

# Alaska Crab Market Summary & Outlook

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## Snow and Tanner Crab

**Season Summary:** The Bering Sea snow crab TAC declined 47 percent for the 2016/2017 season to 21.57 million pounds. Snow crab fishing typically begins after the new year so fishing has not yet started. The Bering Sea tanner (i.e. Bairdi) crab fishery is expected to be closed this year; however, the Alaska Board of Fish will consider opening the fishery at its meeting in early January. The tanner fishery had a TAC of 19.67 million pounds last season. Crabbers have reported catching significant quantities of tanner crab during king crab fishing.

**Market Summary and Outlook:** The crab market is hot. Wholesale prices for competing Canadian snow crab are at record levels, currently trading for nearly \$8.00/lb – far above the typical \$4.00-\$6.00 range. Supplies are tight as Canada posted the lowest snow crab harvest since 1996 last year, and Alaska snow crab TACs are down 68 percent since the 2013/2014 season. Wholesale prices for new season product are not yet known, but should be well above previous years. Although ex-vessel prices are expected to spike this year, it is unlikely that they will rise far enough to offset the large decline in harvest volume. Also, while the tanner crab fishery may open and produce a smaller volume of crab than last year it could very well remain closed this season. Therefore, we expect total ex-vessel value of Alaska snow/tanner crab to decline significantly for the 2016/2017 season.

## King Crab

**Season Summary:** The vast majority of Alaska's king crab is harvested during the fall in the Bering Sea; however, smaller king crab fisheries do exist in Southeast Alaska. In 2015, Bering Sea king crab TACs totaled 16.3 million pounds. That figure declined to 14.0 million pounds in 2016, as TACs decreased for the Bristol Bay red king crab and the Aleutian Islands golden king crab fisheries. The Saint Matthews blue king crab fishery was also closed this year. Fishermen tend to harvest virtually all of the available TAC, so the figures can be readily used to estimate trends in actual harvest volumes. Despite lower TACs fishing was better this year, as boats averaged 37.4 red king crab per pot compared to 32 crabs last year according to the Inter-Cooperative Exchange, an industry group that tracks the fishery and negotiates dock prices. Fishermen reported good fishing even late in the fishery, which suggest the biomass may be more abundant than expected heading into the season.



**Market Summary and Outlook:** Wholesale prices for red king crab are up 20 to 35 percent this year. Seeing prices go this high, despite a strong U.S. dollar, is an indication of strong demand. Most of Alaska's king crab goes to U.S. and Japanese markets. The last time prices reached these levels was 2011, but the Japanese yen was much stronger back then – meaning crab was less expensive for Japanese consumers than it is now given high wholesale prices and a weaker yen. Final ex-vessel prices are not yet available, but are expected to be above \$10.00/lb. Last year fishermen were paid \$8.00/lb. for red king crab. Significantly higher prices should translate to an increase in king crab fishery value on the order of 10 to 15 percent (about \$10 to \$15 million). With the king crab season just wrapping up there is a lot of time to speculate about 2017 TACs. The outlook for next year is uncertain at this time, but better fishing suggests the red king crab biomass maybe larger than suggested by the 2016 summer trawl survey.

