



United States
Department of
Agriculture

Foreign
Agricultural
Service

October 2019

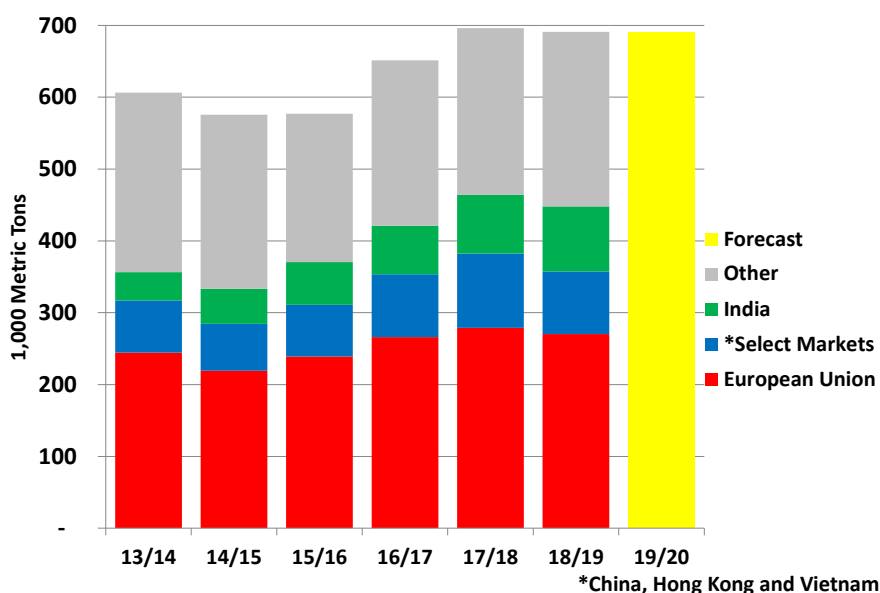
Tree Nuts: World Markets and Trade

Almonds

Global almond production for 2019/20 is forecast 3 percent lower to 1.3 million metric tons (tons) shelled basis, as losses in the United States and the European Union more than offset gains in Australia and China. With lower available supply, consumption as well as ending stocks are expected to fall. Global exports are expected nearly unchanged at 807,000 tons.

U.S. production is forecast down 4 percent to 998,000 tons as lower yields more than offset higher bearing area. Yields were driven sharply lower by an 18-percent-reduction in the average nut set per tree, while the average kernel weight was unchanged. The crop experienced unusual weather, for example, significant rainfall during the bloom hindered pollination. Strong winds were reported to have damaged trees and knocked off some nuts. Instances of rain persisted through April and May, prompting concerns about disease pressure and warranting extra fungal applications. Cooler-than-average temperatures continued throughout the growing season, pushing crop development about one week behind last year. Exports are forecast flat at 690,000 tons as higher shipments to the European Union, Japan, and the Middle East offset lower exports to China, India, and Turkey. Ending stocks are expected to drop by nearly 20 percent to 117,000 tons as inventories are drawn down to satisfy demand.

U.S. Almond Exports Forecast Flat



EU production is forecast down 2 percent to 121,000 tons as lower output in Spain more than offsets a modest gain in Italy. Import demand is expected unchanged at 285,000 tons on flat demand from the food ingredient, snack food, and confectionary industries.

Australia's production is forecast to gain 3 percent to a record 95,000 tons on a modest rise in both area and yield. A majority of production occurs in the Riverina region of New South Wales, the Swan Hill and Sunraysia regions of Victoria, and the Riverland and Adelaide regions of South Australia. Exports are forecast 4-percent higher to 75,000 tons on higher shipments to the European Union and China.

