



PISTACHIOS ROUND TABLE



dubai

**INC XXXIX WORLD NUT
AND DRIED FRUIT CONGRESS**

MAY 11-13, 2022

PANEL

Chair:

- **Mike Hohmann**, Executive VP and CFO, Wonderful Pistachios & Almonds, USA

Panel:

- **Behrooz Agah**, Member of the Board of Trustees, Iran Pistachio Association, Iran
- **Serkan Görgülü**, Nuts Trade Director, Tiryaki Agro Gida, Turkey
- **Carlos Suárez-Morales**, CEO, Nuevos Cultivos Agrarios, Spain
- **Gunjan Jain**, Managing Director, VKC Nuts P Ltd, India

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PROGRAM

1. Pistachio World Supply
2. United States Industry Update
3. Iran Industry Update
4. Turkey Industry Update
5. Spain Industry Update
6. India Growth Opportunity



ESTIMATED WORLD PISTACHIO PRODUCTION

In-shell Basis. Metric Tons

	2021/2022				2022/2023			
COUNTRY	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK
USA (M lbs)	284	1,166	1,450	406	406	1,036	1,442	415
USA (MT)	128,000	528,000	656,000	184,000	184,000	470,000	654,000	188,000
IRAN	5,000	135,000	140,000	15,000	15,000	110,000	125,000	15,000
TURKEY	190,000	68,000	258,000	135,000	135,000	155,000	290,000	135,000
SYRIA	0	22,000	22,000	0	0	19,500	19,500	0
GREECE	0	7,200	7,200	0	0	9,000	9,000	0
AFGHANISTAN	0	5,900	5,900	0	0	5,000	5,000	0
AUSTRALIA	0	2,300	2,300	0	0	3,650	3,650	0
SPAIN	0	2,700	2,700	0	0	3,500	3,500	0
ITALY	0	1,000	1,000	0	0	1,200	1,200	50
CHINA	0	1,200	1,200	0	0	800	800	0
WORLD TOTAL	323,000	773,300	1,096,300	334,000	334,000	777,650	1,111,650	338,050
<div><div></div><div></div></div>								
WORLD CONSUMPTION (T. Supply - End. Stock)				762,300	773,600			

