Peanut Post

PEANUT TOP STORIES | CROP NEWS | MARKET NEWS | PRICE TRENDS | KNOWLEDGE | MARCH 2023 | VOL 67

PRICE TREND INDIA 5060 $1450 ▲ CHINA B 4151 $1800 ▲ ARG 4050 $1450 ▲ USA 4050 $1430 ▲ BRZ 4050 $ NA ● SUD 8090 $1380 ▲

Global Peanut Market
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Peanut Innovation
Bioplastics are a type of plastic that are made from renewable

Sustainability
A typical agricultural waste product, peanut shells can be effectively

Good Agri Practices
Controlling and preventing damage from illnesses and pest insects

The Golden Peanut

Why is peanut oil special compared to other cooking oil based on price trends?

Could this be attributed to the multiple roles the peanut play?

Market Wizard

Cooking Oils

The cooking oil reference is Palm, Soya, Corn, Peanut, Canola, Sesame and Olive oils. However, globally the choice of cooking oil is based on culture and economy. Amongst the edible oils, the palm has **35%** market share, whereas Soya has **28%**, Corn **1.15%**, Peanut **3%**, Canola has **14%**.

Top 5 Cooking oil Prices (in $)

	2018	2019	2020	2021	2022	CAGR
PALM	639	601	1025	1475	1180	13%
SOYA	789	765	838	1533	1617	15%
CORN	540	551	574	1051	1144	16%
PEANUT	1354	1365	1698	2075	2203	10%
CANOLA	842	794	833	1550	1870	17%

Min Max

The past five year price trends of the top **5** cooking oil by market share shows an annualised increase of **13%** (palm), **15%** (soya), **16%** (corn), **10%** (peanut) and **17%** (canola).

Amongst the cooking oil, the highest inflationary pressure was seen in Canola and Corn oil; peanut oil consumption rose **10%**, whereas palm oil (palm has a higher market share) rose only by **6%**. So what makes peanut oil have higher inflationary pressures in recent times?

Peanut Oil

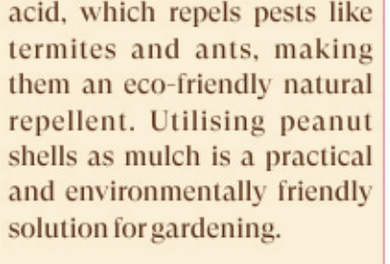
Demand across countries (China, India, Nigeria, and Sudan) fuels peanut oil demand, and the primary consumers are China, India and Nigeria with **82%** global market share. Peanut as produce has many utilities, unlike the competing oil crop. For example, the peanut is used across several significant food applications, while palm or soya is used only in oil and few industrial applications.

The seasonality and volume of production during each crop also contribute to rebalancing the market volatilities.

Conclusion

Peanut's diversified production and its roles based on the cultural and economic utility of the product across various countries have led to the fundamentals of its pricing mechanism. However, the dynamics of the factors that determine peanut prices are not constant. Therefore it leaves an interesting arbitrage in the market for price discovery. What a magnificent nut, Godspeed peanut.

Shelled Facts



Peanut shells can use as organic mulch in gardening.

Using peanut shells is ideal for gardening organic mulch due to their slow carbon breakdown. They are a fantastic source of nitrogen, phosphorus, and potassium, and they can maintain moisture, regulate soil temperature, and prevent weed growth. As they break down, they release nutrients into the soil, enriching it and improving plant growth. They also contain allelopathic acid, which repels pests like termites and ants, making them an eco-friendly natural repellent. Utilising peanut shells as mulch is a practical and environmentally friendly solution for gardening.

Global Peanut Market

In Gujarat, sowing progressed only at **14%** of the average rate over the past three years. The quantum of new crop harvesting in India (mostly Spanish/Java) is across five provinces in the Southen parts of India.

It is one of the best times to procure the world's best Spanish peanuts.

A quick round up

AP & Telangana: Crop arrivals are picking up gradually, and a steady supply of Spanish/Java peanuts is seen. The season will have an extended closure.

Karnataka: Yields have dropped by **50%**, and the quantity arriving at the market is insufficient for local needs.

Tamil Nadu: 110% crop, **50/60** counts and maximum yields. This crop is one of the lowest in aflatoxin and PV, with an extended shelf-life.

Odisha: expected to have a lower yield loss of around **20%** despite an increased acreage amid deficit rainfalls. Odisha's chronic issues continue on yields.

Kharif crop stocks have depleted at NAFED, and stock levels of the **2021** crop are at **20,000** Tons, which is insufficient to meet domestic oil demand. However, domestic oil and oil cake prices support peanut prices. In Rajasthan, the situation is similar, and stocks are stored only for sowing purposes. Indian peanut market could face the turmoil of demand and supply soon.

