DERCO FOODS®

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February 2023 Almond Position Report

February 2023 shipments were 245.74 million pounds. This is +23.4% compared to February 2022 shipments of 199.16 million pounds.

2022 Almond Supply

Carry-in from the 2021 crop:	837 million pounds
Estimated 2022 crop size:	2.60 billion pounds
Less 2% loss / exempt:	52 million pounds
Less shipments to date:	1.517 billion pounds
Less commitments:	785 million pounds
Remaining unsold supply:	1.083 billion pounds

Receipts, Shipments & Inventory v. 2021 Season

Receipts:	-12.76%
Total supply v. 2021 season:	-3.87%
Shipments v. 2021 season:	+5.51%
Uncommitted inventory:	-12.17%

Receipts & Shipments
2022 crop receipts are 2.523 billion pounds, which is -12.76% compared to 2021 crop receipts of 2.892 billion pounds. February shipments of 245.74 million pounds are a new record, surpassing the previous record of 234.21 million pounds set in February 2021 and bettering last February's shipments by 46.58 million pounds.

Commitments (Almonds that are sold, but not yet shipped)
Domestic commitments of 330 million pounds are -5.24% and export commitments of 454 million pounds are -10.69% compared to February 2022. New sales during the month of February were about 190 million pounds.

Domestic Shipments
Domestic shipments were +7.6% at 57.46 million pounds. This is 4.08 million pounds more than last year, but 12.77 million pounds less than the record set in February 2021. New domestic sales for the month of February were about 39 million pounds.

Export Shipments
Export shipments were +29.2% at 188.28 million pounds. This is a new record, surpassing the previous record of 163.97 million pounds set in February 2021 and bettering last February's shipments by 42.5 million pounds. New export sales for the month of February were about 151 million pounds.

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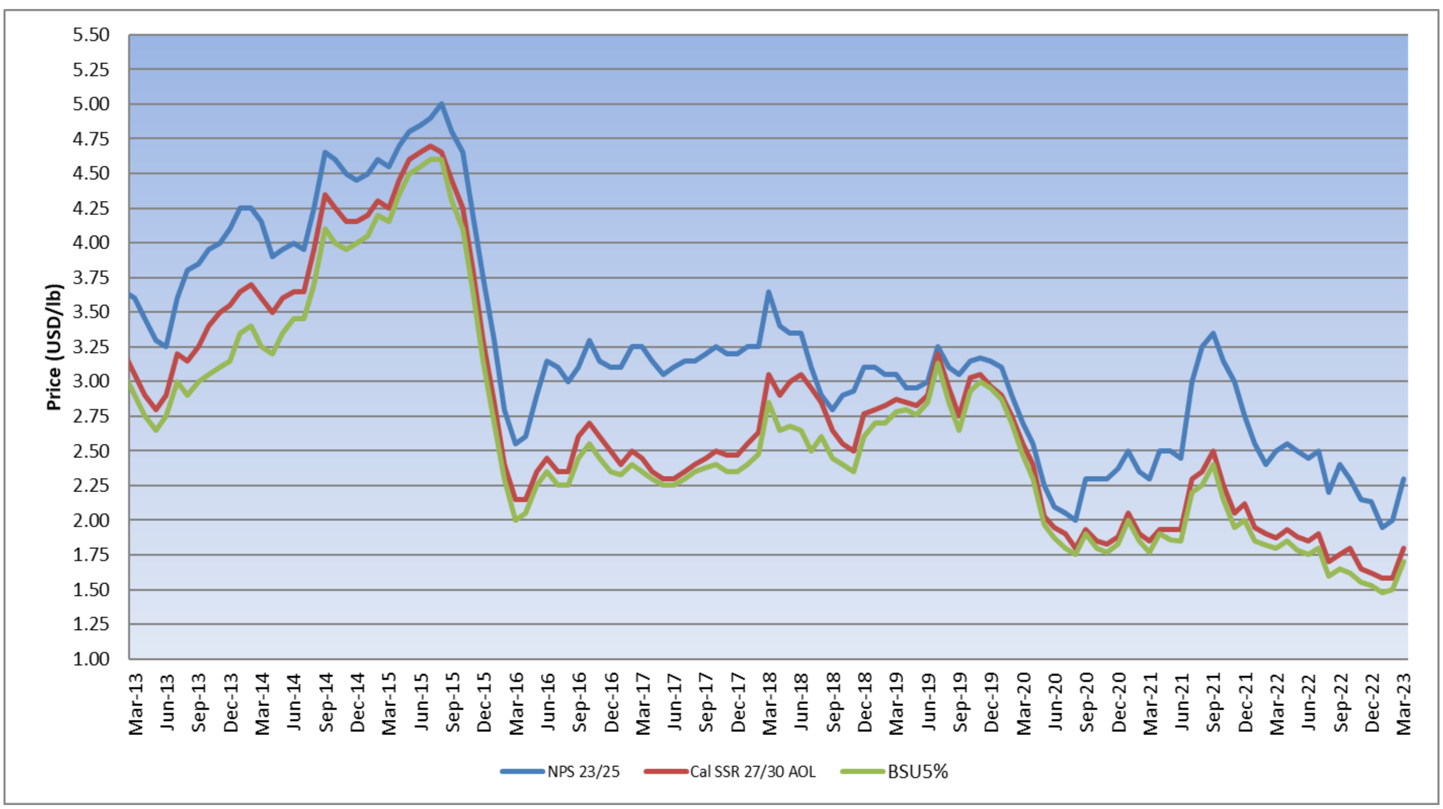
Regional Shipments

