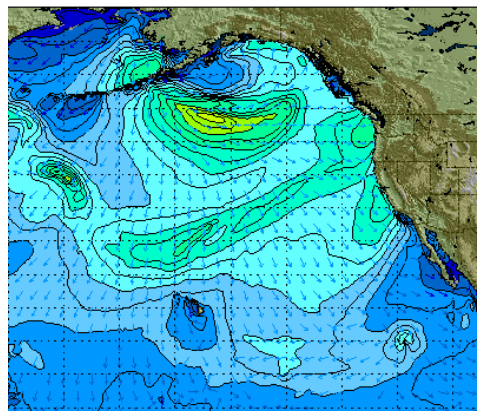




West Coast Weather



Monday wave model from stormsurfing.com

Season Openers & Holidays

November 4 – End Daylight Savings

November 11 – Veteran's Day

November 22 – Thanksgiving

Bottomfish

Most of us have enjoyed an absolutely fantastic fall with radical colors and moderate weather. This past week the storms finally started rolling in preparing us for winter weather, lots of rain, and high winds. Unfortunately, this reduces the availability of fresh West Coast seafood from dozens of options down to the main staples that keep our industry thriving... **BOTTOMFISH!**

Alaska: Pacific Cod is opening in Alaska soon. Contact your fresh rep for ad business from now through April. Small openers currently, but main season opens January 1st and will continue almost daily until the Spring.

Canada: Rockfish /Snapper is king right now. Prices are rising in the market so contact your rep and lock in your pounds before it is too late. We're setting promotions for the next several weeks and values are great!

Lower 48: Shrimp boats are converting back to Bottomfish boats and there is still plenty of Bottomfish to be caught between now and year end. November is a great opportunity to set ads on Bottomfish before Crab starts in December/January.

Wild Salmon

Kings: 45,000 fish quota for SE Alaskan winter troll fishery. Weather and effort impact availability and price. Most of the production is coming from Yakutat with prices firm. Net Kings from the Quinalt Natives are about the only net Kings available as the Columbia River is basically done. Frozen at Sea and IQF Klamath River Kings are a great substitute for fresh Coho: Puget Sound and Wilapa Bay continue to produce high quality Coho's Keta: Canada's Johnstone Straits has its final targeted seine opener scheduled October 22nd with Canadian production winding down. Puget Sound is currently producing high quality inexpensive Chums and should continue until December.

Atlantic Salmon

Over all, the market remains stable to soft. At current levels, the Chileans are reporting they are under their production cost. This situation is expected to continue through the 1st quarter of 2013 with a firming of the market just after Lent. The Canadian market does follow Chilean but is never as competitive as the Chilean supply. Fresh farm raised Atlantics are an excellent item for all of our customers to promote for the next several months at least.

Dungeness Crab

Dungeness season is just around the corner, and there are a lot of complexities that will make this an interesting season. There will more than likely be a split opening, which puts more pressure on the open areas than needed. California crabs look to be a little light in the preseason testing. Expect that this area, which produced quite a bit of product last year, to open in 2013. Dungeness prices should soften a little from last year as the Snow and King crab markets have all adjusted.



Halibut

Halibut Season ends on the 7th of November. There is still quota being fished and the market is soft with vessel prices waning, sliding about 20% in the last 45 days. Alaskan buyers have all but called it a season. Several of the smaller buyers that tend to push the market prices, have packed up and left the docks. This is a good indicator that next year pricing will be down again. Frozen Halibut is also sluggish with processors selling smaller fish below cost, and hoping to make it up on the larger ones.

Snow Crab

The Snow Crab market continues to be active. Prices are competitive and movement good on 5/8's, however the market for 8+ and 10+ continue to go up as inventories are getting leaner. Snow crab quality is a real grab bag so as you buy, be aware of off color shells, low meat content etc. as these are typically discounted off of the #1 product.

