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GLOBEFISH HIGHLIGHTS

A QUARTERLY UPDATE ON WORLD SEAFOOD MARKETS

JULY 2017 ISSUE, including Jan-Mar 2017 Statistics

ABOUT GLOBEFISH

GLOBEFISH forms part of the Products, Trade and Marketing Branch of the FAO Fisheries and Aquaculture Department and is part of the FISHINFONetwork. It collects information from the main market areas in developed countries for the benefit of the world's producers and exporters. Part of its services is an electronic databank and the distribution of information through the European Fish Price Report, the GLOBEFISH Highlights, the GLOBEFISH Research Programme and the Commodity Updates.

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), INFOPESCA (Latin America and the Caribbean), INFOPECHE (Africa), INFOSAMAK (Arab countries), EUROFISH (Central and Eastern Europe) and INFOYU (China).

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GLOBEFISH HIGHLIGHTS

This issue of GLOBEFISH Highlights has been prepared by Silvio Alejandro R. Catalano Garcia, Barbara Hall, Helga Josupeit, Shen Nianjun, Turan Rahimzadeh and Weiwei Wang with contributions by Shirlene M. Anthonysamy (Pangasius & Tilapia), Felix Dent (Salmon & Seabass/bream), Fatima Ferdouse (Shrimp & Tuna), Erik Hempel (Cephalopods, Crab, Groundfish, Lobster & Small Pelagics), Helga Josupeit (Bivalves), Rodrigo Misa (salmon, shrimp and tilapia regional contributions), Ferit Rad (Seabass/bream regional contributions), Turan Rahimzadeh (Events section), Katia Tribilustova (Seabass/bream regional contributions) and Weiwei Wang (Fishmeal/oil). For full bios on all of our contributors, please visit www.fao.org/in-action/globefish/background/publication-contributors/en.

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ACRONYMS AND ABBREVIATIONS

GLOBEFISH HIGHLIGHTS

ABC	ACCEPTABLE BIOLOGICAL CATCH
APA EXPO	ASIA-PACIFIC AQUACULTURE EXPO
CAPPMA	CHINA AQUATIC PRODUCTS PROCESSING AND MARKETING ALLIANCE
DAFF	DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES
EEZ	EXCLUSIVE ECONOMIC ZONE
FAD	FISH AGGREGATING DEVICE
FAPPM	FUJIAN AQUATIC PRODUCTS PROCESSING AND MARKETING ASSOCIATION
FDA	US FOOD AND DRUG ADMINISTRATION
FLAG	FISHERIES LOCAL ACTION GROUPS
FOB	FREE ON BOARD
FSIS	FOOD SAFETY AND INSPECTION SERVICE
GCC	GULF COOPERATION COUNCIL
GIE	CHINA GREAT WALL INTERNATIONAL EXHIBITION CO., LTD.
H&G	HEADED AND GUTTED
IFFO	THE MARINE INGREDIENTS ORGANISATION
IMARPE	INSTITUTO DEL MAR DEL PERU
IUU	ILEGAL, UNREPORTED AND UNREGULATED
MPAS	MARINE PROTECTED AREAS
NASF	NORTH ATLANTIC SEAFOOD FORUM
NOAA	NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
PBO	PIN-BONE-OUT
RF	RECREATIONAL FISHING
TAC	TOTAL ALLOWABLE CATCH
TILV	TILAPIA LAKE VIRUS
USDA	US DEPARTMENT OF AGRICULTURE
USSEC	US SOYBEAN EXPORT COUNCIL
UAE	UNITED ARAB EMIRATES
VASEP	THE VIETNAM ASSOCIATION OF SEAFOOD EXPORTERS AND PRODUCERS

CONTENTS

GLOBEFISH HIGHLIGHTS

TABLES, FIGURES AND NEWS

GLOBEFISH HIGHLIGHTS

GRAPHS

PANGASIUS

BASS & BREAM

SMALL PELAGICS

SALMON

FISHMEAL & FISH OIL

LOBSTER

BIVALVES

CRAB

TABLES

SHRIMP

TUNA

PANGASIUS

SALMON

SMALL PELAGICS

LOBSTER

BIVALVES

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GLOBAL FISH ECONOMY

GLOBEFISH HIGHLIGHTS

Prices up for key species as improving economic conditions revitalize seafood demand

Global production of fish and fishery products is expected to expand by 1.1 percent in 2017, a slightly accelerated rate of growth when compared with the equivalent figure last year. The difference is largely accounted for by the end of El Niño and the associated recovery of catch volumes for certain fisheries, particularly the anchoveta fishery in South America. Aquaculture production, meanwhile, is forecast continue to grow at a similar rate to last year. According to recent OECD-FAO projections, this sector is set to account for the majority of all production (including non-food uses) by 2022. Driven by robust demand growth worldwide, a substantial proportion of global production will be exported, with the value of world trade in fish and fishery products expected to increase by a projected 5.8 percent to US$150.9 billion in 2017.

Key macroeconomic indicators in multiple world regions are showing positive upward trends in 2017, reflecting a slow but steady recovery in economic growth after a long period of sluggish performance that has seen interest rates drop to ultra-low levels. As income growth is strongly positively correlated with increased consumption of animal protein, including seafood, this translates directly into increased demand for seafood across the world. Although production has also risen, this demand growth is having a relatively stronger upward effect on prices than the increased supply volumes are having in the opposite direction, pushing the FAO Fish Price Index up by 7 points year-on-year as of April 2017.

Higher prices for salmon, shrimp, tuna, small pelagics - particularly mackerel - and the miscellaneous category 'other fish', are behind the increase in the FPI. The sub-indices for these species groups increased by 22, 11, 8, 32 and 9 points, respectively, over the same timeframe. In the case of salmon, booming global demand and continuing tight supply following algal bloom mortalities in Chile have pushed prices up to record levels. For shrimp, good demand in both Western markets and Asian markets have offset production increases. For tuna, new management quotas and poor catches are behind the price rise, while cephalopods and bivalves are primarily responsible for the increase in the other fish category. White fish was the only species category for which aggregate traded prices have declined (-5 points), caused primarily by weak demand in major markets for pangasius and tilapia.

Of the world's major seafood exporters, India and Chile are expected to be the standout performers in 2017. In India's case, bumper harvests of aquacultured vannamei shrimp are the main factor in the expected US$2.3 billion (+41 percent) increase in Indian seafood exports in 2017. For Chile, a combination of a recovery in salmon harvest volumes and the high price level for salmon products will equate to a projected rise of US$1.6 billion (+30 percent) in export value. Ecuador (primarily shrimp and tuna), Peru (primarily fishmeal and fish oil) and Norway (primarily salmon, groundfish and small pelagics) are also forecast to see substantial increases in exports this year. On the importer side, both developed and developing markets are expected to perform well in 2017. Significant import growth is forecast for the South East Asian emerging markets in particular, while the traditional "big three" of the USA, the European Union (EU) and Japan will all see seafood demand boosted by improving economic conditions.

The broadly positive start to 2017 for world seafood markets can be expected to continue into the second half of the year, although an increase in supply volumes for shrimp, salmon, fishmeal and fish oil is likely to exert some downward pressure on prices for these widely traded fishery products. In other developments, the curbing human rights abuses in the seafood industry, the reduction of pollution from plastic waste, the conservation of fish stocks and the impact of climate change were all highlighted as key areas of focus at the recent United Nations Ocean Conference in New York, which took place over five days from June 5 to 9 this year. At the conference, governments, United Nations bodies, non-governmental organizations (NGOS) and private sector made over 1 000 voluntary commitments relating to a range of objectives falling under Sustainable Development Goal 14 - to conserve and sustainably use the oceans, seas and marine resources.

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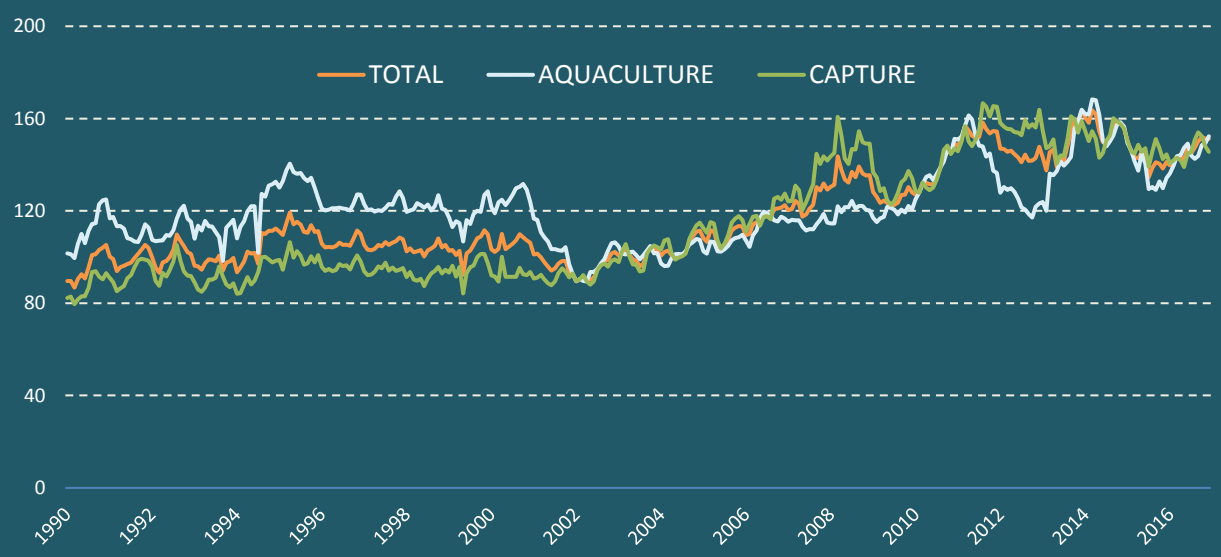
Fish market at a glance

	2015	2016 estim.	2017 fcast.	Change: 2017 over 2016
	million tonnes			%
WORLD BALANCE				
Production				
	169.2	**170.3**	**172.2**	**1.1**
Capture fisheries	92.6	90.8	91.2	0.4
Aquaculture	76.6	79.5	82.5	3.8
Trade value (exports US$)	**133.0**	**142.6**	**150.9**	**5.8**
Trade volume (live weight)	**59.4**	**60.4**	**60.7**	**0.4**
Total utlilization	**169.2**	**170.3**	**172.2**	**1.1**
Food	148.8	150.9	152.5	1.1
Feed	15.1	14.3	14.7	2.8
Other uses	5.2	5.1	5.0	-2.0
SUPPLY AND DEMAND INDICATORS				
Per caput food consumption				
Food fish (kg/year)	20.3	20.4	20.4	0.1
From capture fisheries (kg/year)	9.9	9.6	9.6	-0.8
From aquaculture (kg/year)	10.5	10.7	11.0	2.6

Totals may not match due to rounding.

FAO Fish Price Index

(100=2002-2004)



Source: *Norwegian Seafood Council*

RECENT NEWS

Fish projections in the newly released OECD-FAO Agricultural Outlook 2017-2026

On Monday, 10 July 2017, the OECD Secretary-General and the FAO Director-General officially released the OECD-FAO Agricultural Outlook 2017-2026, the annual publication presenting projections and related market analysis for major agricultural commodities.

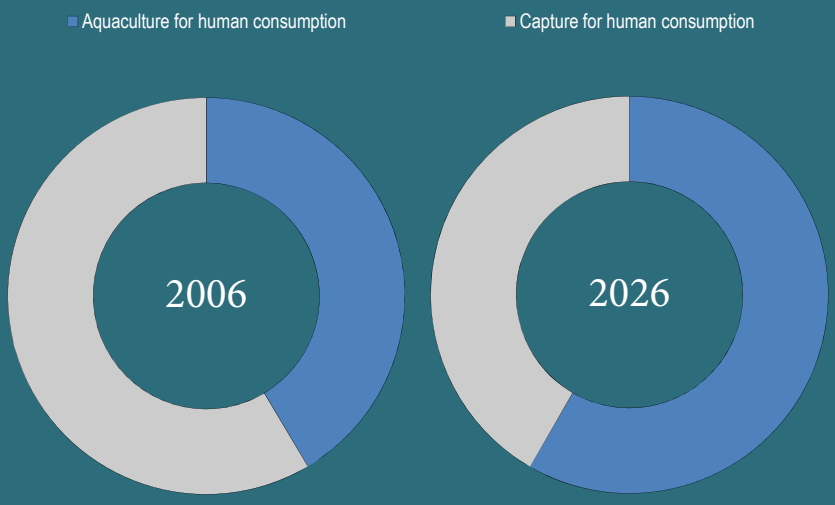
The chapter covering fish and fishery products contains some interesting findings, including:

- Excluding aquatic plants, world fish production is projected to reach 194 million tonnes in 2026, with an overall increase of 26 million tonnes, or 15 percent, compared with the base period (average 2014-2026).
- Most of the production growth for fish will concentrated in developing countries, particularly in Asia.
- The main driver of this increase will be aquaculture, for which output is expected to be 34 percent higher in 2026 relative to the base period (average 2014-2026).
- Global aquaculture production is anticipated to exceed the 100 million tonne mark for the first time in 2025 and to reach 102 million tonnes by 2026.
- Aquaculture will continue to be one of the fastest growing food sectors despite its average annual growth rate slowing from 5.3 percent p.a. in the previous decade to 2.3 percent p.a. in the period 2017-2026.
- The bulk of aquaculture production will continue to come from Asian countries, which will account for about 90 percent of total production by 2026. China will remain the dominant producer, accounting for 63 percent of total aquaculture production by 2026.
- Aquaculture production is set to surpass that of capture fisheries (including non-food uses) by 2022. By 2026, aquaculture will account for 53 percent of total fish production and 58 percent of total fish produced for direct human consumption (excluding non-food uses).
- Despite the increasingly prominent role of aquaculture in total fish supply, the capture sector is expected to remain the primary source of a variety of species and vital for domestic and international food security.
- World food fish consumption is projected to increase by 19 percent (or 29 million tonnes) by 2026 compared, with the base period (average 2014-2016).
- Of the 177 million tonnes of fish consumed worldwide in 2026, the lowest consumption is expected in Oceania and Latin America. Asia, meanwhile, will consume more than two-thirds of the total, or 127 million tonnes, of which 56 million tonnes will be consumed outside China. Asia is also expected to continue to account for the majority of consumption growth, i.e. 76 percent of

the additional fish consumed by 2026.

- World per capita apparent food fish consumption is projected to reach 21.6 kg in live weight equivalent by 2026, up from an average of 20.3 kg in 2014-2016.
- Per capita fish consumption will rise in all continents except in Africa, where population growth will outstrip its increasing food fish supply.
- The prospective decline of African fish food consumption is a concern in terms of food security, as fish plays a key nutritional role in the region by providing very valuable micronutrients and proteins. On average, at present, fish represents about 19 percent of total animal protein intake, rising to more than 50 percent in certain African countries.
- Fish consumption will continue to increase more strongly in developing countries than in developed countries, where the overall slowdown in consumption growth will continue.
- Fish and fishery products will continue to be widely traded, with about 35 percent of total fishery production expected to be exported in 2026.
- Developing countries will continue to be the primary exporters of fish for human consumption, and their share of world export volume will increase from 67 percent in 2014-16 to 68 percent in 2026. Over the same period, developed countries will reduce their share of world import volume from 53 to 52 percent.
- In real terms, fish prices are expected to decrease over the next decade from the record highs attained in 2014.

Share of aquaculture in total food fish consumption, 2006-2026



Source: OECD/FAO (2017), "OECD-FAO Agricultural Outlook", OECD Agriculture statistics (database), http://dx.doi.org/10.1787/agr-data-en

Related links

- The publication, multilingual versions of the executive summary and a tool to compare trade, production, consumption and prices between countries and commodities are accessible through the OECD-FAO Agricultural Outlook website (www.agri-outlook.org)
- The publication, including former editions, is also available at www.fao.org/publications/oecd-fao-agricultural-outlook/en/
- The "Fish and Seafood" snapshot is available at www.fao.org/3/a-BT091e.pdf

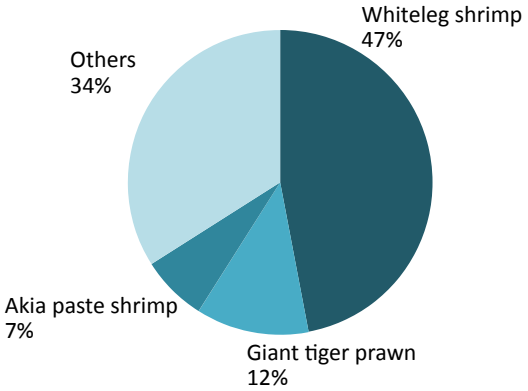
SHRIMP

GLOBEFISH HIGHLIGHTS

Moderate and positive production trends for farmed shrimp

Summer demand has been good in the Western markets. The large US and EU markets are awaiting price adjustment as supplies improve in the coming months. Good demand in East Asia also attracts supplies from producing countries.

Shrimp production by species, both wild and farmed (2015)



Source: *FAO*

Supply

Current supplies of vannamei shrimp are dominated by India, where the full-scale harvests started in June and consisted of large sizes (13/15 and 16/20). Moreover, the official report confirmed that Indian vannamei production reached 406 000 tonnes in 2016, with a total harvest of 500 000 tonnes of farmed shrimp in that year.

During the first half of 2017, persistent white spot disease in many areas in Indonesia resulted in emergency harvests of smaller shrimp, affecting exports.

Production in Thailand has been stable from January to June this year but with a slower rise in supply because of early onset of monsoon in May. Supplies are expected to improve from July onwards, with the target to achieve a 5 percent growth in 2017 against last year's 250 000 tonnes harvest.

Shrimp production in Malaysia has been lower this year due to the Early Mortality Syndrome (EMS) disease; imports increased by 25 percent during January-March from Thailand and India to supplement local demand and export processing of value added products. Supported by good domestic demand, retail price of fresh head-on vannamei (40/60 pieces per kg) remains high in Malaysia at US$10.00-12.00/kg.

According to the Ministry of Agriculture and Rural Development in Viet Nam, shrimp production during January-May 2017 reached 144 000 tonnes, an increase of 46 percent compared with the same period last year. However, high imports of frozen shrimp from Ecuador and India also continue in Viet Nam.

In Latin America (Ecuador, Mexico and others), farmers entered the low production season since March; current prices are firm for medium and smaller size shrimp. Last year, farmed shrimp production in Ecuador reached 450 000 tonnes.

Capture fishery: During January-April 2017, US shrimp landings from the Gulf of Mexico were at a 16-year high, at 7 122 tonnes compared with 6 037 tonnes in the same period last year. Subsequently, ex-vessel prices of medium and small shrimp weakened in April 2017 by 10-15 percent over last year.

In Argentina, catches were strong at the start of the shrimp fishing season which opened on 19 May 2017. The dominant sizes in catches were 20/30, followed by 10/20 and 30/40. Prices of large shrimp

were almost the same as the one of smaller sizes. Demand in Asia remains strong, especially in Japan, even though Chinese buyers have been conservative to some extent. Imports from Argentina fell by 61 percent during the first quarter of 2017, compared with the same period in 2016.

Export summary

The Lunar New Year celebration in January/February and spring festivals in April/May in East Asia kept international shrimp trade steady during the first quarter of 2017, even though farmed shrimp production was seasonally low during that period.

With a 34 percent rise in sales volume (96 921 tonnes), India was the top exporter, closely followed by Ecuador (93 370 tonnes, +17 percent). Exports from both these countries to East Asian markets of Viet Nam, Japan and China, as well as to the United States of America increased during this period; Ecuador's exports to the EU were higher supported by its duty-free status, although total shrimp imports in the EU declined during the first quarter of the year, against the same period in 2016.

Viet Nam's shrimp exports to China, which is possibly its largest shrimp market, were high through border trade during January-February; exports of value-added shrimp from Viet Nam to the United States of America, Japan and EU markets also increased during January-March 2017. There were lower exports from Indonesia (-10 percent) and China (-1 percent) during the review period as a result of production shortfalls.

Import summary

During the first quarter of 2017, shrimp imports faltered in the traditional Western markets of the United States of America (-1 percent) and of the EU (-6 percent) compared with the same period last year. However, strong Lunar New Year demand in East Asian markets during January/February was the factor that supported good trading during the first quarter of 2017. There were higher imports in Viet Nam, China (direct imports from Canada, India, Greenland and through border trade with Viet Nam) and Malaysia, where local consumption remained high during January/February. Import trends were positive in Japan (+5 percent), Canada (+ 2 percent), Russian Federation (+7 percent), South Africa (+13 percent) during this period compared with the same period last year.

Japan

During January-May 2017, the overall shrimp consumption trend remained positive in the Japanese market. Demand for both raw and processed shrimp was good from the retail and catering trades during the high consumption period of the cherry blossom season in April and the Golden Week festivals in May. There were higher imports (+2 percent) during the first quarter of 2017, as traders procured stocks to cater to the festival demand in April and May. The market imported 46 000 tonnes of shrimp during this period, in which 30 percent was high-value processed shrimp; the top suppliers were Viet Nam, Thailand, Indonesia and India.

United States of America

Since last year, consumer demand for shrimp has improved in the US market compared with other seafood, supported by a good supply and stable wholesale prices of shrimp. In comparison, prices of other popular seafood (salmon, mahi, king crab) have increased considerably.

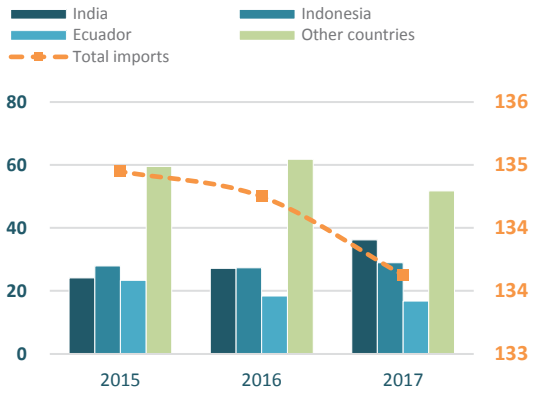
Total shrimp imports during January-March 2017, however, against the lower (-0.65 percent) than during the same period in 2016, which could be attributed to a 9 percent decline in frozen shell-on shrimp imports, particularly the large sizes. US imports from India increased by 33 percent and from Indonesia by 6 percent during this period. Imports of frozen, raw, peeled shrimp were also lower because of high inventories in the market, but increased for breaded shrimp by 4 percent during the review period.

It is also interesting to note that there were 200 tonnes of fresh head-on shrimp imports (mainly from Ecuador and China) during the first quarter of 2017. The current retail price of fresh head-on vannamei is US$5.99/lb in the United States of America, which are generally available in Asian-style

RECENT NEWS

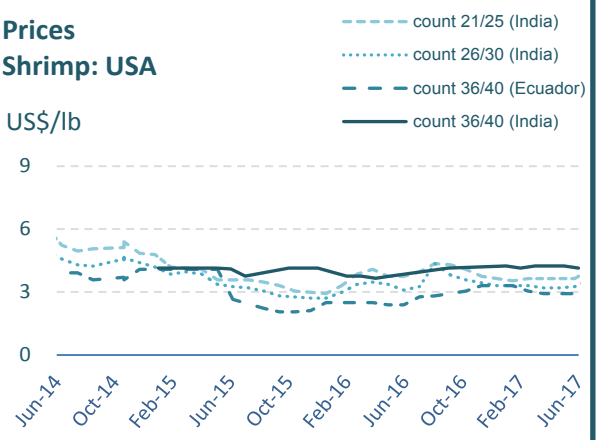
The United States International Trade Commission (USITC) unanimously voted to remove anti-dumping measures from Brazil's shrimp, but supported the national shrimp industry's request to extend anti-dumping measures on China, India, Thailand and Vietnamese shrimp for another five years. The American Shrimp Processors Association welcomed the decision, affirming "evidence of the risk that dumped shrimp imports from these nations poses to the domestic shrimp industry". The Executive Director of the Association, David Veal, said that they expected "an additional five years of relief from unfair commercial practices".

USA | Imports | Shrimp
Top three origins
Unit: 1 000 tonnes, January-March



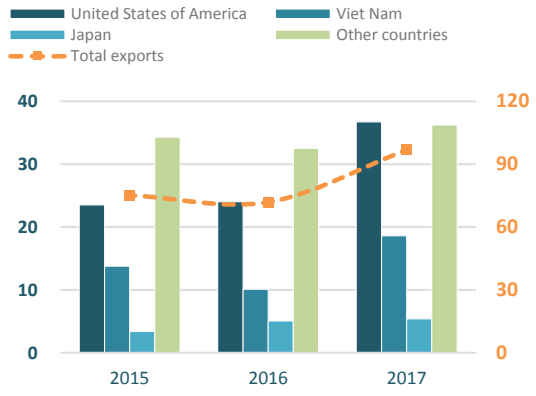
Source: *US-NMFS*

Prices
Shrimp: USA



Headless, shell-on farmed vannamei, Ex-warehous, New York, USA,
Source: *INFOFISH Trade News*

India | Exports | Shrimp
Top three destinations
Unit: 1 000 tonnes, January-March



Source: *Ministry of Commerce, India*

supermarkets that have seen consumer demand for fresh shrimp.

Europe

Shrimp imports in EU-28 were at a five-year low during the first quarter of 2017. Out of the total supply of imported shrimp in the common market, 75 percent came from third counties. Among the individual markets in the EU, imports increased marginally in Spain (+5 percent) and France (+3 percent); in the other markets, large and small, the trends were negative compared with the same period in 2016.

The share of processed shrimp in total EU imports of shrimp also declined to 19 percent compared with the 21 percent share noted a year ago, indicating unsold local stocks in the distribution chain. However, there were increased imports of value-added shrimp (HS code 1605) from Viet Nam, which are subject to lower import duty compared with products coming from Thailand or India.

Outside the EU, import trends were positive in Norway (+41 percent; 3 500 tonnes) and in Switzerland (+17 percent; 1 750 tonnes) during the review period. Shrimp demand in the Russian Federation has improved this year compared with 2016, and imports increased by 7 percent, at over 8 000 tonnes during January–March 2017, in favour of exports from Ecuador, India and Argentina.

Asia/Pacific

In general, consumer demand for fresh shrimp in most of the East Asian markets remains strong this year, at high prices. For example, in Malaysia, where the per capita fishery consumption remained high at 60 kg in the recent years, current retail price of fresh vannamei (40/60 pieces/kg) range from US$10.00-12.00/kg. Imports are on the rise to compensate for local supply gaps. In Thailand, shrimp industry leaders have started to consider developing domestic trade that absorbs 12-15 percent of total shrimp production of the country. Malaysia remains an attractive market to Thai fresh shrimp exporters.