United States Industry Update

*Mike Hohmann
Executive VP and CFO,
Wonderful Pistachios & Almonds, USA*

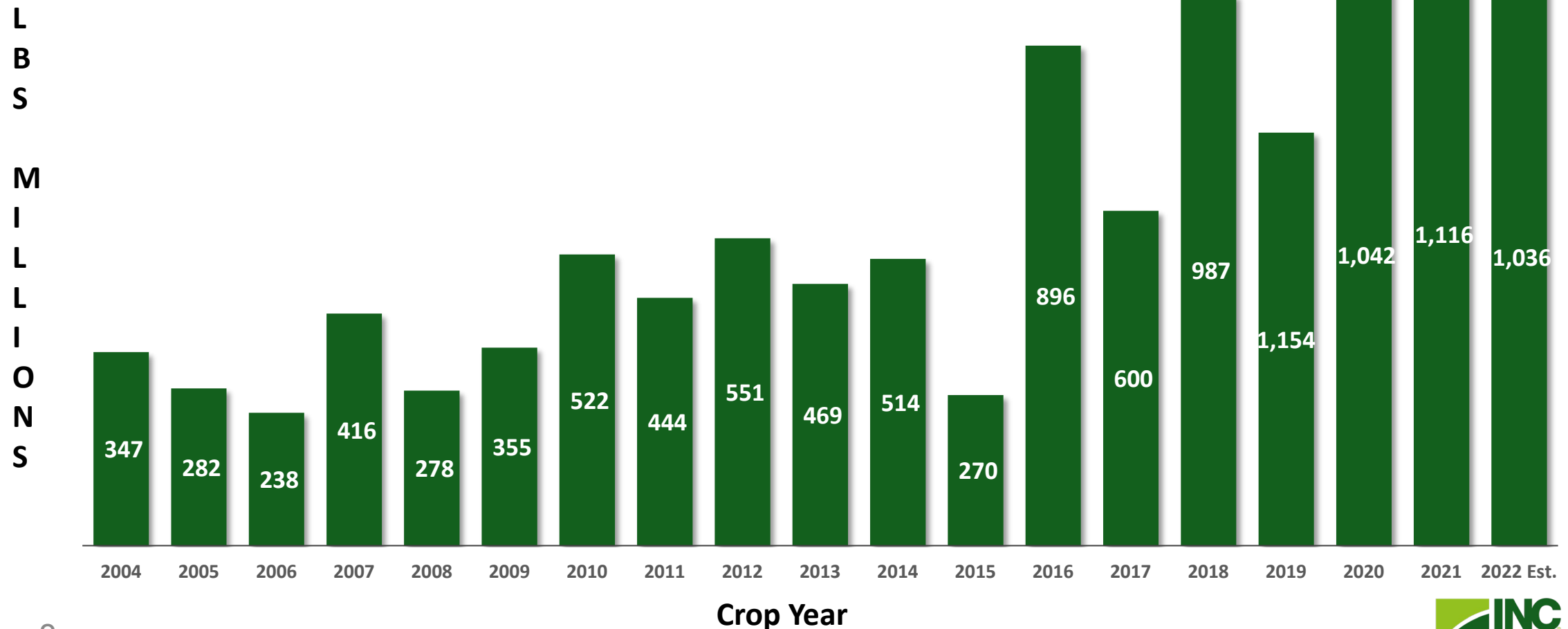
California Pistachio Market Overview

- California's 2021 crop was **larger than expected**
- Despite significant supply chain challenges, year-to-date California **pistachio shipments have been strong**
 - Domestic shipments have **set new record highs**
 - Exports have been strong **driven by Chinese New Year and strong European consumption**
- Carry-out will bring **supply consistency to CY22**

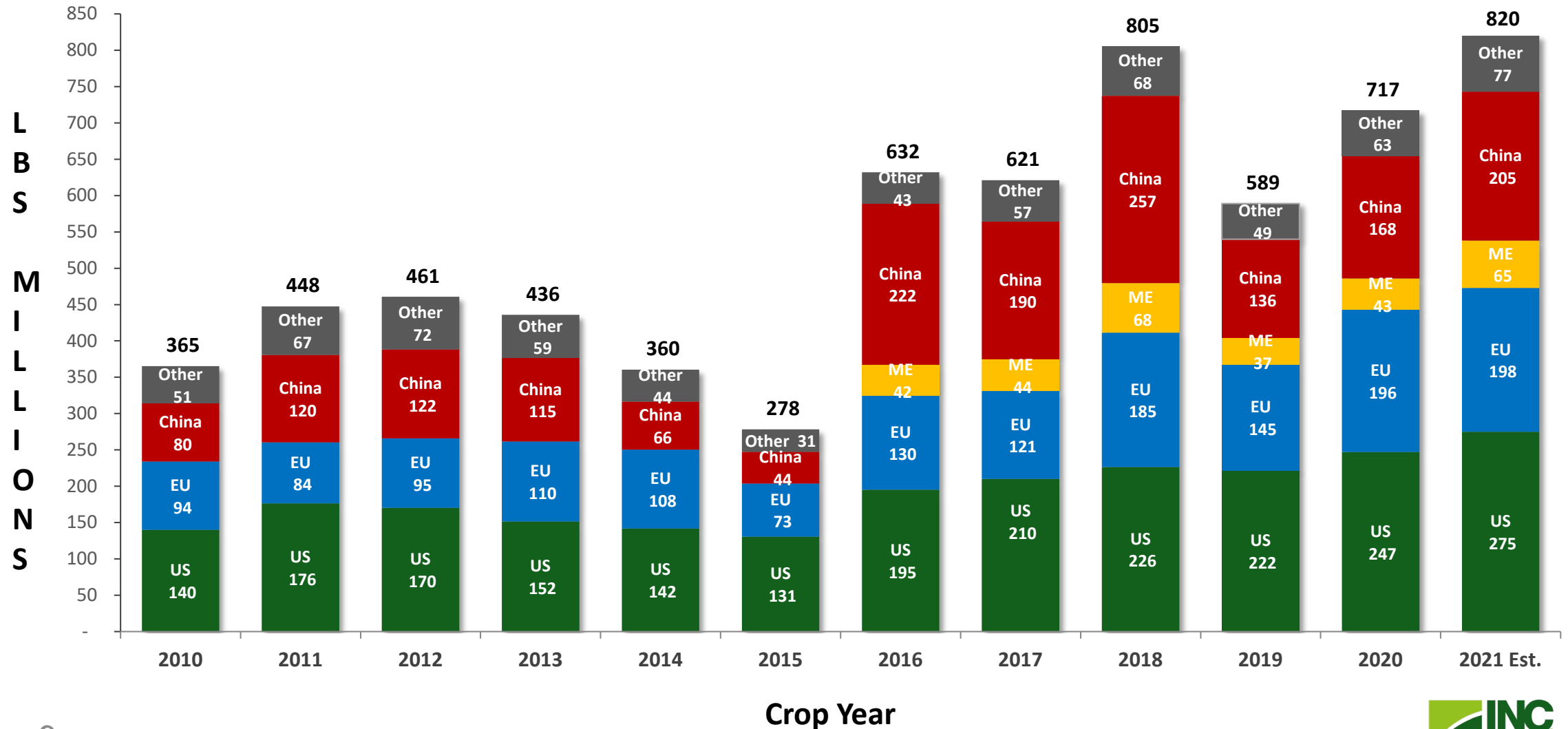
California Pistachio Market Overview

- We are hopeful for a **good pistachio crop in 2022**
 - California's drought continues to be a major concern
 - Unusual bloom weather in April
 - Increasing pistachio acreage shifting into the bearing category
- Supply chain issues are **expected to continue**
- **Increasing pistachio consumption** as consumers search for healthy, convenient, plant-protein snacks!!

