

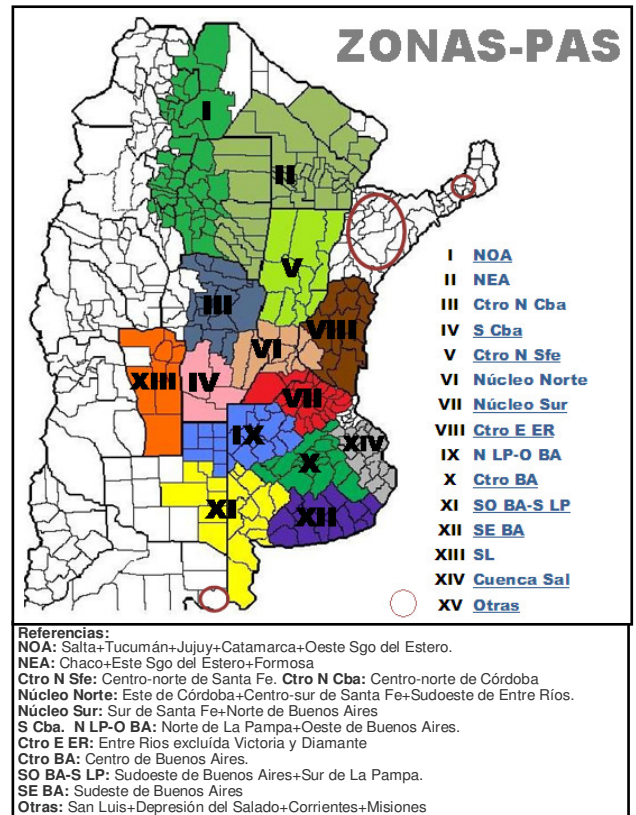


Weekly Ag. Report

BUENOS AIRES GRAIN EXCHANGE

WEEK ENDED ON Jun. 14, 2012

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



Mr. Eduardo Anchubidart
 05/01/1946 – 06/08/2012

The Grains Exchange deeply regrets the death Mr. Eduardo Anchubidart, agricultural engineer, which occurred on Friday, 8 June 2012. Since early August 2004, Mr. Anchubidart served as Chief in the Department of Agricultural Estimates and Projections at our institution. During this period he devised and coordinated with great professionalism and unique human quality the tasks related to the publication of the Weekly Agricultural Outlook which soon became a national and international reference in terms of estimates for the main agricultural crops of our country. We express our heartfelt condolences to his family and friends, and we dedicate the publication of our weekly report to his memory.

WEEKLY AGRICULTURAL WEATHER OUTLOOK

BUENOS AIRES GRAINS EXCHANGE

OUTLOOK SUMMARY

NATIONAL AGRICULTURAL WEATHER OUTLOOK JUNE 14 TO 21, 2012. COLD WEATHER AT THE BEGINNING OF THE WINTER SEASON

The current outlook begins with warm winds from the north. Temperatures are reported above the average in the north and center of the agricultural area while the south maintains moderate values. A storm front coming from the southwest will cause heavy rainfall with snow and winds in mountain areas. However, most of the national agricultural area will observe scarce precipitations. Only the northwest of the area will observe abundant rain levels: Most of the Chaco region, the north of Salta, most of Mesopotamia and the southeast of Mendoza will observe rainfalls ranging from moderate to abundant (10 to 50 mm), with severe localized showers; The rest of the agricultural area will observe scarce precipitations (less than 10 mm). The storm front will be followed by a polar air mass that will gradually affect the national agricultural area. There is likelihood of frosts in most of its path. Therefore, cold weather is expected to be reported at the beginning of the winter season next June 20.

Buenos Aires, June 14, 2012

Buenos Aires Grains Exchange

WHEAT

So far 25.3% of the area projected as **3,800,000 HAS** has been implanted nationwide. In whole numbers, 960 thousand hectares were seeded, against the 1,900,000 HAS that were implanted by the same date during the last campaign, thus showing a drop of 12.9 annual points. The weekly progress was of 10.3 percentage points, triggered by the start of the seeding in most of the agricultural area. The incorporation of plots in the NWA region (where we can now see emerging plots), in Cordoba and in the belts, as well as the north of Santa Fe and Entre Rios, has boosted the progress of the crop seeding nationwide. Nevertheless, the labors are delayed in the North-center of Cordoba due to the lack of surface moisture in the plots of the region. They are now expecting new hydric pulses to continue incorporating plots. Although the seeding surface reduction is well known, if the lack of rains persists the decrease could be even greater.

