

May 2023 Almond Position Report

May 2023 shipments were 195.67 million pounds. This is **-24.0%** compared to May 2022 shipments of 257.55 million pounds.

2022 Almond Supply

Carry-in from the 2021 crop:	837 million pounds
2022 crop size:	2.57 billion pounds
Less 2% loss / exempt:	52 million pounds
Less shipments to date:	2.191 billion pounds
Less commitments:	483 million pounds
Remaining unsold supply:	681 million pounds

Receipts, Shipments & Inventory v. 2021 Season

Receipts:	-11.82%
Total supply v. 2021 season:	-3.13%
Shipments v. 2021 season:	+0.25%
Uncommitted inventory:	+2.64%

Receipts & Shipments

2022 crop receipts are 2.566 billion pounds, which is **-11.82%** compared to 2021 crop receipts of 2.910 billion pounds. May shipments of 195.67 million pounds are 61.88 million pounds less than the record set last year of 257.55 million pounds.

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

Domestic commitments of 245 million pounds are +2.36% and export commitments of 238 million pounds are **-36.49%** compared to May 2022. New sales during the month of May were about 114 million pounds.

Domestic Shipments

Domestic shipments were **-14.3%** at 54.94 million pounds. This is 9.2 million pounds less than last year and 14.95 million pounds less than the record set in May 2021. New domestic sales for the month of May were about 36 million pounds.

Export Shipments

Export shipments were **-27.2%** at 140.73 million pounds. This is 52.67 million pounds less than the record set last year of 193.40 million pounds. New export sales for the month of May were about 78 million pounds.

Regional

	<u>Aug. 2022 - May 2023</u>		<u>Aug. 2021 - May 2022</u>		<u>% Change</u>
	<u>Shelled</u>	<u>Inshell</u>	<u>Shelled</u>	<u>Inshell</u>	
<u>EUROPE</u>					
France	21,929,819	0	17,326,881	0	27%
Germany	93,654,795	97,605	92,767,740	91,800	1%
Italy	71,414,572	1,765,612	70,145,655	1,481,999	2%
Netherlands	73,787,150	0	85,117,454	32,247	-13%
Spain	164,653,412	982,103	183,720,979	869,751	-10%
U.K.	21,334,316	12,242	22,891,913	62,767	-7%
<u>MIDDLE EAST</u>					
Israel	9,533,661	933,625	9,230,219	923,384	3%
Jordan	19,160,950	961,299	11,487,400	629,056	66%
Saudi Arabia	23,504,625	210,744	15,562,850	57,047	52%
Turkey	56,299,100	11,376,021	39,861,103	16,056,939	21%
UAE	96,217,964	15,803,844	83,585,846	14,636,439	14%
<u>ASIA</u>					
China/HK	53,824,332	78,196,132	37,843,329	73,282,202	19%
Japan	71,920,520	3,966	82,011,187	47,793	-12%
South Korea	45,578,531	0	57,307,108	0	-20%
Vietnam	18,369,599	1,211,623	21,582,303	505,522	-11%
India	2,675,107	288,686,257	8,369,053	291,825,969	-3%

Historical Pricing



Conclusion

May 2023 shipments were 195.67 million pounds compared to 257.55 million pounds last May. Domestic shipments of 54.94 million pounds were down 14.3% and export shipments of 140.73 million pounds were down 27.2% compared to May 2022. YTD shipments of 2.191 are still tracking slightly ahead of last season by 5 million pounds (+0.25%). Domestic commitments of 245 million pounds are up 2.36% (up 5.6 million pounds) and export commitments of 238 million pounds are down 36.49% (down 137 million pounds) compared to last season. Total commitments of 48 million pounds are down 21.37% (down 131 million pounds). Uncommitted inventory of 677 million pounds is up 2.64% or about 17 million pounds higher than last year at this time. New sales for the month of May were 114 million pounds – nearly identical to last month. New crop commitments are at 57.5 million pounds compared to 128.6 million pounds last year, 231.5 million pounds two years ago and 286.5 million pounds three years ago. California added 2.7 million pounds in receipts during the month of May bringing YTD receipts to 2.566 billion pounds. Based on a final crop size of 2.57 billion pounds, the industry is currently 80% sold compared to 81% sold at this time last season.

Global shipments to most major export markets were down for the month of May. Shipments to China/HK (142 FCLs) were down 750,000 pounds compared to last May, but are still up 21 million pounds (+19%) YTD. Like several other export markets, buying interest from China/HK has increased in the last two weeks – mostly for kernels. Shipments to India (624 FCLs) were down 14 million pounds for May and are down 9 million pounds (-3%) YTD. Most Indian importers need to buy, but have been waiting patiently for prices to stabilize in California before reentering the market. Shipments to the Middle East (UAE: 63 FCLs, Turkey: 122 FCLs, Saudi Arabia: 32 FCLs and Jordan: 42 FCLs) were collectively down 18 million pounds for May, but are still up 46 million pounds (+23%) YTD as a region. While inventory levels remain high in Dubai, which continues to suppress demand, buying interest from Turkey has been strong the last two weeks as buyers take advantage of attractive pricing from California. May shipments to North Africa (Morocco: 130 FCLs and Algeria: 27 FCLs) were down 2 million pounds, but are up 39 million pounds (+91%) YTD. Lastly, shipments to Western Europe (1,196 FCLs) were down 18 million pounds for May and are down 36 million pounds (-7%) YTD. Western Europe has arguably been the most active market the last two weeks and expectations are for buyers to continue to cover their current crop needs in the weeks ahead.

The market in California has been volatile in the past month. The grower Subjective Estimate, which was released the day after the April shipment report, was higher than industry expectations at 2.50 billion pounds compared to earlier estimates ranging between 2.29-2.35 billion pounds. This information combined with a poor outlook for May shipments resulted in prices decreasing for all items. While most industry members are of the opinion that the official Objective Estimate, which will be released on July 7th, is more likely to be lower than the Subjective Estimate as opposed to higher, the industry still saw no other option than to lower prices to increase buying activity. There is clearly pent-up demand from several global markets and as prices are beginning to stabilize again at attractive levels, we are seeing confidence on the part of buyers to cover their needs from the remaining 2022 crop. New crop selling interest continues to be limited with most sellers willing to wait for the Objective Estimate before offering new crop in a meaningful way. Given the uncertainty of the official Objective Estimate next month, we would encourage buyers to continue to cover some of their needs for the months ahead as a hedge against the potential for a lower official estimate.

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