

Rosario Board of Trade (BCR) Market Outlook – July 2021



Executive Summary

Grain Market

- New total export forecasts reach US\$ 68,632 million, US\$ 1,000 million above last month's forecast, with an estimated year-on-year variation of 25% (US\$ 13,748 more than in 2020).
- It is forecast that the main agribusiness complexes make contributions to export duties for US\$ 8,802.5 million in 2021.
- To this date, it is noteworthy the lower trade of soybean, on the same page with a smaller 2020/21 production.
- On the balance sheets there is an increase in corn production and exports, while wheat crushing was adjusted downwards.

Livestock Market

- ROSPORC: Hog price has kept stable since April, currently being \$124/kg.
- During January-May 2021, swine slaughter exceeded 3 million hogs, far above the same period on 2020.
- The trade balance of pig market reflects for the first quarter an absolute deficit of US\$ 7 million.

Panel of Commodities and Financial Variables

Report by the Department of Information and Economic Studies of Rosario Board of Trade (BCR)

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GRAIN MARKET

Exports

Total exports and main agribusiness product forecasts

New Argentinian export forecasts for 2021 reach US\$ 68,632 million, an improvement of US\$ 1,012 million with regards to last month's forecasts. Although the exports of the main products by the agribusiness sector remain virtually unchanged from June's forecast, the improvement in the exporting performance of the remaining sectors boosts this better-than-expected result. According to new forecasts, the year-on-year increase of 2021 exports reaches US\$ 13,748 million, that is to say, 25%. A piece of data that is worth noting is that April's exports reached US\$ 6,746 million, which represents a 33% year-on-year increase, being the highest monthly value since June 2014.

Argentina Monthly Exports

Million US\$

Month	2020	2021		2020 vs. 2021	
	Total	June Estimate	July Estimate	Var. USD	Var. %
January ¹	4,579	4,912	4,912	333	7%
February ¹	4,378	4,775	4,775	397	9%
March ¹	4,383	5,720	5,720	1,337	31%
April ¹	4,349	6,143	6,143	1,794	41%
May ¹	5,078	5,873	6,746	1,668	33%
June ²	4,786	5,433	6,209	1,423	30%
July ³	4,931	6,218	6,175	1,244	25%
August ³	4,955	6,085	5,986	1,031	21%
September ³	4,727	6,031	5,930	1,203	25%
October ³	4,674	5,884	5,732	1,058	23%
November ³	4,500	5,568	5,410	910	20%
December ³	3,544	4,978	4,895	1,351	38%
Total Exports	54,884	67,620	68,632	13,748	23%

¹ INDEC official data.

² Estimated based on shipments and avg. FOB prices.

³ Projected based on own estimates.

In the following chart, exports are detailed per selected product per year. It includes forecast export data from the BCR Market Outlook Report – June 2021 and the new forecasts regarding export of grain and by-products per complex.

The export forecast of the main products from the agribusiness sector at current prices reaches US\$ 35,192 million at present, US\$ 134 million above June's forecast. If we disaggregate exports per sector, soybean complex exports would reach US\$ 22,562 million, with soybean meal/pellets ranking high as the main export product, responsible for 52% of the complex total. Corn complex would generate exports for US\$ 7,875 million. The fall of FOB prices of yellow beans during last month cut the export forecast by US\$ 550 million with reference to the previous month. However, this cereal is ready to provide US\$ 1,850 million more than in 2020.

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Considering temporary soybean exports would reach US\$ 2,168 million, **net exports of the main products of the Argentinian agribusiness sector would reach US\$ 33,024 million.** This represents a US\$ 149 million increase with regards to June's forecast, and US\$ 11,022 million above the net exports reached in 2020.

Main Exports of the Agricultural Sector.

Million US\$

	2018	2019	2020	2021		Var. USD 2021 vs 2020
				June Estimate	July Estimate	
Soybean, Oilseed	1,448	3,440	2,317	2,619	2,595	279
Soybean Meal	9,459	9,045	7,754	11,871	11,798	4,044
Soybean Oil	2,958	3,493	3,788	7,104	7,170	3,382
Biodiesel	938	775	442	732	999	556
Corn	4,189	5,925	6,023	8,423	7,875	1,851
Wheat	2,489	2,450	2,114	2,413	2,437	322
Wheat Flour	194	215	194	173	168	26
Sunflower Seed	37	70	96	130	135	39
Sunflower Meal	143	165	98	121	149	51
Sunflower Oil	550	686	444	575	733	289
Malting Barley	269	329	281	316	345	64
Feed Barley	293	370	219	338	519	300
Malt	227	284	211	243	271	61
Total Exports	23,194	27,244	23,981	35,058	35,192	11,212
Soybean Imports	2,504	1,604	1,978	2,183	2,168	190
Net Exports	20,690	25,641	22,003	32,875	33,024	11,022

Source: INDEC and own estimates. @BCRmercados

Export Duties

According to our estimations, during 2021 a total of US\$ 830,183 million, approximately, will be collected by the State as Export Duties on the selected products (soybean, corn, wheat, sunflower, barley and sorghum complexes), which equals \$ 830,183 million. The soybean complex is the biggest contributor, with a total of US\$ 7,184 million, equivalent to 82% of all revenues generated by the selected products. The corn complex holds the second place, with US\$ 1,048 million, while the wheat complex completes the podium, with US\$ 371 million.

As for the monthly distribution, the highest revenue month is April, with an estimated US\$ 1,139 million or \$ 105,578 million. This is due to the fact that a high volume of exports both of corn (4,9 Mt) and soybean meal (4,6 Mt) were registered during that month. Besides, it is worth highlighting the amount collected during January, when US\$ 1,035 were levied, which is also due to the high volume of corn (7.2 Mt), soybean oil (818,000 t) and wheat (3.5 Mt) declared for export. As for the upcoming months, the higher amount is expected to enter the State coffers in August, with a forecast of US\$ 908 million, caused by an expected peak in export sworn statements of corn (3.2 Mt), soybean oil (8.3 Mt) and soybean meal (3 Mt).

