Food and Agriculture Organization of the United Nations

Fishmeal and fish oil

High Peruvian quota lifts fishmeal supply; low oil yields keep balance tight

Peru opened the first 2025 anchoveta season on 22 April with a 3.0 million-tonne North-Centre quota, its biggest allocation since 2018. By 20 May, landings had totalled around 1.6 million tonnes, equal to a little over 50 percent of the total quota. The additional raw material is helping rebuild global fishmeal availability after two lean years. Average oil yield, however, is tracking at a fairly low 2.6 percent because juveniles still account for more than ten percent of the catch in several districts. The southern fishery is winding down, having taken 189 000 tonnes, 76 percent of its 251 000-tonne quota.

Chinese port stocks remain high at nearly 220 000 tonnes, while demand from both the domestic aquaculture and pig production sectors continues to be muted. Fishmeal prices have stayed close to figures seen in late 2024, while fish oil prices have come down considerably, albeit still at elevated levels.

Production

In Peru, the largest global producer of both fishmeal and fish oil, daily landings have been good during this first catching season, averaging about 50 000 tonnes. This is despite the high catch rates of juveniles hampering production at times, with a number of rolling three-day closures taking effect whenever the juvenile share exceeds the ten-percent ceiling set by the Peruvian Ministry of Production (PRODUCE). Consequently, the protein content of the catches is normal, but fat levels remain depressed, reinforcing low availability of fish oil. Meanwhile, the large quota and good schooling of stocks in the north have drawn up almost all of the country's southern fleet. The Instituto del Mar del Perú (IMARPE) estimates standing biomass at 11 million tonnes, implying headroom for another substantial quota later in the year.

There has been stable or increased raw material availability across secondary producers in Latin America. Chile, Mexico and Ecuador saw good volumes between January–March 2025, which has supported regional fishmeal production. Chile's 2024 landings and supplies from off-cuts for reduction reached about 1.6 million tonnes, only one percent lower year-on-year, yet fish oil output slipped 21 percent because of weak yields. Early jack mackerel reports for 2025 are positive, contributing to supplies.

Northern Europe delivered about 1.43 million tonnes of raw material for reduction by end-May 2025, on par with last year. Norway took 349 000 tonnes of blue whiting (86 percent of the quota), Iceland 191 000 tonnes (66 percent) and Denmark absorbed its 66 000-tonne share. The sand-eel fishery remains closed outside a small Danish research allocation due to concerns for the stock's recruitment rate. Regional output in Norway, Denmark, Iceland and the Faroe Islands reached 261 000 tonnes of fishmeal, down three percent year-on-year, while fish oil production fell four percent to 96 000 tonnes. A new UK–EU framework signed in May keeps existing quota shares and access rights through 2032. In the United States of America, Gulf menhaden landings stood near 215 000 tonnes at the end of May 2025, twelve percent lower than a year ago; oil yield improved to 8.9 percent but is still below the long-term ten percent norm.

Trade

Peru shipped about 1.01 million tonnes of fishmeal in 2024, nearly twice the volume of 2023 and just shy of the 1.13 million tonnes exported in 2022. China absorbed about 90 percent of Peruvian fishmeal exports, lifting its total fishmeal imports to 1.97 million tonnes in 2024, which led to high port inventories in early 2025. Lower demand from the pig industry and aquaculture in the world's largest buyer of fishmeal, is expected to continue to dampen prices.

High tariffs on US fishmeal, reconfirmed in Beijing's annual tariff-adjustment notice of 7 April 2025, further limits the competitiveness of Gulf menhaden material despite favourable freight terms. By contrast, Peruvian cargoes enter duty-free under bilateral trade deals.

The intense pressure placed on global fishmeal availability due to tight Peruvian supply saw exports from secondary producers rise considerably. Chilean fishmeal exports reached a record high of 254 000 tonnes in 2024, while Danish trade rose by 23 percent to 184 000 tonnes. Exports from Thailand saw 24 percent growth, also increasing to approximately 184 000 tonnes. Thai fishmeal production is sourced principally from both mixed-trawl fisheries and by-products from the country's significant fish processing industry.

