



Co-product market report

August 2022

Beef Co-products

Beef offal prices in July were firmer across most items while head meat, omasum and aorta were softer.

Table 1: Beef co-product prices

	Average (July Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$4.94	\$1.14	4	14.4%	11.6%
Beef Lips - Halal	\$5.44	\$1.70	4	16.1%	16.5%
Cheekmeat	\$9.00		2	0.0%	12.7%
Cheekmeat - Halal	\$9.86	\$5.00	4	9.8%	26.8%
Diap. Membrane	\$7.27	\$12.10	5	101.9%	20.3%
Hc Tripe	\$7.70	\$1.60	3	5.5%	11.7%
Hc Tripe - Halal	\$7.67	\$1.00	3	3.6%	7.2%
Headmeat	\$5.57	\$2.70	3	-16.3%	2.9%
Headmeat - Halal	\$6.10		2		4.0%
Heart	\$2.90	\$0.25	4	-3.3%	-16.2%
Heart - Aorta	\$9.13	\$1.30	3	-13.0%	-0.9%
Heart - Aorta - Halal	\$9.55		2		11.9%
Heart - Halal	\$3.36	\$0.70	4	3.5%	-11.9%
Kidneys	\$2.35		2		56.7%
Kidneys- Halal	\$1.45		2		-1.7%
Ligamentum	\$3.79	\$2.90	5	1.1%	-0.3%
Liver	\$1.77	\$0.10	4	-6.3%	8.9%
Liver - Halal	\$1.96	\$1.00	4	1.5%	3.7%
Lungs	\$3.25		2		4.8%
Lungs - Halal	\$4.73		2	5.6%	13.9%
Omasum	\$7.83	\$3.00	3	-4.1%	8.5%
Omasum - Halal	\$9.47	\$5.90	3	18.3%	29.7%
Rum.Pill - Halal < 500	\$3.48		2	-22.8%	-31.4%
Rum.Pill - Halal > 500 < 700	\$6.60		2	-24.6%	-23.1%
Rum.Pill - Halal > 700	\$12.20		2	11.9%	-9.3%
Rum.Pill < 500	\$4.45	\$2.55	4	2.8%	-30.9%
Rum.Pill > 500 < 700	\$7.75	\$3.70	4	-8.1%	-19.0%
Rum.Pill > 700	\$11.59	\$3.00	4	1.7%	-17.1%
Tail	\$14.25	\$3.02	4	-8.9%	-7.9%
Tail - Halal	\$15.69	\$3.55	4	-0.6%	2.6%
Tendons	\$9.90		2	-4.8%	22.7%
Tendons - Halal	\$12.45		2		
Thickskirt	\$10.60	\$2.80	4	1.2%	10.6%
Thickskirt - Halal	\$9.96	\$4.05	4	6.2%	8.6%
Thinskirt	\$10.44	\$3.50	4	-0.3%	2.9%
Thinskirt - Halal	\$10.59	\$3.75	4	9.0%	10.4%
Tongue Root Fillet	\$7.17	\$0.90	3		7.8%
Tongue Root Meat	\$2.11		2	12.5%	-31.0%
Tongue Root Meat - Halal	\$3.59	\$1.90	4	8.2%	-7.2%
Tongue SW	\$19.19	\$3.90	4	13.5%	-26.9%
Tongue SW - Halal	\$18.93	\$3.30	3	26.2%	-14.9%
Tripe Pieces	\$2.37		2		-11.1%
Tripe Pieces - Halal	\$2.82	\$0.15	3	-12.0%	2.4%

