

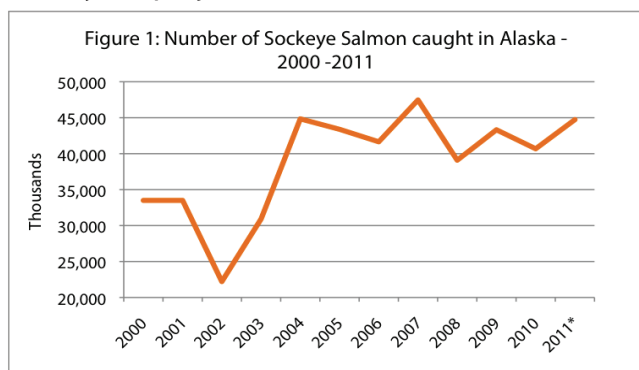
# Market Update

## SOCKEYE SALMON

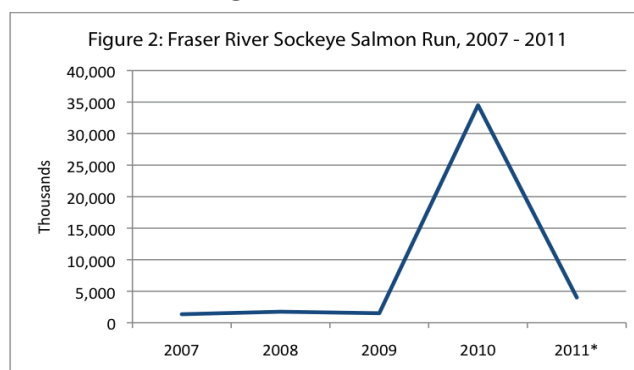
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### Supply Trends

- In 2008, 38% of all Sockeye Salmon was caught in the USA - the majority landed in Bristol Bay, Alaska.
- Alaska Sockeye landings increased 21% between 2000 and 2010 - the 2011 harvest is expected to increase an additional 10% (Figure 1). Alaska catch rates started out high this year - but are now slowing down. As at July 4<sup>th</sup>, the Bristol Bay harvest was 15.3 million fish - 53% of the annual forecast.
- Last year, the Fraser River Sockeye Salmon run totaled 34.5 million fish - the largest run in 100 years. This year, projections are much lower - between 3 and 5 million fish (Figure 2).



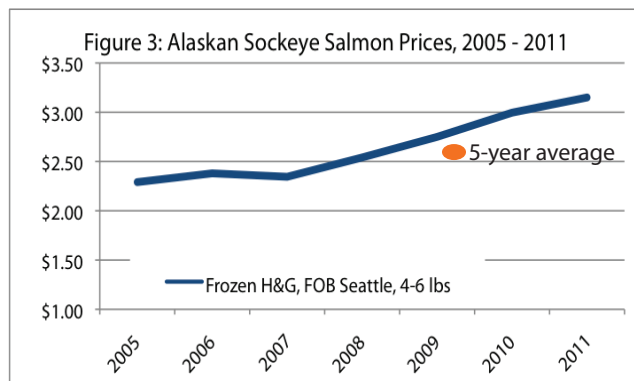
\*Note: 2011 data is a projection; Sources: Alaska Department of Fish and Game, 2010; Nickinovich & Associates, 2011



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### Price Trends

- High catch rates in the Copper River this year pushed prices for Frozen H&G Sockeye down \$0.05 - \$0.10.
- However, Frozen H&G prices are still 5% higher (\$3.15/lb) than in 2010 and 21% above the most recent 5-year average - Figure 3.
- Recent quotes on frozen 1-3 lb Sockeye fillets, Trim C, are \$6.45/lb.



Sources: Alaska Department of Fish & Game, 2010; UB Comtell, 2011

### Projections

- Prices for head-on, dressed Norwegian Farmed Atlantic Salmon dropped 29% in June. Low priced Norwegian Salmon - combined with recovering Chilean Farmed Salmon supply - make Atlantics very attractive to buyers.
- To date, the Sockeye market has held firm - which can be attributed to other global factors - including high demand, reduced Chum supply and a weak USD.
- Moving forward, prices are uncertain. They may weaken due to competition with Farmed Atlantic Salmon. Or, because Wild Pacific Sockeye is considered by many to be a luxury item, prices may hold strong. In fact, some have predicted that the price of frozen fillets could reach \$7.00/lb this year.

