

Required Report: Required - Public Distribution

Date: July 24, 2024

Report Number: AR2024-0010

Report Name: Grain and Feed Update

Country: Argentina

Post: Buenos Aires

Report Category: Grain and Feed

Prepared By: Kenneth Joseph

Approved By: Chase Mcgrath

Report Highlights:

Argentine wheat production in marketing year (MY) 2024/2025 is forecast up at 18.6 million tons, 600,000 tons higher than USDA's official estimates as a result of higher planted area. Exports in the same period are projected up at 12.4 million tons (including flour in its wheat equivalent), almost 8 percent higher than USDA official estimates. Barley production in MY 2024/2025 is forecast up marginally, while exports could drop slightly as ending stocks increase somewhat. Corn production in MY 2024/2025 is projected at 49 million tons, 2 million tons lower than USDA estimates due to smaller planted acreage. Exports remain practically unchanged at 35.5 million tons. Sorghum production in MY 2024/2025 is projected at 3.8 million tons, 26 percent higher than USDA due to a larger planted area while sorghum exports remain unchanged. Rice production in MY 2024/2025 is forecast up at 930,000 tons, milled base also due to additional planted area. This additional production will permit greater exports with a total of

Wheat

Post projects wheat production in marketing year 2024/2025 up at 18.6 million tons because of an increase in area to 6.2 million hectares, 200,000 hectares higher than USDA's official acreage. Improved conditions in April to May encouraged farmers to plant additional acreage from their original plans. At that time, wheat prices rallied up, agricultural input prices had come down, and unexpected plentiful rain in April brought good soil moisture to secure decent sowing conditions in many production areas previously under relatively dry conditions. The planting country wide is about to be completed with final plantings in the south of Buenos Aires province. Despite a severe cold winter so far, the crop condition is generally quite good, though fields in the central-northern parts of the country need some rain. Most farmers have applied high technology to their crops, with good levels of fertilization and planting more productive varieties. Yields are expected to be around average and of good quality. Most weather forecasts predict dry weather during the harvest, typically in years where La Niña is present.

Wheat returns have worsened since mid-May, primarily because future prices for December 2024, when the local harvest is in full swing, dropped more than 15 percent.

The central-northern part of the country, affected mainly by the unusual and severe corn stunt disease this past crop season, is where wheat planting has expanded primarily as farmers will reduce corn planting but still want to keep crop rotations. The below photo, taken in Bandera, Santiago del Estero province, shows a rare situation of wheat planted on a corn stubble:

Photo 1.



Source: Ing. G. Esponda, Bandera, Santiago del Estero

Wheat exports in MY 2024/2025 are forecast up at 12.4 million tons, 900,000 tons higher than USDA because of expected higher production and lower ending stocks. As it typically is, Brazil will be the leading destination with approximately 5 million tons of wheat (not including flour). Other markets will be Indonesia and several African countries. Exports in MY 2023/2024 are expected at 9.2 million tons,

with 8.6 million tons of wheat and 600,000 tons of flour in its wheat equivalent. Wheat exports from December 2023 to June 2024 totaled 6.1 million tons, with shipments of roughly 400,000 tons a month before the marketing year ends in November. Exports in November 2024 could probably be higher as the new wheat crop harvest starts to come in from Northern provinces. Brazil imported 2.96 million tons of Argentine wheat from December 2023 to June 2024. Local brokers indicate that Brazil has already used the duty-free import quota of 750,000 tons from origins outside Mercosur members. Traders do not know if the Brazilian government will authorize an additional volume of duty-free imports, which could hurt Argentine wheat exports. If not, most probably, Brazilian mills will buy primarily in Argentina. However, Argentine wheat prices are currently high as farmer selling is relatively slow, and buyers need to pay a premium for good quality wheat as there are some quality issues with wheat stocked in the south of Buenos Aires.