The largest Asian market China continues to source foreign shrimp through border trade with Viet Nam. Direct imports of cold-water shrimp also increased from Canada and Greenland during the first quarter of 2017. Direct imports of vannamei shrimp were up by 31 percent from India during this period.

In addition, strong imports of raw frozen shrimp for re-exports continue in Viet Nam; supplies increased by 42 percent from Ecuador and 57 percent from India during January–March 2017 to this market compared with the same period last year. During January–May 2017, fishery imports in Viet Nam totalled US$508 million, a 28 percent rise over the same period in 2016.

US imports of shrimp (by product)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Shell-on frozen	40.7	47.6	52.5	50.8	48.0
Peeled frozen	48.3	52.1	47.3	56.3	56.3
Breaded	8.0	10.5	11.7	10.0	10.4
Other products	14.3	16.9	23.6	12.8	19.2
Total	111.3	127.0	135.1	134.8	133.8

Source: *NMFS*

Japanese imports of shrimp (by product)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Frozen, raw	38.5	36.4	27.6	32.3	32.3
Cooked, frozen	5.2	4.5	3.6	4.0	4.1
Prepared/preserved	11.3	8.8	8.2	7.9	9.0
Sushi(with rice)	0.6	0.4	0.5	0.5	0.6
Total	56.1	50.7	40.1	45.1	46.3

Source: *Japan Customs/INFOFISH, including others*

EU imports/exports of shrimp

January-March

	2012	2013	2014	2015	2016
	(1 000 tonnes)				
Imports					
Ecuador	16.3	21.3	18.0	20.0	21.5
India	15.5	18.9	19.7	19.8	17.6
Argentina	8.1	8.1	12.0	12.5	13.2
Others	120.8	114.1	119.1	119.5	108.7
Exports					
Intra-EU	56.6	52.9	54.6	52.5	39.2
Extra EU	16.0	14.9	17.2	15.1	14.0
Total	72.6	67.8	71.8	67.6	53.2

Source: *EUROSTAT*

Outlook

From now until October, the seasonal production of farmed shrimp will increase in Asia, which may cause some price weakening in the coming months and increase imports in US and European markets. Considering this year's positive production trend in India, overall supply of vannamei may exceed 450 000 tonnes, making more shrimp available to far and near markets. However, Indian exports will generally consist of raw frozen shell-on and peeled products. China will continue to attract more raw frozen shrimp for domestic consumption, while concentrating more more on value-added exports. Strong catches in Argentina will lead to lower prices in the EU market.

TUNA

GLOBEFISH HIGHLIGHTS

Frozen skipjack prices sky-high

Since December last year, frozen skipjack price remained at a four-year high, at US$1 600/tonne for delivery to Thailand. Nonetheless, imports of processed and canned tuna increased in the US and EU markets during the first quarter of 2017. However, demand has started to taper off in Asia and the Middle East.

Supply

This year, tuna catches have been persistently poor in the Western and Central Pacific. To supplement supply, several carriers from the Indian Ocean have delivered fish to Bangkok canners. By mid-July, skipjack prices surged to almost US$2 000/tonnes.

The catch rate has slowed down also in the Eastern Pacific, where skipjack prices are rising following the price trend in Bangkok. Raw material inventories have been good at canneries in Ecuador where tuna processors are enjoying brisk demand in the EU markets due to the duty-free status.

In the Indian Ocean, tuna catches are moderate, and local canneries are holding healthy stocks of raw material. Tuna prices, however, continue to increase due to good demand from Thailand.

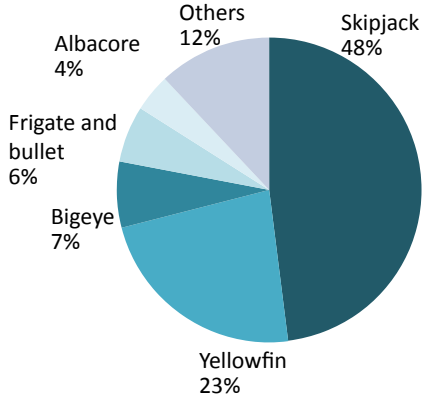
Fishing in the Atlantic Ocean is rated moderate to low due to the bad weather condition; demand for raw material at the local canneries is strong. Due to the worldwide supply shortfall, prices for skipjack and yellowfin are rising strongly for European packers.

During 2017, imports of raw material into Thailand, the world's largest tuna canning base, were lower than the other years.

Thai imports of frozen skipjack during the first quarter of the year usually average around 120 000 to 130 000 tonnes. But in January-March 2017, imports dropped to 97 000 tonnes as a result of inadequate raw material inventories at packers level, rising tuna prices and slow demand for canned tuna from export markets during this period.

Japanese tuna landings during the first quarter of 2017 also declined by 5 percent due to lower catches of skipjack and bigeye tuna from distant-water fishing. However, local landings of bigeye, yellowfin and albacore improved and entered the domestic fresh sashimi and sushi trade.

Tuna production by species, both wild and farmed (2015)



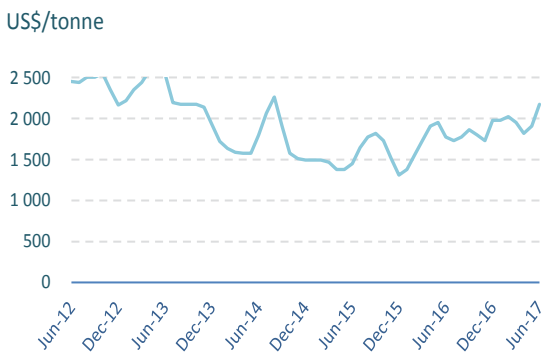
Source: *FAO*

Japanese tuna landings*(by species)

	January-March				
	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Skipjack	0.1	0.3	0.4	0.7	0.9
Albacore	6.5	6.6	7.9	7.5	6.6
Yellowfin	6.1	8.5	10.4	8.8	9.7
Bigeye	51.1	49.6	43.1	39.9	35.9
Bluefin	10.3	7.6	10.2	6.8	7.2
Total	74.1	72.6	72.1	63.8	60.4

Source: *MAFF, Japan/INFOFISH (Note: *including distant water catches)*

Prices
Skipjack: Thailand



4 lb/pc & up, CFR Bangkok, origin: Western Pacific
Source: *INFOFISH Trade News*

Fresh and frozen tuna market (non-canned)

United States of America

The US non-canned tuna market remains stable for dressed tuna and tuna fillet. US imports of non-canned tuna totalled 13 400 tonnes during the first quarter of 2017 against 12 900 tonnes imports during the corresponding period in 2016.

From January to March 2017, imports of fresh/chilled tuna (whole/dressed) totalled 5 600 tonnes, which is similar to the quantity imported last year during the same period; supplies of fresh/chilled yellowfin tuna increased from Brazil, Maldives and Fiji.

Interestingly, demand for frozen fillets increased, registering a 6.8 percent rise in imports at 7 800 tonnes against 7 300 tonnes imported during the corresponding period in 2016. At 7 100 tonnes of imports, the higher value fillet and stakes have had the largest share (83 percent) under the non-canned category; Indonesia and Viet Nam were the top two suppliers. Compared with last year, frozen fillet supplies from Indonesia increased by 50 percent, to 2 400 tonnes.

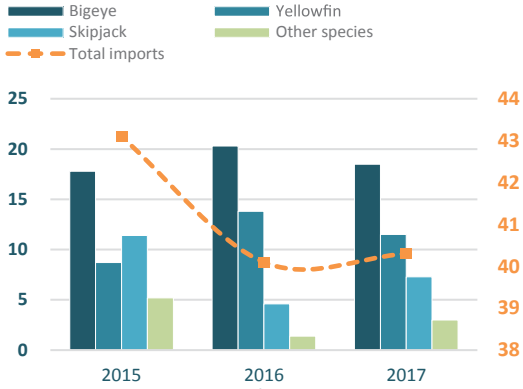
Japan

Japan's self-sufficiency in fresh tuna supply has improved in recent years with increased catches from domestic waters, whereas imports have weakened. There were notable declines in Japanese imports of air-flown tuna included farmed bluefin from Australia and the Mediterranean; imports of fresh bigeye and yellowfin frozen tuna also declined during the review period.

In reality, consumer demand for raw tuna in the world's largest sashimi market has become highly season, specifically due festivals such as the spring festivals (April-May) and year-end celebrations in December. Due to this consumption pattern, import demand has been shifting more towards deep frozen tuna loins, which have a much longer storage life than chilled tuna.

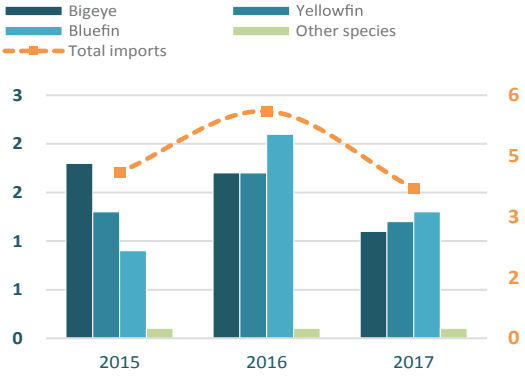
Following this trend, imports of frozen tuna loins, mostly consisting of sashimi-grade products, increased by 21 percent during January-March this year, to 15 000 tonnes; in which 8 800 tonnes were bluefin (+28 percent), 3 100 tonnes, yellowfin (+27 percent) and 2 400 tonnes, bigeye tuna (-10 percent). Consumption of these products was high during the April and May spring festival seasons.

Japan |Imports |Tuna |Frozen
Top three species
Unit: 1 000 tonnes, January-March



Source: *Japan Customs/INFOFISH*

Japan |Imports |Tuna |Fresh/chilled
Top three species
Unit: 1 000 tonnes, January-March



Source: *Japan Customs/INFOFISH*

Canned tuna market

Summary

Exports: There was a shift in the global ranking in canned tuna exports during the first quarter of 2017. While Thailand and Ecuador remained the top two exporters of processed and canned tuna, Spain lost its third position to the Philippines, and China ranked fifth.

Volume exports from Thailand declined by 12.5 percent due to shortfalls in export to North America markets and also to the Middle East. However, there was an almost 15 percent increase in exports from Ecuador supported by the duty-free access to the EU markets; Ecuador also exported more to Argentina (+38 percent) and Chile (+20 percent) from January to March 2017, against the same period in 2016.

The 185 percent rise in Philippine's canned tuna exports during the review period could be attributed to its first time export to Cyprus as the top market and increased exports to the other EU markets. There were increased exports to the Gulf Cooperation Council (GCC) markets from the Philippines during the first quarter of 2017, compared with the same period last year. The 8 percent rise in Spanish processed tuna exports could be linked with increased sales of cooked tuna loins to Italy (+ 7 percent), France (+6 percent) and Portugal (+10 percent); Spanish exports of finished products to Germany, Netherlands and Algeria, declined, however, but exports increased to the United Kingdom (+21 percent) and Belgium (17 percent).

Processed and canned tuna exports from China declined by 22 percent during the review period. Exports from Mauritius, the largest producer in the Indian Ocean region, also declined, by 11 percent.

International market prices for processed tuna have substantially firmed up in the import market during 2017. However, during the first quarter of 2017, this has had little impact on EU and US imports.

In the EU, imports of processed/canned tuna increased in Spain, Italy and France because these markets bought more cooked loins to take advantage of the 25 000 annual import quota at a lower tariff on semi-processed imported raw material. The duty-free access of Ecuadorean processed tuna in the EU is another important factor behind the 10.2 percent rise in EU canned tuna imports during the review period. Imports of canned tuna in the United Kingdom and Germany were lower than last year's.

North and South America

United States of America

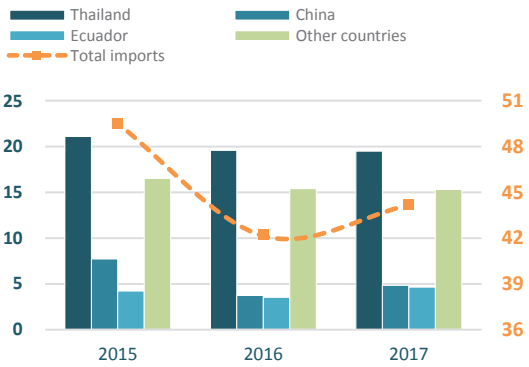
US importers rushed to fill the annual import quota that entails a 6.5 import tariff against the full tariff of 12 percent that normally applies. Overall imports of processed tuna including cooked loins increased by 5 percent in quantity, at 44 160 tonnes, and by 8.6 percent in value, at US$191.8 million during the first quarter of the year against the same period last year indicating price rises. Nearly 70 percent of these imports consisted of canned and pouched tuna for direct consumption (30 760 tonnes); the balance was cooked loins (13 450 tonnes) for re-processing.

There was a considerable growth in imports of whitemeat albacore products, which showed a 63 percent rise at 6 900 tonnes against the 11 percent rise in imports of lightmeat tuna (skipjack and yellowfin, which were 23 800 tonnes) during the first quarter of 2017. Also, US imports of tuna in oil have showed positive trends in recent years compared to the conventional canned tuna in brine. Imports of cooked loins for reprocessing declined by 18 percent during the review period.

In Canada, the falling import trend observed during 2016 (-3 percent) persisted in 2017 with a 5 percent decrease in canned tuna imports from major sources during January-March 2017. However, Thailand managed to increase exports to this market marginally (+ 1 percent) and remained the top suppler in the market.

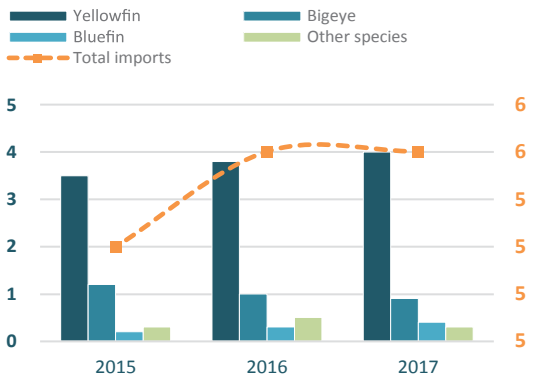
In Latin America, canned tuna imports increased in Argentina (+3 percent), Chile (+33 percent) and Mexico (+13 percent) according to regional and Asian sources.

USA |Imports |Tuna |Canned/prepared
Top three origins
Unit: 1 000 tonnes, January-March



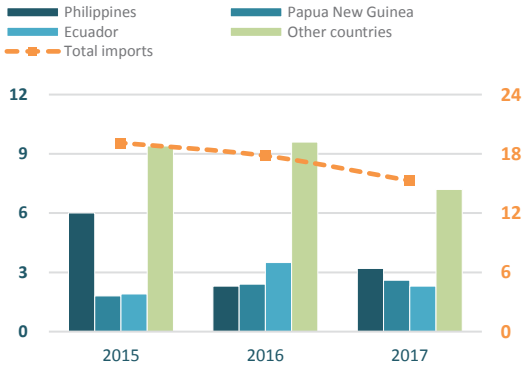
Source: *US-NMFS*
(includes fresh loins/fillets)

USA |Imports |Tuna |Fresh
Top three species
Unit: 1 000 tonnes, January-March



Source: *US-NMFS*
(includes fresh loins/fillets)

Germany |Imports |Tuna |Canned
Top three origins
Unit: 1 000 tonnes, January-March



Source: *Eurostat/German Customs*

European Union

The rising raw material prices have had a lesser impact on the EU's canned tuna imports during the quarter of 2017, which could be attributed to the duty-free status of Ecuadorean products in the EU market. Unlike in previous years, imports of processed/canned tuna imports in the EU increased by 10.2 percent, at 136 600 tonnes during January-March 2017, compared with the same period in 2016. The top five suppliers were Ecuador, Mauritius, Seychelles, Thailand and the Philippines. Supply from Ecuador increased by 23 percent and from the four suppliers by 7-8 percent during the review period.

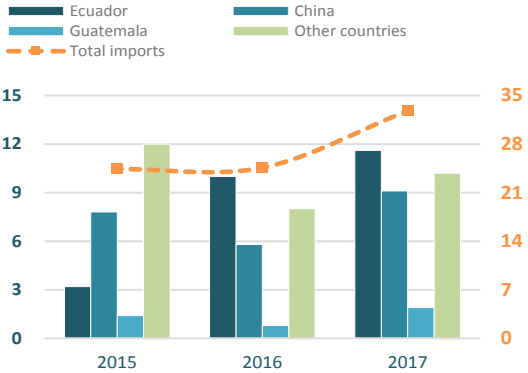
Nearly 55 percent of canned/pouched tuna imports in the EU were for direct consumption, where large markets are the United Kingdom and Germany. Imports declined in both the markets by 3.7 and 10.5 percent, respectively. In contrast, the Netherlands (from where products are distributed to the other markets in the EU, particularly to the Eastern bloc) imported 47 percent more than in the same period last year; supplies increased by 12 percent from Ecuador.

EU imports of cooked loins during the review period totalled 61 400 tonnes), mainly procured by Spain, France, Italy and Portugal, had a 45 percent share in total processed tuna imports. Spain was the largest importer (54 percent) of cooked loins in the EU.

In Eastern Europe, canned tuna imports in Poland fell marginally (-0.1 percent) but increased in Czech Republic (+14 percent), Romania (+43 percent) and Serbia (+48 percent).

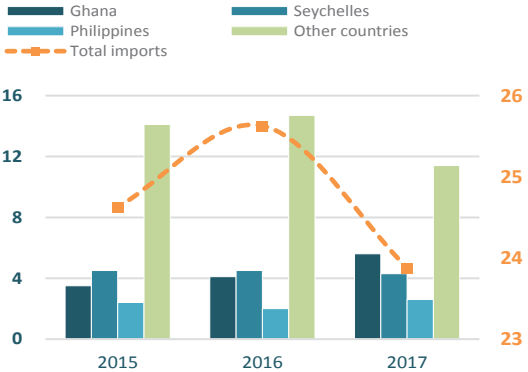
There was a 33 percent decline in market Russian imports of canned tuna, which could be the result of price increase.

Spain |Imports |Tuna loins |Cooked
Top three origins
Unit: 1 000 tonnes, January-March



Source: *Agencia Tributaria*

UK |Imports |Tuna |Canned
Top three origins
Unit: 1 000 tonnes, January-March



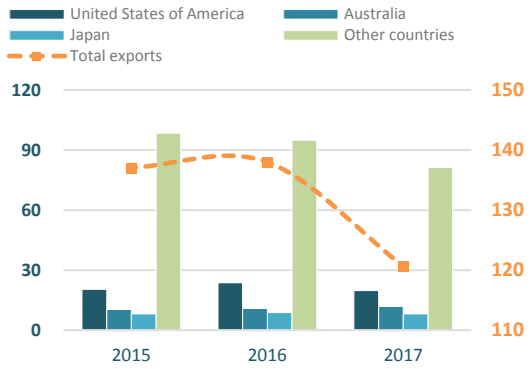
Source: *Her Majesty's Customs & Excise*

Asia/Pacific

Higher tuna prices also affected East Asian markets during the first quarter of this year. Canned tuna imports declined in Japan and Southeast Asian markets where imports fell by 20-30 percent during the review period. It has been reported that Japanese tuna canners have slowed down local production because of high raw material prices.

However, the Australian market has bounced back by a 23 percent rise in imports during January-March 2017 against the same period in 2016, in favour of Thai exports of high value products.

Thailand |Exports |Tuna |Canned/processed
Top three destinations
Unit: 1 000 tonnes, January-March



Source: *Thai Customs*

Outlook

Raw material supplies will be tight in the coming months as fish aggregating device (FADs) closures in the Western and Central Pacific take place from July until October. As of July, skipjack prices reached US$2 000/tonnes; any further rise in prices is likely to limit demand for canned tuna in the traditional as well as emerging markets.

Tuna fishermen returning to Port Dikky, Morocco, with a large red tuna in tow.

©FAO/Abdelhak Senna

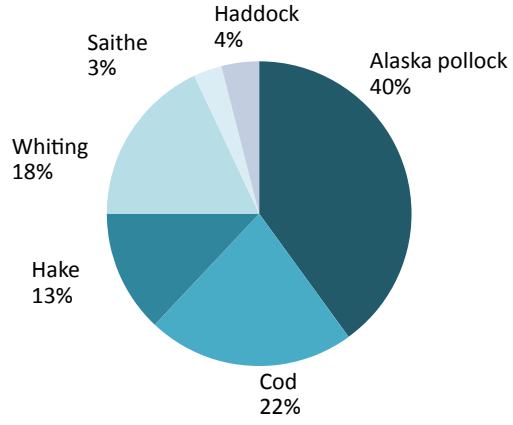
GROUNDFISH

GLOBEFISH HIGHLIGHTS

Reduced cod supplies and growing demand putting pressure on prices

ICES has recommended a 20 percent cut in the Barents Sea cod quota for next year. If accepted, cod prices will increase further. Prices are already high due to a growing demand for cod. But prices for Alaska pollock are low and are not expected to turn around. The surimi market is expected to be stable over the coming year, with consumption-adjusted production and stable prices.

Groundfish production by selected species, both wild and farmed (2015)



Source: *FAO*

The International Council for the Exploration of the Sea (ICES) shocked the industry when they recently recommended a 20 percent cut in the 2018 Barents Sea cod quota, to 712 000 tonnes, as well as a 13 percent cut in the haddock quota, to 202 305 tonnes. While the industry expected some cuts, the recommendation was harsher than expected.

The reason given for this substantial reduction was a natural decline in the Atlantic cod stock. According to the Norwegian Institute of Marine Research (IMR), the year classes 2004 and 2005 were particularly strong, but the subsequent year classes have been weaker, which has caused the scientists to recommend lower total allowable catch (TAC).

On the other hand, ICES recommended a 15 percent increase in the saithe quota, to 172 500 tonnes, and

RESOURCES

Twenty years ago, there were great hopes for the future of farmed cod. But almost all attempts at farming cod failed, not for biological reasons, but because the market was not willing to pay the prices that cod farmers needed to turn a profit.

But now, new investors are trying again. In 2016, Western Norway-based Statt Torsk released around 58 000 cod juveniles into cages. The company expects to harvest 180 to 200 tonnes of farmed cod this October, whose average weight is expected to be around 3.5 kg.

The marketing concept is to offer this cod as fresh, high quality fish to the market in the autumn and winter months before the spring cod fishery sets in. During the spring, farmed cod cannot compete pricewise with wild cod, but late in the year and just around Christmas, there is normally very little fresh wild cod on the market (Undercurrent News).

a 5.56 percent increase in the Icelandic cod quota, to 257 600 tonnes. But this barely compensates for the significant cut in the Barents Sea cod quota.

Now it remains to be seen what will emerge from the fisheries negotiations between the Russian Federation and Norway to be held in October. In recent years, the final quotas have been higher than the ICES recommendation; ICES recommended 805 000 tonnes for both 2016 and 2017, but the final quotas were set at 894 000 tonnes and 890 000 tonnes, respectively. Thus, it is expected that for 2018, the final quota will be higher than the 712 000 tonnes recommended by ICES.

Russian Federation's Pacific Fishery Research Institute has recommended a 110 000 tonne cut in next year's Russian Alaska pollock quota, bringing it down to 1.78 million tonnes. For Pacific cod, the institute recommended an increase of 11 000 tonnes, to 377 000 tonnes (Fish News).

After the collapse of the northern cod fishery in Newfoundland and Labrador 25 years ago, the cod has been slow in returning. Canada's Minister of Fisheries has now decided to re-open the Northwest Atlantic cod fishery, but only to inshore and seasonal harvesters. This has caused major criticism from the industry associations. The offshore sector claims that it needs to be involved in order to create enough jobs for the industry, even though offshore harvesters hold only 14 percent of the total quota. The fishers are consequently demanding a substantial increase in the quota, but scientists are calling for patience, arguing that the present biomass of the northern cod in Canada is about 300 000 tonnes, which is only one-third of what is needed before a large-scale commercial fishery can be resumed. The authorities are therefore adopting a cautionary approach in order to rebuild the stock to sustainable levels (FIS.com/Undercurrent News).

Landings and processing

This year, the Lofoten cod fishery beat all records. The first-hand value of the fishery was close to NOK1 billion (US$120 million). In terms of volume, a total of 59 400 tonnes of skrei (spring cod caught in the Lofoten and Vesterålen regions in northern Norway) were landed as at the end of March, which was short by about 16 000 tonnes of the total quota for the year (Fiskeribladet).

The Russian Pollock A season closed in April with good results. The overall Russian Alaska pollock landings during this season increased by 5.3 percent, to 946 100 tonnes, of which 874 600 tonnes (92.4 percent of the total) were caught in the Sea of Okhotsk.

As of mid-March, Alaskan landings of pollock amounted to some 504 000 tonnes, which constituted 37.5 percent of the 1.345 million tonne quota.

Trade

Norwegian groundfish exports increased by value during the first half of 2017, but decreased by volume. Exports of cod dropped from 72 400 tonnes during the first quarter of 2016 to 70 100 tonnes during the same period in 2017. But the value of this export increased by 1.2 percent, to NOK2.75 billion (US$323.5 million). This development is due to an increasing demand for cod products and the fact that Norway now exports a higher percentage of its cod products as fresh. In addition, salmon prices have remained very high, thus some consumers are switching to whitefish products.

The European cod market is strong. Supplies are a little lower than last year and demand has grown, resulting in increasing prices.

Brexit appears to have had some – although not yet major - effect on cod prices. The pound stirling has weakened, and the Norwegian krone strengthened against the pound, which has resulted in higher prices for cod fillets imported into the United Kingdom. Prices as high as GBP5.00 per kg have been reported. The high prices are having a negative effect on import volumes. Norway exports mainly whole frozen cod to the United Kingdom, which was down by 7.5 percent during the first quarter of 2017.

Undercurrent News reported that the Russian Federation is planning to increase exports of Alaska pollock products to the EU in the coming years. EU countries are the largest consumers of Alaska pollock. In 2016, the Russian Federation's harvest of Alaska pollock grew by 7.2 percent to 1.74 million tonnes, constituting as much as 37 percent of the total Russian landings. Now, the Russian Federation is planning to channel at least part of this increase into the European market. Various forms of product will be available such as Alaska pollock fillets, mince and other processed products.

