



NEWSLETTER

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September 2012

Almond Industry Position Report

August 2012

	<i>Million Lbs</i>
Carry-in August 1, 2012	335.2
2012 Net Marketable Crop (<i>Received to date</i>).....	<u>148.0</u>
Total Supply	483.2
Sold Shipped & Not Shipped	
Domestic.....	216.1
Export	<u>335.4</u>
Total Sold	551.5
Uncommitted Inventory (Not Sold)	(68.3)

Position Report

Shipments of California almonds came “out of the gate” strong by shipping 139.6 million pounds for August—the first month of our industry’s year. Last month our industry shipped 111.5 million pounds for a 25% increase over the previous year. Having a bit more carry-out coupled with an earlier harvest helped our industry to achieve this record breaking first month.

2012 Crop Harvest

Harvest began about two weeks earlier than last year. Nonpareil production appears to be down 18 to 20 percent on an orchard-to-orchard comparison basis to last year. The N.A.S.S. Estimate suggested that Nonpareils would be down only 7% from last year. No producing area is reporting the crop to be tracking that figure. Overall, quality is off from last year. Crack-out percentages are down 2 to 5 percent. Rejects are running 1 to 1.5 percent higher. Foreign material is higher. Due to low moisture levels, chipped and scratched are running higher. Sizes are running similar to last year—not larger like what the N.A.S.S. Estimate suggested. The Nonpareil crop, at least up to this point, has been discouraging in all aspects. At this early stage, it is difficult to make accurate projections on the other varieties. However, early reports point to disappointment in the pollinators as well. A full overview on harvest will be reported next month.

The Market

Since last month’s newsletter, prices are up a good 20 to 25 cents per pound. Selling activity is measured and on the light side by the seller’s choice. Demand is strong and coming in from most of our buyers throughout the world. Buyers are becoming increasingly frustrated because they are unable to book their needs and prices seem to be moving up each day. With the crop appearing to come in lighter than expected, packers’ “sold positions” are heavier than planned for this time of year. Rougher quality is also adding to the problem for sellers. The last two years produced such good quality that most packers were able to generate a great deal of “Nonpareil Extra No. 1” and “California Supreme” business for the market place. This year making high quality grades is going to be an expensive challenge that may not be economical. Therefore, buyers are concerned they will not be able to purchase the higher quality product putting even more pressure on the market place. Our industry is going to test the high price side of resistance before this selling year is completed. We are in for a really interesting year when it comes to the market place and pricing.

Grower Received Summary

To get USDA incoming information to you as soon as possible, we will email or fax your results. In addition, your field representative also receives the report. Grower information is confidential, so please contact your representative with any questions.

Reminder

If you wish to defer delivery payments, please get your deferment form into our office.

“Buyer & Seller of Quality California Almonds”