Peanut Blog

An ounce of information

Lower peanut production could boost prices this year

U.S. peanut acreage fell 22%, according to USDA's recent Acreage report. All major peanut-producing states either saw a decline or no change in peanut acres.

U.S. farmers planted an estimated 1.53 million acres of peanuts in 2026, according to USDA's Acreage report released June 30. This marks a 22% decline compared with what was planted in 2025 and a 146,000-acre decrease compared to what was forecast in the March Prospective Plantings report.

A higher relative price for competing row crops, such as cotton, is one factor that may have contributed to the fall in peanut acreage this year. December cotton futures prices increased from below 70 cents per pound in early March to above 85 cents per pound in mid-May as the peak Southern crop planting season progressed. All major peanut-growing states' 2026 planted peanut areas are equal to or less than what they were in 2025, as shown on the map.

Texas had the largest drop, amounting to 105,000 fewer peanut acres, or a 37% reduction. Georgia, the largest producing-peanut state, saw a decrease of 70,000 acres (22%), for a total of 720,000 acres planted. Oklahoma was the only state that did not record a drop in planted peanut acreage, with its 19,000 acres being identical to last year's total.

he decline in peanut acres this year could have a major effect on peanut production and prices. Peanut ending stocks are expected to increase by 81% to 1.41 million tons at the end of the 2025-26 marketing year, due to the record-high 2025 peanut crop of 3.59 million tons. If 95% of planted peanut acres are harvested this year and the yield remains near the three-year average of 3,750 pounds per acre, this would put production at 2.87 million tons, a 20% decrease from last year's total. This would also represent a 5% decline from forecast production based on the area estimated in the March report.

Lower production this year could help bring peanut stocks back down and provide a boost to peanut prices, which dropped by 11% to an average of $466 per ton for the 2025-26 marketing year, as reported in the June 2026 USDA Oil Crops Outlook. USDA is expected to release updated peanut stock estimates in the 2026 Oil Crops Outlook on July 14. Sawadgo is an assistant professor and Extension economist at Auburn University.

Source: https://www.farmprogress.com/peanut/lower-peanut-production-could-boost-prices-this-year