Pistachios: Commodity Production Growth



Commodity Shipment Growth (California Pistachios)



Source: Administrative Committee for Pistachios (ACP)

California Water Sources & Current Events



Surface Water / Precipitation

- 3 consecutive seasons with below average precipitation
- Current allocation is half of the allocation during previous drought (2013-2015)

Groundwater

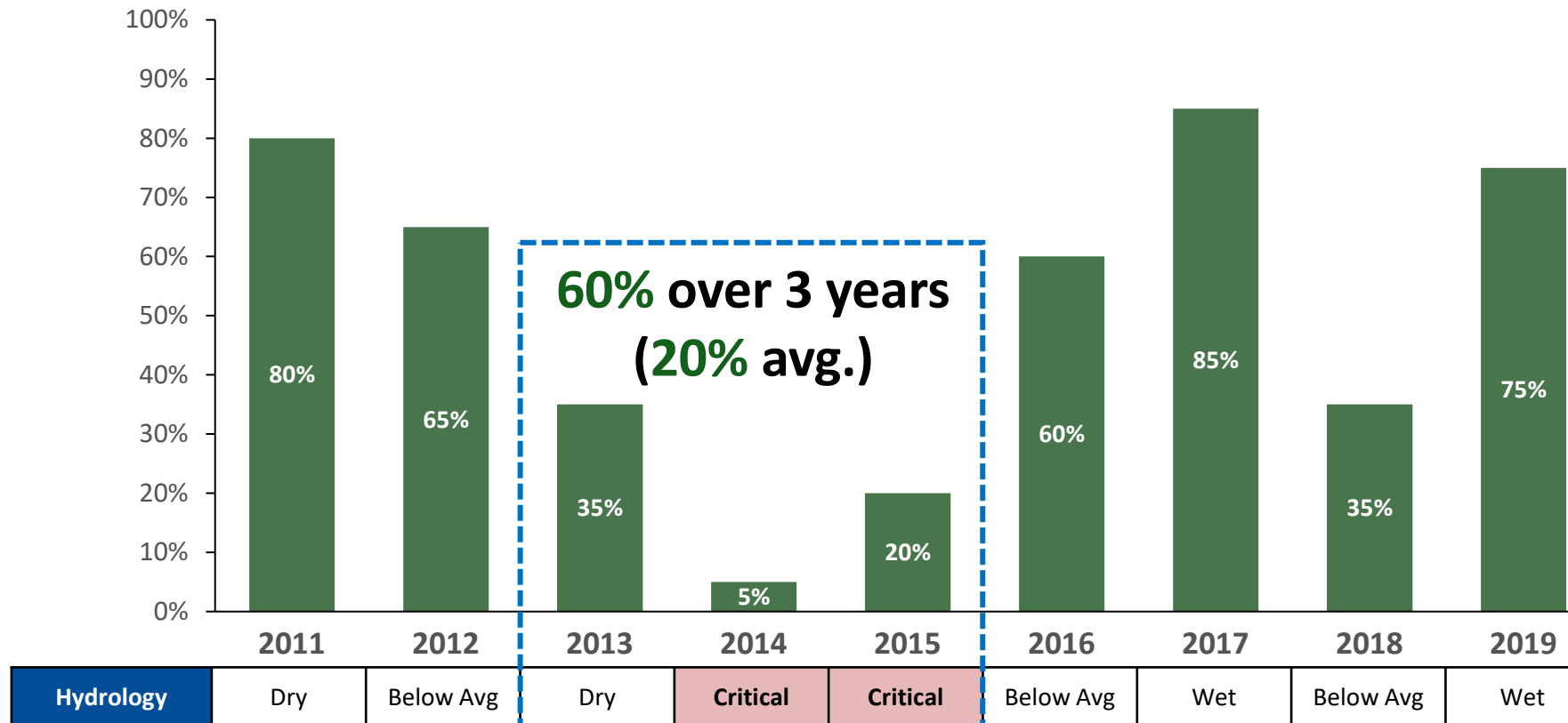
- Sustainable Groundwater Management Act (SGMA):
 - Central Valley Groundwater Sustainability Plans are incomplete and working toward July update
 - Significant acreage is identified as white space
- Governor's Executive Order requiring well permits



CA State Water Project (SWP) Allocations

CA State Water Project (SWP) allocations are at historic low levels. Total allocation over the past 3 years is half of the 3-year allocation during the most recent drought in 2014/15

SWP Allocation %



Plant protein & no shells resonating with consumers

Plant Protein Messaging



Pistachios are the **only nut classified as a complete protein**, with adequate amounts of **all nine essential amino acids**

No Shell Innovation



No shell pistachios are **creating new snacking occasions**, and flavored no shells are **introducing new consumers to pistachios**

Key Takeaways

- Demand for pistachios is **steadily growing in both domestic and export markets**, spurred by the growth of No Shells
- Continued acreage expansion will ensure **secure, reliable supply for all markets** into the future
- Drought conditions and **water concerns remain the biggest risk** to the pistachio industry, and are being closely monitored

