



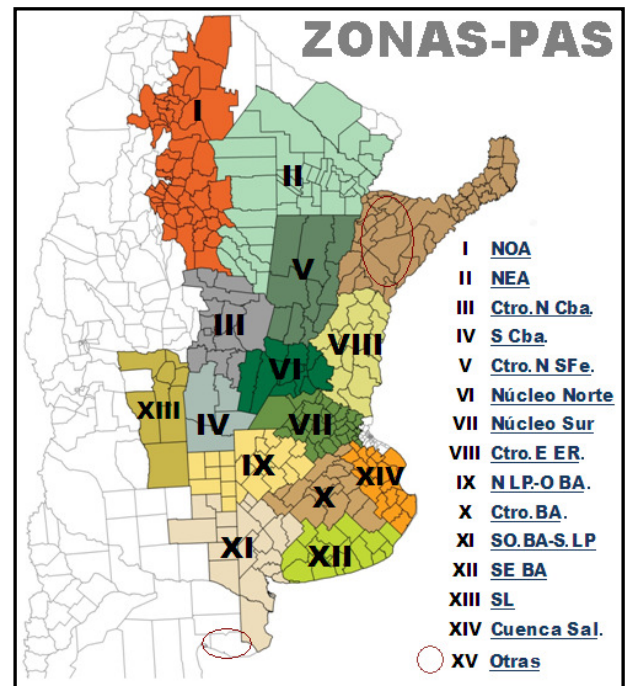
Weekly Ag Report

BUENOS AIRES GRAIN EXCHANGE

WEEK ENDED ON Sep. 5, 2013

CROP REPORT - HIGHLIGHTS

Estimations and Agricultural Projections Department
Buenos Aires Grain Exchange



Referencias:

NOA: Salta+Tucumán+Jujuy+Catamarca+Oeste Sgo del Estero.
NEA: Chaco+Este Sgo del Estero+Formosa.
Ctro N Sfe: Centro-Norte de Santa Fe. **Ctro N Cba:** Centro-Norte de Córdoba.
Núcleo Norte: Este de Córdoba+Centro-Sur de Santa Fe+Sudoeste de Entre Ríos.
S Cba: Sur de Córdoba. **N LP-O BA:** Norte de La Pampa+ Oeste de Buenos Aires.
Ctro E ER: Entre Ríos excluido Victoria y Diamante.
Ctro BA: Centro de Buenos Aires.
SO BA-S LP: Sudoeste de Buenos Aires+Sur de La Pampa.
SE BA: Sudeste de Buenos Aires. **SL:** San Luis.
Cuenca Sal: Este de la Cuenca del Salado. **Otras:** Corrientes+Misiones.

WEEKLY AGRICULTURAL WEATHER OUTLOOK

BUENOS AIRES GRAINS EXCHANGE

September 5, 2013

AGRICULTURAL WEATHER OUTLOOK; SEPTEMBER 5 TO 11, 2013: TEMPERATURE RISE AND PRECIPITATIONS OVER THE EAST OF THE AGRICULTURAL AREA.

OUTLOOK SUMMARY

The entrance of cold air in the past days has dropped temperatures below average for this time of year. Later, the entrance of northerly winds will lead to a sharp rise in temperatures and abundant atmospheric humidity. The east of the agricultural area will report rainfalls along the warm front while the center and west will only observe scarce values: The southeast of Paraguay, the east of the Chaco region, most of Mesopotamia, the east of the Pampas region, the west of Rio Grande do Sul and most of Uruguay will observe precipitations ranging from moderate to abundant (10 a 25 mm); The rest of the agricultural area will report scarce values (less than 10 mm); The south of the Andes Range will observe heavy storms which will expand into the west of Cuyo.

CORN

The new corn season of 2013/14 has officially started, and it maintains the same estimated sowing surface as the one published in our pre-season report N° 5. Consequently, the area estimated for the new cycle remains at **3,560,000 hectares**, which reflects a YOY decrease of -3.2 % (sowing 2012/13: 3,678,000 HA).

So far the sown surface is not significant, it accounts for only 0.3 % of the area projected. The plots incorporated are spread over the mid-north of Santa Fe and areas of the province of Corrientes. In the latter case the sowing process was more fluent due to a good water supply. However, in the north of

Santa Fe the lack of moisture allowed for only a few isolated sowings in the surroundings of Maria Juana and Villa Ocampo.

Although the current lack of moisture hampers the incorporation of the first plots, this factor should not affect significantly the sowing intentions, since a large number of producers may allocate surface to later dates.

Finally, other factors such as undefined leases, production costs and market prices are the variables that most influence the sowing intention, and the sown surface will be determined mainly according to the evolution of such factors.

WHEAT

Another week without rains over the center and north of the agricultural region has increased the water deficit on the wheat plots. Some areas have gone without precipitations for more than 60 days, and the crop has started to lose yield potential in areas where the fields did not previously accumulate moisture.

