



# Tree Nuts: World Markets and Trade

## Almonds

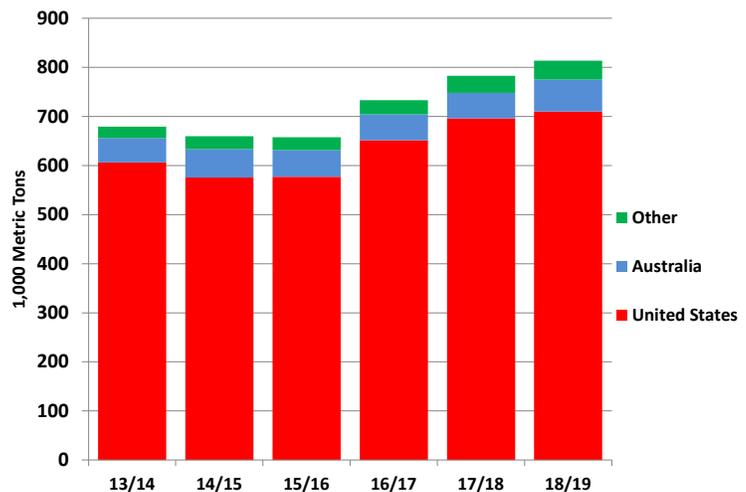
**Global** almond production for 2018/19 is forecast 7 percent higher to a record 1.4 million metric tons (tons) shelled basis, driven primarily by record output in both the United States and, to a lesser extent, Australia. With consumption rising more slowly than output, ending stocks are expected to rebound to a record 245,000 tons. Global exports are expected to rise 4 percent to a record 814,000 tons on strong shipments to the European Union, Japan, and the Middle East.

**U.S.** production is forecast up 8 percent to a record 1.1 million tons, largely due to continued area expansion, though a modest increase in trees per acre also contributed to higher yield. The bloom began a few days earlier than normal but was extended due to cold temperatures and lasted a few weeks. Frosts during bloom hit some orchards hard, with younger trees impacted more severely than older trees. Weather during the spring was variable, but as temperatures warmed up in May, nuts sized well. Reports of disease pressure remained light. Consumption is expected to continue rising to a record 384,000 tons, while ending stocks are expected to rebound to 190,000 tons. Exports, however, are forecast to rise just 2 percent to 710,000 tons as higher shipments to the European Union, Japan, and the Middle East slightly offset lower exports to China, India, and Turkey, where retaliatory tariffs are expected to slow demand.

**EU** production is forecast up 4 percent to 114,000 tons on higher output in Spain, and to a lesser extent, Italy. Over the last several years, growers have planted additional orchards with new varieties and invested in modern irrigation systems. However, the plant bacteria *Xylella fastidiosa* was recently detected in Spain's Valencia Region and Balearic Islands, representing a serious threat to production because it can lower yields if not properly managed. The bacterium lives in the plant xylem tissue and is normally spread by insect vectors feeding from the plant xylem. In response, Spain put contingency plans in place to limit the expansion of the outbreak by destroying affected plant material, increasing border controls, and banning the movement of plant material from the affected regions. EU import demand is forecast up 4 percent to 315,000 tons on strong demand from the food ingredient, snack food, and confectionary industries.

**Australia's** production is forecast to rebound 12 percent from last year's frost-damaged output to a record 85,000 tons. Rainfall deficiencies in some of the growing regions are expected to keep yields below normal. Exports are forecast up 25 percent to 65,000 tons on strong shipments to the European Union and China.

United States Dominates Record World Almond Exports



**India's** imports are forecast to drop 5 percent to 95,000 tons primarily due to increased tariffs. On May 23, India's Ministry of Finance announced an increase in the basic customs duty for shelled almonds from 65 Rupees per kilogram to 100 Rupees per kilogram. The tariff for in-shell almonds was unchanged at 35 Rupees per kilogram. These tariffs are in addition to a 12-percent tax on both domestic and imported almonds implemented in July 2017. However, consumption is expected to continue growing as stocks are drawn down to satisfy demand.

