

Landings, and Dockside and Wholesale Prices of White Shrimp in the United States

Abstract

In this issue, Dr. Posadas describes the long-term trends in the landings, dockside values, and prices of the U.S. white shrimp markets. Shrimp businesses are adversely affected by natural, technological, and human-made disasters, public health crises, and economic recessions. The long-term economic impacts of recent coastal events and public health crisis on the domestic markets of white shrimp will take some time to assess. Instead, some benchmark data on dockside and wholesale markets during the past five years are presented. Analysis of short-term impacts of the prolonged 2019 freshwater intrusions and COVID-19 showed that wholesale prices fell by eight percent and 12 percent, respectively.

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Commercial Landings

According to Gulf FINFO (<http://gulffishinfo.org/>), white shrimp “are found off the Atlantic Coast as far north as Fire Island, New York, to St. Lucie Inlet on the Atlantic Coast of Florida, and from the Ochlocknee River on the Gulf Coast of Florida to Campeche, Mexico. In the Gulf, there are two centers of abundance: one along the Louisiana-upper Texas coast and one in the Campeche area of Mexico. Young white shrimp inhabit estuaries with muddy bottoms and low to moderate salinity from early summer to fall. They move offshore to spawn in the fall, as they grow large enough, and cooling temperatures trigger their migration.”

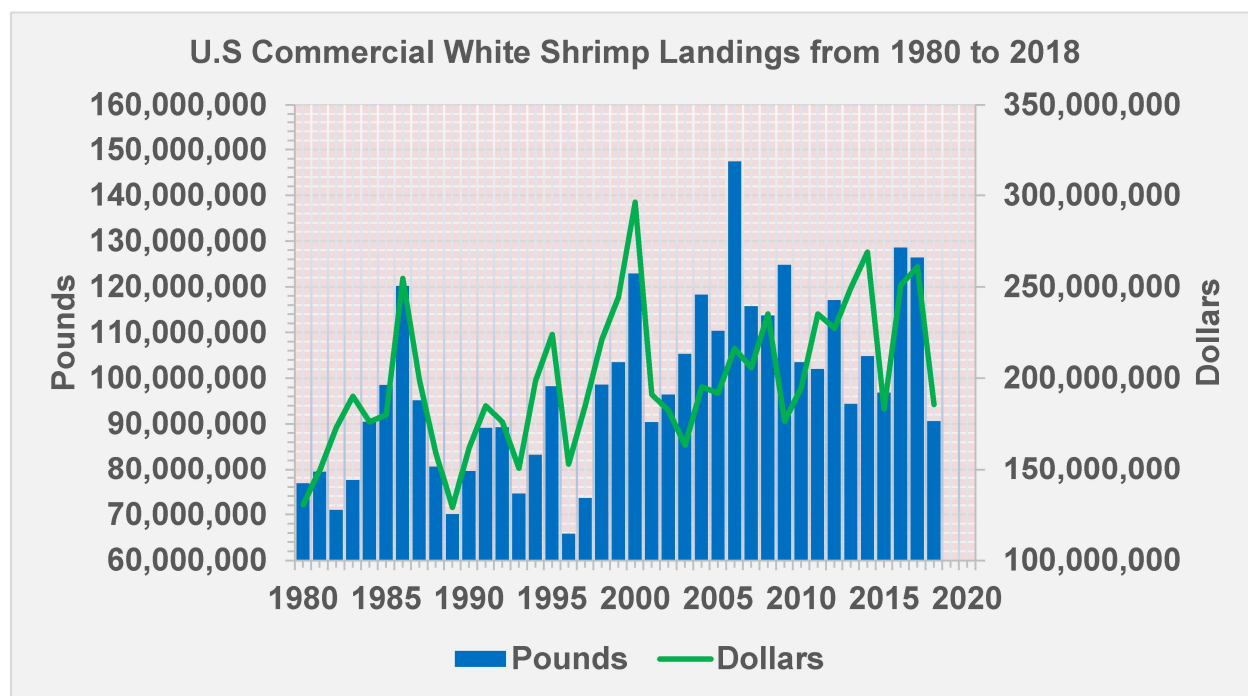


Figure 1 shows the commercial landings and landing values of brown shrimp since 1980, as compiled from the NOAA Fisheries website.

The U.S. white shrimp fishery is a valuable marine resource supporting almost eight billion dollars of direct economic contribution to the economy since 1980. Annual commercial landings data of white shrimp up to 2018 were compiled from the NOAA Fisheries website. There is a lag of at least two years for landings data are updated in that website.

