

HAZELNUT MARKETING BOARD
August 25, 2016
KERNELS CERTIFIED, BY SIZE
July 2015 through June 2016

		Kernel Wt. Tons	Merchantable Credit Wt. Tons	% of Total 2015-16	% of Total 2014-15	% of Total 2013-14
Giant		69.55	171.68	1.48%	11.61%	3.43%
Jumbo		369.24	911.43	7.83%	21.57%	11.58%
Extra Large		815.67	2,013.40	17.30%	17.36%	21.04%
Large		1,289.08	3,181.97	27.34%	21.66%	24.44%
Medium		529.97	1,308.18	11.24%	5.11%	15.30%
Small		52.90	130.58	1.12%	1.26%	3.13%
Whole & Broken		1,588.78	3,921.56	33.69%	21.43%	21.08%
TOTAL	2015-16	4,715.19	11,638.79	100.00%	100.00%	100.00%
	2014-15	10,067.19	25,003.23			
	2013-14	5,547.46	13,636.86			
	2012-13	3,329.99	8,351.44			
	2011-12	3,844.19	9,684.59			
	2010-11	2,467.77	6,169.44			
	2009-10	3,889.22	9,723.40			
	2008-09	2,824.76	7,061.90			
	2007-08	4,679.26	11,698.17			
	2006-07	3,816.62	9,543.63			
10-yr.Avg. (2006-15)		<u>4,518.17</u>	<u>11,251.15</u>			

HAZELNUT MARKETING BOARD
August 25, 2016
"DISAPPEARANCE" AS BETWEEN TOTAL PRODUCTION
AND MERCHANTABLE PRODUCTION

	Total Orchard-run Production (Table 1)	Merchantable Production (Table 8)	Other 1/
10-yr. Avg. (2006-15)	37,660	36,267	1,393
5-yr. Avg. (2006-10)	37,400	35,929	1,471
5-yr. Avg. (2011-15)	37,920	36,606	1,314
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2006	43,000	41,837	1,163
2007	37,000	35,794	1,206
2008	32,000	30,649	1,351
2009	47,000	44,904	2,096
2010	28,000	26,463	1,537
2011	38,500	35,464	3,036
2012	37,000	35,567	1,433
2013	45,100	44,513	587
2014	38,000	37,529	471
2015	31,000	29,955	1,045
<hr/>			
2015 Expressed in percentages:	100%	96.63%	3.37%
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1/ Includes: culls and blows including cull portion of ungraded restricted lots and farm use, local sales and miscellaneous.

HAZELNUT MARKETING BOARD
August 25, 2016
INSHELL EXPORTS
BY AREA OF DESTINATION
--- Tons ---

<u>Year</u>	<u>Canada</u>	<u>So. America 1/</u>	<u>Europe 2/</u>	<u>SW Pacific 3/</u>	<u>Total</u> (Table 9)
10-Yr. Average	518	398	2,401	19,305	22,622
2006-07	663	608	4,401	21,587	27,259
2007-08	654	1,098	4,347	16,128	22,227
2008-09	652	366	2,357	18,776	22,151
2009-10	734	364	3,855	26,539	31,492
2010-11	502	294	2,197	14,454	17,448
2011-12	509	499	2,009	19,394	22,411
2012-13	475	300	783	25,907	27,465
2013-14	380	232	1,003	22,520	24,135
2014-15	294	113	2,044	10,806	13,257
2015-16	318	108	1,017	16,936	18,379

1/ Includes sales to Mexico and Dominican Republic

2/ Includes sales to Africa, Russia and Mid Eastern countries.

3/ China, Hong Kong and Vietnam were recipients of 92% of exports, up 11% from 2014.

NOTE: Total exports may exceed the above amounts since some hazelnuts sold domestic may have been exported later by a broker and not reported to the Board.