Market silence could be a positive sign. Despite a short crop, most shellers and manufacturers are contracted and stocks committed. As a result, prices rose **5-7%** more than the previous year. In some regions, the rate realised by the farmers is lesser; however, the farmers benefit through PLC. Therefore, this crop year has helped farmers despite a lower crop scenario.

Peanut and cotton farming are intertwined, and cotton prices are reducing in the US market. Therefore, it may increase the plantings for the **2023** peanut crop, but it is very early to comment on it.

Demand for the old crop is rising with bad news from the new crop. The absence of rain and frost in February is evidence of climatic effects on the peanut crop.

With consecutive years of climatic attacks, the yields are poorer. The rains are an in desperate need of the hour.

The European sentiment for demand has improved dramatically. As a result, the price of **$1600**+ for Rotterdam is becoming the norm, and the costs could rise to **$1800**.

In addition, the Chinese demand for cleaning up the lower grades and crushing quality creates momentum. However, the Chinese shipments are expected to reduce in March and April amid seasonalities.

Farmers have been unable to harvest amid heavy rains in Sao Paulo for the past three weeks. Therefore, the risk of aflatoxin could be higher this season amid excessive rainfall and a longer time frame to dry the farmstock. As a result, the challenges of the quality perceptions of Brazilian peanut supplies are mounting.

The farmstock prices are expected to rise due to a rise in land lease costs. In addition, oil crushing demand may increase as new crushing factories open up during the harvest of the current crop. Brazil is also increasingly becoming a peanut oil supply source.

Oil exports in **2022** increased by **86%** and are expected to proliferate in **2023**. Brazil is following in the footsteps of Argentina with a twist.

The Chinese peanut market is the engine running the global market trends, which is bullish. The blanched peanut prices rose nearly **250$** per ton amid a scarcity of big size peanut kernels. The oil price rose only **2-4%**; however, the procurement and peanut futures rose without limitation. China now depends on supplies from Sudan, and Senegal even started to procure the latest Indian Spanish/Java peanut in the range of **1450-1500$/t**. The market is running unsustainably upwards, creating havoc in every other origin.

However, it turned bearish and continues its trend as we write this report. As a result, March and April could be bearish months, aligning themselves with the seasonal off-peak trends.

Sudan

There is plenty of stocks with the government, stockiest and shippers. Current prices are between **$1300-1380** fob with few outliers at **$1450**. There is good demand in the local market, and the stock of peanut meals is in excess. China continues to rule the Sudan peanut market, with local shippers commanding the price they want. The series of defaults and shipper silences continues. However, prices could start nudging downward in March and April amid slowing demand.

