

PM-24-004

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Date

January 16, 2024

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator

Subject

2024 Crop Year (CY) Commodity Exchange Price Provisions (CEPP) – Peanuts Factors:
February 28, 2024, Sales Closing Date (SCD)

Background

The CEPP – Peanuts factors necessary to establish a producer's amount of protection under the peanut program for the 2024 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 January 15, 2024, to February 14, 2024. These factors apply only to states with a SCD of February 28, 2024. 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 February 28, 2024, SCD, as specified in the CEPP – Peanuts document for the 2024 CY are shown below.

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

Commodity	Abbreviation	Value
Wheat	E_{wh}	-0.1340
Cotton	E_{ct}	0.4186
Soybean Oil	E_{so}	0.3678
Soybean Meal	E_{sm}	-0.1324

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

Variable	Abbreviation	Value
Price Constant	C	0.1376
Price Weighting Formula	W	0.5283

The values for the type factors are:

Type	Abbreviation	Value
Runner	T_{ru}	1.00
Spanish	T_{sp}	1.67
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}	-0.1003
Cotton	G_{ct}	0.3178
Soybean Oil	G_{so}	-0.2488
Soybean Meal	G_{sm}	0.4701

The value for the volatility weighting factor is:

Variable	Abbreviation	Value
Volatility Weighting Factor	V	3.9830

DISPOSAL DATE:

December 31, 2024