HAZELNUT MARKETING BOARD
August 25, 2016
HISTORICAL RECORDS OF
HAZELNUTS HELD BY PACKERS AT CLOSE
OF MARKETING YEAR (DECLARED AND UNDECLARED) 1/

In Tons

<u>Year</u>	<u>Free</u>	<u>Restricted</u>	<u>Undeclared</u>	<u>Total</u>	<u>Location of Free C/O</u>	
	<u>1/</u>	<u>2/</u>	<u>2/</u>		<u>w/i PA</u>	<u>o/s PA</u>
10-yr. Avg. (05-14)	1,964	514	1,808	2,428	1,964	0
5-yr. Avg. (06-10)	1,606	514	1,808	2,534	1,606	0
5-yr. Avg. (11-15)	2,322	-	-	2,322	2,322	0
2006-07	304	475	2,270	3,049	304	0
2007-08	541	552	1,345	2,438	541	0
2008-09	1,414	0	0	1,414 <u>3/</u>	1,414	0
2009-10	2,843	0	0	2,843 <u>3/</u>	2,843	0
2010-11	2,928	0	0	2,928 <u>3/</u>	2,928	0
2011-12	3,662	0	0	3,662 <u>3/</u>	3,662	0
2012-13	1,088	0	0	1,088 <u>3/</u>	1,088	0
2013-14	4,803	0	0	4,803 <u>3/</u>	4,803	0
2014-15	1,778	0	0	1,778 <u>3/</u>	1,778	0
2015-16	280	0	0	280 <u>3/</u>	280	0

SOURCE: Handler Reports, Table 10

1/ Includes free carryover both within and outside the area of production.

2/ 2008-09 through 2015-16 - Because there was no volume control, all c/o is free.

3/ These figures include merchantable, orchard run, shelling stock & kernels in process - see T-10

HAZELNUT MARKETING BOARD
August 25, 2016

DOMESTIC INSHELL SHIPMENTS BY PERIOD AND CROP
(tons)

<u>Crop Year</u>	<u>Period</u>			<u>Total</u> (Table 9)	<u>Current</u> <u>Year Crop</u> (Table 8)	<u>Prior</u> <u>Year Crop</u>
	<u>7/1 -</u> <u>9/30</u>	<u>10/1 -</u> <u>11/30</u>	<u>12/1 -</u> <u>6/30</u>			
10-yr. Avg. (06-15)	271	1,633	425	2,329	2,060	268
5-yr. Avg. (06-10)	155	2,024	181	2,360	2,227	133
5-yr. Avg. (11-15)	387	1,242	668	2,297	1,893	404
2006-07	121	2,571	(7)	2,685	2,648	37
2007-08	256	2,205	(24)	2,437	2,324	113
2008-09	58	2,003	143	2,204	2,107	97
2009-10	105	1,965	206	2,276	2,213	63
2010-11	233	1,376	588	2,197	1,844	353
2011-12	393	820	649	1,862	1,469	393
2012-13	393	1,194	854	2,441	2,021	420
2013-14	419	1,860	655	2,935	2,619	315
2014-15	404	1,120	210	1,734	1,158	576
2015-16	327	1,214	973	2,514	2,198	316

SOURCE: Handler Reports, Disposition Report

Table 19

HAZELNUT MARKETING BOARD

August 25, 2016

Disposition of Hazelnuts

July 1, 2015 - June 30, 2016

2014 & 2015 Crops

Crop Year	Merch. Product Produced (Table 13)	Reported Carryin (Table 11)	Use		Product Shelled (Table 15)	Other & C/O <u>1/</u>
			Inshell Shipments			
			Domestic (Table 19)	Export (Table 17)		
10-yr. Avg. (06-15)	36,242	2,458	2,329	22,622	11,251	2,499
2006-07	41,837	722	2,685	27,259	9,544	3,071
2007-08	35,794	3,058	2,437	22,227	11,698	2,490
2008-09	30,649	2,231	2,204	22,151	7,062	1,463
2009-10	44,904	1,440	2,276	31,492	9,723	2,853
2010-11	26,463	2,318	2,197	17,448	6,169	2,967
2011-12	35,464	2,233	1,862	22,411	9,685	3,739
2012-13	35,314	3,925	2,441	27,465	8,351	982
2013-14	44,513	996	2,935	24,135	13,637	4,802
2014-15	37,529	4,803	1,734	13,257	25,003	2,338
2015-16	29,956	2,857	2,514	18,379	11,639	281

SOURCE: This table compares product available with product used on a yearly basis.

1/ This is the difference between merchantable product produced plus reported carryin with reported usage. The differences should compare with the next undocumented carryover and miscellaneous usage; see Table 11 for additional information on this subject.

