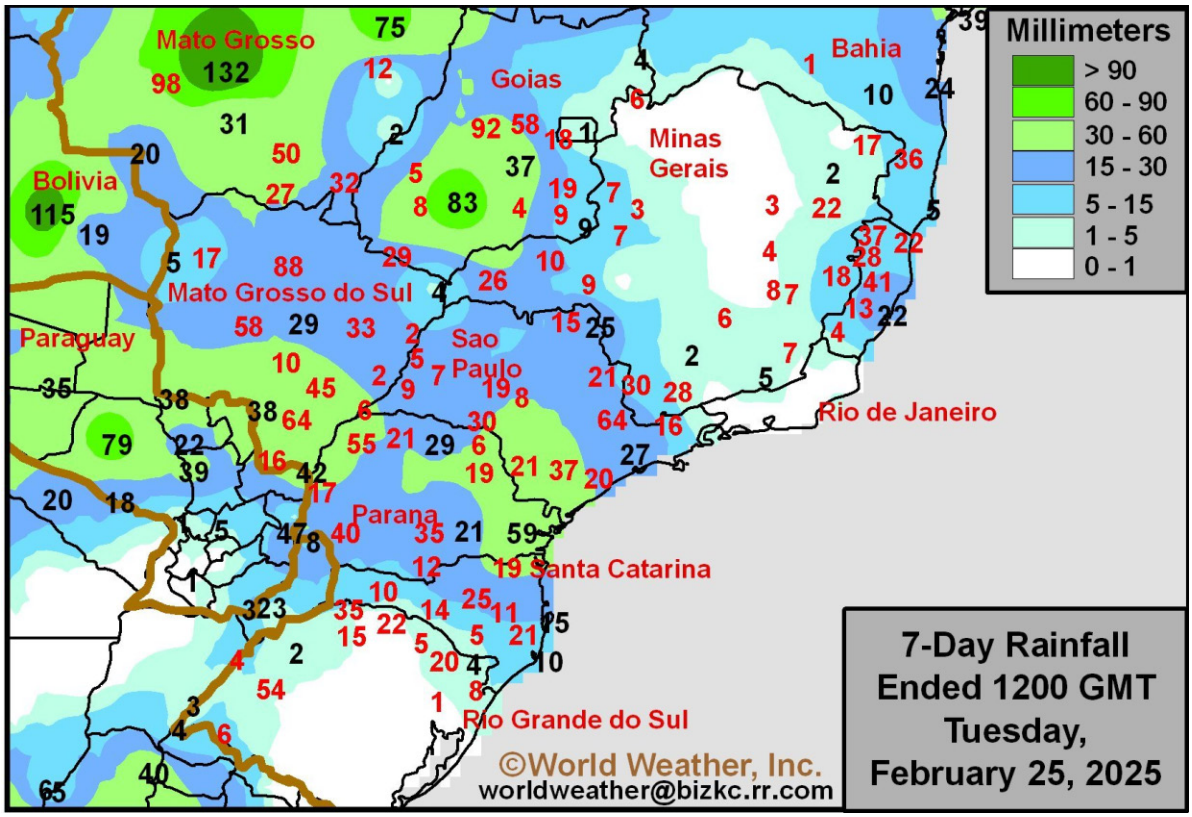
Center-South, Northeastern Brazil Dryness Threatens Crops

By Andrew Owen

Kansas City, February 25 (World Weather Inc.) – Brazil soybean and first-season corn harvesting remains a little behind last year's pace despite significant gains in the past week. Rainfall varied significantly across the main production areas with many areas in the far south and northeast receiving little or no rain. In addition to the lag in soybean harvesting, Safrinha corn planting remains a little behind last year's pace as well. ***While the lack of rain was welcome to support more aggressive harvesting, several fields that missed out on rain in recent weeks are in growing need of moisture. A large section of Brazil will trend drier than usual during the coming week, though Mato Grosso and neighboring locations will receive enough rain to maintain relatively good Safrinha corn development prospects while slowing fieldwork periodically. Heat and dryness may also have a negative impact on coffee and sugarcane production.***

Rainfall varied across the main production areas in Brazil during the past week. Mato Grosso, Mato Grosso do Sul, and Goias received some of the most significant rain. Moisture totals for the seven-day period ending this morning ranged from 0.67 to 3.50 inches with local amounts up to 5.20 inches in Mato Grosso. Parana, Santa Catarina, and northern Rio Grande do Sul into Sao Paulo and portions of southwestern, south-central, and east-central Minas Gerais, Espirito Santo, and southeastern Bahia received 0.39 to 2.52 inches of rain, though several pockets received little or no precipitation. The remaining production areas were dry or did not receive enough rain to counter evaporation.



