

Slade Gorton Monthly Market Report

April 2018



SLADE GORTON

America's Original Seafood Family™

Global Market Conditions

April 2018



Catfish

Chinese Catfish: The market is stable and supplies are available.

Domestic Catfish: Supplies for all sizes have come into balance. Raw material prices did come down in March but the decrease was offset by higher transportation costs.



Clams

Domestic Meat: Extreme weather conditions in March hampered Atlantic clam production. “Super surfer” raw strip meat remains extremely limited. Some inshore production has resumed, which has offered a bit of relief on smaller sized breaded strips.

NEW! Whole Hard Shell Clams: Vietnamese hard shell clams are in stock.

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Cod

Atlantic Cod: Prices for single and twice frozen Atlantic cod items continue to move higher. Producers are reporting tight raw material availability out of Norway and Russia. Large fish are reportedly short. The market is also under upwards pressure from seasonal Lenten demand and a shortage of Pacific cod.

Fresh Icelandic Cod: Poor weather in March--in Iceland and the United States--limited fishing efforts and available air freight for shipments. This limited supply and contributed to some higher prices. Expectations are for conditions to improve as we move into the spring and summer, which offer some relief to supplies and prices.

Pacific Cod: Raw material shortages are in full swing. Pacific cod prices have caught up to Atlantic cod. This is forcing traditional Pacific cod users to shop around for alternative species including Atlantic cod.



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Crab

King Crab: Prices continue to soften for a slow call. Demand continues to struggle from once record high prices.

Dungeness Crab: Fishing in the Pacific Northwest is over. There are very limited supplies in the market and higher prices.

Snow Crab: Participants are waiting for Gulf of St. Lawrence and Newfoundland catch quotas to be announced before taking positions. The fishing season in these zones typically commences in mid-to late April, weather depending. The Gulf and Newfoundland fishing zones produce the bulk of the snow crab harvest. Fishing in New Brunswick zone 17 is underway and some initial boat prices were announced. There is expectation that US buyers will have to compete with aggressive Japanese offers.



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Haddock

Haddock: Haddock prices continue to climb. Lent demand, tighter supply and lack of other whitefish at competitive prices are adding upward pressure to this market. Haddock remains a lower priced alternative to cod.



Lobster

Coldwater Tails: There was little change in the North American lobster tail market since last month. Expectations are for supplies to remain very tight into the spring and summer. Virtually all packers and importers are out of 3-10 oz sizes. Inventories are closely held, and in many cases, offers are on allocation. Handfuls of 6-7 and 7-8 oz tails are in stock. Tail demand will increase between now and Mother's Day.

Meat: Meat prices held steady in the month of March and supplies are moving through the system. The market may have hit bottom on prices. Packers stopped forcing meat sales with tails as inventories came into balance with demand. Supplies should tighten a little bit into Mother's Day and before new season production from Prince Edward Island fishery reaches the market.

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Mahi

Frozen: Mahi is in good supply and prices are stable. South American fishing is now over. New season production will not resume until Q4.

Fresh: The season is over and prices on fresh are on the traditional upswing for this time of the year. Availability will continue to tighten and prices are expected to rise as we move through the summer. New season production will not come into the market until Q4.

Mussels



New Zealand: Production is over for the season. Prices on current inventory are higher; there demand for this product.

Chilean: Market is down and inventories are plentiful.

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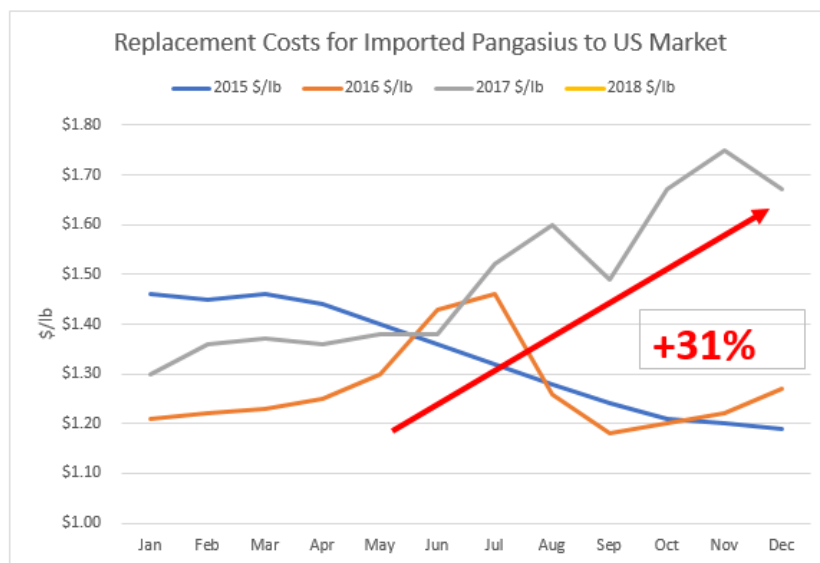
Oysters