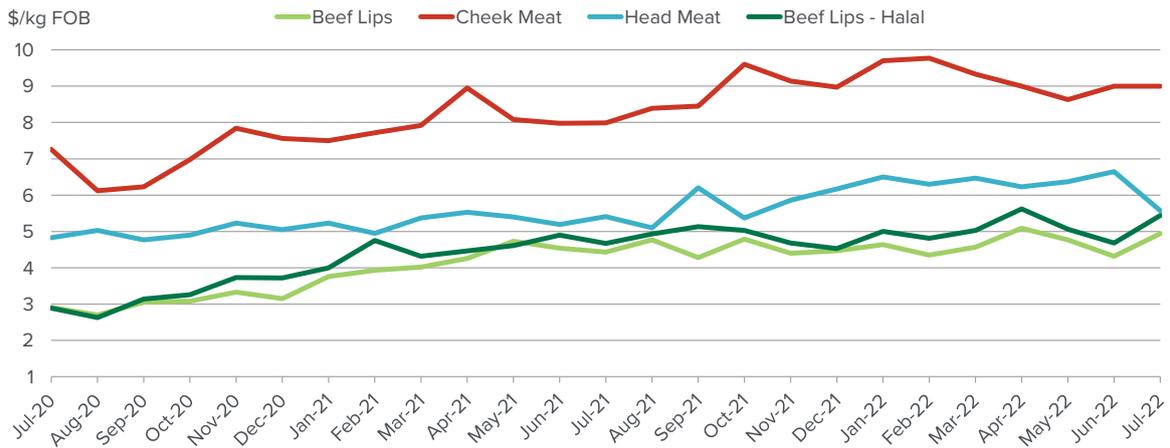
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Head meat averaged \$5.57/kg which was 16¢/kg higher year-on-year but \$1.08/kg below last month. Cheek meat was \$1.01/kg dearer than year-ago levels, averaging \$9.00/kg, but even month-on-month.

Lip export prices to the US and Mexico firmed 62¢/kg month-on-month, averaging \$4.94/kg to be 51¢/kg up on last year. Halal lips averaged \$5.44/kg to be 77¢/kg firmer than July 2021 and 76¢/kg higher than last month.

Figure 1: Trends in beef head offal prices

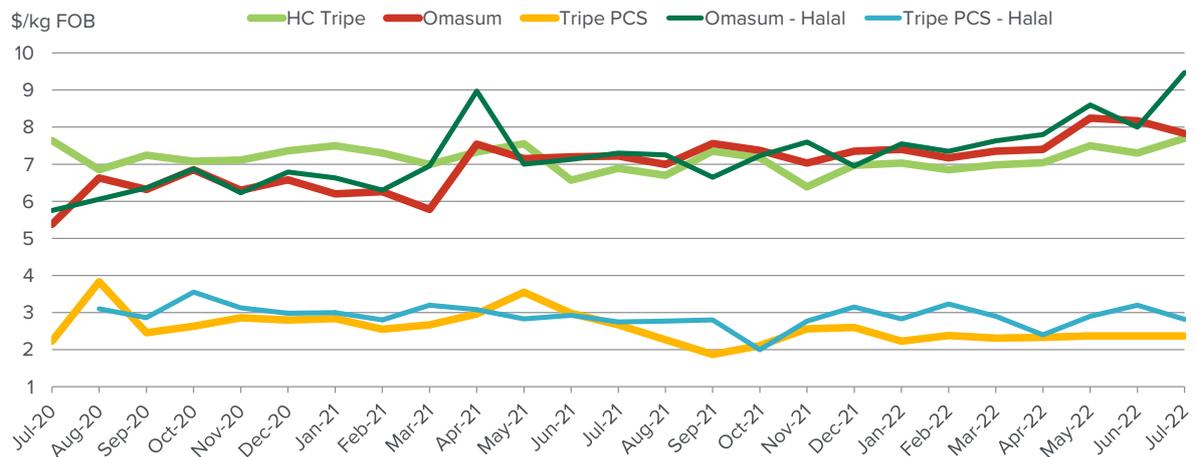


Beef offal trends

Omasum eased 34¢/kg from last month, to average \$7.83/kg, up 61¢/kg from year-ago prices. Halal omasum averaged \$9.47/kg, up \$2.17/kg year-on-year and \$1.47/kg stronger month-on month.

