

The NASDAQ price – FAQ – Frequently asked questions

How to understand the NASDAQ Salmon report, example week 51 in 2020:

NASDAQ Salmon Index - Prices Per Weight Class

Weight Class (kg)	Price (NOK/kg)	1 Week Change	Distribution %	St.dev.
1-2	36.87	-1.47	1.19	1.13
2-3	40.32	-0.40	7.03	1.10
3-4	42.90	1.45	20.69	0.77
4-5	43.55	1.69	28.93	0.61
5-6	43.75	2.17	27.21	0.96
6-7	43.11	1.92	11.05	0.99
7-8	43.21	2.37	3.11	0.88
8-9	43.63	2.00	0.70	1.17
9+	43.18	0.69	0.09	1.95
NQSALMON	43.11	1.59		

- **NQSALMON** for week 51 was **43,11** NOK/kg average price all sizes. This is a volume weighted calculation. (price SUP1-2 of 36,87 * 1,19 % + price SUP2-3 of 40,32 * 7,03 % + price SUP9+ of 43,18 * 0,09%). **Week change. 1,59 NOK/kg** higher than in week 50
- **Distribution**, This is % of reported volume (not slaughtered volume). Remember that only export to Europe is included. Volume sold by air-freight etc is not included
- **St.dev.** Standard deviation is a mathematical formula of the variation in the prices reported. A low st. dev means that the exporters reported quite equal prices. A very easy example with 2 exporters. Average price 50,60 NOK/kg and st.dev 0,49. According

	Volume	Price	Average Price	Price dev.	Square 0,60*0,60	Mult with volume 2000*0,36
Exp A	2000	50,00	50,60	-0,60	0,36	720
Exp B	3000	51,00	50,60	0,40	0,16	480
	5000					1200
			Variance/kg (1200/5000)			0,24
			Standard deviation(v of 0,24)			0,49

to the mathematics 68% of the reported volume is within 50,60 NOK/kg plus/minus 0,49 NOK/kg. The mathematics needs a lot of statistics to give a correct answer, but st dev is a good indication of the spread in prices reported from the exporters.

- Average St.dev for SUP3-6 kg salmon was 1,08 NOK/kg in 2020 and 1,04 NOK/kg in 2019.

Page 2 shows the SUP3-6kg price of **43,42 NOK/kg** used for settlement of Fish Pool contracts:

NASDAQ Salmon Index 3-6kg weighted 30/40/30

Week 51/2020



NASDAQ Salmon Index 3-6kg weighted 30/40/30

NQSALMON 3-6kg (NOK/kg)	43.42	
1 Week Change	▲ 1.76	+4.23%
4 Week Change	▼ -2.34	-5.11%
12 Week Change	▼ -5.61	-11.44%

Where can I find historical prices and what is the difference Nasdaq price and the old NOS price?

Here is a link to prices in Excel: [Historical prices](#)

Before 2013 the NOS/ FHL price was the agreed price between farmer and exporter, adding transport costs from packing stations in Norway to Oslo. Thus buying price Oslo.

The Nasdaq price is the price agreed between exporter and European customers, thus selling price FCA Oslo including margin to exporter and transport costs from packing stations in Norway to Oslo. From week 29-2012 to 13-2013 both reports were produced. Average price was 30,87 NOK/kg and difference was ca 2,4% or 0,75 NOK/kg.



The price reporting has a 25 years history with transparency. All prices are available in Excel:

Year	Week	Price						
		1-2	2-3	3-4	4-5	5-6	6-7	7+
1995	1	32,26	32,81	31,89	30,98	29,9	30,23	33,57
1995	2	33,43	32,88	31,44	30,48	29,7	29,57	32,42

What formalities secures the calculation of the Nasdaq price?

Both Nasdaq Copenhagen and Fish Pool are registered formally as Benchmark administrators in the EU, European Union. The Financial Supervisory Authority has thus checked all formal procedures and controls to secure that the Methodology for calculating the index has high quality, integrity, auditing and transparency and that conflicts of interest is avoided etc. Here is a link to the Nasdaq Methodology <https://www.nasdaq.com/solutions/nasdaq-benchmark-administration> Here is link to the Fish Pool Index (Benchmark regulation) procedures <https://fishpool.eu/trading/benchmark-regulation/>



Homepage > Benchmarks administrators > Register details

Benchmarks administrators - Details

Full name	Legal entity identifier	Country	Supervising authority	EU/EEA status	Relevant authority
Fish Pool ASA	213800EH1XXWX1VYBV42	NORWAY	Norwegian Financial Supervisory Authority (Finanstilsynet) - NOFI	Registration under Art. 34	Norwegian Financial Supervisory Authority (Finanstilsynet) - NOFI
Nasdaq Copenhagen A/S	549300JNYZUL5PL18E17	DENMARK	Finanstilsynet - DKFI	Registration under Art. 34	Finanstilsynet - DKFI

What information is used from each exporter in producing the price?

