

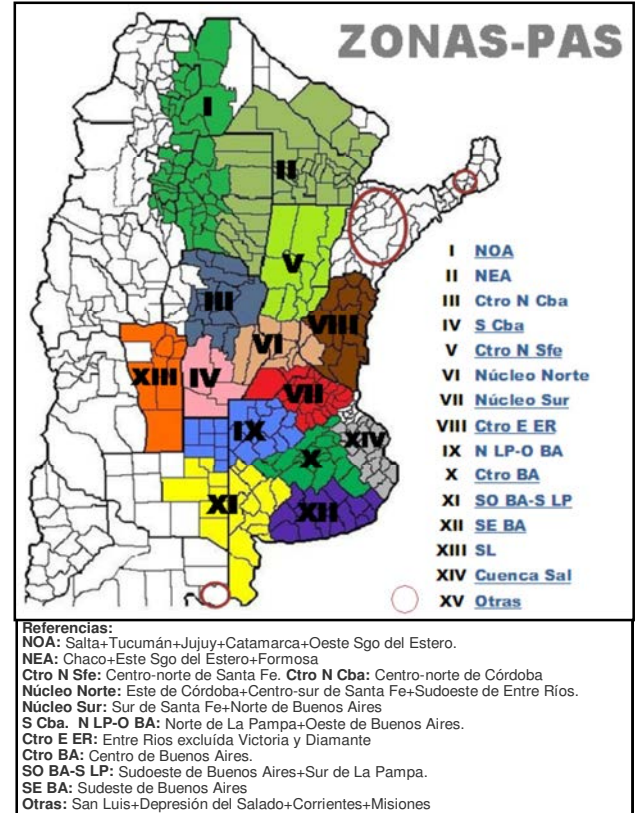


Weekly Ag Report

BUENOS AIRES GRAIN EXCHANGE

WEEK ENDED ON Jun. 07, 2012

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



WEEKLY AGRICULTURAL WEATHER OUTLOOK BUENOS AIRES GRAIN EXCHANGE

OUTLOOK SUMMARY

NATIONAL AGRICULTURAL WEATHER OUTLOOK FROM JUNE 7 TO 14 2012. INTENSE COLD WEATHER, FOLLOWED BY A RISE IN TEMPERATURES OVER THE NORTHEAST OF THE NATIONAL AGRICULTURAL AREA.

As a result of the process that began in the preceding days, the warm and humid air mass, coming from the north and prevailing over most of the Fall, was replaced by a cold and dry air mass coming from the south/southwest. This new condition has reduced precipitations and brought extremely cold weather. This seasonal transition usually occurs at the beginning of May. This year, however, it occurred almost a month later. This delay may be attributed to the large amount of energy released by the abrupt dissipation of "La Niña". Additionally, this late seasonal transition produced light snowfall and sleet over the city of Buenos Aires and its surroundings. The fact that this phenomenon occurred only five years after the first episode of July 2007 called the attention of experts since snowfalls require very special conditions, hardly ever present in the Metropolitan area. Nevertheless, as of 2007, most of the south of the Pampeana region has reported frequent snowfalls indicating the possibility of a change in this regard. At the beginning of the current

outlook, southerly winds will intensify their presence, leading to a significant drop in temperatures and possible frosts over most of the national agricultural area. Besides, the south and center of the Andes range will observe snowfalls that are likely to expand into the hilly areas of the Pampeana region and NWA. Winds will then rotate to the north, leading to a moderate rise in the maximum temperatures. Towards the end of the current perspective, a storm front will bring precipitations to the northeast of the national agricultural area. In turn, the south of the Andes range will observe the entrance of a strong storm system which will lead to snowfalls over mountainous areas and bring polar air to most of the agricultural area in the subsequent days.