HAZELNUT MARKETING BOARD - August 25, 2016

HISTORICAL RECORD OF FINAL ALLOCATION PERCENTAGES

Fiscal Year	Percent Free	Percent Restricted	Fiscal Year	Percent Free	Percent Restricted
1949-50	75	25	1985-86	22	78
1950-51	100	0	1986-87	30	70
1951-52	100	0	1987-88	26	74
1952-53	66	34	1988-89	28	72
1953-54	100	0	1989-90	41	59
1954-55	78	22	1990-91	24	76
1955-56	94	6	1991-92	19	81
1956-57	100	0	1992-93	13	87
1957-58	63	37	1993-94	13	87
1958-59	73	27	1994-95	23	77
1959-60	65	35	1995-96	14	86
1960-61	77	23	1996-97	23	77
1961-62	57	43	1996-97	23	77
1962-63	85	15	1997-98	12	88
1963-64	100	0	1998-99	30	70
1964-65	81	19	1999-00	16	84
1965-66	67	33	2000-01	17.0931	82.9069
1966-67	52	48	2001-02	6.1048	93.8952
1967-68	81	19	2002-03	18.4392	81.5608
1968-69	90	10	2003-04	8.2302	91.7697
1969-70	85	15	2004-05	6.4921	93.5079
1970-71	78	22	2005-06	11.4388	88.5612
1971-72	45	55	2006-07	8.2840	91.7160
1972-73	67	33	2007-08	9.2671	90.7329
1973-74	65	35	2008-09	n/a	n/a
1974-75	65	35	2009-10	n/a	n/a
1975-76	55	45	2010-11	n/a	n/a
1976-77	80	20	2011-12	n/a	n/a
1977-78	58	42	2012-13	n/a	n/a
1978-79	50	50	2013-14	n/a	n/a
1979-80	35	65	2014-15	n/a	n/a
1980-81	29	71	2015-16	n/a	n/a
1981-82	31	69			
1982-83	29	71			
1983-84	67	33			
1984-85	40	60			

Table 21

HAZELNUT MARKETING BOARD
August 25, 2016
HAZELNUT PRICES RECEIVED BY GROWERS COMPARED TO PARITY
PRICES AND OREGON WHOLESALE INSHELL QUOTATIONS

<u>Crop Year</u>	<u>Ore. & Wash. Price Rec'd by Growers 1/ (cents per lb.)</u>	<u>Parity Price as of July 15 Year Indicated (cents per lb.)</u>	<u>Farm Price as Percent of Parity (percent)</u>	<u>Oregon Wholesale Quotation 2/</u>
10-yr. Avg. (06-15)	81.25	189.85	33.99	
5-yr. Avg. (06-10)	47.40	112.80	25.00	
5-yr. Avg. (11-15)	115.10	266.90	42.98	
2006	54.00	162.00	33	.89 firm
2007	102.00	207.00	49	1.36
2008	81.00	195.00	43	1.15
2009	85.50	207.50	41	1.17
2010	121.00	250.50	48	1.57
2011	117.00	280.50	42	1.57
2012	102.00	279.00	37	1.50
2013	150.00	317.00	47	1.62 - 1.65
2014	208.00	328.00	63	2.10 - 2.15
2015	217.00	315.50	69	1.78 - 1.89

COMPETING NUT PRICES PAID GROWERS 2015 - COMPARED TO PARITY ON JULY 31, 2016

Almonds	227.00	661.00	34
Walnuts	236.00	343.50	69
Hazelnuts	217.00	315.50	69
Pistachio	227.00	661.00	34

SOURCE: USDA - NASS and Industry Handlers

All figures for hazelnuts, pistachios and walnuts are shown as cents / pound, inshell basis. Almond information is on shelled basis.

1/ This figure is determined by USDA-NASS

2/ Average quotations for U.S. No. 1 large inshell sold on the domestic market during the shipping season. Some sales were made each year outside these parameters.

The Oregon Hazelnut industry continued to support community events, and groups through our popular sample packet program. Twenty-three thousand sample packets were distributed to over 100 groups, and events. Sample packets went throughout the US, and to several countries.

Oregon Hazelnuts received national attention with a partnership with FEAST Portland and the ODA. FEAST is a week long, high end culinary experience presented by *Bon Appétit*. Since Oregon Hazelnuts inclusion in FEAST, hazelnuts have seen an increase in featured articles in *Bon Appétit*, and other national food publications.

There continues to be more demand for hazelnuts than product available, so the industry worked closely with the Nut Growers Society of Oregon, Washington and British Columbia to promote new industry growth and cultural practices that increase yields.

