



## The Almond Market

### The Almond Market

- Look at Global Demand
- Historic Supply & Demand for Almonds
- Growth: Domestic & Export
- Per Capita Consumption & Relative Value
- A Shift to Nonpareils & Higher Quality
- More Almonds in Fewer Hands
- A 5 Year Forecast

# Demand For Food Can Only Grow!

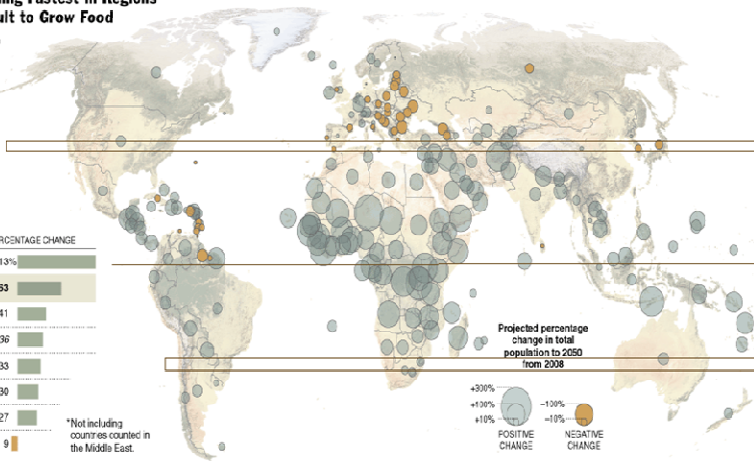
## Populations Are Expanding Fastest In Regions Where it is Most Difficult to Grow Food

The world's population is projected to grow to 9 billion before 2050. Proportionally, the countries in Northern Africa and the Middle East are among the fastest growing. But those are the world's driest regions, and by 2050, fresh water there will be twice as scarce.

### Projected total population

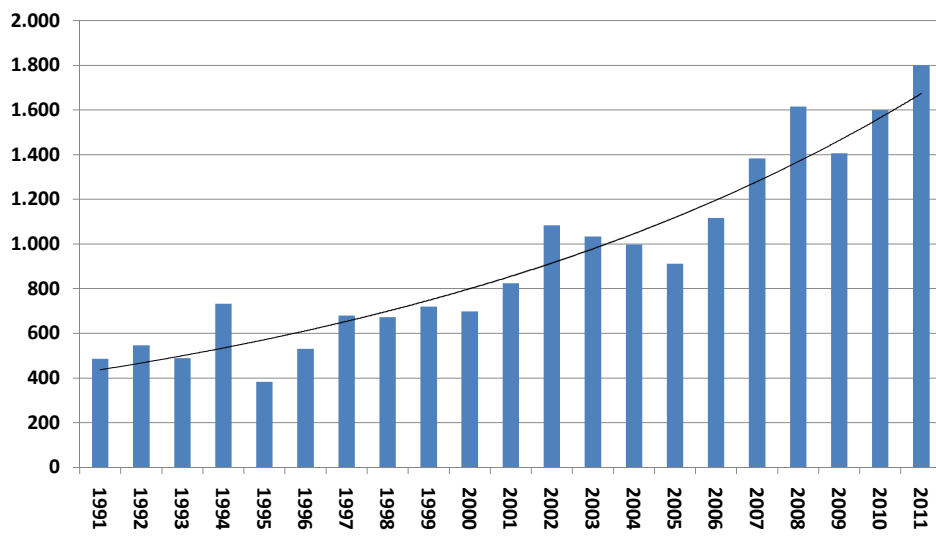
| IN MILLIONS                     | 2008  | 2050  | PERCENTAGE CHANGE |
|---------------------------------|-------|-------|-------------------|
| Sub-Saharan Africa              | 827   | 1,761 | +113%             |
| Middle East and Northern Africa | 364   | 595   | + 63              |
| Oceania                         | 35    | 49    | + 41              |
| World                           | 6,750 | 9,191 | + 36              |
| Latin America and the Caribbean | 579   | 766   | + 33              |
| Northern America                | 342   | 445   | + 30              |
| Asia*                           | 3,872 | 4,909 | + 27              |
| Europe                          | 731   | 664   | - 9               |

