Trout - December 2007

A roundup of the trout markets

Report prepared by Eurofish

The European trout market was hoping for an increase in average trout prices during the latter half of 2007, as the industry went from a period of flat sales into one of short supply and heavy demand from smokehouses for the Christmas period. Promotional campaigns, particularly in France, were aimed at the retail sector during the autumn.

Production of rainbow trout increased by 20% in Sweden last year (2006), and this species accounted for 90% of aquaculture output. Total trout production was just over 6,000 tonnes, with a value of 158 million SEK.

Spain launched new rules for organic trout production in 2007, which is associated with a quality brand AENOR. Producers hope that the new brand will help them to increase recognition by consumers and to grow the market.

On the other side of the globe, trout farmers in Ecuador are struggling to increase production. Current export demand from the US is for around 100 tonnes per month, but production is stable at around 50 tonnes.

Export sales of rainbow trout from Chile were up 23% in the first six months of 2007 compared with the same period in 2006. Japan was the main market for frozen trout, with a value of US$ 210 million. Production in 2007/2008 is expected to increase by 8% to 150 000 tonnes.

Panama is also increasing production, in line with growing demand from the European market and one company, Tizingal Rainbow Trout, aims to export 5 million pounds per year by 2015. In Peru, trout accounted for 6,163 tonnes of the country’s land-based aquaculture production of 6,883 tonnes during 2006.

Several new developments in trout farming look set to increase production levels of this species. In Turkey, rainbow trout is now being produced along with salmon, in a floating fish farm in the Marmara Sea. Denizsan Denizcilik AS plans to use converted bulk tankers to farm a number of species, and to move them close to the markets. The fish will be processed and frozen onboard.

Meanwhile, Japanese scientists have successfully bred rainbow trout from salmon using surrogate salmon broodstock, and they hope to refine and develop the technique to breed endangered species such as tuna in the same way.

French Trout Exports Jan - Aug 2006 - 2007

Product	Country	MT			'000 €			€/kg		
		2006	2007	%	2006	2007	%	2005	2006	%
Fresh trout	**Total**	**462**	**429**	**-7%**	**1755**	**1674**	**-5%**	**3.80**	**3.90**	**3%**
	Spain	182	90	-51%	776	521	-33%	4.26	5.79	36%
	Switzerland	59	100	69%	132	222	68%	2.24	2.22	-1%
	Belgium	53	98	85%	312	463	48%	5.89	4.72	-20%
	Netherlands	38	34	-11%	139	134	-4%	3.66	3.94	8%
Frozen trout	**Total**	**22**	**90**	**309%**	**18**	**336**	**1767%**	**0.82**	**3.73**	**356%**
	Estonia	4	31	675%	6	51	750%	1.50	1.65	10%
	Russian Fed	0	37	-	0	63	-	-	1.70	-
Live trout	**Total**	**2352**	**1721**	**-27%**	**5884**	**6570**	**12%**	**2.50**	**3.82**	**53%**
	Germany	1037	749	-28%	2410	3168	31%	2.32	4.23	82%
	Switzerland	74	156	111%	229	462	102%	3.09	2.96	-4%
	Belgium	1099	683	-38%	2592	2371	-9%	2.36	3.47	47%
	Grand Total	**2836**	**2240**	**-21%**	**7657**	**8580**	**12%**	**2.70**	**3.83**	**42%**

The value of French trout exports inceased 12% to €8.6m in the period January - August 2006/2007. Live trout exports provided 68% of the growth in value, with frozen trout exports accounting for the remainder. The value of French fresh trout exports fell by -5% to €1.7m, with both volumes and unit values decreasing over the period.

Live trout is the primary segment of French trout exports in terms of volume and value. Export volumes of this product fell by -27% to 1721MT over the period, and a -38% drop in exports to Belgium left Germany as the primary recipient in 2007, receiving 749MT.

Unit values for live trout exports were relatively elastic. An +82% increase in the average unit value responding to a -28% drop in volume, saw Germany averaging 4.23€/kg in 2007, whereas a -38% reduction in volume to Belgium pushed the average unit value up +47% to 3.47€/kg. Exports to Switzerland grew to 156MT in 2007 accounting for 9% of total live volume, but in response, the average unit value fell -4% to 2.96€/kg.

Fresh trout remained the second most exported product, worth €1.7m in 2007. This was a -5% reduction on its 2006 value. This product segment appears turbulent, with volumes and average unit values fluctuating in all three of the main importing countries.

Exports of fresh trout to Spain fell -51% to 90MT, pushing up the average unit values by +36% to 5.79€/kg in 2007. Exports to Belgium increased +85% to 98MT, making it the second biggest recipient after Spain, but average unit values fell -20% to 4.72€/kg. However unit values to Switzerland were low, with the 2007 average at just 2.22€/k – a fall of -1% for a +69% increase in volume over the period.

The volume of frozen trout exported from Fance remains significantly less than other trout sectors, but increased by +309% to 90MT in 2007. Estonia and the Russian Federation were the main markets. An improvement in the average unit value to 3.73€/kg in 2007 dramatically increased the value of this export market by +1767% to €336,000.

