

SMARTER PERSPECTIVE: SEAFOOD

# Seafood Market Trends and Considerations Q2 2025

By Dean Hogencamp

**April 2025** In this article, we review pricing, demand and other related developments in the seafood market. We also discuss relevant considerations pertaining to both the war in Ukraine and the recent, planned imposition of tariffs by the U.S. and its trading partners.

## Scallop Market

The domestic scallop market has seen favorable pricing movement over the past 12 months. Declining prices were experienced during 2023 and early 2024 after peaking in 2021, when the market experienced significant consumer demand exiting the COVID-19 crisis. The recent upward pricing movement largely has resulted from reductions to product supply as overall domestic landings from April 2024 through February 2025 are down approximately 29.5%. Even more pronounced pricing gains have been experienced in larger scallop sizings, which increased approximately 70.0%, year-over-year, from \$17.50 per pound as of January 2024 to \$30.00 per pound as of January 2025. This higher pricing and limited availability drove movement to smaller sizings which resulted in market pricing gains there as well, albeit smaller in scale (10-20 count sizes increased



27.5%, year-over-year, while 20-30 count sizes increased 20.0%). Higher landings of smaller sizes were mainly noted in 2024. While higher catch allocations were allowed for the 2024/2025 season, overall landings remain lower than anticipated.

The U.S. experienced higher levels of imported scallops in 2024, with total scallop imports rising by 8.1 million pounds, or 15.9%, for the 12 months ended December 2024 vs 2023. The primary driver was higher levels of Japanese scallops, which was the result of China banning the import of all Japanese scallops in August 2023. This ban was enacted because Japan released treated wastewater from the

Fukushima Daiichi nuclear power plant into the ocean, which China perceived as a contamination risk. Because the ban significantly impacted Japanese scallop exports to China - its largest market for that product - more of Japan's scallops were directed into the U.S. market, creating a lower-cost substitute in 2024. China has since eased these restrictions, thereby creating additional product demand, which is now starting to drive pricing higher for these imports.

## Shrimp Market

The shrimp market as a whole experienced steady increases over the past year; however, weak consumer demand due to inflationary concerns over the past three to six months is

leading to oversupply situations across certain product sizes. This weakened market pricing in January and February 2025. Overall, supply and demand are now largely equal. While this has limited market movements, many importers remain cautious about purchasing supplies that exceed near-term demand expectations from customer-provided forecasts. Until the market gains a clearer picture of the economic outlook, along with a greater understanding of potential tariff-related impacts, we expect buyers to remain cautious.

### Crab Market

The market for crab experienced significant pricing fluctuation over the past 36 months. Surplus demand as the global economy exited the pandemic,

combined with the U.S. banning all Russian seafood in June 2022 (prompted by Russia's invasion of Ukraine) initially drove pricing higher. The market corrected in 2023 as price points pushed consumers away, leading to sharp pricing declines. The market has since steadily recovered, leading to rising prices. Most recently, adequate demand by consumers throughout 2024 resulted in product price increases of 50.0% to 75.0%, year-over-year.

### Lobster Market

In 2024, the North American lobster market experienced significant upward pricing pressure on both lobster tails and meat. While inflationary trends such as higher bait and fuel prices impact lobstermen, these are, in turn, passed

along to wholesalers. The key driver for pricing appreciation can be attributed to lack of supply. The total catch for Maine lobster in 2024 was approximately 85.0 million pounds, which represented a year-over-year decrease of 12.3 million pounds, or 14.5%. Lobster meat prices currently remain strong based on limited market supply, with a number of vendors now considering customer allocations. Lobster tail pricing remains mixed, as certain sizings experienced modest pricing declines through February 2025. Tariffs on all goods imported to the U.S. from Canada are expected to be enacted at the start of April 2025. If that occurs, upward pressure will be amplified on lobster market pricing.

