

### June 2017 Almond Position Report

June 2017 shipments were 177.05 million pounds. This is +1.7% more than June 2016 shipments of 174.01 million pounds.

#### 2016 Almond Supply

Carry-in from the 2015 crop:	412 million pounds
2016 crop size:	2.135 billion pounds
Less 2% loss / exempt:	43 million pounds
Less shipments to date:	1.947 billion pounds
Less commitments:	294 million pounds
Remaining unsold supply:	263 million pounds

#### Receipts, Shipments & Inventory v. 2015 Season

Receipts:	+12.72%
Total supply v. 2015 season:	+12.16%
Shipments v. 2015 season:	+16.39%
Uncommitted inventory:	-11.11%

#### Receipts & Shipments

Receipts through the month of June are 2.135 billion pounds. Shipments of 177.05 million pounds were a new record, surpassing the previous record of 174.01 million pounds set in June of last year. Shipments season-to-date now stand at +16.39% compared to last year. Based on commitments and industry expectations, it now appears that the final carry-out figure will be slightly less than last year – around 400 million pounds.

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

Domestic commitments are -7.28% and Export commitments are +32.40% compared to June 2016. Total commitments are +11.52%. Uncommitted inventory is now 263 million pounds (-11.11% compared to last season). New sales for the month of June were about 87 million pounds.

#### Domestic Shipments

Domestic shipments were +22.4% at 65.30 million pounds. This is a new record surpassing the previous record of 54.31 million pounds set in June 2015. New domestic sales for the month of June were about 59 million pounds.

