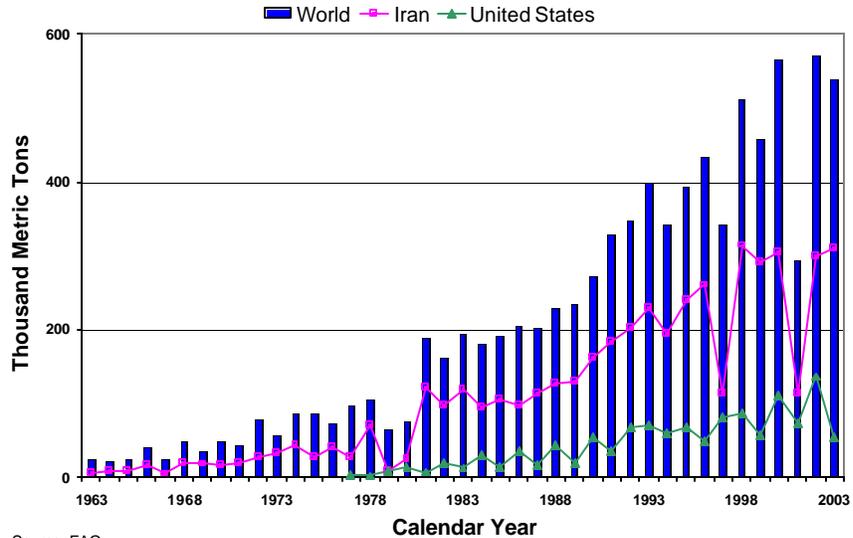


# World Pistachio Situation & Outlook

## Production

According to the Food and Agriculture Organization (FAO), the top four pistachio producers in 2003 were Iran at 310,000 metric tons (58-percent share of the world's production), followed by Turkey (85,000 tons, 16-percent), the United States (53,000 tons, 10-percent share), and Syria (50,000 tons, 9-percent share).

**Global Pistachio Production**

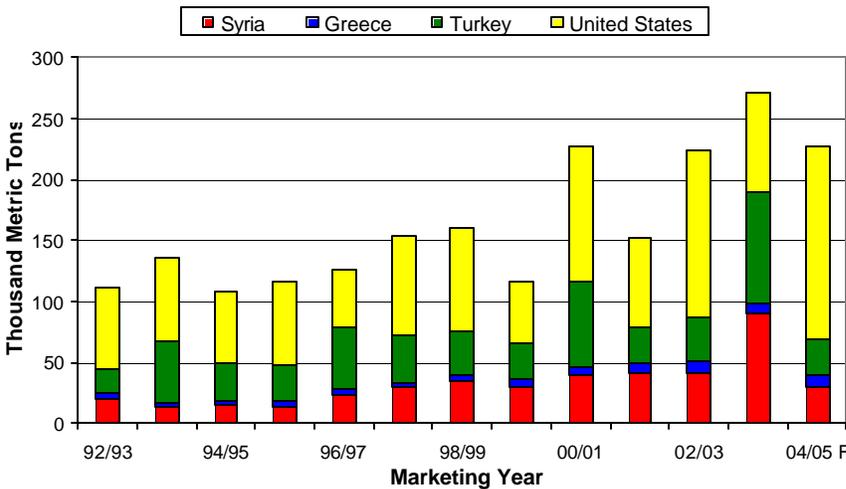


The National Agricultural Statistical Service (NASS)

Source: FAO

objective survey measurement has been discontinued. However, the California Pistachio Commission [inventory report](#) shows the 2004/05 crop-to-date to be 157,668 metric tons. This record crop is a 192-percent increase over 2003/04 crop.

