



Harvest

Harvest in Chile is progressing steadily, although it began with a 10-day delay with respect to initial estimates. Weather conditions have been optimal during the harvest and are expected to remain so until the end of harvest.

// HARVEST ESTIMATES

The official 2023 crop estimation is 191,971 metric tons (2,5% higher than 2022), although at present, well into the harvest, there is a feeling that the crop may be lower than last year. The new estimates anticipate that the harvest volume of Chandler will be between 10% and 15% smaller than in 2022.

For the SERR variety, which has already been harvested, the drop in production is estimated at 30%, approximately.

// FIRST IMPRESSIONS REGARDING QUALITY

Size: Observed sizes are smaller than usual. Availability of large sizes will be very limited, especially those above 34 mm in diameter. This happened due to higher temperatures faced during spring and summer time which affected the growth of the fruits.

Cracking Out Yields: Yields are normal between 48% and 49%, on average, for the Chandler variety, and the kernels look healthy.

Kernel's Color: This year the color of the kernels looks very good, with a high presence of extra light color and the sum of extra light + light over 90%.

Shell's appearance: Although shells look healthy and clean, we noticed the color is slightly darker than previous years.





Market

Demand for Chilean walnuts has been quite active, due to customer's needs of good quality walnuts as well as much lower freight cost, better logistics and a Euro - USD parity a lot better than the 0,95 that was in September 2022.

Chandler inshell walnuts are being purchased actively since Gulfood mostly by India, UAE, Turkey, the Middle East. Demand from Europe, in turn, became more active in late March and early April.

In the case of the SERR variety, the main destination is Morocco, although there is a non-negligible demand for large sizes in Europe and the Arab Emirates.

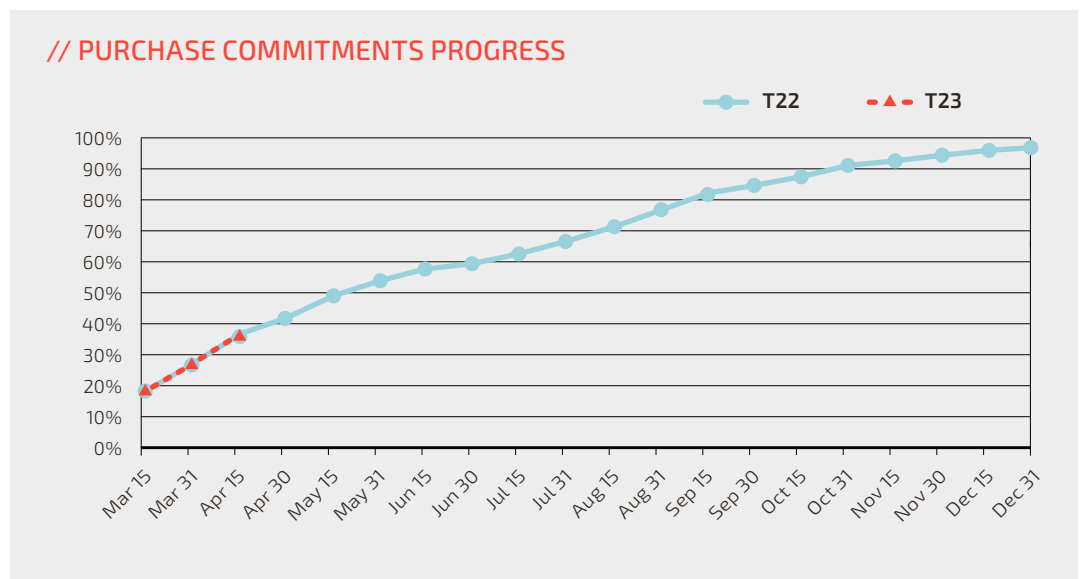
The quality of the kernels is very good; it has been a long time since we have seen such good colors. This is increasing the interest in Chilean walnuts, which excel in quality, both in appearance and freshness. Sales started to pick up by the end of March and beginning of April. Several customers started taking positions to cover their early needs, while others have seen an opportunity for a long cover with low initial prices. Now, with a reduction in the total volume and a very good quality, the trend seems to be positive.



Purchase Commitments

Buyers from different parts of the world are visiting Chile, inspecting the crop, and securing volume for their annual programs. Confidence has increased and a significant volume of business has already been concluded.

Commitments have evolved normally, in line with last year's numbers. Once the market realizes the crop will be shorter, an important leap could take place.



Source: Chilenut



Prices has remained stable, with a positive trend due to an stronger demand and good quality expected.

Price Evolution

// PRICE PER KILO FOB

Inshell	March	April
Chandler 30 - 34mm	USD 2.30 - USD 2.40	USD 2.30 - USD 2.40
Chandler 34 - 36mm	USD 2.80 - USD 2.90	USD 2.90 - USD 3.10
Chandler 36mm+	USD 3.20 - USD 3.30	USD 3.40 - USD 3.50
Kernels		
ELLHP80	USD 5.90 - USD 6.20	USD 6.00 - USD 6.40
ELLHP40	USD 4.90 - USD 5.20	USD 4.90 - USD 5.20
ELLP	USD 4.00 - USD 4.30	USD 4,00 - USD 4,30

// FUTURE PRICE EXPECTATIONS

Given the lower volume and the lack of larger sizes it is expected an upward trend in prices in the following months.

If you have any doubt about this report, please don't hesitate to contact us,

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