Halal tripe pieces averaged \$2.82/kg up 7¢/kg year-on-year but 38¢/kg lower than last month. Non-halal tripe pieces averaged \$2.37/kg to be 30¢/kg softer year-on-year. Honeycomb tripe averaged \$7.70/kg to be 81¢/kg above year ago prices and 40¢/kg up on last month.

Figure 2: Trends in beef tripe prices

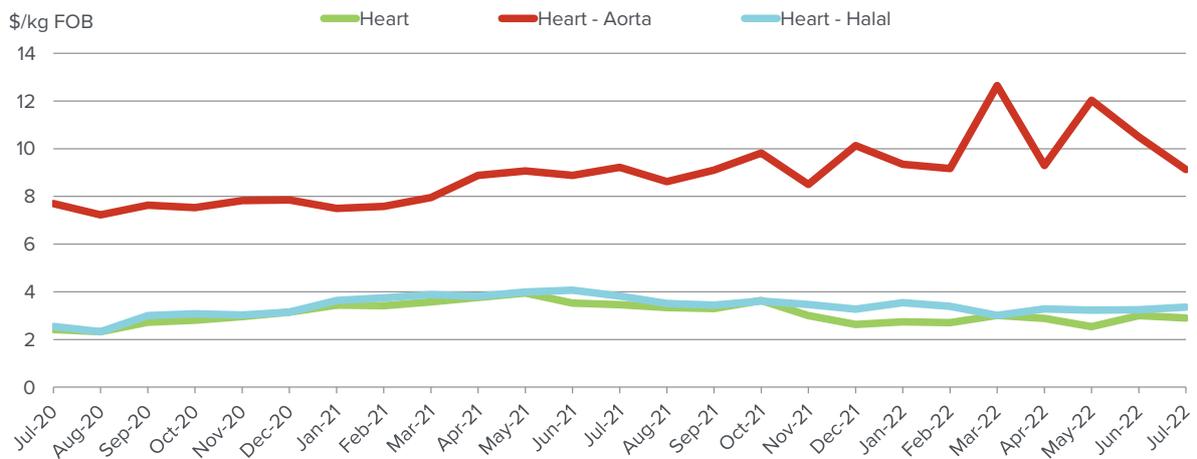


Beef offal trends continued...

Aorta eased to average \$9.47/kg down \$1.37/kg month-on-month and was 9¢/kg below the July 2021 price.

Heart prices were down slightly from last month, averaging \$2.90/kg, to be 56¢/kg below year-ago levels but 10¢/kg below the June price. Halal hearts averaged \$3.36/kg, firming 11¢/kg month-on-month but down 46¢/kg from July 2021.

