



Co-product market report

February 2023

Beef Co-products

Beef offal prices in January were relatively stable across most items however many plants were just getting back to work following the holiday break.

Table 1: Beef co-product prices

	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$4.33	\$1.00	3	4.4%	-6.6%
Beef Lips - Halal	\$4.72	\$1.30	5	1.0%	-5.6%
Cheekmeat	\$10.50	\$7.50	3	0.0%	8.2%
Cheekmeat - Halal	\$11.75		2	-1.7%	30.6%
Diap. Membrane	\$9.60		2	149.4%	115.7%
Hc Tripe	\$8.07	\$1.70	3	0.0%	14.8%
Hc Tripe - Halal	\$7.87	\$2.00	3	-2.9%	13.6%
Headmeat	\$6.13	\$3.30	3	6.4%	-5.6%
Headmeat - Halal	\$5.93	\$2.20	3	-2.2%	4.7%
Heart	\$3.00	\$0.90	4	-9.1%	9.6%
Heart - Aorta	\$8.38	\$1.00	3	2.0%	-10.3%
Heart - Aorta - Halal	\$9.20	\$2.50	3	0.0%	-1.4%
Heart - Halal	\$2.95	\$1.70	4	-11.9%	-16.7%
Kidneys- Halal	\$1.43	\$0.40	3	10.3%	-42.7%
Ligamentum	\$3.22	\$1.10	5	-0.6%	-22.4%
Liver	\$1.99	\$0.42	3	-0.1%	5.2%
Liver - Halal	\$2.19	\$0.50	5	9.0%	6.3%
Lungs	\$2.13	\$1.00	3	10.3%	-30.6%
Lungs - Halal	\$3.67	\$0.40	3	0.5%	-25.2%
Omasum	\$9.23	\$2.40	3	-3.5%	24.8%
Omasum - Halal	\$8.10	\$4.70	3	-11.6%	7.3%
Rum.Pill - Halal < 500	\$7.00	\$3.00	3	23.5%	45.8%
Rum.Pill - Halal > 500 < 700	\$9.10	\$2.00	3	7.1%	21.3%
Rum.Pill - Halal > 700	\$12.23	\$3.30	3	-5.2%	18.8%
Rum.Pill < 500	\$5.67	\$4.00	3	21.4%	-2.8%
Rum.Pill > 500 < 700	\$8.77	\$1.30	3	7.8%	-2.1%
Rum.Pill > 700	\$10.57	\$3.00	3	-22.0%	3.9%
Tail	\$10.00	\$0.00	3	0.0%	-50.5%
Tail - Halal	\$10.63	\$5.50	4	-0.4%	-45.0%
Tendons	\$11.43	\$1.70	3	3.0%	7.9%
Tendons - Halal	\$10.77	\$3.70	3	-0.6%	7.7%
Thickskirt	\$11.60	\$2.60	4	0.0%	-8.1%
Thickskirt - Halal	\$10.75	\$3.00	4	-12.2%	14.1%
Thinskirt	\$11.35	\$2.10	4	0.0%	-12.2%
Thinskirt - Halal	\$10.63	\$3.00	4	-11.5%	7.6%
Tongue Root Fillet	\$6.05		2	1.7%	6.8%
Tongue Root Meat - Halal	\$2.68	\$0.75	3	-32.4%	-34.6%
Tongue SW	\$14.67	\$6.00	3	6.3%	-39.8%
Tongue SW - Halal	\$14.88	\$7.00	4	9.2%	-25.0%
Tripe Pieces	\$2.20	\$0.40	3	0.0%	-1.3%
Tripe Pieces - Halal	\$2.50	\$0.70	4	1.0%	-11.8%
Tripe Pieces - Halal	\$2.48	\$0.80	4	-7.2%	-21.4%

