



Co-product market report

December 2022

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Beef Co-products

Beef offal prices in November were mixed across all items with tendons and halal lungs showing a downward trend whilst aorta corrected last month's upturn.

Table 1: Beef co-product prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Beef Lips	\$4.43	\$1.40	3	-3.6%	0.7%
Beef Lips - Halal	\$5.01	\$0.70	4	-2.9%	7.1%
Cheekmeat	\$12.95		2	-4.1%	41.7%
Cheekmeat - Halal	\$11.65	\$5.05	3	0.0%	50.3%
Diap. Membrane	\$4.80	\$2.70	3	4.1%	-9.4%
Hc Tripe	\$8.15		2	1.9%	27.5%
Hc Tripe - Halal	\$8.50		2	6.3%	34.9%
Headmeat	\$7.10		2	3.6%	21.1%
Headmeat - Halal	\$7.00		2	10.2%	23.5%
Heart	\$2.69	\$1.07	3	9.3%	-10.3%
Heart - Aorta	\$10.10		2	10.4%	18.8%
Heart - Aorta - Halal	\$9.20		2	-15.6%	13.4%
Heart - Halal	\$3.24	\$2.55	4	-5.1%	-6.7%
Kidneys- Halal	\$1.48		2	-33.7%	22.9%
Ligamentum	\$3.19	\$1.05	4	-17.2%	-16.6%
Liver	\$1.79	\$0.20	3	-5.1%	4.0%
Liver - Halal	\$1.75	\$0.75	4	-16.7%	-10.3%
Lungs	\$1.90		2	0.0%	-36.8%
Lungs - Halal	\$3.32	\$0.35	3	-24.3%	-29.4%
Omasum	\$9.00		2	5.9%	28.0%
Omasum - Halal	\$9.10		2	-10.8%	19.7%
Rum.Pill - Halal < 500	\$4.00		2	-11.8%	-27.3%
Rum.Pill - Halal > 500 < 700	\$7.50		2	-5.5%	4.7%
Rum.Pill - Halal > 700	\$11.00		2	-6.2%	10.0%
Rum.Pill < 500	\$4.60	\$0.60	3	16.1%	15.0%
Rum.Pill > 500 < 700	\$8.89	\$2.30	3	16.4%	11.6%
Rum.Pill > 700	\$13.00	\$2.90	3	16.4%	15.5%
Tail	\$11.10	\$2.80	3	-1.8%	-40.4%
Tail - Halal	\$11.39	\$2.60	4	-5.0%	-38.5%
Tendons	\$10.90		2	-8.4%	6.3%
Tendons - Halal	\$13.45		2	17.0%	62.0%
Thickskirt	\$10.67	\$2.50	3	-9.1%	1.9%
Thickskirt - Halal	\$11.79	\$4.75	4	-2.8%	27.1%
Thinskirt	\$10.33	\$1.50	3	-13.2%	-5.3%
Thinskirt - Halal	\$11.06	\$2.10	4	-9.7%	17.7%
Tongue Root Fillet	\$6.08		2	-3.1%	-1.2%
Tongue Root Meat	\$1.80		2	-5.8%	-12.6%
Tongue Root Meat - Halal	\$4.50		2	38.5%	5.0%
Tongue SW	\$14.63	\$4.10	3	-27.9%	-41.2%
Tongue SW - Halal	\$14.83	\$5.50	3	-8.2%	-37.2%
Tripe Pieces	\$2.58	\$0.36	3	8.9%	0.7%
Tripe Pieces - Halal	\$2.67	\$0.80	3	1.3%	-3.6%

