



NEWSLETTER

8800 South Minturn Road - Le Grand California 95333 USA

Office 559-665-8500 FAX 559-665-8588

www.minturnnut.com

October 2019

Almond Industry Position Report

September 2019

	<u>Million Lbs</u>
Carry-in August 1, 2019	318.3
2019 Net Marketable Crop (Received to date).....	<u>822.5</u>
Total Supply	1,140.8
Sold Shipped & Not Shipped	
Domestic	397.2
Export	611.3
Total Sold	1,008.5
Uncommitted Inventory (Not Sold)	132.3

Position Report

After a slow start to the season, shipments came roaring back in September which ended up being 16.2% ahead of last year for a total of 196.2 million pounds shipped. Both export and domestic markets were up by 8.5% and 19.5%, respectively. Receipts are trending only 0.7% ahead of last year but the crop is also delayed. Even with later crop, it still seems unlikely the state will hit 2.5-billion-pounds. Now it appears 2.35 is more realistic. We are ahead of last year's shipments by a healthy clip with commitments even being up by 19.3%. This suggests strong shipments for upcoming months. Using the above figures and adding the objective estimate of 2.2 billion pounds, our industry is 40.8% sold. If we use a crop figure of 2.35 billion then our industry is 38.5% sold.

The Market

Buyers had been coming in and out of the market keeping it relatively stable up until mid-September where they decided to jump in fully looking to book on an almost daily basis. Most interest was out of Europe looking to cover nearby needs but as the month progressed, other regions began looking to cover as well. This supply pinch had prices increasing at a rate of a penny per day. Majority of the demand has been on pollinators and continues to be this way thus continuing the trend of a bottom-up market. Most of these needs remain with Middle East and India also having stable demand. With this strong shipment report and lack of overall supply, the market appears to be in the midst of another firming trend. All eyes will now be looking at total crop size. We will need all of 2.4 – 2.5 billion pounds just to keep up with demand growth. It is truly amazing the global appetite for California almonds.

2019 Crop Harvest

The early part of harvest looked strong with nice yields being produced on Nonpareil from Madera south with higher yields the more South and West you went. As things have progressed and the state gets deeper into pollinator types, the narrative has shifted. The central part of the state has been weak with lower yields than last year and the pollinator crop is light even in the South. That is one of the main reasons for the uptick in pollinator type prices. It's still a bit early to make any major predictions but next month's receipts will give a good indication as to where final crop size may settle.

"Buyer & Seller of Quality California Almonds"