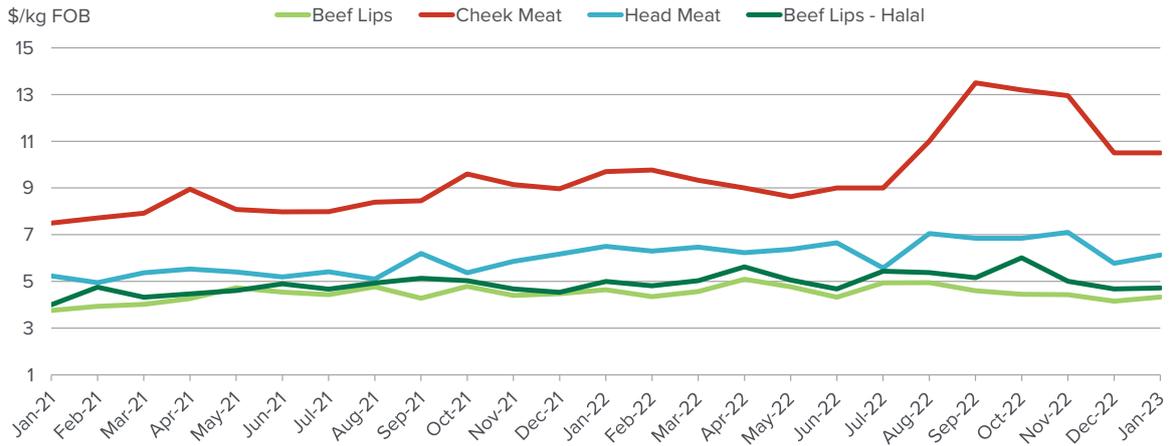
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Head meat averaged \$6.13/kg which was 37¢/kg lower year-on-year but 36¢/kg firmer than last month. Cheek meat was 80¢/kg dearer than year-ago levels, averaging \$10.50/kg, even month-on-month.

Lip export prices to the US and Mexico firmed 18¢/kg month-on-month, averaging \$4.33/kg to be 31¢/kg down on last year. Halal lips averaged \$4.72/kg to be 28¢/kg softer than January 2021 and 4¢/kg higher than last month.

Figure 1: Trends in beef head offal prices

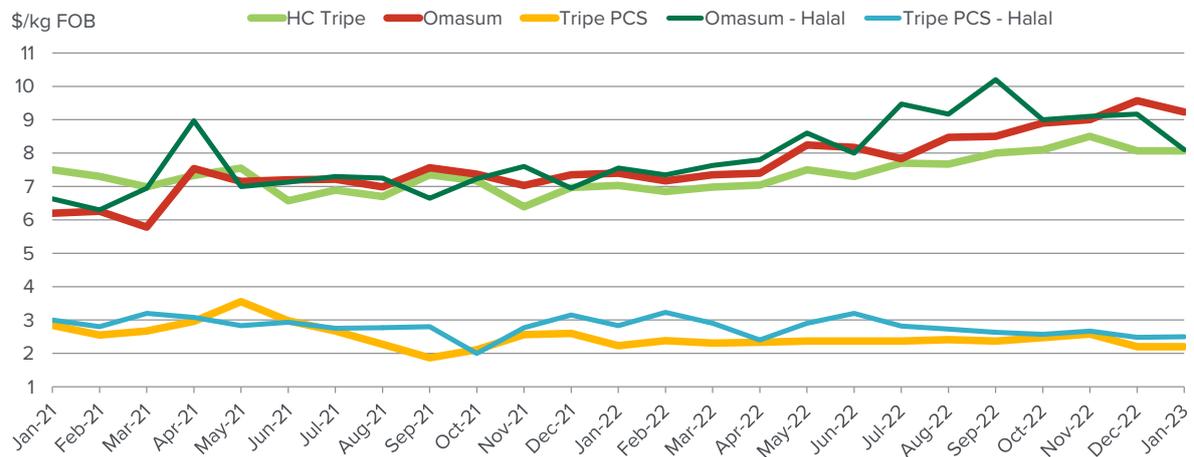


Beef offal trends

Omasum eased 34¢/kg from last month, to average \$9.23/kg, up \$1.83/kg from year-ago prices. Halal omasum averaged \$8.10/kg, up 55¢/kg year-on-year but \$1.07/kg softer month-on month.