There were only a few rains in the south of Buenos Aires, where the crop is in good conditions thanks to the accumulated rains of the last few weeks. More precisely, in the SE of Buenos Aires almost the whole of the area is tillering in good conditions, although the rainfalls were too scarce in order to carry out a proper re-fertilization. The neighboring regions of the SW of Buenos Aires and south of La Pampa present a large percentage of their surface in very good conditions, although some areas of the south of La Pampa are starting to suffer a lack of moisture. Therefore, nearly 45 % of the agricultural region reported very good conditions at the early stages of the crop (tillering).

Towards the north of the national agricultural region—the NW and NE, the situation of the crop is critical, since a significant thermal amplitude was observed during the last few weeks, with reports of severe frosts and high temperatures, in addition to scarce precipitations. Consequently, we may observe yellowing or spotting on the plots, for which most of the plots have lost yield potential and some of them will not make it to the harvest. In the mid-north of Santa Fe, the situation is heterogeneous, since the plots with some moisture reserves are able to maintain regular-to-good conditions, while the rest are starting to lose yield. This is because the wheat crop is ranging from tillering to early stem elongation, with a scarce supply of water.

WHEAT PLANTING				As of: Sep. 05, 2013	
2012/13 Season		Hectareage (Ha)		Percentage planted (%)	Hectares planted
Zone	2012/13	2013/14			
I	NOA	340.000	50.000	100,0	50.000
II	NEA	190.000	170.000	100,0	170.000
III	Ctro N Cba	265.000	320.000	100,0	320.000
IV	S Cba	130.000	156.000	100,0	156.000
V	Ctro N SFe	160.000	192.000	100,0	192.000
VI	Núcleo Norte	265.000	315.000	100,0	315.000
VII	Núcleo Sur	240.000	280.000	100,0	280.000
VIII	Ctro E ER	150.000	180.000	100,0	180.000
IX	N LP-OBA	210.000	245.000	100,0	245.000
X	Ctro BA	140.000	165.000	100,0	165.000
XI	SO BA-S LP	680.000	840.000	100,0	840.000
XII	SE BA	770.000	915.000	100,0	915.000
XIII	SL	3.000	4.000	100,0	4.000
XIV	Cuenca Sal	50.000	60.000	100,0	60.000
XV	Otras	7.000	8.000	100,0	8.000
TOTAL		3.600.000	3.900.000	100,0	3.900.000

BARLEY

The lack of rainfalls has delayed the development of the crop. In addition, there have been several frosts in the last weeks which have worsened the situation. However, more than 75 % of the sown area is

concentrated in the south of Buenos Aires, where the water supply is still good, thus the crop is in very good conditions. Likewise, some 15 % of the national barley area sits in the center, east and west of Buenos Aires, where the crop conditions are good as well, although the fields will need new precipitations in the short term. Consequently, nearly 90 % out of **1,270,000 hectares** sown nationwide have reported good-to-very good conditions, while the remaining 10 % was affected by the lack of rains, and a small percentage of such surface has started to lose yield potential as a result.

In the SE of Buenos Aires over 80 % of the area is currently tillering, while the rest of the crop is expanding leaves. As it was mentioned before, the whole of the barley plots enjoy favourable conditions. The framework is similar in the neighboring region of the SW of Buenos Aires and south of La Pampa, where continuous rains have been observed during the last weeks, which contribute a small but significant volume of moisture in order to maintain the crop in good conditions. Regarding the phenological phase, we may say that most of the area is going through the tillering stage.

BARLEY PLANTING		As of: Sep. 05, 2013			
2012/13 Season		Hectareage (Ha)		Percentage planted (%)	Hectares planted
Zone		2012/13	2013/14		
I	NOA	-	-	-	-
II	NEA	700	-	-	-
III	Ctro N Cba	600	500	100	500
IV	S Cba	6.600	5.000	100	5.000
V	Ctro N SFe	2.800	1.500	100	1.500
VI	Núcleo Norte	35.000	25.000	100	25.000
VII	Núcleo Sur	143.000	90.000	100	90.000
VIII	Ctro E ER	5.800	3.000	100	3.000
IX	N LP-OBA	122.000	110.000	100	110.000
X	Ctro BA	79.000	63.000	100	63.000
XI	SO BA-S LP	285.000	245.000	100	245.000
XII	SE BA	870.000	710.000	100	710.000
XIII	SL	500	-	-	-
XIV	Cuenca Sal	19.000	17.000	100	17.000
XV	Otras	-	-	-	-
TOTAL		1.570.000	1.270.000	100	1.270.000

SUNFLOWER

The seeding of sunflower is interrupted, since there have been no rainfalls during the last seven days. It is estimated that the seeding has advanced by only 0.2 % nationwide since our last report, which was due to the incorporation of a few plots that were plowed and still keep some sub-superficial moisture in the province of Chaco. Consequently, the sowing nationwide has covered 12.4 % of the area projected in **1,900,000 HA**, posting a significant YOY decrease of -10.8 %.

Although there remain from 2 to 4 weeks to fulfill the sowing intentions in the NE region and mid-north of Santa Fe, as we approach the end of the optimal sowing window we may start to observe a reduction of the area which might be filled with the crop in both regions.