



NEWSLETTER

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August 2017

Almond Industry Position Report

July 2017

Million Lbs

Carry-in August 1, 2016	412.0
2016 Net Marketable Crop (Received to date).....	2,093.0
Total Supply.....	2,505.0
Sold Shipped & Not Shipped	
Domestic	774.3
Export.....	1,528.0
Total Sold.....	2,302.3
Uncommitted Inventory (Not Sold).....	202.7

Position Report

California almonds posted another record to finish out the crop year by shipping 153.9 million pounds for the month of July compared to 138.6 million pounds for the same period last year. Total shipments for 2016 crop ended up being an astonishing 2,100.8 billion pounds, which is ultimately 15.9% ahead of last year. This leaves us with a smaller carry-in of 404.2 million pounds compared to 421.8 million of last year. The new shipment report has a column that tracks new sales for the upcoming crop year. That total is 405.1 million pounds which would put the industry sold position at 23.3% against estimated crop size heading into harvest.

2017 Seasonal Pool Delivery Payment

The Seasonal Pool Delivery Payment for the 2017 crop will be \$0.85 per pound on Nonpareil / Independence and \$0.65 on all other varieties. Delivery payments will be made twice a month as your crop is received and graded by USDA thru the 15th and end of each month.

The Market

Demand has been robust for the entirety of the month and had even picked up steam as we headed into the July shipment numbers. Part of this is due to lack of offers but also widespread demand throughout the buying community--especially India. After consecutive record shipment months to finish off the 2016 crop year, it's hard to argue against the firming trend--even if we are heading into a record crop year. Confidence amongst sellers is justified due to the fact that as an industry we were able to successfully market this last year's crop at reasonable levels, all the while shipping over 2.1 billion pounds and bringing in a lower carry-in than the previous year. That is quite stunning considering the fact we had just completed a major market correction the previous year.

Since the June shipping report, prices on average have jumped \$0.15 – \$0.20 per pound with the biggest gainers being Nonpareil inshell and small-sized pollinators. Ultimately, the only thing that could change this market is crop size. That is something we won't have a real grasp of until later in the fall. Most feel the crop is still within that 2.25 – 2.3 billion pound level. We also hold a favorable currency exchange as our dollar has recently began to weaken thus increasing our buyer's purchasing power. It will be interesting to see how the market materializes over the next few months.

Reminder: Grower Deferment Payment Schedule Agreement

Deferments are to be in place prior to crop delivery. If you need a deferment form, please call your field representative or Jennifer in the office. Thank you and have a smooth, dry harvest.

“Buyer & Seller of Quality California Almonds”