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Tree Nuts Annual 2015

Report Categories:

Tree Nuts

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Report Highlights:

Italy's MY 2015 almond production is forecast to increase from the previous year to approximately 12,000 MT thanks to favorable weather. Quality is expected to be exceptional. Pistachio is a traditional crop in Italy, especially in Sicily region (Bronte area), where more than 90 percent of the production is located. Pistachio trees production is cyclical, bearing heavily in alternate years. MY 2015 will be a "higher" bearing year thanks to favorable conditions during flowering and fruit set. Quality is expected to be exceptional. Italy's MY 2015 walnut harvest is forecast to reach approximately 10,200 MT. Lower quantities in Southern Italy will be compensated by increased volumes in Northern Italy. Quality is expected to be very good.

**General Information:
ITALY**

I. ALMONDS

Table 1: Production, Supply and Demand (MT)

Almonds, Shelled Basis	2013	2014	2015
	Estimates 2013/2014	Estimates 2014/2015	Forecast 2015/2016
	Post Data	Post Data	Post Data
Area Planted	55,573	54,780	54,778
Area Harvested	54,161	54,172	54,178
Beginning stocks	1,000	1,000	1,000
Production	7,000	10,000	12,000
Ending stocks	1,000	1,000	1,000

Sources: Istat; Industry contacts; GTA

PRODUCTION

Italy's MY 2015 almond production is forecast to increase from the previous year to approximately 12,000 MT thanks to favorable weather. Quality is expected to be exceptional. However, due to strong competition from competitively priced Californian and Australian almonds, cultivation in Italy has become less profitable. Therefore, many farmers have been abandoning this crop or shifting to more rewarding cultivations (i.e., citrus fruit, wine grapes, horticultural products). Furthermore, almond orchards are often located in areas where mechanization is not always feasible.

CONSUMPTION

In-shell almonds are mainly sold for fresh consumption. Shelled almonds are milled and generally used as a raw material for confectionary and bakery food companies.

TRADE

In 2014, Italy imported 37,610 MT of almonds, mainly from the United States (23,781 MT) and Spain (5,716 MT). In 2014, Italy exported 10,291 MT of almonds mainly to France, Germany, and the United States.

II. PISTACHIOS

Table 2: Production, Supply and Demand (MT)

Pistachios, In-shell Basis	2013	2014	2015
	Estimates	Estimates	Forecast

	2013/2014	2014/2015	2015/2016
	Post Data	Post Data	Post Data
Area Planted	3,544	3,546	3,640
Area Harvested	3,531	3,100	3,612
Beginning stocks	200	200	200
Production	3,227	1,000	4,000
Ending stocks	200	200	200

Sources: Istat (National Institute of Statistics); Industry contacts; GTA (Global Trade Atlas)

PRODUCTION

Pistachio is a traditional crop in Italy, especially in Sicily region (Bronte area), where more than 90 percent of the production is located. *Bianca* (also called *Napoletana*) is the main pistachio variety grown in Italy and is normally harvested in September. In recent years, pistachio production has slightly expanded to other areas in Sicily and Basilicata, where newer and input intensive orchards have been planted. Since 2004, pistachio from Bronte has been awarded by the European Commission as a PDO (Protected Designation of Origin), distinguishing it from all other pistachio varieties worldwide. Pistachio trees production is cyclical, bearing heavily in alternate years. MY 2015 will be a “higher” bearing year thanks to favorable conditions during flowering and fruit set. Quality is expected to be exceptional.

CONSUMPTION

Italian in-shell pistachios are consumed as a snack food. Bakeries and food companies use shelled pistachios, while ice-cream makers mainly employ milled pistachios.

TRADE

Italian pistachio production is not sufficient to cover domestic demand, resulting in significant imports from Iran (via Germany and Belgium) and the United States (3,274 MT in 2014).

III. WALNUTS

Table 3: Production, Supply and Demand (MT)

	2013	2014	2015
Walnuts, In-shell Basis	Estimates	Estimates	Forecast
	2013/2014	2014/2015	2015/2016
	Post Data	Post Data	Post Data
Area Planted	4,000	4,000	4,000
Area Harvested	3,750	3,734	3,744
Beginning stocks	2,000	2,000	2,000
Production	10,349	9,500	10,200
Ending stocks	2,000	2,000	2,000

Sources: Industry contacts; GTA

PRODUCTION

Italy's MY 2015 walnut harvest is forecast to reach approximately 10,200 MT. Lower quantities in Southern Italy will be compensated by increased volumes in Northern Italy. Quality is expected to be very good. Italy lost its walnut market leadership a few decades ago and now is a major importer, mainly from the United States. Because farmers generally grow walnut trees for both timber and nuts, nut yields and quality have suffered. Higher input costs and lower prices have negatively affected crop profitability. As a result, Italian walnut production supplies about 20 percent of domestic requirements and the remainder is imported. Most walnuts are cultivated in Campania (Southern Italy), where the main varieties are *Sorrento* and *Malizia*. Some farmers in Northern Italy have established efficient and profitable walnut orchards planted with *Lara* and *Chandler* varieties.

CONSUMPTION

In-shell and shelled walnuts for fresh consumption are mainly purchased during the winter months. However, more consumers are increasingly purchasing walnuts all year round, thanks to their perceived nutritional benefits.

TRADE

Italy imports mainly in-shell walnuts (mostly the *Hartley* variety) from the United States until June. Then, walnuts are imported principally from South America (Chile and Argentina) and Australia. France is also a major supplier to the Italian market.

Abbreviations and Definitions Used in this Report

MY Marketing Year

Almonds, Hazelnuts and Pistachios: September/August

Walnuts: October/September

HS Codes:

Almonds: Shelled 080212; In-shell 080211

Walnuts: Shelled 080232; In-shell 080231

Filberts/Hazelnuts: Shelled 080222; In-shell 080221

Pistachios: Shelled 080252; In-shell 080251

Conversion factors used to convert shelled to in-shell tree nuts:

Almonds: 3.3

Hazelnuts: 2.03

Walnuts: 3.3

Pistachios: 1.5

Ha hectare; 1 ha = 2.471 acres

MT Metric ton = 1,000 kg

MS EU member state(s)