



Food and Agriculture
Organization of the
United Nations

31/07/2015 Issue 3/2015

GLOBEFISH

HIGHLIGHTS

A QUARTERLY UPDATE ON WORLD SEAFOOD MARKETS

3

JANUARY-MARCH 2015

STATISTICS



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The **GLOBEFISH Highlights** is based on information available in the databank, supplemented by market information from industry correspondents and from six regional services which form the FISH INFOnetwork: INFOFISH (Asia and the Pacific), INFOPECA (Latin America and the Caribbean), INFOPECHE (Africa), INFOSAMAK (Arab countries), EUROFISH (Central and Eastern Europe) and INFOYU (China).

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GLOBEFISH Highlights is distributed to the subscribers of: INFOFISH Trade News, INFOPECA Noticias Comerciales, INFOPECHE Nouvelles Commerciales, through EUROFISH and INFOYU. **GLOBEFISH Highlights** are also available in electronic form.

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Bibliographic reference:

GLOBEFISH Highlights
2015
FAO/GLOBEFISH Highlights
(3/2015): p. 60

A quarterly update
based on
the GLOBEFISH databank

1995-2015
20TH ANNIVERSARY OF THE
CODE OF CONDUCT FOR
RESPONSIBLE FISHERIES



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GLOBAL FISH ECONOMY

Global fish economy

Early estimates for 2015 suggest that global fish production will grow at a faster rate this year, but this is largely due to the normalization of anchoveta catches after the low El Niño levels recorded in South America in 2014. Otherwise, production trends are largely as expected, with a steadily growing global aquaculture sector and minimal to zero increases in wild catches. International trade of fishery products continues to expand, but at a declining rate, reflecting increased demand in domestic markets in some of the world's major fish producers such as China. p. 2

SHRIMP

First quarter farmed shrimp production moderate with export prices weakening, generating further demand in international trade



Most of the producing countries reported higher volume exports during the first quarter period. However, export revenues suffered as prices declined 20-30% in the international market. Imports increased in the western markets as they paid less compared with last year. p. 3

Despite low prices, demand has not increased in the global canned tuna market



During the first quarter of the year, canned tuna imports were lower than compared with the same time period in 2014 in most of the traditional developed markets. Prices of frozen skipjack were 15-20% lower year on year. Consumer demand for sashimi tuna remains seasonal in Japan with less consumption during summer months, while in the USA, the market has been stable for tuna loins and steaks. p. 10

TUNA

GROUND FISH

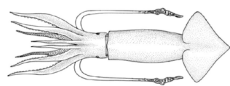
Booming cod market but weaker prices likely



ICES has reduced its 2016 TAC advice for cod somewhat, but increased the TAC advice for haddock. Thus, total supplies for 2016 should be at about the same level as in 2015. The cod market is booming, although prices have been under some pressure lately. p. 17

CEPHALOPDS

Record squid landings expected



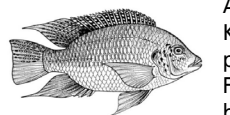
Reports from the Falkland Islands (Malvinas) indicate that 2015 could be another record year for squid landings. The fishery was off to a good start in February, and by mid-April over

150 000 tonnes have been landed.

The octopus supply situation has also improved, with the main markets importing more octopus than compared with last year. Prices may stabilize after a weak period during the winter. p. 22

TILAPIA

Domestic demand keeps market firm



At the INFOFISH Tilapia 2015 conference, Professor Kevin Fitzsimmons estimated that global tilapia production exceeded 4.85 million tonnes in 2014. For 2015, it is forecasted that production will grow by 6% to total 5 million tonnes. p. 26

PANGASIUS

Major markets slow down, producing countries target domestic demand



The most recent FAO figures report global pangasius production in 2013 at 1.67 million tonnes with Viet Nam accounting for a staggering 71% of the total. Nearly 98% of this comes from aquaculture. p. 28

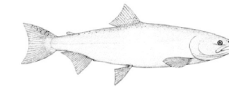
SEABASS & SEABREAM

European supply outlook looking tight as prices begin to climb



The effect of lower seabass and seabream supply is being reflected in upward price trends across all major European markets. In Italy, prices for Greek bass and bream have recently been reaching heights not seen for many years. Reports from Turkey have also been positive, with similarly high price levels being maintained even as early year harvest and export volumes exceed expectations. p. 30

Pessimism grows in Chile amidst antibiotic concerns and falling prices in major markets



The fortunes of the two top farmed salmon producing countries, Chile and Norway, have recently been diverging. While the Norwegian industry has benefited from contracting supply and firmer prices going into the second half of the year, Chilean producers and exporters are struggling with weak demand and low prices after a series of destabilizing developments. p. 34

Lower mackerel quotas may push prices up



Mackerel quotas for the main producing countries have been reduced by about 15% this year, and this may cause prices to rise. In contrast, ICES has increased the herring quota advice by 20%. Thus, herring supplies may increase markedly this year, putting pressure on prices. p. 40

Normal price for fishmeal, despite El Niño forecast



Prices of fishmeal and fish oil slide down, though pressure on supply will continue with the projection of a strong El Niño phenomenon in fall 2015. p. 44

First quarter global trade in mussels remains stable while oyster and scallop trade grows



Mussels are the most traded bivalves in the world, with international trade during the first quarter 2015 totalling about 70 000 tonnes. Roughly 30 000-40 000 tonnes of scallops and 13 000 tonnes of oysters were traded during the same period. The first few months of 2015 were very positive for the Chilean mussel industry with exports quickly growing. During the same period, China demonstrated a significant interest for scallops, with a positive trade balance (+2 200 tonnes) after a deeply negative one the year before (- 8 100 tonnes). p. 47

Lobster demand increases



Lobster supplies have fallen short of demand lately, as demand has been stimulated by good economic prospects in the USA. In contrast, in the EU, the economy is not so bright, and this may dampen demand in this market. p. 52

Crab supplies stronger due to good Russian landings



Crab supplies are increasing, mainly as a result of illegal Russian production, and this may push prices further down. p. 54

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PACIFIC TUNA FORUM 2015

5th Regional Tuna Industry and Trade Conference

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SALMON

SMALL PELAGICS

FISHMEAL & FISH OIL

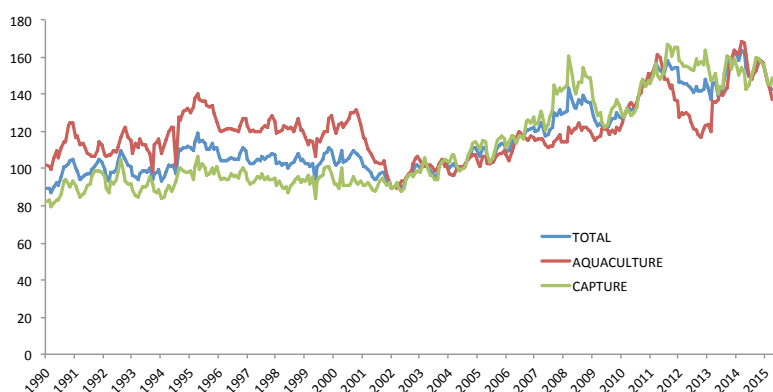
BIVALVES

LOBSTER

CRAB

GLOBAL FISH ECONOMY

The FAO fish price index (100=2002-2004)



Source: Norwegian Seafood Council

Early estimates for 2015 suggest that global fish production will grow at a faster rate this year, but this is largely due to the normalization of anchoveta catches after the low El Niño levels recorded in South America in 2014. Otherwise, production trends are largely as expected, with a steadily growing global aquaculture sector and minimal to zero increases in wild catches. International trade of fishery products continues to expand, but at a declining rate, reflecting increased demand in domestic markets in some of the world's major fish producers such as China.

Emerging markets, particularly in Asia and especially in China, are driving fish consumption growth around the world. China's enormous aquaculture and capture fisheries sectors make it by far the world's biggest fish producer. In terms of trade, it is already the world's top exporting country by a significant amount, and is also one of the biggest importers. As the urbanized Chinese middle class grows, however, consumer tastes turn toward more expensive species such as shrimp and shellfish. As a result, an increasing proportion of Chinese production is diverted from export routes to local markets. The same trend can be observed throughout other countries in South and Southeast Asia.

The global picture in 2015 so far is somewhat less positive than last year for producers. Higher shrimp, salmon, cod and cephalopod production is softening prices in many markets and the average fish price index for the first four months of 2015 was some 16 points down compared with the same period last year. Fishmeal prices have also fallen for now, while low fuel prices and weak demand means tuna prices are still languishing at very low levels following a long decline, despite some signs of recovery earlier in the year. Looking forward to 2016, aquaculture producers concerned with feed costs will be taking note of the El Niño weather pattern forecast for later 2015, which is likely to result in reduced South American anchoveta catches in the second season and can be expected to push fishmeal and fish oil prices up once again.

Despite the rising importance of domestic demand in developing regions, producers and exporters from these countries nevertheless benefitted last year from high prices and strong demand for key traded species

in major markets such as the USA. Cephalopods from Northern Africa, shrimp from Asia and Latin America and salmon from Chile were all big earners last year. In Norway, high salmon and cod prices also contributed to record export revenues. A cancelled second anchoveta season in Peru saw fishmeal prices reach record highs.

In the medium term, prevailing demand trends in the major markets of the USA, the EU and Japan can be expected to continue, although the possible outcome and consequences of the ongoing Greek debt crisis represents a significant source of uncertainty in any economic forecast, particularly for the Eurozone. There are also the continuing effects of the Russian food import ban to consider,

which has now been extended for another year, meaning that producers like Norway will need to rely primarily on the EU to absorb surplus production.

Of the major seafood markets, the EU, Japan and the USA, the latter was the clear winner in 2014. A strong dollar and positive economic outlook saw US imports rise by some 15% in dollar terms in 2014 compared with the previous year. In the EU, total import value year on year increased by 8% in dollar terms on the back of slow but steady demand growth, while in Japan a weak yen and the ongoing shift in the protein preferences of younger consumers towards terrestrial meats saw a 5% decline in import values overall.

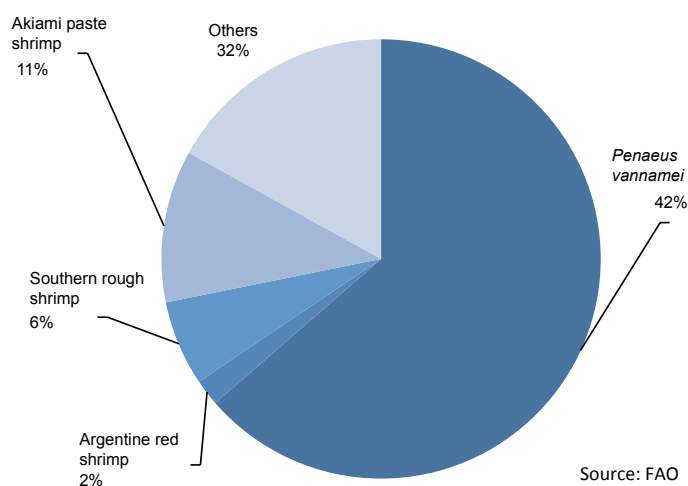
WORLD FISH MARKET AT A GLANCE

	2013	2014	2015	Change: 2015 over 2014
		estim.	estim.	
	million tonnes			%
WORLD BALANCE				
Production	162.8	164.3	168.6	2.6
Capture fisheries	92.6	90.0	90.6	0.7
Aquaculture	70.2	74.3	78.0	5.0
Trade value (exports USD billion)	136.5	143.9	144.5	0.4
Trade volume (live weight)	58.8	59.5	59.7	0.3
Total utilization	162.8	164.3	168.6	2.6
Food	141.0	144.6	147.5	2.0
Feed	16.8	15.0	16.4	9.7
Other uses	5.0	4.8	4.7	-2.1
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption				
Food fish (kg/year)	19.7	20.0	20.1	0.9
From capture fisheries (kg/year)	9.9	9.7	9.5	-2.2
From aquaculture (kg/year)	9.8	10.3	10.6	3.8
Totals may not match due to rounding.				

First quarter farmed shrimp production moderate with export prices weakening, generating further demand in international trade

Most of the producing countries reported higher volume exports during the first quarter period. However, export revenues suffered as prices declined 20-30% in the international market. Imports increased in the western markets as they paid less compared with last year.

Shrimp production by species (2013)



Supply

January-March is generally a low production period for shrimp. However, supplies were moderate in Asia. Shrimp exports from Thailand in the first quarter demonstrated positive trends after many years, though the actual production status is still disappointing as the sector continues to face difficulties. "Although Thai farmers have adapted to the situation, total productivity is down even against the already bad numbers from last year," stated a leading aquaculturist. Harvests mostly consisted of smaller sizes as farmers opted to grow smaller shrimp due to the EMS scare. Volume sales in the Mahachai wholesale market have been lower compared with last year's. According to the Bangkok Post, shrimp farmers are struggling with falling market prices due to EMS and seeking the government's assistance to stabilize local prices, ease financial liquidity for exporters and address the EMS issue.

In India, farmed shrimp production was moderate during the first quarter of the year. Farmers in West Bengal are focusing more on vannamei (70%) and less on black tiger shrimp (30%). The brood stock availability has been reported as adequate in India for the current season but there is a shortage of live larval feed known as artemia.

According to the All India Shrimp Hatcheries Association, some technical barriers are affecting the imports of artemia needed in the shrimp hatcheries.

In Viet Nam, production was seasonally low during the January-March period and imports of frozen raw shrimp surpassed the volume during this same period last year.

In China, the largest producer of farmed shrimp, local supplies were seasonally low until April/May. The EMS disease remains a challenge.

Meanwhile, the USA, Japan and the EU reported unauthorized veterinary drug residues in shrimp imported from Viet Nam, as well as from India, Malaysia and China.

Latin America

Ecuador managed to stay EMS free with strong harvests reported during the January-March period. Production also seems to have improved in Mexico. However, there are reports of EMS occurrence in Honduras and Nicaragua.

Wild-caught shrimp

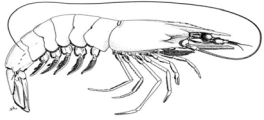
Landings of domestic shrimp in the US Gulf of Mexico totaled 8 982 tonnes from January-May this year, which is a 35% rise when compared with the same period last year. With this increase in landings, the average ex-vessel price of shrimp weakened.

Import and export trends

During the first quarter 2015, sale volumes of shrimp increased in the international market compared with the same period last year, supported by good availability of shrimp and 20-30% declines in export prices compared with the first quarter of 2014.

Imports increased in the USA and Canada as well as some EU markets, including Spain, France, Italy, the UK, the Netherlands, and Germany.

During the first quarter, Japanese demand was weak with lower imports. However, demand began to improve in April



2015. Imports were also lower in China and in Australia compared with the first quarter 2014 but increased in the Republic of Korea, Hong Kong SAR, Malaysia, Taiwan Province of China (PC), and Singapore. India increased exports to the Middle East

With 80 600 tonnes of exports, Ecuador was the number one shrimp exporter in the world during the first quarter 2015. According to national data, India was the second top exporter, exporting 75 000 tonnes during the same period, Exports increased from Indonesia and Thailand (34 800 tonnes, +10%) during the first quarter but declined from China.

During the first quarter 2015, Vietnamese exports to the USA and Japan declined but increased to the EU, Canada,

Imports

Shrimp (by product): Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Live	0.0	0.0	0.0	0.0	0.0	0.0
Fresh/chilled	0.0	0.0	0.0	0.0	0.0	0.0
Frozen. raw	41.8	43.1	42.4	38.5	36.4	24.2
Dried/salted/in brine	0.8	0.7	0.7	0.5	0.5	0.2
Cooked. frozen	4.8	4.8	5.1	5.2	4.5	3.6
Cooked & smoked	0.1	0.1	0.2	0.1	0.1	0.3
Frozen ebi	0.1	0.1	0.1	0.1	0.1	0.1
Prepared/preserved*	9.4	11.4	11.6	11.3	8.8	8.2
Sushi (with rice)	0.3	0.7	0.5	0.6	0.4	0.5
Total	57.2	60.8	60.3	56.1	50.7	40.1

* (incl. tempura shrimp)

Source: Japan Customs/INFOFISH

Imports

Shrimp - Raw frozen tropical: Japan

	Jan-Mar			
	2012	2013	2014	2015
	(1 000 tonnes)			
Indonesia	7.3	7.1	5.2	5.7
Vietnam	6.0	5.0	5.9	5.4
India	5.7	5.6	4.3	3.4
Argentina	2.1	3.8	7.5	2.6
Thailand	7.7	6.5	2.4	2.0
China	3.1	2.2	2.7	1.7
Myanmar	1.3	1.1	1.3	0.9
Malaysia	1.8	1.2	0.6	0.7
Bangladesh	0.6	0.7	0.7	0.4
Taiwan	0.2	0.3	0.2	0.4
Ecuador	0.3	0.5	0.4	0.3
Philippines	0.5	0.3	0.2	0.3
Others	1.4	1.0	1.2	0.6
Total	38.1	35.3	32.7	24.3

Source: Japan Customs/INFOFISH

the Republic of Korea and China (through large border trade) compared with the same period last year. However, during the longer January-May time period, VASEP reported that due to antibiotic contamination, Viet Nam’s exports to the USA and Japan declined further by 56% and 27.6% respectively compared with the same period last year. Exports to the EU declined by 3.1% during this time period. Also from January-May, the USA returned 25 Vietnamese shrimp batches, Japan returned 7 and the EU 4.

Japan

Since December 2013, the yen has been weak against the US dollar, making importing prices higher in Japan despite the price decline in the international market. With this development, first quarter imports of raw and processed shrimp were at a five-year record low, down by 21%. Raw shrimp imports declined by 33%, likely due in part to the absence of promotional sales in supermarkets during the spring festival.

During the first quarter, supplies of tropical and cold water shrimp in Japan were lower from Viet Nam (-10%), India (-22%), Thailand (-19%), China (-26%) Argentina (-66%), the Russian Federation (-9%) and Canada (-17%) when compared with the same period in 2014. Imports increased only from Indonesia (+8.8%).

In April, inventories in the market fell by 5.3% against March and remained 8.18% lower than compared with April 2014.

During the spring festival, demand for processed shrimp improved, with supermarkets selling more to-go tempura and cooked shrimp products. Promotional sales of raw shell-on shrimp were completely absent in the retail market.

The Japanese restaurant trade reported strong business during the first quarter due to the influx of tourists, particularly from China during the Lunar New Year holidays in February. A Government report stated that total spending by tourists increased by nearly 65%, hitting a record of JPY 706.6 billion during the first quarter of 2015 compared with the same period in 2014.

USA

The beginning of 2015 was marked by severe cold that affected shrimp consumption in the US market, particularly during Lent when seafood sales are generally good. As a result, distributors were burdened with huge inventories of shrimp. Wholesale buyers knew that cold storage facilities remained quite full and that they could bargain with importers, making prices unstable. As a result, import prices fell further. Taking advantage of the price situation, the market imported more shrimp from Asia and Latin America during the first quarter. Supplies of domestic shrimp also increased this year compared with last year.



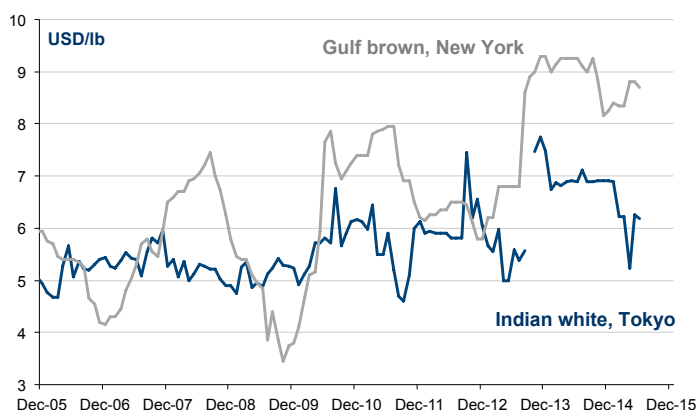
Imports

Shrimp: USA

Product	2010		2011		2012		2013		2014		2015	
	1 000 tonnes	million USD	1 000 tonnes	million USD	1 000 tonnes	million USD	1 000 tonnes	million USD	1 000 tonnes	million USD	1 000 tonnes	million USD
Peeled frozen	36.4	270.1	41.7	377.7	44.7	410.1	48.3	419.1	52.1	681.7	47.6	505.4
Other frozen	20.4	151.3	18.8	174.5	17.8	179.1	12.9	122.9	15.5	224.6	17.7	217.4
Breaded	10.3	56.4	9.8	62.6	8.7	59.2	8.0	53.1	10.5	95.7	11.7	94.7
Other prep.	0.4	1.6	0.7	3.5	0.5	3.1	0.5	2.8	0.5	3.0	0.5	3.1
Headless shell-on frozen												
All sizes	40.9	272.7	42.4	376.3	49.0	418.5	40.7	360.9	47.6	588.1	55.2	554.5
< 15	4.0	46.7	3.7	56.6	5.2	74.7	4.4	68.9	3.9	72.2	5.5	95.8
15/20	3.1	28.0	3.5	42.6	4.5	47.6	3.7	38.9	3.6	54.6	5.2	68.9
21/25	5.5	41.6	6.5	68.1	7.0	62.3	5.6	53.0	7.4	101.3	8.3	88.5
26/30	5.7	39.2	6.8	59.5	7.9	68.0	6.4	56.3	8.5	109.4	8.0	79.2
31/40	7.3	42.6	8.7	65.3	8.8	64.6	8.1	63.4	8.9	102.9	11.4	101.6
41/50	5.1	26.0	5.1	33.8	5.4	36.6	5.5	38.4	5.7	59.1	7.1	54.4
51/60	5.0	24.9	4.4	29.1	5.0	32.9	3.7	23.7	5.1	49.8	5.2	37.6
61/70	3.0	15.1	2.2	13.2	2.9	18.5	1.7	10.4	2.4	21.7	2.4	15.9
> 70	2.1	8.7	1.5	8.2	2.3	13.4	1.5	8.0	2.1	17.2	2.0	12.7
Other products	2.4	16.7	1.8	14.6	0.9	10.0	0.9	11.8	0.8	11.3	2.3	13.8
Total	111.0	768.8	115.2	1 009.4	121.7	1 080.0	111.3	970.6	127.1	1 604.5	135.1	1 389.0

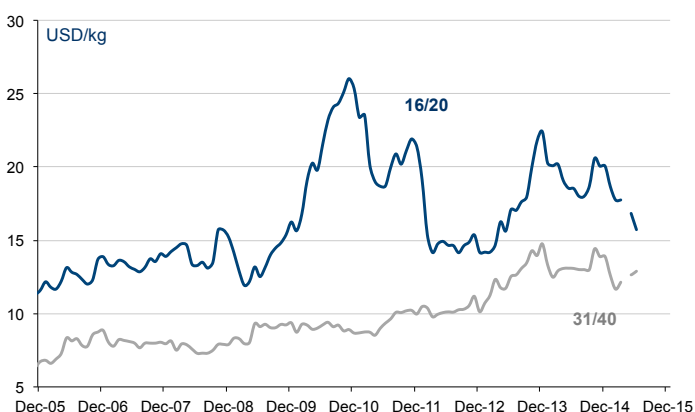
Source: NMFS

Shrimp prices (16-20 count) in main wholesale markets, USA and Japan



Source: INFOFISH

Shrimp prices Japan, black tiger origin Indonesia



Source: INFOFISH

Total US shrimp imports during this period were 9 000 tonnes higher, totaling 135 100 tonnes, which demonstrates 6.3% growth compared with the January-March period last year. However, the import value declined to USD 1.39 billion compared with USD 1.60 billion, due to the 19-20% decline in the average import prices (USD 10.30 per kg in January-March 2015 versus USD 12.60 per kg in January-March 2014). Indonesia was the top supplier of shrimp to the US market followed by India, Ecuador, Thailand and Viet Nam. Compared with the first quarter of 2014, supplies increased from Thailand but remained significantly below previous levels.

Imports of shell-on and prepared shrimp increased during this period but declined for peeled

shrimp (-8.63%), suggesting heavy local inventories. In shell-on imports, including the easy-peel products, supplies increased for large sizes un/15, and medium sizes of 21/25, 31/40 and 41/50 counts.

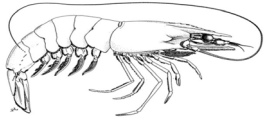
Since late May, the weather has been conducive in the USA and retail shrimp prices have adjusted. With the start of the summer and holiday months, consumer demand for all types of shrimp is on the rise.

Imports

Shrimp: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
(1 000 tonnes)						
Indonesia	14.6	16.7	19.4	17.5	24.1	28.0
India	3.6	7.2	10.4	17.1	21.0	24.2
Ecuador	14.8	15.2	19.2	17.7	22.4	23.4
Thailand	39.1	39.0	30.5	24.0	13.7	16.6
Viet Nam	6.3	7.8	8.6	7.9	16.2	12.5
China	9.8	8.1	7.3	6.5	8.5	7.1
Mexico	8.2	4.2	8.0	5.8	3.5	6.6
Malaysia	4.8	5.9	6.4	5.6	3.7	4.4
Peru	2.0	2.6	2.1	2.3	3.4	2.4
Guyana	1.9	2.0	3.1	2.1	2.4	2.2
Argentina	0.0	0.2	0.1	0.3	1.2	1.1
Honduras	0.5	0.7	0.7	0.5	1.5	1.1
Others	5.4	5.6	5.7	4.2	5.6	5.5
Total	111.0	115.2	121.7	111.3	127.1	135.1

Source: NMFS



Another development in the US retail trade is the growing demand for good quality medium/small sized (50-60/ pcs per kg) head-on vannamei, which are sold at Asian supermarkets in increasing volume. Most of this type of product comes from Ecuador.

EU

During the first quarter of the year, the general demand for shrimp in the EU market was low. However, falling offer prices from exporting countries resulted in import growth, with first quarter imports at their highest level in four years. India has overtaken Ecuador as the number one supplier, with a 2.5% rise in exports to the EU. Compared with the same period last year, supplies from Ecuador fell by 16%.

In total shrimp imports (intra- and extra-EU trade) the top markets were Spain, France, Denmark, the UK, Netherlands, Italy, Belgium and Germany. Supplies

**Imports/Export
Shrimp: EU-28**

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
IMPORTS						
India	14.9	16.1	14.2	16.2	19.4	19.9
Ecuador	15.8	22.4	19.5	16.3	21.7	18.6
Argentina	4.9	8.7	5.9	8.3	8.3	12.4
Greenland	14.4	17.1	14.4	15.0	14.6	11.5
Viet Nam	7.4	10.1	7.5	7.2	7.6	10.5
China	9.0	11.6	9.1	8.1	5.4	10.0
Denmark	12.0	11.0	9.3	10.1	10.6	9.4
Bangladesh	7.4	8.8	7.6	8.0	6.6	8.2
Netherlands	8.1	10.0	9.3	8.2	7.7	7.3
Canada	7.5	7.2	8.5	5.6	6.2	6.5
Spain	4.7	4.9	5.2	5.2	5.5	5.4
Belgium	5.4	6.9	5.6	5.0	5.6	5.2
UK	2.6	2.9	2.5	2.8	2.9	4.9
Morocco	3.3	3.0	3.0	2.2	3.3	3.9
Thailand	12.1	13.4	10.8	9.2	3.1	2.8
Indonesia	5.9	5.2	2.9	2.3	3.3	2.7
Germany	4.2	5.0	3.8	2.9	2.6	2.6
Others	28.8	27.4	26.0	23.8	26.8	23.6
Grand Total	168.4	191.9	165.1	156.4	161.3	165.5
Total Intra Imports	43.2	47.9	41.2	39.4	40.8	41.3
Total Extra Imports	125.1	143.9	124.0	117.1	120.5	124.2
EXPORTS						
Grand Total	82.1	87.5	75.7	72.6	67.8	71.5
Total Intra Exports	58.9	67.2	57.7	56.6	52.9	54.6
Total Extra Exports	23.2	20.2	18.0	16.0	14.9	16.9

Source: EUROSTAT

**Imports
Shrimp: Spain**

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
IMPORTS						
Argentina	3.4	7.0	4.4	6.4	6.1	8.4
China	4.8	7.0	5.0	3.8	2.5	6.0
Ecuador	3.3	5.7	5.8	3.3	6.6	5.2
Nicaragua	0.8	0.6	1.0	1.0	1.8	1.1
Portugal	0.7	0.9	0.8	0.6	0.4	1.1
Others	11.4	13.9	8.7	8.7	9.7	9.8
Total	24.5	35.2	25.5	23.9	27.1	31.7
EXPORTS						
Italy	2.2	2.8	3.3	4.4	2.7	4.0
Portugal	1.4	1.4	1.5	1.3	2.2	1.7
France	1.8	1.5	2.2	1.3	0.9	1.2
Others	0.8	1.4	1.7	1.6	1.6	1.9
Total	6.2	7.1	8.7	8.6	7.4	8.8

Source: Agencia Tributaria

**Imports
Shrimp: France**

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Ecuador	5.2	6.1	5.9	7.0	8.3	7.9
India	3.1	3.1	3.3	3.9	4.1	4.0
UK	0.2	0.1	0.1	0.3	0.6	2.9
Viet Nam	1.2	1.1	0.9	1.1	1.4	1.7
Netherlands	1.3	1.4	1.5	1.6	1.2	1.2
Bangladesh	1.2	1.4	0.7	1.2	0.9	0.9
Madagascar	1.4	1.2	1.4	1.1	0.9	0.8
Others	10.4	9.3	9.4	7.3	6.1	6.4
Total	24.0	23.7	23.2	23.7	23.5	25.9

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

RECENT NEWS

During January-May 2015, the US Food and Drug Administration (FDA) refused to grant import licenses for 203 shipments of frozen shrimp found with too high antibiotic residues. Broken down by producing countries, the FDA reported refusing 138 entry lines from Malaysia, 30 from Viet Nam, 25 from India, 9 from China, and 1 from Indonesia.

Notably, for both Malaysia and India, there have now been more shrimp entry lines refused by the FDA for reasons related to antibiotics in the first five months of this year than in any prior year reported by the FDA.



Imports Shrimp: Italy

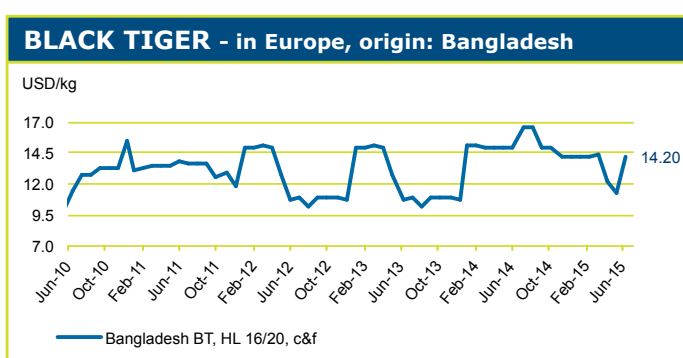
	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Ecuador	5.0	4.9	3.8	4.0	4.5	3.6
Argentina	1.1	1.4	1.2	1.2	1.4	2.5
Spain	1.1	1.4	1.8	2.4	1.5	1.9
India	1.3	1.8	1.0	1.0	1.4	1.7
Denmark	1.1	1.0	0.6	0.8	1.1	0.8
Netherlands	0.9	1.3	0.8	0.5	0.6	0.8
Others	3.9	3.6	2.3	2.5	2.2	2.3
Total	14.3	15.3	11.6	12.5	12.9	13.6

Source: ISTAT

Imports Shrimp: Denmark

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
IMPORTS						
Greenland	13.9	16.5	14.0	14.6	14.2	11.2
Canada	4.1	3.8	5.5	3.4	3.8	4.3
USA	0.1	0.2	0.6	0.9	1.3	0.9
Viet Nam	0.3	0.4	0.4	0.4	0.4	0.4
Others	3.8	3.0	2.2	2.8	3.6	2.6
Total	22.2	23.8	22.7	22.1	23.4	19.4
EXPORTS						
Sweden	5.0	5.3	5.1	5.2	5.6	5.2
UK	2.9	2.2	2.2	2.1	2.2	2.2
Russian Fed.	5.4	3.0	2.3	1.8	1.5	2.1
Italy	1.3	1.1	1.1	1.6	1.8	1.7
Germany	1.6	1.6	1.8	1.5	1.8	1.5
Norway	1.5	1.2	1.4	1.3	1.6	1.4
China	1.2	1.4	1.1	2.1	1.3	1.3
Morocco	1.0	1.0	0.2	0.9	0.8	1.1
Netherlands	0.9	1.2	0.7	0.5	1.1	1.0
Others	5.7	6.1	4.7	4.5	4.4	3.7
Total	26.5	24.2	20.6	21.5	22.2	21.1

Source: EUROSTAT



Source: European Price Report

Imports Shrimp: UK

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
India	1.9	1.8	2.2	2.2	2.5	2.4
Bangladesh	1.1	1.4	1.9	2.2	1.7	1.9
Viet Nam	1.2	1.7	1.4	1.3	1.4	1.7
Canada	1.2	0.9	1.0	1.0	1.4	1.5
Thailand	2.5	4.3	4.3	4.0	1.7	1.4
Denmark	2.2	1.9	1.7	1.8	1.7	1.4
Indonesia	1.9	1.9	0.9	0.9	1.2	1.1
Others	4.7	4.8	5.0	3.9	4.2	4.6
Total	16.7	18.6	18.3	17.4	15.8	16.1

Source: Her Majesty's Revenue & Customs

Imports/Exports Shrimp: Netherlands

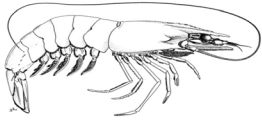
	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
IMPORTS						
India	2.7	2.0	1.7	1.4	3.2	4.1
Morocco	1.8	1.9	2.0	1.4	1.8	2.1
Bangladesh	1.5	1.3	1.2	0.9	1.0	1.7
Viet Nam	0.4	0.7	0.7	0.8	0.4	1.4
Belgium	1.0	1.8	1.7	1.1	1.8	1.3
Indonesia	1.4	1.1	0.7	0.5	1.2	0.8
Others	6.2	7.3	6.3	4.8	3.6	3.3
Total	14.9	16.3	14.3	10.9	13.1	14.6
EXPORTS						
Morocco	5.8	6.1	5.7	4.9	5.2	7.4
Belgium	3.4	3.6	2.6	2.9	2.2	2.8
Germany	3.0	2.9	2.6	3.0	1.8	2.4
France	4.2	3.9	2.2	2.3	1.3	1.4
Spain	0.6	0.5	0.5	0.7	0.6	0.8
Italy	0.6	1.0	0.5	0.5	0.4	0.6
Others	1.2	0.6	0.8	0.8	0.7	0.6
Total	18.8	18.6	14.9	15.0	12.2	16.1

Source: EUROSTAT

increased in all of these markets. There were also higher imports into Poland and other smaller markets, including Bulgaria, Czech Republic, and Slovenia.