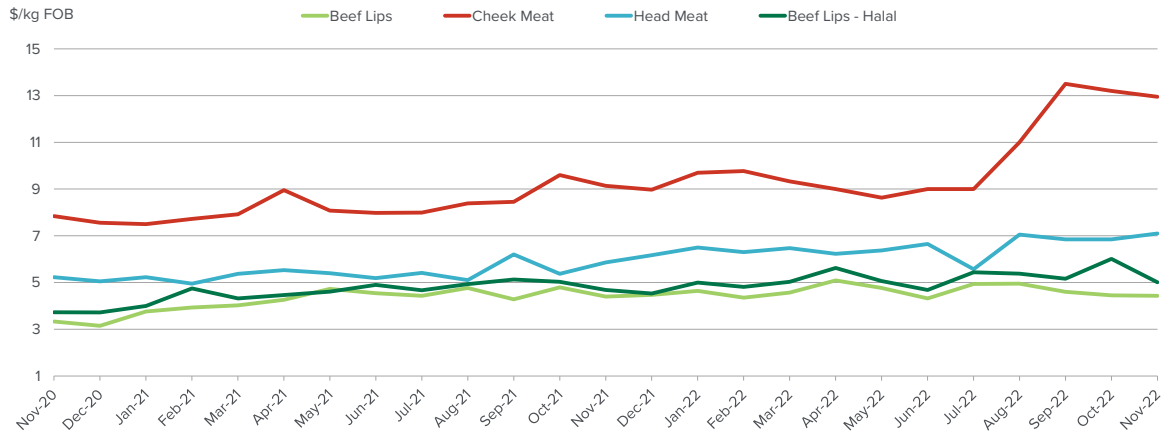
Price quoted is average price reported in \$/kg FOB Australian port.

Head offal

Head meat averaged \$7.10/kg which was \$1.24/kg higher year-on-year and 25¢/kg firmer than last month. Cheek meat was \$3.81/kg dearer than year-ago levels, averaging \$12.95/kg, down 25¢/kg month-on-month.

Lip export prices to the US and Mexico eased 2¢/kg month-on-month, averaging \$4.43/kg to be 3¢/kg up on last year. Halal lips averaged \$5.01/kg to be 33¢/kg firmer than November 2021 but \$1.00/kg lower than last month.

Figure 1: Trends in beef head offal prices

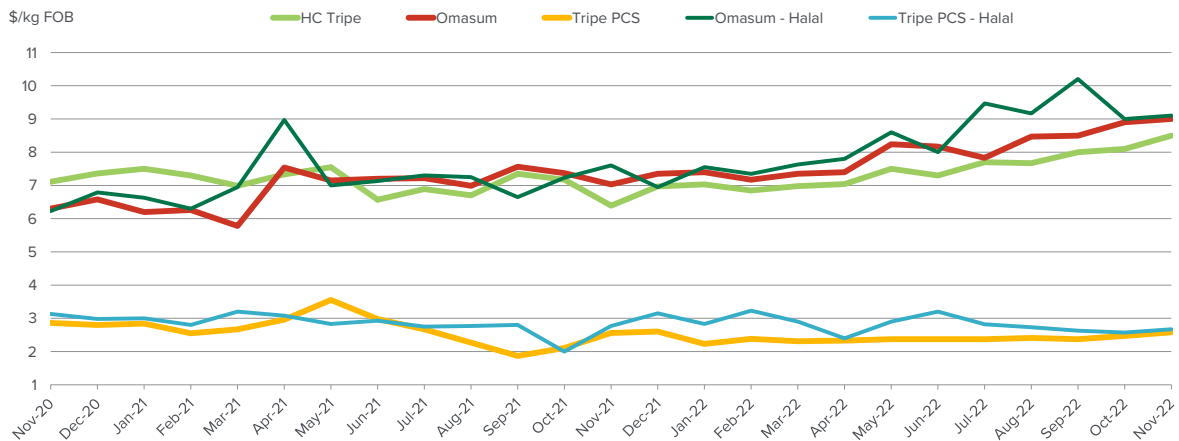


Beef offal trends

Omasum firmed 10¢/kg from last month, to average \$9.00/kg, up \$1.97/kg from year-ago prices. Halal omasum averaged \$9.10/kg, up \$1.50/kg year-on-year but 10¢/kg softer month-on month.

Halal tripe pieces averaged \$2.67/kg down 10¢/kg year-on-year but 10¢/kg higher than last month. Non-halal tripe pieces averaged \$2.58/kg to be 2¢/kg firmer year-on-year and 11¢/kg firmer month-on-month. Honeycomb tripe averaged \$8.50/kg to be \$2.11/kg above year ago prices and 40¢/kg up on last month.

