

Peanut Post

PEANUT TOP STORIES | CROP NEWS | MARKET NEWS | PRICE TRENDS | KNOWLEDGE AUG 2023 | VOL 72

PRICE TREND INDIA 5060 \$1730 ▲ CHINA B 4151 \$1700 ▲ ARG 4050 \$1850 ▲ USA 4050 \$1650 ▲ BRZ 4050 \$ 1650 ▼ SUD 8090 \$1400 ▲



Still a cheap nut?

Will peanut continue to be a cheap source for nuts in the decades to come? What triggers the peanut prices to escalate in the recent times?



Global Peanut Market

The new crop season began in India with Spanish peanuts harvested



Peanut Innovation

Peanut Protein Isolate is a complete Isolated Protein Powder from Raw



Sustainability

Peanuts and sustainability are important topics in today's world



Good Agri Practices

Intercropping marigold and peanut can be a beneficial agricultural

Market Wizard

It's going to be tough.

Snack producers and consumers must prepare for higher peanut prices and raw ingredients this year. Why? The world has been grinding on a shortfall of peanuts since 2020; it started with Covid, which increased consumption and decreased production amid lockdowns. The shortfall was not back filled by increased production in the subsequent years. In addition, the increase in Chinese demand, the inflationary price situation, Ukraine war gave a significant tilt to the market to consumption. Annually peanut production is 50 million tons, and consumption is 47 million tons; if we take the past three year statistics projected by USDA, the aggregate consumption is lagging only by 7% globally. What will set off this trend is either a global decline in consumption of over 15-20% or an increase in global production of 10-20%.

What can the peanut price be in 10 years from now?

In the commercial world, what goes up does not come down without a fundamental change. Peanut prices in 2006 (when I joined the peanut industry) were Rs.36/Kg for 80/90 Java. Today the same material costs Rs.120/Kg, don't forget the \$/Rs moved from 44/\$ to 82/\$. That gives you a peanut price inflation of 233% and a currency inflation of 86%. A total of 147% rise over 17 years amid currency depreciation. Where is this price going to be in the next ten years? Based on some statistical analysis, we reckon this peanut price will rise by approximately 30% from here. This projection does not factor in currency fluctuations.

Based on FAO 2050 projections of peanut production, could there be some breather? The current global per capita peanut consumption is 6.9 Kilos; by 2050, it could be 8.4 Kilos. It doesn't look like it's going to get better; which means it will get tough. Godspeed peanut.

Shelled Facts



Peanut hulls can be mixed into the soil to improve aeration and drainage.

Incorporating peanut hulls into the soil provides an eco-friendly way to improve aeration and drainage, nurturing plant growth. These lightweight, porous shells enhance air circulation and water drainage, promoting healthier root systems and robust plants. Moreover, the addition of peanut hulls enriches the soil's organic matter, providing essential nutrients and supporting beneficial microorganisms. Embracing this sustainable practice fosters greener, more vibrant agriculture and gardening, contributing to a healthier world.

Global Peanut Market



Gujarat's summer harvest finished very fast and with disappointment to many amid poor quality, high price and bad weather conditions. The performance is worse than Argentina's '23 crop. The Winter crop 2023 sowing is 85% complete as of July end. Java areas are doing well this year. The recent cyclone and crop damages from it are uncertain; if there are any damages, it will be the Bold crops. However, the present monsoon trend is perfect for Gujarat and Rajasthan. Rajasthan cropping in some areas rose as high as 150%. The overall winter crop acreage is upward of 15-30%. However, cropping in Karnataka is down by 25% amid challenging conditions over the past two years (unseasonal rain), affecting peanut farming. Farmers are shifting to other cash crops, such as chillies. Other Southern states, such as Andhra Pradesh (AP) and Telangana, are having good rains; the sowing season begins in August for the January harvest. A few intercrops in AP are currently being harvested despite rainfall. Peanut prices are trending all-time high amid shortage, continuous rain and domestic demand with the onset of the festive season. With the African & Indian stock-out position, highly dependent neighbouring importers such as Indonesia, Philippines, Thailand, Malaysia and Vietnam will have to

scramble for peanuts in August & September. Expect the prices to skyrocket.



