

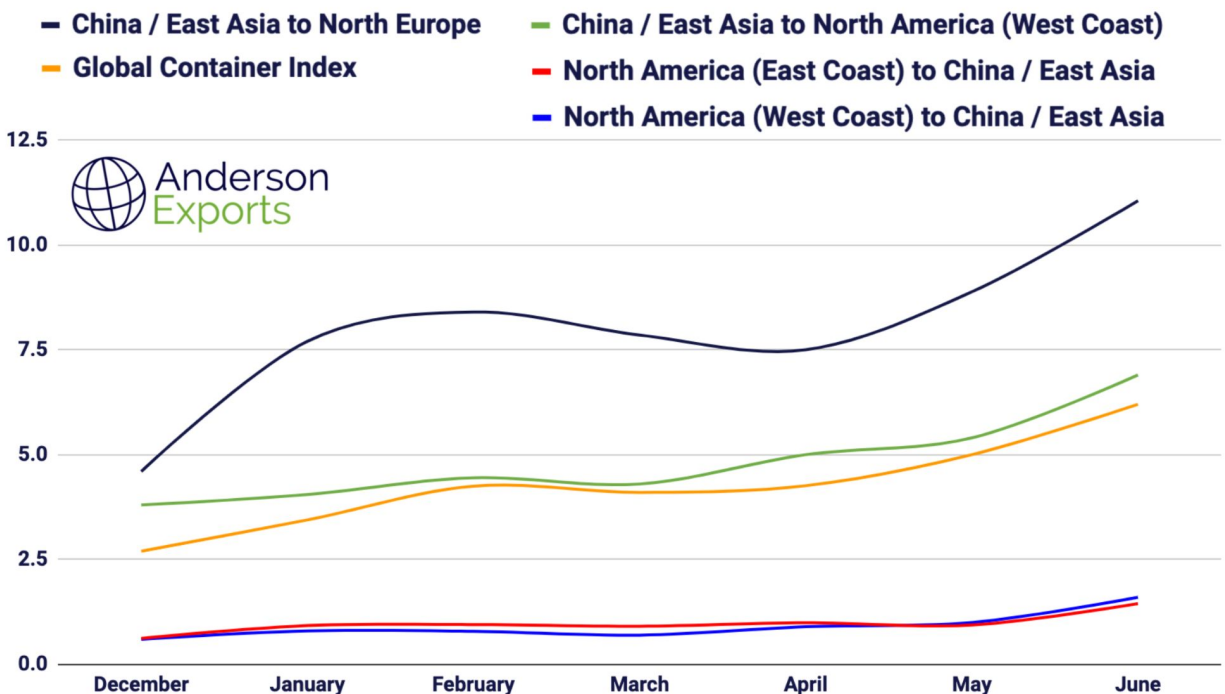
Global Container Situation

Bottlenecks, delays, and omissions are likely just beginning for global container ports. In recent months, COVID-19 related container shipping disruptions have grown to a fever pitch. Here in the US, we have seen the Ports of Oakland and Long Beach, primary ports for California agricultural export shipments, facing continued issues.

A combination of kinetic pressures has come to a head with massive trade imbalances between Asia and the rest of the world causing container shortages and shipping costs to skyrocket. Prices on 20' and 40' containers have seen eye water increases in just the last months. Shortages, higher shipping costs, and widespread unexpected disruptions are likely expected through 2021. The situation is a culmination of these trade imbalances, labor shortages, and reduced capacity across global logistics chains - all due to COVID-19.

Container Freight Costs Continue Increases

December 2020 - June 2021 (USD \$,000's per 40' Container)