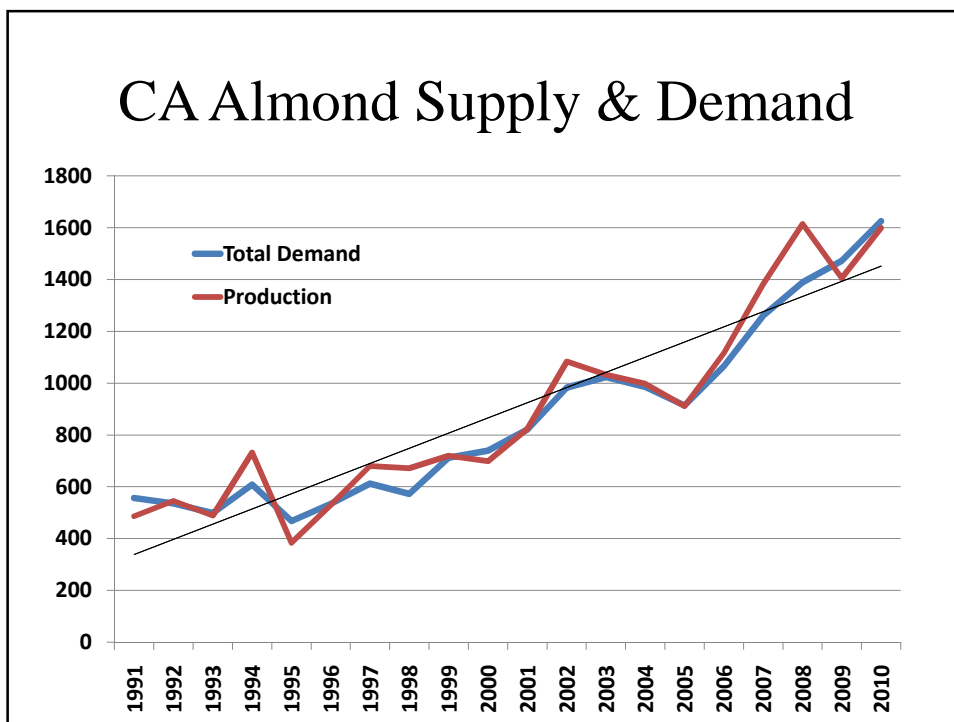
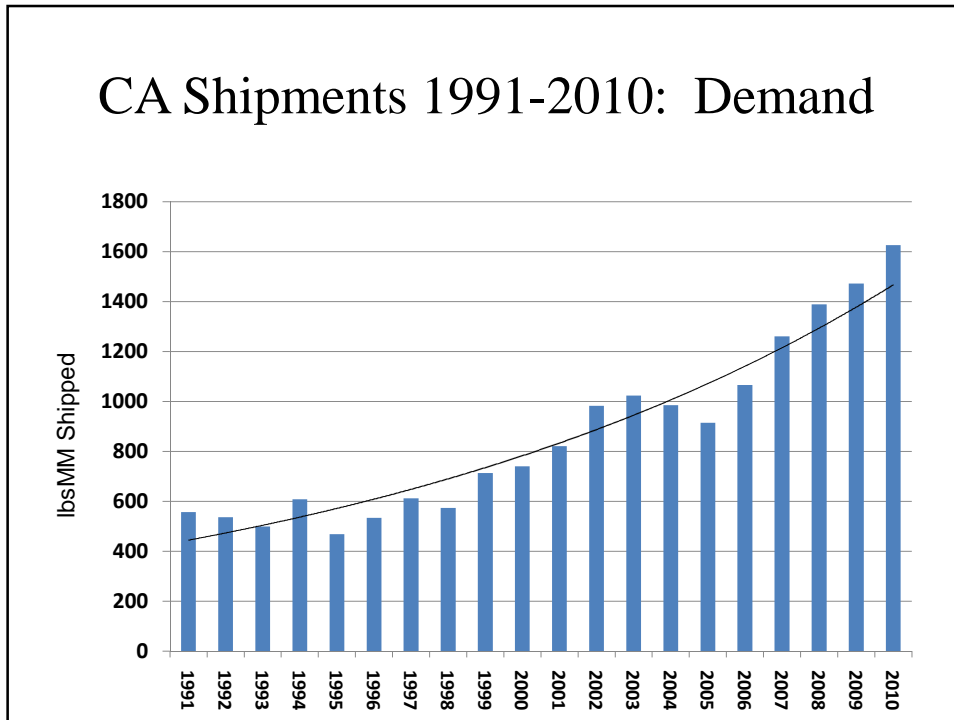
\*Not including countries counted in the Middle East.

