

February 2022 Almond Position Report

February 2022 shipments were 199.16 million pounds. This is **-15.0%** compared to February 2021 shipments of 234.21 million pounds.

2021 Almond Supply

Carry-in from the 2020 crop:	608 million pounds
Estimated 2021 crop size:	2.900 billion pounds
Less 2% loss / exempt:	58 million pounds
Less shipments to date:	1.438 billion pounds
Less commitments:	857 million pounds
Remaining unsold supply:	1.155 billion pounds

Receipts, Shipments & Inventory v. 2020 Season

Receipts:	-6.33%
Total supply v. 2020 season:	-0.96%
Shipments v. 2020 season:	-16.01%
Uncommitted inventory:	+30.81%

Receipts & Shipments

2021 crop receipts are 2.892 billion pounds, which is **-6.33%** compared to 2020 crop receipts of 3.087 billion pounds. February shipments of 199.16 million pounds are 35.05 million pounds less than the record set last year of 234.21 million pounds. 2021 crop shipments of 1.438 billion pounds are **-16.01%** compared to 2020 crop shipments of 1.712 billion pounds.

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

Domestic commitments of 349 million pounds are **-0.32%** and export commitments of 509 million pounds are **-5.29%** compared to February 2021. New sales during the month of February were about 215 million pounds.

Domestic Shipments

Domestic shipments were **-24.0%** at 53.38 million pounds. This is 16.85 million pounds less than the record set last year of 70.23 million pounds. New domestic sales for the month of February were about 64 million pounds.

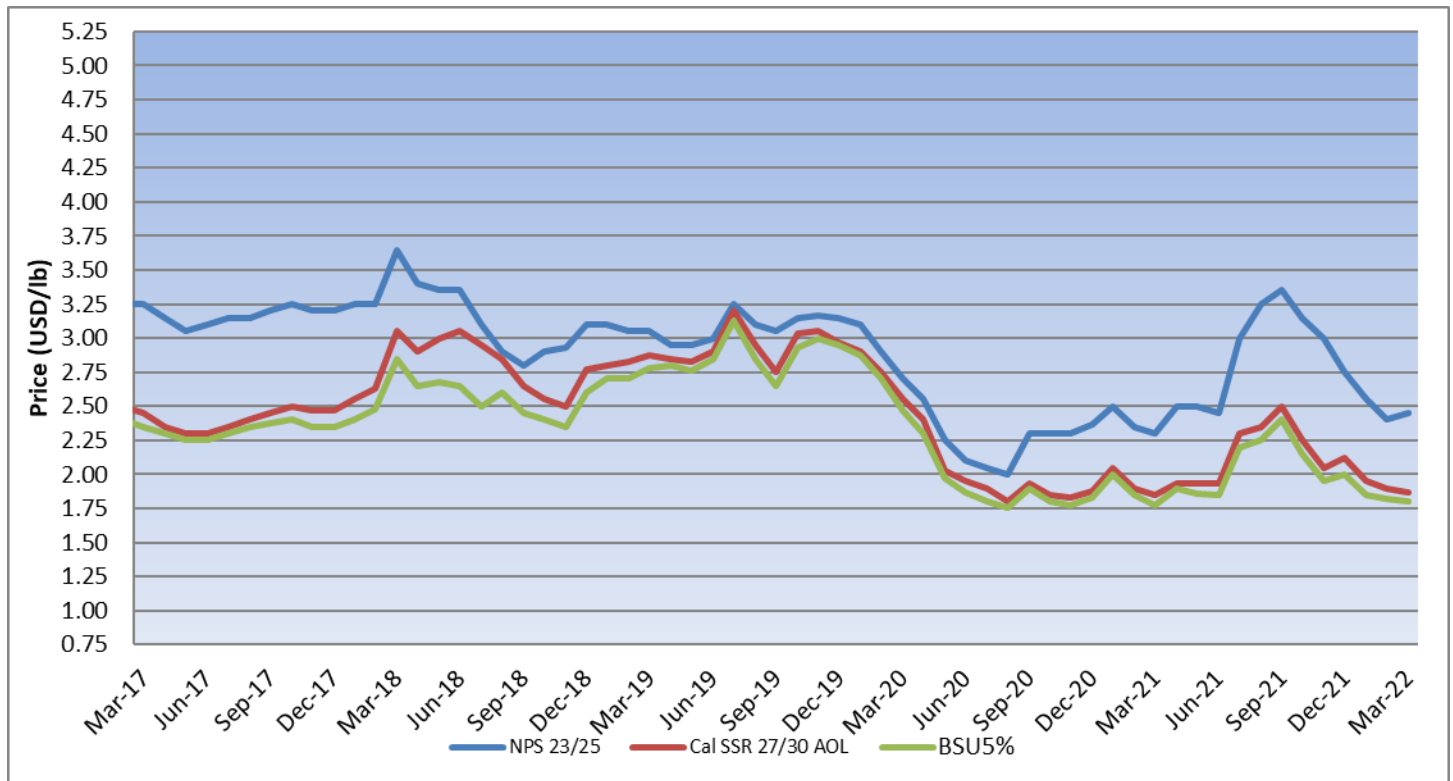
Export Shipments

Export shipments were **-11.1%** at 145.78 million pounds. This is 18.19 million pounds less than the record set last year of 163.97 million pounds. New export sales for the month of February were about 151 million pounds.

