



Co-product market report

May 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 firm across the range of products with only halal hearts, halal tripe pieces, thick skirt and thin skirt trending down on the back of reduced supply with slaughter numbers depressed in Australia, Argentina and Brazil.

Table 1: Beef co-product prices

	Average (Apr Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$4.26	\$0.95	5	6.0%	50.1%
Beef Lips - Halal	\$4.42	\$1.05	3	2.3%	51.0%
Cheekmeat	\$8.95	\$4.70	6	13.0%	27.3%
Cheekmeat - Halal	\$8.80	\$3.70	4	9.5%	12.8%
Diap. Membrane	\$4.38	\$7.80	5	-10.8%	7.5%
Hc Tripe	\$7.33	\$2.25	5	4.9%	-15.7%
Hc Tripe - Halal	\$7.73	\$1.70	3	6.7%	-8.8%
Headmeat	\$5.53	\$0.90	3	3.1%	12.9%
Heart	\$3.76	\$0.85	6	5.0%	68.9%
Heart - Halal	\$3.81	\$1.15	4	-1.8%	75.3%
Heart - Aorta	\$8.88	\$0.50	4	11.6%	14.1%
Heart - Aorta - Halal	\$8.50	\$0.00	2		7.6%
Kidneys	\$2.14	\$3.20	4	91.4%	125.0%
Kidneys- Halal	\$1.65		2		-8.3%
Ligamentum	\$2.86	\$2.00	4	-13.3%	77.5%
Liver	\$1.90	\$1.00	5	23.4%	58.3%
Liver - Halal	\$1.85	\$0.65	3	14.4%	19.4%
Lungs	\$2.83	\$1.85	5	53.0%	100.4%
Lungs - Halal	\$3.63	\$0.40	3	37.1%	75.1%
Omasum	\$7.54	\$2.80	5	30.6%	10.5%
Omasum - Halal	\$8.97	\$5.50	3	29.0%	20.6%
Rum.Pill < 500	\$4.47	\$2.10	3	4.7%	-46.2%
Rum.Pill > 500 < 700	\$7.77	\$0.90	3	7.5%	-36.7%
Rum.Pill > 700	\$11.20	\$2.10	3	2.3%	-24.6%
Tail	\$12.12	\$3.50	6	3.6%	19.4%
Tail - Halal	\$12.35	\$3.70	4	5.0%	19.6%
Tendons	\$7.82	\$1.55	3	2.5%	2.9%
Thickskirt	\$8.46	\$1.50	5	-1.3%	-11.3%
Thickskirt - Halal	\$8.43	\$1.70	3	2.2%	-10.0%
Thinskirt	\$8.30	\$1.20	5	-5.6%	-8.8%
Thinskirt - Halal	\$8.03	\$1.00	3	-2.6%	-21.0%
Tongue Root Fillet	\$5.35		2	8.1%	-9.3%
Tongue Root Meat	\$3.05	\$1.50	3	-1.6%	32.6%
Tongue Root Meat - Halal	\$3.23	\$1.20	3	0.0%	34.7%
Tongue SW	\$14.58	\$6.00	6	5.2%	15.4%
Tongue SW - Halal	\$15.15	\$4.80	3	32.9%	30.6%
Tripe Pieces	\$2.96	\$0.85	5	11.0%	-12.3%
Tripe Pieces - Halal	\$3.08	\$0.75	3	-3.6%	-11.1%
Tripe Pieces - Halal	\$3.20		2	14.3%	-13.1%
Tripe Pieces - Halal	\$2.80	\$1.50	3	-6.7%	-20.0%
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%

