

# WEEKLY NEWS ARTICLE UPDATE



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## Export Sales Highlights

This summary is based on reports from exporters for the period December 5-11, 2014.

Soybeans: Net sales of 696,000 MT for 2014/2015 were down 14 percent from the previous week and 27 percent from the prior 4-week average. Increases were primarily for China (402,400 MT, including 299,500 MT switched from unknown destinations and decreases of 75,800 MT), the Netherlands (130,000 MT, including 140,000 MT switched from unknown destinations and decreases of 10,000 MT), Mexico (117,300 MT), Indonesia (93,400 MT), Japan (68,600 MT), Portugal (57,600 MT, including 60,000 MT switched from unknown destinations and decreases of 2,400 MT), and Canada (41,700 MT). Decreases were reported for unknown

destinations (297,200 MT). Net sales of 350,000 MT for 2015/2016 were for unknown destinations (220,000 MT), Canada (75,000 MT), Mexico (28,000 MT), and Japan (27,000 MT). Exports of 1,890,600 MT were down 22 percent from the previous week and 26 percent from the prior 4-week average. The primary destinations were China (1,388,200 MT), the Netherlands (130,000 MT), Spain (65,000 MT), Mexico (62,800 MT), Portugal (57,600 MT), Taiwan (40,100 MT), Indonesia (37,000 MT), and Canada (35,400 MT).

**Optional Origin Sales:** For 2014/2015, outstanding optional origin sales total 885,000 MT, and are for China (763,000 MT), Egypt (62,000 MT), and unknown destinations (60,000 MT).

**Exports for Own Account:** Exports for own account totaling 27,100 MT were reported to Canada. The current exports for own account balance is 28,400 MT, all Canada.

**Soybean Cake and Meal:** Net sales of 146,800 MT for 2014/2015 were up 65 percent from the previous week and 5 percent from the prior 4-week average. Increases were reported for Italy (77,100 MT, including 76,200 MT switched from unknown destinations), Mexico (71,000 MT), Thailand (45,000 MT, switched from unknown destinations), Colombia (21,700 MT, including 6,000 MT switched from unknown destinations), Peru (20,000 MT), and Canada (12,700 MT). Decreases were reported for unknown destinations (127,900 MT) and Honduras (400 MT). Exports of 298,000 MT were down 3 percent from the previous week, but up 4 percent from the prior 4-week average. The primary destinations were Italy (72,100 MT), Indonesia (52,600 MT), Mexico (34,100 MT), Venezuela (30,000 MT), and Colombia (21,100 MT).

**Soybean Oil:** Net sales of 38,800 MT for 2014/2015 were up noticeably from the previous week and 63 percent from the prior 4-week average. Increases were reported for Mexico (17,200 MT), South Korea (7,000 MT), the Dominican Republic (4,900 MT), Colombia (4,800 MT), and Jamaica (3,500 MT). Exports of 26,600 MT were down 50 percent from the previous week and 15 percent from the prior 4-

week average. The primary destinations were Colombia (10,300 MT), South Korea (7,000 MT), Mexico (5,400 MT), and the Dominican Republic (3,500 MT).

### [France Plans to Cut Reliance on Soybean Imports](#)

PARIS, Dec 16 (Reuters) - France on Tuesday launched a plan to promote the cultivation of high protein crops for livestock, aimed at reducing its reliance on imports of mostly South American soybeans which it fears could eventually be diverted to meet a surge in Asian demand.

French Agriculture Minister Stephane Le Foll said Paris would devote about 150 million euros (\$190 million) of European Union subsidies per year until 2020 to boost protein crops.

Of this 98 million euros would be devoted to encourage the growth of fodder by livestock farmers and another 49 million would be given to crop growers.

"On the international market, feed protein flows towards Asia are more and more important. The security of supplies for Europe is no longer guaranteed at mid- and long-term," Le Foll told reporters.

"We need to adopt a strategy on vegetable proteins for France to ensure more feed autonomy for our livestock farming."

Brazil and Argentina are France's main suppliers of protein for animal feed, mainly soymeal to be mixed with other grains.