	Aug. 2022 - Feb. 2023		Aug. 2021 - Feb. 2022		% Change
EUROPE	**Shelled**	**Inshell**	**Shelled**	**Inshell**	
France	14,828,319	0	11,044,468	0	34%
Germany	61,990,250	64,305	59,427,044	30,600	4%
Italy	44,558,622	1,482,997	43,902,540	1,180,758	2%
Netherlands	48,613,044	0	50,882,127	0	-4%
Spain	114,692,596	761,849	98,212,600	678,350	17%
U.K.	13,224,957	12,242	15,517,242	62,767	-15%
MIDDLE EAST					
Israel	6,098,711	839,372	5,614,650	634,492	11%
Jordan	13,923,450	699,711	7,056,900	508,185	93%
Saudi Arabia	16,055,500	177,952	8,302,700	29,597	95%
Turkey	36,279,642	10,503,307	17,843,488	12,606,672	54%
UAE	72,572,264	13,381,680	47,879,270	10,789,155	47%
ASIA					
China/HK	33,958,708	57,675,185	25,957,806	65,383,584	0%
Japan	43,579,137	3,966	52,148,461	47,793	-17%
South Korea	27,065,942	0	41,875,356	0	-35%
Vietnam	10,037,579	1,181,690	14,181,305	477,173	-23%
India	1,855,107	222,212,756	6,348,469	207,858,251	5%

Historical Pricing



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Conclusion

California shipped a record 245.74 million pounds in the month of February. Shipments were expected to be very strong given record new sales of 350 million pounds in January. Both domestic and export shipments exceeded last February's figures – with export shipments setting a new record at 188.28 million pounds. YTD shipments of 1.52 billion pounds are up 5.51% or about 79 million pounds more than last season's pace. Domestic commitments of 330 million pounds are down 5.24% and export commitments of 454 million pounds are down 10.69%. Total committed shipments of 785 million pounds are down 8.47% or about 73 million pounds less than last year at this time. New sales during the month of February were 190 million pounds compared to 189 million pounds last year and 192 million pounds two years ago. Crop receipts of 2.523 billion pounds are down 12.76% compared to crop receipts of 2.892 billion pounds at this time last season. If California is the same percentage received as last year, the final 2022 crop size will be approximately 2.55 billion pounds – about 50 million pounds shy of the estimate. Based on a crop size of 2.55-2.60 billion pounds, California is 68-69% sold compared to 66% sold at this time last year.

Both domestic and export shipments had a strong showing for the month of February. While domestic shipments were not a record, they still surpassed last February's shipments by more than 4 million pounds. For the second consecutive month, export shipments set a new record. A large percentage of these shipments – particularly on the export side – were likely contracted in January when prices in California fell to their lowest levels this season. Shipments to China/HK (approx. 644 FCLs) were way up in February compared to a year ago – an increase of nearly 18 million pounds. YTD shipments to China/HK are now even compared to last season. Shipments were also very strong to India (approx. 1,084 FCLs) for the month of February – up 14 million pounds. YTD shipments to India are now up 5% versus last year. Shipments to Western Europe (approx. 1,151 FCLs) were down 12 million pounds compared to last February, but are still up over 12 million pounds YTD. February shipments to the Middle East were up 17 million pounds, led by the UAE (approx. 351 FCLs), Turkey (approx. 213 FCLs) and Saudi Arabia (approx. 91 FCLs). Lastly, shipments to North Africa (Morocco: 152 FCLs, Libya: 51 FCLs and Algeria: 32 FCLs) were up 5 million pounds for February and are up 54% YTD.

With bloom coming to an end in California, the past month has been anything but boring. California has experienced some of the most unprecedented conditions during the 2023 bloom, which has been one of the longest blooms in recent memory. California went from a promising start to bloom at this time last month to a series of unfavorable conditions consisting of cold daytime temperatures, at or below freezing low temperatures, rain, hail, wind and even snowfall in some growing regions. Given the consistency of these conditions the last 2-3 weeks – resulting in a lack of bee flight hours for pollination – California is genuinely concerned about the effects this will have on the 2023 crop size. With that said, the industry will have to wait at least a few more weeks to see how the crop starts to develop on the trees before drawing any conclusions. Given the uncertainty of the 2023 crop, selling interest has been very limited the last few weeks for current and new crop alike. This trend may continue for the next few weeks as well until we have more clarity on the upcoming crop. Since last month, prices have increased by about $0.20/lb or more and with today's report prices should at least remain firm at current levels.

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