



Date: 3/1/21

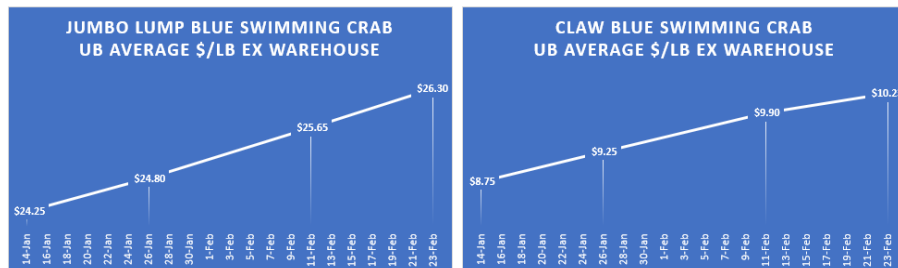
To:

From: Heron Point Seafood, LLC.

Re: March Market Update – Blue & Red Swimming Crab

Blue Crab / Indonesia

The principle of supply and demand continues to play out in Indonesia, where production remains modest and demand continues to grow. La Niña wreaked havoc on fishing efforts during this season, with high winds/seas through much of February. We are expecting weather to improve in March, and landings are expected to increase. U.S. demand continues unabated, driven by an increasingly confident foodservice supply chain expecting a very strong spring/summer turnaround. Importers are aggressively buying up every pound produced, and prices asked are being met enthusiastically. As such, high demand on low supplies means higher pricing. Over just the last 30 days, the average price on Jumbo Lump has increased by \$1.50/lb. or +6%. On the other end of the spectrum, Claw is up \$0.98/lb. or +11%.



Red Crab / Vietnam & China

Similar to Indonesia, demand in China and Vietnam is high right now as vessels are just starting to come back to port and buyers are scrambling to fill their orders prior to Conservation (May 15 – Sep 15). As usual, what's harvested between now and mid-May will support US demand into Q4. One change this year is that the Chinese government extended the Conservation window by 30 days, so new production won't be readily available until mid/late November. We are already seeing much higher prices being quoted out of China due to expected tight supplies.

With demand only expected to grow, buyers would be prudent to take advantage of buying opportunities now to avoid higher prices tomorrow. While inventories are very tight, we will present opportunities for additional purchases when available, helping you to minimize the impact of rising costs.