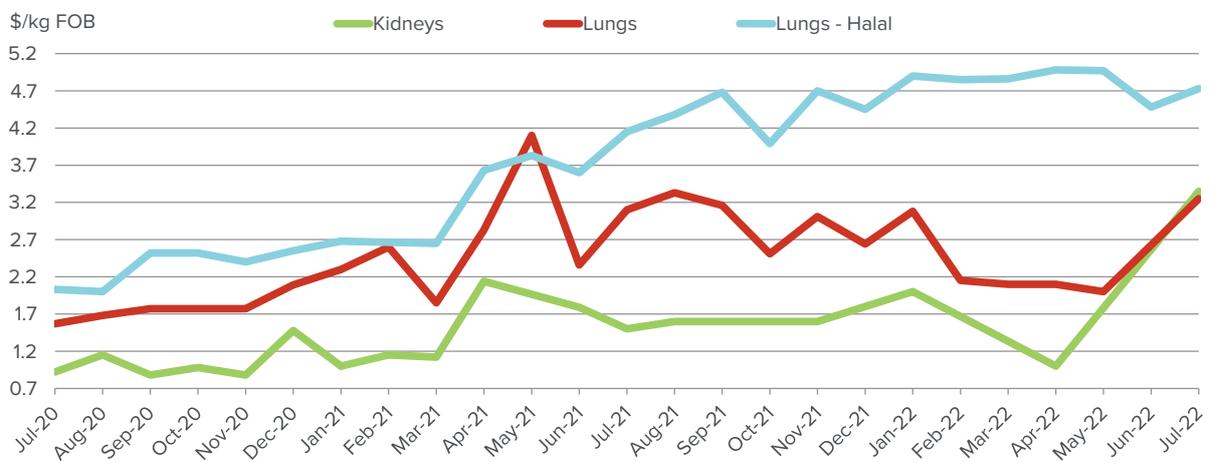
Figure 3: Trends in beef offal prices



Kidneys were reported to average \$2.35/kg which is 85¢/kg firmer than year-ago levels.

Halal lungs averaged \$4.73/kg, up 58¢/kg year-on-year and 25¢/kg higher than last month. Non-halal lungs returned \$3.25/kg to be 15¢/kg above July 2021.

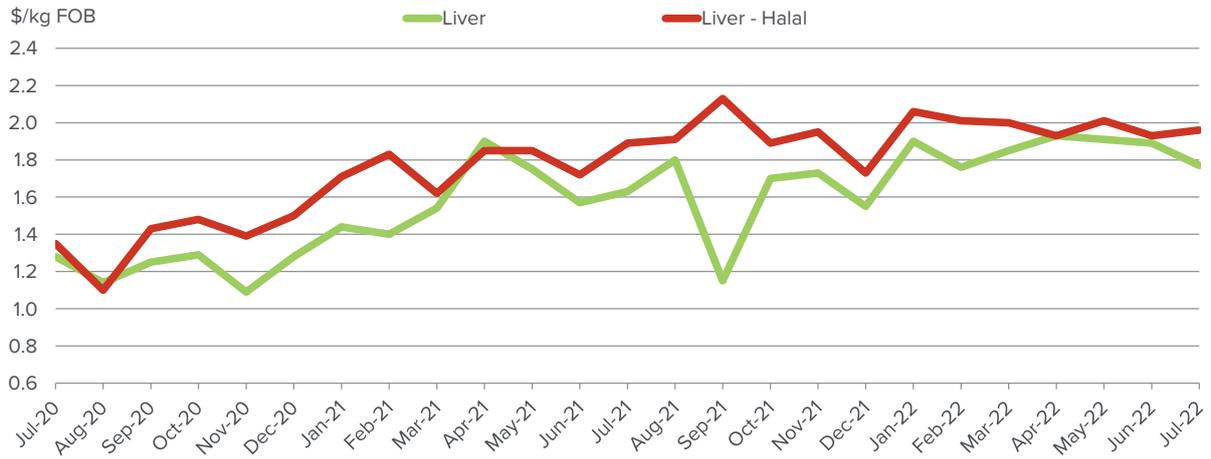
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.77/kg, down 12¢/kg month-on-month but 14¢/kg firmer than year-ago levels. Halal livers were 3¢/kg up on last month's price to average \$1.96/kg up 7¢/kg on last year prices.