King Crab

Supply is forecasted to improve and we are expecting marketable quantities of red king crab to offer to our customers late this fall and winter. Supply is adequate for larger Red king crab but on smaller end of Reds, supply has tightened up. Gold King Crab has also cleaned up and next shot will come from the Alaskan fishery which is underway. We ought to also see another round of Russian Gold King Crab later this fall. Bering Sea Red King Crab more or less unchanged; 2012/2013 Quota 7,853,000 lbs. This compares to last season at 7,834,000 lbs. St. Mathews Blue King Crab down approximately 30%; 2012/2013 Quota 1,630,000 lbs. This compares to last season at 2,359,000 lbs. Pribilof King Crab remains closed. Bering Sea Tanner crab remains closed. Bering Sea Snow Crab down approximately 25%; 2012/2013 Quota 66,350,000. Last season 88,894,000 lbs.



Shrimp

The West Coast season for C&P shrimp has been excellent with boats catching a very nice grade of shrimp and the plants producing a #1 product for the market. Sizes available in 150/250, 250/350 and 350/500 packed in 4 oz, 1 lb, 2 lb, 5 lb bags or 20 lb bulk pack. Season will conclude on October 31.

Chilean Sea Bass

Both fisheries, the South Georgian which produces the Patagonian Toothfish, and the Ross Sea fishery which is the Mawzoni are currently closed. The Ross Sea in Antarctica, will open once ice melts. Any Mawzoni that may be on the market place is from last years' harvest. Most or all Patagonian will be from this past season, which just ended in August. Markets are down from last update .50 to \$1 a pound for H&G depending on size. Small fish from 6-10KG are the most expensive, 20-30 KG are next in line and middle sizes of 10-20 KG (most available) have the lowest costs. Value added, fillet markets have decreased as well, .30 to .40 downward. Portions have lowered slightly more. The market drops have come at an opportune time as fresh halibut season is winding down in November, making Chile Bass more of an alternative. No continued drops are foreseen, however buyers are encouraged to purchase, not hold inventory.

In Shell Oysters

Shucked oyster supply availability should be good and quality is great. The meat tends to be firmer and no spawning.

- Kumiai Oyster
- Fanny Bay Petite – Vancouver Is.
- Fanny Bay X-Small - Vancouver Is.
- Windy Points X - Small-Samish Bay
- Pacific Oyster 3-4" - Hood Canal, WA
- Totten Inlet X-Small - Totten Inlet
- Kumomoto - Humbolt Bay, CA
- Penn Cove Select - Samish Bay, WA
- Kusshi-Stellar Bay - B.C. Canada
- BBQ's – 4-8" – Hood Canal, WA

- Baynes Sound 2-3" – B.C. Canada
- Dabob Bay – Hood Canal, WA
- Pacific 2-3" Clean - Hood Canal, WA
- Shigoku Petite –Willapa Bay, WA
- Pressure Shucked-Willapa Bay, WA



Mussels

We currently have 3 varieties of mussels: **Penn Cove Mussels** - Plenty of product, readily available, these have the majority of the beard removed.

Taylor Mediterranean Mussels -

Meat fill has been excellent. Both medium and large sizes available.

Whales Cove Mediterranean -

Our favorite mussels from Mexico. A little larger than local mussels but they are an excellent morsel of meat.

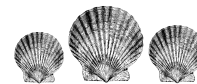


Squid

Conservation period has ended and fishing has restarted. Price is expected to be stable due to weak demand. Ring and Tentacles pricing has adjusted upward. Large Tubes are scarce with pricing trending upwards.

Scallops

In 2012 the US had 34 days at sea and 4 Closed Area trips (18000 lbs per trip). The season runs from 3/1- 2/29 and the estimated 2012 harvest is anticipated to be 58-60M lbs. There's no website that gives us the total landings, but our estimate is that we've probably surpassed 80% and heading to 85% of the quota for the 2012 season. From now until the new season in March, we expect prices to firm, especially on large sizes, since those producing areas have pretty much been completed. The 2013 season estimated landings could be down 20-30% overall from what the management council is scheduling for trips and DAS.



