

# PEANUT POST

JULY 2024

83  
VOLUME

## THE TITANS



Global Market P4



Sustainability P10



Peanut Science P14

Market Wizard Current Crops Shelled Facts Peanut Voice Bird Feed



# MARKET WIZARD

## Culture

When people think of peanut butter, they often associate it with America. However, there is significant competition among America, Indonesia, and China when it comes to the legacy and widespread cultural heritage of peanuts. China leads the way with various peanut-based products, including peanut oil, butter, snacks, and sauces. China's peanut legacy began in the year **1644**, Indonesia's in **1650**, and America's in the year **1700**. With its large population and high production capacity, China is a strong contender in the peanut industry.

## Trade

When examining trade data, China stands out as the largest importer of peanuts in the world over the past five years, averaging **1.08 MMT** annually, which alone is **11%** of the global peanut trade. However, in the calendar year 2023, China became a net exporter of peanuts. The Compound Annual Growth Rate (CAGR) for the top three importers is **49%** for China, **8%** for Indonesia, and **3%** for the EU-/Netherlands. Given this consistency in imports, China solidifies its position as the peanut capital of the world.

## Growth Rate (production)

Let's examine the origins,

production volumes, and growth rates of peanut production. Among major producers, comparing high-volume like China and India with lower-volume producers such as America, Argentina, and various African countries, it's evident that Africa holds a significant position on CAGR. Could Africa become the future peanut capital of the world? Based on simple statistical projections, Africa's consistent CAGR suggests that it has the potential to take over the leading position as the world's most sought-after peanut producer.

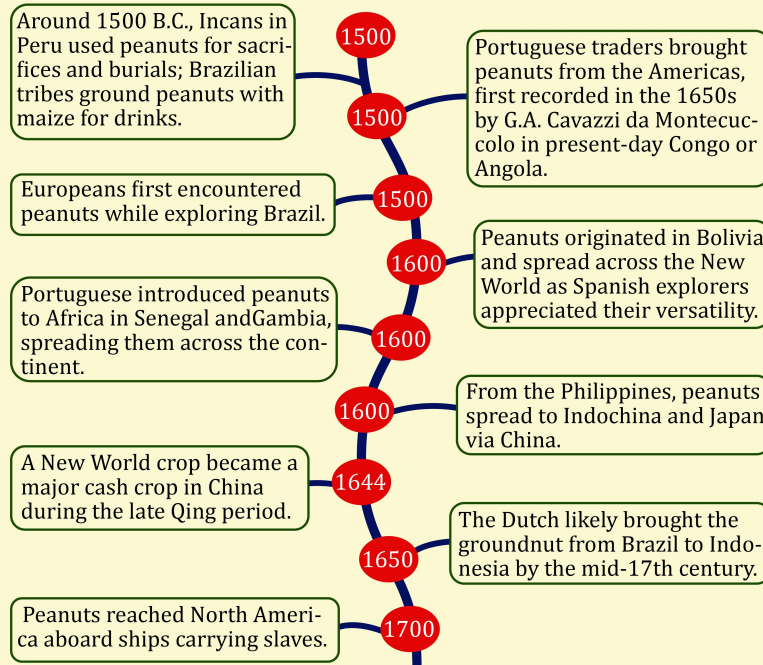
## The Peanut Capital of the World

Considering the current economic performance and historical legacy of peanut production, China is undoubtedly the coveted peanut capital of the world. However, this position may soon be challenged by Africa. With its rising population and impressive growth in production, Africa has the potential to become the new global leader in peanut production. The global peanut bowl could very well shift to Africa in the near future. Still the unfactored X's such as inflation, climatic changes, cost of production, are not factored to the CAGRs we discussed, considering these economic variables, it is certain that Africa is the "go-to" spot for peanuts.

