



Co-product market report

January 2022

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Beef Co-products

Beef offal prices in December were generally mixed despite a softer dollar and supply remaining tight. Beef tongue and tail prices eased.

Table 1: Beef co-product prices

	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$4.47	\$3.00	4	1.4%	41.7%
Beef Lips - Halal	\$4.53	\$2.90	3	-3.1%	21.9%
Cheekmeat	\$8.97	\$4.70	3	-1.9%	18.7%
Cheekmeat - Halal	\$7.33		2	-5.5%	6.9%
Diap. Membrane	\$5.37	\$7.50	4	1.4%	32.6%
Hc Tripe	\$6.97	\$1.90	3	9.0%	-5.3%
Hc Tripe - Halal	\$7.15		2	13.5%	-4.8%
Headmeat	\$6.17	\$0.70	3	5.2%	22.1%
Heart	\$2.63	\$1.30	4	-12.5%	-16.7%
Heart - Halal	\$3.27	\$0.95	3	-5.9%	3.7%
Heart - Aorta	\$10.13	\$3.60	3	19.2%	29.1%
Ligamentum	\$4.53		2	18.5%	71.3%
Liver	\$1.55	\$0.90	4	-10.1%	21.6%
Liver - Halal	\$1.73	\$1.10	3	-11.1%	15.2%
Lungs	\$2.64	\$3.98	3	-12.2%	26.6%
Lungs - Halal	\$4.45		2	-5.3%	74.3%
Omasum	\$7.35	\$3.60	4	4.6%	11.6%
Omasum - Halal	\$6.95		2	-8.6%	2.3%
Rum.Pill - Halal < 500	\$5.50		2	0.0%	4.4%
Rum.Pill - Halal > 500 < 700	\$7.60		2	6.0%	-3.0%
Rum.Pill - Halal > 700	\$10.65		2	6.5%	17.0%
Rum.Pill < 500	\$5.00	\$3.50	3	25.0%	-12.9%
Rum.Pill > 500 < 700	\$7.30	\$3.00	3	-8.3%	-5.9%
Rum.Pill > 700	\$12.50	\$4.50	3	11.0%	25.5%
Tail	\$17.36	\$11.00	4	-6.9%	63.3%
Tail - Halal	\$16.82	\$12.80	3	-9.1%	50.8%
Tendons	\$10.50		2	2.4%	35.9%
Thickskirt	\$10.10	\$6.70	4	-3.5%	22.0%
Thickskirt - Halal	\$8.18	\$2.10	3	-11.8%	0.4%
Thinskirt	\$9.43	\$4.20	4	-13.7%	5.4%
Thinskirt - Halal	\$9.02	\$3.60	3	-4.1%	4.1%
Tongue Root Fillet	\$6.40		2	4.1%	29.3%
Tongue Root Meat	\$1.74	\$0.10	3	-15.5%	-32.8%
Tongue Root Meat - Halal	\$3.38	\$1.70	3	-21.1%	52.1%
Tongue SW	\$20.80	\$18.80	4	-16.4%	84.6%
Tongue SW - Halal	\$15.50		2	-34.4%	50.0%
Tripe Pieces	\$2.60	\$1.02	4	1.3%	-7.3%
Tripe Pieces - Halal	\$3.15		2	13.9%	5.6%