Iran Industry Update

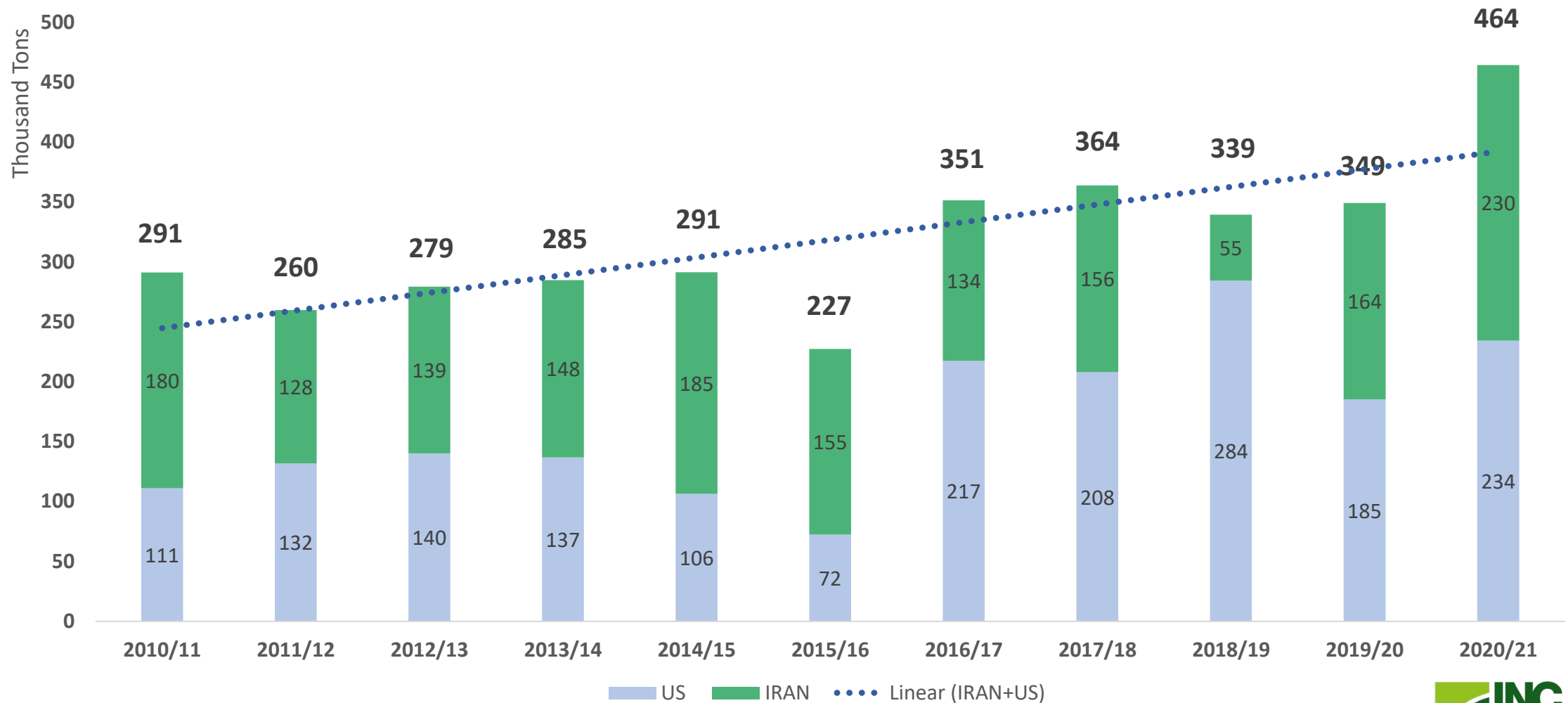
***Behrooz Agah
Member of the Board of Trustees,
Iran Pistachio Association, Iran***