Amid an inactive market, peanut butter consumption is down by 3.6%, and raw peanuts are down by 2.5% compared to the previous year. The peanut crop is delayed by 7-10 days despite farmer enthusiasm. An estimated 1.5 million acres may yield 3.15 million tons of peanuts. If 96% of the area is harvested, production would be 5% higher. US loans for peanuts stand at approximately \$354.41 per ton, and inflation can push peanut prices to go up by 3%. China, the top global peanut importer, doesn't rely on US commodities, but the US may depend on China for other products like corn and soybeans. US peanut exports declined by 6.2% year-on-year, with exports to Mexico and Canada falling by 9% and 1%, respectively.



The Argentine Peanut Chamber projects a severe peanut shortage from market harvesting, anticipating a 32% loss and surging demand for raw materials. With limited carry-forward supplies, raw material prices have risen by about 40%. Land rental increases

of 15-20% may impact the 2023 crop harvests, potentially reducing crop area if profitability is affected. Argentine shellers are facing the brunt of the crop shortfall, leading to a challenging season for stakeholders. The official peanut crop output is 687,236 tonnes, with 38/42 CFR-Rotterdam peanuts commanding the highest price. Europe remains the primary market for Argentine peanut exports, expecting increased shipments in September through October.



Farmers fiercely compete for peanuts as they stockpile for increased non-EU demand during the peak shipping months (September to October) from Latin America. Prices surged by \$250 (nearly 25% YoY) following significant losses in the previous crop due to Russian supply restrictions. Farmgate prices for in-shell peanuts range from \$850 to \$875, reaching a recent high. Holding onto cargo for longer could further boost Farmgate prices, benefiting exporters and shippers. Fulfilment of old contracts makes peanut oil prices appealing, though a \$100 price difference makes it difficult for oil buyers to find it. Shipping raw nuts costs \$1730-50 (sizes 38-42), and oil costs \$1900 fob.



Peanut farming news is encouraging; main production centres, except Liaoning, have shown a 10-20% rise in acreage. China is set to harvest by the end of August; any damages from the recent typhoon are unknown. The overall production of this crop is estimated to be 14.1 to 15 million tons, roughly 10-15% above the 2022 harvest. Local prices are firm; Sudan peanut prices rose from 10300 - 10600 RMB, and the Chinese blanched prices rose \$25-75/ton based on the size, grade and mix of origins. Oil traded between 16000-16500 RMB.



Sudan

Amidst the ongoing civil war, the situation regarding sowing for the upcoming season remains uncertain. The capital city has been invaded by two troops, leading to the loss of internet access in many regions. Despite the local market's unclear conditions and the journey's complexity and danger from Khartoum to Port Sudan, some exporters are still offering 7080 at prices ranging from \$1300 to \$1350 FOB Port Sudan.

Tanzania

Following a decreased crop yield in Tanzania, exports have entered

the market. However, high moisture and splits in the produce have diminished its suitability for the export market. The crop scarcity is swiftly causing the Tanzanian market to withdraw from the international trade scene.

Mozambique

Almost all arrivals have been completed, and several brokers and suppliers have stocked their goods. However, asking rates have turned out to be higher than anticipated. The shortage of crops has considerably hindered exports at a faster rate than in previous years. On a brighter note, farmers view the price hike of approximately \$100 over the past year as encouraging news. Present offers are between \$1350-1450\$ cif Asian ports.

Editor's Pick



Indian Groundnuts Gain Momentum on Robust Demand from Southeast Asia

In the fiscal year 2023, India's groundnut exports reached a new record high, and the current financial year has started positively with strong demand from major South Asian countries, the primary buyers. The lower 2023 harvest in Argentina has been advantageous for the Indian exporters, allowing them to gain overseas market share, while also benefiting from increased domestic production. During April-May of the current fiscal year, groundnut shipments have shown a remarkable growth of 54% in dollar terms, amounting to \$163 million compared to \$106 million in the same period of the previous fiscal year. In rupee terms, the shipments increased by 65% to ₹1,338 crores (₹813 crores), and the volumes rose by 46% to 1.22 lakh tonnes (84,114 tonnes), as reported by the latest data from APEDA. On the other hand, Argentina's peanut exports are projected to be 7 lakh tonnes, down from the previous year's 8.25 lakh tonnes due to a lower crop.