Buenos Aires, June 7th, 2012

Buenos Aires Grain Exchange

WHEAT

During the last seven days there was slow progress of the covering labors. Several factors are delaying the seeding, namely the lack of incentive and the state of uncertainty surrounding this crop. There is great discouragement around this crop in the Northern provinces (NOA and NEA); since the ultimate goal is to have a winter cover and the grain quality is but regular. In addition, the central and west regions of Buenos Aires are suffering flooded fields, which makes impossible to seed winter crops. Therefore, the uncertainty is great in these areas, and only now specific plots are being seeded on high lands, which do not suffer water excess. This situation might worsen the low seeding intention that already exists. The wheat belt (South of Buenos Aires) has started to incorporate the first plots, some of which are destined to seed production. Likewise, the uncertainty is significant in this region. Today, the moisture levels are appropriate, but an imminent surface reduction cannot be ruled out for this campaign. Under these circumstances, we adjust our first estimation published a month ago to 200,000 HAS. In whole numbers, we project an area coverage of 3,800,000 HAS, a 17.4% less than the seeding of the campaign 2011/12 (4.6 MHAS). So far, the national seeding progress is of 15%, describing a weekly advance of 5 percentage points.

SOYBEAN

The harvest has reached 95% of the acreage, showing a slow weekly progress of only 2.2 percentage points. The national average yield remained steady at 22.1 qq/ha, since our last issue, and the partial volume accrued reaches 38.1 MTn so far. In these conditions, the final volume projection at the closing of campaign stays at 39,900,000 tons, describing a cut down of 9.3MTn (-18,9%) as compared to the previous cycle (2010/11-accruing 49.2MTn) and an adjustment of 6.2 MTn (-13,6%) from our first projection published for the ongoing cycle (January 2012: 46.2MTn). On the other hand, the hydric excess over wide areas of the Buenos Aires province is delaying the closing of the campaign at a national level. The low temperatures and cloudy days hamper the drying of the plots, which delays even more the finishing of the campaign. This week also presented heavy snowing over large sectors of the south of Buenos Aires. The superficial accumulation of snow on plots with abundant hydric feeding may add yet another retardant, due to the lack of ground for the advance of the harvest machines.

SOYBEAN HARVEST

2011/12 SEASON

As of: Jun. 07, 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	89,0	1.099.150	15,2	1.665.937
II	NEA	1.930.000	350.000	1.580.000	86,0	1.358.584	9,1	1.240.292
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	99,7	1.354.870	15,4	2.092.226
V	Ctro N SFe	1.116.000	7.500	1.108.500	97,8	1.083.976	21,4	2.320.157
VI	Núcleo Norte	3.410.000	1.000	3.409.000	100,0	3.409.000	28,1	9.574.022
VII	Núcleo Sur	2.670.000	16.000	2.654.000	98,5	2.614.310	25,7	6.724.287
VIII	Ctro E ER	1.140.000	2.000	1.138.000	99,9	1.136.407	21,2	2.411.572
IX	N LP-OBA	1.550.000	110.000	1.440.000	91,2	1.313.313	28,8	3.779.131
X	Ctro BA	565.000	67.000	498.000	83,1	414.033	27,5	1.140.370
XI	SO BA-S LP	328.000	11.000	317.000	85,8	272.054	20,0	543.867
XII	SE BA	740.000	1.800	738.200	72,2	533.055	22,5	1.198.669
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	89,0	196.305	21,9	429.175
XV	Others	52.000	1.000	51.000	97,0	49.480	18,9	93.355
TOTAL		18.850.000	660.000	18.190.000	95,0	17.276.335	22,1	38.114.791

CORN

The gathering of the crop marked a slight progress of 3.1 percentage points during the last seven days, increasing the national average to 64.8% of the harvestable acreage for commercialization of the grain. The collection of first crop plots has ended in the South of Cordoba, and in the belt areas, where late seeding and aftermath plots are now being gathered. The latter are producing yields higher than first crop plots, which is good considering the campaign in Entre Rios, the threshing of late plots exceeds 40% of progress, yielding weekly averages above 60 qq/ha, which shows that as the threshing progresses in the bulk of the late seeded plots, the yield levels are increasingly higher. The center and west of Buenos Aires present a different situation, where the excess of water delays the gathering and hampers the entrance to the plots. The delay in this area is bound to slow down the end of the campaign, which in some cases, will overlap with the start of a new campaign. Therefore, within this framework, we keep our current estimation of final production at 19.3 Million tons nationwide.

