

# Market Update

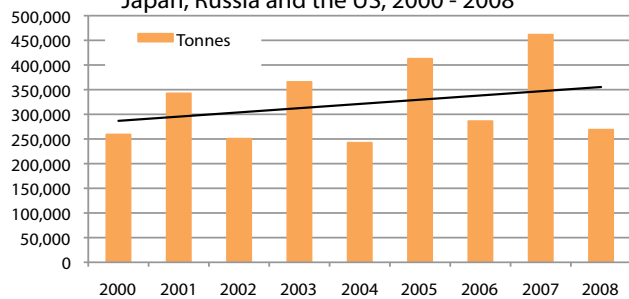
## PINK SALMON

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### Supply Trends

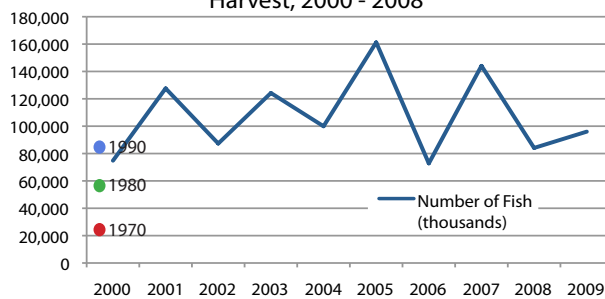
- Global Pink Salmon supply varies considerably from year to year; there are increased harvest limits in odd years when adult returns are greatest. Overall, global supply increased between 2000 and 2008 (Figure 1).
- Since 2000, US and Russia combined have supplied a minimum of 86% of the world's Pink Salmon. Almost all Pink Salmon harvested in the US comes from Alaska.
- Alaskan Pink populations are abundant and have increased over previous decades (Figure 2).
- Pinks are the most abundant Pacific Salmon species, representing 40% of the total weight and 60% of the total number of Salmon caught.

Figure 1: Total Pink Salmon Production - Canada, Japan, Russia and the US, 2000 - 2008



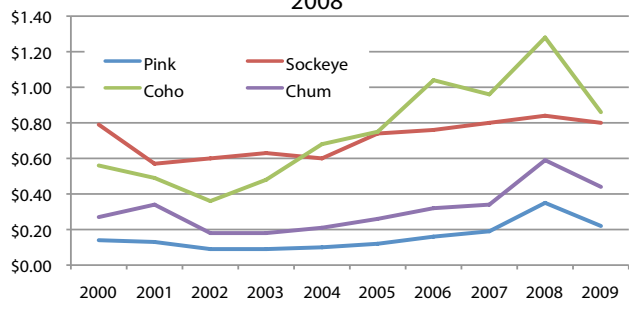
Source: FAO FishStat Database, 2010

Figure 2: Alaskan Pink Salmon Commercial Harvest, 2000 - 2008



Source: Alaska Department of Fish & Game, 2010

Figure 3: Alaska Salmon Ex-vessel Prices, 2000 - 2008



Source: Alaska Department of Fish & Game, 2010

### Projections

- The 2010 Alaskan Pink Salmon harvest is forecasted to be just 44% of the recent 10-year average and the second lowest harvest in 20 years.
- Pink catch in Russia is also down. Reduced wild-caught supply, along with reduced farmed salmon supply puts upward pressure on prices in the short-term.
- Effective market development by Alaskan processors helps keep demand steady in the midst of price increases.
- In the long-term, prices may drop as farmed supply returns to higher levels.

### Price Trends

- Given their abundance, Pinks are generally the cheapest of all Pacific Salmon species (Figure 3).
- Ex-vessel prices for Pinks gradually increased between 2000 and 2008 - a result of increased demand and strong market development by Alaskan processors (Figure 3).
- Wholesale prices of frozen H&G Pink Salmon declined 3% between 2008 and 2009 - partially a result of the cyclical nature of harvests.
- In 2010, H&G prices increased 46% over 2009 - a result of reduced global Salmon supply, particularly farmed Salmon.