Slightly over 75% of EU shrimp imports came from external EU-28 countries to total 124 200 tonnes; an estimated 18-20% of these were value-added shrimp. Imports of raw frozen tropical shrimp totaled 86 000 tonnes.

Summer demand in Europe has started to improve with better sales underway, particularly in the southern regions



Imports/Exports
Shrimp: Belgium

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
IMPORTS						
India	2.4	4.2	3.0	4.7	5.4	4.0
Netherlands	2.7	3.6	3.8	2.6	2.7	2.1
Bangladesh	1.8	3.2	1.8	1.6	1.5	1.9
Viet Nam	1.1	1.0	0.7	1.0	1.3	1.2
China	0.5	0.6	0.4	0.5	0.2	0.6
Others	5.5	8.0	5.1	2.6	2.5	1.5
Total	13.9	20.6	14.9	12.9	13.6	11.3
EXPORTS						
France	3.8	7.9	4.8	2.7	2.7	2.4
Netherlands	1.3	2.2	2.1	1.7	1.7	1.9
Spain	1.2	1.6	1.4	1.4	1.2	1.7
Germany	1.8	1.4	1.2	1.2	1.4	1.1
Others	2.7	2.5	2.2	2.9	2.8	1.7
Total	10.9	15.6	11.8	9.9	9.9	8.7

Source: EUROSTAT

Imports
Shrimp: Germany

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Viet Nam	1.7	3.3	2.4	1.6	1.6	2.5
Netherlands	1.2	1.9	1.7	1.7	1.4	1.7
India	1.4	1.1	1.2	1.4	1.1	1.2
Bangladesh	1.2	1.0	1.6	1.4	1.1	1.1
Belgium	1.3	1.1	0.9	0.9	0.9	0.8
UK	0.8	0.7	0.6	0.5	1.0	0.7
Thailand	3.1	2.5	2.7	2.1	0.6	0.5
Others	2.8	3.5	3.3	3.0	2.8	2.2
Total	13.5	15.1	14.3	12.7	10.6	10.7

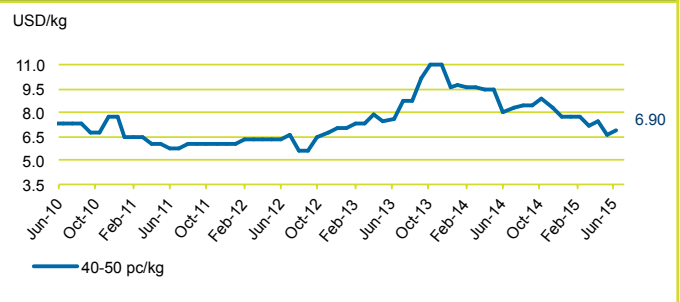
Source: Germany Customs

(Spain, Italy, Portugal and France). However, import inquiries were low in May/June, possibly because of sufficient stocks in the market. Importers who still consider the present market prices as high, are expecting further price discounts with the anticipated rise in production during July-September.

Asia and other markets

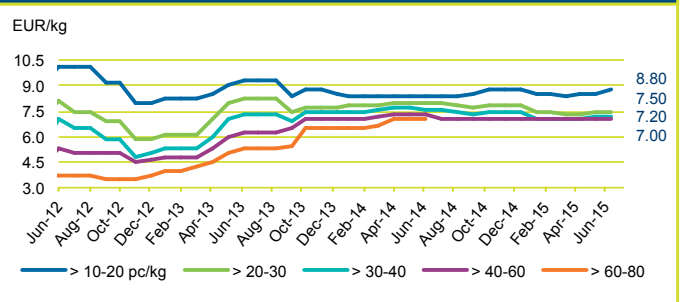
In Asia, there were higher imports in the Republic of Korea, Hong Kong SAR, Malaysia, Taiwan PC and Singapore due to the strong demand during the Lunar New Year celebration in February/March.

WHITELEG SHRIMP - origin: Ecuador



Source: European Price Report

ARGENTINA RED SHRIMP - origin: Argentina



Source: European Price Report

Official data in China reported reduced imports during this period (-14%). However, through border trade between Viet Nam and China, an increased volume of shrimp entered the Chinese market prior to the Chinese New Year in February. Most of this volume was imported from Ecuador and India.

Lower shrimp prices in the international market induced demand in many markets worldwide. During the first quarter of 2015, imports increased in Canada by 39% compared with the same period last year to total 11 410 tonnes. Mexican imports were lower, indicating a recovery in the aquaculture production of shrimp. Imports were also lower in Russia (-64%), Australia (-13%) and in New Zealand (-10%) during the reporting period.

Government prosecutors in China are preparing to try the country's largest-ever seafood smuggling network in court after scores of arrests nationwide. Smugglers mislabeled seafood products coming into China in order to pay lower customs taxes. Reportedly, 21 "seafood smuggling cells" were targeted across the country and 31 people were arrested in Zhanjiang (a key shrimp trading hub), Tianjin and Beijing. Frozen fishery products, including shrimp imported from Canada, India, Norway and Thailand, were seized by customs authorities in the southern port city of Guangzhou.

In Asia, Viet Nam remained the largest importer of frozen shrimp as raw material for its processing industry during the first quarter period, buying over 40 000 tonnes. While the present import demand from the USA and Europe



Imports/Exports

Shrimp: China

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
IMPORTS						
Canada	3.2	2.3	2.9	4.0	4.4	3.7
Thailand	3.3	2.1	2.1	3.3	2.1	2.5
Argentina	0.1	0.2	0.5	1.1	1.2	1.4
India	0.6	0.8	0.7	1.4	1.2	1.2
Ecuador	0.6	1.5	1.0	2.5	3.4	1.0
Greenland	3.6	0.9	0.9	1.5	0.9	0.9
Indonesia	0.2	0.2	0.3	0.2	0.1	0.6
Others	4.0	5.7	3.5	3.3	2.7	2.4
Total	15.5	13.7	11.9	17.3	16.0	13.8
EXPORTS						
USA	7.0	5.8	6.3	5.5	7.0	5.7
Japan	6.3	9.0	7.5	5.8	6.5	4.9
Malaysia	3.1	3.4	5.2	9.5	5.2	4.2
Hong Kong SAR	4.2	6.2	3.8	6.8	4.2	4.1
Spain	3.4	5.1	4.1	3.2	2.3	3.8
Republic of Korea	5.2	7.1	6.6	5.3	2.5	3.4
Canada	2.8	1.1	2.2	1.2	1.1	1.6
Taiwan PC	1.5	1.8	1.7	3.1	2.1	1.6
Australia	1.7	1.5	2.2	1.6	2.3	1.6
Mexico	3.8	2.4	1.6	2.2	1.9	1.5
Others	9.0	11.3	10.3	11.6	8.3	5.8
Total	48.0	54.7	51.4	55.8	43.5	38.2

Source: China Customs

is low, exporters in Ecuador and India have increasingly focused on the Vietnamese market. Indeed, Vietnamese imports from Ecuador increased by 130% and from India by 64% during the first quarter compared with the same time period last year. Viet Nam also reported higher shrimp imports from Thailand and Canada.

In Bangladesh, black tiger shrimp producers have started to tap the domestic market as the traditional export markets to the USA and the EU continue to import less and pay very low prices. Although the volume is still low and is targeting only a niche market, shrimp in the domestic market are fetching better prices, with the volume expected to increase in the future. According to national data, export revenue from shrimp in Bangladesh declined by 3.6% year-on-year to USD 440.50 million, during the first ten months of the fiscal year (July-June 2014/2015).

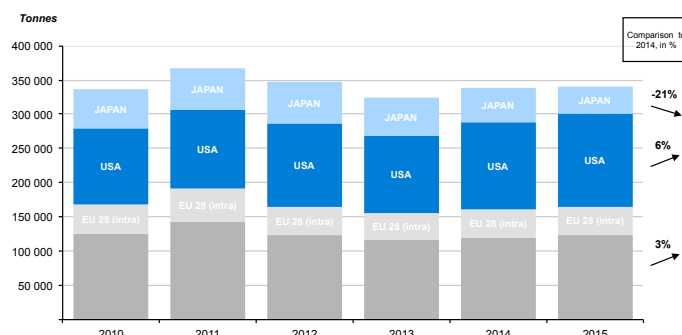
Outlook

Monthly shrimp imports into Japan increased in April and consumption is expected to improve during the July-August holiday season. There are also signs that

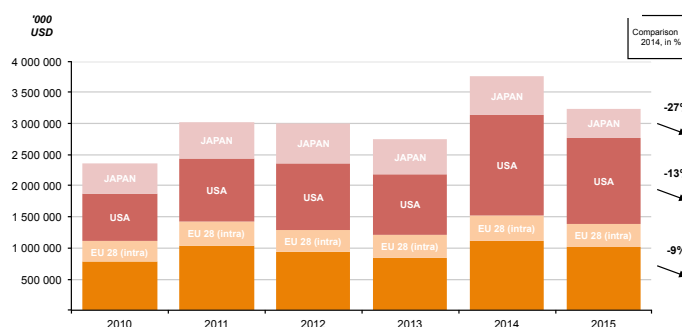
consumer demand for shrimp is improving in the USA as market prices adjusted following lower import costs. These are all positive developments for marketers.

However, shrimp prices are likely to stay soft compared with last year's prices. The market can also expect that with rising production, export prices will weaken further. Producers may work to reduce farming activities during the next crop seeding if oversupply continues to be an issue.

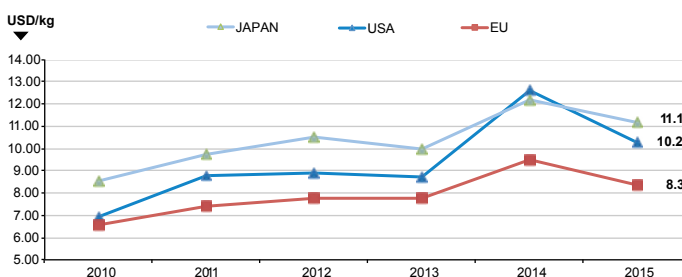
SHRIMP IMPORTS IN VOLUME BY EU COUNTRIES, USA AND JAPAN - JAN-MAR (IN TONNES)



SHRIMP IMPORTS IN VALUE BY EU COUNTRIES, USA AND JAPAN - JAN-MAR (IN '000 USD)



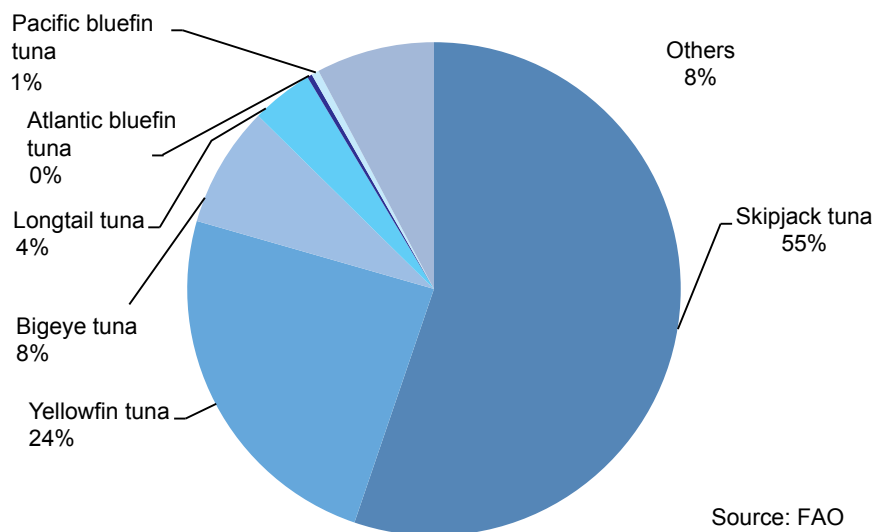
AVERAGE SHRIMP UNIT VALUE JAN-MAR (IN USD)



Despite low prices, demand has not increased in the global canned tuna market

During the first quarter of the year, canned tuna imports were lower than compared with the same time period in 2014 in most of the traditional developed markets. Prices of frozen skipjack were 15-20% lower year on year. Consumer demand for sashimi tuna remains seasonal in Japan with less consumption during summer months, while in the USA, the market has been stable for tuna loins and steaks.

Tuna production by species (2013)



Supply

The price weakening for frozen skipjack started in December 2013 (USD 1 950 per tonne), reaching USD 1 150 per tonne cfr Thailand by late 2014 and below USD 1 000 per tonne in April 2015 as a result of falling demand from the major markets. Lower fuel prices also influenced the market, as with less operating costs, tuna producers could offer tuna at a lower price. Imports of raw material by Thailand, the top producer of canned tuna worldwide, started to taper beginning in May 2014 and have continued to slow until May of this year due to sluggish demand in the USA, the EU and some major markets in the Middle East. Consequentially, inventory has built up.

During the January-March 2015 period, Thai imports of frozen tuna were 38 500 tonnes lower (-20%) than compared with the same period last year. Skipjack was the most affected category, which can be seen by its falling price trend.

Tuna canneries in Latin America also faced similar situations in which inventories remained moderate to high during the reporting period. Imports of skipjack and yellowfin in Ecuador during the first quarter 2015 were 14% and 7% lower compared with the first quarter 2014. According

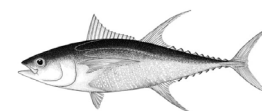
to IATTC, tuna catches in the Eastern Pacific were 22.4% higher, totaling 168 680 tonnes, with increased landings of both skipjack and yellowfin during the January-March 2015 period compared with the same period in 2014.

As of late June 2015, tuna catches in the Western and Central Pacific were moderate, following the World Tuna Purse Seine Organization's decision to reduce the fishing effort by 35% from 15 May to 31 December 2015 in an effort to handle the market crisis. Fleets in the Eastern Pacific Ocean have been excluded from the measure due to the upcoming fishery closure in the region, starting 29 July.

Frozen inventories in Thailand have reduced to moderate levels with increased levels of production. Consequently, the skipjack price has increased to USD 1 150/tonne, cfr Bangkok.

Canned tuna production is improving in the Eastern Pacific and as of mid-June, skipjack and yellowfin prices have increased to USD 900 per tonne and USD 1 500 per tonne respectively, ex-vessel Manta, Ecuador.

In the Atlantic Ocean, fishing was moderate in June and inventories at local canneries were healthy. Prices of



skipjack and yellowfin were stable at EUR 950 per tonne and EUR 1 650 per tonne respectively, ex-vessel Abidjan.

In the Indian Ocean, local canneries are sufficiently stocked. Skipjack and yellowfin prices in June were stable at EUR 975 and EUR 1 550 per tonne, FOB Mahe, Seychelles.

In recent news, there have been reports of recovery for Atlantic bluefin resources. Last year, the International Commission for the Conservation of Atlantic Tunas (ICCAT) permitted a 20% rise in the catch quotas following three years of progressive recovery for Atlantic bluefin stocks, which is a positive development for the sashimi tuna supply. This year, the Spanish bluefin tuna fleet reached their catch quota sooner than usual.

Meanwhile, the Indian Ocean Tuna Commission (IOTC) agreed to adopt an interim Fish Aggregating Device (FAD) of 550 FAD per vessel. A working group has been set up to assess the impact of FADs used in large-scale fishing, and will work closely with the similar taskforce established for resource management.

Non-canned tuna markets (fresh and frozen)

Demand for sashimi tuna improved in Japan, the largest market for this product, during the spring festivals in April/May. In the USA, demand for non-canned tuna has also been strong since May both in the retail and catering trade. During the first quarter of 2015, the USA was an important export market for fresh tuna, reporting increased supplies from overseas.

Japan

Demand for sashimi tuna remains highly seasonal in Japan, with demand strengthening during the spring festivals in April/May and prices increasing. For instance, the average auction prices of frozen bigeye tuna increased during the Golden Week to JPY 950-1 200 per kg. After these festivities, demand generally goes down.

In local news, in early April, the auction market in Tokyo was overwhelmed with the unusual landing of a locally caught

Imports

Frozen tuna: Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Bigeye	20.0	15.9	19.9	23.1	20.3	17.8
Yellowfin	12.9	11.9	15.8	10.7	10.0	8.7
Skipjack	20.5	7.5	11.2	3.5	6.0	11.4
Albacore	4.2	4.7	3.4	2.7	2.7	2.7
S. Bluefin	0.7	0.4	0.5	0.6	0.3	0.4
N. Bluefin	0.7	0.8	0.1	0.2	0.2	2.2
Total	59.1	41.2	50.9	40.7	41.9	43.1

Source: INFOFISH

bluefin (411 kg, 2.65 m), which fetched the highest price reported thus far.

Imports of fresh tuna into Japan were at record lows during the first quarter of 2015, demonstrating a continuation of the declining demand trend over the past few years. Imports of frozen sashimi quality bigeye and yellowfin were also low, highlighting the shrinking demand in the market. However, imports of frozen skipjack increased by 50% during the first quarter of 2015 compared with the same time period last year, as the domestic catch season was delayed this year. As a result, total imports of frozen tuna were 2.8% higher during the reporting period compared with the same period last year. When looking specifically at just frozen tuna loins however, Japanese

Imports

Fresh/chilled tuna: Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Bigeye	3.3	2.7	3.5	2.9	2.4	1.8
Yellowfin	3.7	3.8	3.0	2.5	2.0	1.3
Bluefin	1.5	0.7	0.3	1.2	1.3	0.9
S. Bluefin	0.1	0.1	0.3	0.1	0.2	0.1
Albacore	0.4	0.8	0.0	0.0	0.0	0.0
Skipjack	0.0	0.0	0.0	0.0	0.0	0.0
Total	8.6	7.2	7.1	6.8	5.8	4.1

Source: INFOFISH

Landings

Tuna*: Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Bluefin						
fresh	0.0	0.0	0.0	0.1	0.0	0.0
frozen	0.3	0.2	0.2	0.1	0.3	0.3
Bigeye						
fresh	1.0	0.7	1.0	0.8	0.7	0.7
frozen	3.8	3.6	5.9	5.8	5.9	7.2
Yellowfin						
fresh	1.4	1.3	1.0	0.9	0.9	1.2
frozen	1.4	1.2	9.3	5.2	7.6	9.3
Albacore						
fresh	9.3	7.7	10.6	7.6	5.8	8.5
frozen	0.7	1.3	2.6	2.7	1.8	1.7
Skipjack						
fresh	2.6	2.4	2.4	3.5	2.0	4.9
frozen	43.9	60.1	52.3	47.5	47.6	38.2
Total fresh	14.3	12.1	15	12.9	9.4	15.3
Total frozen	50.1	66.4	70.3	61.3	63.2	56.7
Total	64.4	78.5	85.4	74.2	72.6	72.2

Source: MAFF, Japan;

* including distant water catches



Imports

Tuna fillet & meat: Japan

	Jan-Mar							
	2008	2009	2010	2011	2012	2013	2014	2015
	(tonnes)							
Bluefin fillets								
frozen	9 608	6 271	1 333	4 977	3 762	4 533	5 123	7 809
Tuna fillets**								
frozen	3 622	3 244	3 654	4 903	5 454	5 075	5 291	5 290
SBF fillets								
frozen	-	23	*	*	-	-	-	3
BF meat								
frozen	260	124	3.6	60	70	9 658	10 470	-
Total tuna fillet & meat	13 492	9 662	4 991	9 940	9 286	4 991	9 662	13 102

Source: Japan Customs

Note: * less than 1 tonne; ** excluding bluefin tuna

imports increased significantly from 10 470 tonnes during the first quarter of 2014 to over 13 000 tonnes during the first quarter of 2015 (+24%).

USA

Interestingly, the US market imported more air-flown fresh tuna than Japan during the reporting period, but did report a marginal decline against the same time period last year, due to weakened demand from the cold weather. However, since May, sales of fresh and frozen tuna steaks have improved in the market. US retailers offer frozen thawed tuna steak at prices in the range of USD 10.00-16.00 per lb. Generally, the Pacific origin products fetch higher prices. Due to the import ban on Sri Lankan tuna into the EU because of IUU issues, the USA has emerged as an alternative market for Sri Lankan tuna.

For frozen tuna loins not intended for further processing, there was a 16% rise in imports into the EU during the first quarter period, reaching 3 991 tonnes. Viet Nam was the leading source for frozen tuna loins into the EU, exporting 927 tonnes, with nearly half going to the UK, which bought 432 tonnes. Imports of frozen tuna loin into the

Imports

Fresh tuna: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Yellowfin	3.5	4.0	3.7	3.5	4.1	3.5
Bigeye	1.4	0.6	0.9	1.0	0.9	1.2
Bluefin	0.1	0.1	0.2	0.2	0.2	0.2
Albacore	0.1	0.2	0.2	0.2	0.1	0.2
Skipjack	0.0	0.0	0.0	0.0	0.0	0.0
Total	5.1	4.9	4.9	4.9	5.3	5.2

Source: NMFS

UK doubled from Ecuador and also increased from Mexico by 32%, reaching 485 tonnes from each of these sources. Supplies from the important source Sri Lanka were 98% lower because of the import ban.

Canned tuna

Global demand for canned tuna remained dormant during the first quarter of 2015. Imports were lower than last year's in the large markets (the USA, the EU, Egypt, Libya and Australia) and in some emerging markets in developing countries. As a result, export earnings from canned tuna declined in the producing countries in Asia, Latin America and Africa.

EXPORTS

During January-March 2015, the top six global exporters of processed tuna including cooked loins were Thailand, Ecuador, the Philippines, Spain, China and Mauritius. Exports declined from all countries except China due to the increased supplies of cooked loins.

Thailand

Quantitative exports of processed tuna from Thailand were 8% lower during January-March 2015 compared with the same period a year ago, with the corresponding fall in value much higher at 18% due to the lower export prices. Exports to the USA, the largest market, declined by 23% in quantity and by 29% in value. In the EU market,

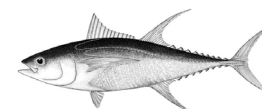
Exports

Canned tuna: Thailand

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
USA	27.4	26.0	16.8	17.9	17.8	14.2
Egypt	12.6	10.9	11.1	5.9	4.9	8.3
Australia	11.0	12.0	8.6	8.1	9.9	8.1
Japan	4.9	6.7	6.5	6.2	5.8	6.3
Saudi Arabia	5.1	4.4	4.9	6.2	4.9	5.8
Canada	7.8	8.3	5.8	6.6	5.5	5.4
Libya	7.1	4.1	6.6	6.4	11.5	5.2
South Africa	2.4	2.5	2.2	2.8	2.2	2.8
Yemen	*	1.7	2.6	2.3	1.9	2.8
Papua New Guinea	*	1.2	2.5	1.1	3.6	2.7
Argentina	4.1	4.0	1.6	2.6	1.7	2.4
UK	2.9	8.1	1.4	3.1	2.2	2.2
Chile	*	1.5	1.2	2.4	3.3	2.1
UAE	1.8	2.1	2.4	2.1	2.3	2.1
France	2.4	2.5	1.7	2.4	1.4	1.8
Netherlands	*	2.0	1.4	1.4	1.6	1.6
Syria	2.9	3.3	1.1	*	2.3	1.2
Tunisia	*	*	*	1.9	1.2	0.4
Others	12.5	34.7	23.0	25.2	21.4	22.2
Total	104.9	136.0	101.4	104.6	105.4	97.6

Source: Thai Customs

* included under "others"



RECENT NEWS

EU fish trade blacklist taken off of imports from the Philippines

The European Commission has removed the Philippines from the list of countries challenged with the implementation of measures to address IUU fishing. In an official statement released on 21 April 2015, the European Commission said it has revoked the “yellow card” warning on the Philippines as it acknowledges the government’s efforts to partner with European countries in fighting IUU fishing.

Source: *INFOFISH*

Thailand was the top supplier during the first quarter 2015, but reported a 31% decline in quantity and 57% in value compared with the corresponding period in 2014.

Ecuador

Ecuador was the largest producer of canned/prepared tuna in Latin America during the first quarter period, exporting 40 340 tonnes, a marginal decline of 3% when compared with the first quarter 2014. However, there were significant declines in certain export markets during the first three months of the year. In Ecuador’s largest market, the EU, imports declined by a notable 26%, with a significant fall in cooked loin supplies to Spain (-64%). In Ecuador’s regional markets of Chile and Brazil, imports fell by 36% and in Venezuela by 70%, demonstrating their weakness compared with the first quarter last year.

Amongst the other canned tuna producers, exports declined by 37% from the Philippines, 9% from Spain and 12% from Mauritius. However, through increased supplies of cooked loins to the EU and canned tuna to Africa, China grew their processed tuna exports by 67% to total 17 520 tonnes during this period.

Among the European canners, exports declined from Spain at 18 542 tonnes (-8.7%), Portugal at 2 300 tonnes (-17%) and France at 672 tonnes (-28%) but increased from Italy by 11% at 5 767 tonnes, with most Italian product sold within the EU markets.

IMPORTS

Despite the general decline in prices, canned tuna import trends during the first quarter 2015 were negative in the USA, the EU, Switzerland and Australia, though increases were reported in Japan (+11%) and Canada (+47%), among the developed markets.

In the Middle East and North Africa markets, the trend for canned tuna imports was mixed due to the political instability and unrest in the region. Imports increased in Egypt, Saudi Arabia, Qatar, Yemen and Algeria but declined in Israel, Libya, Jordan, and Syria during the first quarter of 2015 compared with the same time period

last year. Imports increased in Southeast Asia. In Latin America, imports declined by more than 30% in Brazil and Venezuela, but increased in Argentina, Costa Rica, Peru and Mexico, which provided Ecuador a favourable opportunity.

USA

Overall, imports of processed and canned tuna in the US market were 1.4% lower at 49 511 tonnes during the first quarter of the year compared with the same period last year. The lead suppliers were Thailand, China, Ecuador, Fiji, the Philippines and Viet Nam. Imports of cooked loins for reprocessing increased by 3.2%, where China had a 36% market share. Supplies of canned tuna also increased reasonably by 10% but imports of the higher value “tuna in pouch” fell by 24% during the reporting period, indicating slower demand in the market.

Imports

Tuna loins (cooked): USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	0.0	0.0	1.9	1.7	4.2	7.0
Thailand	5.5	5.5	2.8	5.2	7.8	4.3
Fiji	2.7	2.1	2.4	3.8	2.4	3.8
Mauritius	1.4	1.2	1.2	2.3	2.5	1.8
Ecuador	0.0	0.0	0.5	0.4	0.0	0.0
Trinidad & Tobago	2.0	1.5	0.0	0.0	0.0	0.0
Others	3.5	1.7	4.4	2.8	1.8	2.4
Total	15.1	12.0	13.2	16.2	18.7	19.3

Source: NFMS

Imports

Tuna pouches: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Thailand	7.2	6.0	4.8	6.9	7.3	4.4
Ecuador	2.9	2.6	2.5	3.3	3.5	3.1
Others	2.1	1.7	2.0	1.0	2.6	2.7
Total	12.2	10.3	9.3	11.2	13.4	10.2

Source: NFMS

Europe

Total imports of processed tuna from external EU countries into the EU markets reached 167 447 tonnes during January-March 2015, valued at USD 530.6 million. These numbers demonstrate a reduction of 3.5% in volume and 24% in value compared with the same time period last year. The top suppliers were Ecuador, Thailand, the Philippines, Mauritius and China. Of the total imported, 24% (40 635 tonnes) was cooked loins imported by Spain, Italy, France and Portugal. Imports of cooked loins declined in Spain by 56% but increased by 62% in Italy, making



Imports

Canned tuna (excl. pouches): USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Thailand	37.6	34.0	21.7	32.1	25.9	27.6
China	1.3	2.4	4.5	5.0	6.4	8.5
Viet Nam	6.4	7.3	4.7	5.7	5.7	5.1
Philippines	6.5	7.5	7.0	4.8	4.9	4.1
Fiji	2.7	2.1	2.4	3.8	2.4	3.8
Indonesia	4.3	3.6	2.6	2.5	2.6	3.6
Mauritius	1.4	1.2	1.2	2.4	2.5	1.8
Ecuador	0.5	0.6	0.7	0.9	0.1	1.1
Colombia	1.1	0.5	3.3	2.1	0.5	0.8
Trinidad & Tobago	2.0	1.5	0.0	0.0	0.0	0.0
Others	3.8	2.6	3.0	2.0	3.0	2.8
Total	67.6	63.3	51.1	61.3	54.0	59.2

Source: NFMS * including loins

Imports

Canned tuna: France

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Spain	3.6	7.2	5.0	5.3	4.8	4.5
Côte d'Ivoire	3.0	3.6	6.1	5.5	2.6	4.1
Seychelles	2.4	3.6	5.7	4.3	4.7	2.7
Ecuador	3.2	3.0	2.5	3.0	1.7	2.0
Ghana	1.6	1.7	1.4	0.9	1.9	1.9
Mauritius	0.3	0.3	0.6	1.0	1.1	1.0
Madagascar	1.2	2.1	1.8	0.8	0.7	0.6
Thailand	1.8	2.6	1.7	1.4	1.7	0.4
Others	2.1	1.0	1.2	0.9	1.5	1.8
Total	19.2	25.1	26.0	23.1	20.7	19.0

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

Imports

Canned tuna: Germany

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Philippines	4.7	4.6	4.1	3.3	3.5	6.0
Netherlands	1.2	1.7	1.5	1.1	1.8	2.9
Viet Nam	0.8	1.3	1.4	1.8	1.9	2.3
Ecuador	2.3	1.4	1.9	2.9	2.2	2.1
Papua New Guinea	2.0	2.5	2.5	2.3	2.3	1.9
Indonesia	1.7	2.1	1.7	0.6	1.2	1.0
Thailand	1.6	1.5	0.8	1.9	0.7	0.8
Spain	0.4	0.2	1.6	2.2	1.2	0.4
Others	2.3	2.7	1.6	2.0	2.8	1.4
Total	17.0	18.0	17.1	18.1	17.6	18.8

Source: Germany Customs

Imports

Canned tuna: UK

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Mauritius	5.7	6.5	5.8	5.6	5.0	5.3
Seychelles	2.1	3.6	2.9	2.7	3.0	4.5
Ghana	4.6	3.5	0.2	3.8	2.9	3.4
Philippines	4.4	2.6	3.2	2.2	3.2	2.2
Indonesia	0.3	0.5	1.4	2.0	1.0	2.2
Thailand	2.8	5.6	3.1	3.4	2.3	2.1
Papua New Guinea	0.2	0.4	0.4	1.0	1.1	1.7
Spain	0.3	1.1	1.7	1.3	0.9	1.3
Ecuador	1.2	2.4	1.9	2.0	2.3	1.0
Others	2.0	1.1	4.7	2.5	1.5	1.4
Total	23.6	27.3	25.3	26.5	23.2	25.1

Source: Her Majesty's Revenue & Customs

Imports

Tuna loins: Spain

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Ecuador	8.2	7.6	5.3	4.3	3.9	1.4
Guatemala	1.6	1.8	2.7	2.0	1.0	1.3
El Salvador	2.4	1.4	0.9	1.5	1.3	1.2
China	1.5	1.8	1.3	3.8	3.5	1.0
Mauritius	1.0	3.9	1.5	1.1	0.8	1.0
Papua New Guinea	0.6	0.5	1.1	1.9	1.2	0.7
Indonesia	0.0	0.2	1.1	1.1	0.6	0.6
Philippines	0.0	0.0	0.0	0.5	1.9	0.4
Thailand	4.4	9.3	1.1	3.3	6.6	0.2
Others	1.4	1.3	0.9	0.3	1.3	1.9
Total	21.1	27.8	15.9	19.8	22.1	9.7

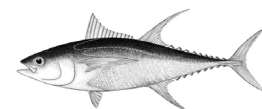
Source: Agencia Tributaria

Imports

Canned tuna: Italy

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Spain	8.9	10.7	10.5	6.7	15.8	9.8
Côte d'Ivoire	1.2	1.7	2.0	1.9	1.3	2.2
Colombia	2.7	2.7	2.2	1.1	2.2	1.7
Mauritius	1.0	1.0	1.3	1.0	1.8	1.0
Ecuador	1.6	1.3	0.9	1.4	1.9	0.8
Seychelles	1.3	1.0	1.3	1.6	1.3	0.8
Ghana	0.0	0.0	0.1	0.1	0.4	0.6
El Salvador	0.1	0.2	0.2	0.2	0.4	0.4
Thailand	0.5	0.7	0.8	0.6	0.2	0.4
Portugal	0.2	0.4	0.5	0.5	0.3	0.3
Others	0.6	0.7	0.4	0.6	0.5	0.9
Total	18.1	20.4	20.2	15.7	26.1	18.9

Source: ISTAT

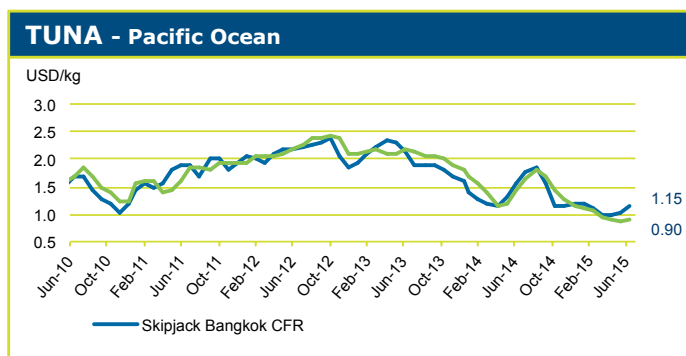


Imports

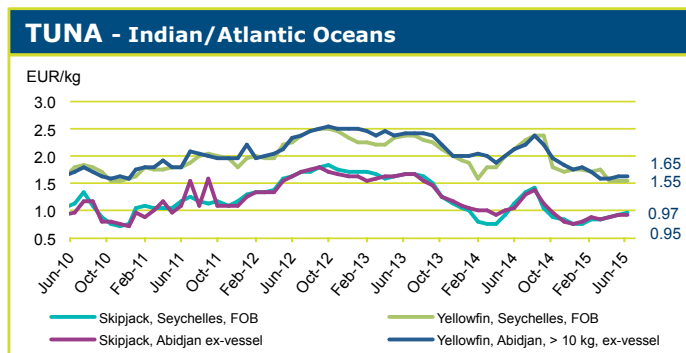
Tuna loins: Italy

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Indonesia	0.0	0.0	0.2	0.4	1.4	4.7
Thailand	4.2	2.7	3.9	2.3	3.4	1.6
Philippines	0.0	0.0	0.1	1.2	2.0	1.2
Ecuador	2.7	1.4	1.8	2.3	1.1	1.1
China	1.9	1.8	1.3	1.3	0.8	1.0
Solomon Islands	0.5	0.9	1.4	0.3	0.8	0.7
Kenya	0.0	0.4	0.7	0.7	0.2	0.6
Mauritius	0.0	0.1	1.3	0.0	0.2	0.6
Papua New Guinea	0.2	0.1	0.2	0.3	0.1	0.4
Madagascar	0.2	0.2	0.1	0.5	0.0	0.4
Colombia	0.0	0.5	0.2	0.1	0.1	0.4
Others	0.2	0.3	0.1	0.5	0.2	4.0
Total	9.9	8.4	11.3	9.9	10.3	16.7

Source: ISTAT



Source: European Price Report

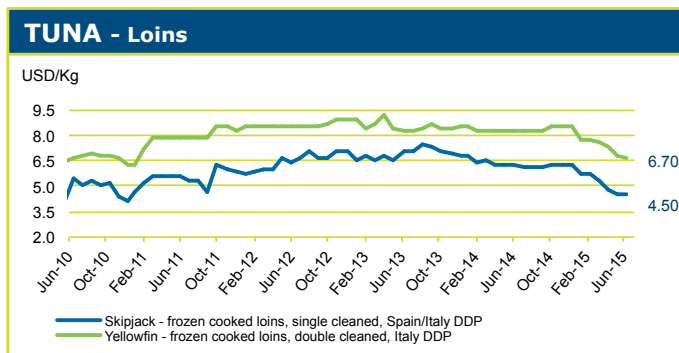


Source: European Price Report

total EU imports of loin 3.7% higher than the same period last year.

