

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Brazil

Oilseeds and Products Update

Brazil's 2012/13 Soybean Crop Estimated at Record 83 mmt

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Report Highlights:

Post increased Brazil's 2012/13 soybean production estimate by one million metric tons (mmt) to a record 83 mmt. Brazil's 2012/13 planting is considered 99 percent completed and at a rate a few percentage points ahead of the five-year historic average. Crop conditions are rated "good" across all major producing regions; some isolated areas are receiving less than desirable rainfall and as a result lower crop ratings. Post increased Brazil's 2012/13 forecast soybean exports by 500,000 mt to a record 39 mmt.

Production, Supply, and Demand Statistics:

Oilseed, Soybean (Local) Brazil	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Feb 2011		Market Year Begin: Feb 2012		Market Year Begin: Feb 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	24,200	24,200	25,000	25,000	27,500	27,500
Area Harvested	24,200	24,200	25,000	24,885	27,500	27,500
Beginning Stocks	3,267	2,984	4,554	4,270	1,374	770
Production	75,300	75,300	66,500	66,500	81,000	83,000
MY Imports	40	41	300	300	50	50
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	78,607	78,325	71,354	71,070	82,424	83,820
MY Exports	33,789	33,790	32,080	32,100	38,425	39,000
MY Exp. to EU	5,581	5,581	5,600	5,600	6,000	6,000
Crush	37,264	37,265	34,800	35,200	37,875	38,500
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	3,000	3,000	3,100	3,000	3,204	3,150
Total Dom. Cons.	40,264	40,265	37,900	38,200	41,079	41,650
Ending Stocks	4,554	4,270	1,374	770	2,920	3,170
Total Distribution	78,607	78,325	71,354	71,070	82,424	83,820

1000 HA, 1000 MT

Brazil's 2012/13 Soybean Crop Now Estimated at a Record 83 Million Metric Tons

Post increased Brazil's 2012/13 soybean production estimate by one million metric tons (mmt) to a record 83 mmt. Post's 2012/13 production estimate is within the range of those of private consulting groups Agroconsult, Safras e Mercado, and Céleres that estimate 83.7 mmt, 84.3 mmt, and 79 mmt, respectively. The Brazilian Ministry of Agriculture's Food Supply Company (CONAB) estimated soybean bean production at 82.6 mmt in its December 2012/13 crop survey.

Crop conditions are rated "good" across all major producing regions, with some isolated areas receiving less than desirable rainfall across states in the center-west and northeast regions. Account for over 60 percent of national production, the top three producing states of Mato Grosso, Parana, and Rio Grande do Sul all have good crop conditions.

Brazil's 2012/13 Crop has Record Forward Committed Sales of Over 50 Percent and Record Forecast Exports at 39 mmt

The 2012/13 Brazil soybean harvest has recently commenced in the top producing state of Mato Grosso, a state which accounts for 30 percent of national production. Mato Grosso has forward sold a record 67.7 percent of the state's forecast crop, according to its Institute of Agricultural Economics (IMEA). The national 2012/13 soybean crop is now estimated at over 50 percent forward sold compared with the five-year average of approximately 30 percent sold at this time in the crop season. Spurred by a

favorable exchange rate and futures prices, contracts for March delivery were nearly all forward sold prior to planting in October. Traders report that there was less activity during November due to the already record committed crop sales. Trade sources confirmed an uptick in December in negotiations for February export contracts as China and other importing nations shift attention to the record forecast crop in Brazil and across South America. However, the delayed planting this season pushed back the export window with an estimated two mmt to be exported in February. Exports volumes are expected to peak in April at an estimated six mmt and maintain high volumes of over five mmt through June, weather permitting. In July soybeans will begin to compete with corn and sugar for inland and port logistics to market, as a result of this and in the wake of the upcoming U.S. crop, monthly export volumes are expected to fall throughout the rest of the marketing year. The devaluation of the Brazilian Real vis-à-vis the U.S. Dollar has favored export sales commitments in the past few months with the exchange rate reaching over R\$2.00 to US\$1.00. Post increased Brazil's 2012/13 forecast soybean exports by 500,000 mt to a record 39 mmt.

Other relevant reports:

[2012 November – Soybean Update Report](#)

[2012 October - Soybean Update Report](#)

[2012 Soybean Annual Report](#)