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Revenue from Export Tax on main agricultural products

Month	Soybean Complex (million US\$)	Corn Complex (million US\$)	Wheat Complex (million US\$)	Sunflower Complex (million US\$)	Barley Complex (million US\$)	Sorgum Complex (million US\$)	Total (million US\$)	Total (million \$ pesos)	% of total collected by AFIP
January	695.4	210.1	117.4	4.7	7.5	-	1,035.1	88,783	10.5%
February	607.0	106.9	23.1	9.2	3.0	2.5	751.7	66,508	8.6%
March	593.5	26.4	9.6	4.0	3.0	-	636.5	57,838	7.0%
April	914.7	152.4	42.0	17.2	10.5	2.7	1,139.4	105,578	11.9%
May	401.3	172.6	30.9	8.5	5.1	4.4	622.7	58,476	6.3%
June	670.1	89.3	16.2	3.7	3.5	2.8	785.6	74,671	7.5%
July	626.6	43.1	6.9	1.8	6.4	1.1	686.0	65,706	
August	768.0	89.3	29.7	2.4	17.6	1.5	908.4	88,214	
September	490.6	51.3	18.1	2.5	15.6	0.8	578.9	56,976	
October	559.0	33.5	11.9	2.0	9.2	0.2	615.8	61,426	
November	475.8	40.7	22.0	3.2	20.9	0.4	563.1	56,913	
December	381.7	32.1	43.1	2.4	19.6	0.5	479.4	49,094	
Total (Million US\$)	7,183.7	1,047.7	370.9	61.6	121.8	16.9	8,802.5	830,183	
Total (Million \$ pesos)	679,243	97,289	34,466	5,740	11,854	1,591	830,183		

Fuente: @BCRmercados based on DJVE, MAGyP and own estimates.

Also, during the first six months of the year, this six complexes contributed a total of \$ 451,854 million in export duties, which equals 96% of the total collected per Export Duties and a 9% of the total collected by the Argentine Federal Administration of Public Revenue (AFIP, for its Spanish acronym) this year to date.

Productive and trading balance

Wheat, corn and soybean trading indicators.

- Soybean:** Three months into crop season 2020/21, the export sector has purchased 6.4 Mt of soybean, while it has exported a total of 3.6 Mt, below the volume committed by the same date on the previous crop and the average of the last five years. As for actual exports, 2.5 Mt of soybean have been shipped abroad, 52% under the volume exported by the same date on the previous crop season. Industry-wise, purchases reach 18.1 Mt, which shows a slower pace of purchase both in regards to last crop as to the average of the last five crop seasons. However, the oilseed crushing has kept high and in the first two months of the crop 8.5 Mt were processed, the third highest volume in history for the same period.

Thus, there are still 13 Mt available for buying, which equals 29% of the production. Considering 27% of the 24.5 Mt already traded still have no price set, 19.5 Mt of the total crop still need to be quoted, that is to say, 43% of the total of grain harvested during the current business year.

- Corn:** By July 7, 32.8 Mt of corn have been traded, which sets a record for this moment of the year. Purchases by the export sector reach 31.1 Mt, above the volume registered by the same date last year and the average of the last five years. Besides, this sector has committed to export 30.8 Mt, also exceeding the pace of sales of crop season 2019/20. Out of the total committed to be shipped abroad, 16.3 Mt have been exported, which shows a slower shipping pace than last year's. Industry-wise, this sector has purchased 1.7 Mt, while the amount industrialized during the first three months of the crop reaches 0.9 Mt, exceeding the amount industrialized on the same period during last crop season.

Considering the crop season total production minus what was destined to use for planting and animal

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consumption, and what has already been traded to date, the total volume of corn still available for buying is 5.8 Mt, equivalent to 11% of the production. Bearing in mind that 15% of the total already traded still need to be quoted, of the 50 Mt produced during the current crop, 81% has already been set a price, whilst 19% needs to be quoted, that is to say, 9.6 Mt.

- **Wheat:** out of the 17 Mt obtained during the current crop season, 82% have already been traded, that is to say, 14.1 Mt. The export sector has already purchased 11 Mt, while exports of the cereal reach 9.8 Mt. Actual exports, on their part, reached 7.9 Mt, considerably below the volume exported during crop season 2019/20 and the average of the last five years on the same date. The crushing sector, at the same time, has acquired 3.1 Mt, 2.8 Mt of which have already been crushed, below the amount industrialized by the same date during last crop and the average of the last five crops.

Of the 17 Mt produced during the crop season, there is still available for purchase 12% of the production, that is to say, 2 Mt. Besides, considering 9% of the volume already traded still need to be quoted, 19% of the 17 Mt produced during the crop still need to be set a price, which equals 3.3 Mt.

By jul-7 each year			SOYBEAN			CORN			WHEAT			
Week nr. 28			2020/21	2019/20	5-Year Avg.	2020/21	2019/20	5-Year Avg.	2020/21	2019/20	5-Year Avg.	
COMPARISON BETWEEN MARKETING YEARS	SUPPLY	Beginning Stocks * (1)	13.8	10.3	9.3	6.7	6.9	7.7	2.5	2.0	2.2	
		Production * (2)	45.0	50.7	52.9	51.0	51.5	35.9	17.0	19.5	18.2	
		Imports (3)	5.0	4.7	3.0	-	-	-	-	-	-	-
		TOTAL SUPPLY (4 = 1 + 2 + 3)	63.8	65.7	65.2	57.7	58.4	43.5	19.5	21.5	20.5	
	DEMAND	Exporting Sector Purchases ** (5)	6.4	7.1	7.5	31.1	28.6	19.4	11.0	15.1	11.1	
		Export Sales **	3.6	5.9	5.1	30.8	27.2	19.5	9.8	12.3	10.0	
		Exports-to-date	2.5	5.3	4.3	16.3	20.8	14.6	7.9	11.0	9.4	
		MY Total Exports (Est.)	5.5	6.6	7.4	36.0	36.2	28.7	10.0	11.9	11.3	
		Needs to acquire	-0.9	-0.5	-0.1	4.9	7.6	9.3	-1.0	-3.2	0.2	
		Industrial Sector Purchases	18.1	19.8	20.0	1.7	2.3	2.3	3.1	3.5	3.3	
		Industrialized-to-date	8.5	7.7	7.8	0.9	0.7	0.9	2.8	3.1	2.9	
		MY Total Industrial Use (Est.)	37.5	37.8	39.9	3.8	3.3	3.5	5.7	6.2	5.9	
		Needs to acquire	19.4	18.0	19.9	2.2	1.0	1.1	2.6	2.7	2.6	
		Feed, Seed and Residual Use	7.5	7.5	6.5	12.5	12.1	8.8	0.9	0.9	0.9	
	Deferred pricing contracts (Expo+Ind) (7)	27%	33%	30%	15%	17%	13%	9%	6%	5%		
	STOCKS	Available stocks*** (7 = 2 - 5 - 6)	13.0	16.3	18.8	5.8	8.5	5.3	2.0	0.0	3.0	
		% of output	29%	32%	36%	11%	16%	15%	12%	0%	16%	
		Volume still not priced	19.5	25.2	27.1	10.6	13.8	8.1	3.3	1.2	3.6	
		% of output	43%	50%	51%	21%	27%	23%	19%	6%	20%	

*Source: Rosario Board of Trade
 ** Source: Ministerio de Agricultura, Ganadería y Pesca. (MAGyP)
 (3) For current Marketing Year, it includes shipments up to Jun-6, as reported by NABSA. For previous years, total monthly exports are included.
 ***Excluye el stock inicial. En el caso de la soja tampoco se contempla la importación del grano.
 Source: Economic Studies Dept.- Rosario Board of Trade, based on information provided by MAGyP and own estimates.

