



Co-product market report

September 2022

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Beef Co-products

Beef offal prices in August were softer across most items while head meat, cheek meat and tendons were firmer.

Table 1: Beef co-product prices

	Average (Aug Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$4.95	\$1.64	3	0.3%	4.0%
Beef Lips - Halal	\$5.38	\$1.50	5	-1.0%	9.2%
Cheekmeat	\$11.00	\$9.00	3	22.2%	31.1%
Cheekmeat - Halal	\$9.66	\$5.70	4	-2.0%	7.6%
Diap. Membrane	\$6.70	\$9.95	5	-7.8%	6.1%
Hc Tripe	\$7.67	\$1.50	3	-0.4%	14.4%
Hc Tripe - Halal	\$7.53	\$1.20	4	-1.8%	-2.2%
Headmeat	\$7.05	\$0.70	2	26.6%	38.2%
Headmeat - Halal	\$6.06	\$1.93	3	-0.7%	16.5%
Heart	\$2.84	\$0.60	3	-2.1%	-15.0%
Heart - Aorta	\$9.90	\$4.20	2	8.4%	14.8%
Heart - Aorta - Halal	\$16.03	\$15.70	3	67.9%	94.3%
Heart - Halal	\$3.81	\$2.47	5	13.4%	8.7%
Kidneys- Halal	\$1.98	\$1.30	3	36.8%	30.1%
Ligamentum	\$3.61	\$2.90	5	-4.6%	-6.1%
Liver	\$1.69	\$0.30	3	-4.3%	-5.9%
Liver - Halal	\$2.54	\$3.30	5	29.4%	33.0%
Lungs	\$2.00	\$0.40	2	-38.5%	-39.8%
Lungs - Halal	\$4.80	\$0.50	3	1.6%	9.7%
Omasum	\$8.47	\$4.00	3	8.1%	21.2%
Omasum - Halal	\$9.17	\$5.00	3	-3.2%	26.4%
Rum.Pill - Halal < 500	\$3.77	\$0.70	3	8.4%	-41.1%
Rum.Pill - Halal > 500 < 700	\$7.23	\$3.30	3	9.6%	-17.8%
Rum.Pill - Halal > 700	\$10.97	\$2.40	3	-10.1%	-13.6%
Rum.Pill < 500	\$4.90	\$1.70	3	10.1%	-12.7%
Rum.Pill > 500 < 700	\$8.46	\$1.70	3	9.2%	-3.6%
Rum.Pill > 700	\$11.32	\$2.47	3	-2.3%	-14.8%
Tail	\$12.60	\$2.80	3	-11.5%	-31.2%
Tail - Halal	\$15.01	\$6.05	5	-4.3%	-10.2%
Tendons	\$11.15	\$0.70	2	12.6%	44.7%
Tendons - Halal	\$12.30	\$0.40	2	-1.2%	
Thickskirt	\$10.55	\$2.55	3	-0.4%	1.1%
Thickskirt - Halal	\$9.83	\$3.72	4	-1.3%	8.3%
Thinskirt	\$10.72	\$2.80	3	2.7%	12.6%
Thinskirt - Halal	\$10.26	\$2.85	4	-3.1%	11.2%
Tongue Root Fillet	\$6.28	\$0.25	2	-12.4%	-5.6%
Tongue Root Meat - Halal	\$3.51	\$1.59	4	-2.2%	-11.4%
Tongue SW	\$16.65	\$2.94	3	-13.2%	-37.4%
Tongue SW - Halal	\$21.33	\$13.00	3	12.7%	-28.3%
Tripe Pieces	\$2.41	\$0.19	4	1.8%	6.3%
Tripe Pieces - Halal	\$2.73	\$0.05	2	-3.3%	-1.5%