China's imports are forecast nearly unchanged at 100,000 tons due primarily to higher tariffs for U.S. almonds, which have risen to 60 percent. These tariffs are in addition to the 10-percent Value-Added Tax applied to domestic and imported almonds. Prior to the implementation of tariffs for U.S. almonds,

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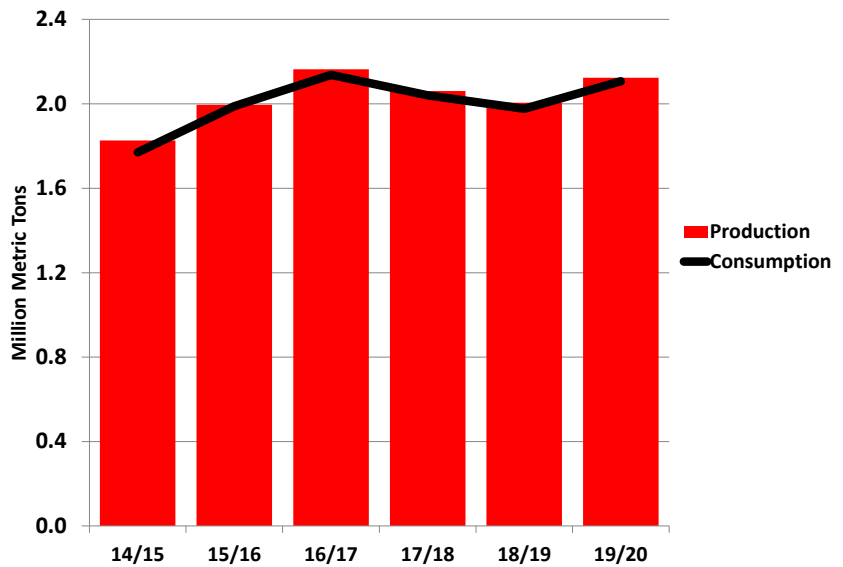
China's imports had been rising for several years, driven by higher demand from food manufacturers as well as the snack food sector.

India's imports are forecast unchanged at 105,000 tons as demand stalls due to higher tariffs. In May 2018, 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. In June 2019, tariffs for the United States were further increased to 120 Rupees per kilogram for shelled almonds and 41 Rupees per kilogram for in-shell almonds. 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, drawing down ending stocks.

Walnuts

Global walnut production for 2019/20 is forecast up 6 percent to 2.1 million tons in-shell basis as higher production in China more than offsets lower output in the United States. World consumption is expected to rise 7 percent on the strength of China's output. Global exports are expected up slightly to 816,000 tons as gains in China and Chile more than offset losses in the United States and Ukraine. World ending stocks are forecast to continue drifting lower to 107,000 tons.

World Walnut Production and Consumption to Rebound



China's production is forecast up 18 percent to 1.0 million tons on favorable growing conditions following last year's weather-related shortfalls in top producing regions. Although domestic consumption is expected to account for over 90 percent of output, exports have risen sharply in recent years and this trend is expected to continue. Imports are forecast down nearly 25 percent to just 20,000 tons, the fourth year of double-digit declines as consumers increasingly rely on domestic output.

U.S. production is forecast down 7 percent to 570,000 tons as lower yields more than offset greater bearing area. Yields were driven sharply lower by a 16-percent reduction in the average nut set per tree, while the average kernel weight was nearly unchanged. The season began with record amounts of rain during the winter and spring months, and the bloom was 7 to 10 days later than normal. Localized weather conditions resulted in variable crop development across California where production is concentrated. Although consumption is expected nearly unchanged, it should remain at an elevated level for a fourth consecutive year. Exports account for a substantial portion of output and are forecast 2 percent lower to 420,000 tons on lower shipments to the EU, Turkey, and Japan. With lower available supply, stocks are expected to drop nearly 20 percent to 49,000 tons.

Chile's production is forecast to rise 3 percent to a record 160,000 tons as continued area expansion more than offsets lower yields following heavy rains and below average temperatures during the spring. Exports are expected to rise 7 percent to 160,000 tons on strong shipments to the European Union and Turkey. To supply modest domestic consumption, stocks from last year's record harvest are expected to be drawn down.

EU production is forecast down 4 percent to 125,000 tons on modest reductions in France and Romania. Imports are expected up slightly to 290,000 tons on higher use in the snack foods and cooking ingredients on the retail side and pastries on the industrial side.

Ukraine's production is forecast to drop 5 percent to 121,000 tons, despite slightly higher bearing acreage as dry conditions lowered yields. With lower available supplies, exports to China and the European Union are forecast to fall nearly 20 percent to 85,000 tons.

Pistachios

Note: This publication only includes updated 2018/19 data because U.S. production data for 2019/20 is not available.