**China's** imports are forecast 15 percent lower to 70,000 tons due primarily to higher tariffs for U.S. almonds. The tariff for U.S. almonds increased from 10 to 25 percent on April 2, and then jumped to 50 percent on July 6. In comparison, the tariff for Australian is 2 percent for shelled almonds and 4.8 percent for in-shell almonds. These tariffs are in addition to the 10-percent Value-Added Tax applied to domestic and imported almonds.

## Walnuts

**Global** walnut production for 2018/19 is forecast down 2 percent to 2.0 million tons in-shell basis as lower production in China more than offsets higher output in all other countries. Global exports, dominated by the United States, are expected up 4 percent to a record 727,000 tons. World ending stocks are forecast 27 percent higher to a record 149,000 tons on a sharp buildup in the United States.

**China's** production is forecast down 15 percent to 850,000 tons. Yunnan Province leads its output and is expected slightly lower due to slow recovery from

last year's frost damage. Also, a snowstorm struck northern China in early April, causing widespread tree damage in other major producing provinces of Shanxi, Shaanxi, Henan, Hebei, and Gansu. Output in Xinjiang Uygur Autonomous Region, the second-largest producing region, is expected to remain unchanged on normal growing conditions. Imports are forecast to drop 17 percent to 25,000 tons following higher tariffs for U.S. walnuts, the dominant supplier. The applied tariff for U.S. walnuts increased from 25 to 40 percent for in-shell and from 20 to 35 percent for shelled on April 2, and then jumped to 65 percent for in-shell and 60 percent for shelled on July 6. These tariffs are in addition to the 10-percent Value-Added Tax applied to both domestic and imported walnuts. In comparison, tariffs for Australian and Chilean walnuts are 5 percent and zero, respectively. Import demand has been falling for the last several years due in part to high import prices and ample domestic supplies.

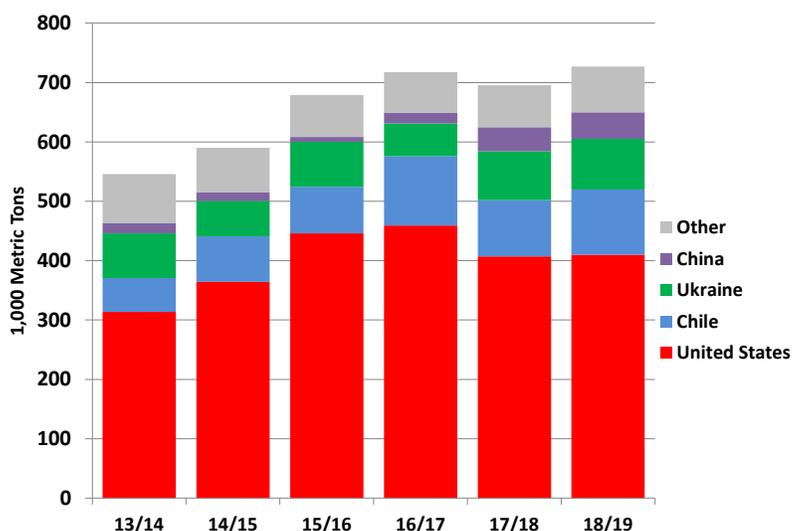
**U.S.** production is forecast up 10 percent to a record 626,000 tons on both area and yield gains. Late spring rains threatened the crop but accompanying cooler conditions increased kernel size and boosted quality. Insect pressure was reported to be down from last year. During the excessive heat waves over the summer, growers applied sunburn preventative materials. Consumption is expected to rebound 17 percent to a record 201,000 tons. Exports are forecast unchanged at 410,000 tons as higher shipments to the European Union are likely offset by lower exports to China due to retaliatory tariffs. Ending stocks are expected to spike 56 percent to a record 90,000 tons.

**EU** production is forecast up 7 percent to 130,000 tons on France's rebound from last year's frost damage, while combined output in Romania and Spain is nearly unchanged. Imports are expected 6 percent higher to a record 310,000 tons. Although consumer demand peaks during the December holidays, year-round consumption is rising steadily. Retail demand is driven by its inclusion in snack foods as well as cooking ingredients, while industrial uses center on the pastry and bakery industry.