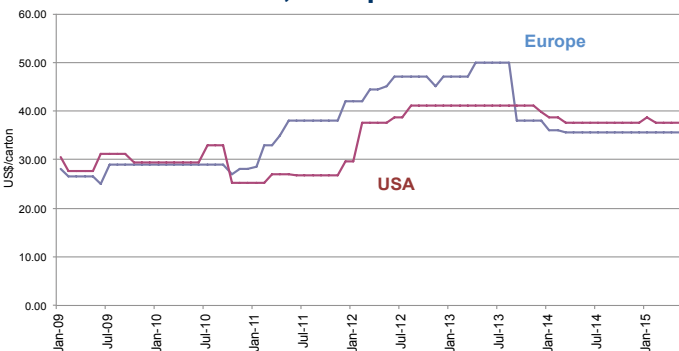
Among the individual markets for processed tuna in the EU, imports increased in the UK (+8%) and in Germany (+4%), but declined in other EU markets.

In terms of processed tuna trade outside of the EU, Norway reported 35% growth in import volumes (757 tonnes), Switzerland a 3.5% volume decline (2 280 tonnes) and the Russian Federation a 37% volume decline (797 tonnes).



Source: European Price Report

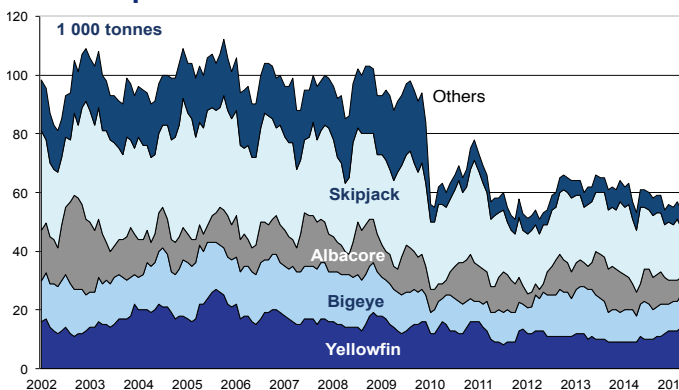
CFR Prices Canned tuna*: USA, Europe



* 48x6.5 oz Europe, 48x6 oz USA, chunk, origin Thailand

Source: INFOFISH

Coldstorage holdings Tuna: Japan

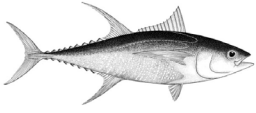


Source: INFOFISH

Outlook

Compared with a year ago, canned tuna imports were lower in the major markets, upsetting export revenues in the producing countries. This situation is unlikely to change in the near future. In a recent interview with Undercurrent News, the President and CEO of Thai Union, the world's largest canned tuna processor, highlighted the situation in the following statement. "The market is soft. Over 2015, the average prices will be on the low side. This is something new to everybody."

For non-canned tuna, summer demand in the USA is likely to be strong for both fresh and frozen loins and steaks. Similarly, sashimi tuna consumption in Japan is likely to improve during the summer holiday months of July/August.



MARKET FOCUS

The canned seafood sector in Spain

Spain leads the production of canned food in the EU

Spain is the top European producer of canned food with more than 343 000 tonnes of product weight produced, valued at EUR 1 500 million. The leading product, tuna, constitutes around two-thirds of the produced volume and one-half of the value. Notably, Spain produces almost 70% of the canned tuna processed in the EU. 2014 saw a decline in value of canned seafood produced in Spain, mainly due to lower raw material prices of tuna.

Developments of other canned seafood besides tuna were not so positive. Canned bivalves were affected by the intermittent appearance of toxins in Galicia. The canned sardine industry was affected by reduced sardine catches in Spanish waters. The traditionally fragmented industry is now consolidating. Companies are in search of business models that are able to deal more successfully with the new market context. It is especially vital to have some financial capacity to deal with globalization, which will allow for more value-added products.

Spain ranks as the tenth largest importer of canned food in the world, with imports totaling an estimated EUR 1 billion per year. More than half of these imports (EUR 560 million in 2014) are canned fish, making Spain the seventh largest importer in the world of this product. By far, canned tuna (which also includes tuna loins, the raw material for the Spanish canning industry) is the main imported item. It represents 63% of the volume and 68% of the value of all imported canned fish into Spain. The main concern for the Spanish canning industry in a globalized world is the competition from developing countries where labour costs are lower (EUR 2000 per month in the EU versus EUR 150 per month in Latin America and as low as EUR 100 per month in China).

The Spanish canning industry relies heavily on imports of raw material. Ecuador is the top supplier of tuna, Morocco of anchovies and sardines, Portugal of mackerel, Argentina of salted anchovies, Viet Nam of clams and cockles, Peru of squid, and Chile of mussels.

In this context, the evolution of the canning sector in Spain is highly dependent on the EU tariff for its raw materials. To bolster the viability of the industry and its employment, the canning industry achieved a quota of 22 000 tonnes of tuna loins free of tariffs from Thailand, Indonesia and the Philippines. However, this quota is not sufficient, as the 2015 quota was filled in just four days. Many canners and its association are advocating to increase the quota to at least 30 000 tonnes, with a clause to increase an additional 20% per year depending on the usage.

Raw material supplies to the Spanish tuna canners benefitted from the zero tariff on tuna loins from Ecuador, especially those Spanish companies that own factories in Ecuador (Salica, Garavilla and Calvo).

Almost half of the Spanish production is exported, mostly within the EU

Spain is the eighth largest exporter of canned food in the world. More than 43% of the production of canned fish is exported, which places the country fifth in canned fish in terms of value. Most of the sales are tuna products (83%).

Almost 90% of Spanish exports are within the EU, with the main markets being Italy, France and Portugal. Spanish exports outside the EU are limited but at higher prices compared with the tuna exported to neighbouring countries. In cases such as Switzerland, USA or Mexico, the product is positioned in an exclusive market at a premium-price.

There are also Spanish exports of large cans of salted anchovies to Morocco and Algeria, which are reprocessed and re-exported to the European market.

Several Spanish companies focus their marketing efforts in international markets, performing just 30%-40% of their sales domestically. This is the case of Calvo, IG Montes, Garavilla and Group Consortium. International markets are also becoming a significant opportunity for small-scale producers like Conservas Fredo and Palacio de Oriente, which consolidated their strategies throughout 2014 in view of the domestic market standstill.

Spanish domestic market is worth around EUR 1.3 billion

The consumption of canned fish in Spain grew in volume terms in 2014, but fell in value, due to lower prices of tuna. Tuna makes up 71% of the traded volume and 64% of the value. Other categories demonstrated stability in the market place, though products such as canned squid and cockles have experienced significant volume increases.

Large retailers have begun promoting private labels in recent years and have now become leaders in the market both in volume and in value. Private labels from supermarkets represent 75% of the canned fish purchased in Spain.

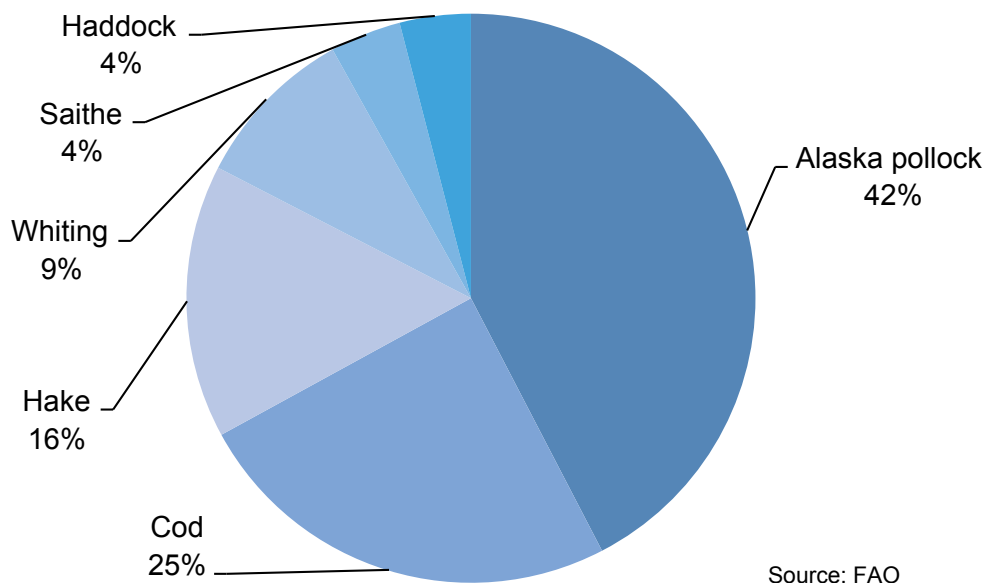
Several Spanish canneries have focused on private labels, which offer a smaller profit margin but ensure a stable demand.

GROUNDFISH

Booming cod market but weaker prices likely

ICES has reduced its 2016 TAC advice for cod somewhat, but increased the TAC advice for haddock. Thus, total supplies for 2016 should be at about the same level as in 2015. The cod market is booming, although prices have been under some pressure lately.

Groundfish production by species (2013)



Cod

Supplies

In June, ICES advised that the Barents Sea cod TAC for 2016 should not exceed 805 000 tonnes. This represents a cut of 10% compared to its advice for 2015, which was set at 894 000 tonnes, and is the lowest advice for cod since 2012. In contrast, the ICES advice for the haddock TAC was increased by 35% to 223 000 tonnes. For saithe, ICES proposed 140 000 tonnes for 2016, a 15% increase from 2015 (Source: *Undercurrent News*).

Scottish cod stocks are said to be recovering, but have been threatened by the large amounts of seals in the region. For years, overfishing was a problem, but this has now been reduced and replaced by increased predation by seals. It is estimated that seals are now eating more than 40% of the stocks (Source: *Seafood.com*).

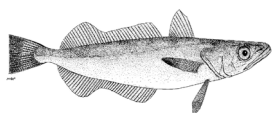
According to recent reports, the Newfoundland cod stocks are on their way to recovery, albeit slowly. Recent surveys have revealed that there are new spawning stocks in the northern region. The northern cod stocks off Newfoundland are thought to have more potential than cod in the North Sea.

Trade

During the first quarter of 2015, Norwegian groundfish exports set new records. The skrei (spring cod) landings started late, but have been quite strong. Exports of fresh cod reached more than NOK 1 billion during the quarter for the first time ever. This was partially explained by high prices and a low exchange rate for the Norwegian krone against the US Dollar (Source: *Norwegian Seafood Council*).

Cod exports reached 64 445 tonnes worth NOK 2.3 billion during the first three months of the year. This represents a massive decline in volume (down from 97 029 tonnes during the same period in 2014), but practically no change in value compared with the same period last year. This meant that the average unit value of cod rose from NOK 23.56 per kg in 2014 to NOK 35.43 per kg in 2015.

Norwegian saithe exports increased both in volume and value during the first quarter of 2015. The exported volume rose from 19 509 tonnes in 2014 to 20 538 tonnes in 2015, and the value of saithe exports rose from NOK 495.4 million in 2014 to NOK 598.2 million in 2015 (+21%) (Source: *Norwegian Seafood Council*).



Imports

Cod-like Groundfish: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Fillets						
China	19.4	22.2	21.3	22.4	23.0	23.9
Iceland	2.4	1.6	2.1	3.1	3.3	2.6
Canada	1.0	0.9	1.1	0.9	1.0	0.8
Norway	0.3	0.2	0.1	1.0	0.3	0.6
Others	2.3	1.8	2.8	4.7	4.6	4.3
Total	25.4	26.7	27.4	32.1	32.2	32.2
Blocks/Slabs						
China	9.6	8.7	9.3	8.4	8.6	6.8
Iceland	0.2	0.2	0.3	0.5	0.6	0.6
Norway	0.2	0.3	0.1	0.2	0.3	0.3
Argentina	0.2	0.1	0.2	0.3	0.2	0.1
Russian Fed.	0.6	0.3	0.2	0.1	0.0	0.1
Canada	0.1	0.1	0.1	0.1	0.0	0.0
Others	0.6	0.4	0.6	1.1	0.3	0.8
Total	11.5	10.1	10.8	10.7	10.0	8.7
Gr. Total	36.9	36.8	38.2	42.8	42.2	40.9

Source: NMFS

Strong growth of Norwegian groundfish trade in the first quarter seems to have continued in the second quarter. Norwegian groundfish exports (all product forms) were up by 27% in value in May 2015, with this being the highest value ever recorded for that month. Traditional products like klipfish and stockfish showed very strong growth, and klipfish exports were up by as much as 80% compared with May 2014. Improved prices on the world markets contributed to this increase. Stockfish exports were up by 23%. However, exports of salted fish (wet-salted) went down by 6% (Source: Norwegian Seafood Council).

Norway has had trade problems with China for some years now. For several years, China was the most important re-processing nation for European (and especially Norwegian) cod, but this has changed with the mounting difficulties of getting Norwegian fish into China. It now takes some two months to import fish from Norway, whereas earlier it could be done in a week. Officially, China's inspection and quarantine service has initiated an inspection programme for Norwegian imports, testing all products before they are admitted to the country.

In 2014, US imports of cod and cod-like species fell by 3.6%. This trend continued into the first quarter of 2015, when US imports fell by 3.1% to 40 900 tonnes. While fillet imports remained stable, imports of blocks and slabs fell by 13%. There were very few changes in the position of the major suppliers. China remains the most important supplier by far, accounting for as much as 75% of total US imports of these species.

UK frozen cod imports fell slightly during the first quarter of 2015 compared with the same period in 2014 (-3.4%). China and the Russian Federation increased shipments to the UK, while Iceland and Norway saw declines in their frozen cod exports to the UK.

German imports of cod fillets increased by 11.3% during the first quarter of the year. China and Poland, the two most important suppliers, strengthened their position on the German market, and during the period accounted for 43% and 29%, respectively, of the total imports.

However, German imports of Alaska pollock fillets, which have been a popular product on the German market, fell from 41 200 tonnes in the first quarter of 2014 to just 34 800 tonnes in the same period in 2015 (-15.5%). Again, China is the main supplier, followed by the USA. Both of these suppliers shipped less frozen pollock fillets to Germany during this quarter.

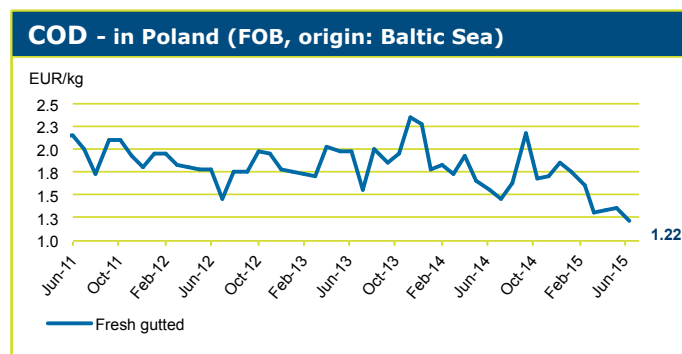
French imports of frozen Alaska pollock fillets showed signs of growth during the first quarter of this year. Imports were up from 11 200 tonnes in 2014 to 12 800 tonnes in 2015 (+14.3%). Both of the main suppliers, China and the USA, shipped more product to France during this period.

Imports

Frozen Cod: UK

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	3.9	4.2	4.6	4.8	6.1	7.0
Iceland	4.6	3.7	4.7	4.4	5.0	4.7
Russian Fed.	1.1	1.9	3.4	3.3	3.3	4.1
Norway	2.5	3.1	2.4	2.4	3.8	3.0
Faroe Islands	1.1	1.2	1.8	1.7	0.7	2.3
Germany	0.8	1.7	1.7	2.0	1.6	1.1
Denmark	1.8	1.6	1.4	2.5	1.3	0.4
Poland	0.6	0.6	0.5	0.8	0.3	0.4
Greenland	1.0	0.8	1.5	1.5	0.9	0.0
Others	0.6	1.0	0.2	0.8	0.8	0.0
Total	18.0	19.8	22.2	24.2	23.8	23.0

Source: Her Majesty's Revenue & Customs



Source: European Price Report



Imports

Frozen Alaska Pollock fillets: France

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	4.7	6.8	6.2	7.3	4.7	5.9
USA	1.1	2.3	2.3	1.4	2.0	3.1
Russian Fed.	1.2	0.6	1.2	2.1	2.3	1.9
Germany	0.9	1.7	1.4	1.7	2.1	1.7
Others	0.6	0.0	0.1	0.1	0.1	0.2
Total	8.5	11.4	11.2	12.6	11.2	12.8

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

Imports

Frozen Alaska Pollock fillets: Germany

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	24.7	24.9	19.1	26.6	22.3	20.2
USA	9.8	10.7	16.1	8.7	14.6	12.4
Russian Fed.	4.0	1.6	2.0	2.3	3.2	0.9
Netherlands	0.2	0.2	0.1	0.2	0.4	0.7
Others	1.1	0.7	0.5	0.4	0.7	0.6
Total	39.8	38.1	37.8	38.2	41.2	34.8

Source: Germany Customs

Imports

Frozen cod fillets: Germany

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	2.1	4.2	3.1	3.0	2.7	3.4
Poland	2.6	1.0	1.1	1.6	1.8	2.3
Denmark	0.5	0.6	0.4	0.2	0.2	0.5
UK	0.1	0.1	0.2	0.1	0.3	0.3
Viet Nam	0.7	0.0	0.5	0.6	0.6	0.2
Greenland	0.0	0.1	0.1	0.2	0.2	0.2
Norway	0.1	0.1	0.1	0.2	0.3	0.2
Netherlands	0.0	0.0	0.1	0.1	0.2	0.2
Russian Fed.	0.2	0.2	0.1	0.2	0.2	0.2
Others	0.5	0.3	0.2	0.3	0.6	0.4
Total	6.8	6.6	5.9	6.5	7.1	7.9

Source: Germany Customs

The hake trade in Europe is a bit dull, with no major changes in shipped volumes. German imports of frozen hake fillets increased slightly, from 2 100 tonnes in the first three months of 2014 to 2 400 tonnes during the same period in 2015. Italian imports of frozen hake fillets were at the same level as last year, at 6 100 tonnes.

Imports

Frozen Hake fillets: Germany

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Peru	1.5	1.1	0.4	0.6	1.0	1.0
USA	2.2	1.8	1.8	0.2	0.4	0.6
Namibia	0.5	0.6	0.9	0.6	0.6	0.4
Argentina	1.2	0.1	0.3	0.4	0.1	0.2
Others	0.5	0.3	0.3	0.4	0.0	0.2
Total	5.9	3.9	3.7	2.2	2.1	2.4

Source: Germany Customs

Imports

Frozen Hake fillets: Italy

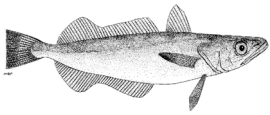
	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
South Africa	0.9	0.8	0.8	0.8	0.9	1.4
USA	0.8	1.5	1.5	1.6	1.3	1.3
Spain	0.7	0.8	0.6	0.7	0.8	1.2
Namibia	0.6	0.7	1.0	1.1	0.8	0.8
Uruguay	1.6	1.6	0.4	1.0	0.8	0.4
Argentina	2.1	1.5	1.5	1.3	0.6	0.3
Peru	0.0	0.0	0.2	0.4	0.4	0.3
Others	1.1	0.7	1.0	0.7	0.5	0.4
Total	7.8	7.6	7.0	7.6	6.1	6.1

Source: ISTAT

Alaska pollock

In May, the US Food and Drug Administration changed the scientific name of pollock from *Theragra chalcogramma* to *Gadus chalcogrammus*, thus moving pollock into the cod family, together with Atlantic cod, Pacific cod, and Greenland cod. While the common name (Alaska pollock) was not changed, this subtle difference may have a serious impact on traders, importers and producers as they will likely have to change their labels, due to the fact that labelling usually requires the scientific name to be stated. It could also have consequences for regulations, tariffs and quotas.

The Alaska pollock B season started in June, and there was some optimism about the season's outlook. Stable supplies are expected, with a strong focus on surimi production. There is some uncertainty about the market for PBO fillet blocks. Some say there is a good demand for block, while others have stated their intention to move away from block production. Inventories are low, most likely as a result of lower production. PBO block production was down by 12.6% during the A season (Source: *Undercurrent News*).



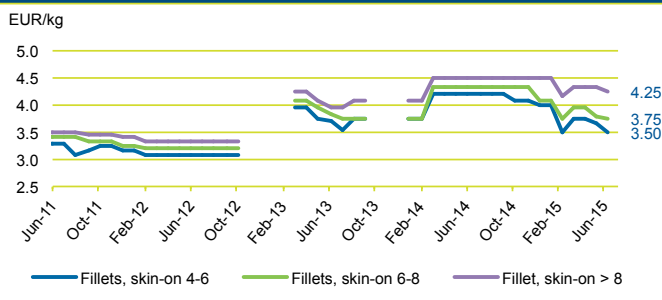
MARKET FOCUS

The Russian Federation

The market for groundfish species in Russia is currently described as passive due to the high prices for cod and haddock. According to the Russian Centre for Fisheries Monitoring Systems, as of 16 June, the total catch in the Northern Fishing Basin amounted to 290 100 tonnes, which is 20 200 tonnes lower compared with the same period in 2014. The catch of cod decreased by 41 500 tonnes to 196 900 tonnes, and the catch of haddock went down by 800 tonnes to 38 700 tonnes.

The lower volumes of cod, and at the same time increasing exports of this species, has resulted in the growing prices on the wholesale market in Murmansk and correspondingly in other districts of the country. There is a lack of a large-sized cod on the domestic market, and even with the offers available, buyers are not ready to purchase cod at the high prices, instead waiting for prices to fall. There has not been a noticeable demand for haddock either, while the stocks of haddock in Murmansk are sufficient.

HAKE - in Spain, origin: Namibia



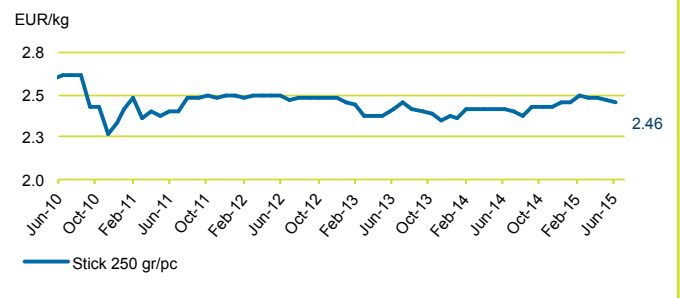
Source: European Price Report

Pollock roe supplies from Russia to Japan are expected to remain at the same level as last year, i.e. around 35 000 tonnes. Most of this (23 000 tonnes) was already sold by late April, and the rest is expected to be sold by the end of May. Prices for Russian pollock roe were down slightly compared to last year, but not much, with the market price expected to remain at the same level as last year. However, in the US, pollock roe producers are concerned about the record low prices. Indeed, the US roe market is experiencing significant difficulties, and some producers claim they have not seen prices so low since they started producing pollock roe.

Surimi

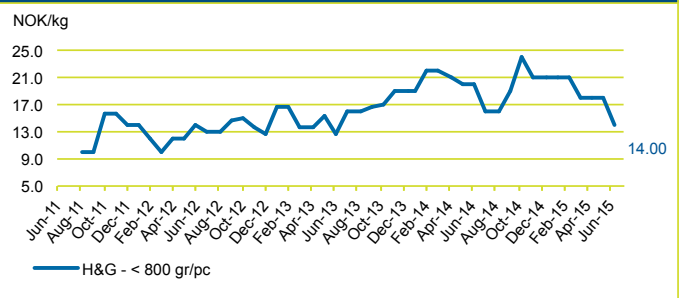
Global surimi production was estimated at 826 200 tonnes in 2014. This was a 5% increase compared with 2013. The main reason for the increase seems to be a larger production of tropical surimi, especially in Asia, where production reached an estimated 525 000 tonnes in 2014.

SURIMI - in France, origin: Spain



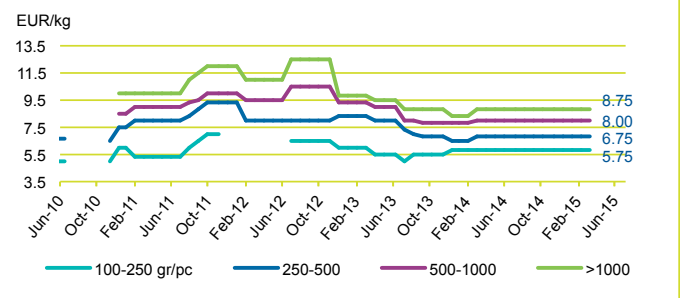
Source: European Price Report

HADDOCK - H&G, origin: Norway



Source: European Price Report

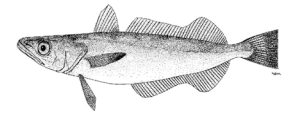
MONKFISH - In Spain, origin: Namibia



Source: European Price Report

At the same time, the surimi product market has grown by some 5% to about 3 million tonnes in 2014. The Japanese market was estimated at 600 000 tonnes, the Republic of Korea at 300 000 tonnes, the USA at 95 000 tonnes, and the Southeast Asian market at 250 000 tonnes per year. While Southeast Asia has shown strong growth of about 10% per year, the European market has been flat at about 150 000 tonnes, as the Russian ban has created difficulties. The largest market by far is China, which was estimated at some 1.5 million tonnes in 2014 (Source: *Minato-Tsukiji*).

During the Alaska A season, surimi production increased by 7%, mainly as a result of processors opting for surimi while the drawn-out PBO block negotiations went on. Surimi production thus rose to over 80 800 tonnes, the highest level since NMFS started publishing statistics in



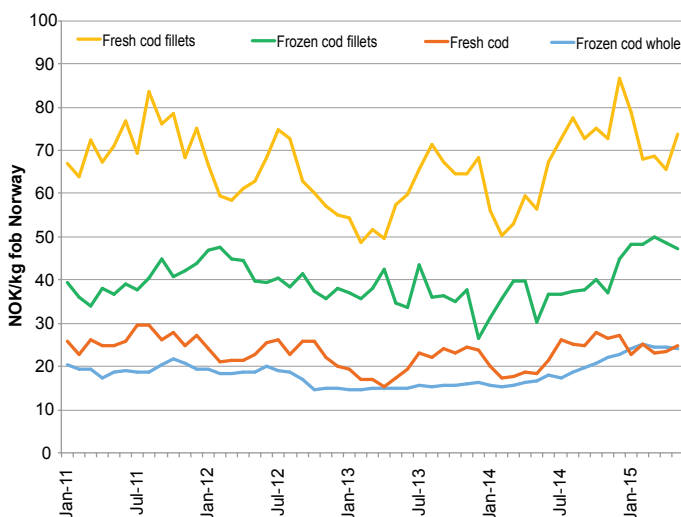
2006. This appears to be a long-term trend, as for the past six years, surimi production has been increasing (Source: *Undercurrent News*).

Japan’s production and consumption of surimi has been declining for several decades, but it now seems to be stabilizing. In 2013, production of surimi was only 47% of the amount that was produced in 1975, but production has now risen back to 2010 levels. Per capita consumption of surimi in Japan has also declined over the years, but has stabilized since 2010-2011. No specific explanation can be pinpointed for these developments.

In the USA, on the other hand, surimi production is increasing with stable pollock supplies supporting this development. In 2015, it is expected that US production will reach 200 000 tonnes. To some extent, producers have shifted from production of fillets to production of surimi, due to a duller demand for fillets in Europe.

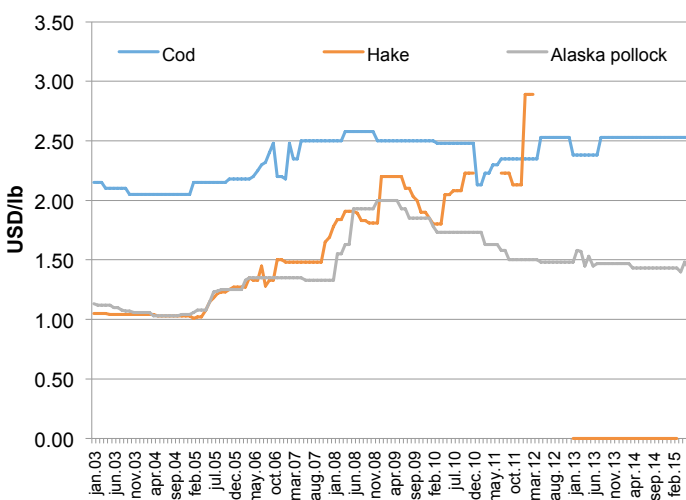
Norwegian export prices

Average export prices in NOK per kg, FOB Norway



Source: Central Bureau of Statistics, Norway.

