

STRATAMARKETS ALMOND REPORT

GLOBAL MARKET PRICES, ANALYSIS AND NEWS

WEEKLY MARKET RECAP

Prices Mixed as Sellers Hope for Bullish February Shipments

Demand from China and India helped lift NPIS prices in the global almond market during the week ending Tuesday, while prices fell for Nonpareil kernel items.

Buyers in China were purchasing NPIS and other inshell varieties such as Winters and Price from California to blend with Nonpareil. Interest from China has been increasing in recent weeks, and packers in California and Australia expect it to continue to ratchet up with Chinese New Year celebrations finished.

Demand from India also helped lift prices for NPIS, which climbed 4 cents/lb on the week. IIS increased 1 cent/lb on the week. A packer in the U.S. who sells inshell to India said India's local market remains oversupplied with IIS.

In a break from previous weeks, market participants last week reported multiple sales to India for sized NPIS. The more common trade is for unsized NPIS given the difficulty guaranteeing sizes for almonds that haven't been shelled. Trades were reported for NPIS with sizes specified at 23/25 and 25/27.

Prices in India's local market firmed last week, with inshell prices showing more gains than kernel prices.

STDS for prompt shipment increased 1 cent/lb on the week on demand from Europe. The new crop price premium to prompt-shipment STDS was 7 cents/lb.

California packers reported multiple sales to end-users in Europe. Nougat manufacturers in Europe are halfway through negotiations for annual supply contracts with supermarkets and are seeking to cover their positions, a broker in the region said.

WEEKLY PRICE ASSESSMENTS, US FAS, \$/lb

ASSESSMENT PERIOD: FEB 23 - MAR 2
WEEKLY MARKET CLOSE (WMC) DATE: MAR 2

ITEM	LOW	HIGH	WMC	WEEKLY CHANGE (WC)
STDS	1.80	1.84	1.81	+0.01

NONPAREIL

NPIS	1.64	1.66	1.65	+0.04
NPX 30/32	1.93	1.95	1.94	-0.02
NPX 27/30	1.96	1.99	1.97	-0.01
NPX 25/27	2.03	2.05	2.04	-0.01
NPX 23/25	2.42	2.44	2.43	-0.02
NPX 20/22	2.92	2.94	2.93	-0.02
NPS 23/25	2.32	2.34	2.33	-0.02

CALIFORNIA

CAL SSR 30/32	1.87	1.89	1.88	0.00
CAL SSR 27/30	1.88	1.90	1.89	0.00

BUTTE PADRE

BP SSR 36/40	1.89	1.91	1.90	0.00
BP SSR 30/32	1.92	1.94	1.93	0.00
BP SSR 27/30	1.93	1.95	1.94	0.00

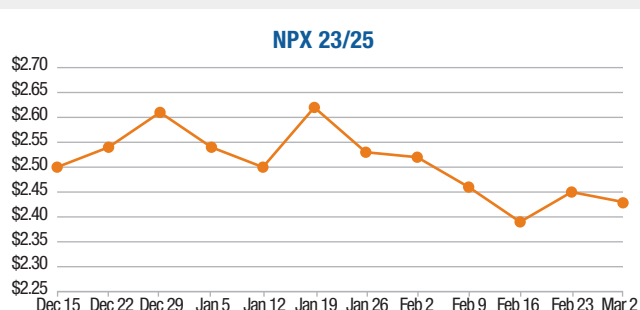
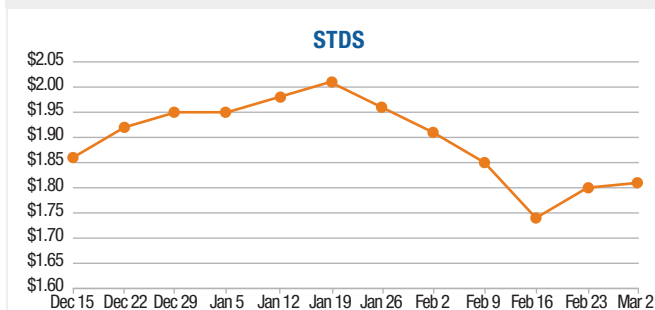
CARMEL TYPE

CT SUP 27/30	1.86	1.88	1.87	0.00
CT SUP 23/25	1.89	1.91	1.90	+0.01

INDEPENDENCE

IIS	1.47	1.50	1.50	+0.01
INDX 23/25	1.99	2.02	2.01	+0.01

WMC PRICES, US FAS, \$/lb



Weekly Market Recap cont'd...

