



southern downs
management services

Co-Products An Overview

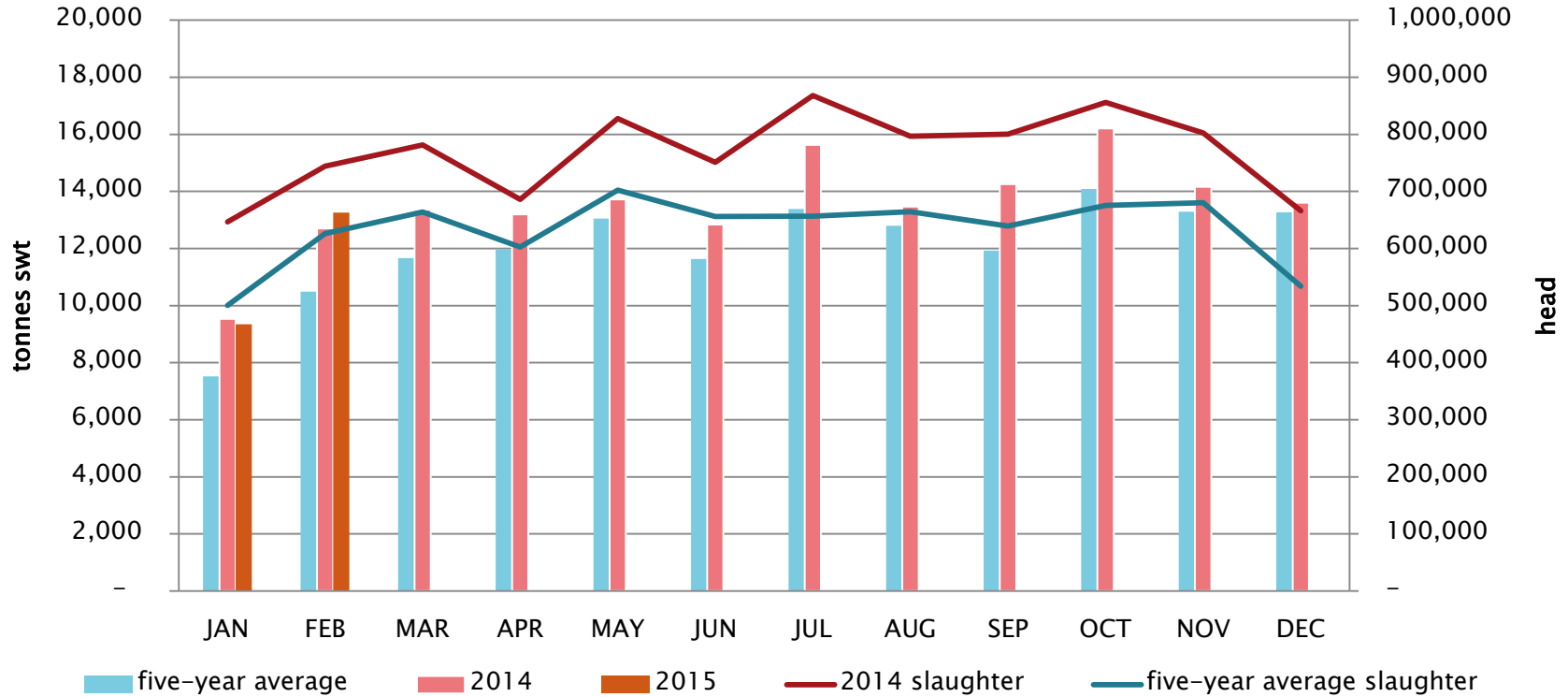
Dennis King
Managing Director
Southern Downs Management Services Pty Ltd

Mintrac Workshop 23 March 2015

What are Co-Products?

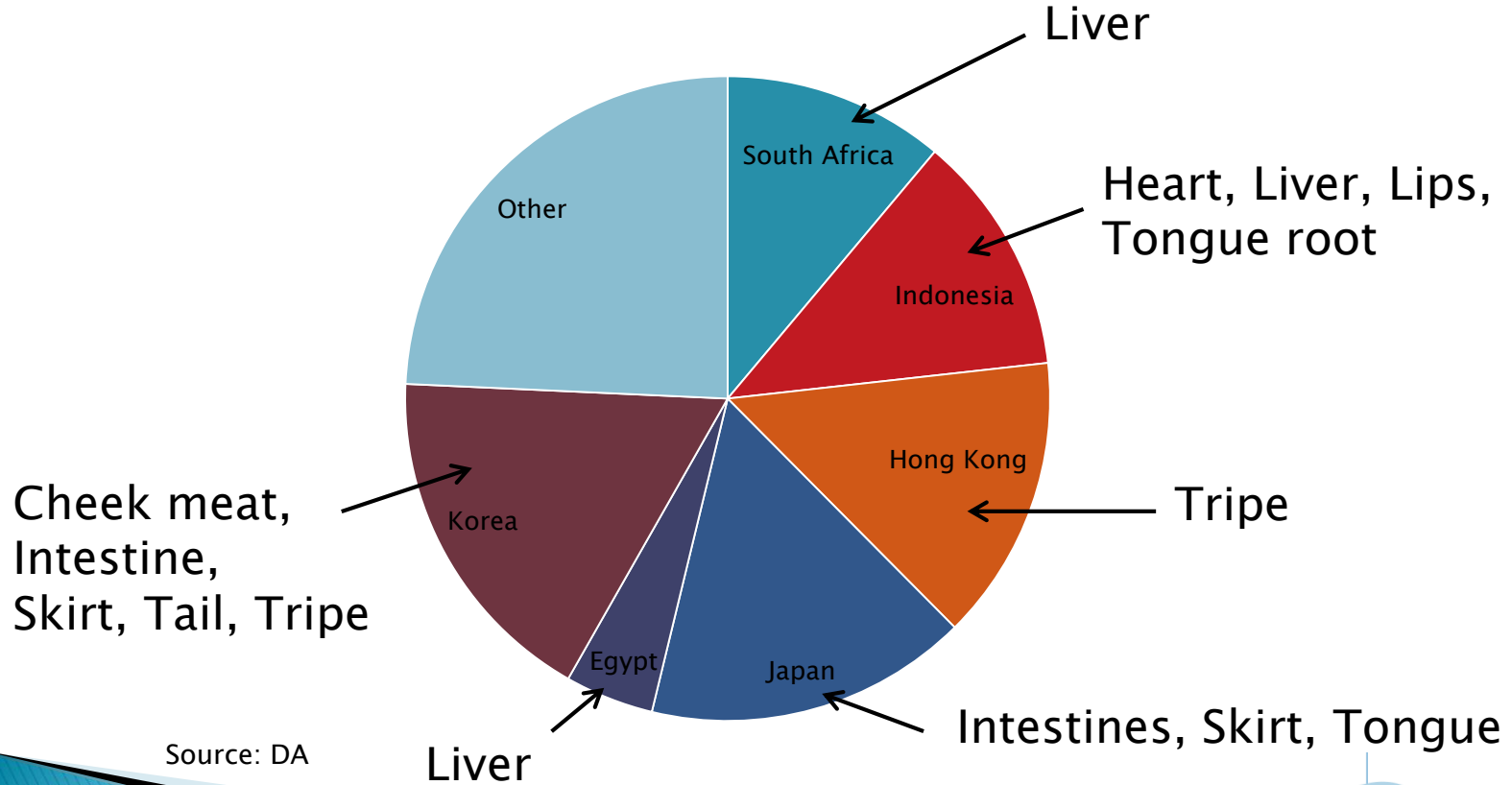
- ▶ **Offal**
 - Head Offal
 - White Offal
 - Red Offal
- ▶ **Pharmaceuticals**
 - Foetal Blood
 - Gall
- ▶ **Rendered Products**
 - Meals
 - Tallow
- ▶ **Hides and Skins**