Tuban peanut cultivar that outperforms the intercropping shade.

One of the main drivers of plant development in an ecosystem is light, which also has an impact on the physiology, morphology, and other aspects of a plant's growth. Therefore, light significantly impacts a plant's development and yield. Peanut, which is frequently grown in systems of interculture and intercropping, frequently experiences shadowing from neighboring plants. It is examined how some peanut cultivars responded to varying levels of shadow in terms of growth and seed production, as well as to identify the most shade-tolerant cultivar. The cultivars of Tuban, Jerapah, and Bima are still tolerant of 50% shade. This

“..Tuban cultivar, which was tolerant of 65% shade...”

implies that the three peanut cultivars will still produce well even if they are planted in 50% shade. However, the three cultivars produced poor yields in conditions of 75% shade (25% light intensity), as evidenced by the substantial decline percentage of dry seed production (>70%). Only the Tuban cultivar, which was tolerant of 65% shade, was one of the three peanut cultivars employed in the trial. This indicates that, even in 65% shade, the Tuban variety outperformed the Jerapah and Bima cultivars in terms of growth and yield.

Source: Noertjahyani et al. (2020). Shade effect on growth, yield, and shade tolerance of three peanut cultivar. Jurnal Agro 7(1), 102-111.

#peanut pride



Dr. M. Karthikeyan

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Say about you

I am an associate professor at Agricultural College and Research Institute at Vazhavachanur.

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

Moisture is the key factor of production but mismanagement of water like improper scheduling of irrigation, providing excess water to the crop often leads to the reduction in yield as well as water use efficiency also, The main yield attributes for a successful peanut producing country are choosing high yielding varieties with high shelling percentages, hi-tech production technology, and nutrient responding with pest and disease-resistant varieties.

Peanut Innovation

Versatility and Nutritional Benefits of Peanut Protein Isolate as a Plant-Based Protein Source

Peanut Protein Isolate is a complete Isolated Protein Powder from Raw peanuts. It is an extraordinary plant-based protein powder sourced from peanuts, cherished for its outstanding nutritional benefits and adaptability. Its primary feature lies in its high protein content, encompassing all vital amino acids essential for optimal muscle repair, growth, and overall well-being. It makes it a preferred option for athletes, fitness enthusiasts, and health-conscious individuals seeking plant-based protein sources to supplement their diets. Vegans and vegetarians find it particularly appealing because it originates from peanuts, offering an animal-free protein alternative.

Additionally, it is a suitable solution for those with dairy or egg allergies since it lacks common allergens found in animal-derived protein products. Beyond its muscle-building advantages, peanut protein isolate contributes to satiety and weight management by curbing hunger, controlling cravings, and supporting weight loss efforts. Since it is rich in protein, making it a potential candidate for creating meat substitutes. Its nutrient profile also includes essential vitamins, minerals, and healthy fats, further elevating its nutritional value, though the specific quantities may vary depending on the brand and processing method.



INDIA

South crops began to harvest amid rainfall disruption. The winter crops acreage rose by 15-20%; yield results are unknown.

IND

CHINA

On average, the acreage improved by 12%, and harvest is set to begin by the end of August.

CHI

NICARGUA

The acreage increased by 2% amid good rains. The El Nino effect is an uncertainty.

NIC

NIGERIA

The acreage is down by 4%, and the crop outlook is good until now, with good rains.

NIG

SUDAN

Farmers have difficulty procuring seeds for sowing, especially in the interior areas. Acreage may get impacted.

SUD

USA

Acreage increased by 5%, and crop production is expected to rise by 7%.