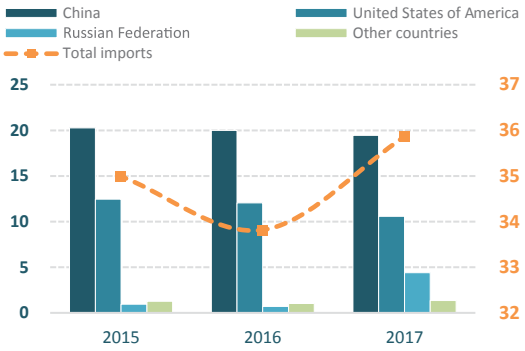
China's imports of groundfish have been relatively stable over the past few years, with only a slight increase registered. During the first three months of 2017, the country imported 45 800 tonnes of round frozen cod and 248 000 tonnes of whole frozen Alaska pollock, much of which was processed and re-exported as frozen fillets. Exports of frozen Alaska pollock fillets in the first quarter of 2017 amounted to 48 600 tonnes, compared to 51 800 tonnes during the same period in 2016. Exports of frozen cod fillets amounted to 26 600 tonnes in the first quarter of 2017, while during the same period in 2016, exports stood at 29 300 tonnes. Thus, Chinese exports of frozen fillets seem to decrease slightly in 2017.

During the first three months of 2015, German imports of frozen Alaska pollock fillets fell to 35 000 tonnes compared to 41 200 tonnes in 2014; in 2016, they fell further, to 33 800 tonnes. However, this declining trend reversed during the first three months of 2017, where imports increased again, to 35 900 tonnes, i.e. by 6.2 percent compared to the same period in 2016. Most of this increase was due to increased imports from the Russian Federation.

German cod imports have been stable over the past three years. During the first quarter of 2017, Germany imported 9 600 tonnes of frozen cod fillets, compared to 9 400 tonnes in the same period in 2016.

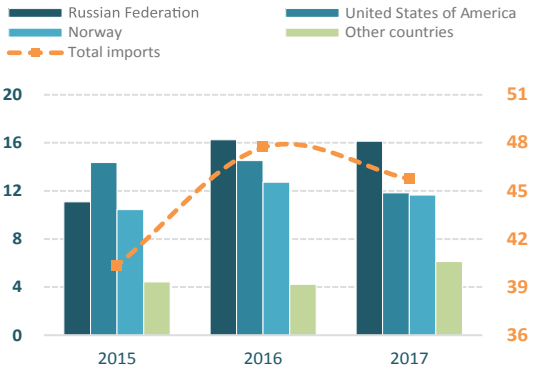
US imports of cod (all products) fell during the first quarter of 2017 compared to previous years. During this period in 2017, imports amounted to 15 100 tonnes. This was 16.6 percent lower than during the same period in 2017, and in fact even lower than in 2013, when the United States of America imported 15 600 tonnes.

Germany |Imports |Alaska pollock |Frozen fillets
Top three origins
Unit: 1 000 tonnes, January-March



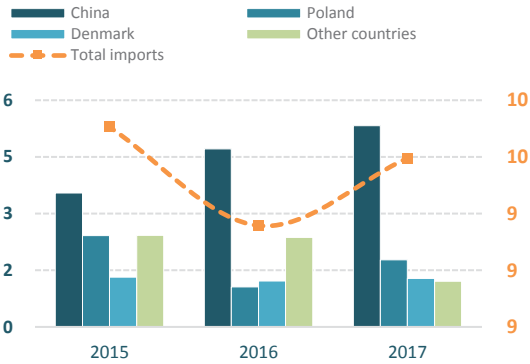
Source: *Germany Customs*

China |Imports |Cod |Frozen
Top three origins
Unit: 1 000 tonnes, January-March



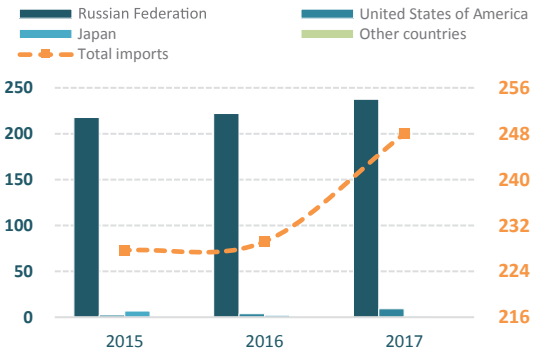
Source: *China Customs*

Germany |Imports |Cod |Frozen fillets
Top three origins
Unit: 1 000 tonnes, January-March



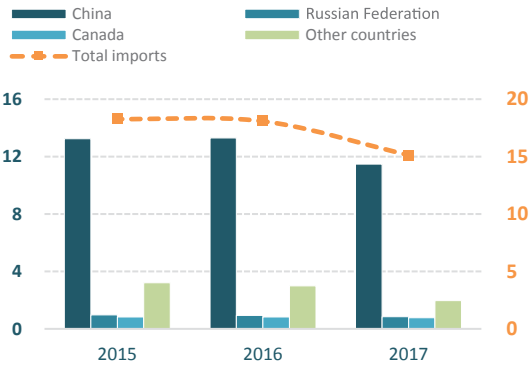
Source: *Germany Customs*

China |Imports |Alaska pollock |Frozen
Top three origins
Unit: 1 000 tonnes, January-March



Source: *China Customs*

United States of America |Imports |Cod
Top three origins
Unit: 1 000 tonnes, January-March



Source: *NMFS*

Surimi

Global supplies of surimi are expected to remain stable in 2017, according to the Surimi Forum, which was recently held in Oregon, United States of America. Last year, it was estimated that production would increase in 2016, but this did not occur, and it is unlikely to occur in 2017. Part of the reason behind this is a shortage of raw material. Although Russian Alaska pollock stocks are believed to be very healthy, the industry has asked for a TAC decrease in 2018 because they fear market oversupply. Supplies of tropical surimi will probably decrease in 2017. Chinese and Thai production is down, although production in India and Indonesia are slightly increasing.

French surimi consumption, the largest in Europe, is declining. France accounts for some 40 percent of European consumption of surimi, with about 57 000 tonnes annually. Spain is the second largest consumer (47 000 tonnes per year), followed by Italy (13 000 tonnes). Consumption is growing in Spain, Italy, the United Kingdom, Scandinavia and Benelux (Surimi Forum).

Japan's surimi production is in decline. Japanese Alaska pollock landings have declined steadily since 2011 and amounted to only 121 000 tonnes in 2016, down from 230 800 tonnes in 2011; and landings of Atka mackerel, which has also been used as a raw material for surimi in Japan, are also declining. Japanese Atka mackerel landings dropped from 150 200 tonnes in 2008 to just 17 000 tonnes in 2016. Consequently, Atka mackerel as a raw material for surimi is disappearing.

Because of the declining raw material supplies for domestic production of surimi in Japan, imports are expected to increase in 2017 and 2018. This year, it is expected that the country will need to import about 300 000 tonnes of surimi from abroad (Surimi Forum).

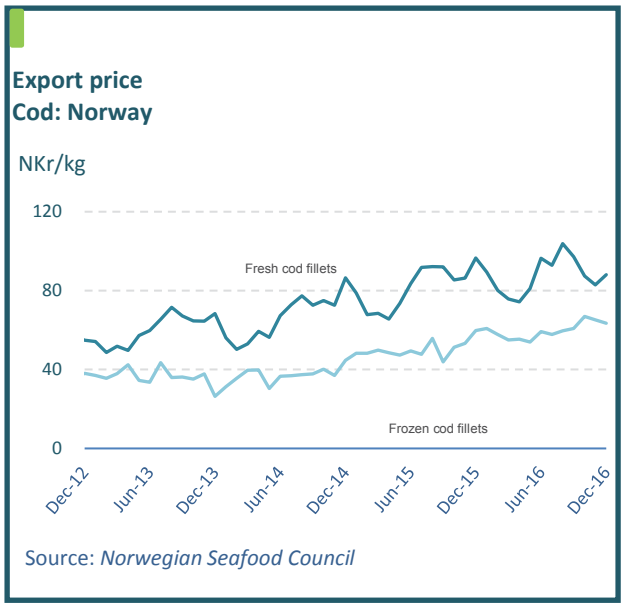
Prices

Prices for Atlantic cod are currently high. Supplies from Norway have been a little lower than last year, which has obviously had an effect on prices.

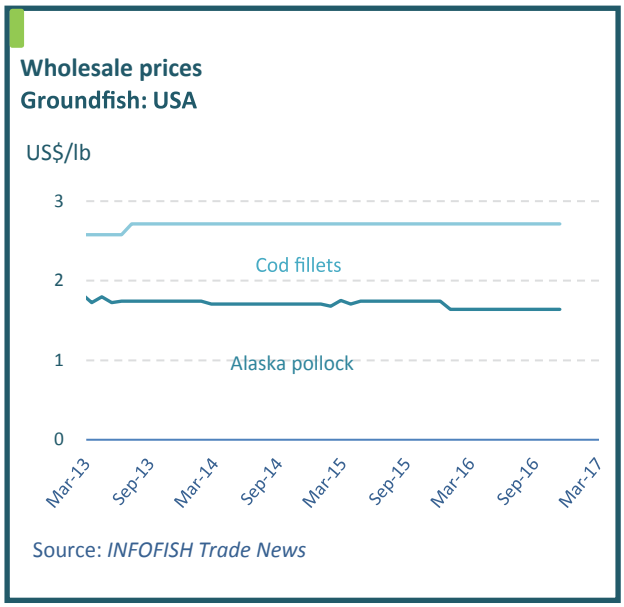
While cod prices are high, Alaska pollock prices are under pressure. Fillet prices are at the lowest level since 2005, according to Russian and US sellers. Price developments for pin bone out fillets have been on a continuous decline since 2009. Prices for headed and gutted Alaska pollock are also low (Undercurrent News).

According to Tradex Foods, poor landings of Pacific cod have put pressure on prices. Due to the adverse weather in the spring, the Alaska fishers harvest pollock rather than cod. Prices for larger sizes of Pacific cod in shatterpack have increased from US$ 4.10 per lb to about US$4.25 per lb.

In spite of lower supplies of haddock from the Russian Federation, haddock prices have recently slightly weakened. This may be a delayed reaction to the high haddock prices of last year, according to some observers in the industry.



Source: *Norwegian Seafood Council*



Source: *INFOFISH Trade News*

Outlook

Although ICES has recommended a 20 percent cut in Barents Sea cod quotas for next year, it is by no means certain that Russian and Norwegian negotiators will accept it when they meet in October; but if they do, prices will increase considerably. Demand for cod is growing in almost all markets, which is naturally putting pressure on prices. The situation for the Alaska pollock industry is different, however: prices are low and not expected to turn around. The surimi market is expected to be stable over the coming year, with consumption-adjusted production and stable prices.

CEPHALOPODS

GLOBEFISH HIGHLIGHTS

Low squid and octopus catches lead to high prices

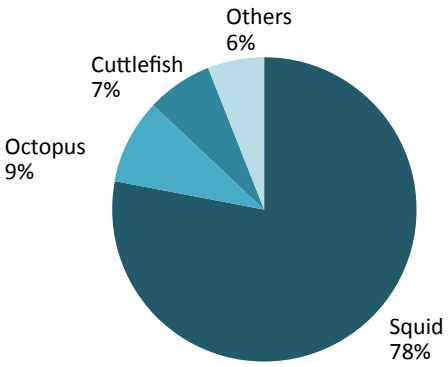
The world market is characterized by low supplies of both octopus and squid, and rising prices. In China, demand is strong, and the Chinese consumer is willing to pay high prices, which hurts the European and US markets. The United States of America is importing more, but is offered mainly low quality products.

Octopus

The second Moroccan octopus season was recently delayed until 15 June in the Atlantic, while the fishery in the Mediterranean started on 1 June. A fall in Moroccan catches of octopus caused prices to rise significantly, as demand is also very high at present. Catches during the winter were low, and thus cold storage holdings have also been low, pushing prices up. Moroccan octopus prices have risen by more than EUR1.00 per kg during recent months. Present prices are the highest on record. Prices for Mauritanian octopus are at the same level as in Morocco. Demand, particularly in the United States of America, has recently been exceptionally strong, which naturally has pushed prices up (Undercurrent News). These high prices also seem to have attracted traders who are not normally dealing in cephalopods.

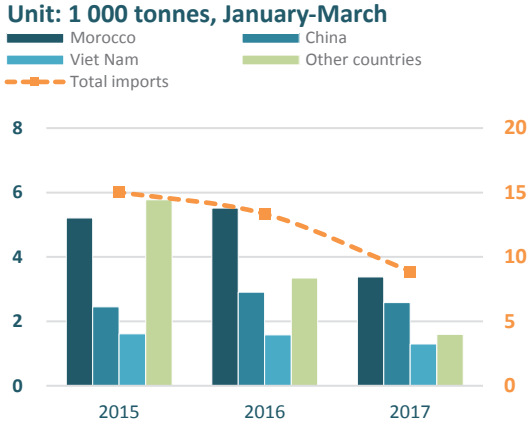
The National Aquaculture and Fisheries Commission of Mexico (CONAPESCA) has announced that Mexico is now the third largest producer of octopus in the

Cephalopods production (2015)



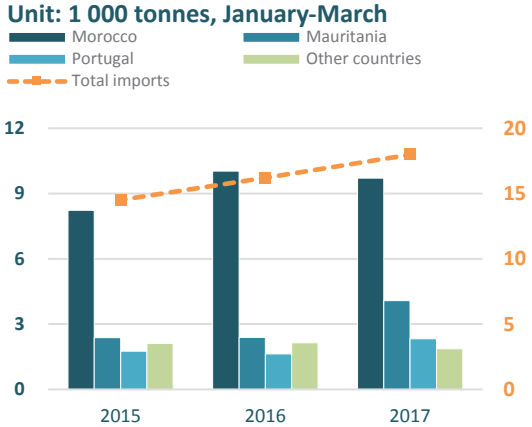
Source: *FAO*

Japan |Imports |Octopus
Top three origins
Unit: 1 000 tonnes, January-March



Source: *Japan Customs*

Spain |Imports |Octopus
Top three origins
Unit: 1 000 tonnes, January-March



Source: *Agencia Tributaria*

RECENT NEWS

Artisanal octopus fishing has been practised for centuries in the South West Indian Ocean, but little has been known about the state of the resource. Therefore, the Marine Stewardship Council has been asked to map its octopus resources. The mapping project is supported by the African Union Inter-African Bureau for Animal Resources (AU-IBAR) and Blue Ventures. AU-IBAR is also implementing the new Policy Framework and Reform Strategy for Fisheries and Aquaculture in Africa. In addition, Blue Ventures will share expertise gained to improve the sustainability of octopus fishing in Madagascar. The project will identify opportunities to support efforts to improve the sustainability of these fisheries in Madagascar, Kenya, United Republic of Tanzania, Zanzibar, Mozambique, Mauritius (Rodrigues) and Comoros. It will be the first time that the sustainability of octopus fishing is comprehensively mapped across several African countries (The Fish Site).

world. The country's octopus production increased by 14 000 tonnes between 2013 and 2016, and the value of this production increased from US$34.6 million to US$66.0 million. In 2016, octopus exports, mainly to Spain, Italy and the United States of America, amounted to 10 800 tonnes worth US$57 million. The Mexican octopus fishery is concentrated mainly on two species: Mexican four-eyed octopus (*Octopus maya*) and the common octopus (Octopus vulgaris).

RECENT NEWS

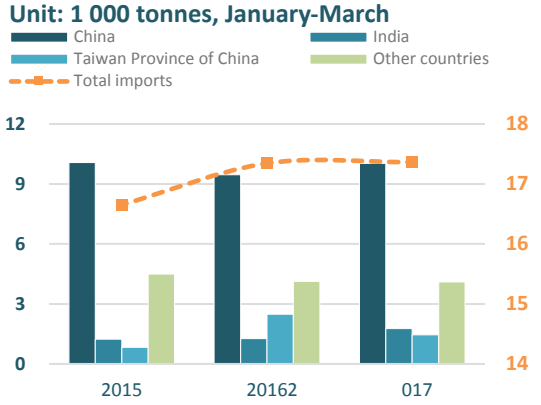
From Japan, it is reported that Nissui (Nippon Suisan Kaisha) has succeeded in controlling the full life cycle of octopus, thus enabling the company to produce a fully farmed octopus. In April, the company hatched about 140 000 eggs produced by octopus conceived by artificial incubation. Nissui hopes to be able to ship the first fully farmed octopus by 2020 (Undercurrent News).

There was a major drop in imports of octopus into Japan during the first quarter of 2017; total imports fell by 33.6 percent, to just 8 900 tonnes. All the major suppliers experienced a drop in shipments. Morocco remained the major supplier, accounting for 38 percent of the total, followed by China with 32.6 percent, and Viet Nam with 14.6 percent.

This development confirms the trend over the past three years. In 2015, Japanese octopus imports during the first quarter of the year amounted to 15 000 tonnes. In 2016, this figure fell to 13 400 tonnes (-10.7 percent), and in 2017, it fell further to 8 900 tonnes (-33.6 percent).

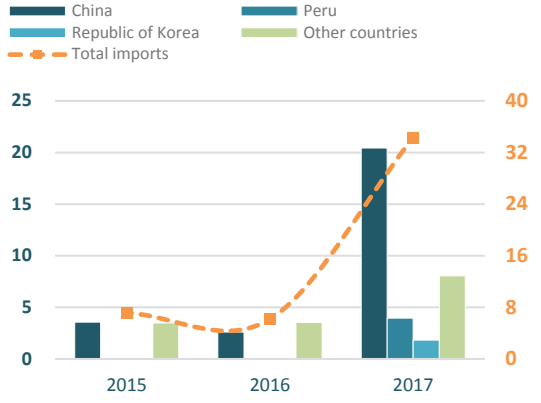
In Spain, in contrast, there was an 11 percent increase in octopus imports during the first quarter, with total imports amounting to 18 000 tonnes. Thus, Spanish imports have continued the trend of slow, but steady growth in octopus imports. Morocco remains the major supplier followed by Mauritania.

United States of America |Imports |Cuttlefish and Squid
Top three origins
Unit: 1 000 tonnes, January-March



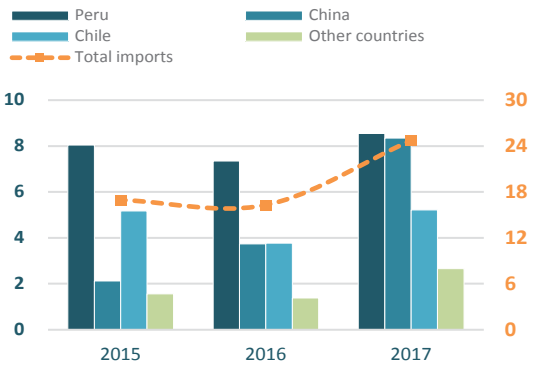
Source: *NMFS*

Japan |Imports |Cuttlefish and squid
Top three origins
Unit: 1 000 tonnes, January-March



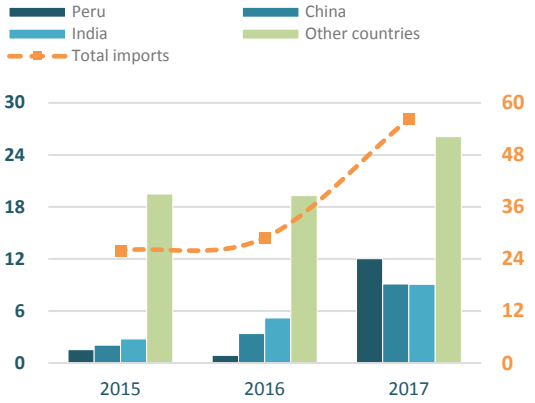
Source: *Japan Customs*

Republic of Korea |Imports |Cuttfish and squid
Top three origins
Unit: 1 000 tonnes, January-March



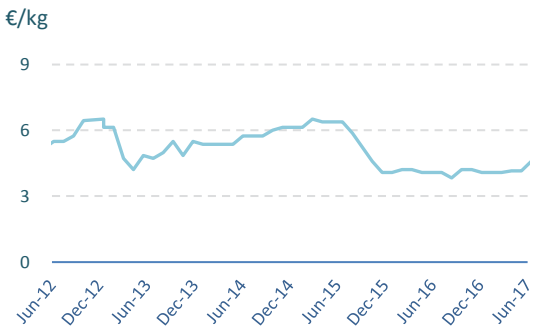
Source: *Korea Customs and Trade Development Institution*

Spain |Imports |Cuttlefish and squid
Top three origins
Unit: 1 000 tonnes, January-March



Source: *Agencia Tributaria*

Prices Squid: Italy



Whole, FAS, middle size, origin: *South Africa*
Source: *European Price Report*

Squid

The Federal Fishing Council of Argentina recently announced that the squid fishery north of latitude 44°S would be closed from 19 June until further notice. The background for the closure was that catches registered consisted mostly of small, immature individuals. Furthermore, landing records showed that *Illex* catches had declined during the last few months; in February, 24 000 tonnes were landed; in March, 39 263 tonnes; in April, 15 900 tonnes; and in May, only 6 500 tonnes. The situation outside the Argentine 200-mile exclusive economic zone (EEZ) was similar. Up to 5 June, a total of 96 200 tonnes of squid had been landed. This represents a doubling of the volume landed by the same time last year.

Last year, US imports of processed Illex squid from China increased by over 11 percent, to 38 000 tonnes. At the same time, prices also rose significantly (+28 percent). Imports of processed *Loligo* squid rose to 14 000 tonnes in 2016. However, the quality of the imported squid was not good, according to several importers. The traders believe that the good quality squid is sold on the domestic Chinese market, while the lower quality squid goes to Western markets, which cannot pay the high prices charged in China. In 2016, 68 percent of the *Loligo* squid imported into the United States of America come from China, while only 1.0 percent came from Taiwan Province of China, 13.5 percent from Thailand and 15.3 percent from India.

This above described decline in landings from April onward caused prices to soar, but in June, it was reported that prices were stabilizing again. Prices have risen particularly in the Chinese market. While prices are now slightly more stable, there is still some worry about supplies. Demand is high, but supplies are scarce. Imports into China have picked up to some extent over the past month, but not enough to fully satisfy demand.

During the first quarter of 2017, there was a massive increase in Japanese imports of squid and cuttlefish, from just 6 200 tonnes during the first quarter of 2016 to 34 300 tonnes during the same period in 2017. This was caused mainly by an impressive increase in Chinese exports to the Japanese market, which grew from 2 600 tonnes in this period in 2016 to 20 400 tonnes in the first quarter of 2017. Other suppliers also registered growth in exports to Japan.

Republic of Korea's imports of squid and cuttlefish during the first quarter of 2017 amounted to 24 800 tonnes, up from 16 300 tonnes in the same period in 2016 (+52.1 percent). The major suppliers were Peru, China and Chile. While Peru saw a modest increase (+16.4 percent) in shipments to the Republic of Korea, Chinese and Chilean exports increased by 124 percent and 36.8 percent, respectively.

Spanish imports of squid and cuttlefish also grew substantially during the first quarter of 2017, from 28 800 tonnes in 2016 to 56 300 tonnes in 2017 (+95.5 percent). Peru was the number one supplier, accounting for 12 000 tonnes, or 21.3 percent of

the total. Other major suppliers to this market were China (9 100 tonnes), India (9 100 tonnes) and Morocco (8 900 tonnes).

Imports of squid and cuttlefish into the United States of America were fairly stable at 17 400 tonnes during the first quarter of the year, compared to 17 300 tonnes during the same period in 2016. The major supplier, China, accounted for 10 000 tonnes or 57.5 percent of the total.

The United States of America is also an important exporter of squid, and during the first three months of 2017, almost 10 000 tonnes were exported, a 50 percent rise over the same period of 2016

Outlook

Supplies are expected to be very tight this year for both octopus and squid, and consequently, prices will remain high or even increase. The closure of the Argentine *Illex* squid fishery will have a major effect on the supply situation. However, the recovery of the Peruvian squid fisheries after the El Niño event will give some relief to the market. For octopus, landings in Morocco and Mauritania have been declining, thus creating a very tight supply situation. Prices can only increase.

Prices in China for *Illex* squid, origin Argentina, rose over the past few months as a result of tighter supplies, and in spite of prices already being at a high level. Competition for supplies has hurt Spanish traders, who are short of stock after the winter. Thus, Spanish wholesalers are facing a difficult summer. Demand will rise significantly during the summer because of the tourist season, but this year, Spain may be seriously under-supplied. Moroccan suppliers have offered squid to Spain, but at high prices, so importers are holding back, hoping for a change in the supply situation.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TILAPIA

GLOBEFISH HIGHLIGHTS

TiLV threatens food security

An estimated 180 000 tonnes of tilapia (whole and fillet frozen) were traded in the international market during January-March 2017, approximately 10 percent lower in volume from a year ago. The leading importers tilapia were the United States of America, Mexico, Côte d'Ivoire and Iran, and the leading exporters were China, Taiwan Province of China, Thailand and Indonesia.

TiLV, a highly contagious disease, is spreading among farmed and wild tilapia. It has now been reported in five countries. While the pathogen poses no public health concern, it may destroy huge infected stocks which are a source of food security and nutrition.

China

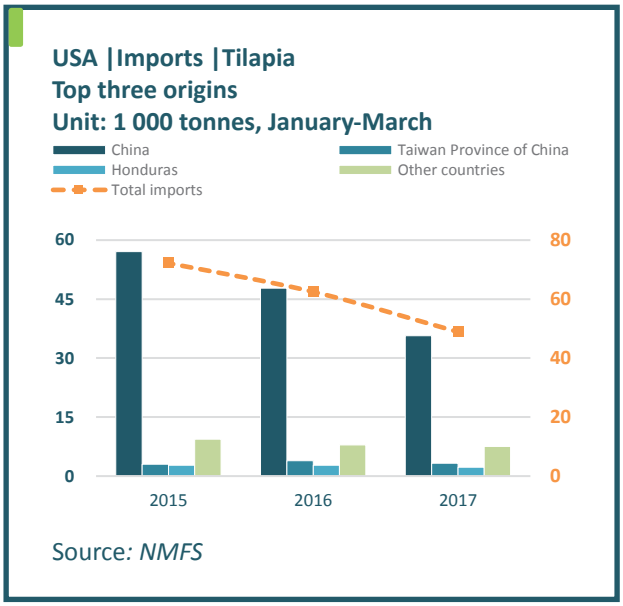
During the first quarter of 2017, total Chinese tilapia exports increased by nearly 7 percent from the same period in 2016 to reach 80 600 tonnes, according China Customs. Whole frozen and breaded tilapia fillet continued to be main contributor to the export growth while frozen fillet exports are slowing down. Total exports to the United States of America fell by 11 percent to 27 572 tonnes with significant declines of frozen fillet, whole frozen and breaded fillet categories.

