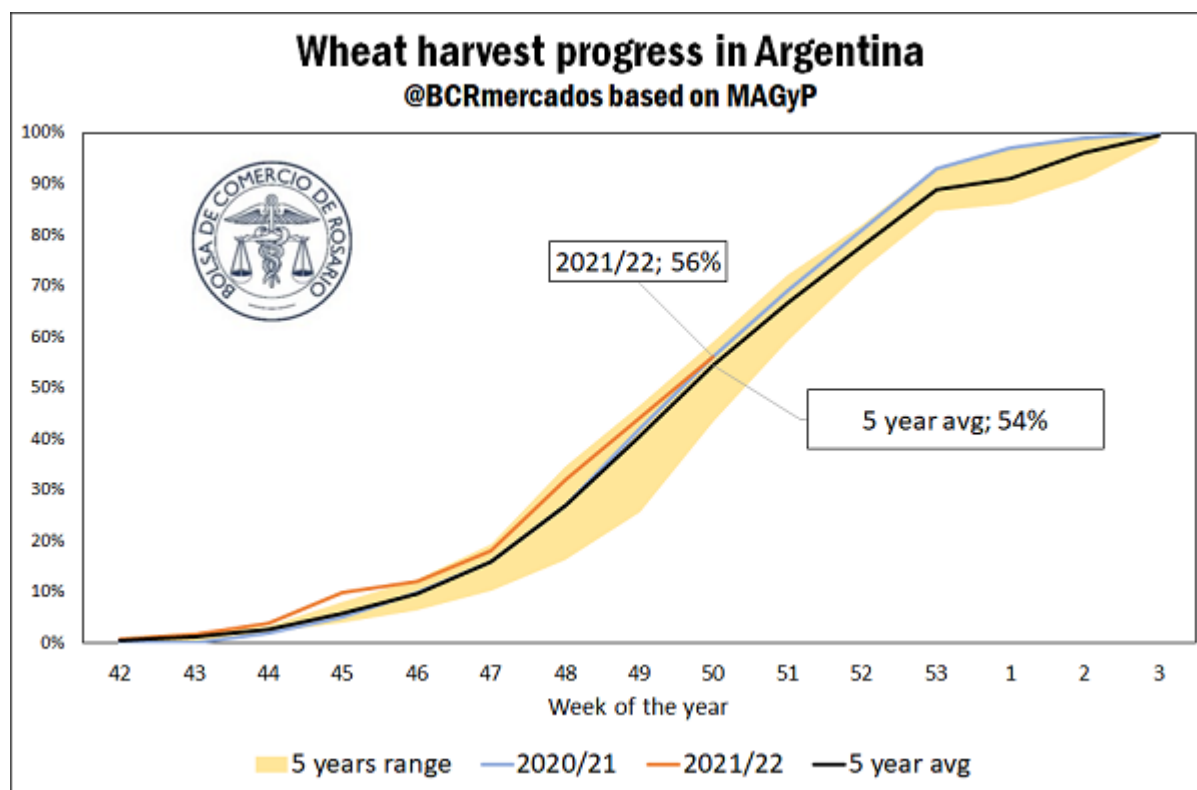


Expecting record exports of Argentinian wheat, trading stocks hit all-time high

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More area and higher yields, plus a soaring market dynamism, boost wheat stocks held by commercial establishments.

