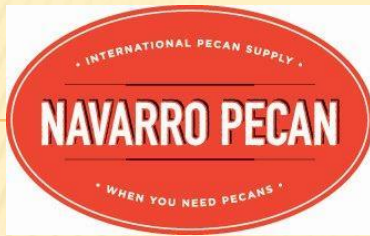


# 2017 CROP OVERVIEW

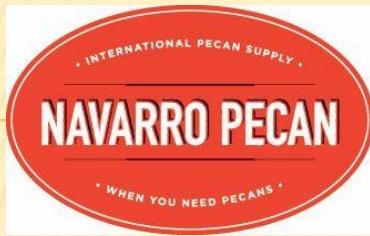




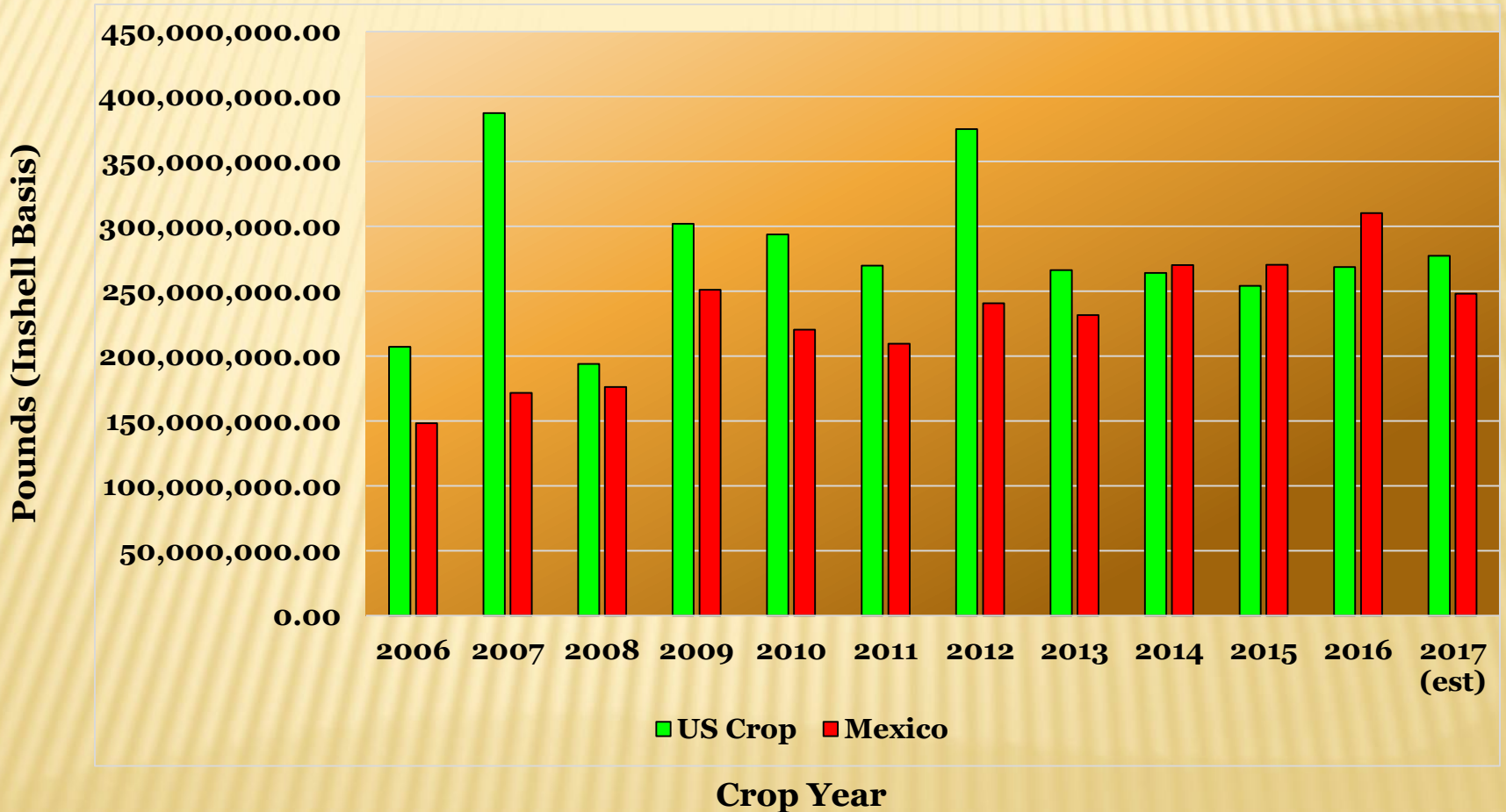
# PRODUCT AVAILABLE FOR SALE BY US

	2017 (est.)
<b>Carry-In</b>	<b>155,128,580</b>
<b>US Crop</b>	<b>277,400,000</b>
<b>Mexican Imports</b>	<b>180,000,000*</b>
<b>Total Supply</b>	<b>612,528,580</b>
<b>Consumption</b>	<b>490,000,000*</b>
*NOTE: NFF Estimate	

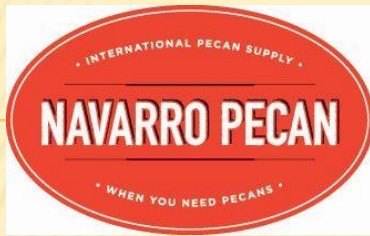
Note: Figures are expressed in pounds, inshell basis, and do not take into account US Inshell sent to Mexico for shelling. **Meats are converted assuming a 44% yield.** Data Sources: USDA NASS & FAS, USDA Market News & Nature's Finest Foods



