

THE NUTCAST



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September 2019

GROWER DINNER

Thank you for spending the evening with us.



HARVEST

Reminder: If you plan to defer any of your payments, please let us know in writing. 2019 payments will begin two weeks after your delivery to VHN and the USDA inspection.



Incoming payment:
2 weeks after
USDA inspection

MARKET REPORT

How is the market responding to the new crop? The Almond Board Position Report stated that August shipments were down!

Interesting...why would they be down? A few reasons: (1) the carry in from 2018 to 2019 is lower than it was 12 months ago because there wasn't much to ship. (2) Tariffs—China is buying from Australia due to the tariff advantage. Tariffs do not directly affect Valley Harvest Nut, but we have seen an impact of increased almonds in the USA. (3) The report indicated India is hesitant in buying because they see the inshell price slipping.

It's the "wait and see" game.

Our report thus far sounds a bit negative. We know that the Objective estimate was lower than the Subjective AND we hear rumblings that the crop is down. That normally would push prices up and sales would be brisk. But, in reality, the opposite is happening. Pric-

es have slipped downward to encourage sales from stalling buyers.

We also know the nonpareil crop down south is up a little from last year, while our central area is all over the board – some up, some down. However, the Northern California nonpareil crop is definitely down. The prediction is that the 2019 crop will be down from last year and will not amply supply the demand for the consumers. Therefore, we should see prices increase as the harvest continues to progress – at least that is the expectation.



Even with all this 'negative' talk, current pricing is higher than last year at this time so Valley Harvest will base incoming payments at the same level as our August 2019 closing prices.

ALMOND ALERT

7/25/19 USDA announced:

In the 2019 Market Facilitation Program package, almond growers will receive **\$146/acre**, an increase from the \$0.03/pound payment given in the first round of funding.

Growers who were not eligible for the first round of payments due to the adjusted gross income of less than \$900,000 may qualify for 2019 MFP funding AND re-apply for 2018 MFP funding (if they are able to verify 75% or more of their average AGI was derived from farming & ranching to qualify.)

Sign-ups for the 2019 MFP & supplemental 2018 MFP opened 7/29/19 and close December 6, 2019. To learn more, go to this website:

www.farmers.gov/manage/mfp. Payments will be made by USDA's Farm Service Agency.

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