

# Peanut Post

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## The Peanut Pioneers in Sustainability

### Report 2022

Pioneering & stewarding the peanut industry in creating value through sustainability



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## The World's First Peanut-Centric Sustainability Report

Kudos to Agrocrops team in delivering the first sustainability report covering the global aspects. Agrocrops is leading the global peanut industry by championing the vision of sustainability: “a rising tide lifts every boat”.



### Global Peanut Market

Winter in Gujarat has progressed about halfway, impacting exports,



### Peanut Innovation

Peanut shells, which are high in cellulose and lignin, can be used



### Sustainability

Peanuts are a rustic crop, with significant commercial values



### Good Agri Practices

Earthing up, a practice of covering the base and lower nodes of the plant

## Our sustainability journey

As a global peanut company, Agrocrops operates closely with diverse peanut origins. We encountered inconsistencies and gaps within the value streams through our growth in these regions. These encounters birthed our holistic approach to sustainability. Amid crises and opportunities, our teams held unwavering conviction in our responsibility to the peanut industry. We established the FIRST peanut-centric sustainability report thanks to Agrocrops' belief in empowering its employees to pursue this mission.

Our focus spanned smallholder farmers, food security, empowering women in the workforce, traceability, food safety, innovation, community development and more. Leveraging our expertise in the peanut market and peanut

itself to produce successful results for the industry's development provides greater satisfaction than individual success.

Moving forward, our strategic efforts will concentrate on three distinct segments of the peanut industry:

Developed countries, developing nations, and under developed regions. There's tremendous work ahead in connecting the dots and optimising the industry for the collective benefit. In this journey, we invite you to partner with us. With more hands, we can achieve significant and faster results.

Godspeed to Agrocrops and the peanut industry a future where collaboration and collective effort pave the way for a more sustainable and thriving industry.

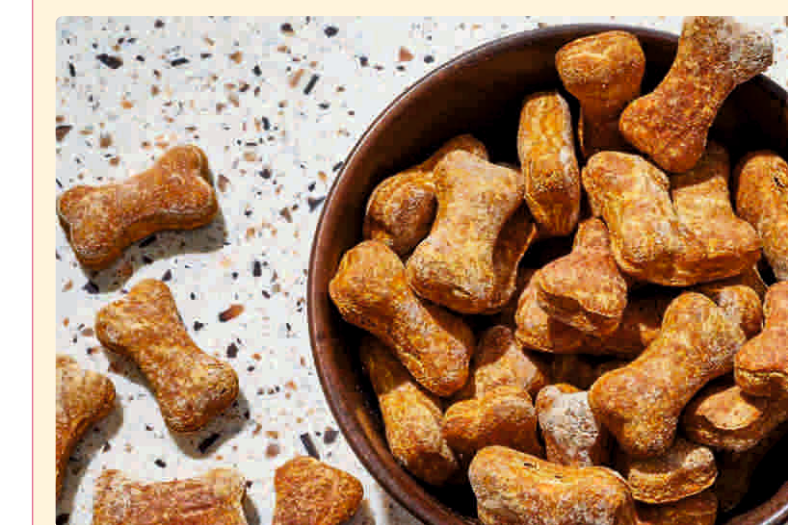
### Topsy-turvy Market

Big crops and poor demand everywhere with occasional bumps and blips. If you were logical, you would have to resign from this situation. Supplies from India, China, Senegal, and Sudan are poised to endure, impacting the 2024 marketing year. This lacklustre trend could continue unless money becomes cheap or demand moves from autumn to spring. Peanut is a

common man's nut, and so it has an evergreen status in the nut industry; however, demand from some of the significant consumption points such as Vietnam, China, India domestic, and Indonesia remains subdued. However, there are glimmers of demand emerging from these regions in addition to GCC and CIS regions.

Let's hope for some sanity within this insanity. Godspeed peanuts.

## Shelled Facts



### The Versatility of Peanut Butter in Dog Care and Training

Peanut butter is a protein-rich spread made from ground peanuts. Many dog owners use it as a treat because dogs generally love the flavor and texture. It's often used in interactive toys or smeared on surfaces to provide mental stimulation for dogs. Additionally, its sticky consistency makes it a convenient way to administer medication, as dogs may not notice pills hidden in peanut butter. Always opt for peanut butter without xylitol, a sugar substitute that can be toxic to dogs.