C&F prices groundfish blocks: USA



Source: INFOFISH

In spite of more abundant supplies, prices for US produced surimi are rising in Japan. This is partly due to the weakening of the Japanese yen. This has prompted some Japanese buyers to look for surimi from Asian producers to reduce their dependency on the more expensive US surimi. At the same time, Japanese producers of surimi are looking to Asia as a future market for their surimi.

Prices

Cod prices, which have shown an upward trend for some time now, moderately stagnated in the beginning of the year. Prices for fresh cod fillets from Norway dropped significantly in the beginning of the year, but recovered in May. Frozen whole cod and frozen cod fillets were relatively stable after the New Year, while frozen cod fillet prices declined a bit. On the US market, cod fillets prices have been flat since June 2013, while Alaska pollock prices dropped slightly in mid-2014, but have been stable since then.

In terms of haddock, prices have taken a beating since the high prices of 2014 were reported. At that time, the price for frozen H&G haddock peaked at USD 4 450 per tonne. Prices have fallen drastically since then, and in May 2015, Russian sellers asked for as little as USD 2 800-2 850 per tonne (Source: *Undercurrent News*).

Russia represents a special case when it comes to prices. Russian domestic fish prices have increased by about 30% since the embargo on western fish was introduced. This affected prices for Alaska pollock as well. In general, there is currently a shortage of fish in Russia, and the authorities are now looking to aquaculture as a longer-term solution.

Outlook

Total supplies will remain stable for the 2015-2016 season, although with perhaps moderately less cod coming on the market. Total demand seems to be strong, but prices may suffer to a small extent.

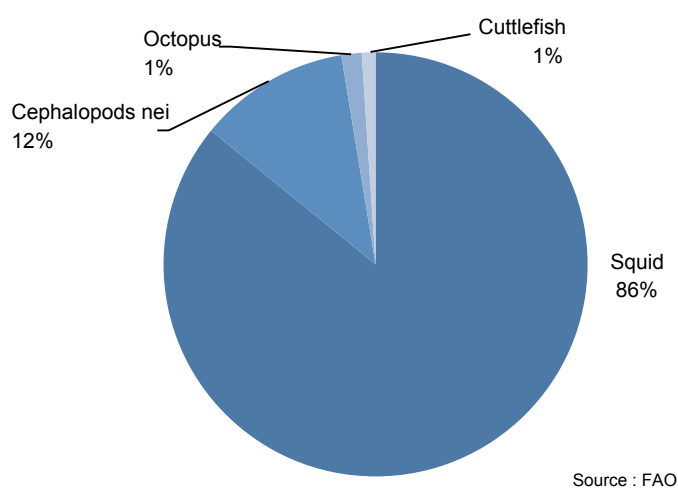
Surimi production is increasing, and the market development is varied. In Japan, surimi consumption has been declining but may now stabilize, while in Europe consumption is flat, and in the USA it is increasing.

Record squid landings expected

Reports from the Falkland Islands (Malvinas) indicate that 2015 could be another record year for squid landings. The fishery was off to a good start in February, and by mid-April over 150 000 tonnes had been landed.

The octopus supply situation has also improved, with the main markets importing more octopus than compared with last year. Prices may stabilize after a weak period during the winter.

Cephalopods production by species (2013)



Spain has proven to be a dynamic market for cephalopods from Viet Nam. In 2014, Spain climbed to become the third largest market for Vietnamese cephalopods. Exports from Viet Nam to Spain grew by almost 100% compared with 2013, and reached a total value of USD 5.15 million.

In 2014, as much as 65% of Spain's cephalopods imports consisted of squid in various product forms (frozen, dried, salted or in brine). Octopus was the second largest cephalopod product, accounting on average for between 27%-40% of the total. Processed octopus accounted for less than 3% (Source: VASEP).

Octopus

Vessel owners in Galicia, Spain, have asked authorities to extend the ban on the octopus fishery in order to allow the resource to recover and rebuild. Owners have further requested that the ban be implemented for the trawling fleet as well as for those operating traps.

The winter octopus season in Morocco and Mauritania was robust, with strong landings, resulting in good supply to the Japanese market. In fact, while Japanese imports of octopus had dropped dramatically in 2014, the first quarter of 2015 has brought more product into the Japanese market. Imports during the first three months of the year

increased from 10 200 tonnes in 2014 to 13 400 tonnes in 2015 (+31%). The main suppliers were Morocco and Mauritania. Mauritania especially increased shipments, from 2 500 tonnes in 2014 to 4 900 tonnes in 2015. This positive trend continued also during the second quarter, where some 21 000 tonnes were exported from Morocco and Mauritania to the Japanese market, an increase of more than 40%.

Prices for octopus from Morocco and Mauritania have been stable throughout the season, however, the good landings at the end of the season have now put pressure on prices, which by the end of the first quarter declined by about JPY 200 per kg compared with November prices. It is expected that prices on the Japanese market will stabilize due to the current low cold storage holdings.

Italian octopus imports also rebounded during the first quarter of 2015, after having been relatively stable in 2014. Imports grew from 10 100 tonnes in the first quarter of 2014 to 13 400 tonnes during the same period in 2015. Morocco strengthened its position as the number one supplier, and Spain and Indonesia both registered increases in export volumes to Italy.

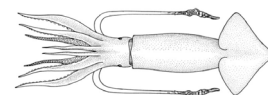
Spanish imports of octopus were even stronger, as imports during the first quarter increased by almost 53%, from 9 100 tonnes in 2014 to 13 900 tonnes in 2015. Again, Morocco was the largest supplier by far, accounting for

Imports

Octopus: Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Morocco	2.5	0.3	1.0	8.0	4.9	5.2
Mauritania	2.0	2.0	3.8	5.6	2.5	4.9
China	1.7	2.0	1.8	1.3	1.5	1.6
Viet Nam	0.7	0.9	1.0	0.8	0.7	1.0
Thailand	0.2	0.3	0.4	0.3	0.2	0.2
Spain	0.2	0.4	0.5	0.3	0.0	0.0
Others	0.1	0.3	0.6	0.7	0.4	0.5
Total	7.4	6.2	9.1	17.0	10.2	13.4

Source: Japan Customs



59% of total Spanish octopus imports. Mauritania was the second largest supplier, with 2 400 tonnes, and Portugal came in third place with 1 200 tonnes.

Imports Octopus: Spain

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Morocco	6.5	4.7	3.6	7.3	4.6	8.2
Mauritania	1.0	1.1	1.0	0.6	1.5	2.4
Portugal	0.3	0.6	0.5	1.7	0.9	1.2
Italy	0.5	0.2	0.1	0.1	0.3	0.3
Viet Nam	0.3	0.3	0.4	0.1	0.2	0.2
Algeria	0.2	0.2	0.2	0.2	0.2	0.2
Senegal	0.1	0.2	0.2	0.1	0.1	0.2
India	0.2	0.2	0.2	0.0	0.1	0.1
China	0.4	0.1	0.1	0.1	0.0	0.3
Others	0.8	1.2	1.2	0.5	1.2	0.8
Total	10.3	8.8	7.5	10.7	9.1	13.9

Source: Agencia Tributaria

Imports Octopus: Italy

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Morocco	3.6	1.6	1.4	5.0	3.5	5.7
Spain	2.1	2.0	1.4	2.1	1.6	2.0
Indonesia	0.8	1.0	1.6	0.6	0.7	1.2
Mauritania	0.8	0.5	0.2	0.2	0.4	0.9
Mexico	0.6	1.8	0.6	0.4	0.9	0.8
India	0.4	0.4	0.5	0.4	0.4	0.7
Tunisia	0.4	1.3	1.6	0.3	0.8	0.5
Senegal	0.3	0.6	0.8	0.5	0.2	0.4
Viet Nam	0.9	0.8	0.7	0.4	0.2	0.4
Thailand	0.3	0.2	0.3	0.2	0.4	0.0
Others	0.7	0.9	0.9	0.9	1.0	0.8
Total	10.9	11.1	10.0	11.0	10.1	13.4

Source: Agencia Tributaria

Squid

The Illex squid fishery around Falkland Islands (Malvinas) performed very well in 2014, when a record 306 000 tonnes were landed. According to the Department of Fisheries, the outlook for the 2015 season is even better. The main reason for the positive forecast is the fact that sea temperatures have returned to normal levels after three years of low temperatures. The Illex season started on 15 February, and by mid-April, 150 000 tonnes had been landed. This is well ahead of landings at the same time in 2014. Total landings last year amounted to 306 000 tonnes, which was a record amount. (Source: FIS.com)

Imports Squid: Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	4.9	5.6	7.2	7.9	7.5	7.4
Peru	0.2	1.0	0.8	2.1	1.2	2.1
Thailand	1.9	1.7	1.5	1.5	1.3	1.2
Chile	0.0	0.3	0.7	0.5	0.3	1.1
Viet Nam	1.0	1.1	1.3	0.9	0.8	0.6
USA	1.5	1.2	0.4	0.6	0.5	0.5
Republic of Korea	0.3	0.0	0.1	0.3	0.2	0.3
Philippines	0.2	0.2	0.3	0.3	0.3	0.2
Indonesia	0.0	0.1	0.2	0.2	0.3	0.2
India	0.3	0.6	0.4	0.3	0.2	0.2
Others	0.4	0.4	0.8	0.6	0.7	0.7
Total	10.7	12.2	13.7	15.2	13.3	14.5

Source: Japan Customs

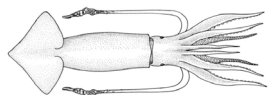
Imports Squid: Italy

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Spain	5.1	5.7	4.1	6.5	5.0	4.7
Thailand	4.7	5.5	3.6	3.6	5.1	2.3
China	0.7	1.9	1.1	1.9	1.9	2.0
India	1.5	1.9	0.6	1.6	1.6	1.5
Peru	0.9	0.0	0.1	1.0	0.2	1.2
South Africa	1.4	1.3	0.6	0.5	0.6	1.0
Viet Nam	1.3	1.5	1.1	0.9	0.7	0.7
Indonesia	0.6	0.8	0.7	0.7	0.6	0.5
USA	0.3	0.6	0.5	0.2	0.4	0.4
Morocco	0.1	0.2	0.2	0.2	0.6	0.3
Others	1.4	1.3	1.0	1.2	0.9	1.2
Total	18.0	20.7	13.6	18.3	17.6	15.8

Source: ISTAT

Chinese squid vessels are operating in all major fishing grounds, and are today supplying the major markets. The Chinese are catching flying squid in North Korean waters, Illex squid in Argentine waters, jumbo flying squid in Peruvian waters, and neon flying squid in the Pacific. While the catch by Chinese vessels was estimated at about 80 000 tonnes in 2013, this increased sharply to 350 000 to 400 000 tonnes in 2014. The total Chinese squid catch, including landings from domestic waters, is estimated to be between 900 000 and 1 million tonnes (Source: *Minato Tsukiji*).

With Chinese vessels landing large amounts of squid, prices have come under pressure, and the Chinese squid sector is suffering. However, some processors have seized



Imports

Squid: Spain

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Falkland Isl. (Malvinas)	2.3	3.8	1.5	5.9	2.9	3.2
Morocco	2.1	2.1	1.5	2.8	3.1	2.9
India	5.0	3.2	3.1	3.4	3.6	2.8
China	2.4	2.6	3.0	2.7	1.7	1.9
Peru	1.0	1.9	1.7	2.5	1.2	1.3
Mauritania	0.1	0.3	0.1	0.2	0.6	1.2
USA	0.7	1.0	2.6	0.1	1.1	0.8
South Africa	1.4	1.5	0.8	0.2	0.3	0.6
France	0.7	0.7	0.6	0.5	0.3	0.6
Namibia	0.1	0.3	0.3	0.4	0.5	0.5
Portugal	0.3	0.8	0.4	0.3	0.4	0.2
Others	0.6	1.3	1.1	1.1	1.4	0.8
Total	16.7	19.5	16.7	20.1	17.1	16.8

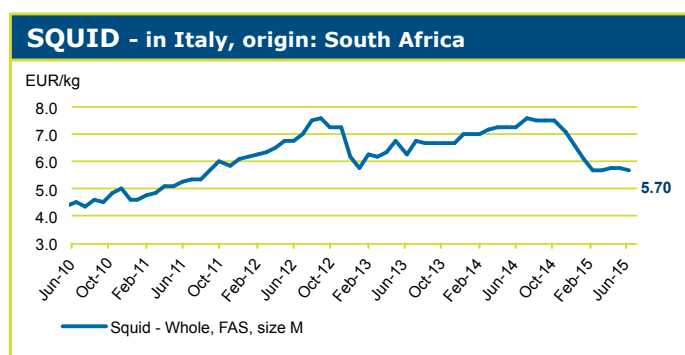
Source: Agencia Tributaria

Imports

Squid: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	6.7	7.6	8.2	9.0	8.3	9.9
Republic of Korea	3.0	0.3	0.8	1.0	1.0	1.3
India	0.8	0.8	0.6	0.9	0.6	0.9
Peru	0.5	0.6	0.9	0.9	0.5	0.9
Thailand	1.2	0.8	1.0	1.2	0.8	0.8
Taiwan PC	1.5	0.6	0.8	0.7	0.7	0.8
New Zealand	0.1	0.2	0.1	0.1	0.1	0.1
Others	0.9	0.8	4.1	1.4	1.9	1.2
Total	14.7	11.7	16.5	15.2	13.9	15.9

Source: NMFS



Source: European Price Report

this opportunity to invest and expand, hoping that their investments will put them in an improved competitive situation. One such company is Dalian Donglin, which recently opened its ninth processing facility, a highly mechanised factory processing squid for the domestic market. Donglin is importing squid from Peru, the

RECENT NEWS

Jumbo flying squid fishery in Chile

There is controversy brewing in Chile, where artisanal fishermen are advocating for exclusive rights to the jumbo flying squid (*Dosidicus gigas*) fishery in some regions (Coquimbo, Valparaiso and Biobio). The artisanal fishers are claiming that the industrial sector has contributed to an unbalanced market and harmed thousands of workers. At present, 20% of the total quota is owned by the industrial sector, but as this quota is caught so quickly, the market is flooded and prices suffer. The industrial sector claims that there is plenty of jumbo flying squid, and that a proper resource assessment should be made before the 2016 quota allocations are made. The authorities, represented by the Undersecretary of Fisheries and Aquaculture Raul Sunico, has rejected the demonstrations by the artisanal squid fishermen. He stated that the decision to allocate 80% of the jumbo flying squid quota to the artisanal sector and 20% to the industrial sector was already made last year, and that this management decision was to be in force for the next five years.

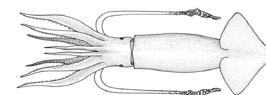
Netherlands and other places, and is growing rapidly in the Chinese domestic market. About half of its production is sold in China, while the other half goes to the USA.

In Japan, after an 11% drop in squid imports in 2014, the first quarter of 2015 showed growing trade. Japanese imports of squid grew by 9% compared with the same period in 2014. China, the top supplier, saw a slight decline in shipments, while the second largest supplier, Peru, increased exports to Japan by a notable 75%. Chile also registered a healthy increase. Despite these trends, China's dominance in the Japanese market is significant, accounting for 51% of total Japanese squid imports during this period.

In contrast, Italian squid imports declined during the first three months of the year. Total imports dropped from 17 600 tonnes to 15 800 tonnes (-10%). Spain, and particularly Thailand, saw reductions in their shipments to Italy.

Spanish squid imports have been on a downward trend since 2012, and this seems to be continuing in 2015. Total squid imports into Spain during the first quarter of 2015 declined by almost 2%, to 16 800 tonnes. The main suppliers were the Falkland Islands (Malvinas), Morocco, and India. While the Falkland Islands (Malvinas) showed a slight (+10%) increase in shipments, both Morocco and India shipped less squid to Spain in the beginning of this year compared with the same period last year.

While the major European markets for squid all registered declining imports during the first quarter of 2015, the USA actually increased its imports, from 13 900 tonnes in 2014 to 15 900 tonnes in 2015 (+14%). Main supplier China



strengthened its position on the US market, and during the first three months accounted for over 62% of total US imports of squid.

Cuttlefish

Cuttlefish trade has been rather stagnant for some time, and this trend does not seem likely to change any time soon. Imports into the main markets during the first quarter of 2015 showed very slight changes from the same period a year before. Japanese imports increased from 2 200 tonnes to 2 500 tonnes, Italian imports went down from 3 800 tonnes to 3 700 tonnes, and Spanish imports went up from 7 100 tonnes to 7 800 tonnes. Morocco is the main supplier to most markets, while Thailand is the number one supplier to Japan.

Prices

Octopus prices were under some pressure during the first quarter 2015, but are now likely to stabilize. Squid prices dropped at the beginning of the year, but have stabilized over the past few months. Squid prices could come under increased pressure as landings by major suppliers have improved lately and if China continues to put more product on the international market. Currently, squid and

Imports

Cuttlefish: Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Thailand	1.5	1.3	1.4	1.0	0.8	0.8
Morocco	0.6	0.3	0.4	0.8	0.5	0.5
Viet Nam	0.7	0.7	0.9	0.4	0.4	0.5
Republic of Korea	0.2	0.2	0.1	0.1	0.0	0.3
Malaysia	0.3	0.3	0.3	0.2	0.2	0.2
Others	0.4	0.3	0.6	0.6	0.3	0.2
Total	3.7	3.1	3.7	3.1	2.2	2.5

Source: Japan Customs

Imports

Cuttlefish: Italy

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Senegal	0.4	0.5	0.4	0.5	0.5	0.6
Tunisia	1.5	1.4	1.3	0.9	1.0	0.5
UK	0.2	0.1	0.3	0.4	0.1	0.5
Spain	0.6	0.4	0.3	0.6	0.6	0.5
Morocco	0.4	0.4	0.1	0.3	1.0	0.5
France	0.7	1.2	0.6	0.6	0.2	0.4
Others	1.0	1.0	1.2	0.4	0.4	0.7
Total	4.8	5.0	4.2	3.7	3.8	3.7

Source: ISTAT

cuttlefish cold storage holdings are low, so price increases in the short-term are likely.

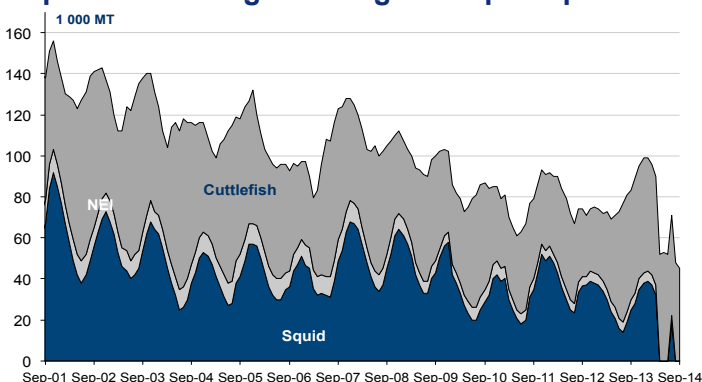
Imports

Cuttlefish: Spain

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Morocco	3.2	3.0	3.2	5.6	4.7	4.4
France	0.7	0.8	1.0	0.7	0.3	1.3
Mauritania	0.5	0.3	0.6	0.1	0.5	0.7
Senegal	0.0	0.4	0.1	0.2	0.2	0.3
UK	0.1	0.1	0.6	0.3	0.1	0.3
China	0.6	0.3	0.5	0.5	0.1	0.2
India	3.5	3.0	3.0	0.8	0.5	0.0
Others	1.9	1.8	1.1	0.4	0.7	0.6
Total	10.5	9.7	10.1	8.6	7.1	7.8

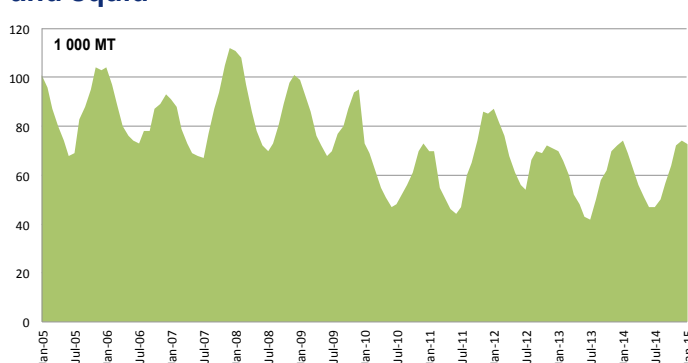
Source: Agencia Tributaria

Japan cold storage holdings of cephalopods



Source: Japan Fisheries Agency

Japan cold storage holdings of cuttlefish and squid



Source: ITN

Outlook

Octopus supplies are up, and this put some pressure on prices over the first quarter 2015. However, cold storage holdings are low, and will likely contribute to bring prices up again, or at least stabilize them. Supplies are likely to improve for squid, while cuttlefish supplies will remain stable.

Domestic demand keeps market firm

At the INFOFISH Tilapia 2015 conference, Professor Kevin Fitzsimmons estimated that global tilapia production exceeded 4.85 million tonnes in 2014. For 2015, it is forecasted that production will grow by 6% to total 5 million tonnes.

China

During the recent Tilapia 2015 conference organized by INFOFISH in Kuala Lumpur, Professor Dr Jun Rong Liu reported that domestic Chinese tilapia production in 2013 was 1.6 million tonnes. She noted that though domestic demand for tilapia remains strong, much work needs to be done by the industry to improve the quality of the fish.

Indeed, balancing high production, quality and sustainability is challenging for the tilapia industry in China. In order to increase quality, the industry must take a comprehensive approach to deal with brood stock, water quality, fish feed, live handling, value-added processing and live transport. The Chinese tilapia industry has also been turning its focus more towards sustainability.

In terms of exports, Chinese volumes are slowing with the nation's exporters looking to diversify and enlarge their markets. During the first quarter of 2015, total exports of frozen tilapia experienced marginal growth (+2.2%) in volume compared with the same time period last year, primarily due to increases in frozen fillet (+9.7%) and breaded fillet (+22.5%) exports. Besides increased frozen fillet exports to the major markets, the USA and Mexico, exports also increased to Israel and Iran. In general, EU countries imported less tilapia during this period.

Exports

Tilapia: China

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1000 tonnes)					
Frozen whole	11.7	24.4	21.3	23.1	29.1	24.3
Frozen fillets	35.4	32.7	33.6	30.7	31.8	34.9
Breaded fillets	12.0	14.7	11.7	13.3	15.1	18.5
Total	59.1	71.8	66.6	67.1	76.0	77.7

Source: China Customs

USA

Imports of high value fresh/chilled (air-flown) tilapia fillets into the USA during the first quarter of 2015 increased marginally by 1.4% in quantity but by 5.0% in value against the same period in 2014. Honduras remains the largest exporter, although supplies declined by 7.1%. Supplies were higher from Colombia with a 30% increase in shipments, which allowed the country to become the number three supplier of fresh tilapia fillets to the US market. Costa Rica and Ecuador reported sharp declines in exports.

Frozen tilapia imports during the first quarter of 2015 confirmed the strong demand in the market as there was a 27% increase in this import category compared with the same period in 2014. Supplies increased for both frozen fillets (+26%) and whole frozen (+30%) tilapia with a higher percentage for the latter coming from Myanmar, a relatively new supplier. Frozen fillet exports also increased from Latin American, Ecuador and Honduras.

Tilapia remains a popular product in the retail sector and recently, whole fresh tilapia can increasingly be found in supermarkets. NMFS trade statistics reported that there were 226 tonnes of whole fresh tilapia imports during the first quarter of 2015, up from 83 tonnes during the same time period last year. The major suppliers were Myanmar, Bangladesh, Pakistan and China. Mexico was the largest supplier from Latin America.

Imports

Tilapia (by product form): USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Frozen fillets	32.9	35.1	40.5	36.3	41.7	52.8
Whole frozen	9.0	9.5	10.0	9.1	8.9	11.6
Fresh fillets	6.7	6.7	2.6	7.2	7.0	7.1
Total	48.6	51.3	53.1	52.6	57.6	71.5

Source: NMFS

Imports

Whole Frozen Tilapia: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	5.6	5.9	6.6	5.4	5.2	7.9
Taiwan PC	3.0	3.3	2.8	3.4	3.4	2.6
Thailand	0.3	0.1	0.2	0.1	0.1	0.3
Others	0.1	0.2	0.4	0.2	0.2	0.8
Total	9.0	9.5	10.0	9.1	8.9	11.6

Source: NMFS

Latin America

For 2015, tilapia production is expected to increase in Latin America as demand remains strong in the USA and neighboring markets, as well as in the growing domestic market. According to the National Association of Aquaculture Producers in Honduras, 5% growth in



Honduran exports is expected this year, specifically for fresh tilapia fillets going to the USA and Mexico. During the January-April of 2015, Guatemala exported 60 tonnes of fresh tilapia fillets to the USA, which compares to just 8 tonnes during the same time period in 2014. The domestic tilapia market is growing in Costa Rica, Guatemala, El Salvador, Honduras, Nicaragua, and Panama.

Imports

Fresh tilapia fillets: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Honduras	1.6	1.9	0.5	2.3	2.8	2.6
Costa Rica	1.7	1.7	0.0	1.6	1.6	1.3
Colombia	0.6	0.6	0.4	0.9	0.9	1.2
Ecuador	2.5	2.3	1.5	1.9	0.8	0.7
Others	0.3	0.2	0.2	0.5	0.9	1.3
Total	6.7	6.7	2.6	7.2	7.0	7.1

Source: NMFS

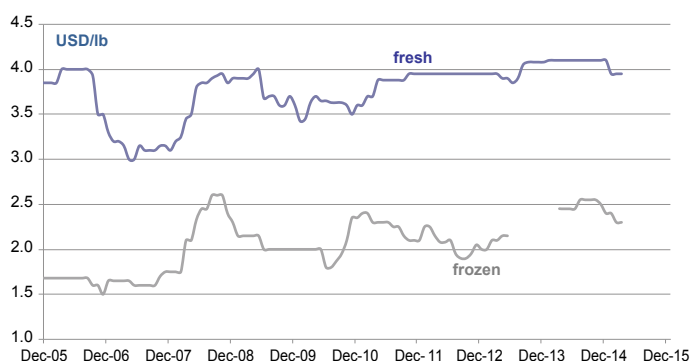
Imports

Frozen Tilapia fillets: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	29.6	31.5	36.1	32.8	37.7	48.7
Indonesia	2.0	2.2	2.9	2.4	2.9	2.7
Taiwan PC	0.4	0.5	0.4	0.3	0.3	0.3
Thailand	0.3	0.3	0.5	0.3	0.5	0.3
Ecuador	0.3	0.1	0.2	0.2	0.0	0.0
Others	0.3	0.4	0.4	0.3	0.3	0.8
Total	32.9	35.1	40.5	36.3	41.7	52.8

Source: NMFS

Wholesale prices of tilapia fillets in the USA



Source: INFOFISH

EU

During the opening months of 2015, imports of tilapia into the EU continued on the downward trend that started in 2014. Eurostat data reported a total of 7 702

tonnes of frozen tilapia (whole and fillet) imported, a reduction of 1 283 tonnes compared with the same period in 2014. China was the leading supplier for both whole fish and fillets, although it supplied 16% less. Viet Nam was the second largest supplier for frozen tilapia fillets, and exported 803 tonnes more during this period. In terms of whole frozen tilapia, imports increased from Thailand and Myanmar.

Asia

Many pangasius farmers in Viet Nam who have been forced out of business are starting to rear tilapia. Industry sources reveal that tilapia is farmed in cages in the Rivers Hau and Tien, the main branches of the Mekong River. Both Nile tilapia (*Oreochromis niloticus*) and Mozambique tilapia (*Oreochromis mossambicus*) are grown in about equal quantities and, like pangasius, are mostly exported in fillet form. In 2014, Viet Nam exported tilapia to more than 60 countries, with the USA being the most important market taking 18.2% of total Vietnamese exports of this species, importing 1 745 tonnes valued at USD 5.24 million. Spain followed with imports valued at USD 3.7 million and Colombia with imports valued at USD 3.03 million. The remaining top ten importers (in order) were the Netherlands, Belgium, Germany, Mexico, the UK, the Czech Republic and Italy.

During the first quarter of 2015, Indian exports fell approximately 71% compared with the same period in 2014 to 706 tonnes. However, their exports to the USA increased slightly by 18 tonnes. Much of the Indian production is increasingly entering the domestic market to fulfill the growing demand.

During the reporting period, tilapia exports from Taiwan Province of China (PC) were comprised of nearly 89% of whole frozen product from a total of 5 111 tonnes. At the recent INFOFISH Tilapia 2015 conference, Professor Fu-Sung Chiang, from the National Taiwan PC Ocean University, reported that tilapia remains one of the cheaper fishes available, whether in the live whole fish market, sushi bars, or hot pot restaurants in Taiwan PC, despite the fact that the outbreak of avian influenza in January 2015 drove up the demand for fish and fish products. As of 24 March 2015, the price of fresh Nile tilapia was USD 3.81 per 600 g and fresh Mozambique tilapia was USD 2.86 per 600 g in the retail market. Chiang added that there had been a shortage of tilapia from 2013-2014 due to abnormal weather conditions.

Outlook

Despite some sporadic supply hiccups, tilapia remains a popular protein choice. Aside from China, other large producers are increasingly channeling more supplies to the domestic market.

Major markets slow down, producing countries target domestic demand

The most recent FAO figures report global pangasius production in 2013 at 1.67 million tonnes with Viet Nam accounting for a staggering 71% of the total. Nearly 98% of this comes from aquaculture.

Viet Nam

According to VASEP, production of pangasius during the first quarter of 2015 was down 10% compared with the same period in 2014, totaling 182 200 tonnes, although there have been increases in certain farming areas. Among the provinces that reported growth in production were Dong Thap, An Giang and Ben Tre. VASEP announced that during this same time period, Viet Nam exported 12.7% less pangasius compared with the same period in 2014. Total pangasius exports in the first quarter of 2015 were valued at USD 360 million. Significant declines were noted in exports to the major markets, namely the USA and the EU. Increased exports took place to ASEAN countries, including Thailand, Singapore, the Philippines as well as to Hong Kong SAR and China.

For the first quarter of 2015, exports of Vietnamese pangasius to the EU took a 19.1% share, showing a reduction of 17.7% in value compared with the same period in 2014.

Following the recent round of negotiations on the EU-Viet Nam FTA, it was agreed that the tax on pangasius as well as other seafood would be significantly cut, which could promote future export volume growth. Currently, the average tariff on frozen fish fillets is 6.88% while the tariff on frozen pangasius fillets is 5.5%. Under the new trade deal, tariff and non-tariff barriers will be lifted, giving processors from Viet Nam more opportunities to expand their markets and import raw materials from other countries for processing and re-exporting to the EU. Another significant benefit of the new FTA is the support the EU will provide to Vietnamese businesses with investments and technical transfers, which will help Viet Nam sustainably access the EU market and attract more foreign investments.

In addition to the FTA with the EU, Viet Nam became the first country to sign a Free Trade Agreement (FTA) with the Eurasian Economic Union (EEU). The EEU is currently comprised of Russia, Belarus, Kazakhstan and Armenia, while talks are in progress for the inclusion of Kyrgyzstan in the trade block as well. This second FTA will also immensely benefit Viet Nam, as it will help boost exports of Vietnamese pangasius into these four markets. The difference is substantial; at least 80% of Vietnamese goods exported to Russia, including fishery products, will now be tax-exempt. Currently, Russia is imposing a tax of 5.63% on frozen pangasius fillets from Viet Nam. During the first

quarter of 2015, Russia imported USD 12.9 million worth of fishery products from Viet Nam. This was a decrease of 40% in value terms (USD 5.2 million).

Indonesia

Indonesia has significantly increased their production over the years, and now ranks as the second largest producer, making up 25% of the global pangasius supply. This increase is due to the Indonesian Government actively promoting local production to supply domestic demand while at the same time imposing stringent import requirements. Other production trends include increases from Cambodia and Myanmar, with the latter beginning exports to the US market.

USA

Total frozen catfish imports declined by 8.8% during the first quarter compared with the same period in 2014. A little over 90% of these imports were comprised of whole and fillet frozen pangasius. Imports of only frozen pangasius fillets were down by 9% primarily due to lower supplies from the major supplier, Viet Nam. Not reflected in the table are imports that have started coming in from Myanmar, some 34 tonnes during the period under review. Countries such as China and Thailand, which used to export small quantities of pangasius to the USA, are no longer exporting.