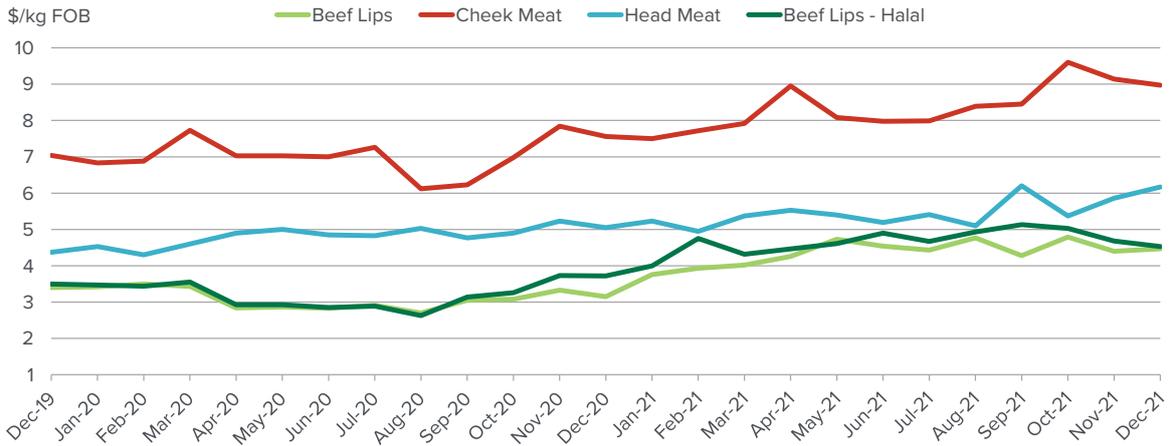
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Head meat averaged \$6.17/kg which was \$1.12/kg higher year-on-year and 31¢/kg above last month. Cheek meat was \$1.41/kg dearer than year-ago levels, averaging \$8.97/kg, to be 17¢/kg lower month-on-month.

Lip export prices to the US and Mexico firmed 7¢/kg month-on-month, to average \$4.47/kg to be \$1.32/kg up on last year. Halal lips averaged \$4.53/kg to be 81¢/kg firmer than December 2020 but 15¢/kg lower than last month.

Figure 1: Trends in beef head offal prices

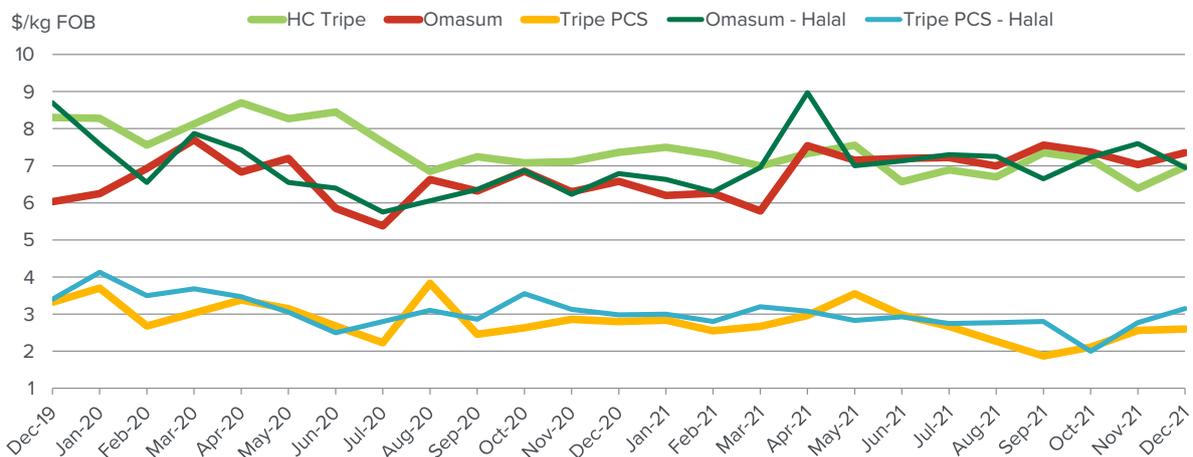


Beef offal trends

Omasum firmed 32¢/kg from last month, to average \$7.35/kg, up 77¢/kg from year-ago prices. Halal omasum averaged \$6.95/kg, up 16¢/kg year-on-year and 65¢/kg down month-on month.

Halal tripe pieces averaged \$3.15/kg up 17¢/kg year-on-year and 38¢/kg stronger than last month. Non-halal tripe pieces were 20¢/kg down year-on-year but 4¢/kg higher than November to average \$2.60/kg. Honeycomb tripe averaged \$6.97/kg to be 39¢/kg below year ago prices but 58¢/kg up on last month.