**Ukraine's** production is forecast up 17 percent to 127,000 tons on higher yields and continued area expansion. Exports, once dominated by shipments to Russia, have shifted to other markets such as the European Union and China.

**Chile's** production is forecast to rise 23 percent to 120,000 tons largely due to continued area expansion.

U.S. Walnut Exports Forecast Flat as Chile and Ukraine Advance



With the vast majority of output destined for overseas markets, exports are expected to rise in similar fashion, driven by higher shipments to the European Union.

**Turkey's** production is forecast to gain 9 percent to 63,000 tons as yields rebound from last year's drought. Imports are forecast nearly flat at 78,000 tons, supplied mostly by the United States and Uzbekistan. Although walnuts are commonly used in desserts such baklava, halva, ice cream, cookies, and cakes, they are increasingly being purchased by health-conscious consumers as a snack.

## Pistachios

Note: Because the National Agricultural Statistics Service (NASS) discontinued the January *Noncitrus Fruits and Nuts Preliminary Summary* report after 2015, U.S. pistachio production is not forecast. The Foreign Agricultural Service is unable to forecast the global supply and demand balance without U.S. production data, of which the United States is a major component. This publication includes updated 2017/18 data but no forecast for 2018/19.

**Global** production for 2017/18 dropped 18 percent to 642,000 tons in-shell basis as the United States and Turkey entered the off-year of the alternate bearing crop cycle. As a result of lower available supplies, world consumption and ending stocks declined. Exports were slightly higher at 376,000 tons on Iran's rebounding shipments to the European Union and China.

**U.S.** production declined one-third to 272,000 tons due to lower yields from the off-year. Yields plummeted 36 percent to 2,400 pounds per acre, more than offsetting a 5-percent increase in bearing acreage. Growers reported rainfall led to plenty of available water but wet conditions affected winter field preparations. Warm summer temperatures were positive for growth but led to some insect pressure. However, large stocks from the previous year boosted supplies, so exports were slightly higher at 215,000 tons, with top markets including China, the European Union, and Hong Kong.

**Iran's** production surged nearly 50 percent to 225,000 tons on higher yields in the top-producing province of Kerman as bearing area remained unchanged. Exports increased 8 percent to 155,000 tons on higher shipments to the European Union and China. Both consumption and ending stocks rebounded on expanding supplies.

**Turkey's** production plunged nearly 50 percent to 80,000 tons, similar to previous off-years. As a result, consumption dropped 34 percent to 103,000 tons and imports gained nearly 70 percent to 16,000 tons.

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**Almond Summary**  
**Metric Tons, Shelled Basis**

