

A close-up photograph of almond tree branches. The branches are covered with vibrant green, serrated leaves. Several fuzzy, light-brown almonds are visible, some in sharp focus and others blurred in the background. The overall scene is bright and natural, suggesting a healthy almond orchard.

Wonderful[®]
ALMONDS

Almond Industry Update

As of 4-17-2024

CY 2023 Year to Date Demand Highlights

as of 4/11/24 - 8th month of the Crop Year

		Shipments		Committed
		March	Crop to Date	Not Shipped
Overall:	CY'23	237	1,839	576
	CY'22	281	1,798	647
	Increase: In %	-15.7%	2.2%	-11.1%
	In millions/lbs.	(44.0)	40.4	(72)
Domestic	CY'23	62	482	254
	CY'22	66	487	290
	Increase: In %	-6.0%	-1.0%	-12.4%
	In millions/lbs.	(4.0)	(4.7)	(36)
Export	CY'23	175	1,356	321
	CY'22	215	1,311	357
	Increase: In %	-18.7%	3.4%	-10.0%
	In millions/lbs.	(40.0)	45.2	(36)
Total CY YTD Sales		Domestic	Export	Total
(Includes Shipments & Commitments not Shipped).	CY'23	737	1,678	2,414
	CY'22	777	1,668	2,446
	Increase: In %	-5.2%	0.6%	-1.3%
	In millions/lbs.	(41)	9	(31)

CY 2023 Year to Date Demand Highlights - continued

as of 4/11/24 - 8th month of the Crop Year

California Industry Historical Supply and % Sold by End of March

Crop Year	Committed & Shipped by End of March	Total Saleable Supply		Total Target/Actual Crop Year Shipments		Total Net Edible Crop (= Gross less Inedible)	
		Pounds	% Sold	Pounds	% Sold	Pounds	% Sold
CY 23	2,414	3,142	77%	2,662	91%	2,342	103%
CY 22	2,446	3,365	73%	2,565	95%	2,527	97%
CY 21	2,515	3,471	72%	2,634	95%	2,863	88%
CY 20	2,790	3,506	80%	2,898	96%	3,056	91%
CY 19	2,237	2,822	79%	2,372	94%	2,507	89%
Avg CY19 - CY22:			76%		95%		91%

On Pace = +/- 3% of prior 4 year average

CY'23 Outlook Carry-out = 480 million



= Ahead of Pace



= on Pace



= off Pace

CY 2023 Year to Date Demand Highlights - continued

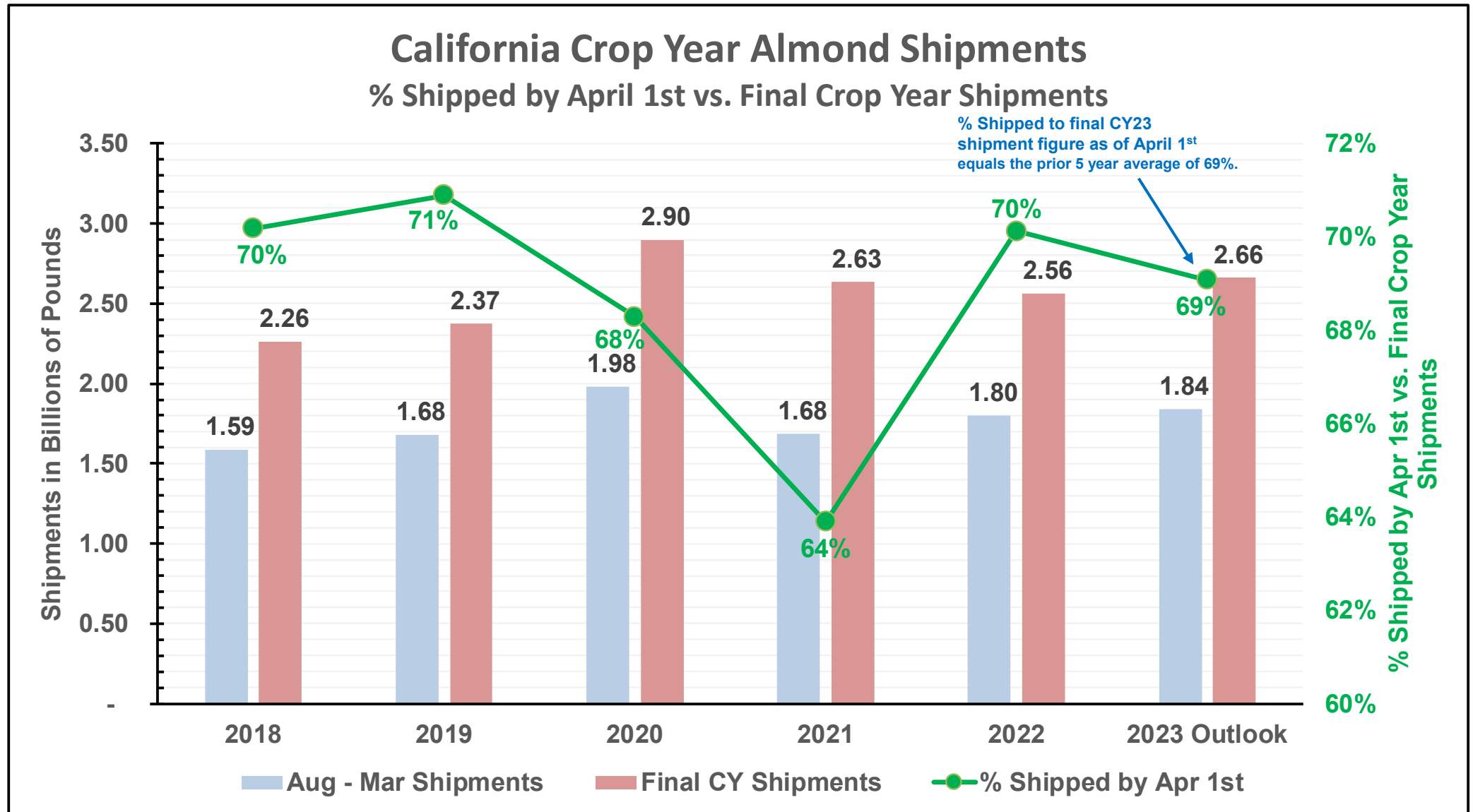
as of 4/11/24 – 8th month of the Crop Year