Year-To-Date Shipment / Inventory Report

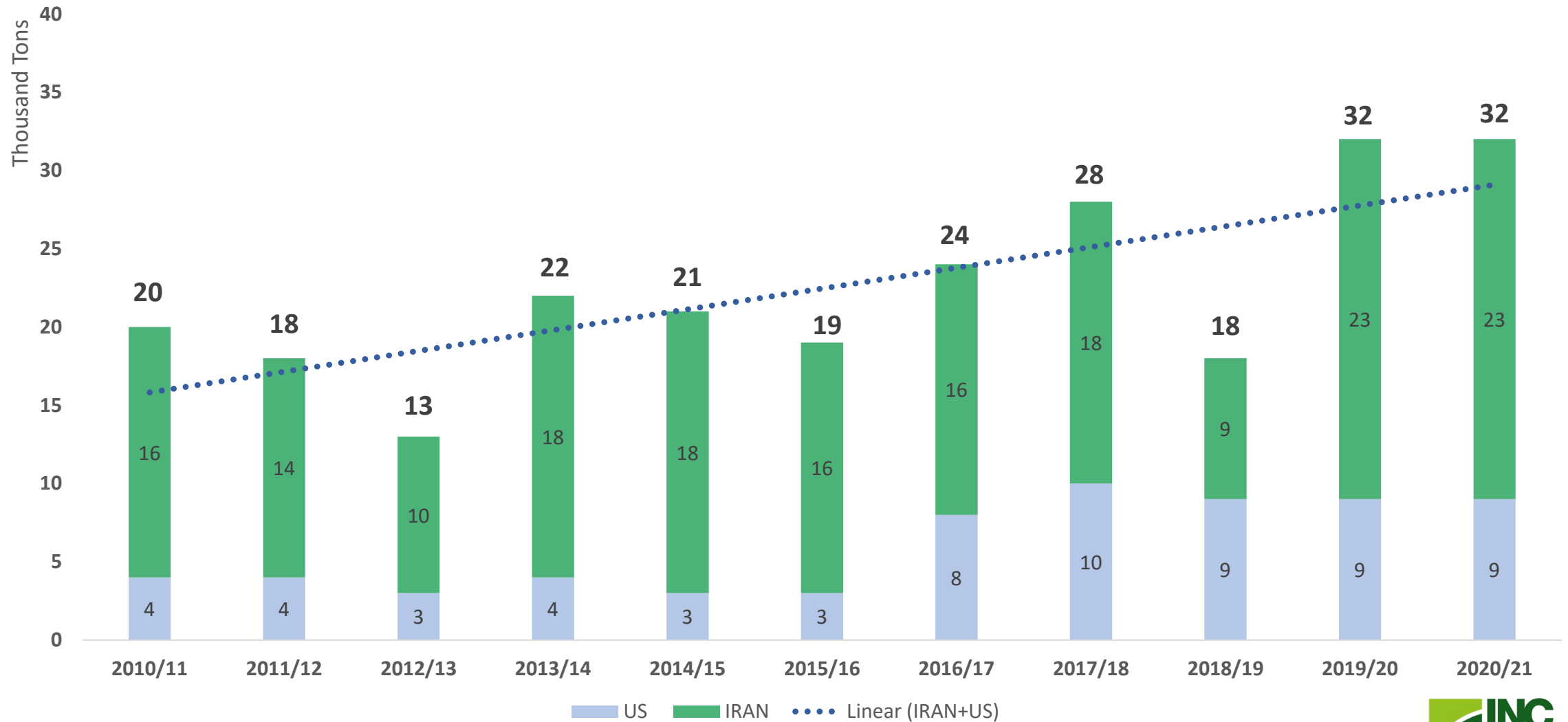
In Tons

Marketing Month: 7	Crop: 2021
Carry in from previous year	5,000
Total Production	135,000
Gross Inventory	140,000
Domestic consumption	15,000
Export shipments	74,000
Export Adjustments/Losses	12,000
Total Consumption	101,000
Ending Inventory	39,000
*Export Adjustments/Losses related to shelling and peeling process of kernels and green kernels.	

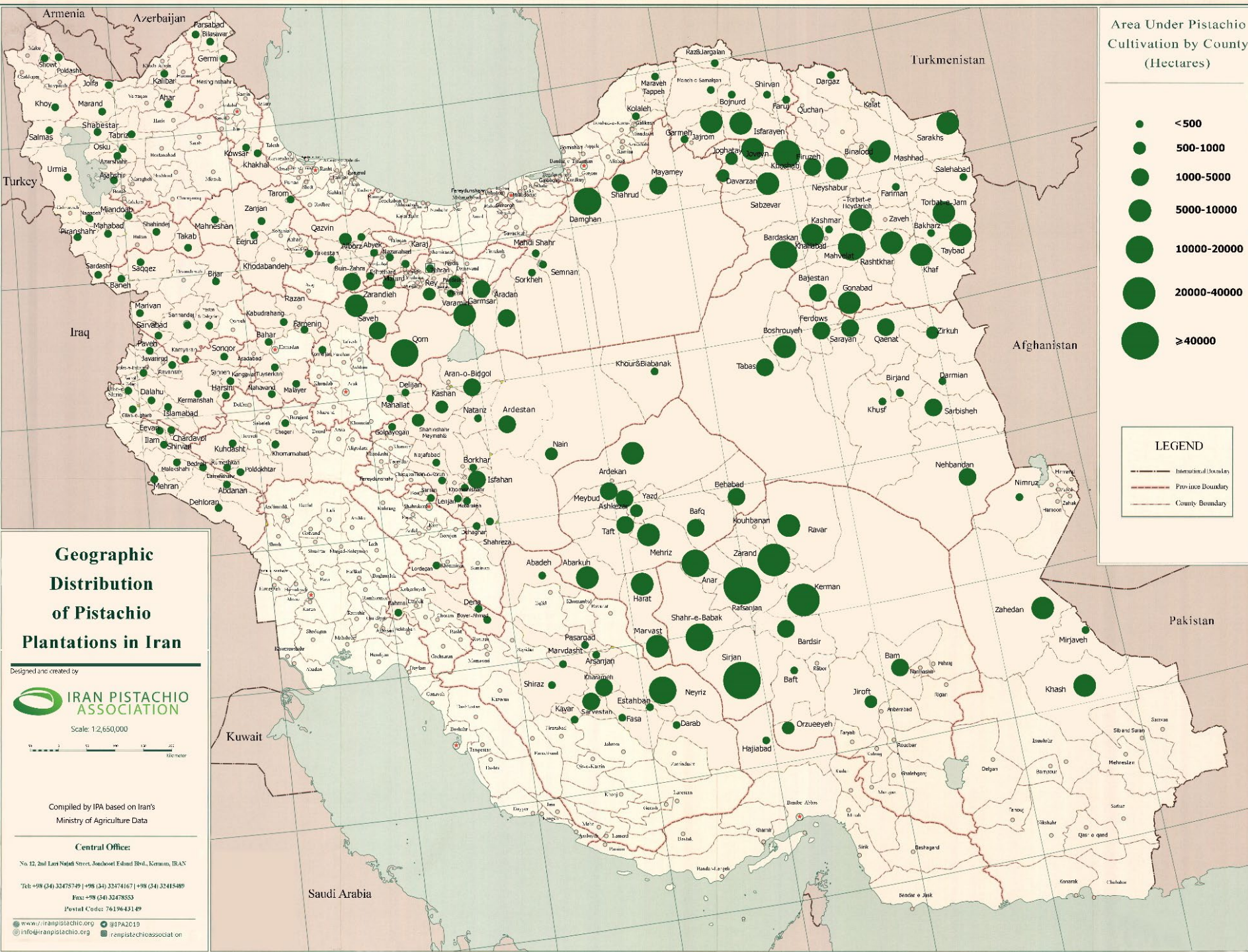
12-Month IRAN + US Pistachio Export Shipments (In-shell Equivalent)