Imports

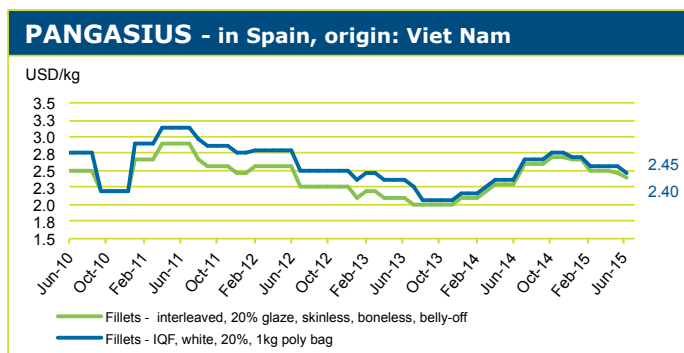
Frozen pangasius fillets: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Viet Nam	8.9	15.7	23.0	20.0	29.4	26.8
China	1.3	0.6	0.2	0.0	0.1	0.0
Thailand	0.8	0.0	0.0	0.0	0.0	0.0
Others	0.8	0.1	0.0	0.1	0.0	0.0
Total	11.8	16.4	23.2	20.1	29.5	26.8

Source: NMFS

EU

The demand for frozen pangasius remains in EU markets although imports during the first quarter of this year fell



Source: European Price Report

by 5 280 tonnes compared with the same period in 2014 due to the weak euro, which resulted in cautious buying and ultimately pushed prices down. Within the EU, most markets imported less with the exception of the UK and Poland.

Total frozen pangasius import volumes for the first quarter reached 27 737 tonnes, which only 3% was made up of whole frozen pangasius. Viet Nam remains the major supplier of both frozen whole and frozen fillets with declining exports to the EU in recent times. Supplies of whole frozen pangasius have been increasing from other sources, namely Bangladesh and Myanmar.

Latin America

The Brazilian Ministry of Agriculture, Livestock and Food Supply (MAPA) has recently lifted the import ban on Vietnamese pangasius according to the Ministry of Agriculture and Rural Development's Department of Animal Health (DAH). According to the DAH Director, the Ministry of Fisheries and Aquaculture (MPA) of Brazil asked MAPA to allow the resumption of import of seafood products from Viet Nam on 27 March 2015. MAPA had previously requested that Viet Nam draw out an urgent plan for preventing diseases in pangasius. Following this request, DHA sent a letter to MAPA, stating that the requirement was contrary to regulations of the World Organization for Animal Health, the World Trade Organization and those in the sanitary and phytosanitary systems (SPS).

Brazil is an increasingly important market for Vietnamese seafood products, especially as exports of frozen pangasius fillets from Viet Nam are falling to the EU and USA as a result of decreased demand as well as tariff and technical barriers. Brazil imported 4 806 tonnes of frozen pangasius fillets during the first quarter period, which is a significant reduction of 62% compared with the same period in 2014. The decline was a result of the ban imposed by MAPA.

According to national statistical sources, Latin American markets imported 34 204 tonnes of frozen whole and fillets of pangasius from January to March this year; 93% of which were frozen fillets from Viet Nam. The largest importer was Mexico, which absorbed 59% of imports, notably overtaking Brazilian imports.

Asia

During the first quarter of 2015, total imports of frozen pangasius fillets into Asian countries were up 16.3% compared with the same period in 2014, to reach approximately 16 000 tonnes. Thailand and Singapore were the leading importers followed by China, Malaysia and Hong Kong SAR. Pangasius fillets have set a strong foothold in Asia as Asians generally consume high amounts of fillets due to convenience and price.

In local news, prices of different varieties of fish (including local pangasius) in Dhaka, Bangladesh have increased USD 0.20-0.65 per kg since early June 2015. Consumers believe traders have increased prices due to the fact that fish is in higher demand before Ramadan, the Muslim fasting month, which begins 18 June in most Asian countries. In early June, per kilogram prices of pangasius, tilapia and farmed 'koi' were being sold at USD 2.65, which is a USD 0.20 increase compared with prices two weeks before.

Outlook

Pangasius will continue to be a top choice of fish protein as it is affordable and demand remains steady in most markets, aside from significant declines in the EU markets.

RECENT NEWS

Vietnamese pangasius farmers to work towards ASC certification

The Aquaculture Stewardship Council (ASC) and the Vietnamese Directorate of Fisheries (D-Fish) have signed an MoU to work together to promote responsible aquaculture in Viet Nam through a step-wise approach to ASC certification.

Last year, the government of Viet Nam set a mandate that pangasius farming, processing and exporting must be certified to VietGAP or equivalent standards by the end of 2015, demonstrating that the government is committed to developing a sustainable aquaculture sector. Now with this collaboration, the organizations will implement a joint project to create guidance for VietGAP certified farmers to help them progress to ASC certification. The project will allow farms to make step-by-step improvements in their practices with the goal of ultimately reaching the ASC standard.

The Directorate explained that the project builds on the decree that farms must meet VietGAP standards and helps move farms towards an internationally recognized standard, thereby providing access to international markets and ensuring a more responsible aquaculture sector. ASC is working with farmers that are currently not able to meet the ASC requirements, including small-scale farmers, and aims to provide them greater support in delivering improvements in their farming practices. The approach also aims for ASC to become a more efficient service provider by reducing costs for producers who wish to gain ASC certification.

Source: *The Fish Site*

EUROPEAN SEABASS AND GILTHEAD SEABREAM

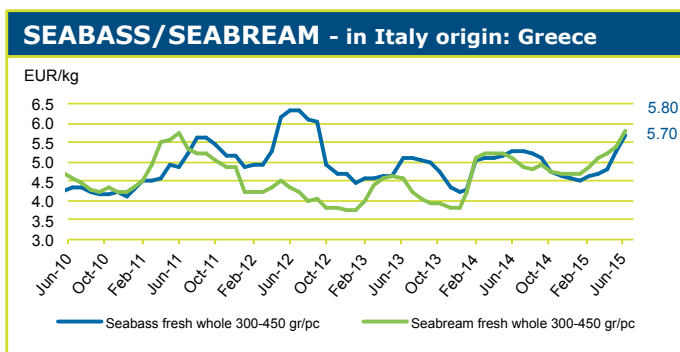
European supply outlook looking tight as prices begin to climb

The effect of lower seabass and seabream supply is being reflected in upward price trends across all major European markets. In Italy, prices for Greek bass and bream have recently been reaching heights not seen for many years. Reports from Turkey have also been positive, with similarly high price levels being maintained even as early year harvest and export volumes exceed expectations.

The primary underlying driver of this rising price trend is the reduced supply currently coming from Greece, combined with the expected production decline in Turkey for the second half of the year. Feed sales are also down in Italy and Spain, pointing to lower biomasses in the pens, and buyers are coming to terms with the relative lack of fish on the market for the foreseeable future.

In Greece, where bass and bream producers have struggled to maintain profitability over recent years, consolidation of the industry is continuing. In the latest news on this front, one of the aquaculture sector's largest companies, Selonda, has absorbed the assets of Dias, another producer with a substantial market share. The progress being made in terms of horizontal integration of the Greek sector is being welcomed by most stakeholders for its expected positive impact on production efficiency and marketing capacity. According to the Greek newspaper Imerisia, Selonda's founder, John Stephanis, has even called for the creation of a single company controlling around half of Greek supply.

Meanwhile, the combination of lower volumes and better prices is already boosting margins, with Selonda reporting positive earnings in the first quarter on 2015. Market sentiment however, is still hesitant regarding the outlook for the Greek industry, but there is at least now some basis for optimism. So long as sustainable production levels can be maintained across the European supply chain and consumer demand is maintained in the face of the uncertainties in the Eurozone economy, the Greek industry will be afforded a welcome opportunity to reinvest revenue in much-needed research and development.



Source: European Price Report

In Turkey, after a hard winter, sea water temperatures remained under seasonal averages resulting in slower fish growth rates in the second quarter of 2015. This in turn has delayed the availability of both 400-600 g bass and bream in the market, boosting prices. The rising price trend continued in June with prices expected to remain firm until August/September. Looking ahead, the rush of producers to harvest and sell their marketable sized fish as quickly as possible before winter hits, will lead to falling prices in the last quarter of the year.

During the high stocking season (April/May) this year, Turkish hatcheries faced issues in the delivery of juveniles demanded by producers due to high fish mortality. This resulted in the late stocking of juveniles, and according to industry sources, will delay harvest and availability of Turkish bass for exports in 2016 and 2017, naturally boosting prices.

The Turkish sector is concerned with the growing interest and investments in bass/bream production in North African (Southern Mediterranean) countries. Higher water temperatures/growth rates and low labor costs are seen as the comparative advantages of these countries, which make them potential market competitors for Turkish producers.

Production

Seabass (*Dicentrarchus labrax*): World

	Jan-Mar					
	2010	2011	2012	2013	2014*	2015*
	(1 000 tonnes)					
Turkey	50.8	47.0	65.5	60.0	66.0	63.0
Greece	40.2	44.4	42.8	45.0	43.0	42.0
Egypt	17.6	18.7	14.8	15.0	16.0	16.0
Spain	12.2	18.4	15.1	15.0	16.0	17.0
Italy	6.6	6.8	6.9	8.0	8.0	8.0
France	8.6	7.7	7.3	7.0	7.0	7.0
Others	9.5	11.0	9.8	10.0	11.0	12.0
Total	145.6	154.0	162.2	160.0	167.0	165.0

Source: FAO (until 2013)

* Estimate

Italy

The upturn in prices on the Italian market did not occur until late in the second quarter, with early year levels for both species on par with 2014. Import volumes were marginally



Production

Seabream (*Sparus aurata*): World

	Jan-Mar					
	2010	2011	2012	2013	2014*	2015*
	(1 000 tonnes)					
Greece	57.4	71.1	72.5	73.0	74.0	66.8
Turkey	29.3	33.0	31.7	45.0	42.0	35.5
Spain	21.4	16.4	17.4	18.0	22.2	20.1
Egypt	17.1	15.9	16.5	17.0	17.0	16.0
Italy	6.6	5.9	6.1	8.0	9.0	10.1
Tunisia	2.8	4.6	6.1	6.0	6.0	5.0
Cyprus	2.8	3.1	3.2	3.0	3.0	2.0
Malta	1.8	1.1	2.6	3.0	3.0	2.0
France	2.6	2.4	2.0	2.0	2.0	2.0
Israel	1.2	1.4	2.1	2.0	2.0	2.0
Others	7.8	6.6	7.8	8.0	9.0	7.0
Total	150.8	161.4	167.8	185.0	189.1	168.4

Source: FAO (until 2013) * Estimate

Exports

Fresh seabass: Turkey

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Netherlands	0.5	0.5	0.2	0.6	0.9	1.2
Italy	0.6	0.5	0.4	0.7	0.9	0.9
Spain	0.5	0.6	0.2	0.5	0.7	0.7
Russian Fed.	0.1	0.4	0.3	0.4	0.8	0.6
UK	0.1	0.1	0.3	0.4	0.4	0.5
Lebaban	0.3	0.3	0.1	0.3	0.4	0.3
Others	0.6	0.3	0.4	0.4	0.8	1.3
Total	2.7	2.7	1.9	3.3	4.9	5.5

Source: State Institute of Statistics

Exports

Fresh seabream: Turkey

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Lebanon	0.5	0.5	0.3	0.9	0.8	1.1
Netherlands	0.2	0.3	0.3	0.7	0.8	1.1
Italy	0.6	0.6	0.5	0.7	0.8	1.1
Spain	0.1	0.5	0.5	0.4	0.6	1.0
Russian Fed.	0.1	0.3	0.4	0.5	0.9	0.7
UAE	0.0	0.0	0.1	0.2	0.4	0.4
UK	0.1	0.1	0.2	0.1	0.3	0.3
Germany	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.2	0.5	0.2	0.7	0.7	1.5
Total	1.8	2.8	2.5	4.2	5.3	7.2

Source: State Institute of Statistics

up, but this may well have been compensating for reduced supply from domestic sources. Italian fresh bass and bream buyers have been increasingly turning to cheaper Turkish fish in recent years and this trend is continuing, particularly for bream.

Spain

Spain is another market feeling the effects of price hikes in the second quarter as supply tightens, although there are some differences between size and species segments in this regard. Specifically, there seems to be a relative excess of larger fish at wholesale markets, and prices as of May 2015 were still lower than compared with last year for this segment. For small and medium sizes, however, the trend is now firmly upward. There is also a marked gap between bass and bream prices overall, with the former appreciably higher in comparison with last year. With robust economic growth forecasted for the next two years and domestic and import supply tightening, bream prices in particular can be expected to remain high.

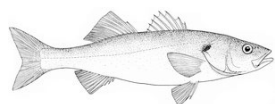
France

France is noteworthy in the bass and bream markets for persistent weak demand in comparison with Spain and Italy. This is particularly evident in the case of bream, for which the high import prices have seen import volumes fall substantially while lower wholesale prices than previous years suggests that the lack of interest has made it difficult to pass the costs onto the consumer. For bass the situation is slightly better, but the major retail chains appear to be responding to French consumers increasing wariness of imported fish by sourcing domestically when possible.

The Russian Federation

After the introduction of the food embargo in August 2014, the Russian Government has focused on import substitution and market saturation by domestic fish species. However, the main volumes of the Russian fish species caught in the Russian Far East are presented in frozen form, while the fresh fish segment has been characterized by a deficit of wild and farmed marine species. Salmon, bass and bream are the most popular species in the fresh fish segment, supplemented with fresh fish from Russian rivers and ponds.

Due to inflation and rising prices, a significant percentage of Russian consumers have had to switch from bass/bream to cheaper fish products or poultry. In the first quarter of 2015, Russian imports of bass amounted to 633 tonnes, a decline of 31% compared with the same period of 2014. The imports of bream in the first quarter totalled 668 tonnes, down by 32% over the same period of 2014. Turkey continues to dominate supplies on the Russian market, representing 99.5% of the supply of both bass and bream.



Other markets

Demand for bass in the UK appears to be firm, with import volumes increasingly sourced from the Netherlands, aided by a favourable exchange rate. The Netherlands itself continues to grow in importance as an export destination for Turkish fish, and is now firmly established as the top market for Turkish exporters. Lebanon, Germany, the USA, the United Arab Emirates and Portugal are also steadily increasing their imports of Turkish fish even when faced with higher prices.

Exports

Fresh seabass: Greece

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Italy	4.5	4.1	3.9	3.4	3.4	3.3
Portugal	0.5	0.7	0.4	0.6	0.6	0.6
Spain	1.4	1.0	0.7	1.0	0.8	0.5
France	0.7	0.8	0.7	0.6	0.6	0.5
UK	0.8	0.9	0.7	0.5	0.5	0.4
Others	0.8	1.1	1.0	0.9	0.6	0.6
Total	8.7	8.6	7.4	7.0	6.5	5.9

Source: EUROSTAT

Exports

Fresh seabream: Greece

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Italy	7.9	4.9	5.0	4.5	4.4	4.1
Spain	2.1	2.0	2.0	2.0	2.3	2.6
France	1.4	1.5	1.3	1.3	1.6	1.2
Portugal	0.6	1.2	1.0	1.2	1.1	1.1
Germany	0.6	0.5	0.6	0.5	0.5	0.5
Netherlands	0.3	0.3	0.3	0.3	0.3	0.2
UK	0.3	0.4	0.4	0.3	0.2	0.2
Others	0.5	0.6	0.6	0.8	0.7	0.6
Total	13.7	11.4	11.2	10.9	11.1	10.5

Source: EUROSTAT

Imports

Fresh seabream: UK

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Greece	0.2	0.3	0.3	0.7	0.5	0.3
Netherlands	0.1	0.2	0.1	0.2	0.2	0.2
Germany	0.0	0.0	0.1	0.0	0.1	0.1
Others	0.2	0.1	0.1	0.1	0.1	0.1
Total	0.5	0.6	0.6	1.0	0.9	0.7

Source: Her Majesty's Revenue & Customs

Imports

Fresh seabass: UK

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Netherlands	0.3	0.4	0.3	0.5	0.6	1.1
Greece	0.7	1.1	0.8	1.5	0.7	0.3
Germany	0.0	0.0	0.2	0.2	0.1	0.2
Turkey	0.0	0.0	0.1	0.2	0.2	0.1
France	0.1	0.1	0.2	0.1	0.1	0.1
Others	0.2	0.0	0.0	0.1	0.1	0.0
Total	1.3	1.6	1.6	2.6	1.8	1.8

Source: Her Majesty's Revenue & Customs

Imports

Fresh seabream and seabass: France (Quantity)

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Seabream (<i>dentex/pagellus</i>)						
Spain	0.1	0.1	0.1	0.1	0.1	0.1
Greece	0.1	0.2	0.2	0.0	0.0	0.0
Total	0.3	0.5	0.3	0.1	0.1	0.2
Seabream (<i>gilthead</i>)						
Greece	1.2	1.1	0.7	1.2	1.5	0.8
Spain	0.3	0.2	0.4	0.6	0.8	0.6
Turkey	0.0	0.1	0.1	0.1	0.1	0.1
Total	1.7	1.3	1.2	2.0	2.6	1.9
Seabass						
Greece	0.7	0.8	0.6	0.5	0.5	0.4
Spain	0.1	0.1	0.2	0.2	0.2	0.2
Total	1.0	1.2	1.0	1.0	1.0	1.0
Gr. Total	3.0	3.0	2.5	3.1	3.7	3.1

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

Outlook

If considering only the supply side, it would appear that all the factors are in place for a continued increase in prices across all major markets, relative to seasonal trends. Turkey and Greece have both committed to a reduction in production levels, and it seems unlikely that a significant alternative supply source will appear in the medium term at least. However, substantial uncertainty remains on the demand side. The economic environment in the Eurozone is still somewhat unstable and the outcome of the ongoing Greek debt talks is of course a significant risk factor for both the Greek industry and European demand as a whole. The poor economic situation in the Russian Federation is also likely to eventually affect imports from Turkey, though despite recent growth the Russian market is still small when compared with the major European



markets. That said, if current growth in consumer spending in Europe persists and demand continues strengthening in emerging markets, then the conditions are in place for sustained industry profitability for some time to come.

Imports

Fresh seabream and seabass: Spain (Quantity)

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
Seabream (all species)						
Greece	2.0	2.1	1.3	1.7	1.9	1.7
Turkey	0.0	0.5	0.6	0.5	0.7	1.6
Morocco	0.1	0.1	0.1	0.1	0.1	0.1
Portugal	0.1	0.0	0.1	0.1	0.1	0.1
France	0.2	0.0	0.0	0.0	0.0	0.0
Total	2.4	2.7	2.1	2.3	2.7	3.5
Seabass						
Greece	1.2	1.0	0.7	1.2	1.2	1.3
France	0.2	0.1	0.1	0.1	0.5	0.5
Turkey	0.4	0.6	0.2	0.4	0.8	0.4
Total	1.8	1.7	1.1	1.8	2.6	2.2
Gr. Total	4.2	4.4	3.2	4.1	5.3	5.7

Source: Agencia Tributaria

Imports

Fresh seabream and seabass: Germany (Quantity)

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
(1 000 tonnes)						
Seabream (dentex/pagellus)						
Greece	0.1	0.1	0.1	0.1	0.1	0.1
Total	0.2	0.1	0.1	0.1	0.1	0.1
Seabream (gilthead)						
Turkey	0.0	0.0	0.1	0.4	0.4	0.6
Netherlands	0.0	0.0	0.0	0.1	0.2	0.2
Greece	0.3	0.2	0.3	0.4	0.2	0.1
Total	0.4	0.4	0.5	1.0	1.0	1.0
Seabass						
Turkey	0.0	0.0	0.2	0.3	0.3	0.5
Greece	0.1	0.1	0.1	0.2	0.1	0.1
Total	0.3	0.3	0.5	0.6	0.6	0.7
Gr.Total	0.9	0.8	1.1	1.7	1.7	1.8

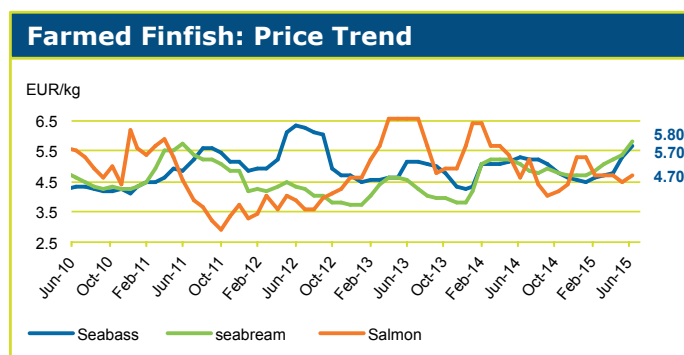
Source: Germany Customs

Imports

Fresh seabream and seabass: Italy (Quantity)

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
(1 000 tonnes)						
Seabream (dentex/pagellus)						
Spain	0.1	0.1	0.1	0.1	0.1	0.1
Greece	0.4	0.2	0.3	0.1	0.1	0.1
Total	0.5	0.3	0.4	0.2	0.3	0.2
Seabream (gilthead)						
Greece	3.5	4.0	4.6	4.2	3.8	3.9
Turkey	0.6	0.6	0.4	0.7	0.8	1.1
Croatia	0.1	0.1	0.1	0.3	0.3	0.5
Malta	0.3	0.3	0.4	0.3	0.2	0.2
Total	4.6	5.2	5.8	5.8	5.5	6.0
Seabass						
Greece	3.4	3.7	3.4	3.3	3.2	3.2
Turkey	0.6	0.5	0.4	0.7	0.8	1.0
Croatia	0.2	0.4	0.3	0.3	0.3	0.5
France	0.4	0.4	0.3	0.3	0.2	0.1
Total	4.7	5.0	4.8	4.8	4.6	5.1
Gr.Total	9.8	10.5	11.0	10.8	10.4	11.3

Source: ISTAT

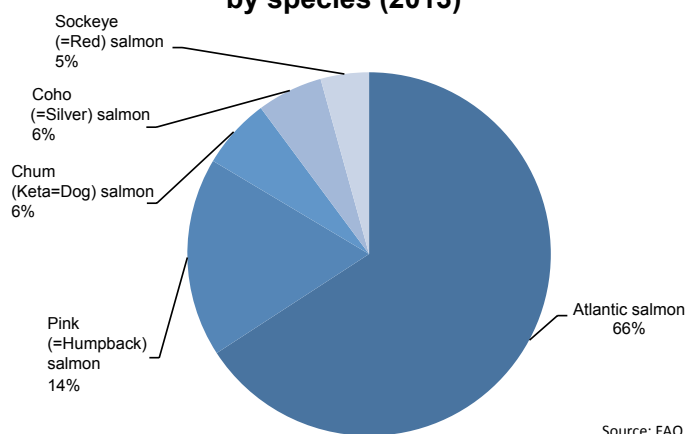


Source: European Price Report

Pessimism grows in Chile amidst antibiotic concerns and falling prices in major markets

The fortunes of the two top farmed salmon producing countries, Chile and Norway, have recently been diverging. While the Norwegian industry has benefited from contracting supply and firmer prices going into the second half of the year, Chilean producers and exporters are struggling with weak demand and low prices after a series of destabilizing developments.

Salmon production (farmed and wild) by species (2013)



The forecasted growth in farmed Atlantic production in Norway this year is marginally below last year at around 4%. However, so far, significantly higher volumes have been absorbed by the markets, leading to expectations for a tighter supply situation in the second half of 2015. In Chile, harvest volumes have shown a sharp decline compared with last year, but a weak economy in Brazil, volcano eruptions, customs strikes and a buyer backlash over higher antibiotic use have complicated operations and kept demand low. Meanwhile, the wild salmon markets are bracing for what are expected to be abnormally large global harvests for multiple species, boosting supply further in what is already a buyer's market.

Prices

For the majority of the first half of 2015, higher harvests have kept prices for farmed Norwegian Atlantics fluctuating at levels consistently somewhat below the same period last year, but an improvement is being seen as we enter the third quarter. In early June, fresh whole Atlantic prices were up year-on-year for the first time in 2015 and grew further to about NOK 42 per kg for 3-6 kg fresh. FishPool NOK forward prices were revised upwards as the outlook for the rest of the year improved. For Chilean salmon on US markets, however, the situation is significantly worse. SalmonEX puts Chilean fresh fillet prices for export to the USA at USD 3.6 per lb, the lowest level seen since early 2013. Chilean export prices for fresh whole Atlantics to Brazil and frozen Coho to Japan have also been lower than last year, particularly in the case of Brazil.

Production

Farmed salmon: World

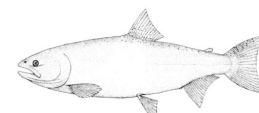
	2009	2010	2011	2012	2013*	2014*	2015*	2016*
(1 000 tonnes)								
Atlantic salmon								
Norway	9 40	1 065	1 232	1 168	1 250	1 250	1 310	1 310
Chile	123	264	400	492	620	600	630	630
UK	155	158	163	154	165	170	170	170
Canada	101	102	108	100	125	135	140	140
Faroe Islands	45	60	77	76	85	88	88	88
Australia	32	37	44	43	44	44	44	44
Ireland	16	12	12	9	16	17	18	18
USA	20	19	19	20	19	22	22	22
Others	7	10	12	24	12	12	12	12
Total	1 438	1 728	2 067	2 087	2 187	2 338	2 434	2 434
Pacific salmon								
Chile	123	161	164	146	130	170	175	175
New Zealand	13	14	12	12	13	13	13	13
Japan	15	0	10	12	8	8	8	8
Total	151	175	186	170	136	191	196	196
Gr. Total	1 589	1 903	2 252	2 257	2 323	2 529	2 630	2 630

Source: FAO (until 2012) * Estimate

Norway

The first half of 2015 were characterized in Norway by higher water temperatures and low fish mortality, translating into fast growth rates and increased production. Harvests were also dominated by larger fish, pushing down prices for that segment. As we enter July, however, there are reversals taking place as the water temperature has been below average when comparing with the last two years and farmers switch to a new generation of fish for harvesting. Consequently, harvest volumes, average harvest weights and standing biomass are all down and there should be less fish coming out of the water for the remainder of the year.

On the market side, the general picture for Norway's salmon exports is of higher volumes and revenues and slightly lower prices. For the first five months of 2015, the Norwegian Seafood Council (NSC) reported a 7% increase in total export volume to 408 000 tonnes and a 5% increase



Salmon fillet prices
(FOB Miami, Chilled, C-trim, Alt. fresh, 3-4 lbs)

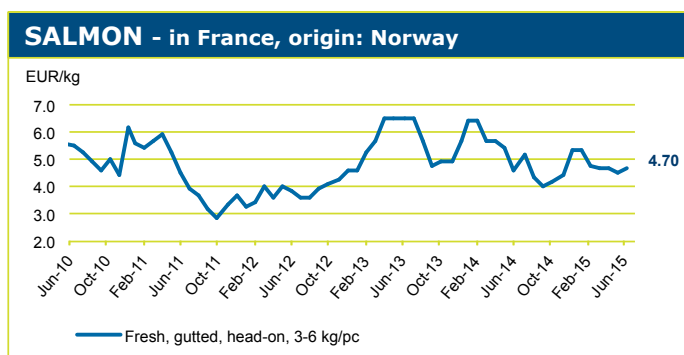


Source: Urner Barry's Seafood Price

in total export value. The EU continues to absorb relatively more of the additional volumes with a total of about 309 000 tonnes for the first five months, approximately 16% more than last year. Prices have inevitably suffered from ramped up volumes, and the corresponding increase in revenue for the same period was just about 8% at NOK 13.3 billion.

Amongst the secondary markets for Norwegian salmon, growth in Asia and the USA is continuing in terms of volumes, but there has been a price fall to these destinations. Exports to the USA have been helped by a favourable exchange rate, and grew by some 36% in volume terms up to May inclusive, with prices for the fresh chilled segment down but frozen and fillets slightly up. In Asia, the volumes up, prices down description is accurate for almost all markets except for Japan, where marketing efforts and a stronger yen versus the krone has resulted in higher volumes and better prices for fresh whole and fillets.

Margins for Norwegian salmon companies are being supported by continuing good price levels, although they are down somewhat in comparison with last year. On the cost side, there are positives in the form of a large reduction in PD cases this year, though reports from South America suggest El Niño could again affect anchoveta stocks and push high fishmeal prices even higher.



Source: European Price Report

Exports (value)

Salmon and trout: Norway

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(bill. NOK)					
Salmon	6.4	7.5	6.7	8.2	10.7	11.1
Fresh	4.6	5.6	5.1	6.6	8.6	8.7
Frozen	0.3	0.4	0.3	0.2	0.3	0.3
Fresh fillet	0.8	0.8	0.7	0.8	1.0	1.2
Froz. fillet	0.6	0.5	0.6	0.5	0.6	0.8
Trout	0.3	0.2	0.4	0.5	0.6	0.4

Source: Norwegian Seafood Council

Exports (quantity)

Salmon and trout: Norway

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Salmon	180.5	175.1	226.8	215.5	218.9	243.3
Fresh	139.5	140.2	187.3	181.0	184.7	205.4
Frozen	12.1	11.7	12.9	8.8	8.2	8.3
Fresh fillet	17.0	13.3	15.0	15.4	16.4	17.8
Froz. Fillet	11.2	9.3	11.2	10.0	9.2	11.2
Trout	6.9	4.7	12.8	13.0	12.2	9.4

Source: Norwegian Seafood Council

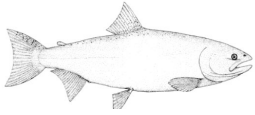
Trout

Market conditions for the Norwegian trout industry remain challenging following the Russian import ban. NSC figures put the total export value for the first half of 2015 down by 22% at NOK 962 million. On the positive side, however, exports to Poland and the Republic of Belarus have more than doubled compared with the first half of 2014.

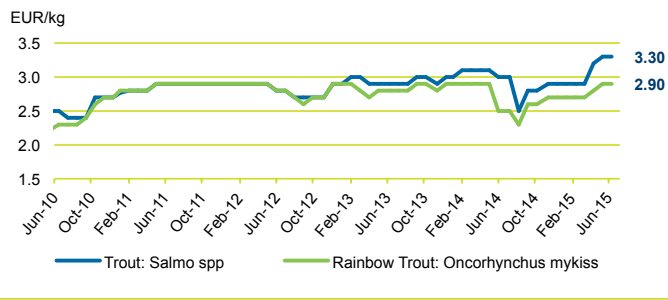
Chile

In 2014, there were some positive developments in the Chilean salmon industry. Lower mortalities as well as increases in harvest weights and performance were recorded. Furthermore, in terms of exports, the sector achieved historical record earnings in 2014, with Chile benefiting from the Russian ban on imports from Norway.

2015 is not off to as strong of a start. According to the latest Report on Fisheries and Aquaculture released by Subpesca, salmon outputs demonstrated an overall drop during the first quarter of 2015. A considerable fall in the Atlantic salmon harvest was recorded at 112 600 tonnes, 28.6% less compared with the first quarter 2014. Coho salmon harvests reached 14 800 tonnes, 67% lower than the same period in 2014. Trout had the most significant fall during the first quarter of 2015 at 87.4%, with production totaling only 5 600 tonnes.



