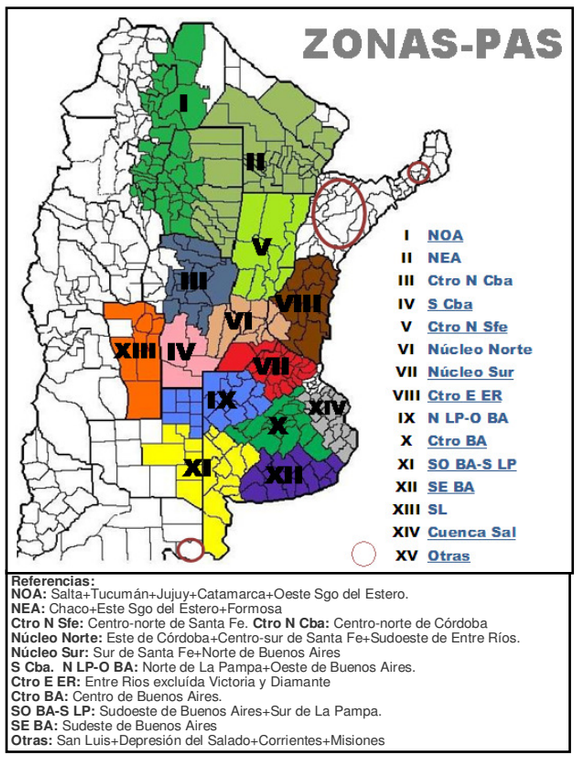
Weekly Ag Report

BUENOS AIRES GRAIN EXCHANGE



WEEK ENDED ON July. 26, 2012

CROP REPORT - HIGHLIGHTS

Estimations and Agricultural Projections Department
Buenos Aires Grain Exchange

WEEKLY AGRICULTURAL WEATHER OUTLOOK

BUENOS AIRES GRAINS EXCHANGE

July 26, 2012

A. OUTLOOK SUMMARY

NATIONAL AGRICULTURAL WEATHER OUTLOOK JULY 26 TO AUGUST 2 2012: COLD WEATHER AND SCARCE PRECIPITATIONS FOLLOWED BY A MODERATE RISE IN TEMPERATURES

The mass of polar air which originated during the preceding days will set in fully at the beginning of the current perspective, and it will extend over most of the national agricultural area, producing frosts throughout the vast majority of the surface. Since the incoming mass of dry, cold, polar air will clear the atmosphere, ridding it of water vapor, there will be scarce precipitations over most of the national agricultural area. Only a few locations will report significant values: The province of Misiones, most of Corrientes, North of Entre Rios, North of Chaco, North of Santa Fe, and the central region of Cuyo will observe moderate to very abundant rains (10 to 50 mm). Most of the national agricultural area will report scarce to null precipitations (less than 10 mm). Towards the end of this perspective, most of the national agricultural area will receive winds coming from the North / Northeast area, which will produce a moderate rise in temperature.

Buenos Aires, July 26 2012

Buenos Aires Grains Exchange

WHEAT

The seeding is in progress over the Buenos Aires region, which concentrates most of the remaining plots. 91% of the area estimated at 3,600,000 hectares has been covered, reporting progress by 7% during the last seven days, and maintaining a YOY delay of -2.2 percentage points.

In the current cycle the two productive belts (SW and SE of Buenos Aires) expect to incorporate the smallest seeded surface in ten years. In addition, significant losses of area were reported in the northern provinces, as well as in the central strip of the national agricultural area. As a result of these drops during the current cycle it is estimated to observe a decrease near to -22% compared to the previous season (4.6 MHAS seeded during 2011/12), which represents an overall loss of one million hectares on the surface of the crop.

A great portion of the seeded area in the central strip is going through the tillering stage, with hydric deficit over the west margin. Consequently, the lack of hydric recovery in the province of Cordoba produces a continuous decrease in the plots conditions. However, the center of Santa Fe, and the center and south of Entre Rios report different conditions since the hydric stress does not hamper the development of the crop.

Wheat Planting

2012/13 SEASON

As Of: July 26, 2012

Zone		Hectareage (ha)		Porcentage	Hectares
		2009/10	2010/11	Planted(%)	Planted
I	NOA	450.800	340.000	100,0	340.000
II	NEA	310.000	190.000	100,0	190.000
III	Ctro N Cba	378.000	265.000	100,0	265.000
IV	S Cba	142.500	130.000	100,0	130.000
V	Ctro N SFe	184.000	160.000	100,0	160.000
VI	Núcleo Norte	340.000	265.000	100,0	265.000
VII	Núcleo Sur	292.800	240.000	95,0	228.000
VIII	Ctro E ER	220.000	150.000	100,0	150.000
IX	N LP-OBA	260.000	210.000	95,0	199.500
X	Ctro BA	170.000	140.000	84,0	117.600
XI	SO BA-S LP	836.000	680.000	83,0	564.400
XII	SE BA	941.000	770.000	80,0	616.000
XIII	SL	4.400	3.000	100,0	3.000
XIV	Cuenca Sal	60.500	50.000	80,0	40.000
XV	Otras	10.000	7.000	100,0	7.000
TOTAL		4.600.000	3.600.000	91,0	3.275.500

CORN

The harvest of corn is in progress for commercialization, so far reaching 92.7% of the suitable area, reporting a weekly progress of 2.1 % and a YOY advance of 1.5 points. The overall volume accrued is in excess of 17.4 MTN, which makes a national average yield of 5.37 tons/ha. The good results obtained on late and second corn plots have boosted the national average yield and allow us to keep our final volume estimation at 19,300,000 tons for the current cycle.