Australian beef and veal offal exports



Source: DA, ABS

2014 beef offal exports



Source: DA

Figure 1: Trends in beef head offal prices

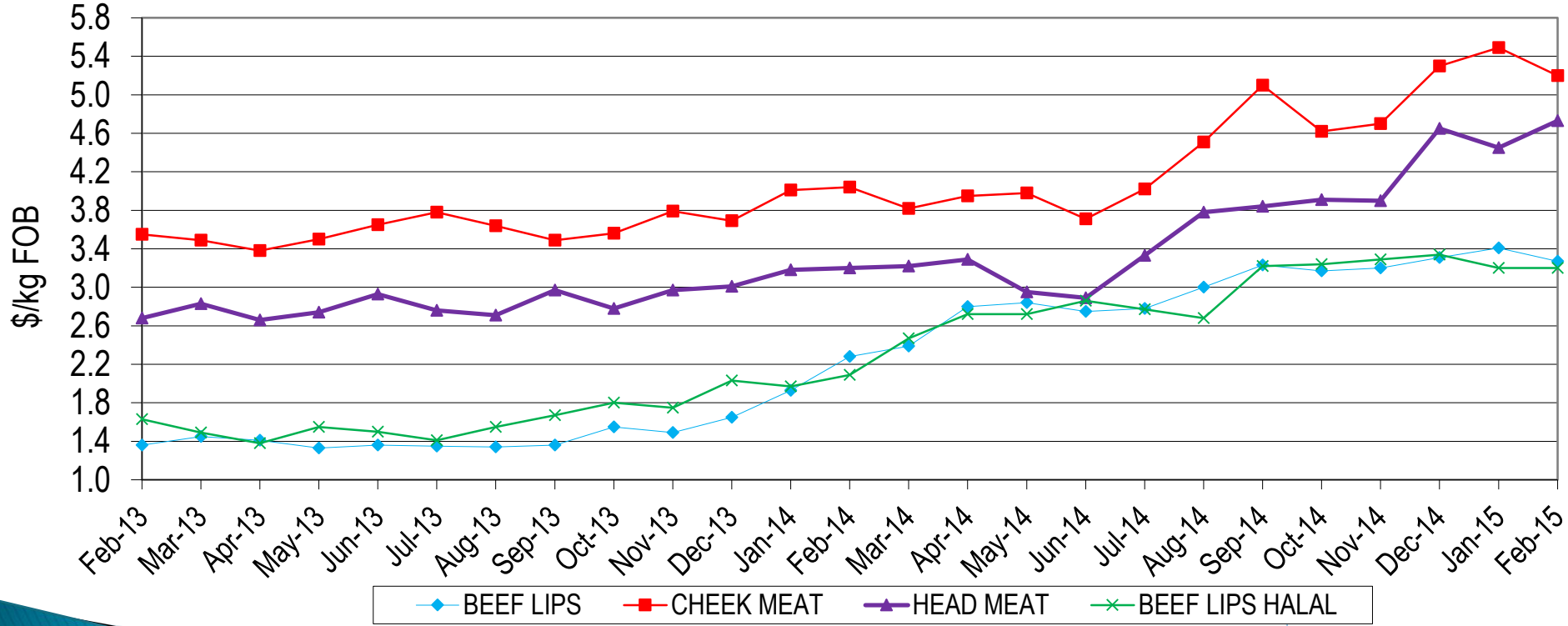


Figure 2: Trends in beef tripe prices

