



Co-product market report

March 2023

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Beef Co-products

Beef offal prices in February were generally softer across most items however with head meat, hearts and rumen pillars going against the trend.

Table 1: Beef co-product prices

	Average (Feb Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$3.80	\$1.40	3	-12.3%	-12.7%
Beef Lips - Halal	\$4.33	\$0.70	4	-8.4%	-10.1%
Cheekmeat	\$7.83	\$2.00	3	-25.4%	-19.8%
Cheekmeat - Halal	\$9.23	\$6.00	4	-21.5%	10.3%
Diap. Membrane	\$4.35		2	-54.7%	9.7%
Hc Tripe	\$7.75		2	-3.9%	13.1%
Hc Tripe - Halal	\$7.67	\$1.50	3	-2.5%	5.7%
Headmeat	\$6.75		2	10.1%	7.1%
Headmeat - Halal	\$6.53	\$1.30	3	10.1%	0.5%
Heart	\$3.13	\$0.80	3	4.4%	15.6%
Heart - Aorta - Halal	\$9.00		2	-2.2%	12.5%
Heart - Halal	\$3.14	\$2.40	5	6.4%	-7.3%
Kidneys- Halal	\$1.45		2	1.2%	-1.7%
Ligamentum	\$3.20	\$0.80	3	-0.6%	-19.5%
Liver	\$1.86	\$0.22	3	-6.7%	5.7%
Liver - Halal	\$1.92	\$0.50	5	-12.3%	-4.6%
Lungs	\$1.90		2	-10.9%	-11.6%
Lungs - Halal	\$3.35	\$0.60	3	-8.6%	-30.9%
Omasum	\$8.25		2	-10.6%	15.1%
Omasum - Halal	\$7.33	\$2.50	3	-9.5%	-0.2%
Rum.Pill - Halal < 500	\$6.55		2	-6.4%	31.0%
Rum.Pill - Halal > 500 < 700	\$9.50		2	4.4%	16.8%
Rum.Pill - Halal > 700	\$13.70		2	12.0%	19.1%
Rum.Pill < 500	\$5.25		2	-7.4%	-18.8%
Rum.Pill > 500 < 700	\$8.65		2	-1.3%	-3.4%
Rum.Pill > 700	\$11.90		2	12.6%	7.4%
Tail	\$8.30		2	-17.0%	-52.6%
Tail - Halal	\$9.99	\$7.00	4	-6.0%	-46.8%
Tendons	\$10.40	\$0.80	2	-9.0%	-14.4%
Tendons - Halal	\$11.10	\$1.50	3	3.1%	
Thickskirt	\$10.30	\$2.80	3	-11.2%	-1.9%
Thickskirt - Halal	\$10.85	\$6.80	5	0.9%	17.9%
Thinskirt	\$10.45	\$1.80	3	-7.9%	2.0%
Thinskirt - Halal	\$11.21	\$7.50	5	5.5%	28.9%
Tongue Root Meat	\$1.80		2		4.7%
Tongue Root Meat - Halal	\$2.83	\$0.30	3	5.6%	-17.9%
Tongue SW	\$10.98	\$3.50	3	-25.1%	-47.7%
Tongue SW - Halal	\$12.20	\$3.10	3	-18.0%	-28.9%
Tripe Pieces	\$2.27	\$1.00	3	3.0%	-4.9%
Tripe Pieces - Halal	\$2.45	\$1.00	4	-2.0%	-24.0%
Tripe Pieces - Halal	\$2.50	\$0.70	4	1.0%	-11.8%
Tripe Pieces - Halal	\$2.48	\$0.80	4	-7.2%	-21.4%

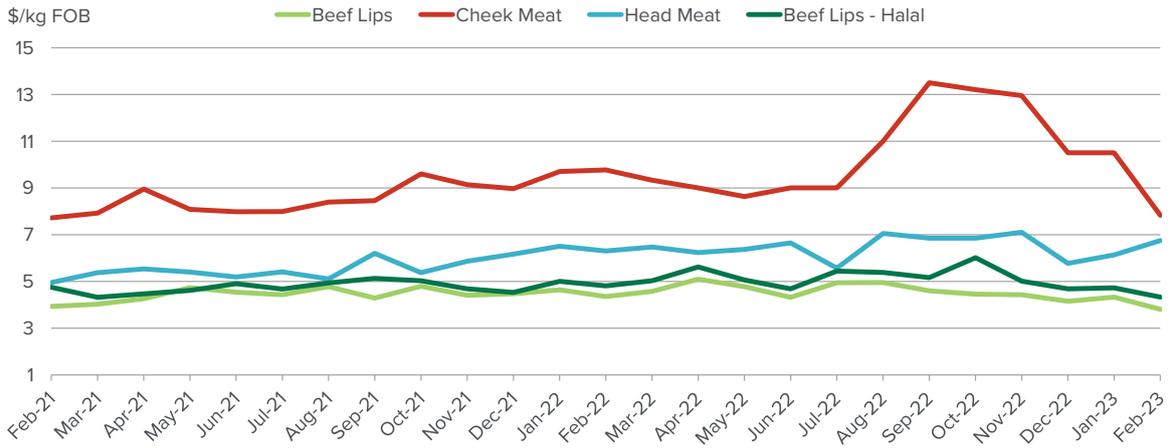
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Head meat averaged \$6.75/kg which was 45¢/kg higher year-on-year and 62¢/kg firmer than last month. Cheek meat was \$1.94/kg lower than year-ago levels, averaging \$7.83/kg, down \$2.67 month-on-month.