Halal tripe pieces averaged \$2.50/kg down 33¢/kg year-on-year and 2¢/kg higher than last month. Non-halal tripe pieces averaged \$2.20/kg to be 3¢/kg softer year-on-year and even month-on-month. Honeycomb tripe averaged \$8.07/kg to be \$1.04/kg above year ago prices but even with last month.

Figure 2: Trends in beef tripe prices

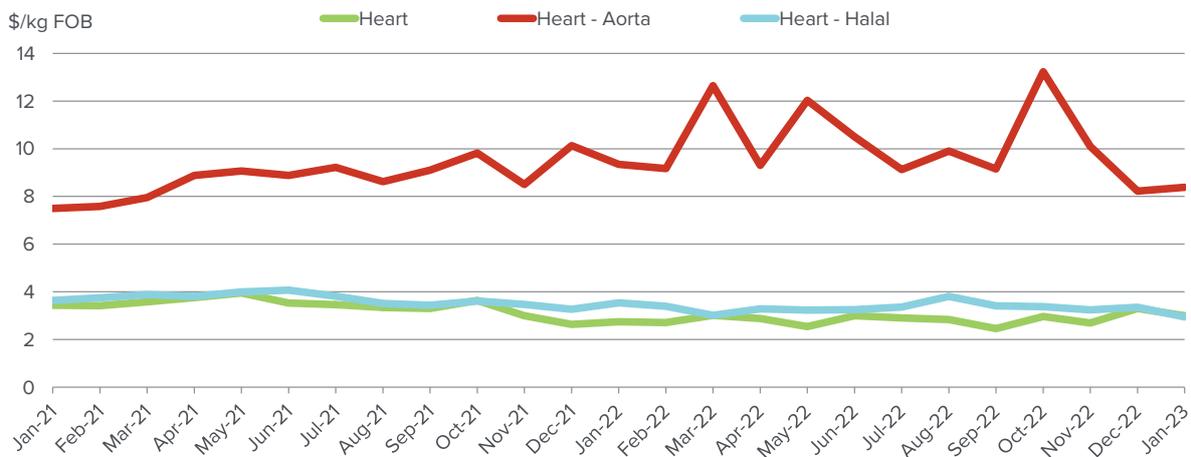


Beef offal trends continued...

Aorta firmed to average \$8.38/kg up 16¢/kg month-on-month and was 97¢/kg below the January 2022 price.

Heart prices were down from last month, averaging \$3.00/kg, to be 26¢/kg above year-ago levels but 30¢/kg below the December 2022 price. Halal hearts averaged \$2.95/kg, easing 40¢/kg month-on-month and down 59¢/kg from last January.