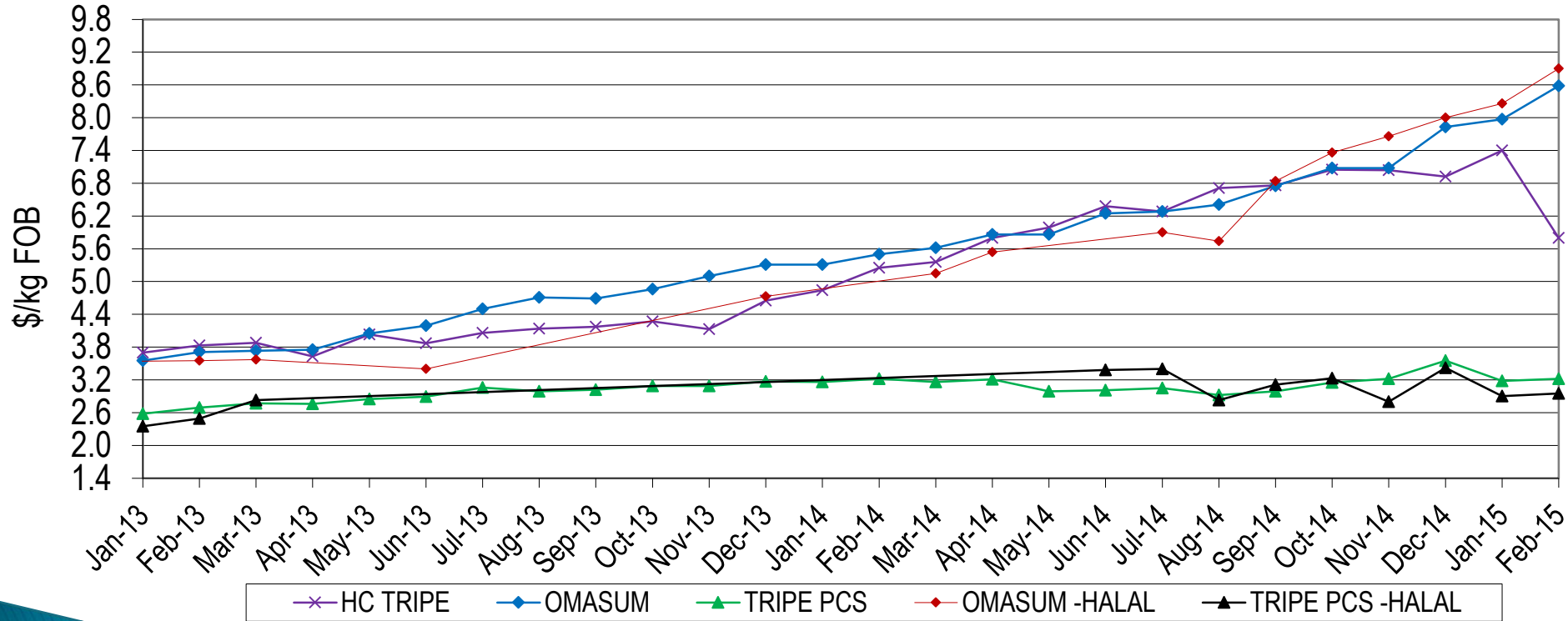


Figure 3a: Trends in beef offal prices

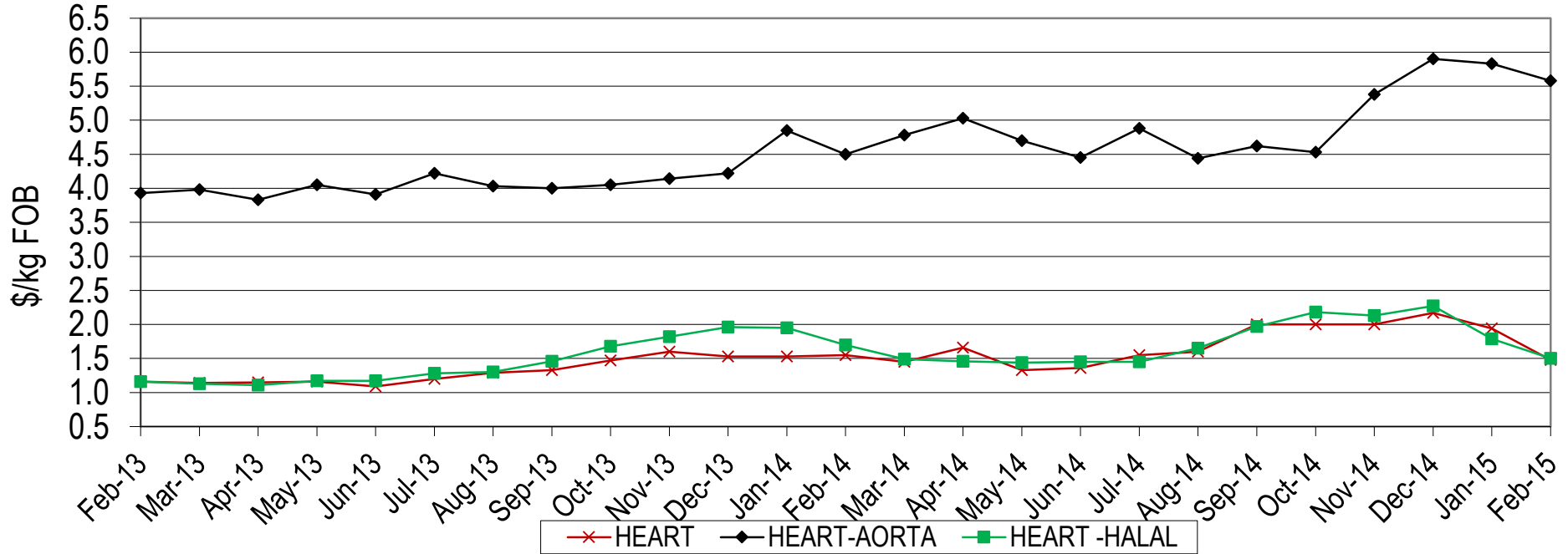


Figure 3b: Trends in beef offal prices

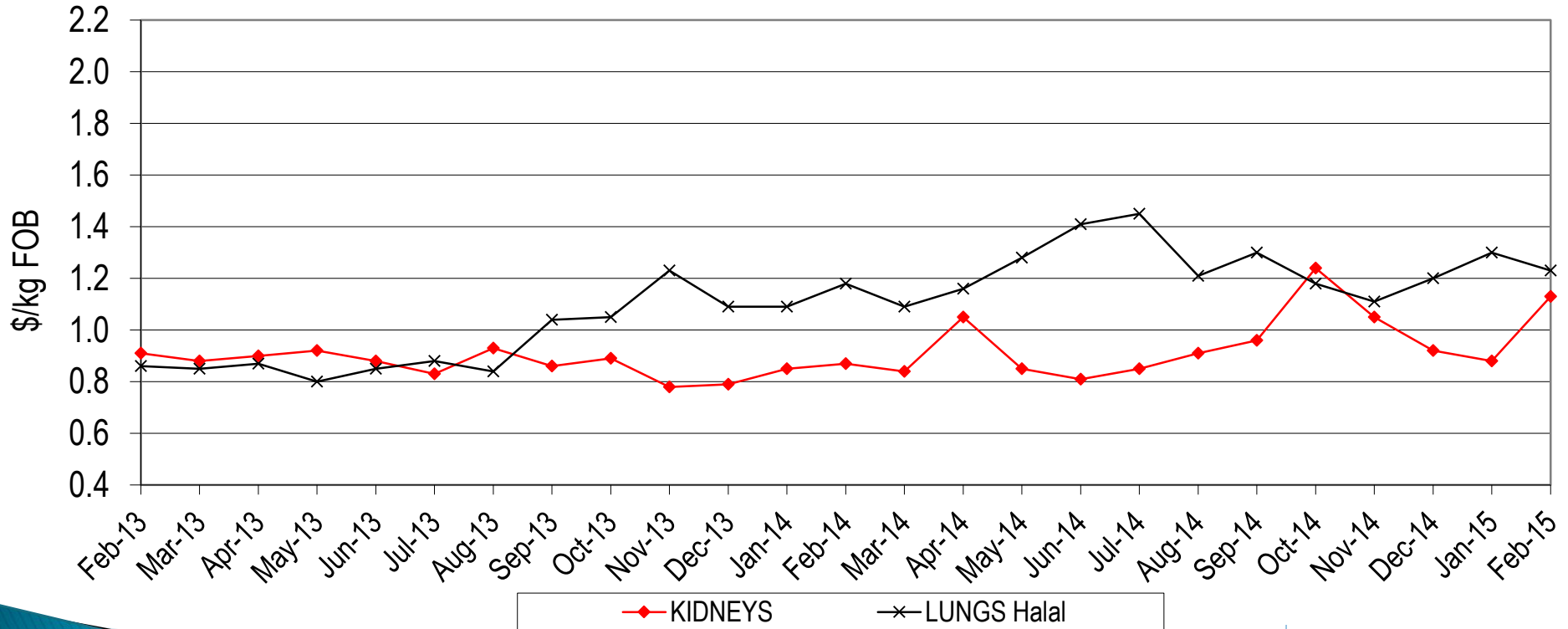


Figure 3c: Trends in beef offal prices