The long-term commercial landings of wild-caught white shrimp were initially increasing from 1980 to 1986, averaging about 90 million heads-on pounds per year during that

period valued at more than \$180 million. The rising trend was reversed from 1987 to 1997, where average annual commercial landings fell to 80 million pounds valued at more than \$175 million. Since 1998, commercial white shrimp landings continued to swing up and down up to the present. Since then, the white fishery yielded an average of 110 million pounds per year, with dockside values averaging almost \$220 million.

The Gulf States has been supplying at least 86 percent of the commercially wild-caught white shrimp in the United States totaling more than 3.3 billion pounds and valued at more than 6.5 billion dollars since 1980. Louisiana is the largest producing state of wild-caught white shrimp, followed by Texas, North Carolina, Alabama, Florida, Mississippi, Georgia, and Virginia.

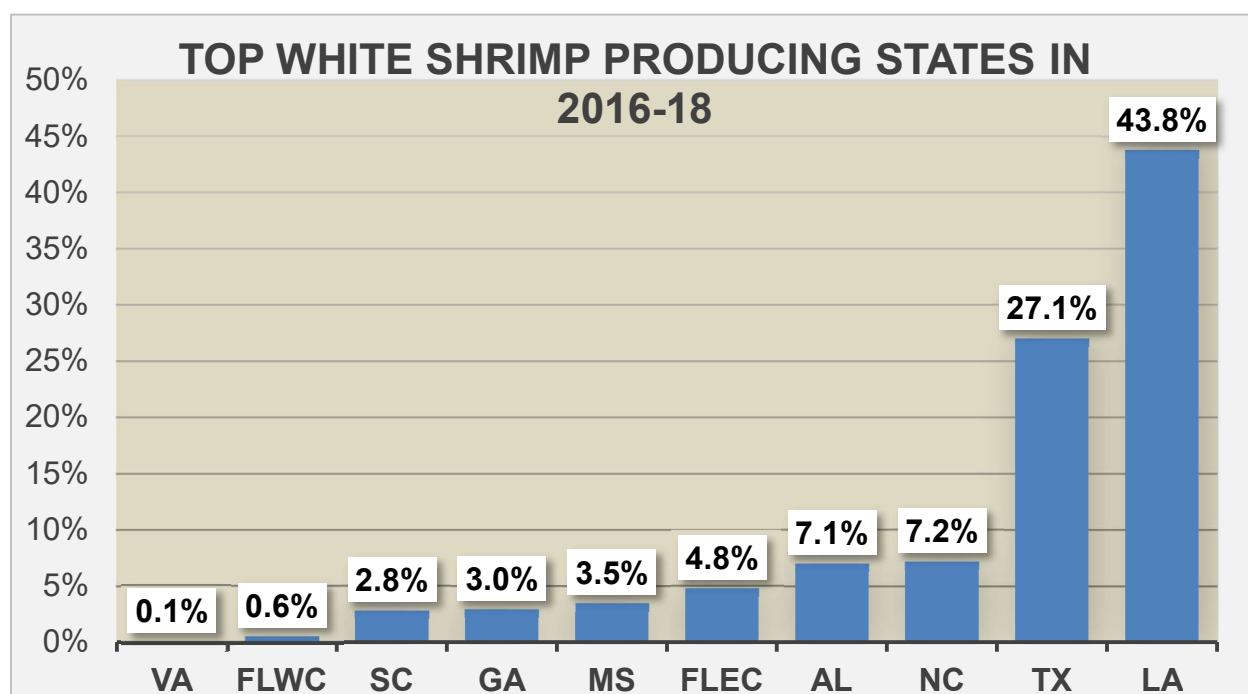


Figure 2 shows the U.S. top producing states of brown shrimp from 2016 to 2018, as compiled from the NOAA Fisheries website.

In 2015, the commercial landings of white shrimp reached almost 97 million pounds. This shrimp species was caught year-round, with most of the commercial landings occurring from August to December.

