



# NEWSLETTER

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**April 2006**

## Almond Industry Position Report

**March 2006**

	<u>Million Lbs</u>
Carry-in August 1, 2005.....	137.7
2005 Net Marketable Crop ( <i>Received to date</i> ) .....	<u>872.6</u>
Total Supply.....	1010.3
Sold Shipped & Not Shipped	
Domestic.....	264.8
Export .....	<u>532.2</u>
Total Sold .....	797.0
<b>Uncommitted Inventory (Not Sold).....</b>	<b>(213.3)</b>

### Position Report

At last a shipping month we can be proud of. March saw shipments soar to a respectable 81.3 million pounds surpassing last March by 6.1 million pounds. Total shipments for the year now stand at 623.6 million pounds down 15.4%. The best news is commitments, (sold but not shipped) for the year has eclipsed last year's totals for the same period. This commitment number suggests shipments for the remaining months of the year should stack up well compared to last year. Should shipments equal last year's figures, total shipments would be 870 million pounds and our carryout from the 2005 crop would be a manageable 140 million pounds.

### 2006 Crop

Now that the almond nutlets are "visible" on the tree's, although small for this time of the year, crop estimates are coming in from all fronts of our Industry. We have heard crop projections ranging from 950 million pounds to over 1.1 billion pounds. At this early stage most industry sources feel the crop is somewhere between one billion and 1 billion 50 million pounds. The common remark made with most everyone's estimate is, "What impact will the water-saturated ground have on the trees when we warm up, will we experience a heavy drop or not?" Of the primary producing varieties Nonpareil appear to be better than last year. Carmel's are spotty with the Butte/Padre combination looking to be a slight hole in the crop. Most of the other varieties are equal too or better than last year. Kernel sizes are in question because of the late maturity of the crop due to the cool and wet spring. It's pretty amazing we have the crop we do at this time considering the plethora of adverse weather we have received since the beginning bloom.

### Market Update

A true lack of confidence in pricing from both sellers and buyers have primarily been the problem in the almond market for last 5 months. Let's hope a price floor will begin to develop with this improved position report from this past month. If this happens perhaps hand to mouth buying will go away and long-term contracting will come back in vogue. We have virtually hit the same supply levels as the last two years when optimism was robust throughout our industry. We must, as an industry, pursue a marketing policy that will not push prices too high, accept a price level that will return a fair profit to the farm, and also encourage new consumption. Supply and demand are the eventual dominant players in any marketing game. Building new consumption and pushing almonds back to the forefront in product development should be our biggest goal, when realizing all the non-bearing acreage that will be coming into production over the next few years.

***Don't forget to R.S.V.P. for the  
 Grower Appreciation BBQ – Friday May 5<sup>th</sup> @ 11a.m.***