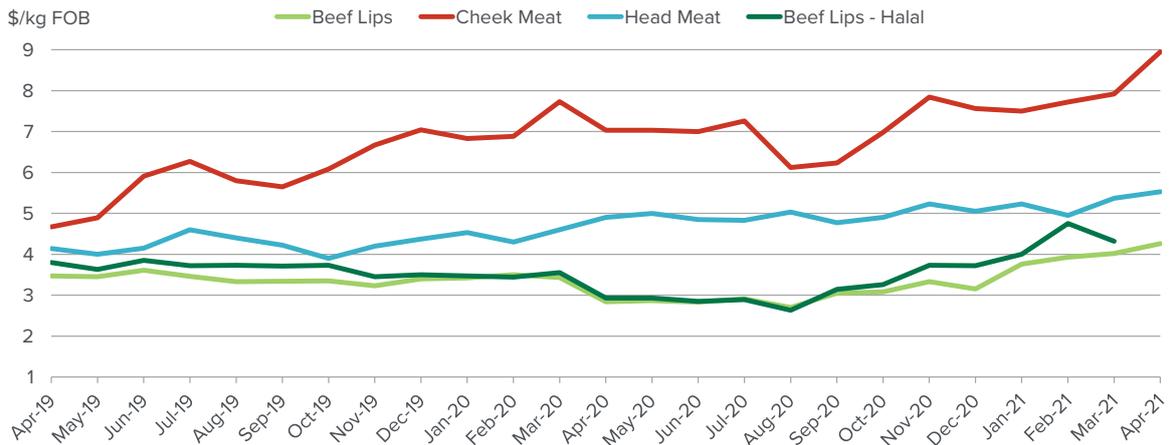
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Prices for head offal products were firmer this month. Head meat averaged \$5.53/kg which was 63¢/kg higher year-on-year and 16¢/kg above last month. Cheek meat was \$1.92/kg dearer than year-ago levels, averaging \$8.95/kg, and \$1.03/kg firmer than last month.

Lip export prices to the US and Mexico firmed 24¢/kg month-on-month, to average \$4.26/kg and \$1.42/kg up on last year. Halal lips were not reported this month due to strong trade in US and Mexico.

Figure 1: Trends in beef head offal prices

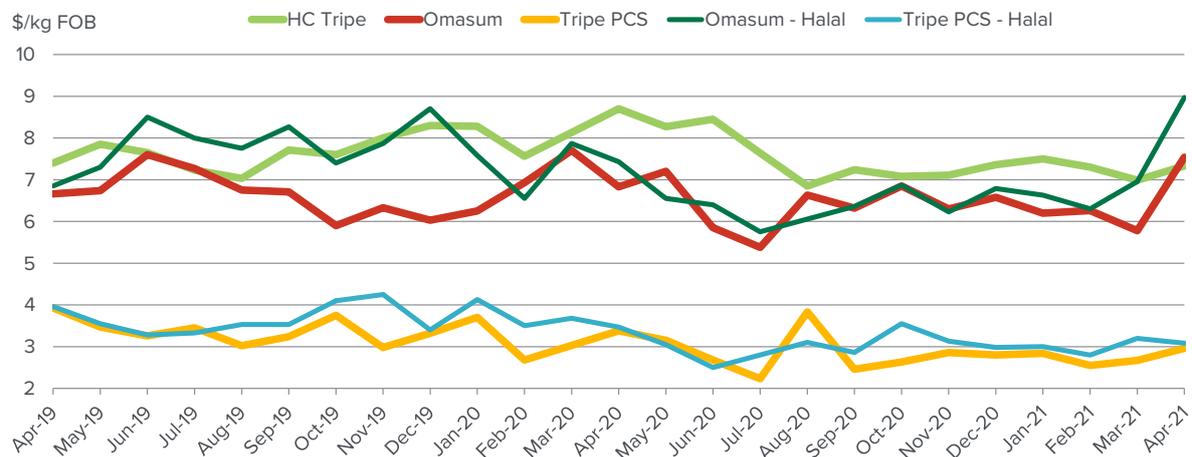


Beef offal trends

Omasum firmed \$1.76¢/kg from last month, to average \$7.54/kg, up 71¢/kg from year-ago prices. Halal omasum averaged \$8.97/kg, up \$1.54/kg year-on-year and \$2.02/kg firmer month-on month.

Halal tripe pieces averaged \$3.08 down 39¢/kg year-on-year and 12¢/kg down from last month. Non-halal tripe pieces were 42¢/kg down year-on-year but 29¢/kg higher than March to average \$2.96/kg. Honeycomb tripe averaged \$7.33/kg to be \$1.37/kg below year ago prices but 34¢/kg above last month.