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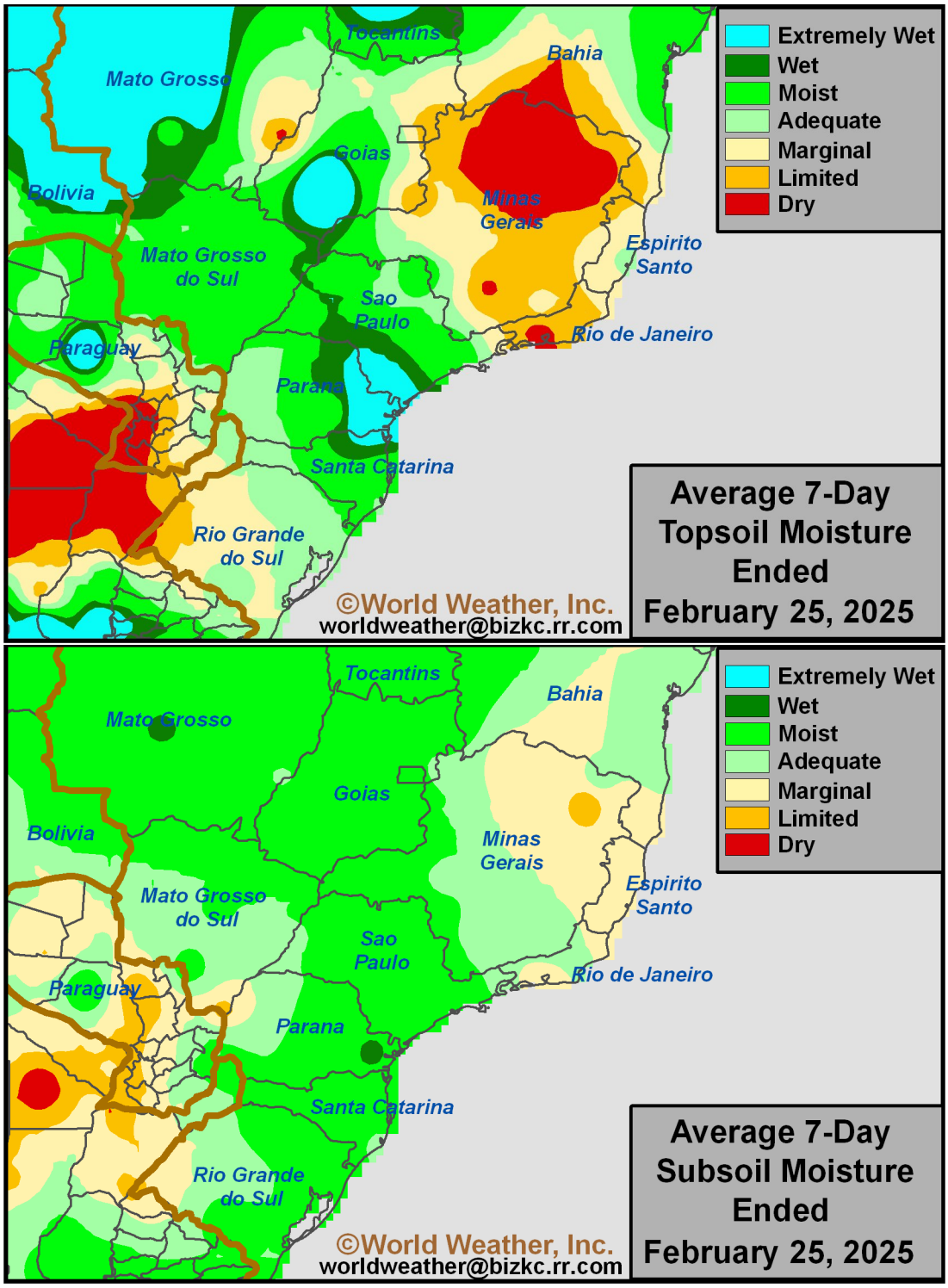
Moisture decreased significantly in much of Minas Gerais and southern Bahia. Most locations outside southwestern Minas Gerais have short to very short topsoil moisture. Subsoil moisture is adequate or marginally adequate. Other production areas generally have adequate to excessive soil moisture.