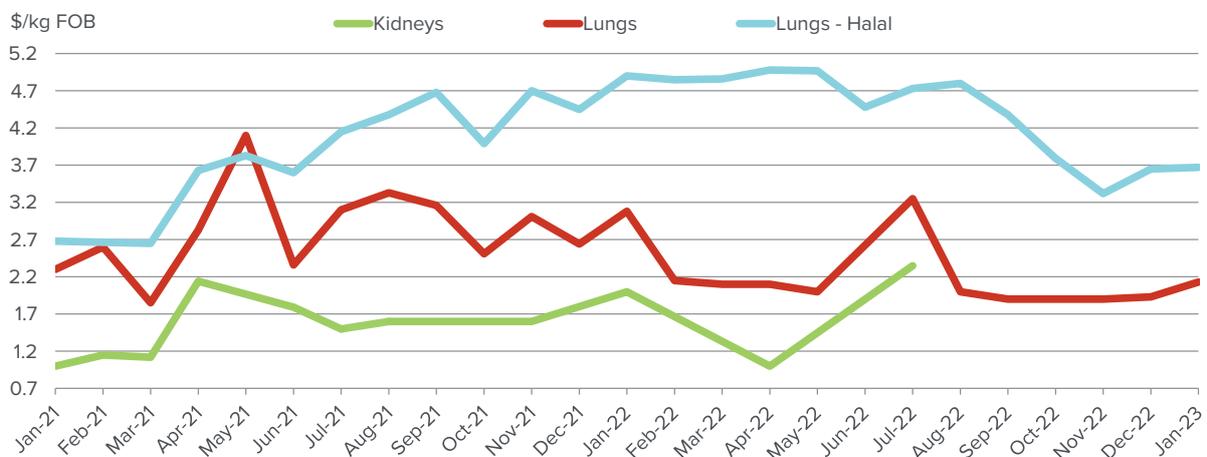
Figure 3: Trends in beef offal prices



Kidneys were again not reported this month with many processors opting to not pack them.

Halal lungs averaged \$3.67/kg, down \$1.23/kg year-on-year but 2¢/kg higher than last month. Non-halal lungs returned \$2.13/kg to be 95¢/kg below January 2022 but up 20¢/kg month-on-month.

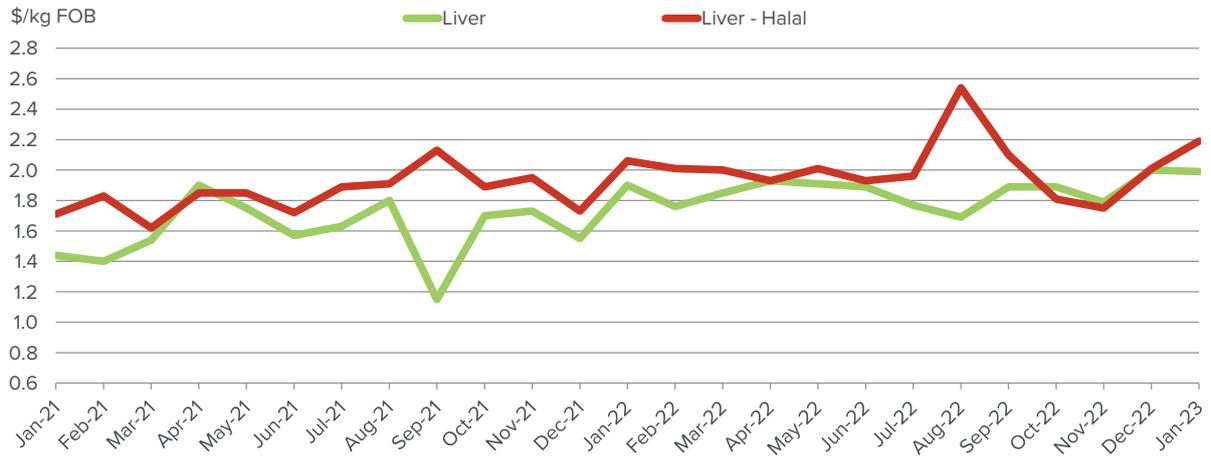
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.99/kg, down 1¢/kg month-on-month and 9¢/kg firmer than year-ago levels. Halal livers were 18¢/kg up on last month's price to average \$2.19/kg up 13¢/kg on last year prices.

