

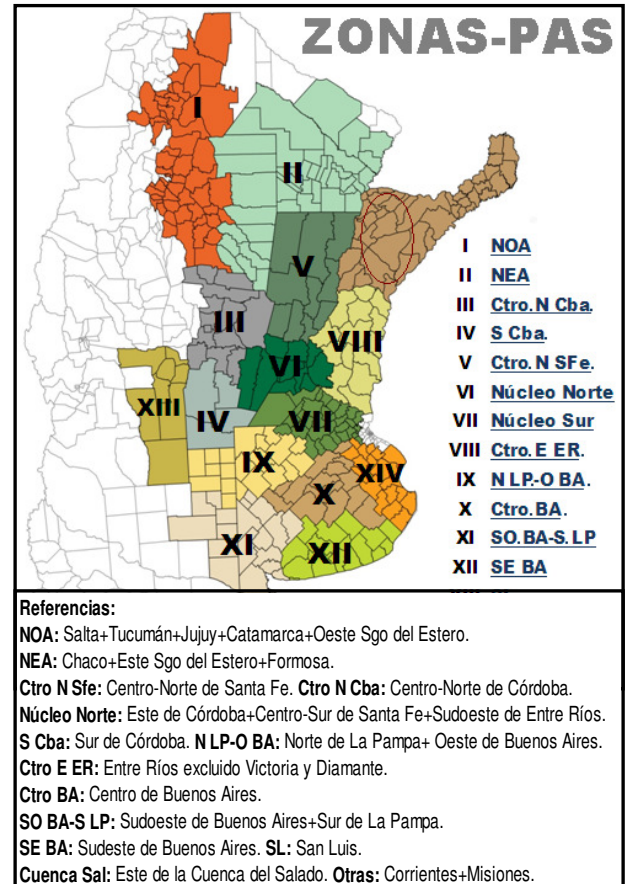


Weekly Ag Report

BUENOS AIRES GRAIN EXCHANGE

WEEK ENDED ON Feb. 27, 2014

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



WEEKLY AGRICULTURAL WEATHER OUTLOOK

BUENOS AIRES GRAINS EXCHANGE

February 27, 2014

AGRICULTURAL WEATHER OUTLOOK: FEBRUARY 27 TO MARCH 5, 2014: TEMPERATURES BELOW NORMAL AND PRECIPITATIONS OVER THE WEST OF THE AGRICULTURAL AREA FOLLOWED BY A RISE IN TEMPERATURES

BUENOS AIRES GRAINS EXCHANGE

OUTLOOK SUMMARY

At the beginning of the current perspective, winds from the southeast will drop temperatures below normal for this time of year over most part of the agricultural area. Towards the middle of the perspective, the passage of a storm front will bring precipitations of varying intensity over the west of the agricultural area while the Center and the East will report scarce values. Later, winds from the North will raise temperatures in most of the area.

SOYBEAN

According to our own information, more than 62 % of the current record sowing surface, estimated at 20,350,000 hectares is concentrated in the central strip as first sowing plots. This comprises the mid-north and south of Córdoba, mid-north of Santa Fe, the North and South Belts, mid-east of Entre Ríos, and the west of Buenos Aires and north of La Pampa. In most of these areas, the first sowing plots are running through critical stages of pod differentiation (R3/R4) or bean filling stages (R5/R6), under favorable hydric conditions and expecting to achieve high yield potentials. However, an attack of white caterpillars has required continuous control applications in many areas, and some of this applications are delayed on the east margin of the central strip due to the abundant rains of the last few weeks.

In spite of the positive outlook described above, it is relevant to point out that in large areas of the south of Córdoba, as well as in La Pampa and west and southwest of Buenos Aires, soybeans have suffered a severe hydric deficit during most of December and January, which in some cases extended into mid-February. Although many of these areas today enjoy favorable hydric conditions, they are expected to yield volumes below historical averages. This limits the harvest expectations nationwide, and thus our estimation remains at **53,000,000 tons** for the ongoing season. Nevertheless, we are not ruling out the possibility of recovery of the soybeans crop, once the harvesters access the fields, yielding volumes above the ones currently foreseen.

CORN

The harvest of commercial corn grains is moving slowly, due to the precipitations registered in the first sowing areas of the mid-north of Santa Fe, mid-east of Entre Ríos and Corrientes. Consequently, the impossibility of accessing with the harvesters is delaying the collection.

So far, only 1.6% of the harvestable area was covered. Therefore, the YOY delay reports 4.4 percentile points. The weekly progress rate was only 0.4 points. Overall, 57 thousand hectares were harvested, yielding a volume of 265 thousand tons.

Toward the mid-north of Córdoba, the late sown materials (90% of the total corn area) have entered the reproductive phase, and they are flowering in optimal conditions.

