



Slade Gorton's Monthly Market Report

August 2017



SLADE GORTON

America's Original Seafood Family™

Global Supply Conditions

August 2017 Edition



Calamari

Loligo Chinensis. Prices continue to inch up as new containers arrive with higher costs, prices for cleaned products are increasing. Expect slightly higher prices through Summer as the fishery ban is in place in China through September 15th. Volumes so far are steady but mostly smaller sizes.

Todarodes. Harvests are trickling in and pricing has seemed to stabilize, processors are starting to get raw material to process, still a good value alternative to Loligo on the larger sizes.

Catfish



Domestic Catfish. Prices remain steady. All sizes are currently available. There are some larger fish being offered at very competitive prices.

Chinese Catfish. Prices remain steady. All sizes are currently available. Larger sizes are now starting to tighten slightly.

Chilean Sea Bass



Market has still been overloaded and prices have been sloppy the last 12 weeks. The Ross Sea Mawsoni species all arrived earlier this year one month and a half early. This flooded the market with fish and many importers have had to discount to turn inventory into cash. Today's prices don't make a lot of sense based on replacement cost still being higher than some sell prices. Demand is down too as some end users have taken off the menu due to high prices. Pricing on portions and fillets has also dropped some but buyer beware as there is some reported heavily injected product out there with several rejections. We are seeing some shortages of prime sized, 10-15 kilo Eleginoides in the market. As we head towards fall, supply may be limited and prices could actually rise. Most sellers are still motivated to move inventory but things are starting to stabilize.

Clams



The offshore winds have continued to be strong and it is keeping clam boats docked and unable to fish. They have to go further out to sea to harvest the clams, which leaves them more exposed to the weather conditions. The supply situation will improve with the weather.

Cod



Atlantic and Pacific cod continue to see stronger pricing. Pacific cod will become tighter through out the summer until the season begins in September.

Crab



King Crab. Prices have come down further. Slightly reduced to the current levels and are anticipated to continue to remain at these levels over the next couple of months. All sizes are available in either Red or Brown crab at this time.

Snow Crab. Supplies are limited and customers are looking for other alternatives. Replacement costs continue to climb.

Dungeness Crab. Is the new value to Snow Crab! Always considered a better crab so if you have not tried it - now is the time. We have both clusters and whole cooks currently in inventory.

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Crawfish

Season is now over in China until next April 2018. Egypt will be done soon and Spain is just starting to produce. I expect market on both meat and tails to strengthen as we head into fall.

Crawfish Tailmeat from China

Exports are down 70% which means less product and higher prices. Currently we are seeing a \$.70 to \$1.00 increase.

Whole Cooked from China

The market opened cheap, with China making promises to several importers. The market then took a turn for the worse, making both 16/22 and 10/15 from China almost non-existent and incredibly expensive.

Egypt Crawfish 2/5 LB Seasoned

We will have enough 10/15 Seasoned product to supply our customer base for the entire year. Quite the opposite can be expected with 16/22, due to less quantities of smaller ones available from the Nile. Therefore, 16/22 will be tight, with prices increasing throughout the year.

Spanish Crawfish

The season has not yet started but we will have more information on the availability of Spanish 16/22 in September

Grouper



Chinese Grouper. All sizes available in multiple locations. Prices continue to remain relatively stable. Sales have picked up in the South as their season plays out.

Mexican Grouper. New production is extremely scarce due to poor landings. Small fillets are very short: 1#-up fillets are somewhat available. Sea Cucumber season has already started so the price relief window is gone.



Haddock

2017 summer fish will start to hit the market, this fish is soft due to spawn so consider quality when shopping.

Lobster



Canadian/Maine Lobster. The start of the spring season was not a great one as weather, high boat prices and demand from Asia and EU for live and whole cooked was strong.

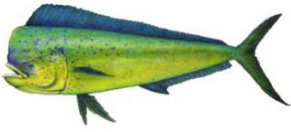
Large tails, 5 oz. and larger, are still extremely short. There are many new friends looking for 5-12 oz tails and we've seen an uptick in CK demand. No one is offering 6-12 oz Tails without forcing meat and smaller tails on the order. Many end users will be forced at some point to switch to using small tails and using 2 tails per plate in order to serve the 5-10 oz portions if they want to keep on their menus. Large Tails, 6-20 oz are going to be in short supply for the remainder of the year. Most meat prices are steady at current prices with some uptick in demand for CK and TCK. Much of the fall and winter inventories are being cleaned up. Keep in mind that on Lobster meat, there are always 20 ways to make something \$3.00 cheaper or more expensive. Maine season will start up in the next couple of weeks but only time will tell how the catch will go.