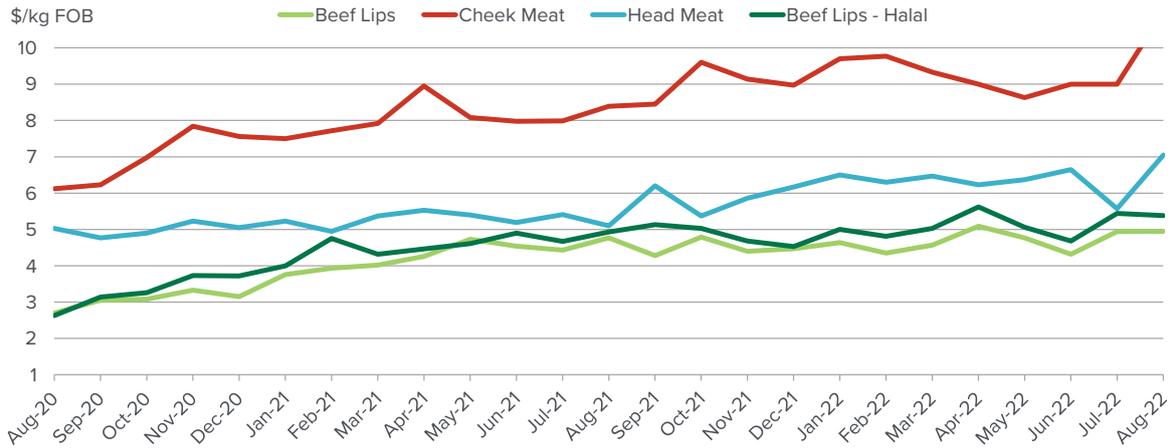
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Head meat averaged \$7.05/kg which was \$1.95/kg higher year-on-year and \$1.48/kg above last month. Cheek meat was \$2.61/kg dearer than year-ago levels, averaging \$11.00/kg, up \$2.00/kg month-on-month.

Lip export prices to the US and Mexico firmed 1¢/kg month-on-month, averaging \$4.95/kg to be 18¢/kg up on last year. Halal lips averaged \$5.38/kg to be 45¢/kg firmer than August 2021 but 6¢/kg lower than last month.

Figure 1: Trends in beef head offal prices

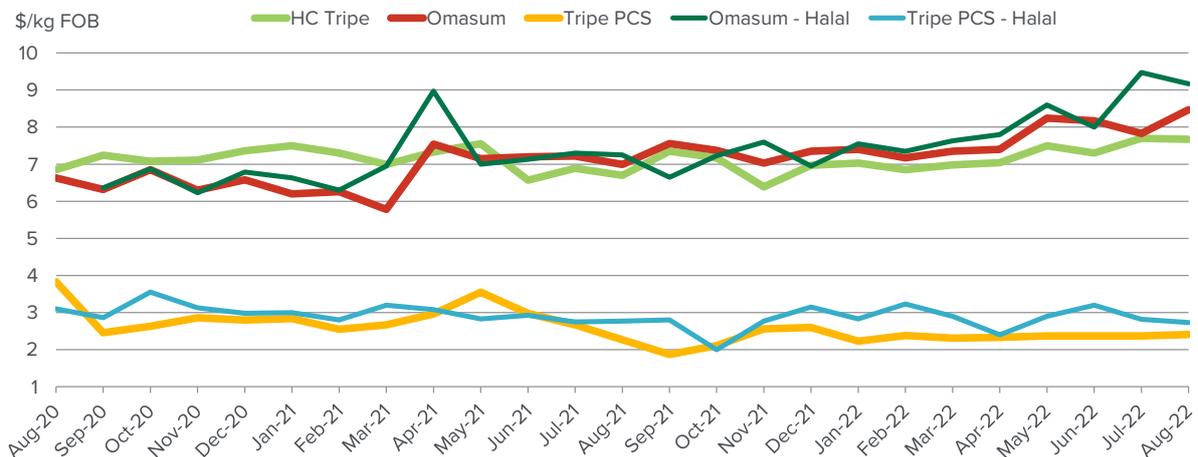


Beef offal trends

Omasum firmed 64¢/kg from last month, to average \$8.47/kg, up \$1.48/kg from year-ago prices. Halal omasum averaged \$9.17/kg, up \$1.92/kg year-on-year but 30¢/kg softer month-on month.

