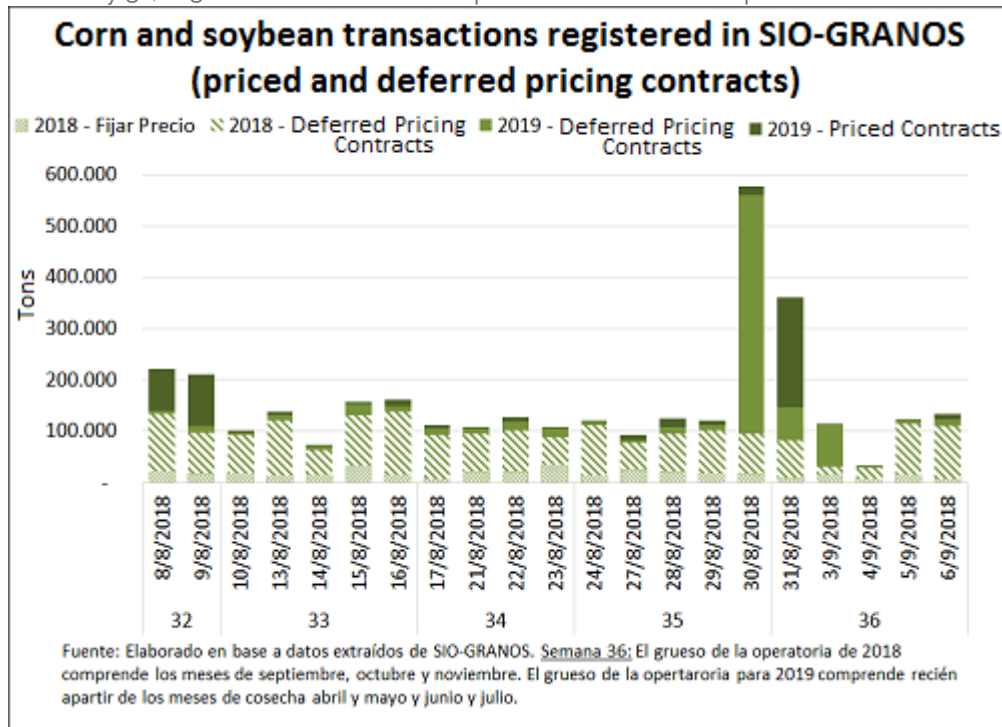


New export duties condition the coarse grain market

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The volume of soybean and corn harvest (and post-harvest) forwards traded on August 30 and 31 strongly increased after rumors concerning possible changes in economic policy. Forwards contracts represented a total of 759 thousand tons on August 30 and 31. On Thursday 30, there were traded the majority of deferred pricing contracts -464 thousand tons-, while on Friday 31, 215 thousand tons were operated in the form of priced contracts.



Being the limited operation, Rosario Board of Trade did not published reference prices on Monday (09/03). In fact, from Friday (08/31) to Tuesday (09/04), there were no record of soybean price at the Rosario Board of Trade pit. An open price only came up by the end of Wednesday's session. Corn contracts went through a similar path to soybean contracts. On Thursday, September 6, soybean price at the spot market was US\$ 245/t, US\$ 5/t higher than previous Thursday. As for differed market prices, they went through similar variations.

Soybean and corn deferred market prices (MATba)

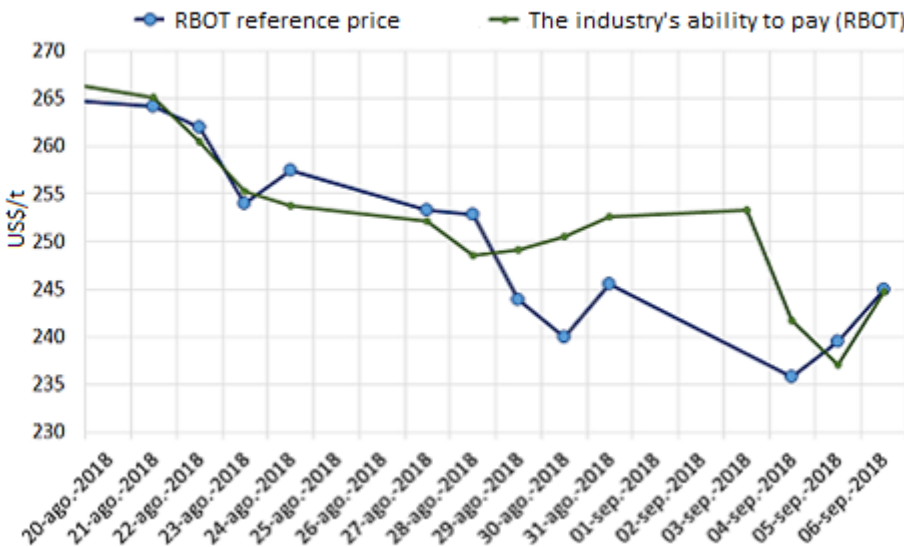
US\$/t

	6/9/2018	30/8/2018	Weekly Var.	Past year	Annual Var.
Soybean					
September-18	250,0	250,0	0,00	254,5	-4,50
November-18	261,0	258,0	3,00	257,9	3,10
January-19	266,5	261,6	4,90	-	-
May-19	253,8	249,2	4,60	259,9	-6,10
Corn					
September-18	142,0	149,0	-7,00	139,0	3,00
December-18	151,4	156,0	-4,60	145,0	6,40
April-19	150,5	154,0	-3,50	-	-
July-19	145,5	148,5	-3,00	144,0	1,50

Fuente: Elaborado en base a Reuters

Taking into account both Rosario Board of Trade reference prices and MATba (Buenos Aires Futures Market) prices, corn contracts had a significant weekly drop -US\$ 9.5/t down to US\$ 134.5/t-, as opposed to soybean contracts that closed with profits. The fall in corn price is consistent with the export duties increase of 4 ARS per USD exported, that equivalents to an export tax of 10.75% at the current exchange rate, reducing the price paid to the farmer. The recovery of soybean price, in contrast to the fall in the price of corn, was due to different causes. Firstly, export taxes for corn reached the 10.7% at current real exchange rate, while taxes on soybean attain 28.7% at current real exchange rate; previous soybean export duties were of 25.5% and by-products of 23%. Finally, on August 6, after several days of uncertainty, the demand had to improve their offer in order to be able to supply exporters and crushing plants.

Soybean: Rosario Board of Trade reference price and the industry's ability to pay



Fuente: Elaborado en base a datos de BCR. El precio pizarra corresponde al día de negociación expresado en dólares al tipo de cambio comprador mayorista del BNA.