

Market Update on 2013 Georgia Peanut Crop

Hot Topics

Georgia Peanut Tour

September 17, 2013



Peanut Situation



- Large Carryover weighing on the market.
- Uncertainty about 2013 Production
 - Georgia acreage down 42%
 - U.S. acreage down 35%
- USDA NASS Yield Estimate
 - GA projected average 3,900 lb/ac
 - U.S. projected average 3,603 lb/ac.
- Use slowed by high prices of 2011 crop, taking a while to recover.
- Exports? Projected up.
- Boom – Bust or Roller Coaster cycle



2013 Peanut Planted Acreages

STATE	FSA*	NASS**	NASS Sep***
ALABAMA	138,765	130,000	140,000
ARKANSAS	11,729		
FLORIDA	131,386	150,000	135,000
GEORGIA	426,235	510,000	430,000
MISSISSIPPI	32,455	24,000	34,000
NEW MEXICO	7,185	6,000	6,000
N CAROLINA	80,376	80,000	81,000
OKLAHOMA	16,450	18,000	18,000
S CAROLINA	79,447	85,000	81,000
TEXAS	114,690	80,000	117,000
VIRGINIA	15,089	14,000	16,000
OTHER STATES	927		
US TOTAL	1,054,736	1,097,000	1,058,000
SE	728,842	814,000	739,000
SW	138,325	104,000	141,000
VC	174,912	179,000	178,000
*September 17 Revised FSA Reported Crop Acreage			
** June 28 NASS Acreage Report			
*** September 12 Crop Production Report			

Georgia 7 Major Row Crops Planted Acres*

(1,000 Acres)

	2007	2008	2009	2010	2011	2012	2013*
Corn	510	370	420	295	345	345	500
Cotton	1030	940	1000	1400	1600	1290	1360
Peanuts	530	690	510	565	475	735	430
Sorghum, Grain	65	60	55	45	50	55	65
Soybeans	295	430	470	270	155	220	260
Tobacco (harveste	18.5	16	13.8	11.4	11.9	10	15
Wheat	360	480	340	170	250	290	400
Total	2809	2986	2809	2756	2887	2945	3030