A Good Day Oregon segment was aired featuring the Denfeld Orchards and Laurel Nut Company.

Social Media

In 2015-2016 the HMB continued to actively engage hazelnut fans through its Oregon Hazelnut social media accounts. On Facebook Oregon Hazelnuts had a 19% increase in fans bringing the total to +18,540 likes. This translated to +600,000 impressions across Facebook. Fans were most engaged by posts featuring insights into the industry, and health-focused content.

@OregonHazelnuts had a 59% increase in twitter followers and 94,000 impressions. Oregon Hazelnuts Pinterest had a 52% increase in followers.

Food Safety and Food Science Research

Work continues to develop practices at the grower, receiving station and handler/processor levels that ensure pathogen-free product going into all channels of trade. Activities included the third year of a study on the prevalence of Salmonella on hazelnuts; continued work to identify parameters for pathogen control using steam and plans to validate a PPO treatment process.

With the help of a private donor work began on identifying the best parameters for drying hazelnuts to insure high quality and long shelf life. A feeding study was initiated at the Linus Pauling Institute at OSU looking at the role of hazelnut consumption in improving micronutrient status and cardiometabolic health in older adults.

International Nut Council Nutrition Research and Education Foundation (INC-NREF)

The HMB provided \$35,000 toward activities done by the cooperative effort of all U.S. tree nut groups. This endeavor is an effective leveraging of HMB dollars. To date INC NREF has funded targeted research projects resulting in 19 publications. In the last year published research included

- *Tree nut consumption and inflammatory biomarkers: New study on nut consumption and inflammatory biomarkers in the American Journal of Clinical Nutrition, July, 2016*
- *Tree nut consumption and prostate cancer: New study on nut consumption and Prostate Cancer Risk and Mortality in the British Journal of Cancer, , June, 2016*
- *Effects of tree nuts on blood lipids, lipoproteins and blood pressure: A meta-analysis of 61 trials: New findings on tree nuts and cardiovascular disease published in the American Journal of Clinical Nutrition, November, 2015*

Proposals are being considered for a study on nut consumption and body weight in 2017.

