

Dear client,

Thank you for receiving our market report regarding peanuts which we sent out every two weeks. It gives us great pleasure knowing that you take the time to read our reports and indulge yourself with our current prices.

In this particular market report we will put our focus on peanuts from Argentina.

Current and new crop

The Argentine peanut new crop harvesting will be completed within this week (in the worst case end of August at the latest). The results are far below the expectations; clear and dry similar to last year. At the moment, it is believed that around 400,000 tons will be exported (about 20,000 less than previous year). About 65% is already sold by now. As for the plantings of the new crop, the forecast looks smaller than last season. The final estimate of the average yield of all the central peanut area of Argentina will be between 2,400–2,800 kg of in shell peanut/ha, with a kernels/pods relation of between 63-66%.

Suppliers are also waiting for the final figures from the report that the Cordoba Grain Exchange will send out during August. They believe that this report is closest to the fact, because they create a general view of the entire peanut area based on information that they receive from small and huge producers.

Prices

There are offers at quite spread out prices levels for the raw Runner peanuts, reaching a variety of up to U\$ 100/mt. Resellers in Europe quote about U\$ 1,400/mt CNF Rotterdam for the raw Runner 40/50; as for the (splits)blanched peanuts, these are quoted at the same price level.

Weather

According to the Peanut World update from Georgalos, several weather circumstances have been detected in the last couple of months. Highly variable rainfall registrations, early frosts (mainly in the southern region), which definitely slowed the peanut cycle. Together with a wet autumn-winter, in which the conditions for harvesting peanuts became a very worried situation due to delays and crop losses.

In the northern and central–northern region there were better rainfalls during the season and therefore peanut yields per hectare were significantly higher. In this region, the diseases caused by soil fungi complex reappeared, which in some specific situations caused major losses and conditioned the digging date. In addition (and given the conditions of more rains) the control of foliar diseases (leaf-spot mainly) had at some points a higher degree of complexity, causing results of the controls with fungicides not as expected. In spite of these odd happenings, peanuts reached very good yields with peaks exceeding 5,500kg for in shell peanut/ha.

The central-southern (especially the southern region) was severely affected by a severe drought, together with a heat wave that reached very high temperatures and was ranked as one of the most time-lasting in the last 100 years. This generated irreversible damages to the plantings. So much that the overall average yields of the southern region did not exceed 1,600 to 1800 kg of in shell peanut/ha (with some values less than 600 to 700 kg of in shell peanut/ha., and others also within the region, with values between 2,800 to 3,200 kg of in shell peanut/ha). In addition to this region, there were some early frosts, which definitely broke the productive cycle of the peanuts (which already was quite delayed). A very wet autumn-winter was also added, with significant rainfall in most of the peanut central area, which produced very significant delays in harvesting peanuts.

While it is difficult to estimate the yields accurately due to the difference of situations that has been described in the different regions, the yields will definitely be below what it was thought when the harvest started (see above for the estimated quantities).

USA peanuts

Attached you can also find figures of the USA crop progress, explained per state (2009-2014) next to the crop progress report. Not much has changed, but there is a slight drop in Florida and Georgia. Similar to two weeks ago, it is still very dry and the forecasted rains of the past weekend was missed out. For example, Texas experienced no more than half an inch rainfall in average. Currently, rain is not in the forecast and it is expected that the condition will become even worse based on the presence of Hurricane Bertha in the Atlantic which will suck moisture away from the peanuts.

In case you have questions or enquiries for peanuts, do not hesitate and contact us please. Your feedback is highly appreciated.

