

## Volume Growth for Fresh and Frozen Seafood in September

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### September in Review

- Hurricane Helene caused significant stocking up on grocery basics in the Southeastern states during the last week of September. The pattern repeated during the week ending October 6<sup>th</sup> in advance of hurricane Milton. See the “What’s Next?” section at the end of the report for more information on the hurricane impact on grocery purchases. The storms caused significant agricultural and infrastructure damage that could impact the supply chain in the shorter- and longer-term. Our thoughts go out to all those affected by the historic flooding and unimaginable losses.
- Some consumers also stocked up leading up to the Gulf and Eastern port strike that handle over half of U.S. important and export volumes — causing disrupted grocery buying patterns across the nation in late September.
- The Consumer Sentiment Index by the University of Michigan stood at 70.1 points in September, representing a slight increase from the August 2024 reading of 67.9 points. The university links the moderate improvement to a slight increase in the expectations for the economy, though consumers’ assessment of current conditions remained unchanged, at 69.0 points. Historically, consumer sentiment tracks along with GDP growth/decline, is strongly related to unemployment rates, sensitive to inflation rates, influenced by interest rates, and closely tied to real personal income growth/decline. This explains the stubbornly low consumer sentiment since early 2024.
- Low sentiment has resulted in fewer restaurant visits and a greater share of food dollars moving to retail. Most departments achieved real growth with year-over-year increases in units and/or volume.
- While consumers are focused on price and promotions, it’s rarely the only consideration going into the purchase. There are no linear consumer purchase patterns, which makes the marketplace complex but also ripe with opportunities for growth.

### Inflation Insights

In September 2024 (the four weeks ending 9/29/2024), the price per unit across all foods and beverages in the Circana MULO+ universe stood at \$4.25, an increase of 2.1% over September 2023. The third quarter of the year averaged an increase of 1.8% across all food and beverages. This is up over the second quarter (+1.5%) with the inflation rate having shown slightly higher increases over the past few months. Perishable prices were up 3.3% year-over-year in August versus 1.5% in the center of the store. Egg prices spiked due to continued HPAI outbreaks that have impacted 101 million birds in the U.S. since 2022. The average price of \$4.25 is 35.8% higher than the 2019, pre-pandemic average of \$3.13.

Avg. price/ unit vs. YA	2019	2020	2021	2022	2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Sep 2024
<b>Total food &amp; beverages</b>	+2.0%	+5.7%	+5.5%	+12.5%	+6.1%	+4.0%	+2.4%	+1.2%	+1.5%	+1.8%	+2.1%

Source: Circana, Integrated Fresh, Total U.S., MULO+

Overall fresh seafood prices were flat in September, with the 2.7% decline in prices for shellfish easily offsetting the 0.4% increase in fresh finfish. The average price per pound for shelf-stable seafood (cans and pouches) remained below \$5. While prices are looking better for the consumer, the average price per pound of \$9.45 remained significantly higher than the average price per pound for the three biggest animal proteins of chicken (\$3.11), pork (\$3.16) and even beef (\$6.83).

	September 2024			Latest 52 weeks		
	Average price per pound	Change vs. YA	Change vs. 3YA	Average price per pound	Change vs. YA	Change vs. 3YA
<b>Total fresh seafood</b>	<b>\$9.45</b>	<b>-0.3%</b>	<b>+0.7%</b>	<b>\$9.51</b>	<b>-1.7%</b>	<b>+4.6%</b>
Fresh finfish	\$10.43	+0.4%	+8.9%	\$10.43	-0.6%	+15.9%
Fresh shellfish	\$7.95	-2.7%	-15.7%	\$8.29	-4.6%	-13.6%
<b>Total frozen seafood</b>	<b>\$7.22</b>	<b>-2.4%</b>	<b>+0.6%</b>	<b>\$7.29</b>	<b>-5.1%</b>	<b>+6.0%</b>
<b>Shelf-stable seafood</b>	<b>\$4.90</b>	<b>-6.2%</b>	<b>+2.9%</b>	<b>\$5.16</b>	<b>-0.8%</b>	<b>+9.5%</b>

Source: Circana, Integrated Fresh, Total US, MULO+ (not shown: other items in the seafood department)

Four out of the top five sellers in refrigerated/fresh seafood showed deflationary conditions for the month of September. Only salmon had a small increase in the average price per pound. The same is true for the 52-week view, where tilapia was the only one with a slight increase in the price per pound.

