DERCO FOODS®

2670 West Shaw Lane, Fresno, California 93711 U.S.A.
Telephone (559) 435-2664 • Fax (559) 435-8520 • www.dercofoods.com • e-mail: derco@dercofoods.com

April 2021 Almond Position Report

April 2021 shipments were 249.91 million pounds. This is +37.9% compared to April 2020 shipments of 181.19 million pounds.

2020 Almond Supply

Carry-in from the 2019 crop:	450 million pounds
Estimated 2020 crop size:	3.110 billion pounds
Less 2% loss / exempt:	62 million pounds
Less shipments to date:	2.229 billion pounds
Less commitments:	724 million pounds
Remaining unsold supply:	545 million pounds

Receipts, Shipments & Inventory v. 2019 Season

Receipts:	+22.26%
Total supply v. 2019 season:	+24.44%
Shipments v. 2019 season:	+19.64%
Uncommitted inventory:	+21.21%

Receipts & Shipments

2020 crop receipts are 3.098 billion pounds, which is +22.26% compared to 2019 crop receipts of 2.534 billion pounds. April shipments of 249.91 million pounds are a new record, surpassing the previous record of 181.19 million pounds set in April 2020.

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

Domestic commitments of 300 million pounds are +17.47% and Export commitments of 423 million pounds are +74.40% compared to April 2020. Total commitments of 724 million pounds are +45.21% compared to last year. New sales for the month of April were about 163 million pounds.

Domestic Shipments

Domestic shipments were -9.8% at 70.07 million pounds. This is 7.63 million pounds less than the record set in April 2020. New domestic sales for the month of April were about 45 million pounds.

Export Shipments

Export shipments were +73.8% at 179.84 million pounds. This is a new record, surpassing the previous record of 116.59 million pounds set in April 2016. New export sales for the month of April were about 117 million pounds.

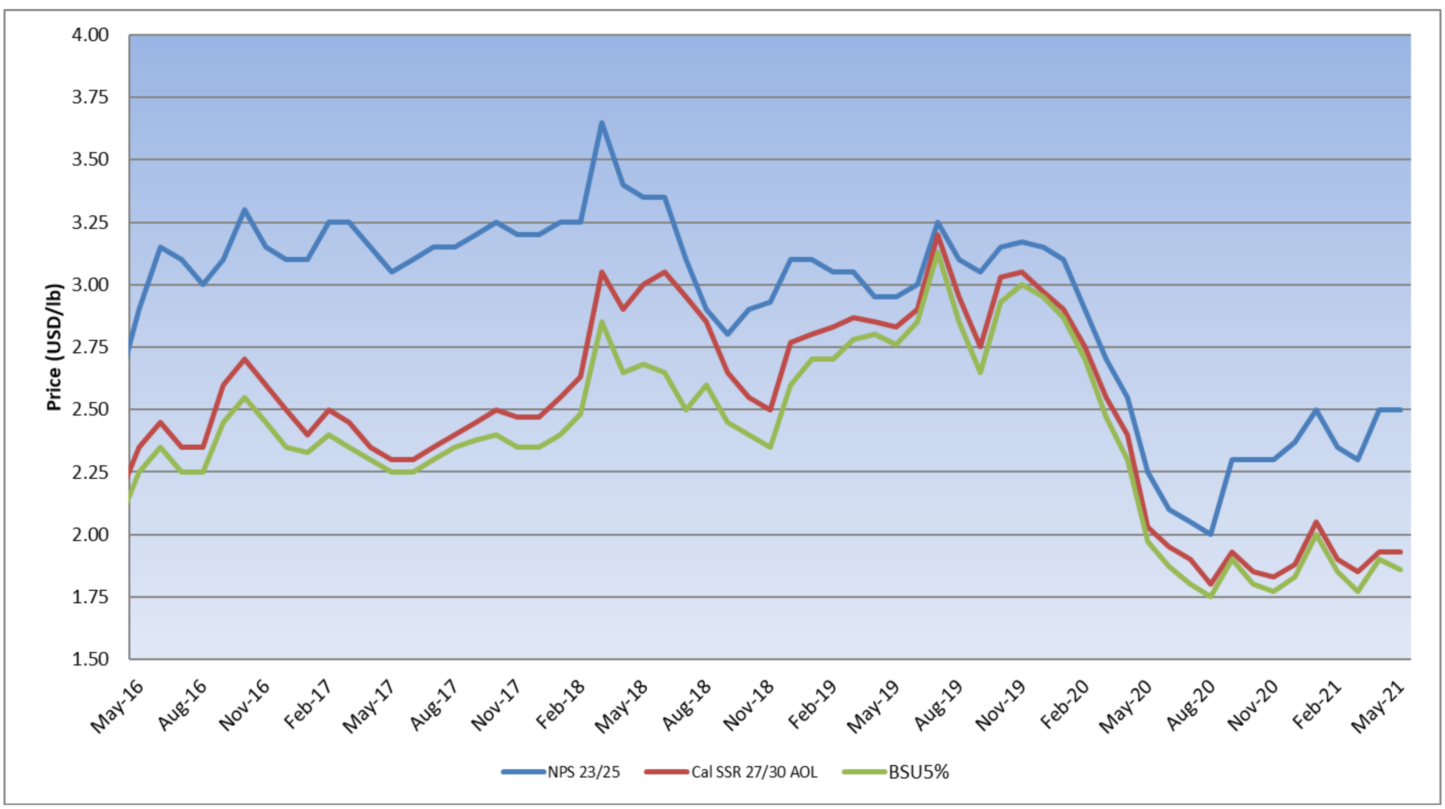
DERCO FOODS®

2670 West Shaw Lane, Fresno, California 93711 U.S.A.
Telephone (559) 435-2664 • Fax (559) 435-8520 • www.dercofoods.com • e-mail: derco@dercofoods.com

