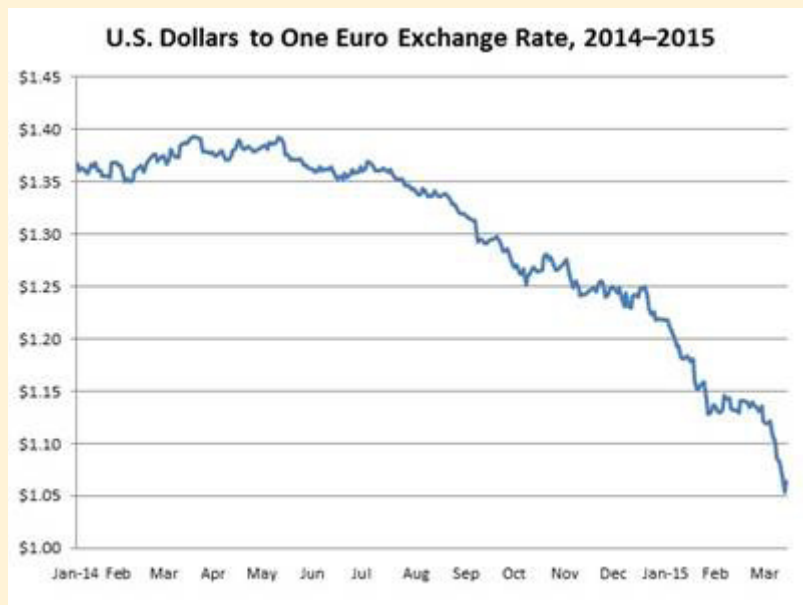


Dear client,

At the moment we are going to a difficult period due to the current EURO rate. As you can see below, the EURO went drastically down since January 2014. The US\$ has not been that strong since 2003. Some offers have a validation of one day due to this. We do not expect that many changes in the next couple of weeks and that the EURO will remain weak.



USA

According to several reports, because of the low prices of other crops such as cotton, and the good price guaranteed by the government for peanuts, it is said that planting intentions could increase around 20-25%. The new crop will be available from November onwards.

About the current crop, it seems that shellers are reluctant to offer it because they want to continue processing in order to know the quality and quantities they count with and evaluate what they can offer. Ocean freight from the US could be a problem for the next 6 to 12 months as well, maybe longer. This could create problems when big volumes need to be exported.

Last week the APSA 2015 Industry Spring conference was and the following key factors stood out.

- The Journal of the American Medical Association (March 2) showed that peanut consumption is associated with a decrease in mortality rates across a diverse population. A new study has been found to increase maturity in both conventional peanuts and in High Oleic peanuts by the concept of removing the late season flowers that grow on a peanut plant. The belief is that the new flowering bud and peg takes energy away from the plant during its final and crucial phase and in return adds no peanut that will make grade. By using different forms of removal for these flowers (by hand and chemicals) they have found the plants to have more maturity and less grading issues. The hypothesis is that this may also lead to further findings that may decrease aflatoxin issues.
- Port issues on the west coast such as union strikes and congestion are beginning to affect the east coast ports. While the unions have agreed on a 90 day extension, a new agreement has to be ratified and it is going to take months to get through the congestion. This congestion has prompted many shippers to use different ports and have seen east coast ports that use to handle 35% of cargo now account for close to 50%. This has significantly increased costs, use of rail and trucks, and has the potential of forcing changes such as weight restrictions on certain cargo for exports. With the opportunity of a large planted peanut crop for 2015, these issues may cause further headaches in the effort of increasing exports.
- Regarding the 2015 crop, the US planted 1,340,000 acres in 2014 and extension agents are calling for a 20% increase to 1,600,000 acres. In only one state there was the talk of a decrease and that was in Oklahoma who looked to go from 12,000 acres to 10,000 acres. Every other state extension agent called for at least the same acreage with most calling for increases and some calling for substantial increases (particularly Texas). The extension agent for South Carolina advised that they are seeing some other changes to go along with increase acres as many farmers are beginning to shift plantings from Virginias to Runners (both conventional and High Oleic). Nevertheless, an acreage increase is imminent and the focus once again may turn to the US as a low cost global supplier.

