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Peanut Market Outlook

Southern Outlook Conference

Atlanta, GA

September 20th, 2022

Dr. Wendiam Sawadgo

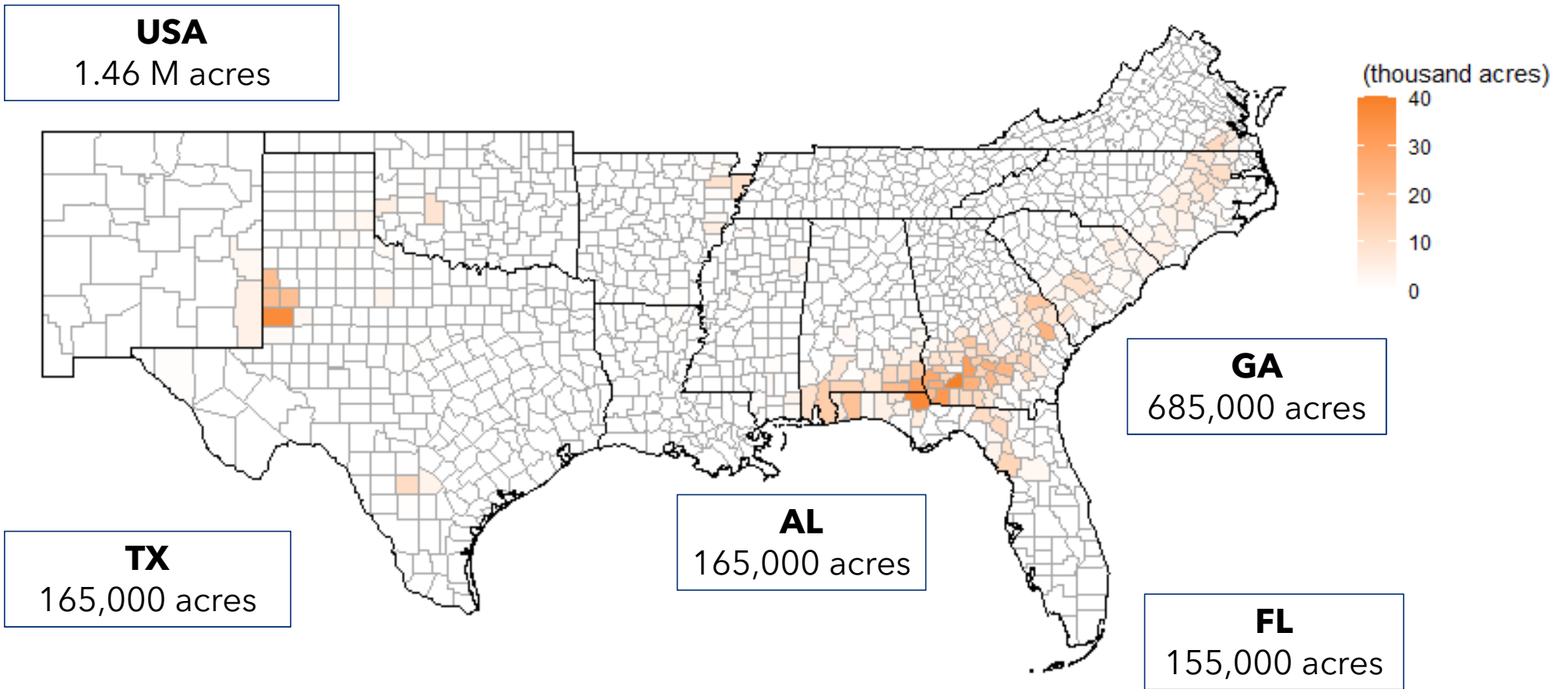
Assistant Professor & Extension Economist

Overview

- Supply
 - Decrease from 2021
- Demand
 - Food consumption up again
 - Exports starting out slow
- Other things to watch for
 - High input costs
 - High prices of competing crops

