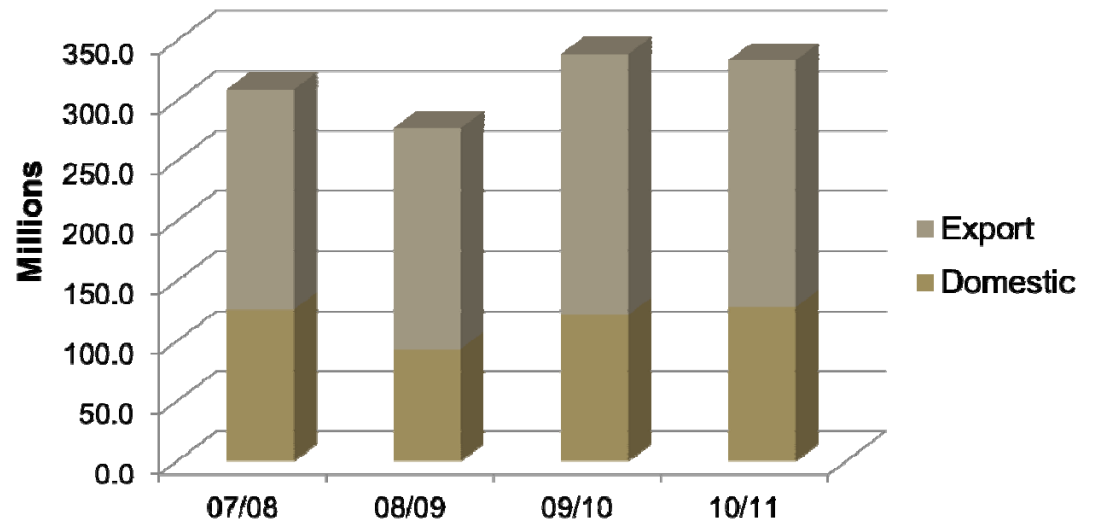




July 2011 Pistachio Shipment Analysis and Market Update

Year-To-Date Shipments



Shipment Comments

Shipments for July showed a 71% increase over the same month last year and is the highest shipment month on the past 4 years. If we maintain this pace for the last month of the crop marketing year, industry should ship about 355M for the year which will be a record.

Domestic shipments year to date are running about 6% ahead of last year while exports are running about 5% behind last year. Biggest decrease in exports was to Western Europe while Asia, lead by China/Hong Kong, saw huge gains in shipments over July last year. This further reinforces than change in market dynamics we started to see last year. Europe is no longer the “lead dog” when it comes to establishing a market and price for US pistachios. In addition, emerging markets in Middle East and Africa and India will further erode Europe’s once dominant buying position.

2011 harvest is expected to start next week in Arizona and around September 12-15th in California. Again, this is later than normal and will put additional pressure on early shipments on new crop. We still have limited capacity in early October so if you need shipments, please contact your sales representative.

Shipment Analysis (Million Pounds)

Item	Current Month	Last Year	% Change Shipments	Current YTD	Last Years YTD	% Change Shipments YTD
Domestic Shipments	11.2	6.0	86.6%	128.1	121.8	5.1%
Export Shipments	19.5	11.9	63.8%	205.4	217.1	-5.3%
Total Shipments	30.7	17.9	71.5%	333.5	338.9	-1.7%



Supply and Demand Outlook

Crop Year	Carry In	Production	Marketable Pounds	Shipments	Carry Out	Comments
2005	78.1	282.3	322.5	193.5	129.0	Adj for loss
2006	129.0	237.4	324.5	223.4	101.1	CPC Adj on CO
2007	98.3	415.6	439.3	318.3	121.0	ACP Adj on CO
2008	120.9	278.0	372.9	307.5	68.4	6% loss
2009	68.4	354.5	393.1	354.5	38.7	7% loss
2010 est.	38.7	529.5	505.7*	355.0	145.7	*Est. 11% loss
2011 est.	145.7	425	536.7*	400.0	136.7	*Est. 8% loss

[News]

Congratulations to Kristi Robinson for completing her first 6 months of training at Meridian and establishing herself as a full time sales representative. We look forward to seeing what Kristi can do now that the training wheels are off. And congratulations to Darren Rigg for entering into our Sales Training program. Darren has been an intern with us for several months and his work ethic and enthusiasm will be a welcome addition to Meridian.



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