Dilemma of plenty...

Liquid Gold: Gujarat oil millers are seeing a ray of hope in anticipation of a bumper peanut crop this season. After two successive dry seasons, the state is hoping for a good crop this year. The price of peanuts has soared in the past month, with millers estimating a 33.3% increase in prices. The soaring prices are due to a significant drop in the supply of peanuts, which has led to an increase in demand. As a result, millers are planning to purchase more peanuts, which will further increase the demand for peanuts.

Unseasonal rain lashes: Cyclonic Yoyon spared Gujarat and moved towards Oman coast, causing unseasonal rains in the state. The rains have caused flooding in several areas, leading to the closure of roads and schools. Farmers are reporting damage to their crops, and the government has declared a state of emergency in several districts. The heavy rainfall has also affected the peanut crop, which is at a critical stage. The peanuts are at risk of rotting due to the excessive moisture in the soil.

NARS: National Agricultural Research System partners from India, Bangladesh, Myanmar, Laos, and Vietnam. The research is part of the Peanut Network Group Asia (PNG) A workshop which served as a knowledge-sharing platform for NARS partners with industry partners from the food processing and seed sectors. The private peanut seed business in India, Myanmar, and Vietnam is beginning to emerge despite challenges of low seed multiplication ratio, the bulky nature of seed requiring large storage space, and transportation costs. One key opportunity for peanut business is that the letdown seed, if any, can be sold in commodity markets. Updates on seed performance for Single-Nucleotide Polymorphism (SNP) genotyping, standardization of calibrators for Near-Infrared Spectroscopy (NIRS) for single kernel use, SGR SNP array, Target Population of Environments (TPE) for targeting multi-location testing and biological nitrogen fixation. Advanced breeding lines which includes high-yield peanut and those with market preferred kernel size, shape, and color were selected for trials.

Indian Peanut Market: The government estimated the country's peanut production to be around 6.1 million tons as against 3.73 million tons last year. This 40% YoY rise in production generates tremendous scope for the Indian crop, albeit the apprehensions of the price of peanut staying stagnant. Due to timely and sufficient rainfall the production has doubled. The yield has improved from 1056 kg per ha to 2717 kg per ha. The area under cultivation has increased from 1.66 million ha to 3.55 million ha. Over 0.44 million farmers have registered to participate in the procurement activity, which starts from Nov 01 and continue until the end of Jan 30, 2020. Peanut crop prospect in the African nations including Sudan, Nigeria, Mozambique and others have mixed results compared to 2018-19. These countries gave tough competition to the Indian exporters in the international markets during the marketing year 2019. However, this year India could give Africa a good run for their peanut crop.

Bumper production implies good exports:

International Peanut Market: USA: 2019 crop did not materialise well. The Southeast suffered 5 to 6 weeks of extreme heat and received no rain. Some positives at this point is that harvesting is way ahead vs previous years. American farmers harvested 645,422 tons of farmer stock which is more than the 2018 farmer stock of 300,000 tons. The problem is with quality &检疫.

Argentina: With the US imposing tariffs on certain EU goods, the chance of tariffs on US peanuts is getting higher. That could result in an immediate increase of Argentine peanuts. The forecast does not show a plan to sell for the next 3 weeks. Planting usually starts during the middle of October, we can expect delays in planting. There are rumours of additional export taxes by the Argentine government.

Brazil: Brazil started the planting of their new crop. They have faced some dry weather that has slowed the plantings but they are on pace. Brazil was looking to plant 5% more this coming season. Shellers are looking at selling new crop at $400 with poor interest shown by the buyers.

China: The new crop that got harvested is said to be about the same or 5% higher than last year. Peanut conference in Weihai showed a carryover of 3 million tons going into the 2018 crop and a carryover of 1.5 million tons going into the 2019 crop. Despite the tariff issues between the US and China, the US still exported 38.657 million tons to China/Vietnam for the running 12 months between September 2018 and August 2019.

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