<table>
<thead>
<tr>
<th>Year</th>
<th>Production (lbs)</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2,594,332</td>
<td>1,322,500</td>
</tr>
<tr>
<td>2016</td>
<td>3,106,895</td>
<td>1,568,000</td>
</tr>
</tbody>
</table>

Average Yield:
- **2015**: 3,923 lb/acre
- **2016**: 3,963 lb/acre

Increase: +20%
### Southeast (2016)

<table>
<thead>
<tr>
<th>State</th>
<th>Population</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Georgia</td>
<td>1,736,595</td>
<td>57%</td>
</tr>
<tr>
<td>Alabama</td>
<td>329,995</td>
<td>10.6%</td>
</tr>
<tr>
<td>Florida</td>
<td>328,500</td>
<td>10.6%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>83,000</td>
<td>4.3%</td>
</tr>
<tr>
<td>Mississippi</td>
<td>75,600</td>
<td></td>
</tr>
</tbody>
</table>
2016 Total U.S. Production

3,106,895

Total U.S. Demand

2,757,000

(Food, Crush, Seed, Exports)
2016 Excess

350,000 tons

2014 Excess: 1,050,500 tons
2015 Excess: 1,400,500 tons

in STORAGE!!!
## 2016 U.S. Demand

<table>
<thead>
<tr>
<th>Item</th>
<th>Tons</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>1,500,000</td>
<td>+2.3%</td>
</tr>
<tr>
<td>Crush</td>
<td>390,000</td>
<td>+16.3%</td>
</tr>
<tr>
<td>Seed Residual</td>
<td>300,000</td>
<td>+80%</td>
</tr>
<tr>
<td>Exports</td>
<td>600,000</td>
<td>+3.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,790,000</td>
<td>+9.5%</td>
</tr>
</tbody>
</table>
## 2016 Export Demand

January – November 2015

<table>
<thead>
<tr>
<th></th>
<th>MT</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>World (100)</td>
<td>398,153 MT</td>
<td>-3.5%</td>
</tr>
<tr>
<td>Canada (26.3)</td>
<td>102,262 MT</td>
<td>+4.8%</td>
</tr>
<tr>
<td>Mexico (20.8)</td>
<td>81,178 MT</td>
<td>+26.4%</td>
</tr>
<tr>
<td>Netherlands (11.5)</td>
<td>44,933 MT</td>
<td>-37.1%</td>
</tr>
<tr>
<td>Vietnam (6)</td>
<td>22,967 MT</td>
<td>+1003%</td>
</tr>
<tr>
<td>Germany (4.5)</td>
<td>17,468 MT</td>
<td>-30%</td>
</tr>
</tbody>
</table>
Domestic Market

August - November

Peanut Candy       - 6.3%
Peanut Snacks      + 21.8%
Peanut Butter      - 5.2%
In Shells          + 1.6%
OVERALL            + 1.0 %

(November up 4.2%)
Government Buys

Nutrition Program: + 73.7%
Nov. vs. Nov.: + 147.4%

Peanut Butter
Roasted Peanuts
Total U.S. Peanut Consumption (1000 Pounds)

Data released by NASS on August 28, 2015 for 1993-2015

Indicates change from prev. year
Peanut Candy Consumption

U.S. Consumption of Peanut Candy
(1000 Pounds)
Data released by NASS on August 2, 2015 for 1993-2015

Indicates change from prev. year
Peanut Snack Consumption

U.S. Consumption of Snack Peanuts
(1000 Pounds)

Data released by NASS on August 28, 2015 for 1993-2015
Peanut Butter Consumption

U.S. Consumption of Peanut Butter
(1000 Pounds)
Data released by NASS on August 28, 2015 for 1993-2015
U.S. Consumption of In Shell Peanuts

(1000 Pounds)

Data released by NASS on August 28, 2015 for 1993-2015
PEANUT POLITICS & PROGRAM
Market Loan for Peanuts

- $355 ton Support Loan
- $535 ton Reference Price
- Separate Payment Limits
- Limit $125,000 per entity
- PLC or ARC Programs
- Peanut Base Maintained
Price Loss Coverage

99.7%

- Payment – 1 year after harvest (October)
  - Based on average price all peanuts
- Base Payment – 85%
- Budget Reconciliation – Reduction 6.8%
- General Base (former cotton base) coupled to actual planting
Market Loan

Loans: 2,175,631 tons

Redeemed: 160,175 (279,261)
2,015,456 tons (1,816,048 – 2014)
(9 mo loan)

Buyer repays loan and interest
<table>
<thead>
<tr>
<th>Month</th>
<th>Average Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>August</td>
<td>438</td>
</tr>
<tr>
<td>September</td>
<td>402</td>
</tr>
<tr>
<td>October</td>
<td>374</td>
</tr>
<tr>
<td>November</td>
<td>356</td>
</tr>
<tr>
<td>December</td>
<td>??</td>
</tr>
<tr>
<td>January</td>
<td>2016</td>
</tr>
<tr>
<td>February</td>
<td></td>
</tr>
<tr>
<td>March</td>
<td></td>
</tr>
<tr>
<td>April</td>
<td></td>
</tr>
<tr>
<td>May</td>
<td></td>
</tr>
<tr>
<td>June</td>
<td></td>
</tr>
<tr>
<td>July</td>
<td></td>
</tr>
<tr>
<td>August</td>
<td></td>
</tr>
</tbody>
</table>
2016 Contracts

$375 ton/mostly

$375 ton + $25 seed premium on 50% of production

?? Virginias
Examples

$575 - $370 = PLC $205
85%   $174
- 65% ($12)     $162

7,500 Peanut Producers
2,020,243 Peanut Base
17,582,911 acres Generic Base
Peanut Standards Board

- Update Rules & Regulations
- Damage changed from 2.4 to 3.5%
- Make additional peanuts available to market
- Help increase efficiencies
- Reduce costs to the industry
Helpers

- National Peanut Board
- American Peanut Council
- The Peanut Institute
- Peanut Proud
- MANA
2016 Season Facts

- Due to oversupply, poor contracts!
- Poor Choices of Competing Commodities
- Sheller Downsizing
  - Limited Storage Available
- Beware: No Approved Warehouse – No $355 Loan
CAUTION

- USDA Lowering price to move peanuts
- Market Loan Gain applied to Limit!
  - Work with buying point
- Generic Certificates – approved by Congress (similar to cotton)
- Don’t plant more than you can sell or secure loan.
- Government does NOT want peanuts!
Overall, the world market is very quiet and demand slack! Demand in Europe is sluggish caused by mild weather. Peanut consumption tends to be higher when the weather is colder.
QUESTIONS OR COMMENTS?

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