

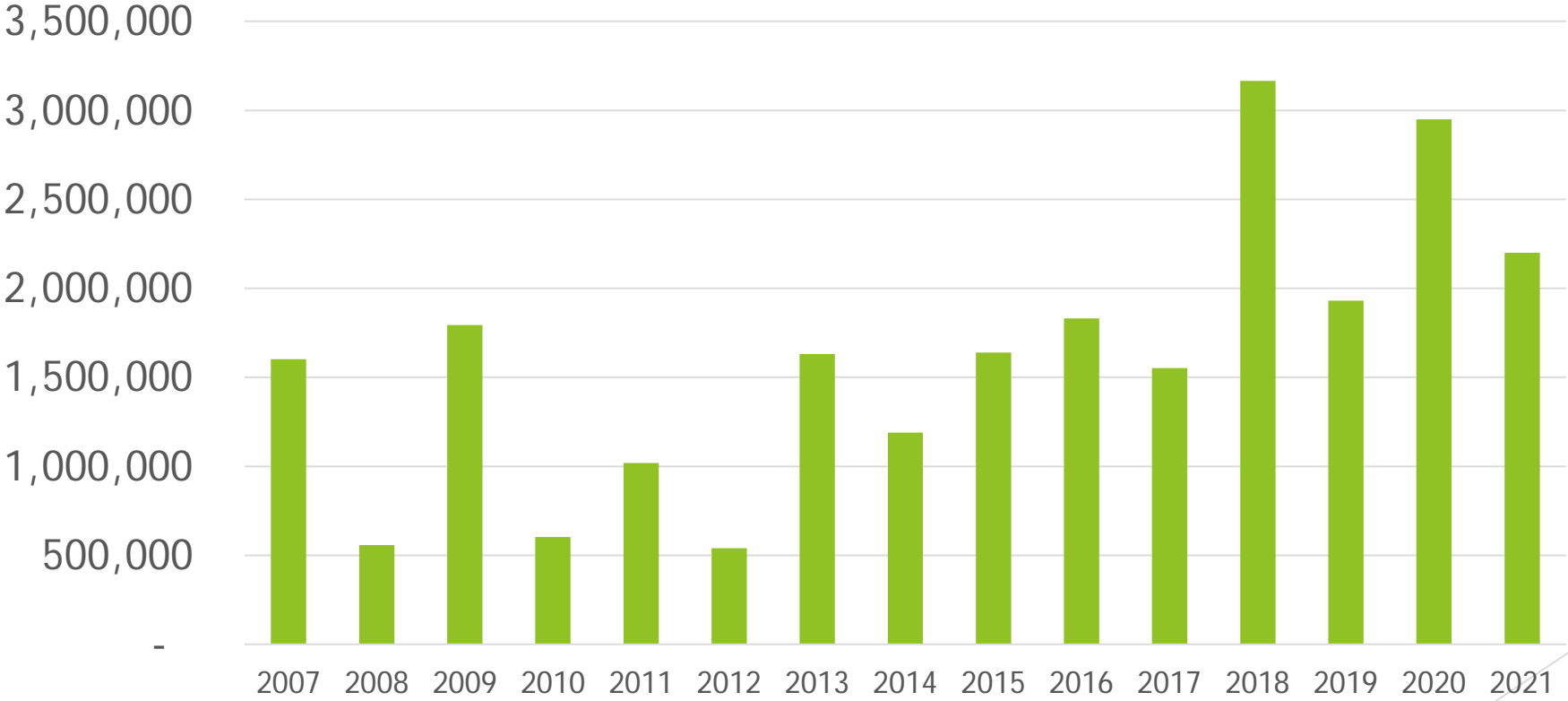
# Pistachio Market Update

Chris Joyce

October 2021



# Good 2021 off crop



# Best orchards - strong yields/ha

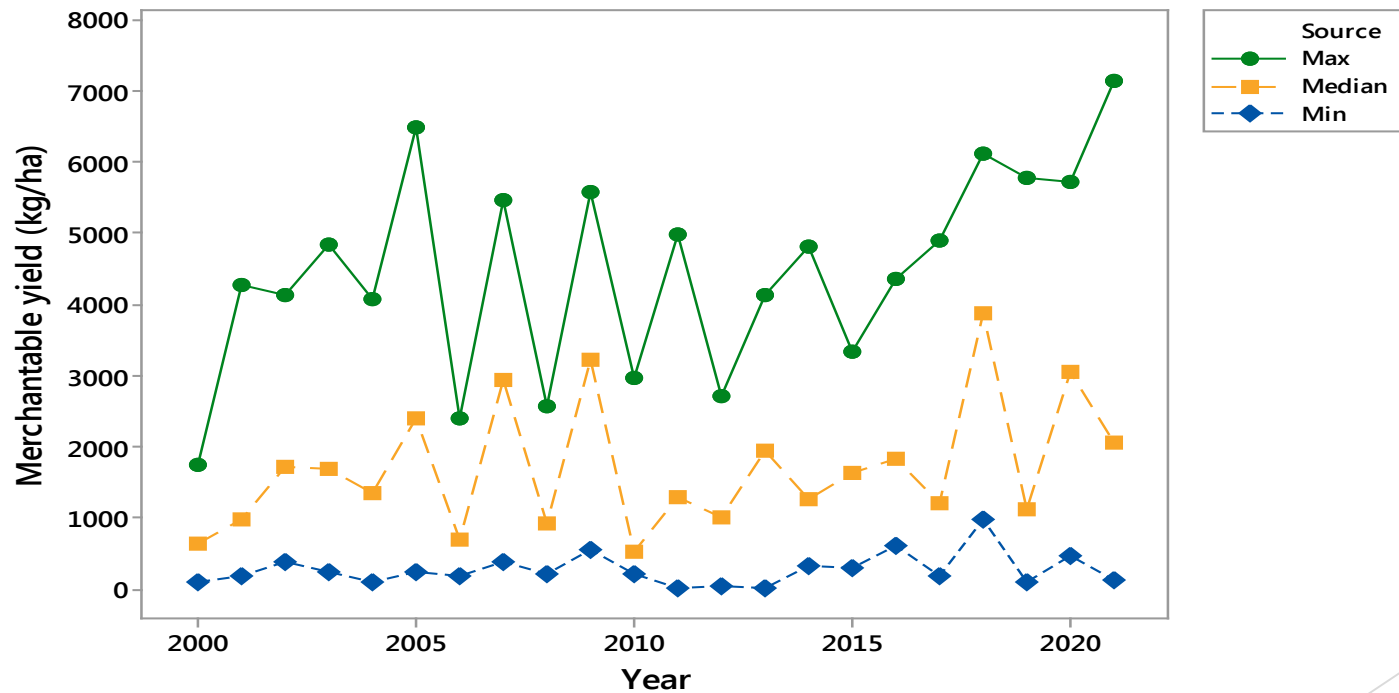
averaging over 5,000kg/ha

## Average orchards - improving yields

only averaging ~2,000kg/ha

## Lower yielding orchards - well below average

~1,000kg/ha



# Foreign Matter an on going problem

## Customers do not like it. Risk of large claims

### ▶ Shotgun Pellets imbedded in nuts

6 reported from 2021 crop, so far  
8 reported from 2020 crop

No shooting below shoulder height

Use steel shot, not lead shot. The metal detectors better able to find steel.

