VIETNAM SHRIMP OUTLOOK 2015

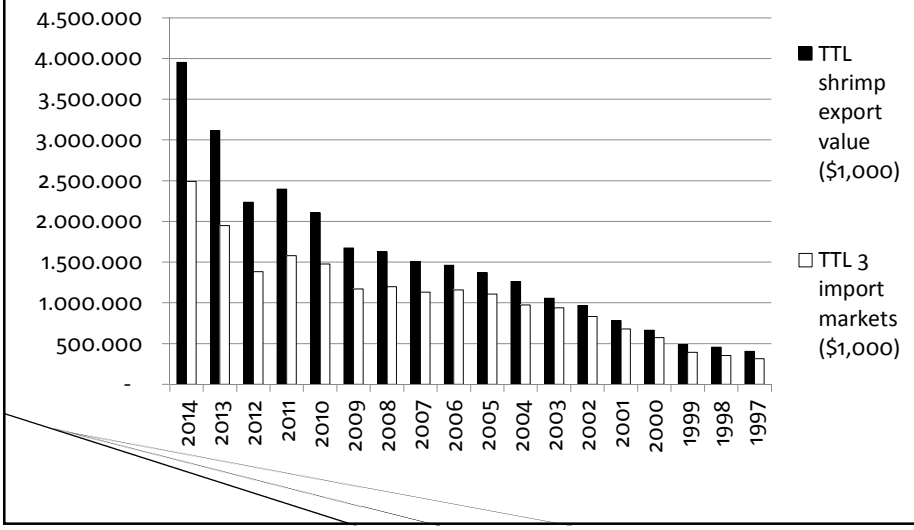
CONSUMPTION TRENDS AND CAPABILITY OF VIETNAM SHRIMP IN MARKETS

Reported by Pham Huu An
Vietfish 2015 (24-26 Aug)

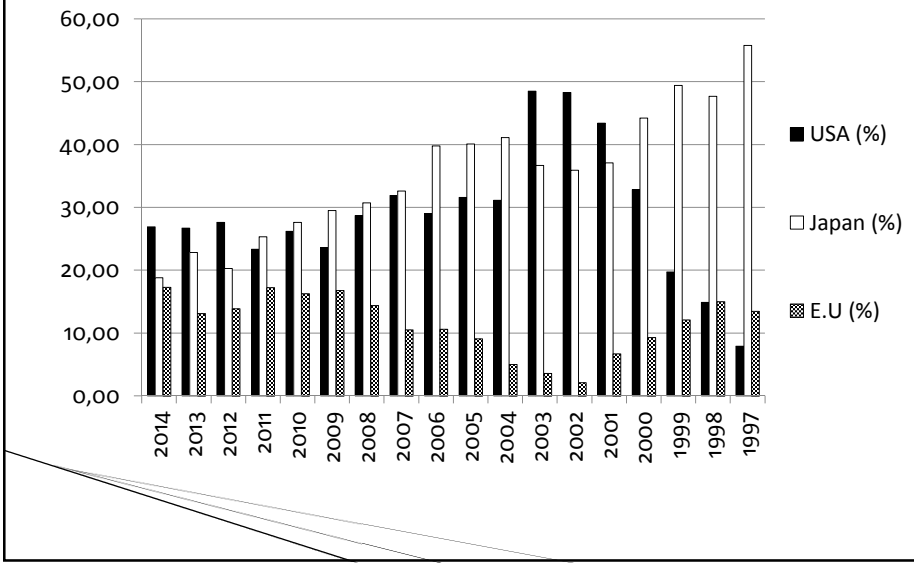
Good Day to Distinguished Guests and Colleagues!

- We all are here today to join the big event for our Vietnam Seafood Exhibition 2015.
- In this Seminar, I would like to share my personal overview on the shrimp consumption trends and capability of Vietnam shrimp in markets.
- Generally speaking, Vietnam has 3 major exporting markets: USA, EU and Japan.
- We can watch the historical sales of shrimp products through 1997 to 2014 (18 years);
- The total shares of these major markets would have been fluctuating 61.80% to 88.80%, value base. The tendency that recent years the market share should be lower previously. What happing there? Actually when we enter the detailed figures; we could see that total value of these 3 markets have been escalated year by year.

How Majority of USA, Japan and EU Market Shares



How Gap Among 3 Major Shrimp Consumer Markets (Value Base)



Japan market 2014

- Japan: Total import of shrimp in 2014 were 223,423 tons (-15%), which demonstrated a 100,000 tons decreased over the last decade, a significant decline in consumption demand.
- In 2014, Japanese import of raw frozen shrimp and processed / value added shrimp declined by 25,000 tons (-13.3%) and 13,300 tons (-20%) respectively against the same period last year.