Impacts from shipping constraints

Trading firms in Europe were in the market for STDS from California to replenish local inventories. End-users in Europe have been drawing on those supplies: It remains difficult to buy from California for near-term shipment due to ongoing difficulties shipping almonds from the state to global markets.

One packer said the value of almonds in Europe and in transit to Europe is rising as demand for that local supply increases.

Packers said shipping problems didn't improve last week – and in some cases, grew worse. An exporter noted that the state's fresh produce industry would soon need to begin exporting its products overseas, which could cause the shipping problems to deteriorate.

"There is no let-up," the exporter said.

Not all items showed gains last week. Large and small sizes of NPX and NPS items declined from 1 cent to 2 cents/lb. CAL SSR, BP SSR, and CT SUP sizes ended the week flat except for CT SUP 23/25, which increased 1 cent/lb.

In the domestic market, several packers last week responded to a U.S. Department of Agriculture (USDA) buy tender set to close today. Elsewhere in the U.S. domestic market, a broker said his clients bought for their Q2 needs last month when prices were falling and have not returned to the market.

Price movements in recent weeks have been mostly disappointing for sellers.

Prices began to fall in late January and continued to drop through most of February, with the steepest decline occurring after the Almond Board of California (ABC) released bearish January shipment numbers. Prices then rallied before ending mixed on Tuesday.

The price movements have been particularly hard on small-kernel almonds, underscored by the narrow differentials between small kernel NPX, BP SSR, and CAL SSR items.

For example, the NPX 27/30 price premium to BP SSR 27/30 narrowed to 3 cents on Tuesday. In recent months, that premium has run as high as 19 cents.

Trade was quiet for much of the week. Some buyers were searching for low price levels, and some packers were waiting for the release of the February 2021 position report before selling in the hope that it will show more robust shipments compared with last month and bolster prices.

The ABC is scheduled to release the report on March 11.

FOUR-WEEK ROLLING AVERAGE, US FAS, \$/lb

ITEM	WMC	WC
STDS	1.80	-0.02

NONPAREIL

NPIS	1.59	+0.01
NPX 30/32	1.95	-0.03
NPX 27/30	1.98	-0.03
NPX 25/27	2.07	-0.05
NPX 23/25	2.43	-0.02
NPX 20/22	2.92	-0.02
NPS 23/25	2.34	-0.02

