



HAWAII MACADAMIA NUTS

Final Season Estimates

FREQUENCY: January & July

RELEASED: July 12, 2004

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2003-2004 MACADAMIA NUT OUTPUT UNCHANGED, FARM PRICE HIGHER

Hawaii's 2003-04 macadamia nut harvest is estimated at **53.0** million pounds net, wet-in-shell, unchanged from last season's pickings, according to the Hawaii Agricultural Statistics (HAS). Total and harvested acreage were unchanged from last season. Weather for the season had mixed effects on the orchard and crop. Rainy weather during late 2003 and early 2004 benefitted orchards in

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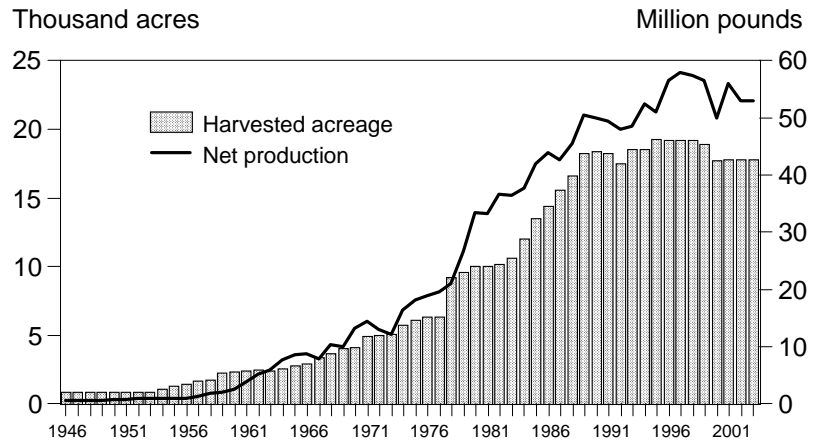
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MACADAMIA NUTS: Harvested Acreage and Net Production, State of Hawaii, 1946-03 Seasons



HAS

Table 1. MACADAMIA NUTS: Number of farms, acreage, yield, production, moisture, price, and value, State of Hawaii, 1999-2003 crop years

Crop year ¹	Farms	Acreage		Yield per acre ³	Production ⁴		Average moisture		Farm prices ⁴		Farm value ⁸
		In crop	Harvested ²		Gross ⁵	Net ⁶	Entire crop	Purchases only	Gross ⁷	Net	
	<i>Number</i>	<i>----- Acres -----</i>			<i>---- 1,000 pounds ----</i>		<i>----- Percent -----</i>		<i>Cents per pound</i>		<i>1,000 dollars</i>
1999-00	750	19,900	18,900	3.0	64,000	56,500	19.3	19.3	59.1	67.0	37,855
2000-01	650	18,400	17,700	2.8	56,000	50,000	21.0	21.0	52.7	59.0	29,500
2001-02	650	18,000	17,800	3.1	62,000	56,000	21.2	21.9	53.3	59.0	33,040
2002-03	650	18,000	17,800	3.0	60,000	53,000	20.4	20.7	50.4	57.0	30,210
2003-04	650	18,000	17,800	3.0	60,000	53,000	20.2	20.7	53.9	61.0	32,330

¹ Season begins July 1st and ends June 30th of the following year. ² Called bearing acreage prior to 1993-94 crop year. ³ Net production per bearing acre. ⁴ Wet in-shell basis, delivered to processors. ⁵ Gross pounds delivered for processing. ⁶ Gross pounds delivered for processing less total spoilage. ⁷ Farm value divided by gross production. ⁸ Net production multiplied by net farm price.

MORE ON THE 2003-2004 SEASON

Continued from Page 1 . . .

drier areas. In February, a down burst of wind knocked over trees in the South Kona area. Macadamia nut losses from immaturity continued to rank first. Higher incidences of mold and tropical nut borer were reported this season compared to last. Overall yields averaged 2,980 pounds per acre (net, wet in-shell), unchanged from the previous season. Farm prices for 2003-04 averaged 61.0 cents per pound, 4.0 cents more than last season and the highest since 1999-00. The average moisture content for this crop season was 20.2 percent compared with 20.4 for the 2002-03 crop.