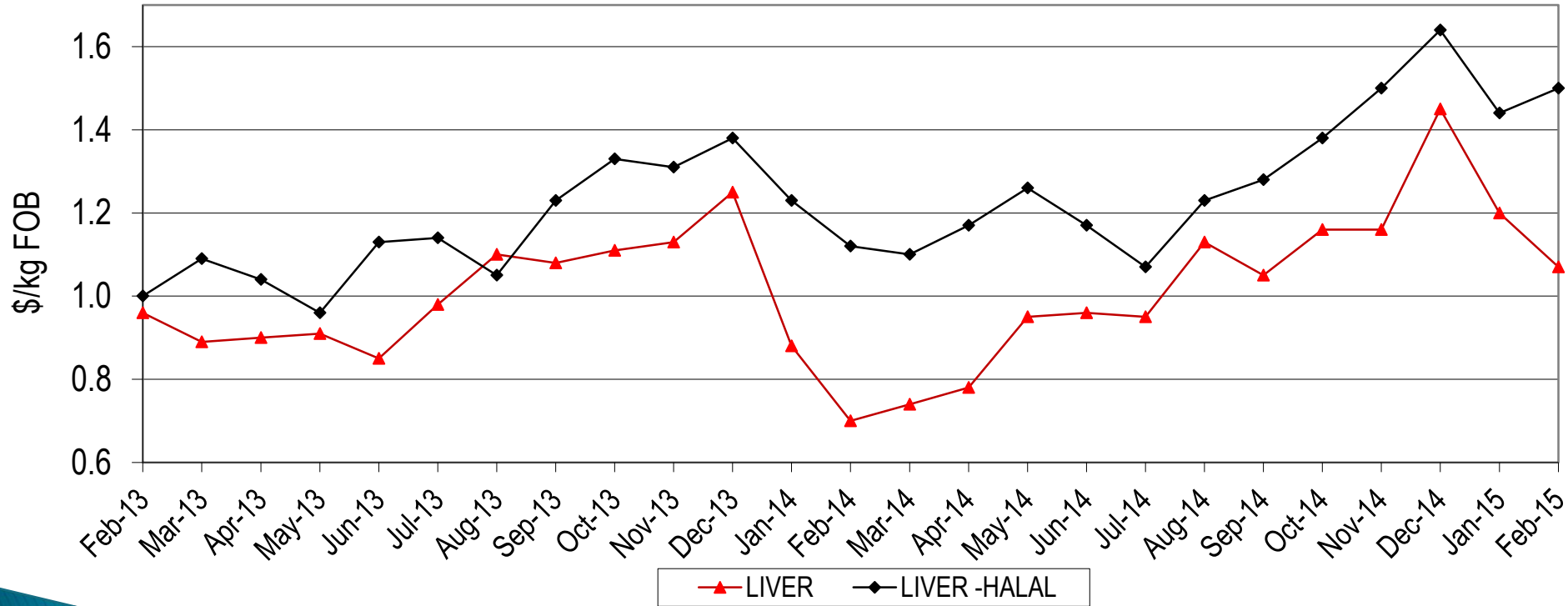


Figure 4: Trends in Japanese offal prices

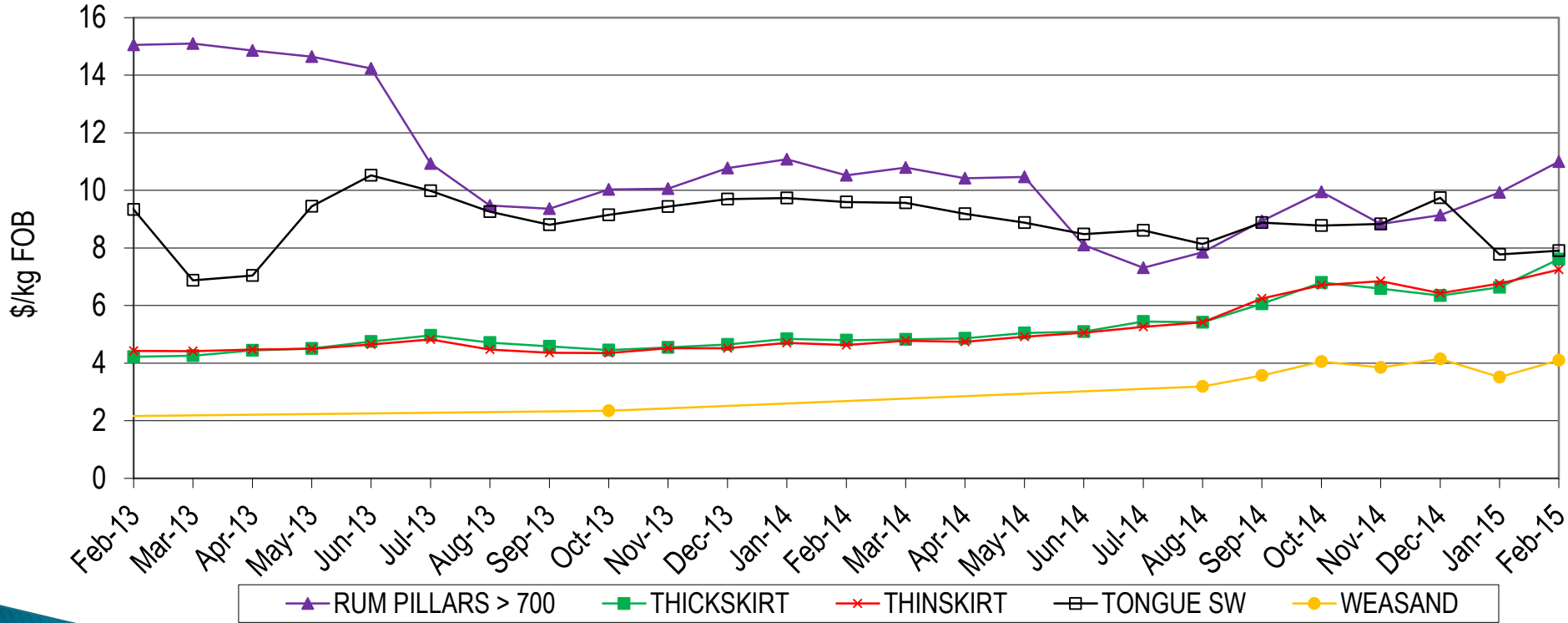
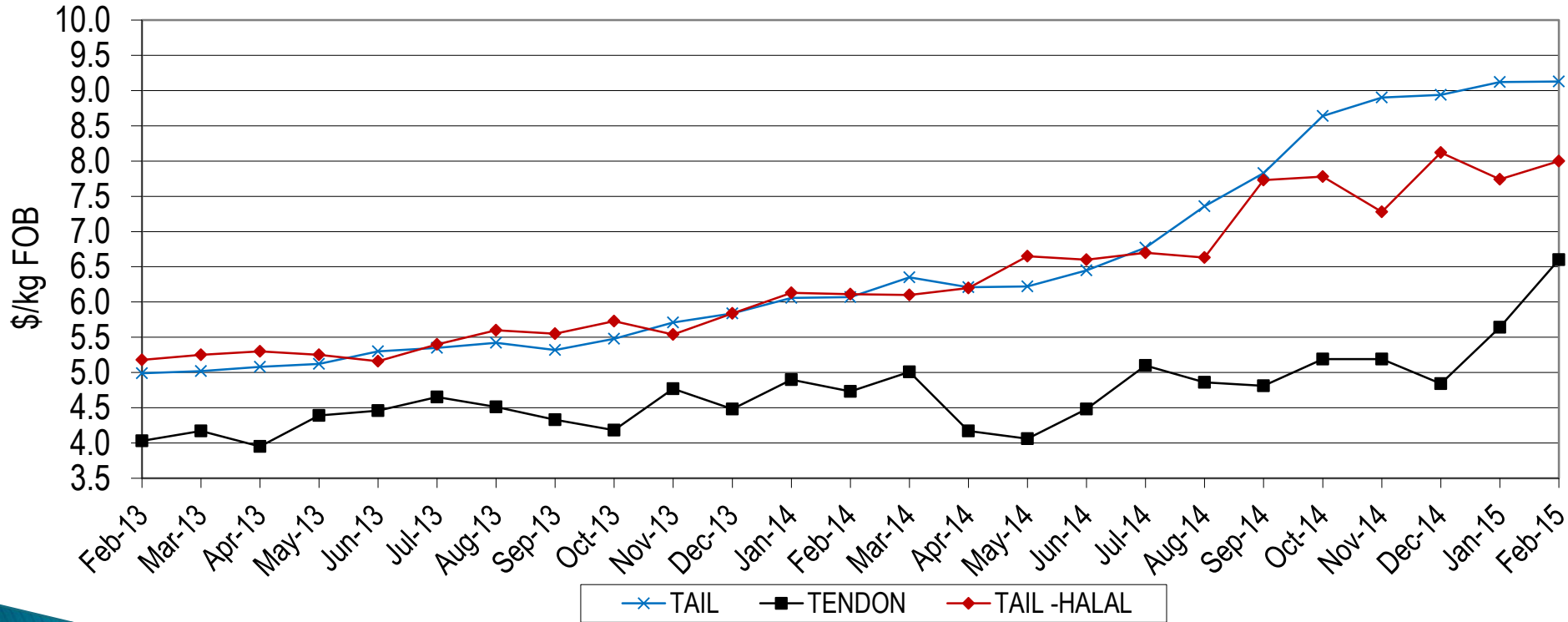
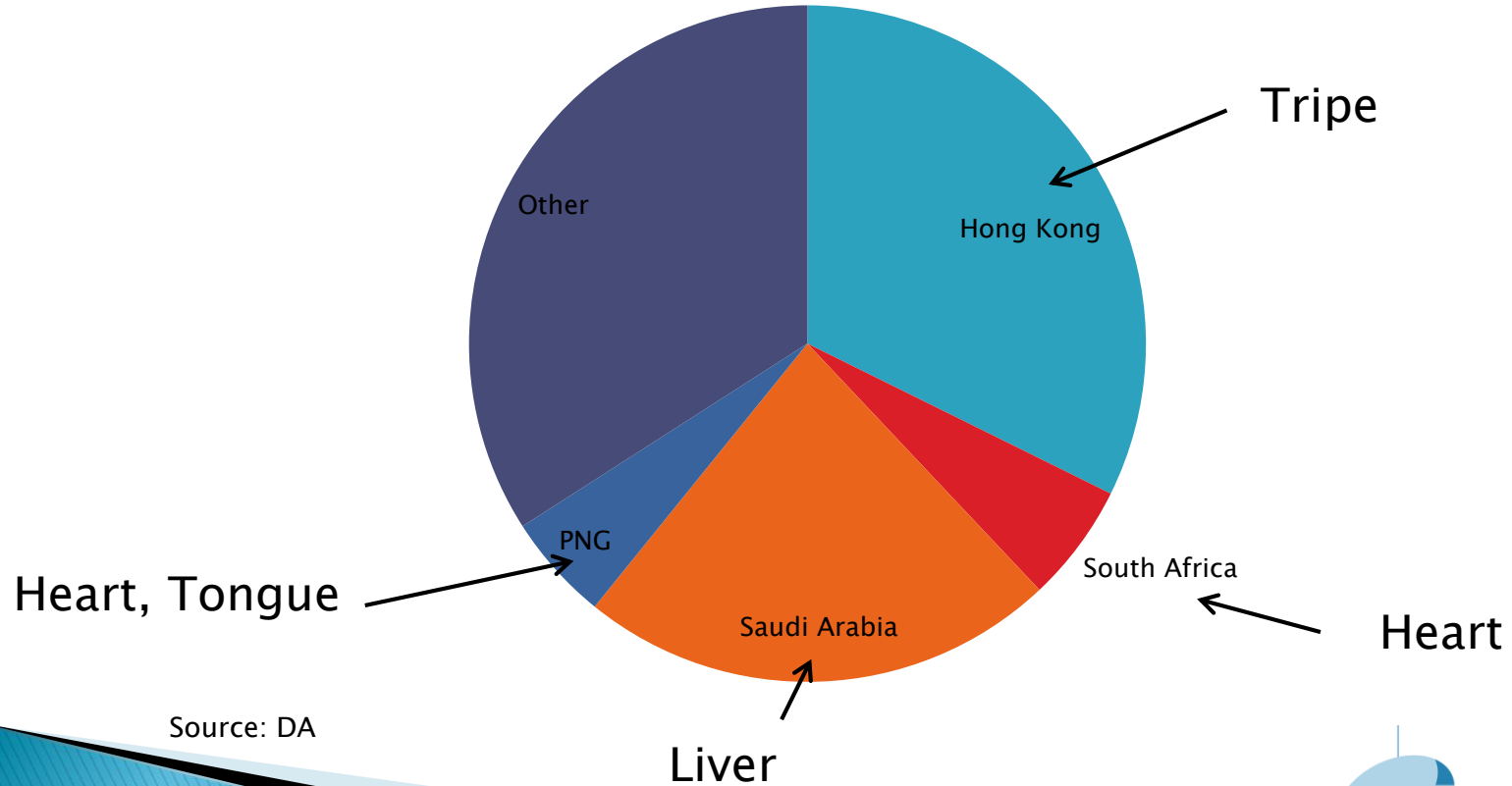