Supply and demand balance forecast of the main crops

- **Soybean:** the supply and demand balance of soybean is unchanged from May. As for supply, initial stocks for crop season 2020/21 are forecast at 13.8 Mt, the imports are forecast at 5 Mt and production at 45 Mt, so the total supply would reach 63.8 Mt for the current crop season. Regarding usage, the crushing industry would process 37.5 Mt, exports would reach 5.5 Mt, and 7.5 Mt would be reserved for use as seed, so that the final stocks of the crop season are forecast at 13.3 Mt.

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- Corn:** the 2020/21 corn balance sheet shows adjustments both in supply as in offer. **The forecast production is again adjusted upwards** for the crop season and reaches 51 Mt, about 500,000 t above June's forecast, due to an improvement in the yields of late corn segment, as reported by the Rosario Board of Trade Agribusiness Strategy Guide (GEA, for its Spanish acronym). As for demand, **higher exports are forecast** due to the elevated external demand and the accelerated pace of sales. Exports of the cereal for the current crop season might reach 36 Mt, that is to say, 1.8 Mt above last month's forecast. This way, of the 57.7 Mt of the total supply, 12.5 Mt would be destined to use as forage, seed and residual, 3.8 Mt would be absorbed by the industry and 36 Mt would be exported, so **stocks by the end of the crop season are reduced to 4.5 Mt**. As a consequence, the stock/usage ratio would fall to 11%, the lowest since crop season 2006/07.
- Wheat:** the wheat balance sheet 2020/21 sports crushing adjustments. Due to factors thoroughly analysed on the Weekly Report N° 2007 – June 26, 2021, **the bread wheat industrialization forecast falls from 5.9 to 5.7 Mt**. Exports are kept at 10 Mt, so **final stocks rise from 2.6 to 2.9 Mt**.

Supply and Demand Estimates											
		Wheat			Corn			Soybeans			
		5-Year Avg.	2019/20 e	2020/21 p	5-Year Avg.	2019/20 e	2020/21 p	5-Year Avg.	2019/20 e	2020/21 p	
SUPPLY	Planted Area	Mha	5.6	6.8	6.5	5.7	7.3	7.4	18.9	17.2	19.6
	Harvested Area	Mha	5.4	6.5	6.0	4.8	6.3	6.4	17.9	16.6	16.2
	Area Lost	Mha	0.2	0.3	0.6	1.0	1.0	1.0	1.0	0.6	0.7
	Yield	t/ha	3.1	3.0	2.9	7.5	8.2	7.9	2.9	3.1	2.8
	BEGINNING STOCKS	Mt	3.2	2.0	2.5	7.7	6.9	6.7	9.3	10.3	13.8
IMPORTS	Mt							3.0	4.7	5.0	
PRODUCTION	Mt	17.1	19.5	17.0	35.9	51.5	51.0	52.9	50.7	45.0	
TOTAL SUPPLY		Mt	20.3	21.5	19.5	43.5	58.4	57.7	65.2	65.7	63.8
DEMAND	DOMESTIC CONSUMPTION	Mt	6.8	7.1	6.6	11.2	15.4	16.3	47.4	45.3	45.0
	Industrial Use	Mt	5.9	6.2	5.7	3.5	3.3	3.8	-	-	-
	Seed and other uses	Mt	0.8	0.9	0.9	-	-	-	-	-	-
	Feed, Seed and Residual Use	Mt	-	-	-	8.6	12.1	12.5	-	-	-
	Crushings	Mt	-	-	-	-	-	-	41.4	37.8	37.5
	Feed, Seed and Residual Use	Mt	-	-	-	-	-	-	6.1	7.5	7.5
	EXPORTS	Mt	11.3	11.9	10.0	25.3	36.0	36.0	8.4	6.6	5.5
TOTAL DEMAND		Mt	18.0	19.0	16.6	36.4	51.4	52.2	55.8	51.9	50.5
ENDING STOCKS		Mt	2.3	2.5	2.9	7.1	7.0	5.5	9.4	13.8	13.3
STOCKS/USE RATIO		(%)	13%	13%	17%	19%	14%	11%	17%	27%	26%

Source: Economic Studies Department - Rosario Board of Trade



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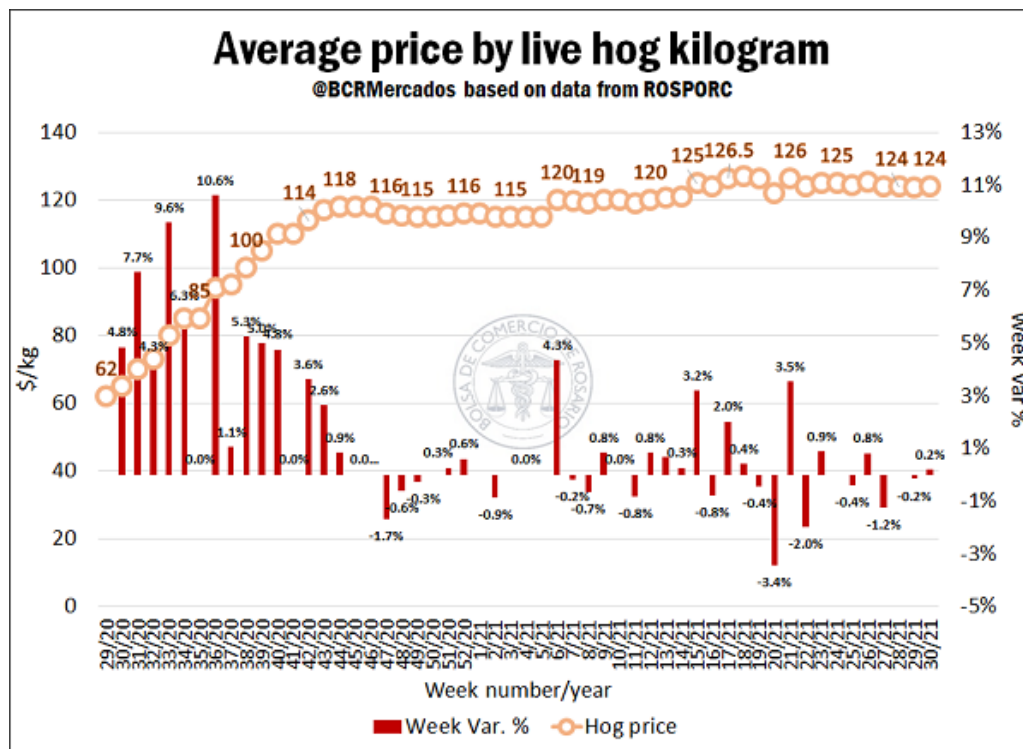
LIVESTOCK MARKET

Pig Market

ROSPORC – Lean Hog Quote

ROSPORC, the first electronic trading platform of swine in Argentina, was developed by the *Rosario Board of Trade (BCR)*, which allows users to buy and/or sell swine with great ease. It started to operate in mid-July 2020, and a year has passed since that moment to the present.

