

### December 2019 Almond Position Report

December 2019 shipments were 205.96 million pounds. This is +3.2 compared to December 2018 shipments of 199.60 million pounds.

#### 2019 Almond Supply

Carry-in from the 2018 crop:	318 million pounds
2019 estimated crop size:	2.450 billion pounds
Less 2% loss / exempt:	49 million pounds
Less shipments to date:	1.051 billion pounds
Less commitments:	610 million pounds
Remaining unsold supply:	1.058 billion pounds

#### Receipts, Shipments & Inventory v. 2018 Season

Receipts:	+8.32%
Total supply v. 2018 season:	+5.51%
Shipments v. 2018 season:	+4.36%
Uncommitted inventory:	+5.72%

#### Receipts & Shipments

2019 crop receipts are 2.385 billion pounds, which is +8.32% compared to 2018 crop receipts of 2.202 billion pounds. December shipments of 205.96 million pounds are a new record, surpassing the previous record of 204.56 million pounds set in December 2017.

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

Domestic commitments of 320 million pounds are +22.32% and Export commitments of 290 million pounds are -5.61% compared to December 2018. Total commitments of 610 million pounds are +7.22% compared to last year. New sales for the month of December were about 166 million pounds.

#### Domestic Shipments

Domestic shipments were +7.7% at 57.49 million pounds. This is a new record, surpassing the previous record of 53.38 million pounds set in December 2018. New domestic sales for the month of December were about 70 million pounds.

