

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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**GAIN Report Number:**

## **Argentina**

### **LOCK-UP REPORT**

### **GRAIN AND FEED**

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**Report Highlights:**

Post keeps its 2009/10 wheat production forecast at 9 million tons on a slightly lower harvested area of 3 million hectares. Post expects 2009/10 wheat yields to be higher due to favorable weather conditions and higher than average rainfall due to El Niño weather patterns. Post revises upward the 2008/09 wheat production to 9 million tons and exports for that crop year have been revised to 6 million tons. Post estimates that 2009/10 corn harvested area will reach 2 million hectares, with a production of 15 million tons.

**Post:**

**Commodities:**

Buenos Aires

Wheat

Corn

**Author Defined:**

**SECTION I. Situation and Outlook**

**Wheat:**

Post decreases its 2009/10 wheat harvested area estimate to 3 million hectares, due to uncertainties about the domestic price. Post forecasts 2009/10 wheat production to reach 9 million tons.

The 2009/10 wheat crop will likely have much improved yields over last year, which was severely impacted by a major drought. Some reports indicate that the El Niño weather pattern is taking hold in the Pacific. El Niño weather patterns bring higher than average rains – and yields – to Argentina’s main agricultural production areas. Furthermore, overall yields for the 2009/10 soybean crop will likely be higher than most years due to a larger availability of nutrients carried over in the soil from last year due to the drought.

Post revises upward the 2008/09 wheat production and export numbers based on new export data through August 2009, which indicate that the previous year’s production was higher than initially estimated. Production has been revised to 9 million tons and exports for that crop year have been revised to 6 million tons.

**Corn:**

Post estimates that 2009/10 corn area will reach 2 million hectares. Currently, around 60 percent of the expected area has been planted. In addition, Post contacts indicate that planting perspectives for late planting in December have increased due to good results achieved in recent years. Planting seed companies indicate that their sales have been nearly 3 million bags (1 bag = 1 hectare) which, discounting corn for silage and losses, would indicate to a harvested area close to 2 million hectares. There are many factors discouraging farmers to plant corn including, among others,

profitability concerns and uncertainty about the export market.

Post expects yields to be higher than historical levels due to improved moisture conditions for the 2009/10 crop year. Post tentatively forecasts corn production to reach 15 million tons.

**SECTION II. Statistical Table: Area is in 1,000 hectares, Other Data in 1,000 tons**

Wheat Argentina		2007			2008			2009		
		2007/2008			2008/2009			2009/2010		
		Market Year Begin: Dec 2007			Market Year Begin: Dec 2008			Market Year Begin: Dec 2009		
		USDA Official Data		New Post Data	USDA Official Data		New Post Data	USDA Official Data		New Post Data
Area Harvested	6,000	6,000	6,000	4,237	4,237	4,500	2,850	3,300	3,000	
Beginning Stocks	1,067	1,067	1,067	2,767	2,744	2,767	412	589	712	
Production	18,000	18,000	18,000	8,400	8,400	9,000	8,000	9,000	9,000	
MY Imports	23	4	23	25	25	25	5	5	5	
TY Imports	4	4	4	46	25	46	5	5	5	
TY Imp. from U.S.	0	0	0	0	0	0	0	0	0	
Total Supply	19,090	19,071	19,090	11,192	11,169	11,792	8,417	9,594	9,717	
MY Exports	11,193	11,197	11,193	5,700	5,500	6,000	2,500	4,000	3,000	
TY Exports	10,228	10,237	10,228	8,598	8,400	8,598	1,500	2,500	3,000	
Feed Consumption	80	80	80	80	80	80	80	80	80	
FSI Consumption	5,050	5,050	5,050	5,000	5,000	5,000	5,100	5,100	6,000	
Total Consumption	5,130	5,130	5,130	5,080	5,080	5,080	5,180	5,180	6,080	
Ending Stocks	2,767	2,744	2,767	412	589	712	737	414	637	
Total Distribution	19,090	19,071	19,090	11,192	11,169	11,792	8,417	9,594	9,717	
Yield -- tons/ha.	3.	3.	3.	1.98	1.98	2.	3.	2.73	3.	

Corn Argentina		2007			2008			2009		
		2007/2008			2008/2009			2009/2010		
		Market Year Begin: Mar 2008			Market Year Begin: Mar 2009			Market Year Begin: Mar 2010		
		USDA Official Data		New Post Data	USDA Official Data		New Post Data	USDA Official Data		New Post Data
Area Harvested	3,410	3,413	3,410	2,250	2,250	2,250	1,900	2,000	2,000	
Beginning Stocks	1,660	1,660	1,660	1,985	1,985	1,985	1,110	1,410	1,110	
Production	22,000	22,000	22,000	12,600	13,000	13,000	14,000	15,000	15,000	
MY Imports	123	123	123	125	125	125	25	25	25	
TY Imports	51	51	51	100	100	100	25	25	25	
TY Imp. from U.S.	2	2	2	0	0	0	0	0	0	
Total Supply	23,783	23,783	23,783	14,710	15,110	15,110	15,135	16,435	16,135	
MY Exports	14,798	14,798	14,798	7,500	7,000	7,000	8,000	9,000	9,000	
TY Exports	15,676	15,676	15,676	8,500	7,000	8,000	7,000	8,000	8,000	
Feed Consumption	5,100	5,100	5,100	4,200	4,800	4,800	4,000	4,000	4,000	
FSI Consumption	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	
Total Consumption	7,000	7,000	7,000	6,100	6,700	6,700	5,900	5,900	5,900	
Ending Stocks	1,985	1,985	1,985	1,110	1,410	1,410	1,235	1,535	1,235	
Total Distribution	23,783	23,783	23,783	14,710	15,110	15,110	15,135	16,435	16,135	

Yield -- tons/ha.	6.	6.	6.4516	6.	6.	5.78	7.	8.	7.5
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