



NEWSLETTER

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

September 2006

Almond Industry Position Report

August 2006

	<u>Million Lbs</u>
Carry-in August 1, 2006	112.2
2006 Net Marketable Crop (<i>Received to date</i>)	<u>42.2</u>
Total Supply.....	154.4
Sold Shipped & Not Shipped	
Domestic.....	121.8
Export	<u>175.3</u>
Total Sold.....	297.1
Uncommitted Inventory (Not Sold)	(142.7)

Position Report

Shipments for August totaled 58.7 million pounds putting our industry slightly ahead of last year's 57.4 million pounds. This comes as a pleasant surprise considering the light carry-in number and the late harvest. A solid shipment number for August, combined with the projected strong September shipment number, should provide our industry with the information needed to stop the price decay. With ample supply and competitive pricing our shipment figures should improve against last years as we move forward.

2006 Crop Harvest

Harvest began ten to fourteen days later then last year. Nonpareil production is being reported heaviest from Fresno County to San Joaquin County. Sacramento Valley and Kern County are coming in lighter, probably because they had the better crops last year. Nonpareil quality is either good or not good at all, at this point there seems to be no middle ground. The main "culprit" for rejects is navel orange worm. Kernel size unfortunately is on the small side with the most common size band currently running 25-27's. At this early stage it appears that the nonpareil crop will go through the states estimate of 34% increase over last year's crop. It's still too early to make a forecast on the pollinator's. Early reports are somewhat disappointing on quality and crop size. The first AHPA Crop Report was released last week at 1,120 billion pounds.

The Market

From the start of harvest to date, the market has been a hand-to-mouth, week-by-week market. With many buyers having booked September and October needs last spring at lower prices, resulting in diminished demand at the beginning of harvest, making it difficult to generate momentum. Once buyers gain confidence that prices have solidified, longer term contracting should begin. Solidified pricing may occur when our industry receives a solid September shipping report, coupled with Handlers unable to fill prompt delivery request because of tightly booked processing schedules. It will be refreshing to see November forward buying interest heat up. The best news to report is demand seems stronger and it appears as if the supply pipeline is near empty with buying interest building.

"Buyer & Seller of Quality California Almonds"