**Pistachio Production in Selected Countries**



Source: USDA NASS and USDA FAS Attache Reports  
Marketing Years: United States and Greece, Sept-Aug; Syria, Aug-July; Turkey, Oct-Sept

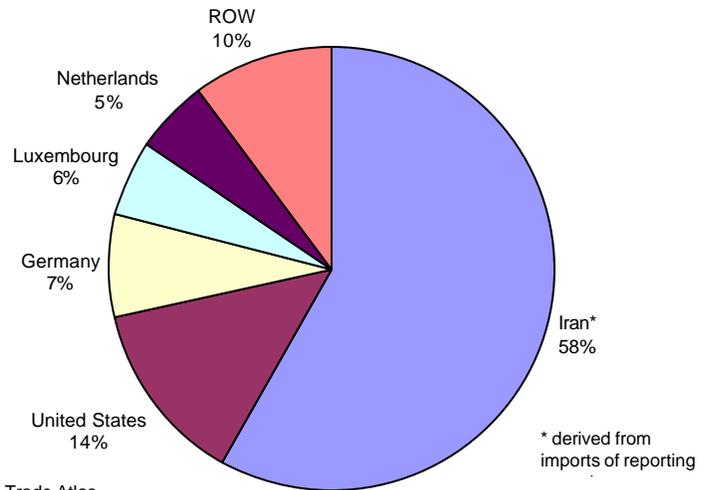
Trade publications place Iranian pistachio production for 2004/05 between 100,000 and 120,000 tons. Greece's pistachio production is expected to remain stable, allowing for normal weather conditions. Frost reduced Syria's 2004/05 production 20 percent to 40,000 tons. This is expected to rebound to 60,000 tons in 2005/06. Turkey's 2004/05 pistachio crop, down 67 percent at 30,000 tons, comes in during

the downswing of the production cycle. Turkey's production is projected to be 75,000 tons in 2005/06.

## Exports

According to Global Trade Atlas (GTA), \$676 million of pistachios were exported in Calendar Year (CY) 2003, a 54-percent increase over CY 2002. Globally, there is substantial re-exporting of pistachios, especially in Europe. Germany, Luxembourg, and the Netherlands--all major exporters--do not grow pistachios but mainly import from Iran and the United States. The Netherlands and Luxembourg also import a significant amount of pistachios from Germany.

CY 2003 Leading Exporters of Pistachios

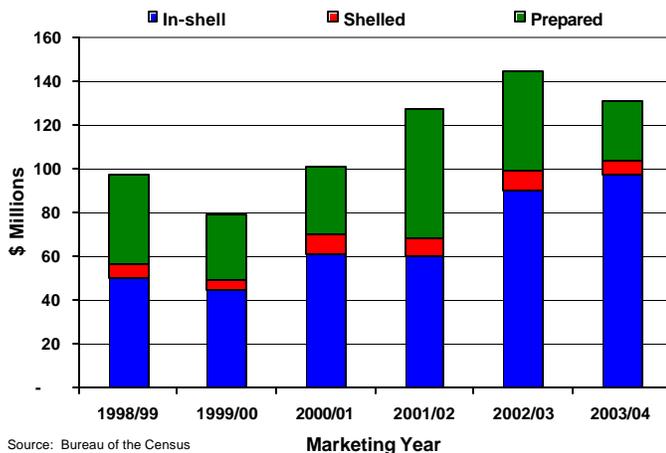


Source: Global Trade Atlas

## United States

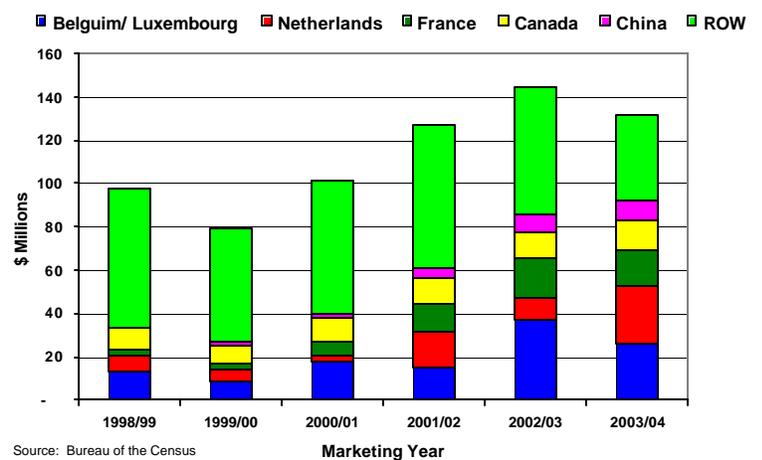
Exports for 2004/05 started briskly and are 159 percent above last year's shipments at this time. The smaller-than-expected harvest in Iran should clear the international markets for U.S. products. Traditionally positioned as high cost and high quality products, U.S. pistachios have continued to penetrate the more affluent European and Japanese markets. The EU expansion has created a larger export market that is regulated by aflatoxin standards that favor the U.S. industry.