Gulf Oysters: Supplies for fresh and frozen oysters are adequate and prices are steady. Half shell product is available at competitive prices.



Pangasius

Pangasius: The market is at record high levels and supply is extremely limited. Massive delays continue to plague shipments into the US market. There are reports of Chinese buyers purchasing whole fish for cash. Duty rates were also adjusted higher for pangasius shipments. There is no relief in sight for prices or supply. There are alternative whitefish options in the market including chem-free and twice frozen pollock, hake, Atlantic cod and farm raised sea bass.



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Pollock

Chemical free twice frozen pollock is available at competitive prices. Overall, pollock demand and prices are up. Lenten season sales were strong. Operators are also switching over to pollock as an alternative to pangasius and other higher priced whitefish.



Salmon

Fresh: Farmed Atlantic salmon supplies are tight and prices are climbing. Algae blooms prompted Chilean producers to harvest fish ahead of schedule in Q1. Historically, salmon market prices tend to rise through Memorial Day. This is mostly from Lenten season and Mother's Day demand. This year is no different and the market is now under additional pressure because of the early harvesting. Spot market purchases were reportedly high in the run up to Easter Sunday. The expectation is for market prices to remain firm for the next few months. There was a surge in whole salmon imports from Canada and Europe into the market at higher prices.

Frozen: Frozen production is limited and prices are holding at elevated levels. Any available raw material is going into the fresh market. The expectation is for supplies to remain tight through Memorial Day.

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Scallops

Domestic: Atlantic scallop prices are declining as boats begin to harvest in open areas. There is a general industry consensus that the 2018 season will produce a robust scallop harvest. However, a weak US dollar may encourage higher exports into the summer.

NEW! Peru: Half-shell, farm raised, chemical free Peruvian scallops are in stock at great prices.



Shrimp

Warmwater Shrimp: The market appears to be showing signs of oversupply. Indian and Indonesian packers are reporting a decline in orders from US buyers. Prices are softening.

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Squid



Loligo: Prices are firming on 5-8's as inventories appear to be short in the market. Packers are trying to force 3-5 purchases, which suggests the size of the squid coming out of the water is small. Supplies of 5-8's are available at competitive prices. Expectations are for production to restart in May.

Todarodes: Prices are about the same as Loligo. Some market participants have noted even higher offers on product but nothing to warrant an increase in pricing.

Peruvian Steaks: Prices are higher on Peruvian squid steaks because of raw material shortages. Squid are now showing up seasonally late so expectations are for supplies to reach our inventories in early April. The market should adjust as inventories improve as the industry looks toward the spring season.

Chinese Steaks: Expect to see Chinese squid steaks on inventory by the end of April. Production was mostly on hold because of the Chinese New Year. The market for Chinese steaks will be competitively priced.

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Tilapia

Currently, there are high replacement costs for tilapia. The fish is an alternative to Pangasius. However, Chinese production is more limited as producers are reportedly backing out of the business. Still, the expectation is for replacement to come down into the summer harvesting period.



Tuna

Frozen Tuna: The market is stable and we are well supplied.

NEW! Frozen Yellowfin Poke: This is one of the hottest food trends in the market. The supply consists of 1 pound bags featuring 2 cm x 2 cm x 2 cm cubes. Great for appetizers and small plates.

Fresh Tuna: Available and abundant; product is available from around the world.

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Whiting

Demand for whiting remains high. Market prices are up given limited inventories.

