

THE NUTCAST

Valley Harvest
Nut Co., Inc.



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112 years ago, Sonora Dodd spurred Father's Day. Her mommy passed away, so her Dad did what Dads' do...he loved & raised her. The love for her Dad led her to encouraged Spokane area churches to honor all Dads during his birthday month...JUNE. The first unofficial Father's Day was celebrated June 19, 1910.

Father's Day became official when President Nixon signed a proclamation to recognize it as an American Holiday. (Today.com)

Thank
YOU
Dad



Market Report

It is a "mixed feeling" market report for June 2022. Positive topics are what we all want to hear and there are some positives in the market!

#1 - Export shipments are finally moving. Shipments are **UP** from last month, May. **AMEN!**

#2 - May export shipments were **UP** from April, as well. **AMEN! AMEN!**

On the other side of the conversation, overall shipping for the 2021 crop is still behind by 10 – 11% from the prior year. Crop receipts are down 6% from crop 2020. The math is easy to see that we have a higher inventory that still needs to be sold.

Regarding pricing, the backlog of product, higher inventory, resistance from a possible recession, and over flooding of the market's actual needs have caused further price lowering. The dilemma and concern with prices declining is 'how does the grower pay for the increases in



necessary costs to keep the farm going.'

As of today, we still can say that our expected closing prices to our growers are still ahead of last year. We may lose a little of that strength if the market continues to slip, but we are pushing, pushing, pushing. Some handlers have reduced prices on some items by \$0.40 to \$0.70 just to secure a sale. Valley Harvest Nut hasn't had to do that yet, and trust the "pushing" continues to be positive. You still have two more payments coming for your 2021 crop. Join us as we continue to pray for our industry and country.

PREDICTIONS OF THE FUTURE...

When the industry looks at their 'crystal ball', the projections sound like this:

2021 Carry-Over: 775 million to 850 million pounds. This becomes truth **IF** the industry ships 250 million pounds in June **AND** 250 million pounds in July.

For a comparison, 2020 carry-out was 608 million pounds.

2022 Crop: Subjective estimate released on May 13 was 2.8 billion pounds

- With a 2.8 billion crop + carry-over of 775 million = 3.58 billion pounds total supply to sell next year
- With a 2.8 billion crop + carry-over of 850 million = 3.65 billion pounds total supply to sell next year

For a comparison, current 2021 crop-to-date has 3.46 billion pounds total supply. 2020 crop had 3.489 billions pounds total supply.

We anxiously await the 2022 Crop Objective Estimate which will be announced July 8 and will impact these predictions!