TROUT - Ex-farm prices in Italy



Source: European Price Report

Exports (value)

Salmon and Trout: Chile

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(million USD)					
Salmon	351.6	543.0	955.0	1 243.0	1 056.5	968.6
Frozen	245.0	379.0	741.0	996.6	665.2	589.0
Fresh	86.8	144.0	189.0	232.0	376.6	360.8
Canned	3.4	2.0	1.0	1.0	2.2	1.5
Salted	8.1	7.0	11.0	4.1	4.3	5.6
Smoked	8.2	11.0	13.0	9.6	8.2	11.8
Trout	185.3	336.0	299.0	205.0	167.2	121.4
Frozen	154.7	288.0	257.0	173.0	133.5	94.6
Fresh	20.3	29.0	17.0	14.0	24.5	18.3
Canned	0.3	0.0	0.0	0.0	0.0	0.0
Salted	3.8	5.0	7.0	3.2	1.4	0.5
Smoked	6.2	14.0	18.0	14.5	7.8	8.0
Total	536.9	879.0	1 254.0	1 448.0	1 223.7	1 090.0

Source: Boletín de Exportaciones del IFOP

Exports (unit value)

Salmon and Trout: Chile

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(million USD)					
Salmon	5.76	6.81	8.50	8.78	7.54	6.34
Frozen	5.22	6.05	9.26	9.70	7.05	5.96
Fresh	7.42	9.54	6.41	6.15	8.46	6.91
Canned	7.03	10.21	10.00	10.00	9.23	10.08
Salted	6.00	6.72	6.11	3.33	6.85	5.32
Smoked	12.78	15.49	14.44	16.70	16.82	17.02
Trout	6.45	7.67	7.27	5.28	9.93	7.69
Frozen	6.25	7.44	6.95	4.91	9.56	6.98
Fresh	7.25	8.53	8.50	7.36	11.14	11.08
Canned	8.25	9.90	0.00	0.00	0.00	0.00
Salted	6.06	6.63	7.78	4.29	6.15	3.59
Smoked	12.11	14.00	15.00	15.00	17.94	17.90
Average	5.98	7.12	8.17	8.03	7.79	6.46

Source: Boletín de Exportaciones del IFOP

For all of 2015 however, forecasts predict that Atlantic salmon and coho numbers should remain similar to 2014, but a sharp fall in all indices of trout should be seen. Some experts estimate that Chilean salmonid harvests during

Exports (quantity)

Salmon and trout: Chile

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Salmon	61.1	79.8	112.3	141.6	140.2	152.9
Frozen	46.9	63.7	80.0	102.0	94.3	98.7
Fresh	11.7	15.0	29.5	37.7	44.5	52.2
Canned	0.5	0.3	0.1	0.1	0.2	0.2
Salted	1.4	0.0	1.8	1.2	0.6	1.1
Smoked	0.6	0.7	0.9	0.6	0.5	0.7
Trout	28.7	44.0	41	38.8	16.8	15.8
Frozen	24.7	39.3	37.0	35.2	14.0	13.6
Fresh	2.8	3.4	2.0	1.9	2.2	1.7
Canned	0.0	0.0	0.0	0.0	0.0	0.0
Salted	0.6	0.0	0.9	0.7	0.2	0.1
Smoked	0.5	1.0	1.2	1.0	0.4	0.4
Total	89.8	123.8	153.4	180.4	157.0	168.6

Source: Boletín de Exportaciones del IFOP

Exports (value)

Salmon and Trout: Chile

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(million USD)					
Japan	279	450	546	297	356	325
USA	92	149	192	232	378	333
EU (25)	18	19	23	48	67	53
Latin America	79	107	105	126	211	196
Others	69	154	113	160	211	183
Total	537	879	979	862	1224	1 090

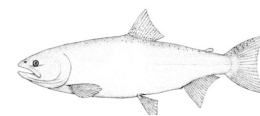
Source: Boletín de Exportaciones del IFOP

Exports (quantity)

Salmon and trout: Chile

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Japan	50.8	70.0	86.5	77.8	51.1	55.1
USA	10.1	13.0	23.0	31.2	36.6	36.7
EU (25)	2.3	2.0	3.3	8.6	8.2	8.1
Latin America	13.6	14.0	19.2	24.0	28.9	33.1
Others	13.0	24.0	21.5	38.9	32.3	35.7
Total	89.8	123.0	153.6	180.4	157.0	168.6

Source: IFOP



2015 could range between 800 000 and 840 000 tonnes, with Atlantic salmon providing up to 70% of the volume. Given this, any new developments will be governed by what happens in this commercial sector. Predictions for Atlantic salmon prices for the remainder of 2015 are mixed. The director of SalmonEx, Arturo Clément, stated in one interview that prices "...should rise at least for Atlantic salmon as production volumes are lower this year". However, Carlos Palma, a salmon trader, told the same website that the Atlantic salmon crops could increase in Norway and slightly in Chile, which will "...increase the overall supply and, again, put pressure on prices." (Source: *Aqua.c/*)

UK

After a record-breaking year in 2014, Scottish salmon producers have not fared as well so far in 2015. Prices are down and last year's main driver of export growth, the USA, has shifted towards other producers. Canada has especially ramped up supply of fresh whole Atlantics to the US market, the segment which UK producers have been targeting. The French market, however, continues to favour Scottish salmon and its share in UK salmon exports is increasing.

On the demand side, salmon remains the number one fish consumed in the UK, with an increasing preference for fresh product emerging. Prices are down however, and discount retailers continue to increase their share of the UK market. The emergence of a lucrative Russian market for Faroe Islands producers has also seen Faroese origin imports into the UK fall drastically this year and total import volumes for the first four months of 2015 were some 20% down compared with last year.

Markets

As in many sectors, sustainability remains a prominent issue in the global salmon industry today. In the USA, consumer concerns over the high antibiotic use on Chilean farms has led some major retailers to turn to other supply sources, particularly Norway. This once again underlines the need to develop policies and marketing strategies to address the concerns of consumers in regards to sustainability and to minimize the gap between reality and the perception. This is the aim of the Global Salmon Initiative (GSI), an initiative whose membership includes many of the world's leading farming companies. GSI recently published its first sustainability report. Meanwhile, wild salmon processors in Alaska are in the midst of negotiations with the Marine Stewardship Council (MSC) with the aim of rejoining the certification program, reflecting the increasing demand for certified products, particularly in Europe.

The Russian Federation

Atlantic salmon remains one of the most demanded fresh fish in large retail chains in the Russian Federation. However, its high price has moved it into the category of

Exports

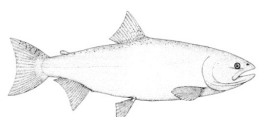
Salmon: UK (by product and country)

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Fresh						
USA	5.7	8.8	8.8	7.8	10.7	6.8
France	5.2	3.7	4.0	3.2	4.5	5.1
Ireland	0.5	0.7	0.8	0.9	1.2	1.5
China	0.0	1.0	1.4	2.1	2.7	1.3
Poland	0.4	1.2	2.1	1.1	0.6	0.5
Germany	0.5	0.4	0.2	0.2	0.3	0.4
Others	1.7	1.2	2.2	3.0	3.1	1.3
Total	14.0	17.0	19.5	18.3	23.1	16.9
Fresh fillets						
Ireland	0.3	0.3	0.5	0.4	0.3	0.3
France	0.2	0.2	0.2	0.3	0.2	0.1
Belgium	0.2	0.1	0.4	0.3	0.2	0.1
USA	0.3	0.9	0.4	0.0	0.1	0.4
Others	0.2	0.5	0.4	0.6	0.5	0.4
Total	1.2	2.1	1.9	1.7	1.3	1.3
Frozen						
Ukraine	0.0	0.0	0.2	0.3	0.3	0.4
France	0.5	0.6	0.4	0.3	0.4	0.3
Estonia	0.0	0.0	0.2	0.3	0.4	0.1
Russian Fed.	0.4	0.4	0.7	0.2	0.3	0.0
Others	0.5	0.8	0.5	0.4	0.4	0.8
Total	1.4	1.8	2.0	1.4	1.8	1.6
Other salmon						
Total	2.1	2.2	1.8	1.5	1.6	1.9
Gr. Total	18.7	23.1	25.2	22.9	27.8	21.7

Source: Her Majesty's Revenue & Customs

premium fish species, whereas prior to the food import ban, the product was perceived as being affordable to a wide-range of consumers. In addition to the falling supply volumes, the market saw a substitution of fresh salmon from Norway by frozen salmon from non-sanctioned countries, leading to a deficit of Atlantic salmon for both processing companies and consumers in Russia.

According to data from the Russian Customs Service, Russian imports of fresh Atlantic salmon totaled only 2 814 tonnes during the first quarter of 2015, compared with 19 470 tonnes during the first quarter of 2014. Replacing Norway, the Faroe Islands took the lead for Russian imports, providing the entire volume of fresh Atlantic salmon. In terms of frozen Atlantic salmon, Chile is currently the largest provider (supplying 89% in the first quarter), with the Faroe Islands through the Republic of Belarus supplying additional smaller volumes. In the first quarter of the previous year, Chile was only responsible for 44% of the supply of frozen Atlantic salmon into Russia.



On 24 June, the President of Russia signed a decree for the prolongation of the food embargo for one more year after the decision of the EU commission to extend the sanctions until the end of January 2016. Thus, the first quarter 2015 trends for Atlantic salmon on the Russian market will continue.

France

After an extended period of stagnating demand on the back of negative publicity and high prices, the salmon market in France is showing some signs of recovery. As in the UK, the rising demand is particularly evident in the fresh segment, where falling prices have stimulated consumer interest once again. Norway, the UK and Poland (smoked salmon) are all benefitting, although Chile is once again losing ground in the French market this year. As with all other EU markets, however, the ongoing Greek debt crisis is a potential risk to economic stability.

Germany

In another example of the potential market impact of damaged consumer perceptions, in June the NSC warned the industry over the possible backlash following negative coverage in the German media relating to the feed used in salmon farming. Earlier in the year, German consumer demand appeared to be softening, with fresh whole Atlantic imports around 29% lower in volume terms during the first three months of 2015, despite lower prices. The fresh fillet segment, however, is performing considerably better, with a 49% increase.

Japan

A weaker yen and leftover inventories is dampening demand for Chilean Coho salmon in Japan, prompting Chilean exporters to seek new markets. Imports of Alaskan sockeye are significantly higher this year, however, as supply is plentiful. US exporters will be seeking to exploit this opportunity to re-establish their position in

the Japanese market. Meanwhile, there are ongoing marketing efforts in Japan to generate more demand for seafood among youth, who have been favouring terrestrial protein sources.

Imports

Salmon: France

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Fresh whole	24.2	21.6	26.9	24.5	21.9	22.6
Norway	17.2	15.0	18.9	18.6	14.8	15.8
UK	4.4	4.4	4.6	3.6	4.9	5.2
Frozen Pac	1.1	0.9	0.8	0.8	0.7	0.8
USA	1.0	0.9	0.8	0.6	0.6	0.7
Frozen Atl	0.7	2.4	0.2	0.2	0.1	0.3
Poland	0.0	0.1	0.0	0.0	0.1	0.0
Norway	0.1	1.4	0.1	0.1	0.0	0.0
Smoked	1.4	1.5	1.9	2.0	1.5	1.7
Poland	1.1	1.1	1.5	1.6	1.1	1.1
UK	0.1	0.1	0.1	0.1	0.1	0.2
Germany	0.1	0.1	0.1	0.1	0.1	0.1
Fresh fillets	2.8	2.5	3.8	5.0	3.8	3.9
Norway	2.4	2.3	3.4	4.2	3.3	2.9
Frozen fillets	5.8	5.7	4.9	5.5	5.8	4.6
Chile	1.9	1.2	1.4	2.0	1.6	1.3
China	2.2	2.5	1.8	1.4	1.6	1.4
Norway	0.7	0.7	0.4	1.0	0.7	0.6
USA	0.3	0.4	0.5	0.4	0.6	0.6
Canned	0.6	0.6	0.4	0.5	0.4	0.7
Thailand	0.1	0.0	0.1	0.1	0.1	0.1
Denmark	0.1	0.2	0.2	0.1	0.1	0.1
Germany	0.1	0.0	0.0	0.0	0.1	0.0
Grand Total	37.0	35.3	39.0	38.4	34.2	34.7

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

Imports

Salmon: Germany (by origin)

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Poland	7.5	8.3	9.0	13.6	10.3	10.5
Norway	14.8	14.1	12.3	12.2	12.4	9.4
Denmark	2.5	1.9	2.3	2.5	7.1	4.2
China	4.9	4.6	4.3	3.1	4.1	3.9
Netherlands	0.6	0.6	0.4	0.8	1.0	1.6
Chile	0.9	0.6	0.5	1.4	2.6	1.3
USA	0.7	0.8	0.4	0.7	1.1	0.9
Lithuania	0.7	1.5	1.3	1.2	1.6	0.6
UK	0.7	0.6	0.6	0.9	0.6	0.5
Others	2.4	2.3	0.4	1.4	1.9	1.3
Total	35.7	35.3	31.5	37.8	42.7	34.2

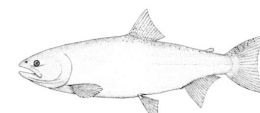
Source: Germany Customs

Imports

Salmon: Germany (by product)

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Fresh salmon	12.6	12.1	10.8	10.6	15.7	10.5
Frozen salmon	1.6	1.2	0.9	1.5	2.6	1.4
Smoked salmon	7.8	9.4	8.6	9.9	8.6	8.9
Fresh fillets	2.2	1.9	1.9	2.1	2.1	3.0
Frozen fillets	9.6	8.4	6.9	8.6	9.9	7.8
Salted	0.9	1.8	1.7	4.2	2.6	1.3
Canned	1.1	0.9	0.8	0.9	1.4	1.4
Total	35.7	35.3	31.5	37.8	42.7	34.2

Source: Germany Customs



Outlook

In Norway, colder temperatures, smaller fish and lower biomass all point to relatively tighter supply for the remainder of 2015 and improved prices. As usual, prices will remain under pressure during the harvesting period at the end of the summer, but end-of-year demand will push them upwards in the fourth quarter. Looking further into the future, overall supply growth for Norwegian salmon is expected in 2016 at around 4-5%.

With the Russian ban extended for another year, stable demand in the EU is a must if prices are to be maintained. According to the FishPool forward price consensus, NOK prices for 2016 will average out at approximately NOK 40 per kg. In Chile, approximately flat production is expected this year, followed by an estimated 6-8% drop in 2016. In addition, Chile must overcome weakening demand in three of its core markets, the USA, Japan and Brazil. China is a possible new target. On the cost side, savings on lower mortality rates in both Chile and Norway are likely to be wiped out by any further increase in fishmeal prices resulting from El Niño.

Imports

Salmon: Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Fresh *	5.4	5.0	7.0	6.1	4.8	5.0
Norway	4.7	4.3	6.3	4.9	4.2	4.5
Australia	0.4	0.4	0.4	0.3	0.1	0.2
UK	0.1	0.1	0.1	0.1	0.1	0.1
Canada	0.1	0.0	0.0	0.5	0.1	0.1
Frozen**	41.4	53.2	56.1	50.6	29.3	33.2
Chile	39.1	48.6	53.6	45.2	25.6	28.3
Russian Fed.	0.1	1.2	0.7	3.9	3.3	2.3
USA	1.8	2.0	1.0	0.4	0.3	2.0
Canada	0.2	0.6	0.2	0.3	0.1	0.3
New Zealand	0.1	0.4	0.2	0.6	0.0	0.0
Fresh fillets	NA	NA	1.3	1.7	2.1	2.4
Norway	NA	NA	1.1	1.6	2.1	2.4
Frozen fillets	NA	NA	3.9	2.5	5.8	6.7
Chile	NA	NA	1.9	1.1	4.4	5.2
Norway	NA	NA	1.6	0.9	0.9	0.7
Grand Total	46.8	58.2	68.3	60.9	42.0	47.3

Source: Japan Customs

* mainly Atlantic **mainly Pacific

Note: 2009-2011 grand totals do not include fillets

Imports

Salmon: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
Fresh fillets						
Chile	5.1	7.7	11.1	22.1	23.9	24.5
Norway	6.8	2.8	0.8	0.8	2.9	3.3
Canada	2.0	1.6	0.7	1.6	1.0	1.2
Other	2.2	2.8	2.2	2.7	3.5	2.3
Total fresh fillets	16.1	14.9	14.8	27.2	31.3	31.3
Frozen fillets	6.5	5.7	14.0	19.9	20.3	22.7
Smoked	0.9	0.9	1.4	1.2	1.1	1.6
Salted	0.0	0.0	0.0	0.0	0.0	0.0
Total	23.5	21.5	30.2	48.3	52.7	55.6
All salmon	59.4	54.6	67.6	77.1	76.7	85.2

Source: NMFS

MARKET NEWS AND TRENDS

Climate change predicted to impact BC salmon prices

Changes in ocean physics and chemistry brought on by climate change, specifically carbon dioxide (CO₂) emissions are already impacting key marine and coastal organisms, ecosystems, and the services they provide us, including seafood. A new report is now forecasting that climate change could specifically contribute to a decrease in the supply of British Columbia (BC) sockeye salmon by 2050. As a result, this drop in supply could push prices up significantly. The report, commissioned by Vancity Credit Union, is titled, "Out of Stock: the impact of climate change on British Columbia's staple seafood supply and prices," and is authored by UBC Professor Rashid Sumaila and UBC Postdoctoral Fellow Vicky Lam. The authors found that by 2050, seven of BC's ten staple species - the ones British Columbians spend the most on - will likely decline. Under the warming scenarios examined, sockeye salmon has the highest potential decrease in catch at 21%. The report also finds that by 2050: British Columbians could see a 10% decline in chum salmon and a 15% decline in sablefish catch; The net increase in cost to BC consumers for 10 staple seafood species - including sockeye, chum, halibut, tuna and sablefish - could reach up to USD 110 million (EUR 99.7 million) a year (in 2015 dollar terms); In addition to other factors adding pressures to seafood prices, climate change alone is projected to add increases of up to USD 1.33 (EUR 1.20), USD 0.77 (EUR 0.70) and USD 0.64 (EUR 0.58) per pound for sockeye, chum and sablefish, respectively.

Lower mackerel quotas may push prices up

Mackerel quotas for the main producing countries have been reduced by about 15% this year, and this may cause prices to rise. In contrast, ICES has increased the herring quota advice by 20%. Thus, herring supplies may increase markedly this year, putting pressure on prices.

Mackerel

Supplies

Greenland announced in April that they are cutting their mackerel quota for 2015 by 15%, to 85 000 tonnes. Of this, 30 000 tonnes is allocated to Greenland registered vessels. The EU, Norway and the Faroe Islands have also lowered their mackerel quotas for 2015. The TAC for northeast Atlantic mackerel was agreed at 1 054 million tonnes in total. This is a reduction of 186 000 tonnes compared with last year (-15%) (Source: *Undercurrent News*).

The cold ocean temperatures around Iceland have led to a very poor start for the mackerel season there. According to the Icelandic Marine Research Institute, sea temperatures have not been lower for 18 years, and this has caused krill to stay away. Consequently, krill-eating mackerel are also absent.

Trade

During the first quarter of 2015, Norway registered a decline in exports of small pelagics. The value of both exports fell by 31% for herring and 17% for mackerel. During this period, Norway exported 47 543 tonnes of herring at an fob value of NOK 498 million, and 50 094 tonnes of mackerel at an fob value of NOK 544 million. The average export price per kg for mackerel fell by

Exports

Frozen mackerel: Norway

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Turkey	7.5	7.2	7.3	4.7	4.8	6.8
China	6.2	7.5	13.2	8.0	11.7	6.4
Republic of Korea	2.8	5.6	1.7	1.3	2.2	4.8
Netherlands	0.3	1.7	4.1	1.4	6.1	4.3
Nigeria	0.3	2.9	1.2	0.6	7.5	3.6
Egypt	0.3	0.0	0.3	0.6	0.0	2.5
Japan	2.4	2.1	7.5	4.8	4.8	2.1
Poland	2.9	2.7	1.6	1.6	3.3	2.0
Viet Nam	0.0	0.0	0.2	0.7	0.5	1.7
Romania	0.6	0.1	0.2	0.3	0.3	1.4
Others	0.9	2.6	2.4	4.5	2.4	4.5
Total	38.0	48.1	57.2	45.9	51.8	48.7

Source: Statistics Norway

Imports

Frozen mackerel: Germany

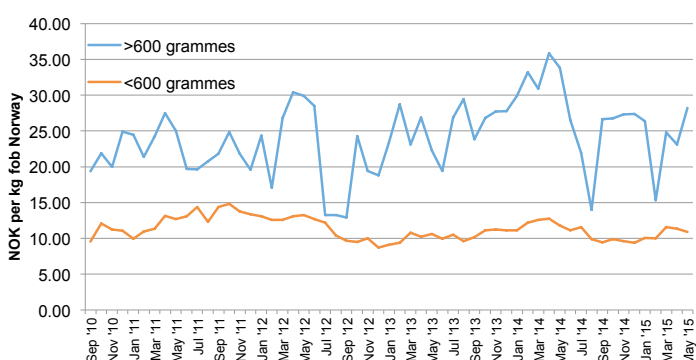
	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
UK	0.6	1.9	3.4	3.8	3.8	1.9
Ireland	1.6	1.7	1.5	1.9	1.7	1.0
Poland	0.8	1.0	0.1	0.3	0.6	0.7
Netherlands	1.1	0.8	2.4	0.8	1.0	0.3
Norway	0.9	0.2	0.1	0.3	0.6	0.3
Denmark	0.9	1.1	0.4	0.3	0.3	0.2
Others	0.5	0.8	0.6	0.5	0.2	1.3
Total	6.4	7.5	8.5	7.9	8.2	5.7

Source: Germany customs

12%, while the average export price per kg for herring increased by almost 20%. Ukraine was the largest market for Norwegian herring during the first quarter, while Turkey was the largest market for Norwegian mackerel. China and the Republic of Korea remained important markets for Norwegian mackerel, while Nigeria dropped from the second top market in the first quarter of 2014 to only the fifth in 2015. Indeed, Norwegian mackerel exports to Nigeria dropped from 7 500 tonnes in the first quarter of 2014 to just half of that, only 3 600 tonnes, in the same period in 2015 (Source: *Norwegian Seafood Council*).

Demand for horse mackerel products from Europe is very good in Japan at the moment, though supplies are tight. Japanese imports of horse mackerel from European

Norwegian frozen mackerel export prices



Source: NSC/Central Bureau of Statistics, Norway



sources (mainly the Netherlands and Norway) are expected to decline by 20% compared with last year due to the tight supply situation. Consequently, prices for these products on the Japanese market are strong.

German imports of frozen mackerel during the first quarter of 2015 fell by a massive 30%, to just 5 200 tonnes. The main supplier, the UK, saw a drastic reduction in their shipments from 3 800 tonnes in 2014 to just 1 900 tonnes in 2015. Ireland also suffered a heavy reduction.

Nigerian imports of pelagics have been relatively unstable over the past few years. This is due to the fact that the government changes the import quotas dramatically from time to time. For instance, in 2013, Nigerian authorities reduced the quota and pelagic imports fell to 497 000 tonnes. Then, in late 2014, the import quota was suddenly increased to 750 000 tonnes, but importers did not manage to fill the quota. The demand appears to be huge, though this is less of a factor as imports are so strongly dependent on the quotas.

Prices

Mackerel prices took a dive in February, but came back up again in March, April and May. However, the long-term trend seems to be a price decline. Prices for smaller sizes have been relatively stable, while there have been significant price variations for the larger sizes.

Herring

In May, ICES decided to adjust its herring quota advice upwards by 20%, to 518 242 tonnes. Previously, ICES had set its recommendation at 429 797 tonnes for 2015. In 2014, the quota advice were cut by 8.7% due to weak recruitment.

Greenland set its 2015 quota for herring at 20 000 tonnes and 10 000 tonnes for blue whiting. The authorities still consider these fisheries to be "experimental" since there has not yet been a proper biological assessment of the resources. Fishing for herring in Greenland waters is only open to Greenland registered vessels, while licences for blue whiting are issued to vessels that have a mackerel licence. It was still unclear in mid-April when the herring fishery would be opened.

Tighter supplies are expected to lead to more herring going to direct human consumption in 2015 than compared with 2014. In 2014, it was estimated that roughly 50 000 tonnes of herring was used for reduction purposes (meal and oil) as supplies were high and prices low. However, this year the situation is reversed, as supplies are tighter and prices higher, making it more profitable to use herring for human consumption (Source: *Fiskeribladet/Fiskaren*).

Some observers are concerned about the future of the north Pacific herring roe industry. Prices for herring roe dropped by about 50% in 2013 compared with 2012, and 2014 season

Imports

Fresh and frozen herring: Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Russian Fed.	3.1	2.3	2.9	3.1	3.1	1.8
Norway	1.5	1.6	1.0	1.4	1.2	1.2
Republic of Korea	0.0	0.0	0.0	0.0	0.3	0.0
Others	0.8	0.2	0.3	0.3	0.3	0.2
Total	5.4	4.1	4.2	4.8	4.9	3.2

Source: Japan Customs

Imports

Frozen herring fillets: Germany

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Norway	6.2	4.3	5.7	2.8	4.0	1.6
Denmark	0.4	0.6	1.8	2.1	2.1	1.4
Ireland	0.1	0.1	0.2	0.8	0.2	0.4
Netherlands	0.2	0.3	0.2	0.2	0.2	0.3
UK	0.0	0.1	0.4	1.1	0.4	0.2
Iceland	0.2	0.4	0.5	0.6	0.4	0.0
Others	0.3	0.2	0.2	0.0	0.0	0.0
Total	7.4	6.0	9.0	7.6	7.3	3.9

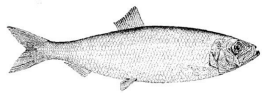
Source: Germany customs

prices remained low. In 2015 prices are up by 18% compared with 2014, but this is still well below the price levels seen in 2012. Many operators are struggling to make a profit, and the outlook for this industry is rather bleak.

Exports of round frozen herring from Norway declined during the first three months of the year, as mentioned above. In volume terms, the reduction was by 47% to 27 000 tonnes. The main importer was still Ukraine, but shipments there fell by 31% compared with the same period in 2014. In contrast, shipments to Egypt during the first quarter increased from 1 900 tonnes in 2014 to 5 600 tonnes in 2015 (+195%), making Egypt the second largest market for Norwegian herring during this period. Shipments to Lithuania dropped during the first quarter but regained strength in March and April.

In previous years, the Russian Federation was the most important market for Norwegian herring, but the Russian ban on food imports from the west has put an end to their dominant market share. During the first quarter of the year, Norwegian herring exports to Russia were non-existent.

Nigeria, which has in previous years been importing significant amounts of herring from Norway, also showed a complete stop in trade with Norwegian herring during the beginning of this year.



Exports

Dutch frozen herring

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Egypt	3.6	6.2	7.1	18.6	21.0	16.3
Nigeria	15.8	5.2	22.0	13.2	7.9	4.6
China	8.4	6.6	6.4	6.4	5.3	4.6
Lithuania	0.1	0.2	1.2	0.1	0.7	1.0
Germany	0.8	0.5	0.6	1.0	0.6	0.6
Thailand	0.5	0.6	0.6	0.5	0.6	0.4
France	0.2	0.5	1.0	0.3	0.9	0.3
Others	1.8	1.5	1.6	3.8	4.1	6.2
Total	31.2	21.3	40.5	43.9	41.1	34.0

Source: Eurostat

Exports

Frozen whole herring: Norway

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Ukraine	35.4	26.6	21.3	11.6	9.1	6.3
Egypt	17.3	10.5	11.1	8.4	1.9	5.6
Lithuania	11.7	9.1	11.0	6.2	11.8	4.2
Kazakhstan	5.7	3.9	1.3	1.1	1.2	4.0
Latvia	2.7	1.9	1.8	2.1	4.1	1.6
Poland	2.2	1.3	1.9	1.4	1.0	1.2
Japan	1.5	0.9	1.2	0.7	0.7	0.6
Germany	1.1	2.9	1.9	1.5	1.4	0.4
Netherlands	4.8	3.4	0.7	2.7	1.2	0.4
Russian Fed.	60.5	30.8	30.9	18.9	16.8	0.0
Nigeria	45.4	38.9	2.4	2.2	0.5	0.0
Others	13.5	9.4	5.8	1.9	1.3	2.7
Total	201.8	139.6	91.3	58.7	51.0	27.0

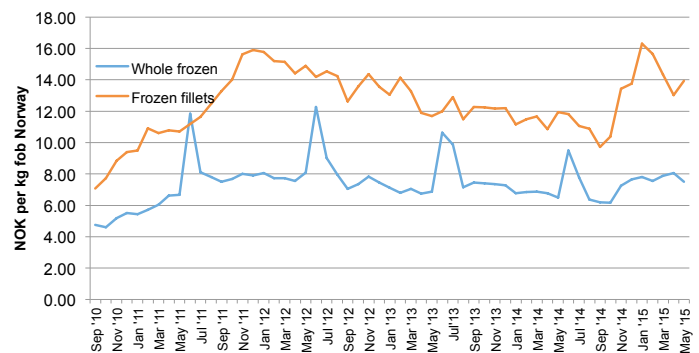
Source: Statistics Norway

Imports of fresh and frozen herring to Japan also fell in the first quarter of 2015. Total imports fell from 4 900 tonnes to 3 200 tonnes (-37%). Much of that reduction was due to smaller shipments from Russia.

Prices

General herring prices have been on an upward trend since October, but declined in the second quarter of 2015. After a long period of decline, prices for frozen herring fillets made a remarkable recovery in late 2014, but since the beginning of 2015, prices have fallen again. Prices for whole frozen herring are highly seasonal, with a peak normally in June. However, this year the price increase seems to be more incremental and has come earlier than in previous years.

Norwegian frozen herring export prices



Source: NSI/Central Bureau of Statistics, Norway

Sardines and anchovies

Peru has achieved some very promising results in an exploratory anchovy fishing period set up by the Ministry of Produce in April. During a six-day period, the fleet landed over 246 000 tonnes of anchovies. Based on these results, it is expected that the Peru anchovy TAC for the first season of 2015 will be set at 2.5 million tonnes. Total Peruvian anchovy landings for 2015 are expected to reach 5 million tonnes (Source: *Undercurrent News*).

The US West Coast sardine fishery is not in good shape. In fact, some have called it "a collapse". There is great controversy over what has caused this dire situation. Environmentalists claim that the resource is overfished and that the fishery should be banned so that the resource can recover (and offer food for sea lions), while others claim that the decline is not caused by an overly high harvest rate, but rather by a "natural decline in recruitment that

MARKET FOCUS

Herring consumption in Poland

Herring has long been a popular seafood in Poland, but recently sales of herring there have hit a 20-year low. Traditionally, Polish herring consumption has been stable at around 3 kg per person per year, but since 2000, this has declined, and in 2013, consumption per person was only 1.94 kg. The reasons for this change may be many, but the main factors are thought to be increased availability of other seafood, such as salmon, and increasing herring prices. During the first quarter of 2015, the price of Norwegian origin frozen herring fillets was up by 20% compared with the same period a year earlier. Quota cuts and tighter supplies have been cited as the reasons for this price hike. Overall, fish consumption in Poland has remained stable at around 12-15 kg per person, but herring has to some extent been replaced by other products such as salmon, cod and tilapia.

Source: *Undercurrent News*



occurred several years earlier." (Source: *Seafood.com/FIS.com*). Whatever the reason, federal fisheries managers decided to close the fishery from the 1 July. This is not the first sardine collapse in history. In the 1940s, this fishery collapsed and practically eliminated the cannery industry in southern California.

Chile also decided to close the sardine and anchovy fishery for a short period in April. This decision was based on the results of a recent assessment of the resource undertaken by Chile's Fisheries Promotion Institute, which found that there was a high percentage of sardines of smaller sizes than the minimum recommended percentage for landing.

Imports

Canned sardine: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Canada	1.6	1.5	1.3	0.9	1.5	1.3
Morocco	1.1	1.3	1.0	1.3	1.0	1.0
Thailand	1.1	1.0	1.8	1.3	1.0	1.0
Poland	0.9	1.5	1.1	1.4	1.0	0.9
China	0.3	0.4	0.9	0.3	0.7	0.9
Ecuador	1.1	0.8	1.5	1.4	1.5	0.8
Philippines	0.5	0.9	0.5	0.5	0.7	0.4
Others	1.0	0.8	1.0	0.8	1.0	1.2
Total	7.6	8.2	9.1	7.9	8.4	7.5

Source: NMFS

Imports

Canned sardine: France

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Morocco	2.3	2.1	2.3	3.4	2.5	2.0
Portugal	0.9	1.1	1.0	1.3	1.0	0.9
Spain	0.2	0.2	0.0	0.1	0.0	0.2
Others	0.1	0.0	0.2	0.2	0.2	0.1
Total	3.5	3.4	3.5	5.0	3.7	3.2

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

European imports of canned sardines seem to have stagnated completely this year. Indeed, imports into France fell by 13.5% to 3 200 tonnes, imports into the UK fell from 3 200 tonnes to 3 000 tonnes and German imports fell from 1 900 tonnes to 1 700 tonnes. Morocco is the main supplier of canned sardines to the main European markets, followed by Portugal.

Morocco is also an important supplier to the US market, though the USA also imports canned sardines from a number of countries in Latin America and Asia. During the first quarter of 2015, total US canned sardines imports declined by 10.7%.

Imports

Canned sardine: UK

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Morocco	1.4	0.8	0.8	1.0	1.5	1.5
Portugal	1.3	1.3	1.3	1.4	0.8	0.8
Thailand	0.8	0.1	1.2	0.9	0.6	0.5
Others	0.3	0.3	0.1	0.2	0.3	0.2
Total	3.8	2.5	3.4	3.5	3.2	3.0

Source: Her Majesty's Revenue & Customs

Outlook

Tighter supplies of mackerel and somewhat better supplies of herring are predicted. This will likely affect prices so that mackerel prices will firm up, while herring prices may weaken. Supplies of sardines are weakening. Peru expects its landings of anchovies to increase to 5 million tonnes this year, though much of this will go for reduction into meal/oil. Supplies for human consumption may remain relatively stable.

MARKET NEWS AND TRENDS

Increasing demand for Pacific herring on the Russian domestic market

In the commodity group of small pelagics, the main tendencies on the Russian market include a growing availability of Pacific herring due to decreasing exports as well as increasing interest and demand from processing and distributing companies in central Russia.

According to data from the Customs Service, Russian exports of Pacific herring from the Russian Far East decreased from 256 000 tonnes in 2013 to 170 000 tonnes in 2014 decreasing 33%. This trend further continued in 2015, and during the first quarter of 2015, exports of Pacific herring amounted to 55 916 tonnes, a reduction of 25% compared with the same period in 2014.

