

July 7 Peanut Market Daily Report

**Kindly note: Due to little changes each day, so the changed information will be marked in red.
USD:RMB (1:6.46)**

China domestic peanut market remains stable today, peanut offers in some origins are mixed. Purchasing activities in origins have entered into last period, many have commonly stopped purchasing. Peanut inventory of dealers is limited, some even have a zero inventory, mostly choose to sell immediately after purchasing, deal prices are mainly based on bargains and previous contracts. Today, peanut oil prices continue to be weak. All oil factories have obviously lowered their offers who are weak in stability. Since it's a low season of market demand, trade atmosphere is light. Dealers trade based on inventory, deals are on the basis of bargains and previous contracts. Deal volume in current market is commonly low, market entities are apparently waiting and seeing. At the moment, pressing profit is still not high. Peanut meal prices are weak with slight decreases today. But peanut meal demand is barely satisfying with a smooth trade flowing, piglet breeding development has been dynamic all the time, so animal feed demand is stable. It is expected that peanut meal prices will be weak with waves recently.

1. China local Origin Peanut Daily Prices Situation

(1) China Origin Peanut Selling Price in Major Planting Province

Province & City or County			Today Selling Price (RMB/MT)	Today Selling Price (USD/MT)	Changes (RMB/MT)	Varieties
Oil Peanut	Liaoning	Beizhen City	8800	1362	0	308
		Jiangtun County	8800	1362	0	308
	Jilin	Fuyu County	8600	1331	0	308
		Qianguo County	8000	1238	0	Silihong
	Hebei	Zhucheng City	9000	1393	0	Dazami
		Chenshi Town	9200	1424	0	Jiyousi
	Anhui	Chihe Town	9000	1393	0	New Baisha
	Jiangsu	Donghai County, Lianyungang City	9000	1393	0	Baisha

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GAIG Daily Peanut Market Report | July 7, 2021

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	Shandong	Caoxian County	8400	1300	0	Huayu
		Xintai County, Taian City	9000	1393	0	Baisha
	Henan	Tongxu	8800	1362	0	Dazami
		Bianzhuang	8800	1362	0	Huayu
		Huaiyang County	8400	1300	0	Huayu
	Hubei	Zhongxiang	9000	1393	0	Zhonghua 5
Raw peanut	Liaoning	Fuxin County	9000	1393	0	308
		Linghai City	9200	1424	0	Japan Mixed
	Hebei	Daming County	9000	1393	0	Jiyousi
		Luanxian County	9200	1424	0	Little Japan
	Anhui	Guzhen County	8800	1362	0	Luhua 8
		Wuhe County	9000	1393	0	Huayu
	Shandong	Anqiu County	9000	1393	0	Weihua 8
		YanCheng County	8400	1300	0	Haihua
	Henan	Zhengyang County	9200	1424	0	Stubbed Wheat Baisha
		Huangludian County	9400	1455	0	Baisha

(2) Major China Big Oil Factories' Local Offers for Peanut Oil (First Grade Oil)

Province	Port/City/County	Company Name	Today Price RMB/MT	Today Price (USD/MT)	Changes (RMB/MT)	Varieties
Hebei	Daming County	Handan Mingfu	17000	2632	0	China Origin
	Linyi City	Yishui Zhuangquan	17500	2709	0	Imported
	Pingdu City	Qingdao Tianxiang	18500	2864	0	China Origin
	Junan County	Yuhuang	17500	2709	0	China Origin
		Jinsheng	18500	2864	0	Imported
		Lvdi	18500	2864	0	China Origin



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GAIG Daily Peanut Market Report | July 7, 2021

GAIG Updates Everyday News

Shandong		Xingquan	18300	2833	0	China Origin
	Feixian County	Feixian Zhongliang	18500	2864	0	China Origin
	Jiaozhou City	Jiaozhou Pinpinhao	19000	2941	0	China Origin
Guangdong	Zhongshan City	Zhongshan Yisheng	17500	2709	0	Imported
	Maoming City	Maoming Quankang	24000	3715	0	Imported
Guangxi	Yulin City	Yulin Darongshan	17750	2748	0	Imported
Henan	Puyang City	Puyang Xunda	16000	2477	-	China Origin
	Hebi City	Hebi Qihua	No offer	No offer	-	China Origin
	Zhengyang County	Zhengyang Weiwei	16000	2477	0	China Origin
	Neihuang County	Anyang Xinghe	15500	2399	0	China Origin