Halal tripe pieces averaged \$2.73/kg down 4¢/kg year-on-year and 9¢/kg lower than last month. Non-halal tripe pieces averaged \$2.41/kg to be 14¢/kg firmer year-on-year. Honeycomb tripe averaged \$7.67/kg to be 97¢/kg above year ago prices and 3¢/kg down on last month.

Figure 2: Trends in beef tripe prices

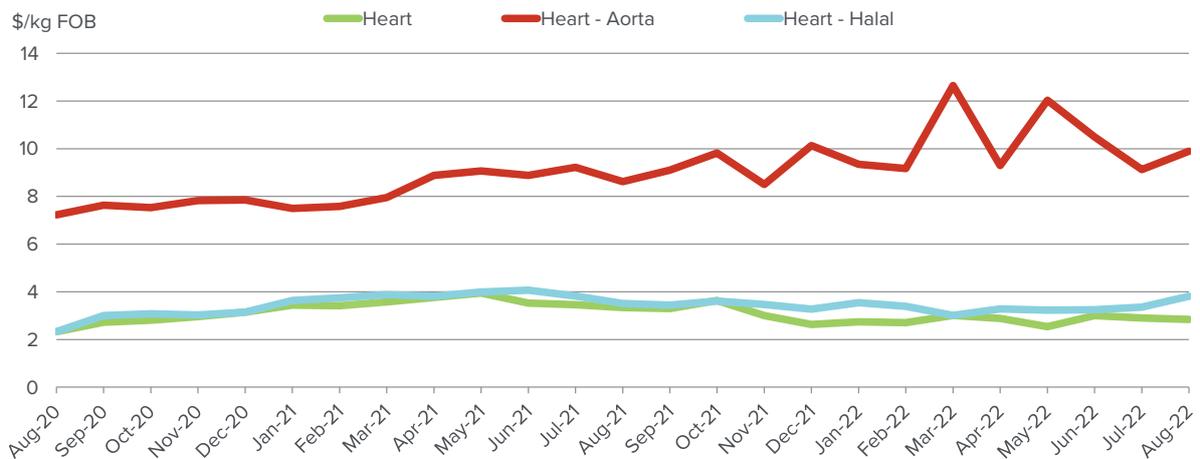


Beef offal trends continued...

Aorta firmed to average \$9.90/kg up 77¢/kg month-on-month and was \$1.28/kg above the August 2021 price.

Heart prices were down slightly from last month, averaging \$2.84/kg, to be 50¢/kg below year-ago levels and 6¢/kg below the July price. Halal hearts averaged \$3.81/kg, firming 45¢/kg month-on-month and up 30¢/kg from August 2021.