France relied on imports for around 40 percent of its protein needs in 2010/11 while the European Union was at 65 percent, the farm ministry said.

With a subsidy of a minimum 100 euros per hectare France hopes to nearly treble the land for protein crops, such as peas, clovers or alfalfas, to 750,000 hectares, Le Foll said.

The subsidy for crop growers aims mainly at stopping a drop in land devoted to protein crops due mainly to their fragility and their lack of competitiveness compared to grains.

"It won't make us 100 percent self-sufficient but it will allow us to rise our fodder autonomy significantly," Le Foll said. (\$1 = 0.7985 euros)

### [China Buyers in Deals for More than 1 MMT of U.S. Soybeans](#)

By Karl Plume

CHICAGO, Dec 16 (Reuters) - Chinese buyers signed nine contracts for a total of more than 1 million tonnes of U.S. soybeans at a ceremony in Chicago on Tuesday.

The purchases are for delivery to China, the world's top soy importer, in calendar year 2015, said a U.S. trader at the ceremony.

The ceremony was held on the first day of the U.S.-China Joint Commission on Commerce and Trade, which runs through Thursday.

Buyers included state importers COFCO and Sinograin Oil Corp as well as Yihai Kerry Group, Chinatex Grains & Oils, Yuntianhua USA Inc and Jiusan USA Inc. They signed deals to buy from Archer Daniels Midland Co Zen-Noh Grain, Louis Dreyfus, Cargill, Gavilon and Noble-Agri.

"These contracts were maybe for 100,000 or 200,000 tonnes apiece," said a U.S. soy trader who requested anonymity. "We know they are going to buy the beans every year, but this type of ceremony really reinforces the relationship with our biggest customer."

The deals had little impact on soybean futures prices at the Chicago Board of Trade, which languished near the session lows they hit before the ceremony. CBOT January soybeans [SF5](#) were down 13-1/2 cents at \$10.26 a bushel at 12:10 p.m. CDT (1810 GMT).

Traders said the agreements were relatively small for China, which is expected to import 74 million tonnes of the oilseed in the 2014/15 marketing year. The U.S. Agriculture Department's export inspections report issued on Monday showed more than 1.3 million tonnes of soybeans destined for China were inspected in the past week.

Traders do not expect all of the agreed-upon contracts to show up in the USDA's daily reporting system, which requires exporters to report large sales to a single

destination within a day. Some of the signings on Tuesday will remain "frame contracts" with no specified price or shipping terms until a later date.

A similar signing ceremony in Milwaukee in September yielded purchase agreements for 4.8 million tonnes of U.S. soybeans. The USDA confirmed nearly 2 million tonnes in Chinese soy purchases over the next three days..

### **Exporters Sell Soybeans to China, Wheat to Mexico-USDA**

CHICAGO, Dec 18 (Reuters) - Private exporters reported the sale of 1.5 million tonnes of China for delivery during the 2015/16 crop year, the U.S. Agriculture Department said on Thursday.

Exporters also sold 126,000 tonnes of corn to unknown destinations for 2014/15 delivery and 111,580 tonnes of hard red spring wheat to Mexico. The wheat deal includes 89,264 tonnes for shipment in 2014/15 and 22,316 tonnes for shipment in 2015/16.

By law, exporters must report promptly the sale of 100,000 tonnes or more of a commodity made in one day, or quantities totaling 200,000 tonnes or more in any reporting period. Sales of smaller amounts are reported on a weekly basis.

### **Normalized Relations with Cuba Positive for US Agriculture-USDA**

By Karl Plume

CHICAGO, Dec 17 (Reuters) - The normalization of diplomatic relations between the United States and Cuba is an "important opportunity" for U.S. agriculture that will make exports of U.S. farm goods cheaper, easier and less time consuming for shippers, U.S. Department of Agriculture Secretary Tom Vilsack said on Wednesday.

President Barack Obama announced on Wednesday that the United States plans to restore diplomatic relations with Cuba more than 50 years after they were severed, a major policy shift after decades of hostile ties with the communist-ruled island.

