Ample rainfall causes concern over kharif crop

**1. Sun’sational:** During August, the main peanut producing districts of Gujarat have received continuous and heavy rainfall. This month rainfall in the country has been 233% above normal. Junagadh, one of the major peanut producing district in the state has received 134% of its average rainfall. During July, rainfall was deficient and during August the southwest monsoon turned powerful. If the rains continued to occur in the next 15 days and there is no dry/sunny times in the next 20-25 days, there could be some damage to the crop by around 20% with some areas facing higher crop damages (early sown regions). More has been spoken about rains in Gujarat these days, such is the condition in the other peanut growing states.

**2. The Covid Change:** Covid has pushed Indians to eat more home cooked food resulting an up trend in peanut oil demand. Import of palm oil, the predominant frying medium fell by 40% year-on-year during April-June, whereas peanut oil reported no decrease in consumption. During the Covid times, people switching to healthier food choices and peanut oil is amongst the best choices available. How these consumption behaviours change post Covid is a million $ agenda.

**3. The Bold Birth:** South Indian peanuts popular for its Java (Spanish) variety has come up with new Bold variety. It is considered to be superior export-quality confectionery peanut variety that comes with a higher cost-benefit ratio. It is released for cultivation in the Northern-Transitional Agro-climatic Zone of Karnataka, India. The variety is named as ICGV 06189 comes with superior pod and kernel features, higher pod yield, higher seed mass and low oil content which is preferred by confectionary companies. ICGV 06189 has large seeds (> 70g /100 seeds) and better pod yield of 2,450 kg/ha and good kernel features. Low oil content of <44% is preferred for confections for a better shelf life.

The sowing acreage under Kharif crops has increased in almost all peanut growing states. Peanut sowing in Saurashtra and Kutch regions of Gujarat have increased by 34% owing to 77% above average rains. According to SEA's estimate the peanut crop has been pegged at 25 mn tons, against 4.70 mn tons last year. Peanut production is expected to jump substantially this year with an increase in yield from 1,009 kg per hectare to 1,419 kg per hectare. Waves of monsoon showers moved across central India has boosted soil moisture. If the high humidity levels persist on excess rainfall then yield could decrease by 33% and SEA estimates 10%-12% of crop loss. Final output of the peanut crop will be determined with the factors such as time of occurrence, crop growth stage, spatial and temporal distribution of rainfall across the states. However, dry weather will be needed in the coming weeks as crops begin to mature. If the monsoon remains normal with no damage from pests and diseases, a record peanut crop could be assured. While the pandemic hits other sectors badly, there is more than satisfactory progress in the peanut farms. Expectations are ruling high on peanut trade. Godspeed India!

**Plenty of peanuts & plenty of rains**

USA: The current crop is in fair, good and even excellent condition in some parts of the region. The SE irrigated crop has shown great potential, but concerns from the tropical storms this week include increase in white moulds, leaf spots and peanut rust. Farmers are concerned about weather conditions during harvest.

Argentina: Exports volumes from Argentina were record in 2020, with almost no reduction in the volumes due to the quick harvest. 60%-70% of cargo was already sold. Prices have shown a bottom level during July, but the prices of whole kernel features. Low oil content of <44% is preferred for confections for a better shelf life.

Brazil: Limited availability of whole kernels, especially the birdseed grade is not ready for sale. Since Brazil started sowing seeds for the new crop in full swing, balance crop from seed sowing will come to market later in October.

China: New crop harvest of Chinese peanuts will start in September. Beginning with the Southern areas in China, such as Anhui & Henan provinces. The main peanut belt is in the Shandong province, the harvesting in this area starts in second half of September. The crops are growing well and harvests delayed amid rain and weather disturbances.

Africa: Nigerian new crop started to arrive and getting ready for export at $900 FOB. IVC harvest almost done in all areas. Senegal expects a good crop with good rains. At the moment crop is in flowering stage.