The Corn Belt area (North and South), is showing very good conditions for the late sown crops, and regular-to-bad conditions for the early sown plots. This area had to sow a larger percentage of late plots due to the lack of moisture during the month of September, which delayed the planting. Today that is beneficial to the conditions of the crop.

Finally, the areas of the north of La Pampa and west and center of Buenos Aires, although they have recovered the moisture on the fields, are suffering the damages of the summer drought, not only on the milled plots, but also in the drop of yield potentials.

Upon this scenario, we maintain our estimation for this season at **23,500,000 TN**. If this volume is achieved, it will fall some -13% below the volume of last season harvest (2012/13 27 MTN).

SUNFLOWER

The harvest of sunflower nationwide has covered 28.2 % of the suitable area, with an overall of more than 407 thousand HA collected, reflecting a weekly advance of 3 points, and maintaining a YOY delay of -7.7 percentile points.

There remain some specific plots to harvest in the sunflower belt of the mid-north of Santa Fe, but the fieldwork is delayed due to new rainfalls of varying intensity registered during the last seven days.

The first plots in the mid-east of Entre Rios have been gathered in the last week, where the sunflower surface has been reduced considerably due to the severe attacks of birds in the area; the yields so far are around 1.7 tons/Ha.

Likewise there are good productivities in the Cuenca del Salado, in locations such as Pila, Chascomús and General Piran, with yields ranging from 2.0 to 2.6 tons/Ha.

In the north of La Pampa-west of Buenos Aires, most of the area is coursing physiological maturity. Although only the first plots have been harvested, they are currently yielding good-to-very good volumes (Trenque Lauquen 2.5 tons/Ha, Quemú-Quemú 2.1-2.3 tons/Ha), despite having suffered bad hydric and thermic conditions during most of their cycle.

In the SW of Buenos Aires-south of La Pampa, 70 % of the plots have reached physiological maturity, and some are being collected. The high temperatures and the lack of rains between the months of December and January have significantly affected potential yields as well as produced important plot losses in many areas. The yields obtained so far range from 0.8 to 1.2 tons/Ha, which describes a very bad season for this important sunflower area.

Finally, the neighboring region of the SE of Buenos Aires has not reported harvest data yet, since the sunflower plots are still losing the last moisture points to be collected. Besides, the harvest yield expectations are from good to very good.

Based on the above scenario, we maintain our production estimation at **2,300,000 tons**.

SUNFLOWER HARVEST								As of: 27/02/2014
2012/13 Season		Hectareage (Ha)			Percentage Harvested (%)	Hectares Harvested	Yield (qq/Ha)	Production (Tn)
Zone		Sown	Lost	Harvestable				
I	NOA	-	-	-	-	-	-	-
II	NEA	230.000	23.000	207.000	100,0	207.000	11,5	238.050
III	Ctro N Cba	3.000	150	2.850	60,0	1.710	17,0	2.907
IV	S Cba	22.000	100	21.900	25,0	5.475	19,0	10.403
V	Ctro N SFe	150.000	750	149.250	96,0	143.280	18,7	267.934
VI	Núcleo Norte	7.000	700	6.300	85,0	5.355	20,0	10.710
VII	Núcleo Sur	9.000	150	8.850	70,0	6.195	22,5	13.939
VIII	Ctro E ER	5.000	-	5.000	3,0	150	17,5	263
IX	N LP-OBA	100.000	2.000	98.000	5,0	4.900	22,0	10.780
X	Ctro BA	45.000	450	44.550	8,0	3.564	19,0	6.772
XI	SO BA-S LP	420.000	8.400	411.600	5,0	20.580	9,0	18.522
XII	SE BA	380.000	-	380.000		-		-
XIII	SL	30.000	-	30.000		-		-
XIV	Cuenca Sal	75.000	-	75.000	7,5	5.625	23,0	12.938
XV	Otras	4.000	-	4.000	80,0	3.200	17,0	5.440
TOTAL		1.480.000	35.700	1.444.300	28,2	407.034	14,7	598.655

SORGHUM

The harvest of grain sorghum has begun nationwide; the first plots to collect are in the areas of the mid-north of Santa Fe and mid-east of Entre Ríos. The plots harvested in these regions are yielding between 3.0-4.5 tons/Ha, and this being the first week, none of the areas exceeds a 4% of progress. At national level, the harvest progress amounts to 0.8 percentile points.

The abundant rainfalls registered nationwide in the last few weeks have produced good conditions for the late sown plots, as well as for the early plots which are running post-flowering phases, expecting a better grain filling set of conditions.

The NE and NW areas are the ones with the largest proportion of plots at vegetative phases, which are strongly benefited by a good availability of water.