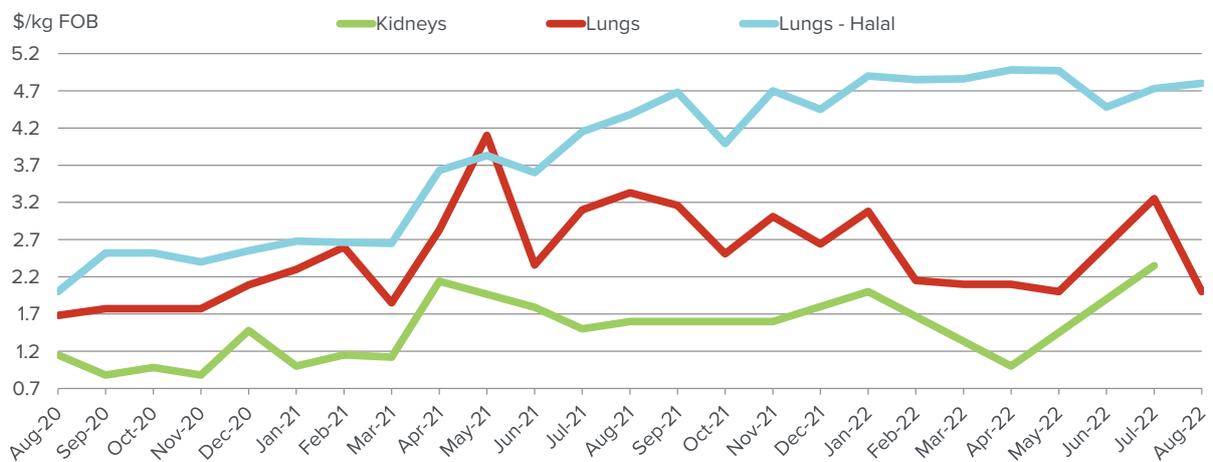
Figure 3: Trends in beef offal prices



Kidneys were not reported this month.

Halal lungs averaged \$4.80/kg, up 42¢/kg year-on-year and 7¢/kg higher than last month. Non-halal lungs returned \$2.00/kg to be \$1.33 below August 2021.

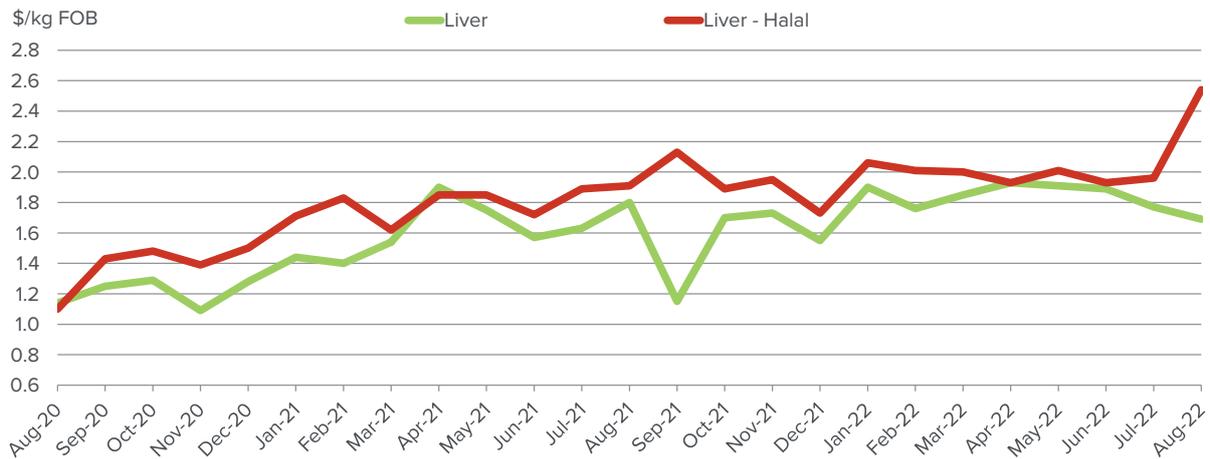
Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.69/kg, down 8¢/kg month-on-month and 11¢/kg softer than year-ago levels. Halal livers were 58¢/kg up on last month's price to average \$2.54/kg up 63¢/kg on last year prices.

