



# Australian Peanuts: Back on the Menu

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**2017** Australian Nut  
Conference

27 - 29 March 2017  
Pullman, Melbourne, Albert Park



# A New Era In Peanuts



Peanuts are driving nut consumption globally.

1. **Price:** Value
2. **Sustainability:** World's most sustainable protein source
3. **Health:** Ongoing studies demonstrating positive outcomes
4. **Flavour:** Kids don't tire of eating peanut butter!

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# Global Peanut Production & Trends

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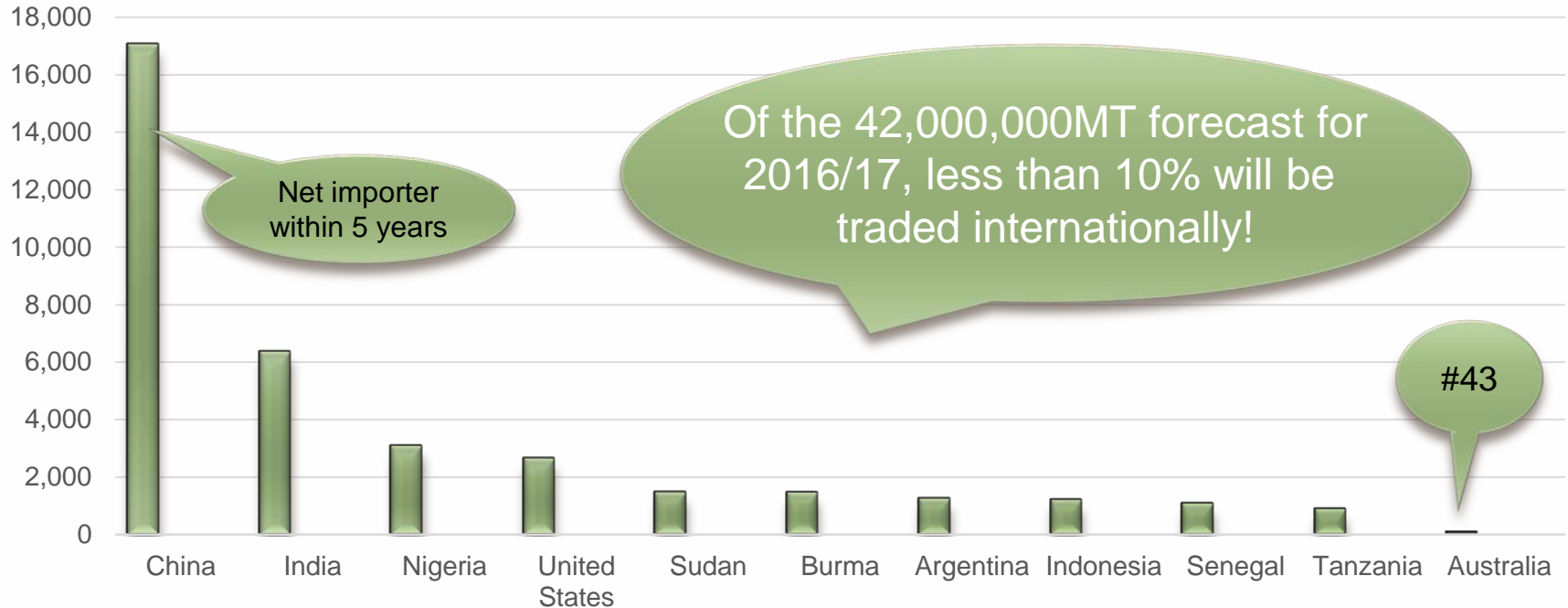
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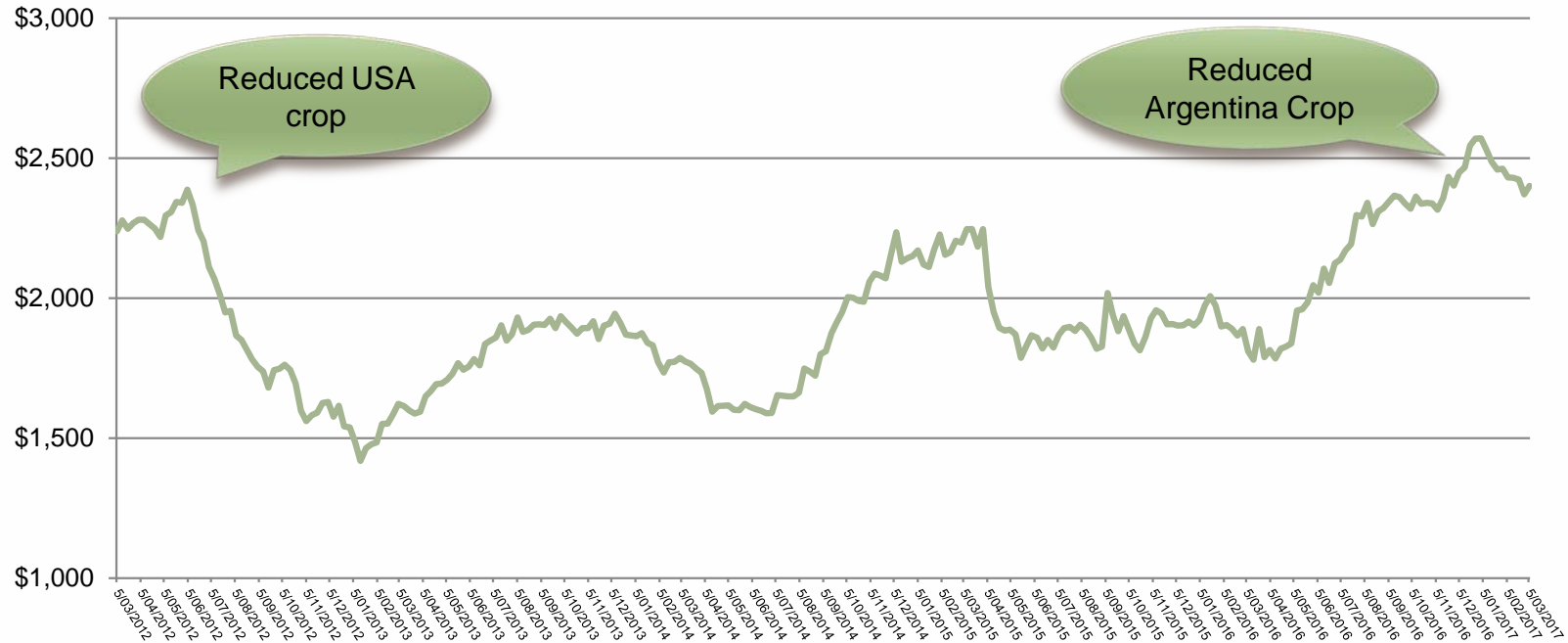
# 2016/17 Production