HAZELNUT MARKETING BOARD
August 25, 2016
PRODUCTION AND VALUE OF U.S. GROWN HAZELNUTS
2006 through 2015

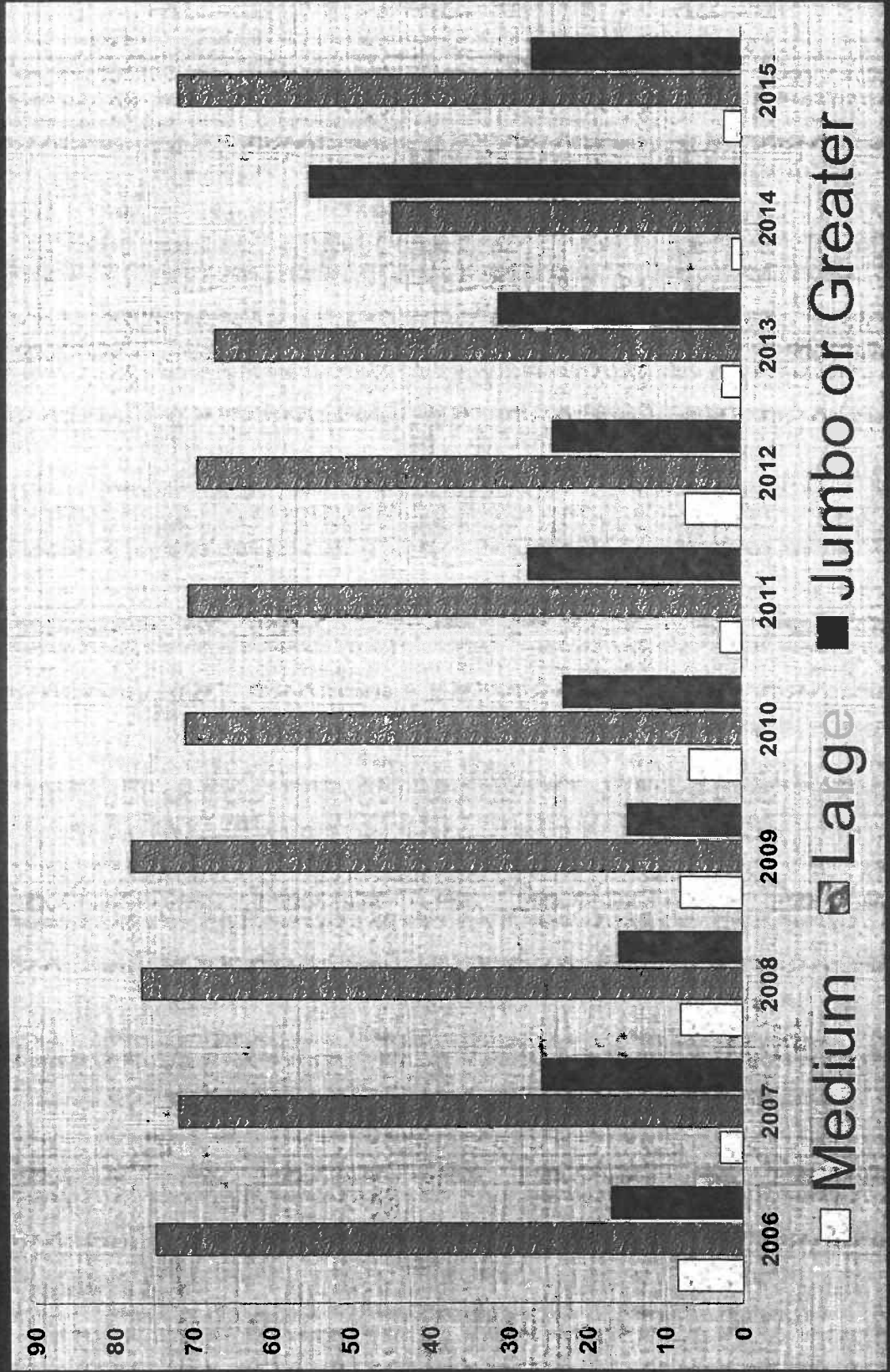
<u>YEAR</u>	<u>BEARING ACREAGE</u> Acres	<u>PRODUCTION</u> Tons <u>1/</u>	<u>YIELD PER ACRE</u> (Tons)	<u>PRICE</u> (Dollars/Tons) <u>2/</u>	<u>VALUE</u> (\$1,000)
2006	28,200	43,000	1.52	1,080	46,440
2007	28,600	37,000	1.29	2,040	75,480
2008	28,300	32,000	1.13	1,620	51,840
2009	28,700	47,000	1.64	1,690	79,430
2010	29,000	28,000	0.97	2,410	67,480
2011	29,500	38,500	1.31	2,330	89,705
2012	29,000	37,000	1.28	2,040	75,480
2013	30,000	45,000	1.50	2,680	120,600
2014	30,000	38,000	1.27	3,600	136,800
2015	30,000	31,000	1.03	2,800	86,800
10 year average 2006-2015	29,130	37,650	1.29	2,229	83,006
5 year average 2011-2015	29,700	37,900	1.28	2,690	101,877

SOURCE: USDA - NASS

1/ This is final crop estimate from NASS.

2/ This is based on a price of \$1.40, the NASS average for all varieties.

