



PANOCHÉ CREEK
PACKING, INC.

IN A NUTSHELL

Predictions and Trends for the California Almond Market

December 2009

Market update:

Wow Wow Wow !!!! There really are not words for how the almond market has evolved in the past 6 months. In June 2009 we paid as little as 70 cents for 2008 and 2009 crop almonds. Those same almonds have moved up to over \$1.70 per pound in only 6 months time. I don't think I have ever witnessed such a radical price increase in almonds in such a short period of time.

Not all varieties have enjoyed the drastic rise in price. Ironically the Nonpareil varieties have suffered more than most relative to volume from the 2008 transition; yet these almonds moved up only 50 cents per pound. Under normal circumstances a 50 cent price increase in six months would be impressive but not next to the \$1.00 per pound jump enjoyed by the low-end California varieties.

We have traded very thin volumes in the past 3-4 months with farmers who make their own trading decisions, which is part of the reason we are seeing this market trend. However, it is also obvious that many almonds are being sold and shipped or we could not have set the tremendous shipping records of the past 4 months.

Congratulations to all of you for this quick recovery and a return to profitability for everyone.

Grower's Corner: by Frank Roque

January Payment

We are pleased to announce our January pool payment. The payment will bring the Nonpareil variety up to \$.90/lb. and All Other varieties up to \$.60/lb.

	<u>Payment</u>	<u>Total</u>
Nonpareil	\$.35	\$.90
All Others	\$.30	\$.60

We will start sending payments January 15th, 2010. We will follow with a late February payment and will continue a payment schedule similar to last year until the final.

Please call me if you have any questions.

Farming News: by Barry Watts

Orchard Sanitation Time

It's that time of year again – the time to talk about Navel Orange Worm (NOW) and Orchard Sanitation. This past crop was a great example of how NOW can create havoc. The 2009 crop statewide inedible average was 60% higher than the previous crop. Many will attribute this to the crop being down – and they might be right – but some orchards saw inedible damage increase 2 – 4 times the year prior.

We all know by now that the University of California recommends an average of 2 mummies per tree, or less, and that mummy removal happens before January 15th. The mummies should then be destroyed before March 1st with a flail mower or disc. It is important to remember that if the nuts are not destroyed properly the NOW life cycle will not be interrupted.

“ALMOND MARKETING NONPAREIL”

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After the mower has passed, the mummies should be split, shredded or at least cracked open – otherwise the worm will remain protected. I have seen mowers set too high and leave the mummies untouched after a pass. In other words, if the mummies are not destroyed before the moths emerge, the money spent on shaking, poling and sweeping will have been wasted.

In the southern part of the valley it is nearly impossible to achieve a level of two mummies or less. It is still very important to remove as many mummies as economically possible no matter where you farm. NOW multiply at an exponential rate during the growing season; therefore starting with as few as possible will relieve much pressure during harvest. Winter sanitation is the single most effective way to help control NOW.