Global production for 2018/19 gained 20 percent from the previous year to 780,000 tons on rebounding yields and output in the United States and Turkey, more than offsetting a sharp decline in Iran. With higher available supplies, world consumption reached a record 731,000 tons. However, global exports dropped 8 percent to 347,000 tons due to lower available supplies in Iran.

Iran's production plunged over 75 percent to just 52,000 tons. The Iranian Pistachio Association reported that a weather shock occurred during bud-break in Kerman province, significantly reducing yields in this top-producing region. Exports plummeted two-thirds to just 50,000 tons on significantly lower shipments to China, the European Union, and Turkey.

U.S. production jumped nearly two-thirds to a record 448,000 tons due to high yields from the on-year of the alternate bearing crop cycle as well as increased bearing area. With limited competition from Iran, U.S. exports gained 30 percent to a record 279,000 tons on higher shipments to China, the European Union, and Canada.

Turkey's production skyrocketed over 160 percent to a record 210,000 tons. Last year's crop was particularly small as poor weather coincided with the production cycle's off-year. However, most production is not traded, so domestic consumption nearly doubled.

China's imports eased 12 percent to 98,000 on limited shipments from Iran. Despite high retaliatory tariffs for U.S. pistachios, imports from the United States expanded to satisfy domestic demand.

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Almond Summary
Metric Tons, Shelled Basis

| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | Oct 2019/20 |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|----------------|
| Production | | | | | | |
| United States | 848,220 | 861,830 | 970,690 | 1,029,650 | 1,034,190 | 997,900 |
| European Union | 79,700 | 95,000 | 98,700 | 109,500 | 123,800 | 121,000 |
| Australia | 82,500 | 82,300 | 79,500 | 76,000 | 92,000 | 95,000 |
| China | 9,500 | 30,000 | 40,000 | 43,000 | 43,000 | 45,000 |
| Turkey | 13,000 | 14,000 | 14,000 | 15,000 | 16,000 | 15,000 |
| Other | 12,900 | 11,700 | 12,100 | 13,500 | 15,500 | 16,000 |
| Total | 1,045,820 | 1,094,830 | 1,214,990 | 1,286,650 | 1,324,490 | 1,289,900 |
| Domestic Consumption | | | | | | |
| European Union | 308,700 | 346,700 | 374,700 | 385,500 | 385,000 | 381,000 |
| United States | 274,851 | 283,064 | 337,296 | 366,202 | 376,003 | 350,000 |
| China | 57,800 | 87,500 | 107,200 | 126,400 | 142,000 | 145,000 |
| India | 64,800 | 84,900 | 90,000 | 92,100 | 110,300 | 114,500 |