Figure 2: Trends in beef tripe prices

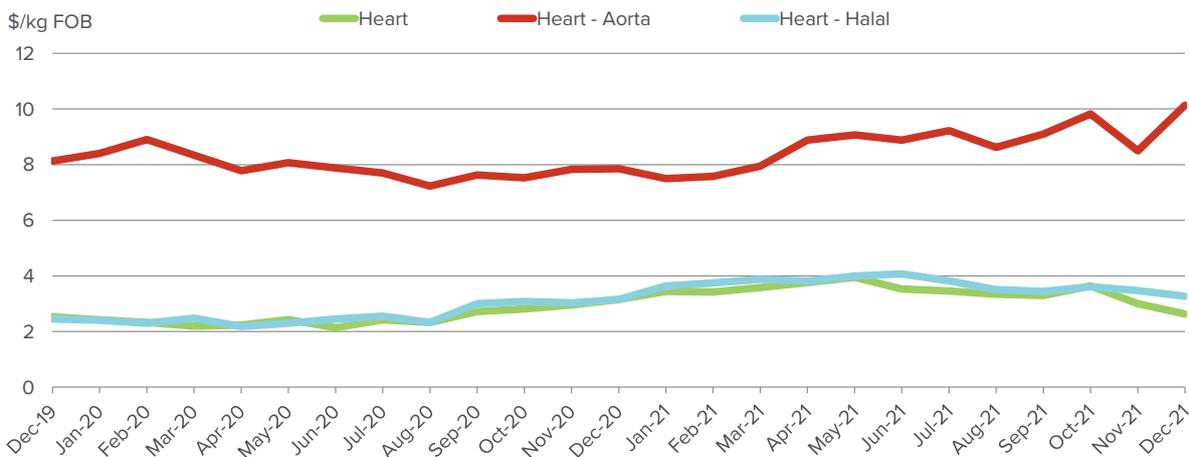


Beef offal trends continued...

Aorta firmed to average \$10.13/kg up \$1.63/kg month-on-month and \$2.28/kg above the December 2020 price.

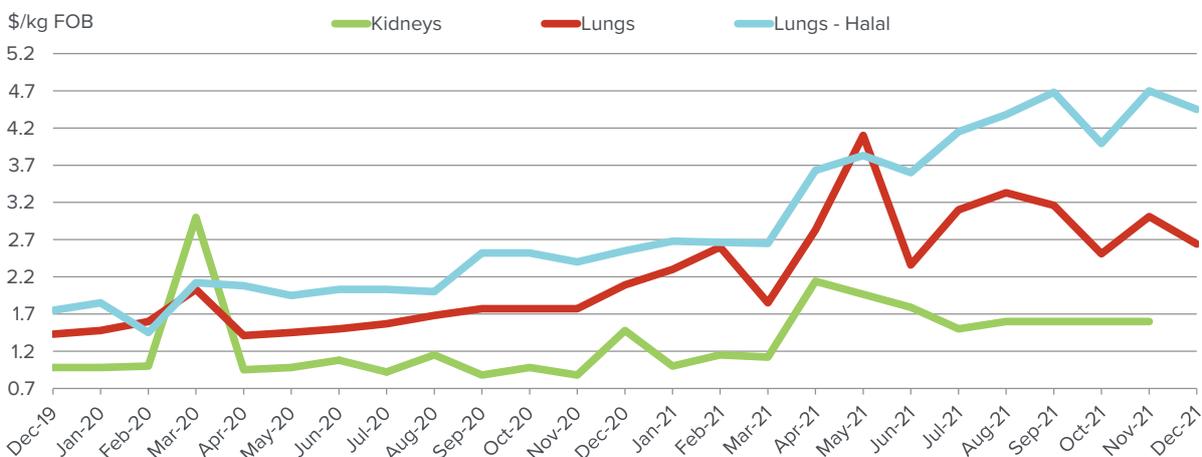
Heart prices were down from last month, averaging \$2.63/kg, to be 52¢/kg below year-ago levels and 37¢/kg below the November price. Halal hearts averaged \$3.27/kg, easing 20¢/kg month-on-month and up 12¢/kg from December 2020.

