



SUMMARY

The most significant piece of seafood-related news to emerge has been the announcement that the 25% tariff surge will be postponed indefinitely. Prior tariff increases (10%) put into place last year will still continue. The industry has breathed a sigh of relief at this news and now looks forward to a final agreement being worked out between the USA and China.

EAST ASIA

China: Loligo spp.

The new season will start in March. There have been no substantive changes in the availability of raw material and suppliers are still taking orders. Pricing remains stable.

China: Todarodes

Small sizes (3-6") are scarce at the moment, especially the 3-5" size, and will be difficult to source until the new season begins in May or June. Sourcing costs for this sized raw material have also risen accordingly – particularly the 3-5" size, which is now as expensive as the 4-6" size was in Q4 2018.

China: Bartramii Steaks

The raw material situation remains unchanged from our last report. It is still largely scarce and sourcing costs have risen for it. The Town Dock still has supply available and will be able to meet ongoing customer demand.

SOUTH ASIA

India: Loligo spp.

In Chennai (east coast), there are some landings of Needle Squid; however, prices are higher than during the actual season. Suppliers have been able to offer full containers at a price premium. This pricing situation is expected to continue until April when the seasonal fishing ban ends, at which time it should return to normal levels. On a positive note, the fact that suppliers can offer containers out of season bodes well for the start of the actual season. There have been no landings in Kochi (west coast).

In the northwest (Veraval), there have been some Indian loligo landings. Main sizes are 10/20, 20/40, 40/60, and 80/100 count per kg. The size and catch will improve by the end of March. In Cochin, there have also been small quantities of loligo landings.

A new market has developed in Thailand for whole round squid from India. Previously, Thai concerns were buying squid from India for reprocessing. Expect this to have an impact on the availability of whole round squid in India.

There are large cuttlefish (1 kg+ per piece) landings all over India, which is unusual for this time of year. Normally, there should now be 2/4 and 5/7 sizes in the south and 20/40 and 40/60 sizes in the north. Smaller sizes are scarce, even though now is the main season for smaller sizes.

Pakistan: Loligo spp.

The second Pakistani loligo season has gotten underway and preliminary reports indicate that it has been meeting expectations.

SOUTH AMERICA

Peru: Gigas Steaks & Strips

The raw material situation for giant squid remains largely unchanged from our last report. Although there has been a somewhat consistent catch, it is still not comparable to catches from prior years.

Of note is that Peru continues to be plagued by strikes. A recent trucker strike on February 18 led to major interruptions of production schedules and the transport of raw material. Fishing and landings have now resumed, but vessels are limited to eight metric tonnes per vessel to avoid excess supply of raw material. In line with the timing of the season, giant squid sizes are getting larger. A month ago squid weighed between 1-2 kg./piece and now they are between 1-3.5 kg./piece. Anticipate 2-4.5 k.g sizes by the end of March.

Argentina: Illlex

The bulk of the catch has been concentrated within Argentine territorial waters, where the catch has recently dropped from 30-35 to 20-30 tons per day, although the entire fleet (60 jiggers) is fishing. Size breakdowns are 60% SS and 40% S, although in the south sizes are 90% S and 10% M. The bulk of the fleet is still processing whole round squid with a handful doing dirty tubes.

There are some indications that pricing will rise. The bulk of what has been caught within Argentine waters has been sent to China due to the small size of the squid. The catch outside Argentine waters has been poor, causing foreign vessels to look elsewhere (Falkland Islands) with some heading to Peru for giant squid. The overall verdict on the season thus far is that it has been similar to last year's.