	2013/14	2014/15	2015/16	2016/17	2017/18	Oct 2018/19
<b>Production</b>						
United States	911,720	848,220	861,830	970,690	1,029,650	1,111,300
European Union	58,800	79,700	95,000	98,700	109,500	113,500
Australia	65,100	82,500	82,300	79,500	76,000	85,000
China	7,000	9,500	30,000	40,000	43,000	43,000
Turkey	18,000	13,000	14,000	14,000	15,000	16,000
Other	7,900	12,900	11,700	12,100	11,500	12,000
<b>Total</b>	<b>1,068,520</b>	<b>1,045,820</b>	<b>1,094,830</b>	<b>1,214,990</b>	<b>1,284,650</b>	<b>1,380,800</b>
<b>Domestic Consumption</b>						
European Union	323,800	308,700	346,700	374,700	392,800	403,500
United States	305,580	274,851	283,064	337,345	366,314	384,146
China	67,700	57,800	87,500	107,200	125,000	113,000
India	56,300	64,800	84,900	90,000	91,500	107,500
Japan	36,200	38,100	29,300	31,500	37,000	42,000
United Arab Emirates	54,800	61,500	35,000	36,500	38,400	42,000
Canada	33,700	35,000	32,800	35,500	35,600	40,000
Turkey	33,200	30,800	28,300	35,200	33,800	30,000
Korea, South	25,800	25,800	22,100	25,600	24,100	28,000
Australia	20,800	25,000	28,300	30,200	28,100	24,400
Other	92,000	75,300	73,800	90,400	83,200	107,700
<b>Total</b>	<b>1,049,880</b>	<b>997,651</b>	<b>1,051,764</b>	<b>1,194,145</b>	<b>1,255,814</b>	<b>1,322,246</b>
<b>Ending Stocks</b>						
United States	159,013	170,829	186,881	180,837	162,846	190,000
India	26,800	29,800	20,700	23,500	36,000	28,000
European Union	20,000	20,000	18,000	18,000	18,000	18,000
Australia	7,600	9,400	11,600	10,900	9,400	8,000
Chile	500	500	500	500	500	500
Other	500	500	500	500	400	400
<b>Total</b>	<b>214,413</b>	<b>231,029</b>	<b>238,181</b>	<b>234,237</b>	<b>227,146</b>	<b>244,900</b>
<b>Exports</b>						
United States	606,408	575,700	577,127	651,448	696,081	710,000
Australia	49,600	58,100	54,300	53,200	52,000	65,000
European Union	10,800	13,300	14,800	15,500	20,700	25,000
Turkey	8,300	4,800	4,800	7,400	8,300	8,000
Chile	4,000	8,000	6,600	5,500	5,700	5,500
Other	0	0	0	0	0	0
<b>Total</b>	<b>679,108</b>	<b>659,900</b>	<b>657,627</b>	<b>733,048</b>	<b>782,781</b>	<b>813,500</b>
<b>Imports</b>						
European Union	265,800	242,300	264,500	291,500	304,000	315,000
India	55,300	63,300	71,800	88,300	100,000	95,000
China	60,700	48,300	57,500	67,200	82,000	70,000
Japan	36,200	38,100	29,300	31,500	37,000	42,000
United Arab Emirates	54,800	61,500	35,000	36,500	38,400	42,000
Canada	33,700	35,000	32,800	35,500	35,600	40,000
Korea, South	25,800	25,800	22,100	25,600	24,100	28,000
Turkey	23,500	22,600	19,100	28,600	27,000	22,000
Hong Kong	15,200	17,400	10,600	12,600	12,500	15,000
Pakistan	1,600	1,400	7,900	11,600	7,400	15,000
Mexico	9,400	11,700	10,400	9,800	11,300	14,000
Saudi Arabia	8,200	8,300	7,200	12,000	10,000	13,000
United States	15,390	14,147	14,413	12,059	14,754	10,000
Taiwan	8,300	5,200	4,900	6,800	6,500	8,000
Switzerland	5,800	5,300	4,600	4,700	5,700	7,000
Other	47,800	28,000	29,600	34,000	30,600	36,700
<b>Total</b>	<b>667,490</b>	<b>628,347</b>	<b>621,713</b>	<b>708,259</b>	<b>746,854</b>	<b>772,700</b>

Marketing year begins in August of the first year of the split year for the United States and other Northern Hemisphere countries. Southern hemisphere countries are on a calendar year basis indicated as the second year of the split year.