## Top 10 Peanut Producers (000MT)



# 2012-2017 Pricing

## Argentinean Hi Oleic 38/42's - C&F Europe (AUD)



# Key Global Supply Trends



- Production is growing steadily
  - Total of 55% in the last 20 years (*USDA*)
- China's growth is impacting supply
  - Middle class growth driving global sourcing and consumption
- Long term partnerships delivering security
- Specifications are important

# Key Supply Trends

- Recognition of reliance on Argentina
  - Cautious offering in 2017
  - Key High Oleic supply source, with other regions playing catch up
  - Organic peanuts



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# Australian Peanut Production

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# The Australian Marketplace



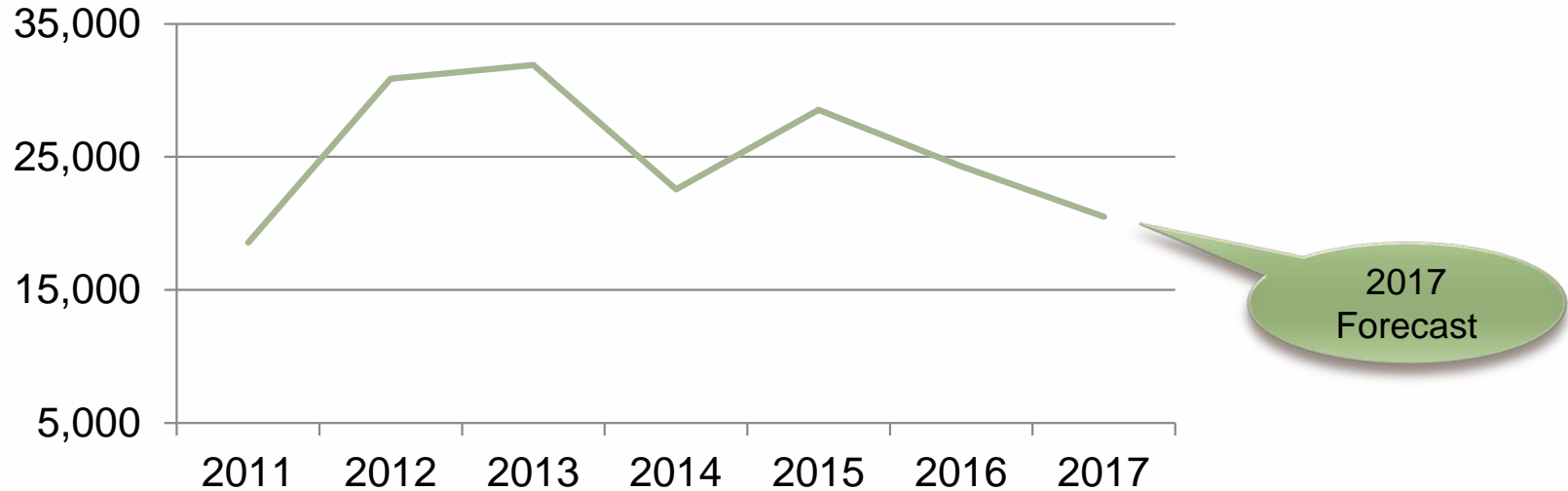
- Australia produces <40% of the peanuts we consume
- Peanut consumption is growing
- Australian peanuts obtain a premium