Figure 5: Trends in tail and tendon prices



2014 ovine offal exports



Source: DA

Figure 6a: Trends in sheep offal prices

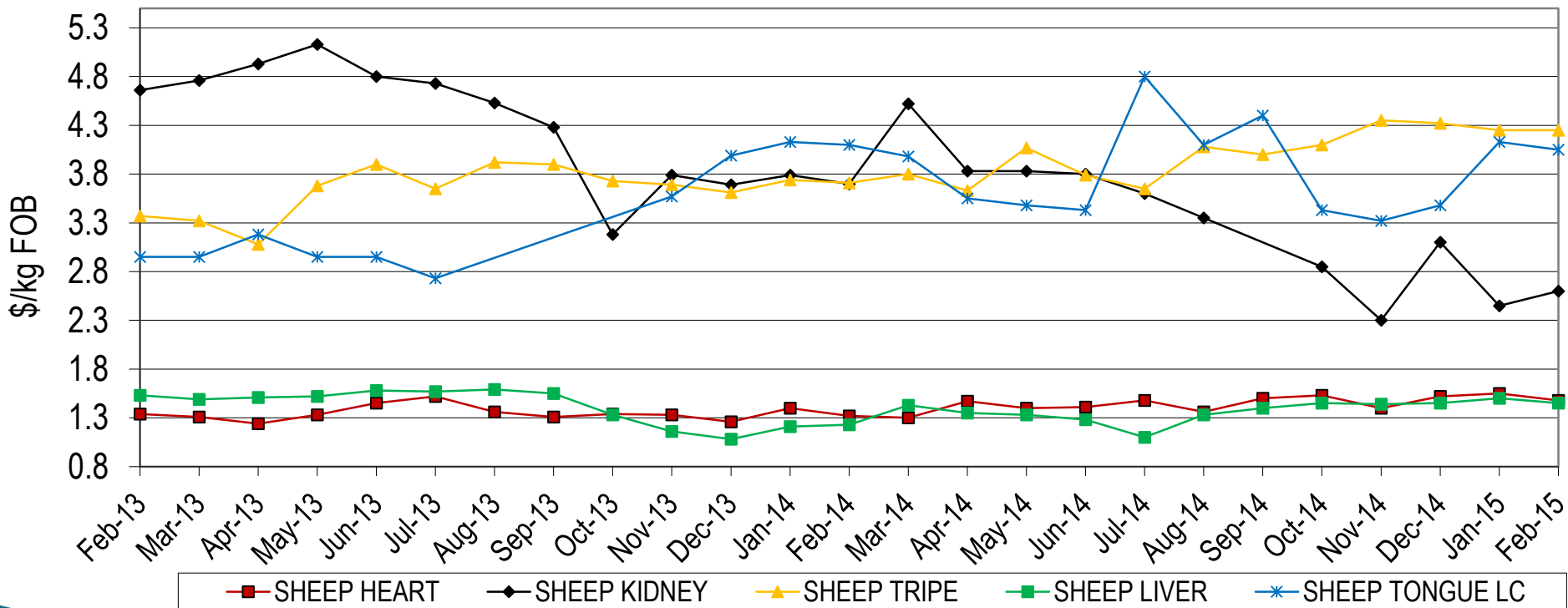


Figure 6b: Trends in runner prices