Regional Shipments

	Aug. 2020 - Apr. 2021		Aug. 2019 - Apr. 2020		% Change
EUROPE	**Shelled**	**Inshell**	**Shelled**	**Inshell**	
France	26,375,279	0	24,788,944	0	6%
Germany	115,700,826	30,600	101,735,724	122,400	14%
Italy	70,439,933	1,644,685	55,707,923	1,746,391	25%
Netherlands	72,662,180	0	59,513,907	16,958	22%
Spain	171,041,038	1,191,561	151,954,762	1,283,603	12%
U.K.	31,556,541	0	27,663,302	0	14%
MIDDLE EAST					
Israel	12,514,120	346,978	10,829,100	1,017,186	9%
Jordan	9,126,375	757,723	8,203,350	515,162	13%
Saudi Arabia	18,982,810	268,046	21,082,391	537,455	-11%
Turkey	39,927,649	13,059,862	35,217,758	17,340,411	1%
UAE	83,446,624	10,820,550	68,525,238	8,225,185	23%
ASIA					
China/HK	72,690,602	70,559,477	37,554,958	48,023,782	67%
Japan	65,788,130	3,460	69,593,779	172,622	-6%
South Korea	63,566,125	0	42,343,027	0	50%
Vietnam	21,648,825	4,808,463	11,222,519	900,790	118%
India	2,348,268	305,798,610	2,158,624	194,108,467	57%

Historical Pricing



2670 West Shaw Lane, Fresno, California 93711 U.S.A.
Telephone (559) 435-2664 • Fax (559) 435-8520 • www.dercofoods.com • e-mail: derco@dercofoods.com

Conclusion

April 2021 shipments of 249.91 million pounds are a new record, surpassing the previous record set in April 2020 by 69 million pounds. Export shipments again led the way, up 73.8% at 179.84 million pounds. For the second month in a row, domestic shipments were down compared to a year ago at 70.07 million pounds (-9.8%). YTD shipments currently total 2.229 billion pounds, which is 366 million pounds (+19.64%) more than last season at this time. New sales during the month of April were 163 million pounds compared to 125 million pounds a year ago. Total commitments are up 45.21% or 225 million pounds ahead of last season. It would now appear that the carryout will be around 650 million pounds, which is more optimistic than the outlook from just a few months ago. Crop receipts increased by 4.67 million pounds in the past month and currently stand at 3.098 billion pounds. Based on a final crop size of ~3.115 billion pounds, the industry is 84% sold (shipments + commitments), which is the same percentage sold last year at this time.

Shortly after the release of the March shipment report last month, the TNT 2021 crop estimate came out at 2.80 billion pounds based on 1.28 million bearing acres. This estimate was on the lower end of expectations and as a result, new crop pricing increased. Shortly after the TNT estimate, the bearing acreage estimate was released at 1.33 million acres – 30,000 acres higher than that used by TNT. Given a more positive outlook on the 2021 crop as it relates to bearing acreage, new crop price ideas were adjusted downward, but still at $0.05-0.10/lb premiums to current crop levels. Earlier this week, the Wonderful estimate was released at 2.95 billion pounds based on 1.33 million acres – higher than that of the TNT estimate, but still within the range of expectations. As a result, we didn't see any reaction to new crop pricing. The big surprise came today with the release of the grower Subjective Estimate at 3.20 billion pounds based on 1.33 million bearing acres. This estimate has exceeded even the highest of expectations in California and will put some downward pressure on new crop pricing.

In the past month, current crop prices in California had increased by $0.05-0.10/lb depending on the item. The largest price increases were seen on those items in short supply – particularly NPIS and NPX. With so little inventory of NPIS and NPX remaining in California, current crop prices are likely to remain more stable on Nonpareil than that of pollinators – which are expected to make up the lion's share of the carryout this season. Many sellers have already expressed skepticism of today's Subjective Estimate – arguing that only a 3% decrease in the overall yield per acre this upcoming season is too optimistic, especially given the current water situation in California. For the last couple months, industry experts have been predicting an increase in the yield per acre for many pollinator varieties and Independence variety, but expecting a decrease in the yield per acre for the 2021 Nonpareil crop. With that said, pollinators/Independence make up about 60% of the almond crop in California and are likely to come under more pressure than that of Nonpareil, which is nearly sold out today on current crop even after the largest crop on record. With another 2 months before the Objective Estimate is released in early July, it will be interesting to see where prices settle and spreads develop in the coming weeks.

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

Best regards,
DERCO FOODS