Warm Water Lobster. Prices have come down further. Slightly reduced to the current levels and are anticipated to continue to remain at these levels over the next couple of months. All sizes are available in either Red or Brown crab at this time.



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Mahi

Product from Taiwan, Vietnam, and Indonesia should start arriving in August. Prices for Asian and Central & South American are currently congruent. No relief in site.



Mussels

New Zealand Mussels. Production will stop for most in Mid-July until the end of September. In the new season beginning October, pricing will remain firm initially but some pressure may come off before Christmas.

Chilean Mussels. Year round production but best meat fill August - January due to more food from sunlight that generates more seaweed.



Octopus

Indonesian supply continues to remain short. Prices have been slowly inching up. Philippine supply is stable with the season slowly coming into full swing. However global demand and the Indonesian shortage have continued to put pressure on raw material prices.



Oysters

Supply is spotty, more oysters from the Gulf are being harvested but sizing for the frozen market is an issue. Expect a shortage of 144ct frozen half shell into October.



Pollock

The fishery for Pacific Pollock has produced only smaller fish, 2-4 oz. fillets. Larger fillets, 4-6 oz. and 6-8 oz. are very tight.



Salmon

Farmed Atlantic Salmon. Fresh Chilean prices have declined steadily due to strong supply from Chile, Canada and wild salmon. Demand appears a bit slow for the summer.

The European whole fish market is expected to remain stable in the coming weeks.

Producers continue to target other markets, hoping to optimize their returns and manage forecasted forward production.

Frozen prices have softened with increased raw material. Plant capacities are now expanding for frozen Aug/Sept production. This should impact prices for Q4.

US inventory today is adequate for demand.

The outlook for the remainder of Q3 is stable to slightly increased supply which will slow price reductions in the coming months.

Wild Salmon. The new chum salmon season has begun but it's too early to know the outcome. Overall catch is expected to be similar to 2016, but demand could be higher as king and sockeye salmon catches are expected to be much lower than last season.

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Scallops

Sea scallop pricing has stabilized after great catches over the past few weeks have driven prices lower.

Bay pricing has turned upward due to low production and tight inventory.



Shrimp

Asian Shrimp. Prices remain steady on all P+D forms, while HSLO prices have inched down over recent weeks. Larger sized inventory is more readily available than smaller sizes with regards to replacement at this time.

Cold Water Shrimp. West coast season is in full swing. Shrimping is progressing similar to last year. Majority of the catch is 250/350 and 350/500. Prices are stable on larger sizes (150/250 and 250/350) smaller sizes (350/500) have come down from last year.



Snapper

Snapper has been increasing in demand and price due to pressure on the market for a white fish to substitute for Mahi Mahi. Indonesian government fishing restrictions are also adding to the pressure. Expect prices to climb on natural fillets. One cuts are a great alternative and priced very well.



Flounder/Sole

The market remains steady on smaller fillets and very strong for larger sizes especially 6-8 oz due to supply.



Swai

Overseas pricing continues to move up due to the new USDA guidelines. We have good inventory in all sizes and all locations.



Swordfish

The season has begun and landings have been small whole fish so far. Prices are increasing for larger raw material as a consequence.



Tilapia

Prices are stable but anticipated to start to climb as the new ruling on Pangasius comes into effect. Supplies currently seem to be in good standing in the US and we have adequate supply across all sizes and forms.



Tuna

Fish catches have been poor for the past 3 months and raw material prices have increased by nearly 10% this month.

Current market prices here don't reflect the true market yet - but there will be shock waves when replacement prices surface. Stock on hand is low.



Whiting

Argentine Whiting supply has tightened up while boats head south for more lucrative shrimp fishing until October when the national waters season ends. Prices have increased by about a dime and are expected to remain strong until shrimp fishing ends and boats are back fishing for whiting.



Our Office Locations

Northeast – Corporate

Slade Gorton & Co., Inc.
225 Southampton Street
Boston, MA 02118
Telephone: 617-442-5800
Fax: 617-442-9090
Contact: Corinne Malcolm

Southeast Division

Slade Gorton & Co., Inc.
2501 SW 31st Street
Ft. Lauderdale, FL 33312
Telephone: 954-920-6911
Fax: 954-920-6977
Contact: Marie Excellent

West Division

Slade Gorton & Co., Inc.
One Centerpointe Drive
Suite 311 La Palma, CA 90623
Telephone: 714-676-4200
Fax: 877-234-0598
Contact: Brad Stevens



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