Figure 2: Trends in beef tripe prices

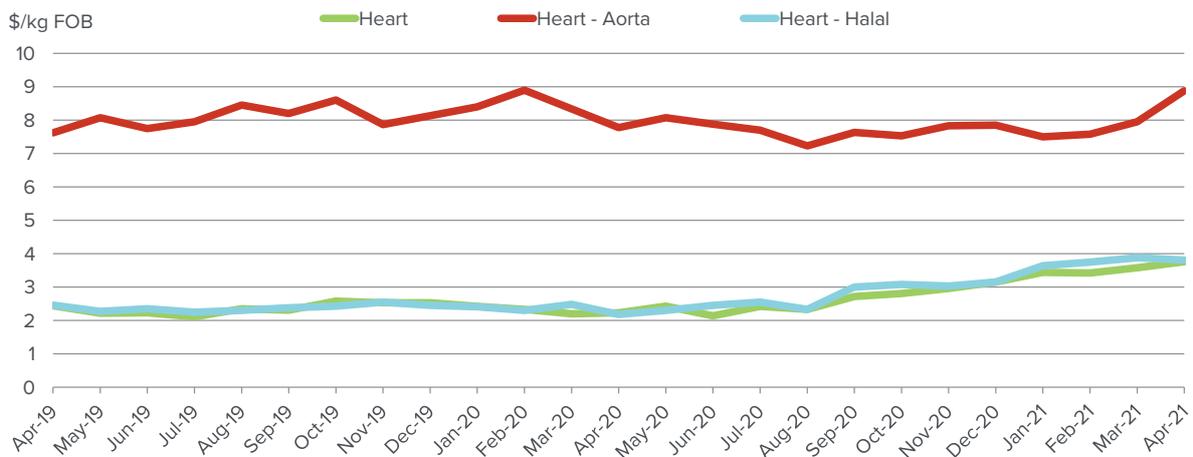


Beef offal trends continued...

Aorta traded stronger to average \$8.88/kg up 93¢/kg month-on-month and \$1.10 above the April 2020 price.

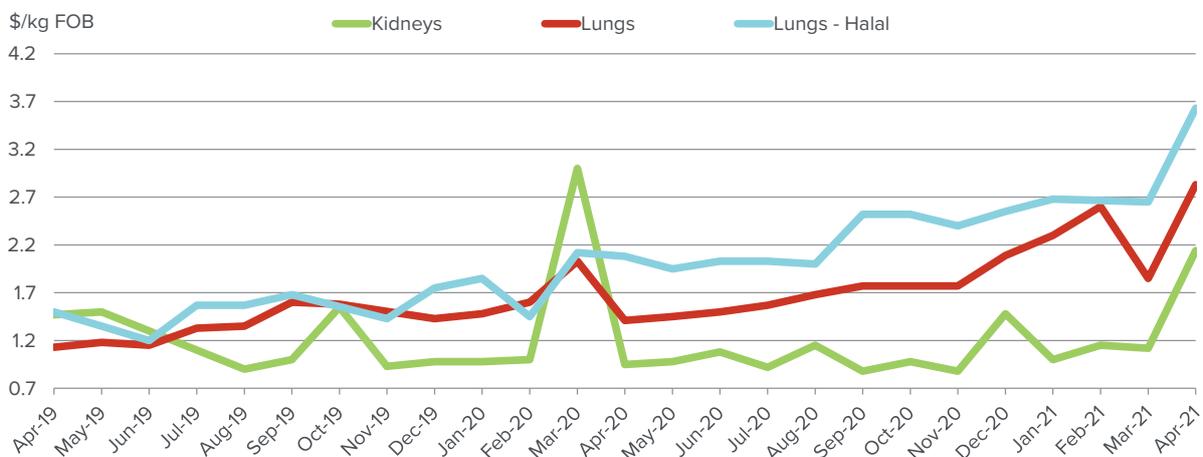
Heart prices were up from last month, averaging \$3.76/kg, to be \$1.53/kg above year-ago levels and 18¢/kg above March price. Halal hearts averaged \$3.81/kg, easing 7¢/kg month-on-month but up \$1.63/kg from April 2020.

