

USDA Announces Loan Rates for 2022-Crop Peanuts

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WASHINGTON, July 6, 2022 – The U.S. Department of Agriculture’s (USDA) Commodity Credit Corporation (CCC) today announced 2022-crop loan rates for four types of peanuts. The rates take effect Aug. 1, 2022, which is the beginning of the peanut crop year.

Eligible producers can obtain peanut loans through their local Farm Service Agency (FSA) county offices or alternative delivery partners, such as Designated Marketing Associations (DMA) and Cooperative Marketing Associations (CMA). These loans provide producers with interim financing on their production and facilitate the orderly distribution of loan-eligible peanuts throughout the year.

The 2018 Farm Bill established the national loan rate for peanuts at \$355 per ton. CCC calculated the price support levels for each peanut type using the same method as last year. The 2022 Crop Peanut Loan Rate was calculated using the national loan rate and five-year average quality factors, along with a three-year simple average weighted production. For an average grade ton of 2022-crop peanuts, loan levels by type are:

Runner-type peanuts	\$354.68 per ton
Spanish-type peanuts	\$343.41 per ton
Valencia-type peanuts	\$358.31 per ton
Virginia-type peanuts	\$358.31 per ton

CCC applies premiums and discounts for quality factors to compute the loan value for an individual ton of peanuts. The actual loan level depends on the percent of various sizes of kernels in each ton. CCC

uses the percentage of sound mature kernels (SMK) and sound splits to compute the basic loan value of the load. SMKs are whole kernels that pass over the testing screen officially designated for each type of peanut. Sound splits are whole kernels split into two pieces. Excess sound splits receive discounts. There are discounts for other kernels, damaged kernels and foreign materials. An additional discount occurs for loose shell kernels. Other quality discounts also may apply.

For each percent of SMK in a ton of peanuts, plus each percent of sound splits, the loan levels are:

Runner-type peanuts	\$4.788 per percent
Spanish-type peanuts	\$4.764 per percent
Valencia-type peanuts	\$5.408 per percent
Virginia-type peanuts	\$4.884 per percent

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit <http://www.usda.gov>.

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