# PECAN PRODUCTION US VS. MEXICO

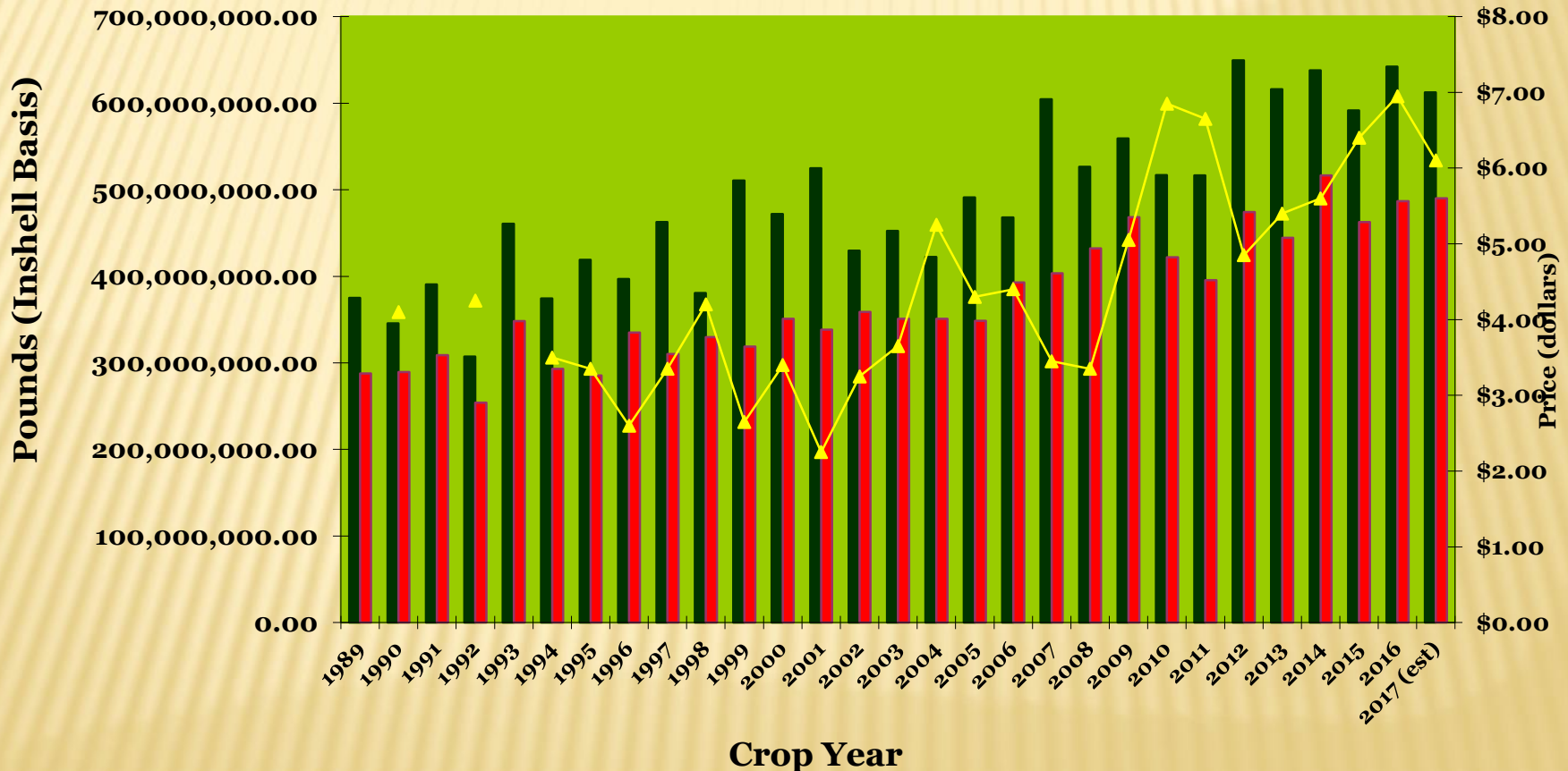


Source: USDA NASS. Foreign Ag Statistics Service & Nature's Finest Foods



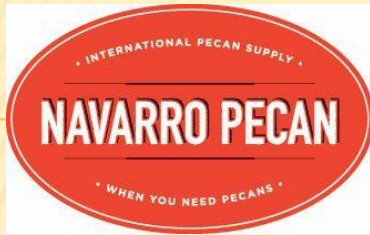
# US SUPPLY VS CONSUMPTION & PRICE

■ Total Supply ■ Consumption ▲ Price of Jr Mam Hvs



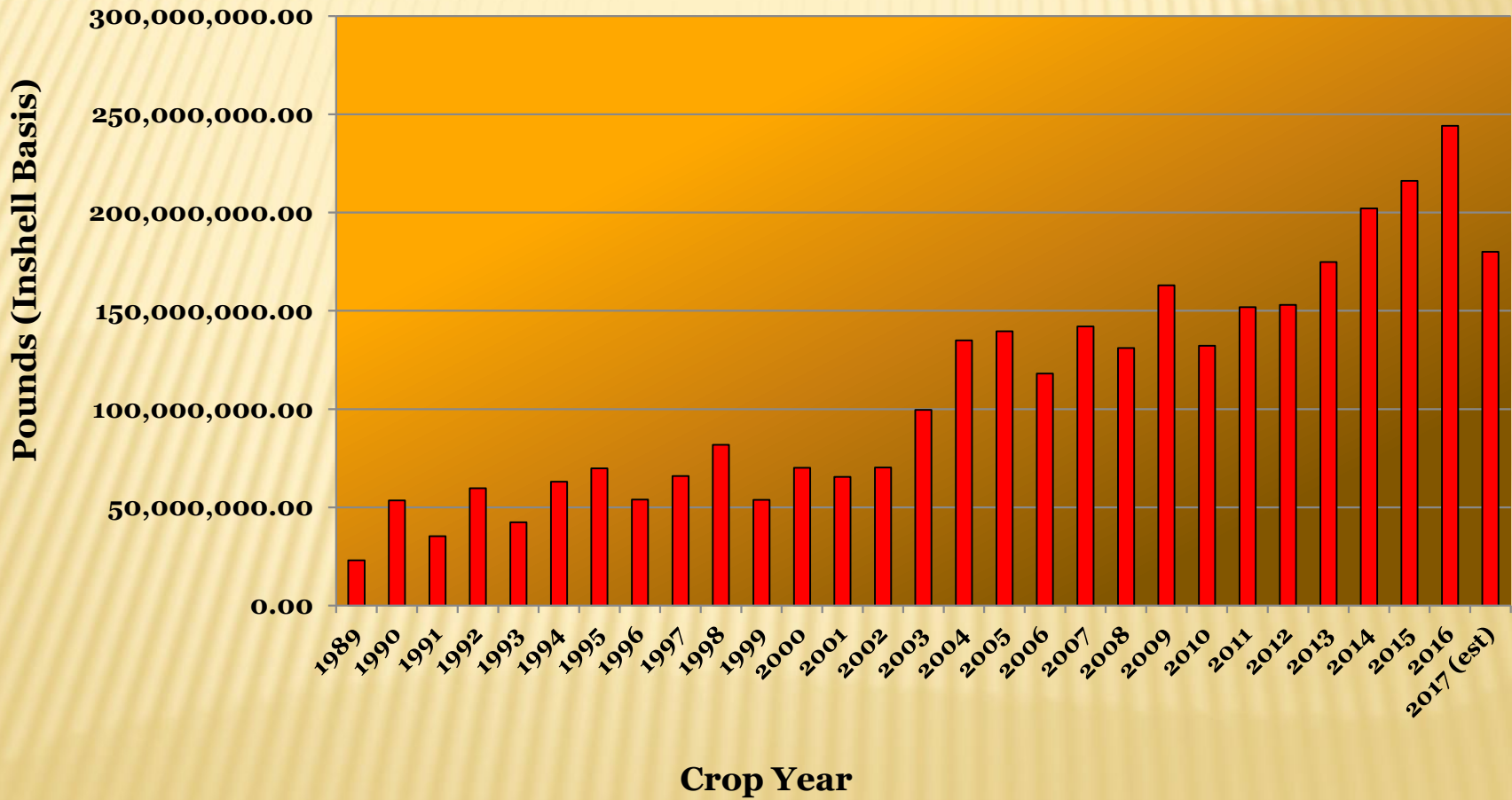
Source: USDA National Ag Statistics Service, Foreign Ag Statistics and Nature's Finest Foods.

\*\*Note: 2012 US Supply & Consumption Figures are estimates as the USDA did not publish final crop figures