Kindest regards,
Paul, Nurcan and Mark
Trade Department

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Prices on FCA Rotterdam basis are as follows*:

| Packaging quantity | Total MT | Origin | Grade | Crop | Price US\$ /mt |
|---|------------|------------|--------------------------------------|------|----------------|
| Raw and Blanched peanuts | | | | | |
| 22 BB | 22 | Argentine | Runner 40/50 | 2013 | 1,450 |
| 20 BB | 25 | Argentine | Runner 50/60 | 2014 | 1,450 |
| 44 BB | 50 | Brazilian | Jumbo Runner 38/42 | 2013 | 1,375 |
| 20 BB | 25 | Brazilian | Jumbo Runner 38/42 | 2014 | 1,395 |
| 20 BB | 25 | Brazilian | Medium Runner 40/50 Blanched | 2013 | 1,475 |
| 941 bags | 23,5 | Chinese | Red Skin 50/60 extra clean | 2012 | 1,645 |
| 2 BB | 3 | Chinese | Red Skin 50/60 | 2013 | 1,800 |
| 20 BB | 23 | Chinese | Red Skin 60/70 | 2013 | 1,800 |
| 680 cartons | 17 | Chinese | Virginia Shandong 24/28 | 2013 | 1,845 |
| 680 cartons | 17 | Chinese | Virginia Shandong 25/29 Blanched | 2013 | 1,745 |
| 780 cartons | 19,5 | Chinese | Virginia Shandong 29/33 Blanched | 2013 | 1,645 |
| 20 BB | 18 | Chinese | Virginia Shandong 35/39 Blanched | 2012 | 1,350 |
| 299 bags | 9 | Chinese | Shandong In shell 9/11 double washed | 2012 | 1,625 |
| 500 bags | 15 | Egyptian | In shell 9/11 Extra White NC | 2012 | 1,625 |
| 10 BB | 11 | Egyptian | Spanish type 60/70 | 2013 | 1,375 |
| 20 BB | 20 | USA | Jumbo Runner 38/42 Blanched | 2012 | 1,575 |
| 15 BB | 14,5 | USA | Medium Runner Blanched | 2012 | 1,575 |
| 20 BB | 20 | USA | Runner Splits | 2012 | 1,080 |
| Roasted peanuts | | | | | |
| 748 cartons | 15 | Argentine | Roasted Diced 2/4 mm | 2013 | 2,250 |
| 137 cartons | 2,74 | Argentine | Roasted Splits | 2013 | 1,900 |
| 500 bags | 10 | Chinese | In shell Roasted 11/13 | 2012 | 2,250 |
| Pumpkin seeds / Cashews | | | | | |
| 1,440 bags | 36 | Chinese | Pumpkin seeds GWS grade A | 2013 | 4,475 |
| 700 cartons | 35,000 lbs | Vietnamese | W320 | 2014 | 3,38 /lbs |
| Peanut paste / Roasted splits | | | | | |
| In case you have a specific interest in these goods, please ask us. | | | | | |

Prices on CNF Rotterdam basis are as follows*:

| Packaging quantity | Total MT | Origin | Grade | Crop | ETA | Price US\$/mt |
|--|------------|------------|----------------------------------|------|-----------|---------------|
| Raw and Blanched peanuts | | | | | | |
| 20 BB | 25 | Argentine | Runner 38/42 Blanched | 2014 | 10-8-2014 | 1,560 |
| 10 BB | 12,5 | Argentine | Runner 40/50 Blanched | 2013 | 13-8-2014 | 1,400 |
| 500 bags | 25 | Argentine | Runner 40/50 | 2014 | 20-8-2014 | 1,395 |
| 20 BB | 25 | Argentine | Runner 50/60 | 2014 | 20-8-2014 | 1,390 |
| 10 BB | 12,5 | Argentine | Runner Splits Blanched | 2013 | 13-8-2014 | 1,300 |
| 40 BB | 50 | Argentine | Runner Splits Blanched | 2014 | 13-8-2014 | 1,380 |
| 680 cartons | 17 | Chinese | Virginia Shandong 24/28 | 2013 | 13-8-2014 | 1,700 |
| 1,360 cartons | 34 | Chinese | Virginia Shandong 25/29 Blanched | 2013 | 13-8-2014 | 1,575 |
| 780 cartons | 19,5 | Chinese | Virginia Shandong 29/33 Blanched | 2013 | 14-8-2014 | 1,520 |
| Cashews | | | | | | |
| 100 cartons | 5,000 lbs | Vietnamese | SW350 | 2014 | 12-8-2014 | 3,16 /lbs |
| 150 cartons | 7,500 lbs | Vietnamese | W280 | 2014 | 12-8-2014 | 3,7 /lbs |
| 300 cartons | 15,000 lbs | Vietnamese | W320 | 2014 | 12-8-2014 | 3,33 /lbs |
| 700 cartons | 35,000 lbs | Vietnamese | W320 | 2014 | 12-8-2014 | 3,33 /lbs |
| 150 cartons | 7,500 lbs | Vietnamese | W450 | 2014 | 12-8-2014 | 3,18/lbs |
| Special offer! | | | | | | |
| USA Spanish type High Oleic 50/60 or 70/80, crop 2013 at US\$ 1,350 /mt CIF Rotterdam. Shipment September 2014 until incl. April 2015. In case you need shipment to other ports, please let us know and we will offer you accordingly. | | | | | | |

