

PEANUT PRICES REMAIN HIGH

Market Report

With peanut prices having been at record high levels for some time, it was to be hoped that the Autumn new crops might bring some relief, but that has not been the case.

In **America**, another poor growing season, this time in the West, has produced another poor crop in terms of both yield and quality.

With barely enough peanuts grown for domestic use, prices for export to the EU have been pushed above \$3,000 for raw 4050; a level which only the very few have to pay.

In **Argentina**, both farmers and shellers have been able to achieve high prices for their peanuts due to America's problems.

It is rare in the peanut world that a good crop leads to record prices being achieved, but Argentina is now the major producer in the World of top quality runner peanuts and are reaping the rewards, deservedly so.

It is anticipated that they will sow a crop of over 500,000 fsst which will harvest next May and this has already seen prices for new crop being offered at a discount to current crop, but not enough to bring down levels below \$2,000/mt yet.

China has produced a crop of about 15,000,000 fsst. Prices for the new crop opened around the close of the old crop but have fallen quite steadily due to slow domestic demand and slow export off take.

Buyers in Europe are taking a "wait and see" attitude as these record high prices for peanuts are having an inevitable negative effect on consumption.

The Chinese are markedly reluctant to offer beyond February shipment so we will have to wait and see their attitude to further sales after they return from their New Year celebrations.

India look like they have produced a good crop, although it is still too early to judge the overall quality. Given the favourable weather this year, it is fair to assume that quality is much better than last year's disastrous crop and initial shipments are bearing this out.

The crops in **Nicaragua** and **Brazil** are expected to be normal but, as both countries are pricing their crops at Argentine levels, they will bring no immediate relief to long suffering manufacturers.

Mark Gravette (Barrow Lane & Ballard Ltd)

BPC MEMBERSHIP DRIVE

The membership has remained at a constant for the past few years, although there has been gains and losses, as you will know.

Today, 15 Trading Members, 4 Overseas Members, 6 Service Members and one Honorary Member make up the 26 roll call.

While the focus of the BPC since its creation in the 1960s (2007 marked its 40th Anniversary some may recall) has been edible peanuts for human consumption, a couple of years ago the Board of Directors agreed to expand the basis to include feed, although the broadening of the membership

base has not developed to date, as hoped.

To that end, and to cast the net over those who are in the peanut trade or providing services to it, but not currently member of the BPC, we ask members to complete the enclosed proforma with potential member's contact details. Please indicate whether you wish for this office to follow the leads provided, with or without reference, to the source of the data.

In the festive season, we are sure the Board will grant a complimentary luncheon place to the person or company who introduces the most new comers!

ESA'S NUT PROCESSORS WORKING GROUP HIGHLIGHTS

Country of Origin Labelling (COOL) is being looked at by DG SANCO and DG Africa of the European Union.

Health claims and nutrition information remains under review, with now a defined values matrix developed by ESA. Both areas are being monitored by the Group. Further details are available from the Secretariat.

AFLATOXIN REGULATION RELAXATION

Under Regulation 669/2009, official monitoring requirements for imported peanuts and peanut products from Argentina have been removed. It had set out a sampling regime of 10% for all imports.

Restrictions remain for Brazilian peanuts/peanut butter, 10% frequency of physical and identity checks, India 20% and Ghana 50%.

BOARD MEETING

The Board next meets at the Council's London offices on -

Friday 20 January 2012

If you have any issues that you would like to bring to the Directors' attention, then please e-mail the relevant details to the Secretariat.

SECRETARIAT SUPPORT SERVICE

Secretary : Stuart Logan
(stuart.logan@fosfa.org)

Accounts : Albert Myint
(albert.myint@fosfa.org)

Membership : Anna Baran
(anna.baran@fosfa.org)

General Enquiries : Gemma Hale
(contact@fosfa.org)

INTERNATIONAL PEANUT FORUM



The APC-hosted IPF is to take place at the Krasnapolsky Hotel, Amsterdam, from **11-13 April 2012**. Expected to attract global suppliers, dealers, brokers, manufacturers, testing laboratories, equipment suppliers and association representatives - sponsorship, exhibit and advertising opportunities are available.

For further details, visit the IPF website (<http://www.peanutsusa.com>) or contact Louise McKerchar (lmckerchar@peanutsusa.org.uk).

JOINT BPC AND CENTA LUNCH



The BPC Board of Directors and CENTA's Committee is pleased to announce that the Queen's Club, Kensington, West London, venue has been booked once again for the 2012 Luncheon and AGMs, on **Friday 27 April**.



SNACKEX 2013

ESA has announced that Snackex 2013 is to be held in Gothenberg, Sweden, from **11-13 June**.

Snackex 2011, held in Barcelona in June and coinciding with ESA's 50th Birthday, was attended by over 1,900 delegates from 75 countries.

This was the 14th Snackex trade show and conference.