

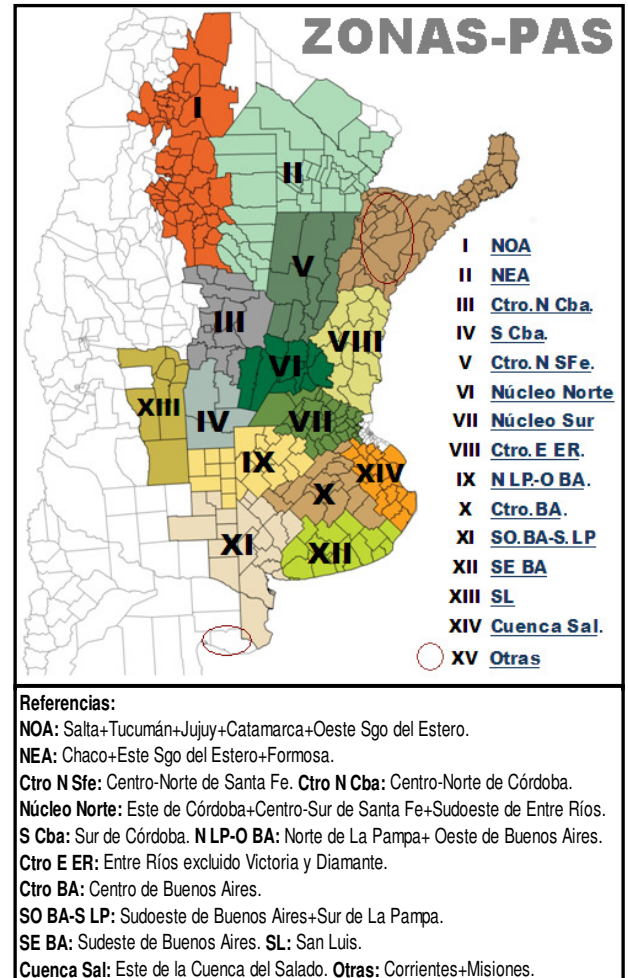


Weekly Ag Report

BUENOS AIRES GRAIN EXCHANGE

WEEK ENDED ON Jul 17, 2014

CROP REPORT - HIGHLIGHTS
Estimations and Agricultural Projections Department
Buenos Aires Grain Exchange



WEEKLY AGRICULTURAL WEATHER OUTLOOK

BUENOS AIRES GRAINS EXCHANGE

July 17, 2014

AGRICULTURAL WEATHER OUTLOOK: JULY 17 TO 23, 2014: PRECIPITATIONS OVER THE NORTHEAST OF THE AGRICULTURAL AREA, FOLLOWED BY A MODERATE TEMPERATURE DROP AND A LATER TEMPERATURE RISE.

OUTLOOK SUMMARY

At the beginning of the perspective, the passage of a Pampero front will bring precipitations over the northeast of the agricultural area. The front will also clear the atmosphere and lead to a period of good weather conditions. Together with the front, the arrival of southerly winds will lead to a moderate temperature drop, with chances of frosts over most part of the west, south and center of the agricultural area. Towards the end of the perspective, the return of northerly winds will bring a rise in temperatures.

WHEAT

Precipitations of last week are worsening water difficulties along the East margin of the Ag region. Therefore, the Mid-East of Entre Ríos, South Belt, Center, East and SE of Buenos Aires are reporting a strong harvest delay, ranging from 15 to 40 percentage points. Such delay responds to water excess on fields and roads, thus forcing producers to reduce planting area.

Consequently, sowing has estimated covered 100 thousand hectares less than originally expected, so current estimate is reporting **4,200,000 hectares**. YOY area increase accounts for 16 % (10/07/14: 4.3M Ha), and it is important to point out that if bad weather continues, the loss of area could be even greater for corn sowing.

Up to date, sowing accounts for 80 % of 4.2M Ha estimated for this season. Week-to-week advance posted 7.5 percentage points, and a YOY delay of -8.7 points. Overall, around 3.36M Ha were sown.

The same rainfalls that caused water excess and floodings in the East of the Ag region are creating good sowing conditions for the development of the crop along the West margin. Therefore, areas such as the NW Area, Santiago del Estero, Córdoba and La Pampa are reporting a significant YOY increase of area, aided by good water supplies.