Price per pound	September 2024			Latest 52 weeks		
	Average price per pound	Change vs. YA	Change vs. 3YA	Average price per pound	Change vs. YA	Change vs. 3YA
Fresh salmon	\$11.53	+2.4%	+10.7%	\$11.41	-0.5%	+17.3%
Fresh crab	\$8.36	-2.1%	-34.7%	\$8.65	-10.9%	-28.0%
Fresh shrimp	\$7.94	-2.7%	-6.9%	\$8.40	-6.1%	-0.6%
Fresh cod	\$9.59	-3.8%	+8.9%	\$9.65	-6.1%	+13.7%
Fresh tilapia	\$6.01	-3.9%	+10.4%	\$6.21	+1.2%	+17.9%

Source: Circana, Integrated Fresh, Total US, MULO+ (not shown: other items in the seafood department)

In the frozen food aisle, the average price per pound for shrimp decreased by 4.7% and frozen salmon prices were down 4.8% from September 2023. The deflation in many of the large fresh and frozen commodities means having to sell more volume to drive dollar sales.

Price per pound	September 2024			Latest 52 weeks		
	Average price per pound	Change vs. YA	Change vs. 3YA	Average price per pound	Change vs. YA	Change vs. 3YA
Frozen shrimp	\$7.63	-4.7%	-6.5%	\$7.76	-6.8%	-1.5%
Frozen salmon	\$9.07	-4.8%	+16.0%	\$9.18	-5.1%	+24.6%

Source: Circana, Integrated Fresh, Total US, MULO+ (not shown: other items in the seafood department)

## Seafood Across the Store

September dollar sales sat close to year-ago levels for fresh and frozen seafood. In fact, pounds showed a year-on-year improvement for both for the first time in many months. Shelf-stable seafood continued its turnaround with 1.8% growth in dollars and 8.6% pound growth.

	September 2024					Latest 52 weeks			
	Dollar size	Dollars vs. YA	Dollars vs. 2YA	Pounds vs. YA	Pounds vs. 2YA	Dollars vs. YA	Dollars vs. 2YA	Pounds vs. YA	Pounds vs. 2YA
Fresh seafood	\$611M	+0.2%	-3.1%	+0.6%	-0.9%	-3.8%	-4.6%	-2.1%	-2.6%
Frozen seafood	\$579M	-0.3%	-6.4%	+2.1%	+1.7%	-4.4%	-6.5%	+0.7%	-2.6%
Shelf-stable seafood	\$256M	+1.8%	+12.4%	+8.6%	+9.3%	+0.9%	+9.7%	+1.7%	+0.2%

Source: Circana, Integrated Fresh, Total US, MULO+

## Ambient Seafood

During the four September 2024 weeks, ambient seafood in cans and pouches reached \$256 million in sales, which reflected a dollar increase of 1.8% over September 2023. Tuna was, by far, the largest seller and responsible for the category's growth. The increase in canned sardines may be related to the strength of frozen pizza sales as well as make-your-own pizza ingredients in the past year.

Type	September 2024			Latest 52 weeks		
	\$ sales	\$ vs. YA	Units vs. YA	\$ sales	\$ vs. YA	Units vs. YA
<b>Ambient seafood</b>	<b>\$256M</b>	<b>+1.8%</b>	<b>+6.1%</b>	<b>\$3.3B</b>	<b>+0.9%</b>	<b>+1.0%</b>
Ambient tuna	\$187M	+1.6%	+6.5%	\$2.4B	+0.9%	+0.7%
Ambient sardines	\$24M	+13.2%	+9.9%	\$280M	+8.2%	+4.9%
Ambient salmon	\$22M	-2.7%	+0.0%	\$287M	-0.4%	-0.1%
Ambient all other	\$19M	-1.5%	+4.0%	\$284M	-2.7%	+1.5%