Figure 3: Trends in beef offal prices



Kidneys were not reported while non-halal lungs realised \$2.64/kg up 55¢/kg from year ago levels but 37¢/kg softer month-on-month, while halal lungs averaged \$4.45/kg, up \$1.90/kg year-on-year but 25¢/kg lower than last month.

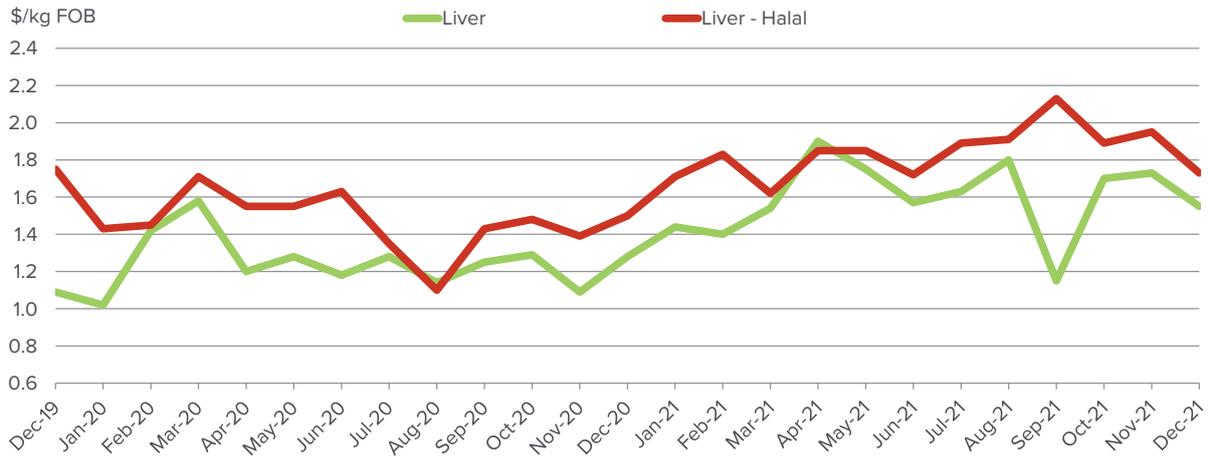
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.55/kg, down 18¢/kg month-on-month but 27¢/kg firmer than year-ago levels. Halal livers were 22¢/kg down on last month's price to average \$1.73/kg, up 23¢/kg on last year prices.