The North-center of Santa Fe has incorporated during the last seven days a larger amount of intermediate to long cycle varieties, with low technology. The soil moisture is appropriate in this area, to carry out covering labors and to facilitate births. The East-center of Entre Rios presents similar conditions, where it is expected to see a drop of more than 15% of the surface seeded in the last campaign, though surface moisture is good, and the producers are starting to plant the first wheat plots with their own seeds and low technology. The central region of the country is moving forward with a generalized cover, but showing great disparity when it comes to the percentages of seeding surface paring, which goes from 20% to 65% down from the previous campaign. This area is still within the optimal period until the seeding window closes. Likewise, the Southeast of Buenos Aires has incorporated the first plots, where the seeding bed moisture is optimal and in some cases there is hydric excess. This region also shows a significant fall as compared to the previous harvest season. Today the plots covered can be found in the areas of Cnel. Dorrego, Cnel. Pringles and Tres Arroyos. The region around Tandil has incorporated plots for seeds multiplication. The Southwest of Buenos Aires and South of La Pampa are also incorporating wheat plots, especially in the regions of Bahia Blanca, Atreuco, Macachin, Darragueira, Puan, where superficial moisture is still good to carry out an adequate implantation of the crop. It is relevant to point out though that the uncertainty over the crop seeding goes on in the basin of the South of Buenos Aires, joining the center of the country too, and the indefiniteness of the final intension might be even greater.

SOYBEAN

Up to the current report, the gathering is finished in the South of Cordoba and East-center of Entre Rios, reaching yield levels of 1.55 Tn/ha and 2.12Tn/ha respectively. These productivity levels describe annual cuts of -8 percentage points in the case of Entre Rios, and the figures escalate to -41% toward the South of Cordoba (2.64 Tn/ha – final average 10/11). This is due to the greater impact of the summer drought on the West margin of the national AG area.

So far, 96.8% of the harvestable area has been collected, showing a slow weekly progress of 1.8 percentage points. There are still 580,000 HAS to be collected nationwide, and 70% of that area sits in the province of Buenos Aires, where large areas are falling behind schedule owing to the lack of ground for the machines to come in. At the same time the NEA region concentrates the 21% of the area pending harvest, and the collection could suffer delays as well in this region if the forecast of moderate to abundant rains (10 to 50mm) is fulfilled in the next seven days.

On the other hand, the partial volume accrued nationwide has reached 38.6 MTn and the average yield has dropped to 0.01 Tn/ha during the last seven days, finishing at 2.2 Tn/ha. In relative terms the harvest is nearing the end, which allows us to keep our final volume projection at **39,900,000 Tons** for the cycle 11/12, describing a cutback of 9.3 MTn (-18.9%) as compared to the previous campaign (2010/11 accrued 49.2 MTn).

SOYBEAN HARVEST

2011/12 SEASON

As of: Jun. 14, 2012

Zone		Hectareage (ha)			Percentage harvested	Hectares harvested	Yeld (1) (qq/ha)	Production (Tm)
		Sown	Lost	Harvestable				
I	NOA	1.260.000	25.000	1.235.000	97,7	1.206.726	15,2	1.830.551
II	NEA	1.930.000	350.000	1.580.000	92,2	1.457.280	9,3	1.349.024
III	Ctro N Cba	2.330.000	21.200	2.308.800	100,0	2.308.800	20,5	4.729.225
IV	S Cba	1.400.000	41.000	1.359.000	100,0	1.359.000	15,5	2.101.250
V	Ctro N SFe	1.116.000	7.500	1.108.500	99,1	1.098.690	21,4	2.348.262
VI	Núcleo Norte	3.410.000	1.000	3.409.000	100,0	3.409.000	28,1	9.574.235
VII	Núcleo Sur	2.670.000	16.000	2.654.000	99,5	2.640.770	25,7	6.786.798
VIII	Ctro E ER	1.140.000	2.000	1.138.000	100,0	1.138.000	21,2	2.414.456
IX	N LP-OBA	1.550.000	110.000	1.440.000	91,8	1.322.150	28,8	3.801.961
X	Ctro BA	565.000	67.000	498.000	86,0	428.203	27,5	1.175.464
XI	SO BA-S LP	328.000	11.000	317.000	88,0	278.968	19,9	554.584
XII	SE BA	740.000	1.800	738.200	77,2	570.050	22,3	1.272.804
XIII	SL	137.000	4.000	133.000	100,0	133.000	13,0	172.508
XIV	Cuenca Sal	222.000	1.500	220.500	95,2	209.964	21,9	459.089
XV	Others	52.000	1.000	51.000	98,5	50.240	19,1	96.015
TOTAL		18.850.000	660.000	18.190.000	96,8	17.610.840	22,0	38.666.225

