Shipments of meals and pellets grew 19% in 2021

Tomás Rodríguez Zurro – Emilce Terré

Argentina shipped 32.3 Mt of meals and pellets last year, 5 Mt more than in 2020. Rosario cluster remains the main export node of meal and pellets and Asia as the main recepient region of these shipments.

According to data from the Ministry of Agriculture, Livestock and Fisheries of the Nation, Argentina shipped a total of 32.3 Mt of meal and pellets in 2021, 19% more than in all of 2020 and only 4% below the record of 2019. Of that total, 29.2 Mt were meal and pellets of Argentinian origin, while 3.1 Mt were of Bolivian, Paraguayan and Uruguayan origin. The sharp increase over the previous year is explained by an increase in the shipments of all meal and pellets, but particularly soybean meal. In addition, there was also a sharp increase in shipments of products of foreign origin. It should be noted, however, that while the shipments of these products grew considerably from the previous year, they were still below the mark of several previous years (2016, 2017 and 2019).

Shipments Of Agricultural By-Products By Type

-Metrc Tons-

Products	2016	2017	2018	2019	2020	2021	YoY Chg. %
Sunflower Meal	518.287	578.519	636.660	847.024	512.203	796.518	56%
Soybean Meal	30.612.978	30.041.766	24.706.857	29.811.292	24.288.703	27.737.125	14%
Soybean Meal Paraguay	*1.301.839*	*1.178.339*	*1.909.618*	*1.895.301*	*1.682.215*	*2.634.217*	*57%*
Soybean Meal Bolivia	*433.707*	*510.526*	*453.932*	*514.903*	*155.385*	*472.425*	*204%*
Soybean Meal Uruguay						*11.551*	
Wheat Pellets			54.923	118.138	66.218	165.321	150%
Malt	435.493	445.173	444.080	521.012	391.655	462.307	18%
Others[1]	4.049			17.616			
Argentine By-Products	**31.570.807**	**31.065.458**	**25.842.520**	**31.315.082**	**25.258.779**	**29.161.271**	**15%**
By-Products from Bol., Par. y/o Uru.	1.735.546	1.688.865	2.363.550	2.410.203	1.837.600	3.118.193	70%
Total	**33.306.353**	**32.754.323**	**28.206.070**	**33.725.285**	**27.096.379**	**32.279.464**	**19%**

[1]*Wheat Bran Pellets and Cotton Pellets*

Source: Dpto. Estudios Económicos - Bolsa de Comercio de Rosario, en base a Ministerio de Agroindustria.

Despite the fall in primary production of some of the major crops, the high rate of industrialization of the main grains and the high external demand for agricultural by-products boosted this strong growth in the shipments of soybean, sunflower, wheat, cotton, small bran and malt meal and pellets.