U.S. law exempted food products from an embargo on U.S. trade with the Cuba, but cumbersome rules on how transactions were executed made transactions difficult and costly, hurdles the U.S. policy shift will eliminate.

Though U.S. agricultural trade with Cuba was allowed, payment was required in advance and rules stated that money must be routed through third parties to avoid direct contact between U.S. and Cuban banks.

"The policy change is that now payment can be made while goods are in transit, which is the normal course of business, and no longer does the money need to be routed through a third party," Vilsack told reporters on the sidelines of the a U.S.-China Joint Commission on Commerce and Trade meeting.

"This removes a friction that makes it easier, less expensive and less time consuming to do business for American agricultural products."

In addition, the United States enacted policy changes governing sales of farm equipment to Cuba, which would benefit U.S. manufacturers.

Vilsack would not speculate on which farm products could benefit the most and was unsure how lucrative the market could ultimately be for U.S. agricultural products.

"There's no comparable market in the sense that you're dealing with a fairly significant set of consumers 90 miles offshore," he said.

He had also not analyzed how the normalization of relations would impact imports of Cuban agricultural products such as sugar.

### **China Approves Delayed GMO Imports as U.S. Ties Warm**

By Tom Polansek and Niu Shuping

BEIJING/CHICAGO, Dec 18 (Reuters) - China has approved the import of a genetically modified corn strain it blocked last year, causing market turmoil, and has given clearance to biotech soybeans that had been waiting years for clearance, in a sign of improving relations with the United States.

U.S. Agriculture secretary Tom Vilsack said on Wednesday that China approved imports of American-grown Viptera corn developed by Swiss-based Syngenta, known as MIR 162, as well as shipments of biotech soybeans developed by DuPont Pioneer Bayer CropScience

Industry sources and analysts said China's change of heart was down to a warmer political climate between Beijing and Washington since the Asia-Pacific Economic Cooperation (APEC) forum last month, where the two announced a joint plan to limit carbon emissions and made breakthroughs on eliminating duties on technology products.

"We believe the approval came because of a better China-U.S. relationship, which has improved since the APEC meeting," said Li Qiang, chief analyst at Shanghai JC Intelligence Co. Ltd, one of the country's leading consultancies.

The green light, for which Syngenta had waited nearly five years, does not represent a fundamental change in Chinese policy towards genetically modified food, since it already allows imports of at least 15 varieties of such crops.

Vilsack said the import approvals did not represent a loosening of China's sluggish regulatory review process for GMO crops, either.

"Their system is what it is," said Vilsack. "You get approvals sometimes, and sometimes you don't."

The practical consequences are also likely to be limited by a big stock overhang in China that is creating a bottleneck for new imports.

Trade sources said Beijing could delay the issuance of 2015 import quotas to private feed mills until March or even April 2015 as new regulations require buyers to first purchase corn from state reserves before being handed down quotas.

Syngenta applied for import approval of MIR 162 in 2010, while Germany's Bayer has been waiting seven years for China to approve a new soybean seed called LL55.

## HOME GROWN AMBITIONS

There remains a backlog of products waiting for a licence to sell into China.

Another Syngenta genetically modified variety known as Agrisure Duracade, which U.S. farmers harvested for the first time this autumn, has not been approved for import in China.

"China has not approved other GMO strains (by Syngenta), and that may become a potential risk for business," said Li at JC Intelligence.

China may be dragging its feet on new GMO approvals as government officials fear over-reliance on foreign GMO technologies.

China's Agriculture Minister Han Changfu said in May that the government needed to develop its own GM technologies to meet its food security needs.

Syngenta's MIR 162 corn seed came under the spotlight in 2013 after Beijing forced some 1.2 million tonnes of corn to turn back due to detection of this unapproved strain.

Commodity traders Cargill Inc and Archer Daniels Midland Co, along with dozens of farmers, have sued Syngenta over MIR 162, claiming hundreds of millions of dollars in damages because of the disruption caused by the ban.

China's Agriculture Ministry's Biosafety Office said it will soon make an official announcement but declined to give any details.

