

Tree Nuts

Almond Market

Almond prices turned lower in October once again. Multi-year low prices have attracted buyers to the market, but weakness remains as supply outweighs the demand in the market. Prices are at multi-year lows due to large supplies – the almond supply is 20% greater than at this point last year.

News of countries around the EU implementing a new round of stringent lockdowns created worry over the level of demand moving forward. This is a bearish development in the market as the economic disruption caused by lockdowns has been strong.

The 2019 crop was nothing short of outstanding. At 3 billion lbs, the crop was 18% higher than last year. Total production, yields, and acreage all increased year-over-year. The outstanding crop is the reason why prices fell to multi-year lows. Looking forward to next year, these same factors – increased acreage and yield – could once again produce another record crop. As with many commodities, weather will be key. But provided there is not a weather event, California will likely produce another bump crop.