Prawns

The holidays are right around the corner. Packers overseas are at maximum capacity filling orders and even cancelling some, as they have overbooked. Prices are firm, especially in Thailand. During winter time, the shrimp can't grow; therefore there is a raw material shortage. Prices are not expected to come down until next year. If you have not booked all of your needs, contact your sales rep to ensure your holiday needs are covered.

Tilapia

The farmers and plants made little money this year due to the high cost and low sale price, the fillet sale price is much lower than the same time last year, but farming cost is much higher than last year. Usually Oct to Jan is the peak demand season. Plants have many more orders than prior years during this period; we are not anticipating a price drop during this period.

Swai

The US market, currently burdened with excessive inventories, is driving prices down. This saturation was caused by EU demand dropping, due mainly to poor quality, and exporters turning their attention to US market. Much of the product coming in to the US was originally processed to EU specs and is of very poor quality, adulterated with excessive use of phosphate treatment.

Shipments from Vietnam dropped about 50% in September, indicating that the log jam will clear soon. Raw material has ticked up a bit but is still staying at lower levels than it historically does. No indication of a raw material shortage at this point, but this typically occurs late in Q4 and early in Q1. It's a mess out there right now, no other way to say it. We anticipate that once some of the poor quality is flushed out, things may improve, but it will take time.



Warm Water

Lobster – Brazil and Honduras production is significantly less than last year and we haven't even hit the holidays. Brazil's season wraps up at the end of next month and Honduras season wraps up at the end of March.

Beef

Boxed beef cutout values were higher on moderate to fairly good demand and light to moderate offerings. By Monday, packers had already exceeded their expectations for the entire week in terms of price appreciation, and yet cutout levels continued to inch up throughout the remainder of the week in anticipation of high live cattle purchases. Stronger prices were evident throughout the carcass, but Choice rib cuts made the largest gains. Fed cattle grinds were firm while blended cattle grinds traded weak to lower. Beef trimmings consistently trended higher this session on moderate to fairly good demand and light to moderate offerings, with prior week's lightened kill likely giving salesmen a supply advantage. Forward negotiated sales were light to moderate with notable consignments of Choice inside rounds and frozen beef trimmings

Pork

Retail pork cuts saw limited offerings early week as packers sold most of their product for this trading period last week or out front. This coupled with retail demand for immediate shipment needs allowed for a two tried market to develop early week. By mid to late week packers saw weakening demand and were forced to take lower prices as harvest numbers continue to grow. Trading on green meats saw mostly steady prices while trimmings continue to be strong as food service demand continues to press this market higher. Lighter weight sknd hams were mostly steady throughout the trading period as spiral slicers continue to process for the holiday season. Heavy hams saw some weakness mid to late week as these were in less demand. Seedless bellies were steady this week, even with slicers running at full capacity, as retail

demand for bacon continues to be very good.

Poultry

Whole broiler/fryer prices are firm in the Midwest, steady to firm elsewhere. Preliminary majority price is unchanged in the West, higher in the Midwest and East when compared to early week prices. Offerings are light to moderate for current trade needs. Retail and food service demand is light to good going into the weekend with increased interest noted. Floor stocks range balanced to light. Market activity is moderate to good. In the parts structure, movement is light to moderate for late week business. Prices are trending steady to weak for whole breast and dark meat cuts, weak to lower for tenders, steady to firm for boneless skinless breast and steady for wings. Offerings are light to moderate for wings and b/s breast with good movement. Bone-in breast and dark meat items are moderate to heavy and slow to clear. Market activity for parts is mostly slow. In production areas, live supplies are moderate; weights are mixed at mostly desirable weights.

The logo for Pacific Seafood, featuring the brand name in a stylized, cursive font with a yellow swoosh underneath.