

Market Update

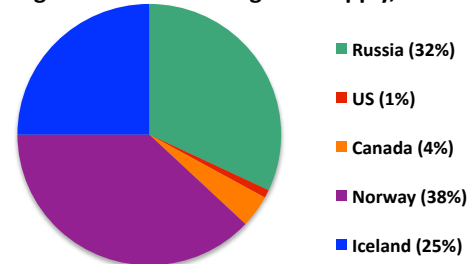
ATLANTIC COD

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Origin

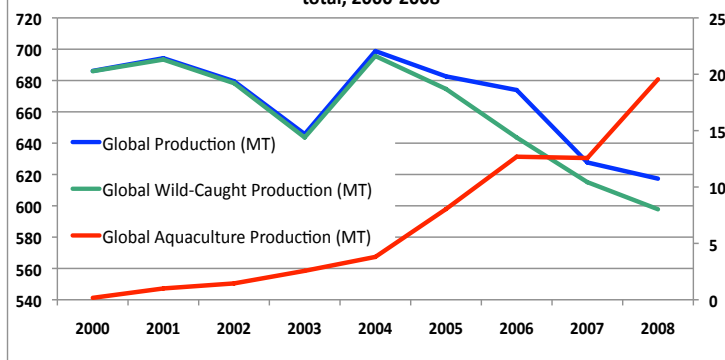
- The majority of Atlantic Cod comes from Norway followed by Russia, Iceland, Canada and US.
- The proportion of Atlantic Cod from the US, Canada and Iceland decreased since 2000, while Norway and Russia supply increased.
- In 2008, the European countries supplied 95% of the world's Atlantic Cod (Figure 1).

Figure 1: Atlantic Cod global supply, 2008



Source: Food and Drug Organization of the United Nations

Figure 2: Atlantic Cod production - wild-caught, aquaculture and total, 2000-2008



Source: Food and Drug Organization of the United Nations

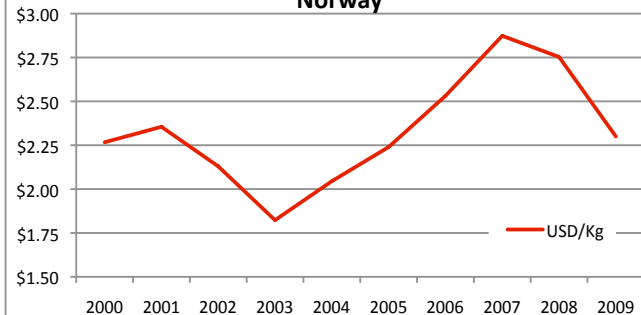
Global Supply Trends

- Over the last decade, global Atlantic Cod supply decreased minimally, maintaining a healthy range of 615-700 MT (Figure 2).
- During this time the proportion of farmed Cod increased by 99%, while the proportion of wild-caught Cod decreased.
- In 2008, there was a surge in wild Atlantic Cod stock biomass - the effect was not felt in production that year, but started influencing wild production and prices in 2009.

Price Trends

- Average price for H&G Atlantic Cod from Norway increased from 2003-2008.
- In 2009, an increased supply of wild-caught fish caused prices to drop to levels lower than 3 years prior.
- The most recent minimum price for Norway H&G Atlantic Cod was \$2.30 (December 2009). This will remain the minimum price until May 2010.

Average annual price- H&G Atlantic Cod from Norway



Source: Department of Statistics, Norges Rafisklag, May 2009.

Projections

- Changing environmental conditions in the North Atlantic provide improved habitat conditions for Atlantic Cod enabling continued growth in supply.
- Global Atlantic and Pacific Cod supply combined will increase 18% in 2010 over 2007.
- Increased supply will continue downward pressure on prices.