# Global Peanut Market



Winter crop in Gujarat has progressed about halfway, impacting exports, local supplies, oil production, peanut butter manufacturing, and inter-state sowing. In Rajkot, Gondal, Keshod, Junagadh, and Porbandar, around **50%** of the crop remains due to pricing issues and recent market regulations. Northern Gujarat has seen almost **70%** of arrivals, with the rest expected by December. Oil demand varied, with lower buyer interest in Bold demand. Despite this, prices remained strong amid limited supplies.

Rajasthan experienced a surge in arrivals, but groundnut yield is lower than last year despite favourable rainfall. Graded groundnuts have demand from Northern states, while exports face sluggishness. Jodhpur district's java variety might not suffice for Orissa's sowing needs.

Karnataka faces internal supply shortages, sourcing from Andhra Pradesh and Telangana. Telangana's new crop caters to local demand and not for export. Due to rain, Telangana's sowing is down **25-30%**, but yield looks promising. TamilNadu sees a significant surge in sowing demand due to favourable November rains. Orissa struggles with sowing, depending on Karnataka and

Rajasthan, but lacks the java variety, relying on Andhra Pradesh and Gujarat.



Challenging times confront US farmers as input costs soar amid inflation. Shellers price peanuts diversely: runners at **\$500-\$525/ton**, high-oleic at **\$525/ton**, and Virginia at **\$550-\$575/ton**. Despite this, farmers stay optimistic, pooling resources and expecting prices to rise to **\$600/ton**. Consumption shifts show a **1%** drop in raw peanuts for products and a **10%** decline in peanut candy, yet in-shell peanut butter rises by **5%** and **14.6%** from the previous year. Export-wise, peanuts see a **7%** volume increase and a **14%** value growth, hitting **316,283 tons** by June's end. Mexico and Canada lead, with China surpassing Canada. European shipments spike by **34%**, but the UK's volume plummets by **37%**, indicating a changing global peanut market amidst domestic challenges.



Sowing progress hovers near completion at **90-95%**, awaiting official confirmation. A **5-7%** reduction in cropping area is

anticipated due to soaring land leasing rates. Six months without rainfall have rendered lands arid, necessitating consistent downpours to cool and nurture favourable soil conditions. The shipping industry witnesses heightened demand, with Rotterdam shipment rates peaking at **\$2200**, marking a recent **\$200** surge. Shippers actively pursue optimal cargo options due to prior crop season damages. This data paints a challenging agricultural scene, emphasizing the crucial role of favourable weather for successful crop growth. Concurrently, the shipping industry grapples with increased demand and rising prices, likely influenced by prior crop challenges. Both sectors anticipate weather and economic fluctuations for their future outcomes.



Peanut crop sowing wrapped with a **5-10%** potential decrease due to a prevailing heat wave, impacting soy crops. Crucial month-long rain is needed. Local Chinese market fluctuations led to peanut oil price drops and mixed export stats: raw and blanched peanut shipments rose **7%**, while oil shipments fell **6%**, causing a value increase for peanuts but a **9%** oil shipment decrease. Weather disruptions influenced

crop sowing, potentially shrinking crop areas and affecting the peanut oil market. Chinese market complexities compound challenges. Industry stakeholders must vigilantly track weather and market shifts to navigate these hurdles effectively.



The market showed mixed trends until mid-November, with a glimmer of hope stemming from local crushing companies' increased buying activity. Oil import deals were sealed within the range of **\$1775-1850**. Meanwhile, local

Sudan crop stock prices remained stagnant, with numerous old crop arrivals expected at the Qingdao port. The local crushing companies seem indifferent toward raising prices or output. These demands primarily cater to CNY preparations, hinting at a potential slowdown in the time ahead. Strengthening Yuan poses challenges for exporters, impacting their profits, although the Ramadan demand might offer them better selling prices. It's a market in flux, riddled with confusion and lacking significant power.



## Sudan

Crop sowing area fell by over **15%**, and peanut production plummeted by **45%** due to Sudan's ongoing conflicts. Local peanut prices soared, and input demand increased, resulting in a **20%** yield drop. Some shippers propose **\$1170** for FOB rates.

## Senegal

The government's **280 CFA/tonne** peanut export price boosts farmers' income. This is a positive move for Senegal's economy, but the effects of the export quota introduction await assessment post-implementation.

