

Pollock prices 'shouldn't fall below \$3,000'

Can MT prices for MSC frozen-at-sea Alaska pollock go under \$3,000? No, say sources, but market is still uncertain.

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Published: 27 February 2012 10:41 AM

Updated: 27 February 2012 10:25 AM

Prices for frozen-at-sea Alaska pollock fillet blocks from the US fleet are likely to trend down, but shouldn't go below \$3,000 (€2,243) per metric ton, sources told **IntraFish**.

Buyers in Europe have high inventories of Alaska pollock and US fishing companies -- which are out catching their Marine Stewardship Council (MSC)-certified fish in the A-season at the moment -- have high stock levels, sources told **IntraFish**.

"I believe US sellers have a lot of stock on their hands which makes them put pressure on price," said Dmitry Fedotov, founder of Superocean, a Hong Kong based supplier with access to around 80,000 metric tons of Alaska pollock in Russia.

"Rumors are that they are offering Alaska pollock blocks at \$3,150 (€2,355) per metric ton," he told **IntraFish**.

A buyer at a large European processing firm said he had also seen this price level. "I have heard that, but it depends on the selling terms and the quality," he said.

\$3,200 (€2,393) is a more realist level for frozen-at-sea pollock from the US, while some of the land-frozen pollock from the US is down at \$3,150 (€2,355), he said.

However, neither executive feels the price will drop below \$3,000 (€2,243).

A European trader is more bullish.

"I have not heard of \$3,100 (€2,318) -- I think the general price is around \$3,300 (€2,468) to \$3,400 (€2,542) at the moment but sales are sporadic," he told **IntraFish**. "I think lots of buyers are holding back until Boston seafood show to see if prices are going up or down."

It will be "interesting to see where we land," he said.

Russian prices down

Prices for headed and gutted (H&G) pollock from Russian to China are also down at \$1,350 (€1,010), said Fedotov.

"Buyers in China are saying that they have lots of stock, but companies are still buying," he said. "I have sold roughly 3,600 metric tons of H&G pollock into Chinese plants over the last week and a half."

The Chinese message of high stocks could be a message in the lead up to Boston, in order to drive down US prices and compete on prices, he said. "Maybe the Chinese are playing the game in the lead up to Boston, which promises to be very interesting."



Frank Zhou, an executive with Chinese processor Ocean One Enterprise, said prices have fallen further, to the \$1,300 (€972.1) level.

"Demand is very low from the EU and the United States, especially the EU," he said. "Chinese plants here have big inventories. Many have to stop processing, since their cold storages are full with finished products. Not many plants want to buy pollock now."

The weak euro is also a factor, which means costs for EU customers are almost 10 percent higher, he said.

"Single frozen pollock products are sold at low prices, very close to twice frozen, which has caused many customers turn to buy single

frozen instead."

Price fall normal

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It is normal that the prices fall this time of year, said Daniel Lin, an executive who has set up his own company, Ocean Kingdom Seafood, to supply wild-caught frozen at sea fish to the processing industry and wholesalers.

"It's normal that the price falls from \$1670 (€1,249) to \$1350 (€1,010) per metric ton -- for H&G, 25+ centimeters -- from January to February, every year this thing happens," he said.

"Unlike cod or other high-value species -- bought as spot against customer orders -- pollock is a species processing plants can buy in advance and corner as inventory," he said.

Most Chinese processing plants buy pollock to a set plan, said Lin.

This involves buying 70 percent of annual demand in February to April, because there is a catch of around 100,000 metric tons in the Sea of Okhotsk.

Then, they buy the rest of the demand in November up to January, before the Chinese New Year festival. "Therefore, in January and February, there is very little trading. That causes the price falls dramatically."

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