Figure 5: Trends in beef offal prices



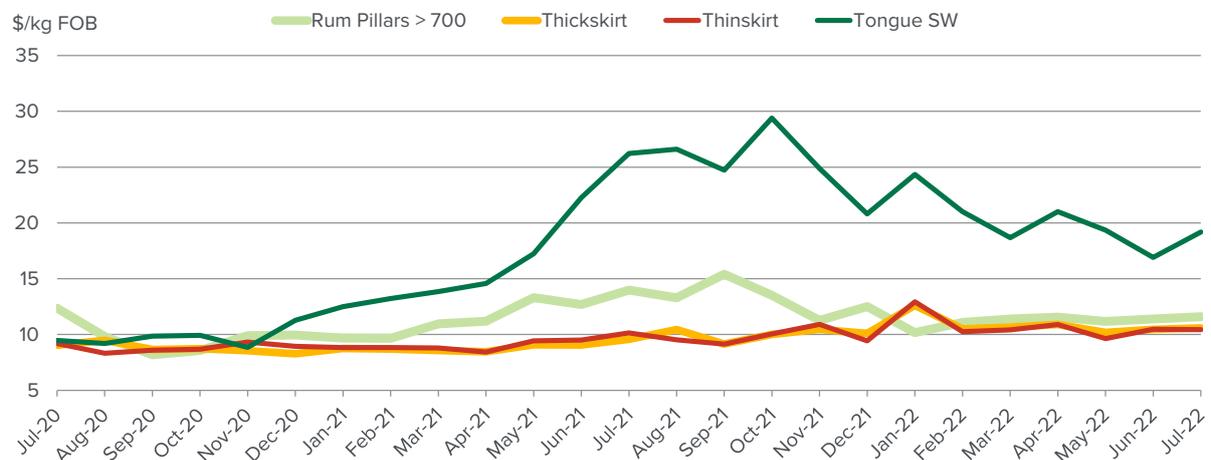
Japanese and Korean Offals

Tongue prices were \$2.29/kg above June to average \$19.19/kg but were \$7.04/kg below year-ago levels.

Thick skirt was \$1.02/kg firmer year-on-year and 13¢/kg higher than last month, averaging \$10.60/kg. Thin skirt averaged \$10.44 to be 3/kg below last month but 30¢/kg firmer year-on-year.

Rumen pillars firmed with heavy weight product averaging \$11.59/kg, up 19¢/kg month-on-month but \$2.39/kg lower than July 2021 levels.

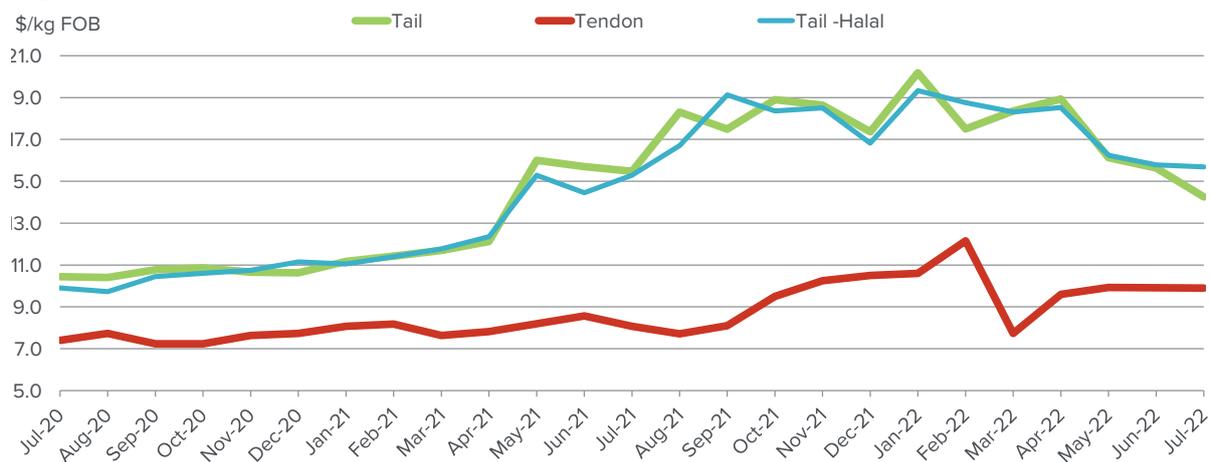
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices fell \$1.38/kg from last month, averaging \$14.25/kg, to be \$1.23/kg below year-ago levels. Halal tails averaged \$15.69/kg, down 9¢/kg from last month but 40¢/kg above year-ago prices. Tendons were not reported.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices were mixed this month.