		In M/lbs.
<u>Total Saleable Supply:</u>		
Full Year 2023 Outlook:	as of 4/11/24	3,142
Full Year 2022 Actual:		3,365
Increase/(Decrease) in Saleable Supply:		
		(222)
Target Shipment Increase in CY'23 vs. CY'22:		
		97

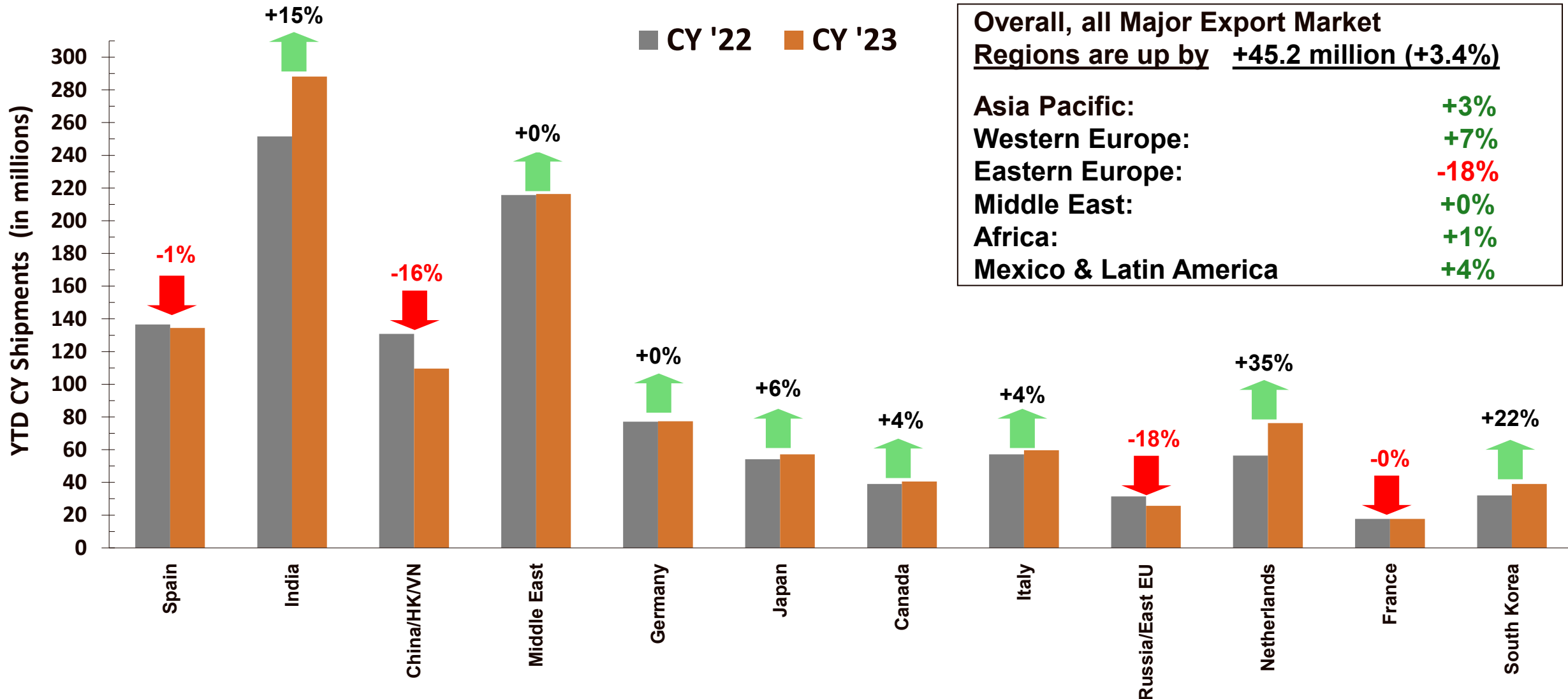
Balance to Ship for the Remainder of the Year		
Target Shipments: Apr '24 - July '24: Total:		823
	Per Month:	206
Actual Shipments: Apr '23 - Jul '23: Total:		766
	Per Month:	192
Difference: CY'22 vs. CY'23	Total:	57
Balance of the Year Shipments:	Per Month:	14.2
Variance in %:		7.4%