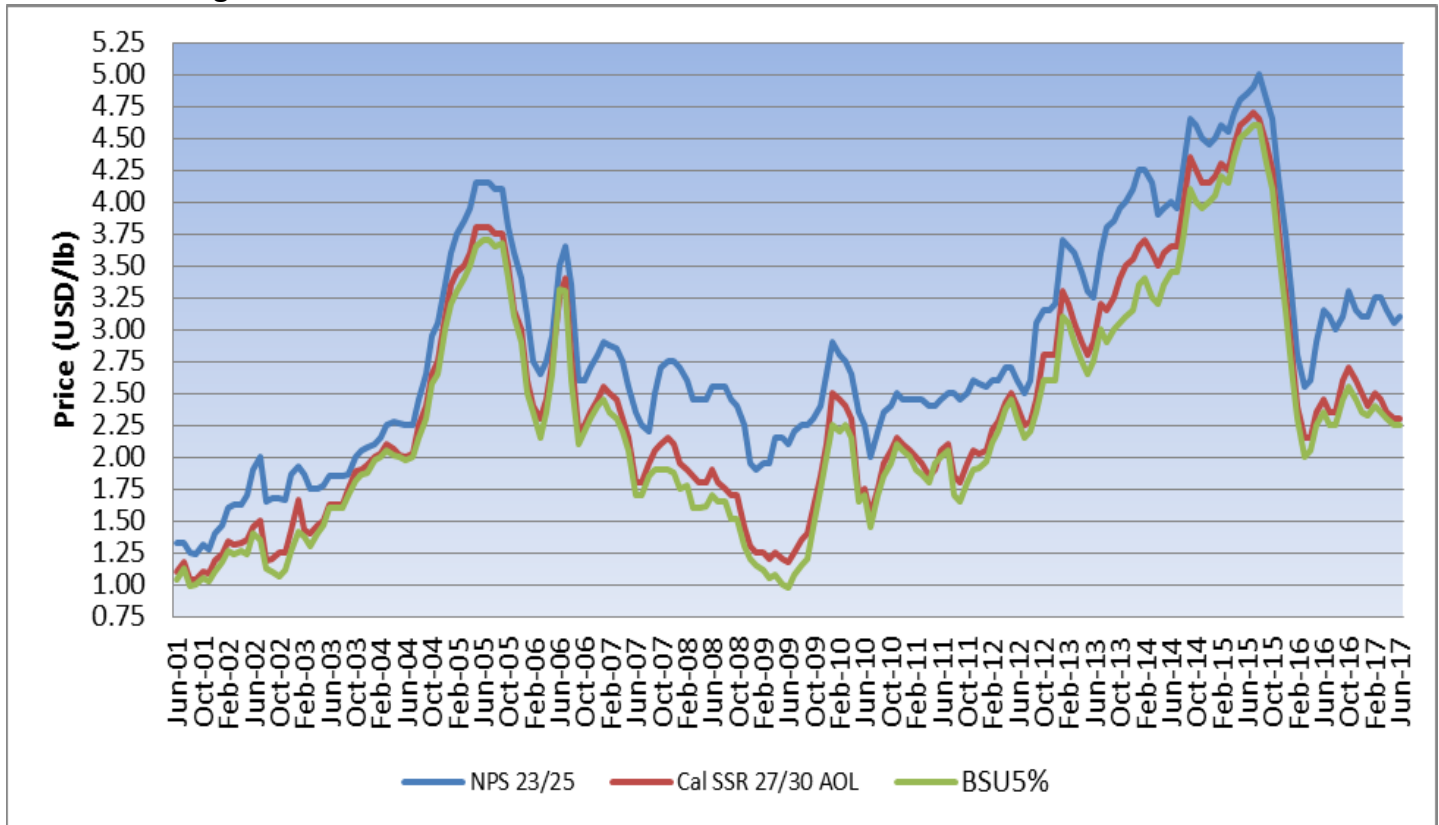
#### Export Shipments

Export shipments were -7.4% at 111.75 million pounds. This is the second largest June or about 9 million pounds less than the record set in June 2016. New export sales for the month of June were about 28 million pounds, which is about 10 million pounds less than the same month last year.

### Regional Shipments

	<u>August 2016 - June 2017</u>		<u>August 2015 - June 2016</u>		<u>%</u>
	<u>Shelled</u>	<u>Inshell</u>	<u>Shelled</u>	<u>Inshell</u>	<u>Change</u>
<b>EUROPE</b>					
France	25,845,193	31,735	21,332,292	113,177	21%
Germany	116,382,001	52,792	91,545,543	124,466	27%
Italy	51,854,942	1,388,915	50,171,735	1,667,861	3%
Netherlands	46,282,906	1,440	44,169,512	0	5%
Spain	191,585,162	2,286,261	179,954,065	1,056,304	7%
U.K.	31,705,428	0	29,711,953	34,746	7%
<b>MIDDLE EAST</b>					
Israel	10,017,180	127,954	7,757,073	443,989	24%
Jordan	8,963,225	587,938	7,696,250	500,713	17%
Saudi Arabia	19,296,244	477,256	12,813,256	557,845	48%
Turkey	30,062,046	21,893,606	23,932,483	12,656,930	42%
UAE	55,646,951	6,925,859	49,444,103	5,500,577	14%
<b>ASIA</b>					
China/HK	83,963,735	59,505,360	67,079,843	69,271,228	5%
Japan	64,791,210	203,420	57,787,340	375,493	12%
South Korea	51,398,452	0	41,409,894	0	24%
Taiwan	11,039,306	297,622	8,643,862	209,384	28%
Thailand	3,741,815	0	3,747,550	0	0%
Vietnam	5,605,527	35,904,983	2,330,932	18,007,108	104%
India	7,820,477	151,053,376	8,269,006	111,120,982	33%

### Historical Pricing





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## **Conclusion**

While June shipments were expected to be strong, most people in the industry were not anticipating a new record. With today's record shipment number, combined with a lower than expected Objective Estimate last week, we are seeing a firmer market in California. Buying interest has increased for both current and new crop in recent days. Prior to today's report, prices had increased by about \$0.05/lb since the official estimate last Thursday. It would not be surprising to see another price increase after today's report.

Sellers are anticipating a strong July shipment figure next month to close out the crop year. Ending inventory is now on track to be ~400 million pounds. Based on 2016 crop shipments of 2.1 billion pounds and a 2017 Objective Estimate of 2.25 billion pounds, California can grow shipments by a little more than 5% this upcoming season. This would be considerably less than the 16% growth in shipments this past year.

New crop commitments increased by about 78 million pounds this past month. Total new crop commitments are now 287 million pounds or about 11% of the estimated 2017 crop total supply. New crop buying activity has increased in the past week, especially from China, India, Middle East and the U.S. domestic markets. With plenty of buying and selling to do, we expect to see an active market in the weeks ahead.

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

Best Regards,  
**DERCO FOODS**