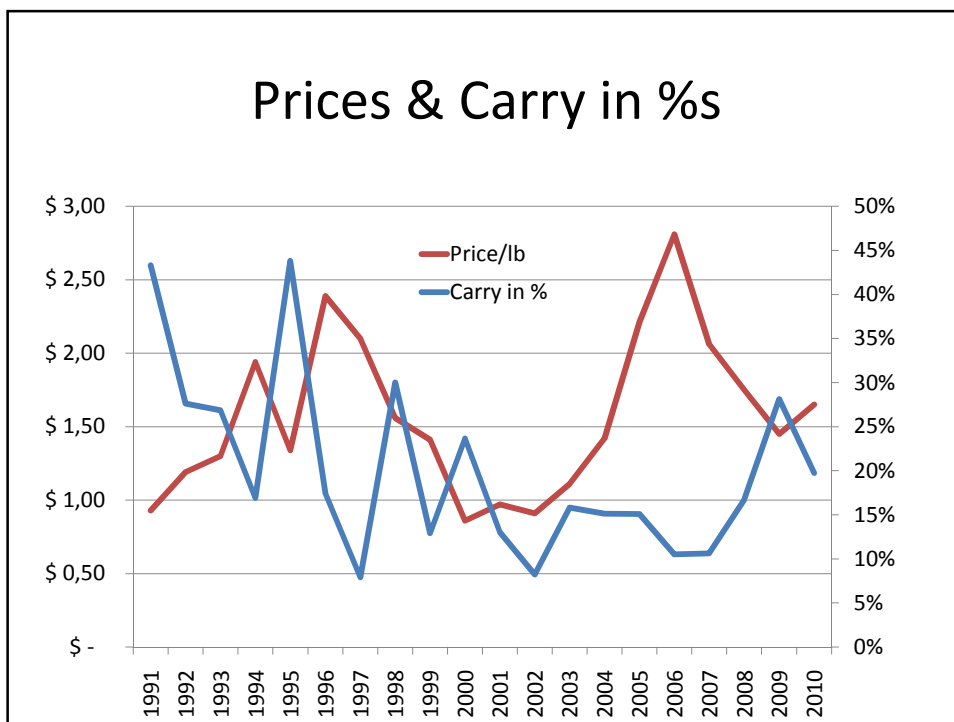
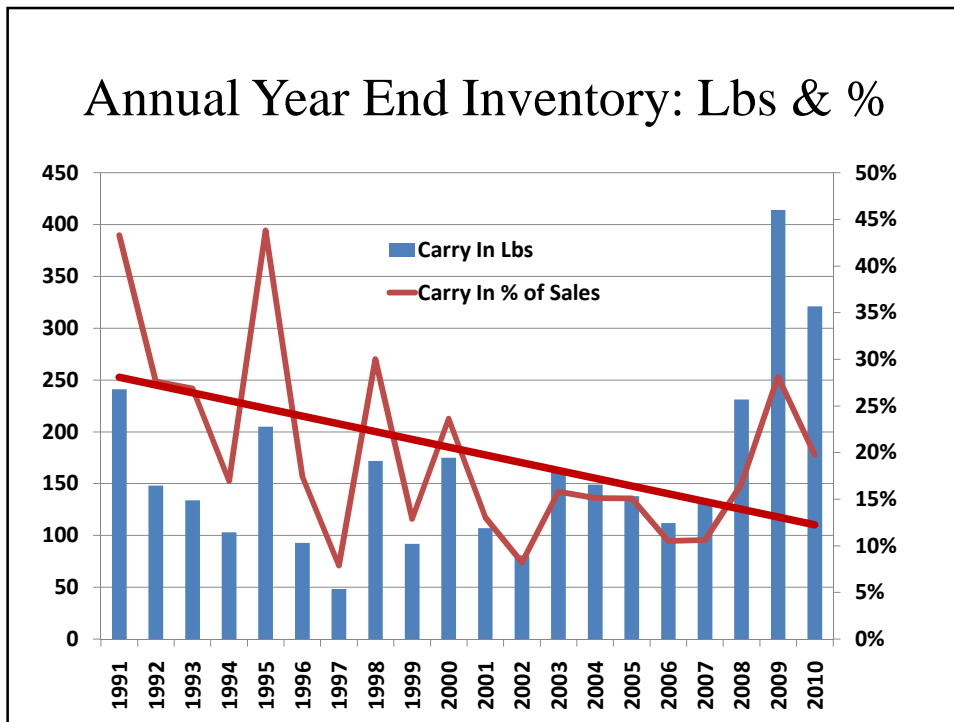