The USDA released recently a new Supply and Demand update yesterday for peanuts.

Updates include:

1. Domestic consumption for 2014 crop was increased from 1,477,000 tons to 1,489,500 tons. This estimate is now a 3% increase over 2013 crop.
2. Export demand for 2014 crop was increased from 525,000 tons to 570,000 tons, showing a 4% increase over 2013 crop.
3. These changes brings Total Demand for 2014 crop as an estimate to 2,644,500 tons (up from 2,587,000 tons) and decreases carryout to 922,000 tons.

For your interest, we have attached a document from one of our sources with shows the supply and demand update from the USA peanuts.

BRAZIL

So far we have only heard positive news from Brazil. 5% of the total area has been harvested during February, 70% will be harvested during March and 25% during April. In general, fields are in good or very good conditions. The January drought seems not to have affected the yields. February showed nice rainfall (which made the peanuts recover) but during March it rained a bit more than wished. Especially in the state of Sao Paulo where 85% of the crop grow. However, the digging stage continues and the prospect of harvesting 500.000 tons kernels is still the same. Some areas have already start with the shelling process. The quality of the evaluated lots look very good (especially concerning aflatoxin) and with lots of 38/42 grades (almost 50% of the kernels). For now, it seems that shipments will start end of March/early April.

ARGENTINA

We are hearing mix messages from Argentina. Some are positive but some are quite negative. It is been said that the conditions of the main peanuts areas are similar to Brazil, between good and very good. However, harvesting starts later compared to Brazil. Up to now the situation is all right. However, as in the previous year, there are several concerns as regards rains which caused a great impact on the yield. Large amount of rainfall has occurred and the situation is still going on. However, harvesting must start one of these days otherwise it will cause delay in the expected shipment period of end of May.

For example the south west of Argentina did not receive rains until recently, when days are shorter and the weather is not so warm. There are doubts about the yield in this area. Also, there are concerns regarding the areas planted later in December due the present lower temperatures.

The Agricultural Ministry report (Feb 26th) states that in the south-east area, due to excellent conditions of moisture and temperature, shells and kernels started to develop. During February, rains were abundant in the south-west area, but this fact does not solve the lack of water in December and January at the south of those departments. This abundant water and less sunny days are causing trouble in other fields with some diseases, such as smallpox (brown spots in the leaves).

CHINA

In the past few weeks the Chinese domestic peanut market prices increased a little, around US\$ 50 /mt. Most factories were not open immediately after Chinese new year. This led to a shorter supply. Next to that, exporters are still having struggles with quoting current crop prices due to the aflatoxin level, which has increased rapidly compared to the 2013 crop. For example, 4-5 manufactures in Shandong area are put in hold due to several aflatoxin rejections. It will take 2-3 months to re-start again. In the meanwhile, farmers started with preparing seeds for planting. About 30-35% of the farmer's stock was still unsold during February because they were expecting to get better prices. Unfortunately the market has not supported them because there is still too much old crop available. These farmers need to get rid of their stock before the end of May otherwise the goods will get infested.

At the moment the Chinese peanut market has not changed a lot. The collection prices for EU standard quality are still firm. Though the sea freight is on the lower side at the moment, we expect that this will increase during April. At the moment others origins such as USA/Argentina/India are for more cheaper then China, but due to the import duty China is struggling with importing these peanuts (VAT 13% + Import duty 24%, total of 37%). Small quantities have been imported via Vietnam, but these are meant for the oil crushing business and have small influence on the Chinese peanut market.

Overall, the market may go slowly up again, especially after the planting period in May. Compared to the 2013 crop, there is 20-25% quantity less produced of the 2014 crop. Les stock equals high prices automatically. Though China has lost a great part of their market share, the export will continue. Simply because some grades are just not replaceable by other origins.