Lip export prices to the US and Mexico eased 53¢/kg month-on-month, averaging \$3.80/kg to be 55¢/kg down on last year. Halal lips averaged \$4.33/kg to be 48¢/kg softer than February 2022 and 39¢/kg lower than last month.

Figure 1: Trends in beef head offal prices

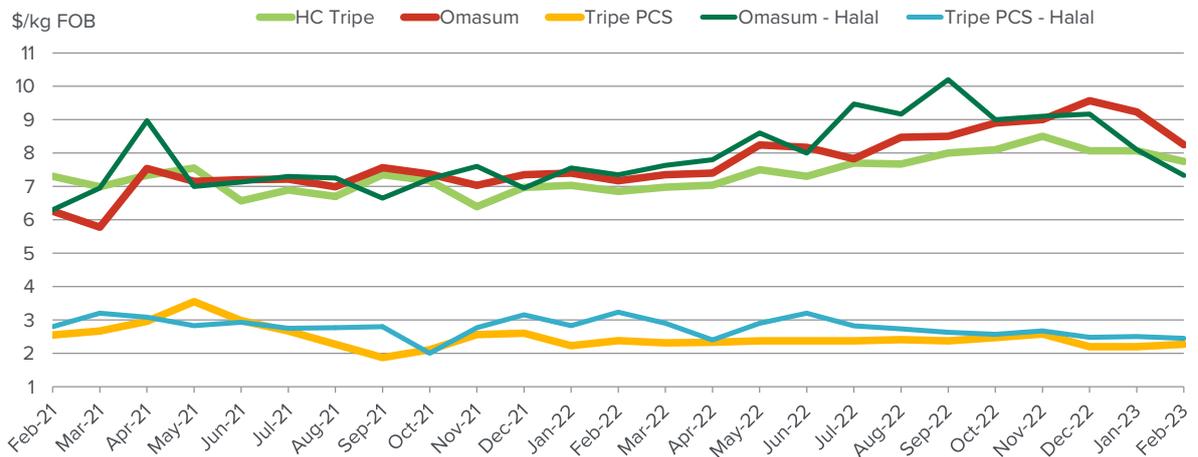


Beef offal trends

Omasum eased 98¢/kg from last month, to average \$8.25/kg, up \$1.08/kg from year-ago prices. Halal omasum averaged \$7.33/kg, down 2¢/kg year-on-year but 77¢/kg softer month-on month.

Halal tripe pieces averaged \$2.45/kg down 78¢/kg year-on-year and 5¢/kg lower than last month. Non-halal tripe pieces averaged \$2.27/kg to be 11¢/kg softer year-on-year 7¢/kg firmer month-on-month. Honeycomb tripe averaged \$7.75/kg to be 90¢/kg above year ago prices but 32¢/kg below last month.