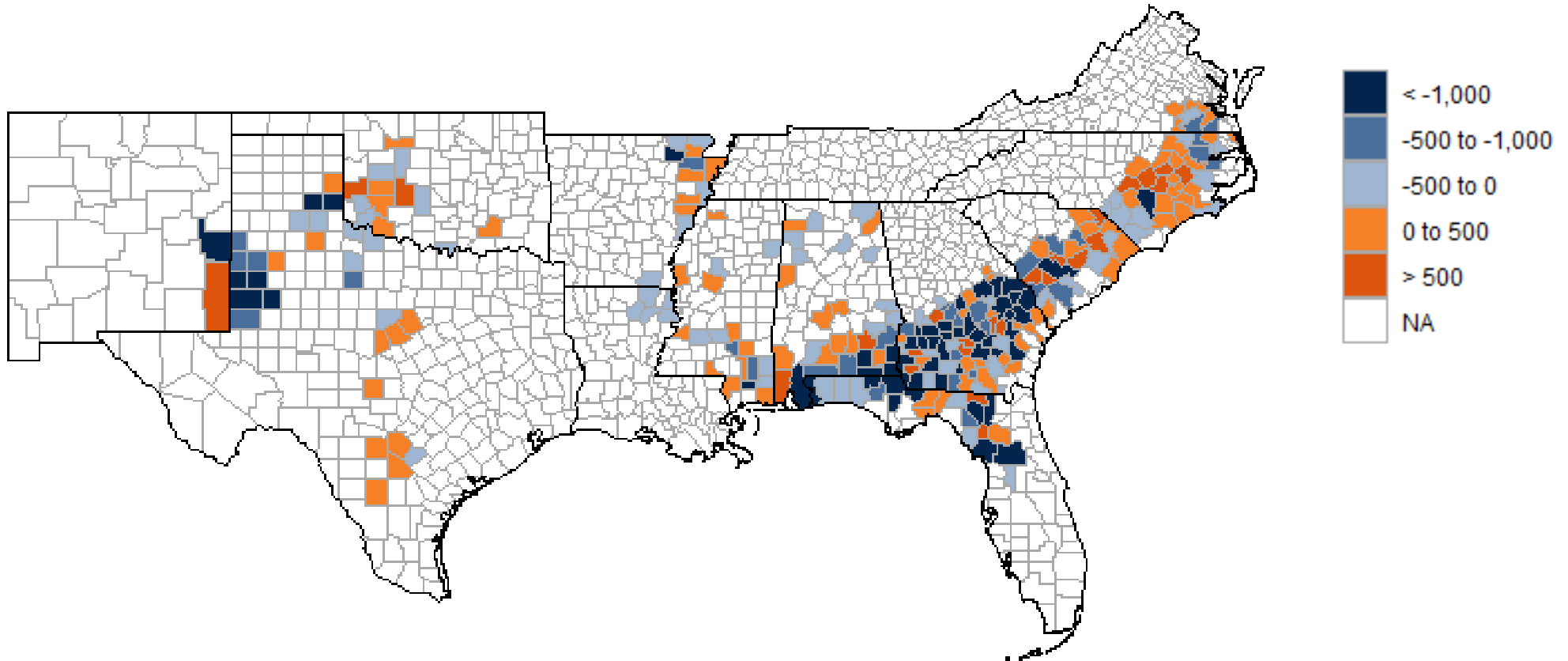
Supply

2022 Planted Peanut Acres



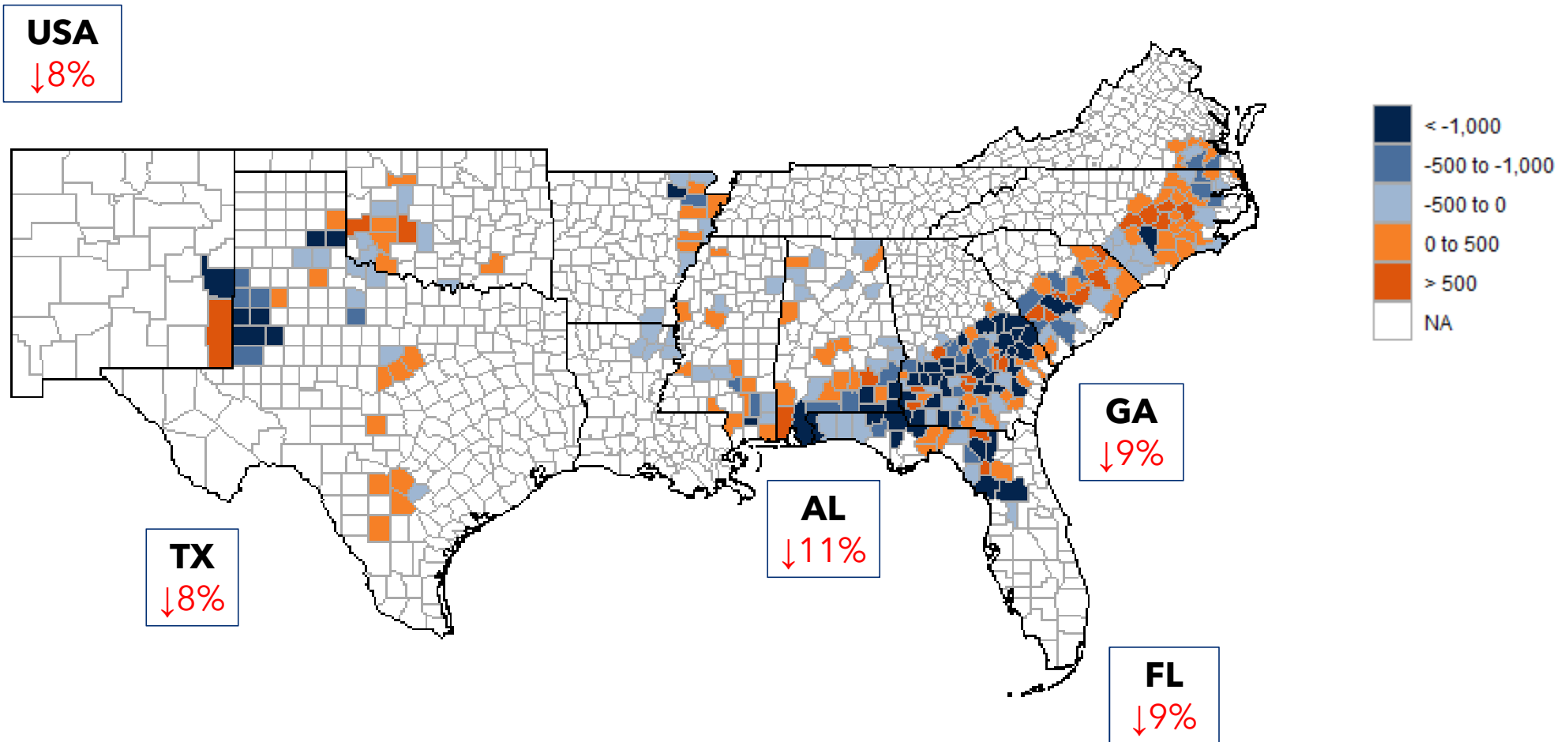
Data source: FSA; Updated September 2022

Changes from 2021 to 2022 (acres)



Data source: FSA; Updated September 2022

Changes from 2021 to 2022 (acres)



Data source: FSA; Updated September 2022

Peanut acreage planted (1,000 acres)

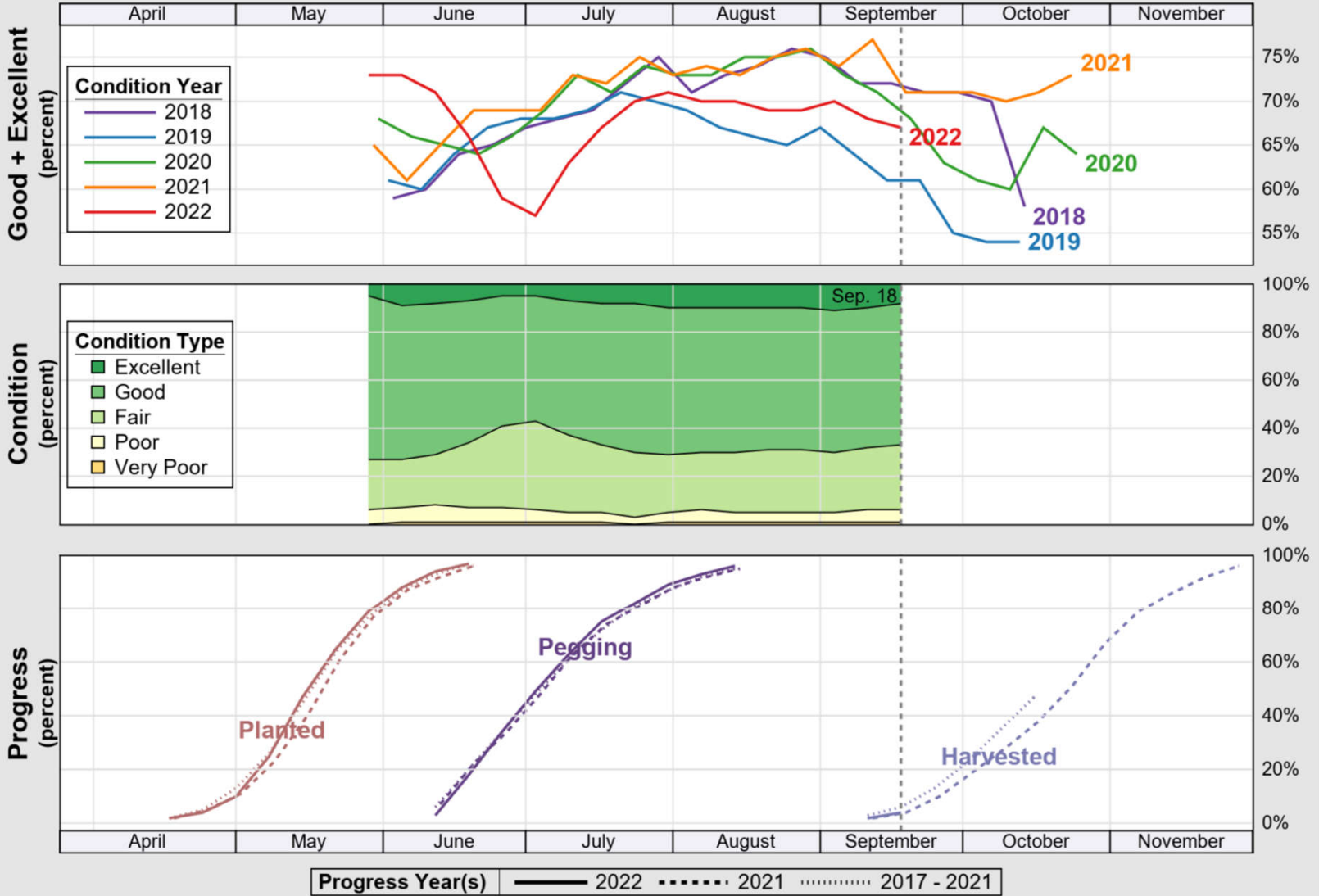
State	2017	2018	2019	2020	2021	2022	% Change
Alabama	195	165	160	185	185	165	-11%
Arkansas	30	26	34	39	36	33	-8%
Florida	195	155	165	175	170	155	-9%
Georgia	840	665	675	810	755	685	-9%
Mississippi	44	25	20	23	18	14	-22%
Southeast	1,304	1,036	1,054	1,232	1,164	1,052	-10%
New Mexico	9	6	5	6	11	7.1	-35%
Oklahoma	21	16	15	15	16	18	13%
Texas	275	155	165	190	180	165	-8%
Southwest	305	177	185	211	207	190	-8%
North Carolina	120	102	104	108	115	117	2%
South Carolina	125	87	65	85	69	71	3%
Virginia	27	24	25	28	30	29	-3%
Virginia-Carolina	272	213	194	221	214	217	1%
US	1,881	1,426	1,433	1,664	1,585	1,459	-8%

