

November 2021 Almond Position Report

November 2021 shipments were 220.91 million pounds. This is **-16.1%** compared to November 2020 shipments of 263.18 million pounds.

2021 Almond Supply

Carry-in from the 2020 crop:	608 million pounds
Estimated 2021 crop size:	2.80 billion pounds
Less 2% loss / exempt:	56 million pounds
Less shipments to date:	873 million pounds
Less commitments:	753 million pounds
Remaining unsold supply:	1.726 billion pounds

Receipts, Shipments & Inventory v. 2020 Season

Receipts:	-4.22%
Total supply v. 2020 season:	+2.07%
Shipments v. 2020 season:	-14.99%
Uncommitted inventory:	+59.16%

Receipts & Shipments

2021 crop receipts are 2.312 billion pounds, which is **-4.22%** compared to 2020 crop receipts of 2.414 billion pounds. November shipments of 220.91 million pounds is 42.27 million pounds less than the record set last year. 2021 crop shipments of 873 million pounds are **-14.99%** compared to 2020 crop shipments of 1.027 billion pounds.

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

Domestic commitments of 339 million pounds are **-13.84%** and export commitments of 414 million pounds are **-32.27%** compared to November 2020. New sales during the month of November were about 226 million pounds.

Domestic Shipments

Domestic shipments were **-4.0%** at 65.00 million pounds. This is 2.69 million pounds less than the record set last year. New domestic sales for the month of November were about 60 million pounds.

Export Shipments

Export shipments were **-20.2%** at 155.90 million pounds. This is 39.59 million pounds less than the record set last year. New export sales for the month of November were about 166 million pounds.

Regional Shipments

	<u>Aug 2021 - Nov 2021</u>		<u>Aug 2020 - Nov 2020</u>		<u>% Change</u>
	<u>Shelled</u>	<u>Inshell</u>	<u>Shelled</u>	<u>Inshell</u>	
<u>EUROPE</u>					
France	5,857,307	0	9,152,182	0	-36%
Germany	34,475,342	0	39,462,836	30,600	-13%
Italy	21,862,412	895,376	31,824,394	822,163	-30%
Netherlands	26,633,505	0	29,596,011	0	-10%
Spain	51,271,849	337,151	72,948,604	369,643	-30%
U.K.	10,458,826	62,767	12,261,610	0	-14%
<u>MIDDLE EAST</u>					
Israel	2,743,995	455,846	3,812,695	127,908	-19%
Jordan	3,854,500	370,710	5,195,000	455,587	-25%
Saudi Arabia	2,785,050	29,597	6,223,460	59,400	-55%
Turkey	11,245,459	8,400,112	19,785,613	6,912,764	-26%
UAE	34,182,468	6,823,528	34,359,950	6,460,785	0%
<u>ASIA</u>					
China/HK	21,386,887	59,768,574	46,401,761	51,872,881	-17%
Japan	25,543,060	47,656	21,567,080	3,460	19%
South Korea	23,328,055	0	22,607,728	0	3%
Vietnam	9,042,505	393,005	8,740,048	4,459,932	-29%
India	5,800,555	141,090,071	652,500	178,911,342	-18%

Historical Pricing



Conclusion

California shipped 220.91 million pounds in the month of November, which is **-16.1%** or 42.27 million pounds less than the record set last year of 263.18 million pounds. This was in-line with expectations, with many in the industry projecting a near identical figure of 220 million pounds leading up to the report. November shipments were about 4 million pounds more than the industry shipped last month, but otherwise flat. As it stands, ~220 million pounds may arguably be at industry capacity in the current shipping environment. Year-to-date shipments of 873 million pounds are down 154 million pounds (**-14.99%**) compared to last season. Total commitments are **-25.05%** or 252 million pounds less than a year ago at this time. New sales for the month of November were 226 million pounds, which is 18 million pounds less than last month and 9 million pounds less than November 2020. YTD receipts of 2.312 billion pounds are **-4.22%** or 102 million pounds less than last year. Based on a crop size of 2.80 billion pounds, the industry is currently 49% sold (commitments + shipments) compared to 58% sold at this time last season.

U.S domestic shipments were **-4%** for the month of November and are currently tracking **-3.72%** YTD. Export shipments for the month of November were **-20.2%** and are currently tracking **-19.03%** YTD. Export shipments to most major global markets were again down for the month of November. Shipments to India were down 7 million pounds compared to November 2020 and are down 33 million pounds YTD. Shipments to China/HK were down 15 million pounds for the month of November and are down 17 million pounds YTD. European shipments for November were down 11 million pounds and are down 54 million pounds YTD. Shipments to the Middle East were up 1 million pounds in November, but are still down 14 million pounds YTD. Lastly, on a positive note, shipments to Japan and Korea are still ahead of last season's pace and shipments to the U.A.E have pulled even with last year. Given the above, there is a sense of pent-up demand within the industry and that most major markets are relatively uncovered for Q1 and Q2. In just the last couple weeks, California has seen an increase in global demand and there is anticipation of more buying to take place in the near future.

Today's report can arguably be interpreted as neutral. Yes, shipments and commitments are down, but this likely means that buyers have less inventory on hand, in transit and on the books compared to a year ago. Crop receipts are 100 million pounds less than last year at this time. With that said, there are still a lot of almonds in stockpiles. Predictions on the final crop size vary depending on who you talk to and continue to range anywhere from 2.80-3.00 billion pounds. Thankfully, California is receiving some much-needed rain and snow this week. However, water allocations are currently set at 0% for this upcoming year. Even if California were to receive above average rain/snow this Winter, water deliveries will likely be a small fraction of normal – potentially leading to a shorter 2022 crop. It would appear for now that there is limited upside, as well as downside for the next couple months, with bloom potentially being the next major event to shake up the current pricing dynamic.

With almonds continuing to trade at historically low-price levels and given the ongoing global supply chain disruptions, we encourage buyers to continue to cover their needs for the months ahead and for sellers to actively participate to help put a further dent in supply.

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