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Argentina

Grain and Feed Update

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Report Highlights:

Wheat production and exports for marketing year 2012/13 are dropped to 10.3 million metric tons (MMT) and 4.3 MMT, respectively, due to heavy rains and excess humidity that dropped final yields. For the same reasons, barley production is reduced to 5 MMT, 500,000 tons lower than USDA official estimates. Barley exports are also adjusted downwards by 400,000 tons. Corn production is estimated at 27.5 MMT and domestic consumption is reduced by 400,000 MT. Rice production is expected to be 1.5 MMT (rough) and exports are down to 540,000 tons due to a reduced output and smaller beginning stocks.

Post:
Buenos Aires

Commodities:
Barley

Wheat

Corn

Sorghum

Rice, Milled

Author Defined:

Wheat: Post estimates Argentine wheat production for marketing year (MY) 2012/13 at 10.3 million metric tons (MMT), 700,000 MT lower than USDA´s official number. Final yields are reported to have been lower than expected, affected by excess rain and humidity. Some sources estimate production to be even lower. The cut in production will directly affect exports, which post estimates at 4.3 MMT (including wheat flour), 700,000 MT lower than USDA.

In mid-2012, the government announced a 6 MMT wheat export quota for crop MY2012/13. Exporters have already purchased 4.7 MMT of wheat and have received export certificates for 4.5 MMT.   The unanticipated drop in production has the Government of Argentina (GOA) concerned that it will be impossible to fulfill the 6 MMT export quota, therefore exports are limited to 2 MMT through February 2013. The GOA will also conduct a survey to determine the amount of wheat stocks in-country in order to free the export surplus in early March. For the past six years since the quota system has been in effect, there is uncertainty in the total amount of wheat stocks available. This has been especially true over the past couple of years. Contacts estimate beginning stocks for MY2012/13 between 500,000 MT and 1.6 MMT. The survey is expected to supply key information to determine an approximate export volume for the rest of the season. Based on government data, MY2012/13 wheat exports through January 16 totaled 1.1 million tons.

Barley: Post estimates production for MY 2012/13 at 5 MMT, 500,000 tons lower than USDA official estimates. Excess rain and high temperatures that lasted a few weeks in early November reduced yields and quality. Similar to wheat, there are some contacts who believe production could be even lower. Despite this, the local malting industry is not expected to have problems sourcing 1.2 MMT of good quality barley for its needs. The drop in output will however negatively affect exports, which are reduced 400,000 tons to 3.6 MMT.   Barley exports are estimated at 2.1 MMT for feed use and 1.5 MMT for malting. Like the local malting industry, the poor quality of a large part of the production is not expected to limit exports and traders indicate that almost all available barley will be exported, with only 100,000 tons to be used locally for feed. Through mid-January the government reported no barley exports for MY2012/13.

Corn: Production is reduced slightly to 27.5 MMT. The condition of most corn is very good as soil moisture during the first stages of the crop was optimal. However, weather since late December has been very dry and good rainfall is needed in the next few days and during February to secure expected generalized high yields. Post projects domestic consumption to be 7.9 MMT, 400,000 tons less than USDA official estimates, which can be attributed to slim returns in the local feedlot and dairy industries.

Sorghum: There are no changes for production in MY2012/13.   For MY2011/12, Post raises sorghum production to 4.4 MMT, 200,000 tons higher than USDA official estimates due to higher yields than previously estimated. The extra production pushes exports up to 3.2 MMT, as local traders have been very active exporting sorghum.

Rice: Post expects rough production of rice in MY2012/13 to be 1.5 MMT, 100,000 tons lower than the USDA official number. Plantations in general are in good condition. However, due to excess rain during the October planting season, most plantings in Entre Rios, Santa Fe and south Corrientes were delayed until November, reducing potential yields. Post´s beginning stocks for MY2012/13 are pegged at 80,000 tons, 45,000 tons lower than USDA's estimate. Rice mills and traders report that there is little rice available in-country due to the high volume of exports in MY2011/12.   The combination of a smaller carry-in stock and a smaller production will negatively affect exports for MY2012/13, which post estimates at 540,000 tons, a reduction of 110,000 tons from the USDA official number.

