

Arizona Nut Crops

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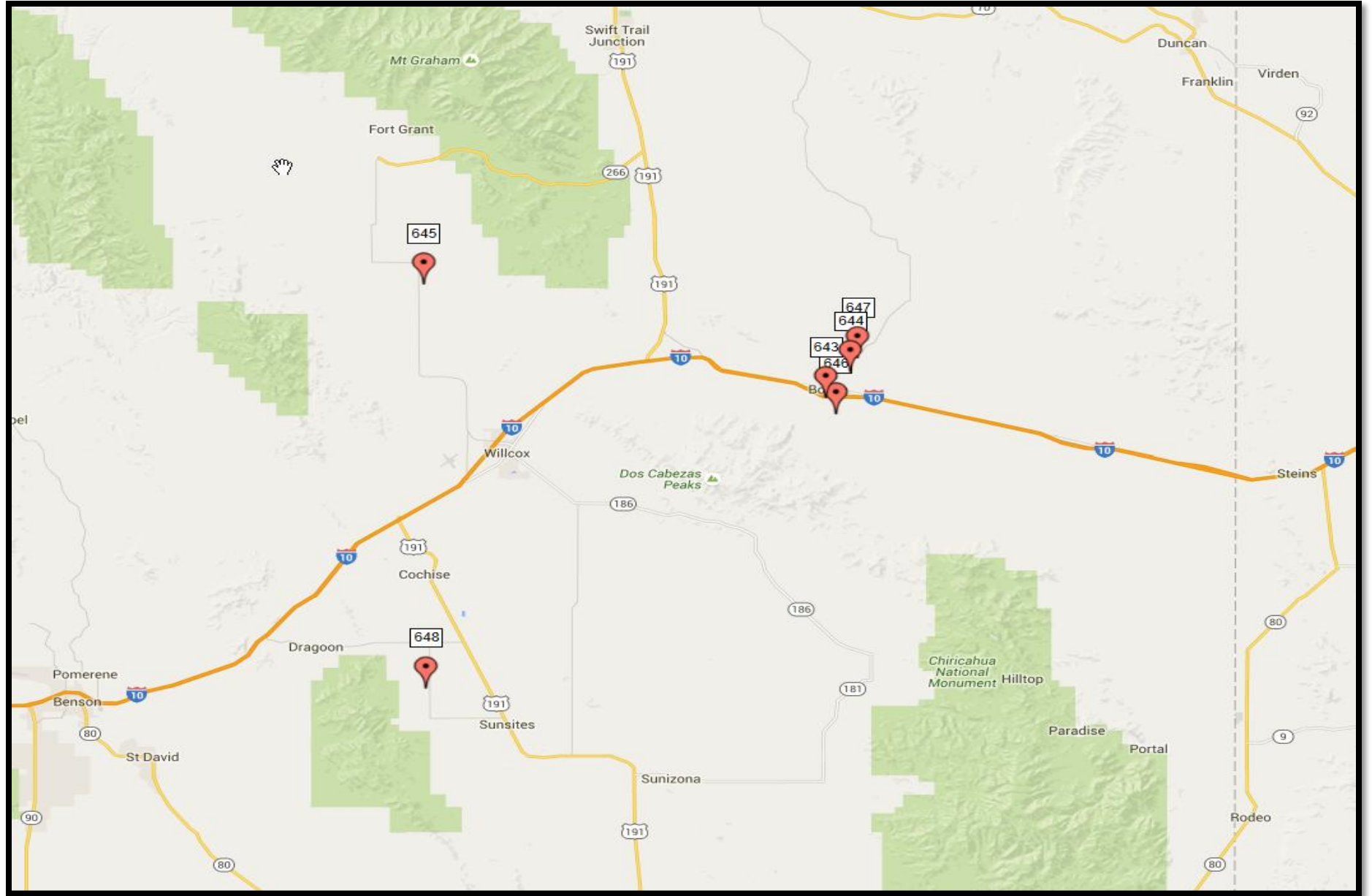
Young and Old Pecans





