \$3.03/kg, easing 3¢/kg month-on-month, but up 48¢/kg from November 2019.

Figure 3: Trends in beef offal prices



Kidneys averaged 88¢/kg, down 10¢/kg on October price and 5¢/kg softer than a year ago. Non-halal lungs were reported at \$1.77/kg up 20¢/kg from year ago levels and on par month-on-month, while halal lungs averaged \$2.40/kg to be 12¢/kg down month-on-month but 97¢/kg up on year ago prices.

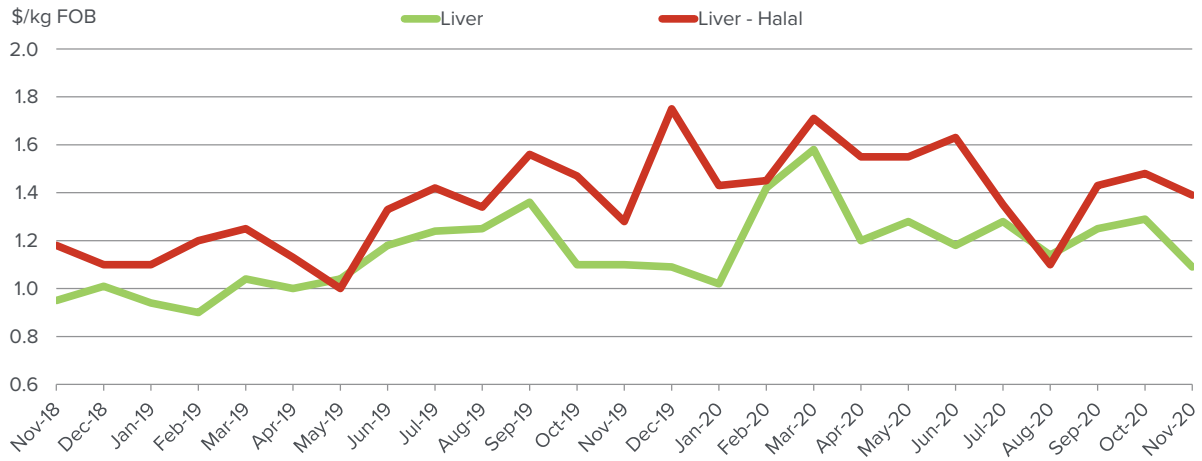
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.09/kg, 10¢/kg down month-on-month and 1¢/kg softer than year-ago levels. Halal livers were down 9¢/kg from last month's price to average \$1.39/kg, up 11¢/kg on last year prices.

Figure 5: Trends in beef offal prices



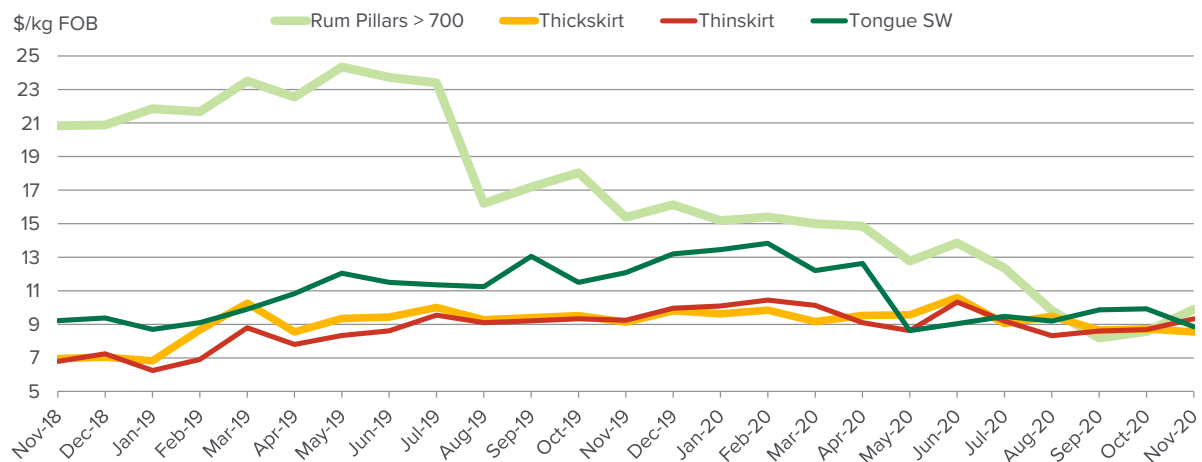
Japanese and Korean Offals

Tongue prices were \$1.07/kg down from October to average \$8.86/kg, and \$3.22/kg below year-ago levels.