USA



Sustainability of Peanuts by Good Bacteria

Peanuts and sustainability are important topics in today's world, and understanding their relationship can shed light on the potential benefits of good bacteria in promoting sustainable agriculture. While peanuts themselves are a nutritious and versatile food source, their cultivation and production can have environmental implications. Good bacteria, particularly those found in the rhizosphere region of soil surrounding plant roots, have the potential to contribute positively to peanut cultivation and sustainability efforts. Soil Health: Good bacteria, also known as beneficial or probiotic Bacteria, play a crucial role in maintaining soil health. They promote nutrient cycling, improve soil structure, enhance water retention, and suppress harmful pathogens. These bacteria form symbiotic relationships with plants, including peanuts, by establishing a mutually beneficial exchange of nutrients. Nitrogen Fixation by Rhizobium bacteria,

for instance, forms nodules on legume roots, including peanuts, and converts atmospheric nitrogen into ammonia, which the plants can utilize for growth. This reduces the need for synthetic nitrogen fertilizers, which have negative environmental impacts such as contributing to water pollution and greenhouse gas emissions. Disease Suppression Beneficial bacteria in the rhizosphere can help Suppress soil-borne diseases that

“...rhizosphere can help Suppress soil-borne diseases that affect peanut crops...”

affect peanut crops. For example, Bacillus and Pseudomonas bacteria strains have shown effectiveness in controlling soil-borne pathogens like Fusarium and Aspergillus, which can cause diseases like peanut wilt and aflatoxin contamination. Increased Nutrient Availability Good bacteria enhance nutrient availability for peanut plants by solubilizing minerals and breaking down organic matter in the

soil. This promotes nutrient uptake, reducing the need for synthetic fertilizers and minimizing nutrient runoff that can harm aquatic ecosystems. Enhanced Drought Tolerance: Some beneficial bacteria improve a plant's tolerance to drought stress. They produce compounds that help plants retain water, regulate their water usage, and stimulate root growth. This can be particularly valuable for peanut cultivation, as peanuts are often grown in regions prone to drought. Improved drought tolerance can lead to higher crop yields and reduce water consumption in agriculture. Harnessing the potential of good bacteria in peanut cultivation aligns with sustainable agricultural practices by minimizing the use of synthetic inputs, promoting soil health, reducing pollution, and enhancing crop productivity. It is important to note that the specific application and effectiveness of beneficial bacteria may vary depending on various factors, including soil type, climate, and crop management practices.

Good Agricultural Practises in Marigold and Peanut Strip Intercropping

Intercropping marigold and peanut can be a beneficial agricultural practice, as it allows for better land utilization, improved pest management, and increased overall productivity. Some good agricultural practices for successful marigold and peanut is site Selection Choose a well-drained and fertile field with sufficient sunlight for both marigold and peanut growth. marigold and peanut in alternate strips or rows to allow sufficient space for each crop to grow without competing too much for resources. Select marigold varieties that attract beneficial insects like pollinators and repel pests, thus supporting peanut growth. Marigold's strong fragrance can deter certain pests that may attack peanut plants. Timing: Plant marigold and peanut at the appropriate time for each crop. Ensure they have similar growing durations to avoid one crop outgrowing the other. Conduct a soil test to determine the nutrient require

ments of both crops. Apply fertilizers according to the specific needs of marigold and peanut to ensure healthy growth Implement a suitable irrigation system to provide consistent moisture to both crops. Adequate water supply is essential for the development of healthy peanuts and marigolds. Intercropping can help suppress weed growth between rows of marigold and peanut. Early detection allows for timely intervention. Avoid using harmful pesticides that can harm beneficial insects and pollinators. Harvest peanuts and marigold flowers at their respective maturity stages. Follow the appropriate techniques to maximize yields and quality. Rotate with unrelated crops to break the pest and disease cycle. Remember that the success of intercropping marigold and peanut depends on your specific location, climate, soil conditions, and other local factors. Continuous observation and adaptation are crucial to optimizing the benefits of this intercropping system.