12-Month IRAN + US Pistachio Kernel Export Shipments



Pistachio Plantations in Iran



Growth Potentials

Kernel as Ingredient



Kernel as Snack



Green Kernels



Pistachio Oil



Turkey Industry Update

*Serkan Görgülü
Nuts Trade Director,
Tiryaki Agro Gida, Turkey*

Year To Date – Jun 22 Estimated

(in-shell/mt equivalent)

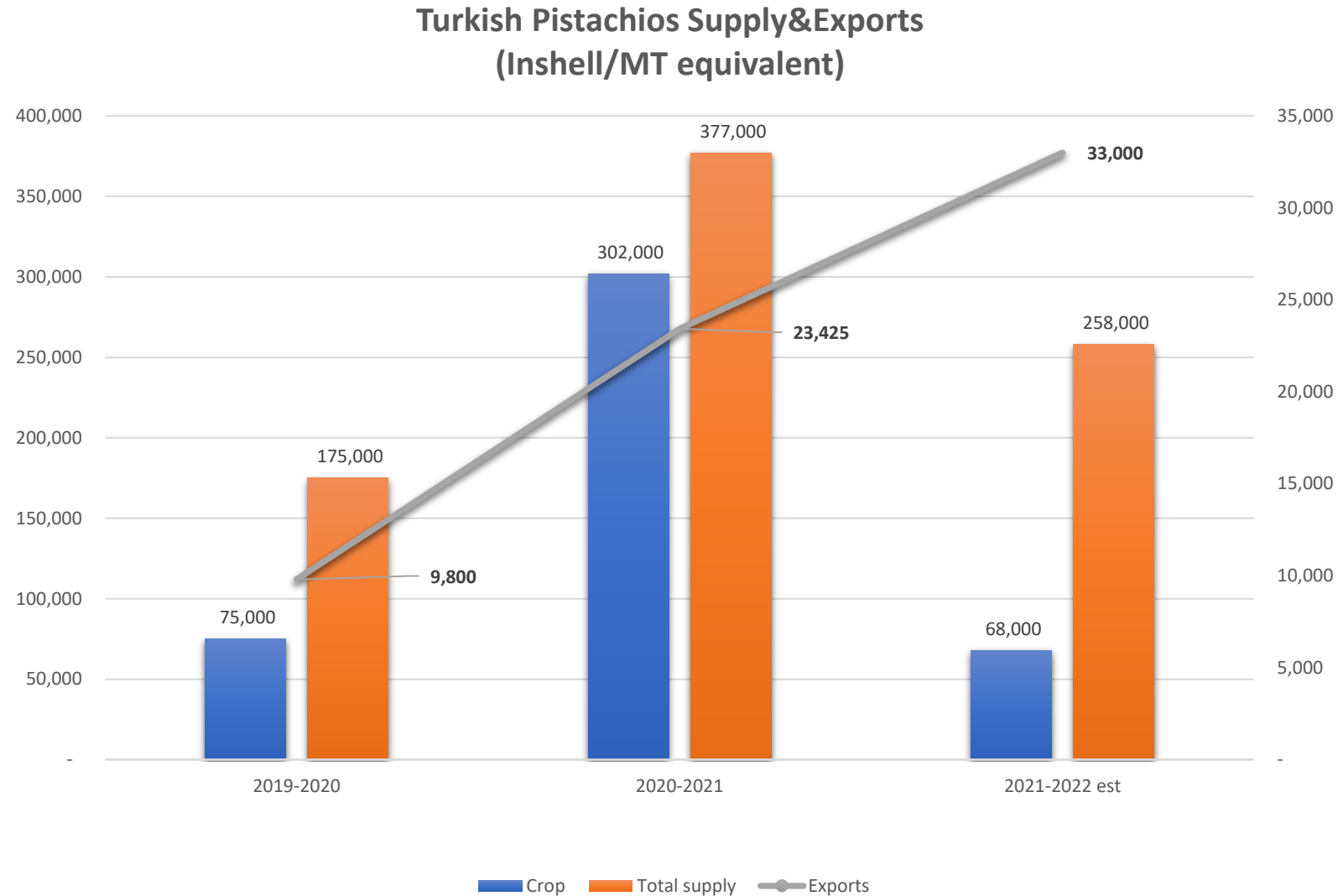
Carry in 20/21	190.000
Crop 21-22	68.000
<u>Total Supply 21-22</u>	<u>258.000</u>
Domestic consumption	84.000
Exports	33.000
Adjustments/Losses	6.000
<u>Total Consumption</u>	<u>123.000</u>
Est. Ending inventory est.	135.000