#### [\*\*Abiove Raises Brazil Soy Forecast by 900,000 MT\*\*](#)

SAO PAULO, Dec 18 (Reuters) - Brazil's vegetable oil association Abiove raised its forecast for the country's 2014/15 soybean crop to a record 91.9 million tonnes on Thursday from 91 million tonnes previously.

The association on Tuesday defended its more moderate estimates for the crop after government crop supply agency Conab hiked its forecast to 95.8 million tonnes.

#### [\*\*U.S. Companies Assess a Beachhead in Cuba\*\*](#)

New York Times, December 18, 2014

PepsiCo wants in. So do Caterpillar and Marriott International.

Within hours of President Obama's historic move to restore full diplomatic relations with Cuba, companies in the United States were weighing how to introduce their products and services to a market they haven't been in for the better part of 50 years — if ever.

While many corporations appeared interested, consultants and others cautioned that there were still many details of doing business in Cuba yet to be detailed and that not all companies would be welcomed or find a robust audience in Cuba.

"For a company like McDonald's, the Cuban government is going to ask, 'How does McDonald's coming in and selling hamburgers help the economy of Cuba?' " said Kirby Jones, founder of Alamar Associates, who has consulted with companies on doing business in Cuba since 1974. "It's just not going to be like other regions where you see a McDonald's on every corner."

Companies selling industrial products or services that could be viewed as bolstering Cuba's domestic production or helping to develop its resources will probably have an easier time gaining entry than consumer products companies that could compete with Cuba's own brands or draw away a chunk of the population's limited disposable income.

And despite Cuba's long stagnation and isolation from the global economy, the potential trade opportunities go both ways. While some Americans will be itching at the opportunity to more easily obtain famed Cuban cigars, the country also has a surprisingly robust biotechnology industry that makes a number of vaccines not available in the United States. Another hot spot for Cuba's economy could be mining: The country has one of the largest deposits of nickel in the world.

While President Obama's move to open relations between the United States and Cuba for the first time in 54 years was widely seen as the signal for trade to resume, in fact the United States is already the fourth-largest exporter to the country, behind China, Spain and Brazil.

The Trade Sanctions Reform and Export Enhancement Act of 2000 allowed the sale of unprocessed agricultural products and raw forestry materials by American producers to Cuba, with strict restrictions. Producers were not allowed to extend any sort of credit or financing to Cuba and payments needed to be funneled through a third-party country or bank, typically one located in Europe.

Last year, the United States exported \$359 million worth of goods to Cuba, down from a high of \$711 million in 2008, according to United States government statistics.

Alabama producers have done a brisk business selling frozen chicken to the country and North Dakota sells some dry beans. But early robust sales of American rice and soybeans quickly fell off as competing nations like Vietnam and Brazil offered cheaper product or allowed it to be purchased on credit.

So while companies like Home Depot, Caterpillar and Deere & Company are likely to be welcomed with open arms by the Cuban government, it remains unclear whether they will be able to offer financing or credit for their expensive industrial machinery.

"Cuba is a potential market for John Deere products and services," Ken Golden, a spokesman for the Illinois-based company, said in an email. "There is a need in Cuba, as there is around the globe, for productive, modern machinery to help feed, clothe and shelter the world's rapidly increasing population."

A much bigger question mark hangs over companies geared toward selling consumer goods — from Frito-Lay chips to Apple iPads — to Cuba's residents, most of whom have very limited disposable income. Analysts and advisers say it will be nearly impossible for American companies with franchise-based models, including many of the world's largest fast-food restaurants like McDonald's, Subway or Dunkin' Donuts, to establish a beachhead there.

Instead, the bigger opportunity for many consumer-based companies may come from selling to the increasing numbers of foreigners expected to visit Cuba if travel restrictions are fully lifted. If that happens, the annual number of visitors to the country could jump to four million from three million practically overnight, analysts say. And American travelers will seek creature comforts in well-known brands like Coca-Cola, Pepsi and Bud Light.

American hospitality and hotel companies, shut out of the attractive Caribbean island for decades, are quickly assessing the opportunities in Cuba as well, but analysts caution that they, too, will face a number of high barriers.