CY 2023 Year to Date Demand Highlights - continued

as of 4/11/24 – 8th month of the Crop Year

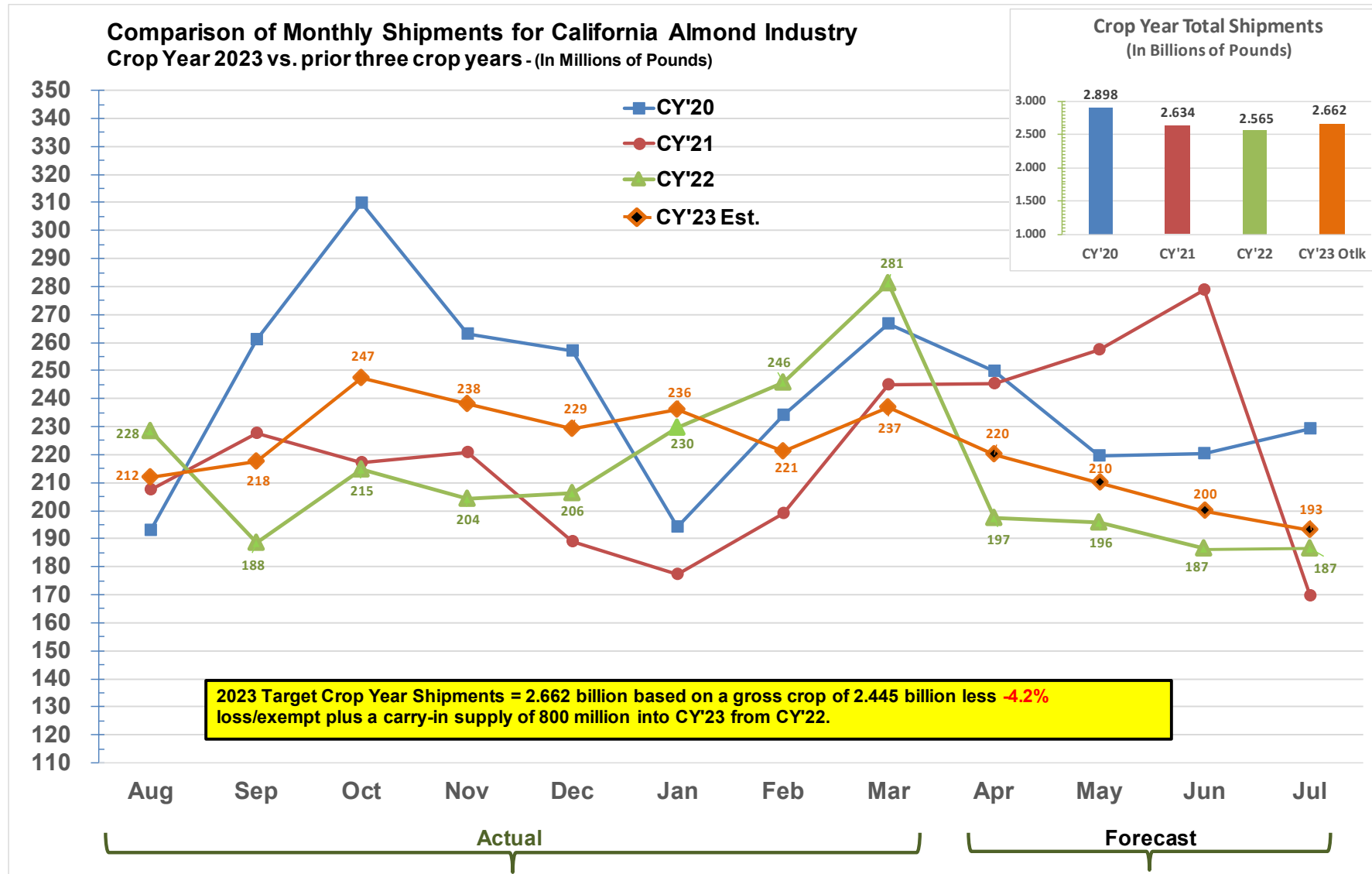


California Almond Export Shipment Demand Comparison CY'22 vs. CY'23 – as of 4/11/24 – 8th month of the Crop Year



California Almond Industry Monthly Shipments

CY'23 Outlook vs. Prior three Crop Years



CY'23 - March 2024 ABC Position Report Summary & Market Status as of 4/15/24

- March 2024 shipments of 237 million were down by -44.0 million pounds (-15.7%) vs. the prior year. Year-to-Date shipments now total 1.839 billion vs. 1.798 billion last year (+40.4 million pounds or +2.2%) as of the end of March. The Total Committed and Shipped figure at the end of March 2024 of 2.414 billion is down by -31 million pounds (-1.3%) vs. the end of March 2023. The Industry's overall sold percentage at the end of February is 77% of the total estimated supply and 103% sold to the estimated 2.342 billion pounds of net crop receipts (2.445 billion pounds gross less 4.2% loss & exempt). CY'23 Commitments not yet shipped of 576 million are down -72 million (-11.1%) than seen at the end of March 2023 and a 82-million-pound improvement vs. this measure from last month.
- **Domestic Shipments** - March shipments of 62 million were down by -4.0 million pounds (-6.0%) vs. last year. YTD Shipments of 482 million are down by only -4.7 million (-1.0%) vs. last year. Total Committed and Shipped volume at the end of March of 737 million represents a 41-million-pound decrease vs. last year (-5.2%).
- **Export Shipments** - March shipments of 175 million were down by -40.0 million pounds (-18.7%) vs. last year. YTD Shipments of 1.356 billion are up +45.2 million (+3.4%) vs. last year. Total Committed and Shipped volume at the end of March of 1.678 billion represents a 9-million-pound increase vs. last year (+0.6%).
- **New Sales** - New Sales for the month of March were 182 million pounds (up +38.1 million pounds or +26.5% vs. last year). We expect new sales over the next 3-month period to be higher than last year (140 million/month) vs. the average seen last year of 128 million/month for the April through June period since the buying pattern this year has been more hand-to-mouth than long contracts.
- **General Market Activity** – Buying interest/activity during the second half of March through April 15th were seasonally normal (meaning at a slower pace than seen in previous months). This is the time of year (April through July) where current crop new sales level's change, going from an average of 225 million/month (September – March) to a lower monthly average of 125 million/month (April – July). This slow-down is a result of two main factors: 1). The bulk of the buying to cover needs until new crop is available has already been completed & 2). Many buyers as well as sellers want to wait to see the first 3 out of 4 “Public” crop estimates and the acreage report before buying or selling additional volume. All of these reports will be made know by the 10th of May.

2023 California Almond Crop Size Outlook - as of 4/11/24

As of the end of February, USDA crop receipts are 2.437 billion vs. 2.549 billion last year (103 million less or down -4.0%). Last year, an additional 20.6 million pounds were reported to the USDA between March and July.

This year, we see that figure (balance left to report) ending up closer to 7-10 million pounds based on what we know is left to be reported. If we are correct, that would put the final crop in the range of 2.44 – 2.47 billion pounds vs. the final 2022 USDA crop receipts of 2.571 billion pounds (down approximately -5% or 126 million pounds less). These figures are of course a comparison of the gross crop size. With the high in-edibles that came with this 2023/24 crop (4.2% vs. 2.12% last year), the net edible sellable supply from the 2023/24 crop along with the smaller carry-in will end up being down close to 222 million less than last year (-6.4%).