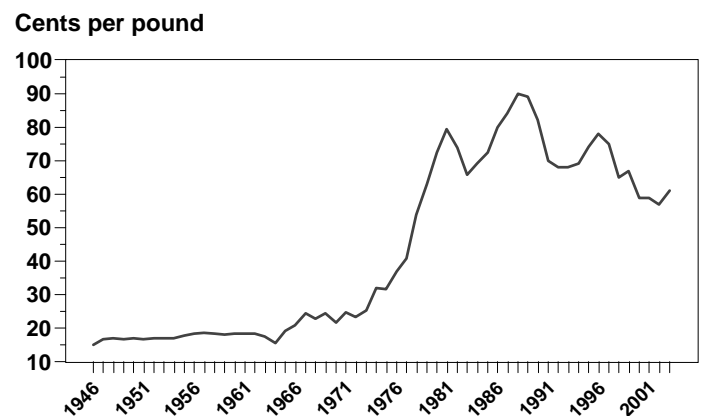
TOTAL AND HARVESTED ACREAGE UNCHANGED

Total and harvested acreage for 2003-04 remained unchanged at 18,000 acres and 17,800 acres, respectively. The statewide estimate of macadamia nut trees totaled 1.3 million, of which virtually all were 6 years and older.

FARM PRICE AND VALUE UP

The farm price for net, wet in-shell macadamia nuts averaged 61.0 cents per pound, up 4.0 cents from the 2002-03 average, and the first increase in 4 years. Industry sources attribute the boost to smaller world supplies of macadamia nuts. The farm value of macadamia nuts totaled \$32.3 million up 7 percent from last season.

MACADAMIA NUTS: Net Wet-In-Shell Farm Prices, State of Hawaii, 1946-03 Seasons



HAS

2003-2004 CROP LOSS ASSESSMENT

MACADAMIA NUT LOSSES, VALUE HIGHER

Growers delivered an estimated 60.0 million pounds of macadamia nuts, wet in-shell, to processors during the 2003-04 crop season, of which processors culled about 12 percent, resulting in 53.0 million pounds net, wet in-shell. The equivalent gross weight of losses, after adjusting for what would be the expected weight before the damage, was 10.6 million pounds up 1 percent from the 2002-03 crop season. However, the overall loss percentage to the crop was up 1 percent to 17.7. The equivalent farm level value of the losses after the weight adjustments was \$6.5 million, 8 percent above the 2002-03 value. Macadamia nut losses shown in this report include only those culled by processors and do not include losses that were culled at the farm before delivery. Immature nuts continued to be the greatest contributor toward crop loss.