Barley

Post projects in MY 2024/2025 an area of 1.3 million hectares, slightly above USDA official estimates, and production of 4.9 million tons, 200,000 tons higher than USDA's official volume. Early in the new crop season, when farmers were planning the sowing of winter crops, Post projected an area of 1.4 million hectares. However, economic and weather conditions for wheat improved in April to May, and there was a last-minute switch from barley to wheat in marginal areas.

The MY 2024/2025 exports are forecast at 3.1 million tons, 100,000 tons lower than the official USDA estimates. Roughly 1 million tons of malting barley are expected to be shipped primarily within South America, and 2.1 million tons of feed barley (including Fair Average Quality – FAQ) are expected to be shipped almost exclusively to China. Exports in MY 2023/2024 are estimated at 3.1 million tons, 200,000 tons lower than USDA. Exports from December 2023 through July 2024 are estimated at 2.5 million tons.

Corn

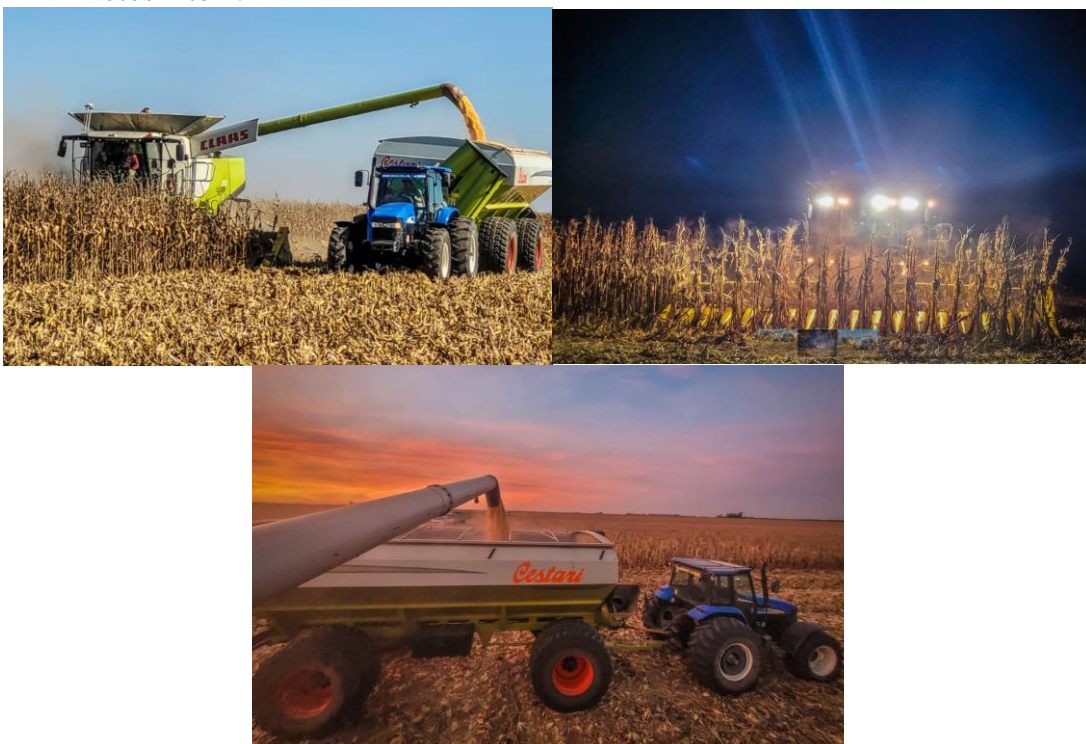
Production in MY 2024/2025 is projected at 49 million tons, 2 million tons lower than USDA official estimates, as Post forecasted an acreage of 6.2 million hectares, 200,000 hectares lower than USDA's official. The planting of the new crop will begin in late August/early September, and doubts remain what the total acreage will be after severe damage to the MY 2023/2024 corn crop caused by an unusually severe attack of corn stunt disease in central-northern Argentina which cut production by more than 15 percent. Most estimations range between 6.0-6.5 million hectares, a drop of 15-20 percent from the previous season. The most significant cuts will likely be seen where the disease caused the most significant losses of harvested area and yields. In this region, many producers will not plant corn until technology and crop management to mitigate the corn stunt demonstrate the ability to reduce crop loss drastically.