Information from the invoices is used in the report. The NASDAQ – report is calculated using only the following information on each invoice. Example for the calculation:

- Volume in kg. Ex: 1.110 kg SUP3-4
- Invoiced amount in currency. Ex: 5.550 Euro
- Incoterms. Ex: DDP
- Country of delivery: Ex: Germany

What standard information is used to calculate the NASDAQ price?

The following information is used to calculate the standard price:

- Average standard currency for the relevant week. (all exporters use exactly the same average currency rate)
- Freight from Oslo to each country (average freight estimate. The same standard freight is used for full-loads, part-loads and pallets transported)
- Custom 2% into EU and export fees 0,60%

Example – how do you come from 5,00 EUR/kg DDP in the invoice to 52,14 NOK/kg Oslo?

Pink figures: info from IT system of exporter		
Red figures: standard figures for all exporters		
Country	Germany	
Incoterm:	DDP	
Produkt	SUP3-4 kg	
Invoiced	5 550 Euro	
Weight	1 110 kg	
Amount	5,00 Eur/kg	
EURNOK	11,0000	Average currency for the week
In NOK	55,00 NOK/kg	
Freight	-1,10 NOK/kg	Same freight all over Germany
Price EU border	53,90 NOK/kg	
EU-cust 2%	-1,06 NOK/kg	Customs to EU is 2%
Added	-0,02 NOK/kg	Calculated as 2% of customs
Exp duty 0,60%	-0,32 NOK/kg	Market 0,30%, science fee 0,30%
Fixed 400/order	-0,36 NOK/kg	400 NOK divided by kg - here 1110kg
Oslo price	52,14 NOK/kg	

What are the standard freights used in the calculation?

When the seller pays the freight, the invoiced amount includes freight costs. To calculate Oslo prices a standard freight rate is deducted. For deliveries in the European countries, the following freight rates are used.

This is an estimated average of full-loads, pallets etc. Most sales to Russia and east-Europe are sold FCA and EXW packing station, where the customer collects the salmon. Freight is thus not included

in the invoice. All salmon sold at FCA and EXW terms are **added 0,85 NOK/kg** (increased from 0,65) as standard freight rate to Oslo (same standard 0,85 NOK/kg wherever in Norway the customer collects his salmon)

Freights used from May 2020:

Country	New	Old									
Swed	0,80	0,55	Germ	1,10	0,98	Austr	1,95	1,58	Ukraine	2,30	1,75
Finl	0,95	0,60	Belg	1,25	1,05	Switz	1,95	1,58	Belar	2,30	1,75
Denm	0,85	0,63	Neth	1,25	1,05	Italy	2,25	1,73	Czech	2,15	1,75
Estl	1,10	1,00	Lux	1,25	1,05	GB	2,50	1,88	Sloven	2,15	1,75
Latvia	1,10	1,00	Poland	1,20	1,10	Spain	2,60	1,93			
Litau	1,10	1,00	France	1,75	1,50	Portu	2,75	2,07			

Why do you use 0,85 NOK/kg as add-on to Oslo from all over Norway?

For all salmon sold delivered outside Norway (DDP og DAP) the 0,85 NOK/kg is not used at all. The freight costs are included in the invoiced price, and the deduction method – see above is used.

The add-on to Oslo is only relevant for salmon sold FCA and EXW, where the buyer collects the salmon in Norway. The invoice does not contain freight, and 0,85 NOK/kg is thus added to calculate an Oslo price. Most of the salmon sold to Eastern Europe (and Russia) is sold FCA or EXW. For these sales 0,85 NOK/kg is added, wherever in Norway the salmon is collected, packing station or Oslo.

What controls are there of the reported figures?

There is a weekly control when each company is reporting. There is ongoing audits done annually of Kontali Analyse AS of the reporting companies, where more than 50% of reported volume is audited annually, and the audit report is made public. Only small technical deviations has been found in the audits. The quality and correctness of the reporting has been documented as high.

How can I use the NASDAQ price to calculate my selling and buying price?

The new NASDAQ Salmon Index will give a correct estimate of the prices in the physical market. Fish Pool recommends all buyers and sellers to calculate the difference between the price they sell at packing station or buy DDP delivered own plant and the NASDAQ price. This is important for comparing a fixed price delivery contract DDP your plant with a financial contract with reference Oslo. NASDAQ prices are calculated using standard freight rates etc. buyers should be careful in expecting that a cost calculation using the exact transport costs from Oslo to your plant will give an exact price for a DDP delivery.

