



# WINTER

# REPORT

## SEPTEMBER 2024

The winter season has been highly favorable in terms of water, snowfall, and accumulated chill hours—key factors that are crucial for walnut production. These optimal conditions are expected to result in excellent budding, flowering, and healthy trees, thanks to the abundant irrigation water and soils cleansed of excess salts and minerals.

The market has responded positively to the reduced volume, with demand for walnuts remaining robust. In-shell walnuts are in short supply, with demand far outstripping supply. India, as Chile's primary export destination for walnuts, has been actively purchasing available stocks, although total exports to this market are expected to be significantly lower than last year. Turkey continues its trend of actively seeking

second-grade or by-product walnuts. The availability of shelled walnuts is also limited, with new lots emerging as processing advances.

European demand was strong until the end of July but slowed down in August due to summer holidays in the northern hemisphere. However, activity is picking up again as the holiday season ends. In South America, Brazil and Ecuador are leading destinations, maintaining their purchasing pace as long as supply is available. By August 15th, Chile had committed 84.3% of its total volume, with the remaining volume expected to be placed without difficulty by the end of the year. Considering that around 5% is consumed domestically, the actual availability is only 10%.

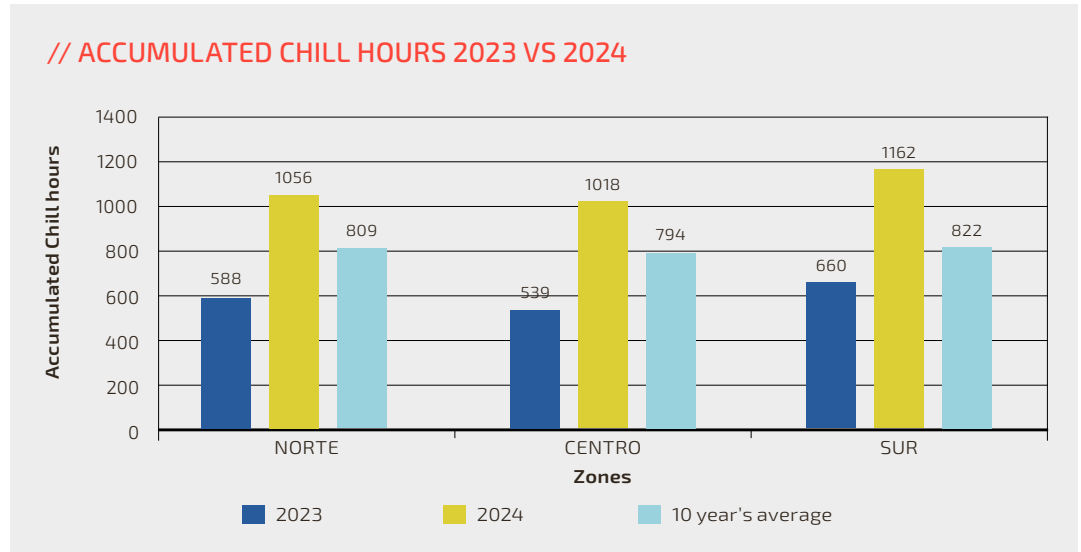




# Agroclimatic Winter Report

## // CHILL HOUR ACCUMULATION

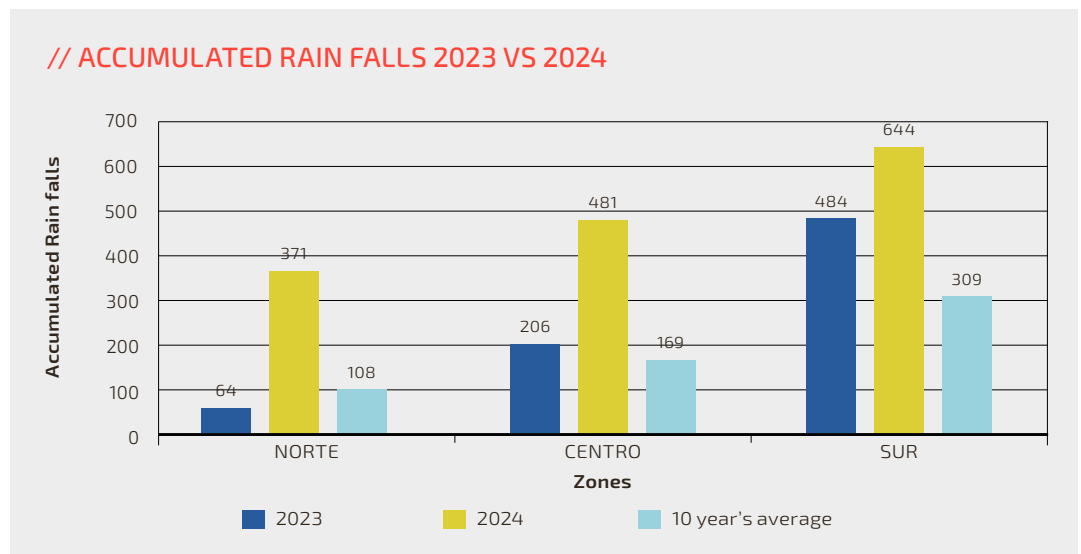
There are minimum chill hour requirements for optimal walnut development. The 'Serr' variety requires at least 650 chill hours, while 'Chandler' needs around 800. Comparing last winter (2023) to the current one (2024), the accumulated chill hours (base 7.2°C starting May 1st) are significantly higher, indicating a promising season ahead.



