

# SGS, LLC AQUACULTURE



## WORLDWIDE SHRIMP MARKET OVERVIEW

Shrimps are one of the most common and popular types of seafood consumed worldwide. The demand of shrimps has been high due to their nutritional value and health benefits as they are low in fat, high in protein and a moderate source of omega-3 fatty acids. The trend towards consumption of healthy and low-fat foods and the demand for marine proteins in both developed and developing countries are currently driving the growth of the shrimp market. One of the biggest challenges faced by this market in the last decade was the emergence of the EMS disease in China in 2009. This significantly impacted the shrimp markets in China, Thailand, Vietnam and Mexico. The shrimp market, however, has recovered in the last few years with global production levels reaching 4.5 Million Metric tons in 2016

The farmed white-leg shrimps segment is estimated to be valued at about US\$ 14 Bn by 2017 end and is expected to increase at a CAGR of 5.8% over the forecast period. The segment is expected to be valued at just under US\$ 25 Bn by the end of 2027, creating absolute \$ opportunity of more than US\$ 700 Mn in 2017 over 2016 and an incremental \$ opportunity of a little over US\$ 10 Bn throughout the assessment period. The farmed white-leg shrimps segment is estimated to account for a relatively high value share of more than 35% by the end of 2017. In terms of value, the market for farmed white-leg shrimps is projected to be the most attractive in the global shrimp market during the forecast period.



Increasing demand for shrimps over other seafood products fueling market growth of different types of species

Trending demand for seafood products is one of the major factors that is fueling the growth of different species of shrimps. Consumers across the globe are shifting their food habits towards consumption of healthier food products. Seafood is considered as a healthy source of animal protein and this is boosting global market demand for different types of shrimps.

Increasing urban population in developing regions leads to an increase in the demand for sea food products. Moreover, the rising tendency of spending on seafood products is expected to drive demand for various types of species of shrimps during the forecast period. Setting up of a variety of food processor plants by manufacturers in various regions is anticipated to further boost the demand for seafood products. In many regions there are favorable regulations to set up these plants and this is likely to contribute to the growth of the species segment in the global shrimp market.

Consumer demand for fresh and frozen seafood is also a major contributor towards the growth of the species segment in the global shrimp market. It is reported that more than three-fourths of the seafood products consumed in the U.S. are in fresh and frozen form. Demand for shrimps among U.S. consumers while preparing seafood at home and even while ordering seafood in restaurants has increased remarkably. The main reason being shrimps are available at cheaper prices and have a high nutritional content. Other seafood products such as salmon, tuna, crabs,

and lobsters struggle to hold a high market share due to increasing product prices and lower supply.

In many parts of the world, sea food is a staple food. It is consumed by a large part of the population living near the sea shore. This has resulted in the formation of a strong consumer base for shrimp products as a huge part of this population depends on seafood as a source of their daily protein intake. On the other hand, there are many such regions where due to lack of availability of other types of food products, there is an increasing demand for sea food and this factor is also contributing to the growth of the global shrimp market.

### **Global Shrimp Market: Forecast and Analysis**

Revenue from the global shrimp market stood at US\$ 37 Bn in 2016 and is expected to reach about US\$ 39 Bn by the end of 2017. By 2027 end, the global shrimp market is expected to reach a value of more than US\$ 67 Bn, growing at a CAGR of 5.6% over the forecast period. In terms of volume, the global shrimp market is estimated to be pegged at 9,119 KT by 2017 end, and is expected to reach 14,259 KT by 2027 end at a CAGR of 4.6%.

The global shrimp market is one of the most competitive markets across the globe and is primarily characterized by the presence of a large number of regional and multinational companies operating all over the world. Significant market share is grabbed by multinational players who offer a wide range of shrimp based products in the global seafood market. North America and Western Europe are the two key regions that are on the radar of multinational players due to increasing per capita consumption of shrimps in these two regions. Regional players and local players mostly operate in the Asia Pacific region and their main aim is to target consumers who seek healthier and quality seafood products.

### **Following are some of the strategies adopted by the key vendors in the global shrimp market**

- Companies are focusing on manufacturing food with high quality and taste, and to create value-added business with pork, chicken, fish and eggs along with shrimps
- Key players strategize for continuous market growth and to seek this growth they offer safe and healthy food with good quality and safety standards as certified by ACC, EFSIS/BRC Global Standard, GMP, HACCP, HALAL, ISO 9001 and ISO 17025
- Focus on developing low salted cod products, especially in the Southern European market as demand for light salted cod products in the market is relatively high

- Upgrading and expanding EPA (Eicosapentanoic Acid) business for new applications in the market of food and medicines, along with utilization of lipids in chemical, marine and food products
- Focus on targeting untapped markets such as Russia and the Philippines and plans to expand market presence in Africa
- Production and innovation of products without gluten as there is an increasing demand in several European countries for gluten-free products, especially in Poland
- Creative packaging to outpace competitor brands in the seafood market by providing better inventory and distribution management
- Acquisition of subsidiaries to expand market presence in the domestic market and acquire access to different product offerings in the seafood category

### Global Shrimp Market: Taxonomy

By Source	By Species	By Application	By Distribution Channel	By Form	By Region
Cold Water	Gulf Shrimps	Food	Direct	Canned	North America
Warm Water	Farmed White-leg Shrimps	Pharmaceutical	Indirect	Frozen	Western Europe
	Banded Coral Shrimps	Cosmetics		Peeled	Eastern Europe
	Royal Red Shrimps	Industrial & Biotechnology	Modern Trade	Cooked	Latin America
	Giant Tiger Shrimps	Others	Convenience Stores	Shell-on	APEJ
	Blue Shrimps		Online Stores	Others (Breaded & others)	Japan
	Ocean Shrimps		Other Retail Formats		MEA



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