Difficulty accessing Atlantic herring and consequently the lack of raw material forced Russian fish processing companies and distributors to focus increasingly on Pacific herring. In turn, Pacific herring is now becoming more popular on the domestic market, where a shift has occurred from exporting this fish to supplying it to Russian consumers.

Normal price for fishmeal, despite El Niño forecast

Prices of fishmeal and fish oil slide down, though pressure on supply will continue with the projection of a strong El Niño phenomenon in fall 2015.

Production of both fishmeal and fish oil from Peru in the first quarter of 2015 was very low due to the cancellation of the second anchovy fishing quota in 2014. Prices have gradually settled down from their peak witnessed at the end of 2014. Since then, markets have remained quiet, as buyers are reluctant to build up stocks while prices remain on the downward trend.

With the first anchovy fishing season quota in Peru set at 2.58 million tonnes, a normal price range for fishmeal is expected this year. The projection of a strong El Niño phenomenon has caused Peruvian fishing companies to expedite their fishing activities before fish are increasingly driven to the south or deeper water.

Production

In the first quarter of 2015, fishmeal production from the top five producing countries was slightly higher compared with what was produced for the same period last year. However, the production in Peru and Chile dropped almost by half to only 72 000 tonnes, which is the lowest production in the past six years. This low production in Peru is clearly due to the cancellation of the second anchovy fishing season in 2014, which was based on a negative anchovy biomass findings by IMARPE. Production of fishmeal in Europe made up for the supply gap, especially when Iceland's capelin fishing began harvesting with their substantially increased quota. Nevertheless, the landscape of the industry is still largely determined by Peru's production.

The production of fish oil faced obviously the same situation as fishmeal in the first quarter of 2015. Production from Peru and Chile dropped by 53%, resulting in 24 000 tonnes during this time period. Slightly higher production from Denmark, Norway and Iceland managed to close the supply gap, though only barely. Growing fish oil demand and quota restrictions continue to put upward pressure on fish oil prices.

Exports

As expected, in the first quarter of 2015, fishmeal exports from Peru dropped to 55 200 tonnes, which is less than 15% of the level for the same period in 2014. Almost all of the major export destinations reduced their import volumes dramatically. Notably, Germany and the UK imported nothing from Peru during the first three months due to low demand from the aquafeed industry in Europe. Though the major reason for the low export volumes was of course the cancellation of the second anchovy fishing season in 2014, another major factor was high prices. Though prices have been on a downward trend since

Production

Fishmeal: 5 major producers

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Peru/Chile	131	215	201	174	142	72
Denmark/Norway	82	56	41	76	64	99
Iceland	39	49	115	93	44	107
Total*	252	320	388	399	317	330

Source: IFFO * these figures refer only to IFFO member countries

Production

Fish Oil: 5 major producers

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Peru/Chile	21	49	48	40	51	24
Denmark/Norway	22	18	21	22	14	19
Iceland	11	17	41	32	13	32
Total*	54	84	112	106	89	84

Source: IFFO * these figures refer only to IFFO member countries

late last year, they still remain at a high level and have kept buyers from closing transactions. The NOK declining against USD was another factor to keep feed raw material buyers away from Peruvian fishmeal.

Peru only exported 16 300 tonnes of fish oil in the first three months, the lowest in recent history, for the same reasons above. Chile became an alternative producer for many markets, and as a result almost doubled its fish oil exports during the first quarter.

Markets

In the European market, due to the high prices of fishmeal and the low seasonal demand from the aquaculture feed industry, the markets have been relatively quiet. Buyers are also holding off as they expect Peruvian prices to settle downwards significantly. Major buyers, including China, are in no rush to build up their stocks.

It is interesting to see how trade has shifted due to the limited Peruvian supply available. Both the UK and Germany imported mainly from sources other than Peru. Germany tripled its fishmeal import from Morocco. The UK shifted its major fishmeal sourcing to other European countries.



Exports

Fishmeal: Peru

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	197.2	107.6	263.1	116.2	246.2	40.7
Japan	23.9	12.2	31.8	10.9	15.0	2.6
Viet Nam	na	8.9	19.8	2.7	14.9	0.6
Taiwan PC	10.7	6.0	6.0	0.3	10.7	0.2
Germany	51.9	16.4	40.5	6.8	33.8	0.0
UK	na	5.8	18.9	2.2	2.9	0.0
Others	69.0	135.1	78.6	0.2	45.9	11.1
Total	352.7	292.0	458.7	139.3	369.4	55.2

Source: Produce

Exports

Fishmeal: Chile

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	34.7	26.0	17.0	38.0	27.3	10.8
Republic of Korea	4.1	3.0	1.0	1.2	5.5	4.9
Japan	5.2	9.0	3.0	8.4	3.0	3.2
Germany	2.0	7.0	na	na	na	3.1
Spain	7.5	4.0	na	2.9	6.3	0.8
Taiwan PC	1.0	0.7	2.5	0.6	1.1	0.3
Italy	2.9	3.0	2.0	2.9	3.3	na
Others	13.2	26.3	6.5	9.8	15.4	19.9
Total	70.8	79.0	32.0	63.8	62.0	43.0

Source: Boletín de Exportaciones del IFOP

Exports

Fish oil: Chile

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Denmark	4.0	2.3	na	na	na	4.1
Viet Nam	1.0	1.4	0.9	0.9	1.0	2.4
Japan	1.9	2.4	2.1	1.3	0.4	2.3
China	2.1	0.9	0.9	1.2	0.3	0.3
Indonesia	na	0.8	0.6	0.6	1.3	0.3
Belgium	0.0	0.0	2.1	1.4	1.5	na
Norway	2.4	0.0	1.6	2.3	0.0	na
Others	2.3	3.4	6.0	12.6	7.1	11.8
Total	13.6	11.2	14.1	20.2	11.6	21.2

Source: Boletín de Exportaciones del IFOP

Prices

After super prime fishmeal reached a record high level of USD 2 400 per tonne (FOB Peru) at the end of 2014, prices have been easing slowly. With the opening of the

Exports

Fish oil: Peru

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Denmark	1.7	6.4	18.6	10.3	12.5	13.5
Canada	7.2	4.9	3.8	0.0	0.1	1.7
China	0.6	1.6	1.7	0.0	2.6	0.4
Chile	10.8	8.0	19.2	2.3	21.1	0.0
Belgium	21.9	3.7	14.8	6.4	14.0	0.0
Norway	7.2	1.2	8.6	0.2	3.8	0.0
Australia	3.8	0.0	4.1	0.0	0.0	0.0
Others	4.7	1.6	15.9	2.5	5.9	0.6
Total	57.9	27.4	86.7	21.7	60.0	16.3

Source: Produce

Imports

Fishmeal: UK

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Iceland	0.0	1.4	1.3	2.3	1.1	5.2
Norway	2.4	0.0	0.0	1.1	1.2	3.6
Ireland	0.4	0.8	1.9	4.8	3.0	2.9
Germany	3.1	2.8	1.7	3.6	1.6	1.9
Spain	0.0	0.0	0.0	0.3	0.6	1.0
Peru	8.9	7.2	8.0	1.1	1.7	0.5
Denmark	8.1	7.0	0.0	2.4	0.0	0.4
Chile	0.1	0.3	0.0	0.6	1.0	0.3
France	0.3	0.4	0.3	0.2	0.2	0.2
Others	2.3	0.7	1.3	0.9	0.6	0.8
Total	25.6	20.6	14.5	17.3	11.0	16.8

Source: Her Majesty's Revenue & Customs

Imports

Fishmeal*: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Chile	4.7	2.9	3.5	4.5	7.0	7.1
Mexico	3.6	1.6	2.9	3.6	3.3	1.8
Canada	1.3	0.8	1.3	0.8	1.1	0.5
Others	0.8	0.7	0.8	1.3	1.4	2.7
Total	10.4	6.0	8.5	10.2	12.8	12.1

Source: NMFS * excluding solubles

Exports

Fish oil: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Menhaden	9.8	3.4	0.4	6.8	7.8	0.9
Other	4.0	5.2	5.2	3.7	3.3	6.0
Total	13.8	8.6	5.6	10.5	11.1	6.9

Source: NMFS



Imports

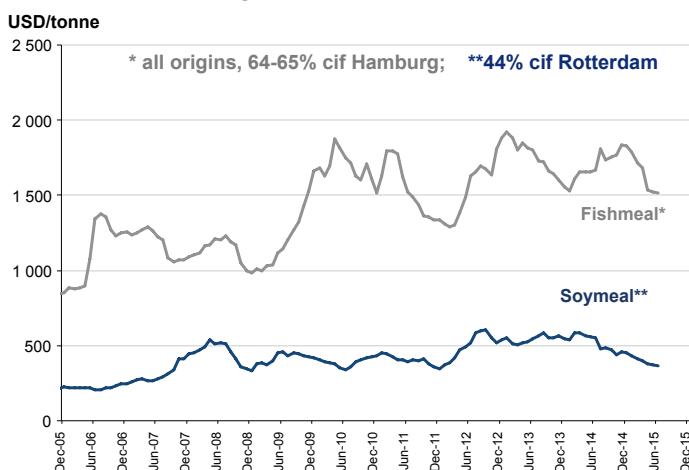
Fishmeal: Germany

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Morocco	12.9	17.9	4.6	15.5	2.7	9.3
Denmark	3.0	6.4	1.4	6.2	2.2	4.8
Chile	0.0	2.0	5.4	0.0	0.0	3.1
Iceland	0.0	1.5	0.0	7.1	0.0	1.3
France	0.6	0.8	1.2	0.7	0.9	1.0
Peru	38.1	14.0	35.0	14.6	24.9	0.0
Others	4.1	1.2	6.9	8.9	0.7	2.6
Total	58.7	43.8	54.5	53.0	31.4	22.1

Source: Germany Customs

Prices

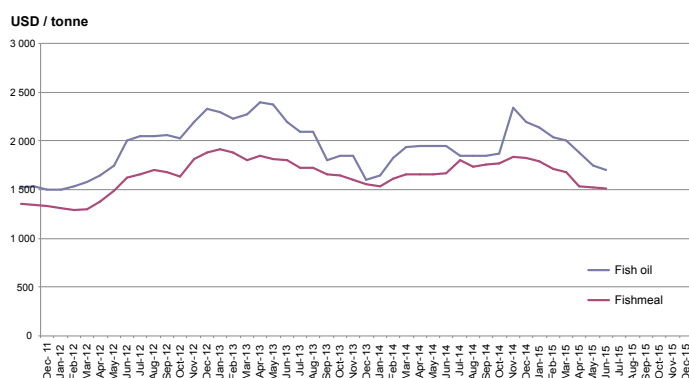
Fishmeal and soymeal



Source: Oil World

Prices

Fishmeal and fish oil prices europe



Source: Oil World

first anchovy fishing season this year, Peruvians tried to catch the whole quota before an expected strong El Niño phenomenon makes it impossible to harvest later in this year. The expectation from the industry is that with the first fishing quota in Peru set at 2.58 million tonnes, or 600 000 tonnes of fishmeal production, prices would definitely revert back to normal levels. Low demand from the aquafeed industry is also helping to ease demand

pressure. Fish oil prices witnessed the same trend since late last year, though now that trend seems to be reversing. Prices recorded for fish oil in June 2015 were at the same low level seen in early 2012.

Soymeal prices have dropped since the end of 2014, though this seems to be the result of a seasonal decline that occurs at the beginning of most years and thus will not change the general upward trend of soymeal prices. Since December 2014, the ratio between the prices of fishmeal and soymeal has maintained over 4.1:1, which has been quite attractive for feed producers looking for alternative raw materials.

Outlook

Unavoidably, 2015 will be another year for the world to witness how volatile the fishmeal sector is, especially with a significant El Niño predicted. In late May, Enfen, the Peruvian committee watching El Niño, increased its projection from 'moderate' to 'strong'. NOAA recently reported that "there is a greater than 90% chance that El Niño will continue through the Northern Hemisphere in fall 2015, and around an 85% chance it will last through the 2015-2016 winter." With these predictions, it can be expected that the total first quota will be caught before 30 June, but there will be much uncertainty about the amount of the second fishing quota as well as the amount of anchovy actually caught out of that quota. As a result, fishmeal and fish oil production in Peru and Chile will not remain at the normal level for the rest of 2015.

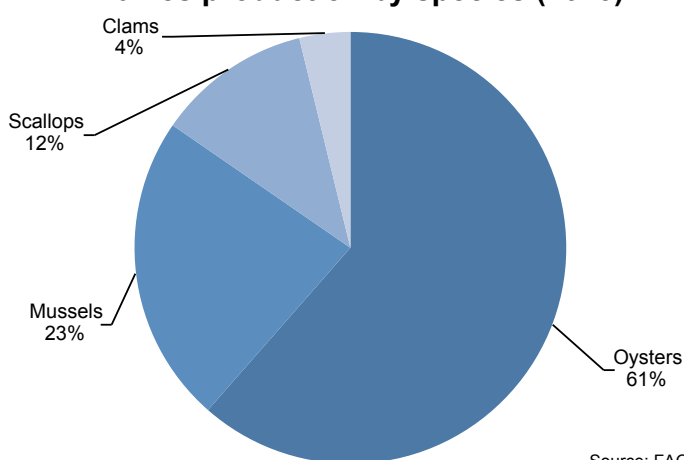
Looking at the markets, trade is predicted to become more active, with demand from all major markets recovering from their seasonal low. As the market will be concerned over another price hike resulting from the supply shortage, it is expected that sales will occur quickly in order to build up stocks to take advantage of the relative low prices. It is predicted that the market situation in the short term will be more or less the same as in the second half of 2014, if not worse.

Overall, demand for fishmeal and fish oil from the aquaculture and terrestrial farming industry will remain strong in the long run due to its contribution to global food security and nutritional benefits. With many efforts in this sector to explore other alternatives, such as trimmings from processing factories, vegetable oil and meal, prices for fishmeal and fish oil will remain firm.

First quarter global trade in mussels remains stable while oysters and scallop trade grows

Mussels are the most traded bivalves in the world, with international trade during the first quarter 2015 totalling about 70 000 tonnes. Roughly 30 000-40 000 tonnes of scallops and 13 000 tonnes of oysters were traded during the same period. The first few months of 2015 were very positive for the Chilean mussel industry with exports quickly growing. During the same period, China demonstrated a significant interest for scallops, with a positive trade balance (+2 200 tonnes) after a deeply negative one the year before (-8 100 tonnes).

Bivalves production by species (2013)



Source: FAO

Mussels

World

From January to March 2015, world exports of mussels reached 69 000 tonnes, a rather stable level compared with the same time period in 2014. However, when comparing individual exporting countries, a wide-range of trends can be seen. Chile performed very well during the first quarter, with exports growing by 2 600 tonnes (+17.4%) compared with the first quarter of 2014. In contrast, sales by the Netherlands, the third largest exporter, dropped by 5.9%. New Zealand exports experienced an even harsher fall, decreasing by a notable 25.5%.

Europe

During the first quarter of 2015, EU imports of mussels declined by 9% compared with the same period the year before, down to 42 600 tonnes. This mirrors a continued import decline trend.

The Netherlands' imports experienced the most drastic decline, with purchases totalling only 2 000 tonnes in the first quarter, compared with 6 600 tonnes the year before. Furthermore, the Netherlands saw significantly reduced shares of total EU 28 imports, from 14% in the first quarter of 2010 to 5% in the first quarter of 2015. Meanwhile, Germany is a growing importer with 4 900 tonnes imported during the first quarter of 2015.

France

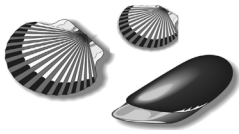
France, the largest EU importer of mussels, had rather stable imports during the first quarter of 2015 compared with the same time period last year. However, the 13 500 tonnes imported reflects a decline when examining the first quarter average during the previous five years (15 600 tonnes). Purchases from the Netherlands, the top French

Imports/Exports

Mussel: World

	Jan-Mar	
	2014	2015
	(1 000 tonnes)	
IMPORTS		
France	13.8	13.5
Italy	11.1	10.3
USA	8.6	6.9
Germany	4.5	4.9
Belgium	3.7	4.0
Spain	2.8	3.4
Netherlands	6.3	2.0
UK	1.3	1.1
Portugal	0.6	1.0
Republic of Korea	0.9	1.0
Russian Fed.	1.2	0.8
Total*	54.8	48.9
EXPORTS		
Chile	14.9	17.5
Spain	14.0	14.2
Netherlands	10.1	9.5
New Zealand	9.8	7.3
Denmark	7.3	3.7
Ireland	3.6	3.6
UK	1.6	2.9
Canada	3.3	2.4
Italy	1.6	1.6
China	1.6	1.5
Germany	0.8	1.3
Total*	68.6	65.5

Source: GTIS * selected countries



Imports/Exports
Clam/Cockle/Ark Shell

	Jan-Mar	
	2014	2015
	(1 000 tonnes)	
IMPORTS		
Japan	19.0	21.9
Republic of Korea	17.8	18.8
Spain	5.7	6.4
USA	4.7	5.1
Italy	2.4	2.9
Portugal	2.3	2.5
Thailand	1.6	1.5
China	2.4	1.3
Singapore	1.3	1.1
Canada	0.8	0.8
Total*	58.0	62.3
EXPORTS		
China	41.8	45.5
USA	2.0	2.1
Canada	2.0	1.9
Portugal	1.6	1.9
Italy	1.6	1.6
Netherlands	1.6	1.5
UK	0.7	1.3
Chile	1.0	1.3
Republic of Korea	1.0	0.8
Turkey	0.9	0.8
Thailand	2.5	0.4
Total*	56.7	59.1

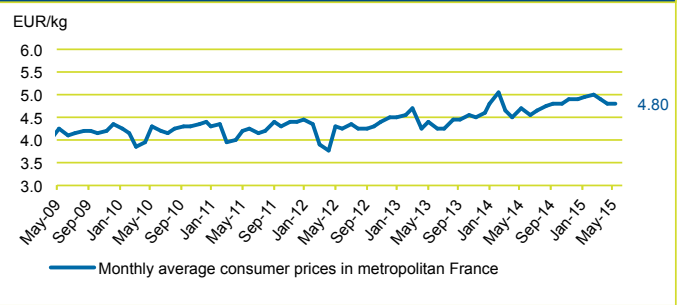
Source: GTIS * selected countries

Imports
Mussels: EU-28

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
France	18.5	16.9	14.9	13.8	13.8	13.5
Italy	11.5	10.5	10.2	12.1	11.1	10.3
Germany	2.9	4.5	7.5	3.0	4.6	4.9
Belgium	4.1	4.7	4.4	4.4	3.7	4.0
Spain	4.5	4.8	3.5	5.1	2.8	3.4
Netherlands	7.2	6.3	9.1	8.5	6.3	2.0
UK	1.1	1.6	1.4	1.3	1.3	1.1
Portugal	0.7	0.6	0.5	0.8	0.7	1.0
Others	2.3	2.3	2.1	2.4	2.4	2.4
Grand Total	52.8	52.2	53.6	51.4	46.7	42.6
Total Intra	38.6	36.3	39.1	36.5	30.2	31.2
Total Extra	14.2	16.0	14.5	14.9	16.5	11.4

Source: EUROSTAT and Customs

MUSSEL BOUCHOT - in France - Source Insee



Source: European Price Report

Imports
Mussels: Spain

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Chile	3.0	3.4	2.4	3.6	1.7	2.3
Italy	0.1	0.1	0.3	0.4	0.4	0.5
New Zealand	0.6	0.7	0.4	0.3	0.4	0.3
France	0.5	0.4	0.3	0.5	0.3	0.2
Others	0.3	0.2	0.1	0.3	0.0	0.1
Total	4.5	4.8	3.5	5.1	2.8	3.4

Source: Agencia Tributaria

Imports
Mussels: France

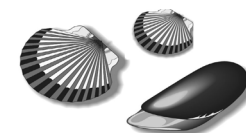
	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Netherlands	5.2	5.6	5.0	4.2	3.7	3.9
Spain	3.5	3.3	3.4	3.0	3.3	3.3
Chile	2.5	2.2	1.7	2.0	2.0	1.7
UK	1.4	1.1	1.3	2.1	1.0	1.2
Italy	1.1	1.3	1.0	0.5	1.6	1.1
Ireland	3.7	2.9	2.0	1.0	0.6	1.1
Denmark	0.6	0.1	0.1	0.5	1.2	0.9
Others	0.5	0.4	0.4	0.5	0.4	0.3
Total	18.5	16.9	14.9	13.8	13.8	13.5

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

supplier with a 29% market share in the first quarter of 2015, declined by 800 tonnes compared with the first quarter average during the previous five year period. Currently, it is mainly Irish and Dutch mussels that are present on the French market. Spanish *Mytilus galloprovincialis* are also available as a low-price option.

Italy

Italian imports in the first quarter of 2015 were slightly lower than the first quarter average observed in the



Imports

Mussels: Italy

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Spain	7.9	6.4	8.9	9.6	8.8	8.0
Chile	2.0	2.5	0.9	1.7	1.2	1.2
Ireland	0.5	0.4	0.1	0.2	0.2	0.4
Greece	0.1	0.3	0.1	0.2	0.2	0.3
Others	1.0	0.9	0.2	0.6	0.7	0.4
Total	11.5	10.5	10.2	12.3	11.1	10.3

Source: Eurostat

previous five years (-7%), demonstrating the drop from the two largest suppliers, Spain and Chile.

Spain

During the first quarter of 2015, Spain reported a decline of -18% in the purchase of mussels on external markets compared with the first quarter average during the previous five year period. Looking at the breakdown of Spanish imports by supplying country, imports from Chile declined by 400 tonnes, from France by 500 tonnes and from New Zealand by 300 tonnes. The only supplier to improve sales performances in Spain was Italy, with 500 tonnes sold from January to March compared with a first quarter average of 300 tonnes in the period from 2010-2014.

Canada

After a harsh and exceptionally snowy winter, Prince Edward Island producers are back in business. Despite the absence of Prince Edward Island mussels in Canadian restaurants for several weeks, consumers demonstrated their loyalty by quickly reverting to choosing the locally produced food once it was back as a menu choice. The PEI industry represents 80% of Canada's mussel production.

Oysters

When only considering the major trading countries, world trade of oysters dramatically increased by 29% during the first quarter of 2015 compared with the first quarter of 2014. Imports into Japan and USA, the world's top markets for oysters, climbed by 900 tonnes (+64%) and 800 tonnes (+44%) when comparing the respective periods. Exports from the Republic of Korea sky-rocketed during the first quarter by 62% (or 1 300 tonnes).

Ireland

The Irish Food Board (BordBia) reported that China has become increasingly interested in oysters from abroad, including from France, New Zealand, Australia and Ireland. However, market penetration is still low and consumption is mainly concentrated around big holidays and celebrations. Imports are currently estimated at 3 000 tonnes. Oyster prices in China are generally very high, with

Imports/Exports

Oyster: World

	Jan-Mar	
	2014	2015
	(1 000 tonnes)	
IMPORTS		
USA	1.8	2.6
Japan	1.4	2.3
Hong Kong SAR	1.5	1.4
France	1.2	1.2
Italy	0.9	1.1
Spain	0.5	0.9
Canada	0.6	0.7
Total*	7.9	10.2
EXPORTS		
Republic of Korea	2.1	3.4
China	1.5	2.0
France	1.7	2.0
Ireland	1.4	1.5
Canada	0.8	0.9
USA	1.0	0.8
Total*	8.5	10.6

Source: GTIS * selected countries

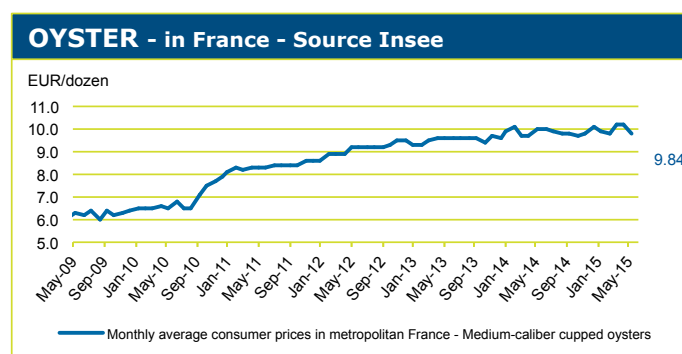
the average price around EUR 7.5 per piece in gourmet stores and EUR 15 per piece in five star hotels. Chinese seafood buyers believe that "if prices goes back to normal, sales of oysters will surge" (Source: *BordBia*).

UK

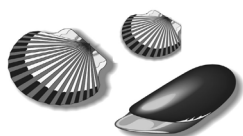
The Jersey Oyster Company was certified with the Aquaculture Stewardship Council (ASC) standards for responsible aquaculture. Two other oyster farms based in Jersey, UK are in the process of getting ASC certified.

France

According to the professional shellfish organization Comité National de la Conchyliculture, oyster production stabilized in October 2014 after several years of decline due to the severe damage caused by a herpes type of virus (OsHV-1) since 2008.



Source: European Price Report



The industry is now facing problems of another kind. Today, an estimated 50% of all French oysters are so-called triploids, with this product launched in the late 1990s. This laboratory-bred oyster is made sterile by avoiding its milky appearance during the spawning season, and has been produced to grow more quickly than its wild counterpart (two years instead of three years). Triploid oysters are not genetically modified, as no outside gene is inoculated, but this is difficult to explain to consumers. As of now, consumers are rarely if ever informed about the origin of the product. Some stakeholders, among them consumer associations, advocate for more transparency, while others, mainly producers, fear consumers' misunderstanding and as a result, a potential drop in demand. Currently in the French market, there are no requirements in relation to labelling about these issues.

Large-sized oysters are relatively abundant this year due to the warm autumn last year and the trade embargo in Russia, which is a traditional market for large sizes n°1 and 2. This has resulted in a slight easing of prices in early 2015.

Scallops

During the first quarter of 2015, world scallop exports from the 13 largest traders reached about 36 000 tonnes, demonstrating a 19% increase, fuelled by the rapid increase in demand from China (+8 600 tonnes). During the same period, US imports, likely as a consequence of strong domestic supplies, declined by 34% (-33 000 tonnes).

EU Imports

EU scallop imports during the first quarter period totalled 10 000 tonnes, the lowest ever observed over the past five year period. The peak was noted in 2010's first quarter with 14 200 tonnes imported. Imports into France, the EU's top importer, dropped by 17% during the first quarter compared with the same time period last year. This decline reflects the weakening in household demand, likely due to the price rise. EU imports from external EU suppliers have declined relatively more (-14%) than compared with internal EU trade (-5%) when looking at the first quarter 2015 over the first quarter 2014.

France

From October 2014 to May 2015, French scallops production dropped by 21% compared with the same time period a year before, with a consequent rise (+20%) in October 2014 ex-vessel price for live shells.

Over the 12 month period from April 2014 to March 2015, household purchases of fresh scallops dropped by 18% when prices increased by a notable 15%.

Peru

In the first quarter 2015, Peru's exports of purple scallops (*Argopecten purpuratus*) declined by 29% compared with the same period last year. The Association of Exporters (ADEX) reported that several factors explain this decline.

Imports/Exports

Scallop: World

	Jan-Mar	
	2014	2015
(1 000 tonnes)		
IMPORTS		
China	2.6	11.2
USA	9.8	6.5
France	4.7	3.9
Hong Kong SAR	2.6	3.2
Republic of Korea	1.7	2.4
Italy	1.3	1.5
Canada	1.4	1.2
Malaysia	0.3	1.2
Belgium	1.3	1.1
Taiwan PC	0.8	1.0
Japan	0.9	1.0
Singapore	0.7	1.0
Netherlands	1.3	0.9
Total*	29.4	36.1
EXPORTS		
China	10.7	9.0
Peru	3.8	2.7
UK	2.6	2.3
USA	2.4	2.3
Canada	1.7	1.5
Argentina	1.4	1.4
"Belgium	1.5	1.1
France	1.0	1.0
Thailand	0.2	0.8
Netherlands	1.0	0.7
Total*	26.3	22.8

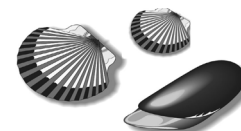
Source: GTIS * Selected countries

Imports

Scallops: EU

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
(1 000 tonnes)						
France	6.5	6.1	4.8	4.5	4.6	3.9
Italy	1.6	1.7	1.6	1.5	1.3	1.4
Belgium	1.1	1.2	0.9	1.0	1.3	1.1
Netherlands	1.1	0.5	0.8	1.2	1.3	0.9
Spain	1.8	1.9	1.2	2.3	0.7	0.9
Denmark	0.2	0.8	0.8	1.0	0.6	0.6
Others	1.9	1.4	1.5	1.3	1.3	1.3
Grand Total	14.2	13.6	11.6	12.8	11.1	10.0
Total Intra	5.5	5.8	5.7	6.6	4.8	4.6
Total Extra	8.7	7.8	5.8	6.1	6.3	5.4

Source : EUROSTAT and Customs



Imports

Scallops: France

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Peru	1.8	1.9	1.1	1.0	1.9	1.7
UK	0.8	1.0	1.0	1.0	1.0	0.8
Argentina	1.4	1.2	0.9	0.9	0.7	0.4
USA	0.6	0.6	0.5	0.9	0.3	0.2
Canada	0.3	0.2	0.1	0.2	0.2	0.1
Viet Nam	0.4	0.1	0.2	0.1	0.1	0.0
Others	1.2	1.1	1.0	0.4	0.4	0.7
Total	6.5	6.1	4.8	4.5	4.6	3.9

Source: Direction Nationale des Statistiques du Commerce Extérieur – DNSCE

MARKET FOCUS

Farmed shellfish in Scotland in 2014

The yearly Scottish Shellfish Survey reported that in 2014, the country produced 7 683 tonnes of mussels, the highest volume on record. Other important shellfish farmed in Scotland include cup oysters (*Crassostrea gigas*) with 3 392 tonnes placed on the market in 2014 and native oysters (*Ostrea edulis*) with 242 tonnes. Only a few tonnes of the queen scallop (*Aequipecten opercularis*) and king scallop (*Pecten maximus*) are produced, which is very low compared with wild harvests.

The average price of first-hand Scottish mussels was estimated at GBP 1.2 (USD 1.6) per kg, with total production estimated at GBP 9.2 million (USD 14.5 million). For pacific oysters, the average first sale price was GBP 0.33 (USD 0.52) and GBP 0.60 (USD 0.94) for native oysters.

Source: *The Scottish Shellfish Farm Production Survey 2014*

2014 was characterised by low seed supply and excessive variations in temperature, oxygen and salinity caused some mortality in the south, whereas the north coast suffered from harsh wave conditions.

USA

Thanks to a strong production season up until mid-June 2015, prices are currently at an all-time low, at about USD 10 per pound for 10/20 count (Source: *Undercurrent News*).

China

The Chinese scallop fishery Zoneco has become the first Chinese fishery to achieve MSC certification. Zoneco produces some 30 000 to 50 000 tonnes of scallops annually.

RECENT NEWS

In Chile, Worldfishing and Aquaculture reports that Pesquera Apiao S.A. has become the first mussel business in the world to achieve Best Aquaculture Practices (BAP) status for mussels. This certification was developed by the Global Aquaculture Alliance and covers both the farming and processing operations. Chile Pesquera Apiao S.A. is one of Chile's largest mussel producers with 50 000 tonnes processed annually.

Meanwhile on the other side of the world in New Zealand, The Sanford Ltd. mussel processing plant based in Christchurch ceased production on 20 April 2015. The closure of the plant was a result of poor crop supply and failed production optimization. Processing will now move to take place at the company's Havelock based site. At the same time, Sanford invested in the first dedicated hatchery and nursery facility for mussels, which will open in Nelson in April 2015. This hatchery is welcome by the industry, which so far has relied exclusively on variable and unpredictable supply of mussels spat.

Japan

The Hokkaido Federation of Fisheries Cooperative Associations forecasts that for the coming season (up until March 2016), catches are likely to drop by 25% compared with the previous season due to massive mortality induced by rough sea conditions (Source: *Undercurrent News*).

Clams, cockles, ark shells

International trade of clams, cockles and ark shells have risen slightly (+7%) in the first quarter 2015 compared with the same period last year. Japan was the dominant importer, taking a 35% market share, and increased their imports by 15%. Purchases by the second largest market, the Republic of Korea, rose by 6%. China, a very moderate buyer of these shellfish, remains the number one global supplier, supplying a 77% share of total sales from the 11 largest traders. China's total exports in the first quarter 2015 increased by 3 700 tonnes over the same period a year before (+8.9%).