Norwegian Trout Exports Jan - Oct 2006 - 2007

Product	Country	Tonnes			'000 NOK			NOK/kg		
		2006	2007	%	2006	2007	%	2006	2007	%
Fresh trout	**Total**	**6410**	**20336**	**217%**	**216297**	**519886**	**140%**	**33.74**	**25.56**	**-24%**
	Finland	604	2066	242%	18619	49708	167%	30.83	24.06	-22%
	Japan	864	811	-6%	32923	26146	-21%	38.11	32.24	-15%
	Ukraine	1116	1124	1%	36288	26140	-28%	32.52	23.26	-28%
	Russian Fed	1322	13516	922%	40153	338943	744%	30.37	25.08	-17%
Frozen trout	**Total**	**23371**	**16012**	**-31%**	**812647**	**452665**	**-44%**	**34.77**	**28.27**	**-19%**
	Japan	4927	3224	-35%	160849	99124	-38%	32.65	30.75	-6%
	Russian Fed	13058	3430	-74%	468876	100256	-79%	35.91	29.23	-19%
	Taiwan PC	189	2471	1207%	6698	67873	913%	35.44	27.47	-22%
	Ukraine	998	1710	71%	35238	44576	26%	35.31	26.07	-26%
Grand Total		**29 781**	**36 348**	**22%**	**1028 944**	**972 551**	**-5%**	**34.55**	**26.76**	**-23%**

Norwegian trout exports increased by +22% to 36 348MT in the period January-October 2007 compared with the same period the previous year, but with a -23% drop in the average unit value. This fall reflects reductions in unit values across the board, which saw the overall value of the market reduced to 972.5 million NOK/kg.

Exports of fresh trout grew significantly to 20 336T in 2007 with 66% of this going to the Russian Federation. The growth in exports to Russia meant that even though the average unit value fell -17% to 25.08NOK/kg in 2007, these transactions were worth around 339 million NOK.

In 2006 the Russian Federation received 56% of the 23 371MT of frozen trout exported, but in 2007 exports to Russia fell by -74%, contributing to a -31% fall in total frozen trout exports to 16 012T. Export growth to Taiwan in 2007 of +1207% to +2 282MT and to the Ukraine of +71% to 1 710MT helped cushion the reduction, but the unit value to these countries was lower than that to Russia and Japan in both periods.

Average unit values of frozen trout exports to all countries declined. The two largest recipients, Russia and Japan, had the highest average values for this product but this did not prevent a -44% loss in value of these exports to 452.7 million NOK.

German Trout Imports Jan - Sept 2006 - 2007										
Product	**Country**	MT			'000 €			€/kg		
		2006	2007	%	2006	2007	%	2006	2007	%
Fresh trout	**Total**	**22**	**14**	**-36%**	**115**	**59**	**-49%**	**5.23**	**4.21**	**-19%**
	Denmark	7	4	-43%	42	18	-57%	6.00	4.50	-25%
	Spain	2	1	-50%	5	5	0%	2.50	5.00	100%
	France	2	1	-50%	0	4	-	0.00	4.00	-
	Italy	2	2	0%	10	8	-20%	5.00	4.00	-20%
Frozen trout	**Total**	**42**	**31**	**-26%**	**137**	**109**	**-20%**	**3.26**	**3.52**	**8%**
	Denmark	11	7	-36%	26	31	19%	2.36	4.43	87%
	Spain	18	9	-50%	8	34	325%	0.44	3.78	750%
	Italy	3	4	33%	19	11	-42%	6.33	2.75	-57%
	Chile	3	3	0%	0	11	-	0.00	3.67	-
Live trout	**Total**	**41**	**31**	**-24%**	**109**	**89**	**-18%**	**2.66**	**2.87**	**8%**
	Denmark	15	14	-7%	47	49	4%	3.13	3.50	12%
	France	15	10	-33%	35	23	-34%	2.33	2.30	-1%
	Italy	7	3	-57%	16	9	-44%	2.29	3.00	31%
Grand Total		**105**	**76**	**-28%**	**361**	**257**	**-29%**	**3.44**	**3.38**	**-2%**

German trout imports during the period January-September 2007 declined significantly in volume and value compared to the previous year. Volume fell -28% to 76MT and value fell -29% to €257,000.

In both years, frozen and live trout each accounted for approximately 40% of imports, with fresh trout making up the remainder of the market. Supplies from Denmark provided the majority of imports, accounting for 32% on average.

The volume of frozen and live trout both declined to 31MT each while the average unit value increased by +8% over the period. However stronger average unit values for frozen trout imports saw this sector valued at €109,000 compared to €89,000 for live trout.

In the frozen trout market Spain overtook Denmark in 2007 to be the largest supplier, with 9MT exported into Germany, although this was a -50% reduction compared with the previous year. Denmark supplied 45% and France 32% of live trout requirements in 2007, compared with 37% each in 2006. Supplies from Italy fell by -57% with Italian trout accounted for just 10% of the total volume, and this was reflected in a 31% increase in unit value. The average unit value was 2.87€/kg, up 8% on 2006.

The fresh trout market contracted as volumes fell -36% to 14MT but unit values also fell 19% to 4.21€/kg. Denmark supplied the greatest volume in 2006, but supplies from this country fell in 2007 by -43% with the average unit value falling -25%. There has been a general decrease in production in Denmark as a result of the government's increasing environmental demands, which fish farmers are finding hard to meet due to the expense involved.

By **(EUROFISH)**