Water crisis looms large for peanut farmers

3. Thirty Plants: It's an inestimable fact that a farmer in the peanut value chain makes up for an excellent businessman, who manages with his crop, a woolly, mountainous and gambol country, is more in the situation to get through his crop from sowing to harvest. Indian peanut farmers are reeling under declining groundwater level have depleted due to deficit rainfall. Since water levels are 50 per cent less compared to the previous year, the farmers are in dire position with their crops in some states. The key reason is inadequate irrigation facilities and failure of bore wells. A few farmers who are using drip irrigation are confident of saving the crop while the rest fear the crop may only be used as fodder. As per Agri research, February 1st forecast a bumper indicating light to moderate rainfall in major growing areas of Telangana, Andhra Pradesh and Karnataka. This rain could be beneficial to crops for better yield.

2. e-NAM: Electronic National Agriculture Market, an electronic trading platform to network the existing physical multifunction wholesale market (known as APMC market) through a virtual platform to create a unified national market for agricultural commodities. The Government in April 2016 launched this scheme, but the first intra-state trade happened this month, almost three years after its launch. Government fast-tracks interstate trade via this platform ahead of 2019 polls.

3. The Procurement Marathon: The procurement of peanut started in the state of Gujarat from Nov 1st and was targeted to be completed by the 13th of January. Due to the election assembly elections and several public holidays during this period, the procurement has drastically fallen short of the target, resulting in an extension of the procurement period. A total of 30.38 million tons of peanuts were procured against the target of 0.38 million tons (78% achieved). After reaching the target, the government may improve the target up to 0.70 million tons. The year 20-21 being an election year, we may see many state governments active participation in the procurement schemes and perhaps some of them taking bold steps to help the farmer who are already worsened by the weather condition.

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International Peanut Market

Argentina: The crop in Argentina has developed well over the past few weeks with sufficient rain and higher temperatures, which is favorable for peanut plants to grow well. Rainfall over most of the area has given the crop another boost.

USA: The USA will end up with a crop of 2.6 to 2.7 million tons whereas 3.0 million tons was expected back in October. Hurricane Michael and rains in the weeks after it had hit the SE has decreased yields and also caused some quality issues. Many factors play a role such as cotton prices, new crop plantings, demand and the quality of the 2018 crop. Experts believe that the US may run into quality issues with the 20/21 harvested several weeks after Hurricane Michael and after several weeks of rainy weather.

Brazil: Although they finished planting a few weeks earlier they recently had 1 to 2 weeks with rainy weather, which caused some concern. More rain is needed but if things continue well and rains continue from time to time in the next 4 or 5 weeks Brazil will most likely start harvesting early February.

China: The Chinese New Year will be by 3rd February 2019. Manufacturers for the domestic market are hectic to meet market needs and the demand is gradually increasing in the Shandong, Hunan and Hainan areas. Farmers are willing to sell a part of their stocks as they need to spend for the festival. Oil crushers are active in buying from the market. In the Jilin area, the farmers are reluctant to sell due to limited quantity compared with last year. Prices for red skin peanuts have increased with USD 10 per ton, it is forecasted that the prices might increase further.

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