## Fresh/refrigerated seafood

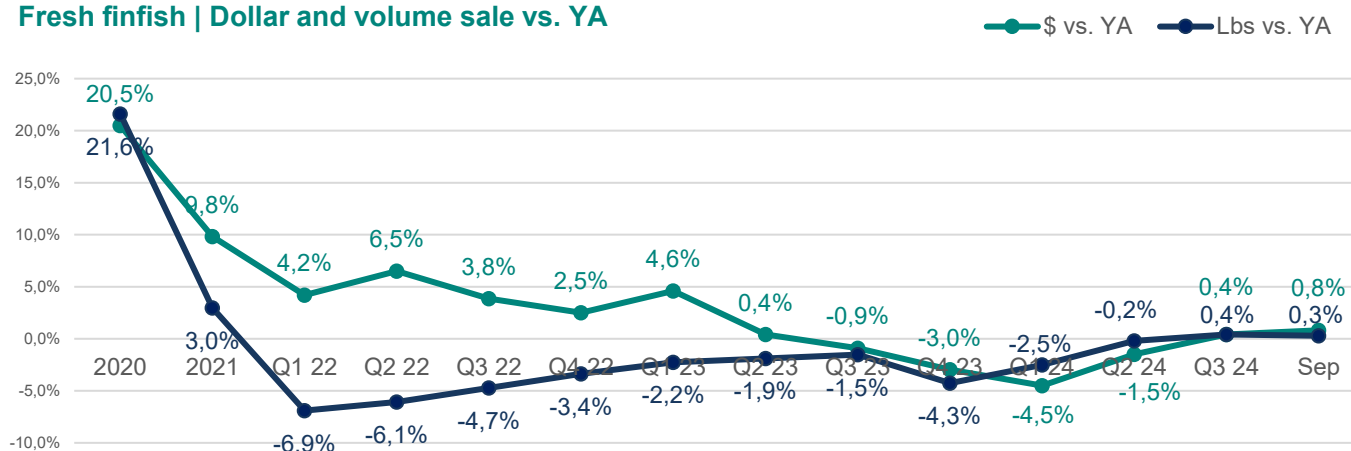
Finfish drove dollar and pound growth in September. Shellfish sales were down 1.5%. While one month of growth does not make a trend, the dollar and volume performance had been tracking closer to year-ago levels for several months.

Type	\$ sales	September 2024		Latest 52 weeks		
		\$ vs. YA	Lbs vs. YA	\$ sales	\$ vs. YA	Lbs vs. YA
<b>Total fresh seafood</b>	<b>\$611M</b>	<b>+0.2%</b>	<b>+0.6%</b>	<b>\$8.4B</b>	<b>-3.8%</b>	<b>-2.1%</b>
Fresh finfish	\$412M	+0.8%	+0.3%	\$5.4B	-1.9%	-1.3%
Fresh shellfish	\$174M	-1.5%	+1.2%	\$2.7B	-7.7%	-3.3%
All other seafood	\$25M	+4.1%	-1.4%	\$342M	+0.4%	-2.8%

Source: Circana, Integrated Fresh, Total US, MULO+ (not shown: other items in the seafood department)

The new MULO+ universe shows that refrigerated/fresh finfish pounds continue to trend right around the year-ago levels.

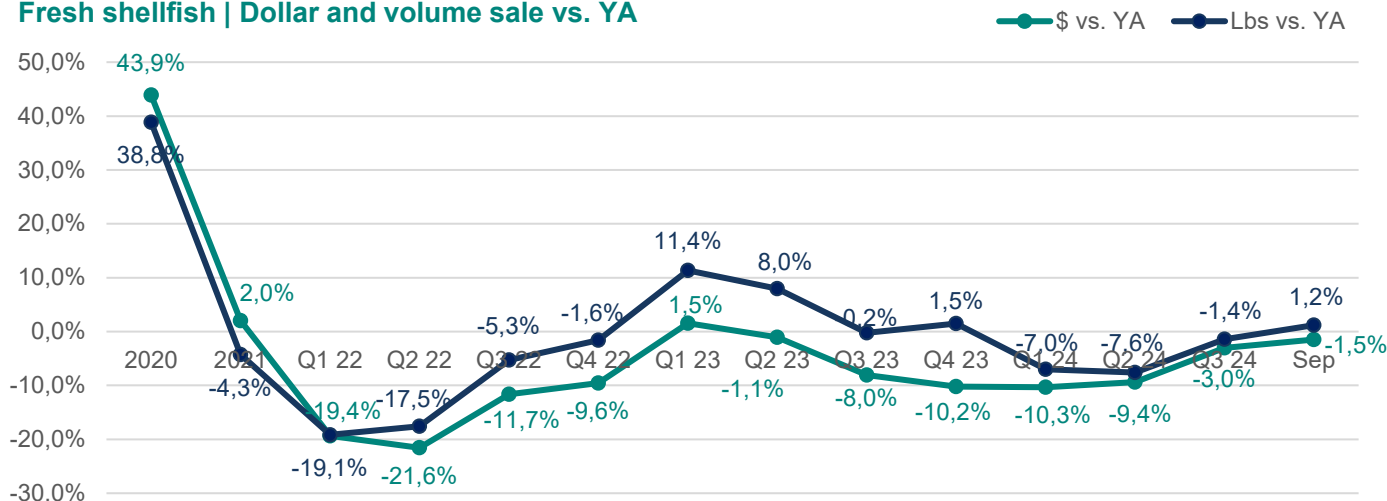
### Fresh finfish | Dollar and volume sale vs. YA