Table 2: Sheep co-product prices

	Average (July Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$5.28		2	-8.8%	30.7%
Kidneys Sheep - Halal	\$5.33		2	12.9%	-18.2%
Liver Sheep - Halal	\$2.83		2	4.0%	36.7%
Runners Lamb	\$6.85		2	-3.1%	6.8%
Runners Sheep	\$5.85		2	-3.6%	8.3%
Tripe Sheep - Halal	\$2.85		2	-16.2%	-51.4%

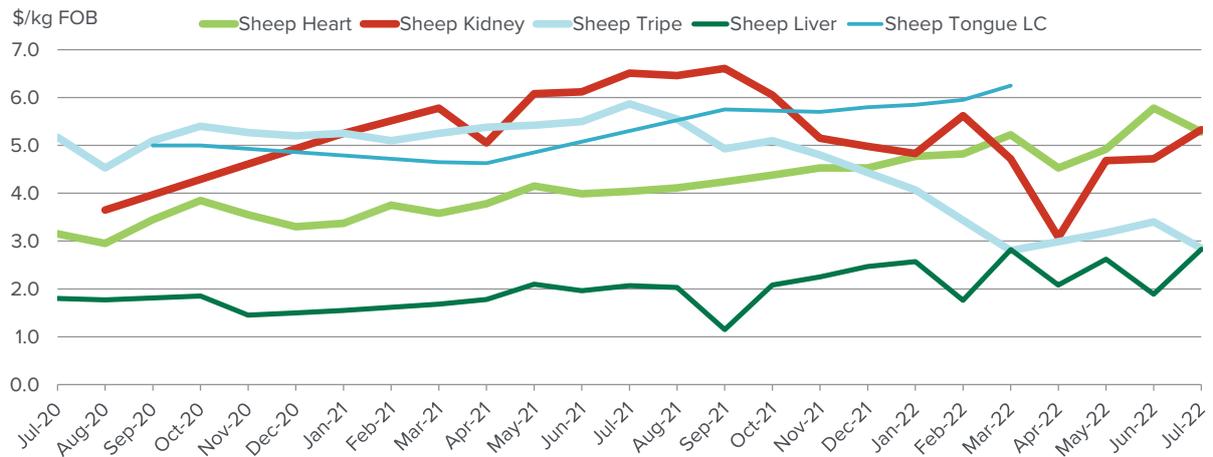
Price quoted is average price reported in \$/kg FOB Australian port and runners as \$/piece.

Sheep offal

Sheep hearts averaged \$5.28/kg, down 50¢/kg month-on-month but \$1.24/kg dearer than year-ago levels. Sheep kidneys were reported at \$5.33/kg which was 61¢/kg above the June average but \$1.18 down year-on-year. Sheep liver averaged \$2.83/kg to be 94¢/kg firmer month-on-month and 76¢/kg higher than July 2021.

Sheep tripe averaged \$2.85/kg to be \$3.02 down from July 2021 and 55¢/kg below last month. Long cut tongues were not reported.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$6.85/piece firming 44¢/piece year-on-year but 22¢/piece down from June while sheep runners were reported at \$5.85/piece, down 22¢/piece month-on-month but up 45¢/piece year-on-year.

Figure 9: Trends in runner prices



Pharmaceutical products

Pharmaceutical products remained steady.

Table 3: Pharmaceutical prices

	Average (July Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$613.33	\$10.00	3	0.5%	15.7%
Gall Concentrated	\$28.00		2	14.3%	13.5%

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

The average foetal calf blood price has firmed \$80/litre year-on-year to average \$613/litre, which was \$3.00/litre up from last month.

Figure 10: Trends for foetal blood prices



Concentrated gall averaged \$28/kg to be \$3.33/kg up on July 2021 price and \$3,50/kg firmer month-on-month..

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered products remained buoyant while tallow prices remain very strong based on biofuel demand from Singapore and the USA coupled with reduced production.