Average export prices frozen tilapia in 2017, average export prices of frozen tilapia weakened by 2.51 percent, while prices of whole frozen tilapia increased 0.52 percent, to US$2.03 per kg. Frozen fillet prices decreased by 4.76 percent to US$3.40 per kg. and breaded filled decreased by 1.31 percent, to US$3.84 per kg.

Source: *China Customs*

United States of America

The market remained depressed during the first quarter of 2017 with about a 26 percent decline in frozen tilapia imports from a year ago. Imports fell significantly from the leading supplier China as well as from most other sources. Contrary to what was anticipated, the Lent demand did not seem to have had a positive impact to weakening market. While average frozen fillet import prices softened by 8.3 percent during the review period, average import prices for whole frozen tilapia remained firm.



Source: *NMFS*

Latin America

Tilapia production continues throughout the continent. Panama is starting a project to develop the production of red tilapia (*Oreochromis* sp.) in order to meet domestic demand, due to its popularity among consumers. The current production and sale of red tilapia fingerlings in Panama is reduced, and more producers are being encouraged to produce the species.

Cuba also launched a project to increase the production of this fish for human consumption at the National Marine Park of Los Caimanes, sponsored by the Global Environment Facility. In the area, there are more than eight species of algae. This method is profitable because the cost of production does not exceed 20 percent of total income.

Honduras seeks to increase tilapia production and incomes for fishers from San Lorenzo in the waters of the Gulf of Fonseca (south of the country) by installing floating cages, training people and organizing cooperatives. The initiative is developed with technical and financial support from China, Taiwan Province of China and Honduras. The General Directorate of Fisheries and Aquaculture forecasts an annual production exceeding 100 tonnes of tilapia.

According to a recent study by the Brazilian Agricultural Research Corporation (EMBRAPA), the average price of whole tilapia was R$14.44 per kg in the first quarter of 2017 (a 9 percent increase over the same period of last year) while frozen fillet prices recovered the value of the same period of last year and reached R$35.31 per kg, i.e. a 29 percent increase compared to the first four months of 2015. During the period under revision, 182 tonnes of fillets amounting to US$1.3 million were exported, a 3.5 percent decrease in terms of volume and a 10 percent decrease in terms of value compared to the exports of the same period of last year. All of this fish was shipped to the United States of America.

Mexican producers are very concerned about the entry of Chinese tilapia into the country, which they consider to be of lower quality as well as about tariff irregularities and possible sanitary risks. Imports are estimated to double national production. Some stakeholders believe that the industry cannot grow because of the impact of imports, yet imports cannot be stopped because there is no capacity to supply the market. In some cases, the Mexican tilapia is more expensive because production costs are higher in the country. Mexico aims to increase production by up to 10 percent and create a collective brand.

The Middle East

The Middle East is the largest market for frozen tilapia from India with the United Arab Emirates (UAE) as the largest. Exports of whole frozen tilapia increased by 4.18 percent to the United Arab Emirates (UAE) reaching 329 tonnes during the first quarter of 2017 compared from a year ago. Total tilapia exports from India to the Middle East strengthened by a marginal 1 percent to reach 505 tonnes. India has plans to meet the huge demand for the fish in the domestic market and to capture a significant share of global export trade by promoting large scale farming of the fish even in landlocked states. The Marine Products

FAO ISSUES ALERT OVER LETHAL VIRUS AFFECTING POPULAR TILAPIA FISH

Though not a human health risk, TiLV has large potential impact on global food security and nutrition

A highly contagious disease is spreading among farmed and wild tilapia, one of the world's most important fish for human consumption.

The outbreak should be treated with concern and countries importing tilapias should take appropriate risk-management measures, intensifying diagnostics testing, enforcing health certificates, deploying quarantine measures and developing contingency plans, according to a Special Alert released today by FAO's Global Information and Early Warnings System.

TiLV has now been reported in five countries on three continents: Colombia, Ecuador, Egypt, Israel and Thailand.

While the pathogen poses no public health concern, it can decimate infected populations. In 2015, world tilapia production, from both aquaculture and capture, amounted to 6.4 million tonnes, with an estimated value of US$ 9.8 billion, and worldwide trade was valued at US$1.8 billion. The fish is a mainstay of global food security and nutrition, GIEWS said.

Tilapia producing countries need to be vigilant, and should follow aquatic animal-health code protocols of the World Organisation for Animal Health (OIE) when trading tilapia. They should initiate an active

surveillance programme to determine the presence or absence of TiLV, the geographic extent of the infection and identify risk factors that may help contain it.

Countries are encouraged also to launch public information campaigns to advise aquaculturists, many of whom smallholders, of TiLV's clinical signs, the economic and social risks it poses, and the needed to flag large-scale mortalities to biosecurity authorities.

Currently, actively TiLV surveillance is being conducted in China, India, Indonesia and it is planned to start in the Philippines. In Israel, an epidemiological retrospective survey is expected to determine factors influencing low survival rates and overall mortalities including relative importance of TiLV. In addition, a private company is currently working on the development of live attenuated vaccine for TiLV.

It is not currently known whether the disease can be transmitted via frozen tilapia products, but "it is likely that TiLV may have a wider distribution than is known today and its threat to tilapia farming at the global level is significant," GIEWS said in its alert.

FAO will continue to monitor TiLV, work with governments and development partners, and search for resources that can be explored in order to assist FAO member countries to deal with TiLV, as requested and as necessary.

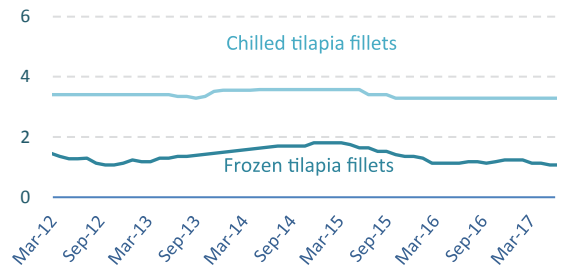
Export Development Authority (MPEDA) is expecting to raise the production of tilapia output in the country by increasing the seed supply of genetically improved farmed tilapia (GIFT) to the farmers. It recently launched a self-sufficiency project at its hatchery and training complex in Kochi to help farmers export their produce. A leading seafood exporter has plans to invest Rs 100 crores in rearing tilapia in cages in two lakes in Maharashtra and one in Rajasthan in the next four years and encourage consumption of tilapia in hotels and restaurant by supplying live fish.

Exports from Taiwan Province of China to the region weakened by 43 percent to 808 tonnes from a year ago due to significant declines in exports to Kuwait.

EU

During January – March 2017, total tilapia imports into the EU weakened further by 2.6 percent to total 6 434 tonnes from the same period in 2016. Total imports comprised 60 percent of frozen fillet and 40 percent of whole frozen tilapia, with a 4.55 percent decline in imports of frozen fillet and a marginal rise (0.4 percent) of whole frozen tilapia. Within the EU, Spain imports the largest volume of tilapia, mostly fillets with a 35 percent increase in imports during the review period. This is followed by the United Kingdom, France and Germany. Asia remains the main supply source with the top five suppliers being China, Vietnam, Indonesia, Thailand and Malaysia making up nearly 99 percent of the total. The strengthened premium quality fillet from Taiwan saw a 51 percent decline in its imports.

Prices
Tilapia: United States of America



Chilled tilapia fillets: Primary wholesale, NY, USA, origin: Costa Rica; Frozen tilapia fillets: 3-5 oz/lb, EXW NY, USA, origin: China
Source: *INFOFISH Trade News*

Outlook

While major markets remain weak, demand is steady in most other regions. However, with the TiLV currently wiping out a large amount of stocks in some major producing regions, it is highly probable that prices will be affected.

PANGASIUS

GLOBEFISH HIGHLIGHTS

Weak traditional markets for pangasius while new markets are growing

According to Viet Nam national exports statistics, during the first quarter of 2017, approximately 140 000 tonnes of frozen pangasius (whole and fillet) were exported to more than 50 countries; nearly 92 percent of which comprised fillets and the remaining, whole frozen fish. Markets in Latin America absorbed the largest share, followed by Asia, whereas the major markets, the United States of America and the European Union (EU) weakened during the review period.

Viet Nam

The depressed US market and the recent bad press on pangasius in the European Union (EU) were reflected in the declining exports to these markets. Exporters continue to seek and explore potential and growing markets. The Middle East has been one of the targets. According the Vietnam Association of Seafood Exporters and Processors (VASEP), exports of pangasius to Saudi Arabia increased significantly over a five-year period, from 192 tonnes in 2012 to 11 000 tonnes in 2016. In 2016, Saudi Arabia remained the 8th largest buyer of Vietnamese pangasius.

United States of America

Total imports of frozen catfish (whole and fillet) during January to March 2017 saw a significant decline in volume (-24.7 percent) with respect to the same period of 2016. This was largely due to declines in pangasius imports from the main supplier, Viet Nam, although whole pangasius imports increased. The change in the US Farm Bill, which shifted the regulation of imports to the US Department of Agriculture (USDA), is reported to be among the reasons for which imports slowed down from Viet Nam.

European Union imports of frozen pangasius (whole and fillet) weakened further during the first quarter of 2017, declining by 14.5 percent in quantity terms from the same period in 2016. Although Viet Nam was the leading supplier, Indonesia, Thailand, Bangladesh and Myanmar are also supplying this market. Spain is the largest importer of pangasius among EU countries; however, imports dropped by 8.75 percent, to 5 400 tonnes during the review period. According to the Spanish Ministry of Economy, Industry and Competitiveness, in 2016, Galicia imported the largest amount of pangasius that entered Spain — 6 800 tonnes (32 percent) of total imports of 21 100 tonnes. Galicia was followed by Valencia, with 4 400 tonnes (20.6 percent) and Catalonia, with 2 500 tonnes (12.1 percent). These three regions represent 65 percent of the pangasius imports into Spain.

US imports of fresh and frozen catfish fillets (by origin)

	January-March				
	2013	2014	2015	2016	2017
Fillets					
Viet Nam	22.3	31.5	27.2	32.2	24.4
China	1.3	3.2	2.9	2.6	1.9
Thailand	0.0	0.0	0.0	0.0	0.0
Others	0.2	0.1	0.0	0.0	0.0
Total	23.8	34.8	30.2	34.8	26.2

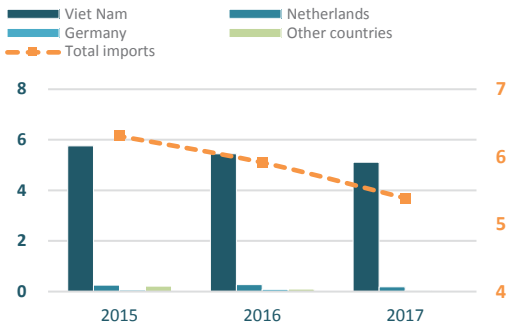
Source: *US Department of Commerce, Bureau of Census*

Asia

During the first quarter of 2017, demand for frozen pangasius fillet grew by 14 percent, which are consumed by both the household and catering sectors. Approximately 26 000 tonnes of pangasius (whole and fillet) were imported by Asian countries based on estimates from national statistics; China, Thailand, Singapore, Malaysia, Hong Kong SAR and India are among the largest importers.

In January to March 2017, imports of pangasius fillet to India (1 900 tonnes) increased by 27 percent with respect to the same period in 2016. Pangasius fillet is widely used in the catering sector. In addition, the local catfish is making steady inroads, although the fillet size is smaller than imported pangasius. Imports of pangasius to Japan also increased by 29 percent with respect to January to March 2016 (1 000 tonnes).

Spain |Imports |Catfish Frozen fillets
Top three origins
Unit: 1 000 tonnes, January-March



Source:

Source*: Agencia Tributaria*

Other markets

During the first quarter of 2017, frozen fish fillet and meat imports into Australia dropped by 8.67 percent over the same period in 2016. In addition, frozen catfish fillets increased by 7.5 percent with respect to 2016. In 2016, the average import price of frozen catfish fillets was US$2.47 per kg compared with US$2.56 per kg a year ago. In addition, during the review period, a 51 percent increase in imports of frozen pangasius was observed in New Zealand, and the Russian Federation emerged as the sixth largest importer (4 500 tonnes).

Latin America and the Caribbean

During the review period, the local markets imported approximately 40 000 tonnes of pangasius (whole and fillet), of which 91 percent were frozen fillets. In 2016, Brazil overtook Mexico as the largest market in the region followed by Colombia. Latin American imports of pangasius make up approximately 30 percent of total global pangasius trade and is one of the most important regions for Vietnamese pangasius exports.

Outlook

While Viet Nam struggles with the negative press in Europe, demand remains stable in Asia, Latin America and the Middle East. Industry sources report that prices are stabilizing after peaking.

BASS & BREAM

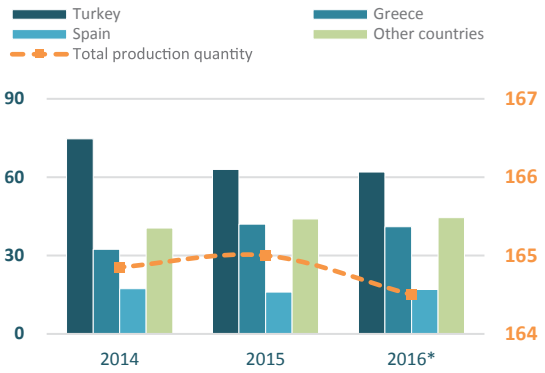
GLOBEFISH HIGHLIGHTS

European bass and bream sector to benefit from EU investment

Bass and bream prices dampened by excess supply in 2017 as EU launches dual projects to enhance sector innovation, competitiveness and sustainability

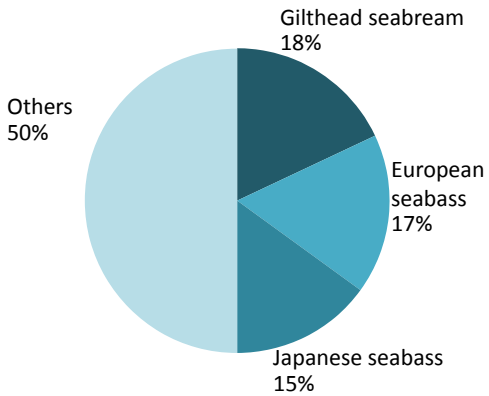
The EU farmed bass and bream industry has had to address a series of challenges in the last decade, the latest of which is the rapid emergence of Turkey as a major competing producer. The growing supply of fish to both old and new markets has prompted many stakeholders in the sector to call for an increased focus on research and innovation at all points on the supply chain. This would ensure that competitiveness is maintained in the long term, particularly for Greek companies still dealing with the after-effects of a long period of financial struggle. In response, the European Commission will invest a total of EUR14 million in two initiatives, PerformFISH and MedAID. These are sister projects, both funded and developed as part of the European

Top three global producers of Seabass
Dicentrarchus labrax
Unit: 1 000 tonnes



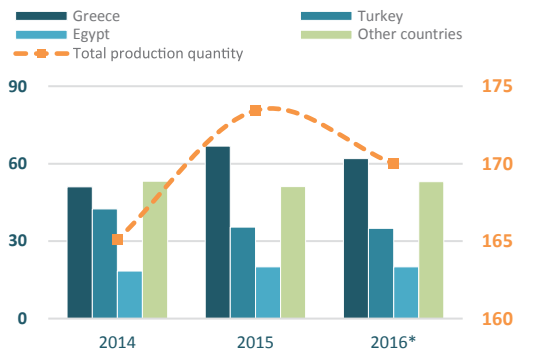
Source: *FAO (until 2015) *estimate*

Seabass and seabream production (2015)



Source: *FAO*

Top three global producers of seabream
Sparus aurata
Unit: 1 000 tonnes



Source: *FAO (until 2015) *estimate*

Commission's Horizon 2020 initiative, with the objective of creating shared knowledge and tools for enhancing the marketing strategies, governance structures and production processes of the EU's aquaculture industry. As the largest aquaculture subsector in the EU, the bass and bream industry will be one of the main project beneficiaries.

These dual investments in the industry's technological development, sustainability and competitiveness may be considered very timely in light of the current market situation. The rapid growth of Turkish output, combined with an increasingly favourable exchange rate for Turkish exporters, has been the primary factor behind a marked increase in the supply of bass and bream to EU markets over the last few years, and particularly over the last 18 months or so. Many industry participants are now concerned that the supply and demand balance is under threat, and to date in 2017, a pronounced price decline, particularly for bream, has provided some support for these claims. In the first quarter of 2017, the average unit values of Greece's exports of fresh whole farmed bream and fresh whole farmed bass were down 12 percent, to EUR4.70 per kg and 4 percent to EUR5.26 per kg, respectively, compared with the first quarter of 2016. In Turkey's case, the average unit values of bream and bass exports were down 27 percent to EUR3.74 per kg and 10 percent to EUR4.64 per kg, respectively, for the same period, although these declines correspond to respective increases of 5 percent and 13 percent in Turkish lira terms.

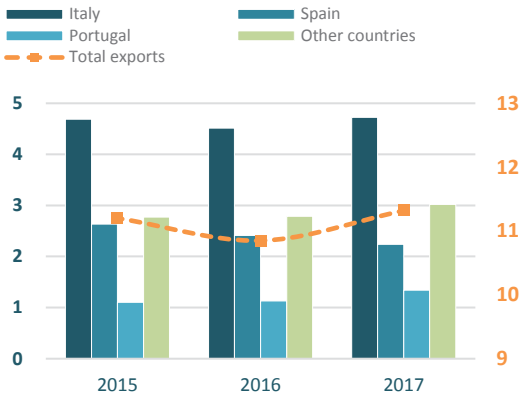
For Greek producers in particular, these price levels are steadily eating away the already narrow profit margins and, with further production gains expected in the medium term, cost reduction, value addition and market development will all be major areas of focus. These are also important concerns in Spain, the second largest EU producer, but a more expensive Spanish product targeted at consumers primarily in France and Portugal has afforded the industry a degree of protection from the intense competition in other EU markets from plentiful, cheaper Turkish fish.

With respect to the Turkish domestic market, prices (ex-farm, ice-packed) for 400-600 g and 600-800 g sea bream have increased. Prices for these size categories were higher in June 2017 by about 12-18 percent compared with February 2017, and 400-600 g sea bream in particular is currently in high demand. A similar trend has also been observed for all size categories of sea bass. On average, prices increased by about 7-11 percent during the same period.

According to industry sources, in the second quarter of 2017, it is estimated that Turkish hatcheries produced about 470 million juveniles (60 percent sea bass). Although it is difficult to ascertain how many juveniles were stocked in cages, according to the same sources, their number is higher than that of the first quarter of 2017 (400 million). Interestingly, the Turkish industry is generally not overly concerned with the possible supply-demand imbalances and its impact on prices, believing that emerging markets and growing demand will tolerate any increase in supply. To take advantage of the huge potential of the domestic market, Turkish producers are increasingly focusing on promoting domestic consumption through promotional activities including organizing festivals and "Fish Days" in different cities.

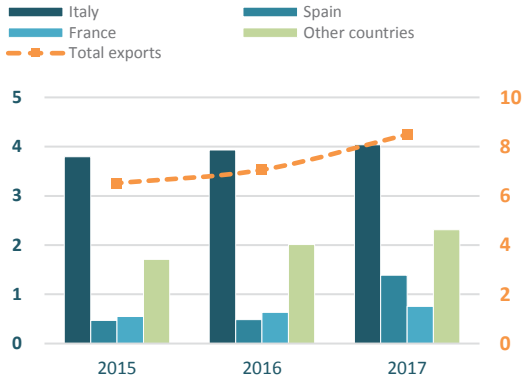
A number of vertically integrated, large-scale Turkish seabass/bream companies (also engaged in fish feed manufacturing) have acquired fishmeal and fish oil factories in Mauritania. Industry sources indicate that these acquisitions by Turkish producers have contributed to the availability of good quality fishmeal for local fish feed production. According to the same sources, improved quality of local fish feed has had a positive impact on fish growth rates and feed conversion ratios at the sectoral level.

Greece | Exports | Seabream | Fresh
Top three destinations
Unit: 1 000 tonnes, January-March



Source: *Eurostat*

Greece | Exports | Seabream | Fresh
Top three destinations
Unit: 1 000 tonnes, January-March

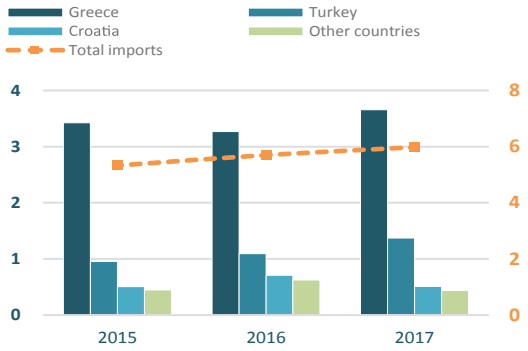


Source: *Eurostat*

Italy

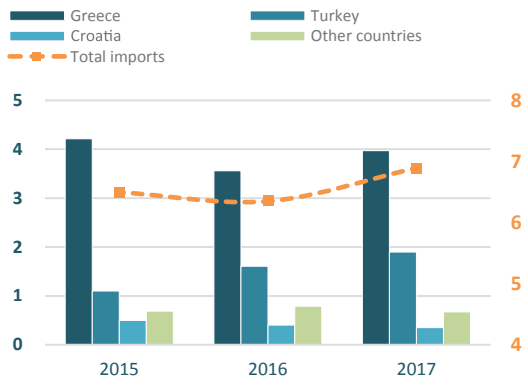
Italy is the largest importer of farmed bass and bream in the EU, and Italian import volumes have been steadily growing for a number of years now, totalling 12 700 tonnes in Q1 2017, a 7 percent increase over the same period in 2016. Greece has traditionally been Italy's favoured supplier; Italy is generally an origin-sensitive market. However, lower-priced Turkish fish have been making up a rapidly growing proportion of Italy's imports, rising to a 26 percent share in the first quarter of 2017. Overall, Italian trade statistics in Q1 2017 reflected broader market trends, meaning higher volumes and falling prices, particularly for bream. In addition, another EU Horizon 2020 project, PrimeFish, which focused on seafood market research, recently reported that high prices, the inconvenience of bones in whole fish, and lack of knowledge regarding preparation and cooking techniques are the biggest obstacles to seafood consumption in Italy and other major EU markets.

Italy |Imports |Seabass |Fresh
Top three origins
Unit: 1 000 tonnes, January-March



Source: *Eurostat*

Italy |Imports |Seabream |Fresh
Top three origins
Unit: 1 000 tonnes, January-March



Source: *Eurostat*

France

In the first quarter of 2017, France imported 12 percent more bass and bream than the same period in 2016, for a total of 3 560 tonnes worth EUR18.3 million. After showing considerable resistance to the allure of attractively priced Turkish fish during the earlier stages of Turkey's expansion, French importers are now showing signs of following their European counterparts in this regard, increasing the total proportion of bass and bream purchased from Turkey to 18 percent in the first quarter of 2017, up from 7 percent in the same period last year.

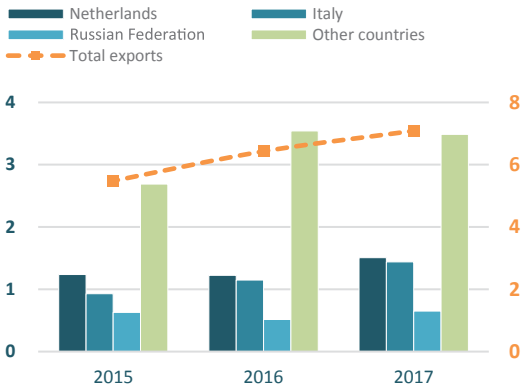
Spain

Domestic demand in Spain for both bass and bream appears to be healthy, with increased imports, lower exports and high domestic production being absorbed primarily by Spanish consumers. The Spanish economy is performing relatively well at present, which is providing a boost to private consumption, spurred on by the prevailing lower price level this year.

Other markets

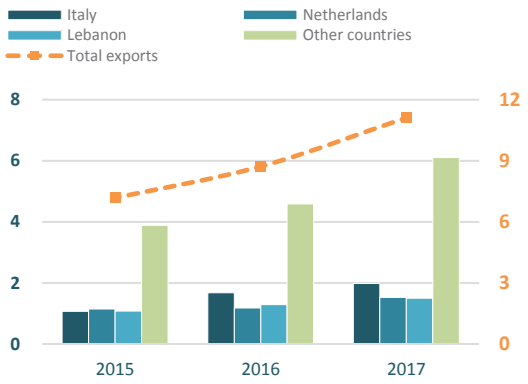
In addition to the traditional large Mediterranean markets for bass and bream, the Netherlands and Portugal are both notable for posting consistent increases in import volumes for the past number of years, to the point where they now both constitute major markets in their own right. Indeed, Spain's top export market, Portugal, was the second largest importer of bass and bream in the world in 2016, rising above France. The Netherlands has become Turkey's top European market, importing large volumes of whole fresh fish as well as fillets.

Turkey |Exports |Seabass |Fresh
Top three destinations
Unit: 1 000 tonnes, January-March



Source: *State Institute of Statistics*

Turkey |Exports |Seabream |Fresh
Top three destinations
Unit: 1 000 tonnes, January-March



Source: *State Institute of Statistics*

Outlook

After achieving a relatively disappointing early summer peak this year, bass and bream prices can now be expected to start their annual downward slide towards their end-of-year lull. It is clear that the additional supply volumes are depressing prices all across the market, particularly in the case of bream. However, looking ahead, there continues to be debate on the different factors affecting the supply and demand balance and what the net effect will be. The more optimistic observers suggest that increased juvenile stocking in Turkey will not necessarily translate into excess supply in the future when mortalities are taken in account and also acknowledge the possibility that these stocking numbers may be overestimates. In addition, these commentators point to the growth of new markets in the United States of America and the Middle East and North African (MENA) region, to the relatively greater attractiveness of bass and bream in the light of high salmon prices, and to the slow but steady economic recovery in core EU markets. Nevertheless, the drop in prices being observed at present lends support to the argument that the market is still not ready to absorb the projected increases in supply over the next two years without a sustained decrease in prices and negative financial consequences for aquaculture companies. The pressing need to avoid this outcome is one of the main concerns driving the new EU initiatives.

