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### **April 2018 Almond Position Report**

April 2018 shipments were 176.40 million pounds. This is +16.1% compared to April 2017 shipments of 151.98 million pounds.

#### **2017 Almond Supply**

Carry-in from the 2016 crop:	399 million pounds
2017 estimated crop size:	2.258 billion pounds
Less 2.5% loss / exempt:	56 million pounds
Less shipments to date:	1.793 billion pounds
Less commitments:	374 million pounds
Remaining unsold supply:	434 million pounds

#### **Receipts, Shipments & Inventory v. 2016 Season**

Receipts:	+5.92%
Total supply v. 2016 season:	+4.41%
Shipments v. 2016 season:	+12.10%
Uncommitted inventory:	-9.55%

#### **Receipts & Shipments**

Receipts through the month of April are 2.26 billion pounds, which is an increase of about 2 million pounds from last month. Shipments of 176.40 million pounds are a new record, surpassing April 2017 shipments by about 24 million pounds and breaking the previous record of 167.55 million pounds set in April 2016.

#### **Commitments (Almonds that are sold, but not yet shipped)**

Domestic commitments of 170 million pounds are -0.18% and Export commitments of 204 million pounds are -14.96% compared to April 2017. Total commitments of 374 million pounds are -8.81% compared to last year. New sales for the month of April were about 108 million pounds.

#### **Domestic Shipments**

Domestic shipments were +44.4% at 73.30 million pounds. This is the largest April or about 15 million pounds more than the record set in April 2015 and the largest domestic shipment month in history. New domestic sales for the month of February were about 46 million pounds.