| Japan | 38,100 | 29,300 | 31,500 | 36,400 | 40,700 | 42,000 |
| Canada | 35,000 | 32,800 | 35,500 | 35,600 | 37,100 | 38,000 |
| United Arab Emirates | 61,500 | 35,000 | 36,500 | 38,200 | 36,300 | 35,000 |
| Korea, South | 25,800 | 22,100 | 25,600 | 23,700 | 26,800 | 28,000 |
| Turkey | 30,800 | 28,300 | 35,200 | 32,900 | 27,100 | 25,000 |
| Australia | 25,000 | 28,300 | 30,200 | 28,100 | 24,500 | 22,400 |
| Other | 75,300 | 73,800 | 90,400 | 82,700 | 81,800 | 82,700 |
| Total | 997,651 | 1,051,764 | 1,194,096 | 1,247,802 | 1,287,603 | 1,263,600 |
| Ending Stocks | | | | | | |
| United States | 170,829 | 186,881 | 180,837 | 162,846 | 144,387 | 117,287 |
| India | 29,800 | 20,700 | 23,500 | 36,000 | 35,000 | 30,000 |
| European Union | 20,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Australia | 9,400 | 11,600 | 10,900 | 4,600 | 2,200 | 2,000 |
| Chile | 500 | 500 | 500 | 500 | 500 | 400 |
| Other | 500 | 500 | 500 | 400 | 400 | 400 |
| Total | 231,029 | 238,181 | 234,237 | 222,346 | 200,487 | 168,087 |
| Exports | | | | | | |
| United States | 575,700 | 577,127 | 651,497 | 696,189 | 691,294 | 690,000 |
| Australia | 58,100 | 54,300 | 53,200 | 56,900 | 72,000 | 75,000 |
| European Union | 13,300 | 14,800 | 15,500 | 20,700 | 23,800 | 25,000 |
| Chile | 8,000 | 6,600 | 5,500 | 7,700 | 9,500 | 10,000 |
| Turkey | 4,800 | 4,800 | 7,400 | 8,300 | 7,000 | 7,000 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 659,900 | 657,627 | 733,097 | 789,789 | 803,594 | 807,000 |
| Imports | | | | | | |
| European Union | 242,300 | 264,500 | 291,500 | 296,700 | 285,000 | 285,000 |
| India | 63,300 | 71,800 | 88,300 | 100,600 | 104,800 | 105,000 |
| China | 48,300 | 57,500 | 67,200 | 83,400 | 99,000 | 100,000 |
| Japan | 38,100 | 29,300 | 31,500 | 36,400 | 40,700 | 42,000 |
| Canada | 35,000 | 32,800 | 35,500 | 35,600 | 37,100 | 38,000 |
| United Arab Emirates | 61,500 | 35,000 | 36,500 | 38,200 | 36,300 | 35,000 |
| Korea, South | 25,800 | 22,100 | 25,600 | 23,700 | 26,800 | 28,000 |
| Turkey | 22,600 | 19,100 | 28,600 | 26,100 | 18,100 | 17,000 |
| United States | 14,147 | 14,413 | 12,059 | 14,750 | 14,648 | 15,000 |
| Mexico | 11,700 | 10,400 | 9,800 | 11,500 | 12,500 | 13,000 |
| Saudi Arabia | 8,300 | 7,200 | 12,000 | 9,800 | 11,500 | 12,000 |
| Russia | 4,400 | 3,100 | 3,300 | 3,000 | 6,700 | 7,000 |
| Switzerland | 5,300 | 4,600 | 4,700 | 5,600 | 6,000 | 6,500 |
| Hong Kong | 17,400 | 10,600 | 12,600 | 12,500 | 6,400 | 6,000 |
| Israel | 3,900 | 4,000 | 4,700 | 4,100 | 5,200 | 5,000 |
| Other | 26,300 | 35,300 | 44,400 | 37,100 | 34,100 | 33,800 |
| Total | 628,347 | 621,713 | 708,259 | 739,050 | 744,848 | 748,300 |

