

### December 2020 Almond Position Report

December 2020 shipments were 256.90 million pounds. This is +24.7% compared to December 2019 shipments of 205.96 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:	1.284 billion pounds
Less commitments:	921 million pounds
Remaining unsold supply:	1.185 billion pounds

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

Receipts:	+20.26%
Total supply v. 2019 season:	+22.79%
Shipments v. 2019 season:	+22.11%
Uncommitted inventory:	+6.24%

#### **Receipts & Shipments**

2020 crop receipts are 2.869 billion pounds, which is +20.26% compared to 2019 crop receipts of 2.385 billion pounds. December shipments of 256.90 million pounds are a new record, surpassing the previous record of 205.96 million pounds set in December 2019.

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

Domestic commitments of 375 million pounds are +17.48% and Export commitments of 545 million pounds are +87.88% compared to December 2019. Total commitments of 921 million pounds are +50.98% compared to last year. New sales for the month of December were about 173 million pounds.

#### **Domestic Shipments**

Domestic shipments were +5.7% at 60.76 million pounds. This is a new record, surpassing the previous record of 57.49 million pounds set in December 2019. New domestic sales for the month of December were about 43 million pounds.

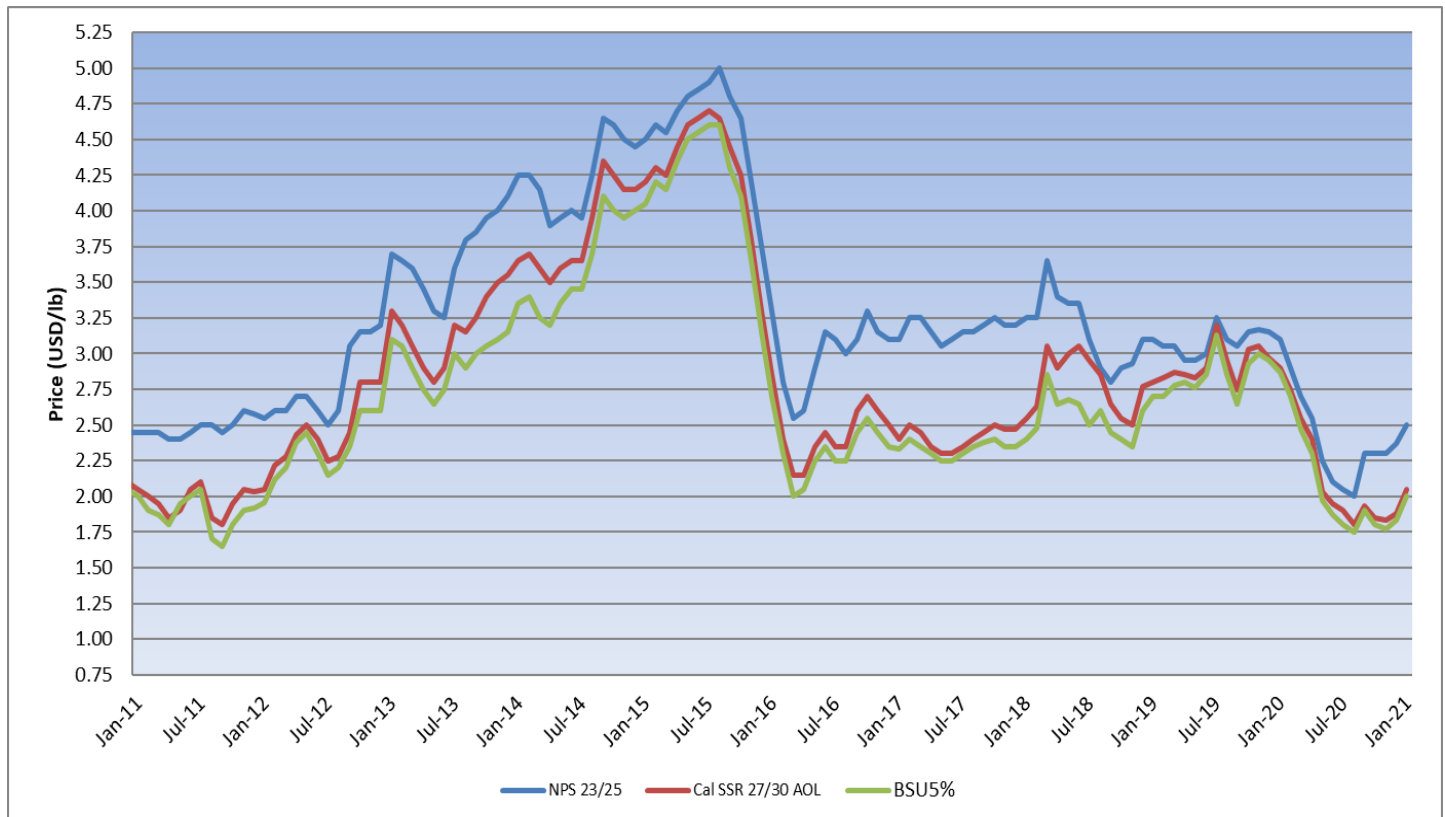
#### **Export Shipments**

Export shipments were +32.1% at 196.14 million pounds. This is a new record, surpassing the previous record of 151.59 million pounds set in December 2017 and bettering December 2019 shipments by 47.67 million pounds. New export sales for the month of December were about 130 million pounds.

