



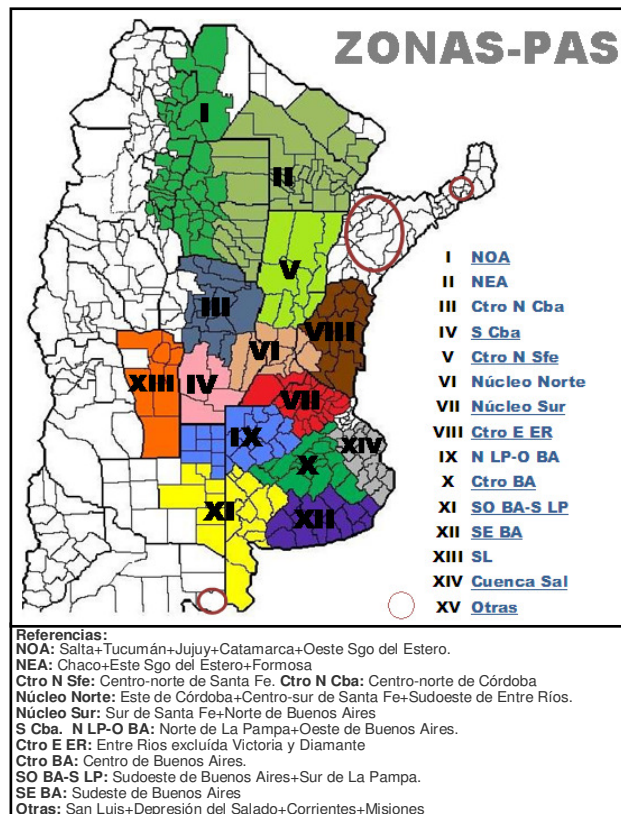
# Weekly Ag Report

BUENOS AIRES GRAIN EXCHANGE

**WEEK ENDED ON May. 10, 2012**

## CROP REPORT - HIGHLIGHTS

Estimations and Agricultural Projections Department  
Buenos Aires Grain Exchange



## WEEKLY AGRICULTURAL WEATHER OUTLOOK

MAY 10, 2012

### A. OUTLOOK SUMMARY

#### NATIONAL AGRICULTURAL WEATHER OUTLOOK 10 to 17 MAY 2012: TEMPERATURE DECREASE AND PRECIPITATIONS OF DIFFERENT INTENSITY.

At the beginning of the current outlook, northerly winds will maintain their dominance over most of the national agricultural area, keeping maximum temperatures above the average. At the same time, a Pampero front will cause precipitations of different intensity over most of the national agricultural area: most of NWA, the south of the Chaco region, northwest Corrientes, the east of the Pampeana region and southwest Mendoza will observe precipitations ranging from moderate to abundant ( 10 to 25mm), with localized areas of very abundant rainfall (over 50mm); The east-central area of NWA, the north of the Chaco region, the south of Misiones, most of Corrientes, central Santa Fe, most of Cuyo and the west of the Pampeana region will observe light precipitations (less than 10mm); the west of NWA, north San Juan, southeast Mendoza, northwest La Pampa and most of Misiones will observe scarce rainfall. In its path, the front will be accompanied by the entrance of cold air which will cause a significant drop in temperatures. There is likelihood of localized frosts in the south of the national agricultural area. This condition will put an end to the summer-like temperatures that have prevailed over the last days.

Buenos Aires, 10 May 2012

Buenos Aires Grains Exchange

## WHEAT

The wheat seeding for the 2012/13 campaign has started. The works took place in the districts of Anta and Metan in the province of Salta, as well as in Burruyacu, Tucuman. Toward the northwest, in Las Breñas (Chaco), specific plots started to be covered, after the soybean harvest. Likewise, the seeding of the crop has begun in the southwest tip of Buenos Aires, Carmen de Patagones, where the plots with surface moisture were incorporated.

The rains of the last few days over the SW of Bs As will force producers to start the seeding of long cycle plots, since they have recovered surface moisture. Conversely, the lack of humidity in the north-center of Cordoba hampers the start of the covering. On the other hand, the wheat belt in the south of Buenos Aires shows a significant decrease of the seeding intentions, due to the fact that producers are opting for other alternatives in Barley, Oats or Rape, as well as for not seeding a winter crop and leaving the ground prepared to face the main campaign with sunflower or soybean.

All in all, the imminent wheat campaign begins with a very low seeding intention, since producers are discouraged by the market prices and the commercialization problems of the last campaigns.

