

Almond Market Update

- Despite the August position report indicating weaker sales and shipments, the almond market and prices have continued to strengthen due to concerns about the ongoing harvest season.
- Demand has started to pick up to cover the needs for winter seasons and the upcoming holidays. We anticipate that the market will remain stable and firm in the near future.



27 September, 2024



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A. Price:

FAS Prices – 25 September 2024	
Grade	Price (USD/lb)
STD 5%	2.25
INIS	1.90
INDX 23/25	2.90
INDX 27/30	2.80
NPX 23/25	3.05
NPX 27/30	2.95

*Prices are for reference only and are taken from market transaction and feedback

The almond market and prices have continued to strengthen, despite the August position report showing weaker sales and shipments. This upward trend is fueled by concerns over the progress of the 2024 crop, with reports remaining pessimistic about actual harvest yields compared to early estimates, particularly in the southern part of the valley. Additionally, lower-than-expected inventory from the 2023 crop has further contributed to the market's strength.

B. Supply Side

Harvest is now in full swing, thanks to ideal weather conditions featuring above-normal temperatures and low humidity during September. These factors have accelerated almond maturation and drying, allowing the nuts to move directly to hulling and shelling facilities without the usual delays.

Nut size in general is smaller, averaging 27-30 to 30-32. Larger sizes such as 20-22 or 23-25 are harder to find.

In August, almond receipts soared to 290 million pounds—a remarkable 313.65% increase compared to last year. However, early indicators suggest that yields from the initial orchards may be less robust than anticipated, especially from the southern region of the valley, with sizes appearing smaller than last year.

The 2024 crop year is starting with mixed results. Shipments are below expectations due to weaker demand at the end of 2023 crop, leading buyers to approach the new season cautiously amid potential price pressure.

The final carryforward stands at 502 million pounds, with nearly 2.7 billion pounds shipped last year, resulting in an 18.5% stock-to-use ratio—below the critical 20% threshold. Currently, there isn't enough inventory on hand to expect significantly higher shipment figures.

With low carryover and uncertainty surrounding the final crop size, concerns are growing that yields may fall short of expectations. As a result, growers and handlers are being encouraged to maintain current prices. Sellers have become more cautious in their approach, and available offers remain scarce.

C. Demand

The domestic market has been active in recent weeks as buyers adapt to post-Objective Estimate pricing. With substantial unmet demand for the current crop year and inventory only sufficient to last through November, buyers are likely to re-enter the market soon to secure their needs beyond November

The export market is starting to improve, with buyers accepting new price levels. However, some markets with sufficient stock levels have been patient, waiting for early harvest reports before making further moves.

In India, market activity increased throughout the month, leading to price strengthening. Demand is expected to remain robust through October and into November as the market prepares for post-Diwali needs.

South Asian buyers have returned to the market, gaining confidence that prices are unlikely to drop in the near term.

In Europe, buying activity slowed in August, creating a more cautious market. Buyers are making minimal purchases, hoping for price softening before placing larger orders. However, as prices remain stable without signs of decline, purchasing activity is expected to increase as the region prepares for holiday demand.

In the Middle East, buyers have recently become more active, requesting prompt shipments as local supplies diminish. Demand is expected to remain strong in the coming weeks, fueled by the winter season and the early timing of Ramadan in 2025, which necessitates that buyers secure their inventory well in advance.

Despite demand being lower than the same period last year, almond prices have remained stable, showing no signs of decline. As buyers begin preparing for upcoming demand, especially with the holiday season approaching. We anticipate a stable and firm market in the coming weeks and months

D. Our view:

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