Source: Circana, Integrated Fresh, Total US, MULO+

Since the beginning of the year, fresh shellfish pound and dollar sales have trended in negative territory. While pounds remained in the negative, dollar sales increased by 1.2% — the best result since the fourth quarter of 2023.

### Fresh shellfish | Dollar and volume sale vs. YA



Source: Circana, Integrated Fresh, Total US, MULO+

# U.S. Retail Seafood Performance

Fresh seafood	Dollar sales	Dollar vs. YA	Pounds vs. YA
<b>September 2024</b>	<b>\$611M</b>	<b>+0.2%</b>	<b>+0.6%</b>
W.E. 09-08-24	\$159M	-0.7%	-0.9%
W.E. 09-15-24	\$155M	+0.4%	+1.5%
W.E. 09-22-24	\$150M	+2.3%	+4.9%
W.E. 09-29-24	\$147M	-1.1%	-2.9%

The first week, which still contained some Labor Day revenue, had the highest sales at \$159 million. The two weeks in the middle of September achieved pound gains, which drove the total month's turnaround.

## Top Species

September delivered pound gains for six out of the top 10 sellers, Trout and cod had double-digit pound gains. Sales powerhouse salmon was easily still the biggest seller, but did lose some ground compared to September 2023.

Type	September 2024			Latest 52 weeks		
	\$ sales	\$ vs. YA	Lbs vs. YA	\$ sales	\$ vs. YA	Lbs vs. YA
<b>Total fresh seafood</b>	<b>\$611M</b>	<b>+0.2%</b>	<b>+0.6%</b>	<b>\$8.4B</b>	<b>-3.8%</b>	<b>-2.1%</b>
Salmon	\$290M	-0.2%	-2.6%	\$3.8B	-1.9%	-1.3%
Crab	\$72M	-1.7%	+0.4%	\$1.1B	-10.9%	+0.0%
Shrimp	\$64M	+0.2%	+3.0%	\$879M	-4.6%	+1.6%
Lobster	\$24M	+4.1%	+1.3%	\$395M	-10.2%	-19.5%
Tilapia	\$19M	-3.0%	+0.9%	\$253M	-11.8%	-12.8%
Trout	\$18M	+15.4%	+22.5%	\$210M	-12.3%	-12.7%
Cod	\$18M	+6.4%	+10.7%	\$252M	+7.0%	+13.9%
Catfish	\$16M	-2.0%	+0.0%	\$213M	-1.1%	+3.3%

Source: Circana, Integrated Fresh Total US, MULO+

## Frozen Seafood Sales

The total frozen food department generated \$6.4 billion in sales in the four September weeks. Unit sales remained ahead of September 2023, with strength for meals and processed meat/poultry but down results for seafood. In the 52-week view, frozen seafood unit sales were mostly unchanged from year-ago levels.

	September 2024			Latest 52 weeks		
	Dollar sales	Dollars vs. YA	Units vs. YA	Dollar sales	Dollars vs. YA	Units vs. YA
<b>Frozen food department</b>	<b>\$6.4B</b>	<b>+1.2%</b>	<b>+0.8%</b>	<b>\$85.1B</b>	<b>+0.3%</b>	<b>+0.2%</b>
Meals	\$2.2B	-0.9%	-0.2%	\$28.4B	-1.6%	-1.2%
Seafood	\$579M	-0.3%	+2.1%	\$8.1B	-4.4%	+0.3%
Processed meat/poultry	\$582M	+11.4%	+7.8%	\$7.2B	+6.2%	+8.5%
Meat/poultry	\$504M	+5.1%	+2.9%	\$6.5B	-0.5%	-1.2%

Source: Circana, Integrated Fresh, Total US, MULO+

By type, frozen shellfish (predominantly raw and cooked shrimp) was the largest seller in September 2024, at \$312 million. Seafood alternatives, a small seller of less than \$1 million in September sales, had dollar and pound declines.