Against this backdrop, we estimate that the surface to be seeded will be reduced by 600,000 hectares, a drop of -13% in comparison with the area implanted in the last campaign (4.6 MHa 2011/12). Roughly speaking, 4,000,000 hectares will be covered, which is the second lowest rate in the last twelve campaigns, behind 2009/10, where only 3.30 Million HAS were implanted.

## SOYBEAN

Up to date, a 73.4% of the harvestable surface has been gathered, describing a weekly progress of 9.3 percentage points aided by the dry weather registered up to the middle of the current week. After picking almost three quarters of the surface, the volume accumulated exceeded 31.2 MTN, and the national average yield dropped to 2.32Tn/ha (-0.04Tn/ha vs. the previous report). As foreseen in our latest issue, it is expected that this downtrend continues until the national average yield nears 2.2Tn/ha at the closing of campaign. The reason for this sudden fall is the yield levels expected in second crop plots, which are bound to range in the vicinity of historical averages, even though they started off with excellent prospects.

Therefore, our projection for the ongoing campaign stays at **41,000,000 tons**, accounting for an annual fall near to 17 percentage points (49.2MTN - 10/11 campaign). Finally, during the 48 hours prior to this report, there were abundant rains over several areas of the province of Buenos Aires. These precipitations not only delayed the harvest progress, but it is also possible that owing to the accumulated water the threshing will remain halted during the next few days. Among the most affected areas we can count Trenque Lauquen, America, 9 de Julio, 25 de Mayo, Saladillo and some parts of San Carlos de Bolívar, General Alvear and Carlos Casares.

## SOYBEAN HARVEST

2011/12 SEASON

As of: May. 10, 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	34	420.960	14	603.196
II	NEA	1.930.000	350.000	1.580.000	18	281.680	8	232.094
III	Ctro N Cba	2.330.000	21.200	2.308.800	90	2.074.046	20	4.096.114
IV	S Cba	1.400.000	41.000	1.359.000	91	1.235.295	15	1.873.725
V	Ctro N SFe	1.116.000	7.500	1.108.500	66	734.694	22	1.637.008
VI	Núcleo Norte	3.410.000	1.000	3.409.000	98	3.340.820	28	9.262.148
VII	Núcleo Sur	2.670.000	16.000	2.654.000	85	2.243.630	26	5.854.110
VIII	Ctro E ER	1.140.000	2.000	1.138.000	85	961.813	21	2.020.189
IX	N LP-OBA	1.550.000	12.000	1.538.000	72	1.112.065	29	3.183.158
X	Ctro BA	565.000	5.000	560.000	60	337.100	28	951.771
XI	SO BA-S LP	328.000	11.000	317.000	43	135.460	20	267.761
XII	SE BA	740.000	1.800	738.200	48	355.803	23	814.907
XIII	SL	137.000	4.000	133.000	73	97.188	13	129.516
XIV	Cuenca Sal	222.000	1.500	220.500	47	103.406	23	242.734
XV	Others	52.000	1.000	51.000	57	29.130	18	51.495
<b>TOTAL</b>		<b>18.850.000</b>	<b>500.000</b>	<b>18.350.000</b>	<b>73,4</b>	<b>13.463.090</b>	<b>23,2</b>	<b>31.219.926</b>

## CORN

A favorable weather throughout most of the national AG belt has eased the threshing of the crop during the last seven days, although the rains that fell over the province of Buenos Aires in the last few hours interrupted the harvest. In addition to all this, the fact that producers are focused on the harvest of soybean results in a weekly progress of corn of 4.5 percentage points, for a total of 49.2% of the harvestable area. However, there is still an annual deficit of -9.8 points. So far the harvest amounts to 1.7 million hectares with an accumulated volume of 8 million tons, yielding an average of 4.62Tn/ha.

On the other hand, the main producing area and its surroundings (Entre Ríos and West of Bs As) continued the threshing of late and second plots, which yielded better than the ones implanted on earlier dates. Even though the area implanted this way is far smaller, these plots help producers make up for the lean yields obtained from first corn plots. The North-center of Cordoba expects to pick up the bulk of late plots in June, which are now going through physiological maturity, and waiting for the right grain moisture for commercialization. The regional average for these plots ranges around 70qq/ha. A similar scenario takes place in the north and south belt areas, where the grain moisture samples range over 20-22%.

Under these circumstances we maintain our final projection at **19.8 Million tons**. Therefore, the fall from the previous campaign (2010/11) is of -14.3 %.