USA Market 2014

- The USA was the number one importer of shrimp in the global market in 2014
- The imports were 60,000 tons higher (+12%) at 568,650 tons. There was a 26% rise in import value, achieved USD 6.70 billion.
- In which, Vietnam's share was USD 1.065 billion, a big jump 28.0% against 2013.

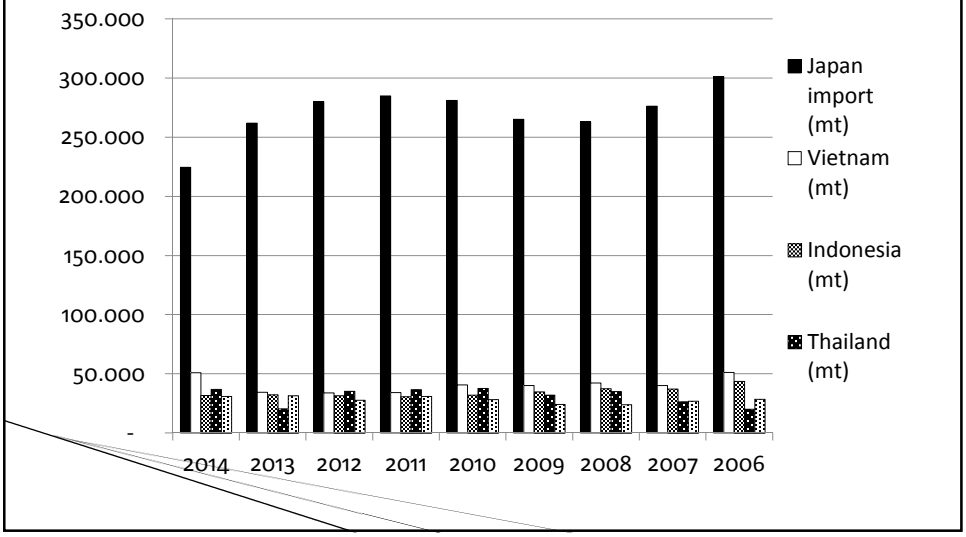
E.U Market 2014

- In general, consumption demand for shrimp did not improve much in Europe during 2014
- However, compared with 2013, the EU import more shrimp from external-E.U countries in 2014 due to the cheaper vannamei shrimp from Ecuador, India, and Vietnam.
- The price sensitive EU market also import lesser quantities of black tiger shrimp.
- The top six import markets were Spain, France, Denmark, the UK, the Netherlands and Italy.

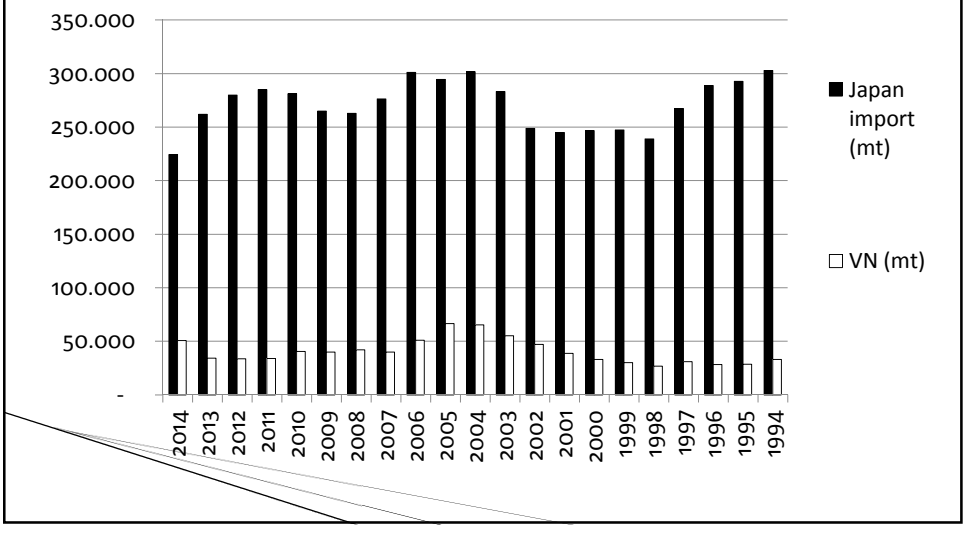
Focus on Japan Market

- ✓ The Japanese market, the third largest shrimp market globally, continues to import less shrimp as a result of the Yen devaluation beginning in December 2012.
- ✓ In late September 2014, the yen dropped to a six year low at yen 120 equal to US$ 1 creating panic in the market.
- ✓ Prices have also started to move up in Yen along the distribution chain, causing serious concern in the trade prior to the year-end high consumption season. Prices are expected to increase further by 10 percent due to this factor, which is a bad news for marketers in Japan

