

2010 CALIFORNIA ENGLISH WALNUT CROP

CY 2010 Edition 9.



FIELD AND MARKET REPORT

November 22, 2010
Los Molinos, California

FIELD REPORT

The walnut harvest is just now being completed in the latest harvesting regions. The harvest started about 10 days late and with several rain delays, finished about 15 days later than normal.

The crop size is yet unknown but is considered by most to be a good crop. It will take a few weeks before the crop is entirely received from the growers and graded for quality. Though there has been some crop damage from the rain, most growers report that the damage was minimal. The final crop size will be reported by the USDA in January.

MARKET UPDATE

The late walnut harvest delayed early shipments, and will result in lower than possible sales volumes shipped before the holiday season. The small carry-in from the 2009 crop allowed the supply chain to empty before the new crop arrived.

Shipments of California walnuts YTD as reported by the California Walnut Board indicate a drop from last year's pace by 3.7%. Shipments to date for the 2010-11 marketing year were 114,622 in-shell tons equivalent versus 118,029 tons last year.

October shipments of in-shell were up slightly from 96,706,000 pounds in October 2009 versus 104,148,000 pounds this year. Kernel shipments however were down from last year with 54,417,000 pounds as kernels versus 61,594,000 pounds shipped as kernels in 2009. We will attach a copy of the October MMR for quick reference to specific countries or regions.

We are finalizing our inventory and accounting relative to the processing of the new crop, and should be in a position to start looking at forward contract positions shortly. We will let you know when we are ready to get started, and will be happy to continue to quote spot needs for prompt shipment until that time. If you have any questions, please feel free to call.



CRAIN WALNUT SHELLING, INC.
10695 DECKER AVE.
LOS MOLINOS, CA 96055

Phone: 530-529-1585
Fax: 530-529-1458
www.crainwalnut.com