California Almond Crop Crop Receipt and Inedible Analysis - CY16 - CY23YTD

Based on USDA Receipt Data from the ABC Position Reports - March

Crop Year	Nonpareil Crop				Total Crop				Nonpareil		Total Crop	
	End of Mar Receipts	Inedibles			End of Mar Receipts	Inedibles			July Y/E Receipts	YTD Mar % Received	July Y/E Receipts	YTD Mar % Received
		YTD Thru March	July Y/E	Change In %		YTD Thru March	July Y/E	Change In %				
2016	815	1.25%	1.25%	0.00%	2,130	1.22%	1.22%	0.00%	814	100.2%	2,131	100.0%
2017	921	2.30%	2.31%	0.01%	2,260	2.41%	2.42%	0.01%	922	100.0%	2,264	99.8%
2018	889	1.90%	1.91%	0.01%	2,264	1.73%	1.73%	0.00%	891	99.8%	2,268	99.8%
2019	1,046	1.56%	1.56%	0.00%	2,541	1.64%	1.65%	0.01%	1,049	99.7%	2,550	99.7%
2020	1,293	1.36%	1.36%	0.00%	3,105	1.41%	1.41%	0.00%	1,296	99.7%	3,115	99.7%
2021	1,124	2.01%	2.01%	0.00%	2,900	1.96%	1.96%	0.00%	1,132	99.3%	2,919	99.4%
2022	991	2.04%	2.04%	0.00%	2,550	2.11%	2.12%	0.01%	997	99.4%	2,571	99.2%
2023	937	4.71%			2,437	4.22%			941	99.5%	2,445	99.7%

- = Average Inedibles got better by Year End
- = Average Inedibles got worse by Year End
- Outlook** = Current Outlook for 2023 Crop as of 4/11/24

California Almond Industry

Crop Year 2024 Crop Development & Crop Size Outlook- as of 4/15/24

The 2024 crop has enjoyed reasonably good weather since bloom wrapped up at the end of the first week of March. Now that we are 40 days past the end of bloom, the nut set in the trees/orchards throughout the growing regions can be properly assessed. The first statewide crop estimate that comes out annually is the Terra Nova Trading Estimate. They released their estimate on April 15th, 2024 which put the crop at 2.97 billion based on 1.36 million bearing acres (2,185 lbs./acre). Their historical accuracy over time can be found on the following page as well as the accuracy of the three other “Public” estimates.

In my opinion, they always put maximum effort into doing their annual estimate (both in terms of boots on the ground as well as very good data analysis on how this crop compares to other year’s estimates and actual results). Their report was once again very thorough and, in my mind, very reasonable for what we have seen so far in our area prior to doing our own state tour and final estimate. You could not expect anything other than a much better crop than we had last year (2023) as both the bloom and post-bloom conditions last year were about as bad as anyone could recall in the past. The big question of course, which they addressed in their write-up that will be very hard to quantify for this 2024 crop is “how much of the crop that we see out there today will actually make it to harvest?”.

This question is key as we know that the financial stability of most growers after dealing with 3 years of large financial losses is a real concern. If their estimate is correct, total supply will increase vs. the 2023/24 crop year despite a carry out supply that looks to be 300 million less than the prior year. In addition, the headwinds of continued high consumer inflation, much more volume of competitive nuts fighting for consumer stomach share, and retailers who continue to avoid reflecting the much lower market prices seen over the past few years in their on-shelf retail pricing to consumers are all still in place. In order to move the increased total supply using the Terra Nova Estimate, bulk wholesale prices will likely need to remain in a similar range as we have seen the past two years. Unfortunately, these price levels will only return a break-even grower return **at best** and that assumes a minimum average yield of 2,800 lbs./acre. That is not going to happen for even the best of the growers. Thus, another year of losses would be a certainty as growing costs remain historically high. With that said, how many acres will be abandoned between now and harvest and how many acres will receive less than adequate farming inputs due to the lack of cash flow for growers during this same period? No one knows for sure, but we can say for sure that economics facing almond growers will have a meaningful impact on what is harvested vs. what we see on the tree today. **10**

Historical Almond Crop Estimates for California Almond Crop (Gross in Millions/Lbs.) - Updated 4/15/24