Figure 3: Trends in beef offal prices



Kidneys averaged \$2.14/kg, up \$1.02/kg on March price and \$1.19/kg firmer than a year ago. Non-halal lungs were reported at \$2.83/kg up \$1.42/kg from year ago levels and 98¢/kg firmer month-on-month, while halal lungs averaged \$3.63/kg, up \$1.55/kg year-on-year and 98¢/kg dearer than last month.

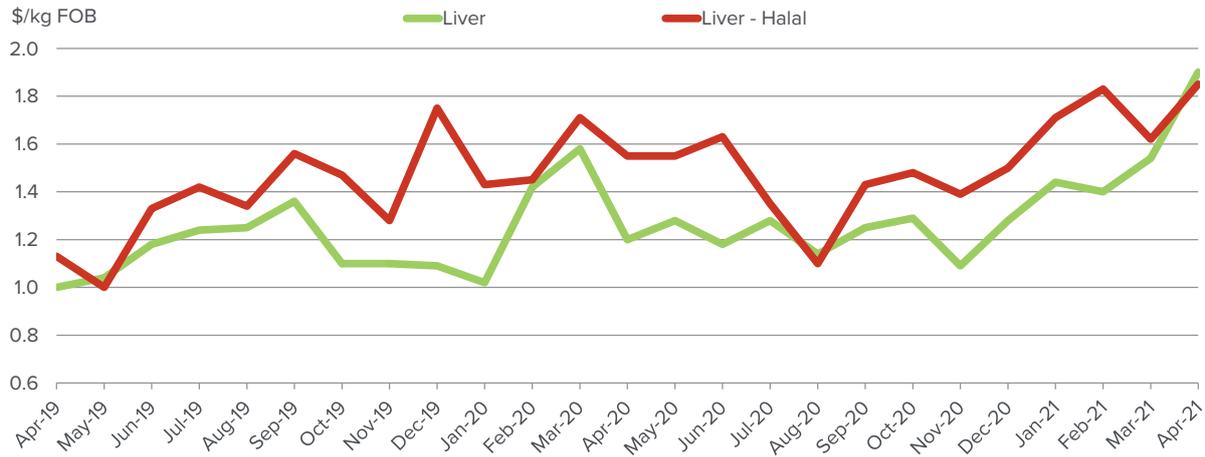
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.90/kg, up 36¢/kg month-on-month and 70¢/kg firmer than year-ago levels. Halal livers were up 23¢/kg from last month's price to average \$1.85/kg, up 30¢/kg on last year prices.

Figure 5: Trends in beef offal prices



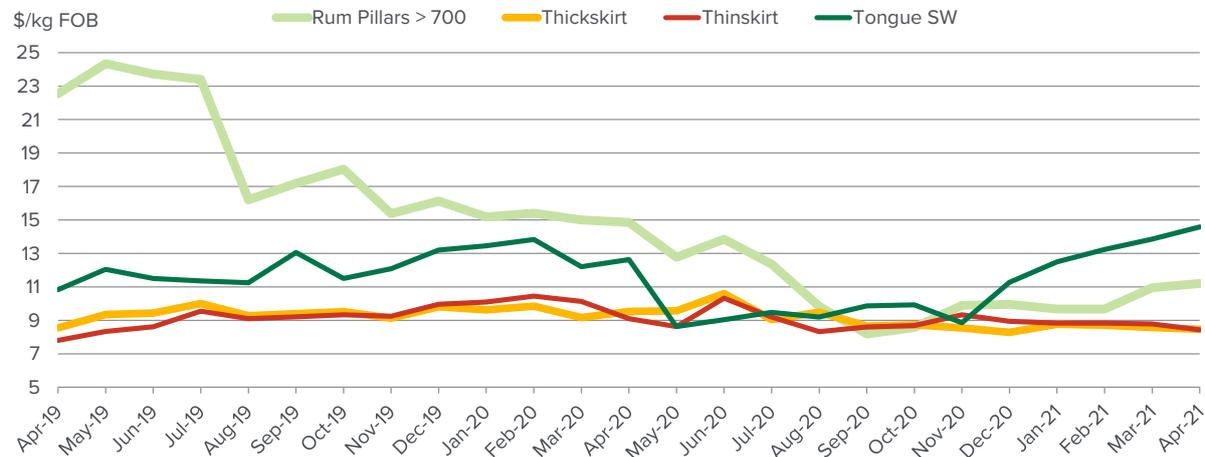
Japanese and Korean Offals

Tongue prices were 73¢/kg up from March to average \$14.58/kg, and \$1.95/kg above year-ago levels.