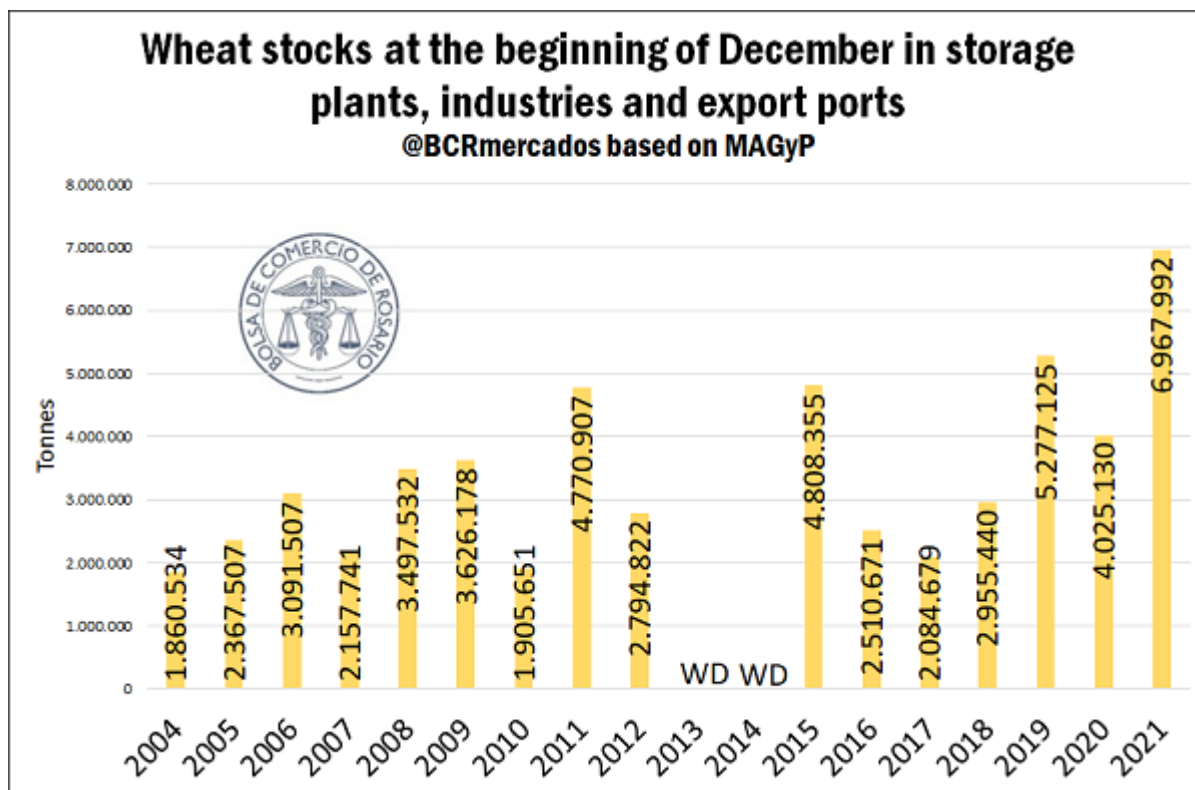
By December 9th this year, 56% of the wheat area has already been harvested, a rate similar to that of crop season 2020/21. However, this crop season added over 100,000 ha to the wheat crop, so that the harvest of the cereal already exceeds in hectares the previous trade year. In this framework, optimism about production increases week after week for crop season 2021/22. The [last GEA-BCR report](#) forecasts the best wheat crop in history: 22,1 million tons. In this sense, the good humidity of soils has been pushing up the cereal's yield per hectare.



This favourable productive outlook already reflects on the progressive entry of new crop wheat into grain collecting facilities, industries and export ports all along November and early December. On the other hand, in line with [forecasts](#)

[made by Rosario Board of Trade](#), the entry of wheat trucks is accelerating and December is expected to close above last year's.

With the improvement of yields and the expansion of planted hectares, by the beginning of this month we already have the higher trading stock of wheat on record. It should be highlighted that this is not the final stock for crop season 2020/21, since within this stock is included wheat 2021/22 harvested mainly in the North of Argentina, which entered the trading facilities complex before the formal start of the current crop season.



While the Export Sworn Statements (DJVE, for its Spanish acronym) of wheat 2021/22 have remained stable slightly above 9 Mt for weeks, local prices have risen about 2.5% during this week. After falling below US\$ 228/t in early December, during the last few days they recovered market dynamism boosted by Chicago, which took prices above US\$ 240/t in full swing of the harvest, considering the price of the Cereal Arbitration Chamber of Rosario (CAC, for its Spanish acronym).

With the good levels of demand and the optimistic commercial outlook, the range of open purchase bids in the local market went from US\$ 230-235/t for near bids and a progressive increase of prices reaching US\$ 255/t for goods with deferred delivery in the month of June next year. In this framework, domestic purchases of wheat already reach 11.4 Mt, a figure above the 6.5 Mt of wheat purchased by this time last year.

For its part, crop season 2020/21 closed with wheat exports for about 10.5 Mt, a drop of nearly 12% regarding the previous crop, and the lowest level of exports in tons since crop season 2015/16. However, the improvement in international prices took the exported prices to a total of US\$ 2,614 million, an 11.9% increase season-on-season.