Data source: USDA-NASS; Updated September 2022

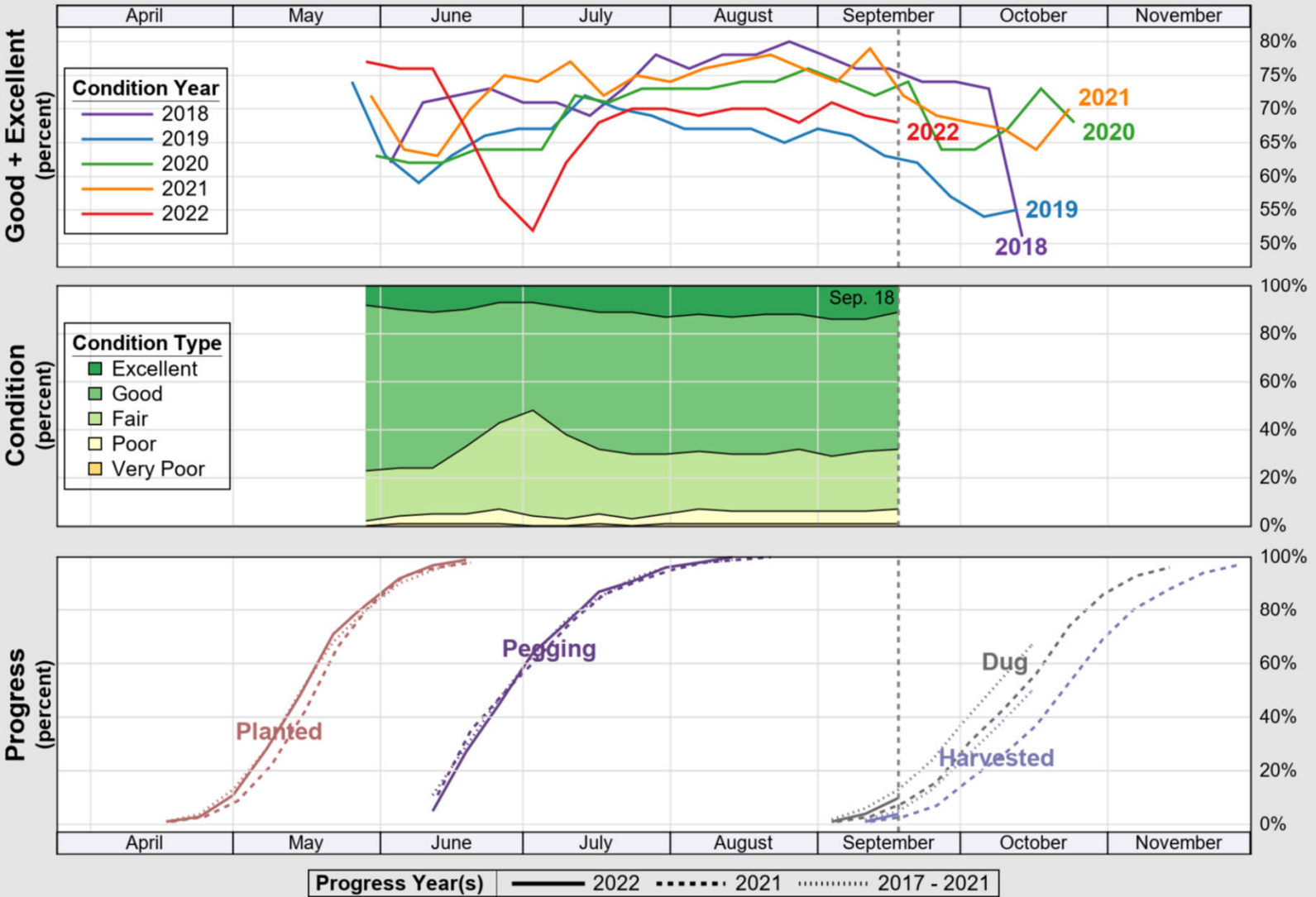
USDA

Crop Progress and Condition: Peanuts in United States , 2022

NASS



Source: National Agricultural Statistics Service (NASS), Crop Progress Report

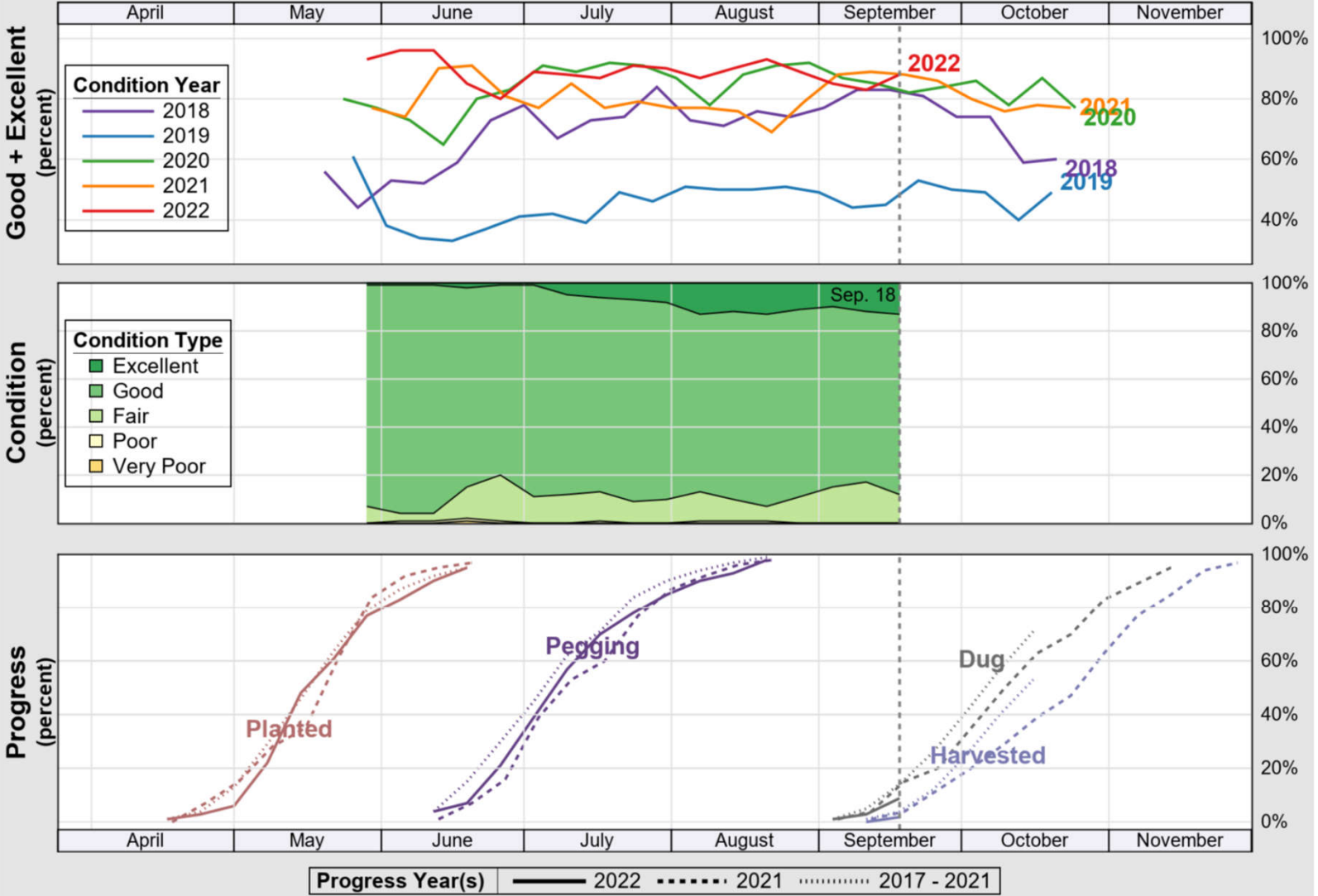


Source: National Agricultural Statistics Service (NASS), Crop Progress Report

USDA

Crop Progress and Condition: Peanuts in Alabama , 2022

NASS

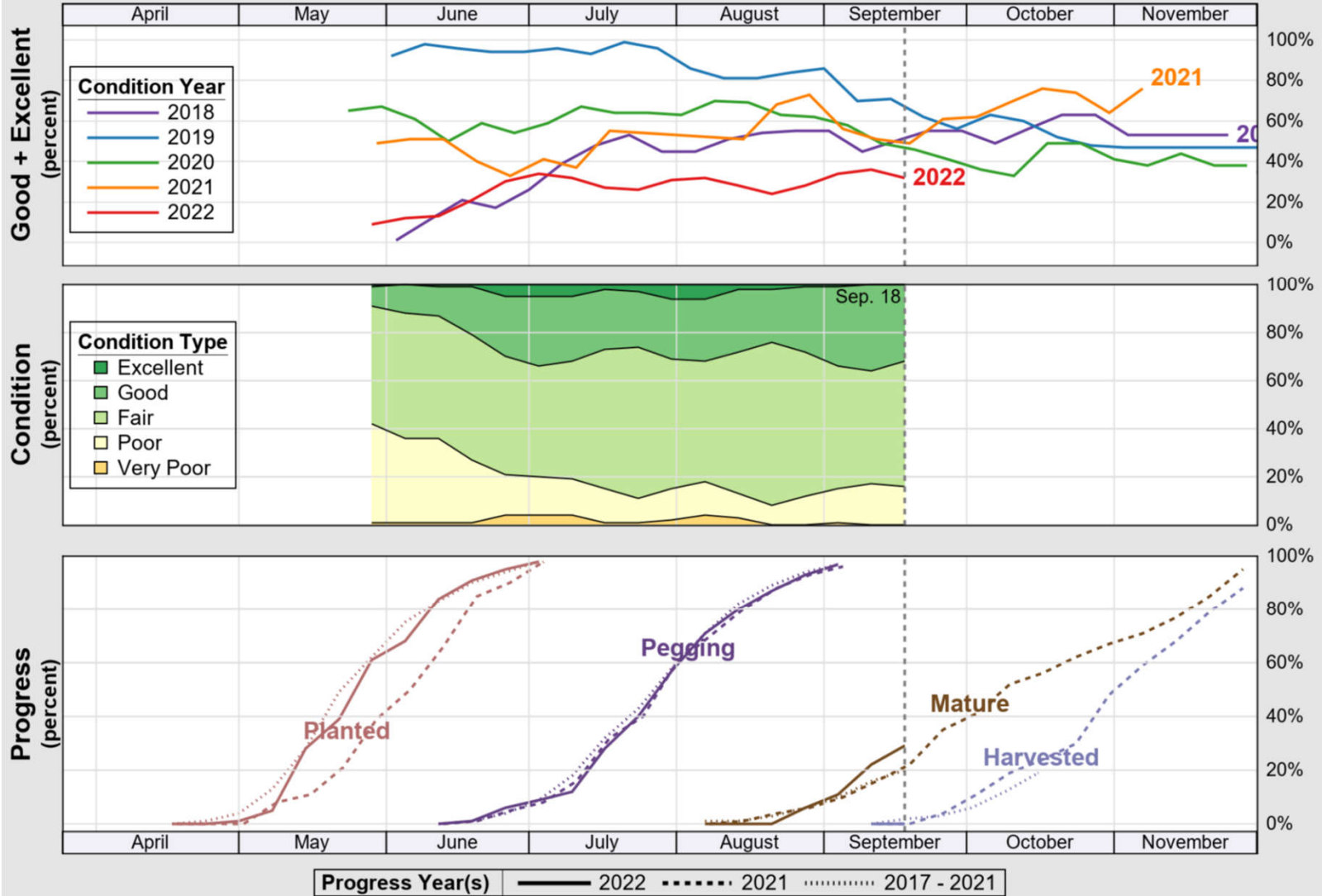


Source: National Agricultural Statistics Service (NASS), Crop Progress Report