Figure 2: Trends in beef tripe prices

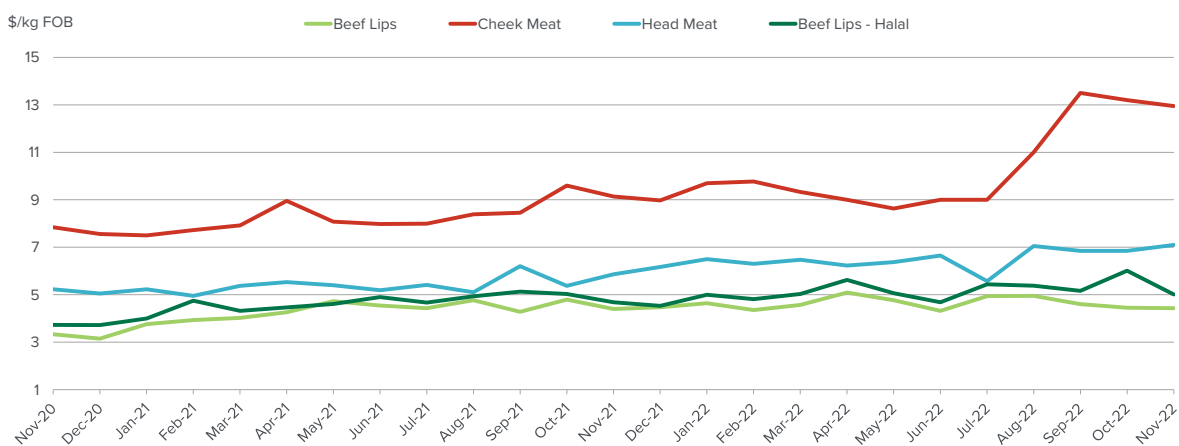


Beef offal trends continued...

Aorta eased to average \$10.10/kg down \$3.13/kg month-on-month correcting a price spike last month and was \$1.60/kg above the November 2021 price.

Heart prices were down from last month, averaging \$2.69/kg, to be 31¢/kg below year-ago levels and 27¢/kg below the October price. Halal hearts averaged \$3.24/kg, easing 14¢/kg month-on-month and down 23¢/kg from November 2021.

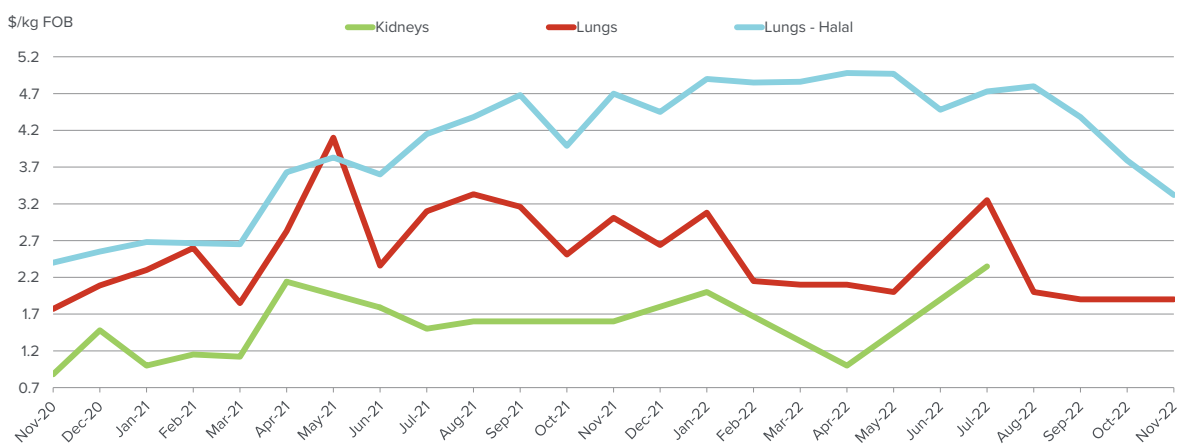
Figure 1: Trends in beef head offal prices



Kidneys were not reported this month.