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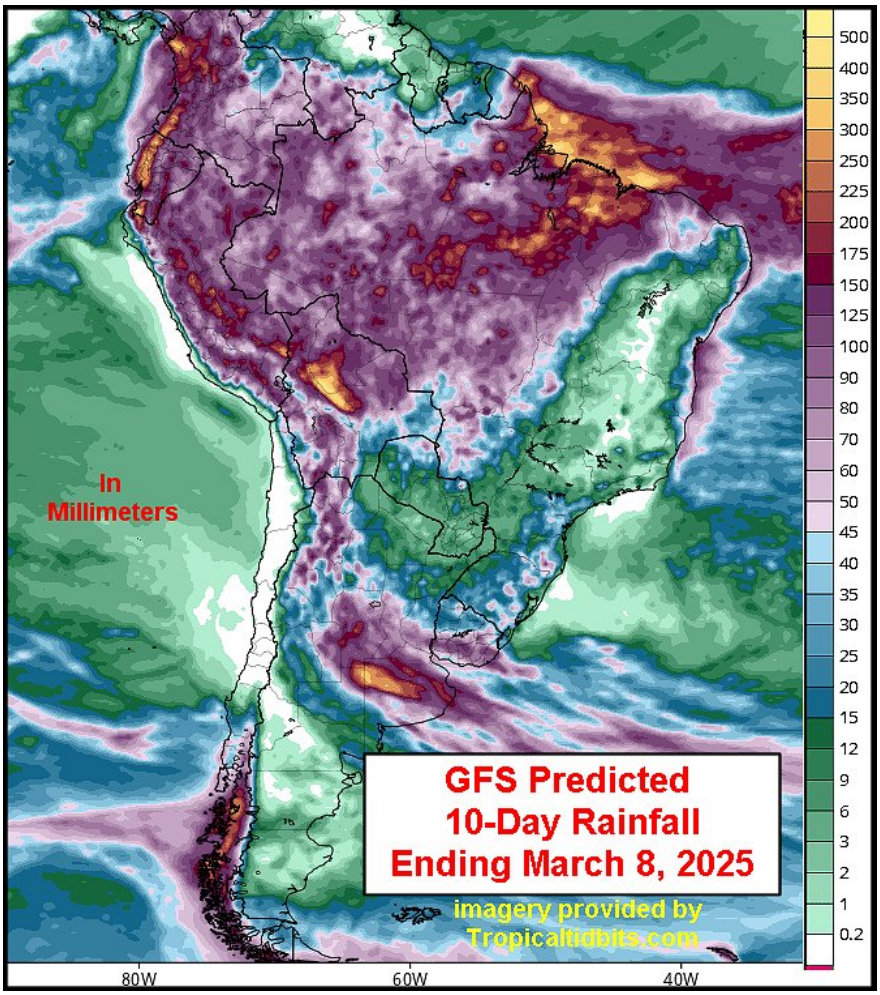
Harvesting is ongoing across Brazil. As of February 23, soybean harvesting was 36.4% complete, up from 25.5% the previous week but down from 38% this time last year. First-season corn harvesting was 20.9% complete compared to 24.9% this time last year. Dry bean harvesting was 53.9% complete, well ahead of 40.2% this time last year. Rice harvesting was 11.7% complete, up from 5.9% last year. ***The lack of abundant rain was beneficial as producers were able to make significant harvest progress.***

Significant progress was also made for Safrinha corn planting during the past week due to the lack of abundant rainfall and more aggressive soybean harvest. Planting was 53.6% complete as of February 23, down from 59.0% this time last year. While drier weather is needed in the short-term to maintain a more aggressive soybean harvest pace and Safrinha corn planting pace, timely rain will still be needed to limit drying. Some of the Safrinha corn areas in center south Brazil still have enough moisture to support aggressive establishment and early-season development, though rain may be needed later in March to maintain a good outlook for the corn.