## Editor's Pick



### Senegal pegs new price of groundnut at 280 CFA

Prime Minister Amadou Ba of Senegal recently announced the floor price for groundnuts in the upcoming **2023-2024** trade season, commencing on November 30, 2024. The set price is **D29.12** per kilogram, equivalent to **280 CFA Francs**, and **D29, 120** per tonne. Anticipating a promising agricultural campaign with an estimated peanut production of over 1.7 million tonnes, Mr. Ba emphasized the importance of strategic planning to address challenges and maximize the sector's potential. The government has allocated a budget of 100 billion CFA francs for the campaign, including **28 billion** for peanut seed subsidies. Mr. Ba urged coordination among relevant ministries and stakeholders to ensure effective implementation of the fixed floor price and prevent seed exports. Emphasizing collaboration, he encouraged efforts to enhance peanut production value through innovation, local processing, and exploring new markets, aiming to secure decent income for producers and strengthen the nation's global market position.



# Cultivar Highlights



## Adopting Waterlogging-Tolerant Peanut Varieties to Combat Climate Change.

Waterlogging severely impacts agricultural areas, causing around 12% of global agricultural land to suffer significant yield loss. This problem is expected to increase due to extreme weather. Peanut, a widely grown crop, crucial for oil and protein, is highly vulnerable to waterlogging, leading to reduced growth and yield. Waterlogging inhibits the respiration and nutrient uptake of roots, affecting leaf antioxidant systems and reducing chlorophyll, crucial for photosynthesis. This disrupts CO<sub>2</sub> absorption, accelerates leaf ageing, and lowers dry matter in plants. It also shortens grain filling time and yield,

“disrupts CO<sub>2</sub> absorption, accelerates leaf ageing, and lowers dry matter...”

impacting overall productivity. The most tolerant varieties identified were Zhanhong 2, Zhongkaihua 1, and Huayu 39. The critical stage for waterlogging impact was during pod filling, worsening with prolonged exposure. Yield decline stemmed from fewer and incomplete pods. To address this, adopting a novel approach involves breeding waterlogging-tolerant peanuts. This includes considering ecotypes from rainy regions and employing measures like soil and plant analysis development (SPAD), photosynthetic rate (Pn), dry matter accumulation, and pod characteristics.

Source : Zeng, R.; et al. Effect of Waterlogging Stress on Dry Matter Accumulation, Photosynthesis Characteristics, Yield, and Yield Components in Three Different Ecotypes of Peanut. *Agronomy* 2020, 10, 1244.

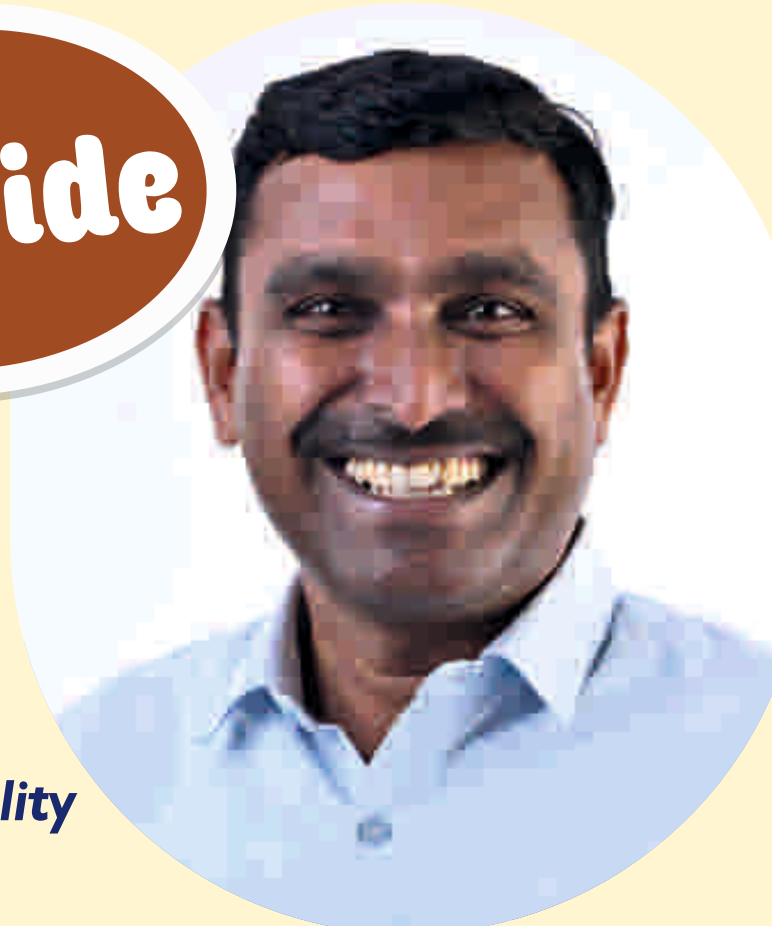
#peanut pride

## Mr. Ranjith Raju

Agrocrops India Pvt Ltd

### Say about you

I work as a Senior Quality Assurance Manager with 16 years in the food industry, specializing in ensuring quality from farm to fork.