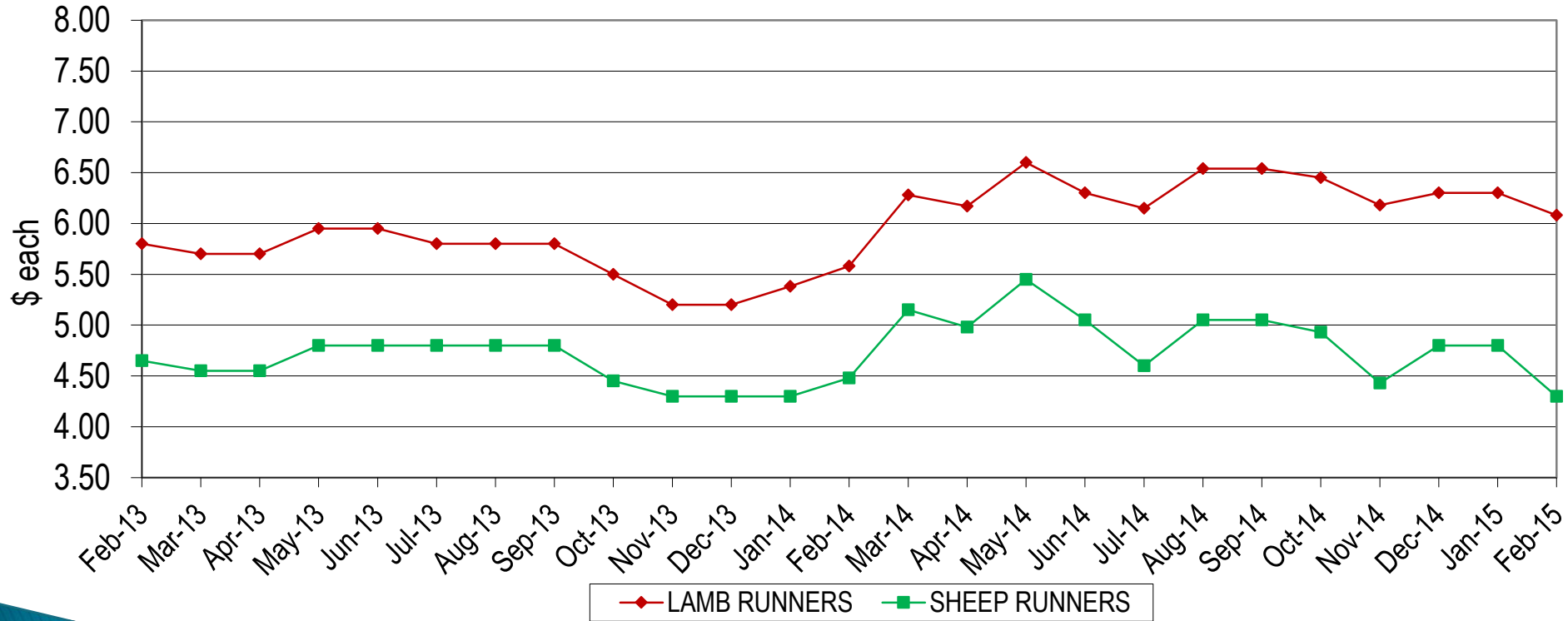


Figure 7a: Trends for foetal blood prices

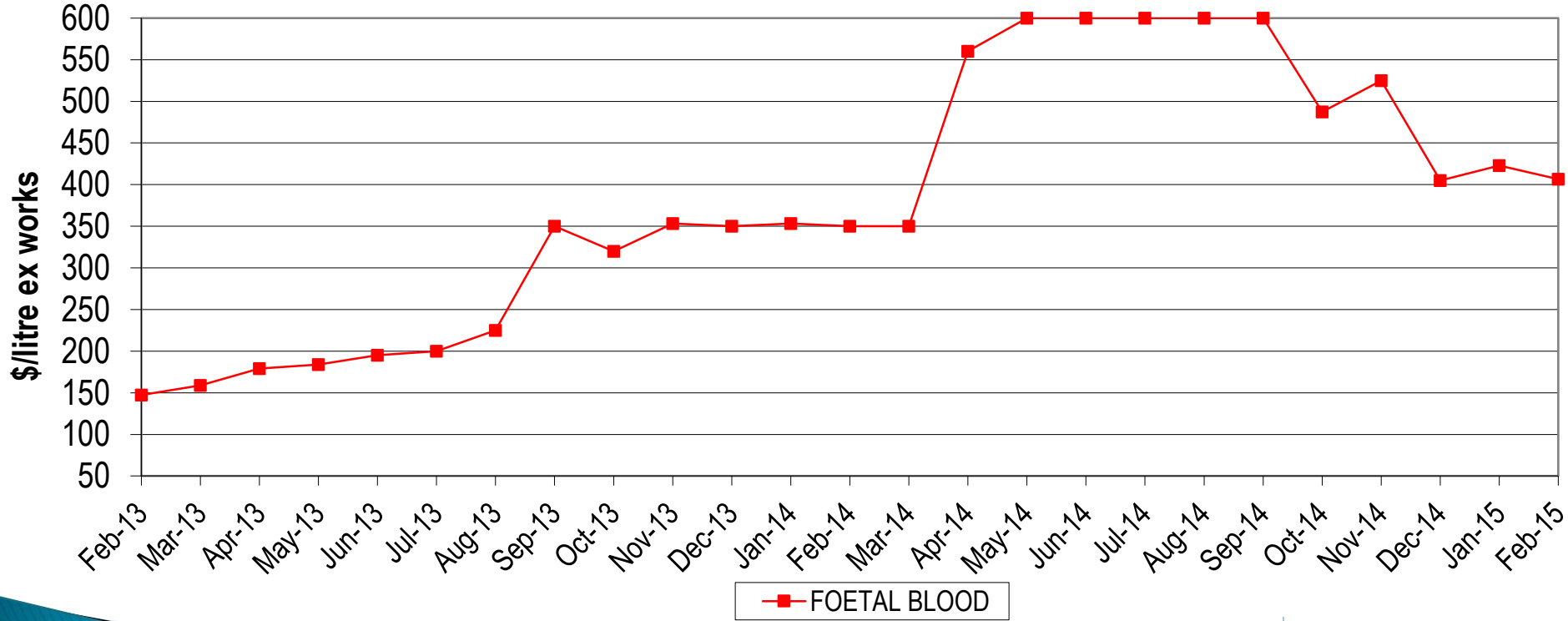
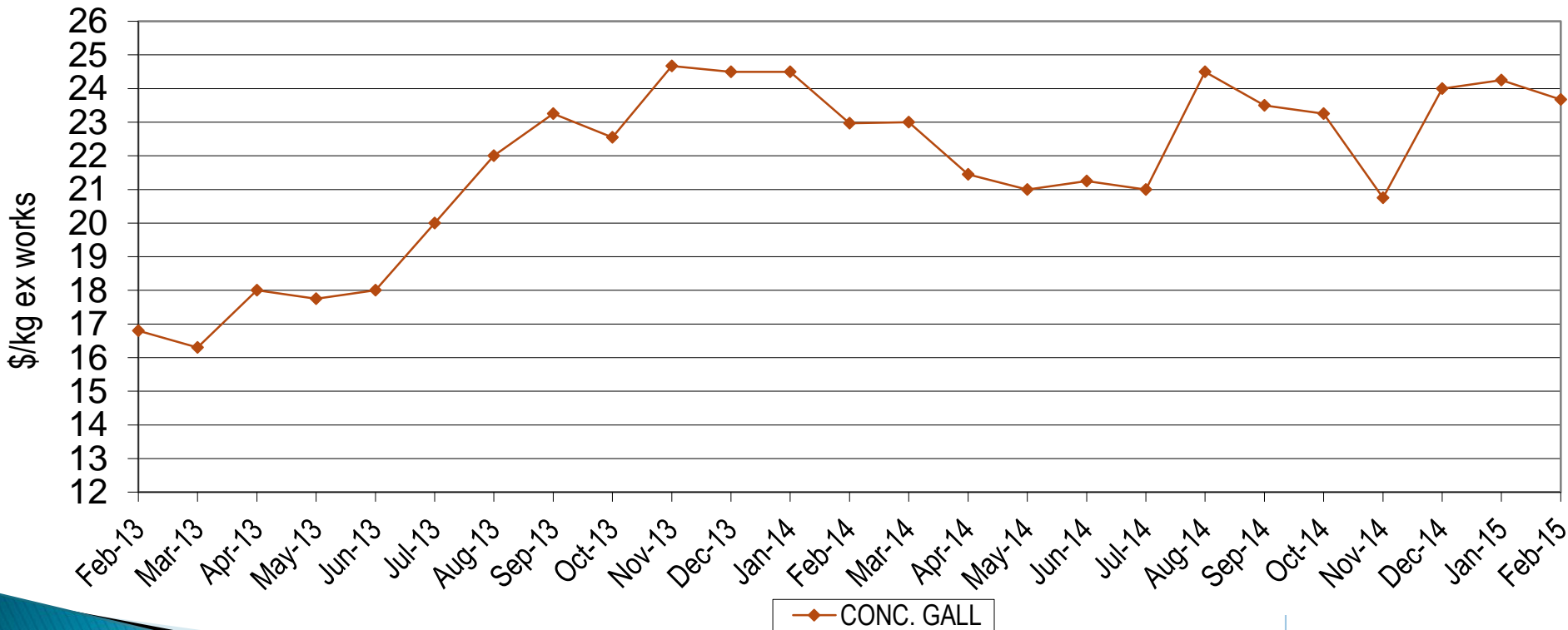
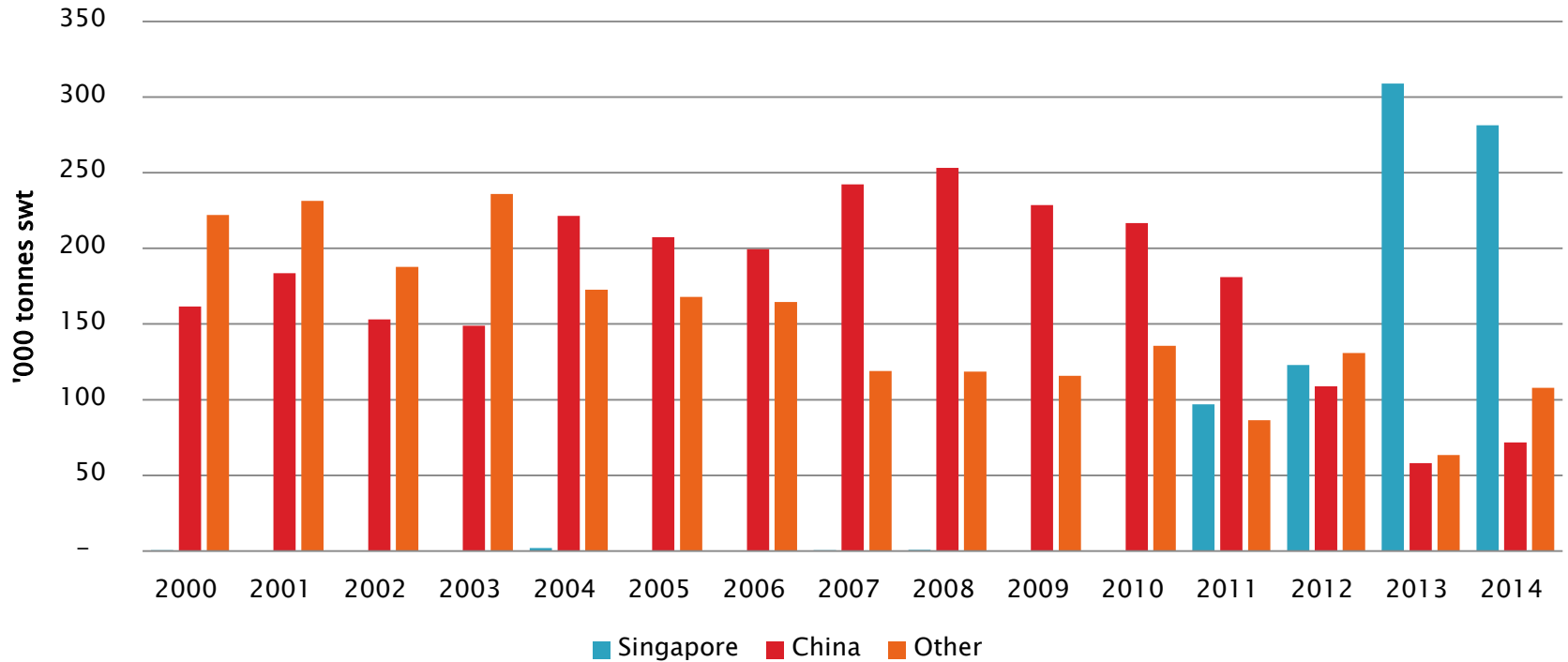