Thick skirt was 58¢/kg softer year-on-year and 18¢/kg lower than last month, averaging \$8.55/kg. Thin skirt averaged \$9.33/kg, up 64¢/kg from October and 8¢/kg above year-ago prices.

Rumen pillars firmed with heavy weight product averaging \$9.90/kg, up \$1.33/kg month-on-month but \$5.48/kg cheaper than November 2019 levels.

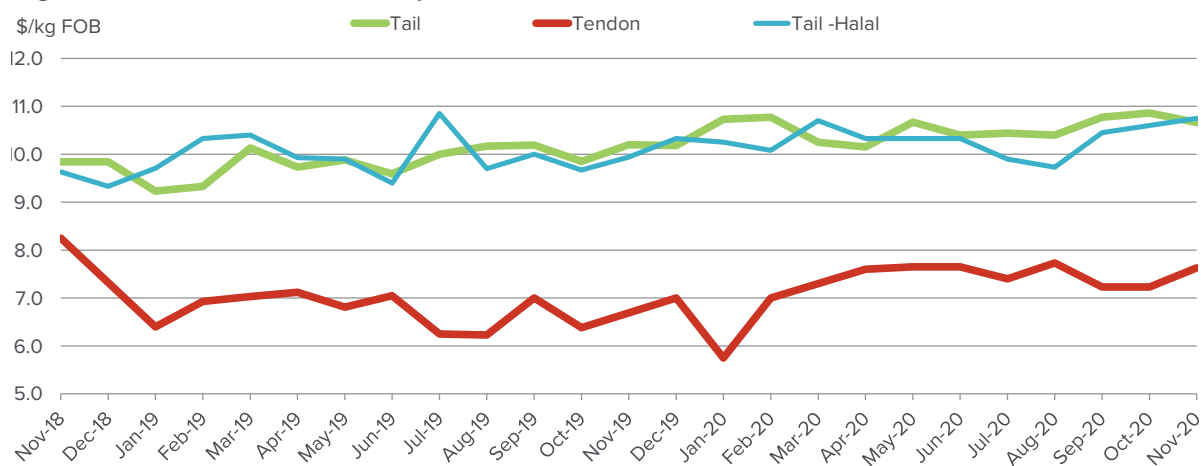
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices to Korea eased 20¢/kg from last month, averaging \$10.66/kg, to be 46¢/kg above year-ago levels. Halal tails averaged \$10.75/kg, up 15¢/kg from last month and 81¢/kg above year-ago prices. Tendons averaged \$7.63 this month to be 40¢/kg up month-on-month.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices have been lightly reported for some time but were generally softer.

Table 2: Sheep co-product prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$3.55		2	-7.8%	20.3%
Liver Sheep - Halal	\$1.45		2	-21.6%	0.0%
Runners Lamb	\$4.88		2		39.3%
Runners Sheep	\$3.75		2		108.3%
Tripe Sheep - Halal	\$5.27	\$1.80	3	-2.5%	23.9%

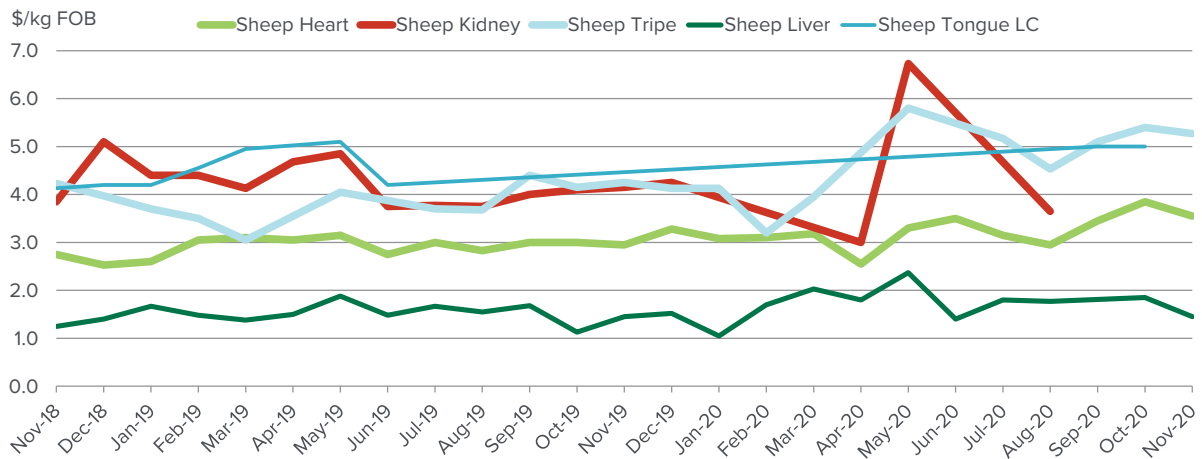
Price quoted is average price reported in \$/kg FOB Australian port and runners as \$/piece.