SMALL PELAGICS

GLOBEFISH HIGHLIGHTS

Strong herring catches and low prices. Atlantic mackerel prices remain high

The herring fishery in the North Sea was off to a good start, but the fish was small and had a low fat content. Consequently, prices are low. On the mackerel market, prices for Atlantic mackerel are high, so African buyers are turning to the cheaper Pacific mackerel.

Mackerel

Australia has raised its TAC for slimy mackerel by a stunning 450 percent, from 2 600 tonnes to 12 100 tonnes (Undercurrent News).

Iceland has also increased its mackerel quota for 2017, from 147 800 tonnes in 2016 to 168 400 tonnes this year, a 14 percent increase. Iceland sets its own mackerel quota independently of other countries in the region, and has in the past suffered a great deal of criticism for increasing its quotas. The EU quota for mackerel was earlier increased by 17.6 percent for 2017, to 505 500 tonnes (IntraFish).

Nigeria is an interesting market for mackerel, but it is a difficult market in that import restrictions and regulations are often changed at short notice. Observers in the United Kingdom expect Nigerian import quotas to remain strict in 2017 and 2018. It is commonly thought that Nigeria is using import restrictions to balance the trade deficits caused by the low crude oil prices. Thus, there has been a shortfall of hard currency to pay for other imports in Nigeria, and this affects imports of mackerel, despite Nigeria's on imports of food to satisfy demand (Undercurrent News).

Atlantic mackerel is being replaced by Pacific mackerel in some African markets. The reason is simply that the European mackerel is too expensive. In 2016, the average Norwegian whole frozen mackerel price was US$1 500 per tonne, up from US$1 300 per tonne in 2015. Buyers said that if prices did not come down, they would look elsewhere for supplies. And they have. There has been a marked increase in imports of the cheaper Pacific mackerel from Japan to African markets. This has put some pressure on Atlantic mackerel prices, especially for smaller sizes.

The recent normalization of diplomatic relations between Norway and China has already shown an effect on the seafood trade between Norway and China. During the first five months of 2017, Norwegian exports of frozen mackerel to China more than doubled, from 8 400 tonnes in 2016 to 19 3000 tonnes. Prices have also been good. It appears that some of these volumes have been sent to China at the cost of trade with other Asian countries. Norwegian mackerel exports to Japan were down by 41.6 percent during the first five months, and exports to the Republic of Korea were also down by 41.6 percent. It is well known that China imports round fish for processing and re-export, primarily to Japan and the Republic of Korea, and it is therefore natural to assume that this partly explains the increase in mackerel exports to China and the decline in shipments to Japan and Republic of Korea(Undercurrent News).

Lower domestic catches of mackerel in the Republic of Korea have necessitated increased imports, which are increasingly dominated by Norway. Even so, during the first five months of the year, Republic of Korea imported 41 percent less round frozen mackerel from Norway than during the same period in 2016. According to Korea Bizwire, almost 90 percent of all imported mackerel in Republic of Korea come from Norway. During the first two months of 2017, domestic landings of mackerel in Republic of Korea amounted to just 11 700 tonnes, down 33 percent compared to the same period last year. Over the past two decades, Republic of Korea's landings of mackerel dropped from 410 000 tonnes in 1996 to 133 000 tonnes in 2016 (Korea Bizwire).

Norway's exports of frozen whole mackerel declined by 7.3 percent by volume during the first five months of the year, but the value of this stayed the same, at NOK 1.007 billion (US$118 million). Exports to Nigeria dropped from 12 000 tonnes in 2016 to just 1750 tonnes in 2017, while exports to China, as

mentioned, increased by a healthy 131 percent, to 19 300 tonnes.

Herring

Norwegian marine researchers have not been able to find a new "super-year-class" of herring, such as the 2013 year-class, which was very good, although not as good as the record 2004 class or the 2009 class. They are now pinning their hopes on the 2013 class, and believe that it may be stronger than earlier indications, since a large of quantity of herring has been coming from the Barents Sea (Fiskeribladet).

The North Sea herring stock seems to be in good shape. ICES has consequently recommended an increase in the 2018 TAC to 491 000 tonnes. However, while ICES recommended a TAC of 426 000 tonnes for 2017, the final quota was set higher, at 481 608 tonnes. If this year's recommendation by ICES is followed, the quota would thus increase by about 10 000 tonnes (Fiskeribladet).

The North Sea herring fishery seemed to start well, but it is reported that the herring is small and the fat content is low. Consequently, prices have been very low.

Norwegian herring fishers are reporting that catches have been of disappointing quality so far. The herring is small, and the fat content, low. Consequently, prices are also low, as much has 50 percent down from 2016 prices. However, they are expecting that the herring further north will be of better quality, both in terms of size and fat content (Fiskeribladet).

Catches of matjes herring further south have been good, but prices depressed. Norwegian vessels have reported prices around NOK5.60 per kg for matjes herring, which should have been much higher, about NOK8.00 to 10.0 per kg.

The herring market will be marked by low prices for the rest of this year, according to a recent report by Noredea Bank. Last year, herring prices were record high, but this year they have dropped markedly, for several reasons. First, there has been a volume increase, which naturally pushes prices down. Also, the amount of herring landed so far this year has been small and with a low fat content. Furthermore, a very important market for herring, the Russian Federation, is closed to the major herring suppliers (Norway, Iceland, the EU). And what's more, Nigeria is suffering from low crude oil prices and has consequently imposed strict import quotas to save hard currency. Nevertheless, according to Nordea, the longer-term prospects are positive (Nordea Bank).

Anchovy/sardines

Namibian and South African sardine landings declined in 2016, while catches of horse mackerel increased to some extent (North Atlantic Seafood Forum).

Peruvian authorities increased the TAC for anchovy during the first season in 2017 by 55.6 percent, to 2.8 million tonnes. The fishery started very well. During the first 20 days of the season, 33 percent of the quota had been landed. Most of this catch goes for reduction (Undercurrent News).

In June, the Peruvian ministry of production authorized a second anchovy season in the south of the country, with a TAC amounting to 515 000 tonnes.

For the third consecutive year, the Pacific Fishery Management Council (PFMC) has closed the Pacific sardine fishery. In April, PFMC announced that the fishery would be closed through 30 June 2018. Scientists had predicted an abundance of sardines, but reality fell far short of their predictions. The PFMC initiative aims at rebuilding the sardine resource, and according to PFMC there are signs that the resource is recovering (IntraFish).

Trade

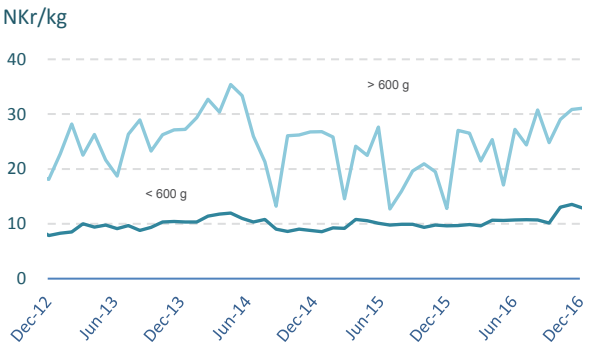
The Faroe Islands are not banned by the Russian embargo, and the island country has increased its exports of pelagics to the Russian Federation since 2013. Exports of mackerel from the Faroes to Russian Federation increased by 215 percent in the period from 2013 to 2016, for example. However, Russian Federation is not paying top dollar for Faroese fish. Russian import prices for mackerel are still lower than EU mackerel import prices. Russian mackerel imports dropped from 2013 to 2015, but picked up again in 2016, due to imports from the Faroes.

Russian imports of frozen mackerel dropped markedly as a result of the embargo in 2013 and reached a low level in 2015. But now, imports are growing strongly again. During the first quarter of 2017, Russian imports of frozen mackerel rose from 17 000 tonnes in 2016 to 28 600 tonnes in 2017 (+68 percent). Faroe Islands accounted for as much as 87 percent of the total during this period, with China and Belarus supplying smaller amounts.

Herring imports into Eastern Europe have also declined. At the same time, prices for herring have increased substantially. Average prices of salted herring to the Russian Federation increased by 72.3 percent from 2013 to 2016. During this period, total Russian herring imports declined from 165 500 tonnes in 2013 to 50 500 tonnes in 2016. Several factors caused this, including the Russian embargo on imports from a number of Western countries. Russian domestic landings of herring increased slightly, and the Russian Federation has exported less herring to other countries in order to meet domestic demand with domestic products (North Atlantic Seafood Forum).

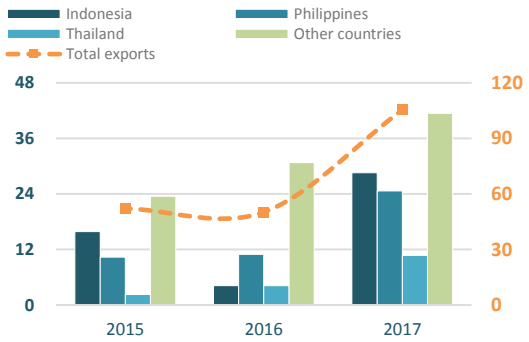
With Nigeria being a bit erratic as a market for pelagics, Norway is casting its eyes on other markets in Africa. The Norwegian Seafood Council is sending a fact-finding delegation to West African countries

Export prices
Frozen mackerel: Norway



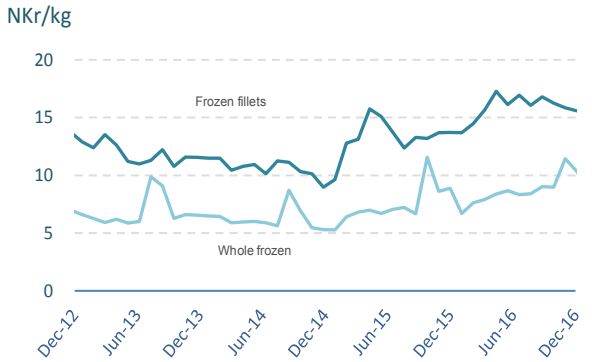
Source: *Norwegian Seafood Council*

China |Exports |Mackerel Whole frozen
Top three destinations
Unit: 1 000 tonnes, January-March



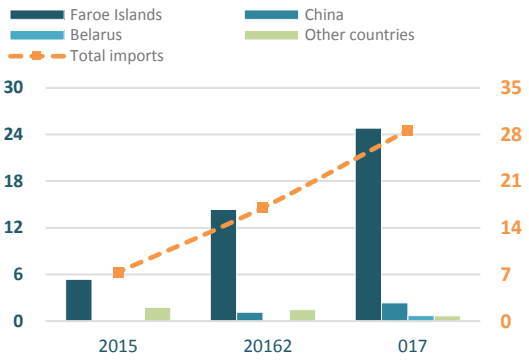
Source*: China Customs*

Export prices
Frozen herring: Norway



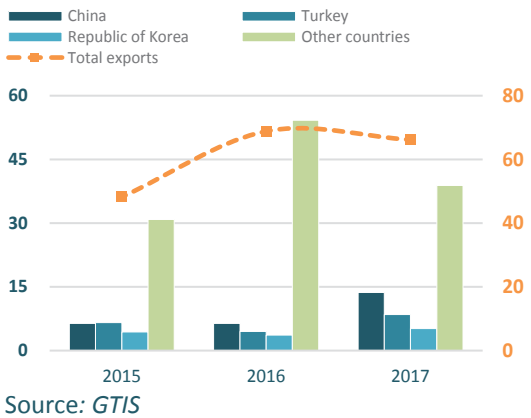
Source: *Norwegian Seafood Council*

Russian Federation |Imports |Mackerel |Frozen
Top three origins
Unit: 1 000 tonnes, January-March



Source*: State Institute of Statistics*

Norway |Exports |Mackerel |Frozen
Top three destinations
Unit: 1 000 tonnes, January-March



Source*: GTIS*

obtain an appraisal of whether countries like Ghana and Côte d'Ivoire could be developed into alternative markets for Norwegian pelagic fish. Côte d'Ivoire, for example, has a total fish consumption of some 460 000 tonnes annually, but Norway exported only 573 tonnes of seafood to the country in 2016. If the results of the fact-finding mission are positive, Norway may target some of these countries in the years to come (Norwegian Seafood Council).

Japanese imports of fresh and frozen herring only amounted to 4 200 tonnes during the first three months of the year. But the figures show an upward trend during the last three years. The major supplier by far is the Russian Federation, which during this period accounted for 3 100 tonnes, or 74 percent of Japan's total imports of fresh and frozen herring.

Dutch exports of frozen herring declined from 2013 until 2015, but are now showing signs of strength again. During the first quarter of 2017, Dutch exports

rose from 33 700 tonnes to 56 500 tonnes (+67.6 percent). The most important markets were Nigeria (41 percent of the total) and Egypt (36.5 percent of the total).

China's exports of whole frozen mackerel are increasing. During the first three months of 2017, exports greatly increased by 110 percent, to 105 400 tonnes. The main markets for this product are Indonesia (27 percent of the total), Philippines (23 percent of the total) and Thailand (10 percent of the total).

The US market for canned sardines appears to be picking up. Imports rose by almost 15 percent during the first three months this year, to 11 000 tonnes. The main suppliers were Poland, Ecuador and Morocco.

Norwegian exports of small pelagics (by products and destination)

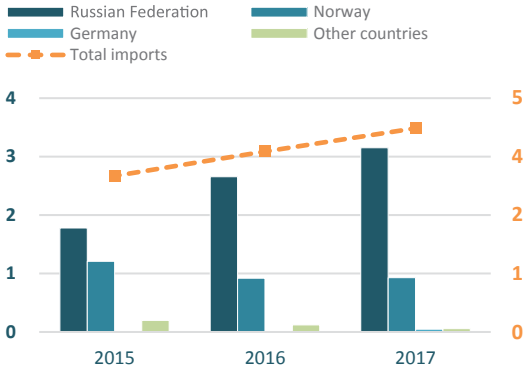
January-March

(1 000 tonnes)

	2013	2014	2015	2016	2017
Frozen mackerel					
China	8.0	11.7	6.4	6.4	13.7
Turkey	4.7	4.8	6.6	4.5	8.4
Republic of Korea	1.3	2.2	4.4	3.7	5.2
Other countries	31.9	33.1	30.9	54.2	38.9
Subtotal	45.9	51.8	48.2	68.8	66.1
Frozen herring					
Ukraine	11.6	9.1	6.3	14.3	14.8
Lithuania	6.2	11.8	4.2	5.0	7.3
Egypt	8.4	1.9	5.6	11.1	5.4
Other countries	32.2	28.1	10.1	10.0	14.0
Subtotal	58.5	50.9	26.2	40.4	41.6
Total	104.4	102.7	74.4	109.2	107.7

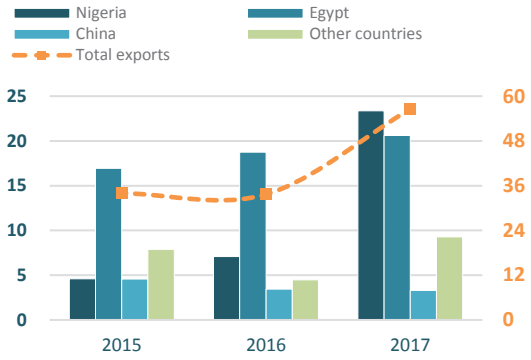
Source: *Statistics Norway*

Japan |Imports |Herring |Fresh and frozen
Top three origins
Unit: 1 000 tonnes, January-March



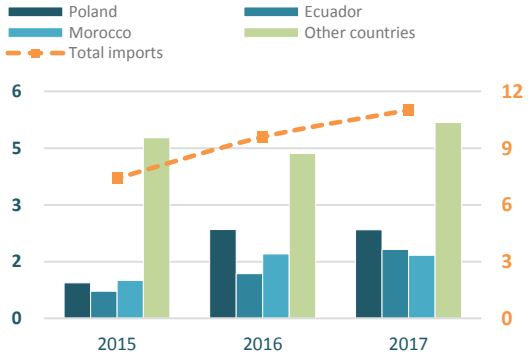
Source: *Japan Customs*

Netherlands |Exports |Herring| Frozen
Top three destinations
Unit: 1 000 tonnes, January-March



Source: *Eurostat*

United States of America |Imports |Sardines | Canned
Top three origins
Unit: 1 000 tonnes, January-March



Source: *NMFS*

Outlook

The outlook for the herring market is one of rising volumes but much weaker prices. The record prices of last year will certainly not be reached this year. In the mackerel market, prices are high and will stay high. The outlook for the fishery is good, and demand is strong, especially with China buying larger amounts. The anchovy landings in South America will be very high, but most of this will go to reduction to fish meal and fish oil, with only smaller amounts entering the consumption market.

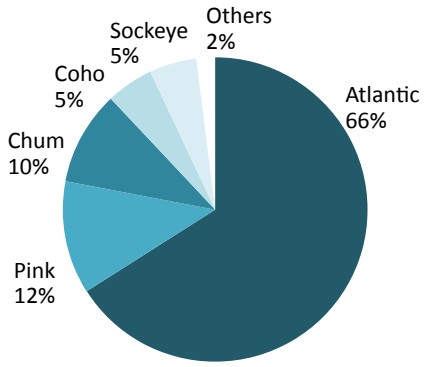
SALMON

GLOBEFISH HIGHLIGHTS

Market expects global supply boost in second half of 2017

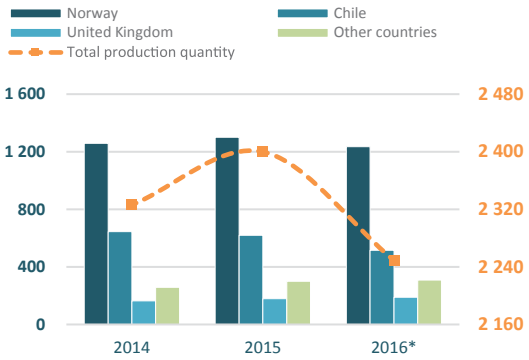
High global salmon prices were maintained in early 2017, spreading from the farmed Atlantic segment into markets for other salmon species such as coho. However, harvestable biomasses are high at farms and industry players are expecting a larger-than-usual hike in supply volumes towards the end of the summer

Salmon production by species, both wild and farmed (2015)



Source: *FAO*

Top three global producers of farmed Atlantic salmon
Unit: 1 000 tonnes



Source: *FAO (until 2015), *estimate*

Norway

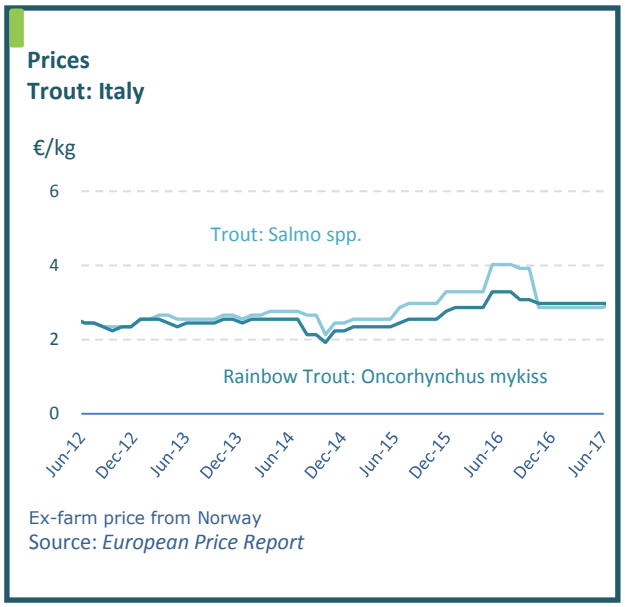
Prices for Norway's farmed Atlantic salmon exports have been climbing steeply skyward for around two years now, driven by a range of restrictions on global supply growth, the most fundamental being a limit on the number of suitable sites for salmon farming. In Norway, specifically, regulatory authorities have sought to keep output growth relatively low over the last few years and have imposed conditions on farmers intended to keep sea lice levels under control. With global demand growing significantly more, particularly in emerging markets, the result has been a 70 percent increase in Norwegian krone prices from mid-2015 to mid-2017, when the Fish Pool Index weighted price reached NOK70.73 (US$ 8.34) per kg.

The exceptionally high prices in the first quarter of 2017 translated into a 21 percent increase in the value of Norwegian salmon exports compared with the same quarter in 2016, for a total of NOK 16.1 billion (US$1.91 billion). Volumes were 3 percent higher, at 233 000 tonnes. The volume share of Norway's top export market, the EU, led by France and Poland, continues to diminish in the face of stiff competition from buyers in Asian markets and the United States of America. In Asia, demand for salmon among the fast-expanding middle class in countries such as China, Viet Nam and Thailand continues to strengthen while in the United States of America, a lack of Chilean supply and a shift in the sourcing policies of major retail chains towards Norwegian product has seen Norwegian-origin imports grow rapidly in recent years.

There is a broad consensus among analysts that the global supply of farmed salmon will rise significantly in the second half of 2016, with the majority of this additional volume coming from Norway, where there is a surplus of 2015 and 2016 generation fish in the pens. However, there is still some debate on the magnitude of this increase, with some feeling that Nordea Bank's revised forecast of 12 percent year-on-year increase in the second half of 2017 is too high. Forward markets appear to be relatively hopeful that a severe price drop will be avoided, with Fish Pool forward prices at NOK62.10 (US$ 7.45 per kg) for the third quarter of 2017 and NOK63.27 (US$ 7.59) per kg for the fourth quarter.

Trout

While world salmon markets can expect to see some relief from the tight supply over the coming months, export markets for Norwegian trout will continue to suffer from a severe shortage of fish for at least the next year or so. Demand in Japan, Thailand, Belarus, Poland and the United States of America has been boosted by all Norwegian marketing efforts over the last two years, but has steadily depeleted available supply and pushed prices up by almost 100 percent in the space of two years. Norway exported 8 700 tonnes worth NOK680 million (US$80 million) in the first quarter of 2017 compared with 18 590 tonnes worth NOK899 million (US$104 million) in the same period in 2016.



Chile

In recent years, the Chilean salmon sector has undergone several changes. These include reduced harvests, increased export values, sanitary improvements, efficiency gains, and growing demand for salmon worldwide. Indeed, the first quarter of 2017 produced the best financial results for the domestic industry since 2010, according to the Superintendence of Securities and Insurance.

According to IndexSalmón, salmon companies' revenues for shipments to the United States of America, the main Chilean salmon market, grew 32 percent during the first quarter of the year compared with the same period last year, recording a total value of US$418.2 million. While competitors such as the United Kingdom and Norway registered a higher increase in their income, these countries do not have the market share that Chile has in the United States (44.6 percent). The average unit price was US$12.4 per kg, well above the US$8.25 per kg registered in the same period last year and exceeding that of Norwegian-origin imports, which usually achieve the highest price.

The impact of last year's algae bloom continues to affect Atlantic salmon exports from Chile (in terms of volume) to all markets, although the 6 percent drop during 2016 compared with 2015 was less than the expected 25 percent. During the first quarter of 2017, however, Atlantic salmon harvests reached 127 000 tonnes, 24.2 percent lower than in the same period of 2016. For rainbow trout, total harvests for March 2017 reached 26 700 tonnes, a decline of 18 percent compared with the same month of 2016.

United Kingdom

Over approximately the last two years, the Scottish farmed salmon sector has seen its steadily expanding output absorbed at increasingly higher prices as demand in its well-diversified major markets (United States of America, France and China) has risen in parallel with a depreciation of the British pound versus the US dollar, the euro and the Chinese yuan. Ongoing challenges related to sea lice management have exerted some pressure on the cost side of aquaculture companies' balance sheets, but the outlook for producers is generally good.

While a weaker currency is positive from a UK exporter's perspective, the combination of the relatively greater allure of export markets for domestic producers and the magnification of already elevated prices for salmon produced abroad has added to the strain on the domestic salmon market. Retail margins have been hit as raw material costs soar and UK salmon consumers are beginning to turn to alternative seafood options such as cod in the face of rising product prices.

Wild salmon

Based on current forecasts, this year's combined wild salmon harvest in Eastern Russian Federation and Alaska should be slightly above 2016, with a drop in the Russian Federation offset by an expected increase in Alaskan catches. In particular, pink salmon catches are expected to rebound in the US fishery after a pronounced drop last year. As high farmed prices are now being transmitted to wild markets, producers should be in a good position for profitability gains.