Figure 5: Trends in beef offal prices



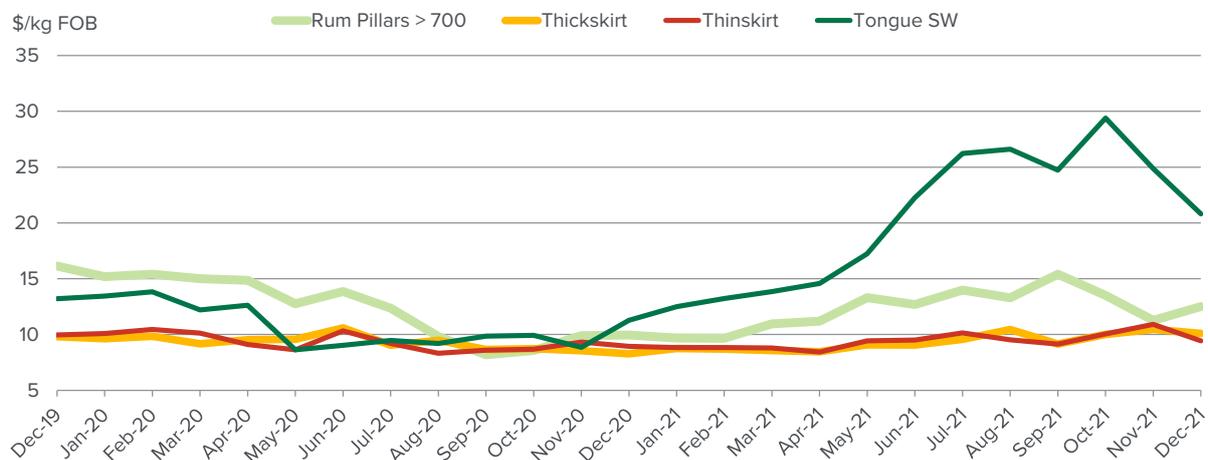
Japanese and Korean Offals

Tongue prices were \$4.07/kg down from November to average \$20.80/kg and were \$9.53/kg above year-ago levels.

Thick skirt was \$1.82/kg higher year-on-year but 37¢/kg softer than last month, averaging \$10.10/kg. Thin skirt averaged \$9.43/kg, down \$1.49/kg from October and 49¢/kg above year-ago prices.

Rumen pillars firmed with heavy weight product averaging \$12.50/kg, up \$1.24/kg month-on-month and \$2.54/kg higher than December 2020 levels.

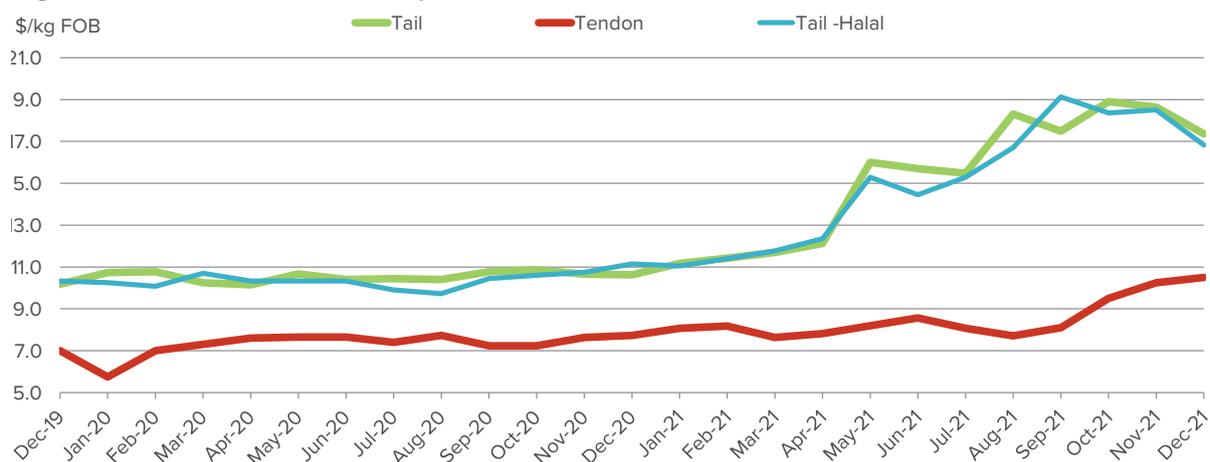
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices eased \$1.28/kg from last month, averaging \$17.36/kg, to be \$6.73/kg above year-ago levels. Halal tails averaged \$16.82/kg, down \$1.69/kg from last month but \$5.67/kg above year-ago prices. Tendons averaged \$10.50/kg to be \$2.77/kg above December 2020 price and 25¢/kg up on last month.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices were steady with tripe under downward pressure.

Table 2: Sheep co-product prices

	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$4.53	\$2.00	3	0.0%	37.4%
Kidneys Sheep - Halal	\$4.98	\$5.15	3	-3.2%	99.3%
Liver Sheep - Halal	\$2.47	\$1.90	3	9.6%	64.4%
Runners Lamb	\$6.62	\$1.30	3	8.8%	35.7%
Runners Sheep	\$5.50	\$1.30	3	12.2%	46.7%
Tongue LC Sheep - Halal	\$5.80		2	1.8%	18.4%
Tripe Sheep - Halal	\$4.43	\$0.20	3	-7.6%	-14.7%

