MERIDIAN NUT GROWERS
DRIED FRUITS ~ NUTS

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March 11, 2010

MERIDIAN MONITOR

MARKET NEWS AND INDUSTRY INFORMATION FOR MERIDIAN'S VALUED CUSTOMERS

In a nutshell...

- **February shipments even with last year.**
- **Receipts at 1.38 billion.**
- **Uncommitted inventory down 15%.**

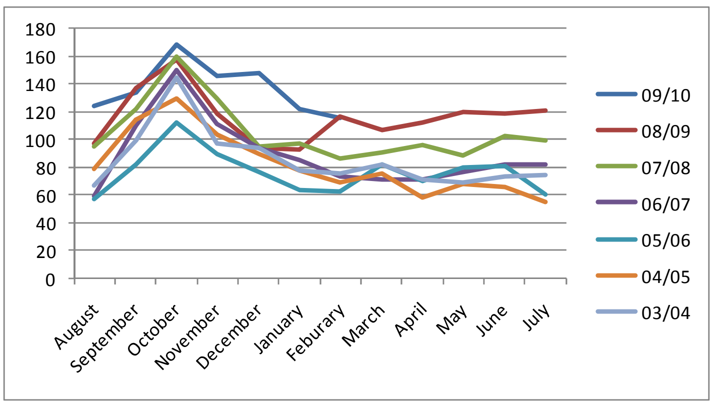
Almond Update

Shipments/Receipts-

Shipments for Feb 2010 were down .8% or 964,000 lbs. YTD shipments remain up by nearly 18%. Receipts so far are at 1.383 billion lbs. and slowing. We may make it to 1.4 billion lbs. at max.

Carry In:	413.7	
2009(marketable):	1341.7	
Total inventory:	1755.4	
Estimated shipments:	1545.1	*estimating a 2% increase from 09' Mar to July.
CARRYOUT:	**210.27**	

The shipments at par with last year today were not a big surprise as we had already come to expect it at some point. We had seen records nearly every month and knew it wasn't possible to keep that up the entire year. The below chart shows a scenario with current receipts and a +2% on remaining shipments for the year. Bringing us to 210M lbs carryout or 15% of the total crop.



Demand/Pricing

Demand has returned to the market more so in the past week and a half and has re-affirmed our thought that there is still a lot of coverage needed for March through August shipments. It was thought that China may not buy anything for the remainder of 2009/10, but that scenario looks as though it is changing. We'll see more in the coming weeks, the demand out of China has been slow at best, but there has been some. Europe has come back into the market slowly looking for SSR and Std 5% material and that price has moved back up.

The Middle East will probably look to cover their needs for the summer months at some point in the next month or so as all the quantity needed for Ramadan has to come out of this crop year. That should take up some of the large NP and Carmel that seem to be available right now. Domestically the market seems to again be steady and looks to continue steady.

Bloom

The weather for bloom did not turn out to be ideal as it looked like it might be after the January report. We had rain on and off throughout the bloom and bee flight hours in general were down. In addition, the duration of the bloom in certain areas was much shorter than last year– but overall it's really too early to tell the effects and predict a crop size. Given the situation was not ideal, it will be tough to anticipate another record producing crop (on per acreage basis). The increase in acreage for 2010 is unknown as well, but guesses are between 10—35,000 acres. It's unknown how many trees came out last year with the low prices we saw.

Most numbers that are being thrown out are 2000 - 2200 lbs. / acre. (1.45 billion— 1.61 billion using 730,000 acres.)

Summary / Outlook

The supply situation for California has largely been known and unchanged since December, but as we go on, the story becomes more real to the people who are being told it.

If we, the industry, do see a larger influx in demand then prices will move up. Seller's, in the last week and a half, saw some demand return to the market and price ideas have already started moving up. The momentum now seems to be with the sellers a bit more rather than buyers as opposed to this time a month ago.

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