In the northern areas, many farmers have now planted wheat to at least maintain some crop rotation. There will be a robust switch from corn to sorghum (those early birds who could buy seed) and

primarily soybeans for the summer. Based on current economic and market conditions, corn and soybeans in Argentina's Corn Belt have a similar projected return. Still, the investment in a hectare of soybeans is 60 percent or less than what is needed to produce a hectare of corn. In a year when La Niña is expected to impact again, bringing dry conditions in spring, many farmers will want to minimize risks and cut investment by planting more soybeans and less corn. The full impact will be seen in the plantation of a second corn crop (immediately after a winter crop) and late corn, as these are typically planted in central-northern provinces. Post expects to see a more significant participation in early corn plantings than in the past few years.

Corn production in MY 2023/2024 is projected by Post at 51 million tons, 1 million tons below USDA official. The harvest is close to 80 percent complete, and the range of estimations in the market is between 45 and 55 million tons, with most large trading groups estimating between 50 and 52 million tons.

Photos 2 to 4.



Source: Ing. F. Bazan. Late corn harvest in Hernando, Cordoba. Early June 2024, yield 6.5 tons/hectare.

Post forecasts corn exports in MY 2024/2025 at 35.5 million tons, practically the same as USDA official estimates. However, MY 2023/2024 exports are expected at 34 million tons, 3 million tons lower than USDA official estimates. Farmer selling is slower than usual as most farmers are in a relatively good financial situation and are holding corn and soybeans as much as possible, expecting a rebound in prices. Producers also hold grain in the belief that the current government will either devalue the local currency

or eliminate or reduce export taxes, which could increase their income. Still, local analysts believe there is little chance that this will occur, at least in the short term.

Sorghum

Post projects production in MY 2024/2025 at 3.8 million tons, 27 percent higher than USDA official estimates, which estimates a significantly lower acreage at 700,000 hectares, 200,000 hectares less than Post. As a result of the severe damage to the MY 2023/2024 corn crop because of a fierce corn stunt disease attack, many farmers in the central and northern provinces will avoid planting corn. They will plant alternative crops such as sorghum, sunflower, and primarily soybeans. The demand for sorghum seeds last March to May was immense, and seed distributors ran out of stock rapidly. Some companies are importing seeds from Bolivia and probably from the US to meet the strong demand partially. Seed companies believe there should be plenty of seed to cover a little more than 1 million hectares, although some seed could be for forage sorghum for silage or direct grazing.

There is currently a lot of interest in sorghum in the market as exporters need to complete vessels to comply with sales commitments. Local spot prices for sorghum are presently 11 percent higher than those of corn when they usually should be between 80 to 90 percent of the cost of corn. Sorghum exports in MY 2024/2025 and MY 2023/2024 are estimated at 1.2 and 1.3 million tons, respectively. Exports are difficult to project accurately as China is a unique destination and buys unpredictably. Exports in March-July 2024 are estimated at 700,000 tons.

With a large sorghum production in MY 2024/2025 and expected flat exports, the domestic consumption is projected to expand, primarily as animal feed, typically in operations close to where the sorghum is produced.

Rice

Argentine rice production in MY 2024/2025 is forecast at 1.43 million tons, rough production, and 930,000 tons milled base, 3.3 percent higher than USDA official estimates. Favorable economic and productive conditions are expected to expand even further the area, now at 213,000 hectares. The substantial expansion in the region is because of continued firm rice prices (with three consecutive years of good profitability) and the fact that water reservoirs are 100 percent full thanks to rains in April and May. This is unusual as the planting season usually begins with reservoirs at 60 to 70 percent of the total capacity. The production area in Corrientes province is forecast to increase by 15,000 hectares; Entre Rios province would recover 10 to 12,000 hectares. The rice area in Santa Fe province would also expand, but the low level of the Parana River, which feeds its irrigation systems, remains a threat. Weather forecasts indicate the presence of La Niña for this coming spring/summer, which usually results in dry conditions favorable to rice production.