(3) China Big Oil Factories & Feed Factories Local Offers for Peanut Meal (Peanut Cake)

Province	Port/City/County	Company Name	Today Price RMB/MT	Today Price RMB/MT	Changes (RMB/MT)	Varieties
Hebei	Shijiazhuang City	Shjiazhuang Yihai	3650	565	0	Protein: =48%
		Trader	3600	557	0	Protein Meal: =46%
	Shenzhou City	Shenzhou Luhua	3660	567	-20	Trader
Jiangsu	Xinyi City	Xinyi Luhua	3650	565	0	Protein: >46%
Shandong	Heze City	Dingtao Luhua	3650	565	0	Protein: >47%
	Junan County	Junan Yuhuang	3650	565	0	Protein: >46%
		Junan Lvdi	3650	565	0	Protein: >47%
		Junan Jinsheng	3650	565	0	Protein: >47%
		Junan Xingquan	3650	565	0	Protein: >46%
	Jiaozhou City	Jiaozhou Pinpinhao	3620	560	0	Protein: >47%
	Pingdu City	Qingdao Tianxiang	3650	565	0	Protein: >47%
	Qingdao	Qingdao Yihai	3650	565	0	Protein: =46%
Henan	Chongzhou	Chongzhou Yihai	3680	570	0	Protein: =48%
	Puyang City	Puyang Guangyuan	3610	559	0	Protein



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GAIG Daily Peanut Market Report | July 7, 2021

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						Meal:>46%
	Puyang City	Puyang Xunda	3650	565	-	Protein Meal:>46%
	Xiangyang City	Xiangyang Luhua	3700	573	-	Protein Meal:>46%
	Kaifeng City	Kaifeng Longda	No offer	No offer	-	Protein Meal:>46%
	Zhoukou City	Zhoukou Luhua	3630	562	0	Protein:=48%
	Qingfeng County	Qingfeng Longteng	3600	557	0	Protein:=48%
		Trader	No offer	No offer	0	Protein :>48%
	Jun County	Junxian Youmofang	3600	557	0	Protein Meal:>46%

2. Peanut Futures Daily Closing Prices in Zhengzhou Commodity Exchange

Contract Name	Opening Price RMB/MT	Highest Price RMB/MT	Lowest Price (RMB/MT)	Newest Price (RMB/MT)	Changes (RMB/MT)	Deal Volume (Tons)	Open Interest (Tons)	Last Day Settlement (RMB/MT)
PK110	8986	9076	8976	9026	-64	16001	34328	9090
PK111	9050	9076	9048	9074	-58	13	196	9132
PK112	9074	9074	9060	9060	-62	7	60	9122
PK201	9060	9142	9050	9102	-60	511	4789	9162
PK203	9090	9156	9038	9142	-14	8	168	9156
PK204	9148	9186	9096	9186	-26	4	57	9212

Unit: RMB/MT July 7, 2021

3. Import Peanut Selling Prices in China Major Ports

Port	Variety	Selling Price (RMB/MT)	Selling Price (USD/MT)
Tianjin Port	Senegal Baisha Selected Good Peanut	8500	1316
	Senegal Baisha Oil Peanut	No offer	No offer
	Sudan Baisha Uncleaned Peanut	No offer	No offer
	Sudan Baisha Selected Good Peanut	8800	1362
	Sudan Splitted Peanut	No offer	No offer



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GAIG Daily Peanut Market Report | July 7, 2021

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	Sudan Peanut Cake	4350	673
Qingdao Port	Sudan Baisha Selected Good Peanut	8800	1362
	America Peanut Sortex	9550	1478
	America Splitted Peanut	No offer	No offer
	India Peanut 50/60	9700	1502
Ports in China South	Senegal Baisha Selected Good Peanut	9800	1517
	Sudan Baisha Selected Good Peanut	9600	1486
	Myanmar White Uncleaned Peanut	10500	1625
	Myanmar Red Cleaned Peanut	No offer	No offer

4. 2020-2021 Global Peanut offers

Sudan:

Sudan Peanut (2020-2021), CNF Qingdao 1100-1130 \$/mt.