Halal lungs averaged \$3.32/kg, down \$1.38/kg year-on-year and 47¢/kg lower than last month. Non-halal lungs returned \$1.90/kg to be \$1.11/kg below November 2021 but even month-on-month.

Figure 4: Trends in beef offal prices



Beef offal trends continued...

Liver prices averaged \$1.79/kg, down 10¢/kg month-on-month but 6¢/kg firmer than year-ago levels. Halal livers were 6¢/kg down on last month's price to average \$1.75/kg down 20¢/kg on last year prices.

Figure 5: Trends in beef offal prices



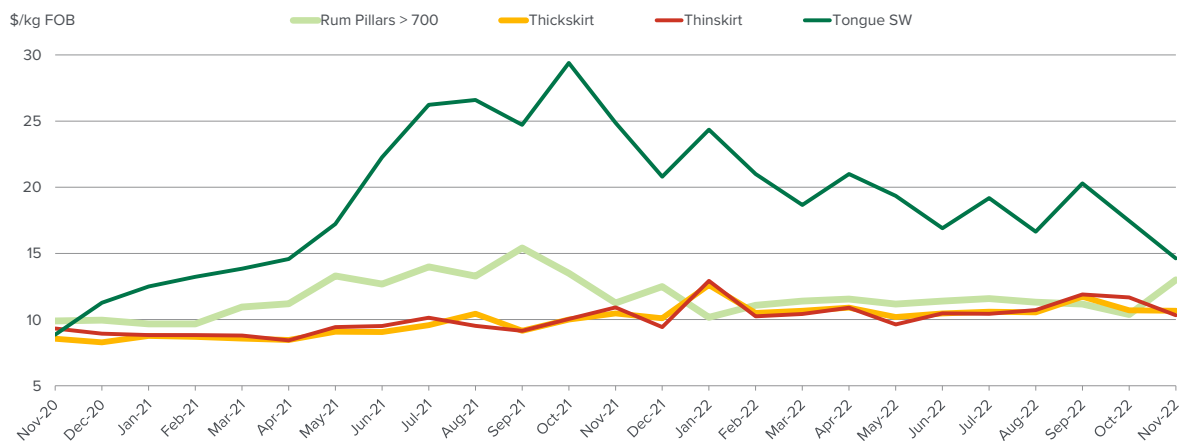
Japanese and Korean Offals

Tongue averaged \$14.63/kg which was \$10.24 below year ago price.

Thick skirt was 20¢/kg firmer year-on-year but 3¢/kg lower than last month, averaging \$10.67/kg. Thin skirt averaged \$11.33/kg to be \$1.34/kg below last month and 59¢/kg softer year-on-year.

Rumen pillars firmed with heavy weight product averaging \$13.00/kg, up \$2.62/kg month-on-month and \$1.74/kg higher than November 2021 levels.

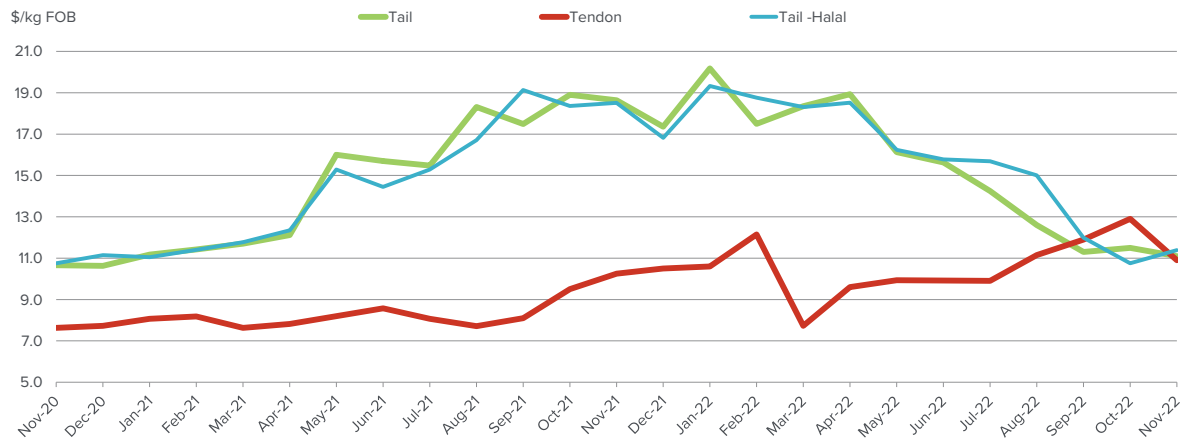
Figure 6: Trends in Japanese offal prices