### ▶ Stones

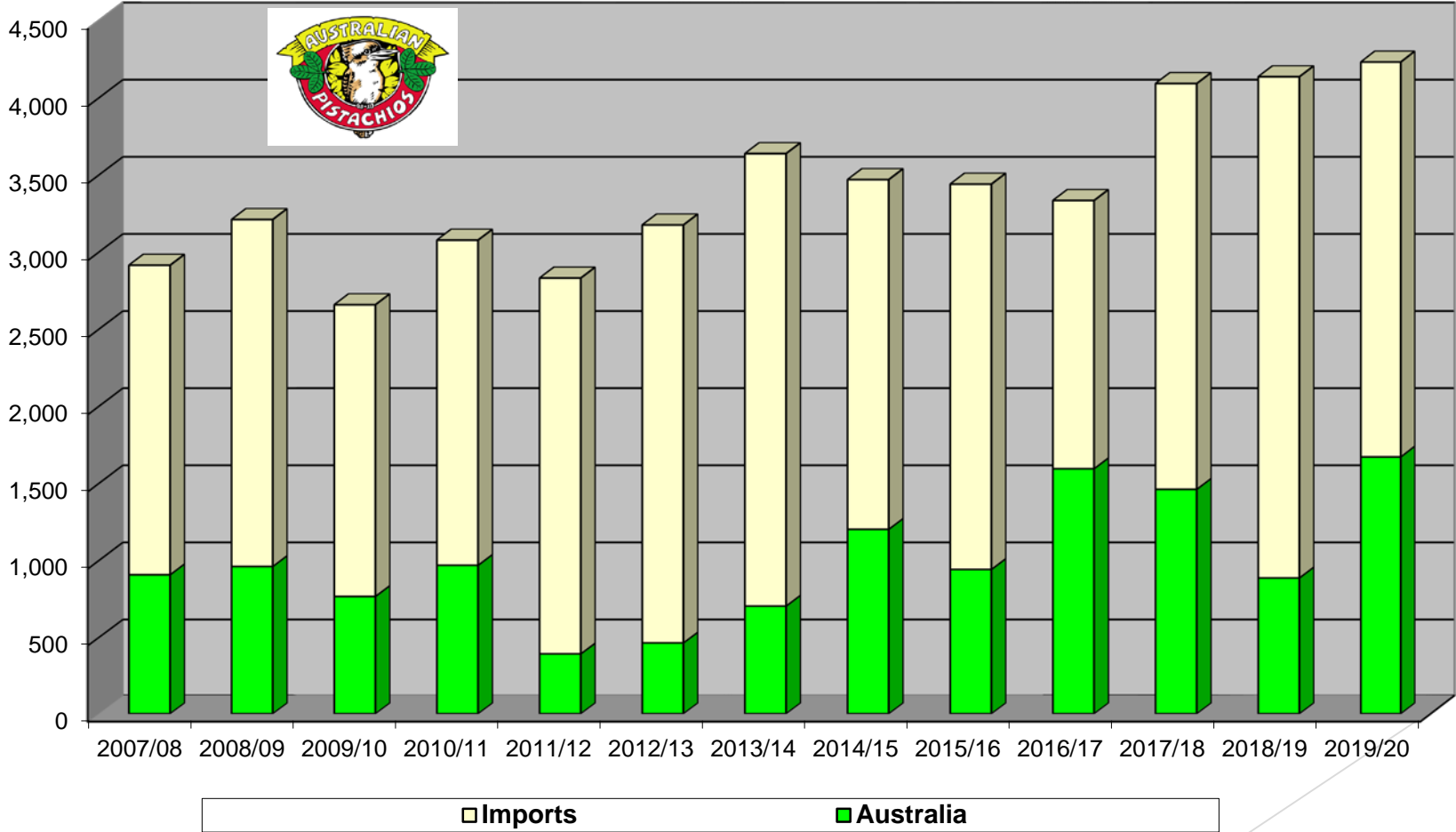
256 from 2021 crop, so far  
573 from 2020 crop

Caused by forklift tines picking up stones from the ground and dropping the stones into the bin below.

APPC has (expensive) X-ray equipment, sorters, and people to remove but would be smarter not to include them with the pistachios in the first place.

