

BYPRODUCTS REPORT

ISSUE #20 – JANUARY 2024

Prices and commentary updated on **12/01/2024**. Price changes in table below reflect movement since the previous report **08/12/2023**.

The following feed byproducts can be sourced from northern, western, and central Victoria, Gippsland, and Melbourne.

5 January 2024	Indicative price	Price change	\$/kg DM	\$/100MJ ME	\$/kg CP	\$/kg NDF	\$/kg Sugar	\$/kg Starch
Cottonseed whole 2022 (Ex NSW Riverina)	\$620	Steady	\$0.66	\$4.96	\$2.75	\$1.31	\$13.19	\$65.96
DDG dried (corn) loose (Ex NSW Riverina)	\$385	Steady	\$0.42	\$3.10	\$1.74	\$1.39	\$10.46	\$6.97
Wheat millrun (Ex NSW Riverina)	\$395	\$15	\$0.44	\$3.88	\$2.19	\$1.19	\$8.78	\$2.93
Almond Hulls (Ex NSW Riverina)	\$175	Steady	\$0.21	\$1.92	\$3.43	\$0.54	\$0.94	\$15.84
Canola Meal Solvent (Northern Victoria)	\$640	\$15	\$0.71	\$5.78	\$1.78	\$2.15	\$7.11	\$35.56
Almond Hulls (Northern Victoria)	\$175	Steady	\$0.21	\$1.92	\$3.43	\$0.54	\$0.94	\$15.84
Citrus Pulp (Northern Victoria)	\$80	\$15	\$0.44	\$3.42	\$6.35	\$2.22	\$1.71	\$29.63
Molasses (Central Victoria)	\$415	\$3	\$0.59	\$4.23	\$19.76	\$74.11	\$0.85	\$29.64
Potato Waste (Western Victoria)	\$90	\$15	\$0.50	\$4.00	\$5.26	\$8.33	\$12.50	\$0.70
Potato Waste (Gippsland)	\$90	\$15	\$0.50	\$4.00	\$5.26	\$8.33	\$12.50	\$0.70
Palm kernel extract (Melbourne Port)	\$420	Steady	\$0.45	\$4.03	\$2.79	\$0.69	\$11.17	\$44.68
Canola Meal Expeller (Melbourne)	\$640	\$15	\$0.71	\$5.56	\$1.87	\$2.37	\$7.90	\$35.56
Canola Meal Solvent (Melbourne Port)	\$640	\$15	\$0.71	\$5.78	\$1.87	\$2.15	\$7.11	\$35.56
Soya Bean Meal (Ex Melbourne)	\$950	-\$30	\$1.06	\$8.80	\$2.20	\$10.56	\$7.54	\$37.70
Barley malt combings (Ex Melbourne)	\$440	\$40	\$0.49	\$4.44	\$1.96	\$1.22	\$3.26	\$4.89
Biscuit Meal (Ex Melbourne)	\$575	-\$75	\$0.68	\$5.01	\$6.76	\$8.46	\$2.25	\$4.51
Lollies (Ex Melbourne)	\$360	Steady	\$0.42	\$3.14	\$9.21	\$1.41	\$1.06	\$2.82
Bread (Ex Melbourne)	\$325	\$45	\$0.48	\$3.92	\$3.19	\$4.78	\$4.34	\$0.82
Brewers sweet grain (Ex Melbourne)	\$265	-\$15	\$0.66	\$6.63	\$3.31	\$1.66	\$22.08	\$4.42
Brewers grain wet (Ex Melbourne)	\$115	-\$3	\$0.55	\$5.48	\$2.49	\$1.22	\$10.95	\$10.95

Red: very limited/not available, price increase **Orange:** limited availability **Green:** Available, price decrease

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Commentary

Driving Prices Up

- Strong milk prices are underpinning more aggressive feeding strategies in confined feeding, which utilises By-Products heavily. This has meant stronger competition in some of the more premium type protein and sugar based products.
- Starch prices have stayed reasonably buoyant even during harvest. ASW Wheat is a good benchmark and this is currently trading at \$355 ex Riverina. This is the equivalent of 54 cents per kg of Starch
- Canola Meal is tightly held and basically all contracted now. Contracted prices range between \$525 and \$550 ex site if taken, while spot prices are significantly higher and hard to obtain.

Driving Prices Down

- The AUD has increased from \$.66 USD to \$.67 over the month while Argentina's Soy Bean crop seems greatly improved, leading to S&P lowering their price expectations for Soy Bean Meal – which is the benchmark for protein pricing.
- Regardless of the El-Nino forecast, wet conditions have prevailed on the East Coast, leading to more feed being available than anticipated.
- Water prices look to remain affordable for fodder growth for another season with major storages being at or near capacity

Local News

- WANT Cotton Company has started operations at its new ginning facility in Katherine, NT. The burgeoning Northern Territory and Ord Region cotton industry will be less reliant on freighting their cotton bales to Queensland for processing, Knock on effects aren't yet clear, however WANT anticipates shipping product from the Port of Darwin.
- GoFARM have secured another \$120M to develop a large track of land near Griffith with a view to planting up to 1,600 Ha of Almond Trees.

There can be a wide variation in quality of byproducts and prices can vary based on product quantity and quality. Nutritional content of reported byproducts can be found (<https://www.dairyaustralia.com.au/industry-statistics/industry-reports/byproducts-report>). The misuse of some feed byproducts can have adverse effects on animal health. Dairy Australia recommends you seek advice from a dairy nutritionist before incorporating byproducts into feed rations.

Byproducts quoted are indicative of supplier value, exclusive of GST and delivery. Prices quoted may not be the cheapest available and buyers are encouraged to evaluate all options. This report has been commissioned by Dairy Australia to provide an independent and timely assessment of the byproducts market. Whilst all reasonable steps have been taken to ensure the accuracy of the information contained in this report, Dairy Australia disclaims all liability to the fullest extent permitted by Australian law for any inadvertent errors and for any losses or damages stemming from reliance upon its content. Dairy Australia recommends all persons seek independent advice and, where appropriate, advice from a qualified advisor before making any decisions about changes to business strategy.