



**MERIDIAN
NUT GROWERS**
DRIED FRUITS ~ NUTS

October 21, 2008 Volume 2, Issue 21

MERIDIAN NUT GROWERS

Phone: 559.458.7272

Fax: 559.458.7270

MERIDIAN MONITOR

MARKET NEWS AND INDUSTRY INFORMATION FOR MERIDIAN'S VALUED CUSTOMERS

In a nutshell...

- Pistachio prices to remain firm
- Pecan inshell sales down
- Hazelnut pricing firming up
- Macadamia pricing remains stable
- Pistachios may lower cholesterol

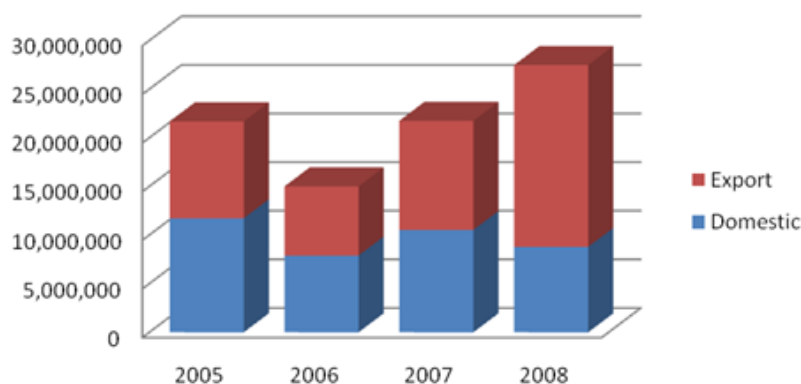
Pistachio Update

The shipment report for September 2008 came out and shows the following.

- Crop harvest to date is only 230,745,080 lbs
- Closed shell is no more than 13%
- With harvesting ending this week, we estimate the crop under 260 million pounds
- We shipped a total of 27.5 million versus 21.7 million last year
- Export shipments are now over 67% of total shipments

Because of the smaller than expected crop from California and the almost disastrous crop from Iran, prices will remain firm throughout the remainder of the year. We are expecting a total world supply of 540 million pounds against expected demand of 650 million pounds. We are about 20% less in supply than demand. Prices will allocate this crop.

September Shipments



Pecan Update

Pecan market remains fairly stable going into new crop. Inshell sales are down heavily from last years tremendous volume, however sales are still occurring. This is an off year; however there is a chance that the market could see some softening after around Dec 1st. Early shipment for holiday usage should keep the market stable, but after that it remains to be seen. US and Mexico are hoping that inshell sales pick up as it is necessary in order to help move this off year's crop. In addition, competing products such as walnuts are significantly cheaper.

Hazelnut Update

Hazelnuts out of Oregon seem to be firming a bit. Large kernels are \$2.95 +/- with a decent premium for XL. Inshell sales have been steady to China and domestically the FMO limitation on inshell hazelnuts has been lifted so that has helped keep the market steady as well; all of this with a record crop out of Turkey.

Macadamia Update

Macadamia prices from origin have been dipping slightly as foreign currencies have devalued against the dollar. Pricing for spot goods remains fairly stable as demand is good going into the holidays and stocks remain fairly limited.

Pistachios In the News

A Penn State Study published in *The American Journal of Clinical Nutrition* in September 2008 has brought attention to the effects pistachios have on lowering cholesterol.

The study, funded by California Pistachio Growers, showed that pistachios, eaten with a heart healthy diet, may decrease a person's cardiovascular disease risk profile. Compared to the control diet, the diets that included pistachios showed a decrease of 9 to 12 percent in LDL cholesterol.

Sales Contacts:

Jim Zion, Managing Director

Cecilia Kjar, Sales Coordinator/Purchasing Director

Paul Reynolds, Sales

Jessica Layfield, Sales & Marketing Assistant

Michelle Carter, Sales & Marketing Assistant