Compiled by Nathan Smith, UGA Extension Economist,

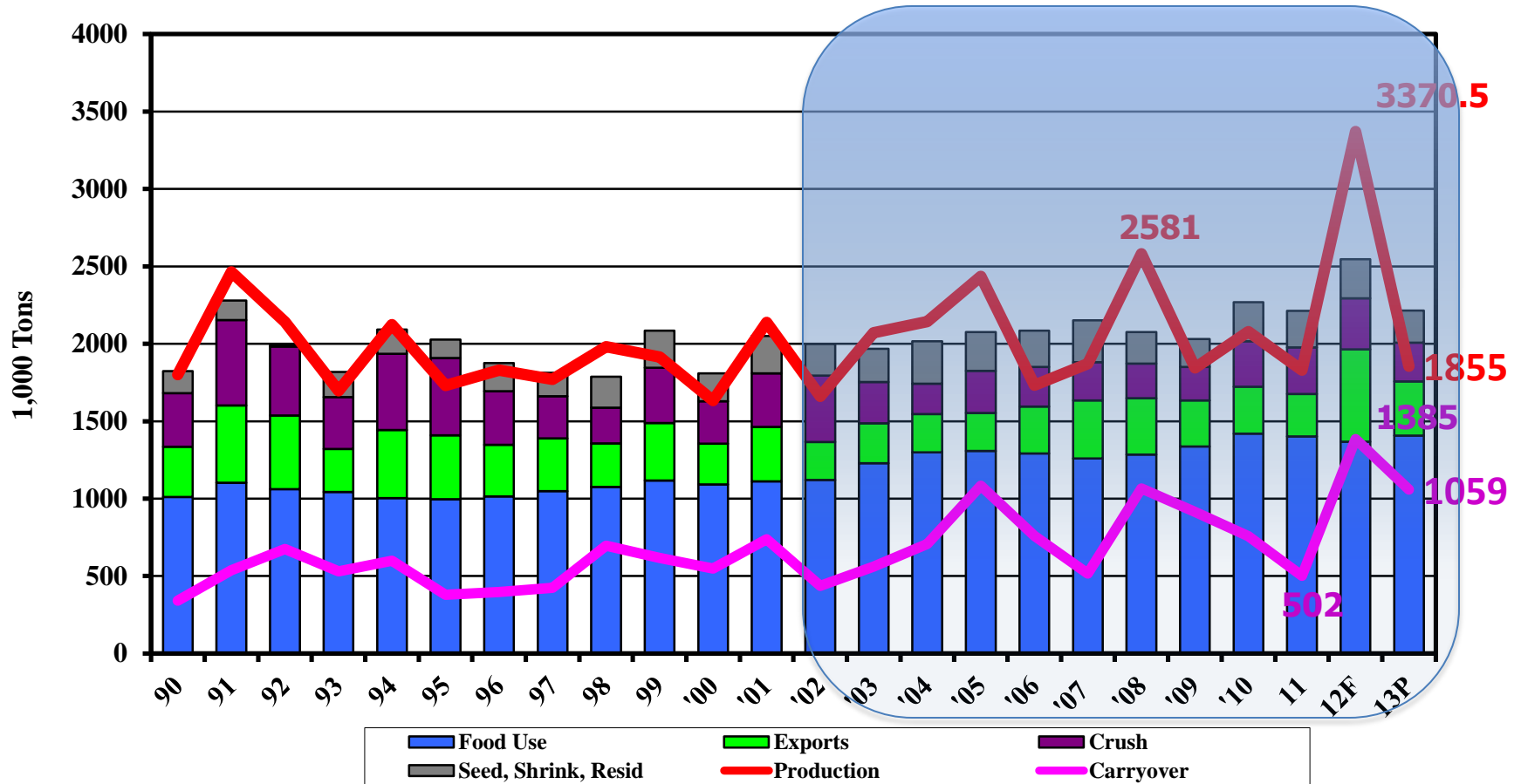
Source: NASS USDA, QucikStats

* September 12, 2013 NASS Crop Production



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Peanut Disappearance by Use



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Source: Oil Crops Outlook, ERS, USDA

Peanut Supply & Demand

USDA			3425 lb Yld	3800 lb Yld
2011/12	2012/13	2013/14	1.030 mil Acres	1.030 mil Acres

