

Almond Market Report (Data of August 2022)

1 € = 1,00 \$

Supply	2022	
	Mld Lb	% N-1
Net crop marketable*	2,548	-15,2%
Stock Report N-1 (Carry Out)	0,836	37,6%
*Based on the current crop receipt of 2,60 billions lbs gross		
TOTAL Supply forecast	3,384	19,96%

COMMITMENTS*		
	0,614	-14,3%

*Non-exported sold goods

DEMAND vs SUPPLY		
Volume Shipped / (% of harvest)	0,23	9%
Volume Sold/shipped (% of harvest)	0,84	33%
Volume Sold/shipped (% total supply)	0,84	25%

Demand	2021/2022 (Per month)		2021/2022 (Total season)	
	Million lb	% N-1	Million Lb	% N-1
<i>By destination</i>				
Asia-Pacific	48,96	-21,0%	48,96	-21,0%
China	9,30	33,0%	9,30	33,0%
India	22,30	-39,0%	22,30	-39,0%
Europe	63,0	11,0%	63,0	11,0%
Spain	23,39	37,0%	23,39	37,0%
Germany	12,52	-7,0%	12,52	-7,0%
Middle East	25,45	174,0%	25,45	174,0%
United Arab Emirates	13,43	145,0%	13,43	145,0%
Total Export (oustide USA)	162,85	16,0%	162,85	16,0%
Domestic (USA)	65,44	-2,0%	65,44	-2,0%
TOTAL Shipped	228,29	10,1%	228,29	10,1%

Market highlights

Source: AlmondBoard

Dear Partners and Friends,

On Friday the position report for the month of August was released with shipments of +228.3 million pounds compared to last year's 207.4 million pounds for an increase of 10.1%. It's a good start of the new season (August record) although part of this strong figure is due to the fact that some vessels, which were previously planned for shipment in July, were postponed to August due to a truck porter strike.

The crop receipts run 15% behind last year ones (264 million Lbs vs 311,5 million Lbs). The average kernel size of the first Non Pareil batches received are smaller than normal (therefore expect a general premium for larger kernel sizes) because of the hot and dry spring/summer.

Although is far too early to speculate about the final size of the current crop, many in the market are starting to consider acceptable a crop closer to the objective estimation of 2.6 billion Lbs rather than to the subjective one of 2.8 billion Lbs. The frost in the North and the severe drought that is affective California could have seriously affected the average yield, pushing it to 1900 Lbs per acre. Another issue is the overall quality of the crop that might be affected by the reduced number and quantities of phytosanitary treatment in order to cut the costs.

Although the market is saturated till the Q4, the low prices attracted some buyers decided to take some positions for 2023 as it looks like that the bottom price has been reached (although nowadays never say never!). The vessel availability is improving and also the freight rates are starting finally to slowly decline. On the other side the massive carry in is forcing the growers and traders to keep on moving the goods in order to make space for the new incoming crop (read it, keep the prices low).

Although today's market report should be considered as neutral we might be at the very beginning of a new phase, with a more balanced market, compared to the oversupplied one that we seen and experienced in the last two years. The domestic consumption, the geopolitical situation and key markets like India will be crucial for this development. The crop receipt of the next 3 months will also provide us with some additional clues for the new season. While the old crop is currently still offered at around 1,6 USD FAS Lbs, the new one is around 1.68-1.7 USD FAS Lbs.

The Dollar stays strong and close to the parity with the Euro.

As usual if you have any question please feel free to give me a call



Almond prices (prompt) development



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