Figure 5: Trends in beef offal prices



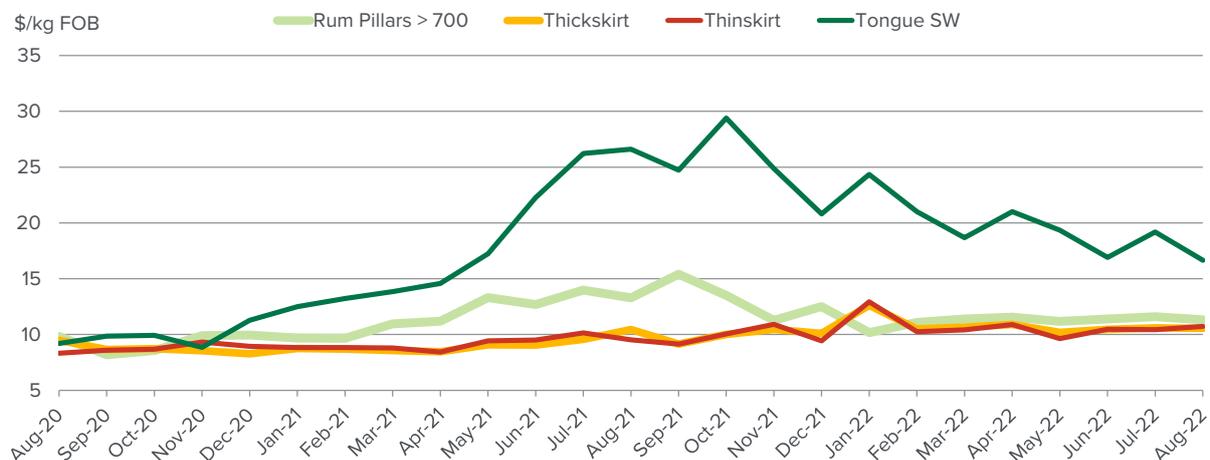
Japanese and Korean Offals

Tongue prices were \$2.54/kg below July to average \$16.65/kg and were \$9.95/kg below year-ago levels.

Thick skirt was 11¢/kg firmer year-on-year but 5¢/kg lower than last month, averaging \$10.55/kg. Thin skirt averaged \$10.72 to be 28¢/kg above last month and \$1.19/kg firmer year-on-year.

Rumen pillars eased with heavy weight product averaging \$11.32/kg, down 27¢/kg month-on-month but \$1.97/kg lower than August 2021 levels.

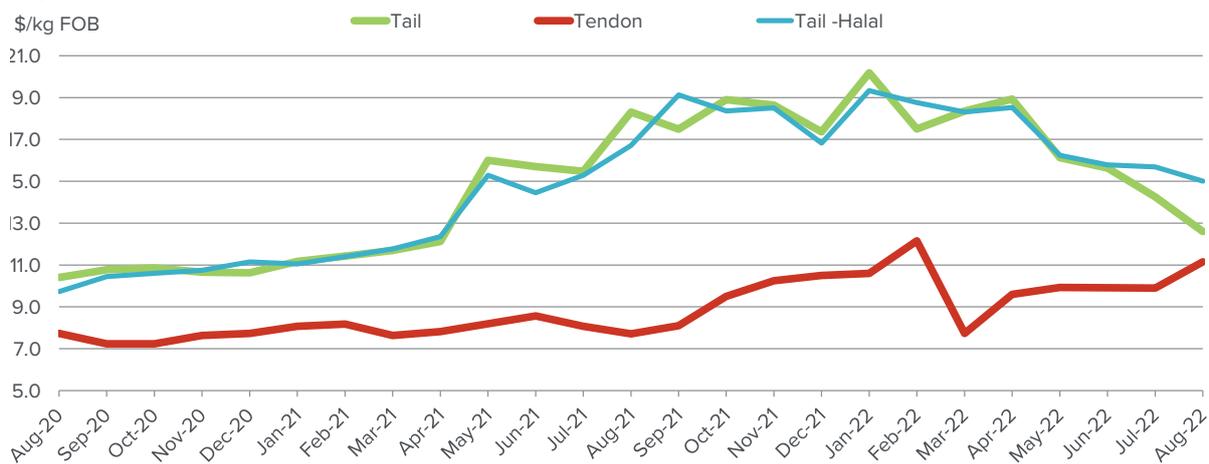
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices fell \$1.65/kg from last month, averaging \$12.60/kg, to be \$5.71/kg below year-ago levels. Halal tails averaged \$15.01/kg, down 68¢/kg from last month and \$1.70/kg below year-ago prices. Tendons averaged \$11.15/kg to be \$3.44 higher year-on-year and \$1.25/kg up 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 (Aug Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$5.85	\$3.45	3	10.9%	42.2%
Kidneys Sheep - Halal	\$4.72	\$3.85	3	-11.4%	-27.0%
Liver Sheep - Halal	\$2.85	\$2.25	3	0.9%	40.7%
Runners Lamb	\$7.10	\$0.20	2	3.6%	11.2%
Runners Sheep	\$6.10	\$0.20	2	4.3%	18.8%
Tripe Sheep - Halal	\$2.45	\$0.10	2	-14.0%	-55.9%

