



Predictions and Trends for the California Almond Market May 2007

## 2007 crop estimate:

The first crop estimate for this year's crop was published by NASS on May 9<sup>th</sup> and totaled 1,310,000,000 pounds. This year's crop is projected to come from 615,000 bearing acres, up from 585,000 last year.

Also included in this newsletter are the numbers from the Panoche Creek crop estimate contest.

## WORLD ALMOND SUPPLY

	2000	2001	2002	2003	2004	2005	2006	2007*
Calif. Carry-in	174	107	79	162	149	137	112	155
Calif. Crop	697	824	1082	1032	997	911	1109	1310
Australia							35	50
Spain	100	90	150	60	35	100	130	85
Others	90	80	75	90	90	125	110	100
<b>Totals</b>	<b>1061</b>	<b>1101</b>	<b>1386</b>	<b>1344</b>	<b>1271</b>	<b>1273</b>	<b>1496</b>	<b>1700*</b>

\* Estimates only

## Market update:

Shipping numbers from California for the month of April were also published on May 9 and for many were perceived as disappointing. While they exceeded those for April of 2006, it was only a marginal increase.

The price of almonds for both 2006 and 2007 crop dropped roughly 20 cents per pound following the crop estimate and Almond Board shipping numbers. So as not to leave you with a bitter taste in your mouth, we can all be thankful for the estimated decrease in the Mediterranean growing areas and the weak US dollar. At today's prices, California almond farmers should still receive well over \$3,000 per acre.

Today's price levels may seem somewhat lackluster in light of 2005 & 2006 crop returns. However, \$3,000 per acre will not be a low enough gross income to discourage additional plantings of almonds in California.

## Pool Payments:

We are nearly sold out of 2006 crop almonds but will be packing, shipping, and collecting from our buyers for four more months. The surprising volume from last fall combined with higher industry standards has us somewhat behind with respect to our historical payment timing. We will announce our final 2006 pool prices within the next 30 days with our final distribution to be made around July 20<sup>th</sup>.

With the shocking crop estimate that exceeded 1.3 billion pounds, we are finding ourselves in the fortunate situation where we will not be able to take on any additional/new fields for the 2007 crop with respect to our seasonal pool. As most of you know, the pool is only part of our annual business, complimented by grower participation (AKA trigger pool) which we plan on facilitating on "nearly" a status quo basis. "Nearly" being a function of the June NASS estimate and/or receipts this fall.

## Farming News: by Barry Watts

### ALMOND QUALITY

It might seem too early to do anything about almond quality right now, but it's not too early to make a plan. As growers, we have little control over quality issues like chipped and scratched, broken and gumming. We do, however, control issues like worm and ant damage. We need to focus on these issues.

Ant damage occurs when the nuts are drying on the ground. In severe cases ants will climb the tree to feed on almonds. Damage increases with higher populations of ants and longer drying times. It is important to determine what type of ants you have in your orchard as many ants do not feed on almonds. Insect growth regulators work well to control ants. The timing is usually 4-7 weeks before harvest depending on which bait you use. Severe populations could require multiple applications. Your PCA will be able to identify potential threats and help you with solutions.

Navel Orange Worm (NOW) and Peach Twig Borer (PTB) are the two most common worms that damage almonds. You or your PCA should be monitoring the flights of each pest. This information will be used to determine when the next hatch will likely happen. In areas of intense pressure, hatches may overlap making it nearly impossible to determine when one starts and the other ends. This is important to know as it will help determine what class of chemical is used and how frequently it will be needed. Some areas do not have problems with worm damage and do not benefit from hull split sprays. Other areas may use multiple hull split sprays to keep damage to a minimum. Gathering information now will make it easier to determine when or if treatment is necessary in the future.

Pest populations change, and the next month or two are very critical in determining what type of pest you have in your orchard. This information will be essential in planning your method of control to insure good almond quality. Many of us have found out the hard way: by the time you see ant or worm damage, it is likely too late to do anything.