Sudan Peanut Cake CNF no offer offer \$/mt

Sudan Peanut Oil CNF \$1820/mt Qingdao

India:

India (PEANUT NEW CROP Groundnut kernels white color JAVA) 50/60: CIF China \$1560/MT

India (PEANUT NEW CROP Groundnut kernels white color JAVA) 60/65: CIF China \$ 1510/MT

India (PEANUT NEW CROP Groundnut kernels white color JAVA) 60/70: CIF China \$ 1470/MT

Shipment: On or Before 31 March 2021

India Peanut Oil:

2% FFA 1185 \$/MT CNF China main port

1% FFA No offer \$/MT CNF China main port

Senegal:

Senegal crushing quality Peanut (new season crop) prices at the no offer USD/MT CFR Qingdao

Argentina:

Argentina Peanut (2020-2021) us\$ 1559.- to \$ 1575.- CFR Rotterdam for raw wholes

Argentina Peanut (2020-2021) FCA \$1650-1700\$. Rotterdam for blanched wholes

Argentina 38/42 Peanut (2020-2021) CFR no offer. Rotterdam for blanched splits



Brazil:

Brazil Peanut (new season crop) prices at the CFR no offer USD, Rotterdam range for blanched wholes

Brazil Peanut (new season crop) prices at the CNF China no offer USD.

Mozambique:

Mozambique Java 80/90 Peanut (new season crop) prices at CNF Haiphong, No offer USD

Mozambique Java 60/70 Peanut (new season crop) prices at CNF Haiphong, No offer.

Tanzania:

Tanzania Peanut (new season crop) prices at the CNF Haiphong No offer USD

Italy Peanut Oil

Italy peanut oil prices are CNF China Ports at 2335 EUR/MT

Ethiopia Peanut

2021/2021 Crop, and pick quality, oil content 46% min, broken and splits 15% max, FFA1.5 max, moisture 6% max

Origin: Jimma

Quantity: 11MT(6Fcl)

Price: \$1150 FOB Djibouti port

5. Market Analysis

China:

The Chinese market continues to be weak domestically. Nevertheless export prices continue to be out of reach due to freight costs. The birdfood market continues to be extremely firm and will most probably continue to be firm with a lack of supply of cheap material.

Statistics for February 2021:

Imports: 59'944 mt of peanuts imported in February with 28'644 mt from Sudan, 21'815 mt from USA, 7'225 mt from India and 1'44 mt from Argentina. 137'424 mt of peanuts imported Jan-Feb 2021 with 64'691 mt from USA, 35'045 mt from Sudan, 31'317 mt from India and 4'000 mt from Argentina. 37'160 mt of peanut oil imported in February with 29'948 mt from India, 4'541 mt from Sudan and 1'083 mt from Argentina. 99'298 mt of peanut oil imported Jan-Feb 2021 with 81'389 mt from India, 10'061 mt from Sudan and 4'165 mt from Argentina.



Domestic Peanut Market

China domestic peanut market remains stable today, peanut offers in some origins are mixed. Purchasing activities in origins have entered into last period, many have commonly stopped purchasing. Peanut inventory of dealers is limited, some even have a zero inventory, mostly choose to sell immediately after purchasing, deal prices are mainly based on bargains and previous contracts. At the moment, few peanuts left in market, both buying and selling situation are not optimistic. Furthermore, peanut prices are in a relatively low place while farmers expect much higher, which results in a deadlock between buyers and sellers and a lack of peanut sources. Farmers' less willingness in selling has a certain impact on the replenishment volume in the whole market. Peanut prices in Henan are mainly stable, with few buyers and a small deal volume as well as a slow market trade flowing. It is expected that peanut prices will stay weak in short term.

China Peanut Oil Market

Today, peanut oil prices continue to be weak. All oil factories have obviously lowered their offers who are weak in stability. Since it's a low season of market demand, trade atmosphere is light. Dealers trade based on inventory, deals are on the basis of bargains and previous contracts. Deal volume in current market is commonly low, market entities are apparently waiting and seeing. At the moment, pressing profit is still not high. Oil factories are ending in purchasing, first grade peanut oil prices wave around 17000-18500 yuan/ton, Puyang Xunda in Henan are all low and maintain at 15000-16000 yuan/ton. Peanut oil market will keep weak, it is expected that peanut oil prices will be weak recently.

China Peanut Meal Market

Peanut meal prices are weak with slight decreases today. But peanut meal demand is barely satisfying with a smooth trade flowing, piglet breeding development has been dynamic all the time, so animal feed demand is stable. However, the fall of DCE soybean meal prices has an influence on the whole meal market, so peanut meal prices have declined today. As new crop hasn't entered into the market yet, oil pressing profit is shrunk, so peanut meal production lacks of activity to proceed. It is expected that peanut meal prices will be weak with waves recently.