# CORN HARVEST

2011/12 SEASON

As of: May. 10, 2012

Zone		Hectareage (ha)			Percentage harvested	Hectares harvested	Yield (1) (qq/ha)	Production (Tm)
		Sown	Lost	Harvestable				
I	NOA	255.000	15.000	240.000	5	10.901	41,0	44.695
II	NEA	270.000	20.000	250.000	19	47.203	46,7	220.614
III	Ctro N Cba	475.000	16.000	459.000	26	121.125	44,1	435.591
IV	S Cba	500.000	67.500	432.500	43	185.250	31,6	585.283
V	Ctro N SFe	160.000	28.000	132.000	59	78.400	47,6	372.902
VI	Núcleo Norte	527.000	14.500	512.500	95	487.159	60,0	2.887.792
VII	Núcleo Sur	460.000	40.500	419.500	83	348.864	45,3	1.580.660
VIII	Ctro E ER	165.000	20.000	145.000	84	122.430	45,5	557.305
IX	N LP-OBA	535.000	62.500	472.500	39	184.040	42,4	672.962
X	Ctro BA	136.000	13.000	123.000	28	34.941	47,2	169.024
XI	SO BA-S LP	107.000	22.000	85.000	14	11.845	24,9	29.514
XII	SE BA	85.000	3.500	81.500	34	27.370	58,0	158.697
XIII	SL	115.000	15.000	100.000	24	23.719	38,4	90.985
XIV	Cuenca Sal	60.000	4.000	56.000	85	47.700	39,8	189.738
XV	Others	20.000	0	20.000	30	6.000	45,0	27.000
<b>TOTAL</b>		<b>3.870.000</b>	<b>341.500</b>	<b>3.528.500</b>	<b>49,2</b>	<b>1.736.947</b>	<b>46,2</b>	<b>8.022.762</b>

## GRAIN SORGHUM

The threshing of the crop advances at a good rhythm, focusing on the north-center region of the national AG area. However, in the areas where there are still standing first soybean plots, producers prioritize the harvest of that crop, relegating even more the harvest of sorghum. So far, 42 % of the national harvestable surface has been gathered. In addition, thanks to the favorable weather in the last 15 days, a 7.8 % of the area was gathered within that period. It is worth pointing out that in the 48 hours prior to this report, there were precipitations ranging from moderate to intense, which delayed the normal progress of the harvesting machines in the south of Entre Rios, south of Santa Fe, east margin of La Pampa, southwest of Cordoba and Buenos Aires, peaking above 150 mm. The national average yield remains steady at 4.5 Tn/ha. The volume accumulated amounts to 1.94 MTN. Therefore, we keep our national final projection at **4,300,000 tons**.

In the last few days, the first plots were gathered in the NOA region, yielding low levels owing to the severe hydric stress sustained by the plots. The situation is quite similar in the neighboring NEA region, where the drought affected the potential yield of the plots, averaging now at 3.2T/ha. Besides, we should mention pigeon attacks, which in some cases produced a potential yield drop of 20-25 %.

## GRAIN SORGHUM HARVEST

2011/12 SEASON

As of: May. 10, 2012

Zone		Hectareage (ha)			Percentage harvested	Hectares harvested	Yield (1) (qq/ha)	Production (Tm)
		Sown	Lost	Harvestable				
I	NOA	22.572	2.257	20.315	10	2.031	22	4.469
II	NEA	216.281	25.954	190.327	42	79.937	32	255.800
III	Ctro N Cba	129.960	3.899	126.061	59	74.376	46	342.130
IV	S Cba	42.408	2.969	39.439	30	11.832	47	55.610
V	Ctro N SFe	195.552	9.778	185.774	68	126.327	44	555.837
VI	Núcleo Norte	51.546	1.031	50.515	80	40.412	61	246.514
VII	Núcleo Sur	24.067	722	23.345	41	9.571	56	53.600
VIII	Ctro E ER	120.059	10.500	109.559	68	74.500	51	379.951
IX	N LP-OBA	45.936	2.756	43.180	12	5.182	50	25.908
X	Ctro BA	8.894	445	8.449	0	0	0	0
XI	SO BA-S LP	134.992	13.499	121.493	0	0	0	0
XII	SE BA	6.435	129	6.306	0	0	0	0
XIII	SL	52.326	2.616	49.710	0	0	0	0
XIV	Cuenca Sal	28.500	855	27.645	0	0	0	0
XV	Others	20.859	417	20.442	25	5.110	35	17.887
<b>TOTAL</b>		<b>1.100.387</b>	<b>77.826</b>	<b>1.022.561</b>	<b>42</b>	<b>429.279</b>	<b>45,1</b>	<b>1.937.705</b>