CORN

The favorable weather of the last seven days has aided the collection of late and second plots of the crop, which are showing good yields, raising the averages at regional and national level. Even if the weekly progress was only 2.6 percentage points, and the annual decrease is -13.2 points, the frosts registered during the last ten days helped improve late seeding plots as well accelerate the drying of the grain.

So far there is a progress of 67.4% which accounts for 2.36 million hectares and an accumulated volume of 11.4 million tons, yielding an average of 4,85tons /ha nationwide. Toward the North-center of Cordoba, the progress of late and second plots exceeds 35% of the acreage and registers average yields over 6.3 Tn/ha. As the threshing moves forward, these productivity levels increase favorably. We can find similar conditions in the North-center of Santa Fe, and in the South of Cordoba, where the threshing may be extended until the month of July. Likewise, the West of Buenos Aires and North of La Pampa are also progressing in their gathering labors, reaping plot yields of very good results, ranging around 6.0-7.0-8.0 to specific plots of 9.0 Tn/ha. Therefore, under these conditions, we maintain our final yield projection at **19,300,000 Tn** of corn for commercialization.

CORN HARVEST

2011/12 SEASON

As of: Jun. 14, 2012

Zone		Hectareage (ha)			Percentage harvested	Hectares harvested	Yeld (1) (qq/ha)	Production (Tm)
		Sown	Lost	Harvestable				
I	NOA	255.000	15.000	240.000	34	81.809	46,8	382.531
II	NEA	270.000	20.000	250.000	41	103.150	41,4	426.930
III	Ctro N Cba	475.000	16.000	459.000	51	233.850	53,4	1.249.378
IV	S Cba	500.000	67.500	432.500	74	318.500	34,7	1.106.710
V	Ctro N SFe	160.000	28.000	132.000	70	92.640	48,0	445.034
VI	Núcleo Norte	527.000	14.500	512.500	98	500.695	60,4	3.026.342
VII	Núcleo Sur	460.000	40.500	419.500	94	393.931	47,3	1.864.260
VIII	Ctro E ER	165.000	20.000	145.000	91	131.635	46,6	613.734
IX	N LP-OBA	535.000	69.000	466.000	56	261.500	47,1	1.230.795
X	Ctro BA	136.000	30.000	106.000	46	48.840	47,2	230.734
XI	SO BA-S LP	107.000	22.000	85.000	35	29.583	37,1	109.605
XII	SE BA	85.000	3.500	81.500	46	37.147	61,5	228.621
XIII	SL	115.000	15.000	100.000	69	68.950	40,8	281.206
XIV	Cuenca Sal	60.000	4.000	56.000	91	51.200	40,9	209.215
XV	Others	20.000	0	20.000	44	8.800	46,4	40.800
TOTAL		3.870.000	365.000	3.505.000	67,4	2.362.230	48,5	11.445.896

MALTING BARLEY

The seeding of barley has registered a strong progress during the last two weeks. The implantation was expanded to the center and south of Buenos Aires, where malting barley concentrates a larger area. Up to date, a 9.6% of the area projected in 1,500,000 Has for the current campaign has been covered, a 27% in excess of the amount harvested during the previous cycle (11/12 1.18 MHAS). This significant variation is mainly due to the growing of an alternative crop.

In general words, the national implantation is developing with appropriate moisture on the seeding bed, except in the case of the North of Cordoba, where the hydric reserve is starting to dwindle, as opposed to the West and Center of Buenos Aires, where there is an excess of humidity, and even flooding in some cases. In the Southeast of Buenos Aires, which grows nearly 55% of the national area, the seeding has begun with good moisture levels on the plots. In the neighboring region of southern La Pampa and southwest of Buenos Aires, the first plots were covered taking advantage of the moisture within the first inches of the ground. The South belt is another region that started the seeding of winter crops. The region expects an increase of the Barley surface, because aside from not presenting any hindrances for commercialization, it liberates the plot 15 days before other crops, thus facilitating the implantation of second crop soybean.