Dollar sales	2020	2021	2022	2023	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Sep 24	\$ vs YA	Pounds vs YA
<b>Frozen seafood</b>	+38%	+2%	-1%	-4%	-6.5%	-10.7%	-4.6%	-5.2%	-1.7%	\$579M	-0.3%	+2.1%
Shellfish	+42%	+4%	-5%	-6%	-7%	-10.8%	-5.8%	-7.1%	-2.5%	\$312M	-2.3%	+2.1%
Finfish	+32%	-1%	+7%	-2%	-2%	-4.7%	-2.6%	-2.8%	+0.2%	\$237M	+2.3%	+2.0%
All other frozen seafood	+36%	+6%	-4%	+3%	+6%	-3.9%	-7.2%	-1.7%	-7.2%	\$29M	+0.5%	+2.3%
Seafood alternatives	+22%	+19%	+16%	-15%	-18%	-12.7%	-9.0%	-3.4%	-5.2%	\$619K	-10.0%	-10.6%

Source: Circana, Integrated Fresh, Total US, MULO+

## Top 5 Frozen Species

Shrimp are the frozen seafood powerhouse, with sales of \$3.8 billion in the latest 52 weeks. Shrimp finally saw a turnaround in its volume sales after many months of deflationary conditions. While the 0.9% increase in pounds was not enough to overcome the gap left by deflation, it is an encouraging sign. Frozen salmon and cod also had strong sales in September.

Top 5 frozen species		September 2024		Latest 52 weeks		
Type	\$ sales	\$ vs. YA	Lbs vs. YA	\$ sales	\$ vs. YA	Lbs vs. YA
Frozen shrimp	\$265M	-3.8%	+0.9%	\$3.8B	-7.0%	-0.2%
Frozen salmon	\$79M	+1.4%	+6.5%	\$1.0B	+0.4%	+5.8%
Frozen pollock	\$45M	+2.8%	-0.8%	\$617M	+4.4%	+9.1%
Frozen tilapia	\$40M	-2.2%	-6.9%	\$538M	-5.9%	-4.0%
Frozen cod	\$22M	+7.0%	+8.4%	\$303M	-8.9%	-8.2%

## What's Next?

Grocery patterns in late September and early October were heavily impacted by consumers stocking up in advance of the Eastern seaboard port strikes and hurricanes Helene and Milton. To illustrate, during the week in advance of hurricane Milton making landfall in Florida, total food and beverage sales at retail increased 16.8% in the Southeast, with substantial spikes in beverages, meat and shelf-stable items.

While canned seafood is a hurricane stock up item, fresh seafood did not see the same bump as other categories.

Product	Total U.S. W/E 10-06-24			Southeast W/E 10-06-24		
	Sales	\$ vs. YA	Units vs. YA	Sales	\$ vs. YA	
<b>Total food &amp; beverages</b>	<b>\$18.7B</b>	<b>+7.9%</b>	<b>+4.9%</b>	<b>\$3.1B</b>	<b>+16.8%</b>	<b>+13.2%</b>
Frozen food dept.	\$1.7B	+3.5%	+2.6%	\$275M	+8.1%	+8.6%
Beverage dept.	\$2.5B	+11.3%	+7.3%	\$416M	+21.8%	+16.5%
General food dept.	\$5.4B	+4%	+6.3%	\$874M	+22.5%	+17.6%
Perishables	\$8.2B	+7.8%	+3.9%	\$1.4B	+15.1%	+10.2%
Bakery dept.	\$939M	+1.2%	+1.0%	\$162M	+12.3%	+10.4%
Deli dept.	\$1.1B	+3.6%	+3.6%	\$211M	+9.5%	+7.4%
Meat dept.	\$2.1B	+10.2%	+5.1%	\$373M	+19.7%	+13.4%
Produce dept.	\$1.8B	+6.1%	+4.6%	\$288M	+10.7%	+9.8%
Refrigerated dept (dairy)	\$2.0B	+13.1%	+3.8%	\$325M	+20.9%	+10.1%
Seafood dpt.	\$158M	+2.8%	+0.9%	\$25M	+1.0%	-1.6%

Source: Circana, Integrated Fresh, Total U.S., MULO+

## Date ranges:

2023: 52 weeks ending 12/31/2023

Q1 2024: 13 weeks ending 3/31/2024

Q2 2024: 13 weeks ending 6/30/2024

Q3 2024: 13 weeks ending 9/29/2024

September 2024: 4 weeks ending 9/29/2024