

# Market Update

## PINK SALMON

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### Supply

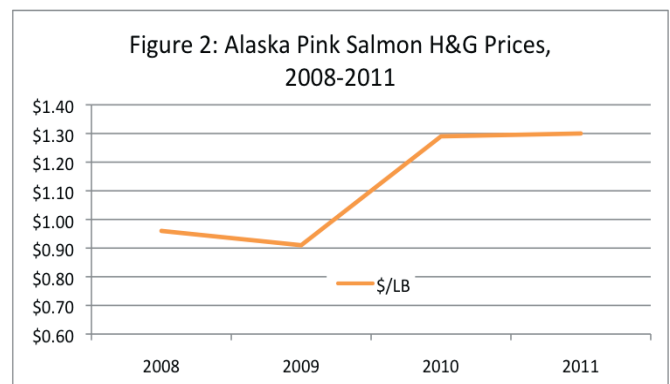
- Pink Salmon supply varies considerably from year to year; there are increased harvests in odd years when adult returns are greatest.
- Russia and Alaska supply the majority of the world's Pink Salmon.
- Both regions have enjoyed ample supply in recent years - however the proportion of Russian fish, relative to Alaskan, has grown in recent years (Figure 1).
- This year - the Russian Pink total allowable catch is 15% below 2010 and 49% below 2009. However, projections are still 6% above the most recent 5-year average.
- Last year, the Alaska Pink harvest exceeded projections by 53%. The 2011 harvest is projected to be 134 million fish - that's an increase of almost 30 million over last year.



Note: 2011 data are projections; Russia 2010 data is an estimate. Source: Alaska Department of Fish & Game, 2011; FAO FishStat Plus Database, 2011.

### Prices

- This year, reduced Chum supply forced many buyers to switch to Pinks for fillets and portions.
- Heightened demand worried Chinese buyers - who as a result made a lot of early commitments on Alaskan Pinks.
- Frozen H&G Pink prices have increased since 2008, but to date in 2011 they remain on par with 2010.
- In Russia, wholesale prices for domestic Pinks dropped recently - now ranging between \$1.45 - \$1.56 per pound. And yet, these prices are still high when taking into consideration the influx of supply out of Chile.



Source: Alaska Seafood Market Bulletin, 2010

### Projections

- Alaska's Pink Salmon harvest started off strong, but has since slowed down in key fisheries - notably Kodiak and Southeast Alaska. If projections are not met - prices may trend further upwards.
- Mid-season reports out of Russia are that Pinks are coming in strong - high domestic catch and Chilean supply may reduce some pressure on Alaskan product - however - it likely won't be enough to compensate for the reduced Hokkaido Chum harvest and Bristol Bay Sockeye.
- More Pinks will be processed into fillets and portions this year - rather than entering canneries. As such, it is expected that prices will remain strong throughout the remainder of the season.