Figure 2: Trends in beef tripe prices

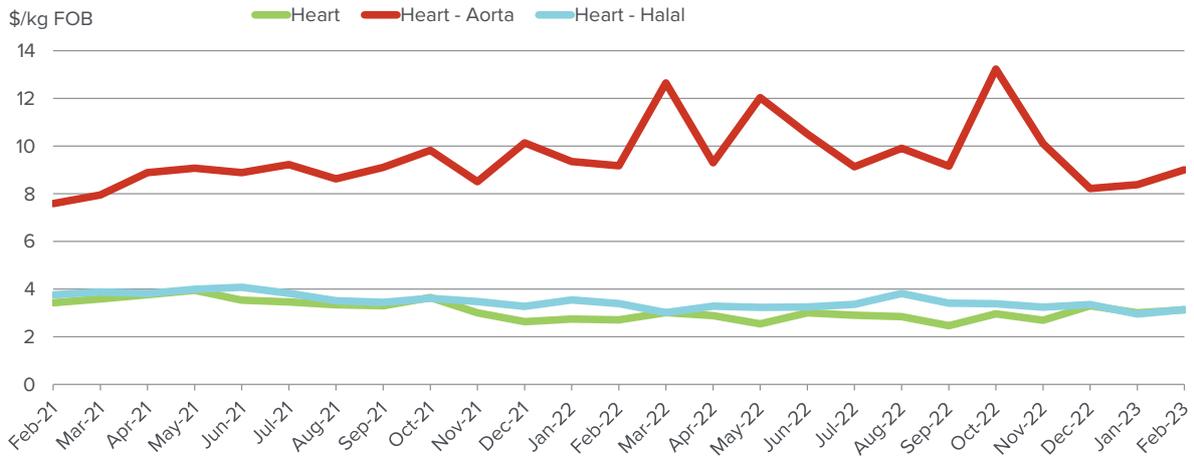


Beef offal trends continued...

Aorta firmed to average \$9.00/kg up 62¢/kg month-on-month and was 17¢/kg below the February 2022 price.

Heart prices were up from last month, averaging \$3.13/kg, to be 42¢/kg above year-ago levels and 13¢/kg above last month price. Halal hearts averaged \$3.14/kg, firming 19¢/kg month-on-month but down 25¢/kg from last February.

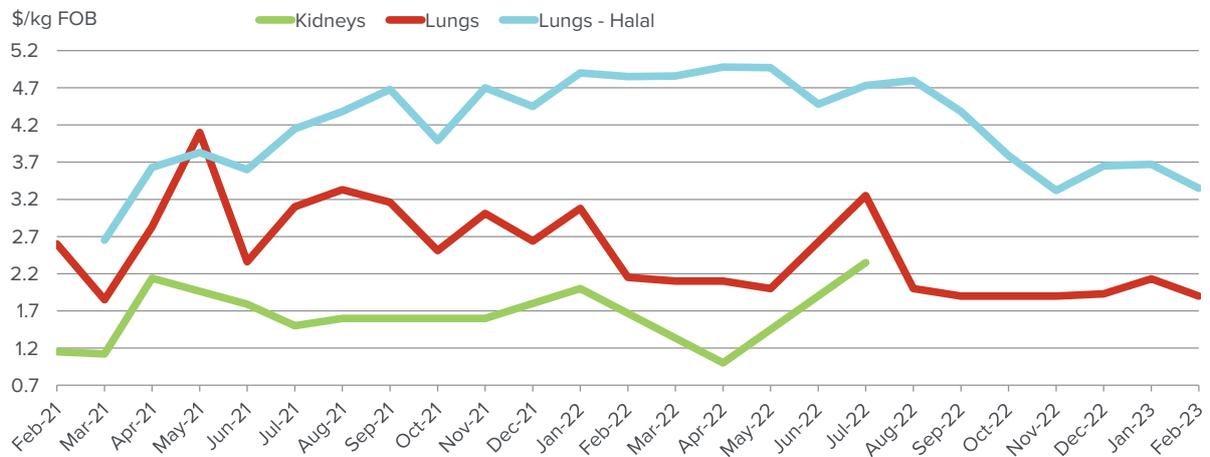
Figure 3: Trends in beef offal prices



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

Halal lungs averaged \$3.35/kg, down \$1.50/kg year-on-year and 32¢/kg lower than last month. Non-halal lungs returned \$1.90/kg to be 25¢/kg below February 2022 and down 23¢/kg month-on-month.

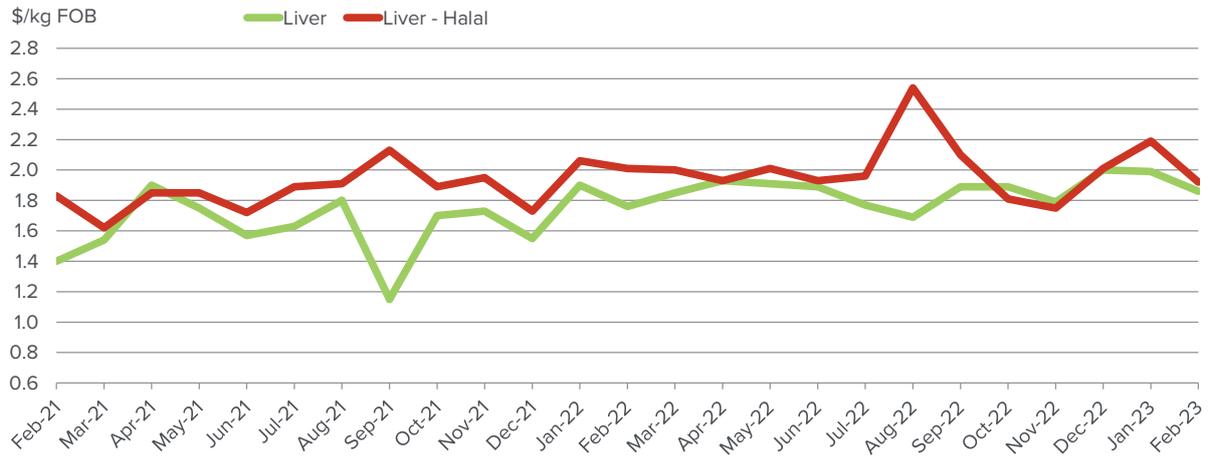
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.86/kg, down 13¢/kg month-on-month but 10¢/kg firmer than year-ago levels. Halal livers were 27¢/kg down on last month's price to average \$1.92/kg down 9¢/kg on last year prices.