At ROSPORC, the main segment traded is the hog and, for delivery on the 30th week of 2021, that is to say, between June 18th and 24th, the average quote reached a value of \$ 124/kg. This quote represents a minor increase with regards to the \$ 123.76/kg obtained for delivery during the previous week. However, in terms of current prices, that value is not far from the historical maximum of the platform, varying between \$ 126.5/kg and \$ 122.1/kg since April to date.

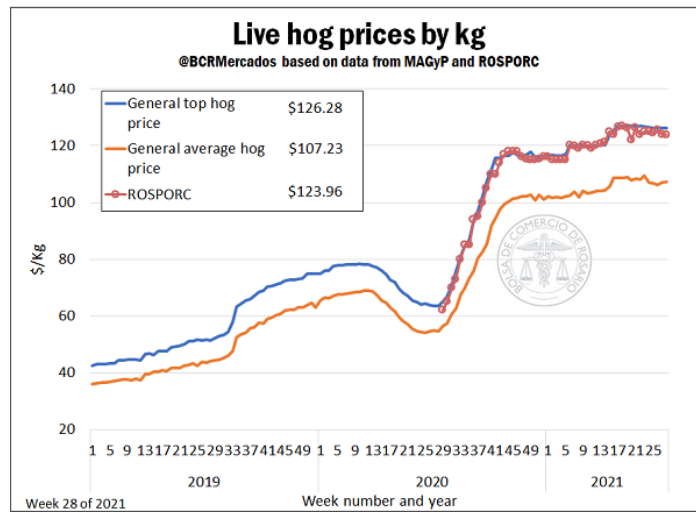


The **average quote** of ROSPORC operations presents a remarkable correlation to the hog maximum quote published by the Argentinian Ministry of Agriculture, Livestock and Fisheries (MAGyP, for its Spanish acronym). In that sense, the value published by MAGyP for week 28 (July 5th to 11th) for general maximum live hog was \$ 126.28/kg, while on the ROSPORC platform the value for the same week was \$ 123.96/kg, resulting in a difference lower than 2% between both quotes.





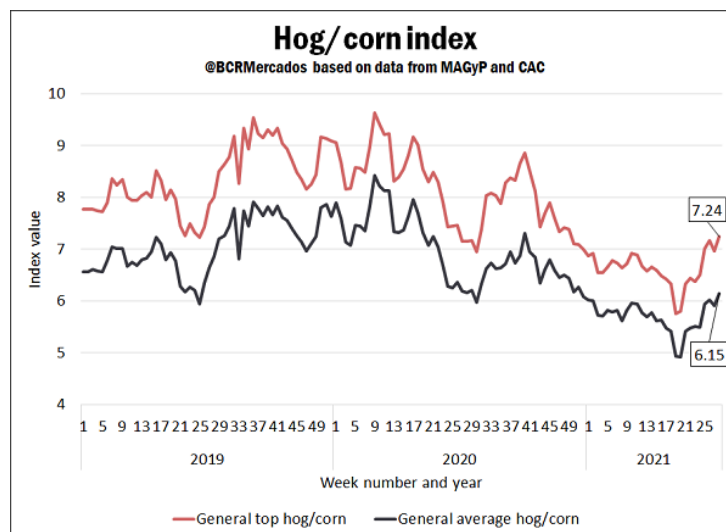
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Main indexes of sector reference

Bearing in mind that, according to different analysis and studies made on the pork market, swine feed represents between 60 and 70% of the production costs, the prices of those inputs and their evolution are variables of the utmost importance for pig breeding. This way, due to the fact that these animals' diet is mainly based on corn and soybean by-products, we present the following indexes commonly used within the sector:

- Hog/corn index:** This indicator captures the relation between the price of the hog in the domestic market and the price of corn through time. In that sense, it results from dividing the price of hog by the kilogram of corn, conveying in this way how many kilograms of corn can be bought with the proceedings per kilogram of the sale of live hogs at a certain point in time. After the high volatility presented by this index since 2019, from 2020 on there is a downwards trend that has been deepened during the last few months. On week 19 of 2021 there were reached minimum values since 2019 for the "general maximum live hog/corn" ratio, hitting a value of **5.76**, and later recovering ground after the decrease in the price of the cereal, recording an index of **7.24** during week 28. In a similar way, the formulated index with the general average price live hog during week 20 of 2021 got the lowest record since 2019, reaching a value of **4.92**. From that point onwards, there has been a remarkable recovery on the mentioned index, hitting during week 28 a value of **6.15**.



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- **“5 kg of corn + 2 kg of soybean mix”:** In the sector, this indicator is frequently used in order to reach a more precise approximation to the relation between the value in pesos of a kilogram of live hog and the value of the mixed diet usually used for hog breeding (market value of 5 kg of corn and 2 kg of soybean). It is a market convention upon which we make no judgement, but simply calculate as an additional indicator for decision-making.

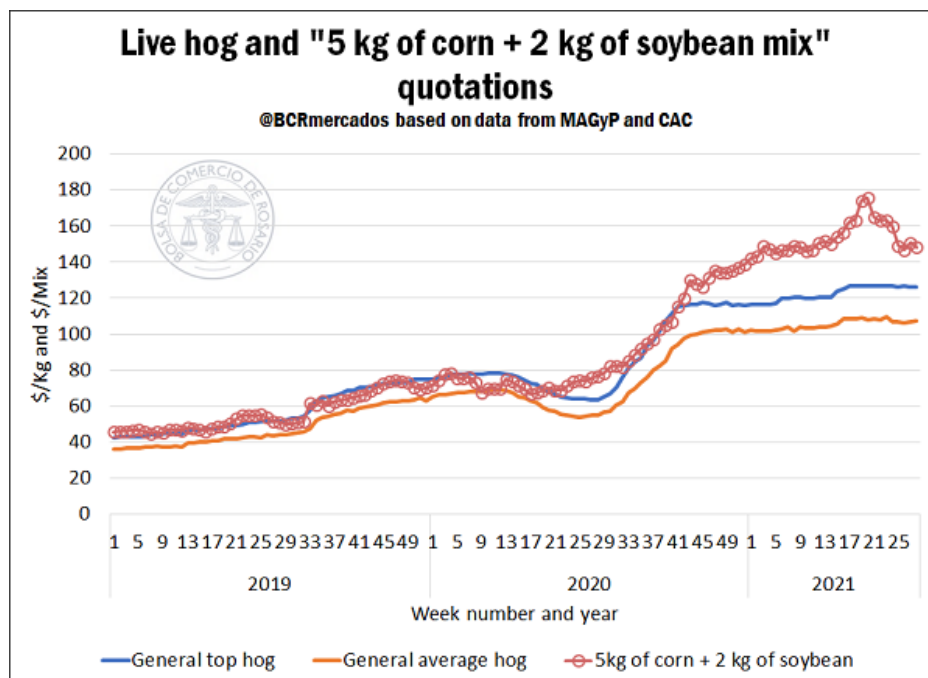
It assumes a reference on which the theoretical price of hog should be regarding the price of these two essential grains for animal feed: corn and soybean.

