Maize production in 2019/20 anticipated at record level due to high yields
Harvesting of the 2019 maize crop is underway and production is anticipated at a record of 53 million tonnes, mostly reflecting high yields. Due to heavy rains and flooding during the planting of late planted crops in the north, the area planted has declined by 5 percent from the previous year’s record level, but still remains about 20 percent higher than the previous five-year average. Weather conditions improved in the north since February, favouring crop development and maturation. Elsewhere in the country, despite some dryness in the southwest in February, generally favourable weather conditions contributed to improve yields. According to an official assessment, the large majority of the 2019 crop are reported in good to excellent conditions.

Production of 2018 wheat crop set at bumper level
Harvesting of the 2018 wheat crop was completed in January 2019 with a record output of 19.5 million tonnes, on account of favourable weather conditions and larger plantings instigated by high prices at the planting period. Planting of the 2019 wheat crop is about to start and even larger plantings are forecast due to higher level of prices.

Cereal exports at high level in 2018/19 marketing year, reflecting above-average production and weak currency
Exports of maize in the 2019/20 marketing year (March/February) are forecast at a record 29 million tonnes, reflecting the anticipated record output. Also, a weakening of the local...
currency, which increased competitiveness of domestic products on the international markets, is contributing to strong demand for exports.

Exports of wheat in the 2018/19 marketing year (December/November) are forecast at a near record of 13.5 million tonnes, due to the bumper output and the depreciation of the Argentinian Peso, which increased demand by importers. The strong international demand was compounded by the decline in production of the 2018 wheat crop in some major producing countries such as Australia, the Russian Federation and the European Union.

**Despite ample availabilities, grain prices at record in April, due to high demand for exports**

Following the sustained increasing trends since early 2018, wholesale prices of yellow maize and wheat grain reached record levels in April. Prices were driven upward by strong demand for exports due to Argentina’s weak currency, which is exacerbated by an increase in inflation, which was recorded at about 55 percent in March. Despite the ongoing harvest, prices of yellow maize strengthened in April and were more than 50 percent year on year. Similarly, despite the bumper output, prices of wheat grain were more than 80 percent higher than in April a year earlier. Higher wholesale prices of wheat grain are also reflected in the retail prices of wheat flour and bread in the Buenos Aires Metropolitan Area, which were more than 160 percent and 80 percent higher in March, respectively, than their levels a year earlier.

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