While the Cuban government may welcome a high-end brand looking to establish a luxury resort on the island — something to attract big spenders to the country — it will probably follow its current path of offering only management contracts to many other hoteliers, since the government in Havana prefers to own the building and property itself. That is the arrangement the Spanish hotel chain Melia Hotel International made for its Havana properties, said two consultants.

But companies like Marriott appear undaunted by the challenges.

"We are very excited for the people of Cuba and the opportunity and jobs that will be created when relations with the U.S. opens up, especially for travel and tourism," Arne M. Sorenson, the president and chief executive for Marriott International, said in an email. "We will take our cues from the U.S. government, but look forward to opening hotels in Cuba, as companies from other countries have done already."

Those longing for a return to the time of rum-filled nights of gambling at a sleek five-star resort may have to wait, however. Even in the best of circumstances, those types of resorts can take up to a decade of planning to construct and Cuba most likely faces the additional hurdles of upgrading its infrastructure and training its population to provide high-end services to big spenders, say consultants. Moreover, Cuba may also face legal challenges involving properties seized during the Communist takeover.

"What you're going to get is a midmarket two- or three-star experience from a remodeled hotel in Havana that will be cool for somebody from New York or Charlotte who wants to experience and think back to the Hemingway days," said Rick Newton, a founding partner at Resort Capital Partners, a real estate investment advisory firm that focuses on small, high-end properties in the Caribbean.

"But for a true, five-star experience that will attract five-star customers who want five-star amenities and served by a five-star staff, we're at least a decade out," he added.

### **Pesticide Bans Hitting Europe's Oilseed Rape Sector Badly**

The Scotsman -- BRUSSELS, BELGIUM -- December 19, 2014 -- The loss of crop protection pesticides has this week been blamed as a major contributory factor in a predicted fall in production of both oilseeds and grain in Europe next year.

European farming leaders working with the Copa-Cogeca organisation said the removal of some pesticides and the phasing out of others was a major concern to growers. Predicted oilseed production in the EU in the coming year has been put at 32 million tonnes, well behind the final figures of 34.4 million tonnes from the 2014 harvest.

With a number of member states still to submit their estimates, the final reduction in yield is expected to be much worse. Almost all the predicted fall has been attributed to the neonicotinoid treatment ban, with reports of many farmers having to plough up their autumn-sown crops after failing to keep flea beetle attacks at bay.

The French chairman of the Copa- Cogeca oilseed working party Arnaud Rousseau described the situation as problematic adding he thought it could only get worse. He highlighted the situation in Germany, one of the major oilseed producers in the EU, where there is an estimated one million tonnes, or 20 per cent, cut in rapeseed production for the 2015 harvest, compared to 2014.

Rousseau added: "In Finland, a big fall in the rapeseed area has been reported, forcing some farmers to stop producing and causing rapeseed crushing plants to shut down.

"The situation in the UK is that farmers in England have been badly hit by the neonic ban with crop spraying as opposed to seed treatment proving to be much less effective.

Rousseau pointed out that the problem was no alternative tools for crop protection existed for the spring varieties and crops were being "decimated" by flea beetle attacks.

"More and more farmers will not produce oilseeds anymore as it will be too risky if the two-year suspension for neonicotinoid treatments becomes permanent," he said.

While the pesticide situation is not as acute in the cereal sector, Rousseau's counterpart on the cereals committee, Max Schulman, admitted that, with many crop protection products being phased out, many farmers now had "serious worries", with a fall in production predicted.

### **Arkansas Soybean Growers Attain Magic 100 Bushel-Plus Yield for Second Year in a Row**

Delta Farm Press -- MC GEHEE, AK -- December 19, 2014 -- In late 2013, during the happy aftermath of massive soybean yields, Arkansas producers — three of whom were the first to break the 100-bushel barrier — were reticent to predict another bin-busting crop for 2014.

Mercurial Mother Nature had smiled on their growing season and, they knew, she could just as easily be in a foul mood next time around.

But for many in the state, it turned out, she was just as happy in 2014.

Numerous, extremely pod-heavy fields were easy to find — especially south of Forrest City.

Some 3.15 million acres were planted in soybeans this year.