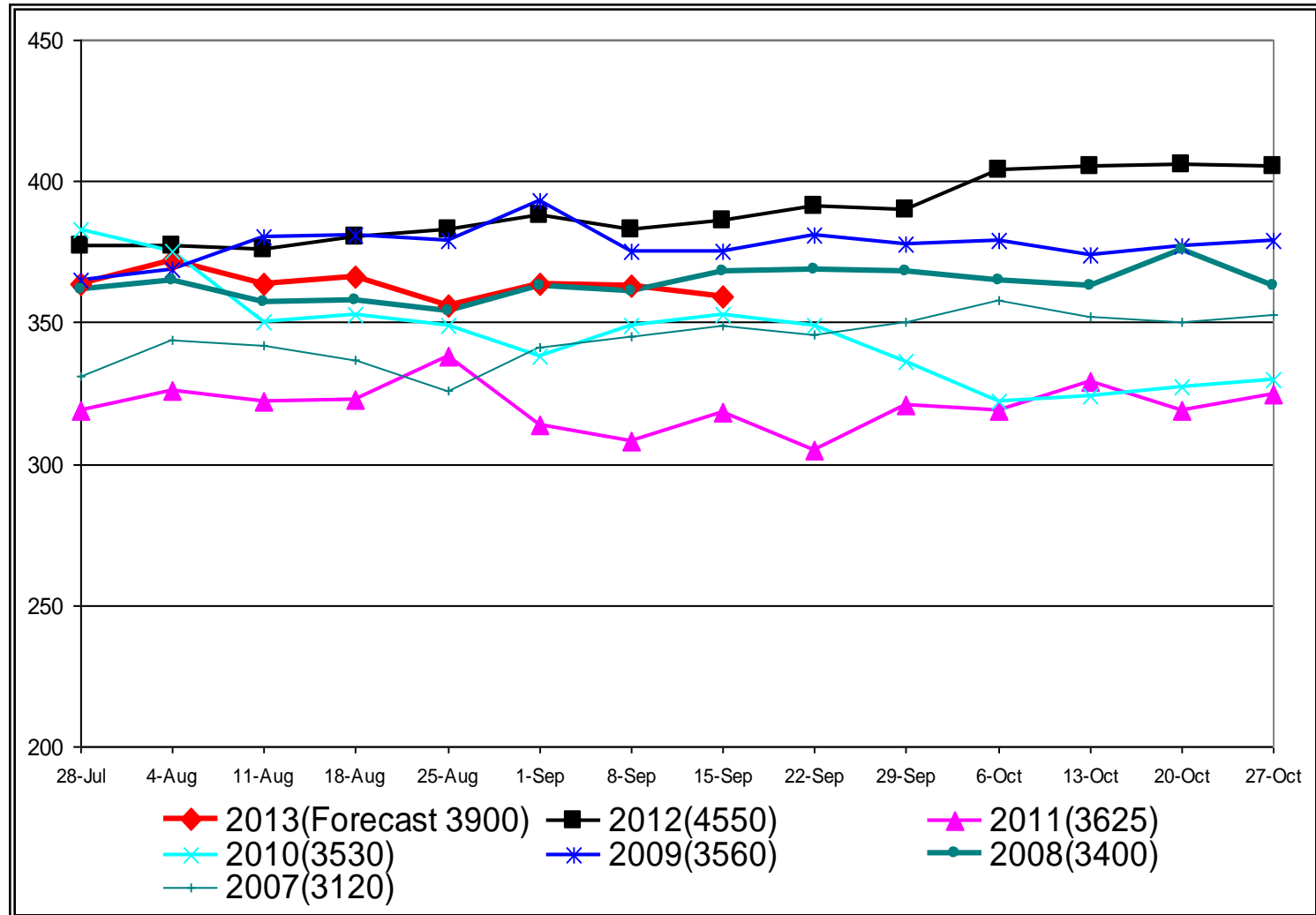
	<i>1,000 Tons</i>				
Beginning Stocks	758	502	1,385	1,385	1,385
Production	1,830	3,371	1,855	1,764	1,957
Total Supply	2,715	3,932	3,273	3,181	3,374
Total Use	2,213	2,547	2,214	2,214	2,214
Ending Stocks	502	1,385	1,059	967	1,160

