



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

May 2025 Walnut Report

2024/25 Walnut Supply (inshell tons)

Carry-in from prior season:	94,742
<u>2024 Crop Receipts:</u>	<u>605,288</u>
Total available for shipment:	700,030
<u>Less: **Approx shipments to date thru May 31:</u>	<u>517,344</u>
Remaining unshipped supply:	182,686
<u>Less: **Approx commitments as of May 31:</u>	<u>111,208</u>
Remaining supply available for sale:	71,478

*Estimated 2024 total crop receipts

**Estimated inshell equivalent tons using meat yield of 43.0% for calculation purposes

Shipments

Total season to date shipments through May are about 517,344 inshell equivalent tons. This is about **-217,000** inshell equivalent tons (**-30%**) lower than the same period last season.

- Inshell walnut shipments were 5.6 million pounds for the month of May, a decrease of **-7.85** million pounds (**-58%**) compared to May 2024.
- Season to date inshell shipments are 138.6 million pounds through May, a decrease of **-178.5** million pounds (**-56%**) compared to the same period last season.
- Shelled walnut shipments were 31.8 million pounds for the month of May, a decrease of **-15.9** million pounds (**-33%**) compared to May 2024.
- Season to date shelled shipments are 385.3 million pounds through May, a decrease of **-98.7** million pounds (**-20%**) compared to the same period last season.

The 2024 California walnut crop was down **-215,000** inshell tons (**-26%**) compared to the prior season. Season to date shipments from California are down similarly. The bigger decline has been reflected in inshell shipments as growers in California focused production and sales on kernel markets including USA, Europe, Japan and Korea where margins were better. Strong early season competition from China for inshell walnuts drove markets including Turkey and the Middle East away from California origin walnuts this season.

Year over year shipments by Region:

	<u>Inshell Pounds</u>			<u>Shelled Pounds</u>		
	<u>Sep 2023 - Mar 2024</u>	<u>Sep 2024 - Mar 2025</u>	<u>% Change</u>	<u>Sep 2023 - Mar 2024</u>	<u>Sep 2024 - Mar 2025</u>	<u>% Change</u>
North America	13,112,178	10,943,321	-17%	214,993,420	156,448,649	-27%
Europe	65,356,908	55,830,296	-15%	145,053,562	136,627,136	-6%
Middle East / Africa	204,772,284	36,987,718	-82%	30,839,217	11,536,676	-63%
Asia / Pacific Rim	31,458,973	34,556,230	10%	85,992,684	75,337,918	-12%
Total	317,181,767	138,632,799	-56%	484,003,060	385,303,533	-20%



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

Purchase Commitments and Sold Position

Future purchase commitments (sold but not yet shipped) as of May 31 were about 111,000 inshell equivalent tons. Commitments are trending lower the past two months indicating lower new sales and limited unsold inventory.

Season-to-date shipments of 517,344 tons plus purchase commitments of 111,000 tons means that 628,344 tons of the 2024/25 crop have been sold. This equates to 104% of the 605,288 ton crop or 90% of total supply (crop + carry-in) with 3 months to go in the walnut marketing season.

If shipments the remainder of the marketing season (June – August) are lower than prior season by an average of 30%, the carry-out would be about 90,000 inshell equivalent tons. This would be just below the carry-in of 94,742 tons and would be considered essentially “sold out”.

2025 Chilean Walnuts

The 2025 Chilean walnut crop harvest is now complete with expectations of a final crop near 160,000 inshell tons. Quality is reported to be good in terms of meat yield, color and defects. Overall sizing of nuts is smaller than normal meaning there will be less availability of big sizes.

Shipments from Chile through the month of May are up +43% compared to the same period last year. This can be partially attributed to an earlier and smoother harvest as well as strong early demand from buyers in Europe. With California being mostly sold out, European buyers were more aggressive than usual for early purchases from Chile.

The good demand from Europe helped stabilize the market despite lower sales volume to India so far this season. Demand in India for walnuts remains exceptionally high but importers are unable to move forward due to pressure from Indian tax authorities over past purchases and back taxes. While there is optimism in the market that the duties on walnuts will eventually be reduced, the timing is unlikely to help for the 2025 Chilean crop. In the meantime, those importers who do purchase and successfully navigate customs and tax authorities are likely to benefit from good demand and less local supply.

Summary

The walnut market in California has been quiet in recent weeks with low supply and little demand. Prices have slid for those still working to sell remaining stocks. Many buyers have turned their attention to Chile for fresh supply. It is still early to comment on the development of the 2025 California walnut crop although conditions so far have been good. We anticipate a tight transition to new crop with stable pricing in California.

Please let us know if our offices in Dubai, India, China, or the US may be of further assistance.

Best regards,
DERCO FOODS