



Tilapia

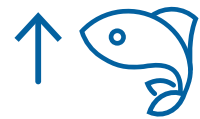
Promising outlook: Tilapia prices set to rebound amid tight supply

During the first nine months of 2023, global tilapia trade saw a slight downtrend due to tight supply and increased production costs. However, the market is expected to remain positive in terms of trade and supply, and the outlook for a recovery in prices in 2024 is optimistic.

Production

In the third quarter of 2023, tilapia production in China has been considerably affected by increased raw material costs, partly due to a decline in Peruvian fishmeal production. Consequently, tilapia supplies tightened, causing farmgate prices to surge by over 30 percent compared to the previous year. Processors are now faced with the dilemma of either delaying contracts or breaking them to mitigate losses. To offset the expensive feed costs, Chinese farmers have adopted high-density farming techniques, raising concerns about the quality of the tilapia produced.

Elsewhere, Indonesia is emerging as the second-largest tilapia producer in Asia. African countries are also investing more in tilapia production, aiming to increase their contribution to the global tilapia supply. Farmers in Kenya and Zimbabwe are making strides in enhancing fingerling production; and launching programs to increase the output of higher-quality tilapia as well as stimulate domestic fish consumption. Meanwhile, Egyptian production is anticipated to exhibit a positive supply outlook for the upcoming year. In Latin America, tilapia supplies in Brazil and Honduras during the third quarter of 2023 were lower than envisaged due to fish mortality problems that could be linked to the impact of climate change or diseases in different regions.



Market and trade

According to the National Oceanic and Atmospheric Administration (NOAA), tilapia imports in the United States for the first nine months of 2023 amount to 129 678 tonnes, valued at USD 489 million. This represents declines of three percent in terms of volume and 13.7 percent in value compared to the same period in the previous year. Additionally, fresh tilapia sales in the US market in the third quarter fell by around 10 percent, largely due to the higher prices.

China, the leading exporter of tilapia to the United States, saw a seven percent year-on-year decrease in the volume of frozen tilapia fillet exports but a 59 percent increase in frozen whole tilapia exports in the third quarter of 2023. It is predicted that by the end of 2023, Chinese market share in tilapia imports to the United States will likely drop by approximately 50 percent due to significant price increases, leading US customers to explore alternative seafood options. However, tilapia prices are expected to stabilize in 2024 as customers continue to seek more competitively-priced alternatives.

In China, the domestic seafood distribution channel has undergone changes, with live streaming and short videos gaining popularity. However, tilapia sales have not seen significant growth through this specific distribution channel despite its prevalence in the seafood industry. Additionally, although there is growing demand for ready-meal items in restaurants, tilapia convenience products are in small supply, with limited purchases. Holiday seasons are likely to drive the domestic tilapia market in the country, but the low re-purchase rate for this species indicates that demand is sluggish. This decreased consumer demand for tilapia has resulted in a decline in prices at restaurants serving the fish.

In the third quarter of 2023, Brazilian exports of farmed tilapia reached 1 578 tonnes valued at USD 6.8 million. Despite an 11 percent volume drop, there was a notable 48 percent increase in value. The rise was driven by surging sales of fresh and chilled tilapia fillets, with a remarkable growth of 276 percent and 365 percent, respectively. Whole fresh and chilled tilapia sales also saw significant growth, with a 515 percent increase in volume and an

With regard to imports, the Brazilian Association of Aquaculture (PEIXE BR) is reported to be committed to preventing the entry of tilapia from Viet Nam and other origins in the Brazilian market. The Association highlights that the national production chain, which involves numerous small companies and producers, creates over one million jobs in the country. Moreover, bearing in mind the ability of the domestic industry to supply safe and high-quality products, the Association refuses foreign tilapia imports on the grounds that potential economic and health risks could affect consumers. PEIXE BR emphasizes that Brazilian tilapia adheres to rigorous practices and safety standards, while maintaining consistent communication with the Ministry of Fisheries and Aquaculture to strongly advocate for domestic tilapia and discourage the entry of foreign products.



astounding 1 094 percent increase in value. Average sales value rose across all tilapia products during Q3. Although tilapia exports to Japan declined by 27 percent in volume, the export value rose by 25 percent. Meanwhile, exports to Canada, ranking third by value in the third quarter, amounted to USD 143 991.