## Seafood Market Pricing

As of February 28, 2025

| Species/Size   | Current Price (Per Lb) | 3-Month Change | 6-Month Change | 9-Month Change | 12-Month Change | 24-Month Change | 36-Month Change |
|--|------------------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|
| <b>SCALLOPS</b>  |                        |                |                |                |                 |                 |                 |
| Domestic, Natural, IQF, U/10's                                 | \$30.00                | 0.0%           | 0.0%           | 17.6%          | 71.4%           | 9.1%            | -9.1%           |
| Domestic, Natural, IQF, 10/20's                                | \$22.12                | 12.0%          | 24.1%          | 45.0%          | 36.1%           | 30.3%           | -15.7%          |
| Domestic, Natural, IQF, 20/30's                                | \$19.50                | 5.4%           | 14.7%          | 30.0%          | 20.0%           | 24.0%           | -6.6%           |
| Japanese, IQF, 16/18's   | \$16.75                | 12.1%          | 38.9%          | 39.6%          | 39.6%           | 8.9%            | -8.2%           |
| <b>SHRIMP</b>  |                        |                |                |                |                 |                 |                 |
| Asian, HLSO, White, 16-20's                                    | \$4.69                 | 1.4%           | 6.5%           | 7.8%           | 16.9%           | 1.9%            | -13.2%          |
| Latin American, HLSO, White, 16-20's                           | \$4.46                 | -0.8%          | 7.5%           | 7.0%           | 15.1%           | 4.7%            | -16.6%          |
| Asian, HLSO, White, 26-30's                                    | \$4.19                 | 1.5%           | 8.8%           | 10.2%          | 17.0%           | 11.7%           | -1.5%           |
| Latin American, HLSO, White, 26-30's                           | \$4.00                 | -1.4%          | 8.1%           | 8.1%           | 19.4%           | 13.9%           | -4.8%           |
| <b>CRAB</b>  |                        |                |                |                |                 |                 |                 |
| Snow, Newfoundland, Cluster, 8oz & up                          | \$12.86                | 10.7%          | 23.9%          | 22.4%          | 48.7%           | 35.2%           | -27.5%          |
| Dungeness, Cluster, Ocean Run                                  | \$16.00                | 3.6%           | 27.7%          | 68.4%          | 76.4%           | 142.8%          | 9.1%            |
| <b>LOBSTER</b>   |                        |                |                |                |                 |                 |                 |
| Meat, Canada, Claw, Knuckle, & Leg, Cooked 2lbs, Vacuum Packed | \$38.00                | 1.1%           | 34.9%          | 28.3%          | 42.1%           | 43.4%           | 2.7%            |
| Tails, American, 4oz   | \$22.72                | -3.3%          | 8.0%           | 0.2%           | -9.7%           | 19.6%           | -6.3%           |

\*Pricing information derived from Client Pricing Information and UrnerBarry Comtell

Source: Hilco Global Valuation Services





### Tariff Considerations

The introduction of tariffs on imported products from Canada, Mexico, and China, along with the potential retaliatory tariffs these countries will likely enact on U.S. goods, can be expected to drive uncertainty within the seafood marketplace.

From an export standpoint, China is one of the U.S.'s largest buyers of seafood, including products such as lobster, crab, oysters, and fish. At present, it is unknown how the introduction of reciprocal tariffs by China will impact Chinese consumer demand. Historically, higher pricing tends to drive consumers to alternative substitutes, resulting in excess supply levels which place added pressure on pricing. Conversely, the U.S. is currently Canada's largest export customer. Key seafood products from Canada include lobster, crab, salmon, halibut, and mussels. If Canada enacts retaliatory tariffs, which is anticipated as of the publishing date of this article, higher pricing can be expected in the U.S. marketplace, if only temporarily. While it is uncertain how tariffs would impact consumer pricing, costs would most likely be passed along to end users, negatively impacting consumer demand.

### Lender Considerations

Should a peace deal between Russia and Ukraine occur, the U.S. likely would end its ban on Russian seafood imports that was enacted in March 2022. If that occurs, the additional supply of Russian crab available to the U.S. marketplace likely would place pressure on pricing in the short term. Uncertainty remains, however, about how much additional supply would be available under this scenario, and that will ultimately drive overall market pricing.

While U.S. tariffs on Canada and Mexico are expected, they have not yet been implemented as of the publishing date of this market update. There is no question, however, that it will be essential for



lenders with seafood market exposure to understand how any potential tariffs impact market pricing. Lenders should be particularly diligent about actively reviewing and candidly discussing borrower product margins and necessary actions during the upcoming period. In Hilco's experience, the insights gained through these efforts and timely dialogue are invaluable to both lender and borrower in navigating through tumultuous market periods such as the one ahead.

*Hilco Valuation Services has significant, validated expertise in the seafood market, including processing, importation, and distribution. Leveraging our deep industry knowledge, we have delivered valuations on the majority of the top 20 seafood suppliers in the U.S. over the past decade. As one of the world's largest and most diversified business asset appraisers and valuation advisors, we serve as a trusted resource to companies, lenders, and professional service advisors, providing value opinions across virtually every asset category. Hilco has the ability to affirm asset values via proprietary*

*market data and direct worldwide asset disposition and acquisition experiences. Access to this real-time information, in contrast with the aged data relied upon by others, ensures clients of more reliable valuations, which is crucial when financial and strategic decisions are made.*



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