In the chart, three variables are compared:

- Price in pesos of “5 kg of corn + 2 kg of soybean mix”.
- Maximum price in pesos of live hog.
- Average price in pesos of live hog.

By analysing period 2019-2021, we can see a gap in the theoretical price (maximum or average) in relation to the mentioned “Mix”, particularly from the last months of 2020. During week 20 of 2021, the maximum value for the “Mix” was registered, with a value of \$ 175.6, and a subsequent drop of \$ 27.25 during the last 8 weeks, finally reaching \$ 148.34.

At present, the differential between the theoretical “Mix” and the value measured by MAGyP for general maximum live hog is approximately \$ 22 on week 28, which shows a possible theoretical delay in the prices per kilogram of live hogs, given the prices of soybean and corn. However, it is worth mentioning that during the last few weeks, this difference has been reduced, since on week 19 this gap was \$47/kg. On the other hand, the ratio obtained from the general maximum live hog price and the 5+2 Mix is 0.85. That is to say, the maximum live hog typified has a price 15% lower than what is marked by this indicator.



- **Hog/steer index:** Following a similar methodology to that of the hog/corn index, where the evolution of relative prices between the final product (hog) and its main input (corn) is reflected, in this case we analyse the performance showed since year 2019 by the live kilogram prices of beef and pork. They are two final foodstuff products, key exponents of the domestic meat trade. In this sense, hog prices per kilogram measured by MAGyP

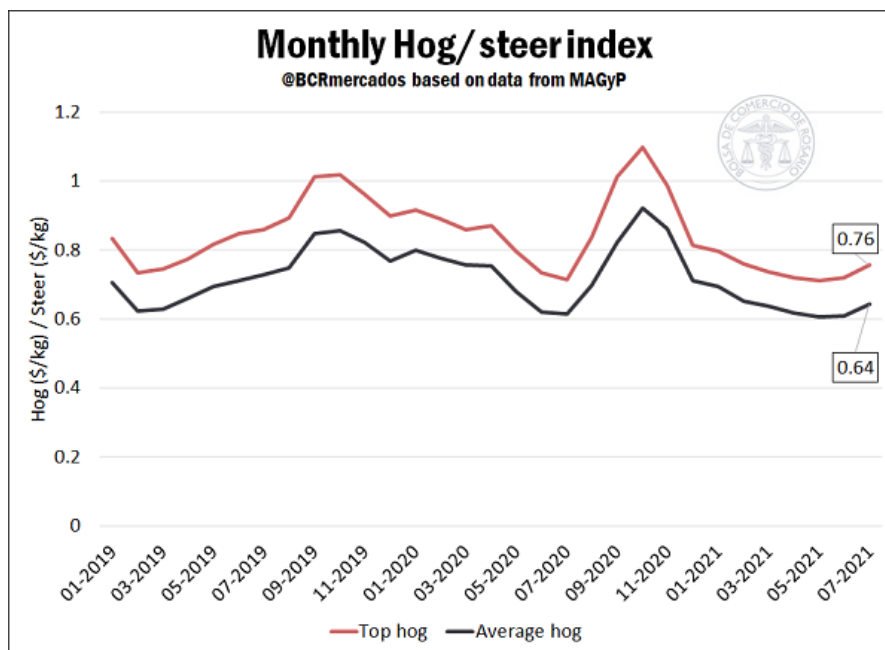


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are used again, while for the value of steer we used the monthly quotes measured by Mercado de Liniers S.A. cattle market. For that purpose, we divided the value of live hog per kilogram by the value of steer (also, per kilogram), considering monthly average values in both cases. The index **shows how many kilograms of steer are needed to buy a kilogram of live hog in the markets.**

In the following graphic, it can be observed that the relationship between the prices of these two substitute products has been maintained (from year 2019 to the present) in a range going from 0.6 to the unit (although that value has been exceeded in 4 opportunities), with periods of relative increases of the hog on the second half of years 2019 and 2020. Specifically, in October 2020, the maximum value of the series was recorded, reaching a value of **1.1** between the general maximum live hog and the steer. From that moment, the index has been steadily dropping, showing a relative lowering of pork cost vs beef, reaching in May 2021 values of **0.71** for the **general maximum live hog/steer** ratio and of **0.61** for the **general average live hog/steer** ratio.

In spite of that, between June this year and July to date, there was a recovery in the price of hogs versus steer, with the **general maximum live hog/steer** ratio being **0.76** and the **general average live hog/steer** ratio, **0.64**. The measures taken by the National Government concerning the ban of beef exports influenced this recovery.