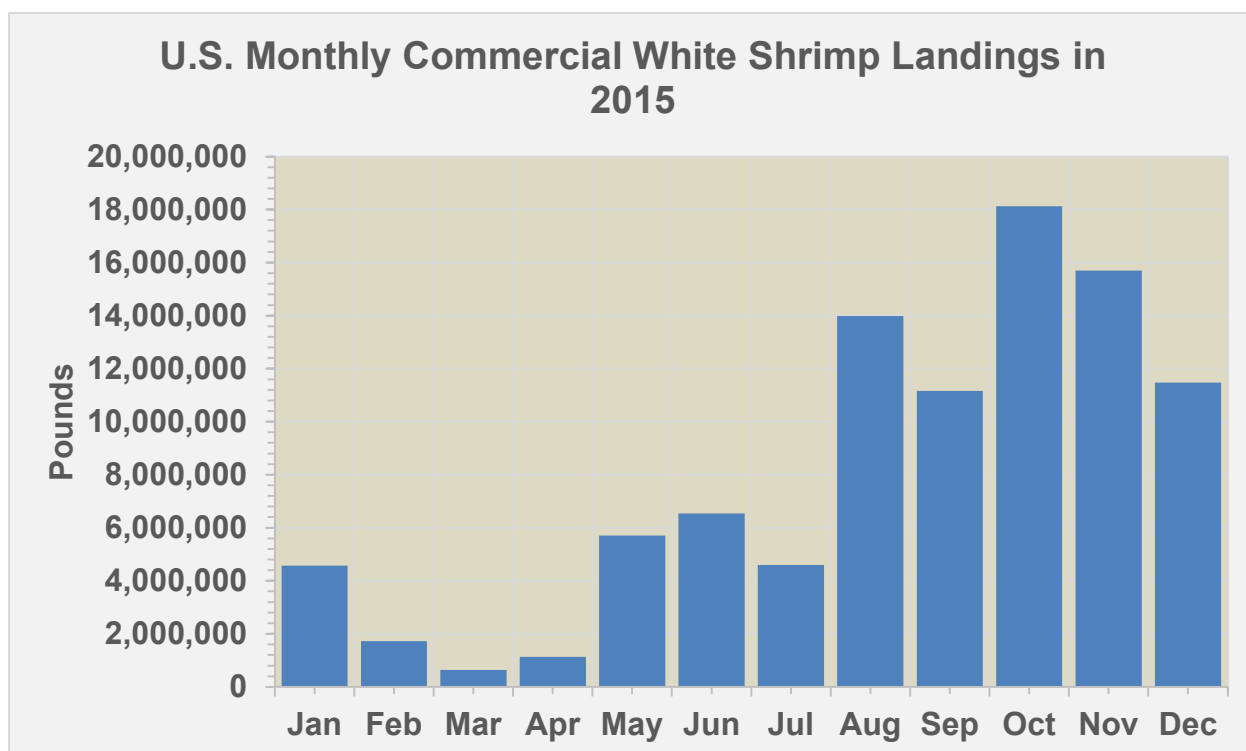


Figure 3 shows the U.S. monthly commercial landings of white shrimp in 2015, as compiled from the NOAA Fisheries website.

Dockside Prices

The average dockside prices are derived from the dockside values and landings data. Annual dockside values are available up to 2018 at the NOAA Fisheries website. There is a lag of at least two years for dockside values are posted on that website.

Dockside prices averaged \$2.05 per pound (heads-on) from 1980 to 1986. It increased to \$2.14 per pound from 1987 to 1997. Since 1998 dockside prices averaged \$2.00 per pound.

When adjusted for inflation, however, the deflated dockside prices have been declining since 1980. This movement indicates that the real purchasing power of the dockside values received by commercial shrimpers has eroded over time. From 1980 to 1986, the real average dockside prices averaged \$5.34 per pound. Between 1987 and 1997, the deflated dockside prices averaged \$3.96 per pound. The real dockside prices fell to \$2.49 per pound from 2000 to 2018.