Tails and Tendons

Tail prices eased 40¢/kg from last month, averaging \$11.10/kg, to be \$7.54/kg below year-ago levels. Halal tails averaged \$11.39/kg, up 64¢/kg from last month but \$7.12/kg below year-ago prices. Tendons averaged \$10.90/kg to be 65¢/kg higher year-on-year but \$2.00/kg down from last month.

Figure 7: Trends in tail and tendon prices



Sheep Co-products

Sheep offal prices were generally firmer this month.

Table 2: Sheep co-product prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Heart Sheep - Halal	\$5.74	\$3.45	4	-0.4%	26.6%
Kidneys Sheep - Halal	\$5.02	\$3.85	3	4.8%	-2.6%
Liver Sheep - Halal	\$2.56	\$2.15	4	2.0%	13.9%
Runners Lamb	\$6.83	\$1.20	4	-3.9%	12.2%
Runners Sheep	\$5.83	\$1.20	4	-3.5%	18.9%
Tongue LC Sheep - Halal	\$7.40		2	0.7%	29.8%
Tripe Sheep - Halal	\$2.30		2		-52.1%

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

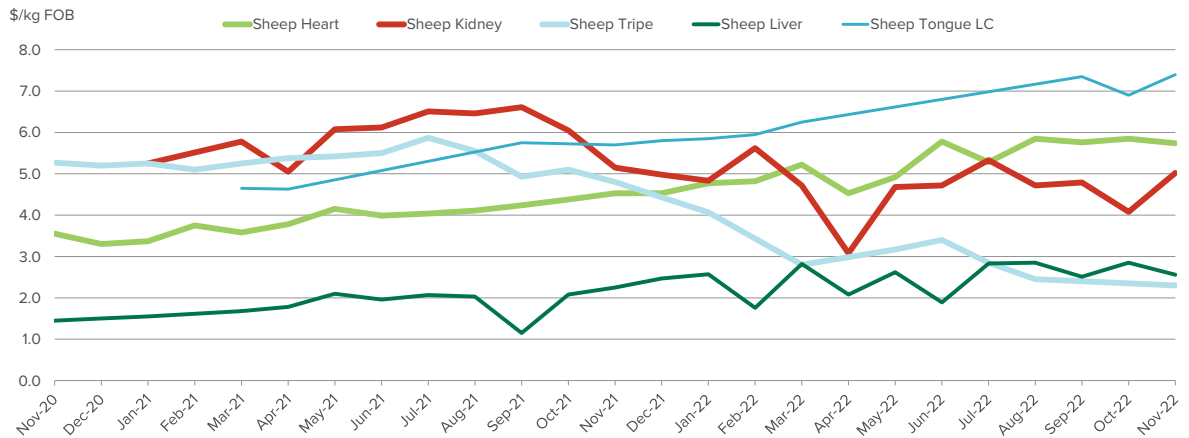
Sheep offal

Sheep hearts averaged \$5.74/kg, down 11¢/kg month-on-month but \$1.21/kg dearer than year-ago levels. Sheep kidneys were reported at \$5.02/kg which was 94¢/kg above the October average but 13¢/kg down year-on-year. Sheep liver averaged \$2.56/kg to be 29¢/kg softer month-on-month but 31¢/kg higher than November 2021.

Sheep tripe was reported at \$2.30/kg which was \$2.50/kg below last year’s price.