Source: Chilean Meteorological Directorate (DMC).

## // PRECIPITATION

Precipitation levels are significantly above historical averages and last year's figures. While the country's water situation remains a concern, there should be no issues with water availability for the upcoming season.



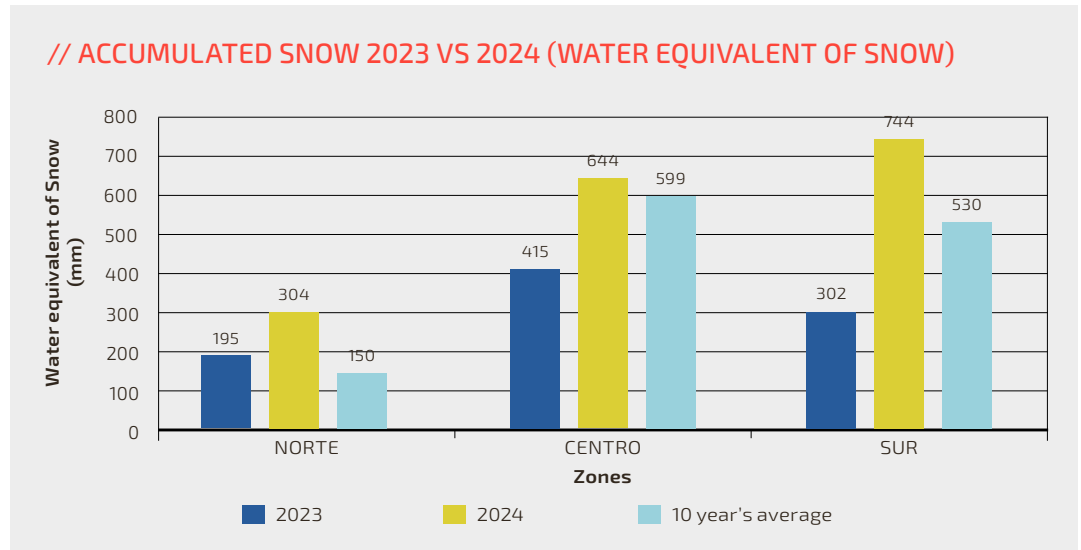
Source: DMC.



# Agroclimatic Winter Report

## // SNOW ACCUMULATION

Snow accumulation in the Andes is strong across the North, Central, and Southern regions, ensuring a reliable water supply for the irrigation season. Further accumulation is expected as more weather events occur throughout the remainder of the winter.



Source: General wáter Directorate (DGA).

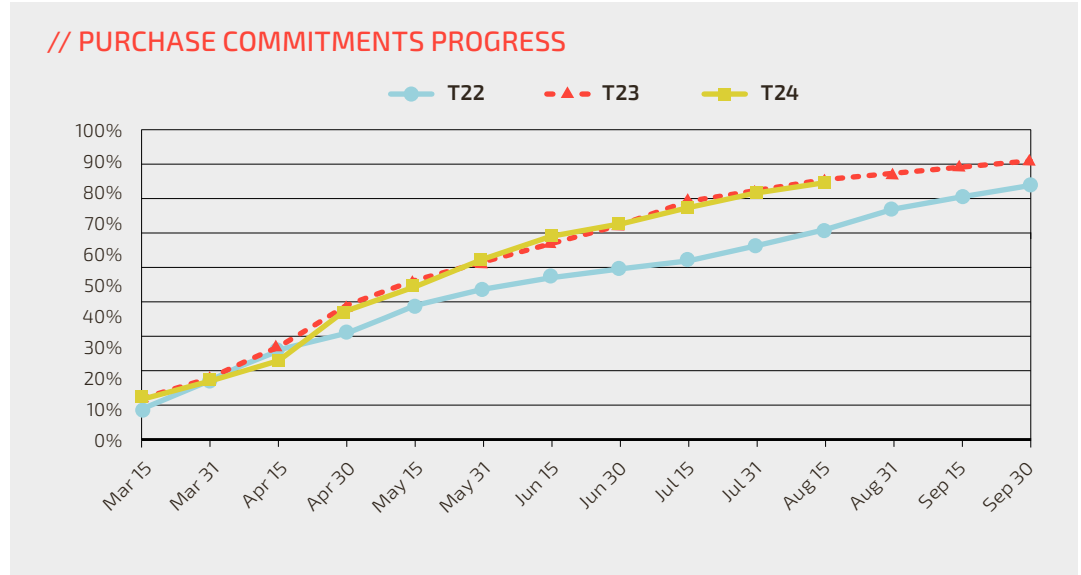
## // SPRING OUTLOOK

Due to the La Niña phenomenon, a dry spring with scarce rainfall is expected, alongside an increased risk of late and polar frosts. The concurrence of La Niña with the spring season could delay flowering and fruit set, as low temperatures may slow down plant activation. These critical events will be closely monitored, particularly in September and October, which are sensitive months.



## Market

Demand has been strong, and despite the lower production volume, commitments have progressed as expected, reaching 84.3% of the total volume by August 15th—on par with last year's commitments but on a smaller base.



Source: Chilenut

Destination markets are maintaining relatively low inventories, and an increase in consumption is anticipated towards the end of the year, driven by holidays such as Diwali and Christmas, as well as the onset of winter and colder temperatures in the northern hemisphere. Chile has solidified its role as the primary supplier, ensuring a steady supply during these peak consumption months, from June to December, which could be considered the prime season for Chilean walnuts.

For further information don't hesitate to contact us.