

Bunge North America



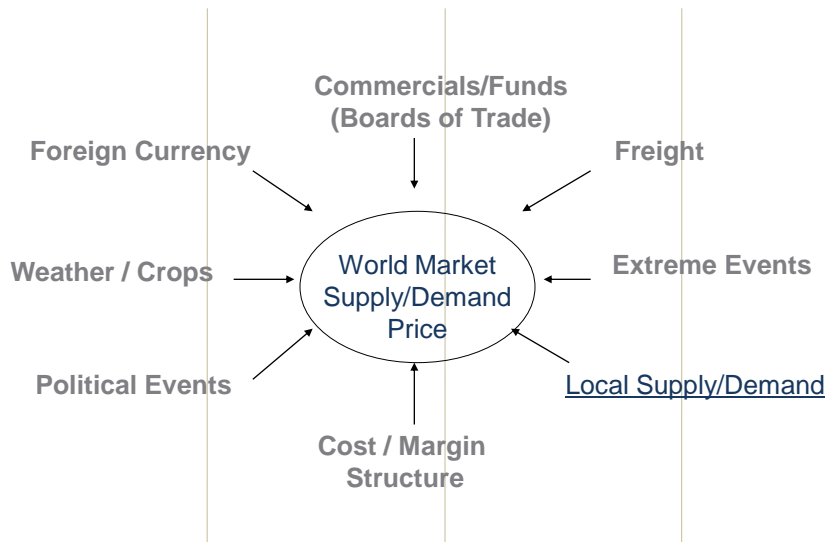
Virginia State Feed Association Conference And Nutritional Management “Cow” College

February 20-22, 2013
Roanoke Virginia



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Flat Price Risk



2 | February 2013



US Population Clock



U.S. POPClock Projection

According to the U.S. Census Bureau, the resident population of the United States, projected to 02/07/13 at 18:26 UTC (EST+5) is

315,288,898

COMPONENT SETTINGS FOR FEBRUARY 2013

One birth every 8 seconds
 One death every 12 seconds
 One international migrant (net) every 36 seconds
 Net gain of one person every 15 seconds

**01/31/12 was 312,939,091
 (added 2,349,807 YOY)**

World Current Population

7,064,353,425

15:25 ET Jan 31, 2013

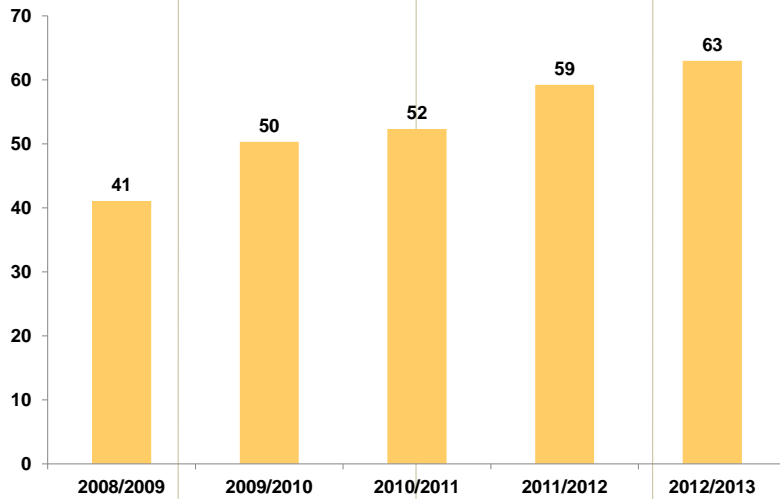
2012 was 6,991,365,792

World Vital Events

World Vital Events Per Time Unit:2013

Time Unit	Births	Deaths	Natural Increase
Year	134,127,186	56,083,051	78,044,135
Month	11,177,266	4,673,588	6,503,678
Day	367,472	153,652	213,820
Minute	255	107	148
Second	4.3	1.8	2.5

China Soybeans Imports Oct/Sep (MMT)

