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Argentina

Oilseeds and Products

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Report Highlights:

Recent rainfall has brightened production prospects in some areas, but in the eastern areas of the soybean belt, more rain is needed in the short term to support production. For sunflowers, some areas in the southern part of Buenos Aires province remain dry, while others, particularly in the west, have sufficient moisture.

Includes PSD changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Buenos Aires [AR1], AR

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Executive Summary

With the general rainfall that covered much of the growing area for soybeans and sunflowerseed, the prospects have improved for a very good harvest, especially for the former crop. However, some zones in the eastern corn/soybean belt still lack sufficient moisture reserves for the crop to fully develop and yields are expected to be below average in that area.

Soybeans

As noted above, recent rainfall has improved crop development for the country as a whole, but in the central south region of Santa Fe and in part of Entre Rios, the rainfall was of low quantity. According to analysts, over 15 percent of the soybean area is now considered to be in need of immediate rainfall to reverse further decline, with most of this in the eastern part of the soybean zone. The current official estimate for planted area is about 8.3 million hectares and only a few small areas remain to be planted, mostly outside the main growing area.

As the soybean crop is entering the most crucial growing phase, the rainfall received in the next few months will make or break the crop, as some areas do not have sufficient subsoil reserves to carry the plants for extended time periods. If conditions continue to be favorable, production is expected to increase from the current estimate.

Post increases its production estimate to 19.5 million metric tons, based on a larger planted area and improved yield potential.

Table 1. Soybean Supply and Demand

PSD Table						
Country	Argentina					
Commodity	Oilseed, Soybean				(1000 HA)(1000 MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		04/1998		04/1999		04/2000
Area Planted	7000	7176	7800	8009	8200	8300
Area Harvested	6954	6954	7740	7740	8000	7950
Beginning Stocks	393	393	570	570	310	310
Production	19500	19500	19900	19900	19000	19500
MY Imports	1250	1250	500	500	500	500
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	21143	21143	20970	20970	19810	20310
MY Exports	3231	3231	3300	3300	3000	3000
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	16782	16782	16800	16800	16000	16500
Food Use Dom. Consump.	10	10	10	10	10	10
Feed,Seed,Waste Dm.Cn.	550	550	550	550	550	550
TOTAL Dom. Consumption	17342	17342	17360	17360	16560	17060
Ending Stocks	570	570	310	310	250	250
TOTAL DISTRIBUTION	21143	21143	20970	20970	19810	20310
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	725	0	3194	0	3000
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Sunflowerseed

For this crop, the harvest has already started, with some areas in the provinces of Santa Fe, Chaco and Santiago del Estero being collected. Yields to date are averaging about 1.7 metric tons per hectare. Some smaller parcels have been lost to poor weather; the total amount to date is about 18,000 hectares, or less than one percent of planted area. Of a greater concern is the dry situation in the southeast part of Buenos Aires province where a period of higher temperatures combined with poor moisture have coincided with the plants's flowering and grain filling cycle. In that region, yields could fall.

Table 2. Sunflowerseed Supply and Demand

PSD Table						
Country	Argentina					
Commodity	Oilseed, Sunflowerseed				(1000 HA)(1000 MT)	
	Revised	1997	Preliminary	1998	Forecast	1999
	Old	New	Old	New	Old	New
Market Year Begin		03/1998		03/1999		03/2000
Area Planted	3511	3511	4011	4097	3500	3550
Area Harvested	3331	3331	3750	3909	3450	3400
Beginning Stocks	176	176	188	188	193	193
Production	5500	5500	6800	7000	6400	6400
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	5676	5676	6988	7188	6593	6593
MY Exports	453	453	860	860	800	800
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	4975	4975	5875	6075	5550	5550
Food Use Dom. Consump.	0	0	0	0	0	0
Feed,Seed,Waste Dm.Cn.	60	60	60	60	60	60
TOTAL Dom. Consumption	5035	5035	5935	6135	5610	5610
Ending Stocks	188	188	193	193	183	183
TOTAL DISTRIBUTION	5676	5676	6988	7188	6593	6593
Calendar Year Imports	0	75	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	100	54	0	454	0	800
Calndr Yr Exp. to U.S.	0	0	0	0	0	0