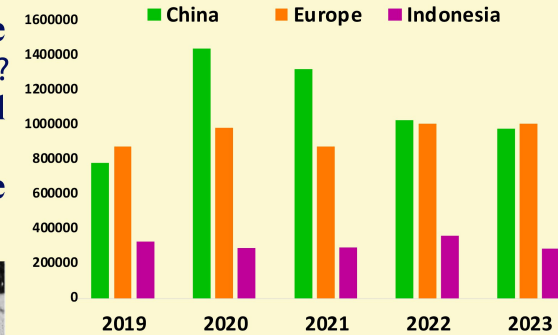
- ▲ Which country holds the title of "Peanut Capital of the World"?
- ▲ Is this title determined by purchasing power or the ability to provide a sustainable source of peanuts?
- ▲ Is it due to higher consumption or trading capabilities?
- ▲ Is it based on the cultural or lifestyle significance of peanuts in that country?



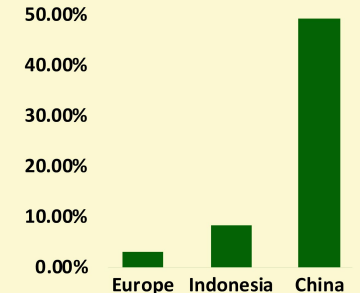
## Historic event of peanuts



## Peanuts & Peanut Products Import quantity (in tons)



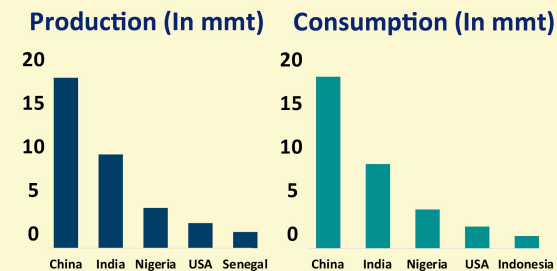
## CAGR of Peanut Imports (2013-2023)



## Peanut Production Growth Rate

YEAR	CHINA	INDIA	USA	ARGENTINA	AFRICA
2015	1.21%	-23.79%	15.63%	-21.72%	-6.40%
2016	3.47%	-9.05%	-6.98%	38.49%	29.12%
2017	1.27%	10.85%	27.49%	-32.69%	5.52%
2018	1.71%	23.99%	-22.83%	32.99%	16.29%
2019	-1.69%	-27.24%	-0.48%	-1.99%	-1.34%
2020	2.82%	47.85%	12.75%	15.04%	1.28%
2021	1.75%	3.02%	3.22%	3.08%	-6.14%
2022	-8.24%	-1.07%	-12.86%	-26.87%	2.02%
2023	8.93%	-0.79%	6.28%	34.69%	-12.03%
2024	3.83%	5.37%	7.63%	2.27%	7.90%

Africa = Nigeria + Senegal + Sudan





# Global Market

## ARGENTINA



The Argentina peanut harvest has been delayed due to humid weather, extending beyond June and resulting in wet arrivals with over 11% moisture, increasing curing and storage costs. Harvest progress is at 70% for Argentina and 65% for Cordoba. Prices for the 2024 crop are high: \$1700/T C&F for 40/50 HOPE, \$1730/T C&F for 38/42 HOPE, \$1850/T for blanched 40/50, and \$1880/T for blanched 38/42, with premiums up to \$1930/T, all prices are for EU specs.

The US peanut market is quiet with limited buyer interest. Current crop prices are mid to high 60s, with new crop prices in the mid to high 50s, down from 57/58/59. High

## USA



temperatures (90s) and minimal rain in Southeast and Virginia/Carolinas are concerning. Albany, GA, had 27.80 inches of rain YTD vs. 22.71 inches normal, but only 0.17 inches in June vs. 4.05 inches normal. Recent rains offer hope, but consistent rain is needed for good yields.