Fishmeal exports

Peru	+50% ↑
Chile	+3.5% ↑
Denmark	+23% ↑
Thailand	+24% ↑

Ecuador cut fishmeal imports sharply in 2024, with volumes down 55 percent year-on-year to 22 000 tonnes as shrimp farmers reformulated diets toward cheaper soybean-based proteins. Viet Nam increased purchases to 12 000 tonnes, supported by good demand from the domestic aquaculture industry.

Peruvian fish oil exports recovered to about 103 000 tonnes in 2024, up from 35 000 tonnes in 2023, yet still 40 percent below the 2019–21 average. Norway, usually a major destination on account of its salmon farming industry, accounted for just 11 000 tonnes of that volume, relying instead on Denmark, Iceland and the United States, which together supplied 106 000 tonnes. Trade in the first quarter of 2025 has remained much the same, as the Peruvian share of Norwegian imports has remained at 11 percent. Buyers continue to cite availability, quality consistency and shorter transit time as reasons to favour North Atlantic origins despite the higher EPA-DHA concentration of Peruvian oil.

Fishmeal imports

Ecuador	-55% ↓

Fish oil exports

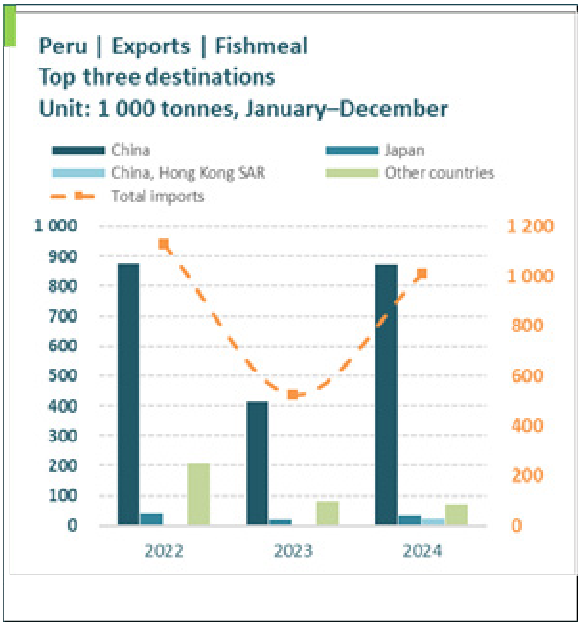
Peru	+194% ↑

Prices

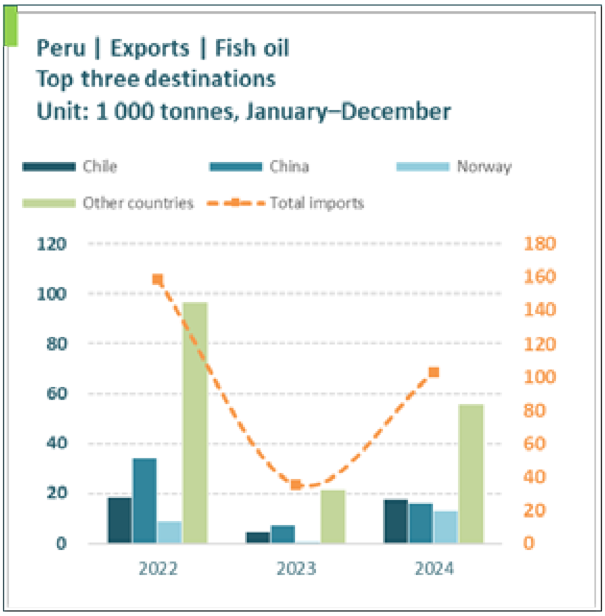
Fishmeal prices remain close to their late 2024 level of USD 1 250 per tonne. Ample supply and large Chinese inventories have brought prices down. Quotations for fish oil have eased from USD 3 100 per tonne in December, but the prices remain elevated. It is worth noting that the relative price ratio for fish oil and rapeseed oil is now around 5:1, which remains above the longer-term average of 3:1 over the past 15 years. Feed formulation substitution is limited by the specific EPA/DHA requirements of feed and the cost of algae-based oils and other alternatives.