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

| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | Oct 2019/20 |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|----------------|
| Production | | | | | | |
| China | 900,000 | 1,000,000 | 1,060,000 | 1,000,000 | 850,000 | 1,000,000 |
| United States | 518,003 | 549,754 | 625,050 | 571,527 | 613,257 | 571,527 |
| Chile | 81,634 | 80,000 | 119,000 | 126,000 | 155,000 | 160,000 |
| European Union | 107,900 | 117,928 | 116,670 | 121,000 | 130,000 | 125,000 |
| Ukraine | 102,740 | 115,080 | 108,000 | 108,660 | 127,190 | 120,960 |
| Turkey | 40,000 | 60,000 | 63,000 | 58,000 | 63,000 | 65,000 |
| India | 35,000 | 33,000 | 32,000 | 32,500 | 34,000 | 35,000 |
| Other | 40,570 | 39,100 | 40,200 | 43,200 | 33,000 | 46,000 |
| Total | 1,825,847 | 1,994,862 | 2,163,920 | 2,060,887 | 2,005,447 | 2,123,487 |
| Domestic Consumption | | | | | | |
| China | 956,400 | 1,075,500 | 1,088,400 | 985,800 | 812,400 | 940,000 |
| European Union | 278,500 | 310,228 | 355,170 | 401,000 | 400,400 | 400,000 |
| United States | 140,532 | 134,576 | 194,435 | 171,482 | 183,720 | 182,564 |
| Turkey | 101,100 | 142,500 | 160,100 | 136,200 | 166,500 | 166,800 |
| United Arab Emirates | 14,300 | 15,100 | 32,700 | 28,100 | 59,200 | 60,000 |
| Japan | 38,000 | 40,400 | 45,800 | 49,700 | 43,500 | 44,000 |
| India | 32,700 | 43,400 | 45,500 | 47,500 | 42,400 | 42,000 |
| Ukraine | 43,140 | 39,380 | 38,986 | 35,000 | 29,214 | 35,500 |
| Korea, South | 33,900 | 31,400 | 32,100 | 28,800 | 32,500 | 33,000 |
| Kyrgyzstan | 0 | 0 | 1,700 | 7,600 | 34,900 | 30,000 |
| Other | 131,211 | 155,950 | 141,868 | 148,300 | 171,100 | 173,000 |
| Total | 1,769,783 | 1,988,434 | 2,136,759 | 2,039,482 | 1,975,834 | 2,106,864 |
| Ending Stocks | | | | | | |
| United States | 75,760 | 59,121 | 50,781 | 57,642 | 60,037 | 49,000 |
| European Union | 35,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| India | 16,300 | 12,800 | 17,800 | 13,600 | 14,400 | 14,400 |
| Turkey | 4,000 | 5,500 | 6,800 | 3,800 | 1,800 | 2,000 |
| Chile | 593 | 443 | 400 | 400 | 3,200 | 1,100 |
| Other | 1,500 | 1,400 | 15,423 | 7,449 | 449 | 649 |
| Total | 133,153 | 119,264 | 131,204 | 122,891 | 119,886 | 107,149 |
| Exports | | | | | | |
| United States | 364,101 | 445,748 | 459,165 | 409,693 | 430,454 | 420,000 |
| Chile | 76,800 | 78,500 | 116,800 | 123,700 | 150,000 | 160,000 |
| Ukraine | 59,600 | 75,800 | 55,100 | 81,900 | 105,000 | 85,300 |
| China | 14,500 | 8,300 | 18,400 | 45,200 | 63,500 | 80,000 |
| Moldova | 37,000 | 34,100 | 33,500 | 36,200 | 25,500 | 37,000 |
| European Union | 16,500 | 18,300 | 13,700 | 12,900 | 14,600 | 15,000 |
| Turkey | 8,000 | 6,500 | 7,800 | 6,400 | 7,500 | 8,000 |
| Other | 14,000 | 11,600 | 12,900 | 13,300 | 9,500 | 10,500 |
| Total | 590,501 | 678,848 | 717,365 | 729,293 | 806,054 | 815,800 |
| Imports | | | | | | |
| European Union | 187,100 | 215,600 | 252,200 | 292,900 | 285,000 | 290,000 |
| Turkey | 68,100 | 90,500 | 106,200 | 81,600 | 109,000 | 110,000 |
| United Arab Emirates | 14,300 | 15,100 | 32,700 | 28,100 | 59,200 | 60,000 |
| Japan | 38,000 | 40,400 | 45,800 | 49,700 | 43,500 | 44,000 |
| Korea, South | 33,900 | 31,400 | 32,100 | 28,800 | 32,500 | 33,000 |
| Kyrgyzstan | 0 | 0 | 1,700 | 7,600 | 34,900 | 30,000 |
| Canada | 22,600 | 24,500 | 25,800 | 27,200 | 28,300 | 29,000 |
| China | 70,900 | 83,800 | 46,800 | 31,000 | 25,900 | 20,000 |
| United States | 27,402 | 13,931 | 20,210 | 16,509 | 3,312 | 20,000 |
| Israel | 10,700 | 13,000 | 13,200 | 11,200 | 17,900 | 16,000 |
| Pakistan | 200 | 1,700 | 2,700 | 7,100 | 18,800 | 15,000 |
| Iraq | 11,900 | 19,500 | 14,300 | 8,700 | 11,700 | 13,000 |
| India | 10,400 | 14,300 | 23,200 | 18,500 | 13,400 | 12,000 |
| Morocco | 1,100 | 3,000 | 5,500 | 7,400 | 9,600 | 11,000 |
| Mexico | 9,600 | 13,800 | 9,200 | 9,700 | 10,500 | 11,000 |
| Other | 75,900 | 78,000 | 70,534 | 73,566 | 69,924 | 72,440 |
| Total | 582,102 | 658,531 | 702,144 | 699,575 | 773,436 | 786,440 |

