

# Walnut Market Report

- The recent fluctuations in exchange rates and increasing domestic demand have led to a rise in prices for Chinese walnuts in recent days
- The harvest season in the US has started. The US walnut market remains firm, and despite forecasts of lower production for the 2024 harvest, industry leaders are optimistic about the market's outlook.

01<sup>th</sup> October, 2024



## INSIDE

A. Price

B. Supply

C. Demand

D. Our view

## A. Price:

Indicative CNF Jebel Ali Price USD/MTS Carton packing 10kg for China varieties	
Date	01-October-2024
ELH90 185	4560
ELH90 Xin'er	4850
ELH90 Xingfu	4420
ELH90 Traditional	4270
185 inshell 32mm+	2150
Offers are subject to reconfirmation and till stocks being sold	
For special tests such as Micro, Mycotoxins, Pesticides please get in touch	

## B. Supply Side

### - China:

Chinese walnut prices are currently rising, driven in part by fluctuations in the CNY/USD exchange rate due to the depreciation of the USD. Additionally, a surge in domestic demand from retail chains in China is further contributing to the price hike.

With the substantial price increase of U.S. walnuts, demand for Chinese walnuts, particularly the LH varieties, has grown among importers. Some factories are fully booked with LH orders through the end of the year.

### - US:

U.S. Walnut In-shell and Kernel Prices continue to firm. The 2024 California Walnut Harvest has officially begun with the first incoming loads of the season. However, production of Tulare and Chandler walnuts is experiencing significant declines, driving up prices. A limited supply and smaller nut sizes are expected to impact both availability and cost.

2024 California's walnut production is projected to decrease by 19%, with an expected output of 670,000 tons, down from 824,000 tons in 2023. Despite the reduction, the quality remains high, and the crop size is anticipated to be similar to that of the 2019 harvest.

Furthermore, carryover stock is forecasted to be one of the lowest in recent seasons, resulting in a projected drop in Californian supply of over 166,200 metric tons.

## - Chile

Chile's 2024 walnut harvest saw a notable 26% decline compared to the previous year, leading to a significant drop in export volumes. By the end of August, exports had represented 62% of the total 2024 harvest.

By August 31, 2024, 87.3% of Chile's walnut harvest had already been sold, and it is expected that by the end of October, no remaining stock will be available.

For the first time in many years, even with an expected boost in China's walnut harvest, the global walnut supply for the 2024/2025 season is anticipated to be lower than the previous year. This decrease is driven by several factors: a drop in Chilean production, a forecasted 19% decline in California's harvest, and minimal carryover stocks worldwide.

## C. Demand

Due to numerous buyers struggling to meet their needs during the summer of 2024 and dwindling inventories in destination markets, high demand is anticipated.

Walnuts are now entering the harvest phase in major production country like China and the U.S., triggering a surge in demand. Buyers are rushing to restock for the winter season, with recent orders coming from the EU and the Middle East.

Thanks to more competitive pricing compared to other origins, Chinese-origin walnuts have seen growing demand in some markets that have accepted them, and this trend continues.

Since the beginning of the year, the EU has imported 91,755 metric tons of shelled walnuts. The U.S. increased its walnut exports to the EU by nearly 32%, while China also ramped up its supply. In contrast, Chile and Moldova saw slight declines. Germany led EU imports during this period with 31,880 metric tons, followed by Spain (15,430 metric tons) and the Netherlands (14,230 metric tons).

## D. Our View:

- The recent fluctuations in exchange rates, driven by the decline of the US dollar, and increasing domestic demand have led to a rise in prices for Chinese walnuts in recent days
- The harvest season in the US has commenced, with the first shipments already starting to arrive. The US walnut market remains firm, and despite forecasts of lower production for the 2024 harvest, industry leaders are optimistic about the

For any questions or comments please feel free to contact our team:

Jasvinder  
Ngoc

[jasvinder@namagro.com](mailto:jasvinder@namagro.com)  
[khanhngoc@namagro.com](mailto:khanhngoc@namagro.com)