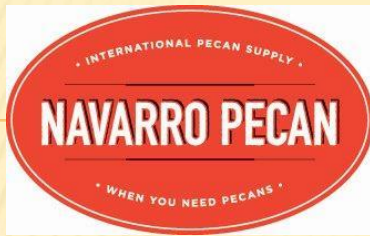


# MEXICAN EXPORTS TO US

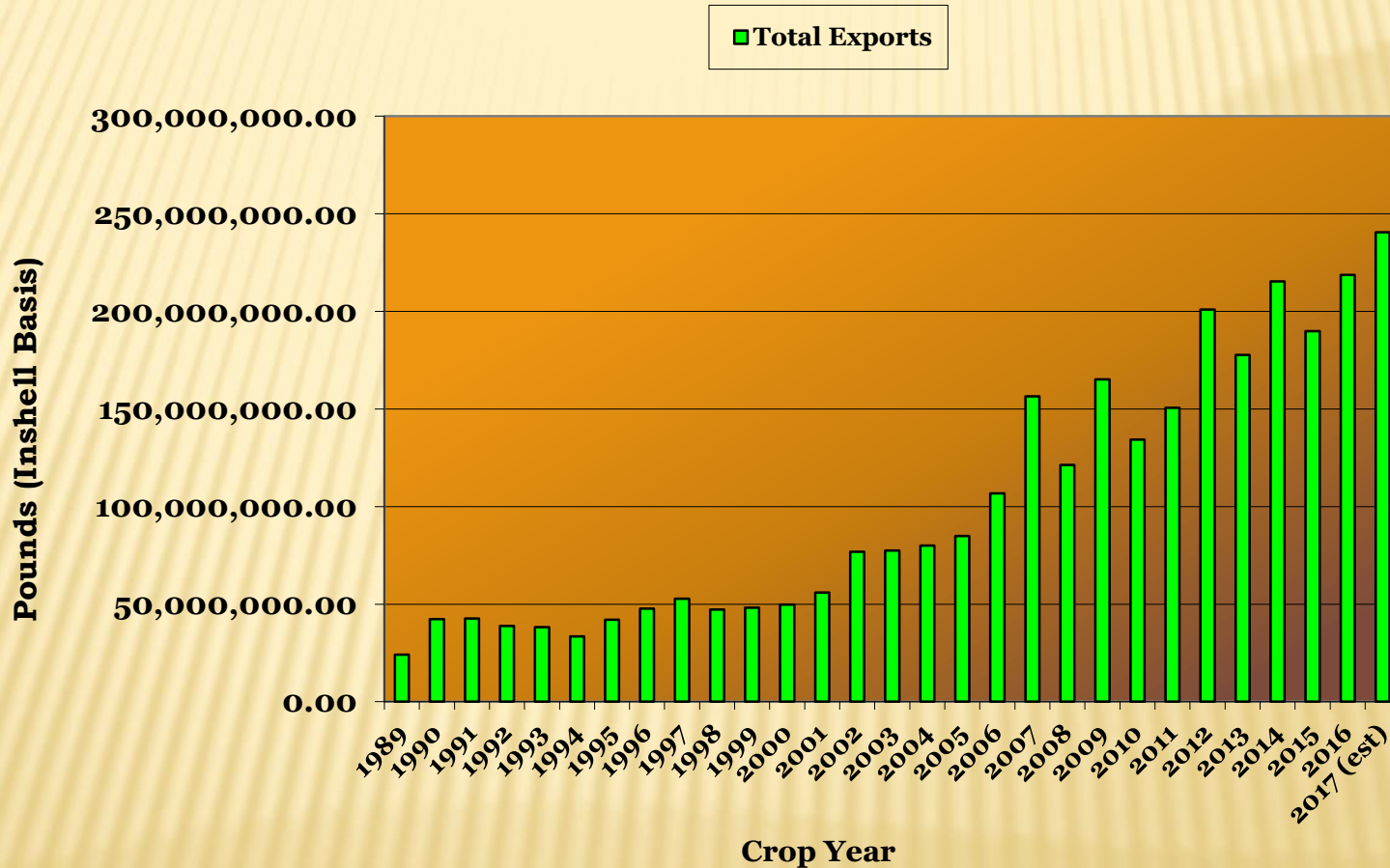
■ Mexican Imports



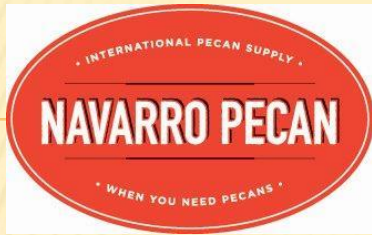
Source: Foreign Ag Statistics Service & Nature's Finest Foods



# US PECAN EXPORTS

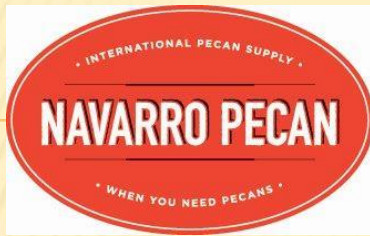


Source: Foreign Ag Statistics Service & Nature's Finest Foods