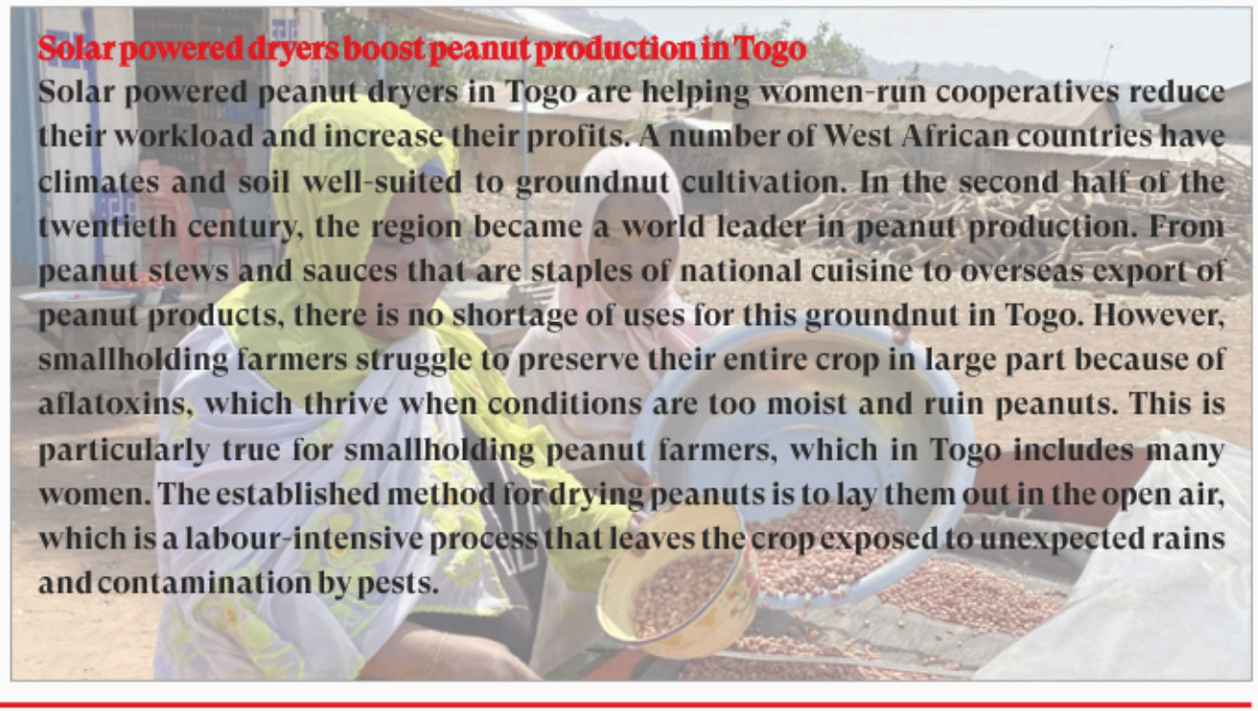
Nigeria

Prices are slightly down from the uptrend; the cost is $1290 for FOB despite a gripping domestic demand. Unlike last year, there were export shipments of a few hundred tons to the South East Asian market. However, no official records have been published yet.

Senegal

The price for **#73** is at its peak due to high demand from the Chinese, and the regulation of **80%** export from current stock complicates the situation the current selling price at **$1300** FOB ranges.

Editor's Pick



Solar powered dryers boost peanut production in Togo

Solar powered peanut dryers in Togo are helping women-run cooperatives reduce their workload and increase their profits. A number of West African countries have climates and soil well-suited to groundnut cultivation. In the second half of the twentieth century, the region became a world leader in peanut production. From peanut stews and sauces that are staples of national cuisine to overseas export of peanut products, there is no shortage of uses for this groundnut in Togo. However, smallholding farmers struggle to preserve their entire crop in large part because of aflatoxins, which thrive when conditions are too moist and ruin peanuts. This is particularly true for smallholding peanut farmers, which in Togo includes many women. The established method for drying peanuts is to lay them out in the open air, which is a labour-intensive process that leaves the crop exposed to unexpected rains and contamination by pests.

Cultivar Highlights

A new peanut variety "FloRunTM '52N" by the University of Florida, USA.

FloRunTM '52N' was released on January **19, 2023** and represents the first normal oleic cultivar released by the UF/IFAS peanut breeding program in over 10 years. The UF/IFAS peanut breeding program develops both normal and high oleic type peanut varieites. **FloRunTM '52N'** was tested over a five year period for its yield and grade potential and was found to have excellent pod yield potential and high grades. In twenty-seven experiments across Florida, **FloRun 52N** was found to have about **4.5%** higher yield than

> **"...found to have about 4.5% higher yield than Georgia-06G..."**

Georgia-06G, the dominant normal oleic cultivar grown today, with equal grade of about **77%** total sound mature kernels (TSMK). It also has moderate resistance to tomato spotted wilt virus (TSWV) and better resistance to white mold disease than **Georgia-06G**. **FloRun 52N** produced about **38%** medium seed on an in-shell basis and the seed count is about **650-700** seeds per pound, making it smaller seeded than **Georgia-06G**. Seed of **FloRun 52N** will be in limited supply for the next two seasons with the potential to grow about 600 acres in seed increase in **2023**.

Source: Btillman | ifas.ufl.edu | Jan **20, 2023** | Field Crops, Peanut file photo: USDA

Ms. Qianqian

Co-founder, Nanyang Qingfeng Peanut

Say about you

I founder Nanyang Qingfeng Peanut Purchase and Sales,we buy peanut from local farmers and process them to wholesalers

Can you describe how the peanut products will evolve in the next 30 years?

As our peanut has remained essentially the same for decades, I believe it will stay how it is. Despite the fact that there are many new varieties, they merely alter yields and harvest times. Kernels contents hardly differ.

Peanut Innovation

The use of peanut oil in producing bioplastics.

Bioplastics are a type of plastic that are made from renewable resources such as plant based oils, starches, and cellulose. One of the plant-based oils that can be used as a feedstock to produce bioplastics is peanut oil. The process of producing peanut oil based plastics involves extracting the oil from peanuts and converting it into a polymer through various chemical reactions. To produce peanut oil-based plastics, the oil is first extracted from the peanuts using cold pressing or solvent extraction. The extracted oil is then purified and processed into a polymer through chemical reactions such as transesterification and polymerization. These plastics are biodegradable and compostable, meaning that they can break down naturally in the environment. Moreover, peanut oil-based plastics possess some unique properties, making them attractive for specific applications. They have a low toxicity profile and are resistant to water and oil, making them ideal for use in food packaging and food service products. Although bioplastics may not be a perfect solution to our plastic waste problem, they offer a more environmentally friendly alternative to traditional plastics and could play an essential role in creating a sustainable future.