MACADAMIA NUTS: Loss By Cause
State of Hawaii, 1994-03 Season

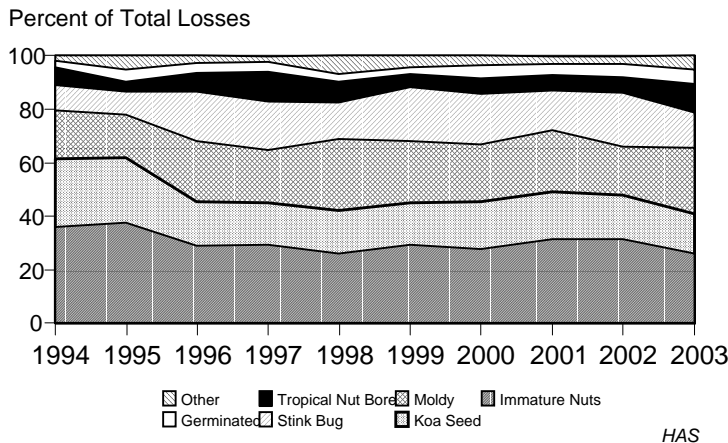


Table 2. MACADAMIA NUTS: Loss by cause, State of Hawaii, 2003-04

Type of loss	Estimated loss ¹		Percent of losses		Percent of delivered crop		Dollar value of grower loss	
	2002-03	2003-04	2002-03	2003-04	2002-03	2003-04	2002-03	2003-04
	1,000 pounds		----- Percent -----				1,000 dollars	
Immature nuts ²	3,317	2,755	31.6	26.0	5.5	4.6	1,891	1,681
Germinating nuts	539	547	5.1	5.2	0.9	0.9	307	334
Moldy, rotten	1,905	2,626	18.2	24.8	3.2	4.4	1,089	1,602
Stink bug	2,089	1,392	19.9	13.1	3.5	2.3	1,191	850
Koa seed worm	1,721	1,585	16.4	14.9	2.9	2.7	981	967
Tropical nut borer ³	596	1,157	5.7	10.9	1.0	1.9	340	706
Other causes	331	536	3.1	5.1	0.5	0.9	189	327
Total	10,498	10,598	100.0	100.0	17.5	17.7	5,988	6,467

¹ Includes only losses for nuts completely rejected for processing. Does not include nuts with some damage but still utilized. Adjustments were made to reported weights to account for damage that would lower kernel weights and have the effect of underestimating the actual amount of loss. The adjustment factors were provided by Dr. H. C. Bittenbender and Dr. Vince Jones, CTAHR, University of Hawaii and were applied to both crop years. Excludes losses in the field or culled before delivery.

² Includes naturally occurring premature drop.

³ Formerly called Shothole borer.



U.S. TREE NUT REPORT

U.S. Nut Production Down 2 Percent, Value Up 18 Percent

The 2003 U.S. nut production (in-shell basis) is 1.42 million tons, a 2 percent decrease from a year earlier. Almond production totaled 833,300 tons, down 6 percent from 2002. The pistachio crop totaled 59,500 tons, a decrease of 61 percent from the record high crop of 151,500 tons realized in 2002. Hazelnut production, at 37,700 tons, is up 93 percent from 2002. Walnut production for 2003 is estimated at 326,000 tons, 16 percent above the previous year. Pecan production for 2003 is estimated at 141,100 tons, a 63 percent increase from 2002. Macadamia production, at 26,500 tons, is unchanged from 2002.

The 2003 U.S. value of utilized nut production is estimated at 2.45 billion dollars, up 18 percent from the revised 2002 value. The 2003 almond value, estimated at 1.60 billion dollars, is up 33 percent from 2002. Pistachio value for 2003, at 144 million dollars, is down 57 percent from the 2002 value. Hazelnut value at 38.8 million dollars is an increase of 99 percent over the 2002 value. Walnuts are valued at 355 million dollars in 2003, an 8 percent increase from the revised 2002 value. The pecan crop showed a 68 percent increase in value to 278 million dollars. The macadamia value, at 32.3 million dollars, is up 7 percent from the previous year.

Table 3. U.S. NUT CROPS: Production, price, value, and utilization, 2002-2003

Crop State	Production		Price per unit		Value of utilized production		Utilization				Meat production of nuts sold shelled	
	2002	2003	2002	2003	2002	2003	Sold in-shell		Sold shelled ¹		2002	2003
	<i>Tons (in-shell basis)</i>		<i>Dollars per ton</i>		<i>1,000 dollars</i>		<i>----- Tons (in-shell basis) -----</i>					
HAZELNUTS (FILBERTS)												
Oregon	19,500	37,700	1,000.00	1,030.00	19,500	38,831	13,000	21,900	6,500	15,800	2,600	6,300
WALNUTS (ENGLISH)												
California	282,000	326,000	1,170.00	1,090.00	329,940	355,340	67,000	81,000	215,000	245,000	93,000	105,000
	<i>1,000 pounds (In-shell basis)</i>		<i>Dollars per pound</i>									
PISTACHIOS												
California	303,000	119,000	1.10	1.21	333,300	143,990	242,000	90,000	61,000	29,000	30,100	14,000
MACADAMIA NUTS												
Hawaii	53,000	53,000	.57	.61	30,210	32,330						
	<i>1,000 pounds (Shelled basis)</i>											
ALMONDS²												
California	1,090,000	1,040,000	1.11	1.57	1,200,687	1,600,144						
PECANS												
U.S.							12,000	36,100	160,900	246,000	73,000	102,000

¹ In-shell basis.

² Price and value are based on the edible portion of the crop only. Production includes inedible quantities of no value as follows: 2002 - 8.3 million pounds and 2003 - 20.8 million pounds.