# Australian Peanut Production



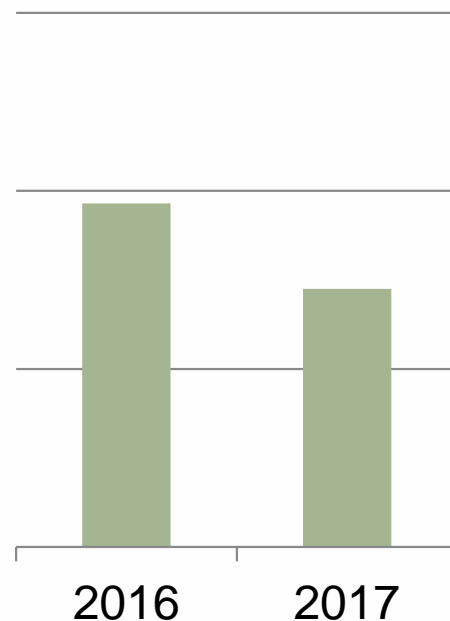
- Grower support remains strong, however recent production impacted by unfavourable weather



# Australian Peanut 16/17 Production



- ↑ \$\$ incentive, ↑ area planted
- Climate impacts to reduce harvest by 20% vs. 2016
- Impacts for buyers:
  - Higher price
  - Late arrival
  - Peanut type/grade



# Industry Trends & Forecast

- Peanuts will cost more.....
  - Demand exceeds production
- Increased production will be driven by productivity and farmer pricing
  - Area planted and cropping cycle determined by greatest return
  - New growers ARE coming on board

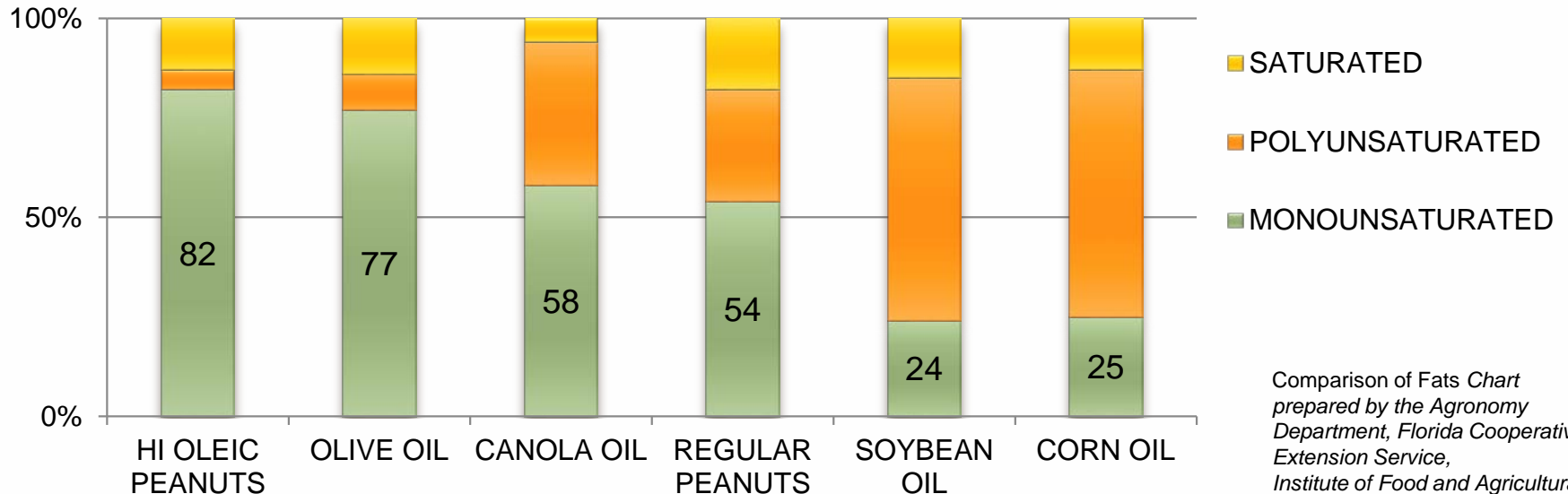


# Industry Trends & Forecast



- 'High Oleic' is the new standard...

- Maintaining purity is key



Comparison of Fats Chart prepared by the Agronomy Department, Florida Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida.

# Industry Trends & Forecast



- Demand for Australian remains strong
  - Quality, supply chain, nutrition
  - # of peanut launches increasing
- Country of Origin labelling change is driving sourcing decisions
  - Origin is linked to brand positioning
  - Consumer preference

# Both Australian Grown.....



Australian peanut farmers will demand an Aussie Grown premium for consumer preference to secure it's future.

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# Questions...

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