### What do you think so special about the peanut industry as compared to other nut industries?

Peanuts are pivotal in global agriculture, serving as major cash crops in key countries such as the United States, China, India, Nigeria, and Argentina. Beyond their economic importance, peanuts boost high nutritional value, offering essential proteins, healthy fats, vitamins, and minerals. Despite being a legume, they are culinarily versatile, finding application in oils, snacks, peanut butter, and sauces. Additionally, their sustainability shines through nitrogen-fixing properties and lower water needs, contributing to soil fertility and making them a resilient choice. Their affordability further ensures widespread accessibility, promoting inclusivity in dietary choices.

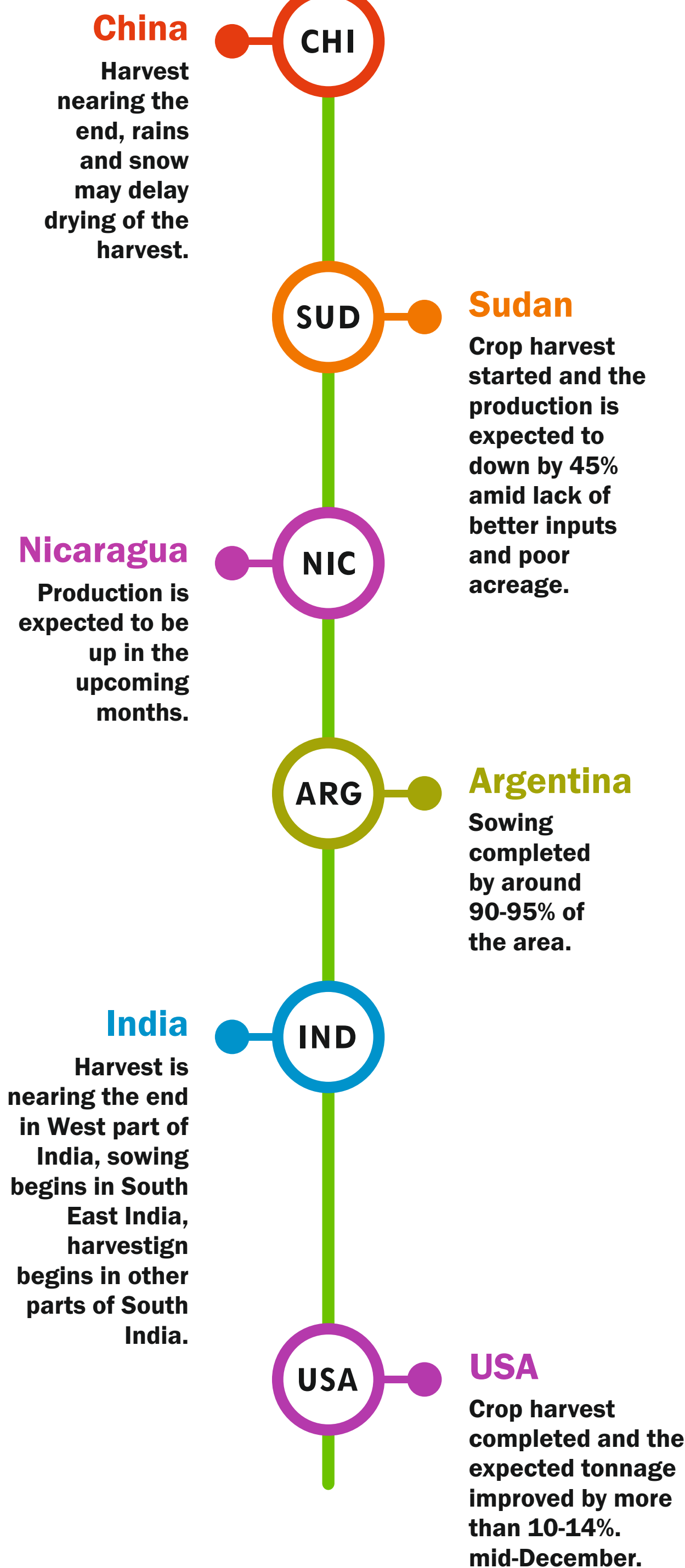
## Peanut Innovation

### Transforming Shells into Sustainable Bioplastics

Peanut shells, which are high in cellulose and lignin, can be used to make bioplastics. Cellulose, a polysaccharide found in plant cell walls, has the potential to be a long-lasting and renewable raw material. The extraction technique requires breaking down the complex structure of cellulose into simpler forms suitable for polymerization. This cellulose can be combined with other bio-based polymers to create plastics that are both long-lasting and biodegradable. The use of peanut shells to manufacture bioplastics has numerous scientific and environmental benefits. Because conventional plastics are derived from nonrenewable resources, it reduces reliance on fossil fuels. Bioplastics generated from peanut shells have a reduced carbon impact during production than traditional plastics. These bioplastics are biodegradable, which helps to address the ongoing issue of plastic pollution.



# Current Crops







## Sustainable Uses of Microbes in Peanut Cultivation

Peanuts are a rustic crop, with significant commercial values “The use of inoculants has been progressively consolidating in peanuts, with the aim of increasing the efficiency of fertilizer use”, *Azospirillum* is a genus of bacteria known as plant growth promoters through a variety of mechanisms, which performs the synthesis of hormones and biological nitrogen fixation in Peanuts, in addition to ensuring other beneficial processes for plants. At first, *Azospirillum* was used as an inoculant only for grasses, but today it is used in practically all crops. *Azospirillum* excrete plant hormones that alter how the roots of plants grow. Affected roots frequently grow more branches and fine root hairs, which may help the plants acquire water and nutrients more efficiently. The main inoculants used for each crop, when aiming for biological nitrogen fixation, there is a specific

inoculant used for each crop. Most *Bacillus*-based biologics allow for more accessible management. Depending on the technology, these *Bacillus* can be in the form of an endospore, not requiring special conditions for applicability and storage of the product, facilitating mixing in tanks under different conditions, as long as there is compatibility in the syrup. Peanut cultivation in an open