CALIFORNIA

CAL SSR 30/32	1.88	-0.03
CAL SSR 27/30	1.89	-0.03

BUTTE PADRE

BP SSR 36/40	1.90	-0.03
BP SSR 30/32	1.93	-0.03
BP SSR 27/30	1.94	-0.03

CARMEL TYPE

CT SUP 27/30	1.88	-0.04
CT SUP 23/25	1.90	-0.03

INDEPENDENCE

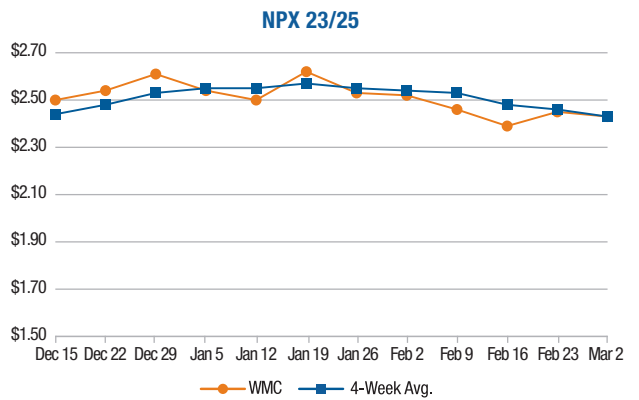
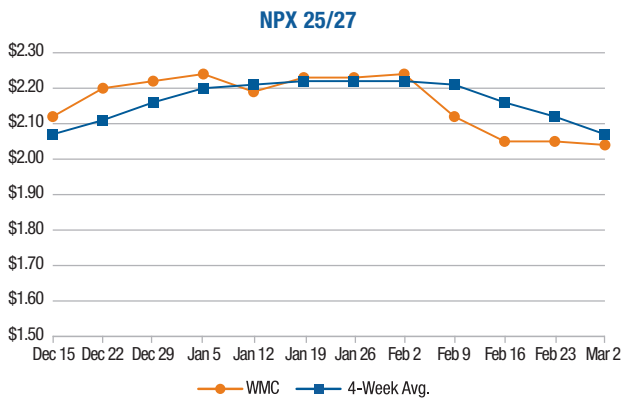
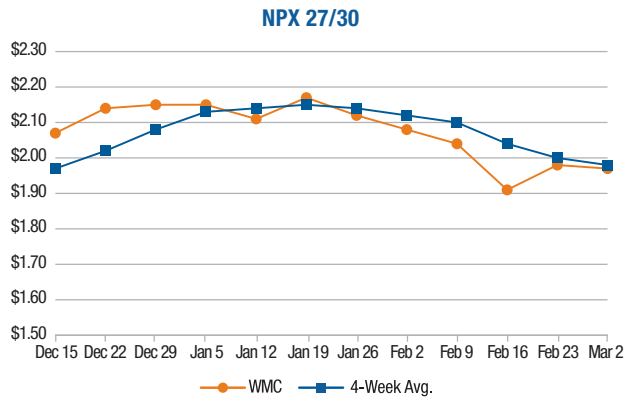
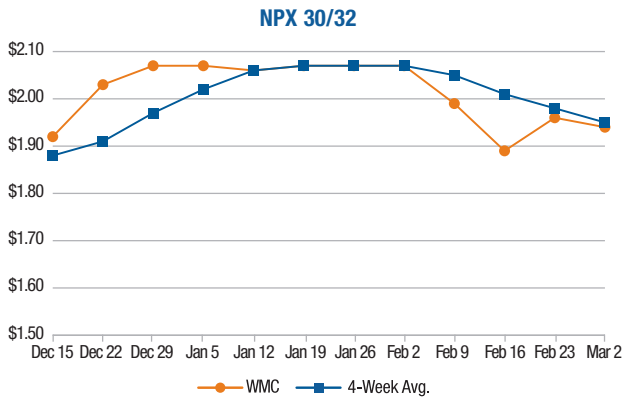
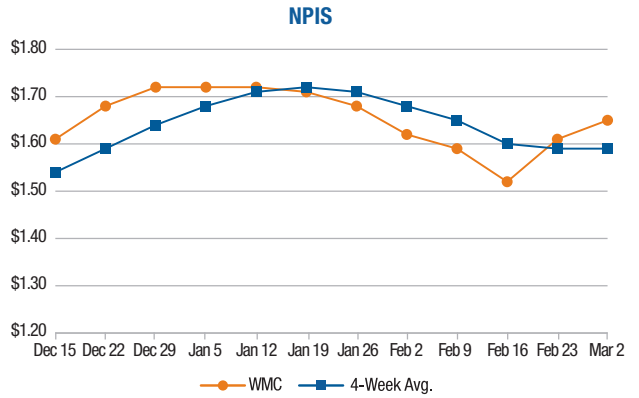
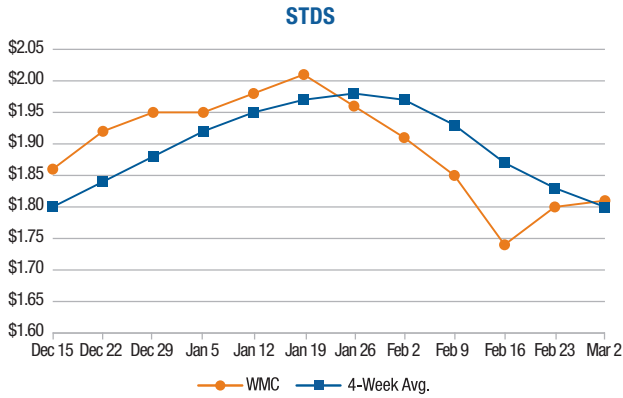
IIS	1.44	+0.02
INDX 23/25	2.02	-0.03

STRATAMARKETS

PRICE ASSESSMENT GUIDE

Stratamarkets utilizes a transparent procedure for gathering price information and producing our price assessments. We created and maintain a document, the *Stratamarkets Price Assessment Guide*, to explain this procedure. The document also explains item abbreviations and the market locations, timing, and trading terms and conditions that our price assessments reflect. To request a copy, please send an email to hello@stratamarkets.com.