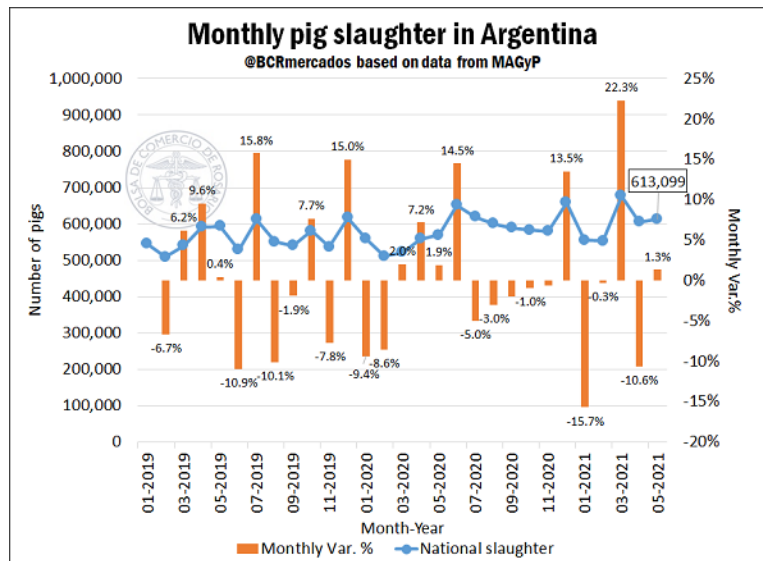


Activity indicators

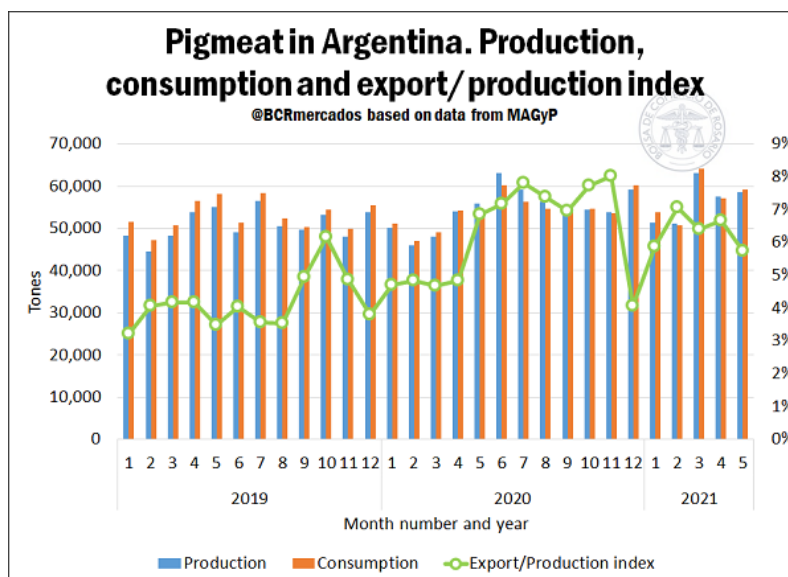
- Slaughter** on a national level during May 2021 reached 613,099 hogs, lightly above April's record of 605,056. At the same time, the last monthly record exceeds the values obtained during the same month in 2020 by 7.6%, that is to say, approximately 43,000 hogs above the previous year for the period under analysis. During January-May, swine slaughter 2021 exceeded 3 million hogs, far above the same period on 2020 (2.7 million hogs). This situation makes evident the growth in domestic swine slaughter year after year, with the current year shaping to achieve a new pork production record in Argentina.



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- As for **production**, during the fifth month of the year there was a total of 58,468 tons (bone-in beef equivalent) of pork, which represents a 1.8% increase from the previous month, and resulting in a year-on-year increase of 4.8%. Besides, pig production this year to date marks a historical record for the first five months of the year. That is to say, local production in 2021 is of 281,592 tons until the month of May, exceeding by 10.7% the record marked on the previous year for the same period. On the other hand, the **consumption** in April was of 59,144 tons of pork meat, which represents a 3.5% fall in comparison to the previous month. On the same page with production, consumption shows an upward trend during the last few years, and 2021 shows a record for the first 5 months of the year, with a total of 285,000 tons destined to the domestic market.

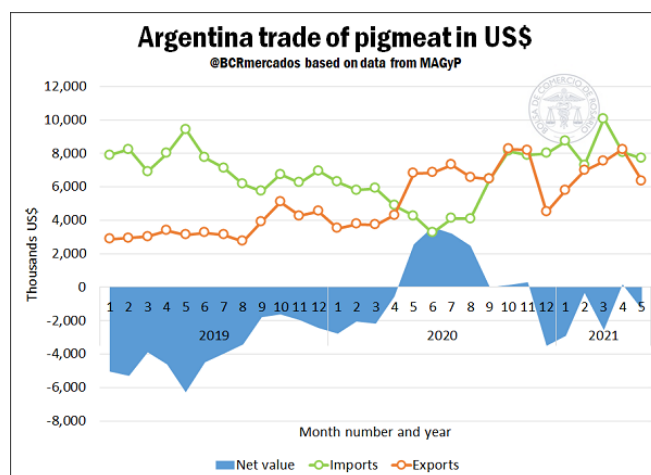


- As for **swine exports**, they represented 5.7 % percent of the tonnage produced during the fifth month of the year. It should be noted that this ratio has showed a substantial rise in the last years, since when compared to year 2015, its share was 1.7 % of the exports over the total produced during that year, and in 2020 it reached averages of 6.25%. If we consider the months of January-May 2021, the share average was 6.3 %, while in the previous year, this figure was 5%. This highlights the strengthening of Argentina's role as pork meat exporter and reaffirms the possibility of a rise of national exports on 2021. It is an excellent piece of news for the generation of foreign currency in our country.

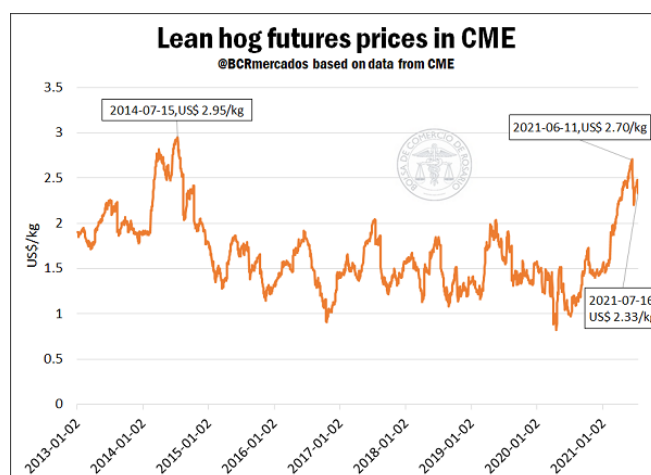


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- With regards to the **trade balance of the sector**, May registered a new trade deficit measured in dollars. Although in tons the exports exceeded the imports, the average ton value of imports exceeds the value of exports. This means that the 3,358 exported tons for a FOB value of US\$ 6.4 million are below the CIF import value (US\$ 7.7 million) for the 2,522 tons bought abroad. This result represents a negative balance of US\$ 1.3 million, thus resuming a deficit of the trading balance of the sector regarding the rest of the world. The strengthening of pork meat exports allows to reverse part of the effects of the historically loss-making trade balance of the sector. Nonetheless, until last month, the accumulated result of the first quarter reflects an absolute deficit of US\$ 7 million.



- Bearing in mind that the United States is one of the main producers and exporters of pork on international level, at the same time that their financial and futures system is world-reference in regards to commodity quotes; it is interesting to analyse the **lean hog futures operated on the Chicago Mercantile Exchange (CME)**. These have presented a huge increase in prices since mid-2020. From the minimum reached on April 16th 2020, with US\$ 0.82/kg, there has been a 229.2 % increase in the price of lean hog, reaching US\$ 2,70/kg on June 11th 2021. From that point on, there has been some negative adjustment in the price of that product, reaching on July 16th of the current year US\$ 2.33/kg. In this sense, the current future quotes are 21% below the historical maximum quote for lean hog contracts in the United States.

