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August 2021 Almond Position Report

August 2021 shipments were 207.35 million pounds. This is +7.4% compared to August 2020 shipments of 193.05 million pounds.

2021 Almond Supply

Carry-in from the 2019 crop:	608 million pounds
Estimated 2021 crop size:	2.80 billion pounds
Less 2% loss / exempt:	56 million pounds
Less shipments to date:	207 million pounds
Less commitments:	716 million pounds
Remaining unsold supply:	2.43 billion pounds

Receipts, Shipments & Inventory v. 2020 Season

Receipts:	+14.49%
Total supply v. 2019 season:	+27.43%
Shipments v. 2019 season:	+7.41%
Uncommitted inventory:	-98.09%

Receipts & Shipments

2021 crop receipts are 312 million pounds, which is +14.49% compared to 2020 crop receipts of 272 million pounds. August shipments of 207.35 million pounds are a new record, surpassing the previous record of 193.05 million pounds set in August 2020. 2021 crop shipments of 207.35 million pounds are +7.4% compared to 2020 crop shipments of 193.05 million pounds.

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

Domestic commitments of 273 million pounds are -33.80% and export commitments of 443 million pounds are -31.08% compared to August 2020. New sales during the month of August were about 138 million pounds.

Domestic Shipments

Domestic shipments were +1.0% at 66.56 million pounds. This is about 630 thousand pounds more than August 2020, but about 690 thousand pounds less than the record set in August 2017. New domestic sales for the month of August were about 34 million pounds.