USDA

Crop Progress and Condition: Peanuts in Texas , 2022

NASS



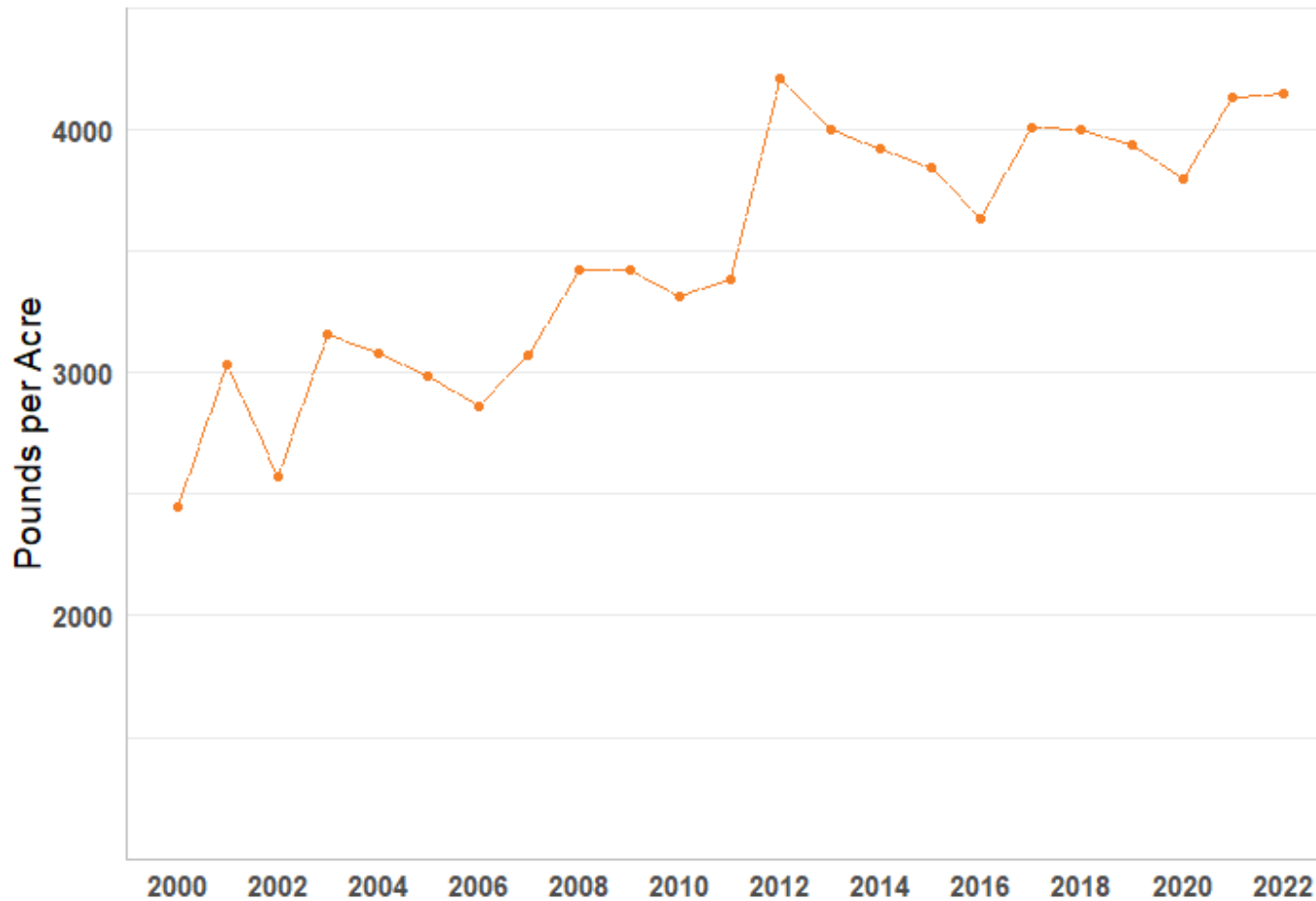
Source: National Agricultural Statistics Service (NASS), Crop Progress Report

Peanut yields (lb./acre)

State	2018	2019	2020	2021	2022F	Record Yield
AL	3,550	3,350	3,500	3,400	3,800	4,000 ('12)
AR	4,900	5,200	4,800	5,000	5,000	5,300 ('17)
FL	3,950	3,800	3,400	3,650	4,300	4,000 ('14)
GA	4,390	4,170	4,100	4,450	4,500	4,580 ('12)
MS	3,900	4,000	4,400	4,200	4,100	4,400 ('12)