Figure 5: Trends in beef offal prices



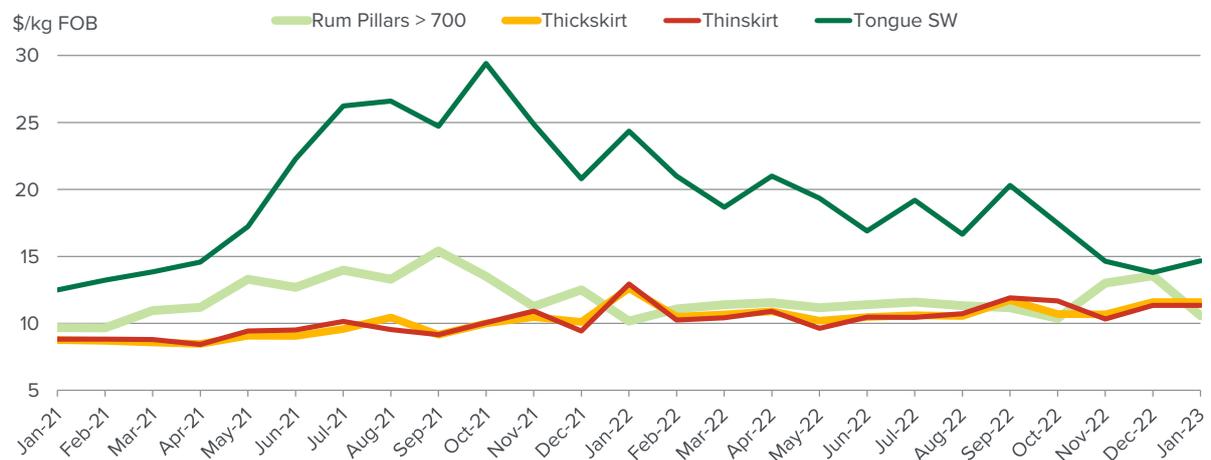
Japanese and Korean Offals

Tongue averaged \$14.67/kg which was \$9.68/kg below year ago price but 87¢/kg up month-on-month.

Thick skirt was \$1.02¢/kg softer year-on-year but even with last month, averaging \$11.60/kg. Thin skirt averaged \$11.35/kg to be even with last month and \$1.58/kg down year-on-year.

Rumen pillars eased with heavy weight product averaging \$10.57/kg, down \$2.98/kg month-on-month but 40¢/kg higher than January 2022 levels.

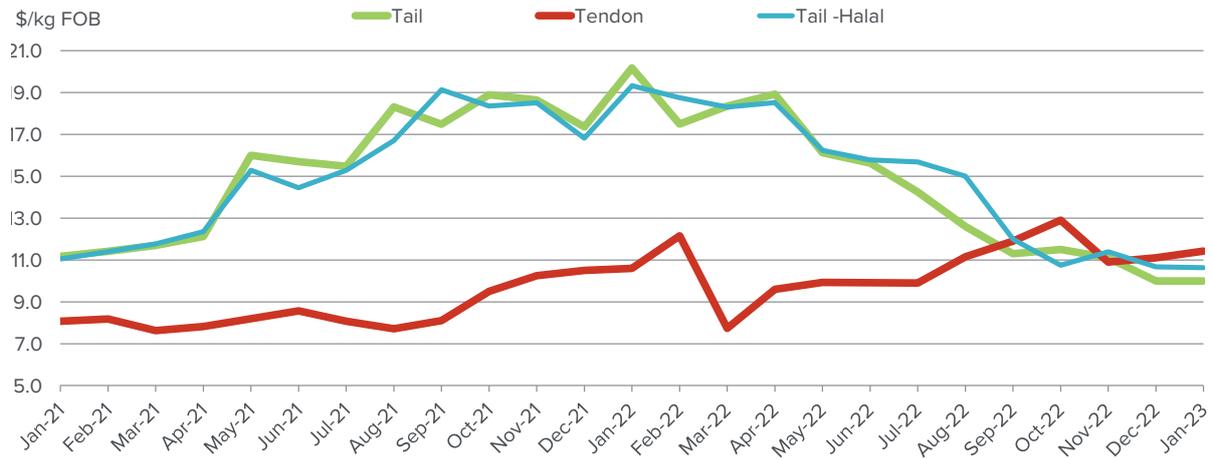
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices were even with last month, averaging \$10.00/kg, to be \$10.18/kg below year-ago levels. Halal tails averaged \$10.63/kg, down 4¢/kg from last month but \$8.70/kg below year-ago prices. Tendons averaged \$11.43/kg to be 83¢/kg higher year-on-year and 33¢/kg up from last month.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices were a slightly softer this month.