As of late September, three producers had harvested 100-bushel-plus soybeans in fields that were entered in the state's yield contest.

#### A repeat winner

Matt Miles, McGehee, Ark., was the first to repeat the yield feat. His Pioneer P45T11R soybeans cut 100.609 bushels.

Miles' wife, Sherrie Kay, claimed her own green jacket with a field of Pioneer 48T53R beans that yielded 106.499 bushels.

Thus far, the big yield winner, however, is David Bennett (no relation to the author), who farms outside Lake Village in the southeast corner of the state. His field of Asgrow 4632 soybeans yielded 112.012 bushels — the highest total ever for an entrant in the Grow for the Green contest.

Several weeks before harvest, it was obvious that the central Delta and southeastern parts of Arkansas would bring in bumper soybean crops.

"There are great soybeans all over the area," said Lanny Ashlock, Arkansas Soybean Promotion Board. "Rains were heavy farther north, but from around Helena south, rains were timely, and farmers were able to manage their crops well."

Nelson Crow agreed. "We had to irrigate maybe three times," says the Winchester producer, whose Group 3.9 soybeans last year yielded over 100 bushels. "It seems like every time we began to irrigate, it would rain."

One key to escalating Arkansas soybean yields is shifting the crop from second-best soils to the best.

#### 'Everybody's pushing beans'

"It used to be in the Mid-South that you put soybeans wherever you didn't have cotton or rice," says Crow. "Now, they've come out of the closet, and with no more

cotton, soybeans are going on our more productive ground.

"We have farmers across the Mid-South who are all trying to maximize bean yields — and there are some really good farmers. We're all pushing these beans, trying different things, finding out what they can do. It really is new territory."

A second key is yield contests. Crow says being involved in the yield competition "has at least doubled my knowledge of soybeans."

The competitive drive of farmers has meant educating themselves on how best to manage the crop. "It's pretty serious when I pull a combine out of a buckshot field and move it into a contest field to harvest before a rain," says Matt Miles.

"I think it's the best soybean contest in the U.S. I've looked at some others, and I think Arkansas is setting a precedent that others are trying to follow. The contest is doing what it was designed to do."

The contests have "generated a ton of interest," says Wes Kirkpatrick, Desha County Extension chair. "There are 16 contest fields in the county this year."

'You want to do it again'

Miles says he and consultant Robb Dedman "have enjoyed the contest. Once you do it, you want to do it again. You chase the yield, and want to compare things you're trying with what other growers are doing. I've made so many contacts through this competition."

Brad Doyle, president of the Arkansas Soybean Association (ASA), says the friendly competition among farmers "is a great story. In this process, we're all learning from each other. We're compiling all the data from the entry forms and, hopefully, we'll be able to put something out through the ASA to show everyone what the contest entrants are doing to make these outstanding yields."

Outside Dumas, producer Martin Henry says rains reduced his irrigations by half. "In a normal year, we'd irrigate six or seven times — this year, we irrigated only three times."

Ashlock is keen to highlight Henry's management skills.

"What's unique is that he farms on heavy ground," Ashlock says. "Even so, last year, his yield contest field harvested 98.5 bushels on a Sharkey clay-type soil. To me, that's remarkable."

#### Advocates irrigation scheduling

Henry is a big advocate of irrigation scheduling programs. "We're fortunate to have good water around here.

"The whole farm is on the PHAUCET irrigation scheduler. That's something that needs to be promoted. This is our third year using the program. Using it means wasting 30 percent less water. As valuable as water is, we need to save every drop possible."

Henry admits there was "a big learning curve" with PHAUCET. "It took a while," he says, "but we're comfortable with it now.

"You set up a field on the computer, plug in the flow rate from your well, and the program tells you the hole sizes to pop in the polypipe.

"Years ago, we'd just pop holes all the same, which meant one end of the field would have water, and we'd have to wait for half a day, or more, for the other end of the field to be irrigated.

"PHAUCET works. When the water is out, the field is covered. You aren't just pouring water out the end of the field while waiting for the whole field to be covered. I wish everyone would try it."

Henry also credits the yield contests in the state with nudging producers toward strict management of their soybean crops.

