

PM-23-005

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Date

January 30, 2023

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator /s/ John W. Underwood for Deputy Administrator

Subject

2023 Crop Year (CY) Commodity Exchange Price Provisions (CEPP) – Peanuts Factors:
March 15, 2023, Sales Closing Date (SCD)

Background

The CEPP – Peanuts factors necessary to establish a producer'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 February 1, 2023, to February 28, 2023. These factors apply only to states with a SCD of March 15, 2023. They are determined in accordance with the Peanut Price Methodology guidelines published and available at rma.usda.gov/-/media/RMA/Policies/CEPP/2021/Commodity-Exchange-Price-Provisions---Peanuts-21-CEPP-PT.ashx.

Action

The factor values for peanuts in states and counties with a March 15, 2023, SCD, as specified in the CEPP – Peanuts document for the 2023 CY, are shown below.

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

Commodity Abbreviation Value

Wheat	E_{wh}	-0.1770
Cotton	E_{ct}	0.2614
Soybean Oil	E_{so}	0.4450
Soybean Meal	E_{sm}	-0.0863

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

Variable Abbreviation Value

Price Constant	C	0.1381
Price Weighting Formula	W	0.4145

The values for the type factors are:

Type Abbreviation Value

Runner	T_{ru}	1.00
Spanish	T_{sp}	1.56
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}	-0.0823
Cotton	G_{ct}	0.3194
Soybean Oil	G_{so}	-0.1618
Soybean Meal	G_{sm}	0.2612

The value for the volatility weighting factor is:

Variable Abbreviation Value

Volatility Weighting Factor	W	5.9952
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DISPOSAL DATE:

December 31, 2023