2015 % Inshell Grade Out



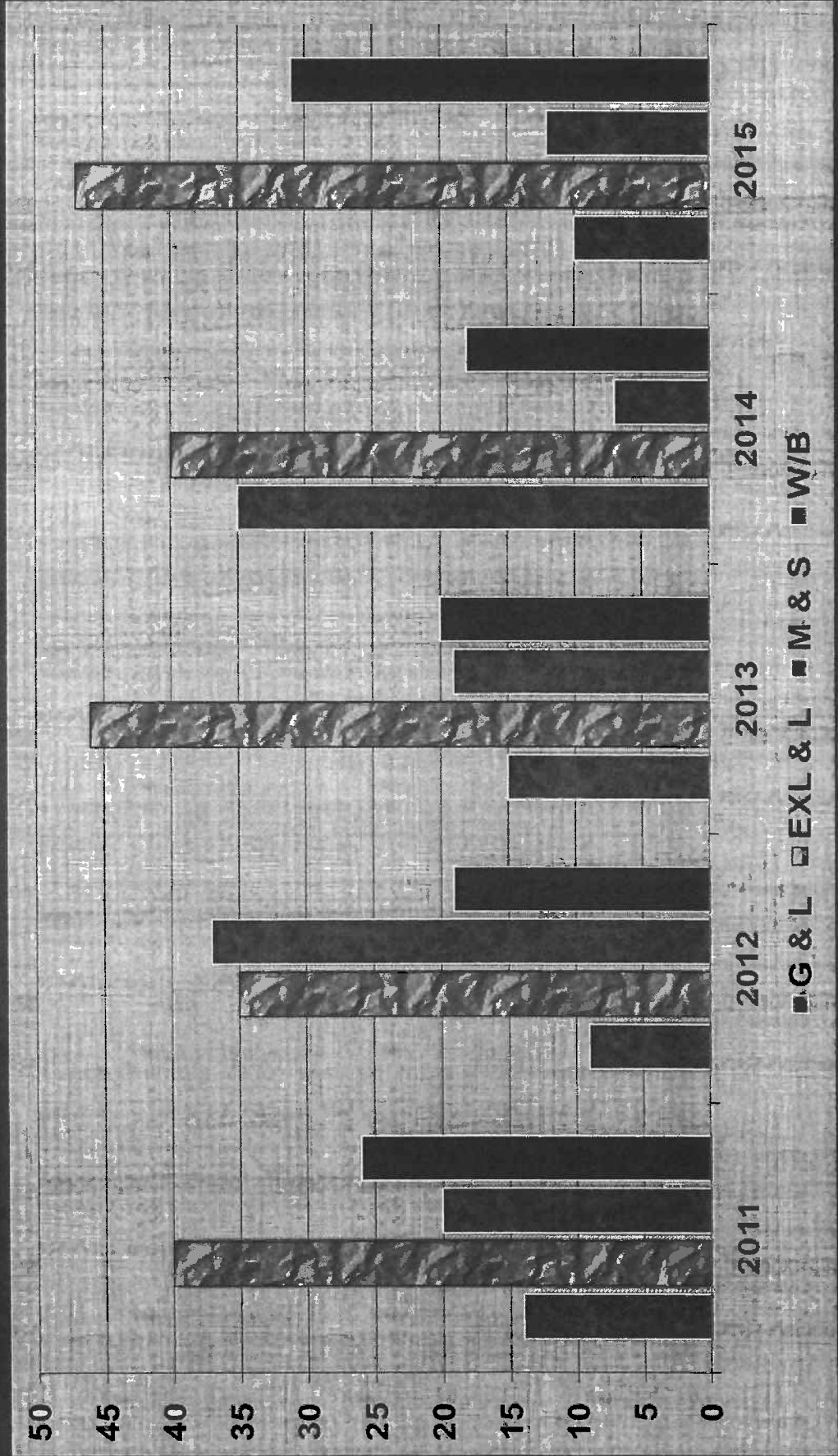
HAZELNUT MARKETING BOARD
August 25, 2016
HAZELNUT KERNELS
IMPORTS FOR CONSUMPTION IN THE UNITED STATES

<u>Shipping Period</u>	<u>From Turkey (U.S. Tons)</u>	<u>From All Other Countries (U.S. Tons)</u>	<u>Total (U.S. Tons)</u>	<u>Percent of Imports from Turkey</u>
2006	6,610	799	7,409	89
2007	7,380	702	8,082	91
2008	6,477	570	7,047	92
2009	3,356	480	3,836	87
2010	4,854	512	5,366	90
2011	4,353	432	4,785	91
2012	4,892	472	5,364	91
2013	7,299	464	7,763	94
2014	6,971	214	7,185	97
2015	4,929	424	5,353	92
10 Year Ave	<u>5,712</u>	<u>507</u>	<u>6,219</u>	<u>91</u>
10 Year Monthly Ave	<u>476</u>	<u>42</u>	<u>518</u>	
2016 - Jan.	504	46	550	
Feb.	571	32	603	
March	259	21	280	
April	315	33	348	
May	343	103	446	
June	305	28	333	
6-Month Ave	383	44	427	

SOURCE: USDA - FAS

Note: Product from "All Other Countries" may be Turkish product shipped via other countries.