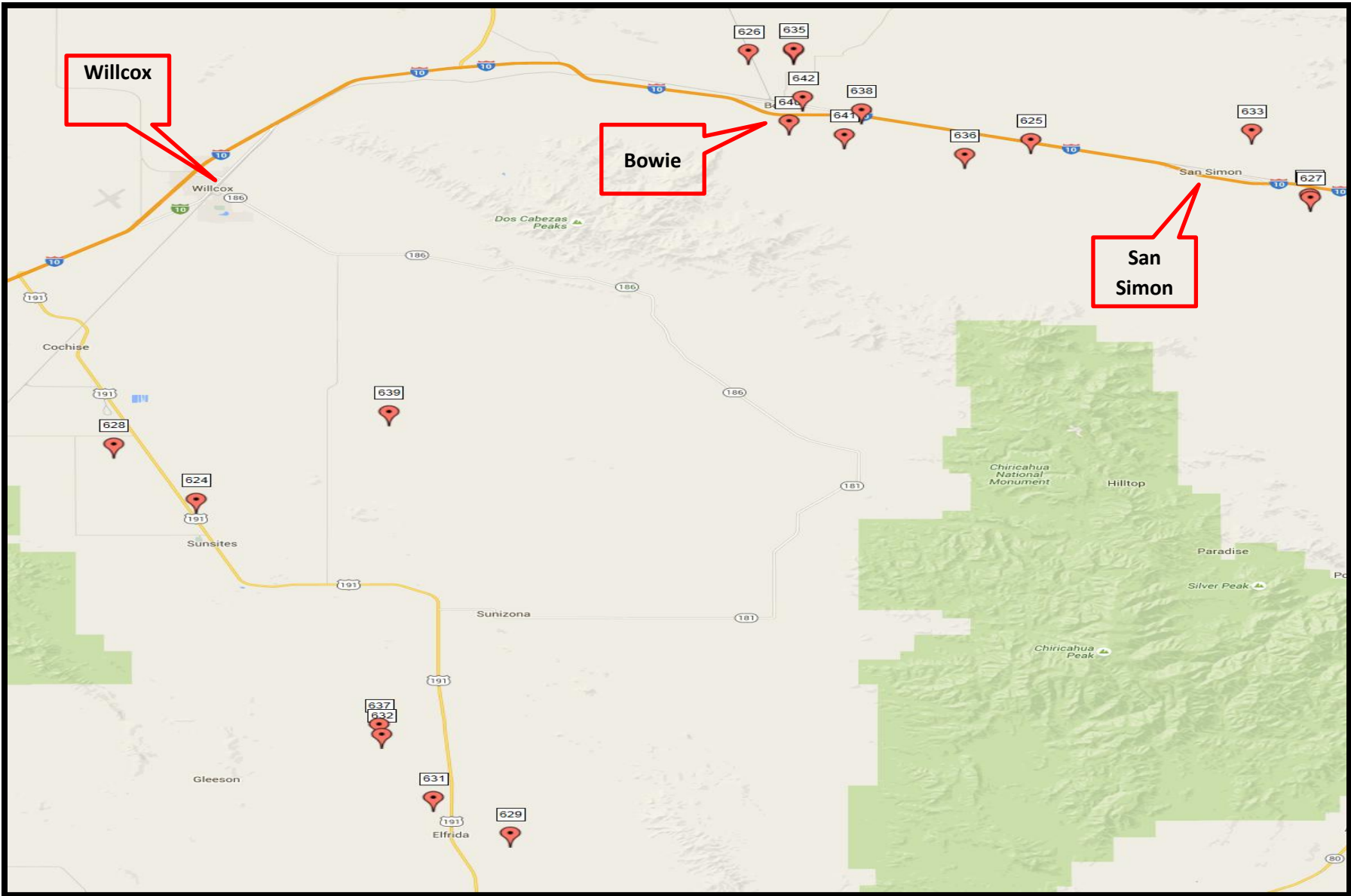
Pistachio Trees





Pistachio Sales Map

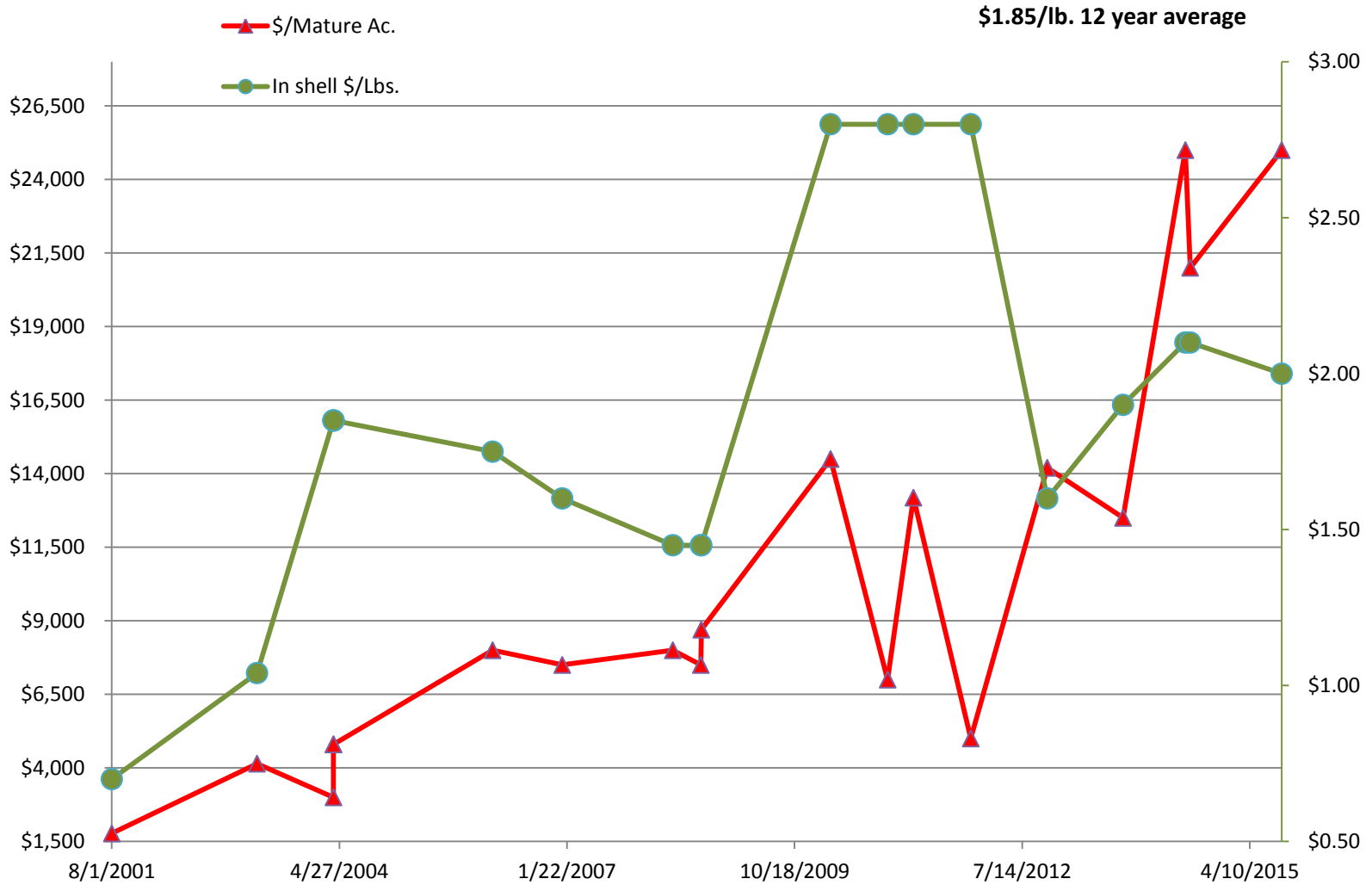




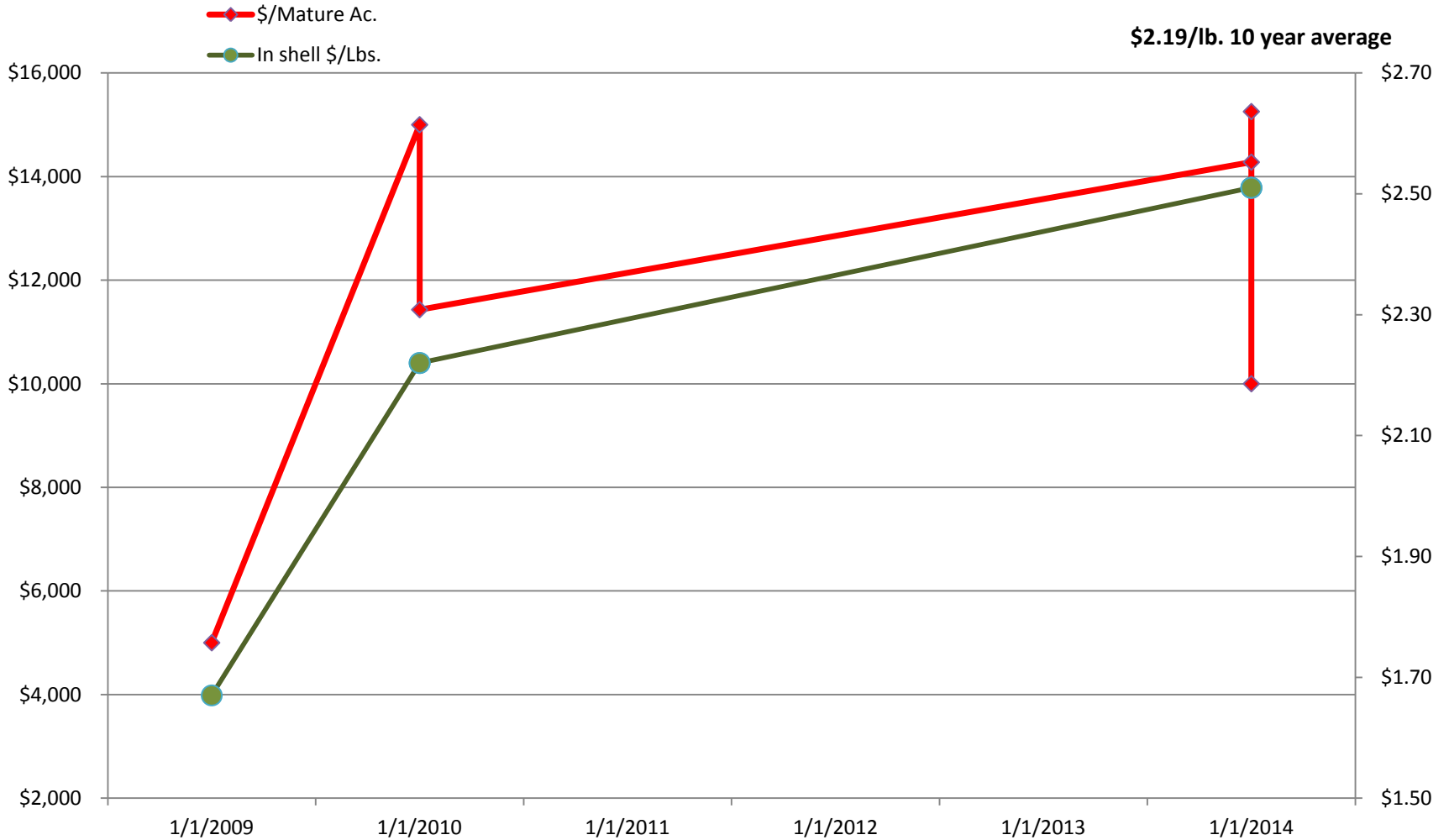
Pecan Sales Dating back to 2001



Pecan Sales



Pistachio Sales



Arizona Pecans

- Arizona is the 4th largest producer of Pecans in the US averaging over 20 million pounds per year of utilized production
- This is 1/2 of the production of the 3rd largest producer which is New Mexico. Georgia Produces nearly 50% of total US improved variety nuts
- There are 20,000+- acres of pecans in Arizona with 13,500 acres bearing age



Arizona Pecans

- There will likely be 27,000 to 30,000 planted acres by 2020 with 20k acres bearing
- 1/3 of the plantings are in the Cochise County (Elfrida, Kansas Settlement, San Simon and Bowie) with other plantings noted in Pima, Pinal, Maricopa, Yavapai and Graham Counties
