East Coast Seafood

SEATRADE

East Coast Seafood Group

Scallop Market Update (June 2024)

SCALLOP 2024 US HARVEST

New England Fishery Management Council

- 20 Open Area DAS, down from 24 DAS in 2023. No daily limit.
- 3 Closed Area trips @ 12k/trip.
- 2 trips CA II and 1 trip in New York Bight (initial opening).
- 340 Limited Access Permits

Year	CA I	CA II	NLS	N/A	NY Bight	Total	DAS
2019	1.0	0.0	3.0	3.0	0.0	7.0	24.0
2020	0.5	1.0	1.5	2.0	0.0	5.0	24.0
2021	0.0	1.5	1.5	1.0	0.0	4.0	24.0
2022	0.0	2.0	1.0	0.0	0.0	3.0	24.0
2023	0.0	2.0	0.0	0.0	0.0	2.0	24.0
2024	0.0	2.0	0.0	0.0	1.0	3.0	20.0

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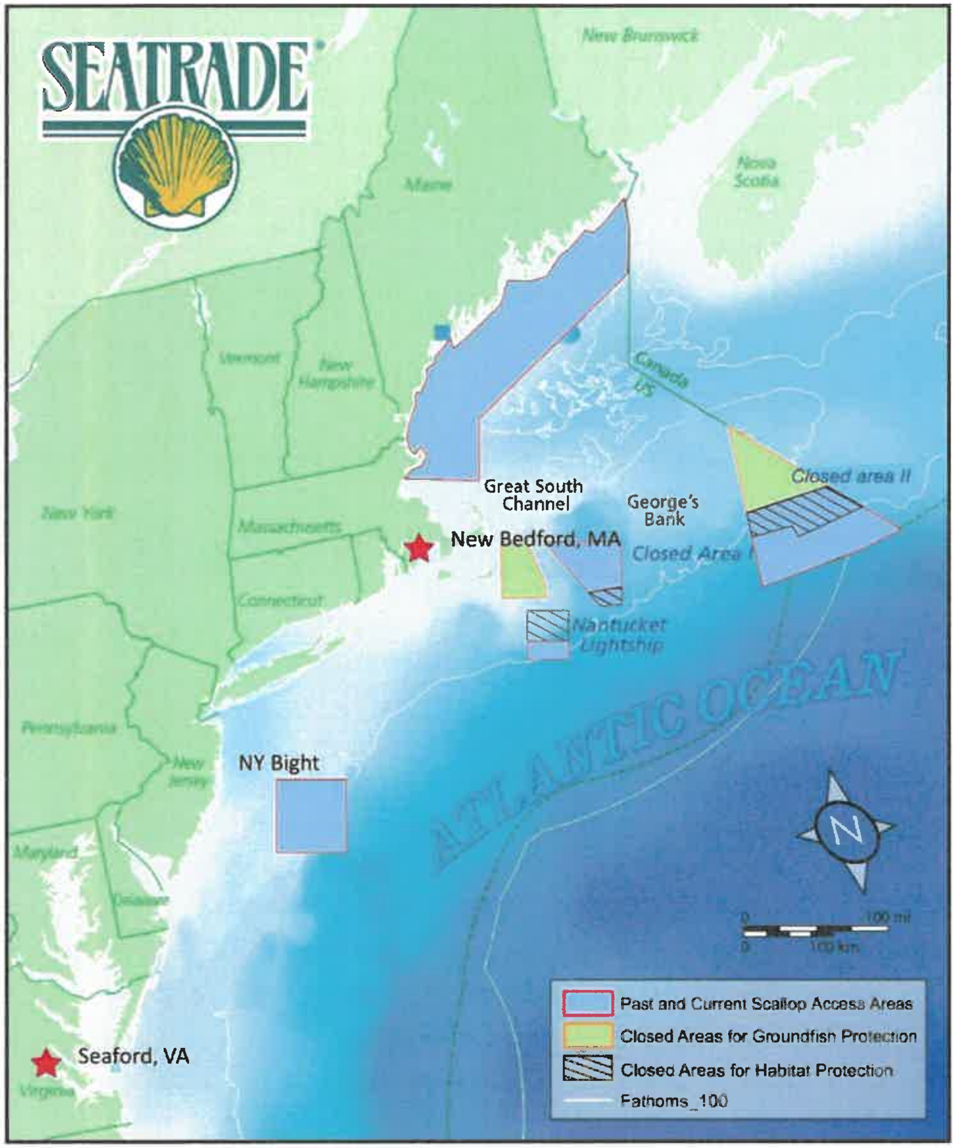
US SCALLOP FISHING ZONES



