

PM-22-078

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Date

December 13, 2022

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator /s/ Richard H. Flournoy 12/13/2022

Subject

2023 Crop Year (CY) Commodity Exchange Price Provisions (CEPP) – Peanuts Factors:
January 31, 2023, Sales Closing Date

Background

The CEPP – Peanuts factors necessary to establish the insured's amount of protection under the peanut program for the 2023 CY are identified below. The factors are applied to the commodity prices for wheat, cotton, soybean oil, and soybean meal during the discovery period of December 15, 2022, to January 14, 2023. These factors apply only to states with a Sales Closing Date (SCD) of January 31, 2023. They are determined in accordance with the Peanut Price Methodology guidelines published and available at www.rma.usda.gov/sites/default/files/2025-02/Commodity-Exchange-Price-Provisions---Peanuts-21-CEPP-PT.

Action

The factor values for peanuts in states and counties with a January 31, 2023, SCD, as specified in the CEPP – Peanuts document for the 2023 crop year, are shown below.

The values for the exponent factors for each commodity exchange futures contract are:

Commodity	Abbreviation	Value
Wheat	β_{w}	-0.1534
Cotton	β_{ct}	0.2835
Soybean Oil	β_{so}	0.4074
Soybean Meal	β_{sm}	-0.0980

The values for the price constant and price weighting factors are:

Variable	Abbreviation	Value
Price Constant	C	0.1423
Price Weighting Formula	W	0.3861

The values for the type factors are:

Type	Abbreviation	Value
Runner	T_{ru}	1.00
Spanish	T_{sp}	1.57
Valencia	T_{va}	1.13
Virginia	T_{vi}	1.13

Additionally, the factor specifications for commodities utilized to determine price volatility are as follows:

Commodity	Abbreviation	Value
Wheat	G_{wh}	-0.0246
Cotton	G_{ct}	0.3598
Soybean Oil	G_{so}	0.0181
Soybean Meal	G_{sm}	0.0518

The value for the volatility weighting factor is:

Variable	Abbreviation	Value
Volatility Weighting Factor	V	4.9455

DISPOSAL DATE:

December 31, 2023