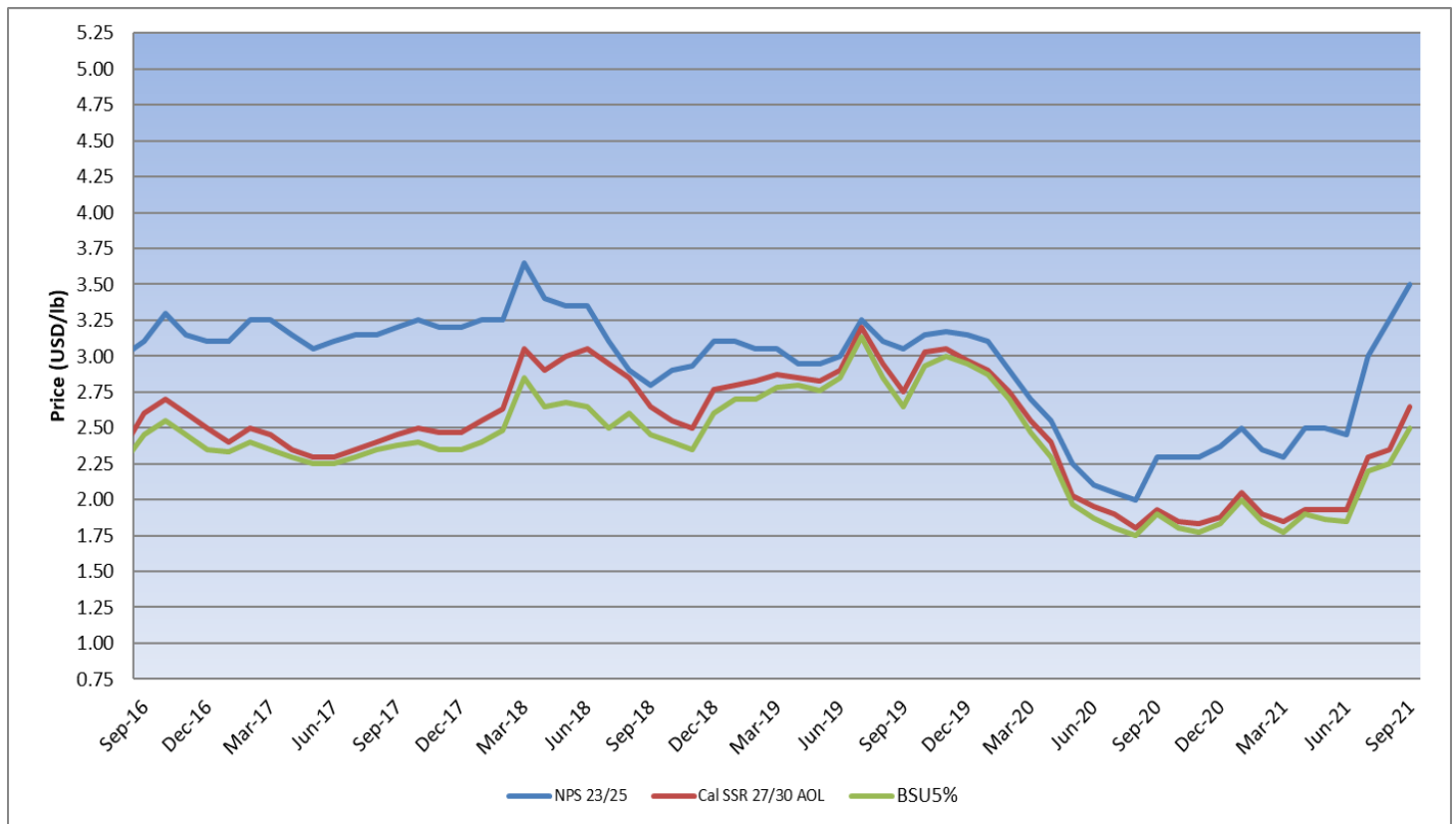
Export Shipments

Export shipments were +10.8% at 140.80 million pounds. This is a new record, surpassing the previous record of 127.12 million pounds set in August 2020. New export sales for the month of August were about 104 million pounds.

Regional Shipments

	<u>Aug. 2021</u>		<u>Aug. 2020</u>		<u>%</u> <u>Change</u>
	Shelled	Inshell	Shelled	Inshell	
<u>EUROPE</u>					
France	2,315,799	0	2,652,700	0	-13%
Germany	13,480,382	0	9,458,496	0	43%
Italy	5,662,799	91,296	7,065,000	95,413	-20%
Netherlands	7,741,481	0	5,907,177	0	31%
Spain	17,091,242	15,642	15,506,133	31,707	10%
U.K.	2,517,105	0	2,521,050	0	0%
<u>MIDDLE EAST</u>					
Jordan	970,000	0	802,000	31,950	16%
Saudi Arabia	387,000	0	169,160	0	129%
Turkey	1,565,000	342,320	570,016	1,016,171	20%
UAE	5,423,650	63,674	3,207,800	1,123,930	27%
<u>ASIA</u>					
China/HK	3,429,023	3,551,286	2,488,117	1,989,347	56%
Japan	4,743,741	0	2,753,364	0	72%
South Korea	6,468,926	0	2,923,636	0	121%
Vietnam	3,112,072	0	863,840	0	260%
India	3,749,403	32,834,523	153,250	40,387,837	-10%

Historical Pricing



Conclusion

August 2021 shipments of 207.35 million pounds is a new record, surpassing August 2020 shipments by more than 14 million pounds. Export shipments led the way at a record 140.80 million pounds – up 10.8%. Domestic shipments were just slightly higher than a year ago – up 1.0% at 66.56 million pounds. Crop receipts of 312 million pounds are up 14.49% or 39 million pounds ahead of last season. Total commitments of 716 million pounds are 32.15% less than commitments of 1.056 billion pounds at this time last year. New sales during the month of August were 138 million pounds compared to 288 million pounds last August. The 2020 crop carryout was adjusted upwards to 608 million pounds bringing the total estimated saleable supply to 3.352 billion pounds. Based on this figure, the industry is currently 27.6% sold (shipments + commitments) compared to 35.7% sold at this time last year.

Given the large 2020 crop commitment figure last month, August shipments – largely comprised of 2020 crop almonds – were expected to have a strong showing. While domestic shipments were flat compared to a year ago, overall shipments to all global regions are tracking higher than last season. Shipments to nearly every major export country were up with the exception of India, which was down 10%. Being that there was little 2020 crop NPIS inventory remaining and with new crop NPIS only becoming available during the second half of the month, shipment delays resulting from a lack of available vessels and bookings are likely to blame. Unfortunately, shipment delays and longer transit times are here to stay for at least the next several months. With that in mind and as inventory levels are depleted overseas, local prices at destination should remain stable to potentially firm.

Since last month's report, we have seen prices for NPIS come down by about \$0.30/lb as demand has decreased – particularly from India. Kernel prices on the other hand have remained stable, largely due to a lack of selling interest on the part of California sellers. With California producing a much higher percentage of NPIS this season compared to past seasons, available supply of Nonpareil kernels is expected to be down – not only as a percentage of the crop, but also in overall supply given the smaller Nonpareil crop compared to a year ago. Many growers and packers are reporting that the Nonpareil crop is currently tracking down about 10%. Sizing is also smaller than a year ago, with a greater percentage of Nonpareil receipts sizing 27/30 and smaller. With fewer almonds sizing 23/25 and larger thus far, the limited offers from California for these sizes have been at a considerable premium. As harvest continues to progress quickly in California, hopefully by next month's report the industry should have a little better idea of how the crop is shaping up – not only on Nonpareil and Independence varieties, but also pollinator varieties as they begin to come in.

With the threat of a continued drought still a real concern for California, we expect sellers to continue to limit their sold positions heading into the Winter months. However, we do expect for activity to pick up in the coming weeks as we anticipate an increase in both buying and selling interest – especially compared to this past month.

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

Best regards,
DERCO FOODS