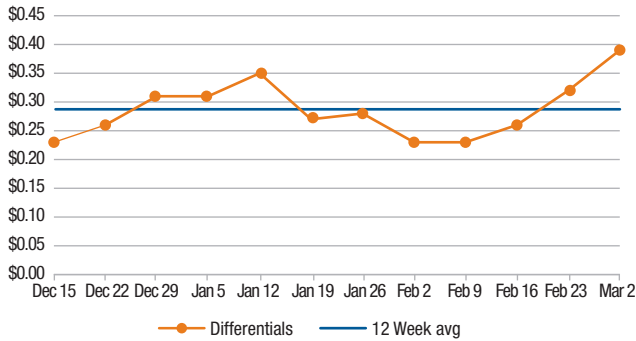
WMC VS 4-WEEK ROLLING AVERAGE, US FAS, \$/lb



FORWARD PRICES FOR STDS, US FAS, \$/lb

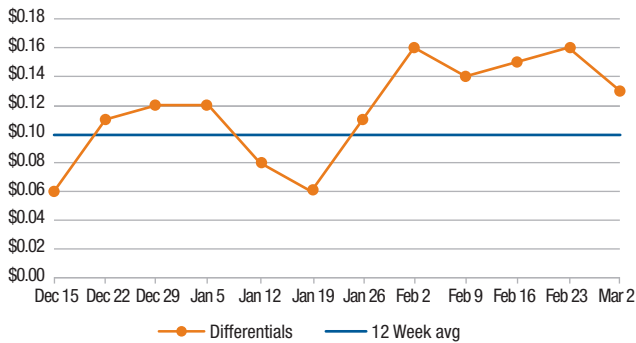
PROMPT	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
	Q2 2021			Q3 2021			Q4 2021			Q1 2022		
\$1.81	\$1.83			\$1.86			\$1.88			\$1.90		

NPIS 70% KERNEL DIFFERENTIAL TO NPX 27/30, US FAS, \$/lb

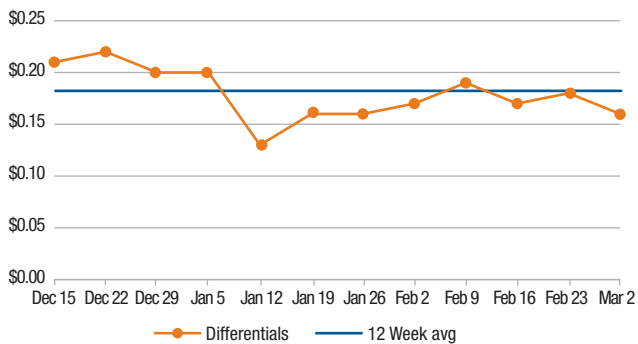


PRICE DIFFERENTIALS TO STDS, US FAS, \$/lb

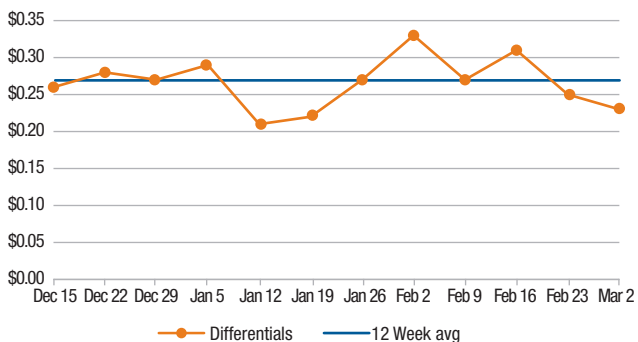
NPX 30/32



NPX 27/30



NPX 25/27



MONTHLY PRICES, US FAS, \$/lb

ITEM	DEC	JAN	FEB	CURRENT MONTH AVERAGE
STDS	1.86	1.98	1.83	1.81

NONPAREIL

NPIS	1.61	1.71	1.59	1.65
NPX 30/32	1.94	2.07	1.98	1.94
NPX 27/30	2.05	2.14	2.00	1.97
NPX 25/27	2.13	2.22	2.12	2.04
NPX 23/25	2.50	2.55	2.46	2.43
NPX 20/22	2.93	3.04	2.94	2.93
NPS 23/25	2.41	2.47	2.36	2.33

CALIFORNIA

CAL SSR 30/32	1.92	2.04	1.91	1.88
CAL SSR 27/30	1.93	2.05	1.92	1.89

BUTTE PADRE

BP SSR 36/40	1.93	2.07	1.93	1.90
BP SSR 30/32	1.95	2.08	1.96	1.93
BP SSR 27/30	1.96	2.10	1.97	1.94

CARMEL TYPE

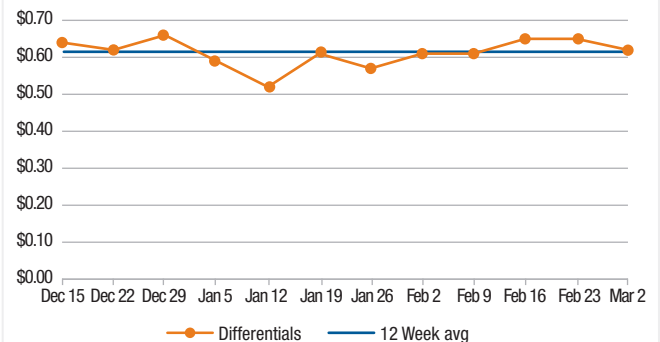
CT SUP 27/30	1.93	2.08	1.92	1.87
CT SUP 23/25	2.08	2.12	1.94	1.90

