

But the ultimate reason for strong cod block prices in 1989 is the projected drop in world cod landings. The combined landings in Canada, Iceland, Norway and Denmark could fall to about 1,050,000 tonnes this year as compared to about 1,250,000 tonnes last year. If the drop were to proportionately affect all forms -- including, salt cod and fillets -- it could translate into a reduction of 20 million pounds of cod blocks exports to the United States. That's a decline of 11 percent.

On the other hand, we have to consider the possible expansion of the production of Alaska pollock blocks which always threaten to replace cod blocks in a shrinking marketplace.

For cod blocks, I project a range of U\$1.50 to U\$1.70 a pound throughout the rest of this year.

Let me move on to frozen cod fillets.

I figure that the range of U\$1.60 to U\$2.30 per pound, depending on sizes and packs, that the "Boston Blue Sheets" now report will probably prevail most of the year. I could see only a slight improvement for this category because I feel that this is where the Alaska frozen-at-sea fillets will affect us most. I am particularly concerned with the fillet packs at the lower end of the spectrum, namely, the ones that would selling for U\$ 1.80 or less.

Speaking of Alaska, we should be aware that US catch of Pacific cod and pollock off Alaska will continue to expand from