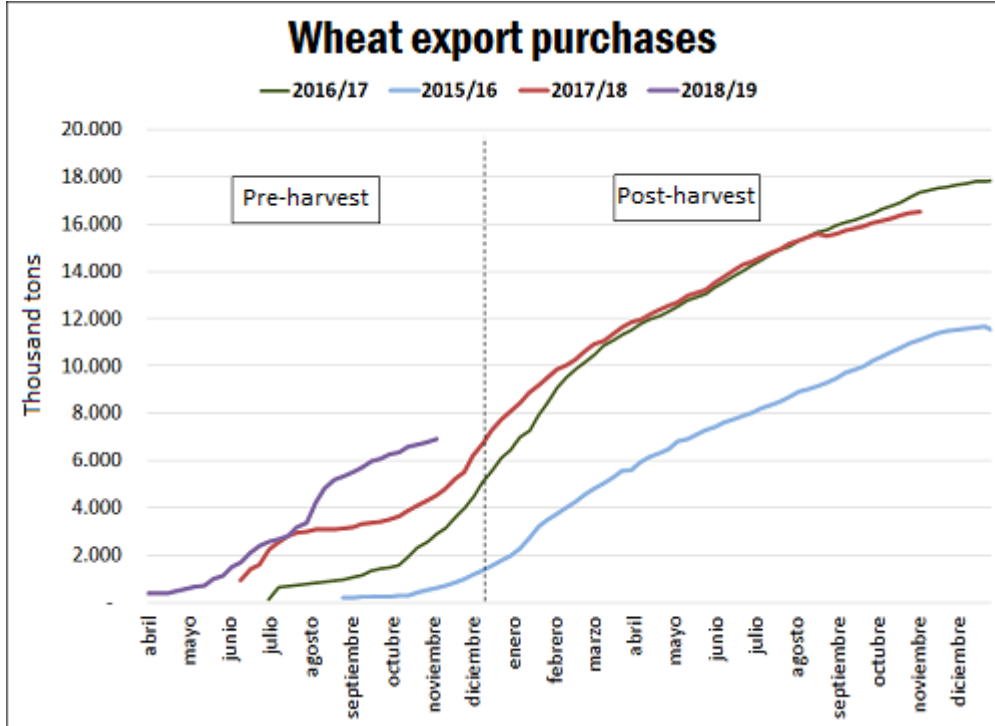


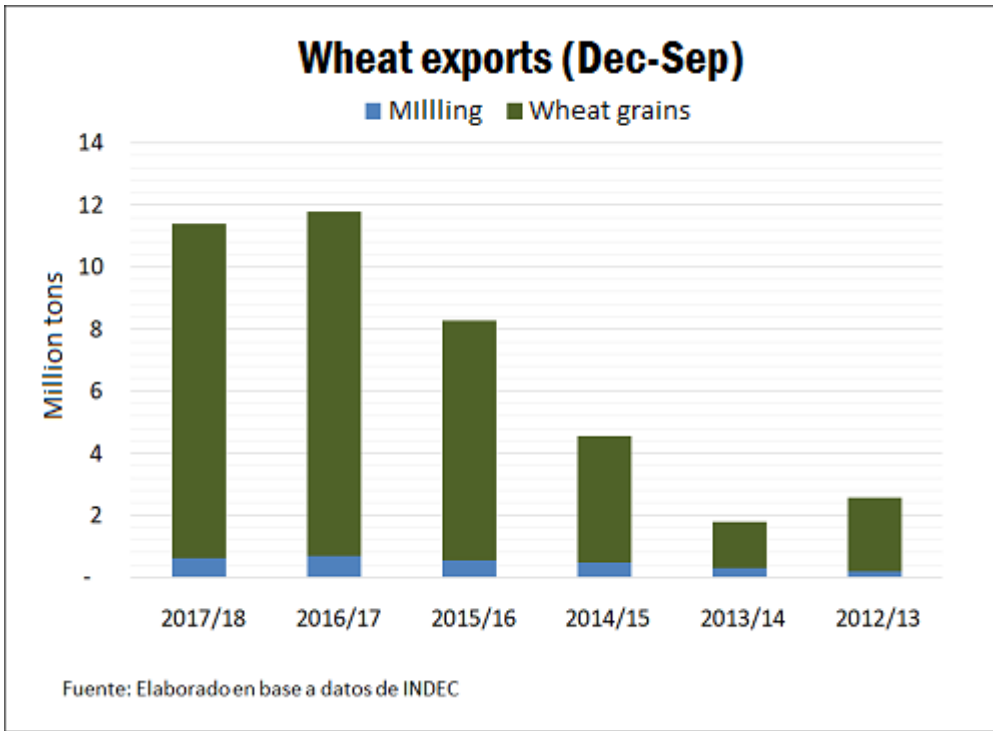
October outlook for wheat in Argentina

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Wheat price in the spot market dropped by US\$ 1.7/t, setting at US\$ 180/t on Thursday, November 1. Despite a 7-days rally, December, January and February MATba futures lost almost US\$ 10/t in October.



As the exporters' pace of purchases decreased in the past month, the fall of wheat price in Argentina was sharper than its drop in other markets. New wheat crop FOB price only fell by US\$ 2/t in October, while the spot market price fell by US\$ 10/t.



By September, 2017/18 wheat exports reached 10.77 Mt, very similar to the 11.18 Mt exports of the previous cycle. According to NABSA Line-ups, wheat exports in October were no significantly different from other campaigns, and reached 450 thousand tons. Regarding new wheat crop prospects, October hail caused further damages in Argentina's core productive area. Frosts and hailstorms devastated about 50 hectares last month; therefore, wheat losses reached 104 thousand hectares. The rains that came over the end had little positive impact on expected yields, which are around 35.2 qq/ha in the core productive area.