The planting season typically begins in the second week of August in Formosa province and northern Corrientes province and ends in mid-November. However, with an expansion in area this year, the planting season may extend into the end of November.

Rice production in MY 2023/2024 is estimated at 1.09 million tons, rough base, 180,000 tons lower than USDA's official as Post estimates a lower harvested area at 180,000 hectares because roughly 12,000 hectares were abandoned due to heavy rains in Corrientes province in mid-January. The harvest finished in mid-June. The quality of rice is excellent as it did not rain much during most of the harvest. Mills indicate that there is little broken rice.

Photo 3.



Source: Diario La Nacion – January 2024 flood in Corrientes province

Rice exports in MY 2024/2025 are forecast at 450,000 tons, milled base, 12 percent higher than USDA as production is now projected to be more significant. The main destinations are expected to be Chile, Spain, Iraq, Brazil, and Costa Rica. Other minor markets would be the United States and Mexico. In contrast, MY 2023/2024 exports are expected at 300,000 tons milled base, 50,000 tons lower than USDA official, reflecting a smaller output.

Rice domestic consumption in MY 2024/2025 is forecast at 480,000 tons milled base, a rebound after a low demand in the previous year due to a robust economic recession. There is optimism the domestic economy may improve in 2025 overall as well.

Ending stocks in MY 2024/2025 and MY 2023/2024 are low, showing what most contacts indicate after several years when very little rice was available between crop years.

Statistical Tables

Wheat Market Year Begins Argentina	2022/2023		2023/2024		2024/2025	
	Dec 2022		Dec 2023		Dec 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	5500	5490	5575	5600	6000	6200
Beginning Stocks (1000 MT)	1926	1926	3967	3219	4292	2672
Production (1000 MT)	12550	12000	15850	15700	18000	18600
MY Imports (1000 MT)	3	5	25	3	10	4
TY Imports (1000 MT)	3	3	25	3	10	4
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	14479	13931	19842	18922	22302	21276
MY Exports (1000 MT)	3662	3662	8500	9200	11500	12400
TY Exports (1000 MT)	4681	4681	7400	9700	11500	12400
Feed and Residual (1000 MT)	250	250	250	250	250	100
FSI Consumption (1000 MT)	6600	6800	6800	6800	6800	6850
Total Consumption (1000 MT)	6850	7050	7050	7050	7050	6950
Ending Stocks (1000 MT)	3967	3219	4292	2672	3752	1926
Total Distribution (1000 MT)	14479	13931	19842	18922	22302	21276
Yield (MT/HA)	2.2818	2.1858	2.843	2.8036	3	3

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Wheat begins in July for all countries. TY 2024/2025 = July 2024 - June 2025

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Barley Market Year Begins Argentina	2022/2023		2023/2024		2024/2025	
	Dec 2022		Dec 2023		Dec 2024	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1590	1500	1300	1300	1250	1300
Beginning Stocks (1000 MT)	538	538	576	431	626	581
Production (1000 MT)	4695	4500	5100	5000	4700	4900
MY Imports (1000 MT)	0	0	0	0	0	0
TY Imports (1000 MT)	0	0	0	0	0	0
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	5233	5038	5676	5431	5326	5481
MY Exports (1000 MT)	2857	2857	3300	3100	3200	3100
TY Exports (1000 MT)	2908	2908	3300	3100	3200	3100
Feed and Residual (1000 MT)	400	350	300	300	200	200
FSI Consumption (1000 MT)	1400	1400	1450	1450	1450	1450
Total Consumption (1000 MT)	1800	1750	1750	1750	1650	1650
Ending Stocks (1000 MT)	576	431	626	581	476	731
Total Distribution (1000 MT)	5233	5038	5676	5431	5326	5481
Yield (MT/HA)	2.9528	3	3.9231	3.8462	3.76	3.7692