# Domestic Market - Consumption Solid

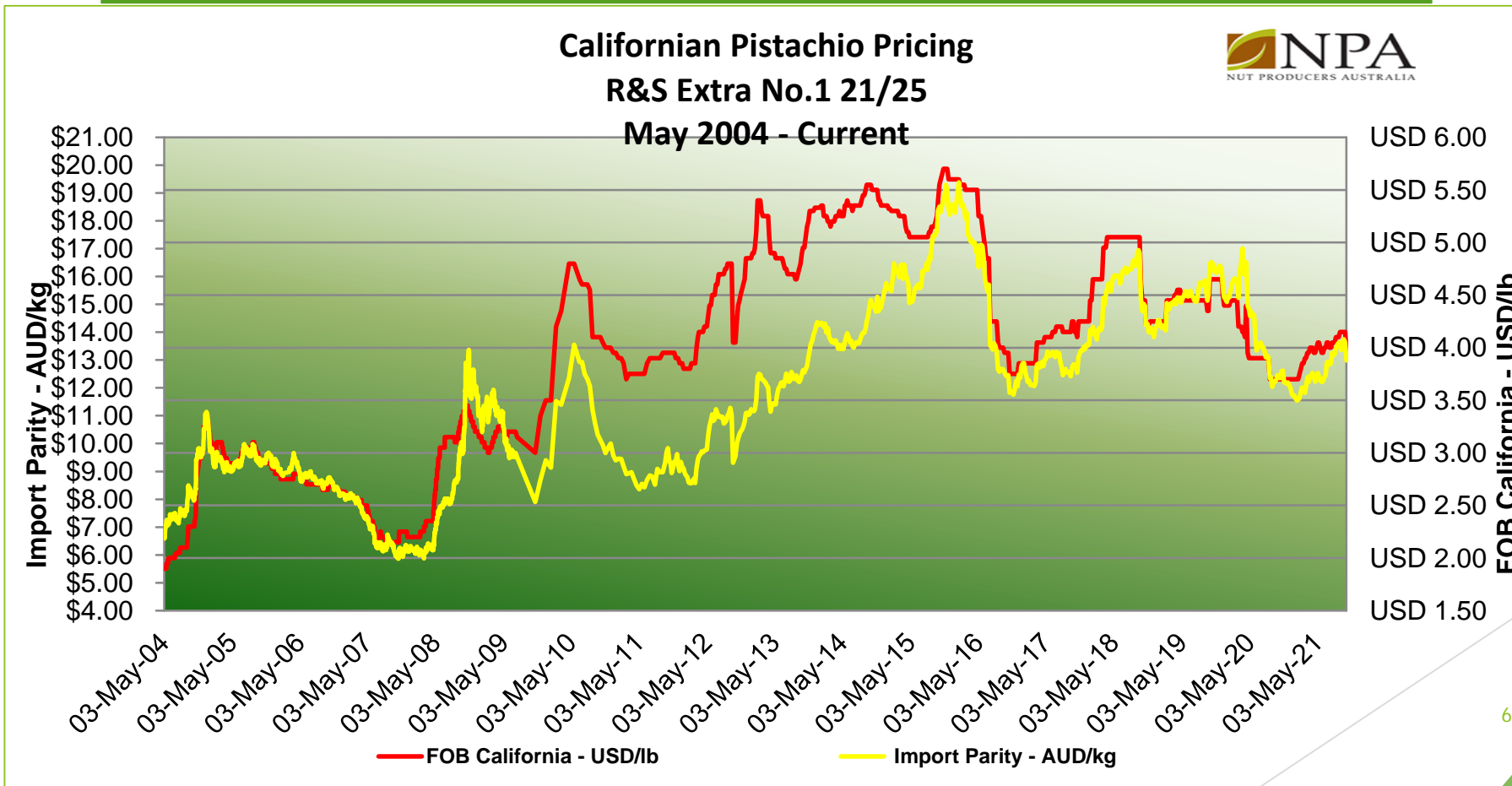
## Australian Pistachio Demand - FY (Tonnes)