## CHINA



Oil factories are concluding their seasonal purchases as imports dominate arrivals. Currently, prices are stable with little upward momentum due to weak overall demand and a surplus of inventory. The unexpected sharp declines in prices have been moderated by easing risk aversion, and some dealers are adopting a cautious approach amidst inventory losses, delaying price reductions. The market has seen high-quality stocks in cold storage being sold at discounted rates, which temporarily supports prices. Looking ahead, new peanut production from Henan and Jiangxi Provinces is anticipated within two months, following recent rains that allowed for

## INDIA



In Gujarat, winter crop sowing is at 103.32% compared to the same period in 2023, with expectations to reach around 125%. Saurashtra and Jamnagar received good rainfall, while Kutch and North Gujarat are still awaiting sufficient rain. In North Gujarat, new crop pressure is favourable but short-lived. In Kutch, Java sowing is limited, with few crops expected for export.

In Rajasthan, sowing is progressing slowly due to insufficient rain, though improvement is possible with future rainfall. In Karnataka, sowing is expected to reach 200-250% of last year despite inadequate rainfall. Demand is met by crops from Bengal and UP, dominating markets due to lower rates.

The prolonged summer in India extended school holidays and dampened local demand. However, interest in peanut cropping has increased due to poor profits from other crops. The 2023 crop carryover stock is abundant. Export demand varies: Thailand, Malaysia, and the Philippines show poor demand; Indonesia and Vietnam, average; and China, weak. Algeria has shown interest due to Brazil's failed crop, with orders in the \$1350-\$1450 range for FAQ quality.

## PEANUT SPOTLIGHT

### BRAZIL

With 100% of the areas harvested, growers and exporters estimate total production and the weather's impact on volume. Yields range from 3.0 to 3.5 tons per hectare, with planted areas between 280,000 and 300,000 ha, resulting in productions of 840,000 to 1,050,000 MT of inshells. The market remains unchanged, with farmer stocks at US\$ 0.85-0.90 per kg. Processors struggle to find good quality product and make a profit. Due to Brazil's recent positive results, the EU and UK will reduce pesticide tests on Brazilian peanuts, but aflatoxin concerns may limit new contracts with European buyers.

Russian buyers are increasing active, potentially boosting export figures next month. May saw 18,000 MT of peanuts and 6,400 MT of peanut oil exported, a 33% decrease from May 2023. The low export volumes in April and May 2024, 18,000 MT behind 2023, highlight the difficulties Brazilian exporters face in selling their product, which will eventually need to be sold. The key question remains: how much can meet demand and maintain profitability despite these hurdles.

dynamics underscore the need for strategic planning by Brazilian exporters in the global market, ensuring they