Figure 7b: Trends for concentrated gall prices

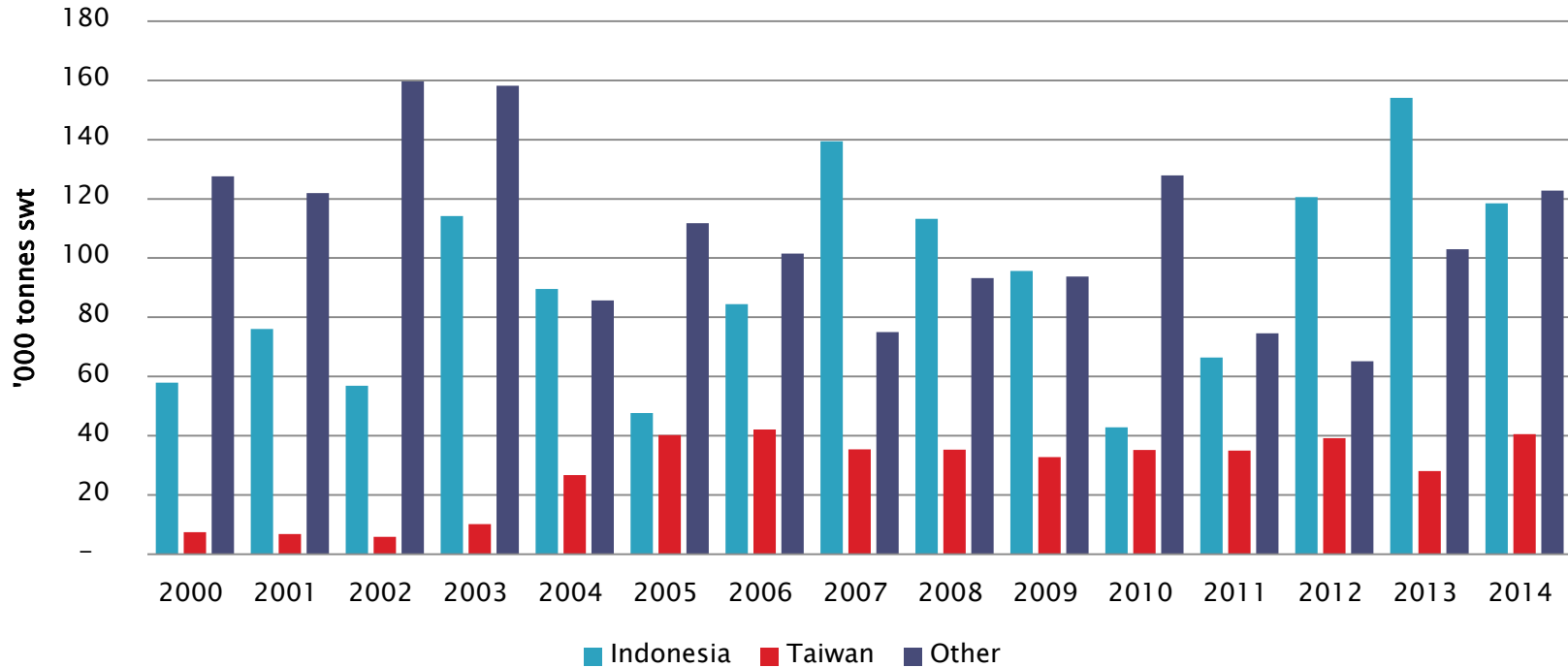


Bovine and ovine animal fat (tallow) exports



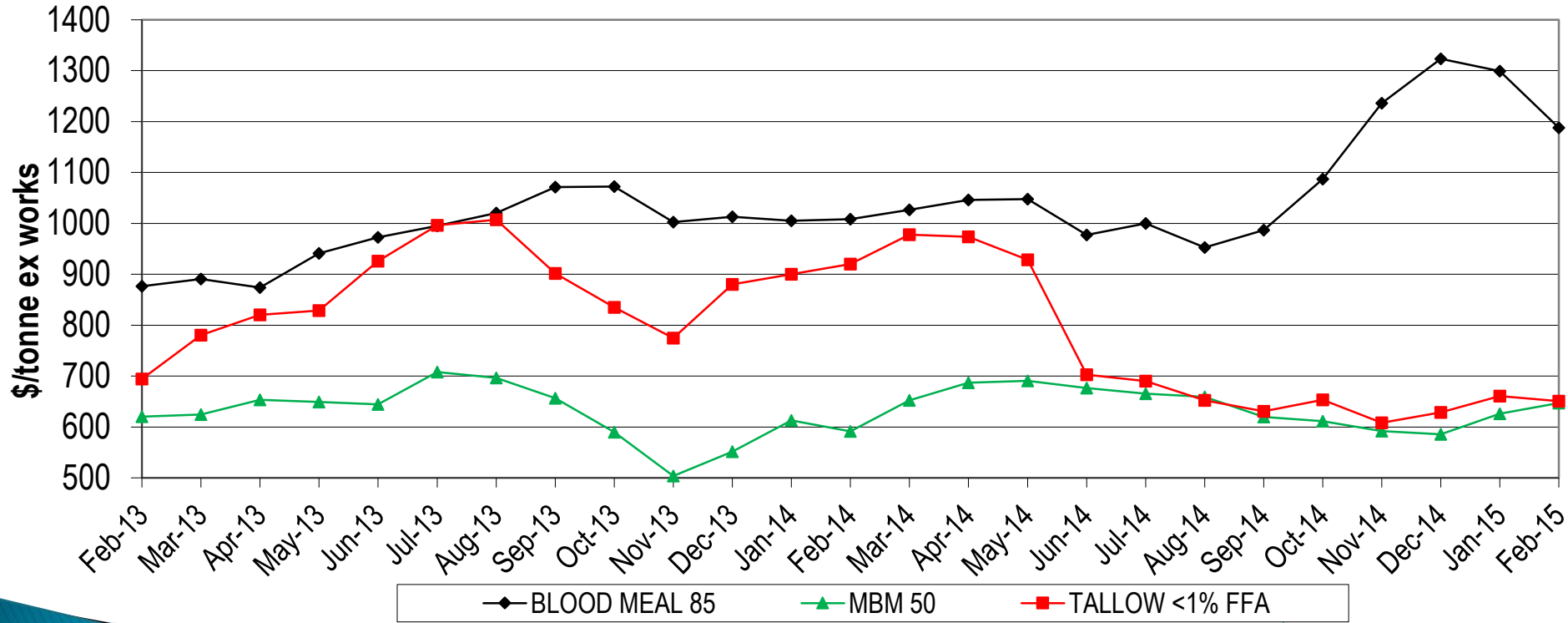
Source: ABS/GTA

Meat and bone meals

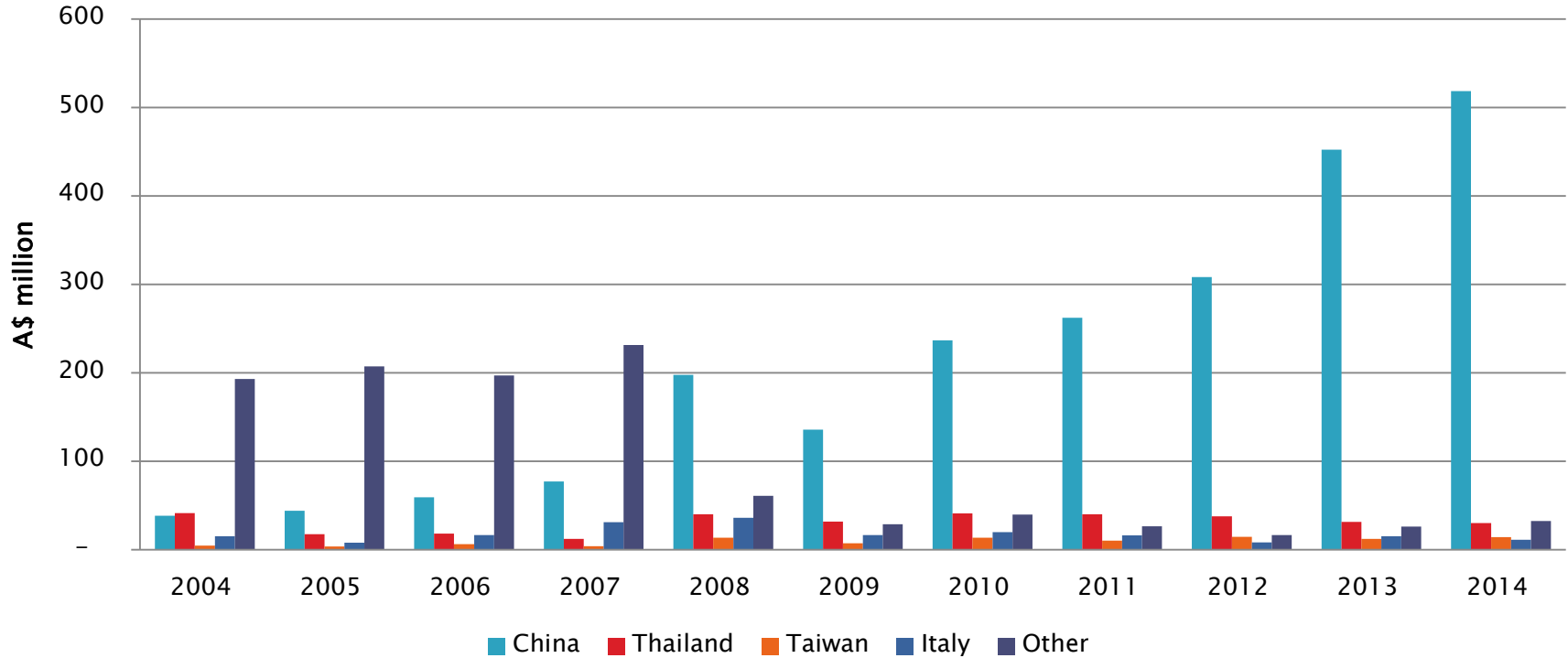


Source: ABS/GTA

Figure 8: Trends in rendered co-product prices



Australian hide export value

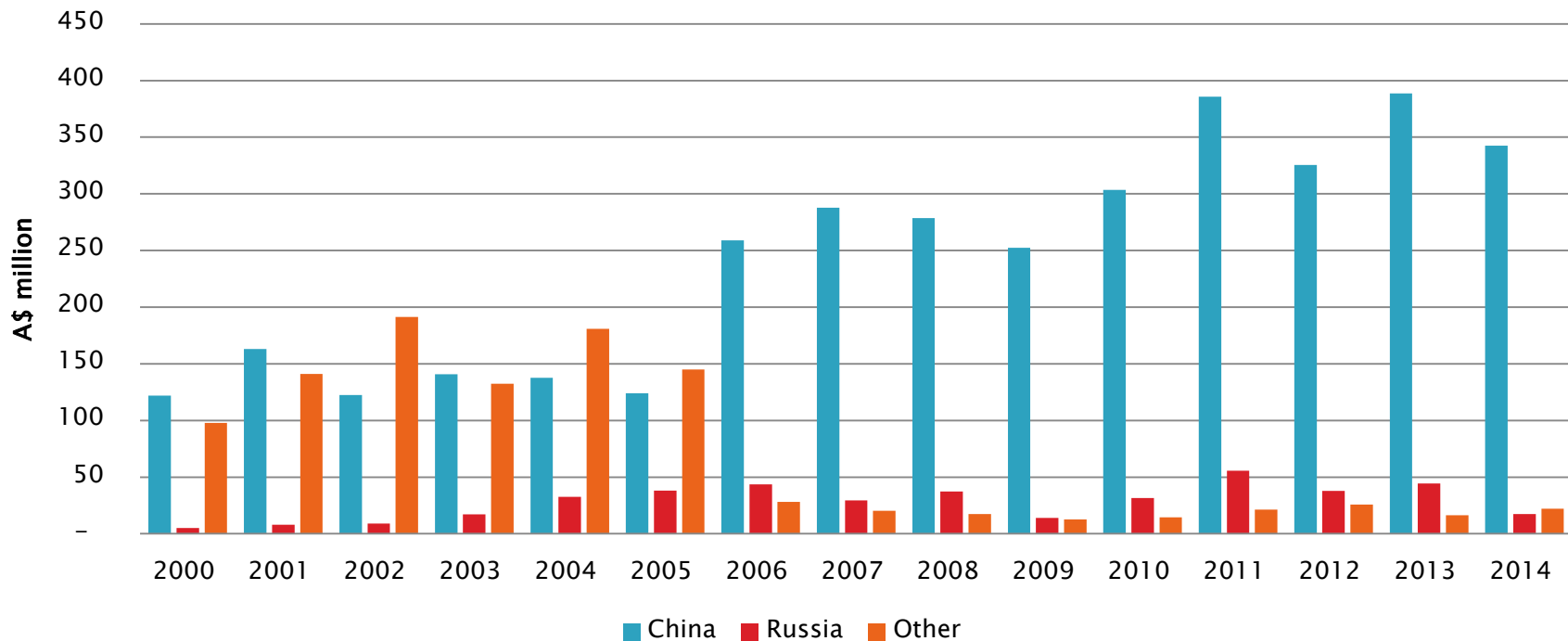


Source: ABS/GTA

Hides

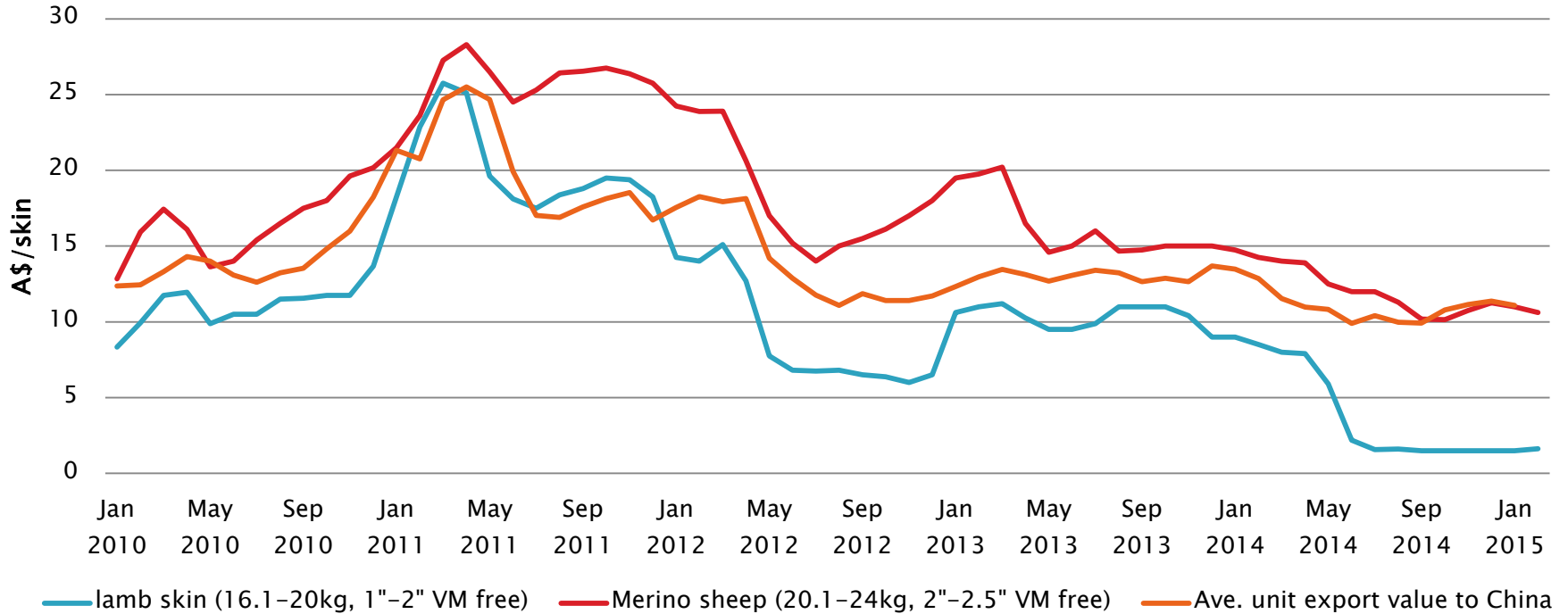
Green Hide (East Coast) \$/hide Ex Works					
<u>HCW</u>	<u>NSW</u>	<u>Vic</u>	<u>HCW</u>	<u>Qld TFA</u>	<u>Qld Ticky</u>
140-180	\$36.00	\$39.25	140-220	\$37.33	\$30.00
180-220	\$46.00	\$52.25			
220-280	\$55.25	\$61.50	220-280	\$48.50	\$37.50
280-350	\$68.75	\$71.50	280-350	\$58.17	\$45.00
350 up	\$79.50	\$82.00	350 up	\$68.33	\$59.00

Sheep skin export value



Source: ABS/GTA

The decline in skin prices



Source: NLRs, ABS/GTA

Beef Offal Export

Destination	Feb-14	Jan-15	Feb-15	Monthly change	Annual change
Korea	2,386	1,794	2,528	41%	6%
Japan	1,968	1,328	2,226	68%	13%
Hong Kong	1,869	962	1,817	89%	-3%