Sheep offal

Sheep hearts averaged \$3.55/kg, down 30¢/kg month-on-month but 60¢/kg dearer than year-ago levels. Sheep kidneys were not reported while sheep livers were reported at \$1.45/kg down 40¢/kg from October and even year-on-year.

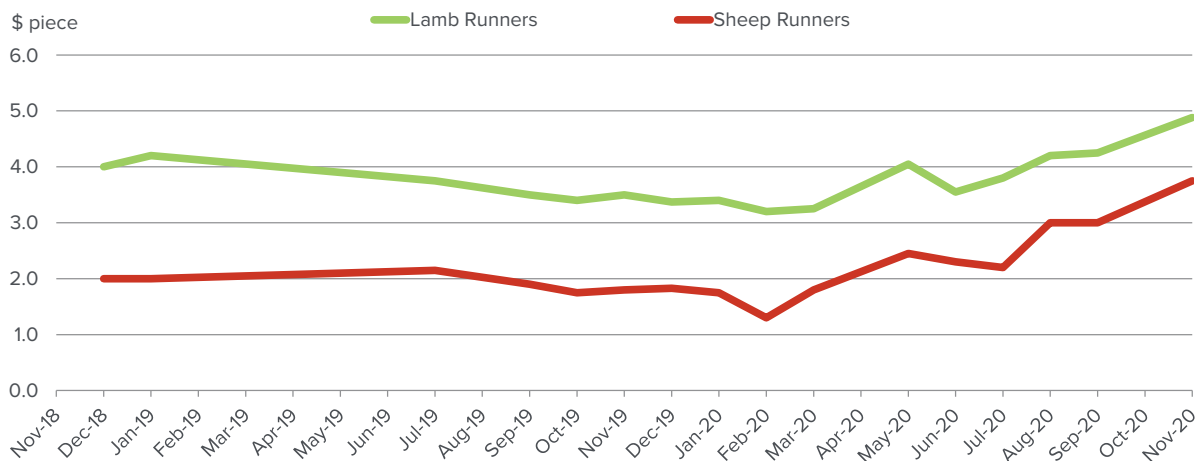
Sheep tripe was reported to average \$5.27/kg, which is \$1.02/kg above year ago prices but down 13¢/kg month-on-month, whilst long cut tongues were not reported.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$4.88/piece to be \$1.38 up year-on-year while sheep runners were reported at \$3.75/piece which is \$1.95/piece firmer than a year ago.

Figure 9: Trends in runner prices



Pharmaceutical products

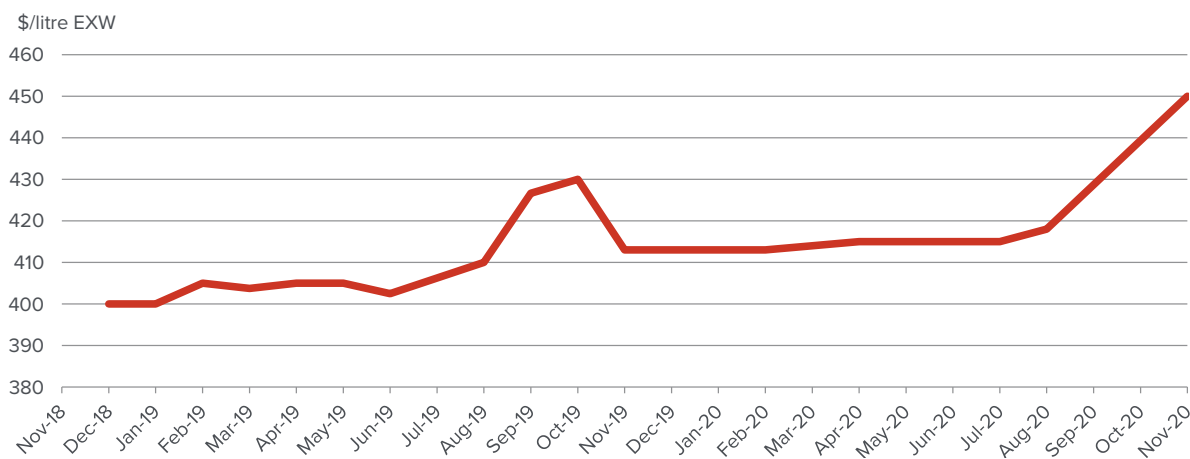
Table 3: Pharmaceutical prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$450.00	\$20.00	2		8.9%
Gall Concentrated	\$21.50		2		-31.7%