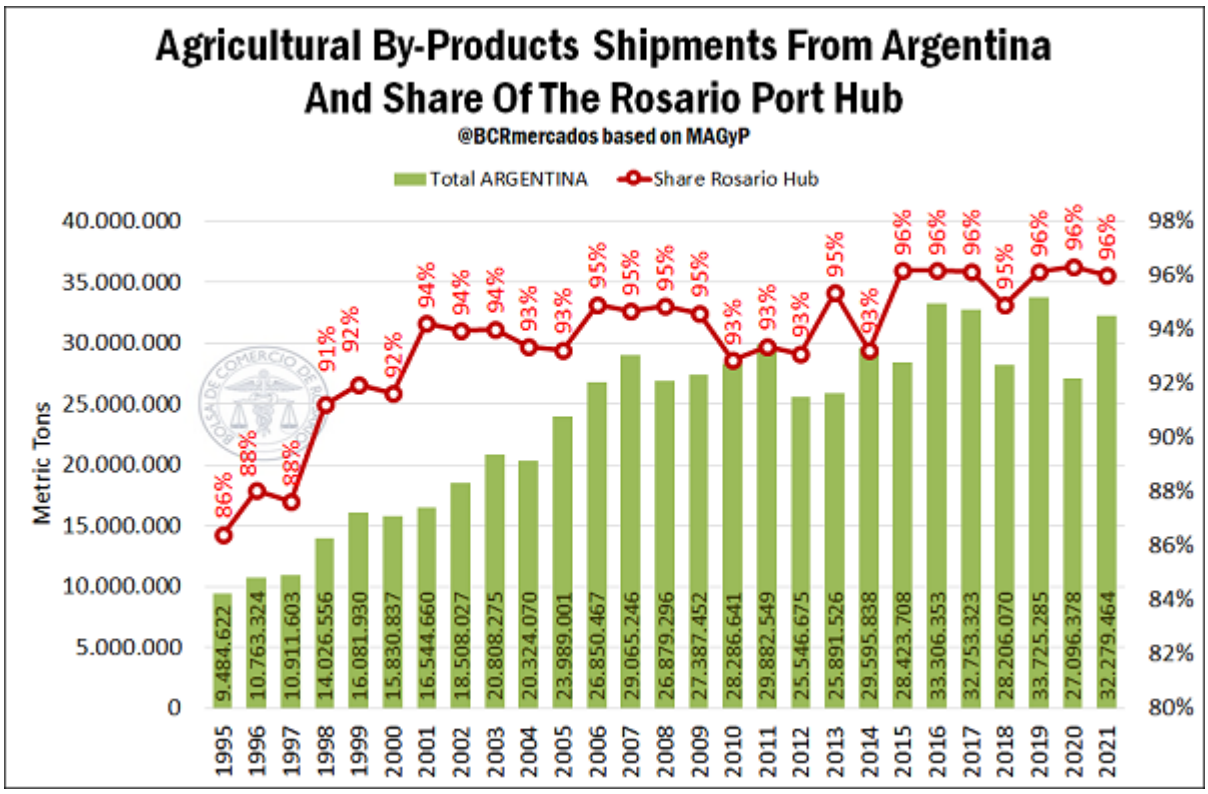
Indeed, as shown in the table below, the crushing of soybean, sunflower, wheat and barley grew by 15% in 2021 compared to the previous year. This year-on-year increase was led by a rebound in soybean processing that rose by more than 6 Mt

Este material se encuentra inscripto en el Registro de la Propiedad Intelectual bajo el N xxxxx, puede ser reproducido de manera total o parcial citando como fuente.

to accumulate 42.4 Mt in 2021, the second highest mark ever, only below the 2016 figure (44.5 Mt oilseed were processed that year). However, not only did soybean industrialization grow year-on-year, but also increased sunflower crushing and barley milling by 25% and 11%, respectively, while wheat fell in line with the lower production during last crop season, although by only 2%.

In this way, the increase in the volume of industrialized grain goes hand in hand with the greater amount of meal and pellets shipped during last year.

As for the origin of the shipments, the terminals located in Rosario region maintained their wide hegemony over the total shipments of meal and pellets from Argentinian ports. Of the 32.2 Mt shipped, 96% originated from the ports of the region, in line with the historic highs in terms of participation.



However, the performance of Rosario agribusiness export node during 2021 was uneven, depending on each by-product. The following table shows the evolution of shipments by type of product and port area.

It is evident from this table that this preponderance of the Up-River Paraná ports is almost entirely due to its total dominance in the shipments of **soybean meal/pellets**. Since this product represented in 2021 96% of all agricultural by-products shipped, the fact that almost all (99% to be precise) have been shipped at the terminals in the region explains the high participation of the ports of the area in total shipments of all by-products.

In fact, when we look at the shipments of other by-products, we see that the ports located between Timbúes and Arroyo Seco do not have such great supremacy over other regions. Taking the shipments of **sunflower pellets**, it is observed that, although more than half of them were shipped at the terminals of the region, a high share (44%) found their way out in the

Este material se encuentra inscripto en el Registro de la Propiedad Intelectual bajo el N xxxxx, puede ser reproducido de manera total o parcial citando como fuente.

southern ports of Buenos Aires. In addition, the volume of this by-product shipped from those terminals grew by almost 90% compared to 2020, while from the ports of the area it increased by about 50%.

In the case of **malt** shipments, the Up-River Paraná terminals are even relegated to the second place, behind the seaports of southern Buenos Aires. In 2021, of the more than 460,000 t of this barley by-product that were shipped abroad, only 18% had as their way of departure the ports of the region, while 78% were shipped in Necochea and Bahia Blanca. Finally, it should be mentioned that all the **wheat pellets** shipped during the last year did so in other port areas: Ramallo and Zárate.