Current Crops

ARG — ARGENTINA
Lack of rain and frost affects the harvest process. Yields may reduce.

IND — INDIA
Harvest across five provinces to yield the maximum supply of the best quality Spanish/Java peanuts.

BRZ — BRAZIL
Three weeks of rain affected harvest, aflatoxin risks and crop damages are expected.

USA — AMERICA
Short crop but harvest is completed and commited.

VIET — VIETNAM
Local crops have started arriving, which is sufficient to deter importers from importing high-priced Indian new crops for the time being.

Peanut Sustainability

Sustainable management of peanut shell through bio char and its application as soil ameliorant

A typical agricultural waste product, peanut shells can be effectively handled by being turned into bio-char. A large portion of the agro industrial waste produced by the processing of peanuts is waste peanut shell. 28 million tonnes of peanuts are thought to be produced annually. The weight of the peanut shell alone in Asia ranges from 25 to 30 percent, producing 8 Mt of leftover biomass. Such leftover biomass has a significant energy content and merits study. One of the best solutions for the long term management of a significant volume of residual peanut biomass is pyrolysis. Sustainable agricultural products have an emphasis on crop yield as well as better agricultural waste management and soil health preservation. Crop development is significantly influenced by soil quality, which is mainly influenced by the extensive use of inorganic fertilisers. As a result, the quality of the soil has declined, the amount of organic matter has dropped, and the diversity of helpful micro organisms has diminished. As a powerful tool for sustainable agriculture, biochar, an organic amend-ment, has the ability to significantly enhance soil fertility and soil structure. It is common knowledge that peanut shells can be used as a fuel source and a source of energy for making biochar. A carbon-rich substance formed during pyrolysis with very little oxygen available is referred to as biochar. When employed as a soil amendment, bio char should have a high capacity for binding and water retention and shouldn't have a detrimental effect on the fertility or structure of the soil. Since it has a higher surface area and a lower bulk density, it may hold onto nutrients and water longer, preventing soil hardening. Rapid pyrolysis frequently produces porous biochar with macro-pores that routinely support healthy bacteria and fungi. Moreover, Micro and Mezzo-pores effectively hold nutrient moieties and supply moisture and other dissolved organic substances for enzymatic activities and microbial proliferation, which are thought to be an immediate change agent for soil qualities. Overall, the sustainable management of peanut shells through the manufacture of biochar and its use as a soil improver might be advantageous for the environ-ment and for agriculture. We can cut down on the quantity of agricultural waste that ends up in landfills and increase the productivity and health of the soil by turning a waste product into a useful resource.

> **“...that peanut shells can be used as a fuel a source and...”**

Good Agricultural Practices

Good Agricultural Practices on pest management of Peanuts

Controlling and preventing damage from illnesses and pest insects is a part of peanut pest management. Typical techniques include Crop rotation: Growing peanuts in various fields each year can cut down on the number of pests and diseases. Cultural practises: Good crop management, irrigation, and fertilisation can keep plants strong and less prone to pests and diseases. Pest and disease control can be accomplished chemically with the use of fungicides and insecticides. Using helpful insects like ladybirds to control pests is known as biological control. Creating peanut types that are resistant to particular pests and diseases through resistance breeding. Fields are routinely monitored in order to swiftly identify and address insect infestations. Integrated pest management is a comprehensive strategy for controlling pests that integrates a number of techniques to produce a workable and long-lasting result. For controlling pests in the production of peanuts, integrated pest management is a successful strategy. Crop monitoring: Frequent field inspections to spot pest out-breaks early and decide on the best countermeasures are critical elements of IPM in peanut farming. Cultural practises: Effective pest control measures, such as crop rotation, irrigation, and fertiliser, encourage healthy plant growth. Using beneficial insects like lady-birds and lacewings to control pests is known as biological control. Chemical control: Using targeted applications of insecticides and fungicides only when necessary, preventing misuse, and lowering the danger of chemical resistance. Creating peanut types that are resist-

ant to particular pests and diseases through resist-ance breeding. Education and outreach: To encourage long term and efficient pest control, farmers are being educated on optimal methods for pest management, including IPM. IPM can offer a more long lasting and efficient method of managing pests in peanut crops by combining these elements.