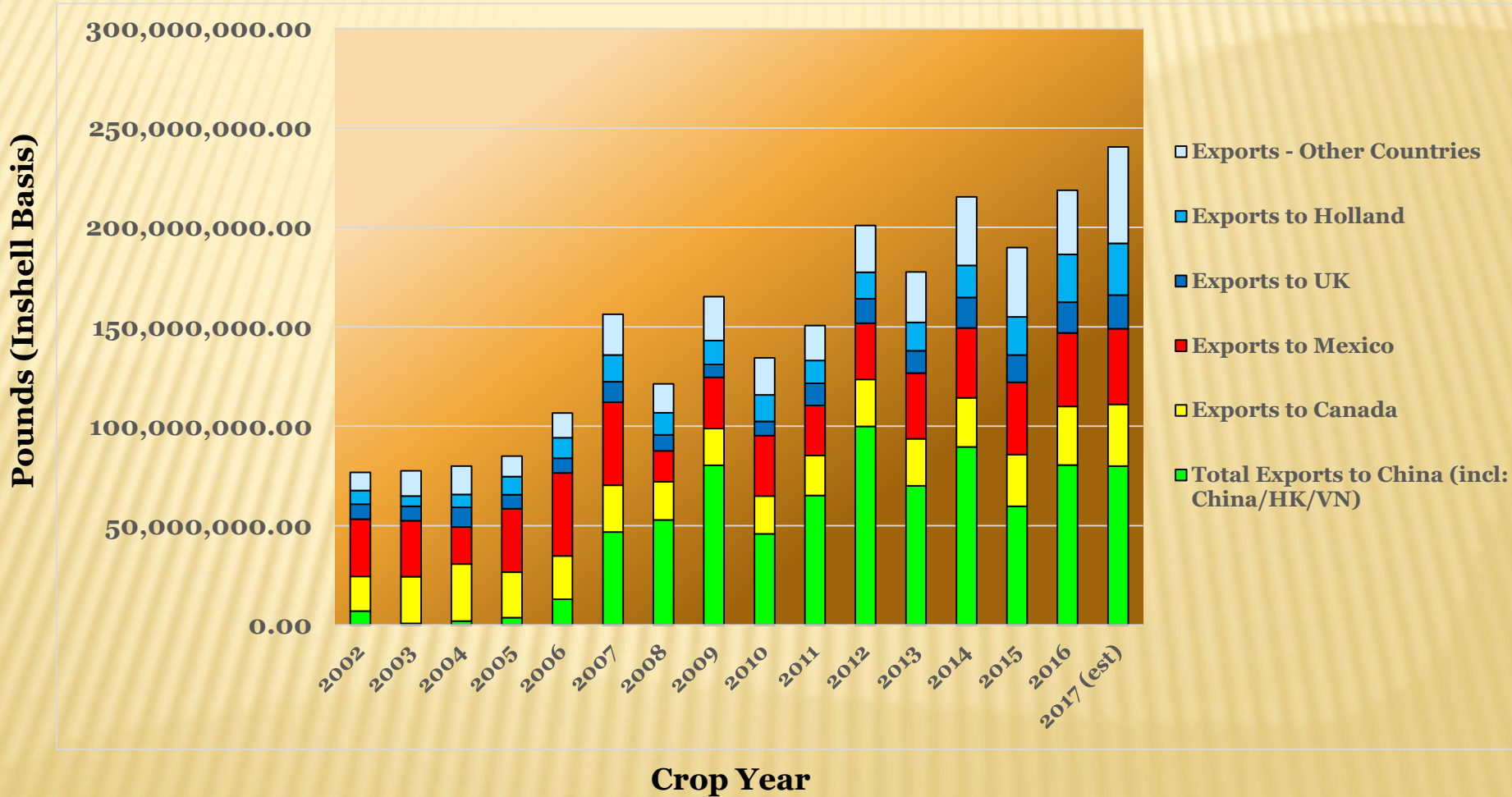


# *WHY ARE EXPORTS EXPECTED TO INCREASE?*

- ❖ Since January 2017, prices have declined approximately 13%
- ❖ In addition to the decline in prices, the continued weakening of the dollar against the Euro has given EU countries an additional discount of approximately 15%

