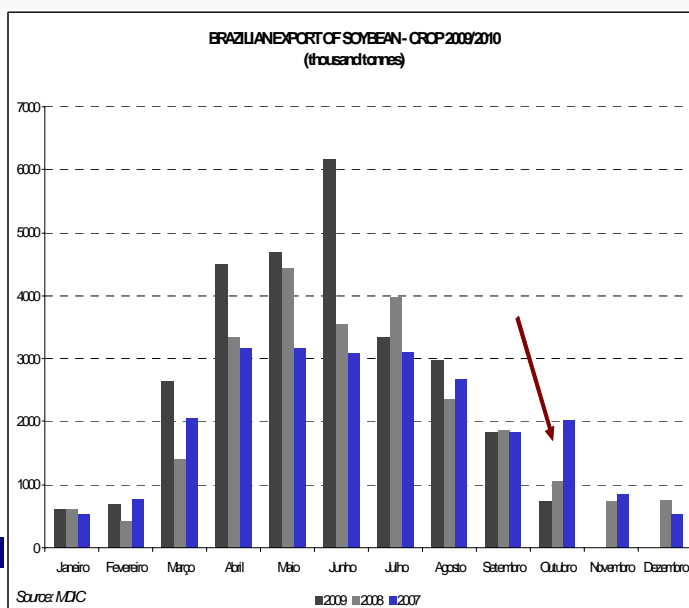


DESPITE STRONG RAIN IN RS, BRAZILIAN SOYBEAN CROP CONTINUES CHARACTERIZED BY ADVANCED PROGRESS

Over the week, Brazil continued to advance its soybean planting for 2009/2010, reaching 76% by November 20, versus 66% in 2008. However, the State of Rio Grande do Sul (RS), third largest producer of soybeans in Brazil, presents a different scenario, that is, RS has only 37% of estimated area planted, compared to 5 year average of 47%.

The main reason for this delay is the strong rain, which affected this region last days. Note that this intense rain is not usual in region this season of the year. Such rain may impoverish the soil and hamper herbicide treatments action in soybean crop. According to INPE (a national weather center), there is possibility of rainfall in next 2 days.



SOYBEAN PLANTING FOLLOW-UP - BRAZILIAN CROP 2009/2010 (% OF ESTIMATED PLANTING AREA)

States	2009	2009	2008	5 Y AVE
RS	11/20	11/13	11/20	47%
PR	37%	27%	40%	47%
MT	88%	75%	86%	86%
MS	96%	89%	89%	86%
GO	92%	77%	92%	87%
SP	90%	78%	59%	68%
MG	67%	42%	36%	61%
BA	65%	48%	25%	38%
SC	50%	25%	22%	19%
OC	45%	33%	30%	36%
OCT	55%	35%	30%	39%
BRAZIL	76%	62%	66%	66%

Source: SAFRAS & Mercado

As for Argentina, FCStone do Brasil estimates 48-50 millions tonnes 2009/2010 crop, resulted from strong drought in this country in 2008, which impaired its seed production. Accordingly, November USDA forecast of 53 millions tonnes would be overestimated.

Argentina 2009/2010 Crop - November USDA Report **FCStone Scenarios**

	(million tonnes)			
	Nov	Oct	Higher	Lower
Carrying	16.03	16.08	16.03	16.03
Production	53	52.5	50	48
Supply	69.53	69.08	66.53	64.53
Domestic Use	36.63	36.63	36.63	36.63
Exports	10.15	9.7	10.15	10.15
Carryout	22.75	22.75	19.75	17.75

Source: USDA and FCStone do Brasil

Regarding crop commercialization, producers expected prices to increase in relation to current levels, what contributes to a normal crop commercialization progress. Until November 20, old crop production is about 98% sold, the same level of 5 year average, while new production is 19% already committed, compared to 24% to 5 year average.

According to Ministry of Development, Industry and Foreign Trade, Brazilian export of soybean shows limited on October in relation to previous crops. Brazil exported 1,062 thousand tonnes of soybean in October 2008 and only 730 thousand in the same month this year. The restrict supply condition in South America strengthens local basis resulting in less competitive prices in relation to U.S. soybean prices.