Pistachio Plantations in Turkey

Planted area/ha	
Şanlıurfa	157.500,00
Gaziantep	142.000,00
Siirt	33.000,00
Adıyaman	28.000,00
Kahramanmaraş	9.500,00
Kilis	7.000,00
Other	15.000,00
392.000,00	
approx. %70 BEARING!!	



Turkish Pistachios Supply & Exports



Common & Growing Usage



**100 %
ORGANIC**



Spain Industry Update

***Carlos Suárez-Morales
Chief Executive Officer,
Nuevos Cultivos Agrarios, Spain***

EUROPEAN PISTACHIO COUNCIL

You can find us:



Instagram



Web



Linkedin

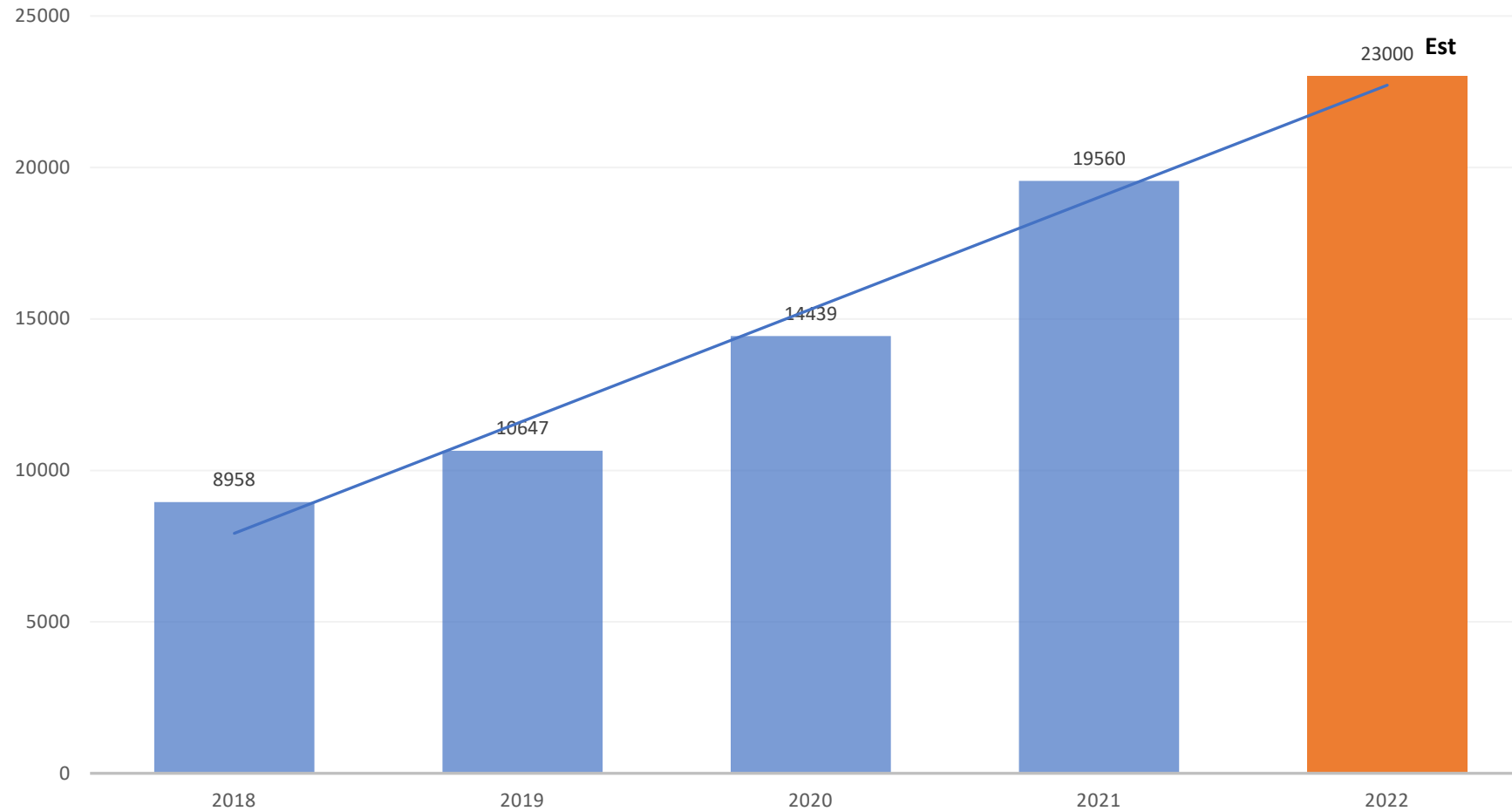
www.europeanpistachiocouncil.eu

European 
Pistachio Council

India Growth Opportunity

Gunjan Jain
Managing Director,
VKC Nuts P Ltd, India

India is a growing market for pistachios

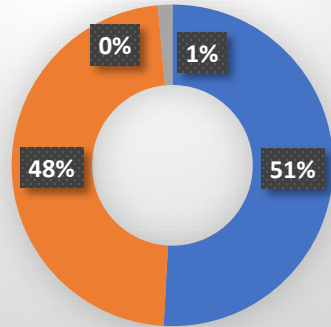


Data is based on imports into India CY Jan-Dec

In Metric Tonnes

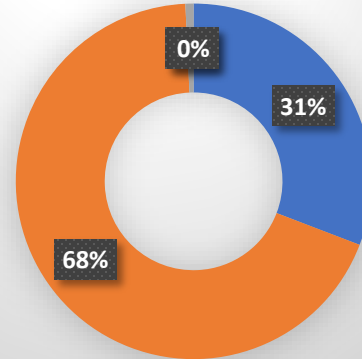
Source of pistachios in India

2018



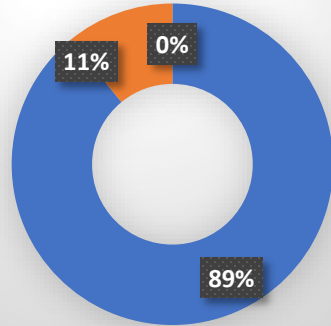
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2019



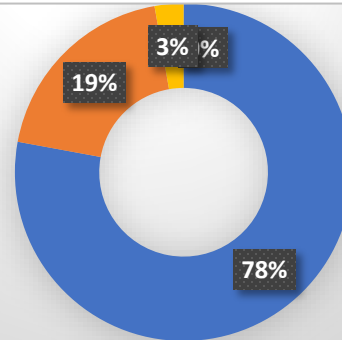
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2020