## AFRICA



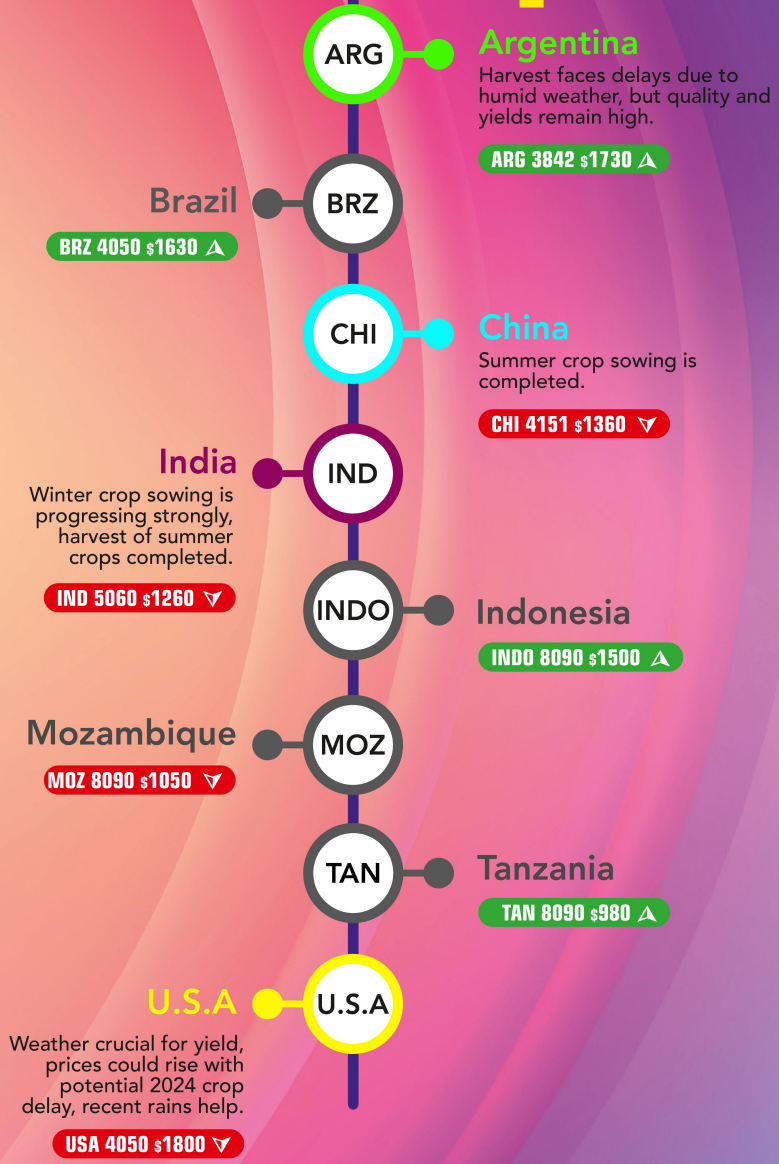
**Tanzania** This year, Tanzanian peanuts have shown higher seed quality compared to previous crops. As the season approaches its end, prices have risen, currently trading at \$960-\$1000 FOB.

**Mozambique** The local price for peanuts ranges between 63 and 68 Meticals, roughly equivalent to \$1000 - 1070 FOB. The current season is projected to end next month, but stocks may last beyond that timeframe. Mozambique ships a significant quantity of peanuts to Indonesia, one of its major buyers. Their initial shipments arrived in Indonesia last week, delayed by congestion at the Singapore port, with subsequent shipments expected to follow.

**Senegal** Exports remain prohibited. The rainy season begins in June and July, with planting set to start next month and harvesting expected in September.



# Current Crops



## PEANUT VOICE

“I am the Cluster Leader of Crop Breeding and Principal Scientist (Groundnut breeding) at ICRISAT with 21 years in demand-led crop breeding programs.”



**Mrs. Janila Pasupuleti**  
ICRISAT

### What are the most important attributes of successful peanut-producing country?

A successful peanut-producing country needs a strong foundation across three key areas: First, a well-developed supply chain that caters to different peanut varieties. Since peanuts are used for various things like chocolate and peanut butter, growers need access to specific peanut types that meet these end-use demands. Second, a reliable seed supply chain is crucial, ensuring both the genetic purity of the seeds and their availability at the right planting time. Finally, a regulatory framework with clear guidelines is essential to guarantee peanut safety throughout the food chain.

### The Protein Champion of Nuts

When it comes to protein content among popular nuts, peanuts lead the pack with approximately 25.8 grams of protein per 100 grams, outpacing almonds, cashews, walnuts, pistachios, and hazelnuts. Almonds, the closest competitor, offer about 21.2 grams per 100 grams, while cashews provide 18.2 grams. Walnuts, rich in omega-3 fatty acids, have just 15.2 grams, and pistachios contain 20.2 grams per 100 grams. Hazelnuts, known for their role in spreads like Nutella, offer around 15 grams. Peanuts not only boast superior protein content but are also more affordable and widely accessible, making them a cost-effective option for those looking to boost protein intake.

Reference: Healthline Media UK Ltd, Brighton, UK.  
<https://www.medicalnewstoday.com/articles/323042#six-most-healthy-nuts>







# Framework for Sustainable Sourcing of Peanuts

- ▲ The power of sustainability, extending beyond just the nut.
- ▲ Carbon neutral peanut.