Table 2: Sheep co-product prices

	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$6.00	\$2.50	3	-5.3%	25.9%
Kidneys Sheep - Halal	\$4.83	\$4.50	3	0.0%	0.0%
Liver Sheep - Halal	\$2.97	\$1.90	3	-14.0%	15.6%
Runners Lamb	\$6.67	\$1.00	3	5.3%	-3.1%
Runners Sheep	\$5.67	\$1.00	3	-5.6%	-1.7%
Tripe Sheep - Halal	\$4.20		2	0.0%	3.3%

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

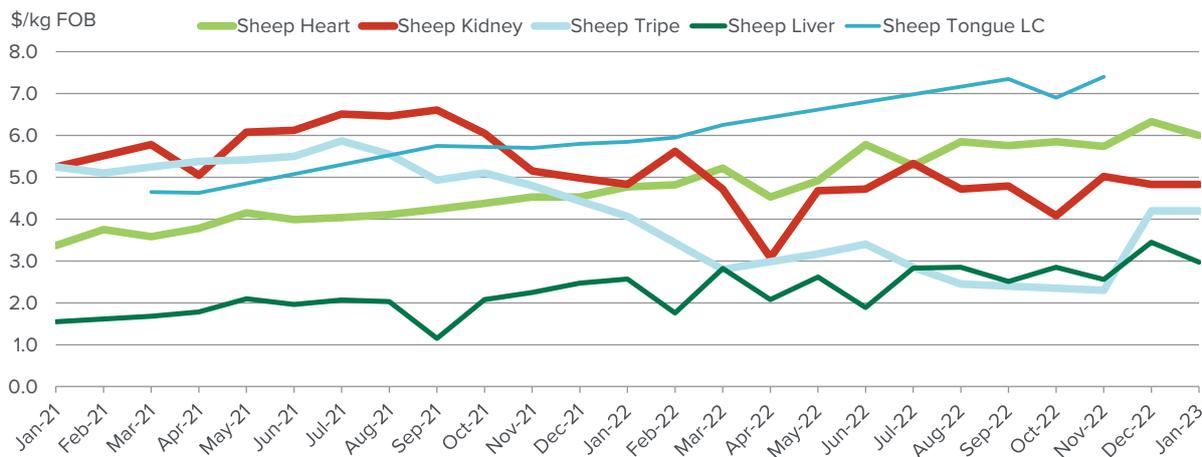
Sheep offal

Sheep hearts averaged \$6.00/kg, down 33¢/kg month-on-month but \$1.23/kg dearer than year-ago levels. Sheep kidneys were reported at \$4.83/kg which was even month-on-month and year-on-year. Sheep liver averaged \$2.97/kg to be 48¢/kg softer month-on-month but 40¢/kg higher than January 2022.

Sheep tripe was reported at \$4.20/kg which was 13¢/kg above last year’s price and even month-on-month.

Long cut tongues were not reported.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$6.67/piece easing 21¢/piece year-on-year and 34¢/piece firmer than December while sheep runners were reported at \$5.67/piece, down 33¢/piece month-on-month and 10¢/piece lower year-on-year.

Figure 9: Trends in runner prices



Pharmaceutical products

Pharmaceutical products were relatively steady this month.

Table 3: Pharmaceutical prices

	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$606.67	\$10.00	3	0.3%	1.5%
Gall Concentrated	\$22.00		2	-3.9%	-12.9%

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

The average foetal calf blood price has firmed \$9.17/litre year-on-year to average \$606.67/litre, which was which was up \$1.67 from last month.

Figure 10: Trends for foetal blood prices



Concentrated gall averaged \$22.00/kg to be \$3.25/kg down on January 2022 price and 90¢/kg softer month-on-month.

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered products remained buoyant.

