

SHRIMP MARKET REPORT

November 24, 2015

SHRIMP: Its availability, prices, diseases and global production - continue to dominate the news. Several years ago, we faced a dilemma as global shrimp production was curtailed due to the advent of EMS or Early Mortality Syndrome. At that time, Thailand, China, Vietnam, and Mexico all faced lower production. While other countries stepped up their production, namely India and Indonesia, it wasn't enough to make up for the losses and we saw shrimp pricing rising to new highs.

Since then, many of the stricken countries have been able to work around EMS and are seeing the results through increased production. These additional quantities, coupled with continued increases out of India, Indonesia and Ecuador, have resulted in a downward slide of prices, bringing us closer to pre-EMS levels.

Now there are reports of a new disease, EHP or Enterocytozoon Hepatopenaei, a type of fungal infection which works on the same tissue as EMS. While not as fatal as EMS, EHP does reduce the size of shrimp. However, lower stocking densities and low water salinity have been able to forestall the occurrence of this disease. How does this disease impact shrimp production and pricing? Well, for one lower densities will cause farmers to try and grow shrimp as large as possible in an attempt to generate higher profits. So we may see larger shrimp in the marketplace with lower prices and a downward spike in small shrimp production, unless countries like Ecuador, produce smaller shrimp. In any case, trying to predict where prices will be as we head into the New Year and beyond is truly a magic trick. However, my predictions are that shrimp will firm up in pricing – we are already seeing trends of much higher prices to the farmers. Reduced densities will cause a shortfall in all shrimp. My crystal ball says that we should be expecting higher cost in as little as 6 weeks.