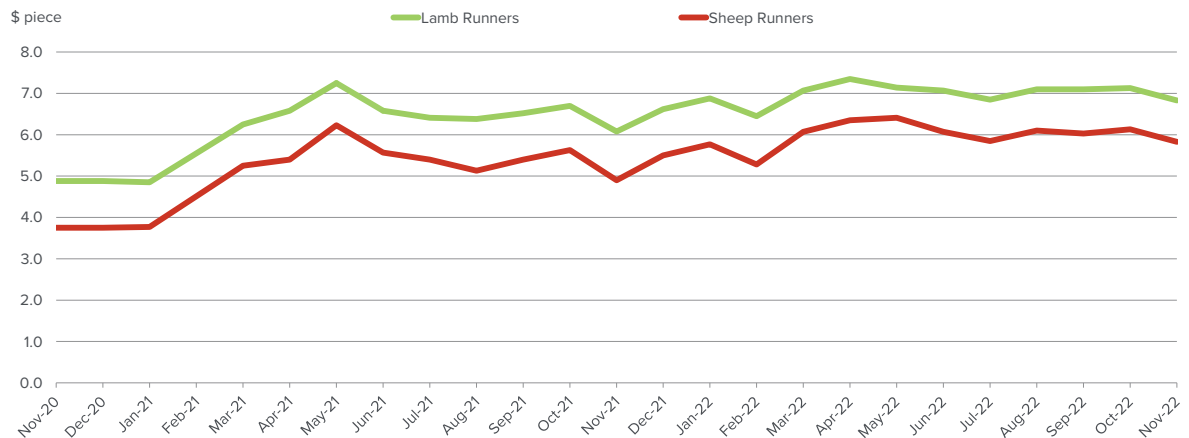
Long cut tongues were reported at \$7.40/kg up \$1.70/kg from a year ago and 50¢/kg higher than last month.

Figure 8: Trends in sheep offal prices



Lamb runners averaged \$6.83/piece firming 75¢/piece year-on-year but 30¢/piece softer than October while sheep runners were reported at \$5.83/piece, down 30¢/piece month-on-month but 93¢/piece higher year-on-year.

Figure 9: Trends in runner prices



Pharmaceutical products

Pharmaceutical products were mixed this month.

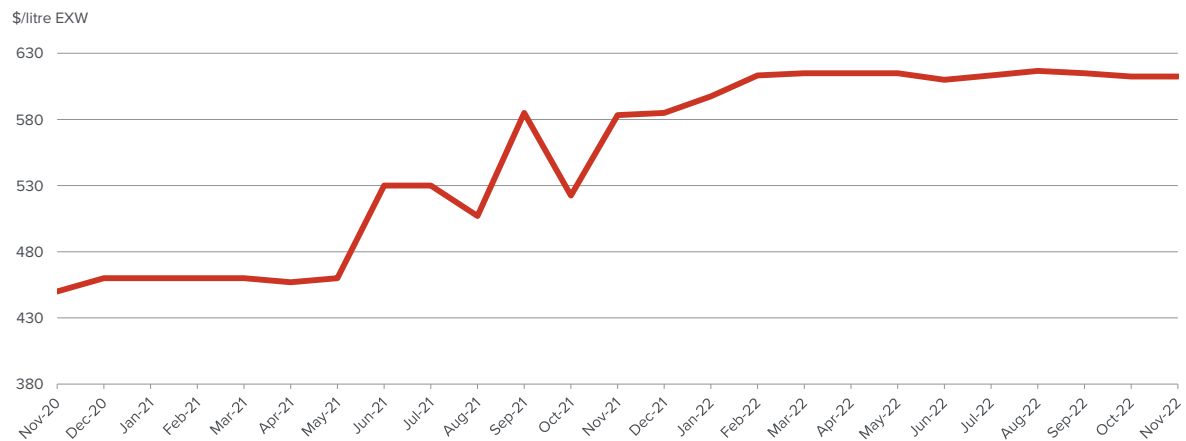
Table 3: Pharmaceutical prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Foetal Blood	\$612.50		2	-0.4%	5.0%
Gall Concentrated	\$28.00		2	9.8%	12.0%