* Prices are subject to final confirmation.

US PEANUT CROP PROGRESS

Peanuts Pegging - Selected States
 [These 8 States planted 96% of the 2013 peanut acreage]

| State | Week ending | | | |
|-------------------|---------------|---------------|---------------|-------------------|
| | July 27, 2013 | July 20, 2014 | July 27, 2014 | 2009-2013 Average |
| | percent | | | |
| Alabama | 83 | 63 | 72 | 60 |
| Florida | 84 | 84 | 89 | 77 |
| Georgia | 70 | 76 | 88 | 78 |
| North Carolina .. | 85 | 90 | 93 | 93 |
| Oklahoma | 85 | 59 | 77 | 85 |
| South Carolina .. | 81 | 90 | 96 | 87 |
| Texas | 93 | 45 | 51 | 80 |
| Virginia | 70 | 51 | 77 | 73 |
| 8 States | 78 | 73 | 83 | 77 |

Peanut Condition - Selected States: Week Ending July 27, 2014
 [National crop conditions for selected States are weighted based on 2013 planted acreage]

| State | Very poor | Poor | Fair | Good | Excellent |
|-------------------|-----------|------|------|------|-----------|
| | percent | | | | |
| Alabama | - | 1 | 32 | 51 | 16 |
| Florida | - | 2 | 14 | 75 | 9 |
| Georgia | - | 4 | 24 | 57 | 15 |
| North Carolina .. | - | 1 | 15 | 68 | 16 |
| Oklahoma | - | - | 38 | 52 | 10 |
| South Carolina .. | - | 5 | 22 | 62 | 11 |
| Texas | 1 | 9 | 33 | 49 | 8 |
| Virginia | - | - | 2 | 90 | 8 |
| 8 States | - | 4 | 24 | 59 | 13 |
| Previous week .. | - | 3 | 26 | 59 | 12 |
| Previous year .. | 1 | 5 | 29 | 55 | 10 |

- Represents zero.

Alabama: Precipitation estimates for the state ranged from 0.00 inches of rain to 2.76 inches. Some counties received heavy rain showers but others only scattered/spotty showers. Peanut condition good to fair.

Florida: Rainfall ranged from 0.08 of an inch to 5.57 inches this past week. Peanut pegging was ahead of the previous year and the 5-year average. Peanut condition was mostly good.

Georgia: Precipitation estimates for the state ranged from no rain up to 4.6 inches. Atkinson County, 'peanuts are at a critical stage of water requirements in order to make yield.' Peanut condition good to fair.

North Carolina: The state received widespread showers during the week with the eastern part of the state receiving the heaviest rainfall. Peanut condition mostly good.

Oklahoma: Seven of the 9 districts received minimal rainfall last week. Peanuts pegging reached 77 percent complete up 18 points from the previous week. Peanut condition good to fair.

South Carolina: The State average rainfall for the seven-day period was 1.4 inches. Allendale County, 'Occasional rains continue to help crops, especially recuperate from a month of high temperatures and drought. Cotton, peanuts and soybeans showed the most improvement. Peanut growers are continuing applications of fungicides'. Peanut condition good to fair.

Texas: The majority of the state averaged no more than half an inch in rainfall. In South Texas, peanuts continued in the pegging stage. Peanut condition good to fair.

Virginia: Most of the State received one to two inches of rain; however, some areas received no rain this week and continued to suffer from drought-like conditions. Peanut condition good.

USA Peanut Conditions 2009-2014