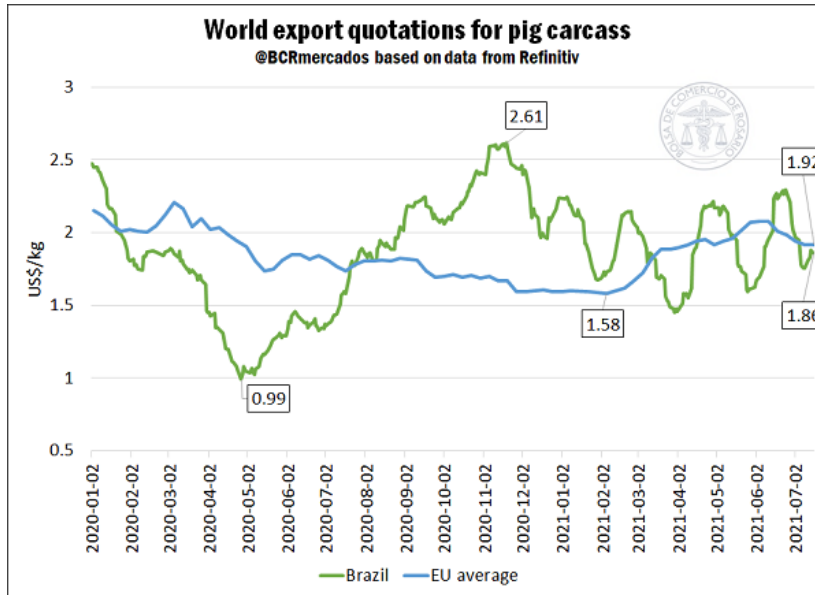


- Meanwhile, considering other export values, it is worth mentioning the evolution of quotes in **Brazil and the European Union**. On the one hand, according to data by the Brazilian Centre for Advanced Studies on Applied Economics (CEPEA, for its Portuguese acronym), the neighbouring country showed increases in the last few weeks due to a strong demand, taking the pork carcass to US\$ 1.86/kg. Besides, according to the **Directorate-**

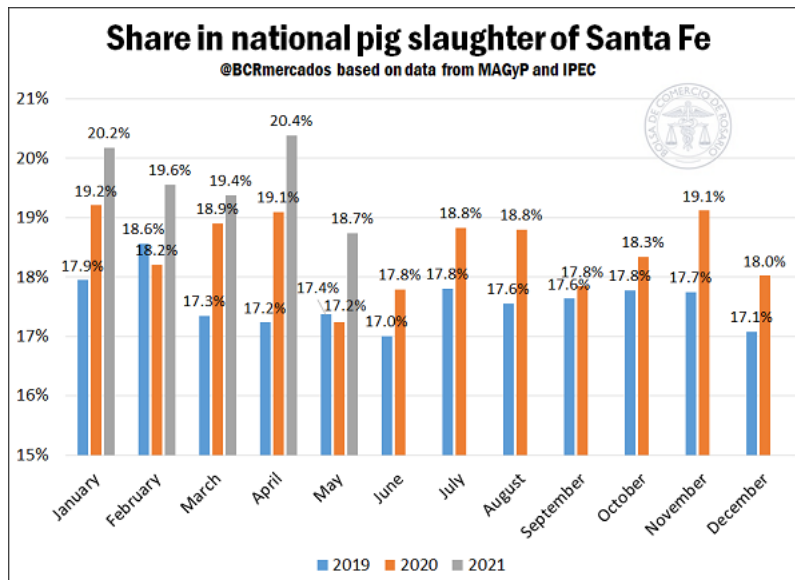


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General for Agriculture and Rural Development, the export price average of pork carcasses in Europe keeps above last year's figures, with a value of US\$ 1.92/kg by July 9th this year.



- Back to local level, **Santa Fe** province reached in May a slaughter of 114,912 swine, value below the 123,312 hogs slaughtered in April. This represents a 6.8% drop from the previous month and a year-on-year increase of 16.9%. On the other hand, the province share within the domestic slaughter decreased during last month, setting the lowest record this year to date with 18.7% of hogs. Yet, the share reached on previous years for the month of May and on accumulated terms on 2021 to date, the province has a 19.6% share in Argentina's hog slaughter, improving the records of 2019 (17.67%) and 2020 (18.53%).