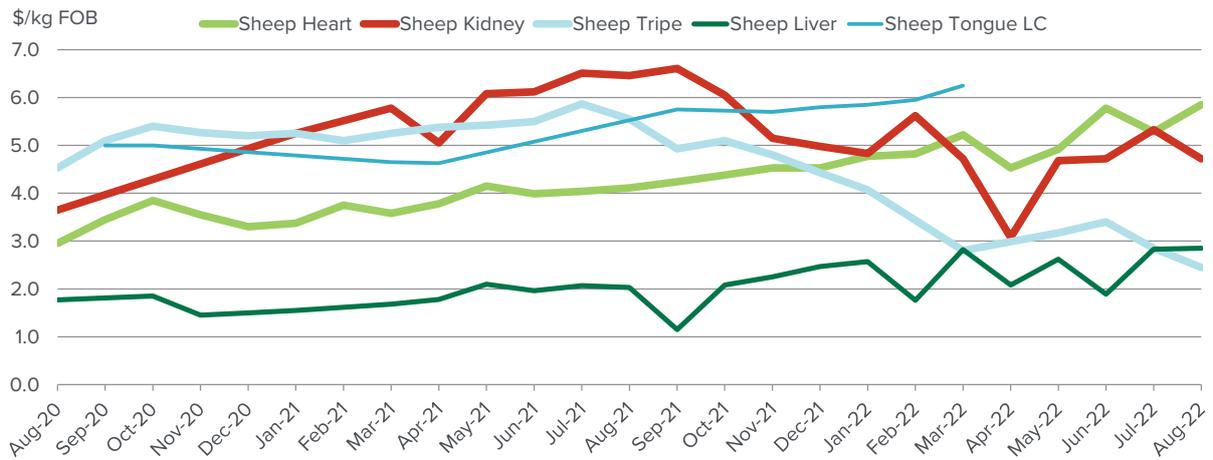
Price quoted is average price reported in \$/kg FOB Australian port and runners as \$/piece.

Sheep offal

Sheep hearts averaged \$5.85/kg, up 57¢/kg month-on-month and \$1.74/kg dearer than year-ago levels. Sheep kidneys were reported at \$4.72/kg which was 61¢/kg below the July average and \$1.74 down year-on-year. Sheep liver averaged \$2.85/kg to be 2¢/kg firmer month-on-month and 82¢/kg higher than August 2021.

Sheep tripe averaged \$2.45/kg to be \$3.10 down from August 2021 and 40¢/kg below last month. Long cut tongues were not reported.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$7.10/piece firming 72¢/piece year-on-year and 25¢/piece up from July while sheep runners were reported at \$6.10/piece, up 25¢/piece month-on-month and up 97¢/piece year-on-year.

Figure 9: Trends in runner prices



Pharmaceutical products

Pharmaceutical products remained steady.

Table 3: Pharmaceutical prices

	Average (Aug Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$616.67	\$20.00	3	0.5%	21.7%
Gall Concentrated	\$28.00	\$4.00	2	0.0%	15.5%

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

The average foetal calf blood price has firmed \$109.67/litre year-on-year to average \$616.67/litre, which was \$3.34/litre up from last month.

Figure 10: Trends for foetal blood prices



Concentrated gall averaged \$28/kg to be \$3.75/kg up on August 2021 price and even 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.