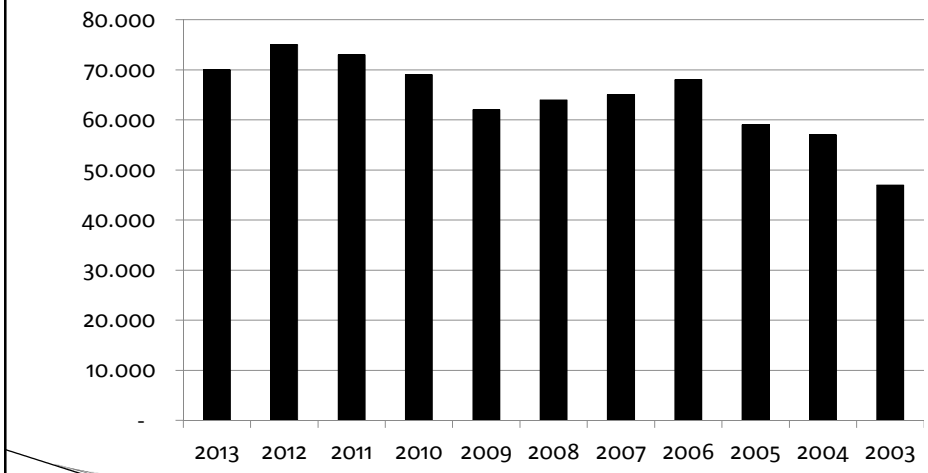
Top Shrimp Supplying Countries to Japan Through 2006-2014



Vietnam's Shrimp Supply Share to Japan Through 1994-2014

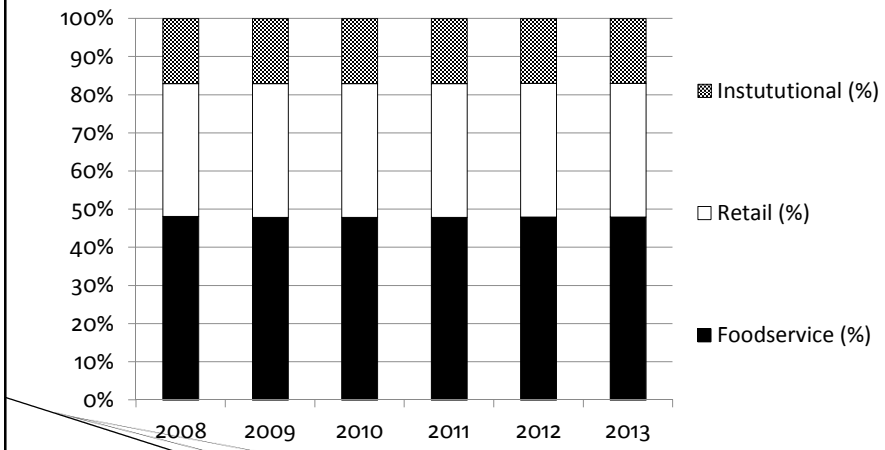


Value Added Shrimp Products Import in Japan (Metric Tons Base)



Distribution Channels in Japan

Distribution of Fresh Fish and Seafood Sales in Japan- Percentage %. Breakdown Based on Volume Sales



Japanese Culture affects Consumption

- Japan once consumed half the world's shrimp, but it appears those days are over nowadays.
- But the passion for shrimp from Japanese people are always there. You know, Shrimp is has been considered an awe-inspiring food, because it renews life and body by molting its shell repeatedly, the Red and White are considered happy colors in Japan, shrimp color turns to red after boiling.
- It is Japanese custom to celebrate the New Year by placing shrimp on a special plate, dedicating them to God, and wishing other people a long life until old age bend us like shrimp curve body.

Motivations for Seafood Consumer

An article in World Fishing & Aquaculture, March 24, 2013, entitled "Japan seeks to boost seafood consumption," expounds on the efforts of both the Japanese government and the fishing industry to reverse the meat consumption trend in favor of increasing fish and seafood in the Japanese diet.

To that end, the fish processing industry is trying to develop innovative products that are easier to prepare.

Consumption Trends in Japan

- Per capita consumption of fish and seafood in Japan declined from approximately 40 kg in 2007 to 33 kg in 2012, due in part to a rise in consumption of meat and dairy products (Euromonitor International, 2014).
- Other factors responsible for the decline in per capita consumption include consumer food safety concerns following the Fukushima nuclear power plant meltdown and reduced fishing capacity caused by the earthquake and tsunami. The declining population and changing lifestyles may explain the declining consumption (Euromonitor International, 2014).

Market Survey in Japan Supermarket
06-Mar-2013





Ready-to-Eat Food Corner



THANK YOU