

#peanut pride

Do you think organic peanut is wide spread and it can have a big future?



Demand for organic peanuts is solidly increasing as consumers grow their awareness about health, the environment, and responsible sourcing. If origins can achieve economies of scale for organic peanut production, it will have a very big future! Mr. Mostafa Salem, Director Kernel Egypt S.A.E.

FACTOID



Peanut cookies reduce heart disease

Cardiac disease in humans caused by intake of hydrogenated fat. If such fat replaced with peanut butter in cookies manufacturing, saturated fatty acids replaced with unsaturated fatty acids. Oil stability in cookies increased up to 3.62%. In comparison, the hardness also increased with increasing concentration of P.B. With 40% P.B., application gives beneficial fatty acid composition with stable oil quality and had a greater appreciable sensory quality. Thus, cookies prepared with peanut butter are high in protein, Omega 6 and Oleic acid, which controls atherosclerosis and cholesterol, it is beneficial for heart patients and older people.

Mitigation vs Adaption

60-year record The rainfall data for Karnataka shows record rainfall in November in 60 years, with the state reporting crop damage worth Rs 8,962 crore in 1 million hectares of land, which is the highest in the country. Peanuts harvested performed by the end of the southwest monsoon in October. This year, the rain went on for about a month, which caused the nuts to sprout during the harvesting period. The moisture and the rain led to sprouting, making the peanut crop inedible. Apart from crop loss, it caused more damage to agricultural infrastructure. Fertile soil is taken away and silted. They have become barren land. Many are looking at decreased yield next year. Disbursed compensation at a total of Rs 681 crore.

of primary school children. The Karnataka government has replaced bananas with peanut-jaggery (chikki) for school kids who do not eat eggs. Following objections and suggestions from nutritionists that bananas are no

providing boiled eggs to children in schools was to address the issue of malnutrition among kids. Jaggery and slightly crushed peanut are good sources of protein and iron.



match to boiled eggs, the department has decided to replace them with peanuts. The overall idea behind

Peanut Padma The Indian Council of Agricultural Research has developed the Padma Gujarat Peanut 41 (J.P.S. 65), a new variety. Suitable for rainfed conditions, high oily and medium bold kernel, useful for the oil industry and food, the average yield is 2722 kg per hectare. This variety of peanuts will get ready in 120 days. Resistant to diseases. Peanut fungus-rust disease destroys farmers financially. It significantly reduces the yield, oil quality and affects the plant's leaves. The new species effectively fights against it. According to the scientists of Junagadh Agricultural University, Gujarat Peanut 41 (G.G. 41) production is 2722 kg per hectare. Which gives 16 per cent more yield than other varieties. G.G. 11 variety gives 2352 kg, G.J.G. 17 variety gives 2344 kg.

Peanut in Mid-day

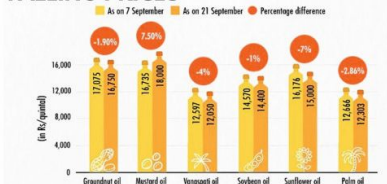
Meal The government of India initiated the National Programme of Nutritional Support to Primary Education in the year 1995. The scheme's objective is to help improve the effectiveness of primary education by improving the nutritional status

Slippery oil!

At the beginning of this year, peanut prices had risen like a rocket-fueled by edible oil and Chinese demand. 2021 New crop arrivals rose, making the market volatile but on a stronger side. The government pushed the pedal on easing the import policies, which led to the wholesale price of peanut oil falling substantially. There is a massive possibility of a bumper production of oilseeds this season. It will help keep the edible oil prices under control in the future. All eyes are now on the mustard harvest, which will be crucial to cool down the edible oil prices. The area sown under mustard has increased by 30%, it helps cool down the prices from Feb - March onwards.

Higher peanut carryover stocks in global markets led by bumper crop in Argentina, U.S. could lower the international peanut price. These countries offer competitive prices (C.I.F. basis) in world markets compared to India. China is one of the critical markets for Indian peanuts; lower imports from China have exerted pressure on Indian bold and oil markets. Container shortages continue to be a critical concern, along with rising freight costs. Who is making profits in the current scenario? Well, definitely the farmers & importers, and that is good enough for now. Godspeed India!