WHEAT PLANTING				As of: Jul 17, 2014	
2014/15 Season		Hectareage (Ha)		Percentage planted (%)	Hectares planted
Zone	2013/14	2014/15			
I	NOA	50.000	175.000	100,0	175.000
II	NEA	140.000	250.000	100,0	250.000
III	Ctro N Cba	320.000	390.000	100,0	390.000
IV	S Cba	156.000	177.000	98,0	173.460
V	Ctro N SFe	192.000	215.000	97,0	208.550
VI	Núcleo Norte	315.000	355.000	95,0	337.250
VII	Núcleo Sur	280.000	294.000	74,0	217.560
VIII	Ctro E ER	180.000	200.000	79,0	158.000
IX	N LP-OBA	300.000	330.000	90,0	297.000
X	Ctro BA	165.000	140.000	63,0	88.200
XI	SO BA-S LP	800.000	920.000	82,0	754.400
XII	SE BA	650.000	680.000	40,0	272.000
XIII	SL	4.000	5.000	100,0	5.000
XIV	Cuenca Sal	60.000	60.000	40,0	24.000
XV	Otras	8.000	9.000	100,0	9.000
TOTAL		3.620.000	4.200.000	80,0	3.359.420

SOYBEAN

Rainfalls of recent days are delaying harvest once again in the Buenos Aires region, which concentrates the whole of the pending area in the country. However, harvest has covered 99.2 % of the area, marking a week-on-week advance by 0.7 %, reducing YOY delay down to -0.8 %. Countrywide average yield is still on a downward trend, finishing this week at 2.86 tons/Ha, accruing a partial volume of 55.3M Tn. Final volume is expected to reach **55,500,000 tons**.

Consequently, bearing in mind that the whole pending area is spread across the above mentioned locations, countrywide harvest is likely to move slowly in the next few days, thus delaying end of season even more. Such delay might as well compromise harvest of some plots, which will gradually lose quality. Nevertheless, such losses would not be significant, and current estimations will remain.

SOYBEAN HARVEST					As of: Jul. 17, 2014			
2013/14 Season		Hectareage (Ha)			Percentage Harvested (%)	Hectares Harvested	Yield (qq/Ha)	Production (Tn)
Zone	Sown	Lost	Harvestable					
I	NOA	1.130.000	90.000	1.040.000	100,0	1.040.000	23,4	2.433.574
II	NEA	1.860.000	60.000	1.800.000	100,0	1.800.000	26,0	4.681.062
III	Ctro N Cba	2.480.000	45.000	2.435.000	100,0	2.435.000	32,3	7.854.790
IV	S Cba	1.481.000	85.000	1.396.000	100,0	1.396.000	30,4	4.238.449
V	Ctro N SFe	1.155.000	60.000	1.095.000	100,0	1.095.000	30,4	3.333.218
VI	Núcleo Norte	3.635.000	105.000	3.530.000	100,0	3.530.000	33,2	11.702.471
VII	Núcleo Sur	2.820.000	90.000	2.730.000	100,0	2.730.000	32,2	8.785.357
VIII	Ctro E ER	1.231.000	50.000	1.181.000	100,0	1.181.000	25,3	2.989.755
IX	N LP-OBA	1.590.000	60.000	1.530.000	99,8	1.526.449	26,5	4.044.003
X	Ctro BA	570.000	50.000	520.000	89,9	467.565	24,5	1.143.319
XI	SO BA-S LP	410.000	40.000	370.000	99,3	367.518	14,3	526.767
XII	SE BA	1.581.000	80.000	1.501.000	94,0	1.411.315	18,0	2.648.962
XIII	SL	160.000	20.000	140.000	100,0	140.000	20,4	286.725
XIV	Cuenca Sal	200.000	10.000	190.000	94,0	178.621	27,7	520.639
XV	Otras	47.000	5.000	42.000	100,0	42.000	26,1	109.671
TOTAL		20.350.000	850.000	19.500.000	99,2	19.340.469	28,6	55.298.761

CORN

Despite the rains of last seven days, harvest has progressed by 7 percentage points. Consequently, countrywide harvest accounted for 65.4 % of the area, accruing a farm volume of over 16M Tn, with an average yield of 7.4 tons/Ha. YOY delay posted 4 percentage points, finishing at -26.6 %, though delay is still significant.

The fast corn harvest progress is due to the advance in places such as the NW Area, Cordoba and North of La Pampa-West of Buenos Aires. These areas are producing plots with more grain moisture than demanded by the market (between 16 and 18 % H^º). This is not only due to market demand, but also to producers 'concern for protecting yield against plants knock-downs on account of strong winds and lack of firmness of corn in these areas.

Finally, the North of La Pampa-West of Buenos Aires, also registered significant harvest progress last week on account of the same factors mentioned above. Good productivity on late plots in addition to root firmness problems and the level of demand for the crop are the factors why harvest is being carried out with moisture, even when it is necessary to pay the cost of drying.

Based on this scenario, current projection remains at 25,000,000 Tn. This result includes adjustments for humidity. Such volume would be falling -7.4 % from last season.

