● Planet ● People ● Profit



[Contact@agrocrops.com](mailto:Contact@agrocrops.com)

Discover sustainable peanuts, ethically sourced to support our planet. Our commitment to carbon neutrality ensures every peanut contributes to a greener future. Partner with us for peanuts that benefit both you and the planet.



## What is BCorp Certification?

BCorp Certification signifies that a business meets high standards of performance, accountability, and transparency across various factors, including employee benefits, charitable giving, supply chain practices, and input materials.

Certified



Corporation

# SUSTAINABILITY

## Benefits for Agrocrops

For Agrocrops, BCorp Certification would significantly enhance its reputation and trustworthiness. It is recognized for high social and environmental performance, building customer trust and loyalty. The certification provides a competitive advantage, differentiating Agrocrops in the marketplace and enhancing its brand positioning as a leader in sustainability. Operationally, the certification process identifies areas for improvement and encourages innovative practices. It also helps attract and retain talented employees, enhancing company culture. Furthermore, joining the BCorp community allows Agrocrops to connect with other ethical businesses, share best practices, and access valuable resources.

## Agrocrops' Journey Towards BCorp Certification

Inspired by BCorp's comprehensive ESG evaluation, Agrocrops embarked on the journey towards certification to strengthen its sustainability framework. Over the past six months, the company has undertaken a detailed process, including understanding BCorp principles, reviewing the B Impact Assessment (BIA) to identify evaluation areas, and securing commitment from top management and key stakeholders.

A preliminary assessment identified gaps, followed by a detailed gap analysis for each business division. An action plan was developed to address these gaps, focusing on areas needing improvement to meet certification requirements. Key initiatives included publishing corporate governance policies, evaluating manufacturing processes for environmental impact, developing a responsible sourcing plan, creating a sustainable supply chain policy, and amending articles of incorporation to commit to stakeholder consideration.

By involving employees in the process and fostering a culture of sustainability, Agrocrops implemented significant changes in company policies and practices. Achieving a BIA score of 108 points, Agrocrops is now prepared for the evaluation stage, which typically lasts 4-5 months. If the score remains above the benchmark after verification, BCorp certification will be granted, marking a milestone in using business as a force for good.



## Overview of BCorp Certification and Our Path to Becoming a BCorp

### Why is BCorp Certification Important?

BCorp Certification enhances credibility and trust, signaling a commitment to social and environmental performance to consumers, investors, and stakeholders. The rigorous assessment helps identify areas for improvement, driving innovation. Certified companies join a community of ethical businesses, sharing best practices. Additionally, it attracts and retains employees who value socially responsible companies, providing a competitive edge in the marketplace. The certification also offers a framework for benchmarking sustainability

commitments and performance, aligning with global standards and enhancing social and environmental impact.

### Current Status of BCorp Certification

BCorp Certification adopts a holistic approach, evaluating the overall impact on workers, customers, community, and the environment. It integrates social, environmental, and financial performance and is globally recognized and respected. The certification process demands high benchmarks for performance, accountability, and transparency, with regular recertification to ensure continuous improvement.



# THE UK'S PEANUT PREFERENCE FOR BIRD FEED : A EUROPEAN COMPARISON

Italy, Spain, France, Germany, and the UK have significant pet bird populations and rank among the top five in the European Union. These countries also vary in their peanut imports, a key ingredient in pet bird nutrition, with the UK leading the pack with 300,000 tons of imports. This study explores the connection between high pet bird populations and related economic activities such as peanut imports, highlighting their significant role in the bird feed industry.