Table 4: Rendered product prices

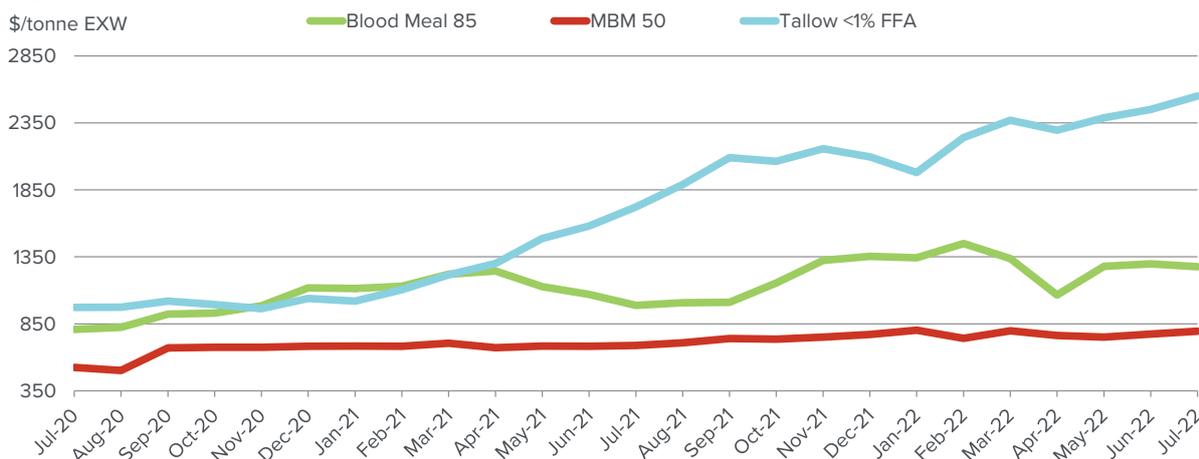
	Average (July Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,276.00	\$270.00	5	-1.6%	29.3%
MBM 50	\$795.00	\$180.00	6	2.9%	15.3%
MBM 50 Sheep	\$2,225.00		2	2.5%	107.9%
Tallow Ined.<1FFA	\$2,550.00	\$100.00	4	4.1%	48.0%
Tallow Ined.<2FFA	\$2,518.00	\$150.00	5		52.8%
Tallow Ined.<4FFA	\$2,367.50		2	2.5%	48.0%

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

The price for 50% protein MBM firmed \$22/tonne from last month, averaging \$795/tonne which was \$106/tonne above July 2021 levels. Blood meal averaged \$1276/tonne, up \$289/tonne compared with last year's price bit \$21/tonne softer month-on-month.

Tallow prices remain firm, with the price for 1% FFA tallow averaging \$2550/tonne, up \$827/tonne from July 2021 and \$100/tonne above last month's price.

Figure 12: Trends in rendered co-product prices



Hides

The hide market steadied on the back of lower production however the sentiment amongst many tanners for the second half of 2022 is hide & leather markets will remain under constant pressure.