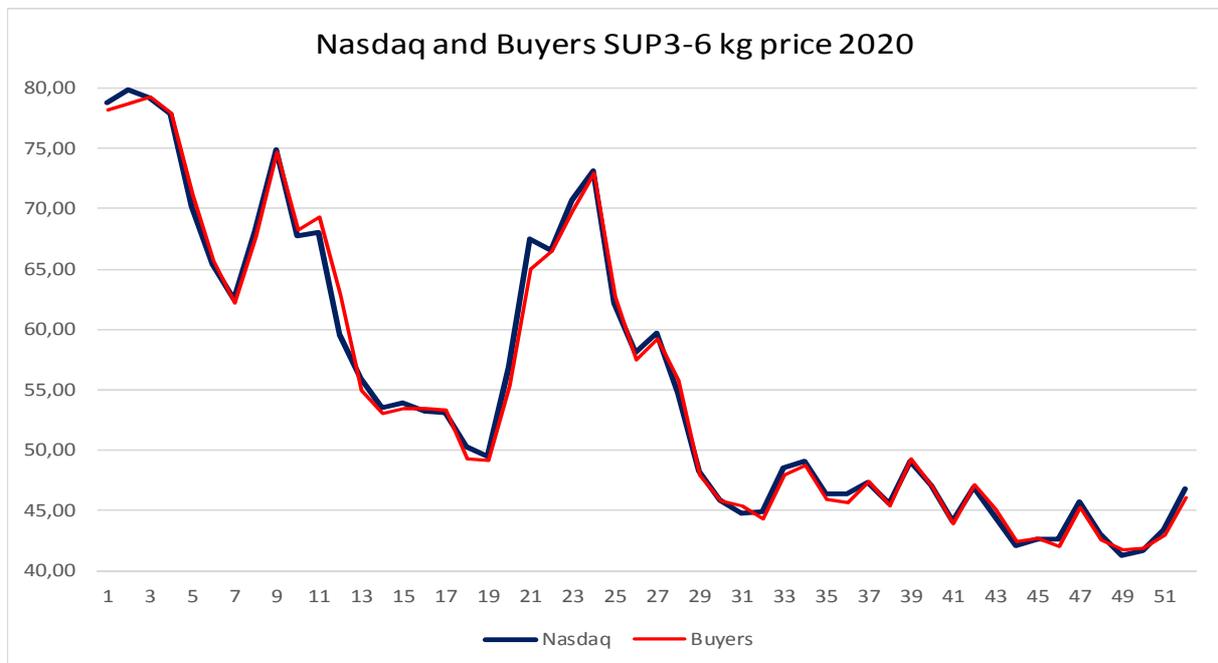
Why is salmon sold to overseas markets by air-freight not included?

Salmon sold by air-freight to overseas markets are not included in the NASDAQ price calculations. The freight costs are a large part of the invoiced amount. It would be impossible to use standard calculations for salmon transported by air-freight and the errors in calculating an Oslo price would be too high.

Is the Nasdaq price is a correct market price?

The Nasdaq price is calculated based on actual invoices sent from exporters to European customers (all passing customs clearance). There is a complete audit trail: Example the SUP4-5 price of 43,55 in week 51 is calculated as the documented SUP4-5 price from each exporter, and the SUP4-5 price from each exporter is documented by invoices sent. See calculation example below.

Both Nasdaq and Fish Pool has engaged Kontali Analyse as auditor of the indices, controlling the figures and procedures. The Nasdaq price is based on selling price from Norwegian exporters. An important comparison is the Fish Pool European Buyers Index where more than 40 large buyers in 13 countries report their purchasing prices. Average weekly volume reported in 2020 was 1.834 tons. These prices are calculated back to Oslo based on the same procedures as the Nasdaq price. Below you see the 2 indices compared for 2020. On average the Fish Pool European Buyers Index was 0,14 NOK/kg lower than the Nasdaq price. As the buyers index consists of large buyers only, min 1 full-load per week, the average price is historically slightly lower than the Nasdaq price containing all invoices, full-loads, pallets etc.



Please contact Fish Pool if you want to participate, the benchmark report is free of charge.

When is the volume that is reported slaughtered and what is done with unsold salmon ?

The price reported in the NASDAQ price is (almost 100%) volume slaughtered in the reported week. Day of invoicing is decisive: ex week 51-2020. The volume reported was invoiced in week 51, Monday to Sunday. All exported volume must be followed by an invoice to be custom cleared.

There is a possibility that salmon slaughtered in week 51 was not sold and thus invoiced Monday - Tuesday etc week 52. If so, the volume will be reported in week 52-2020 as day of invoicing is decisive for the NASDAQ –report. Sometimes a Pro-forma invoice is used to send unsold salmon to Denmark etc. Pro-forma invoices are not included, the correct invoice is used. Normally sent the following week.