# International Market Steady

## AUD appreciating

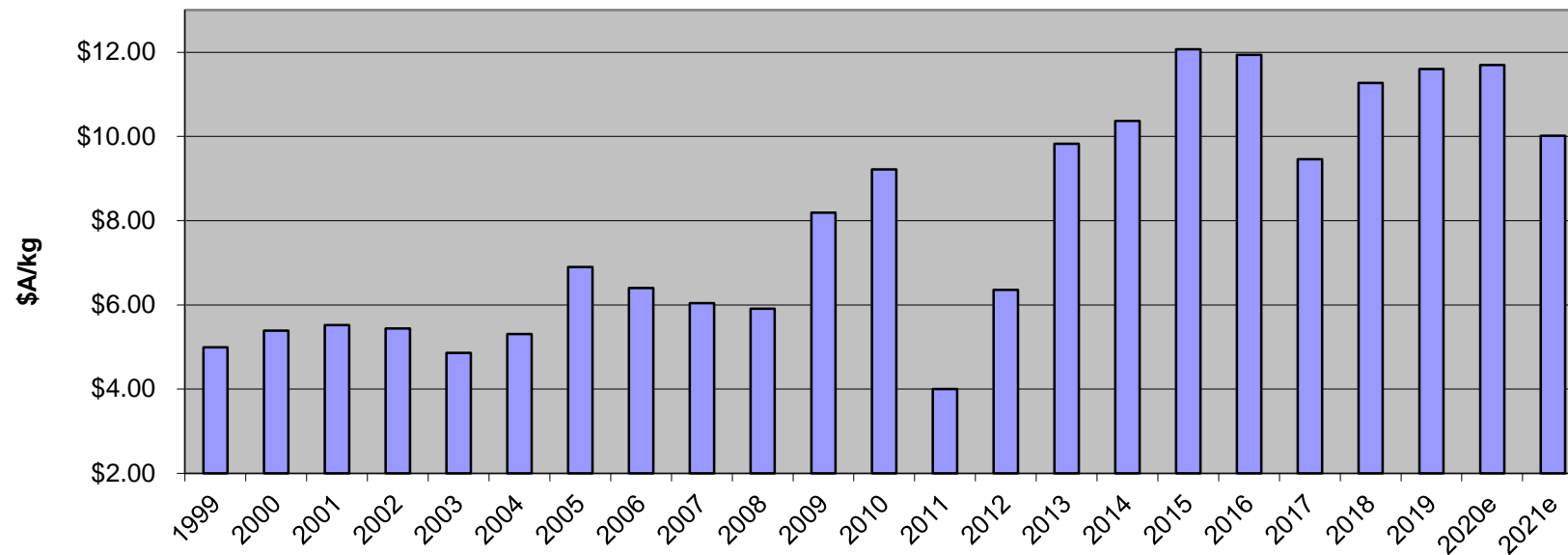
### Californian market lower



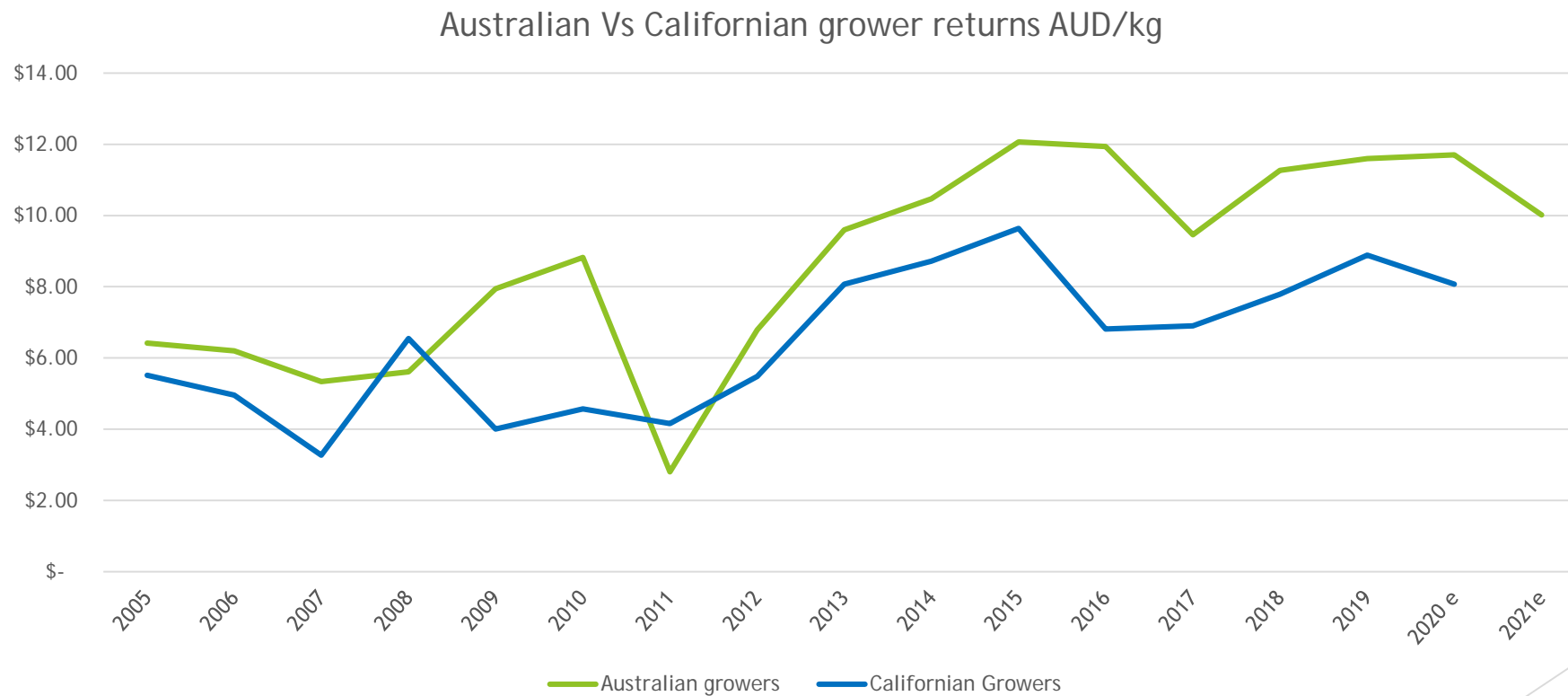
# 2021 grower returns down, but still good

expanding world production could put further downward  
pressure on future prices

**Australian Pioneer Pistachio Company  
Average Grower Pool returns, net of APCC costs**



# Aust. vs Californian Grower Returns \$A/kg (net of H&G costs)





# Prospects - 2022

## California record 2021 off crop

- ~500k tonnes (~500k 2020)
- Much bigger crops to come 650k to 700k tonnes.
- Another 10,000 new hectares planted in 2020/21