Table 4: Rendered product prices

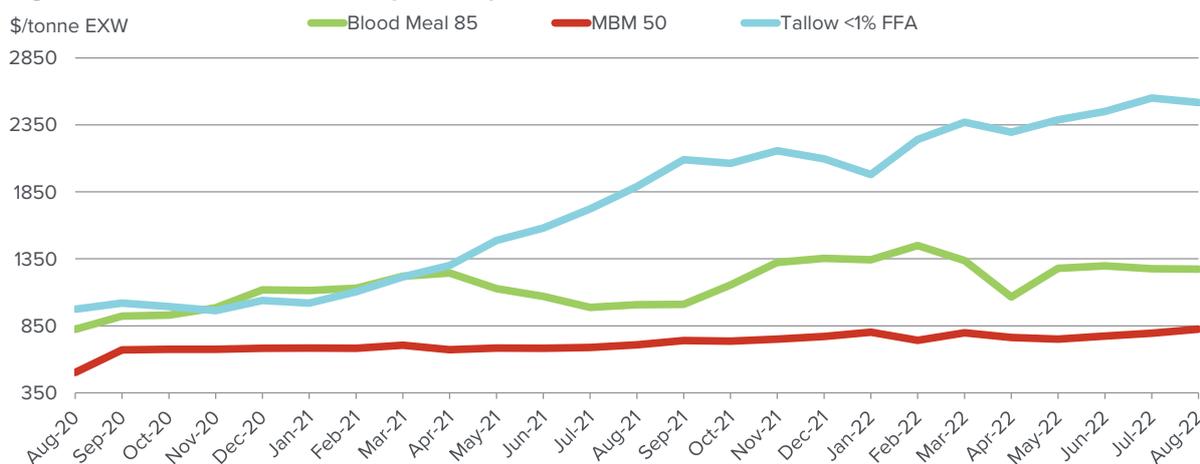
	Average (Aug Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,273.33	\$280.00	3	-0.2%	26.5%
MBM 50	\$825.00	\$200.00	5	3.8%	16.5%
MBM 50 Sheep	\$2,252.50	\$95.00	2	1.2%	76.0%
Tallow Ined.<1FFA	\$2,516.67	\$320.00	3	-1.3%	33.2%
Tallow Ined.<2FFA	\$2,353.33	\$270.00	3	-6.5%	34.9%
Tallow Ined.<4FFA	\$2,365.00	\$270.00	2	-0.1%	40.5%

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

The price for 50% protein MBM firmed \$30/tonne from last month, averaging \$825/tonne which was \$117/tonne above August 2021 levels. Blood meal averaged \$1273/tonne, up \$266/tonne compared with last year's price but \$3/tonne softer month-on-month.

Tallow prices remain firm, with the price for 1% FFA tallow averaging \$2517/tonne, up \$627/tonne from August 2021 but \$33/tonne below last month's price.

Figure 12: Trends in rendered co-product prices



Hides

The hide market remained steady but subdued on the back of lower production however the sentiment amongst many tanners for the second half of 2022 is hide & leather markets will remain soft.