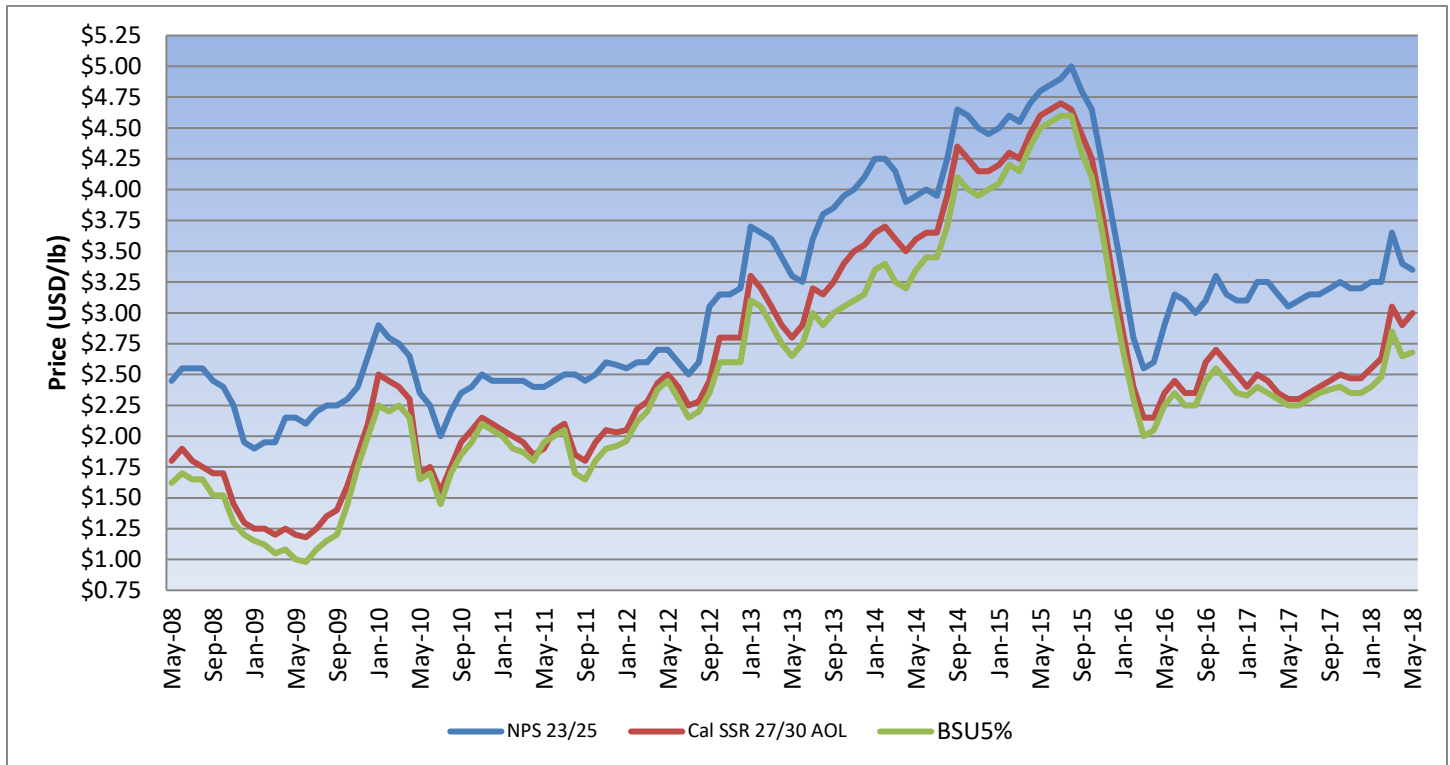
#### **Export Shipments**

Export shipments were +1.9% at 103.10 million pounds. This is the second largest April, about 13 million pounds less than the record set in April 2016. New export sales for the month of April were about 62 million pounds.

### Regional Shipments

	<u>August 2017 - April 2018</u>		<u>August 2016 - April 2017</u>		<u>% Change</u>
	<u>Shelled</u>	<u>Inshell</u>	<u>Shelled</u>	<u>Inshell</u>	
<b><u>EUROPE</u></b>					
France	24,045,083	34,934	20,620,276	31,735	17%
Germany	104,299,742	0	89,862,027	36,394	16%
Italy	54,842,465	1,990,218	44,174,492	1,329,597	25%
Netherlands	41,752,407	0	37,707,796	1,440	11%
Spain	155,187,565	1,036,840	150,488,239	1,959,724	2%
U.K.	28,414,120	31,067	25,982,929	0	9%
<b><u>MIDDLE EAST</u></b>					
Israel	7,511,365	149,042	8,279,830	95,923	-9%
Jordan	7,747,475	682,455	7,353,225	523,578	7%
Saudi Arabia	11,940,100	497,870	17,874,244	457,256	-32%
Turkey	25,596,041	21,963,776	21,197,638	21,802,281	11%
UAE	46,942,230	9,057,071	48,090,061	6,200,131	3%
<b><u>ASIA</u></b>					
China/HK	85,428,541	73,258,082	74,244,440	56,868,629	21%
Japan	58,239,635	224,790	52,565,485	203,420	11%
South Korea	40,614,551	0	42,135,571	0	-4%
Taiwan	8,291,778	322,633	9,567,379	297,622	-13%
Thailand	3,797,580	0	3,283,490	0	16%
Vietnam	11,088,451	37,315,545	4,451,128	34,267,401	25%
India	5,492,031	164,478,243	5,319,017	133,380,825	23%