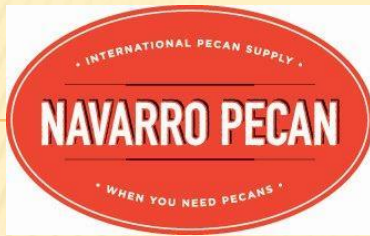


# BREAKDOWN OF US EXPORTS

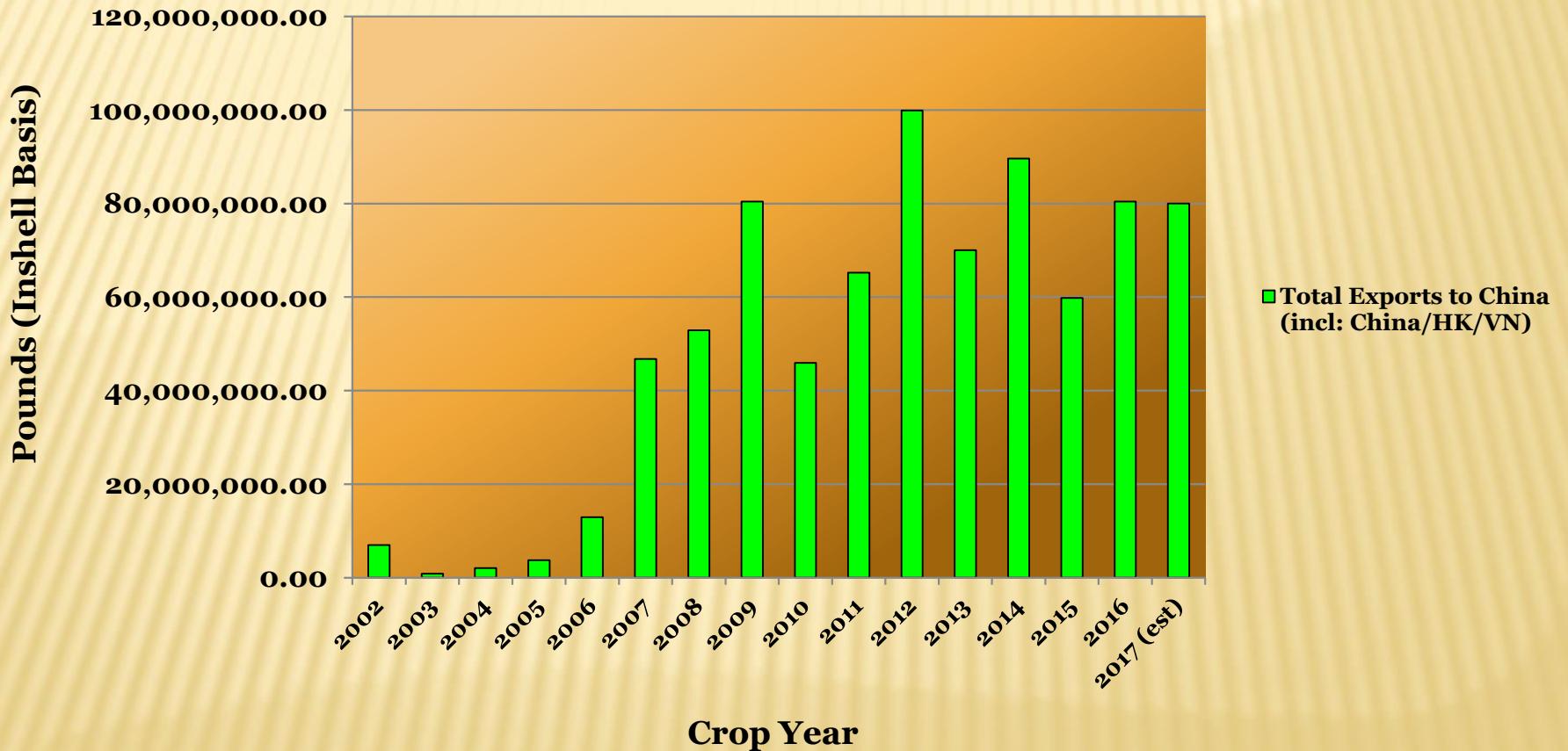


Source: Foreign Ag Statistics Service & Nature's Finest Foods

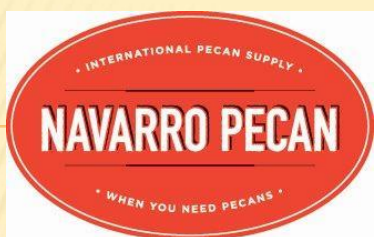




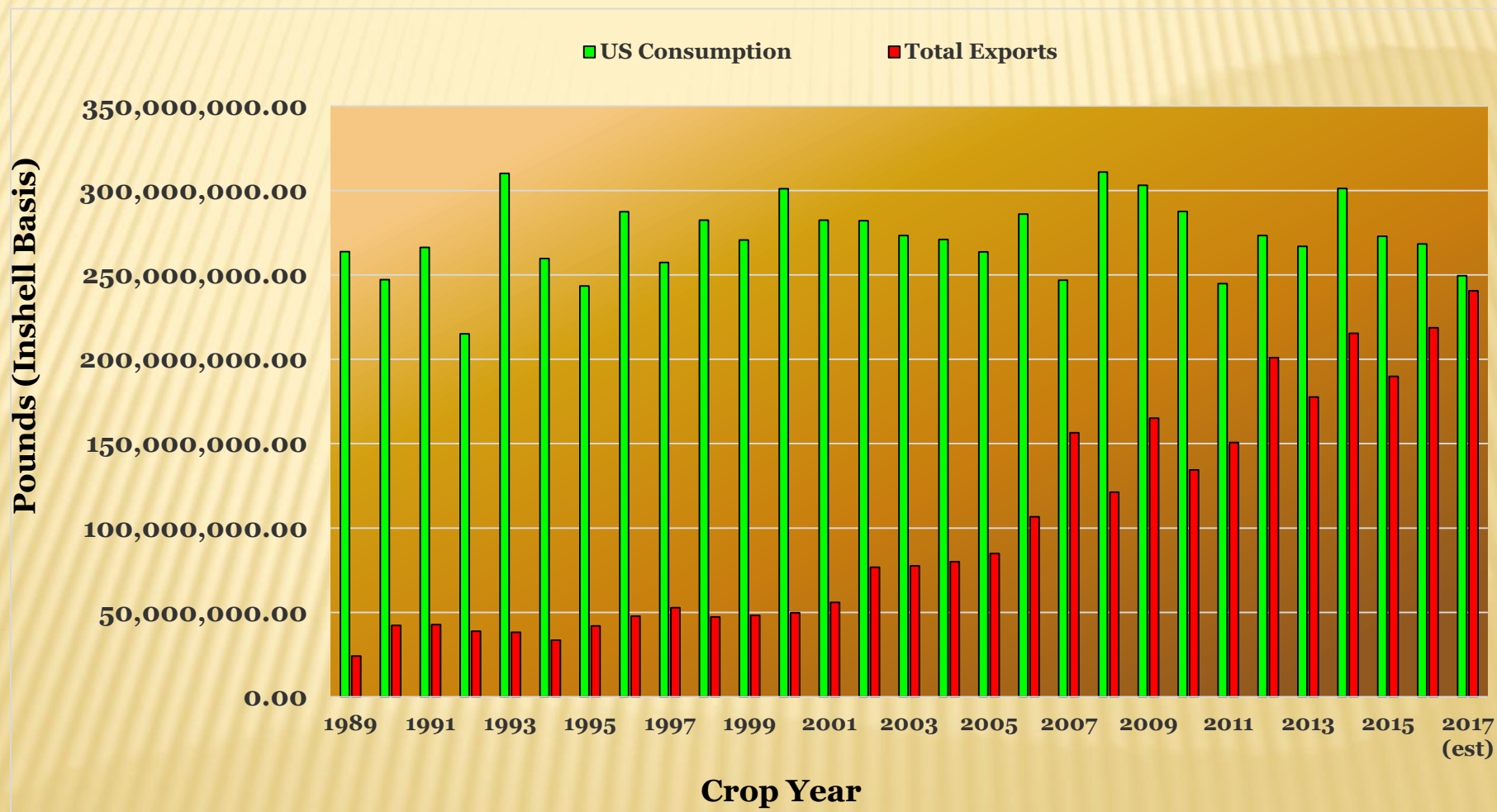
# US EXPORTS TO CHINA (CHINA/HONG KONG/VIETNAM)



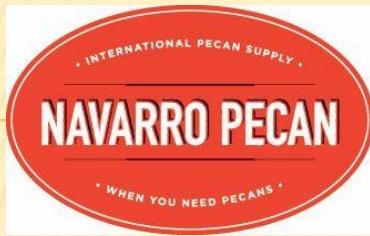
Source: Foreign Ag Statistics Service/Nature's Finest Foods



# US CONSUMPTION VS. TOTAL EXPORTS



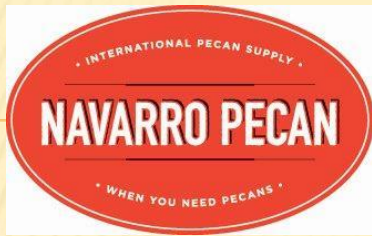
Source: Foreign Ag Statistics Service & Nature's Finest Foods



