

### **November 2020 Almond Position Report**

November 2020 shipments were 263.18 million pounds. This is +11.6% compared to November 2019 shipments of 235.90 million pounds.

#### **2020 Almond Supply**

Carry-in from the 2019 crop:	450 million pounds
Estimated 2020 crop size:	3.000 billion pounds
Less 2% loss / exempt:	60 million pounds
Less shipments to date:	1.027 billion pounds
Less commitments:	1.005 billion pounds
Remaining unsold supply:	1.358 billion pounds

#### **Receipts, Shipments & Inventory v. 2019 Season**

Receipts:	+15.89%
Total supply v. 2018 season:	+19.34%
Shipments v. 2018 season:	+21.47%
Uncommitted inventory:	-9.32%

#### **Receipts & Shipments**

2020 crop receipts are 2.414 billion pounds, which is +15.89% compared to 2019 crop receipts of 2.083 billion pounds. November shipments of 263.18 million pounds are a new record, surpassing the previous record of 237.63 million pounds set in November 2018 and bettering November 2019 shipments by about 28 million pounds.

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

Domestic commitments of 393 million pounds are +27.88% and Export commitments of 612 million pounds are +78.85% compared to November 2019. Total commitments of 1.005 billion pounds are +54.72% compared to last year. New sales for the month of November were about 235 million pounds.

#### **Domestic Shipments**

Domestic shipments were +11.5% at 67.69 million pounds. This is a new record, surpassing the previous record of 64.22 million pounds set in November 2018 and bettering November 2019 shipments by 6.99 million pounds. New domestic sales for the month of November were about 48 million pounds.