Norwegian exports of salmon (by product and destination)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh fillets					
United States of America	0.6	2.3	2.0	4.4	5.4
Japan	1.5	2.0	2.4	3.1	3.3
France	4.5	4.0	4.7	3.9	2.4
Others	8.8	8.0	8.7	8.9	7.8
Subtotal	15.4	16.4	17.8	20.2	18.9
Frozen fillets					
United States of America	1.3	2.0	1.9	1.7	2.9
Sweden	1.4	1.9	2.1	2.1	2.5
Israel	0.2	0.2	0.7	0.4	1.0
Others	7.0	5.1	6.4	6.2	5.1
Subtotal	9.9	9.2	11.1	10.4	11.5
Fresh whole					
Poland	25.1	24.4	29.2	27.4	27.7
France	24.0	21.3	23.5	22.6	20.1
Denmark	13.1	14.1	16.4	13.5	16.9
Others	118.8	124.9	135.0	124.1	126.1
Subtotal	181.0	184.7	204.1	187.6	190.8
Frozen whole					
Thailand	0.6	0.8	0.8	0.6	1.3
Republic of Korea	0.4	0.2	0.5	0.2	0.7
Israel	0.3	0.3	0.6	0.0	0.7
Others	7.4	7.0	6.2	6.8	3.4
Subtotal	8.8	8.2	8.1	7.7	6.1
Total	215.1	218.5	241.1	225.9	227.4

Source: *Norwegian Seafood Council*
(small shares of product type like salted not included)

British exports of salmon (by product and destination)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh					
United States of America	7.9	10.8	7.2	6.9	8.6
France	3.4	4.7	5.2	5.9	6.0
China	2.1	2.7	1.3	2.5	3.1
Others	6.6	6.3	4.5	4.5	5.6
Subtotal	20.0	24.4	18.2	19.8	23.2
Frozen					
Philippines	0.0	0.0	0.0	0.2	0.5
France	0.3	0.5	0.4	0.5	0.4
Thailand	0.0	0.0	0.0	0.1	0.4
Others	1.2	1.6	1.3	2.0	0.9
Subtotal	1.5	2.1	1.7	2.8	2.2
Total	21.5	26.5	19.9	22.6	25.5

Source: *Her Majesty's Revenue & Customs*
(Small shares of product type like salted not included)

Chile exports of salmon (by product and destination)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh					
United States of America	21.7	24.4	25.3	29.1	25.0
Brazil	13.5	17.5	22.6	20.3	18.5
China	0.1	0.3	0.9	2.8	2.6
Others	2.6	2.4	3.4	3.6	3.3
Subtotal	37.9	44.5	52.2	55.8	49.5
Frozen					
Japan	59.1	42.3	45.5	41.7	40.7
Russian Federation	6.7	9.2	10.3	14.1	10.0
United States of America	6.4	9.0	8.6	9.9	8.9
Others	30.3	34.4	35.5	40.3	31.8
Subtotal	102.6	94.9	99.8	106.1	91.4
Total	140.5	139.4	152.1	161.9	140.9

Source: *Chile Customs*
(small shares of product type like salted not included)

Markets

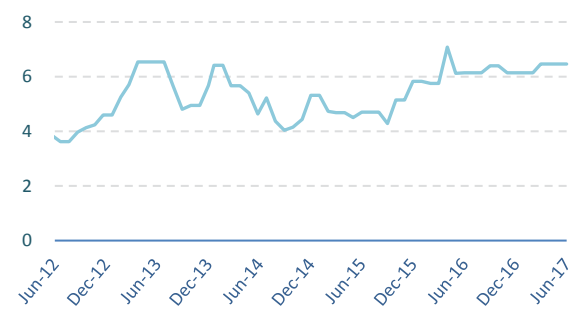
The prevailing high price environment in the world farmed salmon market has now been sustained long enough to start to bring about more fundamental shifts in business models, supply chains and consumer preferences beyond those that can be attributed to short-term supply and demand dynamics. First, supply chain intermediaries are procuring a larger proportion of fish through the spot market, fearful of continuing price volatility and wary of high exposure to contracts. At the same time, value addition and innovation is becoming ever more important to generate demand as it becomes difficult to push relative affordability as a selling point for the consumer. Farmed coho salmon and various wild species are increasingly viewed as viable alternatives by buyers, particularly in newer Asian markets such as Thailand, the Republic of Korea and Taiwan Province of China. However, there is still simply not enough salmon to go around at present, and major markets outside the traditional "big three" (Japan, United States of America and the EU) such as Russian Federation and China are seeing steep declines in import volumes. The one notable exception is Brazil, whose proximity to Chile reduces competition from other markets for Chilean fresh whole Atlantics, which essentially make up the entirety of Brazilian salmon imports.

France

Over the 12 months preceding May 2017, Euromonitor International data show that French consumers spent more on salmon than over the previous 12 months, but volumes were down. The same market reports point to a growing demand for wild and organic salmon due to continuing consumer concerns over quality and sustainability of farmed

salmon. French import statistics for the first quarter of 2017 show falling overall volume and higher unit values. There were volume declines for all major product groups, particularly for fillets. In terms of supplier countries, the United Kingdom increased its share to 19 percent in value terms, compared with 52 percent for Norway (56 percent last year).

Prices
Salmon: France



Fresh, gutted, HO, 3–6 kg/pc, origin: Norway
Source: *European Price Report*

French imports of salmon (by product)

	January-March				
	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh whole	24.5	21.9	22.8	26.9	25.3
Fresh fillets	5.0	3.8	4.0	3.9	2.9
Frozen fillets	5.5	5.8	4.7	6.1	5.3
Smoked	2.0	1.5	1.7	1.7	1.6
Others	1.4	1.2	1.7	1.1	2.1
Total	38.4	34.3	35.0	39.7	37.1

Source: *DNSCE*
(small shares of product type like salted not included)

Germany

Traditionally, German salmon consumer preference has been for processed product, particularly smoked, but over recent years the fresh segment has grown largely due to discount retailers. This trend continued in the first quarter of 2017, with fresh whole Atlantic imports now accounting for 26 percent of the value of Germany's total salmon imports, compared with 38 percent for smoked. However, import quantities of all other farmed Atlantic product categories declined and total salmon import volume dropped by 10 percent in the first quarter (up 21 percent in value) as high prices took their toll.

German imports of salmon (by product)

	January-March				
	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh whole	10.6	16.0	12.8	12.9	13.5
Fresh fillets	2.1	2.3	3.4	3.6	2.8
Frozen fillets	8.6	10.0	8.6	9.6	8.7
Smoked	9.9	8.6	10.5	11.2	10.0
Others	6.6	6.5	4.2	6.0	3.8
Total	37.8	43.3	39.5	43.3	38.9

Source: *Germany Customs*
(small shares of product type like salted not included)

United States of America

The United States of America imported an estimated 90 000 tonnes of salmonids during the first quarter of 2017, worth a total of US$944 million. These figures represent a drop of 4 percent in volume and an increase of 31 percent in value compared with the same period of 2016. Three countries account for 73 percent of the total volume imported: Chile was the leading supplier (33 400 tonnes worth US$419 million), followed by Canada (19 800 tonnes worth US$183 million) and Norway (12 600 tonnes worth US$142 million). Chile and Canada registered a decrease in terms of volume, while all three grew in terms of value.

Japan

Japan traditionally imports three main species of salmon: farmed coho from Chile, farmed Atlantics primarily from Norway, and wild sockeye from Russian Federation and the Unietd States of America. Prices rose for all three species in the first quarter of

Japanese imports of salmon (by product and destination)

	January-March				
	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh					
Norway	6.6	6.3	6.9	7.4	7.3
Canada	0.6	0.1	0.1	0.5	0.2
Australia	0.3	0.1	0.2	0.3	0.2
Others	0.3	0.3	0.3	0.3	0.3
Subtotal	7.7	6.8	7.4	8.5	8.0
Frozen					
Chile	46.3	30.0	33.5	43.9	44.7
Russian Federation	3.9	3.3	2.4	4.7	3.4
United States of America	0.7	0.4	2.4	2.1	0.9
Others	2.2	1.3	1.6	1.1	1.3
Subtotal	53.1	35.1	39.8	51.9	50.2
Total	60.8	41.9	47.2	60.3	58.3

Source: *Japan Customs*
(Small shares of product type like salted not included.)

2017, which can be attributed to supply contraction, reflected in lower import volumes, and a limited degree of transmission across segments. In the case of coho, Japan is also increasingly having to compete with other Asian countries to secure Chilean supply, as buyers seek alternatives to high-priced farmed Atlantics.

US imports of salmon (by product and destination)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh fillets					
Chile	22.0	23.9	24.6	27.5	23.7
Norway	0.9	2.9	3.3	4.9	5.3
Canada	1.6	1.0	1.2	1.9	2.8
Others	2.6	3.6	2.3	3.1	2.8
Subtotal	27.1	31.3	31.3	37.5	34.7
Frozen fillets					
China	10.4	9.7	11.0	9.7	9.0
Chile	7.2	8.1	7.9	8.6	7.6
Norway	1.7	1.6	2.6	2.1	2.2
Others	0.6	0.9	1.1	1.0	1.1
Subtotal	19.9	20.3	22.6	21.5	19.9
Fresh whole					
Canada	19.7	9.6	17.9	19.7	15.4
Norway	0.8	1.3	3.5	2.0	5.1
United Kingdom	1.7	2.8	1.7	1.7	3.6
Others	2.9	4.9	2.5	4.6	4.2
Subtotal	25.1	18.6	25.5	28.0	28.3
Frozen whole					
Russian Federation	0.1	0.3	0.0	0.3	0.9
Canada	0.4	0.2	0.6	0.7	0.8
Chile	0.3	0.9	0.3	0.8	0.8
Others	0.3	0.2	0.7	1.1	0.6
Subtotal	1.0	1.5	1.5	3.0	3.1
Smoked					
Netherlands	0.5	0.6	0.7	0.4	0.3
Greece	0.0	0.0	0.0	0.2	0.3
Chile	0.5	0.3	0.4	0.1	0.2
Others	0.3	0.3	0.4	0.3	0.3
Subtotal	1.2	1.1	1.6	1.1	1.1
Total	74.4	72.9	82.5	91.0	87.0

Source: *NMFS*
(small shares of product type like salted not included)

Outlook

After a period of very tight global supply since the algal bloom mortalities in Chile in early 2016, relief is expected to come to the markets starting late summer this year as European harvests spike. This increase in harvest volume is an annual occurrence, but current biomasses suggest that significantly more volume can be expected than in recent years. This will likely translate into a 20-25 percent price drop before end-of-year demand reverses the trend. In the longer term, there may be concern that farmed producers, particularly in Chile, will respond to the high price level by flooding the market and causing a more severe, sustained price crash. However, most observers feel that this unlikely since market fundamentals have changed – aggregate global demand for salmon is much higher – and the new regulatory environment is Chile put limits on the rate of supply growth, more in line with the Norwegian sector. Thus, for the next two years, although higher output growth can be expected, it should serve only to bring some balance to the market and prevent consumer demand from being eroded by high prices. The salmon sector also reaffirmed its commitment to sustainable development recently at the United Nations Ocean Conference in New York, as the Global Salmon Initiative (GSI) gave its public support to the implementation achieving the United Nations (SDG) 14, which is "conserve and sustainably use the oceans, seas and other marine resources".

FISHMEAL & FISH OIL

GLOBEFISH HIGHLIGHTS

Peruvian's bump harvest of anchovy: constant drop in prices

The year 2017 seems to be very positive for fishmeal and fish oil production as Peru reports good landings of anchovies, the main fishmeal raw material. Thus, exports of fishmeal and fish oil from South America greatly increased in contrast to last year. The price is soon expected to stabilize at the current level following a six-month downward trend, but in the foreseeable future, a price rebound is likely to occur.

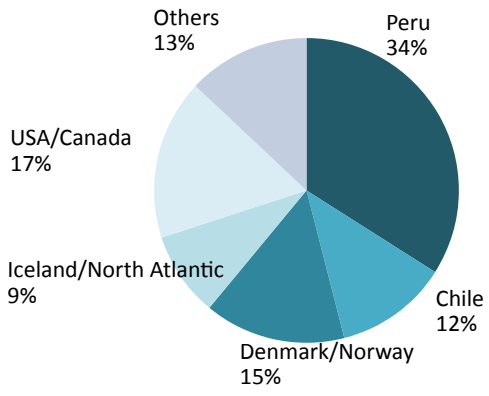
Production

The year 2016 was regarded as the worst of the past 40 years in terms of production of fishmeal, which was ascribed to the disruptive weather patterns and high salinity of the water due to El Niño in the South-East Pacific area. This area is the most important habitat of Peruvian anchoveta, a species mainly processed for fishmeal and fish oil.

The second anchovy fishing season of 2016 in Peru (November 2016 to January 2017) in the north-central area, the most important fishing area in the country, reached a high level, with more than 98 percent quota met (quota set at 2 million tonnes). In addition, for the first fishing season of 2017 (from April 2017 to July 2017), the quota (2.8 million tonnes) was up by 56 percent compared with the corresponding period in 2016. According to the market news, it is highly probable that this quota issued will be fully reached. Thus, any concerns over the supply shortage have recently been completely eliminated.

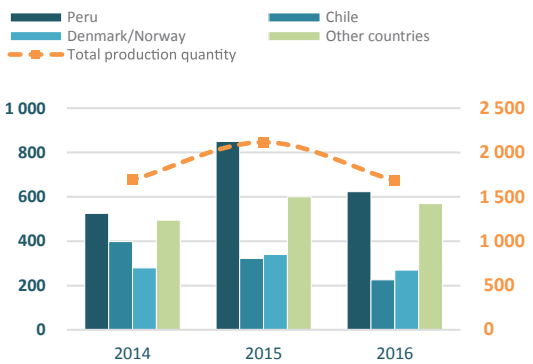
Following growth in Peru, global fishmeal output is scaling up, manifested by better performance in Chile and Scandinavian countries. For the first quarter of 2017, the production quantity in Peru (+179.4 percent), Chile (+117 percent), Denmark/Norway (+6.3 percent) and Iceland/North Atlantic (+42.3 percent) all reflected the abundant provision of high protein feed to the world.

Fishmeal production by countries* (2015)



Source: *FAO*
*IFFO countries only, North Atlantic includes UK, Ireland and Faroe Islands

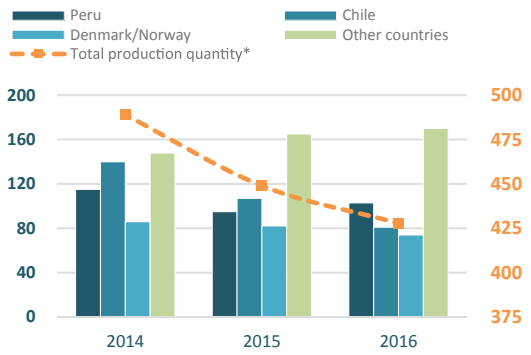
Top global producers of fishmeal
Unit: 1 000 tonnes



Source: *IFFO, refers only to IFFO member countries*

Regarding fish oil, the pattern is more or less the same: during the first three months of 2017, Peru more than doubled its production quantity (+221.4 percent) to 24 145 tonnes, compared with the same period in 2016, followed by Chile (+43.9 percent) and Iceland/North Atlantic (+82 percent).

Top global producers of fish oil
Unit: 1 000 tonnes



Source: *IFFO, refers only to IFFO member countries*

Export

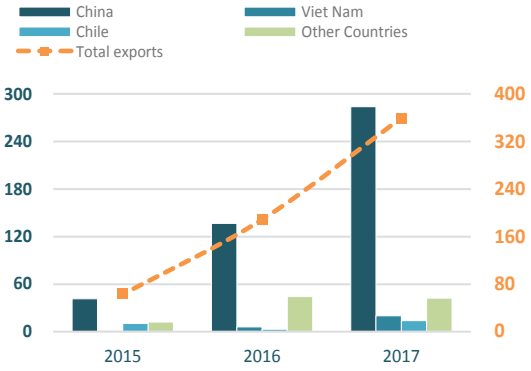
Recently, the strong increase in fishmeal production gave rise to the growth of Peruvian exports of fishmeal and fish oil, allowing Peru to again be the supply hub for animal feed, an interesting feature in view of the constant loss of market shares since 2014. In the first three months of 2017, more than 280 000 tonnes of fishmeal were exported from Peru to China at a growth rate at 108 percent. In addition, Chinese feed industry absorbed 80 percent of Peruvian fishmeal exports.

The positive trend was witnessed not only in China, but also in Viet Nam (+240.9 percent), Chile (+396 percent), Japan (+245 percent) and Republic of Korea (+292 percent). It can be observed that global importers swiftly turned back to Peru once the supply normalized there.

Different scenarios were seen in other traditional exporters. Chile slightly reduced its exports during the first three months of this year to 30 000 tonnes; the trade activities in Scandinavian countries levelled off to some extent, and even decreased, mainly because Norway reduced imports of fishmeal from neighbouring countries.

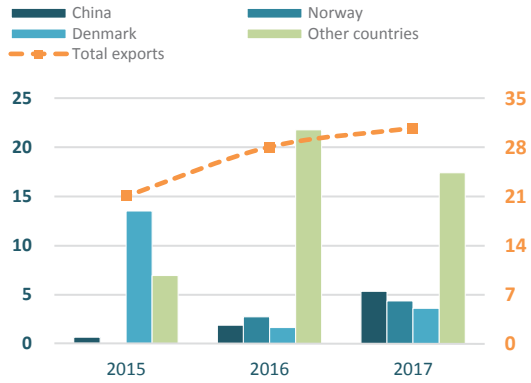
Exports for fish oil did not grow as much as fishmeal; minor increases of exports from Denmark, Peru and Norway did not necessarily change the trade pattern.

Peru |Exports |Fishmeal
Top three destinations
Unit: 1 000 tonnes, January-March



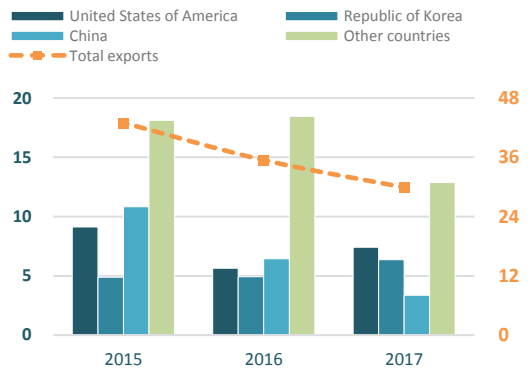
Source: *Produce*

Peru |Exports |Fish oil
Top three destinaions
Unit: 1 000 tonnes, January-March



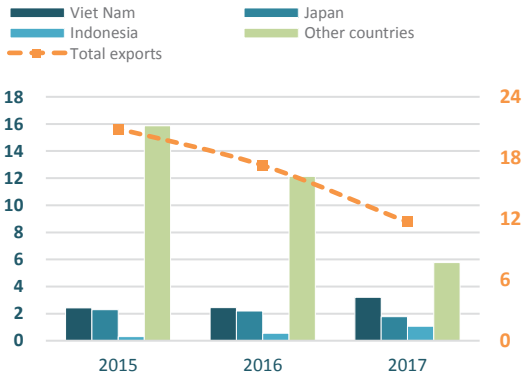
Source: *Peru Customs*

Chile |Exports |Fishmeal
Top three destinations
Unit: 1 000 tonnes, January-March



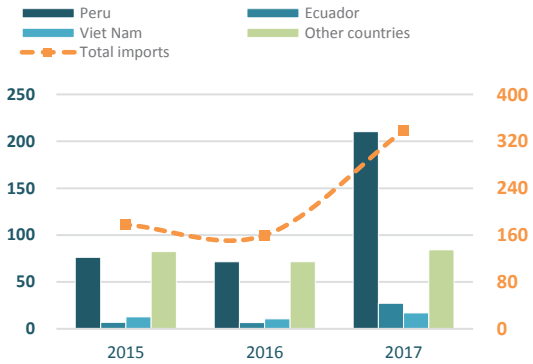
Source: *Boletín de Exportaciones del IFOP*

Chile |Exports |Fish oil
Top three destinations
Unit: 1 000 tonnes, January-March



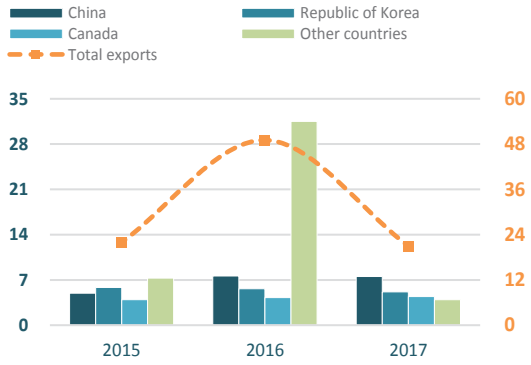
Source: *Boletín de Exportaciones del IFOP*

China |Imports |Fishmeal
Top three origins
Unit: 1 000 tonnes, January-March



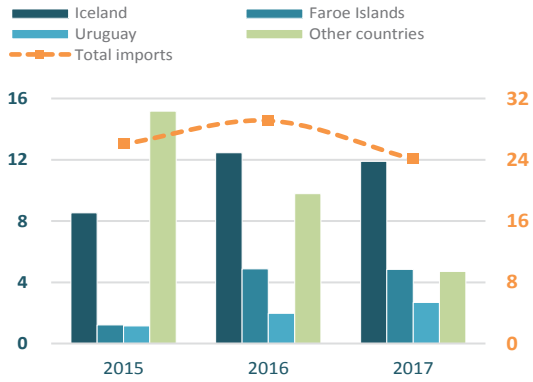
Source: *China Customs*

United States of America |Exports |Fishmeal
Top three destinations
Unit: 1 000 tonnes, January-March



Source: *NMFS*

Norway |Imports |Fishmeal
Top three origins
Unit: 1 000 tonnes, January-March

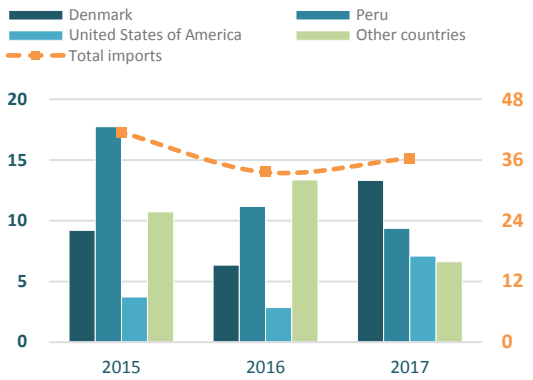


Source: *Statistics Norway*

Market

Benefitting from the relatively low price, combined with the promotion strategy conducted by Peruvian feed producers in order to regain the losing shares in the market, Chinese importers were extremely active. From January to March 2017, China more than doubled its imports of fishmeal to 340 000 tonnes, an increase of 111 percent over the same period one year ago. Peru as a supplier accounted for most of this increase. The peak of the Norwegian salmon production, one of the main clients of Peru eventually dropped slightly in 2016, which was reflected in lower fishmeal imports, which slightly dropped, to 24 000 tonnes in the first quarter.

Norway |Imports |Fish oil
Top three origins
Unit: 1 000 tonnes, January-March



Source: *Statistics Norway*

Prices

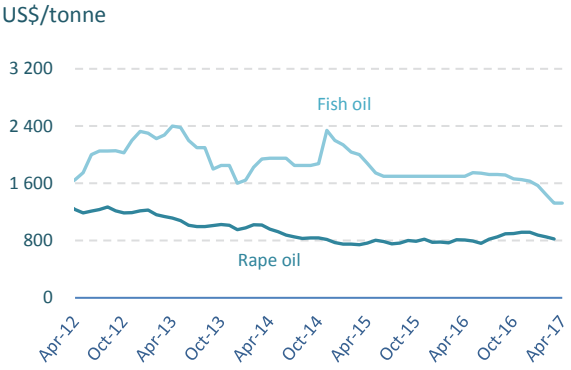
There has been a downward trend of fishmeal prices in Peru for some time. Some analysts say that it is the strategy of Peruvian feed producers for regaining the market, while some rumours referred to the general market rationale that excessive supply was putting pressure on prices.

It should be noted that the prices continued on a downward trend from last December, when it became clear that the fishing activities were much better than expected; to date, the momentum continues but much slower. In this regard, future price could be expected to lift to some extent be out of current downturn when as Peru gains more shares on global market. At the same time, the expansion of aquaculture will inevitably continue with increasing demand for high protein feed.

Outlook

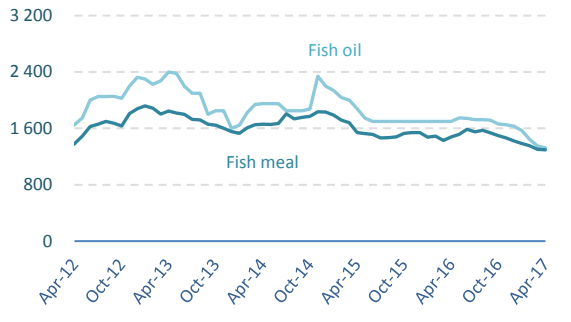
The second fishing season in Peru usually ends in July, and a very positive performance is expected; hence, in the short term, it is highly likely that there will be a more than sufficient supply, which could also be the driving force for a further price decline. However, with Peru regaining the monopoly, it would be understandable and reasonable to see the price of fishmeal and fish oil from Peru go up towards maximizing profits. But climate irregularity that can affect the supply side is not high; thus, a good output may soften the price hike.

Prices
Fish oil and Rape oil: Europe



Source: *Oil World*

Prices
Fish oil and Fishmeal: Europe



Source: *Oil World*

LOBSTER

GLOBEFISH HIGHLIGHTS

Demand continues to grow, but prices weaken

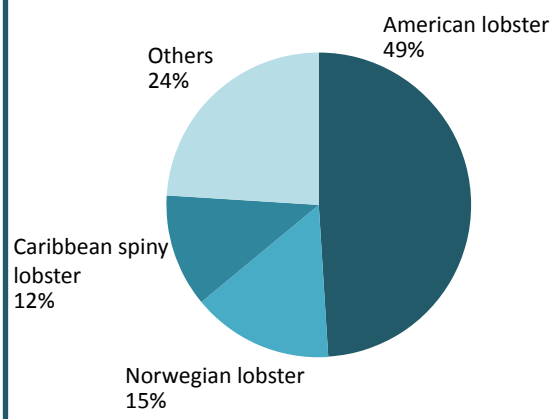
Demand for lobsters is growing, particularly in China. European demand is also good. Canadian exports to the EU may gain a trade advantage over US exporters when the Canadian Free Trade Agreement (CFTA) comes into effect.

Supplies

Prospects are good for the 2017 Maine lobster season, according to IntraFish. Last year was a record year, 59 000 tonnes landed, up from 55 500 tonnes in 2015. Landings had been declining for three years, but bounced back in 2016, and observers now expect another very good year. The value of Maine lobster landings amounted to US$533.1 million, up from US$501.3 million in 2015. The growth in value also reflects increasing prices. First-hand prices for lobsters increased from US$2.69 per lb in 2012 to US$2.90 in 2013, then jumped to US$3.70 in 2014, peaked at US$4.09 per lb in 2015 and fell slightly back to US$4.07 per lb in 2016.

This development reflects growing demand, both domestically and internationally. The US market is strong during the summer months. But it is the Chinese market that has had the greatest impact. In 2012, Maine lobster exporters sold no lobsters to China, but in 2016, 4 500 tonnes were shipped to China. In total, 11 300 tonnes of lobsters were exported to foreign markets from Maine. China, as well as the rest of Asia, is now seen as the most promising market for Maine lobster, although there is also good demand in Europe.

Lobster production (2015)



Source: *FAO*

World imports of lobster (by product and origin)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh/Live					
United States of America	6.3	6.4	9.3	8.4	6.9
China	2.7	4.2	4.5	5.3	6.0
Hong Kong SAR	2.3	1.9	1.3	1.2	1.4
Others	4.3	4.8	5.1	5.7	4.5
Subtotal	15.5	17.3	20.2	20.6	18.8
Frozen					
United States of America	3.1	3.0	3.1	3.4	3.2
France	0.4	0.5	0.6	0.6	0.8
China	0.3	0.0	0.2	0.5	0.7
Others	4.1	3.7	3.2	4.3	3.4
Subtotal	7.9	7.2	7.1	8.7	8.1
Total	23.4	24.5	27.3	29.3	26.3

Source: *GTIS*

(small shares of product type like canned not included)

The spring lobster season in Prince Edward Island started at the end of April, and industry spokespersons were optimistic about the outlook. The fishers were hoping for a strong season and that prices would stay at least at last year's high levels (US$6.50-6.75) per lb (Undercurrent News).