Thick skirt was \$1.07/kg softer year-on-year and 11¢/kg lower than last month, averaging \$8.46/kg. Thin skirt averaged \$8.43/kg, down 36¢/kg from March but 67¢/kg below year-ago prices.

Rumen pillars firmed with heavy weight product averaging \$11.20/kg, up 25¢/kg month-on-month and \$3.65/kg cheaper than April 2020 levels.

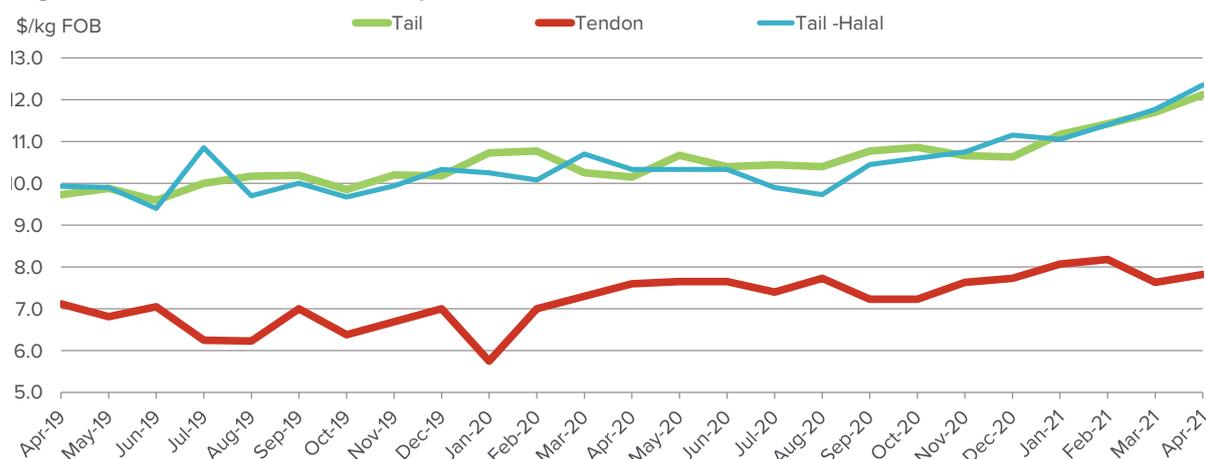
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices to Korea firmed 42¢/kg from last month, averaging \$12.12/kg, to be \$1.97/kg above year-ago levels. Halal tails averaged \$12.35/kg, up 58¢/kg from last month but \$2.02/kg above year-ago prices. Tendons averaged \$7.82 this month to be up 19¢/kg month-on-month and 22¢/kg above last April.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices were firm for March, with additional reporting helping to provide a wider range of prices.

Table 2: Sheep co-product prices

	Average (Apr Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$3.78	\$2.25	3	5.8%	48.4%
Kidneys Sheep - Halal	\$5.05	\$4.85	3	-12.7%	68.3%
Liver Sheep - Halal	\$1.78	\$1.30	4	5.4%	-1.4%
Runners Lamb	\$6.58	\$0.25	3	5.3%	77.9%
Runners Sheep	\$5.40	\$0.70	3	2.9%	125.0%
Tongue LC Sheep - Halal	\$4.63	\$0.50	3	-0.4%	-18.7%
Tripe Sheep - Halal	\$5.38	\$2.15	3	2.5%	25.2%