In case you have questions of 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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PEANUT PRICES FCA & CIF ROTTERDAM

Prices on FCA Rotterdam basis are as follows*:

Packaging quantity	Total MT	Origin	Grade	Crop	Price US\$ /mt
Raw and Blanched peanuts					
50 big bags	50,00	Argentine	Runner 32/36	2014	1450
20 big bags	20,00	Argentine	Runner 40/50	2014	1425
10 big bags	12,50	Argentine	Runner 40/50 blanched	2014	1625
36 big bags	44,80	Argentine	Runner 60/70 blanched	2014	1525
40 big bags	50,00	Argentine	Runner 70/80	2014	1250
1500 bags	75,00	Argentine	Splits raw	2014	1325
80 big bags	100,00	Argentine	Splits blanched	2014	1575
185 poly bags	4,60	Brazilian	Splits roasted	2014	1920
700 poly bags	16,50	Chinese	Virginia Shandong 24/28	2013	1925
60 cartons	1,50	Chinese	Virginia Shandong 25/29 blanched	2013	1900
40 big bags	47,50	Chinese	Virginia Shandong 25/29 blanched	2013	1900
760 poly bags	19,00	Chinese	Virginia Shandong 28/32	2013	1850
200 cartons	5,00	Chinese	Virginia Shandong 29/33 blanched	2014	1875
66 big bags	72,00	Nicaragua	Splits blanched	2014	1625
40 big bags	40,00	USA	Jumbo Runner 38/42 blanched	2014	1850
200 big bags	200,00	USA	Medium Runner 40/50 EXTRA CLEANED	2013	1375
40 big bags	40,00	USA	Medium Runner 40/50	2014	1395
19 big bags	19,00	USA	Spanish 60/70 High Oleic	2013	1650
80 big bags	80,00	USA	Spanish 70/80 High Oleic	2013	1620
Sunflowers					
1077 paper bags	21,50	Argentine	In-shell 22/64 Striped	2014	1450
5 big bags	5,00	Bulgarian	Premium kernels EXTRA CLEANED	2014	EUR 920
Peanut paste and Splits Roasted					
In case you have a specific interest in these goods, please ask us.					

Prices on C+F Rotterdam basis are as follows*:

Packaging quantity	Total MT	Origin	Grade	Crop	ETA	Price US\$ /mt
40 big bags	50,00	Argentine	Runner 60/70 blanched	2014	13-3-2015	1500
40 big bags	50,00	Argentine	Runner 70/80	2014	9-3-2015	1225
640 bags vacuum	16,00	Chinese	Red skin 50/60 (FELIXSTOWE)	2014	12-3-2015	2300
1360 cartons	34,00	Chinese	Virginia Shandong 25/29 blanched	2014	22-3-2015	1845
280 cartons	7,00	Chinese	Virginia Shandong 35/39 blanched	2014	24-3-2015	1800
550 paper bags	13,75	Chinese	GWS grade A	2014	24-3-2015	5940
88 big bags	96,00	Nicaragua	Splits Blanched	2014	25-2-2015	1575
19 big bags	19,00	USA	Medium Runner 40/50 blanched	2013	20-3-2015	1400
62 big bags	62,00	USA	Medium Runner 40/50	2014	23-3-2015	1365
40 big bags	40,00	USA	Medium Runner 40/50	2014	7-4-2015	1400

* Prices are subject to final confirmation.

CASHEW PRICES FCA & CIF ROTTERDAM

Prices on FCA Rotterdam basis are as follows*:

Packaging quantity	Total lb	Origin	Grade	Crop	Price US\$ /lb
140 cartons	7000	Indian	WW320	2014	3,52
900 cartons	45000	Vietnam	LP	2014	3,06
149 cartons	7450	Vietnam	WW280	2014	3,90
2000 cartons	100000	Vietnam	WW320	2014	3,52
750 cartons (TINS)	37500	Vietnam	WW320 (located in Fanpac UK)	2014	3,58

Prices on C+F Rotterdam basis are as follows*:

Packaging quantity	Total lb	Origin	Grade	Crop	ETA	Price US\$ /lb
750 cartons	30000	Indian	WW320	2014	17-3-2015	3,48
700 cartons	35000	Vietnam	LP	2014	8-3-2015	2,90
750 cartons (TINS)	37500	Vietnam	WW320 (FELIXSTOWE)	2014	20-3-2015	3,53

* Prices are subject to final confirmation.