"Being involved in the Go for the Green contest has allowed us to learn so much by trying to push our beans. We wouldn't have done that before.

"Now, we're not just pushing one field — we're pushing all of them. So, the contest has really helped Arkansas soybeans."

#### [Informa Economics Cuts 2015 U.S. Corn Planting Estimate, Ups Soybeans](#)

By Christine Stebbins

CHICAGO, Dec 19 (Reuters) - Analytical firm Informa Economics cut its forecast for U.S. 2015 corn plantings to 88.01 million acres and raised its estimate for U.S. soybean plantings to 88.78 million, the firm said on Friday in a note to clients.

Memphis, Tennessee-based Informa in November projected both corn and soybean seedings at 88.3 million acres.

This month's estimates were based on industry surveys conducted in early December, Informa noted.

The projected high cost to plant corn in 2015 compared to soybeans and new-crop soybeans now trading over \$10 a bushel is encouraging farmers to plant more soybeans this spring, farm economists say.

Farmers in 2014 planted 90.9 million corn acres and 84.2 million soybeans acres, according to USDA.

Informa also projected 2015 U.S. winter wheat acreage at 42.278 million, up from 42.246 million.

The total reflects hard red winter wheat plantings at 30.9 million acres and soft red winter wheat area at 7.9 million acres - both near the firm's previous estimates. However, winter white wheat plantings were seen at 3.5 million acres, up 26,000 from Informa's November forecast.

All-wheat acreage is estimated at 56.6 million acres, down 218,000 from Informa's previous forecast and below the 56.8 million planted a year ago.

The projections come ahead of the U.S. Department of Agriculture's Jan. 12 report, which will be the government's first forecast for 2015 U.S. winter wheat acres.

USDA will release its first outlook on U.S. corn and soybean plantings on March 31, 2015.

### [Protests Over Argentina Farm Policies Seen Increasing in 2015](#)

By Maximiliano Rizzi

BUENOS AIRES, Dec 19 (Reuters) - Argentine farmers will increase protests ahead of presidential elections in October 2015 to push candidates toward reforming policies that growers say are killing their profits, said Omar Principe, the new head of one of the country's main farm groups.

Demonstrations in the past have stopped Argentine farm exports for months, straining government revenue and putting upward pressure on world food prices.

Two of the three presumed main candidates have promised to lower the 35 percent export tax that the government slaps on soybeans and loosen the strict corn and wheat export quota system that growers say complicate crop planning.

Principe, named head of the Argentina Agrarian Federation earlier this month, said growers will increase the pressure on candidates as October nears.

"The candidates are going to present their platforms and we are going to have to have an impact if we want to change the policy model," he told Reuters in an interview.

"Next year will be one of massive mobilization. We are going to put the issues that are facing small and medium-sized farmers in front of the candidates," he added.

Argentina is the world's No. 3 soybean exporter and top supplier of soymeal livestock feed. It is also a major producer of wheat, shipped mostly to neighboring Brazil, and corn.

The government of President Cristina Fernandez was shaken by massive farm protests six years ago over her tax policies. The 2008 farm rebellion reduced

exports for months and cut into government revue. Relations between the two-term leader and the key grains sector have been severely strained ever since.

Banned from running for a third consecutive term and with a year left in office, Fernandez has shown no sign of loosening the policies that farmers say weigh on production and investment.

Buenos Aires Governor and presidential hopeful Daniel Scioli, from Fernandez's branch of the Peronist party, has not yet staked out a position on farm policy.

But leading opposition figures Mauricio Macri, mayor of Buenos Aires, and Congressman Sergio Massa say it is time to start cutting export taxes and loosening export quotas.

Meanwhile, tensions between the government and the farm sector are increasing.

Argentina's state bank has moved to bolster the country's foreign exchange reserves by cutting credit to soy farmers who are holding onto an estimated 8 million tonnes of last year's beans as a hedge against one of the world's highest inflation rates. The bank hopes to force farmers to sell soybeans in order to finance their operations, thereby boosting the supply of beans available for export and enabling the government to collect more export tax revenue.