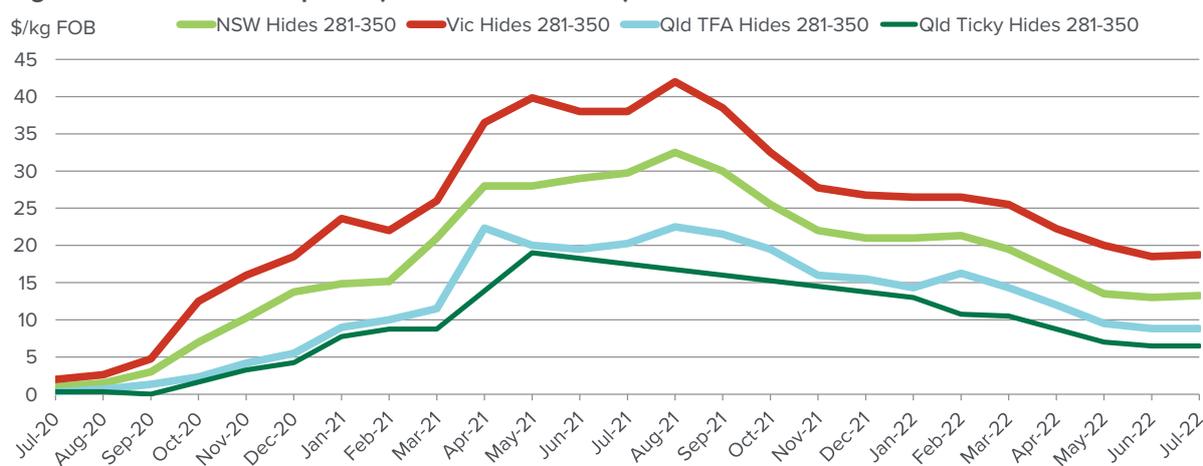
Table 5: Hide prices

	Average (July Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$3.00		2	0.0%	-45.5%
Hides NSW 181 - 220	\$4.75		2	0.0%	-62.0%
Hides NSW 221 - 280	\$8.00		2	0.0%	-61.9%
Hides NSW 281 - 350	\$13.25		2	1.9%	-55.5%
Hides NSW 351 Up	\$19.75		2	1.3%	-50.9%
Hides QLD TFA 281 - 350	\$8.83	\$4.50	3	0.0%	-56.4%
Hides QLD TFA 351 Up	\$13.33	\$6.00	3	0.0%	-52.2%
Hides QLD Ticky 281 - 350	\$6.50		2	0.0%	-65.8%
Hides QLD Ticky 350 Up	\$11.00		2	0.0%	-59.3%
Hides VIC 141-180	\$4.00		2	0.0%	-51.5%
Hides VIC 181-220	\$7.00		2	0.0%	-63.2%
Hides VIC 221 - 280	\$11.75		2	0.0%	-60.8%
Hides VIC 281-350	\$18.75		2	1.4%	-50.7%
Hides VIC 351 Up	\$26.00		2	2.0%	-45.8%

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

Local prices for hides were softer across the board and remain under strong downward pressure.

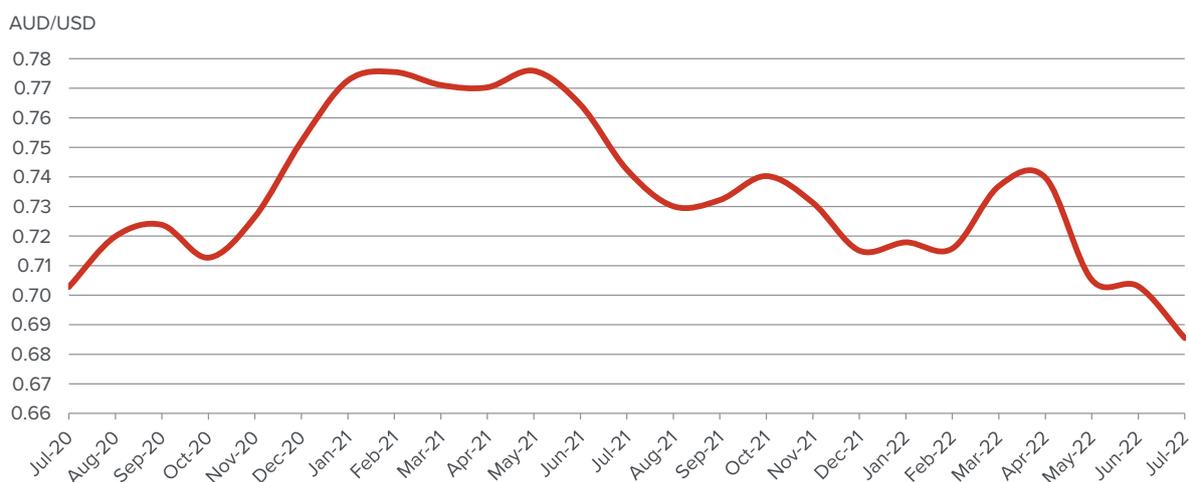
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar opened the month at 68.30US¢ and traded at relatively steady levels before a rally in latter part of the month to close at 70.07US¢ to average 68.55US¢, down 1.75US¢ month-on-month, and down 5.70US¢ from July 2021.

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
August 2022

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