Figure 5: Trends in beef offal prices



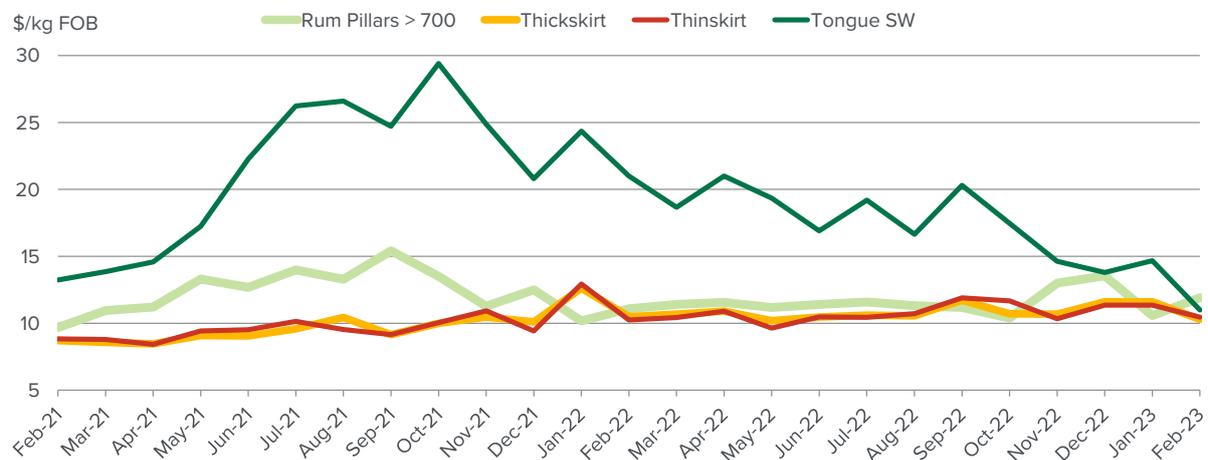
Japanese and Korean Offals

Tongue averaged \$10.98/kg which was \$10.02/kg below year ago price and \$3.69/kg down month-on-month.

Thick skirt was 20¢/kg softer year-on-year and \$1.30 below last month, averaging \$10.30/kg. Thin skirt averaged \$10.45/kg to be 90¢/kg below last month but 20¢/kg up year-on-year.

Rumen pillars firmed with heavy weight product averaging \$11.90/kg, up \$1.33/kg month-on-month and 82¢/kg higher than February 2022 levels.

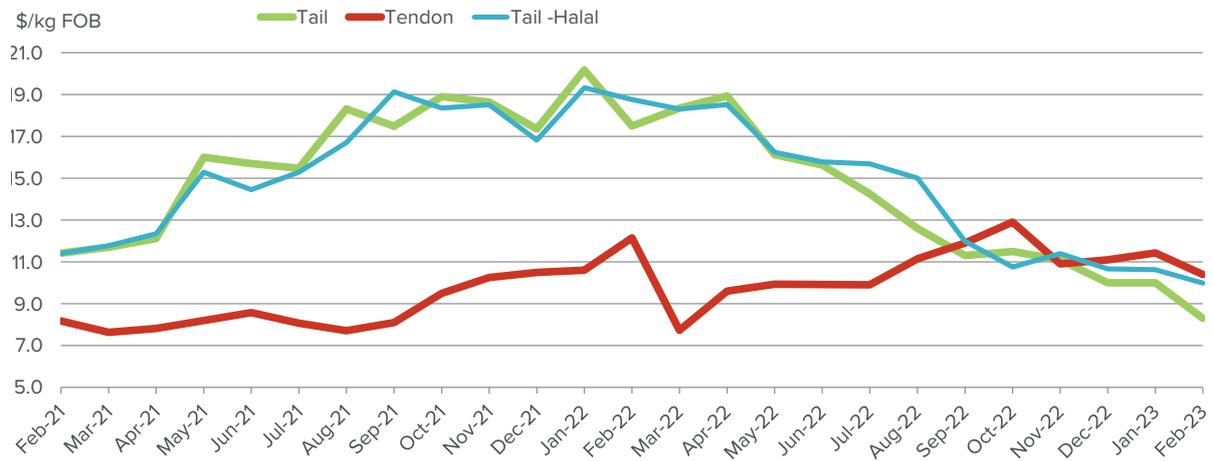
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices were down on last month, averaging \$8.30/kg, to be \$9.20/kg below year-ago levels. Halal tails averaged \$9.99/kg, down 64¢/kg from last month but \$8.77/kg below year-ago prices. Tendons averaged \$10.40/kg to be \$1.75/kg lower year-on-year and \$1.03/kg down from last month.