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

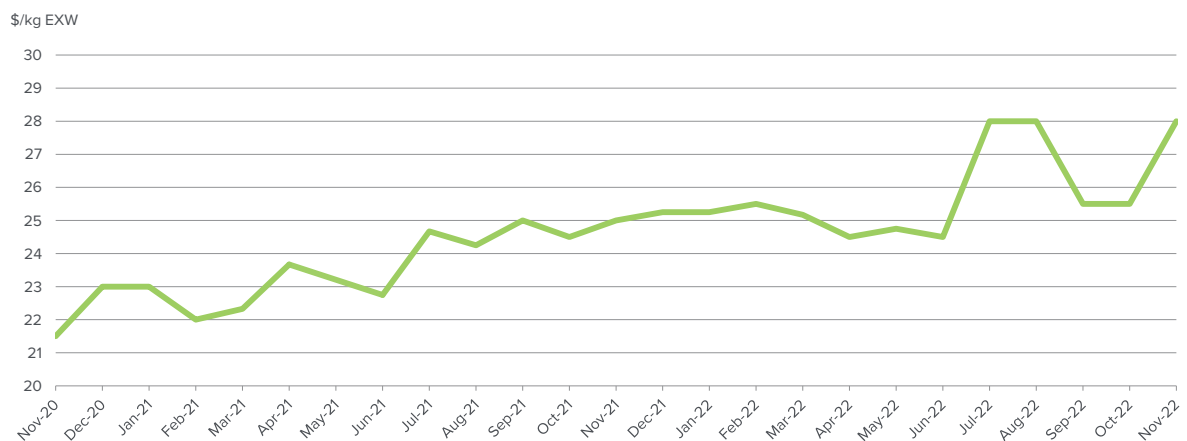
The average foetal calf blood price has firmed \$29.17/litre year-on-year to average \$612.50/litre, which was which was even with last month.

Figure 10: Trends for foetal blood prices



Concentrated gall averaged \$28/kg to be \$2.50/kg up on October 2021 price and \$3.00/kg firmer month-on-month.

Figure 11: Trends for concentrated gall prices



Rendered products

Rendered products remained buoyant firming leading up to the Christmas period while tallow prices remain very strong based on biofuel demand from Singapore and the USA.

Table 4: Rendered product prices

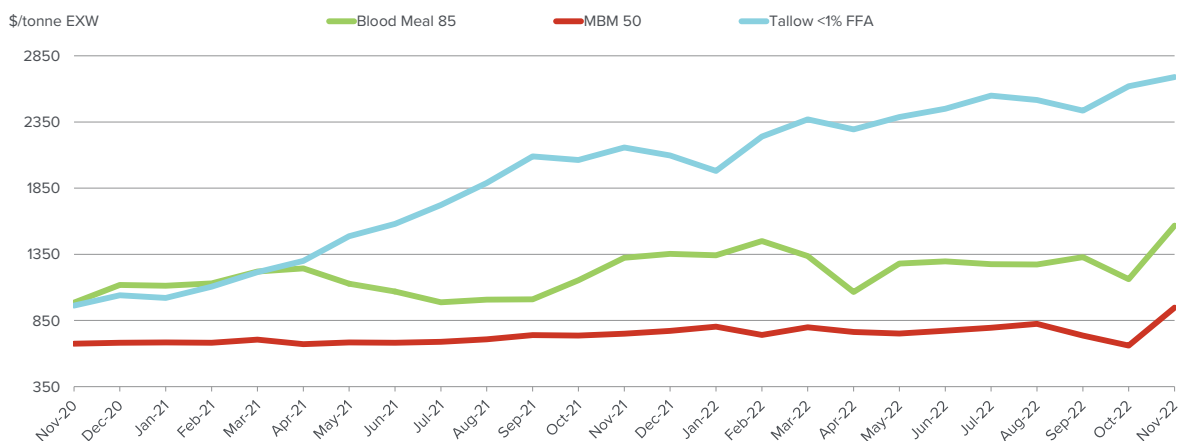
	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Bloodmeal 85	\$1,566.67	\$150.00	3	17.9%	18.3%
MBM 50	\$946.67	\$10.00	3	28.6%	26.3%
MBM 50 Sheep	\$2,346.67	\$100.00	3	4.2%	105.8%
Tallow Ined.<1FFA	\$2,690.00		2	10.4%	24.7%
Tallow Ined.<2FFA	\$2,670.00		2	14.2%	29.9%

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

The price for 50% protein MBM firmed \$287/tonne from last month, averaging \$947/tonne which was \$197/tonne above September 2021 levels. Blood meal averaged \$1567/tonne, up \$243/tonne compared with last year's price and \$404/tonne firmer month-on-month.