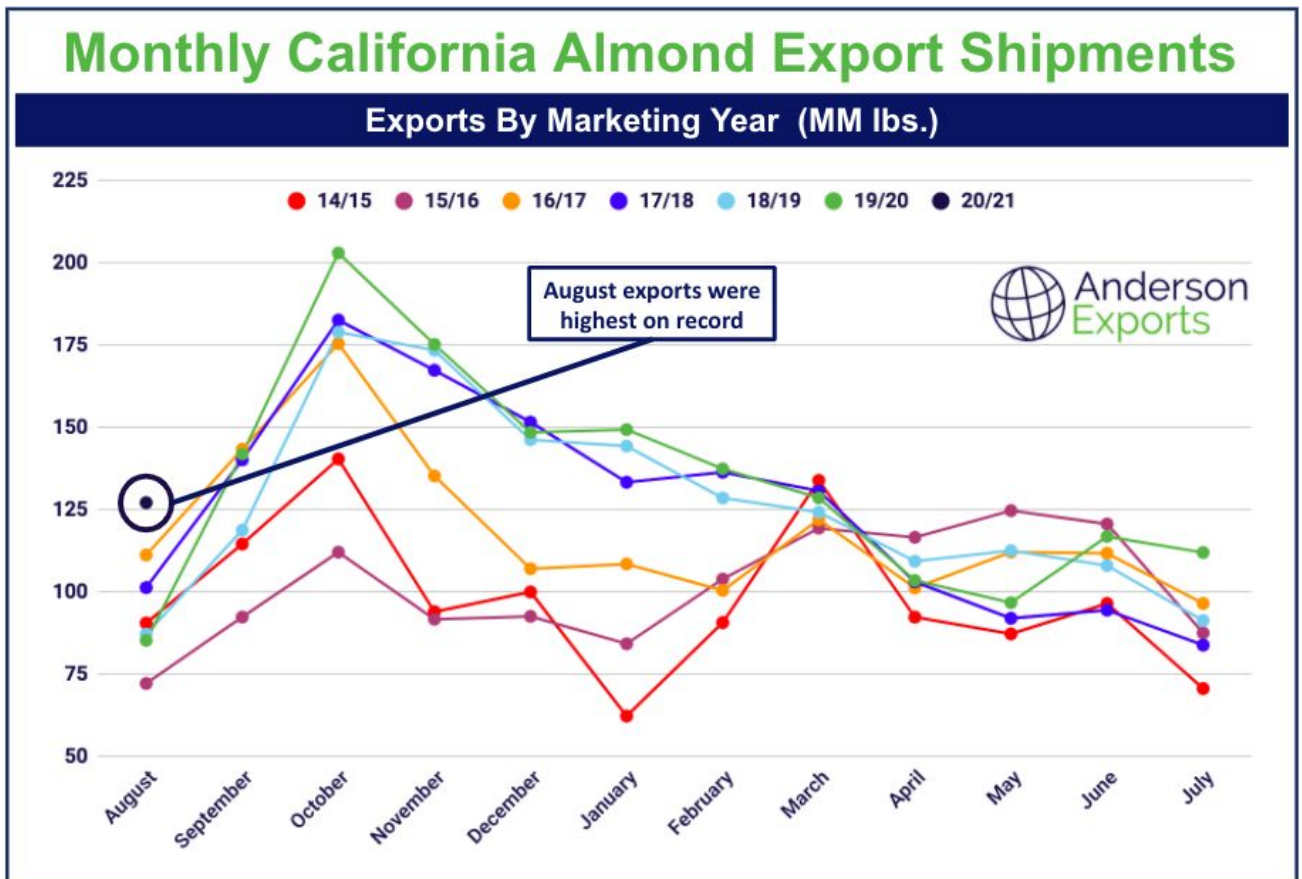
Global Container Situation

This disruption to global container availability, pricing, and turnaround times will cause a decrease in available supply for innumerable products - which in turn will cause an increase in demand for these same products. Predictably, this dynamic will result in increased consumer costs / higher prices for US exports - which could eat into profits and potentially force buyers to find alternative supply origins or product substitutions.

Almonds

Last September, we discussed - **“shipments in August of 2020 reached an astonishing 127.12 million lb, a nearly 50% increase from August 2019 and a record for any August.”**

At that time, California’s monthly almond export shipments history looked like this:

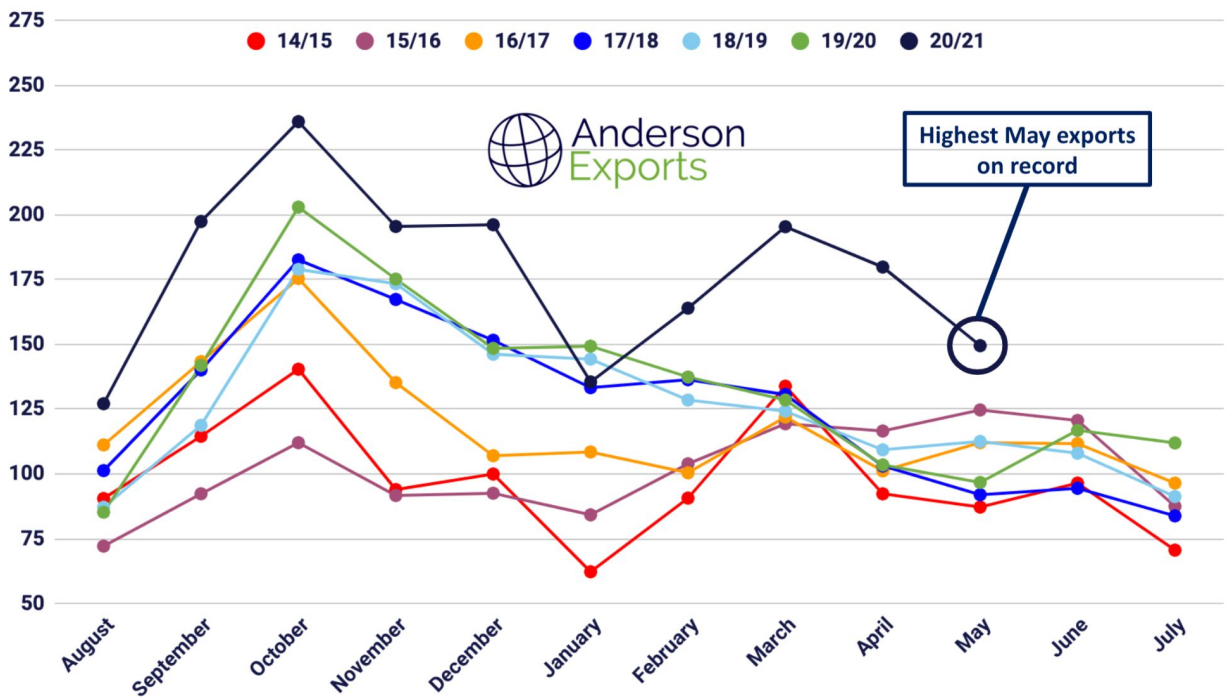


Almonds

Fast forward to the most recent shipment report for May 2021 and we see the highest California Almond Exports on record in EVERY month but January 2021 of the current marketing year.

Monthly California Almond Export Shipments

Exports By Marketing Year (MM lbs.)



This is considerable growth during what has been a difficult year for most industries.

Global demand for California almond products continues to grow - showing there is yet no ceiling on market capacity for California's most popular tree nut. In fact, the current marketing year for California Almonds will post the largest total volume of export shipments on record.

As we approach new crop in California, it remains to be seen what the ultimate effects of 2021's historic drought conditions will be for the Western US, and specifically, California's agriculture as we enter the warmest months of the year.