Thus, the total aggregate shows that, although shipments of meal and pellets from Rosario cluster grew in equal proportion to shipments of meal and pellets from all Argentinian ports year-on-year (in both cases it was 19%), shipments of agricultural by-products from the southern port terminals of Buenos Aires increased 45% year-on-year. However, shipments from the rest of the port terminals (Ramallo and Zárate) fell 2% compared to the previous year.

Turning attention to the port terminals that shipped the highest volume of by-products in 2021, it is highlighted that the three main ones are in the department of San Lorenzo: in the first place, Terminal 6, in Puerto General San Martin, which in 2021 sent 6.8 Mt from its docks; in the second place, Renova, in Timbúes, which shipped 6.5 Mt; and in the third place, San Benito, in San Lorenzo, which shipped 3.2 Mt. Thus, the three main port terminals keep their hegemony from 2020, although with a change: Terminal 6 displaced Renova as the main port of shipment of meal and pellets.

Agricultural By-Products Shipments By Ports And By Products

-Metric Tons-

Ports			Sunflower Meal	Soybean Meal	Soybean Meal Paraguay	Soybean Meal Bolivia	Soybean Meal Uruguay	Malt	Wheat Pellets	TOTAL	Share %
BAHÍA BLANCA	Ingeniero White	Cargill	93.325	107.618				79.085		280.028	
		Dreyfus						235.208		235.208	
		Glencore/Toepfer									
	Puerto Galván	Dreyfus / Oleaginosa Moreno	47.505							47.505	
	TOTAL BAHÍA BLANCA		**140.830**	**107.618**				**314.293**		**562.741**	*2%*
NECOCHEA	Necochea	Cámara Portuaria	44.441	25.733						70.174	
		SITIO 0	12.356	61.862				47.022			
		TERMINAL QUEQUEN	150.588	77.042						227.630	
	TOTAL NECOCHEA		**207.385**	**164.637**				**47.022**		**419.044**	*1%*
ROSARIO	General Lagos	Dreyfus		1.583.980						1.583.980	
	Alvear	Punta Alvear / Cargill						85.463		85.463	
	Villa Gdor. Gálvez	Cargill		2.621.166						2.621.166	
	TOTAL ROSARIO			**4.205.146**				**85.463**		**4.290.609**	*13%*
SAN LORENZO	Timbúes	Renova		6.506.639						6.506.639	
		Timbúes COFCO		901.140	766.716		11.551			1.679.407	
		Timbúes Dreyfus		1.175.557	324.909					1.500.466	
	Pto Gral San Martín	Terminal 6	234.293	5.991.495	556.445					6.782.233	
		Quebracho / Cargill		1.030.973	481.782	320.928				1.833.683	
		Cofco PGSM (Ex Nidera)	148.847	749.760	214.914					1.113.521	
		El Tránsito / ADM Agro			284.244					284.244	
		Pampa / Bunge	12.000	983.151						995.151	
		Dempa / Bunge		4.393	5.207					9.600	
	San Lorenzo	San Benito / Molinos Agro	7.984	3.161.326						3.169.310	
		Vicentin	34.080	2.640.126		151.497				2.825.703	
	TOTAL SAN LORENZO		**437.204**	**23.144.560**	**2.634.217**	**472.425**	**11.551**			**26.699.957**	*83%*
RAMALLO	Ramallo	Terminal / Bunge	5.699	85.788					111.251	202.738	
	TOTAL RAMALLO		**5.699**	**85.788**					**111.251**	**202.738**	*1%*
ZÁRATE	Las Palmas	Las Palmas / MOLCA SA	5.400					15.529	54.070	74.999	
	Lima	Lima / COFCO		29.376							
	TOTAL ZÁRATE		5.400	29.376				15.529	54.070	74.999	0%
TOTAL GENERAL			796.518	27.737.125	2.634.217	472.425	11.551	462.307	165.321	32.279.464	*100%*
Total Ports of the Rosario Hub			437.204	27.349.706	2.634.217	472.425		85.463		30.979.015	
Rosario Hub/Total			*55%*	*99%*	*100%*	*100%*		*18%*		*96%*	
Maritime Ports			348.215	272.255				361.315		981.785	3%
River Ports			448.303	27.464.870	2.634.217	472.425		100.992	165.321	31.286.128	97%