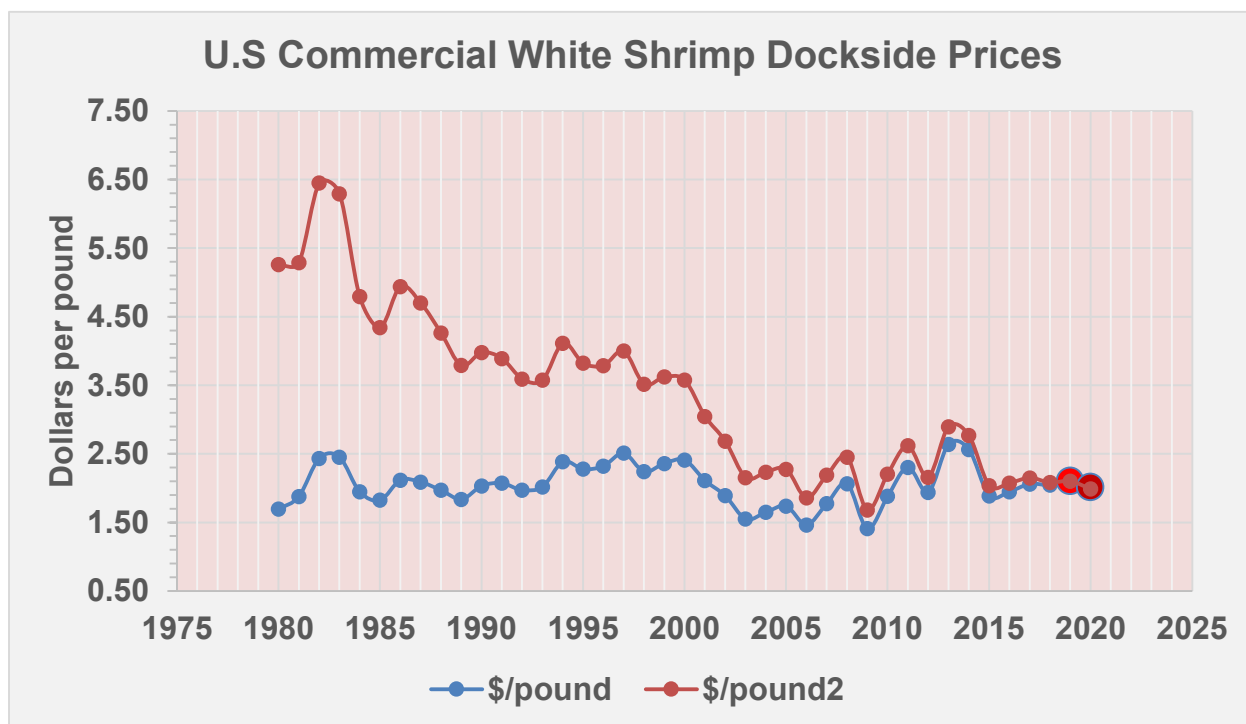


Figure 4 shows the U.S. average monthly dockside prices of white shrimp, as compiled from the NOAA Fisheries website. \$/pound is the average dockside price, and \$/pound2 is the deflated dockside price. The price deflator used was the consumer price index (CPI) compiled from the U.S. Bureau of Labor Statistics.

Wholesale Prices

Proprietary data on wholesale prices of white shrimp on a daily, weekly, monthly, or yearly basis are updated daily at the company's website. The wholesale prices of shrimp were compiled from the Urner Barry Comtell (UBC) website which include U15 count/lb, 16-20 count/lb, 21-25 count/lb, 26-30 count/lb, 31-35 count/lb, 36-40 count/lb, and 41-50/lb. For this analysis, monthly data were downloaded to compare the movement of prices in 2019 and 2020 to the previous five-year averages. Seven sizes or counts per pound of shrimp were included in the analysis.

All seven sizes of shrimp showed a decline in wholesale prices in 2019 as compared to the average 2014-2018 prices. The decrease in wholesale prices in 2019 are as follows:

- U15 – (6%)
- 1620 – (12%)
- 2125 – (7%)

- 2630 – (6%)
- 3135 – (6%)
- 3640 – (11%)
- 4150 – (8%)

All seven sizes of shrimp showed a decline in wholesale prices from Jan-May 2020 as compared to the 2014-2018 averages. The decrease in wholesale prices in Jan-May are as follows:

- U15 – (6%)
- 1620 – (11%)
- 2125 – (8%)
- 2630 – (5%)
- 3135 – (7%)
- 3640 – (10%)
- 41-50- (12%)

Seafood Businesses Registered in MarketMaker

If you need an online database of local fishing, fish farming, and seafood-related businesses and charter-boat operations, you may use the search tool in [Mississippi MarketMaker](#) or other state [MarketMaker](#) programs.

More than 12,000 businesses that catch, process, and sell seafood products are registered in MarketMaker nationwide. There are more than 200 businesses that promote their seafood products and services in Mississippi MarketMaker. To search for seafood businesses in MarketMaker, perform the following procedures:

1. Go to <https://ms.foodmarketmaker.com/main/mmsearch/>
2. Click “search” and type “**Fish/Seafood/Shellfish**” in the product box.
3. You can sort the search results by relevance and name.
4. You can also limit online searches by state and type of business

Also, in [MarketMaker](#) you can see active listings of buy and sell forums for buyers, sellers, products, and more. Become a member and post your seafood products for sale at <https://ms.foodmarketmaker.com/>.

