INVERNADA CHILE SHIPMENT REPORT

February 2021

Market update

Chilean shipments in January were higher than expected, as a result we must to correct the crop estimation from 129.000 Metric tons to 133.000 metric tons.

The volume available is considerable lower than previous years, what gives us an indication that the carryover will be null.

Chile	2017 Ytd	2018 Ytd	2019 Ytd	2020 Ytd	Var (20/19)
Crop volume MT	110.747	129.386	139.226	133.000	-4%
Carry in	0	0	1.609	580	-64%
Exports	106.337	120.018	134.256	130.143	-3%
Available stock MT	**4.410**	**9.368**	**6.579**	**3.437**	**-48%**

**Source: Chilenut.*

It was a very unusual season, maybe the most challenging the industry has faced, but fortunately the volume was sold, factories managed to operate properly, without mayor disruptions.

In-shell shipments

Total Inshell shipments decreased from previous years while kernel shipments increased accordingly. Particularly, Europe and Asia are the leading areas in terms of growth while Middle east is decreasing.

In-shell	2017	2018	2019	2020
Middle East & Africa	35.793	36.614	40.678	24.188
Europe	12.201	14.721	15.912	18.394
America	1.219	2.085	1.639	1.926
Asia / Oceania	5.745	12.114	15.631	21.250
Others	1.236	0	0	0

**Source: Chilenut.*

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Kernels Shipments

Kernels	2017	2018	2019	2020
Middle East & Africa	1.775	1.297	1.380	2.024
Europe	17.167	18.947	20.783	22.585
America	4.076	4.607	4.851	4.417
Asia / Oceania	903	1.084	1.735	1.429
Others	1.150	0	0	0

**Source: Chilenut.*

Market feeling

Now, we are approaching very fast to a new crop which will start in March with SERR variety and April with Chandler. So far it looks really good in terms of quality, although Chile is having unstable weather conditions reporting record rainfalls during the month of January and some new events forecasted for February. We do hope the weather will be good in March and April, in order to have a good harvest and quality crop.

Volume, it is hard to estimate although as a rough guess we think something between 145.000 MT and 150.000 MT inshell basis. SERR production seems will be lower this year although quality and sizes better. Chandler will grow in volume and so far, quality looks great.

Demand and interest on Chilean walnuts is rising as usual during this time of the year. Price ideas and some bid´s are already taking place, although most packers are reluctant to start offering until having more certainty regarding weather and logistics conditions.

Anyway, there seems to be certain consensus regarding the level of opening prices according to the bid´s we have seen. We haven't heard of any businesses closed yet but prices seems to be at these levels:

In Shell	CIF
30 - 34mm	USD 2,50 - USD 2,60
32 - 34mm	USD 2,60 - USD 2,70
34 - 36mm	USD 3,00 - USD 3,10
36mm+	USD 3,25 - USD 3,30

MC kernels	CIF
Quarters	USD 6,00
LHP20	USD 6,30
LHP40	USD 6,60
LHP80	USD 7,50

Feel free to contact us if you have any doubt or to discuss program possibilities and market information,

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