Almonds

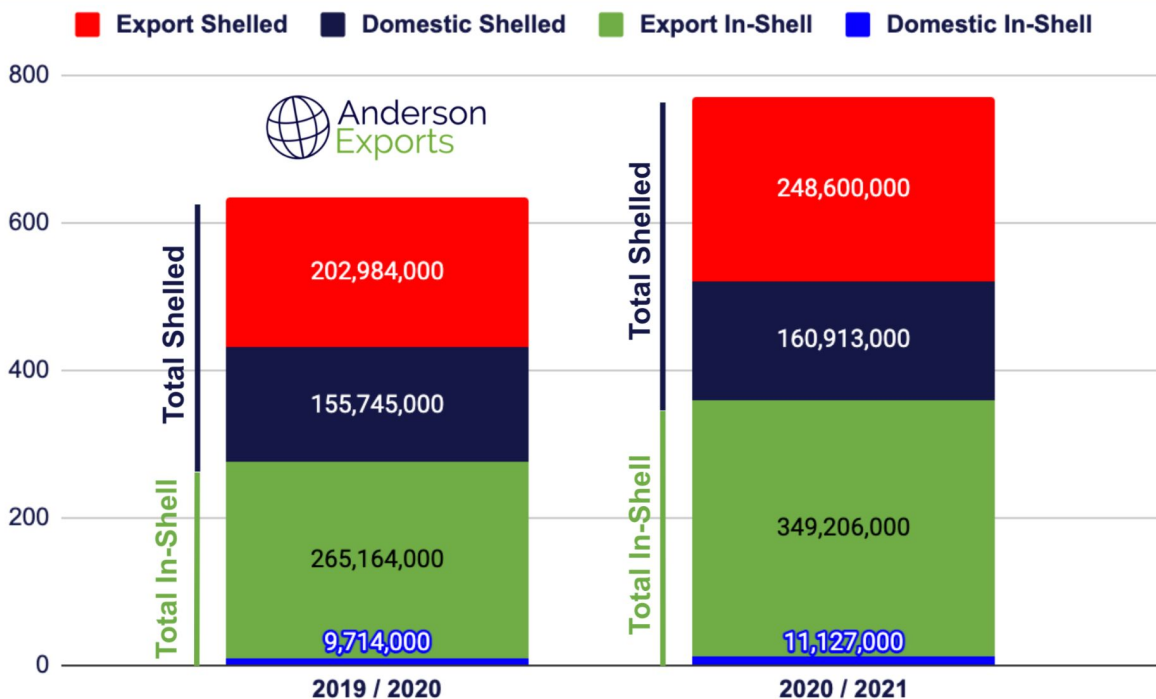
Our most popular almond varieties are Nonpareil, Independence, Butte / Padre, and Carmel types with the most popular grades of Supreme, Extra, Standard 5%, and more.

Walnuts

California walnut shipments have seen a marked recovery from 2019 / 2020, with sizable increases in both total exports of shelled and in-shell products in the 2020 / 2021 marketing year. The United States has recovered much of its walnut shipments of previous years.

California Walnuts - Year To Date Shipments

Total Walnut Shipments (MM lbs) // Sept. 1st - May 31st



As with all crops in California this year, it remains to be seen what the effects of the historic drought conditions in California will be on nut sizes, nuts per set, and opening prices for the 2021 / 2022 marketing year.

With shipments recovering expect strong opening prices and fierce competition for California Chandler In-Shell Walnuts should crop size be reduced due to environmental factors as demand could oustrip supply. Only time will tell.

June 27th, 2021

Global Container Shortage & More



Walnuts

We work with the best California walnut packers to supply our customers with Jumbo and Jumbo / Large (J/L) in-shell Chandler, Howard, Hartley, Vina, Tulare, Serr and other varieties. We also provide bleached in-shell walnuts in addition to California shelled product including Chandler and non-Chandler Light Halves & Pieces (LHP) 20%, 40%, 80% and higher based on customer requirements. We also supply Combo Halves and Pieces (CHP) and Light Sorted Pieces (LSP).

Raisins

California Natural Thompson Seedless Selects and Dried-on-the-vine (DOV) raisin prices continue to climb higher as spot purchases and forward contracts take into account the global container shortages and strong sales in the 2020 / 2021 marketing year. Expect California raisin prices to continue to firm as we approach new crop.

We supply all major bulk California raisins including dried-on-the-vine (DOV) and tray-dried Natural Thompson Seedless Selects, Selma Petes, Flames, Goldens, and other varieties in Jumbo, Select, and Midget sizes and welcome your inquiries. We also supply Selma Pete DOV Double-Run Supreme raisins to Japan and elsewhere which are processed twice to achieve exceptionally low stem and capstem counts. We offer multiple packaging options including custom boxes with client branding, supplier branded boxes, and blank unbranded boxes.

June 27th, 2021

Global Container Shortage & More



About

Anderson Exports is a bulk ingredients sourcing agency specializing in supplying the best ingredients from California and South Africa. Our newsletter delivers actionable market intelligence to inform our clients' purchasing decisions.

Products

Dried Fruits



Raisins



Cranberries



Blueberries ... And more

Prunes
Apricots
Cherries

Nuts



Walnuts



Almonds



Pecans

... And more

Cashews
Hazelnuts
Pistachios

Seeds & Pulses



Sunflower



Red Beans



Lentils

... And more

Popcorn
White Beans
Pumpkin Seeds

Anderson Exports Team

Erik Anderson



+1 406.471.2713

WhatsApp // WeChat

erik@andersonexports.com

www.andersonexports.com