## BIRD FEED

### UK Emerges as Leading Hub in Global Bird Feed Industry

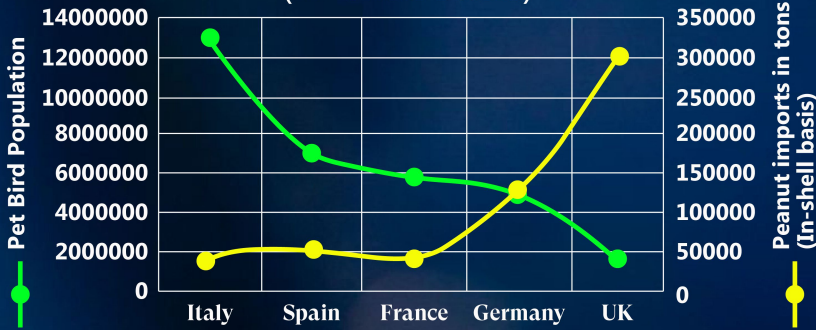
The United Kingdom has become a pivotal hub for the bird feed trade, driven by a highly developed network of traders, importers, and brokers. Supported by an early mover advantage and advanced logistics infrastructure, including modern transportation and efficient distribution channels, the UK's strategic location and strong trade relationships within Europe and globally enable the seamless import of raw materials and export of finished products. This positions the UK at the forefront of the global bird feed industry.



Country	Pet bird population	Peanut imports in tons (In-shell basis)
Italy	12,882,000	36,000
Spain	6,991,000	51,000
France	5,800,000	47,000
Germany	4,900,000	135,000
UK	1,600,000	300,000

Ref: <https://fas.usda.gov/data/united-kingdom-oilseeds-and-products-annual-2>

Pet Bird Population & Peanut imports in tons (In-shell basis)



The graph shows the relationship between pet bird populations and peanut imports across Italy, Spain, France, Germany, and the UK.

The graph reveals an intriguing inverse correlation between the number of pet birds and the quantity of peanuts imported. Italy has the highest pet bird population but the lowest peanut imports, reflecting diverse dynamics in pet ownership and agricultural trade across Europe.

It shows that the UK's strength in peanut trade and has a established network of traders, importers and supply chain distributors compared to other European countries.



# EFFECTS OF BIOCHAR & BIOFERTILIZER ON GROUNDNUT PRODUCTION

# PEANUT SCIENCE

With growing environmental challenges and the need for sustainable farming, biochar has emerged as a promising solution. Biochar, a carbon-rich product from biomass pyrolysis, is gaining attention for its multiple benefits in agriculture and environmental management. This study in Bangladesh examines the use of biochar specifically for peanut (*Arachis hypogaea*) cultivation, highlighting its potential to improve soil health, boost plant growth, and support environmental sustainability. Biochar is produced from wood or biomass, which typically contains about 50% carbon (C). Biochar itself has a higher

carbon content, between 70% and 80%, and its use in soil can store more than 50% of the carbon in a stable form. Because of this, biochar has been suggested as a way to increase soil fertility, offer various ecosystem services, and sequester carbon to help mitigate climate change. Additionally, biochar serves as a carrier for rhizobium bacteria and can change the soil's biological community. These changes can positively impact nutrient cycles and soil structure, indirectly improving plant growth, yield productivity, and soil organic matter cycling.

This study evaluated the effects of biochar

Biochar Soil Amendment



environmental sustainability. The study found that biochar and biofertilizer treatments improve soil microbial activity and shift bacterial community composition towards increased nitrogen (N) nitrification. This process enhances the abundance of ammonia-oxidizing rhizobia, stimulates nitrification, accelerates the transformation of  $\text{NH}_4^+$  to  $\text{NO}_3^-$ , and reduces  $\text{NO}_3^-$  gas loss. Additionally, the results indicate that  $\text{N}_2\text{O}$  emissions might be reduced by increasing these factors in biochar and biofertilizer-treated soil.

Applying biochar and biofertilizer to groundnut plants significantly increases yield and yield-contributing factors.