2013 Expected Yield	3603 lb/ac
Planted Acres	1,058 mil
Harvested Acres	1,030 mil



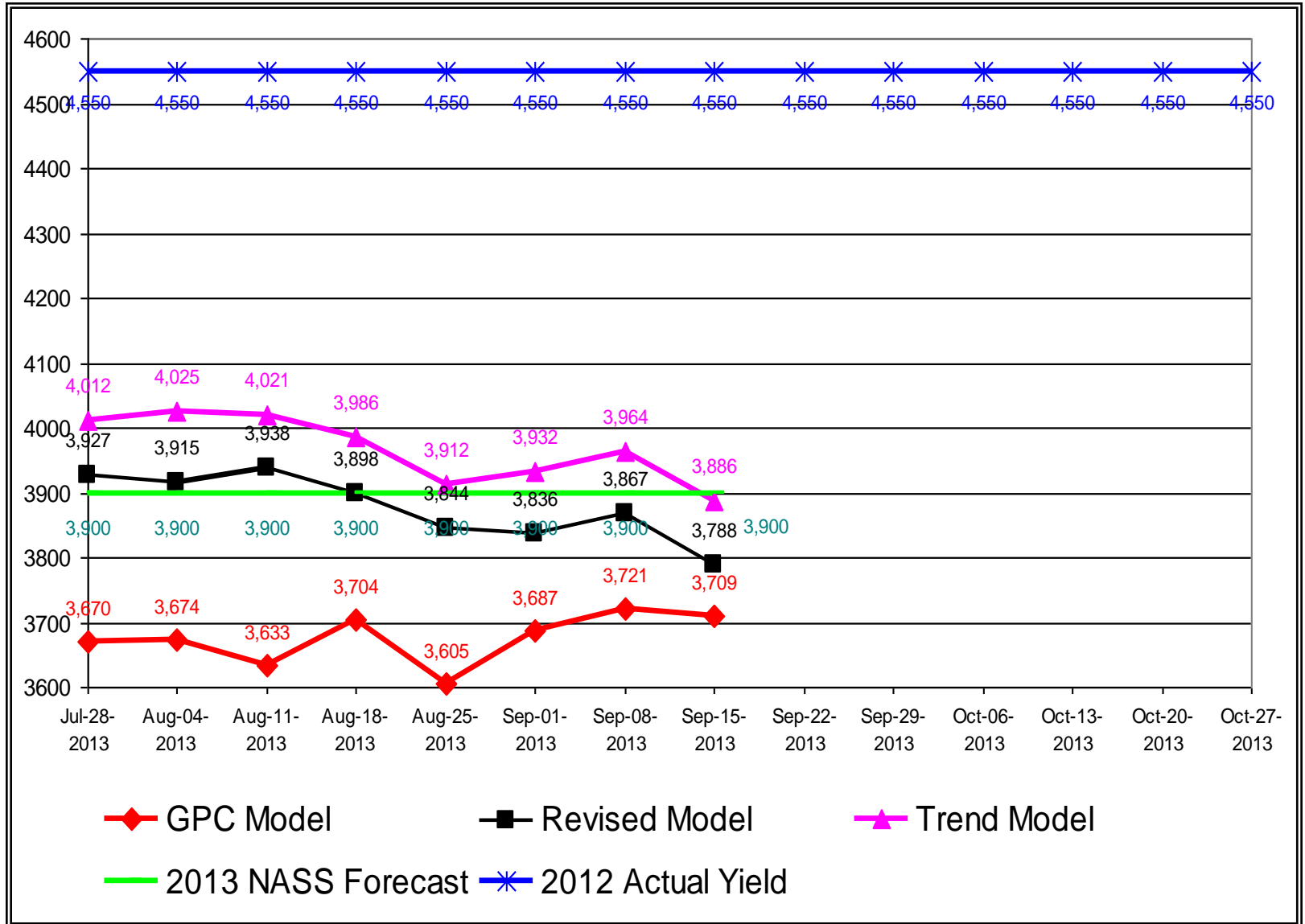

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Georgia Peanut Crop Condition Index 2007-2013 Crop Years



Crop condition index is computed from USDA-NASS, Crop Progress Report, Peanut Condition values. The numbers in parentheses are peanut final yields.
 Director of USDA-NASS, Entomology Program
 College of Family and Consumer Sciences

Georgia 2013 Peanut Yield Predictions (Pounds/acre)



2014 and Beyond?

- Peanut acres will depend on price of cotton and corn.
- Farmers are responding to market signals.
 - While maintaining a long rotation in some areas, other areas they shift in and out of peanuts depending on cost and returns outlook.
- How much of new crop do manufacturers want each year or does the old crop carryover met market needs?

Four Distinct Markets

- In-shells (7%)
 - Virginias, Valencias
- Candy (17%)
 - Spanish, Runners
- Snacks (18%)
 - Virginias, Runners
- Peanut Butter (56%)
 - Runners
- SW
 - \$650/ton Va and Sp
 - \$450/ton Run
- VC
 - \$550/ton Va
- SE
 - \$450/ton Run
 - (Now \$500 offers)

Thank You



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