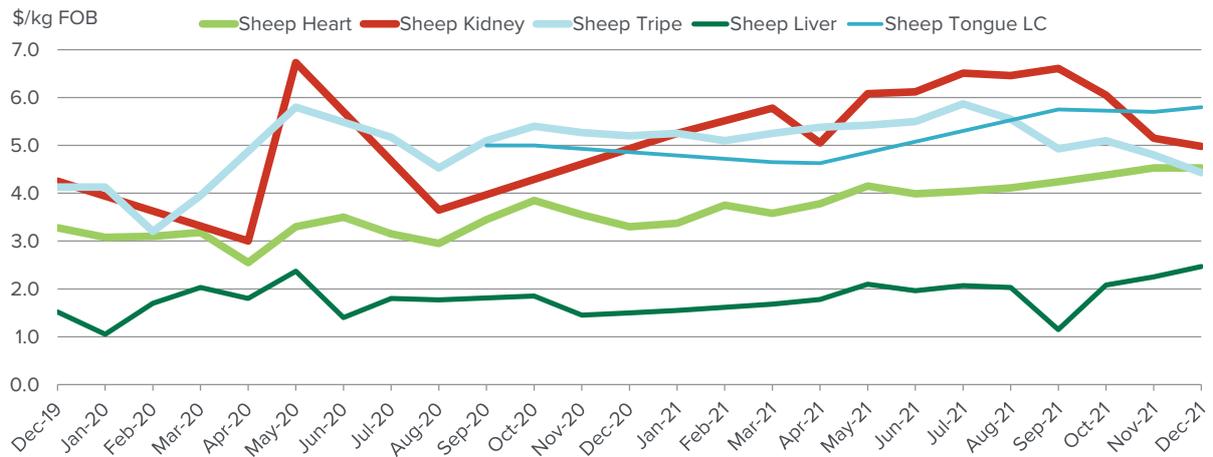
Price quoted is average price reported in \$/kg FOB Australian port and runners as \$/piece.

Sheep offal

Sheep hearts averaged \$4.53/kg, even month-on-month and \$1.23/kg dearer than year-ago levels. Sheep kidneys were reported at \$4.98/kg which was 17¢/kg below November price. Sheep liver averaged \$2.47/kg to be 22¢/kg firmer month-on-month and 97¢/kg higher than December 2020.

Sheep tripe averaged \$4.43/kg, which is 77¢/kg weaker compared to year ago prices and 37¢/kg softer month-on-month. Long cut tongues averaged \$5.80/kg up 10¢/kg month-on-month.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$6.62/piece firming \$1.74/piece year-on-year and 54¢/piece up from November while sheep runners were reported at \$5.50/piece, up 60¢/piece month-on-month and up \$1.75/piece from December 2020.