NM	2,850	3,210	3,000	2,600	3,000	3,600 ('06)
NC	3,870	4,400	4,000	4,350	4,400	4,400 ('19)
OK	3,070	4,000	4,200	4,400	4,000	4,400 ('21)
SC	3,400	3,800	3,400	4,200	4,200	4,200 ('21)
TX	3,200	3,050	2,800	3,600	2,200	3,750 ('05)
VA	4,200	4,650	4,100	4,700	4,700	4,650 ('19)
US Total	4,001	3,934	3,796	4,135	4,145	4,211 ('12)

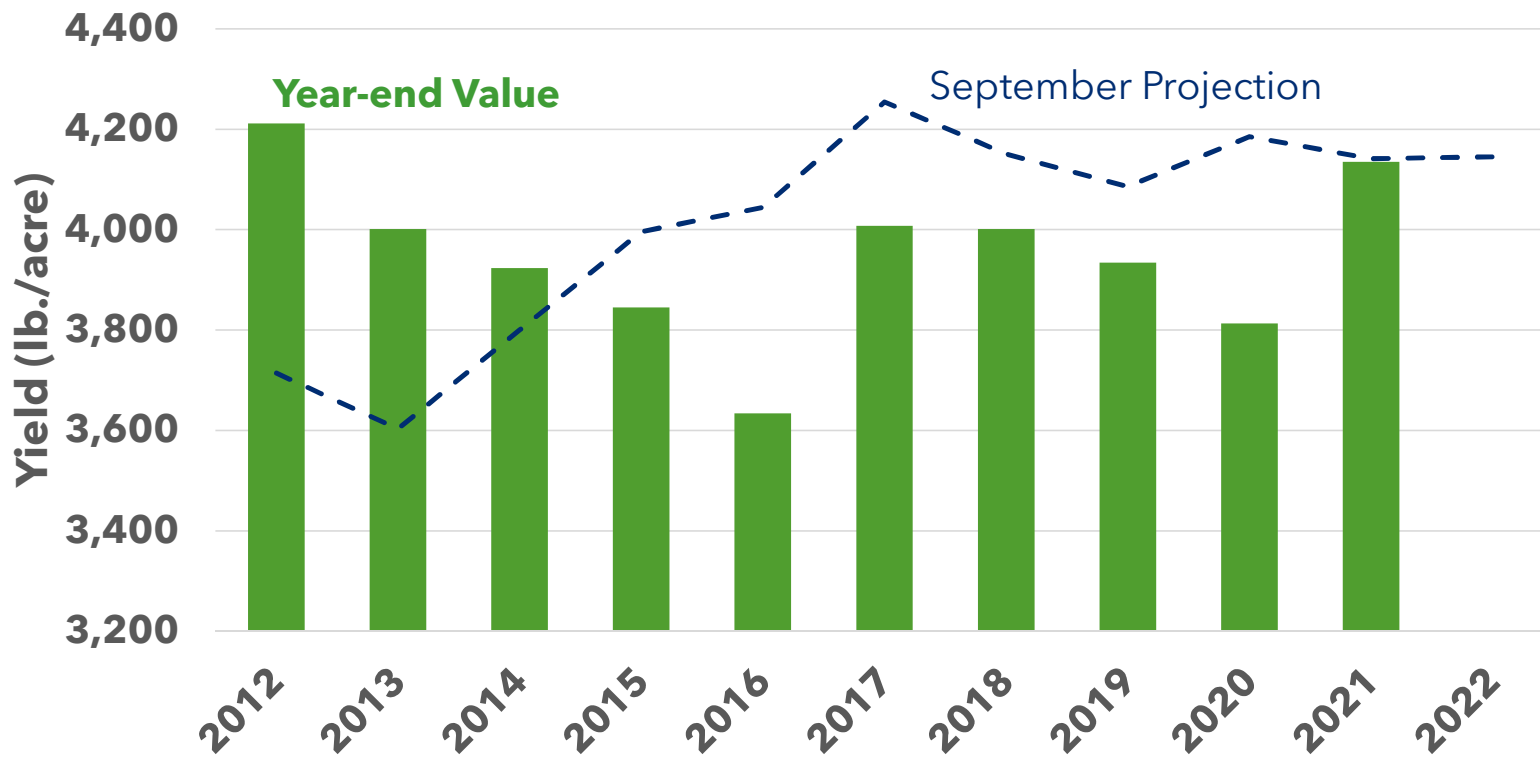
Data source: USDA-NASS; Updated September 2022

US Peanut Yields



Data source: USDA-NASS; Updated September 2022

How Accurate Are September Yield Projections?