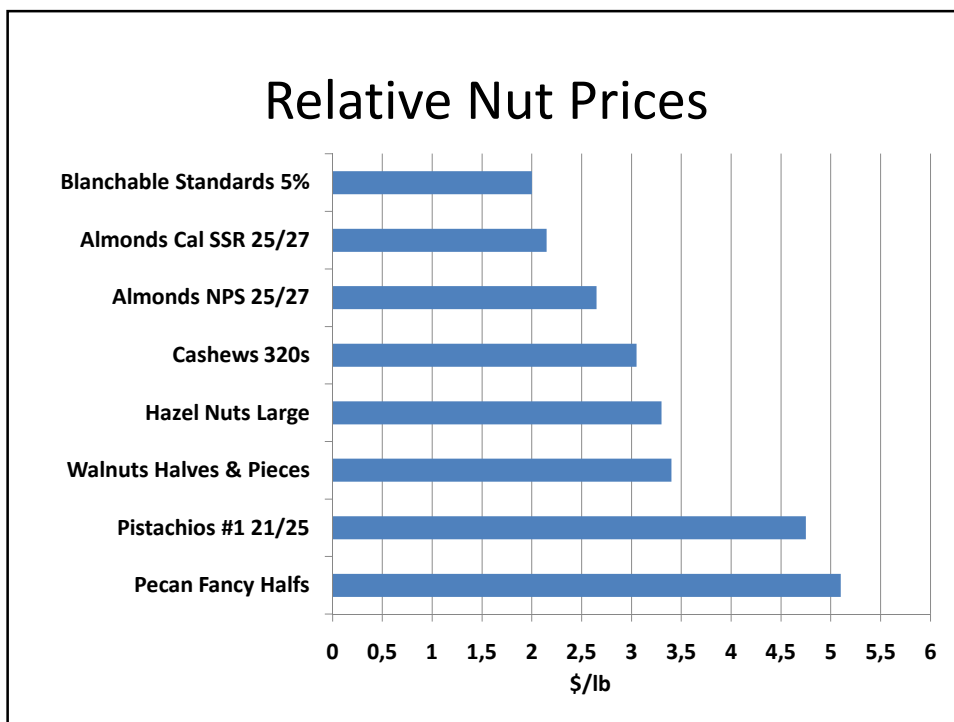
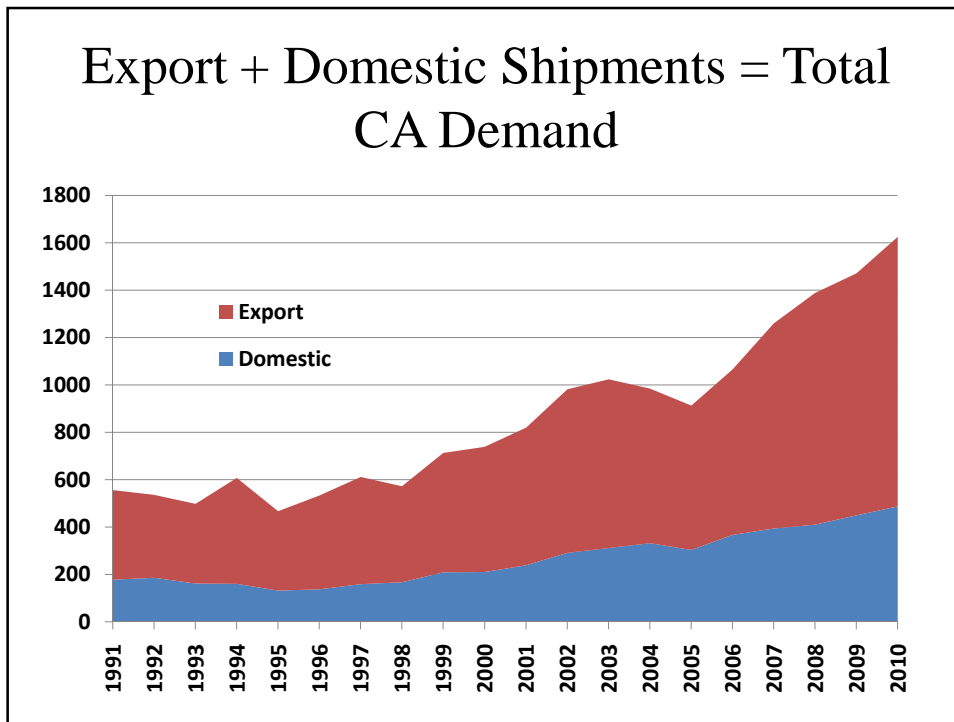
Sources: United Nations, Department of Economic and Social Affairs, Population Division "World Population Prospects: The 2006 Revision"; "Natural Faith" issue map by Tom Paterson