Figure 9: Trends in runner prices



Pharmaceutical products

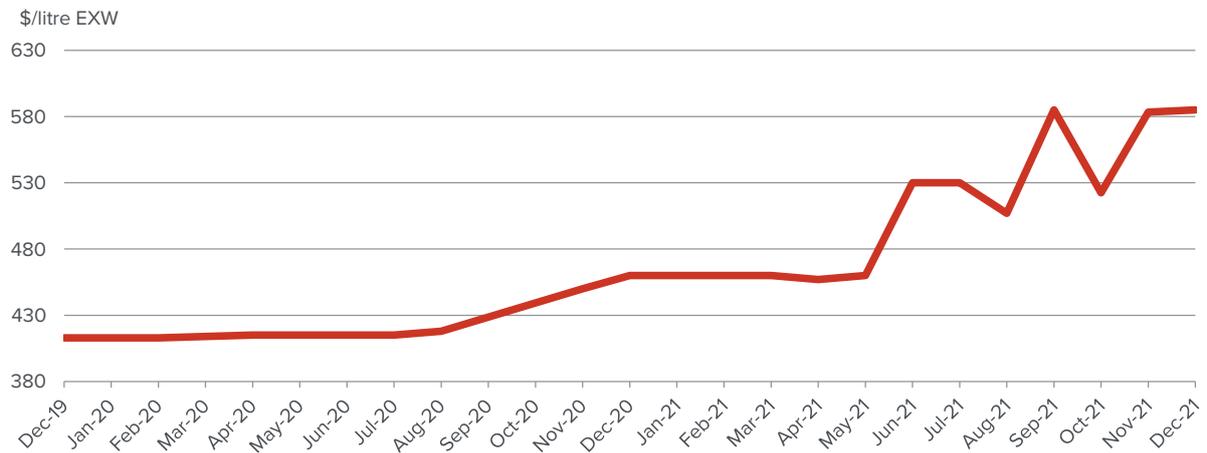
Table 3: Pharmaceutical prices

	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$585.00		2	0.3%	27.2%
Gall Concentrated	\$25.25		2	1.0%	9.8%

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

The average foetal calf blood price has firmed \$125/litre year-on-year to average \$585/litre.

Figure 10: Trends for foetal blood prices



Concentrated gall averaged \$25.25 to be \$2.25/kg up on December 2020 price and 25¢/kg up month-on-month..

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered products remained firm across the board this month with tallow prices starting to wane despite strong biofuel demand from Singapore and the USA coupled with reduced production.

Table 4: Rendered product prices

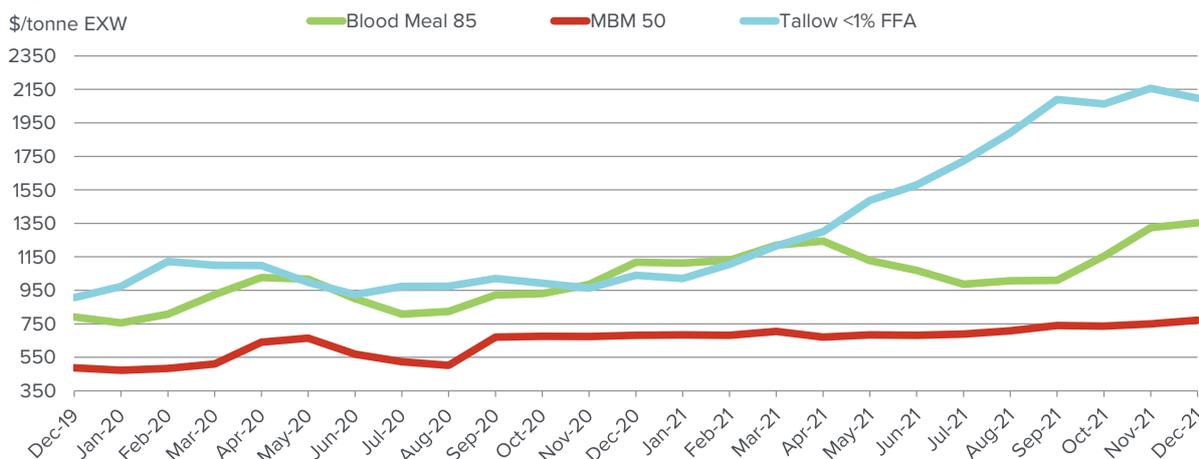
	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,354.00	\$480.00	5	2.2%	21.1%
MBM 50	\$771.25	\$165.00	4	2.9%	13.1%
Tallow Ined.<1FFA	\$2,096.67	\$50.00	3	-2.8%	101.6%
Tallow Ined.<2FFA	\$2,070.00	\$300.00	3	0.7%	97.1%
Tallow Ined.<4FFA	\$1,950.00	\$340.00	3	-3.6%	96.0%

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

The price for 50% protein MBM firmed \$21/tonne from last month, averaging \$771/tonne which was \$89/tonne above December 2020 levels. Blood meal averaged \$1354/tonne, up \$236/tonne compared with last year's price, and \$30/tonne firmer month-on-month.

Tallow prices whilst very firm have started a downward trend, with the price for 1% FFA tallow averaging \$2097/tonne, up \$1057/tonne from December 2020 and \$60/tonne below last month price, with the later part of December showing a larger drop in price on the horizon.