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 (Feb Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$3.93	\$4.70	3	-34.4%	-18.3%
Kidneys Sheep - Halal	\$5.33	\$1.00	3	10.3%	-5.0%
Liver Sheep - Halal	\$3.05		2	2.8%	16.6%
Runners Lamb	\$6.85	\$1.55	3	2.7%	6.2%
Runners Sheep	\$5.85	\$1.55	3	3.2%	10.9%
Tripe Sheep - Halal	\$2.35		2	-44.0%	-52.0%

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

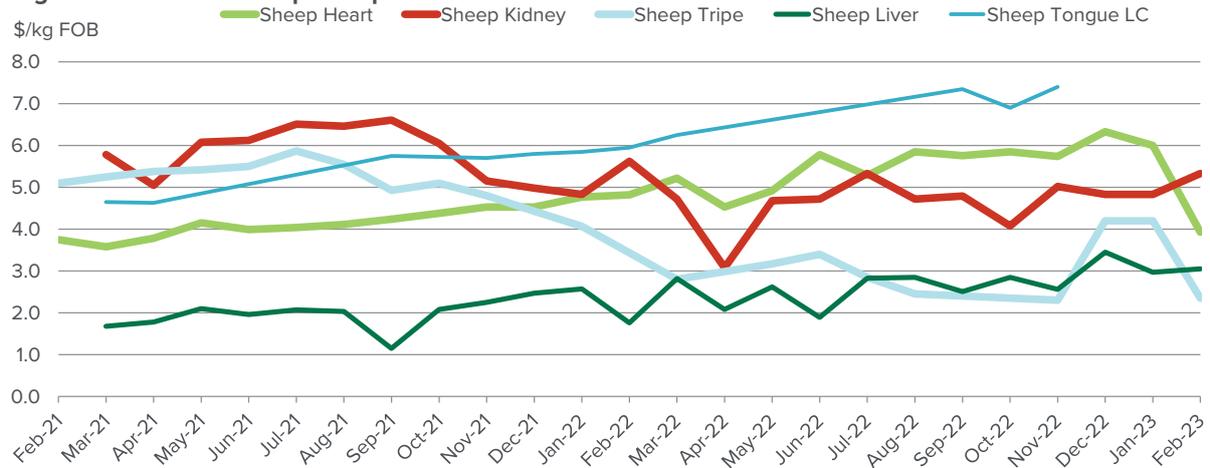
Sheep offal

Sheep hearts averaged \$3.93/kg, down \$2.07¢/kg month-on-month and 89¢/kg cheaper than year-ago levels. Sheep kidneys were reported at \$5.33/kg which was 50¢/kg firmer month-on-month but 29¢/kg softer year-on-year. Sheep liver averaged \$3.05/kg to be 8¢/kg firmer month-on-month and \$1.29/kg higher than February 2022.

Sheep tripe was reported at \$2.35/kg which was 40¢/kg below last year’s price and \$1.85/kg down month-on-month.