HISTORICAL DATA

Table 4. MACADAMIA NUTS: Acreage, yield, production, price, and value, State of Hawaii, 1947-03

Year ¹	Acreage		Yield per acre ²	Production ³		Farm price ³		Farm value ⁷
	In crop	Harvested		Gross ⁴	Net ⁵	Gross ⁶	Net	
	----- Acres -----		----- 1,000 pounds -----		----- Cents per pound -----		1,000 dollars	
1946-47	950	860	.7	NA	630	NA	15.2	96
1947-48	1,340	860	.8	NA	680	NA	16.9	115
1948-49	1,530	860	.8	NA	700	NA	17.0	119
1949-50	1,710	860	.8	NA	680	NA	16.9	115
1950-51	2,150	860	.9	NA	755	NA	17.0	128
1951-52	2,300	840	1.0	NA	850	NA	16.9	144
1952-53	2,770	840	1.1	NA	965	NA	17.1	165
1953-54	2,900	830	1.2	NA	970	NA	17.0	165
1954-55	3,030	1,080	.9	NA	930	NA	17.1	159
1955-56	3,030	1,300	.7	NA	903	NA	17.9	162
1956-57	3,200	1,470	.7	NA	1,027	NA	18.4	189
1957-58	3,120	1,680	.8	NA	1,329	NA	18.7	248
1958-59	3,290	1,750	1.0	NA	1,832	NA	18.5	339
1959-60	3,840	2,220	1.0	NA	2,102	NA	18.2	382
1960-61	3,820	2,300	1.1	NA	2,569	NA	18.4	472
1961-62	3,880	2,430	1.6	NA	3,751	NA	18.5	693
1962-63	4,100	2,460	2.1	NA	5,182	NA	18.4	954
1963-64	4,110	2,390	2.5	NA	6,003	NA	17.7	1,061
1964-65	4,510	2,520	3.1	NA	7,639	NA	15.6	1,192
1965-66	5,410	2,780	3.1	NA	8,522	NA	19.4	1,651
1966-67	6,700	2,950	3.0	NA	8,715	NA	21.0	1,830
1967-68	7,980	3,340	2.4	NA	7,966	NA	24.6	1,960
1968-69	8,520	3,680	2.8	NA	10,436	NA	22.8	2,379
1969-70	8,690	4,030	2.5	NA	10,049	NA	24.6	2,472
1970-71	8,735	4,115	3.2	NA	13,216	NA	21.7	2,868
1971-72	9,170	4,900	2.9	NA	14,448	NA	24.7	3,569
1972-73	9,250	5,000	2.6	NA	13,110	NA	23.3	3,055
1973-74	10,450	5,080	2.4	NA	12,124	NA	25.5	3,092
1974-75	9,890	5,760	2.8	NA	16,370	NA	32.0	5,238
1975-76	10,400	6,080	3.0	NA	18,210	NA	31.6	5,754
1976-77	10,250	6,300	3.0	NA	18,990	NA	36.9	7,007
1977-78	9,895	6,300	3.1	NA	19,680	NA	40.8	8,030
1978-79	10,200	9,200	2.3	NA	20,980	NA	53.8	11,287
1979-80	11,400	9,600	2.8	NA	26,660	NA	62.9	16,769
1980-81	13,300	10,000	3.3	NA	33,390	NA	72.4	24,174
1981-82	14,000	10,000	3.3	NA	33,360	NA	79.3	26,454
1982-83	15,600	10,200	3.6	NA	36,720	NA	73.9	27,136
1983-84	16,400	10,600	3.4	38,500	36,420	62.2	65.7	23,928
1984-85	17,500	12,000	3.1	40,500	37,700	64.4	69.2	26,088
1985-86	20,900	13,500	3.1	44,700	42,000	68.1	72.5	30,450
1986-87	21,200	14,400	3.1	46,600	44,000	75.5	80.0	35,200
1987-88	21,500	15,600	2.7	45,600	42,700	78.7	84.0	35,868
1988-89	21,900	16,600	2.7	49,000	45,500	83.6	90.0	40,950
1989-90	22,300	18,200	2.8	54,000	50,500	83.2	89.0	44,945
1990-91	22,600	18,400	2.7	54,300	50,000	75.5	82.0	41,000
1991-92	22,500	18,200	2.7	53,900	49,500	64.3	70.0	34,650
1992-93	20,500	17,500	2.7	53,000	48,000	61.6	68.0	32,640
1993-94	20,100	18,500	2.6	53,000	48,500	62.2	68.0	32,980
1994-95	20,200	18,500	2.8	58,000	52,500	62.5	69.0	36,225
1995-96	20,300	19,300	2.6	57,000	51,000	66.2	74.0	37,740
1996-97	20,200	19,200	2.9	63,000	56,500	70.0	78.0	44,070
1997-98	20,200	19,200	3.0	65,000	58,000	66.9	75.0	43,500
1998-99	20,200	19,200	3.0	66,000	57,500	57.0	65.0	37,375
1999-00	19,900	18,900	3.0	64,000	56,500	59.1	67.0	37,855
2000-01	18,400	17,700	2.8	56,000	50,000	52.7	59.0	29,500
2001-02	18,000	17,800	3.1	62,000	56,000	53.3	59.0	33,040
2002-03	18,000	17,800	3.0	60,000	53,000	50.4	57.0	30,210
2003-04	18,000	17,800	3.0	60,000	53,000	53.9	61.0	32,330