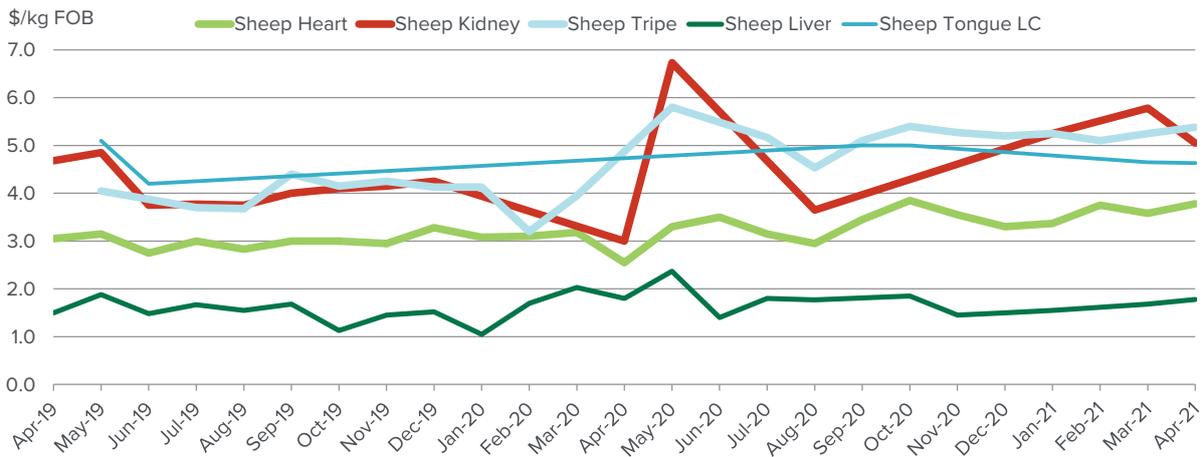
Price quoted is average price reported in \$/kg FOB Australian port and runners as \$/piece.

Sheep offal

Sheep hearts averaged \$3.78/kg, up 20¢/kg month-on-month and \$1.23/kg dearer than year-ago levels. Sheep kidneys were reported at \$5.05/kg which was \$2.05/kg above last year price. Sheep liver price averaged \$1.78/kg to be 2¢/kg down year-on-year but 10¢/kg firmer month-on-month.

Sheep tripe averaged \$5.38/kg, which is on par with year ago prices and up 13¢/kg month-on-month, Long cut tongues were quoted at \$4.63/kg down 2¢/kg from last month.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$6.58/piece firming 33¢/piece month-on-month while sheep runners were reported at \$5.40/piece, up 15¢/piece from March.

Figure 9: Trends in runner prices



Pharmaceutical products

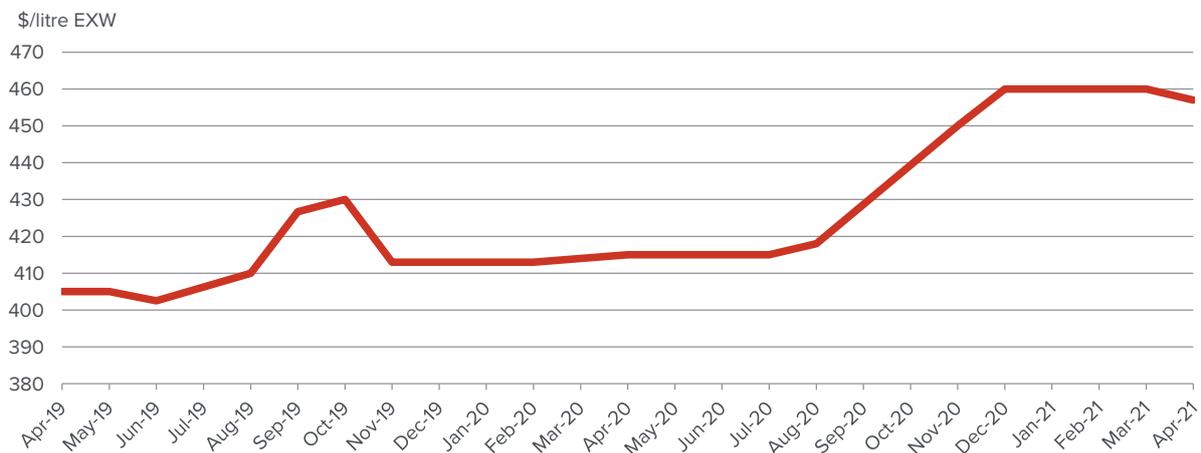
Table 3: Pharmaceutical prices

	Average (Apr Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$456.67	\$10.00	3	-0.7%	10.0%
Gall Concentrated	\$23.67	\$2.00	3	6.0%	-10.7%

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

Foetal calf blood has firmed \$42/litre year-on-year to average \$457/litre down \$3.00/litre month-on-month.