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

| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | Feb 2018/19 | Oct 2018/19 |
|-----------------------------|---------|---------|---------|---------|----------------|----------------|
| Production | | | | | | |
| United States | 233,147 | 122,470 | 406,646 | 272,292 | 450,924 | 447,696 |
| Turkey | 85,000 | 130,000 | 155,000 | 80,000 | 240,000 | 210,000 |
| Syria | 29,000 | 35,000 | 58,000 | 56,500 | 60,000 | 60,000 |
| Iran | 230,000 | 210,000 | 153,000 | 225,000 | 52,000 | 52,000 |
| European Union | 13,000 | 13,800 | 8,400 | 15,000 | 10,800 | 10,800 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 590,147 | 511,270 | 781,046 | 648,792 | 813,724 | 780,496 |
| Domestic Consumption | | | | | | |
| Turkey | 104,070 | 126,550 | 156,700 | 102,900 | 205,500 | 183,400 |
| United States | 62,285 | 69,742 | 127,977 | 127,438 | 149,880 | 157,923 |
| European Union | 83,100 | 82,350 | 96,500 | 101,800 | 94,800 | 107,700 |
| China | 81,900 | 70,550 | 115,100 | 111,500 | 100,000 | 98,000 |
| Syria | 29,050 | 34,900 | 58,200 | 57,100 | 60,500 | 60,600 |
| Iran | 43,300 | 21,700 | 11,800 | 39,700 | 32,000 | 32,000 |
| India | 7,950 | 8,500 | 12,700 | 15,700 | 10,000 | 16,000 |
| Hong Kong | 30,500 | 18,300 | 30,200 | 25,600 | 25,000 | 14,000 |
| United Arab Emirates | 23,200 | 20,500 | 14,800 | 16,200 | 10,000 | 11,000 |
| Canada | 11,400 | 5,700 | 9,000 | 10,100 | 15,000 | 10,200 |
| Other | 42,250 | 37,520 | 42,750 | 49,300 | 40,500 | 40,500 |
| Total | 519,005 | 496,312 | 675,727 | 657,338 | 743,180 | 731,323 |
| Ending Stocks | | | | | | |
| United States | 74,803 | 46,528 | 115,507 | 47,456 | 100,000 | 59,926 |
| Turkey | 5,000 | 8,500 | 10,000 | 500 | 15,000 | 22,500 |
| Iran | 5,000 | 5,000 | 3,000 | 33,100 | 3,100 | 3,100 |
| European Union | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Afghanistan | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 86,303 | 61,528 | 130,007 | 82,556 | 119,600 | 87,026 |
| Exports | | | | | | |
| United States | 132,069 | 82,308 | 211,235 | 214,702 | 250,000 | 278,759 |
| Iran | 191,700 | 188,300 | 143,200 | 155,200 | 50,000 | 50,000 |
| Turkey | 2,700 | 9,200 | 6,600 | 3,100 | 25,000 | 15,700 |
| European Union | 1,400 | 1,900 | 1,700 | 2,100 | 1,000 | 1,600 |
| Syria | 500 | 400 | 500 | 500 | 500 | 500 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 328,369 | 282,108 | 363,235 | 375,602 | 326,500 | 346,559 |
| Imports | | | | | | |
| European Union | 71,500 | 70,450 | 89,800 | 88,900 | 85,000 | 98,500 |
| China | 81,900 | 70,550 | 115,100 | 111,500 | 100,000 | 98,000 |
| India | 7,950 | 8,500 | 12,700 | 15,700 | 10,000 | 16,000 |
| Hong Kong | 30,500 | 18,300 | 30,200 | 25,600 | 25,000 | 14,000 |
| Turkey | 17,450 | 9,250 | 9,800 | 16,500 | 5,000 | 11,100 |
| United Arab Emirates | 23,200 | 20,500 | 14,800 | 16,200 | 10,000 | 11,000 |
| Canada | 11,400 | 5,700 | 9,000 | 10,100 | 15,000 | 10,200 |
| Pakistan | 3,825 | 6,500 | 5,900 | 7,800 | 6,000 | 5,700 |
| Israel | 3,500 | 2,650 | 5,600 | 3,500 | 2,500 | 5,500 |
| Iraq | 9,825 | 8,300 | 8,000 | 9,500 | 8,000 | 5,500 |
| Other | 26,682 | 21,675 | 25,495 | 31,397 | 26,500 | 26,356 |
| Total | 287,732 | 242,375 | 326,395 | 336,697 | 293,000 | 301,856 |

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