# CA Almond Production 1991-2011 Supply

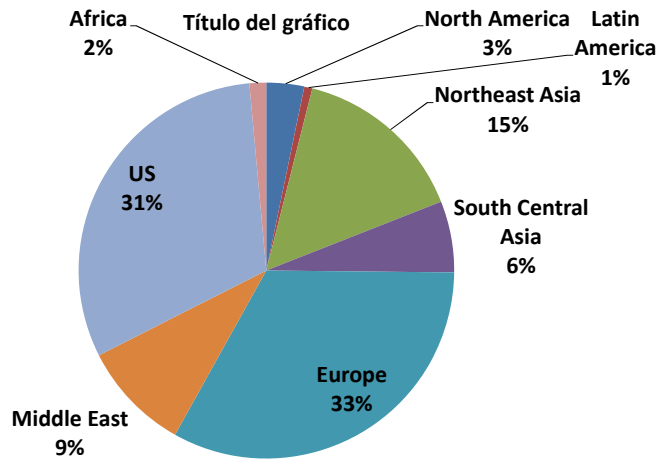




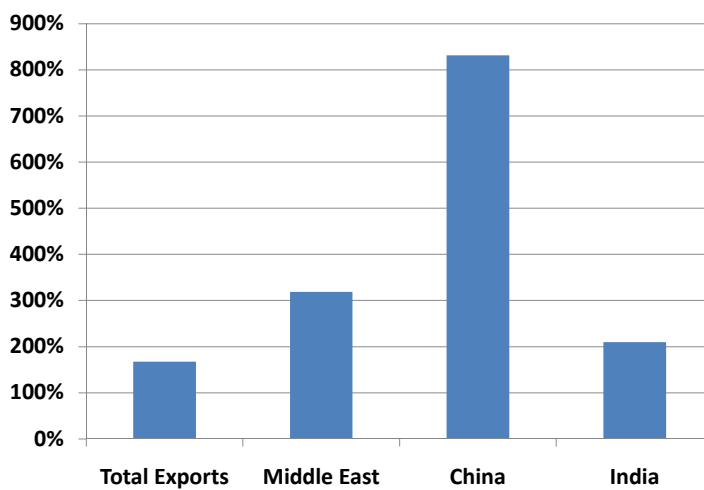


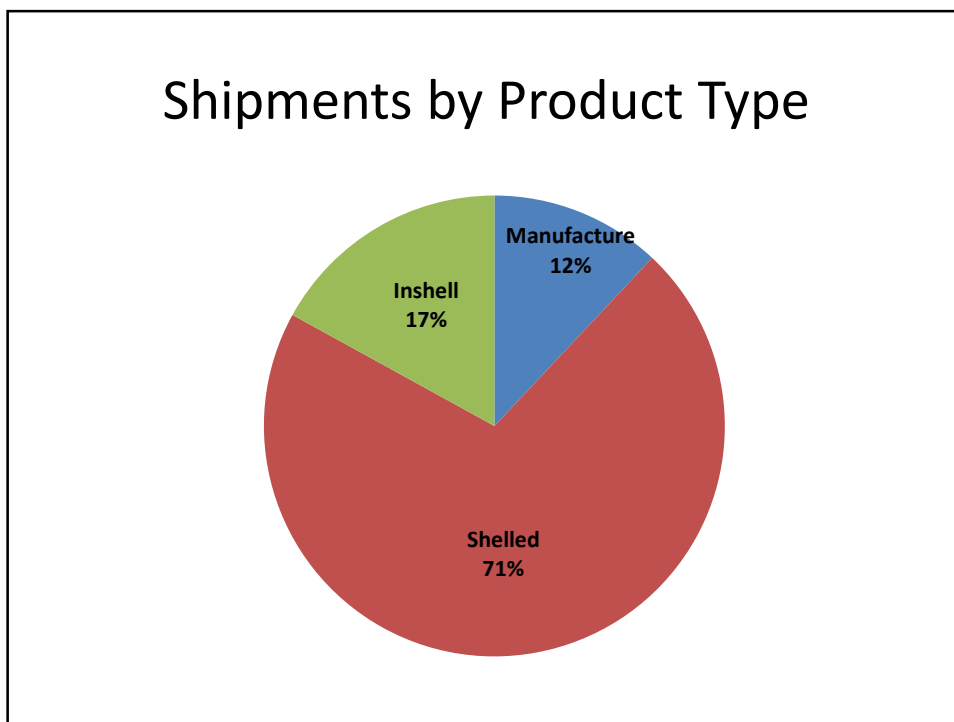
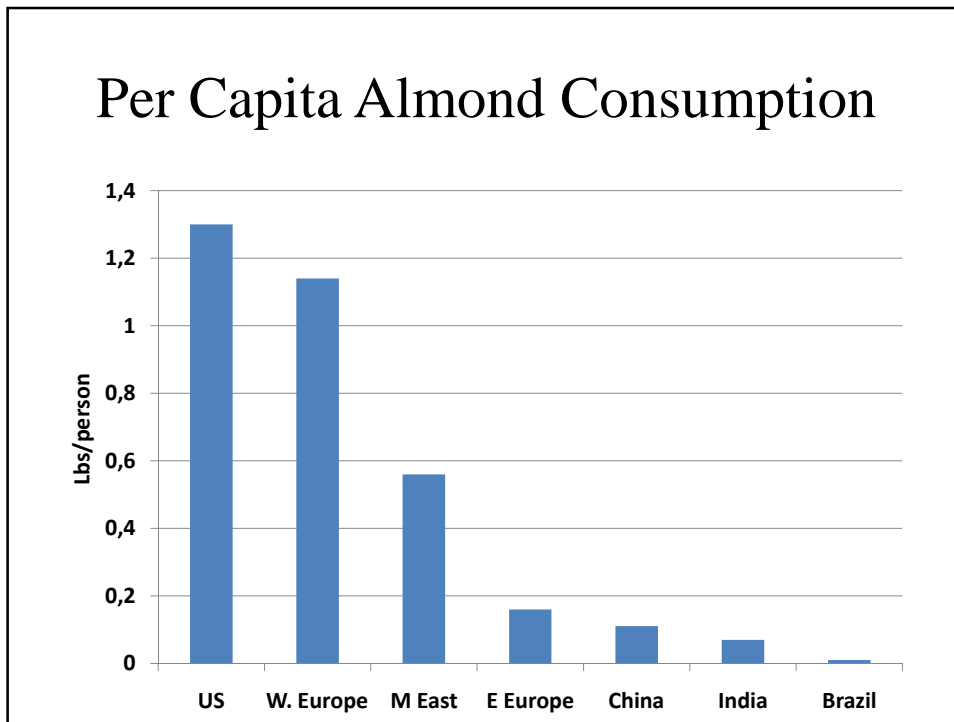