Likewise, the northern provinces (Salta, Tucuman, Catamarca, Santiago del Estero and Chaco) are harvesting the last percentage of early seeded plots as well as collecting late seeded plots with good productivity levels. There is a similar situation in the SE of Buenos Aires, where a few early corn plots remain, and at the same time late seeded plots are being collected.

During the month of August the North-center of Cordoba will be approaching the end of the corn cycle, reporting good productivity figures ranging from 6.0 to 9.0 Tn/ha, depending on the precipitations during the season. The south of Cordoba is a little further into the harvest, with a lower average yield, and still 5% short of harvesting the entire suitable area. In the north and south Belts a few specific late seeding plots remain, which are expected to be collected next week as the cycle finishes if the weather remains favorable.

CORN HARVEST

2011/12 SEASON

As of: July. 26, 2012

Zone		Hectareage (ha)			Percentage harvested	Hectares harvested	Yeld (1) (qq/ha)	Production (Tn)
		Sown	Lost	Harvestable				
I	NOA	255.000	15.000	240.000	70	167.998	48,5	815.049
II	NEA	270.000	20.000	250.000	82	203.875	42,9	873.855
III	Ctro N Cba	475.000	16.000	459.000	91	419.813	64,0	2.686.800
IV	S Cba	500.000	67.500	432.500	95	411.125	42,5	1.747.281
V	Ctro N SFe	160.000	28.000	132.000	90	119.040	51,5	613.056
VI	Núcleo Norte	527.000	14.500	512.500	100	512.078	62,3	3.190.248
VII	Núcleo Sur	460.000	40.500	419.500	99	416.740	51,0	2.125.374
VIII	Ctro E ER	165.000	20.000	145.000	99	144.258	49,1	708.304
IX	N LP-OBA	535.000	69.000	466.000	92	429.250	57,2	2.455.310
X	Ctro BA	136.000	30.000	106.000	96	102.008	55,5	566.144
XI	SO BA-S LP	107.000	22.000	85.000	94	79.561	44,5	354.046
XII	SE BA	85.000	3.500	81.500	89	72.670	68,3	496.336
XIII	SL	115.000	15.000	100.000	97	97.413	43,5	423.744
XIV	Cuenca Sal	60.000	4.000	56.000	100	56.000	50,0	280.000
XV	Others	20.000	0	20.000	95	19.040	60,0	114.240
TOTAL		3.870.000	365.000	3.505.000	92,7	3.250.868	53,7	17.449.789

MALTING BARLEY

New analyses in the provinces of Buenos Aires and La Pampa report a larger surface than the one estimated previously at 1.5 M HAS. A good market price for malting and forage barley for export, added to the agricultural benefits of the crop against wheat, make producers choose to expand their barley seeding plans.

Consequently, we will increase our seeding area by 4.6% from our previous estimation. In total, the surface to cover increases to 1,570,000 hectares, which is 70 thousand hectares over our previous report. Compared to the 2011/12 season, the YOY variation is of 33.1%. So far, 86.2% of the suitable area has been covered nationwide, reporting progress during the last two weeks for 15.9 %, while the YOY seeding delay is of -7.8 points.

Towards the North Belt area, the conditions of the plots range from good to very good in all the regions, reporting a few cases of aphid attacks. In the South Belt region the health conditions are good, and some plots show yellowish leaves due to the frosts of last week. In the North of La Pampa and West of Buenos Aires, the seeding is near to finish, showing the first plots with 3 or 4 leaves fully developed in good health conditions.

MALTING BARLEY PLANTING

2012/13 Season

As Of: Jul 26, 2012

Zone		Hectareage (he)		Porcentage Planted (%)	Hectares Planted
		2010/11	2011/12		
II	NEA	0	700	100	700
III	Ctro N Cba	600	600	100	600
IV	S Cba	5.500	6.600	100	6.600
V	Ctro N Sfe	1.000	2.200	100	2.200
VI	Núcleo Norte	24.000	34.080	100	34.080
VII	Núcleo Sur	108.000	143.640	100	143.640
VIII	Ctro E ER	3.600	5.760	97	5.587
IX	N LP-OBA	94.000	122.670	93	114.083
X	Ctro BA	58.000	79.344	89	70.616
XI	SO BA-S LP	190.000	285.000	86	245.100
XII	SE BA	680.000	870.400	82	713.728
XIII	SL	500	500	100	500
XIV	Cuenca. Sal.	14.800	19.240	87	16.739
TOTAL		1.180.000	1.570.734	86,2	1.354.173

SUNFLOWER

The covering advances continuously in the NE region, and it started last week in the North-center of Santa Fe. Up to now, the progress percentage nationwide is rather low, only 2.1% of the surface estimated at 2,000,000 Hectares. In total, over 40 thousand hectares have been seeded. This figure describes an advance in the seeding compared to the same period during the previous cycle.

A significant seeding progress was reported this week in the NW of Chaco (Avía Terai, Sáenz Peña, Charata, Las Breñas, Corzuela, Gral. Pinedo, and Villa Ángela) where producers are planting plots by conventional seeding, with evident moisture in the first inches of the plot. If no rains are observed during the next seven days, the seeding labors will be delayed.

On the other hand, the NE of Santa Fe has started the seeding of this crop, incorporating plots in Villa Ocampo, Florencia, Villa Guillermina, Lanteri, Avellaneda and Reconquista, among other areas. Unlike Chaco, this region incorporates plots by direct seeding. It is estimated that the surface to cover will be larger than the previous season, due to the high seeding intentions on the part of the producers. The north of La Pampa and west of Buenos Aires are also great sunflower regions, which expect a slight surface increase compared to the last cycle seeding.