- Yields over-predicted in September each of last 7 years
 - Average miss of 213 lb./acre

Data source: USDA-NASS; Updated September 2022

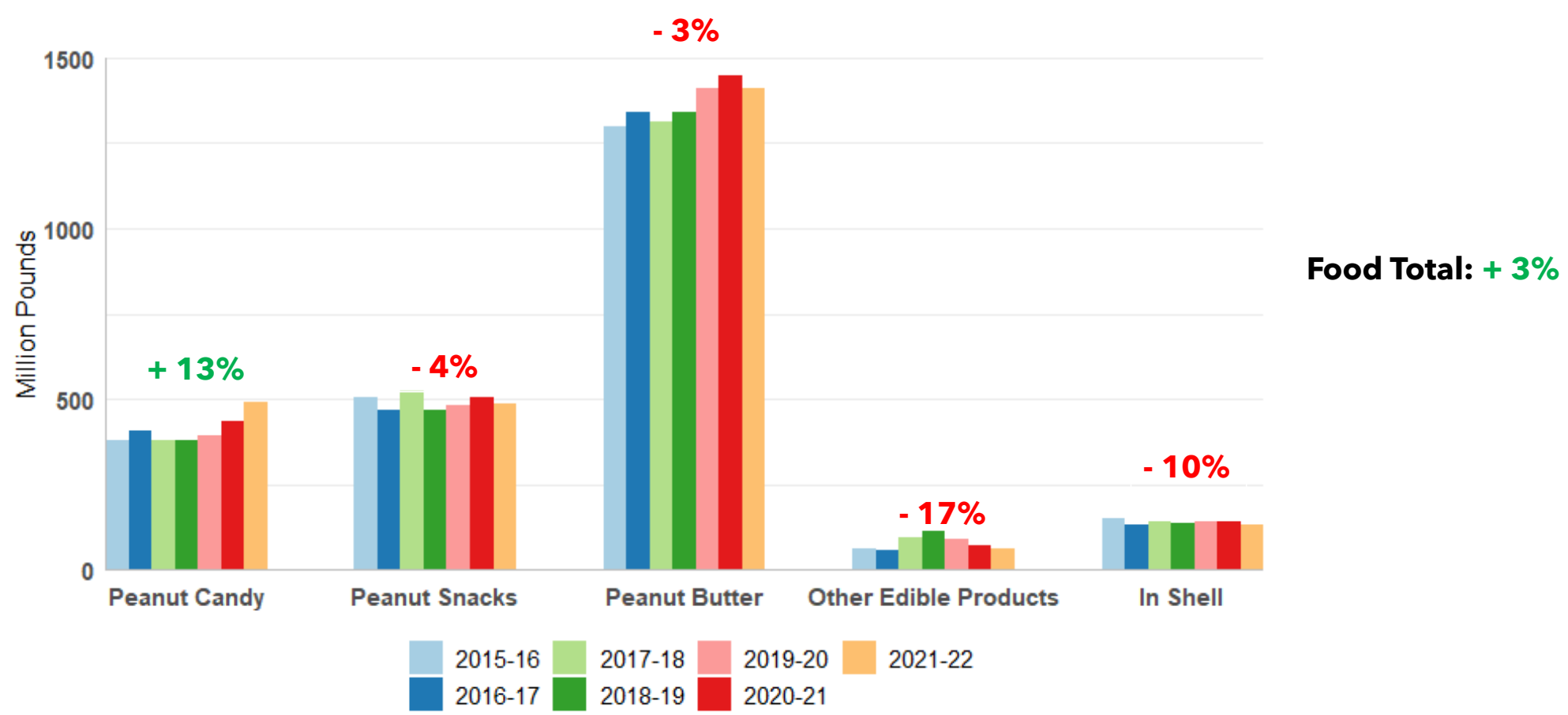
Peanut Production (1,000 tons)

State	2018	2019	2020	2021	2022F	% Change
Alabama	286	261	319	311	310	0%
Arkansas	56	86	91	88	80	-9%
Florida	282	295	281	296	316	7%
Georgia	1,438	1,376	1,640	1,669	1,530	-8%
Mississippi	47	38	48	36	27	-25%
Southeast	2,109	2,056	2,379	2,399	2,262	-6%
New Mexico	8	8	7	14	11	-26%
Oklahoma	23	28	29	33	34	3%
Texas	232	244	245	292	154	-47%
Southwest	263	280	282	339	199	-41%
North Carolina	190	224	212	248	255	3%
South Carolina	136	118	139	139	143	3%
Virginia	50	56	55	71	66	-7%
Virginia-Carolina	376	398	407	457	464	1%
Total	2,748	2,733	3,067	3,195	2,925	-8%