2015 % Kernel Grade Out



HAZELNUT MARKETING BOARD
August 25, 2016
DOMESTIC PRODUCTION OF HAZELNUTS
(Orchard-run, Dry Weight)

<u>Crop Year</u>	Total OR Production <u>1/</u>	Total OR Delivered to Handlers	Tons Difference <u>2/</u>
10-yr. Avg. (2006-15)	37,660	37,299	361
5-yr. Avg. (2006-10)	37,400	37,007	393
5-yr. Avg. (2011-15)	37,920	37,591	329
<hr/>			
2006	43,000	42,614	386
2007	37,000	36,787	213
2008	32,000	31,248	752
2009	47,000	46,602	398
2010	28,000	27,783	217
2011	38,500	38,095	405
2012	37,000	36,454	546
2013	45,100	45,092	8
2014	38,000	37,586	414
2015	31,000	30,726	274
2016 USDA/NASS Objective Yield Survey Results Oregon / U.S.		38,000	Tons

SOURCE: Handler Reports and USDA/NASS

1/ Final USDA/NASS orchard-run crop estimate. August estimate for 2015 was 39,000 tons.

2/ Deliveries to handlers have averaged 99 percent of the crop over the past ten years.

HAZELNUT MARKETING BOARD - DISPOSITION REPORT
DOMESTIC INSHELL SHIPMENTS - TONS
June-16

	6/1/2016 6/30/2016	7/1/2015 6/30/2016	7/1/2014 6/30/2015	7/1/2013 6/30/2014
Domestic Shipments to date from Current Crop:				
Giant	0	0	0	0
Jumbo/Giant	0	28.36	77.17	386.08
Jumbo	0	310.28	344.32	485.78
Large	10.00	1857.58	736.33	1690.03
Medium	0	2.00	0.05	57.55
<u>Total Current Crop</u>	<u>10.00</u>	<u>2,198.21</u>	<u>1,157.87</u>	<u>2,619.44</u>
Previous Year Carryover (Declared & Undeclared)	0	315.84	576.41	315.36
<u>Total Domestic Inshell Shipments</u>	<u>10.00</u>	<u>2,514.05</u>	<u>1,734.28</u>	<u>2,934.80</u>
<u>Total Domestic Inshell by Size - Year to Date</u>				
	Current Crop	Carryover Crop	Total	
Giant	0	0	0	
Jumbo/Giant	28.36	55.12	83.48	
Jumbo	310.28	10.00	320.28	
Large	1857.58	250.72	2108.30	
Medium	2.00	0	2.00	
Total	<u>2,198.21</u>	<u>315.84</u>	<u>2,514.05</u>	

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Hazelnut Marketing Board
2015-2016 Marketing Year**

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HAZELNUT MARKETING BOARD - DISPOSITION REPORT
KERNEL PRODUCTION, CERTIFICATION & SHIPMENTS - TONS

June-16

Kernel Production (Inshell Equivalent) - Tons

	6/1/2016	7/1/2015	7/1/2014	7/1/2013
	6/30/2016	6/30/2016	6/30/2015	6/30/2014
Current Crop	-222.79	9207.31	22537.63	13316.55
Carryover Crop	0	2431.48	2465.60	320.30
<u>Total ME Credited</u>	<u>(222.79)</u>	<u>11,638.79</u>	<u>25,003.23</u>	<u>13,636.85</u>

Kernels Certified During Marketing Year - Tons

Size:	Total Production	Carryover Crop	Current Crop
Giant	69.55	1.74	67.81
Jumbo	369.24	49.92	319.32
Extra Large	815.67	78.19	737.48
Large	1289.08	277.08	1012.00
Medium	529.97	110.97	419.00
Small	52.90	20.81	32.09
W/B	1588.78	433.88	1154.90
<u>Total Kernels Certified</u>	<u>4,715.19</u>	<u>972.59</u>	<u>3,742.60</u>

Kernels Shipped - Tons

During Market Year	6/1/2016	7/1/2015	7/1/2014	7/1/2013
	6/30/2016	6/30/2016	6/30/2015	6/30/2014
Domestic Kernels	191.74	3167.87	3258.42	1453.53
Export Kernels	24.00	794.99	4749.26	2579.35
<u>Total Kernels</u>	<u>215.74</u>	<u>3,962.86</u>	<u>8,007.68</u>	<u>4,032.88</u>