CORN HARVEST

2011/12 SEASON

As of: Jun. 07, 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	31	74.608	46,1	343.587
II	NEA	270.000	20.000	250.000	37	93.525	41,0	383.618
III	Ctro N Cba	475.000	16.000	459.000	47	213.900	52,3	1.119.703
IV	S Cba	500.000	67.500	432.500	73	313.750	34,4	1.078.875
V	Ctro N SFe	160.000	28.000	132.000	69	91.200	48,1	438.554
VI	Núcleo Norte	527.000	14.500	512.500	98	499.852	60,4	3.020.862
VII	Núcleo Sur	460.000	40.500	419.500	93	390.079	47,1	1.838.616
VIII	Ctro E ER	165.000	20.000	145.000	88	127.774	46,1	589.409
IX	N LP-OBA	535.000	69.000	466.000	52	244.500	46,2	1.129.715
X	Ctro BA	136.000	30.000	106.000	42	45.016	46,0	207.026
XI	SO BA-S LP	107.000	22.000	85.000	31	26.296	35,6	93.696
XII	SE BA	85.000	3.500	81.500	44	35.653	61,2	218.163
XIII	SL	115.000	15.000	100.000	59	58.775	40,0	235.156
XIV	Cuenca Sal	60.000	4.000	56.000	87	48.700	40,6	197.615
XV	Others	20.000	0	20.000	39	7.800	45,8	35.700
TOTAL		3.870.000	365.000	3.505.000	64,8	2.271.428	48,1	10.930.295

GRAIN SORGHUM

So far, more than 60% of the good acreage has been harvested nationwide. In whole numbers, the gathered surface amounts to 600 HAS. The national average yield dropped from the previous report, due to the low yields that the bulk of the plots in the North and South areas of the national AG belt are producing. The harvest is nearing the end in the North Belt region, yielding values ranging from good to very good, averaging 61 qq/ha. In the center and west of Buenos Aires the harvest is practically halted due to the great humidity levels of the plots, which hampers the advance of the machines to gather the produce. Toward the NEA region the drought of February has had a strong impact on the Sorghum plots, many of which have sprouted after stressing for the lack of rains. Therefore, the yields expected in some the sorghum belts of the country are low. Under these circumstances, we maintain our projection of national production at 4.1 MTN.

GRAIN SORGHUM HARVEST

2011/12 SEASON

As of: Jun. 07, 2012

Zone		Hectareage (ha)			Percentage harvested	Hectares harvested	Yeld (1) (qq/ha)	Production (Tm)
		Sown	Lost	Harvestable				
I	NOA	22.572	2.257	20.315	60	12.189	30	36.567
II	NEA	216.281	25.954	190.327	62	118.003	29	342.208
III	Ctro N Cba	129.960	12.996	116.964	82	95.910	49	469.961
IV	S Cba	42.408	6.361	36.047	47	16.942	49	83.016
V	Ctro N SFe	195.552	25.422	170.130	81	137.805	41	565.003
VI	Núcleo Norte	51.546	4.124	47.422	97	46.000	61	280.598
VII	Núcleo Sur	24.067	722	23.345	61	14.240	59	84.019
VIII	Ctro E ER	120.059	10.500	109.559	83	90.934	50	454.670
IX	N LP-OBA	45.936	8.728	37.208	29	10.790	51	55.031
X	Ctro BA	8.894	1.067	7.827	7	548	45	2.465
XI	SO BA-S LP	134.992	24.299	110.693	11	12.176	32	38.964
XII	SE BA	6.435	322	6.113	0	0	0	0
XIII	SL	52.326	2.616	49.710	32	15.907	41	65.219
XIV	Cuenca Sal	28.500	570	27.930	51	14.244	49	69.797
XV	Others	20.859	417	20.442	68	13.900	38	52.822
TOTAL		1.100.387	126.354	974.033	61,6	599.590	43,4	2.600.339