Crop Year	TNT Estimate	Final Crop	Variance		NASS Objective	Final Crop	Variance		NASS Subjective	Final Crop	Variance		WP&A Group Avg.	Final Crop	Variance		B. Ezell Estimate	Final Crop	Variance	
			in M/Lbs.	in %			in M/Lbs.	in %			in M/Lbs.	in %			in M/Lbs.	in %			in M/Lbs.	in %
1996	558	508	51	10.0%	530	508	23	4.4%	520	508	13	2.5%								
1997	764	757	8	1.0%	680	757	(77)	-10.1%	710	757	(47)	-6.1%								
1998	522	517	5	1.0%	540	517	23	4.4%	550	517	33	6.4%								
1999	863	830	33	4.0%	830	830	0	0.0%	760	830	(70)	-8.4%								
2000	636	698	(63)	-9.0%	640	698	(58)	-8.4%	675	698	(23)	-3.4%								
2001	832	824	8	1.0%	850	824	26	3.2%	875	824	51	6.2%								
2002	961	1,082	(121)	-11.2%	980	1,082	(102)	-9.4%	940	1,082	(142)	-13.1%								
2003	930	1,033	(103)	-10.0%	1,000	1,033	(33)	-3.2%	920	1,033	(113)	-10.9%								
2004	1,140	998	142	14.2%	1,080	998	82	8.2%	1,100	998	102	10.2%								
2005	948	912	36	3.9%	880	912	(32)	-3.5%	850	912	(62)	-6.8%								
2006	970	1,117	(147)	-13.2%	1,050	1,117	(67)	-6.0%	1,020	1,117	(97)	-8.7%								
2007	1,370	1,383	(13)	-0.9%	1,330	1,383	(53)	-3.8%	1,310	1,383	(73)	-5.3%								
2008	1,290	1,614	(324)	-20.1%	1,500	1,614	(114)	-7.1%	1,460	1,614	(154)	-9.5%								
2009	1,300	1,406	(106)	-7.5%	1,350	1,406	(56)	-4.0%	1,450	1,406	44	3.1%								
2010	1,440	1,628	(188)	-11.5%	1,650	1,628	22	1.4%	1,530	1,628	(98)	-6.0%								
2011	1,840	2,020	(180)	-8.9%	1,950	2,020	(70)	-3.5%	1,750	2,020	(270)	-13.4%								
2012	1,830	1,884	(54)	-2.9%	2,100	1,884	216	11.5%	2,000	1,884	116	6.2%	2,099	1,884	215	11.4%	2,070	1,884	186	9.9%
2013	1,960	2,010	(50)	-2.5%	1,850	2,010	(160)	-8.0%	2,000	2,010	(10)	-0.5%	1,997	2,010	(13)	-0.6%	2,035	2,010	25	1.2%
2014	2,000	1,870	130	7.0%	2,100	1,870	230	12.3%	1,950	1,870	80	4.3%	1,943	1,870	73	3.9%	1,917	1,870	47	2.5%
2015	1,880	1,895	(15)	-0.8%	1,800	1,895	(95)	-5.0%	1,850	1,895	(45)	-2.4%	1,831	1,895	(64)	-3.4%	1,862	1,895	(33)	-1.7%
2016	2,060	2,135	(75)	-3.5%	2,050	2,135	(85)	-4.0%	2,000	2,135	(135)	-6.3%	2,055	2,135	(80)	-3.7%	2,086	2,135	(49)	-2.3%
2017	2,270	2,260	10	0.4%	2,250	2,260	(10)	-0.4%	2,200	2,260	(60)	-2.7%	2,335	2,260	75	3.3%	2,340	2,260	80	3.5%
2018	2,510	2,270	240	10.6%	2,450	2,270	180	7.9%	2,300	2,270	30	1.3%	2,200	2,270	(70)	-3.1%	2,223	2,270	(47)	-2.1%
2019	2,530	2,551	(21)	-0.8%	2,200	2,551	(351)	-13.8%	2,500	2,551	(51)	-2.0%	2,570	2,551	19	0.7%	2,580	2,551	29	1.1%
2020	2,960	3,107	(147)	-4.7%	3,000	3,107	(107)	-3.4%	3,000	3,107	(107)	-3.4%	2,850	3,107	(257)	-8.3%	2,880	3,107	(227)	-7.3%
2021	2,800	2,918	(118)	-4.0%	2,800	2,918	(118)	-4.0%	3,200	2,918	282	9.7%	2,950	2,918	32	1.1%	2,943	2,918	25	0.9%
2022	2,900	2,571	329	12.8%	2,600	2,571	29	1.1%	2,800	2,571	229	8.9%	2,800	2,571	229	8.9%	2,816	2,571	245	9.5%
2023 Otlk	2,290	2,445	(155)	-6.3%	2,600	2,445	155	6.3%	2,500	2,445	55	2.2%	2,350	2,445	(95)	-3.9%	2,360	2,445	(85)	-3.5%
2024 Est.	2,970																			
Overall Straight Avg.			(32)	-1.9%			(22)	-1.3%			(19)	-1.7%			5	0.5%			16	1.0%
Most Recent 10 Yr Straight Avg.			18	1.1%			(17)	-0.3%			28	1.0%			(14)	-0.4%			(2)	0.1%
Most Recent 5 Yr Straight Avg.			(22)	-0.6%			(78)	-2.8%			82	3.1%			(14)	-0.3%			(3)	0.1%
Most Recent 3 Yr Straight Avg.			19	0.8%			22	1.1%			189	6.9%			55	2.0%			62	2.3%
# of times Over-estimated:			7	25.0%			10	35.7%			11	39.3%			5	41.7%			6	50.0%
# of times Under-estimated:			14	50.0%			16	57.1%			16	57.1%			5	41.7%			5	41.7%
# of times within +/- 1%:			7	25.0%			2	7.1%			1	3.6%			2	16.7%			1	8.3%
Standard Deviation: CY13 - CY2:			158	6.5%			170	7.5%			132	5.1%			124	4.7%			116	4.4%

[Grey Box] = Current Outlook as of 4/15/24

California Almond Industry

Upcoming Events

The next key events for the almond industry concerning the 2024 potential crop size are shown below.