Disaster Implications

A preliminary analysis of the economic impacts of the prolonged freshwater intrusions and the ongoing public health crisis revealed some insights into the responses of the

white shrimp dockside and wholesale markets. The wholesale prices of shrimp fell in 2019, on average 7.9 percent lower as compared to the benchmark 2014-2018 levels. The smaller shrimp counts were most likely impacted twice as bad as the larger shrimp counts.

During the first four months in 2020, wholesale shrimp prices fell on average by 8.3 percent as compared to the benchmark 2014-2018 prices. The small shrimp counts were also twice more impacted that the large-sized shrimp count.

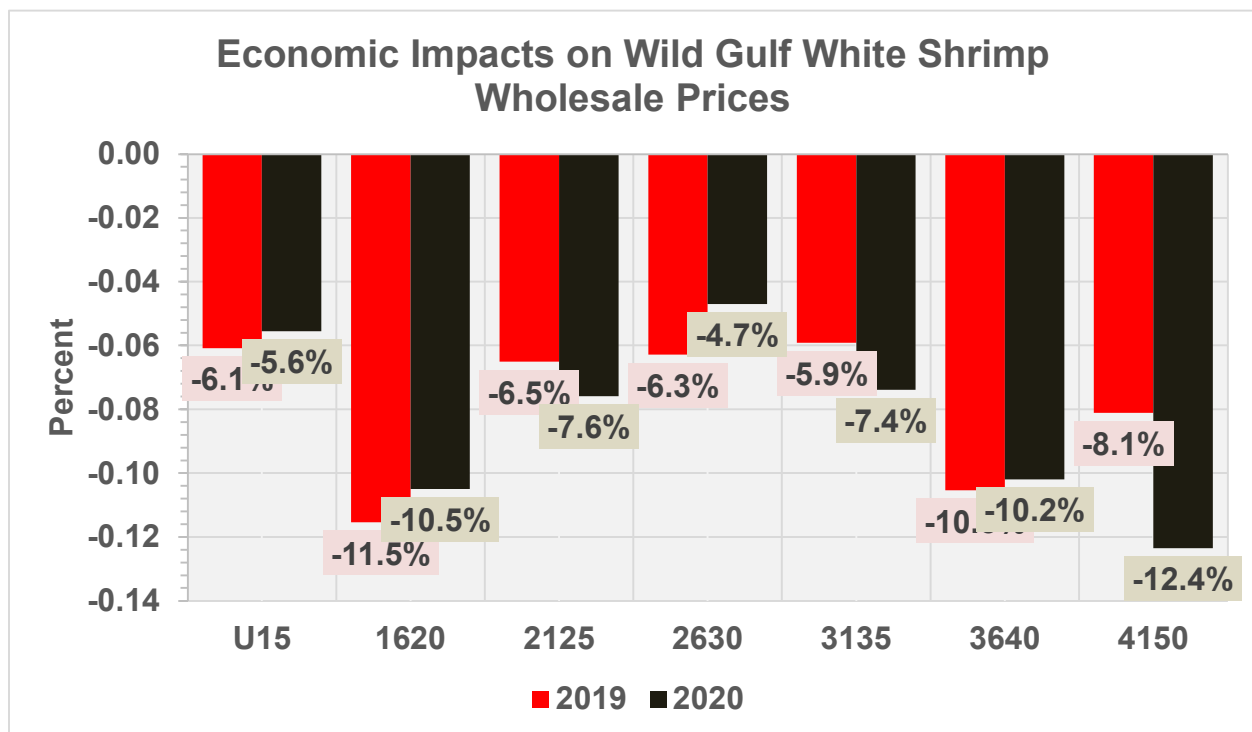


Figure 5 shows the impacts on the U.S. monthly wholesale prices of white shrimp in 2019 and 2020. The white shrimp sizes or counts included are U15 count/lb, 16-20 count/lb, 21-25 count/lb, 26-30 count/lb, 31-35 count/lb, 36-40 count/lb, and 41-50 count/lb. 2019 covers Jan-Dec 2019. 2020 includes Jan-May 2020.

The cumulative negative impacts associated with the multiple openings of the Bonnet Carré Spillway in 2019 are expected to rise. These impacts will be worsened by the opening of the spillway from April to May 2020 and the unknown magnitude and duration of the current public health disaster and looming economic recession caused by COVID-19.