**Walnut Summary**  
**Metric Tons, In-shell Basis**

	2013/14	2014/15	2015/16	2016/17	2017/18	Oct 2018/19
<b>Production</b>						
China	780,000	900,000	1,000,000	1,060,000	1,000,000	850,000
United States	446,335	518,003	549,754	622,329	571,527	625,958
European Union	110,000	107,900	117,928	116,670	121,000	130,000
Ukraine	115,790	102,740	115,080	108,000	108,500	127,000
Chile	60,000	81,634	80,000	119,000	97,500	120,000
Turkey	75,000	40,000	60,000	63,000	58,000	63,000
Moldova	23,100	32,000	30,000	31,000	33,400	35,000
Other	50,950	43,570	42,100	41,200	42,300	44,500
<b>Total</b>	<b>1,661,175</b>	<b>1,825,847</b>	<b>1,994,862</b>	<b>2,161,199</b>	<b>2,032,227</b>	<b>1,995,458</b>
<b>Domestic Consumption</b>						
China	854,300	956,400	1,075,500	1,088,200	989,200	830,000
European Union	262,100	278,500	310,228	355,470	399,700	425,000
United States	154,922	140,532	134,576	191,759	171,249	200,600
Turkey	115,100	101,100	142,500	160,100	131,700	135,000
Japan	29,000	38,000	40,400	45,800	47,800	50,000
India	26,400	32,700	43,400	45,500	47,500	47,000
Ukraine	40,590	43,140	39,380	52,600	26,300	42,300
Korea, South	29,100	33,900	31,400	32,100	28,400	30,000
United Arab Emirates	17,100	14,300	15,100	32,600	27,500	30,000
Canada	22,200	17,900	24,000	25,300	26,300	27,500
Other	117,350	113,311	130,350	115,768	117,625	134,100
<b>Total</b>	<b>1,668,162</b>	<b>1,769,783</b>	<b>1,986,834</b>	<b>2,145,197</b>	<b>2,013,274</b>	<b>1,951,500</b>
<b>Ending Stocks</b>						
United States	34,988	75,760	59,121	50,781	57,642	90,000
European Union	35,000	35,000	40,000	40,000	40,000	40,000
India	8,100	16,300	12,800	17,800	13,500	10,500
Chile	900	593	443	400	400	4,500
Turkey	5,000	4,000	5,500	6,800	3,800	1,800
Other	1,500	1,500	1,400	1,700	2,100	1,800
<b>Total</b>	<b>85,488</b>	<b>133,153</b>	<b>119,264</b>	<b>117,481</b>	<b>117,442</b>	<b>148,600</b>
<b>Exports</b>						
United States	313,471	364,101	445,748	459,120	409,926	410,000
Chile	57,400	76,800	78,500	116,800	95,000	110,000
Ukraine	75,200	59,600	75,800	55,100	81,800	85,000
China	16,700	14,500	8,300	18,400	40,800	45,000
Moldova	27,100	36,800	34,100	33,600	35,900	37,000
European Union	24,700	16,500	18,300	13,700	12,400	15,000
Australia	4,000	3,900	3,300	7,400	7,000	8,000
Other	27,200	18,100	14,800	13,200	15,300	17,000
<b>Total</b>	<b>545,771</b>	<b>590,301</b>	<b>678,848</b>	<b>717,320</b>	<b>698,126</b>	<b>727,000</b>
<b>Imports</b>						
European Union	171,800	187,100	215,600	252,500	291,100	310,000
Turkey	52,100	68,100	90,500	106,200	77,200	78,000
Japan	29,000	38,000	40,400	45,800	47,800	50,000
Korea, South	29,100	33,900	31,400	32,100	28,400	30,000
United Arab Emirates	17,100	14,300	15,100	32,600	27,500	30,000
Canada	22,600	22,600	24,500	25,800	26,800	28,000
China	91,000	70,900	83,800	46,600	30,000	25,000
India	600	10,400	14,300	23,200	18,500	18,000
United States	15,417	27,402	13,931	20,210	16,509	17,000
Israel	9,600	10,700	13,000	13,400	11,100	14,000
Australia	12,200	12,400	11,200	13,000	10,400	11,000
Belarus	400	1,000	1,200	4,200	8,200	10,000
Mexico	6,300	9,600	13,800	9,200	9,400	10,000
Azerbaijan	3,200	4,800	4,200	5,800	7,500	8,000
Brazil	8,300	7,100	8,200	8,500	7,700	8,000
Other	74,900	63,600	75,800	60,425	61,025	67,200
<b>Total</b>	<b>543,617</b>	<b>581,902</b>	<b>656,931</b>	<b>699,535</b>	<b>679,134</b>	<b>714,200</b>

Marketing year begins in September of the first year of the split year for the United States and other Northern Hemisphere countries. Southern hemisphere countries are on a calendar year basis indicated as the second year of the split year.