6. Overseas

West Europe is continuously receiving heavy shipments from Argentina, so no supply issue. West European buyers have been very active the past month. East Europe has Brazil to rely on as a main



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GAIG Daily Peanut Market Report | July 7, 2021

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supplier, but other origins such as India have become an issue with the higher prices. The US domestic market is in the midst of its new crop plantings and all eyes will be focused on weather.

The peanut market has been absolutely uneventful this past month. Outside a continuing very strong and short inshell market and a tight birdfood market, the edible market both internationally and USA domestically have been extremely quiet. The international market is seeing some movement on the Rotterdam spot market. The quietness of the market is very puzzling in spite of extremely bullish commodities markets, especially soybeans and corn. Looking at those prices, I guess I wouldn't worry much about its impact on the current situation as planting decisions have already been made for the US and probably for China. One has to wonder though how long this run up will continue and what impact it will have for future crops. Argentine shellers will soon have to start negotiating land rent for the 2022 crop. I think that a slight contraction of peanut plantings and/or higher land rent will certainly happen. Brazil is a little different since peanuts are grown as a rotation crop with sugar cane and have also found new areas to be planted in. India is currently in the midst of its summer crop, but the winter crop will be planted soon. It is unclear what impact commodity prices and the scary COVID-19 pandemic will have on the country and its crop. Despite cotton having seen a jigsaw market for the past several months, it is not unlikely that cotton prices continue to rise which needs to be looked at carefully as it would result in potentially losses of acres and/or higher farmer stock prices in the US for the 2022 crop. Lastly China where continuing strong commodity prices should certainly result in continuing higher prices for peanut oil maintaining China's appetite for foreign peanut oil and peanuts. The worldwide peanut supply situation seems adequate at this time. What keeps me up at night right now is the above and the US and Chinese new crops. Tough to tell where prices are going. I have difficulty finding many bearish scenario. The only one would be a decline in commodity prices. But I can find many bullish possibilities.

USA

Harvest Situation June

The peanut crop 2021 harvest is about 65% done, the last part of the area will be progressing 10% per week approx, so we do expect to finish the total area during the month of July. The quality received is very good (80%), good (15%) and poor quality (5%). The total volume expected would be less than 2020 Crop, due to the fact that 2020 was a record yield production crop, and the increase in the hectares planted will not compensate for the lower yield. Shelling and processing is 45 days late vs the production in 2020, and the congestion lack of spaces in shipping vessels will produce lower volume of deliveries-export volumes from origin. Virginia's high oleic variety is



Agriculture Research Service | Situation and Insight Report

GAIG Daily Peanut Market Report | July 7, 2021

GAIG Updates Everyday News

harvested in a 50% approx, and the volume expected is lower than last year, due to the hectares planted were less than 2020. Nevertheless, the size of the kernels as per farm stock incoming analysis are higher than crop 2020. We will have better information as soon as shelling is done by the middle of August. The US domestic market is in the midst of its new crop plantings and all eyes will be focused on the weather. USDA Peanut plantings update on June 7: 87% planted. The Southeast and the V/C are very dry at the moment, whilst the SW and Delta region have received rains. Regardless soil moisture is very short in every single state with the exception of Arkansas. Some chances of rain in the SE and the VC this week or so (with some rains having fallen lately). We have never lost a crop in May/June, but one has to wonder if this drier pattern will be a trend for the summer. The long range forecast calls for most of the SE, the VC and SW to have above normal temperatures, for the SW to have as usual below normal rainfall and for the SE and the VC to have above normal rainfall. I am hearing of some replanting and somewhat lower seed sales. Not sure what it means at this time. We will have to wait for the certified acres to come out before having a better idea of what has been planted, but I would not be surprised to see plantings down 3 to 5%. All depends on the weather during July and August, yields and quality. The Ministry of Agriculture forecasts an increase of 11.93% for the Kharif crop. Long time to go but some positive news. The monsoon are also forecasted to be good and consistent. There are some reports that farmers could switch some of their cotton crop to peanuts, soybeans and/or corn.

