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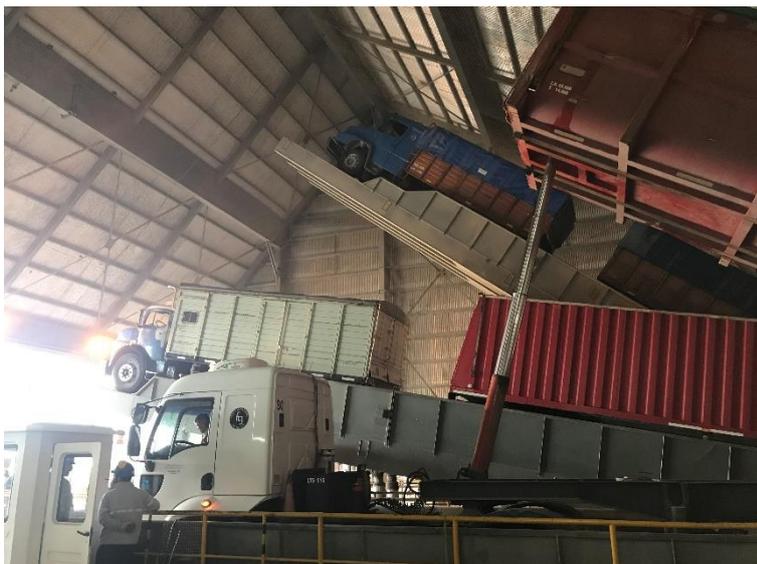
## Crop Tour Report Argentina 19-21 November 2019

Three weeks before harvesting starts, RMI conducted its first Argentine Crop Tour between November 19-21, 2019. The tour commenced in Bahía Blanca and moved across to Tres Arroyos and Necochea, concluding in Mar del Plata, covering the main malting barley growing regions in Argentina. The 45 participants represented companies out of the areas of seed growing, trading, malting and brewing. The group was very international with attendees from as far away as Australia and Europe, and networking therefore was one of the most important aspects of the tour.

The group visited several commercial fields, the Boortmalt malthouse, the export harbour in Necochea with Sitio Zero (shareholders are our sponsors E-Grain and Alea), the Quilmes trial station, the Agrar del Sur Experimental Research Center, as well as the Antares Brewery which is the biggest craft brewery in Argentina.

Despite the lack of rain in September, the crop we saw was in relatively good condition. The farmers expect slightly below-average yields with good quality and very few diseases. In the region we saw, water stress impacted the wheat much more than barley. Also, rainfalls in November have cushioned the drop in yields. Since participants mainly visited regions close to the coast with very good soil qualities, the crop impressions are not necessarily representative for the entire Argentine barley crop. In the Southwest of Buenos Aires and in the South of La Pampa, water stress affected the barley crop to a greater extent, which resulted in much lower expected yields. In the end, there will be a decrease in production of around 10-20 % from the 2018 crop. The Buenos Aires Grain Exchange estimates 3.2 mln tons, but the Agricultural Ministry estimates 4.1 mln tons due to a higher estimated acre. The crop tour participants estimated the total barley production in Argentina in a range of 3.5-4.1 mln tons. The official harvest estimation of RMI is 3.7 mln tons with a selection rate at 70-80%. The main varieties are Andreia (70%, increasing for a couple of years), Shakira at 8% and some others. The barley harvest in northern growing regions of Argentina will start in early December, and in the southern regions by mid-December. A presentation session on Wednesday morning gave an excellent overview of the barley and malt market, crop technology and supply/demand. Grain production in the province of Buenos Aires is on a high-level of professional farming: mainly no-till with direct sowing, good yielding, very efficient crop management. Most of barley crops are followed by a second crop. Currently, there is huge uncertainty in the market due to rumours that the new government will reintroduce high export taxes. Furthermore, the Argentine economy is struggling with a high devaluation. Argentina is the biggest malthouse of South America with a capacity of 875.000 mln tons across five plants. The tour participants visited one of the malt houses, that of Boortmalt in Bahía Blanca, right after the acquisition of Cargill Malt, with a capacity of 105,000 tons.

**Thanks for the support from our sponsors Boortmalt, E-Grain, Alea, BMS Agraria, Ackermann, Fides Control and ZoomAgri.**



*RMI Crop Tour participants – malting barley variety Charles (5 tons expected) – Boortmalt malt house and export harbour of Bahía Blanca – malting barley field - unloading grains at Sitio Zero, Necochea*