Wheat Argentina	2010/2011	2011/2012	2012/2013
	Market Year Begin: Dec 2010	Market Year Begin: Dec 2011	Market Year Begin: Dec 2012

	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	4,845	4,845	5,170	5,170	3,700	3,700
Beginning Stocks	2,337	2,337	4,107	4,107	762	762
Production	17,200	17,200	15,500	15,500	11,000	10,300
MY Imports	13	13	5	5	5	5
TY Imports	2	2	13	13	5	5
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	19,550	19,550	19,612	19,612	11,767	11,067
MY Exports	9,493	9,493	12,900	12,900	5,000	4,300
TY Exports	7,742	7,742	11,949	11,949	7,500	6,800
Feed and Residual	100	100	100	100	100	100
FSI Consumption	5,850	5,850	5,850	5,850	5,900	5,900
Total Consumption	5,950	5,950	5,950	5,950	6,000	6,000
Ending Stocks	4,107	4,107	762	762	767	767
Total Distribution	19,550	19,550	19,612	19,612	11,767	11,067
1000 HA, 1000 MT, MT/HA						

Barley Argentina	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Dec 2010		Market Year Begin: Dec 2011		Market Year Begin: May 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	750	750	1,160	1,160	1,500	1,500
Beginning Stocks	329	329	530	530	230	230
Production	2,950	2,950	4,500	4,500	5,500	5,000
MY Imports	0	0	0	0	0	0
TY Imports	0	0	0	0	0	0
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	3,279	3,279	5,030	5,030	5,730	5,230
MY Exports	1,614	1,614	3,600	3,600	4,000	3,600
TY Exports	1,531	1,531	3,631	3,631	4,000	3,600
Feed and Residual	200	200	100	100	200	100
FSI Consumption	935	935	1,100	1,100	1,300	1,300
Total Consumption	1,135	1,135	1,200	1,300	1,500	1,400
Ending Stocks	530	530	230	230	230	230
Total Distribution	3,279	3,279	5,030	5,030	5,730	5,230
1000 HA, 1000 MT, MT/HA						

Corn Argentina	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Mar 2011		Market Year Begin: Mar 2012		Market Year Begin: Mar 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	3,750	3,750	3,600	3,600	3,500	3,700
Beginning Stocks	2,573	2,573	4,130	4,130	940	940
Production	25,200	25,200	21,000	21,000	28,000	27,500
MY Imports	6	6	10	10	10	10
TY Imports	7	7	8	8	10	10
TY Imp. from U.S.	1	1	1	1	0	0
Total Supply	27,779	27,779	25,140	25,140	28,950	28,450
MY Exports	16,349	16,349	17,500	17,500	19,500	19,500
TY Exports	15,198	15,198	16,501	16,501	19,500	19,500
Feed and Residual	5,300	5,300	4,600	4,600	5,500	5,100
FSI Consumption	2,000	2,000	2,100	2,100	2,800	2,800
Total Consumption	7,300	7,300	6,700	6,700	8,300	7,900
Ending Stocks	4,130	4,130	940	940	1,150	1,050
Total Distribution	27,779	27,779	25,140	25,140	28,950	28,450
1000 HA, 1000 MT, MT/HA						

Sorghum Argentina	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Mar 2011		Market Year Begin: Mar 2012		Market Year Begin: Mar 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	1,000	1,000	1,000	1,000	1,150	1,150
Beginning Stocks	152	152	950	950	150	150
Production	4,400	4,400	4,200	4,400	5,200	5,200
MY Imports	0	0	0	0	0	0
TY Imports	0	0	0	0	0	0
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	4,552	4,552	5,150	5,350	5,350	5,350
MY Exports	1,702	1,702	3,000	3,200	2,900	2,900
TY Exports	1,893	1,893	2,163	2,163	3,000	2,400
Feed and Residual	1,700	1,700	1,800	1,800	1,900	1,900
FSI Consumption	200	200	200	200	250	250
Total Consumption	1,900	1,900	2,000	2,000	2,150	2,500
Ending Stocks	950	950	150	150	300	300
Total Distribution	4,552	4,552	5,150	5,350	5,350	5,350
1000 HA, 1000 MT, MT/HA						

Rice, Milled Argentina	2010/2011	2011/2012	2012/2013

	Market Year Begin: Apr 2011		Market Year Begin: Apr 2012		Market Year Begin: Apr 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	257	257	235	235	230	230
Beginning Stocks	75	75	145	145	125	80
Milled Production	1,118	1,118	1,020	1,020	1,040	975
Rough Production	1,720	1,720	1,569	1,569	1,600	1,500
Milling Rate (.9999)	6,500	6,500	6,500	6,500	6,500	6,500
MY Imports	2	2	5	5	5	5
TY Imports	8	8	5	5	5	5
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	1,195	1,195	1,170	1,170	1,170	1,060
MY Exports	700	700	675	720	650	540
TY Exports	732	732	675	720	650	540
Consumption and Residual	350	350	370	370	370	370
Ending Stocks	145	145	125	80	150	150
Total Distribution	1,195	1,195	1,170	1,170	1,170	1,060
1000 HA, 1000 MT, MT/HA						