



Total Use of Peanuts Higher This Year

Peanut Market Strong Despite Dry Conditions, USDA Predicts Increased Use and Stock Levels

The U.S. peanut industry remains in a favorable position according to the latest USDA estimates, with strong demand projections and the largest stockpile in two decades. However, timely rainfall is still needed to ensure crop development remains on track.

Peanut Crop Holding Steady, But Rain Needed

As the peanut crop continues to develop, weather remains a critical factor. Current crop conditions are generally positive, but rainfall is needed soon to maintain yield potential. Despite this, market signals remain strong and show optimism for the upcoming marketing year.

USDA Forecast: Peanut Use to Rise Over 9%

In a recent update, the USDA projected that total peanut usage for the 2024–2025 marketing year will increase by more than nine percent compared to the previous year. This growth is primarily attributed to three key factors:

- Higher domestic food consumption
- Increased peanut crushing activity
- Expanded export volumes

These combined factors point to growing demand for U.S. peanuts across multiple market segments.

Record Peanut Stocks: 2.36 Billion Pounds

Peanut ending stocks are forecasted to reach 2.36 billion pounds, the highest level recorded in the past 20 years. While ample supply can help stabilize prices, it also highlights the need for sustained market development both domestically and internationally.

Price Outlook: Potential Support from Program Payments

The USDA reports the season average price for peanuts is expected to settle at 25 cents per pound, equating to approximately \$500 per ton. However, with the program reference price set at \$535 per ton, growers may become eligible for price support payments this October. Under federal farm policy, if the average market price falls below the reference price, payments are made to eligible producers based on their base pounds. Each farm's payment amount would vary according to its allocated base.

Export Promotion Efforts Underway

In an effort to revive overseas demand, the peanut industry is investing \$2.4 million this year in export promotion. The goal is to reverse a 10-year export decline of 18 percent, turning that trend back into positive growth. These promotional efforts are crucial to ensuring long-term market sustainability and helping U.S. growers remain competitive globally. Reporter Tyron Spearman provided this update for Southeast AgNet, offering valuable insights into the state of the peanut industry as it enters a critical phase of the season.

Source: https://southeastagnet.com/2025/07/30/total-peanuts-higher-year/