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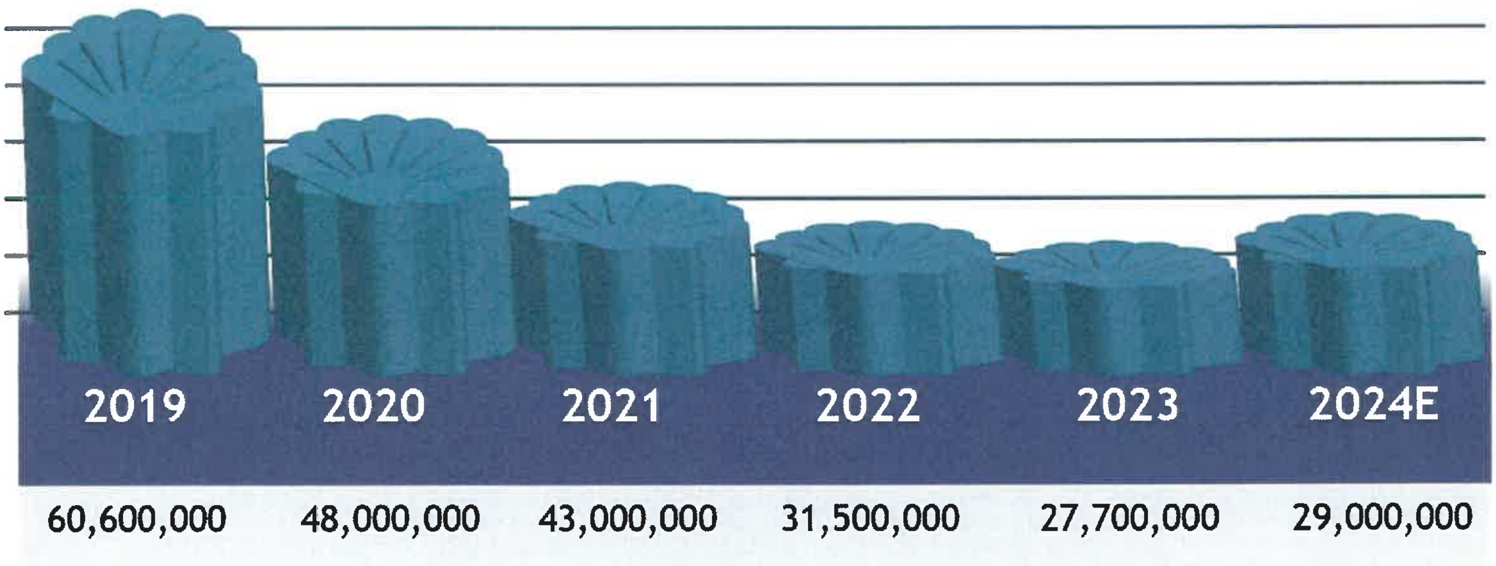
SCALLOP ANNUAL LANDINGS



US landings are expected to increase 4.5% in 2024

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ANNUAL SCALLOP HARVEST SUMMARY

Note. Figures are calendar year and not harvest year.

	2023		2022		2021	
	2024 Pounds	Size %	2023 Pounds	Size %	2022 Pounds	Size %
U/10	106,192	1.5%	3,601,000	13%	3,596,530	11%
U/12	955,727	13.5%	3,878,000	14%	2,520,107	8%
10/20	4,318,472	61%	16,590,000	60%	17,641,725	56%
20/30	1,628,276	23%	3,581,000	13%	6,847,338	22%
30/50	70,795	1%	50,000	<1%	895,643	3%
Grand Total	29,000,000	100%	27,000,000	100%	31,501,343	100%

24.4% of 2024 Landings projection YTD

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2024 Harvest Review

We are now wrapping up the first quarter of the new scallop season (April ’24 - March ’25) and overall landings are significantly down over the same period last year. To date over 3.5mm lbs less have been landed this year. The fishing effort in the combined Closed Areas (NY Bight and CA2) has been comparable to last year (CA2) but the usage of Open Area Days is dramatically less. By the end of June ’23 over 2700 Days at Sea were fished. This year is tracking to be 1000 DAS by the end of the quarter.

Boats have been reluctant to use their Open Area Days due to limited productivity both on lower yields and quantities. Historically, boats target 2500-3000 lbs/day and with a fair mix of U’s can get upwards of 4000-5000/day. Thus far they are struggling to reach 2000/day while catching primarily 20/30’s. The scallops have not grown as expected and with a reduction of 4 Open Area Days (from 24 to 20) the boats are trying to use them judiciously.

2024 Harvest Review

As a result, prices are much higher than expected and much stronger than last June, especially on U/10's and U/12's. The size mix is much smaller with boats catching more 20/30's than U/12's. The table below reflects the impact of the harvest on pricing.

Size	Catch % '24	Catch % '23	Price Diff from '23
U/10	1.5%	12.5%	+$12.40
U/12	13.5%	23.0%	+$10.24
10/20	61.0%	61.0%	+$2.37
20/30	23.0%	3.5%	+$0.95
30/40	1.0%	0.0%	

We don't see a significant change in the harvest ratios for the upcoming quarter. Prices will remain strong until there is a strong influx of landings and better yields in the open areas.

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US IMPORTED SCALLOPS

- **Japanese**
  - Overall Japanese origin imports for 2023 versus 2022 were similar, however the direct imports from Hokkaido were up significantly.
  - Pricing was very favorable due to Chinese boycott of Japanese shell stock because of Fukushima treated water release.
  - And a strong US$ against the JP¥ also contributed to lower prices.
  - New Season has begun, and product will begin to arrive in the Fall.
  - Primary sizing expected to be a 18-36 ct scallop with pricing to be determined.
- **Peruvian Bays**
  - Another lackluster season in 2023 with limited supply and strong pricing.
  - Imports were down 48%.
  - Expect a similar 2024 as the fishery struggles to recover from repeated mortality issues over the last 10 years.
- **Chinese Bays**
  - Steady supply in 2023 (Imports down 12%) and slight increase in prices.
  - Supply expected to be stable in 2024

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