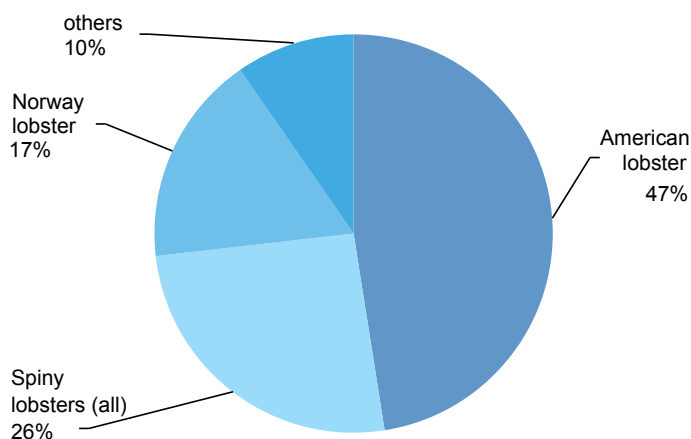
Outlook

Several farming projects, specifically for queen and king scallops, quahog and other shellfish, have recently been initiated all over the world. These farming operations aim to consolidate supplies for processors, which sometimes face difficulties in accessing raw materials and securing supply for demanding markets. The shellfish market penetration rate is still rather low in most countries, including in Asia. Potential for expansion is thus considerable, however supplies must be at affordable prices.

Lobster demand increases

Lobster supplies have fallen short of demand lately, as demand has been stimulated by good economic prospects in the USA. In contrast, in the EU, the economy is not so bright, and this may dampen demand in this market.

Lobster production by species (2013)



Source: FAO

Capture production of lobsters

	2009	2010	2011	2012	2013
	(1 000 tonnes)				
Canada	58.3	67.3	67.0	74.8	74.7
USA	46.1	55.3	60.2	70.0	70.6
UK	45.7	41.4	37.7	35.8	31.5
Indonesia	5.9	7.7	10.5	13.5	16.5
Australia	11.8	11.6	10.8	9.8	11.4
Ireland	7.6	8.3	8.7	10.7	8.8
Brazil	7.3	6.9	6.9	7.4	6.7
Bahamas	7.1	9.7	8.5	9.8	6.1
Cuba	4.1	4.5	5.0	4.5	4.6
Nigeria	3.1	4.4	3.7	4.3	4.6
Other	53.9	66.6	65.5	54.2	53.7
Total	251.0	283.5	284.5	294.8	289.2

Source: FAO FishStat

Supplies

Increased lobster landings have put pressure on some markets, but at the same time new markets for lobster are growing. In particular, producers in the USA and Canada have seen increasing demand from Asia. Over the past five years, total landings have increased by about 15%, with landings now totalling about 290 000 tonnes per year. The largest producers are Canada (accounting for almost 26% of the total) and the USA (24% of total).

The most important species in global lobster fisheries is the American lobster (*Homarus americanus*) and its cousin the European lobster (*Homarus gammarus*), which in 2013 accounted for 47% of the total volume caught. Spiny lobsters of various species come next, accounting for 26% of the total volume, while Norway lobster accounted for 17% of the total. In Europe, the largest producer is the UK with about 10% of global production. However, UK production has declined significantly since 2007. Australian production has been fairly stable at around 10 000 tonnes per year.

In relation to ecolabels, the Western Australia lobster fishery has been certified for 15 years and today is recognized as a stable and sustainable fishery. About 250 vessels are involved in the WA rock lobster fishery, and during the 2013-2014 season the TAC was set at 5 554 tonnes with an export value of around USD 358 million.

Lobster farming

With its stable prices at a high level, lobster seems to be an ideal candidate for farming. Market surveys indicate that there is a large deficit between supply and demand, and there is also a marked seasonality in relation to supplies.

However, lobsters are cannibals, and consequently one cannot keep them together in a cage during the rearing period. Rather, they have to be kept separated throughout their life cycle. This adds cost to farming operations, and it has been a challenge to develop a technology that has all the necessary elements in one concept.

The Norwegian company Lobster Farm AS claims to have achieved this technology by developing a production process that is both profitable and safe. The land-based system produces lobsters of portion size throughout the year.

International trade

North America (USA and Canada) are the main markets for lobster, and these two countries are the largest importers of lobster in the world. The USA accounts for about 28% of total imports, while Canada accounts for about 14.5%.

Demand on the US market appears to be increasing in 2014 and even more in 2015. During the first quarter of the year, the volume of US lobster imports grew by almost



Imports

Lobster: World

	2009	2010	2011	2012	2013	2014
	(1 000 tonnes)					
USA	40.1	45.5	46.0	47.8	50.3	53.3
Canada	17.7	22.4	27.2	31.4	30.0	32.3
China	3.6	9.0	10.6	11.1	14.0	17.8
France	8.6	9.0	9.4	15.4	15.0	15.3
Italy	6.2	6.0	6.3	14.2	13.8	15.2
Spain	8.0	8.7	9.0	13.9	11.7	13.0
Hong Kong SAR	12.5	12.0	10.5	11.6	8.9	7.1
UK	2.6	2.5	2.1	5.0	4.8	6.5
Belgium	3.8	4.0	4.1	4.0	4.2	4.4
Japan	4.2	4.3	4.2	4.3	4.4	4.3
Totals*	107.3	123.4	129.4	158.7	157.1	169.2

Source: GTIS * selected countries

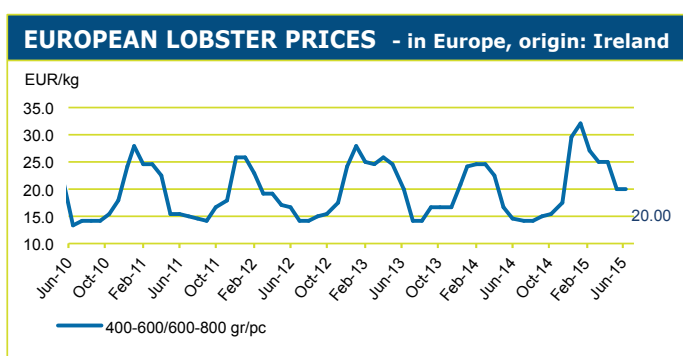
30%, to 13 300 tonnes. The largest supplier by far was Canada, which accounted for 86% of US lobster imports. Other imports came mainly from Latin America.

Imports into the European market, on the other hand, have been flat for years. During the first quarter of 2015, EU imports were at the same level as in 2014.

Recently, Asian imports of North American lobster have been increasing significantly. Chinese imports were up by 16% in 2013 compared with 2012, and Hong Kong SAR imports were up by almost 50% in the same period.

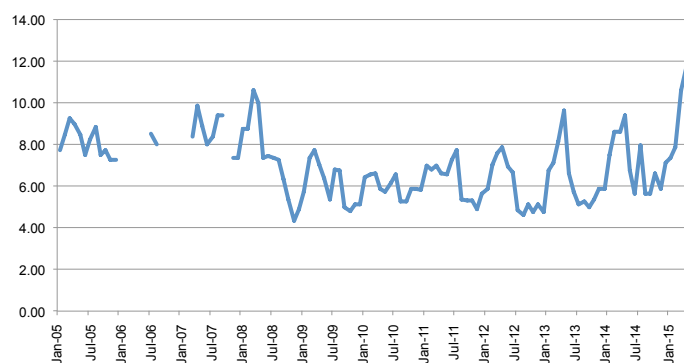
Prices

Lobster prices are seasonal, both on the US and the EU market. In Europe, prices increase sharply just before Christmas, as lobster is a luxury item that is popular at that time of year. Since 2013-2014, prices have edged upwards in Europe, and one sees the same trend on the US market. The summer is usually a slow period for lobster, with prices reaching their lowest levels in June. However, in June 2015, European lobster prices were significantly higher (+43%) compared with June 2014. This was mainly due to a late start of the Canadian lobster fisheries in 2015 causing supplies to be tight.



Source: European Price Report

Monthly New York wholesale prices for up to 1-1/2 lb live American lobster, in USD/lb



Source: ITN

Imports

Lobster: EU

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
USA	1.7	2.7	3.7	4.7	5.7	6.7
Canada	1.2	1.0	1.1	1.0	1.1	1.1
Nicaragua	0.1	0.1	0.1	0.1	0.2	0.4
Mauritania	0.0	0.0	0.1	0.1	0.1	0.2
Viet Nam	0.0	0.0	0.1	0.1	0.1	0.2
Bahamas	0.1	0.2	0.2	0.1	0.2	0.2
China	0.0	0.0	0.2	0.2	0.2	0.2
Others	2.4	1.1	5.0	3.2	2.2	1.0
Total	5.4	5.1	10.5	9.4	9.9	9.9

Source: EUROSTAT

Imports

Lobster (all product forms): USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Canada	6.6	7.2	7.4	7.6	7.7	11.4
Nicaragua	0.5	0.5	0.4	0.5	0.5	0.3
Brazil	0.1	0.1	0.1	0.2	0.1	0.1
Honduras	0.5	0.5	0.4	0.4	0.4	0.4
Bahamas	0.4	0.4	0.5	0.5	0.3	0.4
Others	0.6	0.7	0.6	0.7	1.3	0.7
Total	8.7	9.4	9.4	9.9	10.3	13.3

Source: NMFS

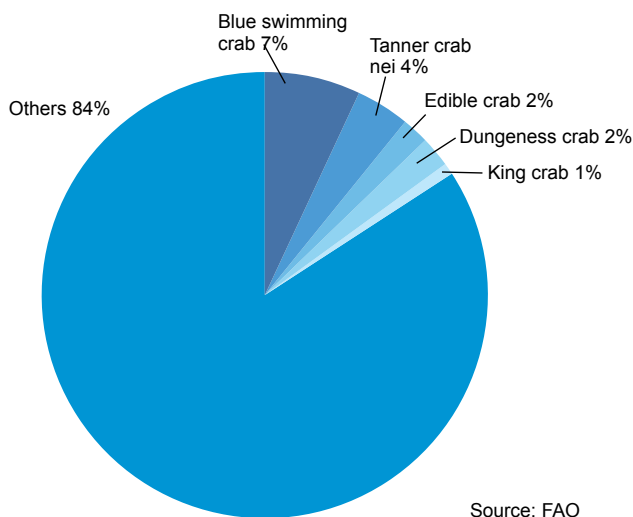
Outlook

With a stronger economy in the USA, the outlook for the lobster market is positive. However, one should expect prices to rise, as there is a shortage of supplies compared with demand.

Crab supplies stronger due to good Russian landings

Crab supplies are increasing, mainly as a result of illegal Russian production, and this may push prices further down.

Crab production by species (2013)



Supplies

Globally, there are nearly 40 species of crab caught commercially. However, in statistics, many are not specified by the exact species, and consequently, the "other" group is extraordinarily large. Of the commercial species, the blue swimming crab is the most important, accounting for 7% of the total volume landed, followed by tanner crabs (4%) and dungeness crab (2%).

The Alaska crab fishery has been relatively stable with roughly 35 000–40 000 tonnes landed each year. 2012 was, however, an exceptional year, as total Alaska crab

Global production of crab by major producers

	2009	2010	2011	2012	2013
	(1 000 tonnes)				
China	543.6	593.5	618.2	647.3	734.2
USA	137.8	147.7	159.7	159.1	143.8
Canada	110.1	96.6	94.6	102.3	106.8
Indonesia	63.8	73.6	81.8	73.0	85.6
Viet Nam	72.1	75.6	78.8	82.0	85.1
Republic of Korea	73.3	75.4	69.8	73.3	76.4
India	42.9	41.1	32.1	39.1	54.8
Thailand	31.6	31.8	36.0	40.6	35.7
UK	26.6	28.4	29.8	31.2	31.7
Japan	32.5	32.5	30.6	30.6	30.8
Other	208.1	219.3	212.8	200.2	209.8
TOTAL	1 342.4	1 415.6	1 444.3	1 478.6	1 594.6

Source: FishStat

Imports

Crab: World

	2009	2010	2011	2012	2013	2014
	(1 000 tonnes)					
USA	78.7	63.9	58.6	59.2	74.7	71.3
China	42.9	48.1	53.3	60.9	57.3	55.8
Japan	64.0	49.2	49.1	62.9	45.5	44.2
Republic of Korea	41.0	32.8	30.8	32.3	30.6	34.8
Hong Kong SAR	9.0	9.2	7.5	8.6	9.4	15.2
Spain	13.8	14.1	13.6	11.7	10.5	11.2
France	11.7	11.1	10.7	10.4	10.3	10.4
Taiwan PC	9.3	10.9	10.6	9.8	10.1	9.9
Canada	7.1	7.9	9.4	9.0	9.5	8.5
Malaysia	5.3	5.6	5.5	7.0	5.7	7.1
Singapore	6.4	6.4	6.5	6.1	6.1	6.0
Indonesia	1.4	3.5	3.3	3.4	3.3	4.5
Thailand	4.9	3.5	3.3	3.4	3.4	4.5
Portugal	4.4	3.5	3	2.8	3.0	3.5
Totals*	299.9	269.7	265.2	287.5	279.4	286.9

Source: GTIS

* selected countries

landings reached 47 220 tonnes. In 2013 the landed volume dropped to 38 000 tonnes.

Russian crab landings in the north Pacific are difficult to estimate because of what is believed to be major illegal activity. US sources (Alaska Seafood Market Outlook) claim that illegal Russian crab production decreased from 2007, causing prices to rise on world markets. However, starting in 2012 this illegal production likely increased again, and it is estimated that the illegal Russian production now exceeds total Alaska crab production. If illegal production is indeed increasing, prices would in turn be affected negatively.

Markets

The snow crab market, which has been weak on prices during the season, showed signs of recovering in May 2015. Prices for larger sizes are on an upward trend after low prices during the Alaska season. This turn of events has surprised many, but may be explained by a number of factors, such as the late Canadian season, the amount of product in cold storage from last year, the weaker demand in Japan, and the dollar exchange rates. Because of ice conditions, landings in Newfoundland had been low during the late part of the spring. The unfavourable yen



exchange rate has not worked as an incentive for Japanese buyers to be active in the market.

Some observers are pointing to the weak economy as the main reason for the low demand for crab. Consequently, an upturn in the economy should bode well for the crab market.

The crab market in Northern Europe has benefitted from the high prices of coldwater shrimp. While the main crab season in Northern Europe is the late summer and autumn, crab meat is available year-round, and at favourable prices compared to shrimp.

International trade

International trade of crab products has been on a slightly declining trend over the past decade, and is now at about 340 000 tonnes per year. The main importers are the USA, which accounts for about 25% of global imports, and China, which accounts for about 15%. While US crab imports have been declining, Chinese imports have been increasing over the past decade. However, during the first quarter of 2015, US imports showed a slight increase (+3.4% by volume). The main suppliers to the USA are China, Indonesia and the Russian Federation.

Prices

In May 2015, it was reported that Japanese importers were buying snow crab from Newfoundland at record high yen prices (USD 4.65 per kg fob plant for brine bulk frozen

sections). However, in dollar terms, the price was about 7% lower than compared with 2014 (Source: *Undercurrent News*).

Following the Alaska season, when prices were low, supplies became tighter, with prices increasing as a result.

Outlook

Crab supplies are expected to increase this year, and this could lead to weaker prices.

MARKET NEWS AND TRENDS

Crab exports in Viet Nam

According to the Vietnam Association of Seafood Exporters and Producers (VASEP), values of crab exports for the first four months of 2015 totaled USD 28.46 million, up 9.1% over the same period in 2014. VASEP predicted that more crab would be exported in the coming months. The exports serve 28 markets worldwide, with the USA, the EU and Japan remaining the top three. Australia's market grew the most, by 170.3%, followed by Hong Kong SAR with 94.2% market growth. VASEP credited good inventory and rising prices for the improved numbers, with fuel prices remaining low. VASEP also predicted that the signing of new free trade agreements with the Republic of Korea and the Eurasian Economic Union would give exports even more of a boost.

Source: *SeafoodSource*

Imports

Crab: USA

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
China	3.3	2.6	2.9	2.6	2.8	3.5
Indonesia	2.3	1.9	3.0	2.8	2.3	2.8
Russian Fed.	5.1	5.3	3.7	3.4	3.9	2.3
Others	4.3	3.7	6.4	5.2	5.5	6.4
Total	15.0	13.5	16.0	14.0	14.5	15.0

Source: NMFS

Imports

Crab: Japan

	Jan-Mar					
	2010	2011	2012	2013	2014	2015
	(1 000 tonnes)					
Russian Fed.	3.9	3.8	4.3	7.9	4.4	1.8
USA	0.6	1.7	1.0	0.5	0.6	0.8
Canada	0.2	0.4	0.3	0.3	0.3	0.3
Others	1.0	0.6	1.0	0.8	1.1	0.9
Total	5.7	6.5	6.6	9.5	6.4	3.8

Source: NMFS

Market news and trends for Nile perch

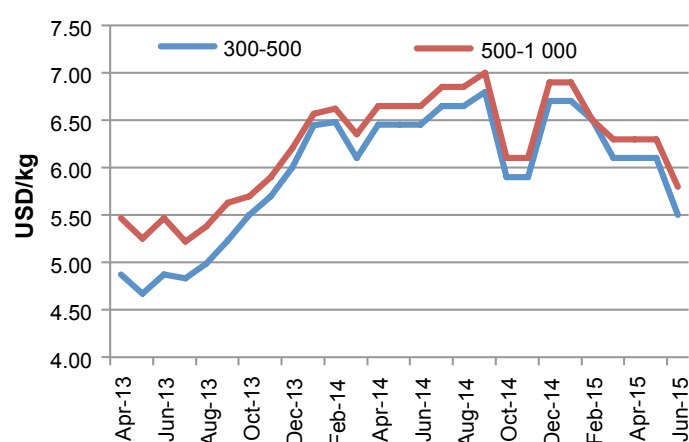
Nile perch was introduced into Lake Victoria during the 1950s and has been very successful in establishing itself in this environment. Currently, more than 90% of world production of Nile perch occurs in this lake. In 1990, production peaked at 377 000 tonnes. Since then, overfishing and open access has led to a production decline. At present in Lake Victoria, production is down to 240 000 tonnes. During the high production years, a processing industry focused on the Nile perch resource flourished.

The EU is the main market for Nile perch. Trade statistics identifying this species have only been available since 2010, with the figures given in the below table for previous years based only on estimates. Total imports into the EU peaked in 2004 at an estimated 56 000 tonnes and have declined since. Last year, only about 26 000 tonnes were imported into the EU. Interestingly, the industry diversified from frozen fillet exports to fresh fillets as the frozen fillet market started to be dominated by pangasius. Fresh fillets command a far higher price than frozen fillets, sometimes even double. Consumers appreciate the taste and texture of Nile perch, and due to the strong demand, prices have increased during the past few years though there is some seasonal fluctuation.

In June 2015, higher catches have been reported, leading to a sudden decline of prices compared with May 2015.

In the long run, however, the outlook is for higher prices and limited availability. Already at present, the quantities of Nile perch reaching the market are so small that direct importers in Italy are reverting back to the traditional import channels through the Netherlands. Indeed, the main importers of Nile perch fillets are the Netherlands and Belgium, while the main consuming countries are Italy and Spain. Promotion of Nile perch as a nutritious and wild fishery product would help further diversification of the market.

Frozen Nile perch price, Spain DDP



Source: GLOBEFISH European Price Report

Nile perch imports into EU							
(tonnes)							
Year	1997	2004	2010	2011	2012	2013	2014
Kenya	7 488	6 737	16 387	15 211	15 462	12 640	12 545
Tanzania, United Rep. of	9 015	30 813	13 886	11 856	12 825	12 822	10 883
Uganda	8 621	18 539	3 569	3 050	3 236	2 879	2 846
Total	25 124	56 089	34 052	30 496	31 588	28 723	26 309

Source: EUROSTAT

Nile perch landings								
(tonnes)								
Year	1950	1960	1970	1980	1990	2000	2012	2013
Uganda	5 300	21 900	41 400	72 450	120 334	87 257	96 118	92 575
Tanzania, United Rep. of	0	0	1 000	0	179 262	90 000	95 026	87 141
Kenya	0	0	0	4 310	71 930	109 815	53 058	44 304
Nigeria	4 300	6 000	18 300	24 770	2 066	4 447	11 921	13 177
Egypt	0	0	0	0	0	3 278	9 084	7 042
Niger	0	0	0	0	0	0	5 493	5 577
Mali	3 600	4 800	6 600	5 294	4 232	6 592	4 282	5 983
Senegal	0	0	0	0	0	1 451	2 949	1 480
Ethiopia	0	0	0	0	0	65	744	3 928
Totals	13 200	32 700	67 300	106 824	377 824	302 905	278 640	261 207

Source: FISHSTAT

FISH AND FISHERY PRODUCTS STATISTICS ¹

	Capture fisheries production		Aquaculture fisheries production		Exports			Imports		
	2012	2013	2012	2013	2012	2013 estim.	2014 estim.	2012	2013 estim.	2014 estim.
	Million tonnes (live weight equivalent)				USD billion					
ASIA	50.2	50.9	59.0	62.5	51.2	53.8	56.2	44.2	42.7	43.8
China ²	17.2	17.4	41.5	43.9	20.8	22.2	23.6	12.2	12.9	13.5
of which China, Hong Kong SAR & Taiwan Province of China	0.2	0.2	0.0	0.0	0.7	1.1	1.0	3.7	3.8	3.6
	0.9	0.9	0.3	0.3	2.0	1.8	1.8	1.0	1.0	1.2
India	4.9	4.6	4.2	4.5	3.4	4.6	6.0	0.1	0.1	0.1
Indonesia	5.8	6.1	3.1	3.8	3.6	3.8	4.1	0.4	0.4	0.3
Japan	3.7	3.7	0.6	0.6	1.8	2.0	1.9	18.4	15.6	14.8
Korea, Rep. of	1.7	1.6	0.5	0.4	2.0	1.8	1.7	3.7	3.6	4.3
Philippines	2.3	2.3	0.8	0.8	0.8	1.2	1.1	0.2	0.2	0.2
Thailand	1.7	1.8	1.3	1.1	8.1	7.0	6.6	3.1	3.2	2.7
Viet Nam	2.7	2.8	3.1	3.2	6.3	6.8	6.9	0.8	0.9	1.0
AFRICA	8.2	8.0	1.5	1.6	5.4	5.5	5.7	5.4	6.1	6.1
Ghana	0.4	0.3	0.0	0.0	0.0	0.0	0.0	0.2	0.3	0.3
Morocco	1.2	1.3	0.0	0.0	1.6	1.8	1.8	0.1	0.2	0.2
Namibia	0.5	0.5	0.0	0.0	0.8	0.8	0.8	0.0	0.0	0.1
Nigeria	0.7	0.7	0.3	0.3	0.3	0.2	0.2	1.5	1.7	1.3
Senegal	0.5	0.5	0.0	0.0	0.3	0.3	0.4	0.0	0.0	0.0
South Africa	0.7	0.4	0.0	0.0	0.6	0.5	0.7	0.5	0.5	0.4
CENTRAL AMERICA	2.2	2.2	0.3	0.4	2.2	2.4	2.6	1.7	2.0	2.2
Mexico	1.6	1.6	0.1	0.2	1.1	1.1	1.1	0.6	0.8	0.9
Panama	0.2	0.2	0.0	0.0	0.1	0.2	0.2	0.1	0.1	0.1
SOUTH AMERICA	10.1	10.3	2.1	2.1	12.7	13.6	15.5	2.8	3.5	3.6
Argentina	0.7	0.9	0.0	0.0	1.3	1.5	1.6	0.2	0.2	0.2
Brazil	0.8	0.8	0.5	0.5	0.2	0.2	0.2	1.2	1.5	1.6
Chile	2.6	1.8	1.1	1.0	4.3	5.0	5.9	0.4	0.4	0.4
Ecuador	0.5	0.5	0.3	0.3	2.8	3.6	4.4	0.2	0.1	0.1
Peru	4.8	5.9	0.1	0.1	3.3	2.7	3.0	0.1	0.2	0.2
NORTH AMERICA	6.2	6.4	0.6	0.6	10.4	10.7	11.1	20.3	22.0	25.0
Canada	0.8	0.9	0.2	0.2	4.2	4.3	4.5	2.7	2.9	3.0
United States of America	5.1	5.2	0.4	0.4	5.8	6.0	6.1	17.6	19.0	21.9
EUROPE	13.1	13.5	2.9	2.8	44.3	47.5	49.8	53.6	58.3	61.0
European Union ²	4.7	5.0	1.3	1.2	28.7	30.2	32.1	47.2	50.9	54.0
of which Extra-EU	"	"	"	"	5.7	5.8	6.0	24.9	26.5	28.2
Iceland	1.4	1.4	0.0	0.0	2.2	2.3	2.1	0.1	0.1	0.1
Norway	2.2	2.1	1.3	1.2	8.9	10.3	10.8	1.4	1.3	1.4
Russian Federation	4.3	4.3	0.1	0.2	3.2	3.6	3.6	2.8	3.4	3.1
OCEANIA	1.3	1.2	0.2	0.2	3.1	2.9	3.1	2.0	2.0	2.3
Australia	0.2	0.2	0.1	0.1	1.0	1.0	1.1	1.6	1.6	1.7
New Zealand	0.4	0.4	0.1	0.1	1.2	1.2	1.2	0.1	0.2	0.2
WORLD ³	91.3	92.6	66.5	70.2	129.3	136.5	143.9	130.0	136.6	144.0
World excluding Intra-EU	"	"	"	"	106.5	112.0	118.4	107.8	112.2	118.2
Developing countries	67.2	68.1	62.2	66.0	70.5	74.0	78.7	35.5	38.4	40.8
Developed countries	24.0	24.4	4.3	4.2	58.8	62.5	65.3	94.5	98.2	103.2
LIFDCs	14.8	14.5	7.4	7.9	7.4	9.0	10.0	3.6	4.3	4.0
LDCs	9.8	10.1	3.0	3.2	2.6	2.6	2.6	0.9	1.1	1.2
NFIDCs	18.5	19.9	4.3	4.7	10.1	10.0	10.4	3.8	4.2	4.7

¹ Production and trade data exclude whales, seals, other aquatic mammals and aquatic plants. Trade data include fish meal and fish oil.

² Including intra-trade. Cyprus is included in Asia as well as in the European Union. Starting with 2013 data. EU includes Croatia.

³ For capture fisheries production, the aggregate includes also 32 358 tonnes in 2012 and 83 275 tonnes in 2013 of not identified countries, data not included in any other aggregates.

Totals may not match due to rounding.

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EVENTS

Celebrating the 20th Anniversary of the FAO Code of Conduct during the 1st International Fisheries Stakeholders Forum

The status of the fisheries sector with a look towards the future will be debated during this one-of-a-kind event, taking place in **Vigo** from **8 to 9 October 2015**.

The world is facing a number of challenges to meet the food and nutritional needs of a population expected to reach 9 billion people by 2050. With such challenges, fishery resource sustainability has become crucial, both for the seafood industry, policymakers, civil society and consumers.

In this context, FAO in partnership with The Ministry for Agriculture, Food and Environment of Spain and Conxemar (the Spanish Association of Wholesalers, Importers, Manufacturers and Exporters of fish products and Aquaculture) is organizing the 1st International Fisheries Stakeholder Forum to celebrate the twentieth anniversary of the FAO Code of Conduct for Responsible Fisheries (the Code).

During the two-day forum, stakeholders are given the opportunity to gather and discuss a range of topics, included below.

Day 1

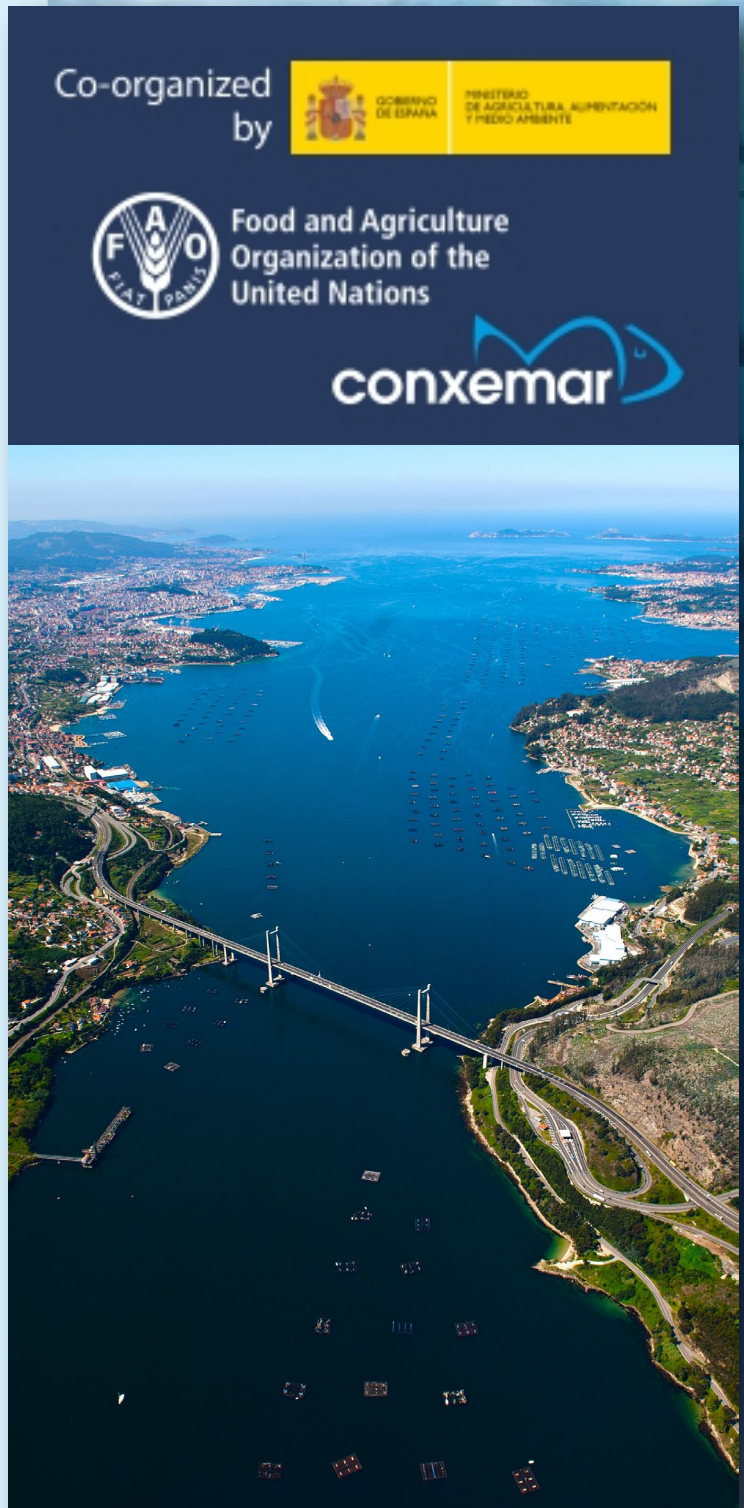
- ▶ **World production: Overview and outlook for tuna, whitefish-groundfish, shrimp and cephalopods**
- ▶ **Consumption and trade of fishery and aquaculture products**
- ▶ **Consumer awareness towards responsible fishing**

Day 2

- ▶ **Fisheries management and fishing rights**
- ▶ **IUU: Current situation and outlook**
- ▶ **Sustainability and certification**
- ▶ **Blue Growth. The Political view**

The preliminary programme and the registration form are available from the Conxemar website at

www.conxemar.com



PACIFIC TUNA FORUM 2015

5th REGIONAL TUNA INDUSTRY AND TRADE CONFERENCE

**Sofitel Resort, Denarau, Nadi, Fiji
22 - 23 September 2015**

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This year the **Pacific Tuna Forum** will take place in Nadi, Fiji. The fifth in series of highly successful forums since 2007, the forum is anxiously awaited by the industry to look into the developments of the tuna industry in the Western and Central Pacific Ocean (WCPO). The **5th Pacific Tuna Forum 2015**, will be the best forum for all stakeholders, particularly for those who aim to strengthen their business under the current challenges and for those looking for new opportunities in the region. The Forum will be held at the Sofitel Fiji Resort and Spa, Denarau, Nadi from 22-23 September, 2015.



THE FORUM

The **Pacific Tuna Forum** will look closely at the current supply situation in the WCPO, recent developments in the industry including the declining skipjack prices, strengthening of investments and investment opportunities, new resource management measures, industry status and updates, major markets and new market updates and opportunities, updates on regulations, PNA-MSD certified progress, eco-labelling and technological issues.



Pacific Tuna Forum 2013

THE ORGANISERS

Pacific Tuna Forum 2015 is jointly organized by INFOFISH, Ministry of Fisheries and Forestry (MFF) Fiji, the National Fisheries Authority (NFA) of Papua New Guinea, FAO-GLOBEFISH, Forum Fisheries Agency (FFA), the Secretariat of the Pacific Community (SPC), the Western and Central Pacific Fisheries Commission (WCPFC), Parties to the Nauru Agreement (PNA), the Pacific Islands Tuna Industry Association (PITIA) and the Papua New Guinea Fishing Industry Association (PNG FIA).

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The registration fee is **US\$500** for delegates from non-INFOFISH member countries and **US\$400** for delegates from INFOFISH member countries. The fee covers coffee breaks, lunches, reception, conference kit and documentation. An additional US\$150 will entitle an accompanying spouse to lunches and reception only. INFOFISH member countries are Bangladesh, Cambodia, Fiji, India, Iran, Malaysia, Maldives, Pakistan, Papua New Guinea, Philippines, Solomon Islands, Sri Lanka and Thailand.

Registration should be made using the Forum registration form.

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