



NEWSLETTER

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September 2005

Almond Industry Position Report

August 2005

	<u>Million Lbs.</u>
Carry-in August 1, 2005	137.7
2004 Net Marketable Crop (<i>Received to date</i>)	<u>59.0</u>
Total Supply.....	196.7
Sold Shipped & Not Shipped	
Domestic.....	107.5
Export	<u>192.5</u>
Total Sold	300.0
Uncommitted Inventory (Not Sold)	(103.3)

Position Report

Shipments for August totaled 57.4 million pounds, slipping 21.2 million pounds when compared to last years record August of 78.6 million pounds. This “shortfall” should not surprise anyone considering the lack of availability. The lack of availability is due to a smaller carryout number and a later harvest. The industry was bracing itself for August shipments to range between 40 - 45 million pounds. Shipping 57.4 million was a pleasant surprise. With the lighter crop being harvested the industry may be forced to reduce shipments by 15-20% each month as a result of lower supplies. The days of reporting record shipments each month appears over for now!

The Market

The Market is finally waking up from an “extended nap”. With almond prices at record levels, buyers have been extremely nervous to “buy”. They fear that their competition might be buying cheaper somewhere else. There were cheaper prices being offered on “limited items” by the second hand traders and Spain. Now that those cheaper supplies are being depleted market activity with California origin is picking up, but by no means are buyers breaking doors down to contract their long term needs. “Hand to mouth” buying will continue to be the trend until buyers’ sense there is an established direction in the almond market.

2005 Crop Harvest

Harvest began ten days and up too two weeks later than last year. Production is off more than projected and quality is “hit and miss” with more misses than expected. Nonpareil production is being reported best in the Kern County and Sacramento Valley areas, with most everything in the middle coming in disappointingly light. Kernel size is greatly improved over last year with nonpareil sizes being 23-25 count or larger. Ant damage again is the main culprit in the inedible. At this early stage it appears that the nonpareil crop could be down 25%-30% from last year and unfortunately not 21% the state forecasted. It’s still a bit early to forecast the pollinator’s crop.

“Buyer & Seller of Quality California Almonds”