

5. FROZEN HERRING ROE

<u>Imports (MT)</u>					
	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
Canada	4,652	5,271	7,332	8,299	4,095
Ireland	228	640	1,830	1,532	1,805
U.S.A.	19	16	177	25	4
Total	5,186	6,052	9,632	9,992	6,060
<u>Supply Reconciliation - frozen herring roe(MT)</u>					
	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
Supply of raw roe	5,400	7,900	12,200	15,130	12,500
Apparent consumption	3,400	4,900	8,200	9,930	9,500
Inventory carried over	2,000	3,000	4,000	5,200	3,000
Source: Hokkai Keizai Shinbun					
<u>Prices - Importers FOB Canada (C\$/lb)</u>					
	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
No. 2 grade	\$4.50	\$6.00	\$5.25	\$5.00	2.85*
No. 3 grade	\$3.80	\$5.00	\$4.25	\$4.00	
* For 1989. Most of imports from Canada were nos 2 & 3 combined					
<u>Wholesale price</u>	<u>Year ago</u>	<u>6 mo. ago</u>	<u>last mo.</u>	<u>Mar 90</u>	
Finished goods (Yen/kg)	1500-2000	1300-1900	1600-1800	1600-1800	

Market Situation and Outlook

- 1989 was a disastrous year for Canadian frozen herring roe exporters both in terms of price and volume.
- The much reduced import volume in 1989, however, has left the market in serious short supply situation.
- By shorting the market, Japanese importers were able to make large profits in 1989.
- Market demand for seasoned herring roe remains strong, although rate of expansion will be on a more gradual basis.
- On basis of market information available would expect minimum of 8,000 MT will be required from Atlantic Canada in 1990 and prices should firm dramatically. Short market supply has importers vigorously seeking as much spring roe as possible.