



PEANUTS & PECANS ROUND TABLE



**INC XL WORLD NUT AND
DRIED FRUIT CONGRESS**
MAY 22-24, 2023

Panel

- Chair: **Lalo Medina**, President, Pecan Grove Farms, USA
- **Chen Ying**, Director of Cereals and Oils, China Chamber of Commerce, China
- **Richard Owen**, President and CEO, American Peanut Council, USA
- **Andrew Waddell**, Business Development Manager, Stahmann Webster, Australia
- **Andreas Snyman**, Executive Manager, GWK, South Africa

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Program

1. Reflecting on the market?
 - Where is the consumption after COVID?
 - Buyers taking Long / Short positions and why?
2. Potential Game Changers?
 - Where is China's demand post COVID?
 - Reduction of Indian Tariffs on US Pecans for US Pecans
3. What potential marketing synergies exist between Peanuts and Pecans?



ESTIMATED WORLD PEANUT PRODUCTION

In-shell Basis. 1000 Metric Tons

COUNTRY	2022/2023				2023/2024			
	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK
CHINA	5	17,900	17,905	2	2	18,900	18,902	2
INDIA	629	6,300	6,929	381	381	6,600	6,981	358
NIGERIA	427	4,284	4,711	439	439	4,300	4,739	418
USA	1,071	2,526	3,597	998	998	2,849	3,847	1,071
SENEGAL	756	1,502	2,258	553	553	1,715	2,268	448
ARGENTINA	382	1,150	1,532	337	337	1,320	1,657	300
BRAZIL	28	890	918	31	31	890	921	24
INDONESIA	150	930	1,080	114	114	880	994	78
GHANA	22	611	633	48	48	600	648	48
VIETNAM	37	400	437	27	27	390	417	22
COTE D'IVOIRE	14	243	257	15	15	240	255	13
NICARAGUA	1	193	194	1	1	200	201	1
MEXICO	28	101	129	28	28	92	120	25
SOUTH AFRICA	4	49	53	2	2	49	51	8
OTHERS	1,504	12,035	13,539	1,470	1,470	11,990	13,460	1,382
WORLD TOTAL	5,058	49,114	54,172	4,446	4,446	51,015	55,461	4,198

WORLD CONSUMPTION (T. Supply - End. Stock)	49,726
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Sources: China Chamber of Commerce for Import and Export of Foodstuffs, USDA and other INC sources.

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ESTIMATED WORLD PECAN PRODUCTION

In-shell Basis. Metric Tons

COUNTRY	2022/2023				2023/2024			
	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK
MEXICO	0	136,079	136,079	0	0	135,000	135,000	0
USA	79,000	124,739	203,739	74,000	74,000	125,000	199,000	59,200
SOUTH AFRICA	0	31,846	31,846	3,000	3,000	27,000	30,000	0
CHINA	0	4,500	4,500	0	0	8,000	8,000	0
AUSTRALIA	0	2,950	2,950	0	0	3,000	3,000	0
BRAZIL	500	3,000	3,500	500	500	3,000	3,500	0
ARGENTINA	0	2,000	2,000	0	0	2,000	2,000	0
OTHERS	0	3,500	3,500	0	0	3,500	3,500	0
WORLD TOTAL	79,500	308,614	388,114	77,500	77,500	306,500	384,000	59,200

WORLD CONSUMPTION (T. Supply - End. Stock)	310,614
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Sources: Argentine Pecan Committee and other INC sources.

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ESTIMATED WORLD PECAN PRODUCTION

Kernel Basis. Metric Tons

COUNTRY	2022/2023				2023/2024			
	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK	BEG. STOCK	CROP	TOTAL SUPPLY	ENDING STOCK
MEXICO	0	68,040	68,040	0	0	67,500	67,500	0
USA	39,500	62,370	101,870	37,000	37,000	62,500	99,500	29,600
SOUTH AFRICA	0	15,000	15,000	1,500	1,500	13,500	15,000	0
CHINA	0	2,250	2,250	0	0	4,000	4,000	0
AUSTRALIA	0	1,534	1,534	0	0	1,500	1,500	0
BRAZIL	250	1,400	1,650	250	250	1,500	1,750	0
ARGENTINA	0	1,000	1,000	0	0	1,000	1,000	0
OTHERS	0	1,750	1,750	0	0	1,750	1,750	0
WORLD TOTAL	39,750	153,344	193,094	38,750	38,750	153,250	192,000	29,600

WORLD CONSUMPTION (T. Supply - End. Stock)	154,344
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Sources: Argentine Pecan Committee and other INC sources.

Summary & Conclusion

Peanuts

- Impact of drought and freeze in Argentina and weather problems in Brazil
- Sustainability expectations, especially from EU customers
- Research around quality traits and reduction of diseases
- Stringent EU requirements for aflatoxin, pesticide MRL's, heavy metals
- Growth of peanut butter in Europe, Mexico and other consumer markets
- Continued import growth in China, SE Asia.

Pecans

- Unprecedented short inventory (lowest in 10yrs)
- Due to initial market uncertainty, Buyers book a fraction of the year / Risk of missing product before new crop
- Piece prices are at or above the price of halves
- Due to low inventory positions in China, as well as lifting COVID restrictions, Chinese buyers have re-entered the in-shell market after the Chinese New Year
- India reduce the tariff on US pecans from 100% to 30%