



NEWSLETTER

8800 South Minturn Road - Le Grand California 95333 USA
Office 559-665-8500 FAX 559-665-8588
www.minturnnut.com

November 2018

Almond Industry Position Report

October 2018

Million Lbs

Carry-in August 1, 2018	359.0
2018 Net Marketable Crop (Received to date).....	1,522.6
Total Supply.....	1,881.6
Sold Shipped & Not Shipped	
Domestic	438.2
Export.....	718.6
Total Sold.....	1,156.8
Uncommitted Inventory (Not Sold).....	724.8

Position Report

California had a surprisingly strong month by shipping out 247.1 million pounds, which is 0.3% ahead of last year and a new record for October. The higher numbers can be attributed to Domestic demand which saw 6.7% more shipments compared to the prior year at 68.2 million pounds. Exports improved but were still off by 2.0% compared to last year. That is now eight months in a row that exports have been off compared to previous season. The currency and trade issues have taken a toll, but November is expected to be another strong shipping month. Hopefully our international markets are turning a corner. Using the above numbers and applying the new estimate of 2.30 billion, our industry's sold position is 44.9%. If the crop ends up being 2.45 billion then we are only 41.9% sold. Uncommitted inventory sits at 724.8 million which is 17.9% more than 2017.

The Market

Demand and pricing had started to soften before the shipment number. The buying spurts experienced last month from Middle East and China began to dissipate with buyers in other regions speaking to a bearish tone. The main justification was our industry's under-sold position, lower than expected shipments and currency / trade issues that weakened demand in emerging markets. That sentiment has now been turned on its head as seemingly every region has re-entered the market after the positive shipment numbers. Nobody was expecting a record month, but yet here we are. More business had been booked than expected, especially in our Domestic market. Europeans who had been putting off purchases are now fully in the market looking to cover any near-by needs. India is still in the market and parts of China / Hong Kong have also come back with interest. This strong demand has helped push prices up by \$0.05 - \$0.10 per pound depending on the item. These price points are still attractive for the majority of our buyers so hopefully we can sustain this momentum heading into the holiday season. Issues are still present, however, as the Middle East is off by 44% and China by 31% for the year. This can be tough if nothing changes as we head into bloom and start looking at a potential record 2019 crop.

45th Annual Almond Industry Conference

December 4-6 marks the 46th Annual Almond Conference at the Sacramento Convention Center. The conference will be a one-stop-shop for all things almonds; marketing, quality and food safety, technical and regulatory topics, plus the trade show. Among those speaking at the conference are David Deak, Senior Development Engineer at Tesla Motors, and The Peterson Farm Brothers, social media agriculture advocates. Growers are encouraged to attend. For more information, contact the Almond Board of California at (209) 549-8262 or register online at AlmondConference.com.

Thanksgiving Office Hours

The office will be closed on Thursday, November 23rd and Friday November 24th for Thanksgiving. We will re-open on Monday, November 27th. We hope all of you truly enjoy a wonderful Thanksgiving celebration with your families and friends.

"Buyer & Seller of Quality California Almonds"