**Pistachio Summary**  
**Metric Tons, In-shell Basis**

	2012/13	2013/14	2014/15	2015/16	2016/17	Oct 2017/18
<b>Production</b>						
United States	249,929	213,188	233,147	122,470	406,646	272,292
Iran	183,000	170,000	230,000	210,000	153,000	225,000
Turkey	117,000	50,000	85,000	130,000	155,000	80,000
Syria	57,000	54,000	29,000	32,000	57,000	50,000
European Union	12,900	13,000	13,000	13,800	8,400	15,000
Other	0	0	0	0	0	0
<b>Total</b>	<b>619,829</b>	<b>500,188</b>	<b>590,147</b>	<b>508,270</b>	<b>780,046</b>	<b>642,292</b>
<b>Domestic Consumption</b>						
United States	75,980	51,046	62,285	69,742	127,960	127,434
China	76,350	79,900	81,900	70,550	115,100	111,500
Turkey	93,025	91,650	104,070	126,550	156,700	102,800
European Union	75,975	85,750	83,100	82,350	96,400	101,800
Syria	54,100	49,600	29,050	31,900	57,200	50,600
Iran	51,000	37,900	43,300	21,700	11,800	39,746
Hong Kong	36,400	30,400	30,500	18,300	30,200	27,000
India	9,775	8,825	7,950	8,500	12,700	15,400
United Arab Emirates	21,025	21,950	23,200	20,500	14,800	15,300
Canada	17,000	18,800	11,400	5,700	9,000	10,000
Other	50,475	44,275	42,250	37,520	42,750	49,300
<b>Total</b>	<b>561,105</b>	<b>520,096</b>	<b>519,005</b>	<b>493,312</b>	<b>674,610</b>	<b>650,880</b>
<b>Ending Stocks</b>						
United States	49,494	34,978	74,803	46,528	115,507	47,456
Iran	16,000	10,000	5,000	5,000	3,000	33,100
European Union	1,500	1,500	1,500	1,500	1,500	1,500
Turkey	39,420	9,320	5,000	8,500	10,000	500
Afghanistan	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total</b>	<b>106,414</b>	<b>55,798</b>	<b>86,303</b>	<b>61,528</b>	<b>130,007</b>	<b>82,556</b>
<b>Exports</b>						
United States	166,939	177,273	132,069	82,308	211,235	214,702
Iran	121,000	138,100	191,700	188,300	143,200	155,154
Turkey	8,200	2,000	2,700	9,200	6,600	3,100
European Union	1,600	1,300	1,400	1,900	1,800	2,100
Syria	3,200	4,900	500	400	500	500
Other	0	0	0	0	0	0
<b>Total</b>	<b>300,939</b>	<b>323,573</b>	<b>328,369</b>	<b>282,108</b>	<b>363,335</b>	<b>375,556</b>
<b>Imports</b>						
China	76,350	79,900	81,900	70,550	115,100	111,500
European Union	64,675	74,050	71,500	70,450	89,800	88,900
Hong Kong	36,400	30,400	30,500	18,300	30,200	27,000
Turkey	4,125	13,550	17,450	9,250	9,800	16,400
India	9,775	8,825	7,950	8,500	12,700	15,400
United Arab Emirates	21,025	21,950	23,200	20,500	14,800	15,300
Canada	17,000	18,800	11,400	5,700	9,000	10,000
Iraq	6,100	8,575	9,825	8,300	8,000	9,300
Pakistan	3,025	2,025	3,825	6,500	5,900	7,700
Jordan	650	650	2,200	2,700	4,700	6,800
Other	42,359	34,140	27,982	21,625	26,378	28,393
<b>Total</b>	<b>281,484</b>	<b>292,865</b>	<b>287,732</b>	<b>242,375</b>	<b>326,378</b>	<b>336,693</b>

The marketing year begins in September. Trade data includes prepared and preserved pistachios classified in chapter 20 of the Harmonized Tariff Schedule.