

COMMERCIALIZATION ARE STUCK IN BRAZIL

Brazilian soybean production, according to the USDA, should be 65.0 million tonnes in the 2010/11 season, 4.4% lower than the previous crop.

The harvest of soybean crop is virtually complete 99% of the planted area. In the states of Parana, Mato Grosso, Mato Grosso do Sul, Goiás and São Paulo, the harvest is finished. In the remaining states harvest should end next week.

Soybean Harvest Evolution - BRAZIL				
% of Planted Area				
State	2010	2010	2009	5Y AVG
	14/mai	7/mai	14/mai	
RS	99	98	99	96
PR	100	100	100	100
MT	100	100	100	100
MS	100	100	100	100
GO	100	99	99	99
SP	100	100	100	100
MG	99	96	98	93
BA	99	95	84	93
SC	99	94	98	89
Others	98	95	90	93
Brazil	99	99	98	98

Compared with the averages of the last five years as compared to last year, the harvest of 2009/10 is ahead by 2%.

Brazilian crop commercialization remains very slow. Last week the market was at 55% of the estimated soybean production. However, in the same period last year, sales have already accounted for 64% of total volume.

Evolution of Soybean Comercialization - 2009/10 Brazilian Crop			
% of expected production			
State	2009/10	2008/09	5Y AVG
	7-mai	7-mai	
RS	28	37	33
PR	44	54	44
MT	73	77	73
MS	58	68	60
GO	67	69	62
SP	35	53	47
MG	65	74	60
BA	62	70	67
SC	30	35	35
Others	60	60	56
BRASIL	55	64	57

Negotiations this week were low volume, as the producers expect an improvement in soybean prices.

In the new crop - 2010/11 - the marketing is also stopped, with producers looking to evaluating costs and hoping for best prices.

The soybean harvest in Argentina is already 82% of the cultivated area of 18.7 million hectares for the 2009/10 season, according to the Stock Exchange of Buenos Aires Cereals. The organization works with an expected harvest of 53.5 million tons of soybeans.