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

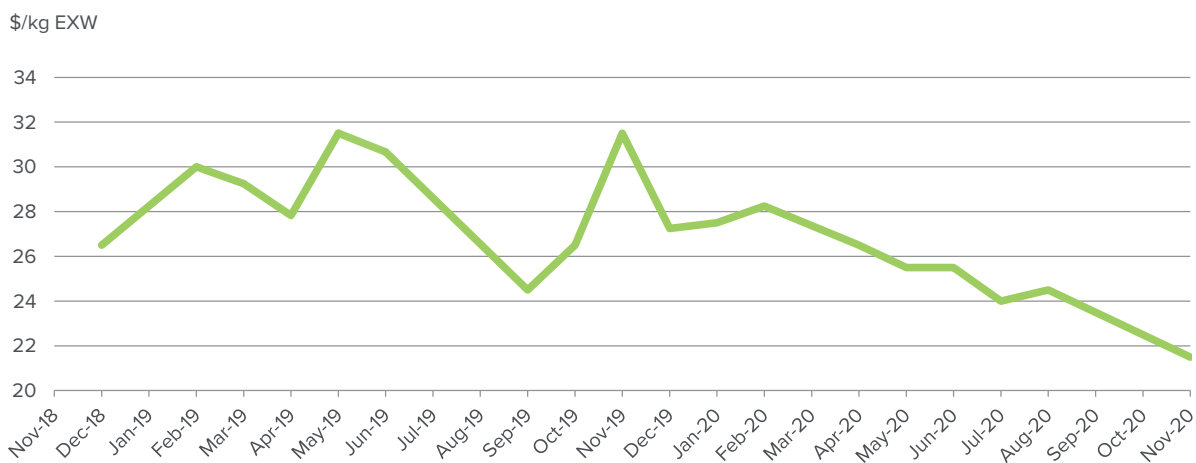
Foetal calf blood has firmed \$37/litre year-on-year to average \$350/litre.

Figure 10: Trends for foetal blood prices



Concentrated gall has softened \$10/kg from last year to average \$21.50/kg.

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered meals remained firm along with tallow prices.

Table 4: Rendered product prices

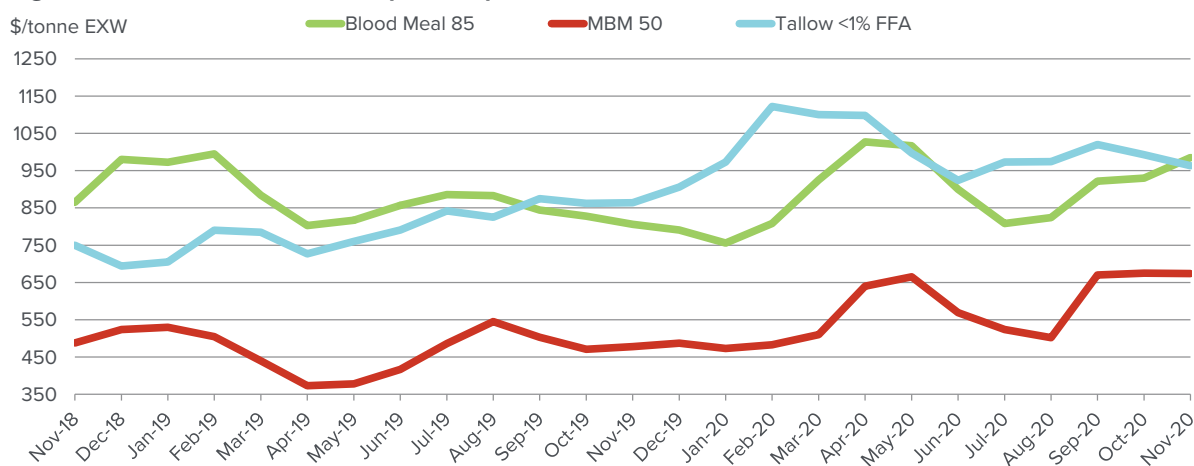
	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$985.00	\$360.00	4	5.9%	22.2%
MBM 50	\$673.75	\$85.00	4	-0.2%	40.9%
MBM 50 Sheep	\$1,132.50		2		-5.6%
Tallow Ined.<1FFA	\$963.33	\$40.00	3	-3.0%	11.5%
Tallow Ined.<2FFA	\$945.00		2	-3.4%	9.2%
Tallow Ined.<4FFA	\$918.33	\$55.00	3	-4.2%	13.0%