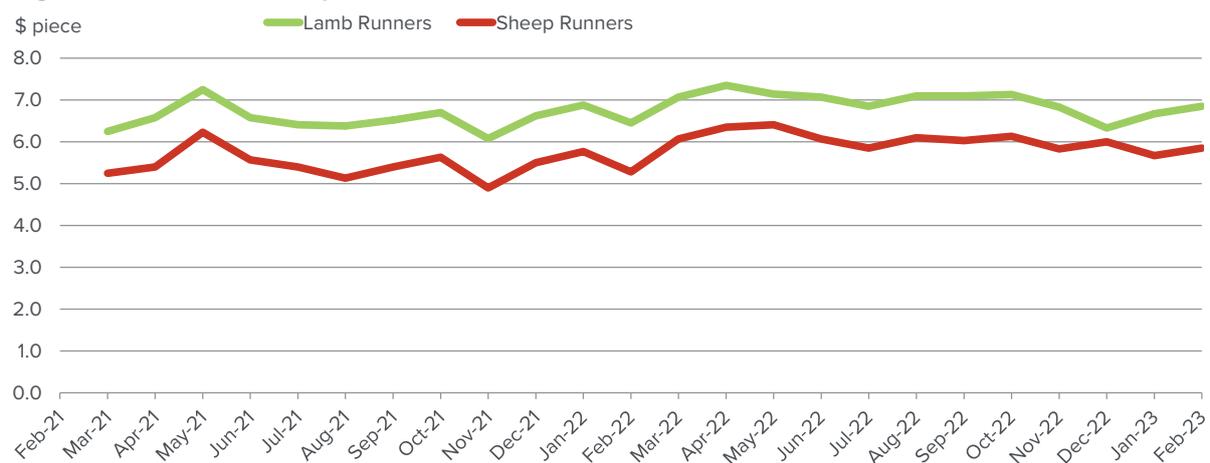
Long cut tongues were not reported.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$6.85/piece firming 40¢/piece year-on-year and 18¢/piece firmer than January while sheep runners were reported at \$5.85/piece, up 18¢/piece month-on-month and 57¢/piece firmer year-on-year.

Figure 9: Trends in runner prices



Pharmaceutical products

Pharmaceutical products were relatively steady this month.

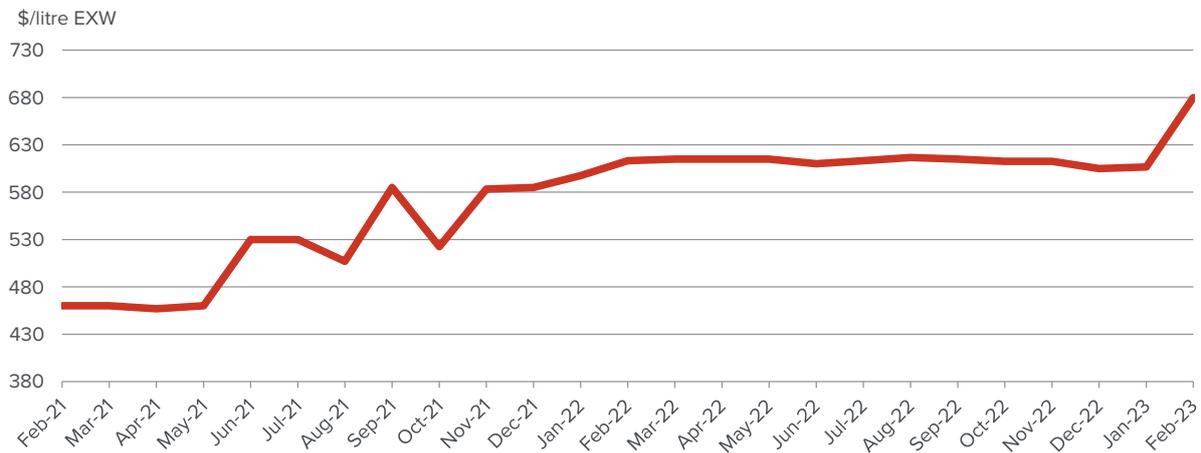
Table 3: Pharmaceutical prices

	Average (Feb Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$680.00	\$30.00	3	12.1%	10.9%
Gall Concentrated	\$24.50		2	11.4%	-3.9%

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

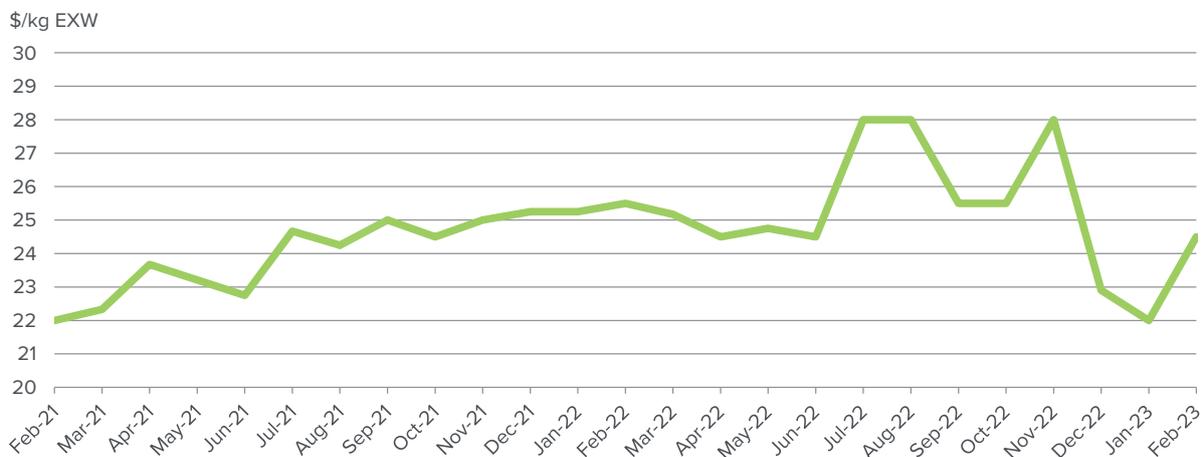
The average foetal calf blood price has firmed \$66.67/litre year-on-year to average \$680/litre, which was which was up \$73.33 from last month.