### Historical Pricing



### 2018 California Almond Subjective Forecast

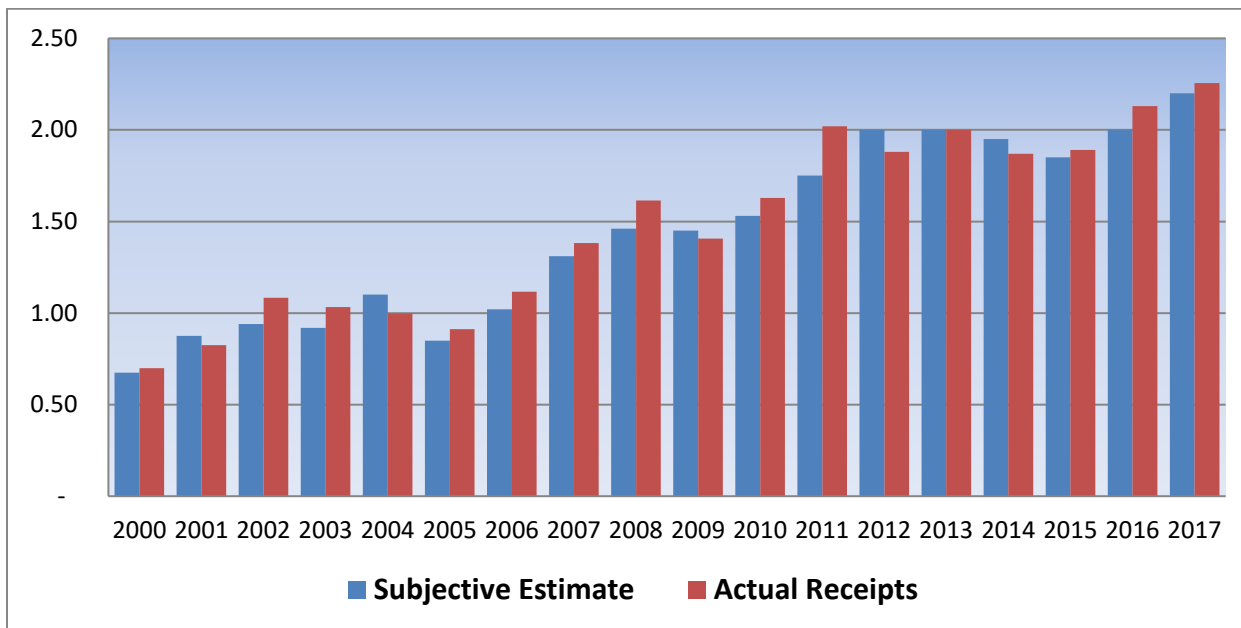
The subjective estimate for the 2018 almond crop is 2.30 billion pounds. This is up 1.30% from 2017 production of 2.27 billion pounds.

The subjective estimate is based on a telephone survey conducted from April 18 – May 4 from a sample of growers. Each grower is asked to indicate their yield per acre from the last year and guess their yield per acre for the upcoming year. The subject estimate is only as accurate as the opinions of the growers surveyed.

The 2018 California almond bloom began a few days earlier than normal. The bloom period was extended due to cool temperatures and lasted a few weeks. Frost during bloom hit orchards hard, with younger trees being impacted more severely than older trees. With varying weather throughout bloom, many growers are still unsure about their crop.

The average yield for the 2018 crop is forecast at 2,150 lbs/acre on 1,070,000 bearing acres. This is down 5.3% from the 2017 yield of 2,270 lbs/acre on 1 million bearing acres.

Since the 2000-2001 season, the subjective estimate has, on average, **underestimated** the crop by 3%. During this same period, the subjective estimate has **underestimated** the crop by as much as 13% and **overestimated** crop by as much as 10%.





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## **Conclusion**

As expected, April shipments set a new record. With only a 2 million pound increase in crop receipts, it now appears that the crop size is final. Shipments year-to-date are up 12%, whereas receipts are only up 5.92%. California is very well sold and many items such as sized Cals, Carmel Type Supreme 23/25 AOS and Inshell Nonpareil are becoming difficult to find. With supply constraints and a more traditional harvest time expected for the 2018 crop, the transition between crop years is once again going to be tight.

It is impossible to estimate the 2018 crop size with certainty. However, it is safe to say that the 2018 crop will not produce at its full potential. With an estimated 2017 carryout of 350 million pounds and using the 2018 subjective estimate of 2.30 billion pounds, 2018 total supply of 2.65 billion is 7 million pounds short of the 2017 supply. Should the 2018 crop come in at 2.40 billion pounds, the 2018 total supply will still only increase by 3.5%. With an expected increase in demand, growers feel that 2.40 billion is still a manageable supply and that we are in safe trading ranges.

While there are still many unknowns about the 2018 crop, the 2017 crop is well sold and prices should be stable to firming for the remainder of the crop year.

As always, our teams in China, Dubai, India and California are at your service.

Best Regards,  
**DERCO FOODS**