Data source: USDA-NASS; Updated September 2022

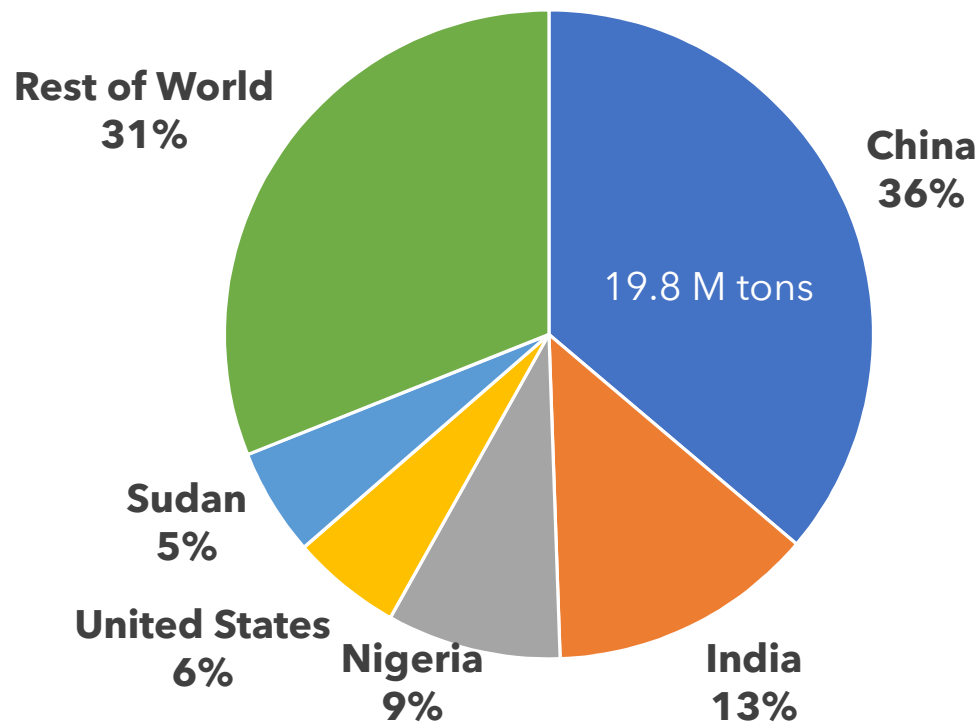
Demand

Peanut Food Consumption by Product and Marketing Year



Data source: USDA-NASS; Updated September 2022

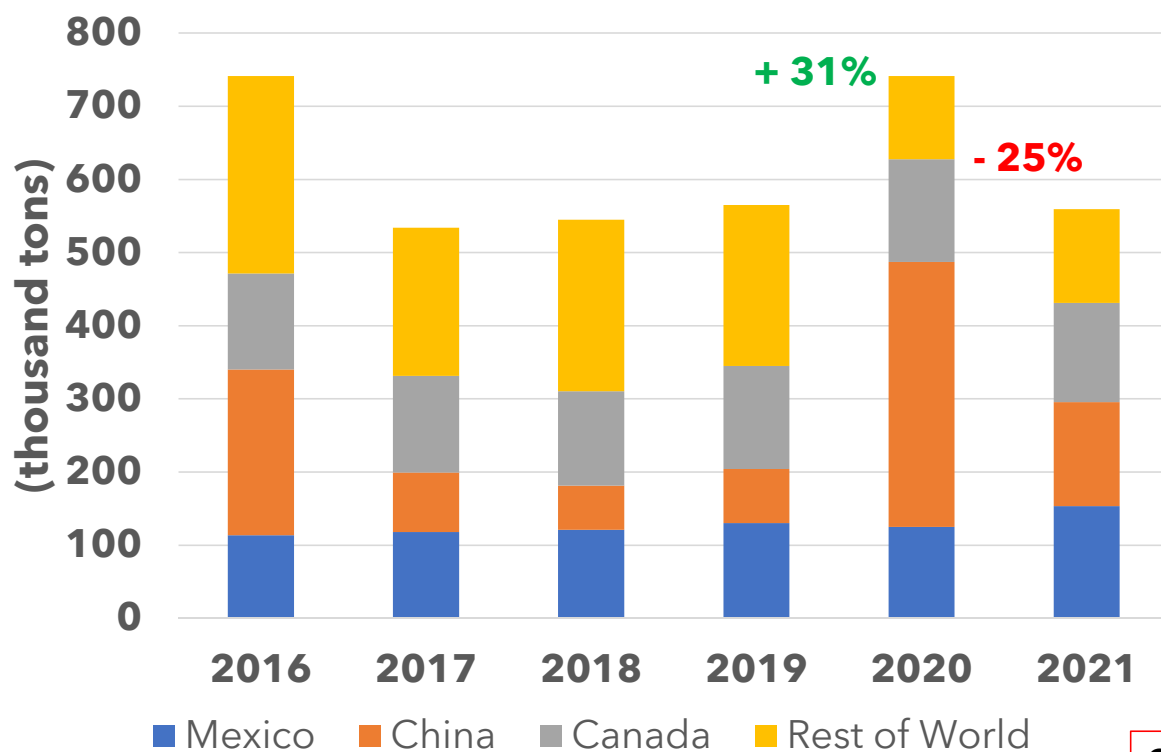
Leading Peanut Producers (2019/20 to 2021/22)



- 2022/23 global production projected at 55.5 M tons
 - Similar to prior two years

Data source: USDA-FAS; Updated September 2022

US Peanut Exports by Destination



- U.S. ranks third in exports (12% of world total)
- Main export destinations have varied
 - Shifting towards Mexico

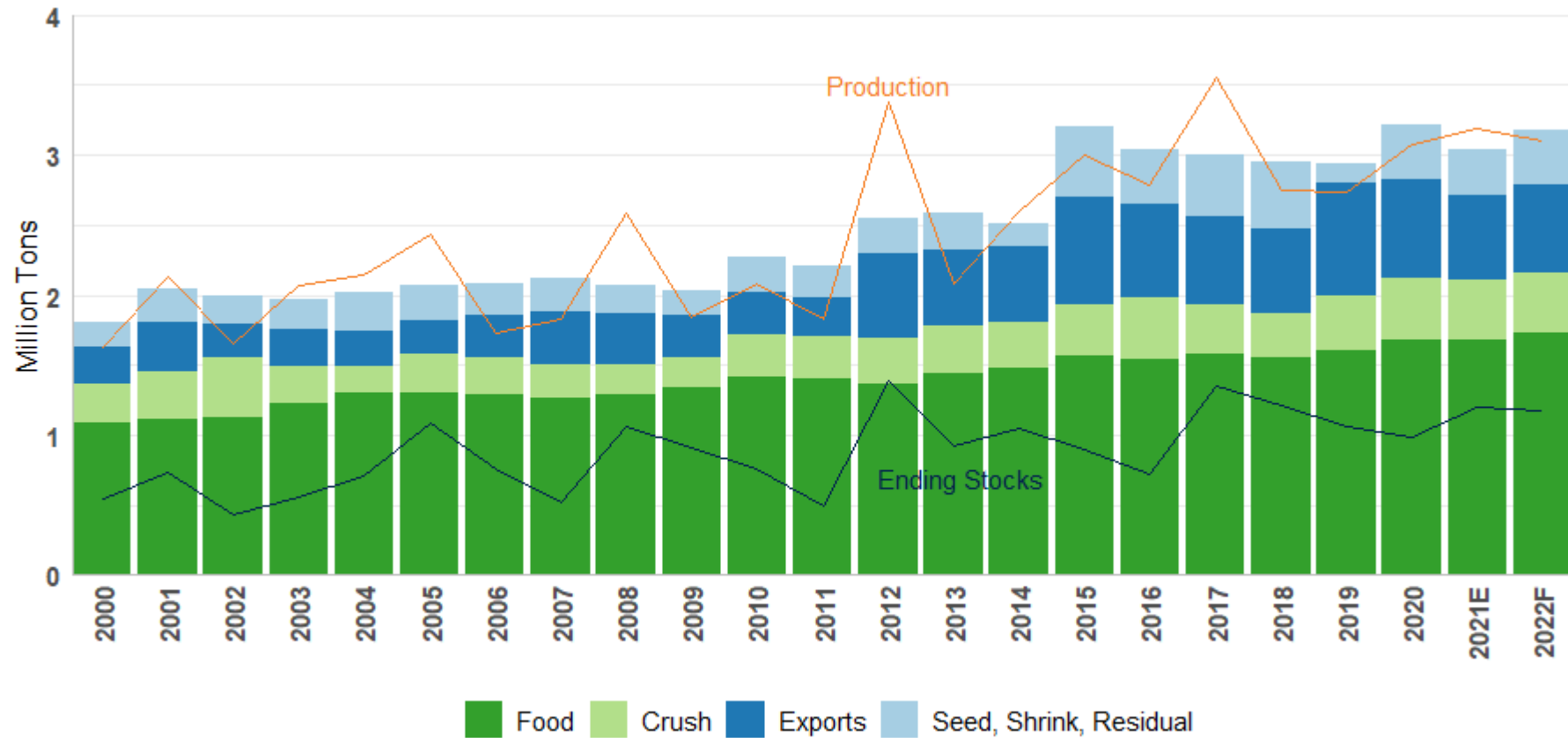
2022: Down 10% (through June)