Table 4: Rendered product prices

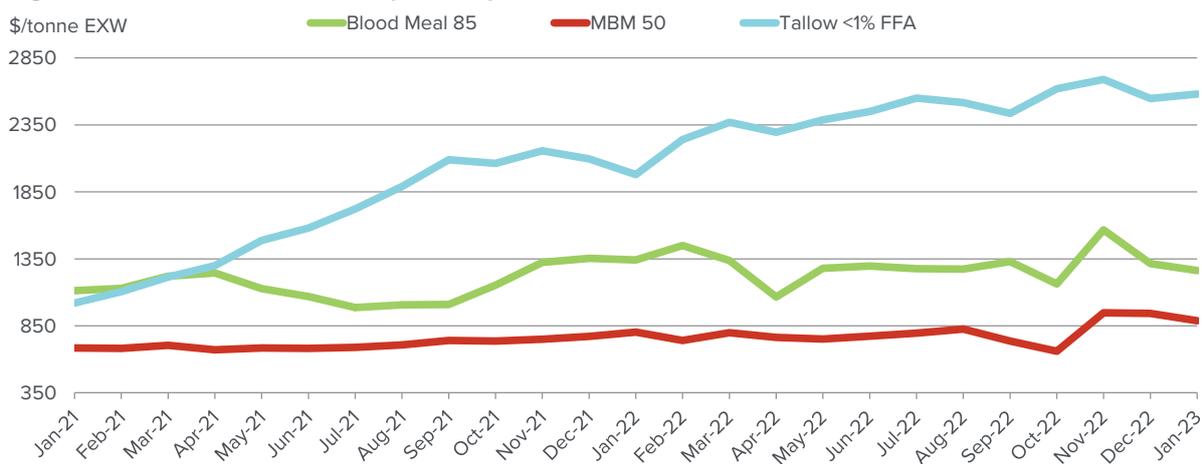
	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,263.33	\$710.00	3	-3.9%	-5.9%
MBM 50	\$888.00	\$110.00	5	-5.7%	10.6%
Tallow Ined.<1FFA	\$2,580.00	\$120.00	3	1.3%	30.3%
Tallow Ined.<2FFA	\$2,460.00	\$420.00	4	-2.8%	16.4%

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

The price for 50% protein MBM eased \$54/tonne from last month, averaging \$888/tonne which was \$85/tonne above January 2022 levels. Blood meal averaged \$1263/tonne, down \$79/tonne compared with last year's price and \$52/tonne softer month-on-month.

Tallow prices remain firm, with the price for 1% FFA tallow averaging \$2580/tonne, up \$600/tonne from January 2022 and \$33/tonne above last month's price.

Figure 12: Trends in rendered co-product prices



Hides

Last month's market news is a continuation of previous months, that is, supply and demand are out of balance with many more hides available than tanners can use for leather orders. Added to rising interest rates, inflation, and cost of living pressures are taking a toll on the demand for leather goods, however there was some relief in prices paid