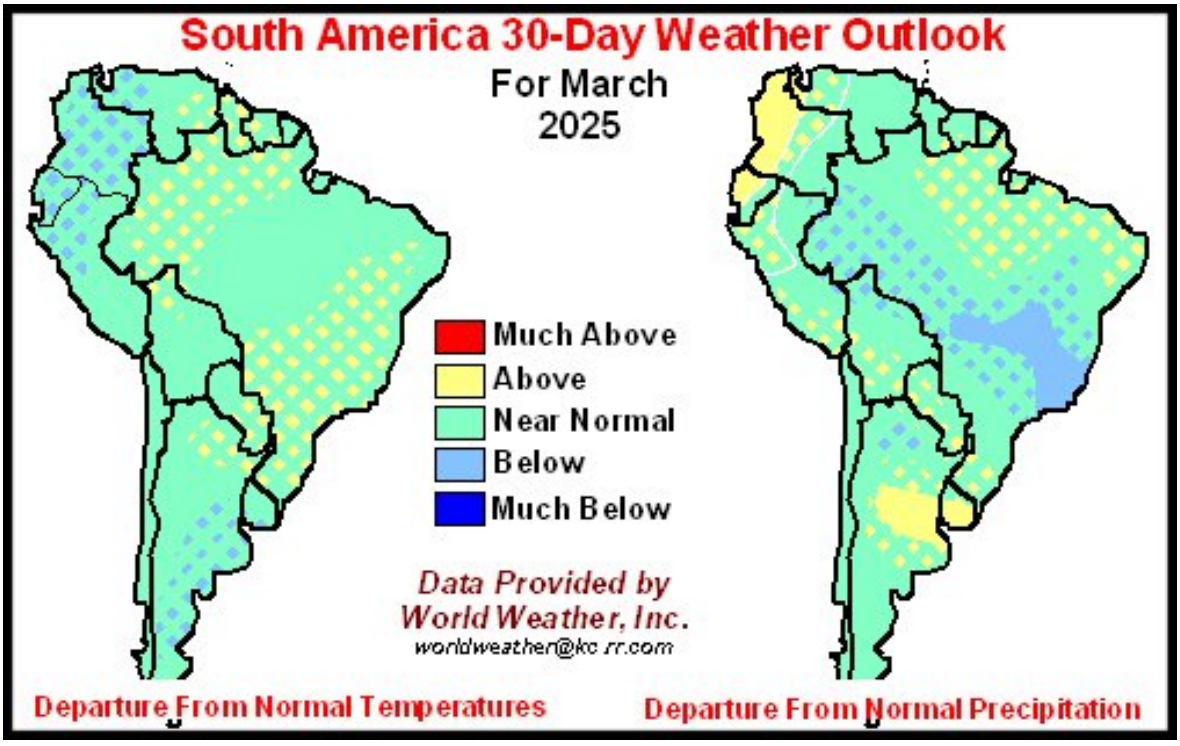
WEATHER OUTLOOK

A large section of Brazil will trend drier than usual during the coming week. Mato Grosso, Mato Grosso do Sul, Goias, and Rio Grande do Sul will continue to receive rain

on a frequent basis despite lighter precipitation amounts. Moisture totals by next Tuesday morning will range from 0.50 to 2.00 inches with local amounts of 3.00 inches or more in Mato Grosso and Mato Grosso do Sul. Other locations will receive 0.10 to 1.00 inch of rain, though several areas in Minas Gerais and southern Bahia will be mostly dry. Below normal precipitation will potentially persist for much of crop country during the March 5 – 11 period as well.

Temperatures will trend near to above normal across Brazil through next Tuesday. High temperatures will peak into the 80s and 90s Fahrenheit. Low temperatures will be in the 60s and 70s. Seasonable to seasonably warm weather will persist March 5 – 11.

The lack of abundant rain will continue to support a good environment for aggressive soybean, first-season corn, and other crop harvesting for much of Brazil in the coming weeks. Periods of erratic rain in center-west and southern Brazil may limit the harvest at times, though significant progress is still expected. Safrinha corn planting will also advance swiftly in the main production areas. ***Center-west Brazil will receive enough rain to support relatively good establishment and early-season development, although the rain may slow fieldwork forcing more planting in March raising the potential for dryness during reproduction***. Significant rain will still be needed later in March to support ideal long-term crop prospects. Other production areas in southern and center-south Brazil may trend a little too dry for ideal Safrinha corn establishment and the need for significant rain will increase later in March.