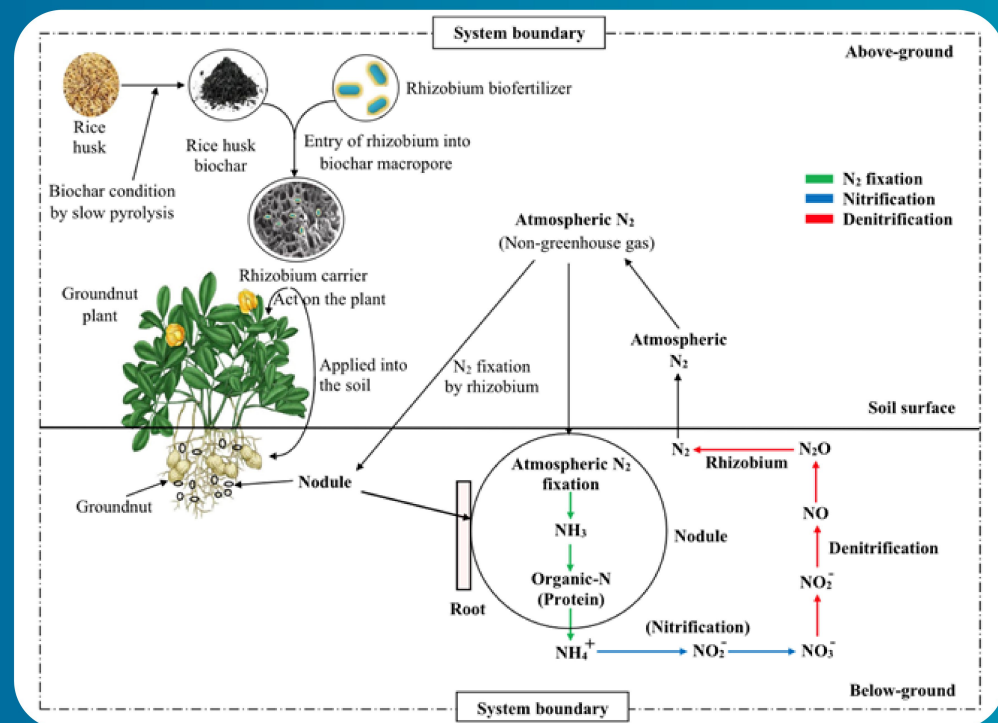
combined with rhizobium biofertilizer on plant-soil interactions and soil microbial communities in the Charland agroecosystems of Bangladesh for the first time. The use of biochar and biofertilizer was found to be a key factor in increasing yield productivity and

The findings show that biochar and biofertilizer treatments are the best management practices, with biochar-only treatment also showing substantial benefits. Biochar generally improves the soil's physical environment, reduces the need for chemical fertilizers, and lowers greenhouse gas emissions by increasing soil organic carbon accumulation. This two-year study highlights the need for further research to evaluate the long-term effects of biochar and biofertilizer on nitrogen availability, soil nitrification rates, and environmental sustainability in the Charland agroecosystems of Bangladesh.



This evaluation underscores the transformative potential of biochar and biofertilizer in enhancing groundnut production, promoting sustainable agricultural practices, and contributing to environmental conservation. Further exploration of these applications will provide deeper insights into optimizing agricultural outputs while reducing the negative impacts of conventional farming practices.

Reference: Shikha, F.S., Rahman, M.M., Sultana, N. et al. Effects of biochar and biofertilizer on groundnut production: a perspective for environmental sustainability in Bangladesh. Carbon Res. 2, 10 (2023). <https://doi.org/10.1007/s44246-023-00043-7>





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# SPOTLIGHT



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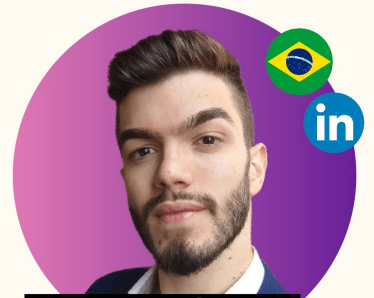
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**GET READY TO CRUNCH!**  
**OUR NEW FLAVORED PEANUT**  
**SNACK LAUNCHES SOON!!**