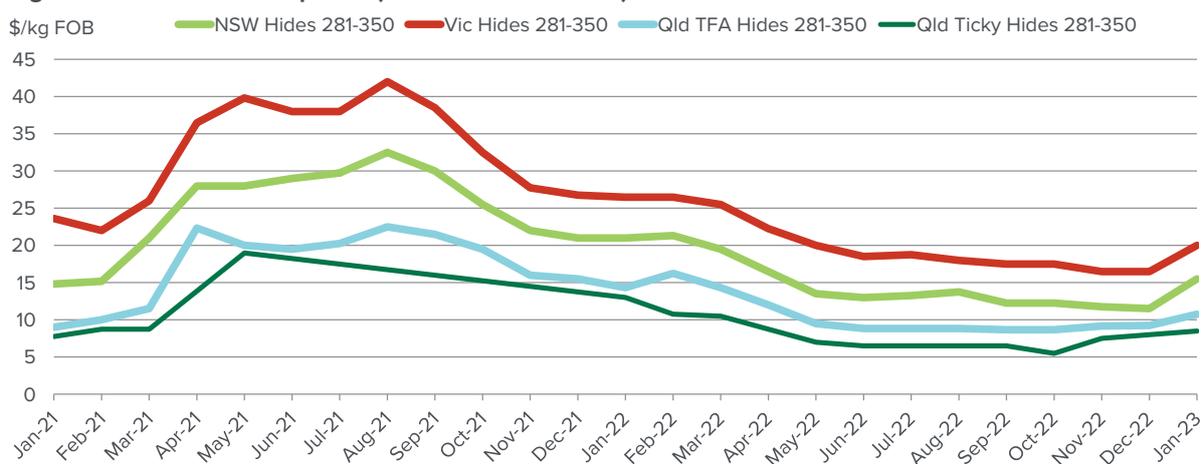
Table 5: Hide prices

	Average (Jan Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$2.00		2	-20.0%	-50.0%
Hides NSW 181 - 220	\$4.50		2	12.5%	-45.5%
Hides NSW 221 - 280	\$8.75		2	29.6%	-23.9%
Hides NSW 281 - 350	\$15.50		2	34.8%	-26.2%
Hides NSW 351 Up	\$21.50		2	14.7%	-27.1%
Hides QLD TFA 281 - 350	\$10.75		2	16.2%	-25.0%
Hides QLD TFA 351 Up	\$16.00		2	18.5%	-23.8%
Hides QLD Ticky 281 - 350	\$8.50		2		-34.6%
Hides QLD Ticky 350 Up	\$12.50		2		-32.4%
Hides VIC 141-180	\$3.50		2	0.0%	-36.4%
Hides VIC 181-220	\$7.50		2	25.0%	-34.8%
Hides VIC 221 - 280	\$14.00		2	43.6%	-28.2%

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

Local prices for hides were slightly firmer but still remain very weak.

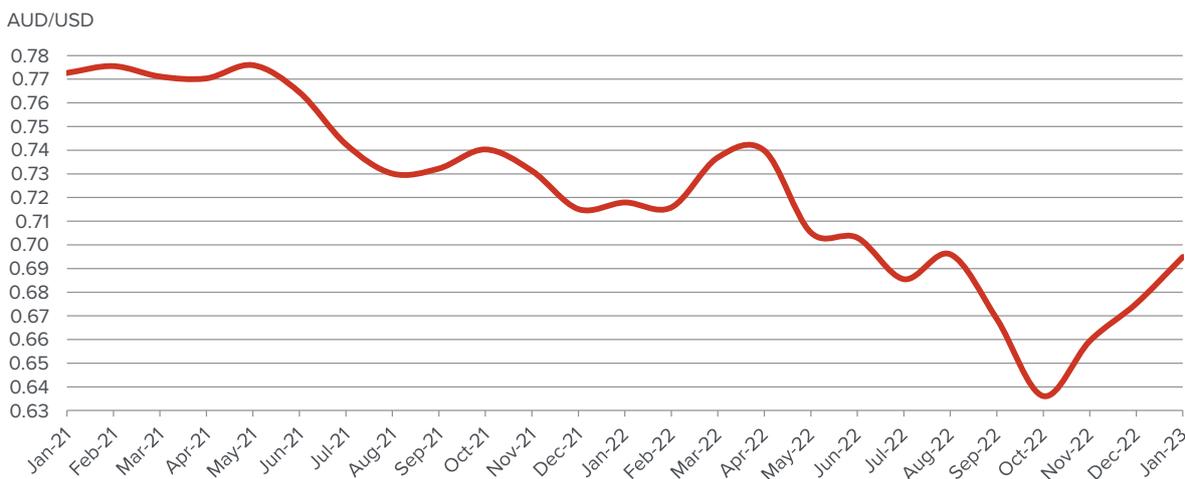
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar opened the month at 68.28US¢ and traded slightly firmer across the month before easing slightly to close at 70.37US¢ to average 69.49US¢, up 1.97US¢ month-on-month, but down 2.30US¢ from January 2022.

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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