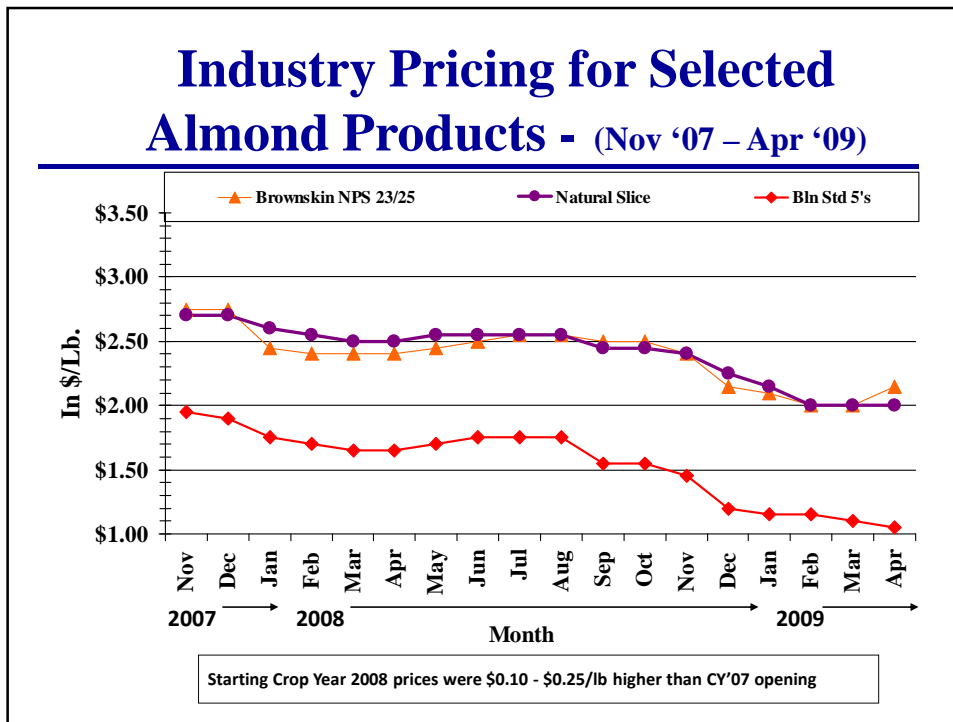
## California Shipments 2009



## 5 yr Growth Rates







### Major Markets 2010 crop shipments to date

|                | Industry | HWA |
|----------------|----------|-----|
| • Domestic     | 30%      | 37% |
| • Export       | 70%      | 63% |
| – Europe       | 43%      | 23% |
| – Asia-Pacific | 32%      | 36% |
| • China        | 9%       | 20% |
| • India        | 6%       | 11% |
| – Middle East  | 9%       | 4%  |

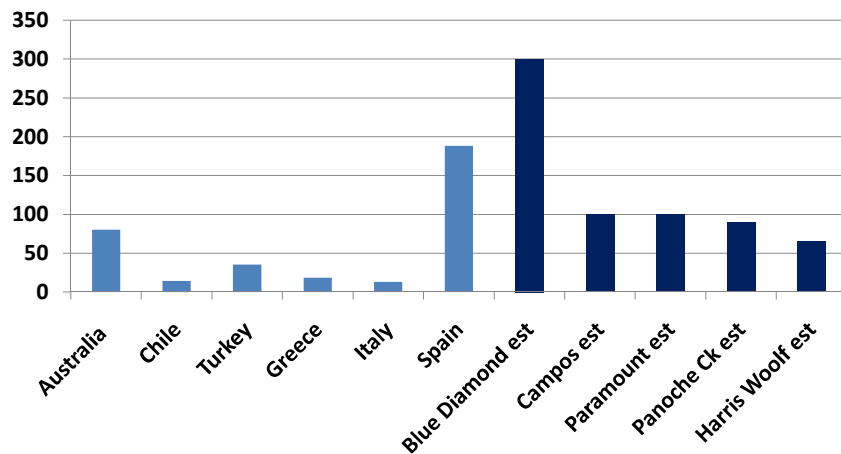
### Interesting Statistics

- 2004
  - 112 Handlers
 

|                        |    |          |
|------------------------|----|----------|
| • <1 million pounds    | 41 | 1% crop  |
| • 1-20 million pounds  | 58 | 37% crop |
| • 21-40 million pounds | 10 | 29% crop |
| • >40 million pounds   | 3  | 32% crop |
- 2009
  - 103 Handlers
 

|                        |    |           |
|------------------------|----|-----------|
| • <1 million pounds    | 31 | 0.5% crop |
| • 1-20 million pounds  | 52 | 37% crop  |
| • 21-40 million pounds | 11 | 26% crop  |
| • >40 million pounds   | 9  | 50% crop  |

### CA Handlers & Large Producers



## A 5 Year Outlook

Annual growth will remain between 5-10% adding another 600MM+ lbs by 2016.

This will require a total of +- 900,000 bearing acres yielding +- 2,500lbs/acre

Shipments to China, India and the Middle East will grow faster than US domestic consumption, increasing the overall percentage of California's crop that is exported

Average Prices will increase due to:

higher demand: China & India

higher costs/food safety

a shift to higher quality

the increasing cost of substitutes & other foods

There will be fewer large processors handling more of the crop in CA

The Almond Board will spend more of their marketing dollars where the growth is!

Prices volatility will remain but the "trend is our friend".



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