Fuente: Dpto Estudios Económicos - Bolsa de Comercio de Rosario, en base a Ministerio de Agricultura, Ganadería y Pesca

Disaggregating by products, it is noted that **Terminal 6** was the one with the highest volume of **sunflower pellets** shipped in 2021, while **Renova** was the main point of dispatch of Argentinian **soybean pellets**. The largest volume of Paraguayan

Este material se encuentra inscripto en el Registro de la Propiedad Intelectual bajo el N xxxxx, puede ser reproducido de manera total o parcial citando como fuente.

and Uruguayan soybean pellets was shipped in **Timbúes/COFCO**, while Bolivians had **Quebracho** as the main outlet abroad. Finally, and in line with the preponderance the ports of southern Buenos Aires in shipments of malt, most of this by-product was dispatched from the **Dreyfus** terminal in Bahía Blanca.

Destinations for the shipment of meals and pellets

Finally, with regard to the destinations of meal and pellets, **Asia** again emerged as the main course for shipments of Argentinian by-products, receiving 47% of the total shipments, equivalent to 14.75 Mt (↑15% vs. 2020). In second place was **Europe**, which received 35% of all by-products shipped from Argentinian ports in 2021, totalling 11.17 Mt (↑25% YoY) while **America** positioned itself as the third main destination, with about 10% of total shipments (3.2 Mt in total, ↑85% compared to 2020). **Africa** ranked fourth and **Oceania** fifth with 2.1 and 1.1 Mt, respectively.

Disaggregating by subcontinental regions, most of the shipments of by-products were primarily destined to **Southeast Asia** (8.8 Mt), while **West Asia** was positioned as the second region with the highest volume of by-products received (4 Mt) and **Southern Europe** closed the podium with 3.8 Mt. In addition, the strong year-on-year increase exhibited by **South America** is also highlighted, which practically doubled the volume received between one year and the following.

Finally, analysing the main countries for each type of by-product, it can be noted that **Vietnam** was the main destination for shipments of **soybean pellets**. A total of 3.3 Mt of this by-product was shipped to Vietnamese coasts in 2021 and, while the volume fell 20% from the previous year, it is still sufficient to stand at the top of the podium for the 8th consecutive year. In the second place was again **Indonesia**, which received 3.1 Mt of this by-product in the last year, denoting 54% year-on-year growth. An interesting aspect is that this island country is the second largest recipient of soybean pellets for the 5th consecutive year. These two countries explain to a great extent the heavy weight of shipments heading towards Southeast Asia on total shipments.

Agricultural By-Products Shipments From Argentine Ports In 2021

Soybean Meal	Toneladas	Var i.a.
Viet Nam	3.313.998	-20%
Indonesia	3.074.188	54%
Spain	2.009.781	53%
Poland	1.689.315	12%
United Kingdom	1.389.769	32%
Malaysia	1.365.227	4%
Ireland	1.109.432	8%
Italy	1.106.806	-15%
Iran	998.846	13%
Turkey	974.509	8%

Pellets de Girasol	Toneladas	Var i.a.
Netherlands	232.802	109%
India	106.542	296%
France	102.150	365%
Spain	73.530	19%
Italy	55.927	-11%
South Africa	52.750	156%
United Kingdom	52.162	70%
Morocco	42.900	-16%
New Zeland	25.196	-30%
Viet Nam	17.600	

Malta	Toneladas	Var i.a.
Brazil	389.248	9%
Chile	39.734	36%
Peru	15.482	
Taiwan	9.878	
Malaysia	7.965	

Otros	Toneladas	Var i.a.
Saudi Arabia	157.321	
United Arab Em	8.000	

@BCRmercados en base a MAGyP.

As for the remaining products, the **Netherlands** has positioned itself as the main destination for **sunflower pellets**, as happened in 11 of the last 12 years, while **Brazil** was the largest recipient of **malt** shipments, as it has been doing since at least 2010.

Este material se encuentra inscripto en el Registro de la Propiedad Intelectual bajo el N xxxxx, puede ser reproducido de manera total o parcial citando como fuente.