## Poor Iranian crop ~ 150k tonnes (210k in 2020)

- on going water problems

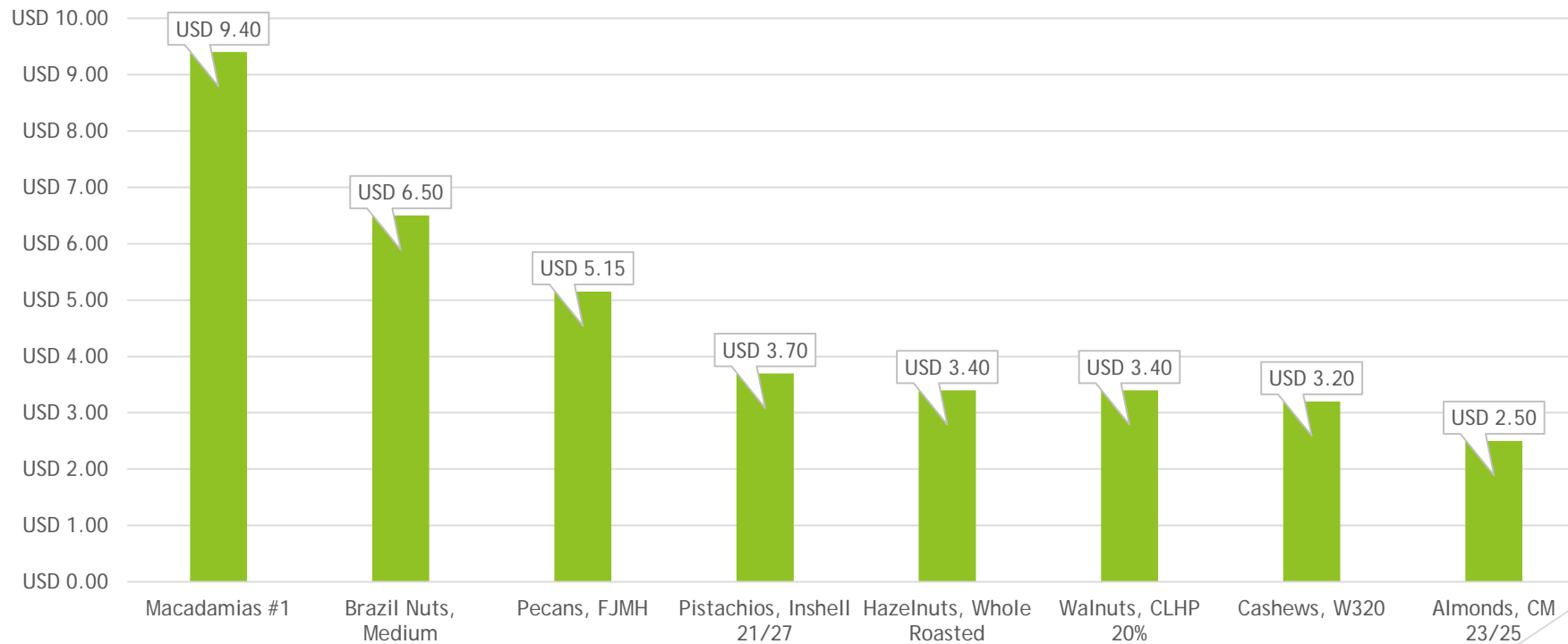
## World demand continues solid despite COVID

## 2022 crop prices expectations

Slightly lower world prices with slightly stronger AUD provides expectation of slightly lower Australian returns in 2022 than 2021.

# Pistachios are no longer the most expensive nut

Tree Nut World Prices - October 2021, USD/lb



# Future Prospects - Australia

New hectares being planted -

2014	46
2015	127
2016	165
2017	207
2018	180
2019	200
2020	220
2021	200

Australian crop ~12,000 tonnes by 2030

APPC increasing hulling capacity to meet this new production

# Australian Marketing Campaign

Television, Social media, Point of Sale Advertising, Consumer Exhibitions currently continuing at low level.

Campaign will be significantly increased from March 2022

- ▶ estimated costs to growers for 2021 crop \$0.08/kg
- ▶ estimated costs to growers for 2022 crop \$0.15/kg

APPC has already made presentations for 2022 crop to some domestic customers previously for whom there was insufficient Australian pistachios. Some of these customers have already contracted to switch to Australian from April 2022.



# New Packing with Australian Origin



The future continues green  
but prices likely to soften with  
increased global production.



Pistachio Growers' Association