“...*Azospirillum* excrete plant hormones that alter how the roots of plants...”

area that is after pasture sugarcane or even cassava has shown positive responses with the use of *Bradyrhizobium* inoculant strains, but in subsequent planting the effect has not been notorious. Furthermore, peanut varieties have had different responses to the different strains on the market. The biological control a common practice in peanut cultivation use of biological products is

now being adopted at a greater rate even before the crop is established, with pre- and post-harvest treatments. The main problems today are black spot-*Cercosporidium personatum* and white mold-*Sclerotium rolfsii*, pathogens that survive for a long time in the soil. Bio-inputs are an intelligent way to regenerate the agricultural system, remembering that the use of these products will always be preventive in nature. It is important to rotate product action mechanisms and, within planning, include the use of bio-inputs so that more effective control can be achieved, resulting in increased productivity.

The best way is to combine both to seek balance. Based on the principle of reducing the use of chemicals, interspersed with the use of biologicals, it is possible to control pests and diseases in this crop and maintain better preservation of natural enemies in the environment.

## Good Agricultural practices on Earthing up in Groundnut cultivation.

Earthing up, a practice of covering the base and lower nodes of the plant with soil, is commonly practiced in groundnut cultivation. Earthing up is to be done within 40–45 days after sowing, as it helps for the penetration of pegs in the soil and also facilitates increased pod development. The application of gypsum is very important. It contains calcium and sulfur. Calcium helps with the development of bold pods with increased weight. The practice is tedious, laborious, and time-consuming for smallholder farmers because it is normally done manually or, in some cases, with an oxen-drawn cultivator. Earthing up after final weeding and gypsum application to compact soil around the effective root zone could increase yield by allowing all pegs to form a geocarpic movement of pegs to develop into pods. Earthing-up has

also been shown to boost yield for cultivars that produce aerial pegs, where many aerial pegs would otherwise remain unproductive in unearthened plots because they do not enter the soil to develop into pods. The practice may also help late-formed pegs enter the soil and form pods. The developing pegs and pods may become exposed due to topsoil erosion in cases where the rainfall is torrential, making them vulnerable to pests and direct solar damage. Further, ridge planting is used for soil moisture management, and soil erosion may reveal the root system, pegs, and pods of those plants on ridges. Light earthing may help to cover the exposed pegs and pods in such situations. Rather than earthing up, some farmers flatten the plants by stepping over them to bend the stems and branches and allow aerial and/or late-formed pegs to enter the soil.