FALLING PRICES



MARKET HIGHLIGHTS

- Peanut prices in India witnessed a soft trend on dollar and demand fluctuation. Volume traded decreased substantially due to no sellers.
- America is facing an increase in inland transport cost, ocean freights pushing up the landed cost of peanuts.
- Argentinian shippers are feeling the heat of completing the contracts on time.
- As per the latest Brazil crop estimate, the peanut crop area increased by 5-7%.
- Chinese current peanut oil prices in the spot market are much lesser than y-o-y trends.
- Senegal exporters are negotiating with the government to reduce the export tax from \$70 per ton to \$25 per ton.
- Farmers unwillingness to sell at low prices is becoming a global market phenomenon.

GLOBAL MARKETS

The La - Nina effect!...

USA The Americans received a better-quality crop than last year. Price will play a huge role as the market is too optimistic about tackling the current supply chain disruptions experienced in the previous months. With increasing inland transport cost, ocean freights, the end cost for exporting peanuts have gone up. The U.S. shippers with better pricing would easily compete with the Argentinian crop. With close inspection for aflatoxin and pesticides for U.S. peanuts, Argentina has the European market's upper hand.

Argentina The dry spell of temperature across Argentina plays a crucial role in the planted crop. Corn and soybean are already victimised; good rains are essential to recovering towards a healthy crop. The La Nina effect shows its effect, but the experts feel that previous La Nina's latter rains helped them secure the best harvest - Deje vu?. Peanut crop area is down by around 5% amid higher temperatures. On the trade front, ocean freights plummeted, but the primary concern with shippers is container shortage. Shippers are already starting to feel the heat for completing the contracts on time. Vessels skipping Buenos Aires port add fuel to the fire.

Brazil As per the latest estimates, the peanut crop area increased by 5-7%. Early planting helped get the harvest by Feb - end or March beginning, which is unusual for arrivals in Brazil. But La - Nina is playing the spoiler game in Brazil with high temperatures. The shortage of rainfall is around 20%, which impacts crop growth in major peanut growing regions. Higher freight and food-grade container shortages reduce Brazil crops' competitiveness in the latter year. Brazil shipper penetrates new regions with the previous crop, expecting to repeat the same could be fruitful. Uncertainty in the Russian demand also makes it difficult for the shippers to export the pending cargo available in their warehouse.

China Bulk importer of peanuts lost momentum, current import market prices are not at par with China local prices. Import costs have gone higher due to the freight rise. The current peanut oil prices in the spot market are much lesser than y-o-y, and the consumption dip is the major contributor to the slump. Experts believe that the market can go down further amid rising covid cases after the Chinese new year. China lost it all, and it may prove to be a

tough year in 2022. There are several port cargoes of Sudan old crops in China as we speak. There could be a churn in # of players in China during 2022.

Sudan Sudan new crop arrivals are good, with FOB prices of \$1020 per ton. But exports are delayed due to container shortages. Export shipments are likely to start by January 3rd, although this timeline has earlier quoted as of December 1st.

Nigeria Nigeria peanut price is still in the high ranges; the prices are around \$1.5 per kg locally. Limited supplies of Bold shipped to Gulf countries with \$1200 CIF. Like Asian and American countries, Africa is also reeling under container shortage.

Senegal Senegal exports prospects look bleak even though Chinese presence is on the ground for procurement. Exporters negotiate with the government to reduce the export tax from \$70 per ton to \$25 per ton. The prices are around \$1050 FOB with 10% splits.

DEMAND TRENDS

- Chinese demand is at five year low. Big imports on 2020 crop from different origins, less Consumption amid Covid lockdowns and ample supply from local producers made the market more vulnerable. (China).
- The Chinese market may drop in a big way after the CNY. (China).
- Less demand was seen in Russia in wholesale and confectionery segments. It created havoc amongst the importers. Christmas didn't provide any support to the market. With increasing winter conditions and bulk stocks in the warehouse, the market is in bear grip. (C.I.S).
- Indonesian demand is acting more like Tom & Jerry these days as the buyers maintain a strict and cautious approach on the flow of cargo and procurement. (Asia).
- Christmas didn't bring any cheer to the Philippines market, unlike early years. (Asia).
- Local demand is the straightforward breadwinner for Indian peanut supplies. Indian peanut market is becoming a cash cow for all stakeholders, and International trade is becoming just an add-on. (Asia).
- International Peanut demand is on a mixed trend. With farmers not wanting to let go of the produce at low prices and peanut consumers pushing for shipments, the market could take multiple directions from hereon. (Pnutking).