Prince Edward Island (PEI) lobster fishers are concerned that Canadian lobster rules are changing

too fast. Recently, it was announced that in fishing area 25, the minimum carapace length was changed from 72 to 77 mm. This is of concern especially in PEI because the lobster industry there has developed a market for smaller lobsters, which are called "canners" (Undercurrent News).

International trade

The Canada Free Trade Agreement (CETA) between Canada and the EU is a cause of some concern for US lobster exporters. Canadian exporters will not have to pay any EU import duty on Canadian lobsters when the agreement comes into effect, while the United States of America has no such free trade agreement with the EU. The agreement will save EU consumers about EUR1.00 per lb, and thus put Canadian lobsters in a very competitive position. The EU market constitutes about 15-20 percent of US lobster exports, and is a US$200 million industry. US and Canadian lobster exporters focus on different parts of the European market. Canada focuses mainly on the northern European countries, while the United States of America focuses on southern European countries such as Spain, Italy and Greece, where prices tend to be lower than in the north. Hence, when the CETA is in effect, Canadian lobster will be in a better position to also compete in southern Europe (Undercurrent News).

China's appetite for lobsters is growing. Imports during the first quarter of the year increased from 5 800 tonnes in 2016 to 6 700 tonnes in 2017 (+15.5 percent). There was an increase in particular in the category "live, fresh or chilled".

Like the North American lobster exporters, tropical lobster exporters are looking to China for new business. Bahamas lobster exporters are hoping to receive approval for exports of live lobsters to China before Christmas. In China, live lobsters have long been the preferred product form, although recently they have also been buying cooked lobster. Bahamas' total exports of lobsters annually amount to about US$55-80 million.

E-commerce is exploding in China, and lobster is one of the products that is offered and a number of suppliers are already active. It is expected that by 2020, 750 million Chinese will use the Internet to buy goods (Undercurrent News).

Global imports of fresh/live lobster took a dip during the first three months of the year compared to the same period in 2016. The total amounted to 18 800 tonnes, compared to 20 600 tonnes last year (-8.7 percent). The largest importers were the United States of America (6 900 tonnes), China (6 000 tonnes) and Hong Kong SAR (1 400 tonnes). US imports was responsible for practically all of the reduction in trade in this commodity. Imports of frozen lobster, in contrast, have been slightly more stable, at around 7 100 to 8 700 tonnes during the first quarter of the year.

US lobster imports dropped by 17 percent during the first quarter of 2017 compared to the same period in 2016. The biggest reduction was for live/fresh/chilled. US exports of lobster during this period declined from 5 400 tonnes in 2016 to 5 100 tonnes this year.

Canadian exports of lobster dropped by almost 16 percent, from 17 100 tonnes during the first three months of 2016, to 14 400 tonnes during the first quarter of 2017.

EU imports of lobster were relatively stable at around 5 000 tonnes during the first three months of 2017.

European Union imports of lobster (by product)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh/live	0.0	0.0	0.0	0.0	2.6
Frozen	2.1	2.0	2.1	2.1	2.3
Others	2.7	2.9	2.8	3.0	0.1
Total	4.8	4.9	4.9	5.1	5.0

Source: *GTIS*

US imports of lobster (by product)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh/live	6.2	6.4	9.3	8.3	6.9
Frozen	3.1	3.0	3.1	3.4	3.2
Others	0.5	0.5	0.8	1.1	0.7
Total	9.9	9.9	13.2	12.9	10.7

Source: *GTIS*

Canadian exports of lobster (by product)

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Fresh/live	0.0	0.0	0.0	0.0	11.6
Frozen	1.4	1.5	2.0	2.7	2.0
Others	8.4	9.3	13.6	14.4	0.7
Total	9.8	10.8	15.6	17.1	14.4

Source: *GTIS*

0ver the past five years, this figure has fluctuated between 4 800 tonnes and 5 100 tonnes.

Prices

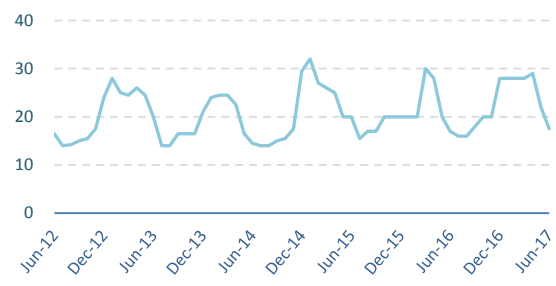
The cold weather in the US north-east caused a shortage of lobster in the spring months, and consequently sent prices soaring. Although supplies are still at a low level, prices have begun to soften after Easter. Demand often weakens after Easter, and that has also been the case this year.

Prices for lobster tails on the US market continue to be very stable. For whole lobster, in contrast, prices greatly increased at the end of last year, but have since then dropped noticeably, and are now down to the level of March 2015. However, the trend seems to indicate the prices are edging upwards, albeit in leaps and bounds.

Prices for Western rock lobster from Australia have fallen recently due to weakening Chinese demand and cheaper US exports to China, according to ABC.net.au. Compared to six months ago, the first-hand price is down by 30 percent; competition from the US lobster industry is also playing a part in this. The US lobsters cost about one-third of that of Australian western rock lobster. The Australian rock lobster is marketed in China as a high-end seafood product (Undercurrent News).

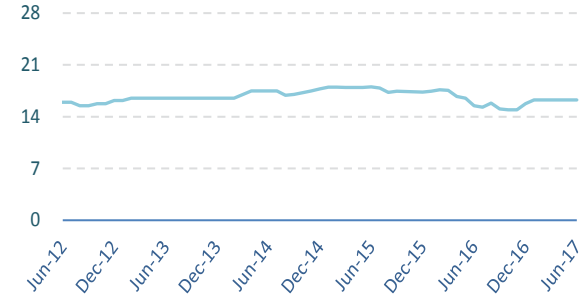
European prices are more seasonal, with a peak around Christmas and a dip towards summer.

Prices
European lobster: Europe



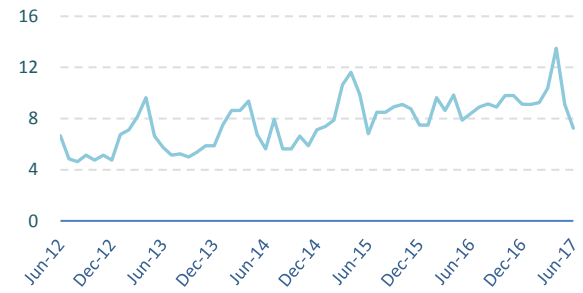
Live, origin: Ireland; 400–600, 600–800 g/pc
Source: *European Price Report*

Prices
lobster tails: United States of America



EXW prices of frozen lobster tails
(8-10 oz/pc), origin: Brazil
Source: *INFOFISH Trade News*

Wholesale prices
American lobster: United States of America



1-1.5 lb live, NY wholesale price
Source: *INFOFISH Trade News*

Outlook

It appears that demand for lobster is generally on the increase, especially in Asia, led by China. Prices were high earlier in the year, but have now come down. Even so, lobster fishers and exporters on the American east coast are optimistic about both harvest and prices.

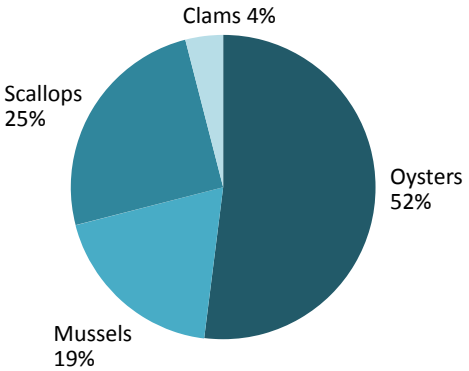
BIVALVES

GLOBEFISH HIGHLIGHTS

Sky-high prices

Bivalves are mainly consumed domestically, and less than 10 percent of world production is traded. Nevertheless, local producers feel the threat of imported products, and some producers protect themselves very successfully by promoting local labels. France has always been on the forefront of oyster production and in recent years, of mussel production. Europe, which is the main market for mussels, clams and oysters, is entering the period of highest consumption, the summer and holiday season. Prices are reported to increase, even more than in previous years.

Bivalve production by selected species, both wild and farmed (2015)



Source: *FAO*

Mussels

Chilean mussel production seems to have recovered from the difficult last year results, when red tides hit the main mussel cultivation areas. This was felt on the trade side, as both Spain (+32 percent) and France (+23 percent) substantially increased their imports from Chile. This year, the Wadden Sea has had a good production season, which has benefitted Dutch packers.

During the first three months of 2017, about 60 000 tonnes entered international trade, about 20 percent less than during the same period of 2016. While Chile managed to expand its exports, European countries such as the Netherlands and Spain reported lower sales. Among importers, EU countries gained over two-thirds of world trade.

World imports/exports of mussels

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Imports					
France	13.8	13.8	13.4	13.9	14.3
Italy	12.3	11.2	10.4	10.9	8.3
United States of America	7.8	8.6	7.0	8.2	6.7
Others	36.4	33.4	30.8	30.4	27.3
Total	70.3	67.1	61.6	63.4	56.5
Exports					
Chile	16.8	14.9	17.5	15.4	20.6
Spain	14.0	14.3	14.5	14.1	13.2
Netherlands	10.9	10.1	14.1	10.2	7.2
Others	33.9	34.5	27.8	33.0	19.1
Total	75.7	73.8	73.8	72.6	60.1

Source: *GTIS*

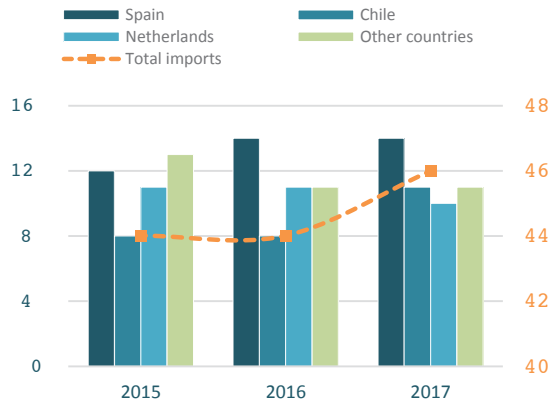
The French bouchot mussels are protected by several quality seals. One is the *spécialité traditionnelle garantie* (STG), which guarantees the quality and traceability of the French bouchot product. In addition, some production areas also have the moules de bouchot logo to distinguish them from imported mussels. Further, the mussel producers of the Mount St. Michel area have the protected designation of origin (PDO) logo on their products, and in certain moments of the mussel production, even the Label Rouge can be applied. All these marketing promotion actions show the economic importance of mussel production in several French Departments. Indeed, once the bouchot mussel production resumes – generally in June – all mussels consumed in France are produced nationally.

However, from December onward, due to the lack of bouchot production, mussels are imported.

In the first three months of 2017, French imports of mussels were slightly up (+3 percent) compared with the same period of 2016, reaching 14 300 tonnes. The Netherlands and Spain are traditionally the main exporters to this market, with a 30 percent market share. However, in 2017, some movement was created by Chile, which managed to export some 2 300 tonnes during the first three months, a 23 percent increase over 2016.

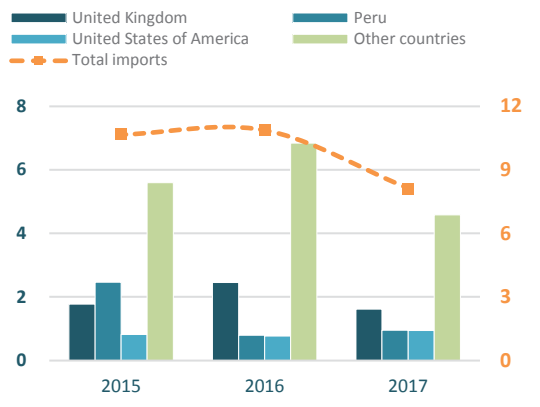
Spanish mussel production is mainly a small-scale enterprise activity in the fjords of Galicia. On average, some 250 000 tonnes of mussels are produced in Spain, with 95 percent of the production coming from Galicia. These numbers represent a strong recovery after some negative years such as 2013, when biotoxins created bad press and lower production for the sector. In fact, due to good local production, imports are declining. In the first three months of 2017, some 4 400 tonnes were imported, which is 20 percent lower than the imports in 2013.

European Union |Imports|Mussels
Top three origins
Unit: 1 000 tonnes, January-March



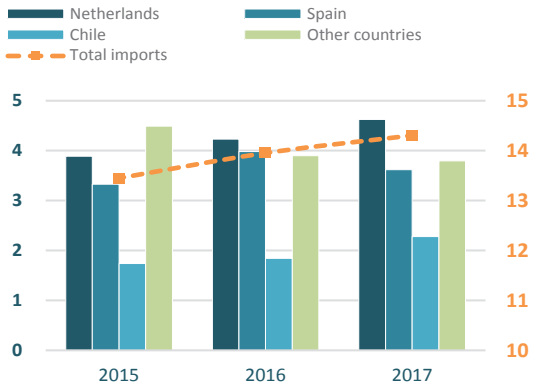
Source: *Eurostat*

European Union |Imports |Scallops
Top three origins
Unit: 1 000 tonnes, January-March



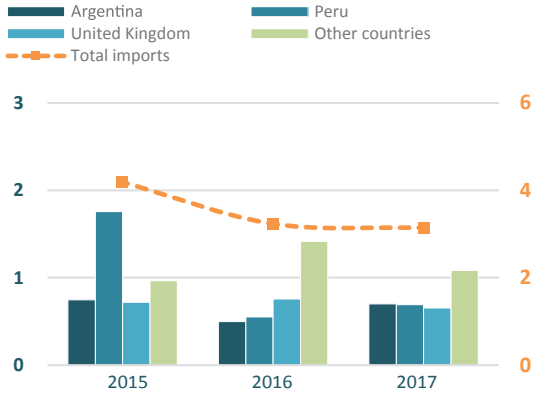
Source: *FAO*

France |Imports |Mussels
Top three origins
Unit: 1 000 tonnes, January-March



Source: *DNSCE*

France |Imports |Scallops
Top three origins
Unit: 1 000 tonnes, January-March



Source: *DNSCE*

Oysters

Unlike mussels and clams, the summer period is not a main consumption period of oysters in France and in Mediterranean countries. The French oyster season traditionally declines in summer, and the lack of product is evident at retail, but producers on the coast are optimizing direct sales during the tourist season through innovative channels such as food trucks and automatic 24/7 temperature-controlled distributors. In addition, the French scientific institution Institut Français de Recherche pour l'Exploitation de la Mer (IFREMER) is again tracking summer oyster mortalities; on their 31/05 bulletin they reported an average mortality rate of 27.9 percent at the national level for seed oysters, with high regional fluctuation. Juvenile and adult oysters are reported as having much lower mortality rates (1.2 percent and 0.9 percent, respectively). Due to limited demand, trade is also relatively limited. In the first three months of 2017, only 13 000 tonnes were entering international markets, with France and China as main suppliers. Oyster production and trade will pick up in the last quarter of the year.

World imports/exports of oysters

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Imports					
United States of America	1.8	1.8	2.6	2.3	2.5
France	1.1	1.2	1.1	1.5	2.1
Malaysia	0.1	0.4	0.1	0.3	1.5
Others	8.2	7.9	9.7	8.9	6.4
Total	11.2	11.3	13.6	13.1	12.4
Exports					
France	1.7	1.7	2.0	2.1	2.4
China	2.2	1.5	2.0	2.2	2.1
Ireland	1.2	1.4	1.6	1.7	2.0
Others	5.9	6.3	7.8	5.2	6.9
Total	10.9	11.0	13.4	11.2	13.4

Source: *GTIS*

Clams

Demand for clams is sky-high at the moment. Most of the production is consumed locally. Italian clams production is selling at EUR17 per kg for cultured *Ruditapes philippinarum*. This species had been introduced some 20 years ago into the Mediterranean area, and has largely replaced the native clams. Last year, prices were around EUR 9 per kg. This substantial price hike indicates the strong demand for this species during the present summer period. The Italian native clam (*Venus gallina*) is mainly captured by a whole range of small-scale vessels operating on the Adriatic coast of Italy. Prices for this species have also gone up strongly in recent months: the present price level is EUR10 per kg, which compares to about EUR6 per kg during summer 2016.

World imports/exports of clams, cockles and ark shells

January-March

	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Imports					
Japan	18.8	19.0	21.9	22.6	23.8
Republic of Korea	14.6	17.8	18.8	17.2	15.8
Spain	5.7	5.8	6.6	7.0	6.5
Others	19.6	19.1	18.9	18.6	17.0
Total	58.6	61.7	66.2	65.4	63.1
Exports					
China	36.1	41.8	45.5	46.7	45.8
United States of America	2.6	2.1	2.1	1.9	2.0
Italy	2.5	1.6	1.6	1.5	1.8
Others	14.6	14.3	14.3	12.9	10.1
Total	55.9	59.8	63.5	62.9	59.8

Source: *GTIS*

Scallops

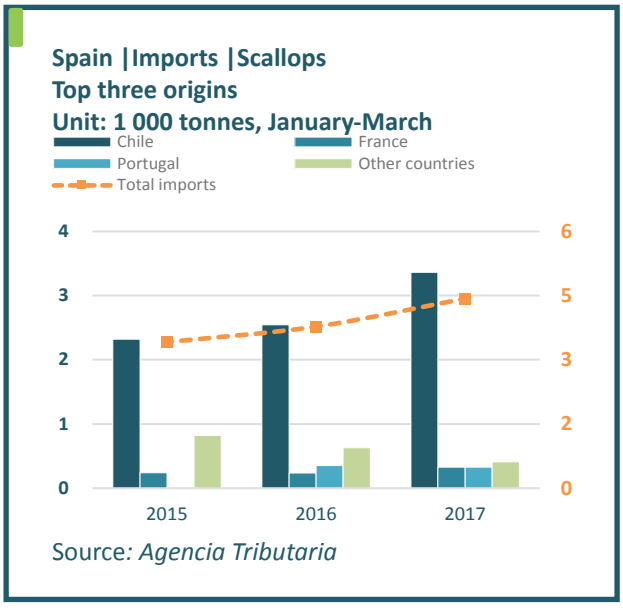
China is the main producer, exporter and importer of this species. Total imports were 33 000 tonnes in the first three months of the year, with China representing one-third of total imports, followed by the United States of America and France. Total trade was reportedly 10 percent lower than in 2016. This can be interpreted as a readjustment of the market after strong imports reported during last year, when prices increased significantly.

World imports/exports of scallops

January-March

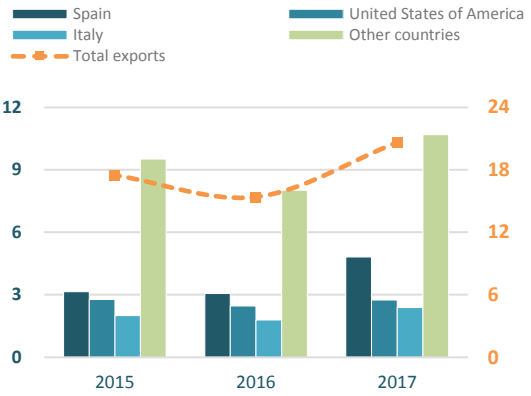
	2013	2014	2015	2016	2017
	(1 000 tonnes)				
Imports					
China	3.5	2.6	11.2	5.6	11.3
United States of America	6.9	9.8	6.5	8.9	6.4
France	4.6	5.0	4.2	3.2	3.1
Others	21.5	17.6	19.5	19.3	12.5
Total	36.4	34.9	41.4	37.1	33.4
Exports					
China	8.7	10.7	9.0	11.4	8.3
Russian Federation	0.0	0.0	0.3	0.3	1.7
United States of America	3.1	2.4	2.3	2.1	1.7
Others	16.2	17.3	17.1	14.1	10.2
Total	28.1	30.3	28.7	28.0	21.9

Source: *GTIS*



Source: *Agencia Tributaria*

Chile |Exports |Mussels
Top three destinations
Unit: 1 000 tonnes, January-March



Source: *GTIS*

Prices of bivalves sky high

With the exception of scallops and oysters, all other bivalves report very high prices, which reflect the strong seasonal demand. Production of mussels and clams is not growing fast enough to keep pace with the excellent market environment reported during this summer. During the autumn, demand will return to normal, and prices are likely to drop to a certain degree. In the long term, however, demand for bivalves is likely to stay strong. Developing countries are likely to invest in good infrastructure and quality control in order to be able to export to the lucrative EU live bivalves market, which is currently open only for a few countries.

CRAB

GLOBEFISH HIGHLIGHTS

Snow crab supplies stable, but high prices

Supplies of snow crab are relatively stable this year; prices have been high but now seem to level off. King crab prices are at record levels, and demand is very good.

Supplies

The snow crab total allowable catch (TAC) for the Canadian Gulf of St. Lawrence doubled this year, from 21 758 tonnes in 2016 to 43 800 tonnes in 2017. In contrast, the Newfoundland and Labrador snow crab quota for 2017/2018 dropped by over 22 percent, to 35 400 tonnes. The Russian quota for snow crab is 46 500 tonnes for 2017.

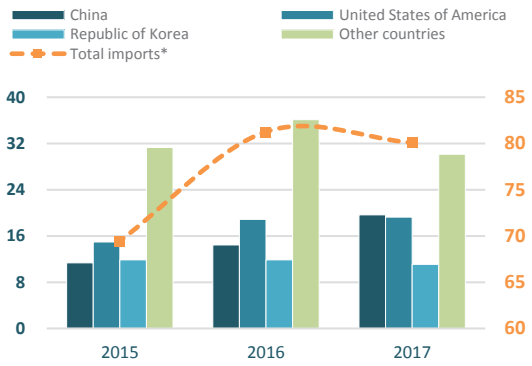
The California dungeness crab industry still has not recovered fully from last year's domoic acid problems, when the California fishery was closed in June 2016. It is now partly re-opened, but it is not yet back to normal. There are still some occurrences of algal blooming, which caused the occurrence of domoic acid, and consequently some areas are still closed.

A few years ago, most of the Russian illegal, unreported and unregulated (IUU) crab was exported from Russian Federation to China via the Rajin Port in the Democratic People's Republic of Korea. However, intensified efforts by the Russian authorities successfully put an end to this, and it is reported that IUU crab exports from Russian Federation have been reduced to an insignificant amount.

In recent years, the snow crab fishery north of Norway in the Barents Sea has developed into a promising industry. Although volumes landed are far below Canadian and Russian landings, it has become an important industry for part of the fishing fleet in the north. About 40 vessels are active in the Norwegian snow crab fishery this year, and the total quota is set at 4 000 tonnes for 2017. However, it now appears that the Norwegian fleet will have problems filling this quota. Landings up to June this year amounted to just over 2 100 tonnes, compared with 4 000 tonnes during the same period last year (Rafisklaget, Norway).

On the US market, domestic supplies have been relatively stable over the past few years, but apparently demand is growing. During the first quarter of 2017, US crab imports (all products) increased by 10.5 percent compared to the same period in 2016, and by 28.2 percent compared to 2015.

Top three global importers of crab
Unit: 1 000 tonnes, January-March



Source: *GTIS*
*estimates

International trade

China, the United States of America and the Republic of Korea continue to be the top three importers of crab in the world. In the first quarter of 2017, these three countries together accounted for 62.3 percent of the global trade with crabs. However, total imports during the first quarter of this year (80 100 tonnes) showed a slight decline (-1.5 percent) compared to the same period in 2016 (81 300 tonnes).

Ireland and China have reached an agreement, which in effect re-opens the Chinese market for live Irish crab. This trade started in 2010, when Ireland secured market access for live crab to China. However, in 2015, China registered high levels of the heavy metal cadmium in Irish crab, and the trade

was halted. Now that it has been resumed, it is expected that Ireland will export live crab to China worth about EUR 3 million per year (FIS.com).

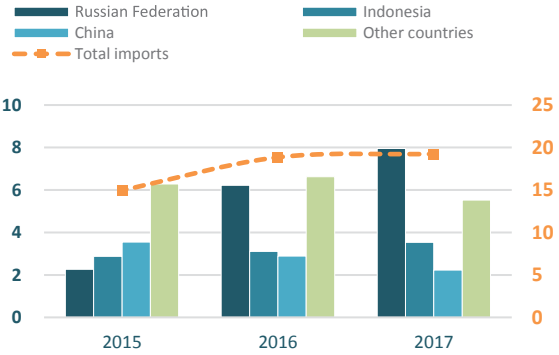
At present, US imports of crab are very stable. During the first three months of the year, imports increased by a modest 2.1 percent, to 19 200 tonnes. Main suppliers were Russian Federation, Indonesia and China. Demand for blue crab in the United States of America is high and rising, and importers are scrambling for product from South-East Asia. This is in spite of price increases, which have been continuous over the past six months. US import prices for blue crab have risen by as much as 65 percent from last year. The United States of America buys about 50 percent of its blue crab imports from Indonesia, with the rest coming from other Asian countries such as the Philippines, Viet Nam, Thailand and India.

Japanese crab imports, in contrast, have been on a decline since 2015. During the first three months of 2017, Japan imported only 4 300 tonnes, compared with 8 600 tonnes during the same period in 2016, and 12 500 tonnes in this period in 2013. China, Russian Federation and the Republic of Korea all supplied about 1 000 tonnes each to Japan during the first three months of 2017.

China registered a 12.2 percent decline in its crab exports during the first quarter this year compared to the same period last year. Exports to the Republic of Korea were down by 23.5 percent, while exports to the two next largest markets, Taiwan Province of China and Hong Kong SAR, increased slightly.

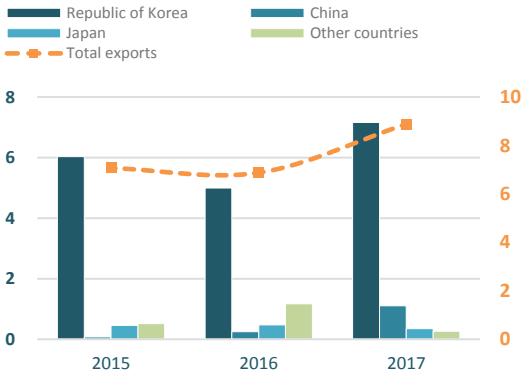
Russian crab exports, in contrast, increased during the first three months of the year, from 6 900 tonnes in 2016 to 8 900 tonnes in 2017 (+29 percent). The largest market by far was the Republic of Korea, which accounted for no less than 81 percent of the Russian Federation's total crab exports during this period.