INDEPENDENCE

IIS	1.48	1.53	1.42	1.50
INDX 23/25	2.08	2.18	2.04	2.01

PRICE DIFFERENTIALS TO STDS, US FAS, \$/lb

NPX 23/25



WMC ASSESSMENT RATIONALE**STDS**

The item traded from \$1.80/lb to \$1.84/lb FAS for prompt shipment during the February 23 to March 2 assessment period. At the end of the period, the item was bid at \$1.78/lb FAS with the market-clearing price seen at \$1.81/lb FAS.

NONPAREIL**NPIS**

The item traded at \$1.65/lb FAS and \$1.68/lb CIF to India, which converts to \$1.64/lb FAS. Multiple trades were also verified for NPIS sized 25/27 and 23/25. At the end of the period, the item was bid at \$1.63/lb FAS and offered at \$1.72/lb CIF to India. The market-clearing price was seen at \$1.65/lb FAS.

NPX 30/32

The item was offered at \$1.93/lb EXW for prompt shipment at the end of the assessment period, which converts to \$1.95/lb FAS. No trades or bids were verified. The market-clearing price was seen 1-cent lower than the offer.

NPX 27/30

Trades were verified at \$1.99/lb FAS and \$2.10/lb FAS for J-spec, which converts to a USDA-grade of \$2.00/lb. Later in the period, the item was bid at \$1.96/lb and offered at \$1.98/lb FAS. The market-clearing price was seen at \$1.97/lb FAS.

NPX 25/27

The item was bid at \$2.00/lb and offered at \$2.05/lb FAS at the end of the assessment period. A trade was heard but not verified at \$2.05/lb FAS. The market-clearing price was seen at \$2.04/lb FAS.

NPX 23/25

The item traded for prompt shipment at \$2.42/lb FAS and \$2.46/lb CIF to China, which converts to \$2.43/lb FAS. The item was offered at \$2.45/lb FAS for April and May shipment at the end of the period. The market-clearing price for prompt shipment was seen at \$2.43/lb FAS.

NPX 20/22

No trades, bids, or offers were verified. The assessment was based on the item's 50 cent premium to NPX 23/25 seen last week.

NPX 23/25

No trades, bids, or offers were verified. The assessment was based on the item's 10 cent discount to NPX 23/25 seen last week.

CALIFORNIA**CAL SSR 30/32**

The item was bid at \$1.86/lb FAS for prompt shipment at the end of the assessment period. The market-clearing price was seen at \$1.88/lb FAS.

CAL SSR 27/30

No trades, bids, or offers were verified. The assessment was based on the item's 1-cent premium to CAL SSR 30/32 seen last week.

BUTTE PADRE**BP SSR 36/40**

The item was offered at \$1.94/lb FAS for May shipment. A trade was heard but not verified at \$1.90/lb FAS. The market-clearing price was seen at \$1.90/lb FAS.

BP SSR 30/32

No trades, bids, or offers were verified. The assessment was based on the item's 3-cent premium to BP SSR 36/40 seen last week.

BP SSR 27/30

No trades, bids, or offers were verified. The assessment was based on the item's 1 cent premium to BP SSR 30/32 seen last week.

CARMEL TYPE**CT SUP 27/30**

The item traded at \$1.89/lb FAS for April shipment. At the end of the period, the item was offered at \$1.88/lb for May shipment. The market-clearing price for prompt shipment was seen at \$1.86/lb FAS.

CT SUP 23/25

The item traded at \$1.90/lb FAS for shipment April to August with the buyer retaining the option to choose the shipment month. No bids or offers were verified.

INDEPENDENCE**IIS**

The item traded at \$1.47/lb, \$1.49/lb, and \$1.50/lb FAS for prompt shipment on a 70% sliding scale. At the end of the assessment period, the item was offered at \$1.57/lb CIF to India for March and April shipment, and bid at \$1.48/lb FAS for June shipment. The market-clearing price for prompt shipment was seen at \$1.50/lb FAS.

INDX 23/25

The item was offered at \$2.05/lb FAS for prompt shipment early in the period. No trades or bids were verified. The assessment was based on the item's 51 cent premium to IIS seen last week.

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