CORN HARVEST						As of: Jul. 17, 2014			
2013/14 Season		Hectareage (Ha)			Percentage	Hectares	Yield	Production	
Zone		Sown	Lost	Harvestable	Harvested (%)	Harvested	(qq/Ha)	(Tn)	
I	NOA	282.000	17.000	265.000	30,1	79.670	62	492.888	
II	NEA	302.000	13.000	289.000	35,8	103.352	72	746.670	
III	Ctro N Cba	580.000	14.000	566.000	41,8	236.400	82	1.939.860	
IV	S Cba	410.000	25.000	385.000	55,3	212.750	73	1.546.050	
V	Ctro N SFe	136.000	30.000	106.000	59,1	62.600	61	379.640	
VI	Núcleo Norte	360.000	7.000	353.000	91,6	323.300	87	2.818.740	
VII	Núcleo Sur	320.000	11.000	309.000	94,1	290.830	90	2.617.470	
VIII	Ctro E ER	151.000	12.000	139.000	83,6	116.237	54	633.056	
IX	N LP-OBA	424.000	30.000	394.000	84,2	331.900	73	2.439.220	
X	Ctro BA	218.000	11.000	207.000	81,1	167.775	63	1.056.245	
XI	SO BA-S LP	100.000	11.000	89.000	85,1	75.700	44	333.910	
XII	SE BA	90.000	5.000	85.000	52,9	44.925	68	304.275	
XIII	SL	130.000	4.000	126.000	80,6	101.495	64	647.268	
XIV	Cuenca Sal	48.000	4.000	44.000	94,4	41.521	69	284.875	
XV	Otras	19.000	3.000	16.000	100,0	16.000	52	83.400	
TOTAL		3.570.000	197.000	3.373.000	65,4	2.204.455	74,0	16.323.566	

GRAIN SORGHUM

Sorghum harvest has progressed by 9.7 % in the last fifteen days, raising national harvest to 77 % of the area, marking a YOY delay of 16 percentage points. Delay is mainly due to the lack of soils on plots and roads, which hampers harvest and related fieldwork. To date, countrywide average yield reports 4.5 tons/Ha accounting for 770 thousand hectares of harvest, producing an accrued volume of 3.45M Tn.

The largest harvest progress in Buenos Aires was in the West area. The North of La Pampa-West of Buenos Aires and Southwest of Buenos Aires-South of La Pampa are registering progress by 60 %. Outlooks are quite different within the regions; although both areas suffered thermo-hydric stress at the start of season, new rainfalls in the North of La Pampa-West of Buenos Aires produced yields as expected on late plots. Conversely, the SW of Buenos Aires-South of La Pampa could not yet offset water stress on its plots. This caused severe losses of area, and current yields report a YOY fall around 40 percentage points.

Finally, based on the above scenario, production estimates remain at 4,300,000 tons. Such volume would be -4.5 % below last season harvest, which finished at 4.5M Tn.

GRAIN SORGHUM HARVEST					As of: Jul 17, 2014			
2013/14 Season		Hectareage (Ha)			Percentage	Hectares	Yield	Production
Zone		Sown	Lost	Harvestable	Harvested (%)	Harvested	(qq/Ha)	(Tn)
I	NOA	24.000	800	23.200	 70,0	16.240	35	56.840
II	NEA	245.000	7.500	237.500	 62,5	148.438	42	623.438
III	Ctro N Cba	134.000	6.000	128.000	 87,8	112.384	52	584.397
IV	S Cba	44.000	2.800	41.200	 67,5	27.810	52	143.222
V	Ctro N SFe	205.000	10.000	195.000	 87,0	169.650	47	793.962
VI	Núcleo Norte	40.000	1.900	38.100	 98,9	37.681	61	230.984
VII	Núcleo Sur	20.000	850	19.150	 84,6	16.201	62	100.446
VIII	Ctro E ER	85.000	9.000	76.000	 96,8	73.568	46	338.413
IX	N LP-OBA	45.000	8.500	36.500	 55,0	20.075	50	100.375
X	Ctro BA	8.000	350	7.650	 35,0	2.678	30	8.033
XI	SO BA-S LP	120.000	28.000	92.000	 66,7	61.364	21	128.864
XII	SE BA	7.000	200	6.800	 28,0	1.904	45	8.568
XIII	SL	52.000	3.100	48.900	 89,0	43.521	41	176.260
XIV	Cuenca Sal	29.000	800	28.200	 59,0	16.638	47	77.699
XV	Otras	22.000	1.900	20.100	 100,0	20.100	42	83.415
TOTAL		1.080.000	81.700	998.300	 77,0	768.251	45,0	3.454.915

Buenos Aires, Jul 17, 2014

Buenos Aires Grains Exchange