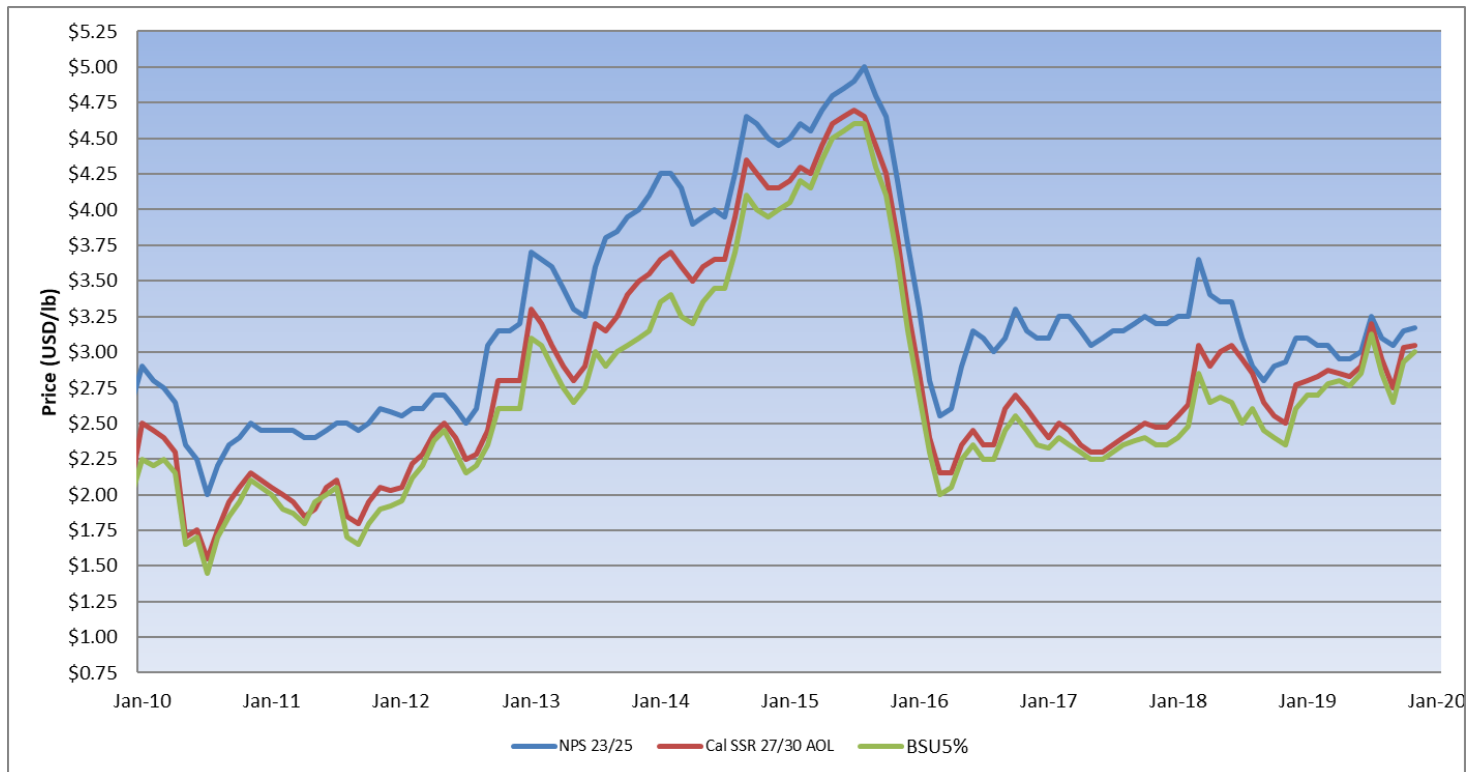
#### Export Shipments

Export shipments were +1.5% at 148.47 million pounds. This is the second largest December or about 3 million pounds less than the record set in December 2017. New export sales for the month of December were about 97 million pounds.

## Regional Shipments

	<u>Aug 2019 - Dec 2019</u>		<u>Aug 2018 - Dec 2018</u>		<u>% Change</u>
	<u>Shelled</u>	<u>Inshell</u>	<u>Shelled</u>	<u>Inshell</u>	
<b><u>EUROPE</u></b>					
France	12,275,474	0	12,301,520	0	0%
Germany	51,712,869	61,200	42,735,972	67,597	21%
Italy	30,645,295	1,301,867	25,162,516	732,236	23%
Netherlands	30,535,403	16,958	29,057,176	0	5%
Spain	87,527,393	878,378	74,745,432	799,410	17%
U.K.	14,153,872	0	12,806,584	0	11%
<b><u>MIDDLE EAST</u></b>					
Jordan	4,456,850	400,731	4,175,000	174,330	12%
Saudi Arabia	10,655,350	360,992	8,721,550	249,700	23%
Turkey	20,820,250	13,992,991	8,666,800	6,495,298	130%
UAE	47,213,303	7,207,747	31,247,250	4,403,876	53%
<b><u>ASIA</u></b>					
China/HK	30,946,642	45,689,119	47,189,734	49,946,044	-21%
Japan	33,288,040	76,033	29,054,895	110,455	14%
South Korea	21,812,705	0	22,891,042	0	-5%
Thailand	2,476,000	1,079,434	2,584,600	326,204	22%
India	880,866	121,899,292	2,813,411	118,488,251	1%

## Historical Pricing



## Conclusion

December 2019 shipments were a new record, surpassing the previous record set in December 2017 and bettering last year's shipments by 6 million pounds. Domestic shipments were also a new record at 57.49 million pounds and export shipments (although not a new record) exceeded last year's shipments by 2 million pounds. New sales for the month of December were about 166 million pounds, compared to 180 million pounds last year. Domestic commitments are +22.32%, while export commitments are -5.61%. Collectively, total commitments are +7.22%. With export commitments down, there is likely to be some pent-up demand in a few overseas markets. Many buyers have been waiting for today's shipment report before placing new orders. With that said, California can likely expect an increase in demand starting next week. At the same time, buyers can expect to see a continued desire from California to sell given the size of the 2019 crop.

While the U.S. domestic market had a very strong showing for the month of December, it was more of a mixed bag on the export side. Shipments to China/HK were down by nearly 10 million pounds compared to last December. Year-to-date shipments are down by about 20 million pounds and are down an additional 32 million pounds if you account for Vietnam. High tariffs and an early Chinese New Year are to blame. With that said, it's amazing to see record global shipments given the situation in China. Shipments to India were up for the month of December and shipments YTD have just surpassed last season. India has arguably been the most active overseas market in recent weeks. With low inventory levels in India, demand continues to be consistently strong for NPIS and especially for Inshell Independence. Shipments to Dubai were down about 5 million pounds for the month of December, while shipments to Turkey nearly doubled. Overall, shipments to the Middle East are up an impressive 55% YTD. Shipments to nearly all countries in Europe were up for the month of December. YTD shipments to Western Europe are up 14% and Europe as a whole is up 16% on the year.

One of the most debated topics this season has been the 2019 crop size. As of December, receipts are 2.385 billion pounds, compared to 2.202 billion pounds last year. Receipts increased by about 303 million pounds from last month, compared to 215 million pounds during the same period last season. At this time last year, crop receipts were 97% received. If we apply this same percentage received to this season, California will end up with a crop size of about 2.46 billion pounds. Based on a crop size of 2.46 billion pounds, California is currently 61% sold (shipments + commitments), which is the same percentage sold that the industry was at this time last year. With January shipments expected to be strong, California should continue to keep pace with last seasons' record figures. After the January shipment report next month, the industry will have a very good grasp on the final crop size. For now, buyers are likely to continue to cover their nearby needs before turning their attention to bloom next month.

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

Best Regards,  
**DERCO FOODS**