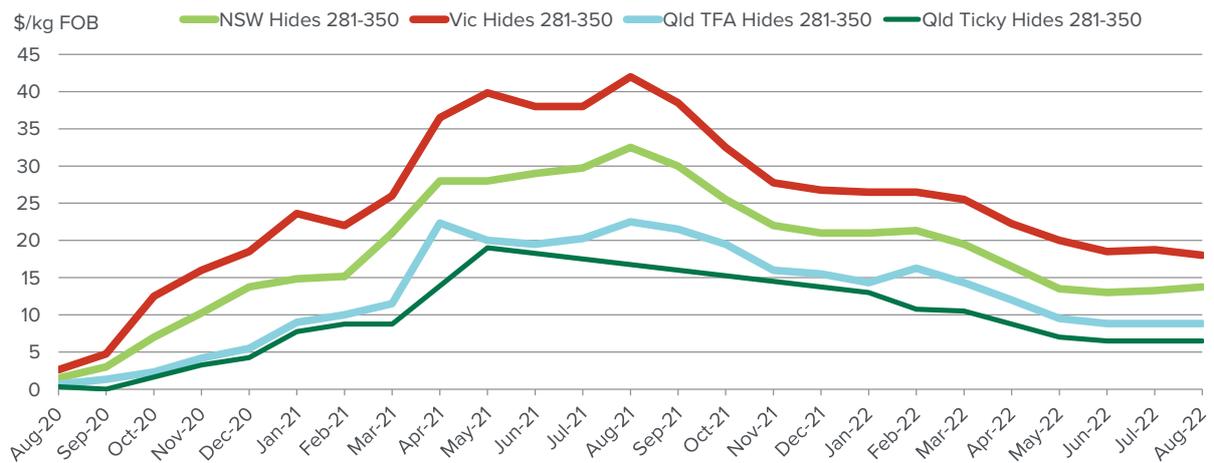
Table 5: Hide prices

	Average (Aug Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$3.00	\$0.00	2	0.0%	-53.8%
Hides NSW 181 - 220	\$4.75	\$0.50	2	0.0%	-63.5%
Hides NSW 221 - 280	\$8.00	\$1.00	2	0.0%	-64.0%
Hides NSW 281 - 350	\$13.75	\$4.50	2	3.8%	-57.7%
Hides NSW 351 Up	\$20.75	\$4.50	2	5.1%	-51.2%
Hides QLD TFA 281 - 350	\$8.83	\$4.50	3	0.0%	-60.7%
Hides QLD TFA 351 Up	\$13.17	\$5.50	3	-1.2%	-56.8%
Hides QLD Ticky 281 - 350	\$6.50	\$5.00	2	0.0%	-71.1%
Hides QLD Ticky 350 Up	\$10.50	\$5.00	2	-4.5%	-65.6%
Hides VIC 141-180	\$4.00	\$0.00	2	0.0%	-57.9%
Hides VIC 181-220	\$7.00	\$0.00	2	0.0%	-65.0%
Hides VIC 221 - 280	\$12.00	\$2.00	2	2.1%	-59.1%
Hides VIC 281-350	\$18.00	\$2.00	2	-4.0%	-57.1%
Hides VIC 351 Up	\$26.00	\$2.00	2	0.0%	-49.7%

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

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

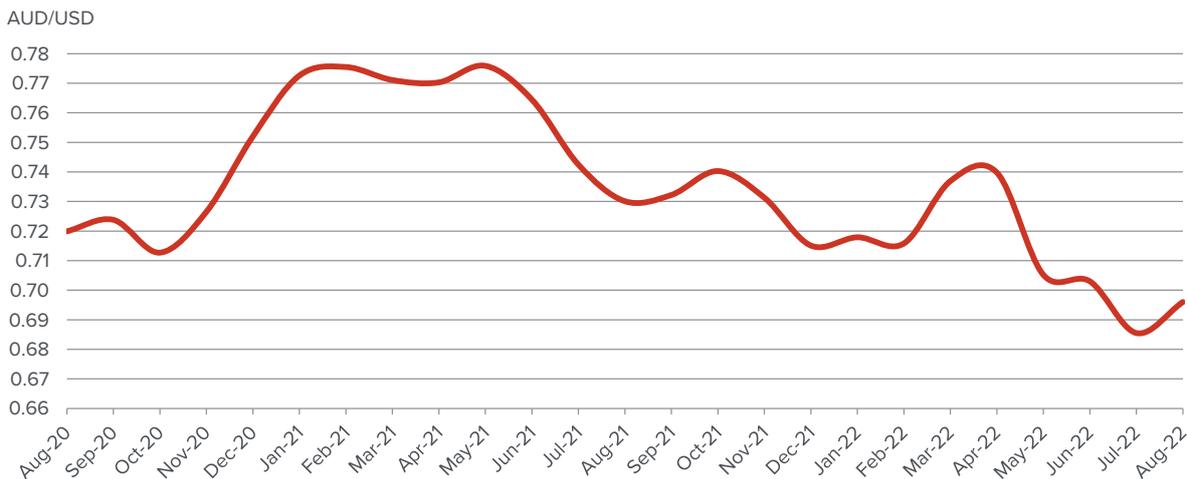
Figure 13: Trends in hide prices (East Coast Ex Works)



Currency exchange

The Australian dollar opened the month at 69.56US¢ and traded at relatively steady levels before a rally mid-month before closing at 69.02US¢ to average 69.60US¢, up 1.05US¢ month-on-month, and down 3.41US¢ from August 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
 September 2022

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