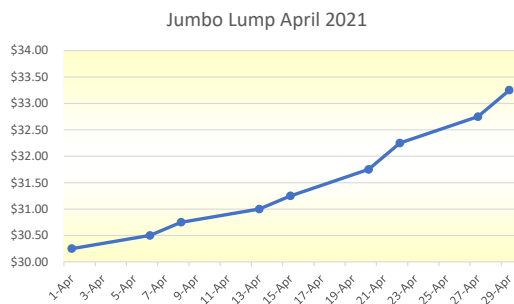




Date: 5/1/21
To:
From: Heron Point Seafood, LLC.
Cc:
Re: May Market Outlook – *Portunus pelagicus* and *Portunus haanii*

Blue Crab / Indonesia



Over the last 30 days, blue swimming crab has seen an almost meteoric rise in pricing. In just one month, Urner Barry's average ex-warehouse pricing on Jumbo Lump increased by \$2.50/lb. The factors fueling this price climb remain largely tied to the unprecedented (real and predicted) demand within the U.S. market. Distributors are doing their best to keep up with orders but are finding inventory scarce and expensive. Containers are being built and

shipped, but the imports are largely committed to POs before vessels arrive into port. We expect this dynamic to continue through the summer months. With Indonesia moving into low season, expect even tighter supplies and even higher pricing. The impact of Ramadan will be felt in the next 30 days, causing an interruption in production and further limiting May exports.

Red Crab / Vietnam, China

Production in Vietnam is now in full swing, and containers of red crab are being built and shipped. While the fishery is underway, post Tet production is slightly behind original expectations. As many buyers look for less expensive alternatives to blue crab, we expect pricing to firm through the summer months. China goes on Conservation this month, with no production expected until mid-September for mid-November deliveries into the States.

Summary

This crab market is truly unique, driven by a global pandemic that has disrupted the supply chain and created a tidal wave of demand across most industries. While the situation with crab is painful, it is no different than that experienced by many other food groups. Heron Point continues to actively buy to support this demand, and to secure a steady stream of supply. When available, we encourage our customers to buy to ensure inventory and offset likely price increases.