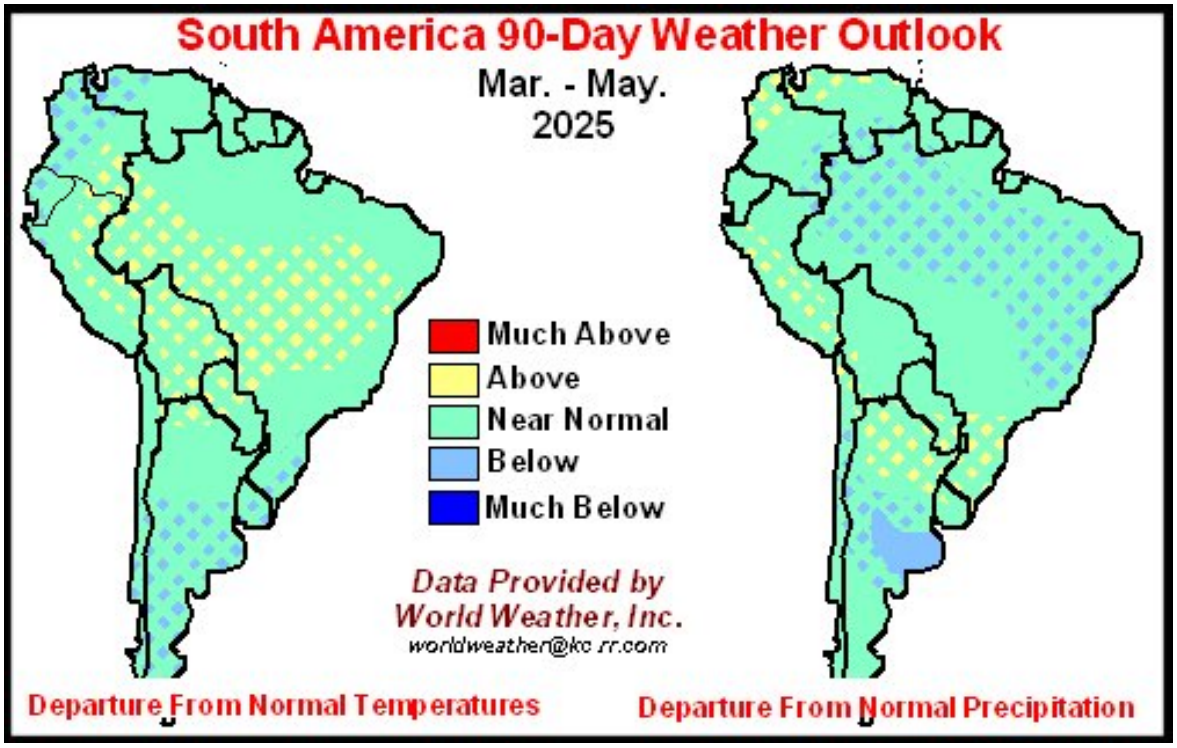
COFFEE/SUGARCANE IMPACTS

Brazil's drying finish to the summer is probably having the greatest impact on coffee and some minor sugarcane production areas. Certainly, some corn, soybeans, rice and cotton

has been impacted as well, but coffee has a big demand of moisture in February, March and April. Rainfall in coffee and minor sugarcane areas from Minas Gerais to interior Bahia will be well below normal over the next few weeks. The lack of abundant precipitation will allow drying to continue and the increase in crop stress from unirrigated production areas should lead to lower production.

Smaller coffee cherry sizes and lower crop quality is expected to result from the limited rainfall pattern. The longer the restricted precipitation pattern prevails and the more persistent warm to hot weather becomes the greater the potential will be for declining production.

Sugarcane tonnage will be reduced the longer dryness prevails and sucrose levels may increase; however, the longer this trend in weather prevails the greater the impact may be on production. So far, crops in Sao Paulo, southern Mato Grosso do Sul and neighboring states have not been seriously impacted by persistent dry and/or warm conditions, but that could change as this pattern prevails and a close watch on the weather and crop development is warranted.



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