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

The price for 50% protein MBM eased \$1/tonne from last month, averaging \$674/tonne, and \$196/tonne above November 2019 levels. Blood meal averaged \$985/tonne, up \$179/tonne compared with last year's price, and \$55/tonne firmer month-on-month.

Tallow prices were slightly softer, with the price for 1% FFA tallow averaging \$963/tonne, down \$30/tonne from October but \$99/tonne above year-ago prices.

Figure 12: Trends in rendered co-product prices



Hides

The hide market showed further signs of recovery with the upholstery and automotive sector showing improved demand. However the worsening of the impact of Coronavirus in Europe has tanners worried about demand going forward.

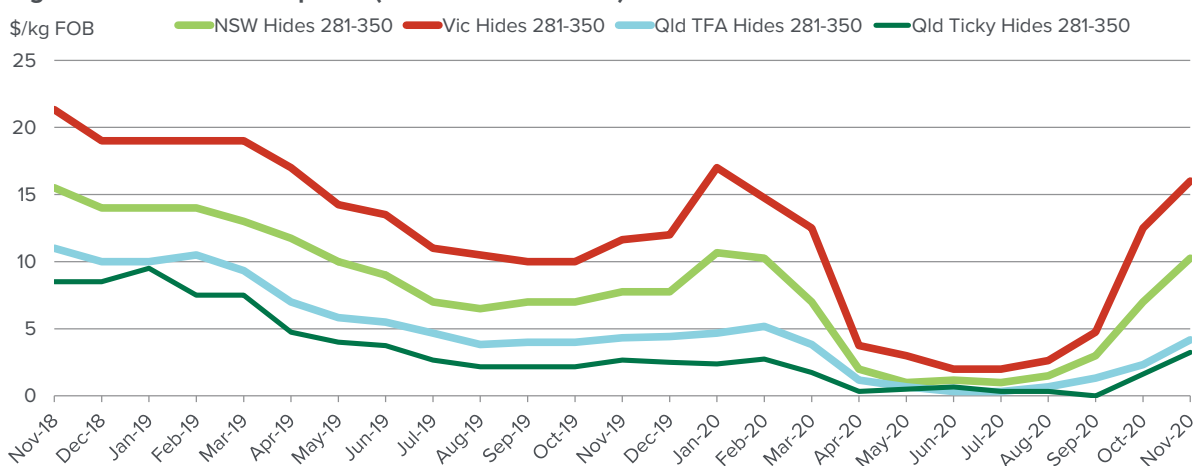
Table 5: Hide prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$0.75		2	50.0%	
Hides NSW 181 - 220	\$3.50		2	64.7%	250.0%
Hides NSW 221 - 280	\$6.00		2	60.0%	60.0%
Hides NSW 281 - 350	\$10.25		2	46.4%	32.3%
Hides NSW 351 Up	\$15.00		2	39.5%	18.8%
Hides QLD TFA 141 - 220	\$0.00		2		
Hides QLD TFA 221 - 280	\$1.75		2		100.0%
Hides QLD TFA 281 - 350	\$4.17	\$5.00	3	78.6%	-3.8%
Hides QLD TFA 351 Up	\$6.33	\$6.00	3	130.3%	-5.0%
Hides QLD Ticky 281 - 350	\$3.25		2		21.9%
Hides QLD Ticky 350 Up	\$4.50		2	80.0%	8.0%
Hides VIC 141-180	\$1.50		2	0.0%	0.0%
Hides VIC 181-220	\$5.00		2	42.9%	33.3%
Hides VIC 221 - 280	\$10.00		2	33.3%	17.6%
Hides VIC 281-350	\$16.00		2	28.0%	37.6%

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

Local prices for better quality heavier end hides firmed while lighter end showed some promise of improvement. Demand for the lesser quality hides remains weak but demand has improved.

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



Currency exchange

The Australian dollar firmed against the US dollar during November. It opened the month at 70.00US¢ to trade up to finish the month at 73.93US¢ to average 72.65US¢, an increase of 1.38US¢ month-on-month, but up 4.36US¢ from November 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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