Figure 10: Trends for foetal blood prices



Concentrated gall eased \$2.83/kg from last year to average \$23.67/kg, up \$1.34/kg from 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

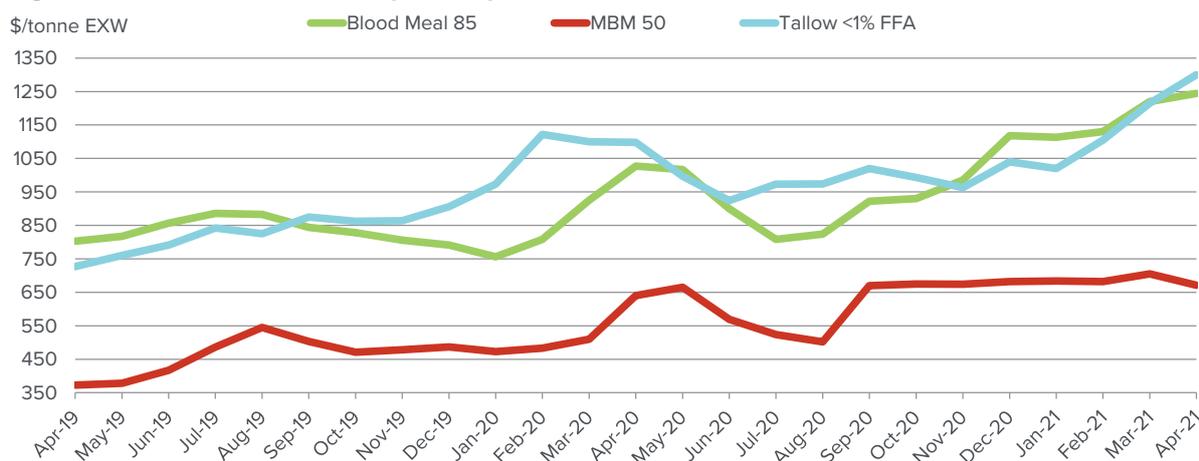
	Average (Apr Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,243.60	\$380.00	5	2.0%	21.0%
MBM 50	\$671.33	\$117.00	6	-4.8%	4.9%
Tallow Ined.<1FFA	\$1,300.00		2	7.0%	18.4%
Tallow Ined.<2FFA	\$1,230.00		2	2.5%	17.1%
Tallow Ined.<4FFA	\$1,105.00		2	1.8%	10.2%

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

The price for 50% protein MBM eased \$34/tonne from last month, averaging \$671/tonne which was \$31/tonne above April 2020 levels. Blood meal averaged \$1244/tonne, up \$217/tonne compared with last year's price, and \$24/tonne firmer month-on-month.

Tallow prices were firmer, with the price for 1% FFA tallow averaging \$1300/tonne, up \$202/tonne from April 2020 and \$85/tonne above last month prices.

Figure 12: Trends in rendered co-product prices



Hides

The hide market spiked considerably with the upholstery and automotive sector showing strong demand on the back of short supply exacerbated by difficulty in obtaining empty containers forcing tanneries to shore up supplies to fulfil leather orders.