United States of America |Imports |Crab
Top three origins
Unit: 1 000 tonnes, January-March



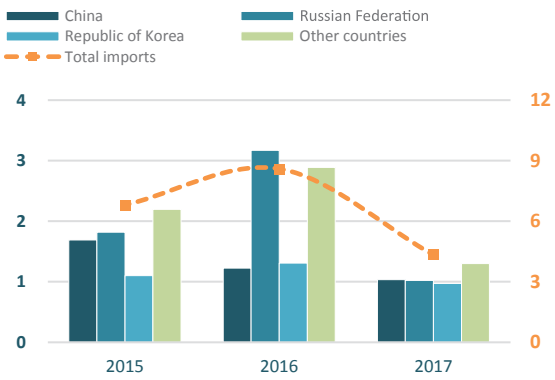
Source: *US Department of Commerce, Bureau of Census*

Russian Federation |Exports |Crab
Top three destinations
Unit: 1 000 tonnes, January-March



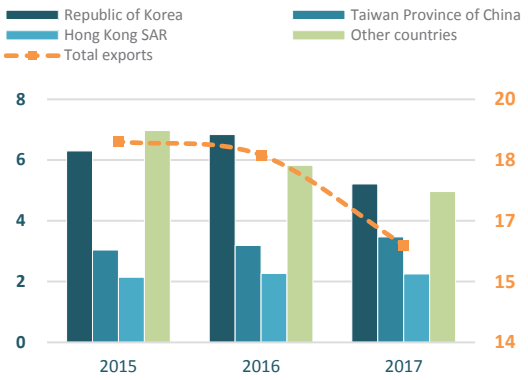
Source: *Federal Customs Service of Russian Federation*

Japan |Imports |Crab
Top three origins
Unit: 1 000 tonnes, January-March



Source: *Japan Ministry of Finance*

China |Exports |Crab
Top three destinations
Unit: 1 000 tonnes, January-March



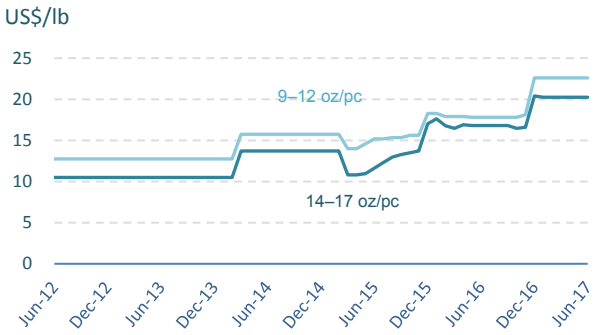
Source: *China Customs*

Prices

Following the announcement of the cut in the Newfoundland and Labrador snow crab quotas, prices for snow crab have risen. However, the global landings of snow crab have been relatively stable, and in Canada, the quotas for 2017/2018 are also stable. The Newfoundland and Labrador TAC increased by about the same amount as that of the Gulf of St Lawrence (around 20 000 tonnes). Thus, the only explanation for higher price is an increase in demand. In late April/early May snow crab prices started to weaken a bit.

Prices for king crab, in contract, are at record levels. Reports from Norway indicate that first-hand prices have been as high as NOK199 per kg (US$23.4). Norwegian landings have been lower this year. Norwegian king crab is mostly sold live, which commands a premium price. In addition, king crab has emerged as a higher quality product in competition with snow crab, and the price increases are thus a product of both tighter supplies and a changing demand situation (FiskeribladetFiskaren).

Prices
Crab: USA, Japan



Claw and sections, red, EXW New York
Source: *INFOFISH Trade News*

Outlook

The supply situation for snow crab appears to be stable, and prices are also stabilizing. For king crab, supplies may be somewhat lower and consequently prices are rising. While the California dungeness crab problems of last year are being solved slowly, US demand for Asian blue crab is rising significantly and could capture new market shares.

EVENTS

GLOBEFISH HIGHLIGHTS

International Congress on Climate Change and Fisheries

The consolidated yearly appointment co-organized by FAO and CONXEMAR, this year in its sixth edition, will be held on 2 October 2017 in Vigo, Spain, and will focus on the impact of climate change on the fisheries and aquaculture sector.

©FAO/Abdelhak Senna

During this 40th Session of the FAO Conference, FAO's Director-General José Graziano da Silva defined climate change as an undeniable reality affecting food systems everywhere.

The fisheries and aquaculture sector is a crucial resource in terms of ensuring food and nutrition security. However, it is also a vulnerable sector, indeed perhaps more so than other food production systems due to its close relationship and multifaceted interaction with climate change effects. The increase of oceans' temperature and salinity impacts fish and food security at different levels, e.g. on the availability of aquatic foods, the stability of supply and the adaptation to consumption of species not traditionally consumed.

In line with FAO's call for action, global experts, scientists and fisheries authorities will convene in Vigo during the International Congress on Climate Change and Fisheries to discuss the impact of climate change on international trade of fish and fishery products, and possible measures to mitigate it.

At the time of writing, the agenda includes experts from the private sector, international organizations and academia in four sessions. The CONXEMAR website publishes timely congress agenda updates at www.conxemar.com/en/2017-international-congress-climate-change-and-fisheries-conxemar-fao

Facts and figures

About 870 million people depend on fisheries and aquaculture.

400 million people in the poorest countries receive more than half of their protein and minerals in their diets from fish.

Fish trade contributes more than US$136.1 billion to the global economy.

Preliminary Programme

TIME	TOPIC
08:00-09:00	**REGISTRATION** Centro Social Afundación. Policarpo Sanz, 24-26, Vigo, Spain.
09:00-09:40	**OPENING**
09:40-10:30	**SESSION I: CLIMATE CHANGE AND FISHERIES: EVIDENCE AND EXPECTATIONS**
09:45-10:00	Impacts on ecosystems and fisheries. John Pinnegar, Director of Climate Change Impacts and Adaptation, Centre for Environment, Fisheries and Aquaculture (CEFAS) United Kingdom.
10:00-10:15	Expectations for markets and trade. Stefania Vannuccini, Senior Fishery Officer, FAO.
10:15-10:30	Challenges for managers and policymakers. Poul Dengbol, Fisheries Management and Coastal Community Development, Aalborg University, Denmark.
10:30-10:50	**PANEL DISCUSSION**
10:50-13:25	**SESSION II: REGIONAL PERSPECTIVES – PRIVATE SECTOR AMERICA**
10:55-11:10	United States of America. Nicole Kimball, Vice President, Pacific Seafood Processors Association, Anchorage, Alaska.
11:10-11:25	Chile. Félix Inostroza Cortés, National Coordinator GEF Project for Fisheries and Aquaculture Adaptation to Climate Change
11:25-11:40	Perú. Darío Alvites, Director of Human Consumption Committee, Sociedad Nacional de Industrias.
11:40-12:10	**COFFEE BREAK**
12:10-12:25	**AFRICA**
	South Africa. Madoda Khumalo, Strategic Services Executive, Sea Harvest, Cape Town, South Africa.
12:25-12:40	**OCEANIA**
	New Zealand. Alastair Macfarlane, Executive Secretary, International Coalition of Fisheries Association (ICFA), Wellington, New Zealand.
12:40-12:25	**EUROPE**
	European Union. Myron Peck, Professor Biological Oceanography and Fisheries Science, Hamburg University, Germany.
12:55-13:10	Norway. Hildegunn Fure Osmundsvåg, Director, The Norwegian Seafood Council, Madrid, Spain.
13:10-13:25	Iceland.*
13:25-13:45	**PANEL DISCUSSION**
13:45-14:45	**LUNCH**
14:45-15:50	**SESSION III: CLIMATE CHANGE AND FISHERIES: RESPONSES AND OPPORTUNITIES**
14:50-15:05	Resource Management Responses. Steve Gaines, Dean and Distinguished Professor, Bren School of Environmental Science and Management, Santa Barbara University, United States of America.

15:05-15:20	Responses from non-governmental organizations (NGOs). María Cornax, Policy and Advocacy Director, Oceana, Madrid, Spain.
15:20-15:35	Climate Change and Trade. Aik Hoe Lim, Director, Trade and Environment Division, World Trade Organization (WTO), Geneva, Switzerland.
15:35-15:50	FAO approaches and adaptation toolboxes. Audun Lem, Deputy Director of FAO Fisheries and Aquaculture Policy and Resources Division.
15:50-16:10	**PANEL DISCUSSION**
16:10-17:15	**SESSION IV: FUNDING, ACTIONS AND POLICIES TO MITIGATE CLIMATE CHANGE**
16:15-16:30	European Commission.*
16:30-16:45	World Bank. Xavier Vincent, Global Lead for Fisheries, Washington, D.C.,United States of America.
16:45-17:00	African Development Bank. Samba Tounkara, Coordinator of ClimDev Special Fund.
17:00-17:15	OECD. Simon Buckle, Head of the Climate Change, Biodiversity and Water Division within the Environment Directorate.
17:15-17:30	**SUMMING UP.**
	Àrni Mathiesen, Assistant Director-General Fisheries and Aquaculture Department, FAO.
17:30-17:50	**CLOSING SESSION**
	*Speaker to be confirmed.

FAO GLOBEFISH to meet the Spanish seafood sector during the 19th International Frozen Seafood Exhibition

From 3 to 5 October, the annual International Frozen Seafood exhibition organized by CONXEMAR will start in Vigo, Spain, and participants will have the opportunity to meet the fish industry during the biggest event dedicated to the frozen seafood sector in Spain.

In addition to offering an extensive exhibition area and meeting areas where fisheries stakeholders can meet and discuss international market trends, the International Frozen Seafood will host the fourth **FAO Vigo Dialogue on Decent Work** in Fisheries and Aquaculture.

FAO GLOBEFISH will be present at the exposition. Come visit us!

Focus on CONXEMAR

CONXEMAR is the Spanish Association of Wholesalers, Importers, Manufacturers and Exporters of Fisher Products and Aquaculture, a consolidated union of 222 companies working in the frozen seafood Spanish sector.

CONXEMAR supports and represents its members and the Spanish seafood industry at the European, national and regional level, and has been an FAO GLOBEFISH supporting member since 2012.

Follow the event on Twitter (@FAOFish @FAOPesca #Vigo17)

Further information: www.conxemar.com/en

EVENTS

GLOBEFISH HIGHLIGHTS

The Pacific Tuna Forum 2017

INFOFISH, the FAO GLOBEFISH sister organization based in Malaysia for Asia and the Pacific region, is collaborating in the sixth edition of the Pacific Tuna Forum, whose theme this year is "Fostering Greater Social, Economic and Financial Benefits through Sustainable Tuna Management and Development".

The international tuna supply chain is heavily dependent on catches from the Western and Central Pacific Ocean (WCPO), which contributes almost 60 percent of the global harvest of tuna species. The Pacific region is thus at the heart of the tuna industry, making the biannual Pacific Tuna Forum the best platform for all stakeholders to be informed of latest developments and opportunities in the region.

The event will take a closer look at the status of the tuna stocks in the WCPO, with a special focus on areas related to investments and market opportunities, processing and technology developments, and social responsibility and ecolabelling.

Date and venue

This year, the 6th Pacific Tuna Forum will take place at The Stanley Hotel & Suites, Port Moresby, Papua New Guinea, on 13-14 September 2017.

The Organizers

The Pacific Tuna Forum 2017 is jointly organized by INFOFISH, the National Fisheries Authority (NFA) of Papua New Guinea, the Forum Fisheries Agency (FFA), the Secretariat of the Pacific Community (SPC), the Western and Central Pacific Fisheries Commission (WCPFC), the Parties of the Nauru Agreement (PNA), the Pacific Islands Tuna Industry Association (PITIA) and the Papua New Guinea Fishing Industry Association (PNG FIA), and is supported by FAO GLOBEFISH.

Further information

Website: www.infofish.org

Email: info@infofish.org Programme highlights

Programme highlights

Day 1: Wednesday, 13 September 2017

Resources and supply

Keynote address

- Review of tuna stock status, management regime and policies in the Western and Central Pacific Ocean
- The significance of the Vessel Day Scheme (VDS) in tuna purse seine fisheries and outlook for expanding VDS to longline tuna fisheries
- Impacts of climate change on fisheries
- WTPO working together with PNA and Pacific Island Countries to ensure sustainable tuna stocks and to promote sustainable development to tuna industry in the Pacific
- Tuna in the global food supply chain

Tuna industry and investment opportunities

Pacific fisheries roadmap

- Papua New Guinea
- Fiji
- Solomon Islands
- Other Pacific Island Countries
- Small-scale canning for bycatch utilization
- Utilization of tuna by-products
- Challenges and opportunities in growing Pacific islands based tuna fishing and processing industries
- The viability of longlining in the Southern Albacore Fishery

Day 2: Thursday, 14 September 2017

Global tuna trade and markets

Global overview of the tuna trade and the EU market

- The US tuna market
- The Asia market
- Tuna in Latin America and Asia Pacific
- The Middle East market
- Shipping tuna from the Pacific to the rest of the world
- BREXIT and the Pacific

Financing tuna projects

Sustainable financing in the renewable sector/ fisheries in the Pacific Region

- Enabling access to finance through Fish 2.0 Project
- Possibilities of investing in the fisheries sector, a country experience

Sustainability, ecolabelling and technological development

- The Catch Documentation System

Market access issues

- Addressing labour issues in fishing and fish processing sectors
- Social responsibility in the fishing industry

Processing and technology

- Video monitoring
- Use of desalination plant in Kiribati tuna project
- Fisheries information management systems (FIMS) and e-reporting

Panel discussion on sharing the benefits of ecolabelling

EVENTS

GLOBEFISH HIGHLIGHTS

1st Pacific Seafood and Technology Exposition 2017

©FAO/Silvio A. Catalano

In September, Port Moresby, Papua New Guinea will host the first exposition dedicated to technology and innovation in the fisheries sector in the Pacific Region.

"**Connecting the World to Pacific Seafood**", is a three-day event jointly organized by the National Fisheries Authority of Papua New Guinea and INFOFISH, the FISHINFONetwork member organization leading the dissemination of fish market information in the Pacific Region.

As a platform for investment and business opportunities in the Pacific seafood industry, this event will allow fish trade professionals to explore opportunities to introduce products, equipment and technology to the region, and will serve as an opportunity to bring global fisheries in the region.

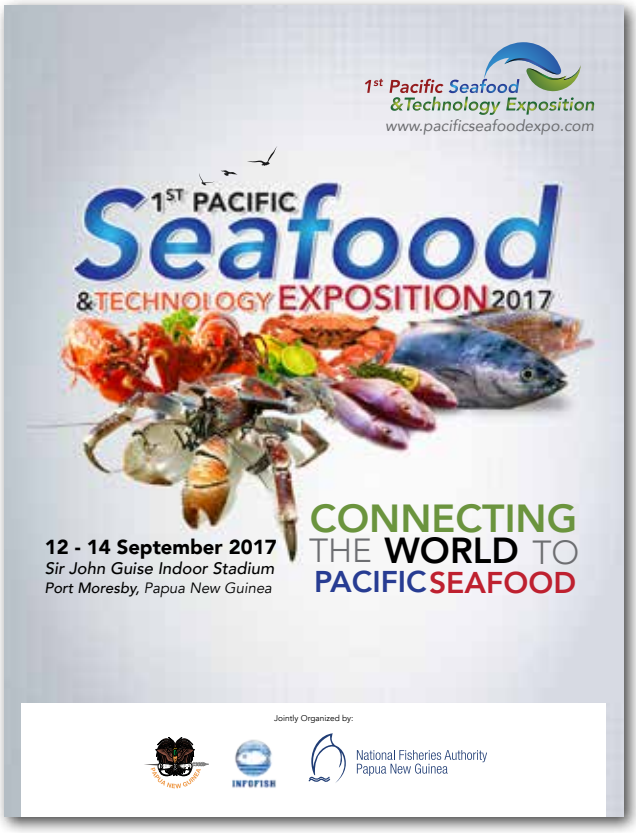
The exposition will take place concurrently with the Sixth Pacific Tuna Forum 2017, making Port Moresby a significant site of two important events for the Pacific Region.

Date and venue

The 1st Pacific Seafood and Technology Exposition 2017 will be held at the Sir John Guise Indoor Stadium, Port Moresby, Papua New Guinea, on 12-14 September 2017.

The Organizers

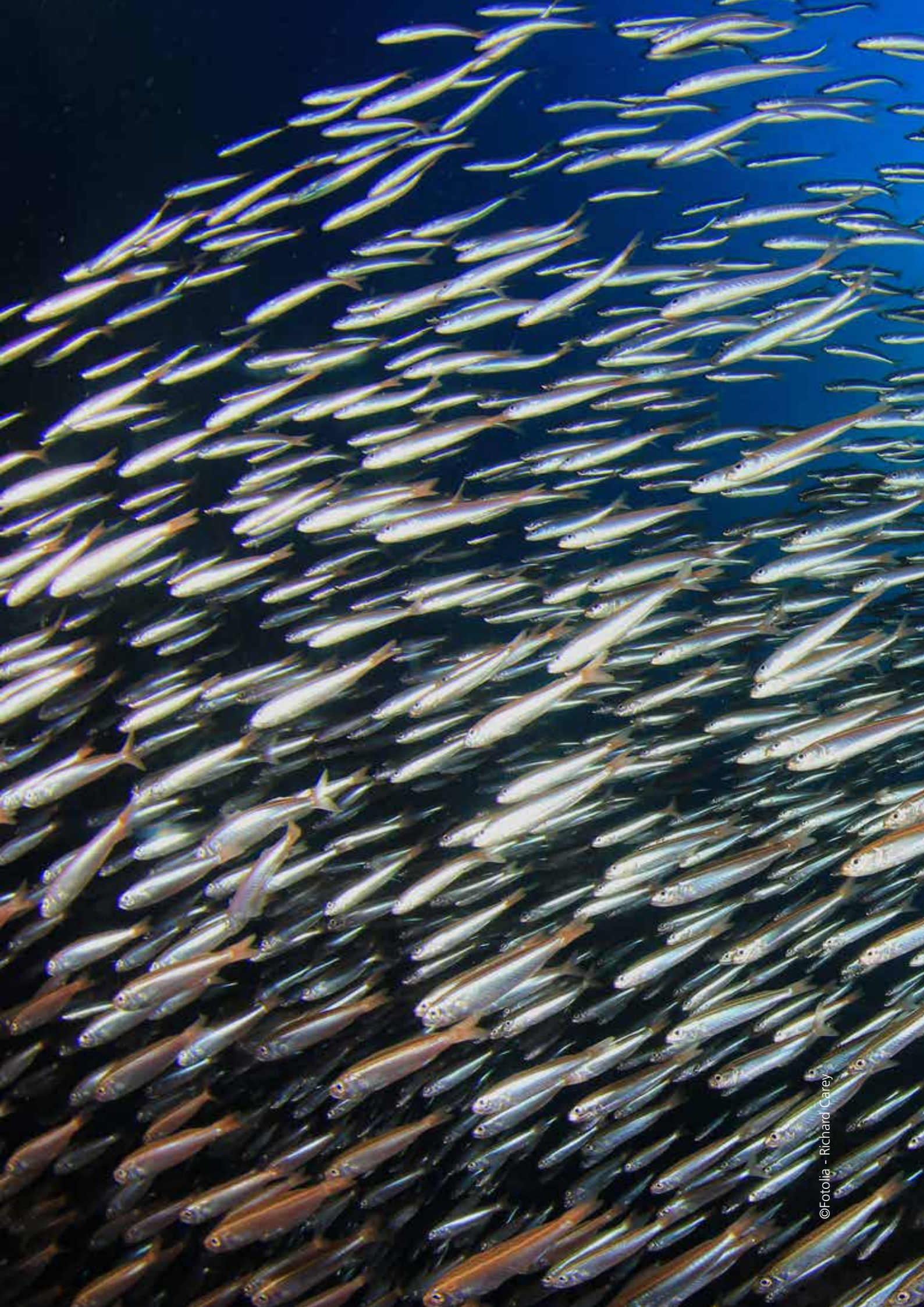
The 1st Pacific Seafood and Technology Exposition 2017 is organized by the National Fisheries Authority of Papua New Guinea and INFOFISH.



Further information

Website: pacificseafoodexpo.com

E-mail: nfa@fisheries.gov.pg; info@infofish.org


©Fotolia - Richard Carey

FISH AND FISHERY PRODUCTS STATISTICS[1]

	Capture fisheries production		Aquaculture fisheries production		Exports			Imports		
	2014	2015	2014	2015	2015	2016 estim.	2017 fcast.	2015	2016 estim.	2017 fcast.
	Million tonnes (live weight equivalent)				US$ billion					
ASIA[2]	**50.5**	**50.7**	**65.5**	**68.4**	**51.7**	**54.9**	**58.0**	**41.7**	**44.1**	**48.0**
China	18.3	18.7	45.8	47.9	22.2	23.1	23.1	13.4	14.0	15.0
of which China, Hong Kong SAR	0.2	0.1	0.0	0.0	0.8	1.4	1.2	3.6	3.8	3.3
& Taiwan Province of China	1.1	1.0	0.3	0.3	1.6	1.6	1.7	1.2	1.3	1.3
India	5.0	4.8	4.9	5.2	4.9	5.5	7.8	0.1	0.1	0.1
Indonesia	6.4	6.5	4.3	4.3	3.6	3.9	3.8	0.3	0.4	0.6
Japan	3.6	3.5	0.6	0.7	1.9	2.1	2.2	13.5	14.1	14.8
Korea, Rep. of	1.7	1.6	0.5	0.5	1.5	1.7	1.7	4.3	4.6	5.1
Philippines	2.2	2.2	0.8	0.8	0.8	0.7	1.0	0.4	0.4	0.6
Thailand	1.7	1.7	0.9	0.9	5.6	5.8	6.0	2.5	3.1	3.7
Viet Nam	2.7	2.8	3.3	3.4	6.8	7.4	7.7	1.3	1.3	1.3
AFRICA	**8.6**	**8.8**	**1.7**	**1.8**	**5.9**	**6.2**	**6.1**	**5.3**	**5.4**	**5.7**
Egypt	0.3	0.3	1.1	1.2	0.0	0.0	0.1	0.8	0.7	0.6
Morocco	1.4	1.4	0.0	0.0	2.0	2.1	2.0	0.2	0.2	0.2
Namibia	0.4	0.5	0.0	0.0	0.7	0.8	0.8	0.0	0.0	0.0
Nigeria	0.8	0.7	0.3	0.3	0.1	0.1	0.1	1.2	1.2	1.3
Senegal	0.5	0.4	0.0	0.0	0.4	0.3	0.4	0.0	0.0	0.0
South Africa	0.6	0.6	0.0	0.0	0.5	0.6	0.7	0.3	0.4	0.4
CENTRAL AMERICA	**2.2**	**2.1**	**0.4**	**0.4**	**2.5**	**2.5**	**2.8**	**1.7**	**1.7**	**2.0**
Mexico	1.5	1.5	0.2	0.2	1.0	1.0	1.1	0.8	0.8	1.0
Panama	0.2	0.1	0.0	0.0	0.2	0.2	0.2	0.1	0.1	0.1
SOUTH AMERICA	**8.6**	**9.3**	**2.4**	**2.3**	**13.1**	**13.8**	**17.5**	**3.0**	**2.8**	**3.3**
Argentina	0.8	0.8	0.0	0.0	1.5	1.7	2.0	0.2	0.2	0.2
Brazil	0.8	0.7	0.6	0.6	0.2	0.2	0.2	1.2	1.2	1.5
Chile	2.2	1.8	1.2	1.0	4.8	5.1	6.7	0.4	0.3	0.4
Ecuador	0.7	0.6	0.4	0.4	3.7	3.9	4.9	0.1	0.1	0.1
Peru	3.6	4.8	0.1	0.1	2.4	2.2	3.1	0.2	0.2	0.3
NORTH AMERICA	**6.1**	**6.2**	**0.6**	**0.6**	**11.0**	**11.7**	**11.2**	**22.5**	**23.4**	**24.6**
Canada	0.9	0.9	0.1	0.2	4.7	5.1	5.0	2.7	2.8	3.0
United States of America	5.0	5.0	0.4	0.4	5.9	6.2	5.7	19.8	20.5	21.6
EUROPE	**13.7**	**14.1**	**2.9**	**3.0**	**46.0**	**50.6**	**52.3**	**51.9**	**57.0**	**58.2**
European Union [2]	5.4	5.3	1.3	1.3	29.8	32.7	33.3	47.2	52.2	53.1
of which Extra-EU	"	"	"	"	5.4	5.6	6.4	25.0	27.2	27.7
Iceland	1.1	1.3	0.0	0.0	2.1	2.0	1.9	0.2	0.1	0.1
Norway	2.3	2.3	1.3	1.4	9.2	10.8	11.8	1.2	1.2	1.1
Russian Federation	4.3	4.5	0.2	0.2	3.7	3.8	4.0	1.6	1.6	2.1
OCEANIA	**1.3**	**1.4**	**0.2**	**0.2**	**2.9**	**3.1**	**3.0**	**1.8**	**1.9**	**2.1**
Australia	0.2	0.2	0.1	0.1	1.1	1.0	1.0	1.4	1.5	1.6
New Zealand	0.4	0.4	0.1	0.1	1.1	1.2	1.2	0.2	0.2	0.2
WORLD [3]	**91.1**	**92.6**	**73.7**	**76.6**	**133.0**	**142.6**	**150.9**	**127.9**	**136.3**	**143.9**
World excluding Intra-EU	"	"	"	"	**108.6**	**115.5**	**124.0**	**105.7**	**111.3**	**118.5**
Developing countries	66.6	67.8	69.3	72.0	71.7	75.7	82.6	37.5	39.2	43.2
Developed countries	24.5	24.7	4.4	4.6	61.3	66.9	68.2	90.4	97.1	100.7
LIFDCs	12.3	12.2	7.6	8.1	8.0	8.8	11.1	3.2	3.4	3.6
LDCS	8.6	8.7	3.4	3.5	2.6	2.7	2.8	1.1	1.2	1.3
NFIDCS	16.4	17.8	5.0	5.1	9.8	9.9	10.9	4.4	4.4	4.5

[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.
[3] For capture fisheries production, the aggregate also includes 3 782 tonnes in 2014 and 38 732 tonnes in 2015 of not identified countries; data not included in any other aggregates.

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