Figure 10: Trends for foetal blood prices



Concentrated gall averaged \$24.50/kg to be \$1.00/kg down on February 2022 price and \$2.50/kg up month-on-month.

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered products remained buoyant however tallow started to ease.

Table 4: Rendered product prices

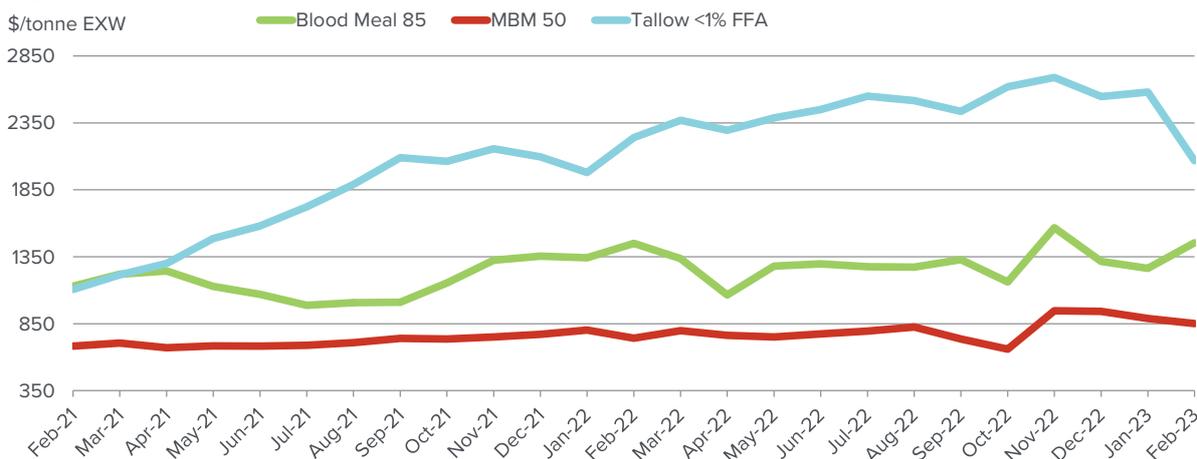
	Average (Feb Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,455.00		2	15.2%	0.3%
MBM 50	\$851.25	\$365.00	4	-4.1%	14.9%
Tallow Ined.<1FFA	\$2,066.67	\$360.00	3	-19.9%	-7.7%

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

The price for 50% protein MBM eased \$37/tonne from last month, averaging \$851/tonne which was \$110/tonne above February 2022 levels. Blood meal averaged \$1455/tonne, up \$5/tonne compared with last year’s price and \$192/tonne firmer month-on-month.

Tallow prices eased, with the price for 1% FFA tallow averaging \$2067/tonne, down \$173/tonne from February 2022 and \$513/tonne below last month’s price.

Figure 12: Trends in rendered co-product prices



Hides

News on leather markets is a bit mixed, with demand on certain product lines such as upholstery & automotive leather a bit stronger while the shoe leather business is well below the same time last year.

USA hide processors are holding firm on their selling prices and looking for an extra dollar or two however the Chinese tanners are only prepared to book at the same prices as the last business.

It appears the hide market may have bottomed however tanners are currently experiencing a challenging business environment and are unwilling to pay higher raw hide prices.