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PANEL OF COMMODITIES AND FINANCIAL VARIABLES

Cámara Arbitral de Cereales (CAC)											
	Last	Variation since 01-02-2020		Máximo anual	Fecha Máximo	Variation since max		Mínimo anual	Fecha Mínimo	Variation since min	
	2021-07-20	US\$	%			US\$	%			US\$	%
Wheat	210,11	↑ 36,16	↑ 20,79%	236,03	2021-01-18	↓ -25,92	↓ -10,98%	169,17	2020-05-22	↑ 40,94	↑ 24,20%
Corn	188,27	↑ 48,37	↑ 34,57%	244,95	2021-05-07	↓ -56,69	↓ -23,14%	112,97	2020-05-26	↑ 75,30	↑ 66,65%
Sunflower	349,49	↑ 119,51	↑ 51,97%	480,04	2021-04-08	↓ -130,55	↓ -27,20%	218,95	2020-03-19	↑ 130,54	↑ 59,62%
Soybean	335,97	↑ 78,32	↑ 30,40%	362,02	2021-05-12	↓ -26,05	↓ -7,20%	204,97	2020-04-13	↑ 131,00	↑ 63,91%
Sorghum	165,07	↑ 35,91	↑ 27,80%	230,02	2021-03-29	↓ -64,95	↓ -28,24%	125,02	2020-03-19	↑ 40,05	↑ 32,03%
Grains in Chicago											
	Last	Variation since 01-02-2020		Máximo	Fecha Máximo	Variation since max		Mínimo	Fecha Mínimo	Variation since min	
	2021-07-19	US\$	%			US\$	%			US\$	%
Soja	504,41	↑ 153,04	↑ 43,56%	603,53	2021-05-12	↓ -99,12	↓ -16,42%	301,95	2020-03-16	↑ 202,46	↑ 67,05%
Maiz	222,73	↑ 68,60	↑ 44,51%	288,28	2021-05-07	↓ -65,55	↓ -22,74%	122,83	2020-04-28	↑ 99,90	↑ 81,33%
Trigo	257,39	↑ 51,53	↑ 25,03%	279,90	2021-05-07	↓ -22,51	↓ -8,04%	174,81	2020-06-26	↑ 82,58	↑ 47,24%
Other commodities in Chicago											
	Last	Variation since 01-02-2020		Máximo anual	Fecha Máximo	Variation since max		Mínimo anual	Fecha Mínimo	Variation since min	
	2021-07-19	US\$	%			US\$	%			US\$	%
Crude Oil	66,35	↑ 5,17	↑ 8,45%	75,25	2021-07-13	↓ -8,90	↓ -11,83%	11,57	2020-04-21	↑ 54,78	↑ 473,47%
Crude Brent	68,05	↑ 9,14	↑ 15,52%	76,17	2021-07-05	↓ -8,12	↓ -10,66%	36,39	2020-04-28	↑ 31,66	↑ 87,00%
Gold	1809,20	↑ 281,10	↑ 18,40%	2069,40	2020-08-06	↓ -260,20	↓ -12,57%	1477,9	2020-03-18	↑ 331,30	↑ 22,42%
Silver	25,21	↑ 7,19	↑ 39,93%	29,15	2020-08-10	↓ -3,95	↓ -13,53%	11,98	2020-03-18	↑ 13,23	↑ 110,39%
Currencies											
	Last	Variation since 01-02-2020		Max	Fecha Máximo	Variation since max		Min	Fecha Mínimo	Variation since min	
	2021-07-19	Var.	%			Var.	%			Var.	%
Dólar BNA	96,11	↑ 36,50	↑ 61,22%	96,14	2021-07-20	↓ -0,03	↓ -0,03%	59,62	2020-01-09	↑ 36,50	↑ 61,22%
Dólar CCL	165,94	↑ 90,88	↑ 121,08%	180,14	2020-10-22	↓ -14,20	↓ -7,88%	72,85	2020-01-03	↑ 93,08	↑ 127,76%
Dólar MEP	165,70	↑ 91,30	↑ 122,71%	166,36	2021-07-08	↓ -0,65	↓ -0,39%	74,40	2020-01-02	↑ 91,30	↑ 122,71%
Euro/ARS	113,58	↑ 46,78	↑ 70,02%	115,87	2021-06-07	↓ -2,29	↓ -1,97%	66,26	2020-01-28	↑ 47,32	↑ 71,42%
Real/ARS	18,40	↑ 3,57	↑ 24,05%	19,48	2021-06-24	↓ -1,09	↓ -5,58%	11,41	2020-05-13	↑ 6,99	↑ 61,30%
Yen/ARS	0,88	↑ 0,33	↑ 59,65%	0,88	2021-07-19	⇒ 0,00	⇒ 0,00%	0,54	2020-01-17	↑ 0,34	↑ 61,52%
Euro/US\$	1,18	↑ 0,06	↑ 5,62%	1,23	2021-01-06	↓ -0,05	↓ -4,28%	1,07	2020-03-19	↑ 0,11	↑ 10,36%
Bitcoin	30765,45	↑ 23806,20	↑ 342,08%	63398,46	2021-04-15	↓ -32633,01	↓ -51,47%	4926,30	2020-03-16	↑ 25839,15	↑ 524,51%
Global indices											
	Last	Variation since 01-02-2020		Max	Fecha Máximo	Variation since max		Min	Fecha Mínimo	Variation since min	
	2021-07-20	Basic points	%			Basic points	%			Basic points	%
IDX	92,97	↓ -3,87	↓ -4,00%	102,82	2020-03-20	↓ -9,84	↓ -9,57%	89,44	2021-01-05	↑ 3,54	↑ 3,95%
S&P	4.323,06	↑ 1065,21	↑ 32,70%	4.384,63	2021-07-12	↓ -61,57	↓ -1,40%	2.237,40	2020-03-23	↑ 2085,66	↑ 93,22%
NASDAQ	14.728,21	↑ 5855,99	↑ 66,00%	14.900,44	2021-07-14	↓ -172,23	↓ -1,16%	6.994,29	2020-03-20	↑ 7.733,92	↑ 110,57%
Dow Jones	33.962,04	↑ 5.093,24	↑ 17,64%	34.996,18	2021-07-12	↓ -1034,14	↓ -2,96%	18.591,93	2020-03-23	↑ 15.370,11	↑ 82,67%
VIX	22,50	↑ 10,03	↑ 80,43%	82,69	2020-03-16	↓ -60,19	↓ -72,79%	12,10	2020-01-17	↑ 10,40	↑ 85,95%
S&P Merval	62.133,15	↑ 21.026,18	↑ 51,15%	68.151,14	2021-06-07	↓ -6.017,99	↓ -8,83%	22.087,13	2020-03-18	↑ 40.046,02	↑ 181,31%
Rofex20	81.550,86	↑ 25.268,78	↑ 44,90%	91.889,17	2021-06-07	↓ -10.338,31	↓ -11,25%	28.112,58	2020-03-18	↑ 53.438,28	↑ 190,09%
Bovespa	124.394,57	↑ 5.821,47	↑ 4,91%	130.776,27	2021-06-07	↓ -6.381,70	↓ -4,88%	63.569,62	2020-03-23	↑ 60.824,95	↑ 95,68%
Ibex	8.301,70	↓ -1.389,50	↓ -14,34%	10.083,60	2020-02-19	↓ -1.781,90	↓ -17,67%	6.107,20	2020-03-16	↑ 2.194,50	↑ 35,93%
London	6.844,39	↓ -759,91	↓ -9,99%	7.674,56	2020-01-17	↓ -830,17	↓ -10,82%	4.993,89	2020-03-23	↑ 1.850,50	↑ 37,06%
Nikkei	27.652,74	↑ 4.447,88	↑ 19,17%	30.467,75	2021-02-16	↓ -2.815,01	↓ -9,24%	16.552,83	2020-03-19	↑ 11.099,91	↑ 67,06%
MSCI EEM	1.317,22	↑ 189,21	↑ 16,77%	1.444,93	2021-02-17	↓ -127,71	↓ -8,84%	758,20	2020-03-23	↑ 559,02	↑ 73,73%
Market rates											
	Last	Variation since 01-02-2020		Max	Date max	Variación desde máximo		Min	Fecha Mínimo	Variation since min	
	2021-07-20	Ptos. Básicos	%			Ptos. Básicos	%			Ptos. Básicos	%
US 10 YT	1,22	↓ -0,66	↓ -34,91%	1,88	2020-01-02	↓ -0,66	↓ -34,91%	0,51	2020-08-04	↑ 0,71	↑ 138,73%
BADLAR	34,19	↓ -4,69	↓ -12,06%	38,88	2020-01-02	↓ -4,69	↓ -12,06%	15,94	2020-04-23	↑ 18,25	↑ 114,51%
LELIQ	38,00	↓ -17,00	↓ -30,91%	55,00	2020-01-09	↓ -17,00	↓ -30,91%	36,00	2020-11-12	↑ 2,00	↑ 5,56%