Figure 12: Trends in rendered co-product prices



Hides

The hide market continued the recent downward trend during the month with traders reporting further price reductions possible going forward.

Difficulties in getting shipping containers and steep increases in freight costs continue to exacerbate the situation whilst demand, particularly from sluggish automobile production due to computer chip supply issues, has continued to fall, driving leather prices lower coupled with the Chinese New Year holidays commencing February.

Table 5: Hide prices

	Average (Dec Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$4.00		2	0.0%	220.0%
Hides NSW 181 - 220	\$8.25		2	-5.7%	94.1%
Hides NSW 221 - 280	\$12.25		2	-9.3%	40.0%
Hides NSW 281 - 350	\$21.00		2	-4.5%	52.7%
Hides NSW 351 Up	\$29.50		2	-1.7%	59.5%
Hides QLD TFA 281 - 350	\$15.50		2	-3.1%	181.8%
Hides QLD TFA 351 Up	\$23.00		2	0.0%	193.6%
Hides VIC 141-180	\$5.50		2	-8.3%	57.1%
Hides VIC 181-220	\$12.00		2	-5.9%	60.0%
Hides VIC 221 - 280	\$20.00		2	-2.4%	53.8%
Hides VIC 281-350	\$26.75		2	-3.6%	44.6%
Hides VIC 351 Up	\$36.00		2	-2.7%	38.5%

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

Local prices for hides were softer with prices for better quality product down 50¢ to \$1.00 per piece month-on-month on the heavier end.

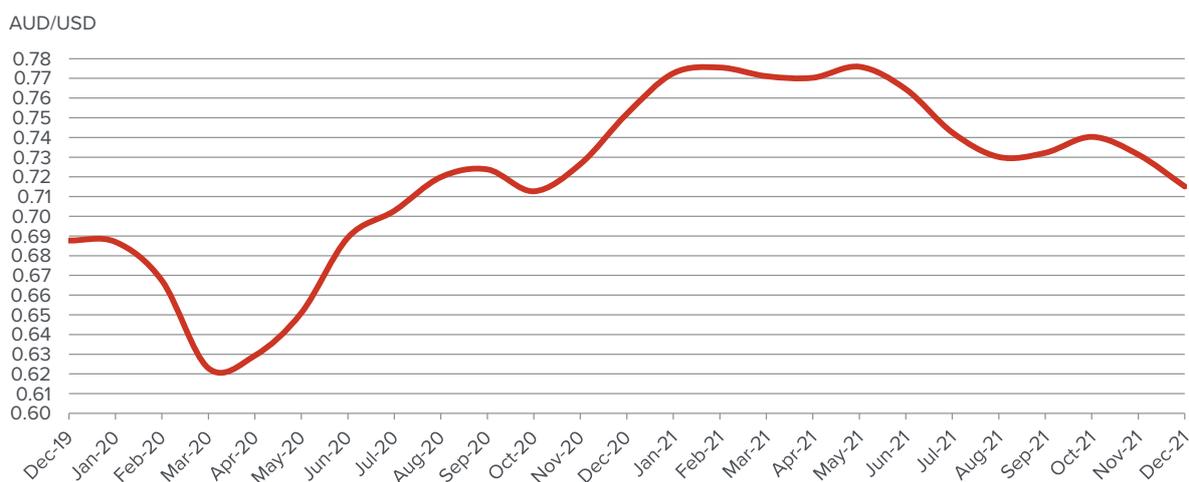
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar opened the month at 71.51US¢ and traded relatively steadily for the month before firming to close at 72.56US¢ to average 71.51US¢, down 1.62 US¢ month-on-month, and down 3.69US¢ from December 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:

Please call Ripley Atkinson on 02 9463 9372 or ratkinson@mla.com.au

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



MEAT & LIVESTOCK AUSTRALIA

Market Information
Meat & Livestock Australia
Ph: 02 9463 9372
Fax: 02 9463 9220
Email: marketinfo@mla.com.au
www.mla.com.au/prices-markets

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