



Coarse grains outlook

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According to Rosario Board of Trade, corn planted area in Argentina is expected to increase by 2.5% this cycle. By 11/18, Argentine farmers have been able to sow 55% of corn (vs. 46% at the same date in the previous cycle), as reported by Secretariat of Agribusiness. Moreover, early corn sowing is already complete in several areas. Crop losses due to heavy rains, local floods, hailstorms and windy weather are reported. Both the Secretariat of Agribusiness and Rosario Board of Trade estimate a 6.6 million hectares corn planted area and an 18 Mha soybean planted area. Corn yields are expected to fall in about 50% of the Pampas' planted area due to the delay in wheat harvest that will likely affect the planting of second-crop corn. In addition, November rainfalls might have a significant impact on 18/19 harvest.

2017/18 corn trade

in million tons

By 11/14/2018	2017/18	Last week 2017/18	Last cycle 2016/17	5 year average
Production	32,0	32,0	38,0	30,3
Exporters' purchases(b)	20,26	20,03	24,08	19,37
Total purchases	20,3	20,0	24,1	19,4
Purchases/Production ratio	63%	63%	63%	64%
Remaining	11,8	12,0	13,9	11,0
Export sales by 14/11(a)	19,03	19,03	22,23	-
Stocks (a-b)	1,2	1,0	1,85	

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Exporters' purchases and sales show that almost the entire 17/18 corn crop has already been commercialized. This is due to the fact that the internal consumption exceeds 11 Mt of tons per season, so in mid-November not much more grain is expected to be negotiated. The volume traded last week at Rosario Board of Trade was lower than during the previous week, as it was an unusually short week because of the holiday on Monday in Argentina and the holiday on Thursday in the United States. Soybean price in the local market had a slight fall going from 248.3/t on Thursday November 15 to 243.3 on Thursday, November 22. Meanwhile, corn price remained stable in the considered week. The price of the cereal on Thursday, November 12, was US\$ 131.3/t, only a US\$ 1.4/t lower than last Thursday's price. On the international stage, favorable weather conditions in Brazil during early 2018/19 season continue to boost corn production projections for this country. As a result, U.S., Ukraine, Brazil and Argentina's corn production combined would reach 146 million tons this cycle, surpassing 16/17 record. Large worldwide supply, together China's corn stock revisions, push prices down.





Corn exports by year

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■ Ukraine ■ Argentina ■ Brazil ■ U.S.