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Barley begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Corn Market Year Begins Argentina	2022/2023		2023/2024		2024/2025	
	Mar 2023		Mar 2024		Mar 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	6750	6750	7000	7000	6400	6200
Beginning Stocks (1000 MT)	4748	4748	1324	1324	1539	3532
Production (1000 MT)	36000	36000	52000	51000	51000	49000
MY Imports (1000 MT)	16	16	15	8	5	5
TY Imports (1000 MT)	10	10	20	8	5	5
TY Imp. from U.S. (1000 MT)	8	0	0	0	0	0
Total Supply (1000 MT)	40764	40764	53339	52332	52544	52537
MY Exports (1000 MT)	25240	25240	37000	34000	36000	35500
TY Exports (1000 MT)	25740	25740	35000	32000	37000	36000
Feed and Residual (1000 MT)	10000	10000	10400	10400	10300	10000
FSI Consumption (1000 MT)	4200	4200	4400	4400	4500	4500
Total Consumption (1000 MT)	14200	14200	14800	14800	14800	14500
Ending Stocks (1000 MT)	1324	1324	1539	3532	1744	2537
Total Distribution (1000 MT)	40764	40764	53339	52332	52544	52537
Yield (MT/HA)	5.3333	5.3333	7.4286	7.2857	7.9688	7.9032

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Sorghum Market Year Begins Argentina	2022/2023		2023/2024		2024/2025	
	Mar 2023		Mar 2024		Mar 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	500	500	600	600	700	900
Beginning Stocks (1000 MT)	221	221	181	200	231	200
Production (1000 MT)	1610	1610	2500	2500	3000	3800
MY Imports (1000 MT)	0	1	0	0	0	0
TY Imports (1000 MT)	0	1	0	0	0	0
TY Imp. from U.S. (1000 MT)	1	1	0	0	0	0
Total Supply (1000 MT)	1831	1832	2681	2700	3231	4000
MY Exports (1000 MT)	650	532	1300	1300	1200	1200
TY Exports (1000 MT)	800	600	1100	1100	1200	1200
Feed and Residual (1000 MT)	800	900	900	900	1300	2100
FSI Consumption (1000 MT)	200	200	250	300	300	300
Total Consumption (1000 MT)	1000	1100	1150	1200	1600	2400
Ending Stocks (1000 MT)	181	200	231	200	431	400
Total Distribution (1000 MT)	1831	1832	2681	2700	3231	4000
Yield (MT/HA)	3.22	3.22	4.1667	4.1667	4.2857	4.2222

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Sorghum begins in October for all countries. TY 2024/2025 = October 2024 - September 2025

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Rice, Milled Market Year Begins Argentina	2022/2023		2023/2024		2024/2025	
	Apr 2023		Apr 2024		Apr 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	173	165	195	180	205	213
Beginning Stocks (1000 MT)	163	163	192	118	172	66
Milled Production (1000 MT)	756	682	825	708	900	930
Rough Production (1000 MT)	1163	1049	1269	1089	1385	1431
Milling Rate (.9999) (1000 MT)	6500	6500	6500	6500	6500	6500
MY Imports (1000 MT)	2	2	5	5	5	5
TY Imports (1000 MT)	5	2	5	5	5	5
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	921	847	1022	831	1077	1001
MY Exports (1000 MT)	254	254	350	300	400	450
TY Exports (1000 MT)	293	293	300	250	425	475
Consumption and Residual (1000 MT)	475	475	500	465	500	480
Ending Stocks (1000 MT)	192	118	172	66	177	71
Total Distribution (1000 MT)	921	847	1022	831	1077	1001
Yield (Rough) (MT/HA)	6.7225	6.3576	6.5077	6.05	6.7561	6.7183

(1000 HA) ,(1000 MT) ,(MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2024/2025 = January 2025 - December 2025

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

Attachments:

No Attachments