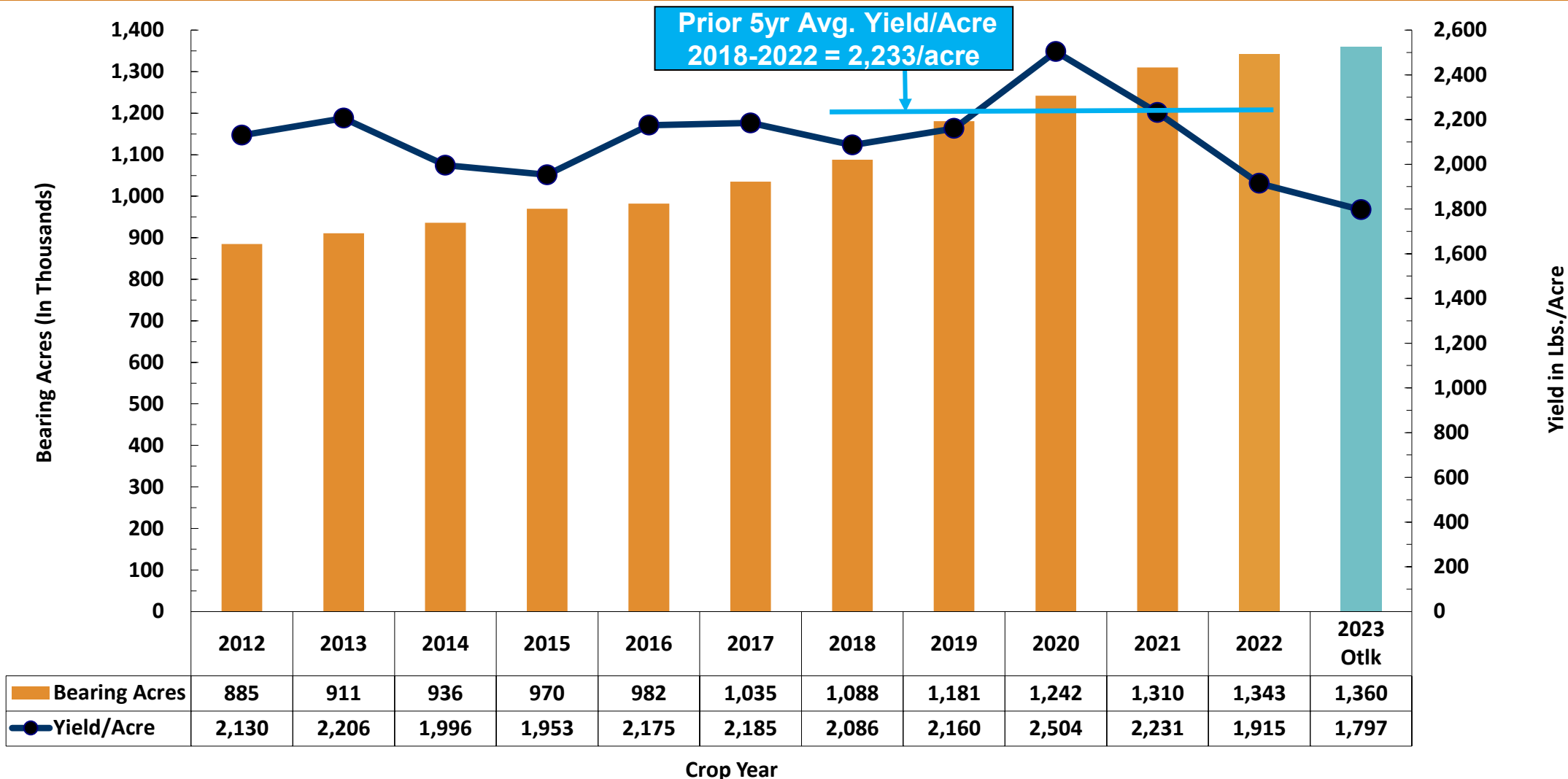
- a). Land IQ Acreage Report – April 24th
- b). NASS Nursery Sales Survey – April 25th
- c). Wonderful State Almond Tour – April 29th – May 1st
- d). Wonderful State Almond Crop Estimate – will be released between May 3rd & May 7th
- e). NASS Subjective Estimate – May 10th
- f). NASS Objective Estimate – July 10th

California Almond Industry- Historical Supply & Demand

CY'11 through CY'22 with CY'23 Outlook & CY'24 Estimates - as of 4/15/24

Crop Year Finals - (Supply & Demand in millions of pounds)													2024 CY Scenarios					
												CY 2022 Final	2023 Outlook	TNT Estimate	Mid-Point Estimate	Low Estimate		
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2.44 B	2.97 B	2.90 B	2.85 B			
Bearing Acres: (Land IQ for Actuals) In 000's		853	885	911	936	970	982	1,035	1,088	1,181	1,242	1,310	1,343	1,360	1,360	1,360	1,360	
Yield: Lbs. per Bearing Acre:		2,368	2,130	2,206	1,996	1,953	2,175	2,185	2,086	2,160	2,502	2,231	1,915	1,798	2,184	2,132	2,096	
Change vs. Prior Yr:																		
In %:		17.8%	-10.1%	3.6%	-9.5%	-2.1%	11.4%	0.4%	-4.5%	3.6%	19.9%	-10.8%	-14.2%	-6.1%	21.5%	18.6%	16.6%	
In Lbs./Acre:		358	(238)	76	(210)	(43)	222	9	(99)	74	416	(271)	(316)	(117)	386	335	298	
Supply																		
Carry-in Supply		254	335	317	350	376	412	398	357	315	450	608	837	800	500	480	480	
New Crop		2,020	1,885	2,010	1,868	1,894	2,136	2,261	2,270	2,551	3,107	2,922	2,571	2,445	2,970	2,900	2,850	
Increase/(Decrease) vs. PY																		
In %:		24%	-7%	7%	-7%	1%	13%	6%	0%	12%	22%	-6.0%	-12%	-5%	21%	19%	17%	
In Lbs:		392	(135)	125	(142)	26	242	125	9	282	556	(185)	(351)	(126)	525	455	405	
Less: Exempt		40	37	39	29	47	49	51	48	44	51	58	44	103	89	87	86	
Net New Crop:		1,980	1,848	1,971	1,839	1,847	2,087	2,210	2,222	2,508	3,056	2,864	2,527	2,342	2,881	2,813	2,765	
Total Supply		2,233	2,183	2,287	2,189	2,223	2,499	2,609	2,579	2,822	3,506	3,471	3,364	3,142	3,381	3,293	3,245	
Change vs. Prior Yr:																		
In %:		16.2%	-2.3%	4.8%	-4.3%	1.6%	12.4%	4.4%	-1.1%	9.5%	24.2%	-1.0%	-3.1%	-6.6%	7.6%	4.8%	3.3%	
In Lbs.:		312	(51)	105	(99)	35	276	110	(30)	244	684	(35)	(107)	(222)	239	151	103	
Demand																		
Total Shipments:		In M/Lbs.:	1,899	1,866	1,937	1,812	1,811	2,101	2,252	2,264	2,372	2,898	2,634	2,565	2,662	2,768	2,715	2,662
Avg. Monthly Shipments:			158	156	161	151	151	175	188	189	198	242	220	214	222	231	226	222
Change vs. Prior Yr:																		
In %:		13.9%	-1.7%	3.8%	-6.5%	-0.1%	16.0%	7.2%	0.6%	4.8%	22.2%	-9.1%	-2.6%	3.6%	4.0%	2.0%	0.0%	
In Lbs.:		231	(32)	71	(125)	(1)	290	150	13	108	526	(264)	(69)	97	106	53	-	
Carry-out in M/Lbs.		335	317	350	376	412	398	357	315	450	608	837	800	480	612	578	583	
As % of Shipments:		17.6%	17.0%	18.1%	20.8%	22.7%	18.9%	15.9%	13.9%	19.0%	21.0%	31.8%	31.2%	18.0%	22.1%	21.3%	21.9%	
As % of Supply:		15.0%	14.5%	15.3%	17.2%	18.5%	15.9%	13.7%	12.2%	15.9%	17.3%	24.1%	23.8%	15.3%	18.1%	17.5%	18.0%	
<div style="display: flex; justify-content: space-between; align-items: flex-start; margin-top: 10px;"> <div style="width: 45%;"> <p> = Record Increase in shipments in both Lbs. and %. Prior record was in 2007 (+18.3%)</p> <p> = Lowest % since 2006 Crop Year.</p> <p> = Final as of 9/12/23</p> </div> <div style="width: 45%;"> <p> = 2024 TNT Est. @ 3% In edibles</p> <p> = 2024 Mid-Point Est. @ 3% In edibles</p> <p> = 2024 Low Est. @ 3% In edibles</p> </div> </div>																		
2024 Scenario Assumptions																		
All scenarios assume continued sub-standard farming farming practices for many growers due to continued poor growing economics (lack of cash flow for inputs).																		