Outlook

Healthy biomass assessment of 11 million tonnes point to a good likelihood for continued high quotas in Peruvian waters. If the share of juveniles falls, fishmeal production should accelerate through the third quarter, nudging prices further down. Fish oil output lags behind, keeping prices high until yields improve. Chinese demand for fishmeal and Norwegian demand for fish oil show little sign of rapid expansion, providing a buffer against temporary raw material tightness. On balance, these factors point to an easier fishmeal market but a still-delicate fish oil balance for the remainder of 2025.



Source: Author's own elaboration based on GTT. 2025. Global Trade Tracker. [Cited 3 April 2025]. www.globaltradetracker.com



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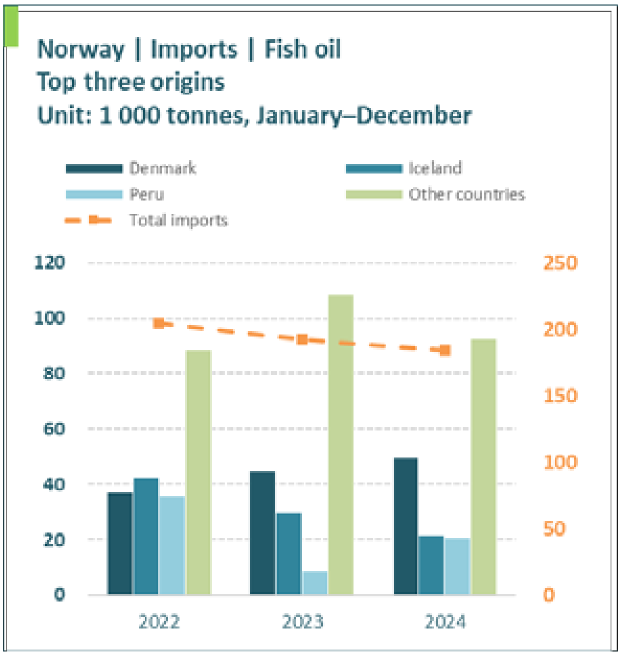

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Source: Author's own elaboration based on the data from the IFFO. 2023. The Marine Ingredients Organisation. [Cited 3 April 2025]. www.iffo.com

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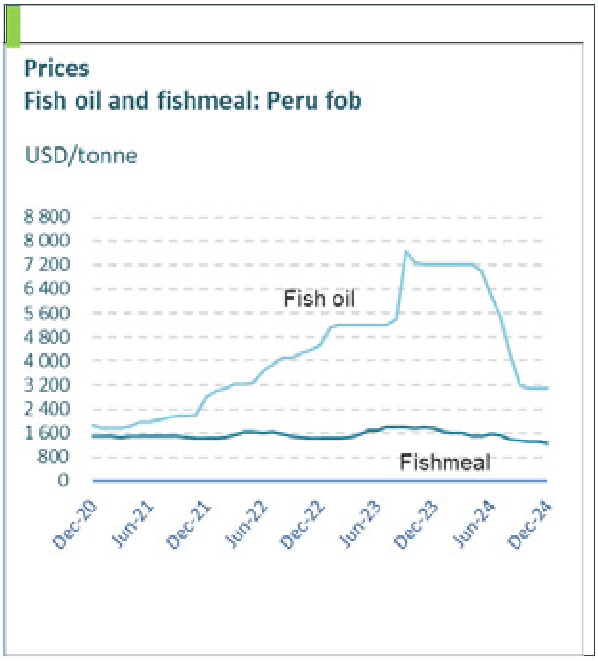

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