

Dear Client,

Market still rather quiet based on actual business that are being done, but at least the current status (low prices, strong Euro) gives incentive to industry to consider taking cover for later positions.

Current low market prices on peanuts are a result of low demand and rather positive assumptions with regards to crops that are still in the ground. It will not be the first time in history of the peanut market, that in the final stage of a crop unfavourable weather conditions have a devastating effect on the final out turn.

Argentina is not offering very aggressive at the moment, but will consider every serious proposal for new crop material. Prices for 2014 crop are for Argentine Runner 40/50 or 38/42, crop 2014, blanched around US\$ 1.500,00, Argentine Runner Splits, crop 2014, blanched US\$ 1350,00. And for the 2013 still big quantities available of Argentine Runner coun 80/100 and Arg Runner Splits, crop 2013, blanched and various goods for birdfeeding.

Price ideas mostly based on offers from USA around US\$ 1.225,00 CIF for raw Medium Runners and Jumbo Runners and Brazilian Runner 40/50 cpo around US\$ 1.250,00 and both origins blanched around US\$ 1.500,00 CIF.

Market in China is further down, due to lack of demand both in the export market as domestically. On blanched they are by far the cheapest at the moment with prices around US\$ 1.375,00 CIF for 25/29 blanched.

All in all the ingredients are available to take coverage on long spread at interesting levels. If crop in Argentina and Brazil has problems prices will not go down any further for sure, and most likely will increase. Actual consumption of peanut is not down, so for sure there are still a lot of peanut that need to be contracted by retail.

Total available stocks in Europe are very low, in case there will be some delay with the transition from current crop to new crop there are basically no fall back options available. If market would go down much further, it could have a negative effect on future crops. If current market prices remain for longer period, plantings will be a lot lower on basically all origins. But that is of later concern, industry should be able to take advantage of situation of today and use this advantage to make special promotions on peanut products.

We can offer the following parcels on FCA basis subject our final confirmation;

Commodity	Grade	Packing	Quantity	Price
Argentine	Runner count 38/42 crop 2013	200 bags	10 tons	U\$ 1.550,00
Argentine	Runner count 40/50 crop 2013	3 big bags	3,75 tons	U\$ 1.530,00
Argentine	Runner count 70/80 crop 2013 Roasted with higher PV level	11 big bags	11,3 tons	€ 895,00
Argentine	Runner Splits crop 2013 blanched	4 big bags	4 tons	U\$ 1.475,00
Argentine	Runner Splits crop 2013 Roasted	600 cartons	12 tons	U\$ 2.250,00
Brazilian	Runner count 38/42 crop 2013	13 big bags	13 tons	U\$ 1.475,00
Chinese	Hsuji count 50/60 crop 2013	760 bags	19 tons	U\$ 1.495,00
Chinese	Virginia Shandong count 25/29 crop 2012 blanched	3 big bags	3,6 tons	U\$ 1.625,00
Chinese	Virginia Shandong count 35/39 crop 2013 blanched	360 bags	9 tons	U\$ 1.545,00
Chinese	In shell Shandong count 9/11 crop 2012	570 bags	17 tons	U\$ 1.625,00
Argentine	Roasted Diced 2/4 mm crop 2013	1400 Cartons	28 tons	U\$ 2.050,00
Moldovian	Sunflower Striped in shell Konfeta crop 2013	160 bags-abt	4 tons	€ 1.200,00

Please let us have your view on the market, and let us know what your interest could be for either nearby or later positions and we will make a detailed offer.

Regards,
Paul, Menno, Nurcan and Mark



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