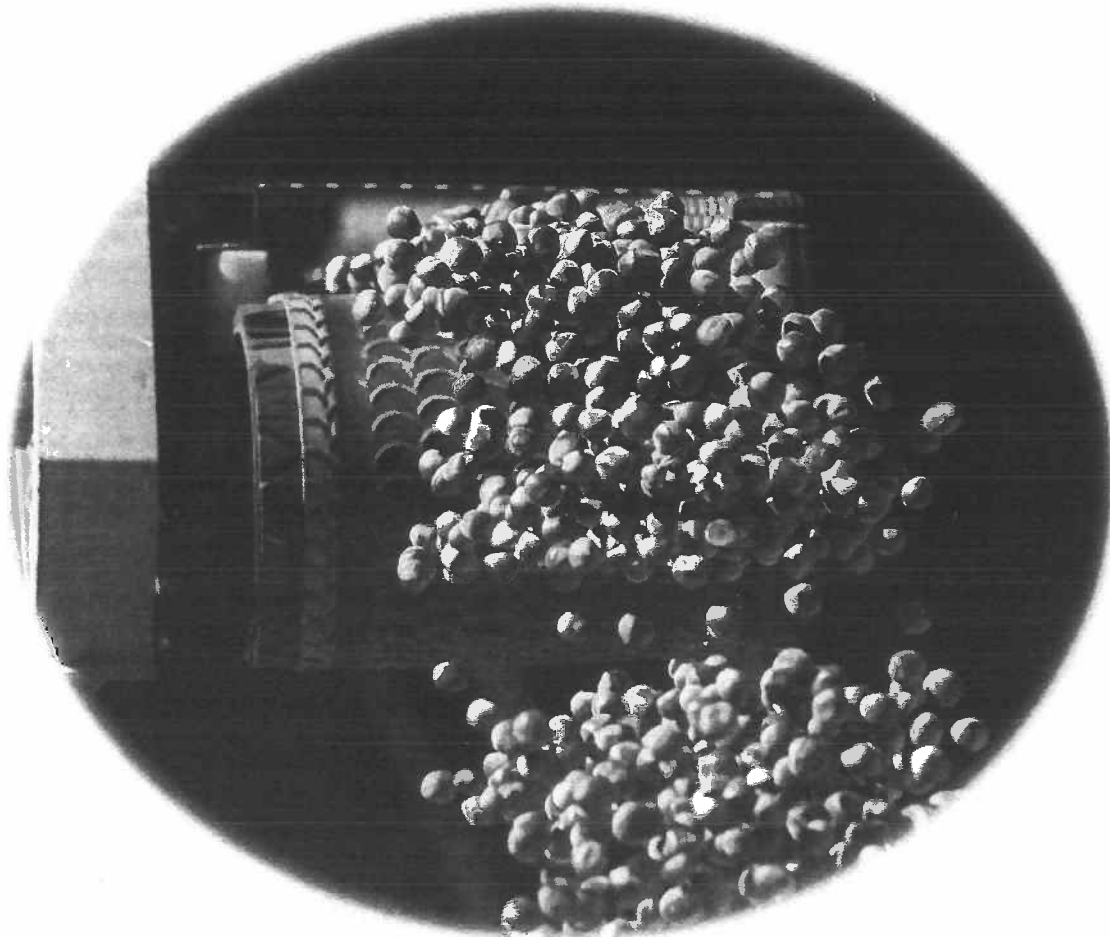
Kernels Shipped - Tons

	Domestic		Export	
	Current Mth	Current Year	Current Mth	Current Year
Giant	0	29.55	0	2.20
Jumbo	9.14	208.41	0	75.45
Extra Large	30.56	317.35	0	259.26
Large	57.04	1064.77	4.00	357.72
Medium	23.74	706.70	0	29.97
Small	27.24	76.27	0	20.69
W/B	44.02	764.83	20.00	49.69
<u>Total</u>	<u>191.74</u>	<u>3,167.87</u>	<u>24.00</u>	<u>794.99</u>

Kernel Export Markets - Tons

AUSTRALIA	4.37	JAPAN	0.24
BRAZIL	21.00	MEXICO	75.88
CANADA	623.97	NEW ZEALAND	27.13
CHINA	1.41	SINGAPORE	6.01
DOM REPUBLIC	0.08	TAIWAN	1.00
HONG KONG	13.00	TRINIDAD	10.00
ISRAEL	10.91		
		<u>Total Tons Exported</u>	<u>794.99</u>

Ex 10



HAZELNUT MARKETING BOARD

PRELIMINARY
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CROP YEAR 2015

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