California Bearing Acreage & Yield/Acre - Almonds

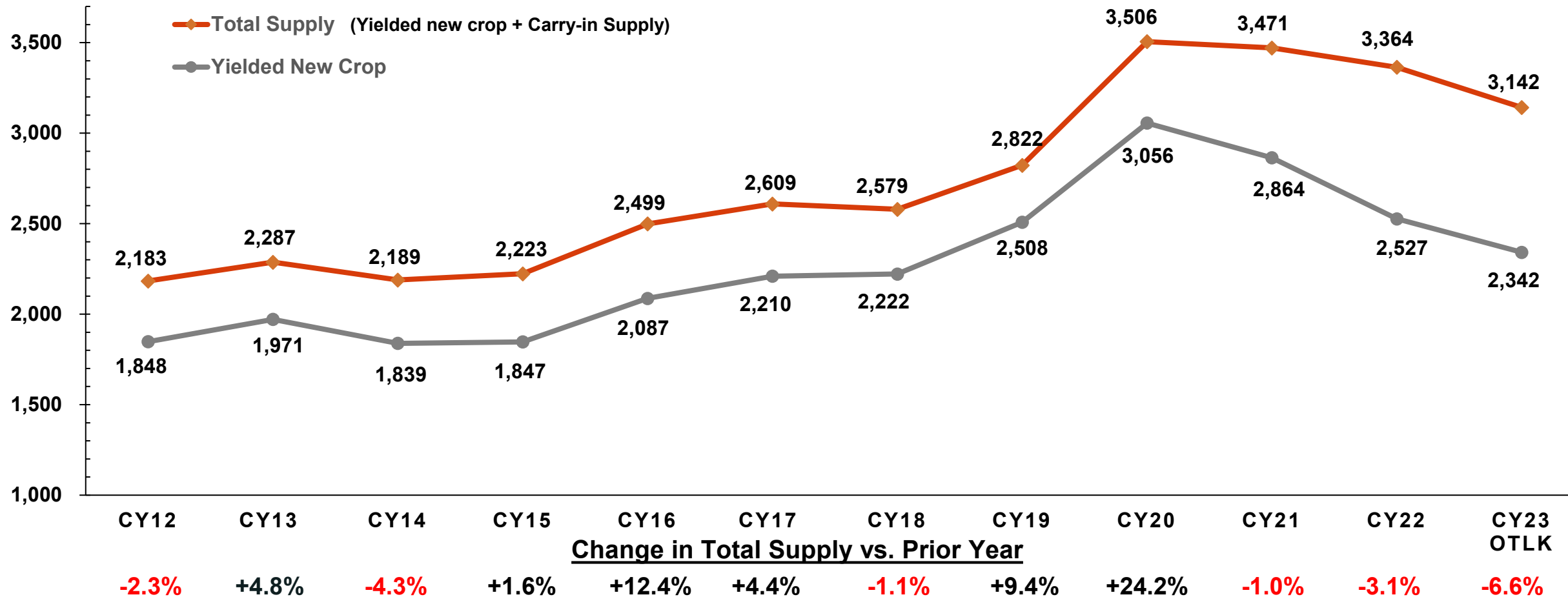


2010 – 2023 Acres are based on Land IQ acreage data.

2022 Final = 2.571 B Lbs. from 1.343 MM Bearing acres
 2023 Outlook as of 4/15/24 = 2.445 B Lbs. & 1.360 M/Bearing Acres

California Almond Industry Saleable Supply

(In millions of pounds)