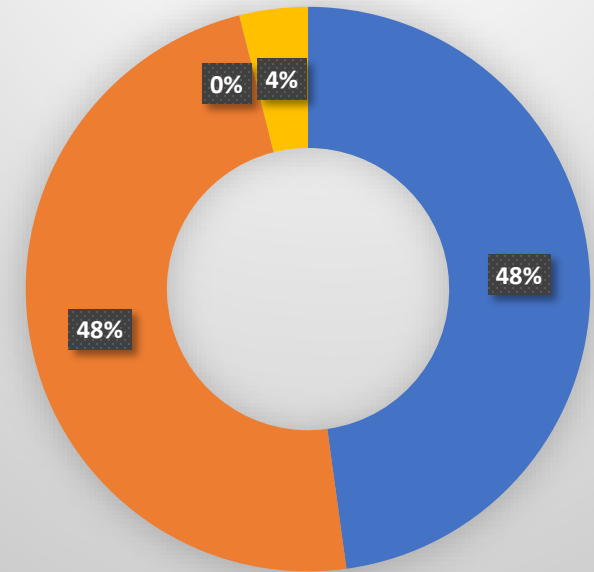
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2021



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2022



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Indian society is evolving and growing wealthier

- World's fastest growing Economy, expected to grow at 8.5% in FY 22-23¹
- Country of 1.4 bn² population of which nearly 65% is younger than 35³
- Urbanization, growing middle class, & increasing consumer spending are the driving forces of growth
- Increasing number of Dual-income households with high disposable
- Health & wellness is becoming more of a priority for Indian consumers



Modern retail is developing rapidly

- Retail revolution even **without the direct entry of global retailing giants**
- Several new **hypermarkets, supermarkets springing up across the country** funded by domestic investment
- Likely **investment in retail and supply chain to the tune of \$22 billion** in the next five years. Over 600 retail malls are being planned across the country

The future is bright for pistachios in India!



Q&A