



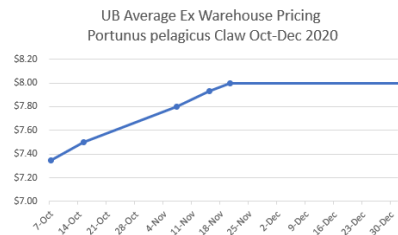
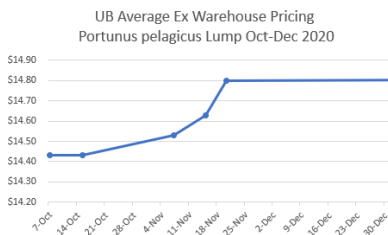
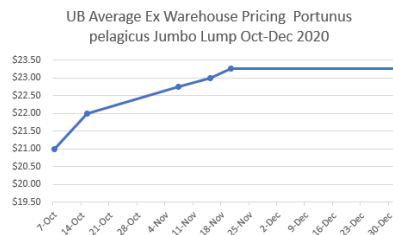
Date: 1/1/21
To:
From: Heron Point Seafood, LLC.
Cc:
Re: January Market Update – Blue Swimming Crab

Indonesia

Despite the advent of the late to arrive monsoon rains, landings remain below historical averages, and what inventory is produced, is being immediately depleted by continuing high imports. Unusually bad weather (high wind/waves) is limiting the fishing zones, further limiting landings. In addition, strong US importer demand and a strengthening Rupiah (+3% vs \$USD) have resulted in beach price volatility. If landings do not improve over the next month, the expectation is that prices will continue to climb out of Indonesia.

Market pricing in the US normally lags what's going on overseas, and you can see this in Uner Barry's comparative wholesale prices over the last 30 days. While they're relatively high, they're somewhat stable suggesting that suppliers are reticent to raise prices, despite rising costs. This is not sustainable, and we expect all major importers who haven't already done so, to make necessary adjustments very soon.

Larger grades (Colossal, Jumbo Lump) are typically more directly and immediately impacted by overseas cost increases. That said, market price adjustments on those grades can already be seen, while smaller grades (Super Lump, Lump, Special, Claw) will likely be forthcoming.



Philippines

The Philippine fishery is heading into the last part of its peak season with roughly 6 weeks left of moderate/high production. Over the next 1-2 months, the end of the rainy season will reduce landings by 40-50%