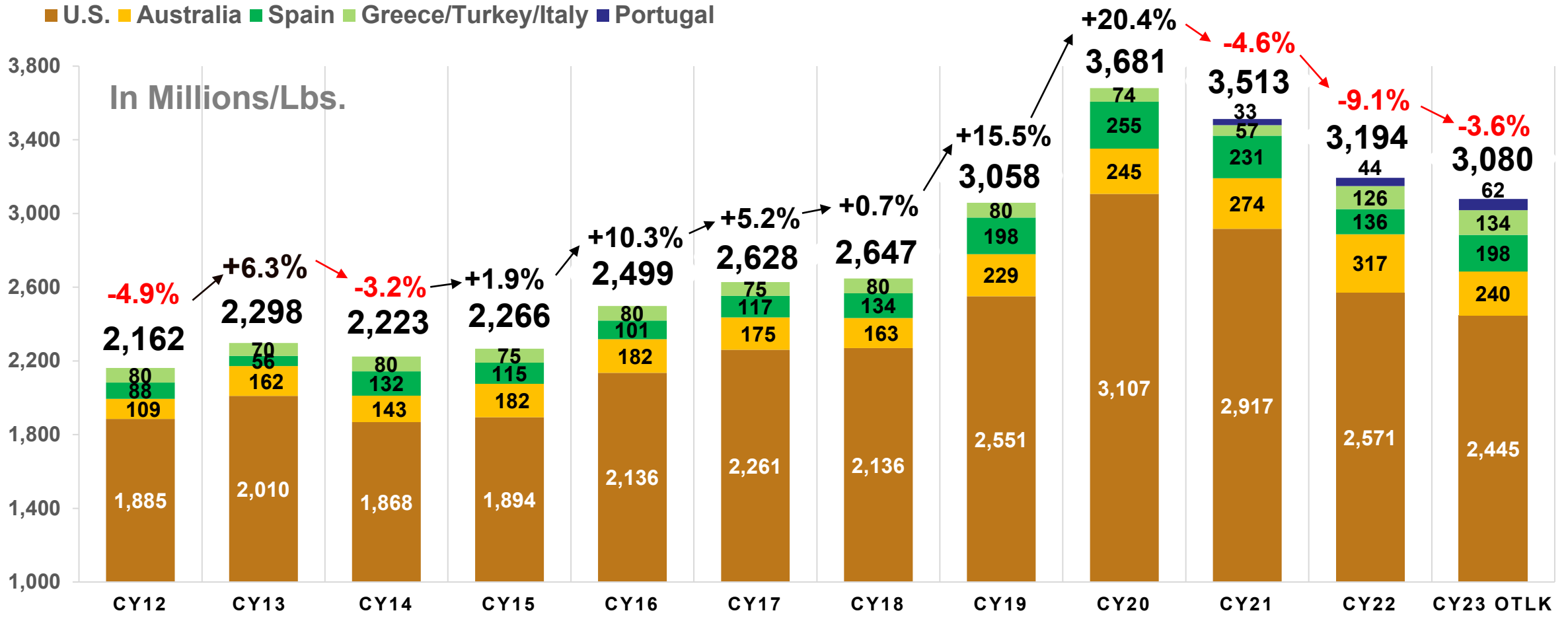


Source: All historical figures come from Almond Board Reports.

2022 Final: Based on Gross Crop Size of 2.571 billion less -1.67% In-edible/Loss and a carry-in supply of 837 million from CY'21.

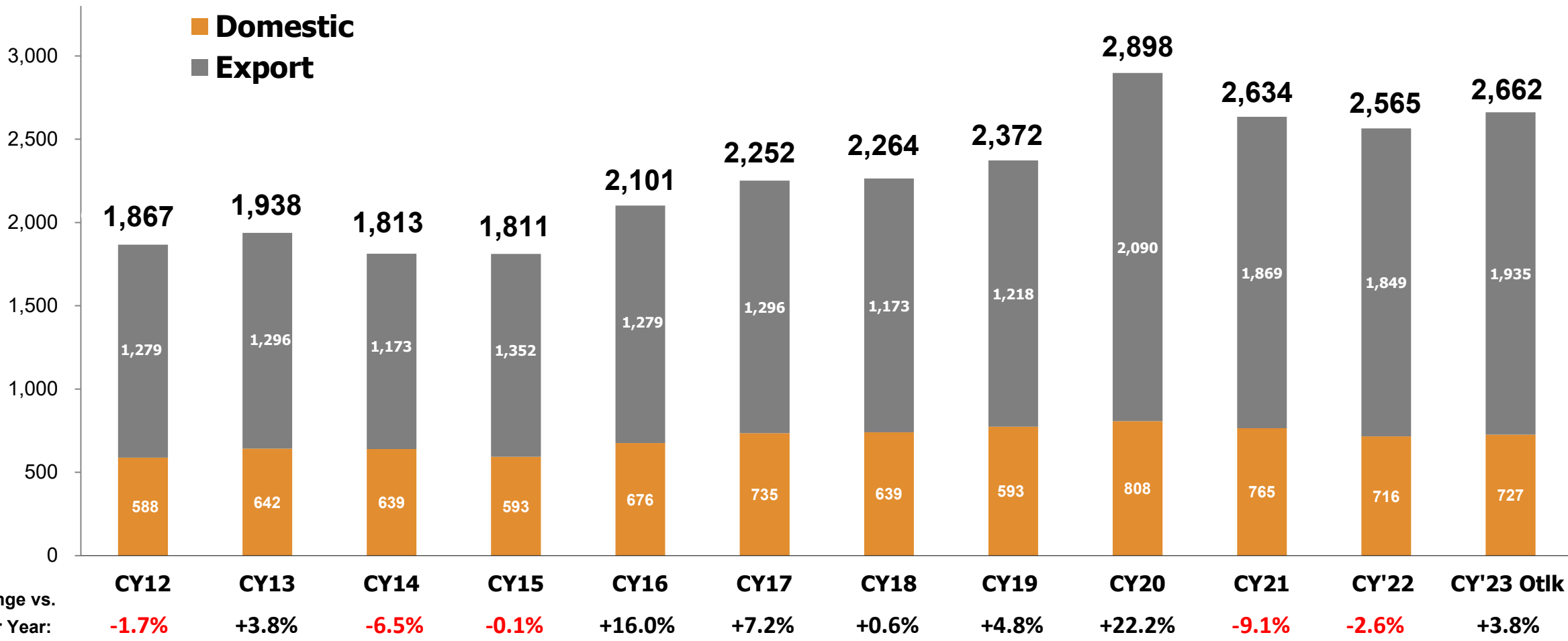
2023 Outlook: 2.445 billion less -4.2% In-edible/Loss and a carry-in of 800 million as of 4-15-24

World Almond Production for Major Producing Countries (Gross Crop Production)



Figures for 2021 are based on INC Official Almond Production Statistics Chart Updated in October 2022. Crop Year 2022 Actuals & 2023 Estimates are based on figures used for INC 2023 Official World Production Chart as of 5/15/23. Figure for U.S. in 2023 is based on the current outlook as of 4/15/24. Spain CY23 figure revised to 90,000 MT in September 2023 as extreme drought through the summer of 2023 had a negative impact on their crop (original estimate was 128,500 MT in May of 2023).

California Almond Industry Shipments – Domestic vs. Export



Note: All actual figures are based on ABC Crop Year (Aug - Jul).

Source: ABC Monthly Reports

2022 Final shipments resulted in a 800-million-pound carry-out into CY'23.
 2023 Estimated shipments will result in a 480-million-pound carry-out into CY'24.