## Regional Shipments

	Aug. 2020 - Dec. 2020		Aug. 2019 - Dec. 2019		% Change
	Shelled	Inshell	Shelled	Inshell	
<b>EUROPE</b>					
France	15,365,957	0	12,275,474	0	25%
Germany	53,645,439	30,600	51,712,869	61,200	4%
Italy	39,387,394	1,151,241	30,645,295	1,301,867	27%
Netherlands	38,133,698	0	30,535,403	16,958	25%
Spain	94,417,279	644,145	87,527,393	878,378	8%
U.K.	16,835,800	0	14,153,872	0	19%
<b>MIDDLE EAST</b>					
Jordan	5,917,000	537,920	4,456,850	400,731	33%
Turkey	22,629,392	7,809,115	20,820,250	13,992,991	-13%
UAE	42,263,950	7,021,453	47,213,303	7,207,747	-9%
<b>ASIA</b>					
China/HK	55,853,768	61,979,544	30,946,642	45,689,119	54%
Japan	28,249,930	3,460	33,288,040	76,033	-15%
South Korea	30,890,570	0	21,812,705	0	42%
Thailand	4,074,850	0	2,476,000	1,079,434	15%
India	837,397	218,416,388	880,866	121,899,292	79%

## Historical Pricing



## Conclusion

December 2020 shipments were a massive record at 256.90 million pounds. As mentioned last month, several million pounds that were originally contracted for November shipment ultimately shipped in December – further inflating today's figures. We can likely expect for this trend to continue, albeit to a lesser degree, when the January shipment report is released next month. Year-to-date shipments are currently up 22.11% or about 232 million pounds more than last season. Crop receipts increased by about 455 million pounds, bringing YTD receipts to 2.869 billion pounds. Crop receipts are currently up over 20% or about 483 million pounds more than last year. Last season, California received an additional 166 million pounds between now and the end of July. Should California receive the same number of additional receipts this season, the final crop size would be about 3.034 billion pounds. However, it wouldn't be surprising for there to be more pounds yet to be received this season compared to last year at this time. Based on a crop size of 3.034 billion pounds, California is currently 64% sold (shipments + commitments) compared to 59% sold last season.

Shipments were again up to most major export markets with only a few exceptions. Shipments increased to India by over 39 million pounds or 1,258 containers during the month of December. YTD shipments to India are currently up 79% at 219 million pounds (6,952 containers). Shipments to China/HK in December were way up compared to a year ago: 19.6 million pounds vs. 2.6 million pounds. Shipment delays from November to December likely played a role in this sizeable increase. YTD shipments to China/HK are up 54% or about 41 million pounds. Depending on how well sales go during Chinese New Year, starting February 12<sup>th</sup>, will determine China's appetite during the second half of this season. Shipments to most major markets in Western Europe were slightly up compared to a year ago. YTD shipments to all of Europe are up 13% or about 36 million pounds. The industry has seen a nice increase in demand from Europe after returning from the holidays. Shipments to the Middle East were again down compared to last December. YTD shipments to the region are down 11% or about 13 million pounds. With that said, the Middle East has arguably been one of the most active markets for the past month as traders look to cover their requirements ahead of Ramadan, which starts on April 12<sup>th</sup> this year.

Since last month's report, prices in California have increased by \$0.05-0.10/lb depending on item. This is especially true for the items that have been in the most demand: NPIS, NPX, Independence Ex #1 and Butte/Padre. Overall, we continue to see more global demand than selling interest from California, which is helping to keep prices firm. Given today's strong shipment figures, we may see some sellers attempt to increase prices further. However, with expectations now of a crop size larger than 3.0 billion pounds, California cannot afford to take its foot off the gas pedal. By next month's report, bloom will have likely started in some areas of California. It is worth noting that rainfall and snowpack totals continue to track well below average for this time of year. While we may be entering a weather market, California still has the large task ahead of bringing the carryout below 600 million pounds. With several processing facilities already fully booked for February, buyers must take note and plan their upcoming purchases accordingly.

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

Best Regards,  
**DERCO FOODS**