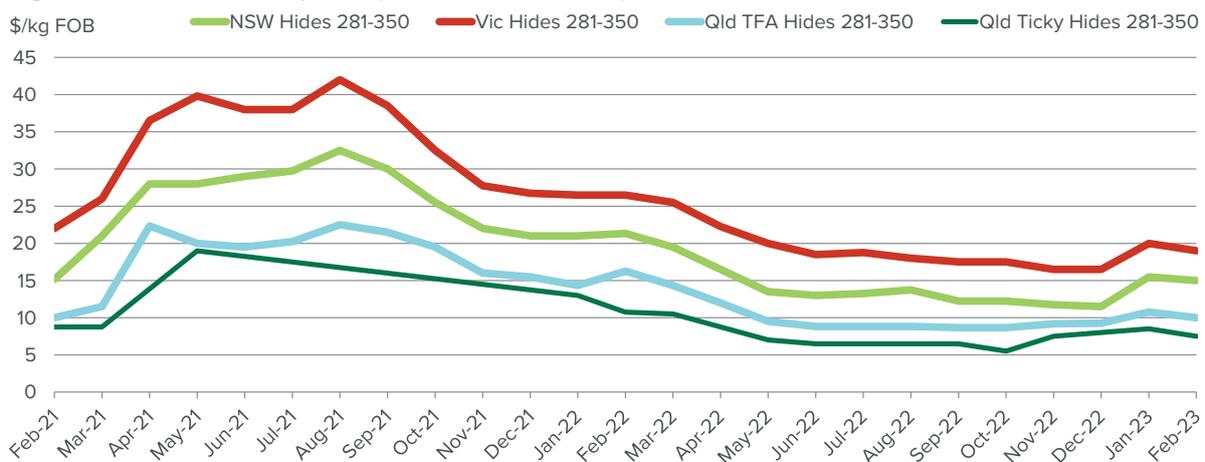
Table 5: Hide prices

	Average (Feb Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$2.75		2	37.5%	-31.3%
Hides NSW 181 - 220	\$4.50		2	0.0%	-45.5%
Hides NSW 221 - 280	\$8.50		2	-2.9%	-37.8%
Hides NSW 281 - 350	\$15.00		2	-3.2%	-29.7%
Hides NSW 351 Up	\$20.50		2	-4.7%	-28.1%
Hides QLD TFA 281 - 350	\$10.00	\$5.00	3	-7.0%	-38.5%
Hides QLD TFA 351 Up	\$14.00	\$8.00	3	-12.5%	-37.1%
Hides QLD Ticky 281 - 350	\$7.50		2	-11.8%	-30.2%
Hides QLD Ticky 350 Up	\$12.00		2	-4.0%	-25.0%
Hides VIC 141-180	\$5.00		2	42.9%	-9.1%
Hides VIC 181-220	\$7.50		2	0.0%	-34.8%
Hides VIC 221 - 280	\$13.00		2	-7.1%	-33.3%
Hides VIC 281-350	\$19.00		2	-5.0%	-28.3%
Hides VIC 351 Up	\$25.50		2	-4.7%	-28.2%

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

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

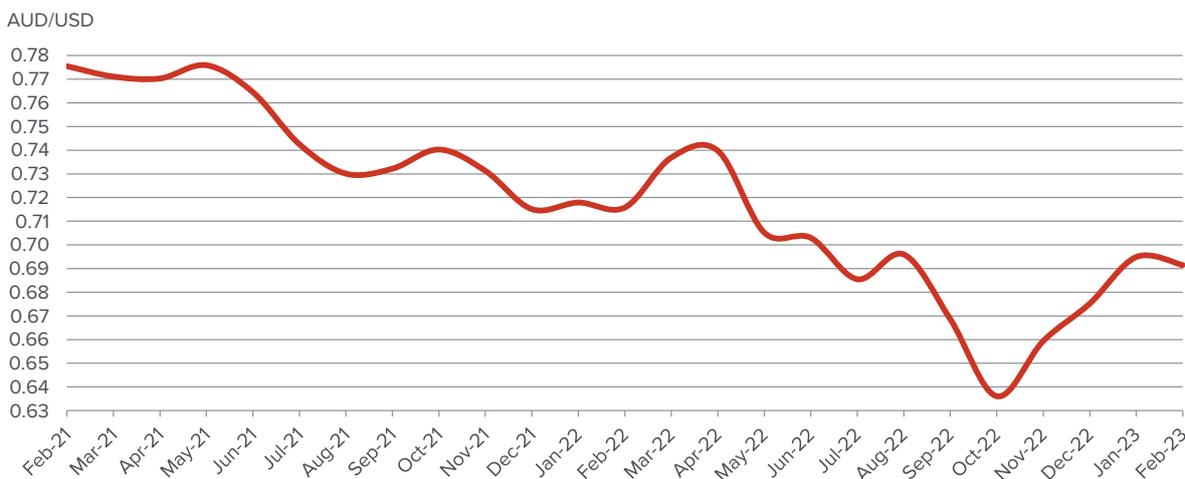
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar opened the month at 70.68US¢ and traded downwards across the month to close at 67.30US¢ to average 69.15US¢, down 0.34US¢ month-on-month, but down 2.43US¢ from February 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:

Please call Jenny Lim on 02 9463 9372 or jljm@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



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