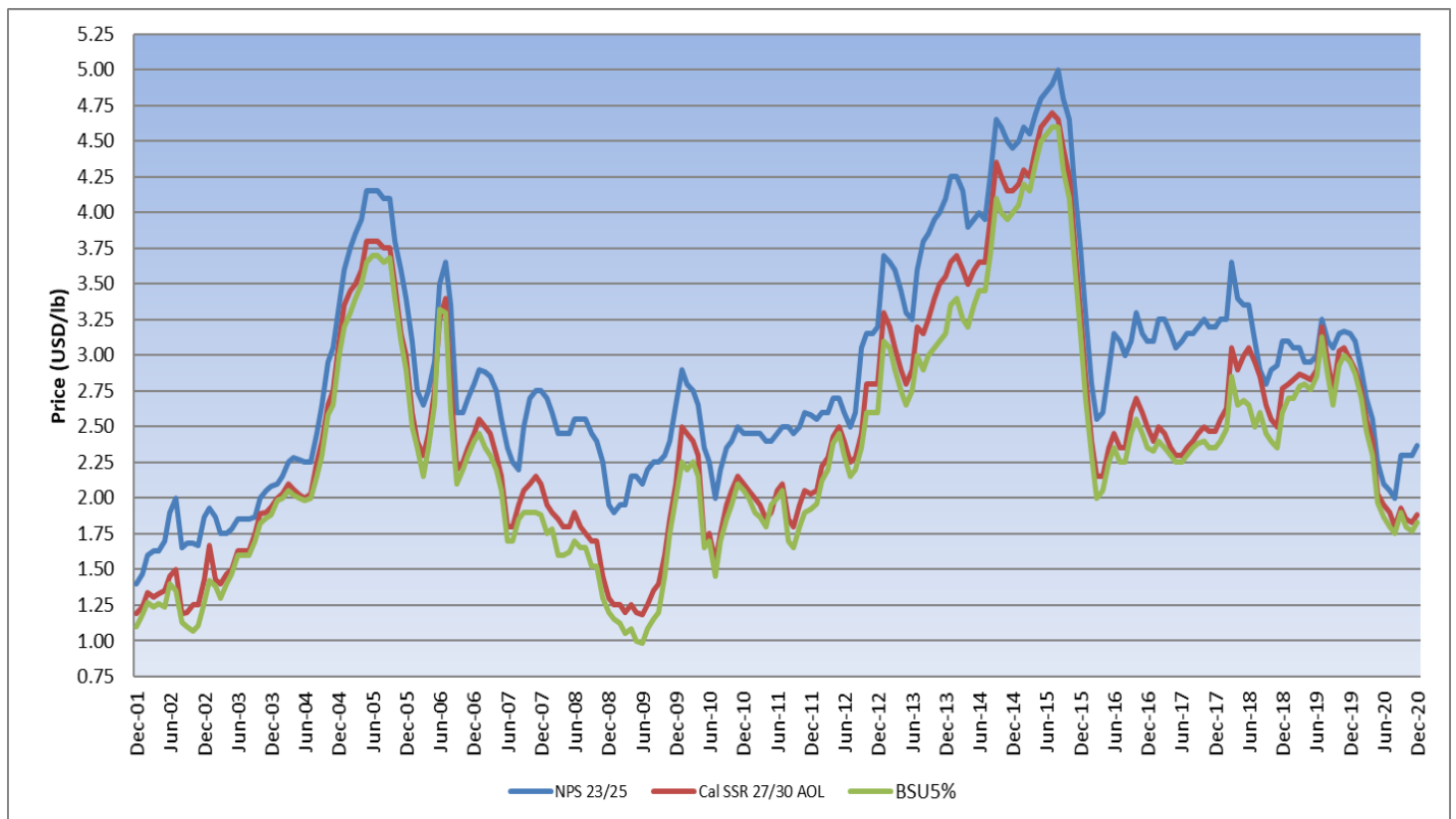
#### **Export Shipments**

Export shipments were +11.6% at 195.49 million pounds. This is a new record, surpassing the previous record of 175.19 million pounds set in November 2019. New export sales for the month of November were about 187 million pounds.

## Regional Shipments

	<u>Aug 2020 - Nov 2020</u>		<u>Aug 2019 - Nov 2019</u>		<u>% Change</u>
	<u>Shelled</u>	<u>Inshell</u>	<u>Shelled</u>	<u>Inshell</u>	
<b><u>EUROPE</u></b>					
France	9,152,182	0	8,644,894	0	6%
Germany	39,462,836	30,600	39,414,509	61,200	0%
Italy	31,824,394	822,163	23,635,845	1,103,925	32%
Netherlands	29,596,011	0	23,621,737	16,958	25%
Spain	72,948,604	369,643	67,165,562	565,672	8%
U.K.	12,261,610	0	11,298,168	0	9%
<b><u>MIDDLE EAST</u></b>					
Jordan	5,195,000	455,587	3,649,450	368,331	41%
Turkey	19,785,613	6,912,764	15,719,800	11,090,157	0%
UAE	34,359,950	6,460,785	39,732,253	6,132,162	-11%
<b><u>ASIA</u></b>					
China/HK	46,401,761	51,872,881	29,484,219	44,587,456	33%
Japan	21,567,080	3,460	26,802,720	76,033	-20%
South Korea	22,607,728	0	17,106,314	0	32%
Thailand	2,597,050	0	1,943,550	1,079,434	-14%
India	652,500	178,991,342	807,366	97,664,963	82%

## Historical Pricing



## Conclusion

Once again, California set a new record with November 2020 shipments of 263.18 million pounds, up 27.28 million pounds compared to a year ago. Had it not been for the ongoing shipment-related setbacks, November shipments would have been even higher yet. Year-to-date shipments are currently up 21.47% or about 182 million pounds ahead of last season. Crop receipts increased by about 603 million pounds during the month of November, bringing YTD receipts to 2.414 billion pounds – an increase of 15.89% compared to last year. New sales during the month of November were 235 million pounds compared to 191 million pounds in November 2019. Total committed shipments of 1.005 billion pounds are up 54.72% or about 335 million pounds more than last year. Based on industry expectations for a crop size of 3.00 billion pounds, California is currently 60% sold (shipments + commitments) compared to 53% sold at this time last season.

For the last several weeks, California has seen a resurgence in demand from all global markets as prices continue to trade at very attractive levels – even considering the exceptionally strong start to the season both in terms of shipments and commitments. Demand from India continues to be robust with YTD shipments of 180 million pounds (5,695 containers) up a jaw-dropping 82% – having just added 1,062 containers in November. Not far behind, China/HK had another strong showing in November adding 34 million pounds bringing their YTD totals to 98 million pounds, up 33% or 24 million pounds. Shipments to the Middle East were down for November with YTD shipments down 11% to the U.A.E. and flat to Turkey. This likely explains the recent increase in demand from Middle East markets the last few weeks as they look to cover their Ramadan needs. November shipments were again up to Europe, with nearly all major countries maintaining their YTD increases. With the Euro continuing to strengthen against the U.S dollar, there was a noticeable increase in demand from Europe the last few weeks. Since last month, industrial almond prices have increased by more than \$0.10/lb and will likely continue to increase after today's report.

With California in a very well sold position, sellers have not been offering as aggressively as they were in recent weeks and months. This is especially true in the past few weeks, which has resulted in fewer sellers and increased prices. Unfortunately, California is still having to endure unprecedented shipping line delays, cancellations and container shortages with little relief in sight. Logistics staffs have been working tirelessly to ship goods as soon as the situation allows, but delays have been unavoidable. With most production schedules now fully booked for January and already filling up quickly for February, buyers are highly encouraged to book their nearby requirements as soon as possible. Drought is never an exciting topic to discuss, but one that is slowly making its way into industry conversations given the dry start to the rainy season. Let us hope the situation improves in the coming weeks and months. In the meantime, California still has a record crop on its hands and must keep its sales hat on in order to minimize the carry-out from the 2020 crop.

Based on current market dynamics, we expect for prices to firm (at the very least remain stable) between now and bloom.

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

Best Regards,  
**DERCO FOODS**