

INVERNADA CHILE SHIPMENT REPORT

April 2021



Crop

In terms of quality, as we mentioned time ago, seems to be very good.

SERR variety showed a production decrease of around 25%. Sizes were much bigger than previous years and yields are good as there was enough water supply to irrigate properly the orchards.

Chandler variety is by far the main variety for Chile, representing above 80% of the total production. For what we have received quality looks good. Sizes are better with a much lower presence of walnuts below 30mm comparing to last year. So far, we have not seen an increase on the bigger sizes, 36mm+, so most of the fruit is concentrated in the middle range of sizes.

Kernel colour looks nice, with the presence of extra light coming back from previous season which was not exactly the best one that Chile has had. The lower temperatures during the summer and the good weather during harvest has helped on this matter.

Volume of the crop is still estimated at 150.000 MT.



Market update

With the last shipment report, considering shipments until March 2021, we can conclude crop 2020. Chilean packers were able to trade all the crop, leaving the carry over volume at minimum, if not none, for the new crop.

Finally, the volume sold and exported in 2020 was 130.754 metric tons which represent a decrease of 4% against crop 2019, this is explained by the effects of the drought.

Now, harvest of new crop has started. **SERR** is reported to have less availability, quality seems to be excellent, but it is hard to find loads of Jumbo and Jumbo-large as volume was less and sizes bigger.

BORN IN



Inshell Markets

Demand has been very strong. We were expecting early demand from India, China, Morocco and a bit in Dubai, but it has been coming from many more places, Italy, Spain, Germany and particularly Turkey who has been incredibly actively purchasing from packers and also from growers in Chile.

The demand has been so strong that prices has been moving accordingly:

USD per kilo	February	March	April
30 - 34mm	2,70	2,75	2,80
34 - 36mm	3,20	3,20	3,30
36mm+	3,40	3,50	3,60



Machine cracked kernels

The demand during February and March was slow, as usual. Anyway, we saw a good activity on halves 80% influenced by some scarcity of halves offered from California. Good quality kernels are scarce in the US and Chilean quality seems to be really good, so most customers looking for a fresh and extra light colour were switching to Chile origin and taking early commitments, especially on Halves 80%.

By end of March and first half of April, demand for kernels increased in all grades sowing good perspectives for the coming months. We must wait and see what will happen but at least till now we are looking at a dynamic market. Prices of Large pieces has remained at low levels and that is driving some demand.

Important to mention that the kernel market is still unbalanced with the Inshell market, so a correction on price should be expected on the future.

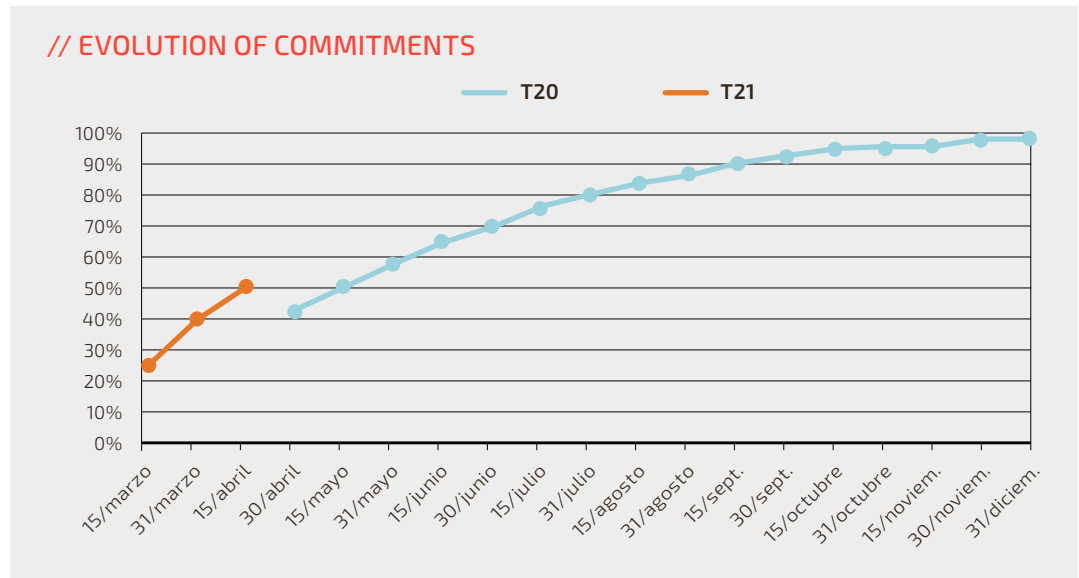
USD per kilo	February	March	April
LHP80	7,90 - 8,00	8,00 - 8,10	8,10 - 8,20
LHP40	6,80 - 6,90	6,80 - 6,90	6,80 - 6,90
Large Pieces	5,65 - 5,70	5,70 - 5,75	5,75 - 5,80

Receptions are around 60% of the crop and number continue to increase fast. By end of April we will have most of the harvest over and receptions completed.



Commitments declared by packers has been really ahead that estimations and in comparison with last year the evolution is quiet impressive.

Commitments



A good part of this volume committed correspond to Inshell but a fair amount of kernels has also been committed and so that is supporting current price levels and a trend to increase.

Any doubts about this report, don't hesitate to contact us,

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