Elsewhere in Latin America, Colombia has further established itself as the second-largest tilapia supplier to the United States, exporting 13 020 tonnes of tilapia, valued at USD 86.2 million during the first nine months of 2023. This represents a 2.8 percent increase in volume and a 16.8 percent increase in value compared to the same period the previous year. Fresh chilled fillets continue to be in high demand as the preferred product.

Prices

In the third quarter of 2023, Chinese tilapia prices rose, reaching the highest levels seen in the corresponding review period in previous years. During July and September, whole live tilapia (300-500 g in size) in Guangdong province (DAP, Guangdong) were sold at CNY 6.65 (USD 0.92) per kg, reflecting an 11 percent increase from the previous quarter and a 12 percent increase year-on-year. Import prices in the United States for frozen fillets decreased by 16 percent, while fresh fillets increased three percent year-on-year in the third quarter of 2023. During the same period, average prices of tilapia products in Brazil increased sharply. Fresh whole tilapia saw a remarkable 93 percent increase, while fresh and frozen fillets both rose by 23 percent. This rise can be attributed to decreased production in key Latin American supplying countries like Colombia and Honduras.

Outlook

The global tilapia market has encountered difficulties this year, including disease outbreaks and climate change challenges, resulting in a sluggish period. Despite inflation and high input costs driving up tilapia prices, global trade can be characterized as having positive prospects. China and major tilapia suppliers in Latin America faced production constraints and slower growth in the first nine months of 2023, leading to tight global tilapia supply. Efforts are underway for price recovery, with these key suppliers expecting production rebounds in addition to increased supply from African countries. With consumers having a wide range of seafood choices, it may lead to increased competition and potentially lower prices for tilapia in the upcoming year.

**China exports of frozen whole tilapia
January–September, 2021–2023 (1 000 tonnes)**

	2021	2022	2023
Frozen tilapia			
Côte d'Ivoire	38.71	34.19	44.47
United States of America	20.34	14.32	22.73
Mexico	11.08	5.40	6.55
Other countries	27.33	27.33	27.33
Total exports	97.46	81.24	101.08

Source: Author's own elaboration based on GTT, 2024. Global Trade Tracker. [Cited 5 January 2024]. www.globaltradetracker.com

**United States of America imports of chilled tilapia fillets,
January–September, 2021–2023 (1 000 tonnes)**

	2021	2022	2023
Chilled fillets			
Colombia	5.87	7.50	8.24
Honduras	6.26	6.64	3.98
Costa Rica	2.55	2.65	3.11
Other countries	2.89	1.57	2.23
Total imports	17.57	18.36	17.57

Source: Author's own elaboration based on GTT, 2024. Global Trade Tracker. [Cited 5 January 2024]. www.globaltradetracker.com

**United States of America imports of frozen tilapia fillets,
January–September, 2021–2023 (1 000 tonnes)**

	2021	2022	2023
Frozen fillets			
China	64.29	67.82	63.23
Indonesia	3.88	5.15	4.91
Taiwan Province of China	1.07	1.03	0.94
Other countries	3.66	1.57	2.23
Total imports	72.89	75.57	71.31

Source: Author's own elaboration based on GTT, 2024. Global Trade Tracker. [Cited 5 January 2024]. www.globaltradetracker.com

**United States of America imports of frozen whole tilapia,
January–September, 2021–2023 (1 000 tonnes)**

	2021	2022	2023
Frozen whole			
China	20.34	14.32	22.73
Taiwan Province of China	9.32	8.12	7.19
Brazil	0.97	2.26	1.91
Other countries	1.99	4.07	4.80
Total imports	32.63	28.77	36.63

Source: Author's own elaboration based on GTT, 2024. Global Trade Tracker. [Cited 5 January 2024]. www.globaltradetracker.com