- Most pecans planted 2,500-4,200 feet with good air drainage



Arizona Pecans

- Good mature production averages from 1,800 to 2,500 pounds/acre in-shell with breakeven prices being roughly \$.80 to 1/pound
- Pecans are alternate bearing. Primary varieties are Westerns and Wichita's
- Primary challenge is matching up an adequate water supply with other elevation and climactic conditions



Arizona Pistachios

- Arizona has a very limited amount of Pistachio orchards currently with 4,300+- acres total, most of which are in Cochise County, with lesser acreages in La Paz County (Wenden-Salome). Of the total roughly 1,900 acres are mature bearing.
 - California is the largest pistachio producing State with 295,000 acres or which 221,000 acres are bearing
 - There are several thousand more acres which have been cleared or are in the clearing process in Cochise County presumably to plant pistachio mainly in the Bowie-San Simon area
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Arizona Pistachios

- Desired climates are similar to Pecans. Pistachios use less water and can tolerate lower quality water
- Good mature production exceeds 3,000 pounds/acre with a breakeven price of \$.70-\$1.00/pound
- Pistachios are alternate bearing similar to pecans
- Same challenges exist for water supply and climate as with pecans



Market Expectations for local Pecans and Pistachios

Continued profitability for the foreseeable future. Pistachio plantings primarily in California may eventually put downward pressure on prices. China is a big nut buyer; a downturn in that economy is placing some downward pressure on nut prices.