Tallow prices remain firm, with the price for 1% FFA tallow averaging \$2690/tonne, up \$533/tonne from October 2021 and \$70/tonne above last month's price to again set a new record 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. Rising interest rates, inflation, and cost of living pressures are taking a toll on the demand for leather goods, while industry is seeing large rises in manufacturing costs.

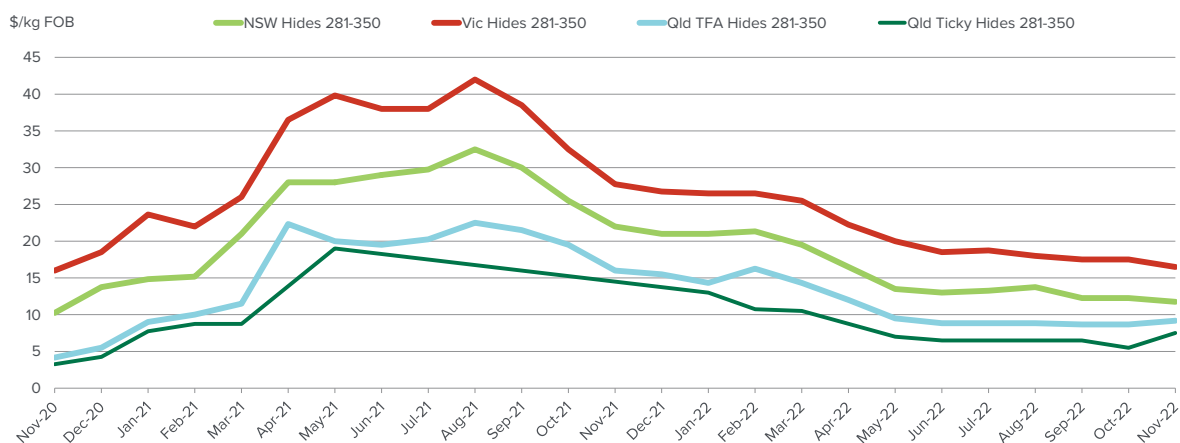
Table 5: Hide prices

	Average (Nov Data)	Range	Responses	Monthly Change	Annual Change
Hides NSW 141- 180	\$3.00		2	0.0%	-25.0%
Hides NSW 181 - 220	\$4.50		2	-5.3%	-48.6%
Hides NSW 221 - 280	\$7.00		2	-6.7%	-48.1%
Hides NSW 281 - 350	\$11.75		2	-4.1%	-46.6%
Hides NSW 351 Up	\$18.75		2	-2.6%	-37.5%
Hides QLD TFA 281 - 350	\$9.17	\$3.50	3	5.8%	-42.7%
Hides QLD TFA 351 Up	\$12.67	\$5.00	3	-2.6%	-44.9%
Hides QLD Ticky 281 - 350	\$7.50		2	15.4%	-46.4%
Hides QLD Ticky 350 Up	\$10.50		2	0.0%	-50.0%
Hides VIC 141-180	\$3.50		2	-12.5%	-41.7%
Hides VIC 181-220	\$6.50		2	-7.1%	-49.0%
Hides VIC 221 - 280	\$10.25		2	-8.9%	-50.0%
Hides VIC 281-350	\$16.50		2	-5.7%	-40.5%
Hides VIC 351 Up	\$24.00		2	-4.0%	-35.1%

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

Local prices for hides were steady across the board and remain very weak.

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



Currency exchange

The Australian dollar opened the month at 64.23US¢ and traded downwards towards mid-month before a rally to close at 66.98US¢ to average 65.94US¢, up 2.33US¢ month-on-month, but down 7.19US¢ from November 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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