

Peru quota was announced in 2.509 millions tons, much less of market expectations

The Peru authority finally decreed the fishing quota for first 2021 season in 2,509MMT and will start on april 23th.

Although this volume is not a small quota, the market was speculating that this was going to be around 3 million tons or even a little more. However, the authority decided to take this figure since a number of fish are still seen in their juvenile state, which leads to putting this figure that does not mean overexploitation and allows taking care of the fishing resource. Now, the important thing will be to see if, as the weeks go by, this quota actually becomes fulfilled.

The current quota volume, if fulfilled, will imply a production of app 650,000mt of fishmeal of which 350,000mt are already sold so that only 300,000mt will remain that will have to cover world demand until January 2022, date when the production of second season of 2021 will be available.

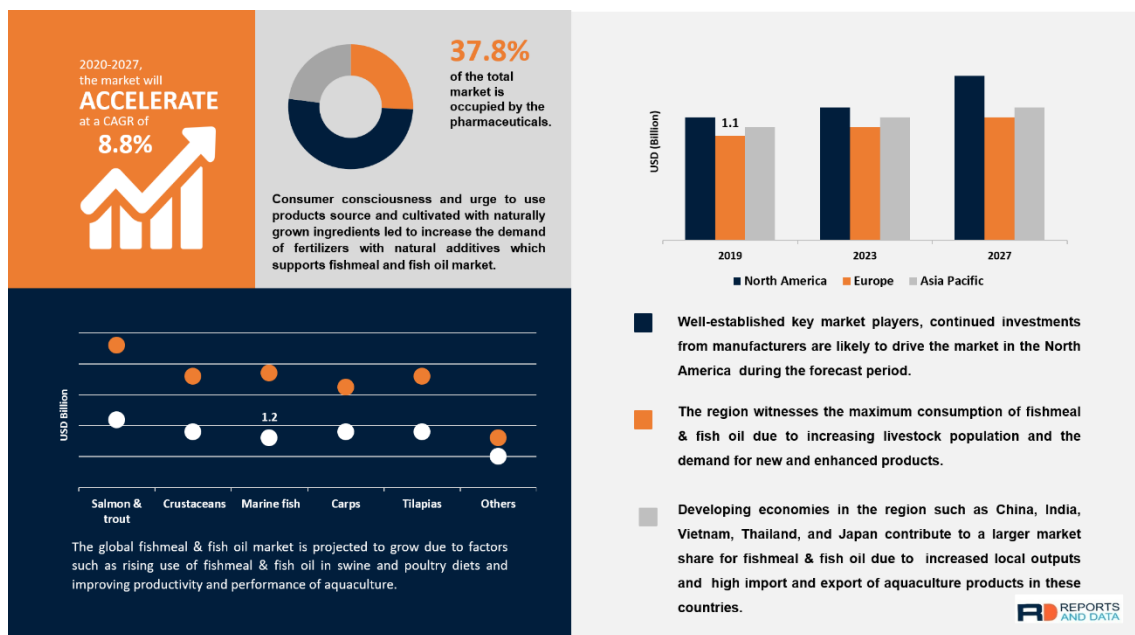
In addition, there is uncertainty about the political situation in Peru, where there are elections on June 6 and the left-wing candidate has suggested wanting to implement a new political system that could seriously affect the socio-economic stability of Peru.

Hence, the market will assert itself and the price is already rising. We recommend taking positions soon.

Fishmeal & Fish Oil Market To Reach USD 15.8 Billion By 2027

The global fishmeal & fish oil market was valued at USD 8.87 Billion in 2019 and is expected to reach USD 15.8 Billion by 2027 at a CAGR of 8.8%.

Fishmeal is an excellent high protein feed component used in almost every intensive aquaculture procedures. Intake of fishmeal is increasingly being concentrated in developing economies like China, continuing as by far the single largest market due to its large consumer base. In fish oil, Europe continues to lead the market along with Latin America.



The primary demand for fish meal and fish oils is due to animal feed in agriculture and aquaculture. The EU is one of the significant consumers of feed fish products. The primary consumers of fish meals within the EU were the aquaculture, the pig industry, and the poultry industry. Fish liver oils offer numerous health benefits to humans and are used in health supplements as well. The oil present in the shark liver is used in cancer and AIDS inhibiting drugs.

Overall the industrial fishing of feed fish appears to be socio-economically and ecologically sustainable. This is the result of the success of the current management regime, however, as populations of small teleost species, such as those that form the basis of these fisheries, are inherently volatile, there is still a need to refine the ability to make stock predictions, for instance, through the inclusion of environmental drivers/regime states. To maintain sustainable and healthy practices, Gulf Menhaden Fishery Achieved MSC Certification on October 17, 2019. The Gulf menhaden fishery was certified as sustainable against the Marine Stewardship Council (MSC) standards. All fishmeal & fish oil produced will carry the MSC's iconic blue checkmark, indicating that they come from a healthy, sustainable fishery. The MSC is a global icon in seafood

sustainability, and fisheries that are MSC certified are recognized as some of the best managed in the world.

Additionally, the sudden impact of the COVID-19 pandemic will hinder the growth by halting production and disrupting the supply chain.

Salmon & trout are an extensively used source of fishmeal & fish oil. This is due to the reason that fishmeal is used in salmon & trout feed as one of the substantial ingredients that benefit from providing vital nutritional supplements to the fish.

Global demand for Atlantic salmon, coho and trout, and the wild salmon species remained stable in 2019 across both traditional and emerging markets. China, a fast developing market with enormous potential, continues to be an essential target for salmon exporters.

Total global production of farmed Atlantic salmon is estimated to have increased by some 7% in 2019, to around 2.6 million tons. This marks the third consecutive year of strong supply growth, following an increase of about 5% in 2018. The three major contributors to this expansion were Norway, Chile, and Scotland.

Based on livestock, the aquatic animals segment accounted for a notable share of the global fishmeal & fish oil market in 2019. The incorporation of fishmeal & fish oil into diets of water animals aids to lessen pollution from wastewater effluents by providing better nutrient digestibility.

Fish meal & fish oil have manifold nutritional values and are also the main sources of omega-3 fatty acids DHA and EPA, which are presently recognized across the world, as a main factor in human health. Therefore, associated health benefits of fish meal & fish oil are influencing the demand for the fishmeal & fish oil market in the analysis period. A recent study found that the awareness of the health benefits of omega-3s are relatively high among the population. In addition, the majority of consumers think that they get enough omega-3s from their diet, although they already know that this is not the case, with 98% falling short of the range for maintaining optimal health.

Personalization trend across the world: The Omega-3 Index Test” is fostering the fish meal & fish oil market positively. At-home self-administered tests are available for measuring a variety of different factors, from sleep to stress to heavy metals. The Omega-3 Index test is a self-administered test which measures the overall levels of omega-3 (EPA & DHA) in the blood and can be done in the comfort of your own home. An Omega-3 index of 8-12% is considered optimal for sustaining a healthy heart. Despite this, a recent 2017 study conducted in the U.S. and Germany found that 98% of the population had levels below 8%, which puts them at increased risk for cardiovascular disease and other chronic health issues.