



NEWSLETTER

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Almond Industry Position Report

January 2006

Million Lbs

Carry-in August 1, 2006	112.2
2006 Net Marketable Crop (<i>Received to date</i>)	1059.4
Total Supply.....	1171.6
Sold Shipped & Not Shipped	
Domestic.....	318.2
Export.....	545.0
Total Sold.....	863.2
Uncommitted Inventory (Not Sold).....	308.2

Position Report

For the month of January, shipments set a new record hitting 85.2 million pounds or 4 million pounds over our previous record set in January 2003. Total shipments for the year now stand at 610.3 million pounds or 27.3% ahead of last year. Crop receipts have moved up a bit sitting at 1092.1 million pounds, making the 2006 crop a new record surpassing the 2002 crop that produced 1083.7 million pounds. Assuming almond shipments continue on this nice pace, carryout inventory will be reduced to last year's levels or less. Product availability could become a problem for buyers. Transitioning out of this year into next year will be quite tight.

The Current Market

Buying interest has diminished the closer we get to bloom, producing sloppy pricing. A slow-down in the market place is common going into bloom. Buyers have taken their positions and will only react to bloom conditions accordingly. On-site goods are available in some areas of the world, selling for a discount. We feel this material is limited, but because of the lack of market activity it contributes to the slow-down. Our industry added another 77.4 million pounds of new sales in January, putting our total sold figure to an impressive 863.2 million pounds. Most users are probably covered through March, which could continue to keep things a little dicey. When buyers come back to cover their April forward needs, prices should shore up and become firm.



The Bloom

As of this writing, the bloom is just beginning in Neplus and Sonora varieties. So it is too early to have formed any opinions on the bloom and potential crop size. We do know the trees have had great dormancy and that the pollinator's bud-set looks heavier than the Nonpareils. Also, it now appears the blossom overlap or timing of the different varieties is going in good sequence. Bees seem to have been delivered without any serious shortages or problems being reported. Weather from here through the bloom will play the biggest role in our crop size.

"Buyer & Seller of Quality California Almonds"