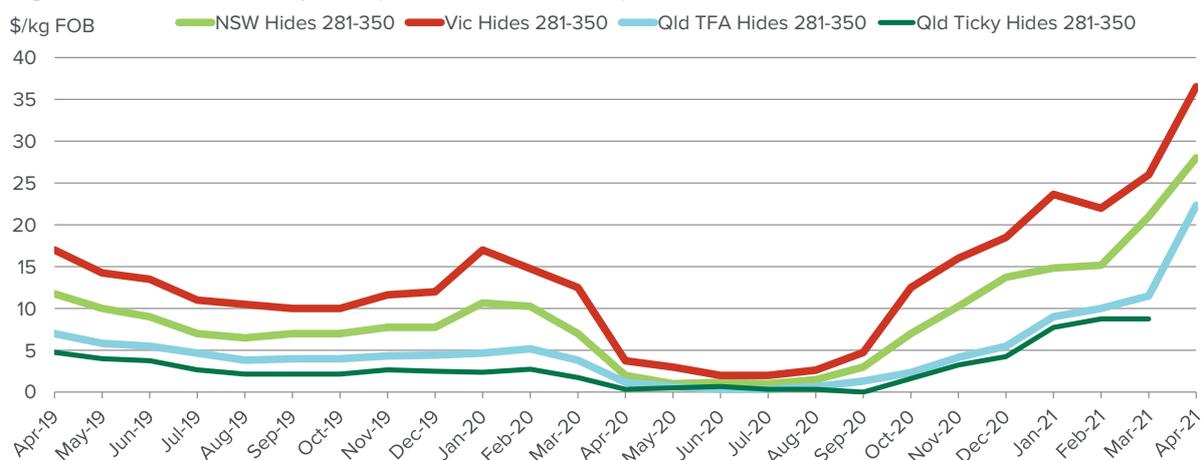
Table 5: Hide prices

	Average (Apr Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$6.00		2	26.3%	
Hides NSW 181 - 220	\$12.00		2	33.3%	
Hides NSW 221 - 280	\$19.00		2	40.7%	2433.3%
Hides NSW 281 - 350	\$28.00		2	33.3%	1300.0%
Hides NSW 351 Up	\$37.50		2	38.9%	900.0%
Hides QLD TFA 221 - 280	\$17.50		2	191.7%	
Hides QLD TFA 281 - 350	\$22.33	\$16.00	3	94.2%	1814.2%
Hides QLD TFA 351 Up	\$28.00	\$14.00	3	86.7%	1427.3%
Hides VIC 141-180	\$8.00		2	45.5%	
Hides VIC 181-220	\$18.00		2	50.0%	3500.0%
Hides VIC 221 - 280	\$28.50		2	42.5%	1528.6%
Hides VIC 281-350	\$36.50		2	40.4%	873.3%
Hides VIC 351 Up	\$44.00		2	34.4%	633.3%

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

Local prices for hides continued to improve with prices for better quality product up \$20 to \$30 per piece above year ago levels.

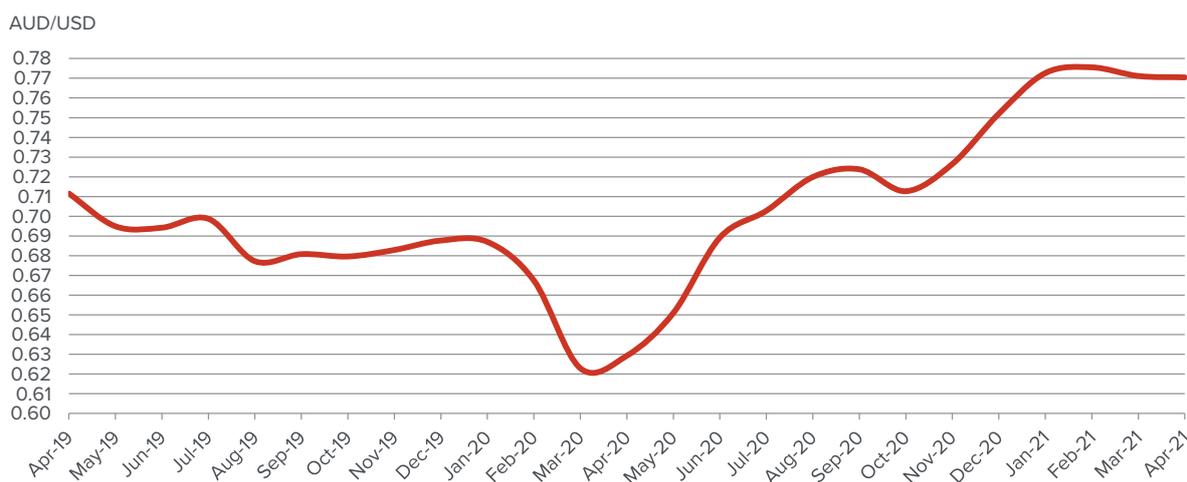
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar fluctuated against the US dollar during April. It opened the month at 75.43US¢ to trade up to 78.03US¢ before easing to finish the month at 77.76US¢ to average 77.03US¢, a decrease of 0.08US¢ month-on-month, and up 14.10US¢ from April 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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