¹ Season begins July 1st and ends June 30th of the following year. ² Net production per bearing acre. ³ Wet in-shell basis, delivered to processors. ⁴ Gross pounds delivered for processing. ⁵ Gross pounds delivered for processing less total spoilage. ⁶ Farm value divided by gross production. ⁷ Net production multiplied by net farm price.

U.S. IMPORTS

Table 5. U.S. Macadamia nut imports, by type, January - December 2002-2003

Name of city	2003					2002	
	Port of entry		Country of origin			Quantity	Custom value
	Quantity	Custom value	Name of country	Quantity	Custom value		
	<i>Metric tons</i>	<i>U.S. dollars</i>		<i>Metric tons</i>	<i>U.S. dollars</i>	<i>Metric tons</i>	<i>U.S. dollars</i>
SHELLED OR BLANCHED¹							
Harmonized number: 0802.90.9810							
New York City	1,405	11,327,548	South Africa	1,883	15,438,114		
Los Angeles	1,187	10,617,080	Australia	1,533	13,288,540		
Houston	1,049	8,415,154	Kenya	559	5,374,187		
San Francisco	731	6,546,250	Guatemala	555	4,456,148		
Norfolk	580	4,989,790	Brazil	514	3,862,476		
Miami	325	2,463,581	China	371	3,795,938		
Chicago	231	2,049,842	Malawi	358	2,650,949		
Savannah	211	1,917,343	Costa Rica	251	2,002,475		
Philadelphia	131	1,209,909	Vietnam	69	698,656		
Seattle	108	1,156,190	Cayman Islands	27	298,583		
Columbia-Snake	170	1,124,216	Azerbaijan	32	221,726		
Honolulu	68	511,406	New Zealand	17	115,908		
Pembina	7	61,175	Canada	9	89,071		
Buffalo	4	45,005	Colombia	14	79,550		
Detroit	1	17,873	Bolivia	16	73,740		
Charleston	4	17,854	Spain	4	24,155		
Total	6,212	52,470,216		6,212	52,470,216	4,256	27,736,910
NOT SHELLED							
Harmonized number: 0802.90.8010							
San Francisco	69	603,370	Australia	127	458,120		
Los Angeles	125	413,227	South Africa	26	197,097		
Tampa	10	89,850	Japan	15	142,688		
			Kenya	13	121,350		
			Malawi	13	97,342		
			Costa Rica	10	89,850		
Total	204	1,106,447		204	1,106,447	162	919,623
PICKLED OR OTHERWISE PREPARED OR PRESERVED							
Harmonized number: 2008.19.9010							
Los Angeles	17	143,130	South Africa	17	131,690		
San Francisco	14	125,550	Kenya	14	125,550		
New York City	10	48,213	Colombia	4	35,911		
Buffalo	3	16,038	Australia	8	34,702		
Seattle	3	15,750	Canada	6	31,788		
Miami	1	12,871	Costa Rica	2	17,780		
Minneapolis	1	11,196	South Korea	1	5,612		
Charleston	4	9,787	Indonesia	1	2,080		
Wilmington	*	2,578					
Total	53	385,113		53	385,113	59	539,335

The conversion for 1 metric ton = 2,204.6 pounds.

