

GLOBEFISH -Tilapia market report- December 2015

Demand slows down, supplies adequate

While major suppliers experienced production problems in 2014, a growing volume of supplies are entering domestic markets in the major producing markets.

Approximately 200 000 tonnes of tilapia (whole, filleted and breaded) entered the international market during the first half of 2015, a marginal decline compared with the same period in 2014.

China

During the first half of 2015, exports of Chinese tilapia increased by 3% compared with the same period in 2014. However, exports of frozen fillets and whole frozen tilapia, both of which take up the largest share of total exports, experienced declines of -2.27% and -1.97% respectively.

In contrast, exports of Chinese breaded tilapia increased by 23.8% during the period under review. Exports were significantly higher to Cameroon as well as to other African markets, namely Côte d'Ivoire, The Democratic Republic of the Congo (DRC) and Kenya. The USA is the largest market for Chinese breaded tilapia and grew its imports in this product category by 36% during the first half of 2015 compared with the same time period in 2014.

Total Chinese tilapia exports continue to be the highest to the USA. The USA increased its imports of Chinese tilapia by 6.45% during the review period to total 71 878 tonnes. African markets are the second largest market for Chinese tilapia and absorbed a total of 45 352 tonnes during the first half of the year. The largest markets for Chinese tilapia within Africa are Zambia, Cameroon, Côte d'Ivoire and the DRC.

During the first half of 2015, Latin American markets took a 12.4% share of Chinese tilapia exports with Mexico consuming the largest share. Recently, Chinese tilapia exports have been increasing to the Islamic Republic of Iran and during the period under review, a total of 5 112 tonnes was absorbed, an increase of 17% compared with the same period last year.

USA

For the first half of 2015, total US tilapia imports totaled 111 509 tonnes, growing by 9% compared with the same period in 2014. While imports of fresh fillets remain stable, frozen fillets and whole frozen tilapia categories experienced 7.6% and 23.1% growths respectively, confirming the popularity of tilapia in the market. China took up more than 80% of the frozen tilapia market share, followed by Taiwan Province of China (PC) and Indonesia. Tilapia fillets from Indonesia and Taiwan PC are premium quality and prices are usually between 50-70% higher than for fillets from other countries. Average import prices from China weakened by 12.4% during the period under review.

Fresh tilapia imports during the first half of 2015 remained steady compared with the first half of 2014, both in terms of volume and value. Supplies fell from Honduras, the

main supplier of fresh tilapia to the US market. During this period, imports increased from Colombia by a notable 32%.

Meanwhile, imports of frozen tilapia (whole and fillets) during the first half of 2015 were up 10.4% compared with the same time period a year ago, growing by 3 700 tonnes. Contrary to the decline trend in 2014, whole frozen tilapia imports increased by 29% from China.

Frozen fillet imports, which dominated the frozen category, increased by 7.6% with China maintaining its position as the lead supplier. However, imports increased from other sources namely Honduras, Mexico, Viet Nam, Myanmar and Malaysia.

EU

According to Eurostat, the tilapia market in the EU-28 weakened during the first half of 2015 as imports slid by 22% compared with the same period in 2014. Aside from the close to 7 500 tonnes of frozen fillet imports, the block also imported 5 812 tonnes of whole frozen tilapia, almost entirely supplied by Asian countries. China was the leading supplier (68%) followed by Viet Nam (17%), Indonesia (6.7%) and Thailand (5.8%). A newcomer as a supplier to this market is Myanmar.

Latin America

During the second quarter of 2015, US import volumes of fresh fillets from Guatemala and Costa Rica declined by roughly 60% and 30% respectively. However, the values of Guatemalan exports remained steady through the second quarter, while values from Costa Rican exports suffered only a minor decline of 1.2%. Production from both countries will also supply their local markets, which are increasingly demanding more of this commodity.

Honduras is the leading exporter of both fresh and frozen fillets from Central America to the USA. During the second quarter, both volume and values of exports remained stable compared with the same time period last year. In a similar trend to its neighboring countries, the Secretary of Agriculture and Livestock (SAG) of Honduras estimates that there will be an increase in volumes to the local market, with roughly 1 200 tonnes per year destined for domestic sales.

Asia

National statistics reveal a total of more than 79 000 tonnes of frozen tilapia fillets were exported from Asia during the first half of 2015 with China as the lead exporter. This volume was slightly lower than compared with the same period in 2014 as more supplies were channeled to domestic markets. In addition to this, more than 75 000 tonnes of whole frozen tilapia entered the international market from Asian sources as well.

Taiwan PC, which is the second largest exporter behind China, experienced a 19.5% decline in exports due to production problems and shortage in supplies. Besides the USA as the major market, Taiwanese tilapia is exported largely to Middle Eastern markets while their sashimi quality tilapia heads to Japan.

Outlook

China, the largest producer, reports a slow market amidst plentiful supply with low prices.

However, demand remains firm in other producing markets. This is expected to strengthen prices especially with Chinese New Year demand imminent.

Source : <http://www.fao.org/in-action/globefish/market-reports/resource-detail/en/c/358402/>