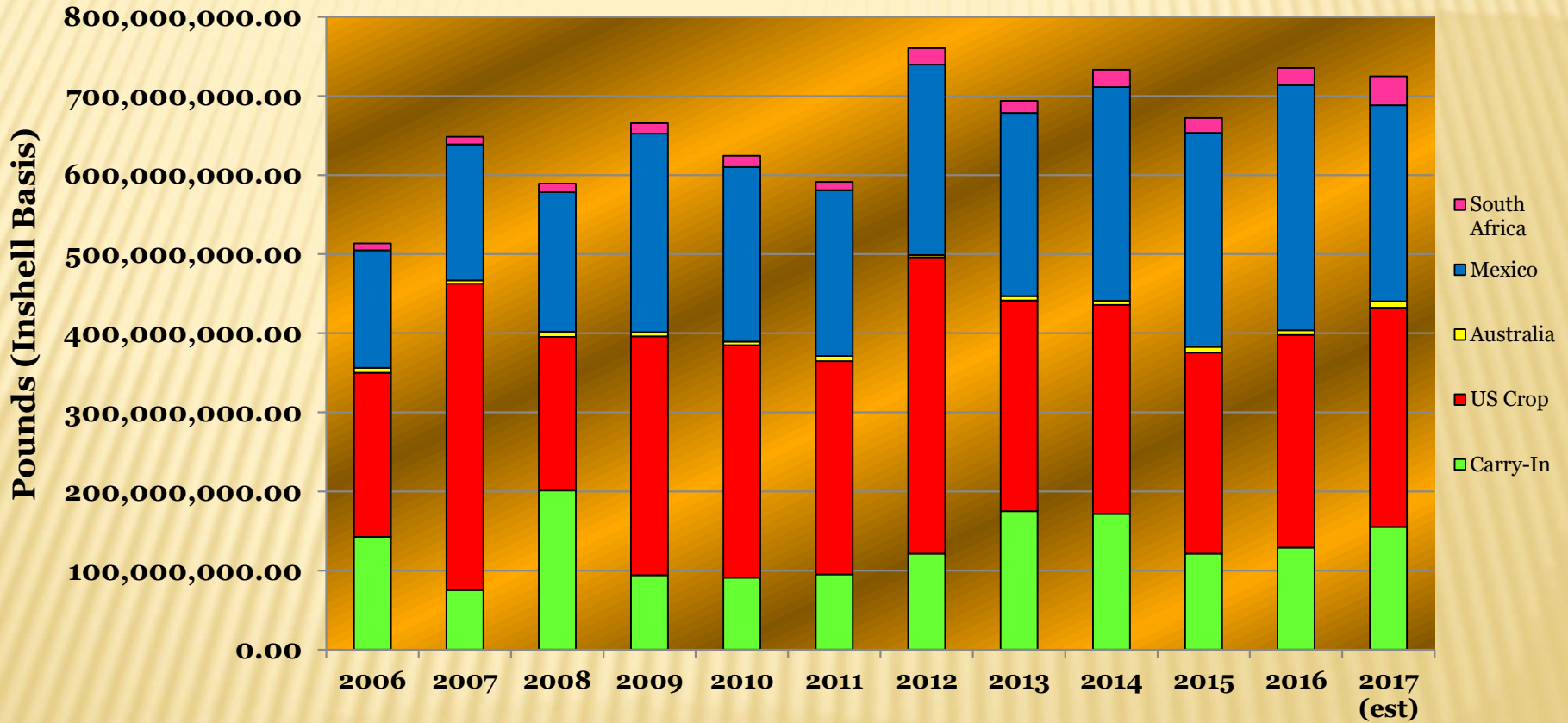
# PRODUCT AVAILABLE FOR SALE BY US

	2016	2017 (Est.)
<b>Prior Year Carry-Out</b>	<b>129,097,400</b>	<b>155,128,580.00</b>
<b>US Crop</b>	<b>268,770,000</b>	<b>277,400.000</b>
<b>Mexican Imports to US</b>	<b>244179511.68</b>	<b>180,000,000*</b>
<b>Total Supply</b>	<b>642,046,911.86</b>	<b>612,528,580.00*</b>
<b>Carry-Out</b>	<b>155,128,580.00</b>	<b>122,528,580.00*</b>
<b>Consumption</b>	<b>486,918,331.86</b>	<b>490,000,000.00*</b>
*NOTE: NFF Estimates		

Note: Figures are expressed in pounds, inshell basis, and do not take into account US Inshell sent to Mexico for shelling. **Meats are converted Assuming a 44% yield.** Data Sources: USDA NASS & FAS, USDA Market News, Nature's Finest Foods

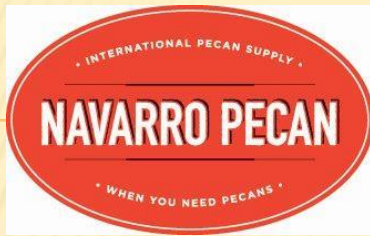


# WORLD PECAN SUPPLY



**Crop Year**

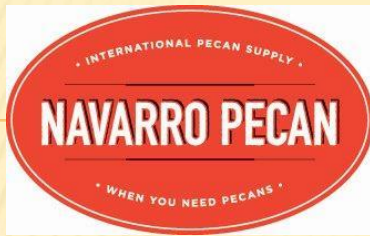
Source: USDA NASS, Stahman Farms -Australia, Golden Peanut & Tree Nut – SA, Bester, SA, Mtebeni Valley Farms, SA, Agricultural Information Service - Mexico



# WORLD SUPPLY INSHELL POUNDS

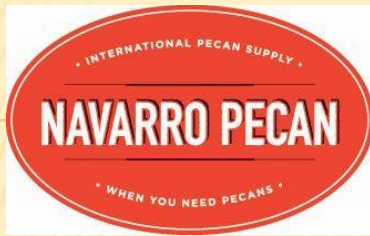
Country	2016	2017 (est.)
United States	268,770,000	277,400,000
Mexico	310,213,653	248,170,918
South Africa	21,494,850	36,375,900
Australia	5,731,960	7,716,100
US Carry-In	129,097,400	155,128,580
<b>WORLD TOTAL</b>	<b>735,307,863</b>	<b>724,791,498</b>

Source: USDA NASS, Stahman Farms-Australia, Golden Peanut & Tree Nut-SA, Bester-SA, Mtebeni Valley Farms, SA, Agricultural Information Service - Mexico, Nature's Finest Foods, Ltd.