When is the price that is reported agreed?

The price is agreed between exporter and customer in Europe at very different times. Some volume is agreed the week before delivery, and some volume is agreed on the day of slaughtering and transporting. Ex week 51-2020, a lot of the volume invoiced is agreed on Thursday and Friday in week 50. When the NASDAQ price is sent you by email Tuesday week 52, the NASDAQ price will reflect a market price agreed from 10 days to 5 days ago.

How is the average weekly currency EURNOK etc calculated?

60% is Monday-Thursday in the spot reference week, 40% is the Friday the week before. Ex week 51 from Mon Dec 14th to Fri 18th : Friday 11th weights 40% and Monday 14th to Thursday 17th weights 15% each.

What volume is reported, and are there volume limits?

In the NASDAQ price all exporters selling more than 5 trucks HOG/ week, (app 5.000 tons/year) to Europe may report. The reported volume is thus much higher than the old NOS/FHL report. In 2020 an average of 4.622 tons/week (in 2019 on average 4.970 tons/week) was reported.

There is a 25% volume limit per reporting company on total reported volume (not per size). Ex: One week 6.000 tons is reported from several exporters, one exporter reports 1600 tons (thus 27%), this exporters volume is reduced to 1500 tons (thus 25%) by reducing volume of all sizes by 6,3%. For the small volumes, SUP1-2, SUP7-8 etc it may happen that one exporter has much more than 25% of the total volume of these sizes.

What product is reported and to what markets?

Standard SUP – salmon, including Global gap, but not Label rouge, organic and ASC (they are normally sold on fixed price contracts and thus excluded). Not air-freight, fillets and other non-standard whole gutted salmon products. Also not fixed-price contracts, nor promotions like 2-3 weeks fixed prices. Not sales within Norway, to other exporters or Norwegian clients. Either place of delivery or customer address must be in one of the listed European countries below.

Why are you not using the correct freights registered for each customer by the exporter?

The exporters normally register all costs on each order and has thus a more correct calculation of costs than these standards on each single invoice. The Nasdaq price is thus not an exact calculation of Oslo price, but “the law of big numbers” means that the average is close to correct. Standards are used to secure control as no internal information other than invoiced amount and weight is used from each exporter. It is thus easy to audit and secure correct calculation, as all is standardized.

How much of the total export volume is included in the Nasdaq report?

Exporters representing approximately 2/3 of the export volume participates in the Nasdaq report. In 2019 a total of 1350' tons were slaughtered and 891' tons exported from Norway, 730' tons to EU. On average 14.036 tons (730'/52 weeks) were exported weekly to EU and 4.970 tons reported as standard spot sale to Nasdaq: HOG = head on gutted, appr 90% of the round weight (WFE):

Salmon volume 2019:	Average weekly	%	Total in 2019	
Slaughtered volume round weight	25 962		1 350 000	tons
Export fresh salmon HOG	17 129		890 712	tons
Export outside of EU-27	-3 093			
Export to EU-27	14 036	100 %	729 857	tons
30% to fixed prices:	-4 211	-30 %		
10% ORD, ASC. etc special	-1 404	-10 %		
10% internal deliveries + Nasdaq ind	-1 404	-10 %		
Total sale EU to spot prices	7 017	50 %		
30% exp non-reporting companies	-2 047	-15 %		
Spot sale to EU from reporting comp	4 970	35 %		

Around 35% of the total fresh export volume to EU is included in the Nasdaq report. The following volumes are not included. Fish Pool has estimated the %:

- Fillets, frozen, ORD; ASC etc (only Head on gutted incl Global Gap)
- Sales outside EU-27 and sales to Norwegian buyers
- Internal deliveries within a company and Nasdaq indexed sales contracts
- Fixed price contracts

Why is Fish Pool using 30% SUP3-4, 40% SUP4-5 and 30% SUP5-6 in the settlement of contracts?

The SUP3-6 kg salmon are the standard sizes used by the salmon processing industry. Around 80% of the exported volume of salmon to Europe are in these sizes. Of the SUP3-6 kg volume in the Nasdaq price in 2020 the distribution was as follows (2019 figures in parenthesis):

- SUP3-4 kg **29,4%** (35,1%) Fish Pool uses 30% when calculating the settlement price
- SUP4-5 kg **41,2%** (39,9%) Fish Pool uses 40% when calculating the settlement price
- SUP5-6 kg **29,4%** (25,0%) Fish Pool uses 30% when calculating the settlement price

Where can I find more details about spot prices for salmon?

Click the following link to historical Nasdaq spot prices: <http://fishpool.eu/price-information/reports/nasdaq-salmon-index-archive/> On this page, you will also find a link to historical NASDAQ and NOS/FHL prices back to 1995.