USDA Stocks and Processing: March 2021

Mar 21 vs. Mar 20: Peanut Candy up 4.18%, Peanut Snacks up 1.82%, Peanut Butter up 5.93%, Total Edible up 3.95%, Inshells down 14.25%. Aug 20-Mar 21 vs. Aug 19-Mar 20: Peanut Candy up 7.53%, Peanut Snacks up 4.96%, Peanut Butter up 4.20%, Total Edible 3.52%, inshells down 2%

USDA Exports: March 2021

Mar 2021 vs. Mar 2020: 49'526 mt exported vs. 49'279 mt a year ago, an increase of 0.5%. With all the logistics issues, shipment to China have slowed down. Shipment to China were 17'908 mt vs. 19'466 mt a year ago, a decrease of 8%. Shipment to Mexico are finally back up with an increase of 5.31%. Canada was surprisingly down 19.16%. Japan had a strong month with an increase of 64.08%. And the bleeding is over for the EU27 with an increase of 27.99%. Aug 20-Mar 21 vs. Aug 19-Mar 20: 377'345 mt were shipped the first 8 months of the year vs. 344'781 mt a year ago, an increase of 9.44%. China continues to be the clear no.1 with an increase of 85.55%. With the exception of Japan that shows an increase of 17.83%, all other markets are down with the EU27 down 42.93%, the UK down 51.32%, Mexico down 11.40% and Canada down 6.19%.



Agriculture Research Service | Situation and Insight Report

GAIG Daily Peanut Market Report | July 7, 2021

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Sudan

The price of international market continues to show steady performance, and the exchange rate of Sudan or Ethiopia maintains a slight downward trend. Since Sudan sharply reduced the official exchange rate last week, the market black market trade has basically ended. All parties in the market continue to pay close attention to the market, while Sudan government are on the process of strengthening the direct foreign exchange business of banks.

Myanmar

21, June, 2021, in order to strengthen the pandemic regulation and control in Wanding port and lower the risk of overseas COVID-19 cases, all Chinese vehicles will be banned from travelling abroad since June 22nd and wish for an understanding and support from foreign trade enterprises and businessmen, said in a statement from Ruili Municipal Command of Novel Coronavirus Prevention and Control.

7 July, 2021, Wanding port used to be the only port available, but due to the surging COVID-19 cases in Ruili, all custom affairs and services have been called a pause since July 5, nucleic acid test for COVID-19 will be undergoing in these two days. The border Myanmar money rate is at 0.004, red peanut prices are at 2750-2800 kyat/viss.

Africa

South Africa: CEC latest report (4th forecast) is unchanged with 38'550 has produced 57'900 tons.

Brazil

The Brazilian new crop harvest is almost complete. Overall a decent crop both quantity and quality wise despite the challenges of the extended planting time which resulted in many growing and harvesting challenges. The Brazilian market continues to be strong fueled by strong demand for farmerstock from crushers, shellers and Chinese demand, although I have heard that Chinese buying prices for peanut oil have been lowered lately.

Brazil exports for March 2021:

Peanuts: 13'702 mt exported. 7'014 mt to Russia, 925 mt to Ukraine, 925 mt to Algeria, 775 mt to South Africa and 1'431 mt to the EU.

Peanut oil: 4'849 mt exported. 3'178 mt to China and 1'662 mt to Italy.



Agriculture Research Service | Situation and Insight Report

GAIG Daily Peanut Market Report | July 7, 2021

GAIG Updates Everyday News

Argentina

The Argentine new crop is developing fairly well although yields will not be as good as last year. It is predicted that Argentina will have about 100'000 mt less to export out of this new crop vs. last crop. The crop will not be as mature as last year which should help the small kernel market. Only about 10% has been harvested so far. Weather has somewhat behaved so far and the next 2 weeks forecast looks good. Let's hope for continuing good weather during the harvest for Argentina to have a good crop. Prices are around us \$ 1550.- CFR Rotterdam for blanched wholes.

Argentine exports:

Peanuts: 55'688 mt exported in February.

Peanut oil: 5'944 mt exported in March.

India

The government has planned to distribute the soybean and groundnut seeds to the farmers. The government will distribute mini kits to the farmers. In this kit, seeds of many pulses including soybean & peanuts will be added. As per the information, the government will spend around 82 crore rupees for this. To reduce the prices of edible oil in the country, the government has come up with a special plan. The plan is to distribute mini kits to the farmers. Note that for the past few months, edible oil's prices are continuously increasing. To increase the yield of pulses in the country, so that inflation can be controlled and farmers can also get benefits. The Union Agriculture Ministry said that with the discussions with state governments, preparations for distributing mini kits have been completed. This year kits will be distributed to around 20 lakh farmers. And the entire cost of the kits will be given by the central government.

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