Data source: American Peanut Council



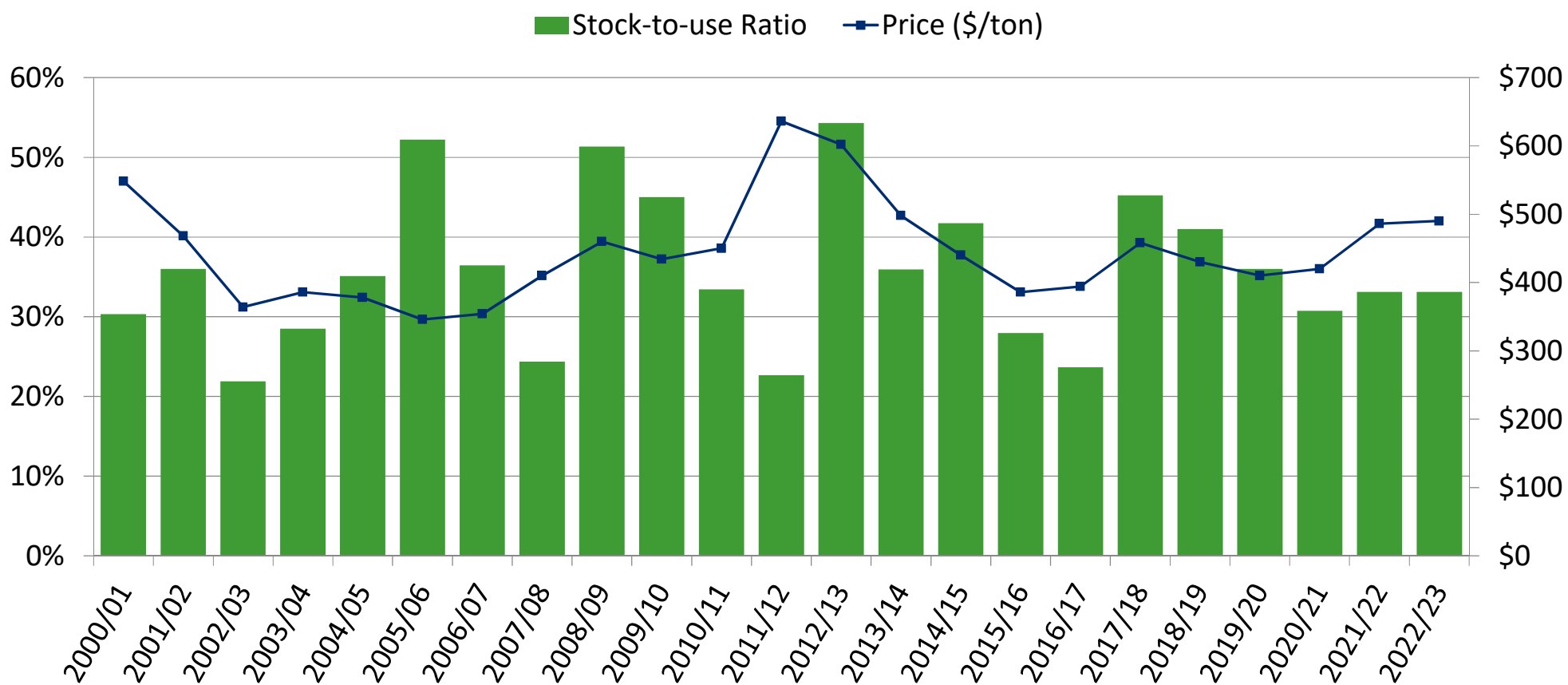
Price Projections

US Peanut Supply and Disappearance

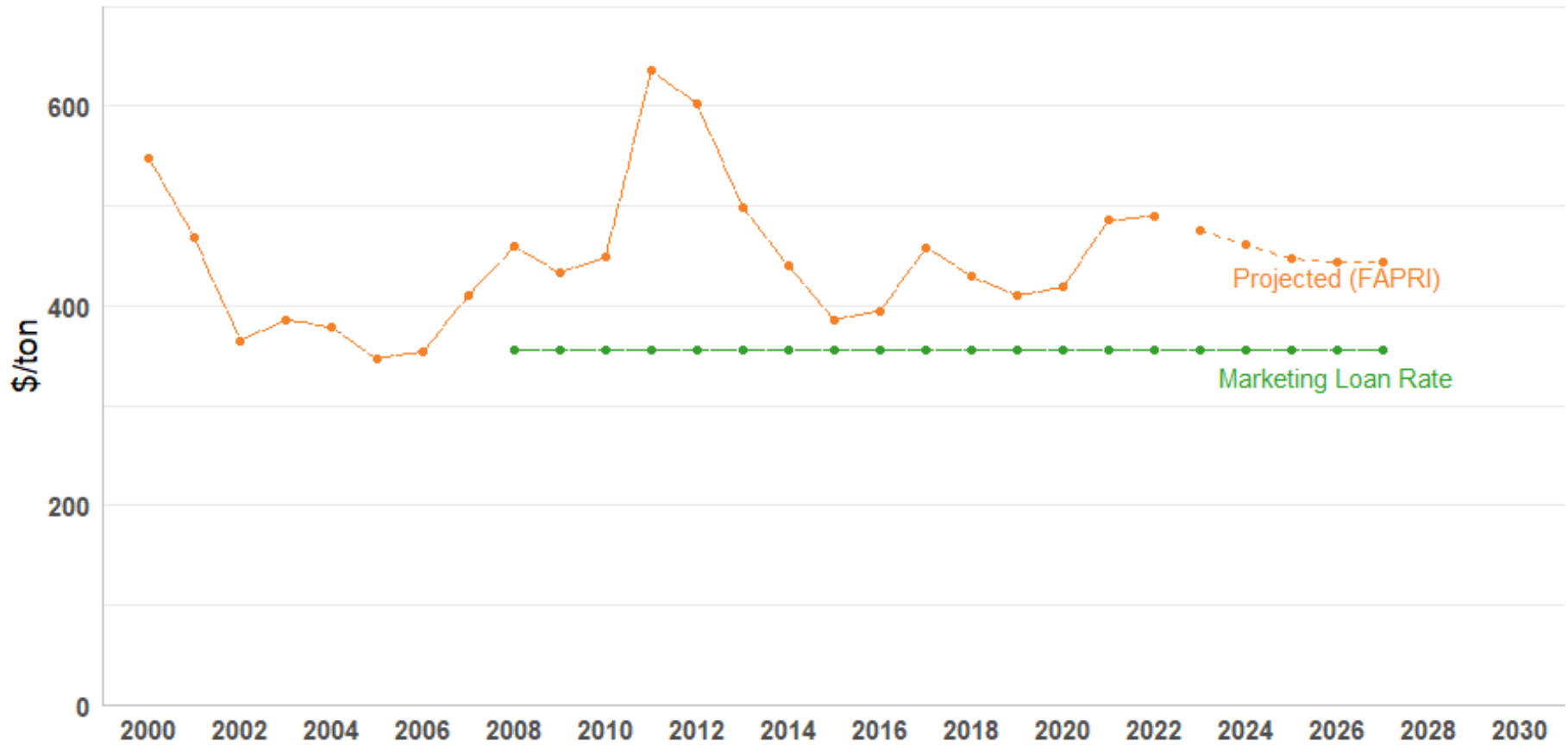


Data source: USDA-NASS; Updated September 2022

Peanut Stock-to-use Ratio



Past and Projected US Peanut Prices



Data source: USDA-NASS

Conclusions

- National stocks expected to remain plentiful; global stocks coming down
- Demand expected to pick back up again
- Where will prices go?
 - Competition from other crops (cotton, corn)
- Is there a market for peanut oil?

Thank you!

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