U.S. Exports of Pistachios



Source: Bureau of the Census

Top Markets for U.S. Pistachios



Source: Bureau of the Census

Absent from the leading U.S. pistachio markets are Hong Kong and Germany, the two largest pistachio importers in the world. For CY 2003, the Global Trade Atlas indicates that 99 percent of Hong Kong's

\$151 million pistachios imports are from Iran. Over 95 percent of Hong Kong's \$18 million of pistachio exports are to China. This figure is expected to change, but the direction of the change will depend upon market access conditions in China. The crackdown on smuggled products from Hong Kong to the mainland will cause more products to flow through legitimate channels and should result in an increase in the recorded trade numbers. However, the rise of direct shipments from Iran to China may reduce the volume of trans-shipments through Hong Kong.

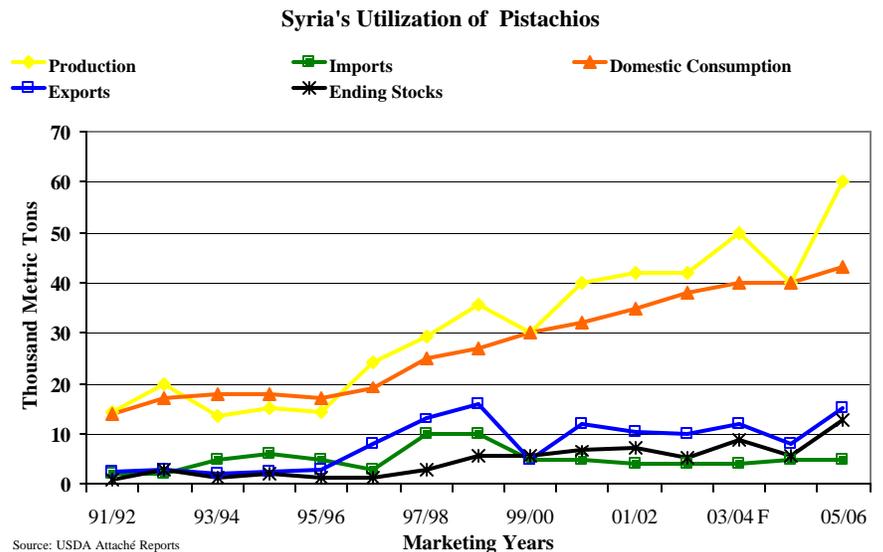
In CY 2003, Germany sources 65-percent of its \$89 million in pistachio imports directly from Iran. In turn, Germany is a major supplier of pistachios to the rest of the EU with important markets in Spain (\$11 million, 22 percent of German exports), the United Kingdom (\$8 million, 15 percent), France (\$6.5 million, 13 percent), and Italy (\$6 million, 12 percent).

## Greece

Although Greece's pistachio production is set to rise, imports are also expected to rise to meet growing demand. Imports for 2005/06 are expected to reach 3,000 tons since the expected production of 9,500 tons will fall short of the forecast 12,000 tons of consumption. The predominant suppliers to Greece are Germany and Iran. For additional details, please see the [2004 Greece Tree Nuts Annual](#).

## Syria

Syria's rising production has mostly been utilized as domestic consumption, while exports and imports have remained relatively level in recent years. In 2005/06, it is expected that Syria will export 15,000 tons. Imports are expected to remain flat at 5,000 tons. For further details, please see the [2004 Syria Tree Nut Annual](#).



## Turkey

Although Turkey is a notable global producer of pistachios, relatively few pistachios find their way to international markets. In 2005/06, Turkey is expected to export 8,000 tons, or 11 percent of the expected production for the year. Traditional markets for Turkey's pistachios include Germany, Greece, Italy, and the United States. For additional information, please see the [2004 Turkey Tree Nut Annual](#).

(The FAS Attaché Report search engine contains reports on the walnut industries for more than 6 countries, including Greece, Syria, and Turkey. For information on production and trade, contact Kyle Cunningham at 202-720-0875. For information on marketing, contact Khaliaka Meardry at 202-720-9903.)