South Africa	1,417	1,054	1,723	63%	22%
Egypt	371	1,107	817	-26%	120%
Thailand	698	901	788	-13%	13%
Singapore	99	453	747	65%	652%
China	454	173	369	113%	-19%
Malaysia	623	310	324	5%	-48%
Indonesia	1,181	50	140	179%	-88%
Other	1,639	1,218	1,781	46%	9%
Total	12,707	9,350	13,259	42%	4%

Destination	Offal cut	Feb-14	Feb-15	Annual change
Korea	Tail	259	423	63%
	Cheek meat	507	581	14%
	Tripe	328	354	8%
	Thin skirt	407	327	-20%
	Thick skirt	278	274	-1%
	Other	606	568	-6%
	Japan	Tongues	786	804
Intestines		267	279	5%
Thin skirt		226	371	64%
Thick skirt		175	242	38%
Tripe		265	252	-5%
Other		249	277	11%
Hong Kong		Tripe	1,833	1,715
	Other	36	102	186%
South Africa	Liver	1,005	997	-1%
	Heart	2	372	16760%
	Other	410	354	-14%



- ▶ Thank you for your interest.
- ▶ Questions?

Meat & Livestock Australia commission a monthly report entitled the

MLA Co-Product Market Report

It is available on-line at

<http://www.mla.com.au/Prices-and-markets/Market-reports-and-prices>

then click on Co-products

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