Regional Shipments

	<u>Aug. 2021 - Feb. 2022</u>		<u>Aug. 2020 - Feb. 2021</u>		<u>% Change</u>
	<u>Shelled</u>	<u>Inshell</u>	<u>Shelled</u>	<u>Inshell</u>	
<u>EUROPE</u>					
France	11,044,468	0	20,747,587	0	-47%
Germany	59,427,044	30,600	78,647,959	30,600	-24%
Italy	43,902,540	1,180,758	53,795,943	1,400,767	-18%
Netherlands	50,882,127	0	50,363,171	0	1%
Spain	98,212,600	678,350	130,604,328	1,034,983	-25%
U.K.	15,517,242	62,767	23,189,590	0	-33%
<u>MIDDLE EAST</u>					
Israel	5,614,650	634,492	7,686,390	223,758	-21%
Jordan	7,056,900	508,185	7,580,875	661,873	-8%
Saudi Arabia	8,302,700	29,597	14,593,610	240,362	-44%
Turkey	17,843,488	12,606,672	28,588,999	11,258,948	-24%
UAE	47,879,270	10,789,155	64,875,949	8,894,033	-20%
<u>ASIA</u>					
China/HK	25,957,806	65,383,584	62,875,248	63,008,689	-27%
Japan	52,148,461	47,793	46,974,168	3,460	11%
South Korea	41,875,356	0	44,460,014	0	-6%
Vietnam	14,181,305	477,173	15,049,525	4,719,462	-26%
India	6,348,469	207,858,251	1,402,224	260,721,217	-18%

Historical Pricing



Conclusion

California shipped 199.16 million pounds in February, down **-15.0%** from the record set in February 2021 of 234.21 million pounds. Domestic shipments of 53.38 million pounds were down **-24%** compared to the previous February and export shipments of 145.78 million pounds were down **-11.1%** from a year ago. Year-to-date shipments of 1.438 billion pounds are 274 million pounds (**-16.01%**) behind last season's YTD shipments of 1.712 billion pounds. New sales for the month of February were 215 million pounds compared to 189 million pounds last February. Total committed shipments of 857 million pounds are down 30 million pounds (**-3.33%**) from last year at this time. California added 64 million pounds in receipts during the month of February, bringing YTD receipts to 2.892 billion pounds compared to 3.087 billion pounds at this time last season. Assuming California is the same percentage received as last year, the final crop size for 2021 will be around 2.910 billion pounds. Based on a crop of this size, the industry 66% sold (shipments + commitments) compared to 74% sold at this time last season.

Last month, at the release of the January shipment report, bloom had just begun in California in dry and warmer than average temperatures. Conditions were near perfect for the first 10-14 days, leading to bloom progressing quickly from Northern California down to Kern County. This all abruptly changed during the week of February 21st when a cold front moved into California causing overnight temperatures towards the end of the week to go below freezing in several growing regions. While it is still too early to assess the extent of the frost damage, growers in Northern California are reporting the most damage, with reports of varying degrees of damage in Central California and to a lesser degree in the Southern San Joaquin Valley. The industry should have a better idea of the damage next month when the March shipment report is released. In the meantime, dry conditions continue to prevail in California, with rain and snowpack percentages below normal for this time of year. What once looked like a promising wet Winter is now looking like another year of drought conditions and water restrictions.

The market has been very active the last several weeks, likely due to a combination of very attractive pricing and the unknown extent of the frost damage to the 2022 crop. February new sales were a record 215 million pounds. New sales have been very strong for the last few months while monthly shipments continue to track behind last season. These strong new sales have brought total commitments to within 30 million pounds of last year at this time. If it weren't for the current shipping environment, California would arguably be setting similar shipment records for the months ahead. Unfortunately, shipping difficulties are likely to continue for the foreseeable future, limiting monthly shipments and further increasing the ending inventory position on paper. With that said, a larger percentage of the carryout figure is likely to consist of almonds already sold and not yet shipped. Even with a record carryout expected, don't be surprised to see some items sold out before new crop is harvested – in particular NPX and Inshell.

We encourage buyers to cover their needs for the coming months sooner rather than later to account for continued shipping delays.

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

Best regards,
DERCO FOODS