* = less than 1,000 metric tons.

¹ Since June 1997, 0802.90.9010 was changed to 0802.90.9810.

Source: U.S. Department of Commerce.

Table 6. U.S. Macadamia nut imports, by type, 1984-2003

Year	Type		
	Shelled or blanched	Pickled or otherwise prepared or preserved	Not shelled
<i>Metric tons</i>			
1984	455	5	0
1985	687	31	0
1986	748	32	0
1987	948	107	0
1988	1,088	105	95
1989	1,927	307	86
1990	2,159	126	49
1991	1,427	96	39
1992	1,775	49	28
1993	2,047	84	131
1994	1,726	95	56
1995	2,597	76	34
1996	2,481	70	14
1997	2,325	63	266
1998	3,459	40	60
1999	4,730	109	109
2000	5,546	195	114
2001	5,048	126	90
2002	4,256	59	162
2003	6,212	53	204

Source: U.S. Department of Commerce.

Table 7. U.S. Macadamia nut imports, by country of origin, 2003

Country of origin	Type			Total
	Shelled or blanched	Pickled or otherwise prepared or preserved	Not shelled	
<i>Metric tons</i>				
Australia	1,533	8	127	1,668
Azerbaijan	32	0	0	32
Bolivia	16	0	0	16
Brazil	514	0	0	514
Canada	9	6	0	15
Cayman Islands	27	0	0	27
China	371	0	0	371
Colombia	14	4	0	18
Costa Rica	251	2	10	263
Guatemala	555	0	0	555
Indonesia	0	1	0	1
Japan	0	0	15	15
Kenya	559	14	13	586
Malawi	358	0	13	371
New Zealand	17	0	0	17
Rep. of S. Africa	1,883	17	26	1,926
South Korea	0	1	0	1
Spain	4	0	0	4
Vietnam	69	0	0	69
Total	6,212	53	204	6,469

Source: U.S. Department of Commerce. * = Less than 1,000 metric tons

U.S. EXPORTS

Table 8. U.S. Macadamia nut exports, by country of destination, 2002-2003
Harmonized number: 2008.19.9010

Country of destination	2003		2002	
	Quantity	F.A.S. value	Quantity	F.A.S. value
	<i>Metric tons</i>	<i>U.S. dollars</i>	<i>Metric tons</i>	<i>U.S. dollars</i>
Australia	30	314,686	2	20,372
Belgium	11	116,053	0	0
Brazil	43	452,978	0	0
Canada	153	947,893	433	2,505,099
Chile	0	0	1	10,186
China	115	1,238,555	37	457,405
Colombia	0	0	*	3,868
Costa Rica	7	73,852	0	0
Dominican Republic	7	73,852	0	0
Fed Rep of Germany	31	333,964	1	10,453
Finland	11	116,053	0	0
France	80	591,548	58	412,905
Hong Kong	107	1,262,623	61	608,390
Indonesia	7	73,852	15	167,772
Israel	5	48,000	0	0
Italy	5	50,929	0	0
Japan	501	5,471,110	458	5,135,370
Kuwait	0	0	1	10,475
Malaysia	78	833,472	44	493,748
Mexico	14	59,301	123	956,042
Netherlands	112	1,203,864	10	96,826
New Zealand	9	63,454	2	20,372
Norway	0	0	*	5,363
Republic of Philippines	9	99,522	18	156,688
Singapore	71	772,219	3	48,579
South Korea	63	728,414	18	215,497
Spain	28	291,763	8	91,672
Sweden	5	50,929	0	0
Taiwan	32	343,881	10	105,174
Thailand	51	541,913	18	209,268
Ukraine	*	7,479	0	0
United Arab Emirates	10	103,601	0	0
United Kingdom	45	481,513	0	0
Uzbekistan	0	0	11	112,043
Vietnam	22	232,106	0	0
Total	1,662	16,979,379	1,332	11,853,567

F.A.S. = Free Along Side.

Source: U.S. Department of Commerce.