

October Shipment Report

We already have the publication of the last report about the American shipments of the past month of OCTOBER 2020.

The number of shipments is 309.68 Mlb (+ 16.6%). We have a RECORD figure for one more month, compared to the 265.50 Mlb in October of the previous harvest. With which the three months of harvest have been record, August, September and October.

Regarding sales we have a very significant data, 250.01 Mlb has been sold this month, being 294.96 Mlb last year, which means -15.24% of sales. This would explain what happened in recent weeks, in which good shipments were announced news but the price did not move. These poor sales are a clearly bearish price indicator as opposed to the uptrend of good shipments.

Export shipments have been 235.92 Mlb (+ 16.2%), also record. Domestic sales were 73.76 Mlb (+ 17.9%), also a record.

Regarding the harvest, we have an income of 1,810.65 Mlb (+ 13.86%). In September we had + 25.39% with which this percentage has dropped. If this higher percentage of harvest were maintained, we would have 2.90 Blb of harvest, less than the estimated 3 Blb. Therefore, we have a total usable (available) harvest of 2,224.56 Mlb (+ 18.53%). Clearly it can be seen that the entry of the harvest in August and September was very good, typical of the advance of the harvest, and in this month of October this entry has been considerably reduced compared to previous months.

Regarding what was sold and not shipped, we have a total of 1,033.04 Mlb (+ 48.86%), reducing the percentage compared to last September, which was a total of + 64.44%. Shelling would be, with respect to domestic, 412.61 Mlb (+ 36.06%) and exports 620.42 Mlb (+ 58.79%).

With these data we can see that they have sold + 37.85% compared to last year. With a total availability of + 18.53%, the level of accumulated sales is positive.

Regarding the destination of shipments, countries such as China, India, Spain (with 22.28 Mlb (+ 10.4%)) or Italy stand out positively, and some negative ones such as Japan, Germany or the United Arab Emirates.

With which, we have a good month of shipments with a poor monthly sales level. The entry of the harvest has been clearly slowed down and the cushion of increased sales compared to the increased harvest continues to be on the side of higher sales, but it has been reduced compared to previous months, especially since August.

Spanish Almond

As for the Spanish almond, activity is quite low since the supply is scarce and we have a very weak demand, especially from Europe. Due to this situation the market is stable with prices that are around 3.50 and 3.60 €/kg if we talk about Valencia or a single variety.

This crop has been very quiet, too much if we compare with other crops. The problem is the consumption, very low. Like with the California Almond, the low activity the last days is due to there is a consumption low, not a price's problem.

American Almond

The Std 5% rises between 3 and 5 cents to around \$1.78/lbs. Packers reacted higher to an expected shipment report and lower sales than last month. They justify their rise by saying that the selling position is good for the time of year and that California is 52-53% sold.

These days we can see that the offer is active, especially by traders and packers. The prices between Std 5% and the other varieties, qualities and calibers are normal now if we compare with other years.

In this graphic we can see the evolution of prices in last years:



Global Market Update

The Almond Board of California publishes a monthly update on global demand and international markets for almonds. I add a short summary about this month's updates.

- The EU's retaliatory tariffs on the USA have started on November 10 and the almond and roasted almond are not on the final list.
- Shipping companies are canceling or postponing shipments to favor the shipment of containers back to Asia and are leaving almond exporters with delays in fulfilling their contracts.
- The end of Brexit is just around the corner. Next November 19 is the deadline for the agreement draft. It is expected that it will not affect the PEC program to reduce container inspections.
- A photo of the destination of Australian almond exports is added below as market information, as Australia has recently published its annual nut report. It is observed how the export to India, Spain decreases and how it increases in China / Hong Kong and the slight increase in Germany. If the USA loses China, Australia beats China, USA beats India.

Figure 6 – Major Australian Almond Export Destinations



Source: Australian Bureau of Statistics