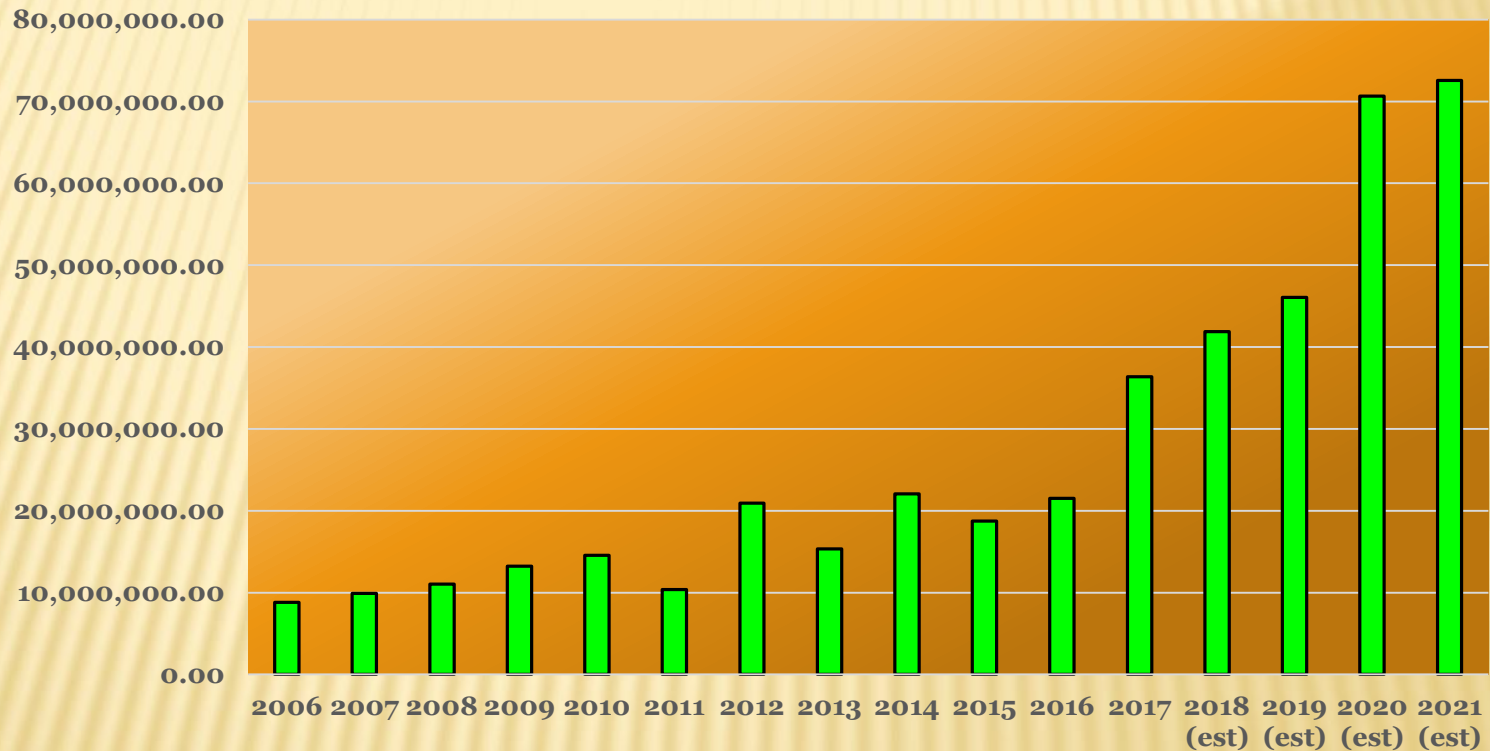
# MARKET IMPACTERS

- ❖ Continued production increases in South Africa
- ❖ Additional Plantings in China
- ❖ Mexico's ability to meet GFSI Food Safety Standards and shift to selling directly to US Market
- ❖ Cheap Labor and minimal regulatory burden in Mexico, S. Africa, China and other developing pecan producers
- ❖ Major US firms changing payment terms, conditions of contracting, etc.



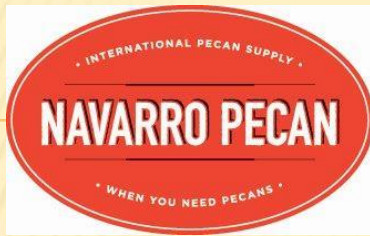
# SOUTH AFRICA PECAN PRODUCTION

Pounds (Inshell Basis)



Crop Year

Source: Golden Peanut & Tree Nut – SA,  
Nature's Finest Foods, Ltd.

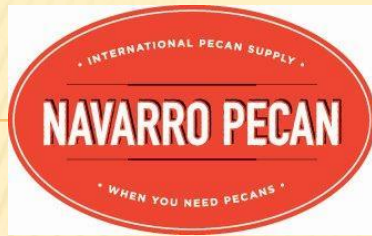


# US EXPORTS TO CHINA VS. S. AFRICAN PRODUCTION



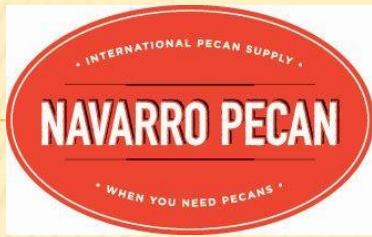
Source: USDA FAS, Golden Peanut & Tree Nut – SA, Nature’s Finest Foods, Ltd.





# *SOUTH AFRICAN LAND REFORM ACT*

- ❖ Deals with all land, not just Farm Land
- ❖ Any attempt to take land without compensation would require a change to the S. African Constitution
- ❖ Cannot impact third parties
- ❖ Most White Farmers are 'Bonded'
- ❖ New President is a 'Savvy' Business Owner
- ❖ Government would start with 35% of land it owns and is currently 'non-productive'
- ❖ ANC has lost several elections recently. This may be nothing more than a political ploy to win back voters in the 2019 general election.



**QUESTIONS?**