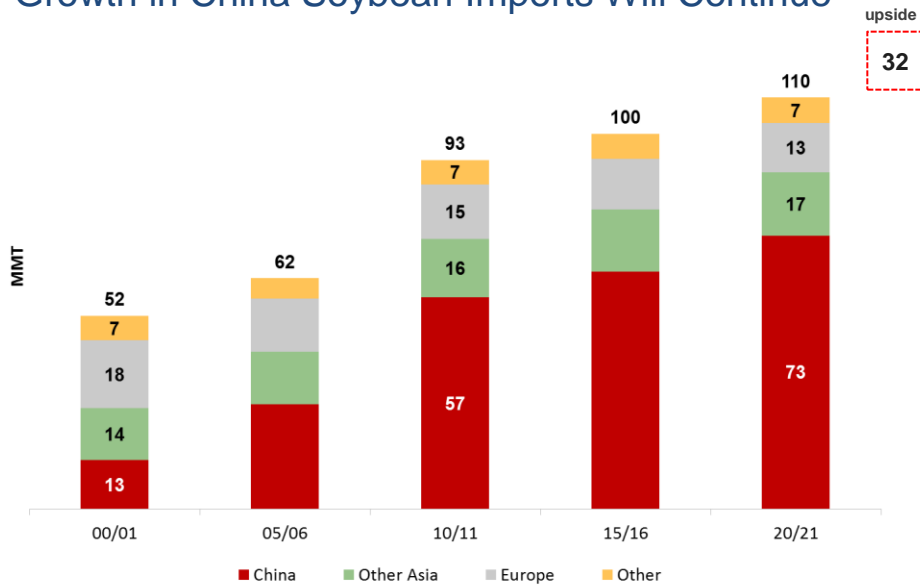


Source: USDA

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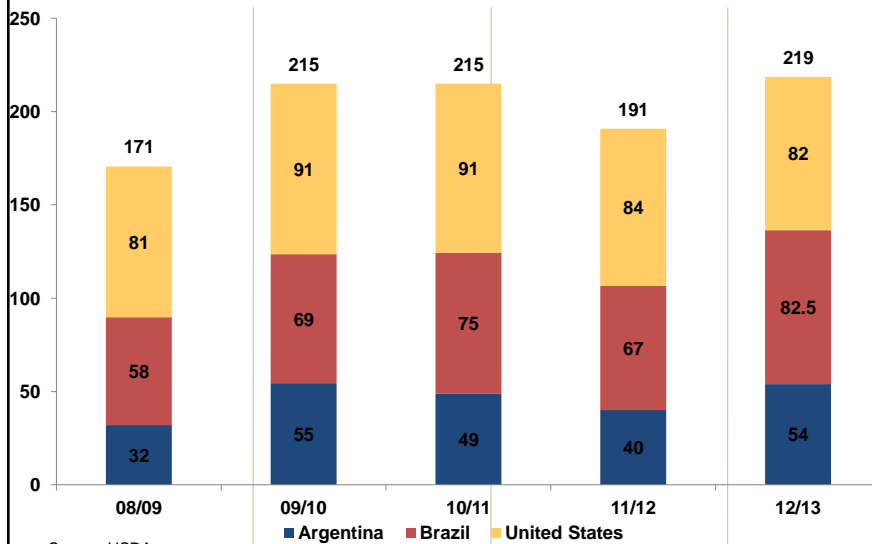
Growth in China Soybean Imports Will Continue



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Soybeans Major Origins Production (MMT)



Source: USDA

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US Soybeans S&D

SOYBEANS - US BALANCE Mln bushels SEP/AUG

	07/08	08/09	09/10	10/11	11/12	12/13
Planted Acres (Mln Acres)	64.7	75.7	77.5	77.4	75.0	77.2
Harvested Acres	64.1	74.7	76.4	76.6	73.8	76.1
Percent Harvested	99.1%	98.7%	98.5%	99.0%	98.4%	98.6%
Yield Bu/Acre	41.7	39.7	44.0	43.5	41.9	39.6
Beg. Stocks	574	205	138	151	215	169
Production	2,677	2,967	3,359	3,329	3,094	3,015
Imports	10	13	15	14	16	20
Total Supply	3,261	3,185	3,512	3,494	3,325	3,204
Crush	1,803	1,662	1,752	1,648	1,703	1,605
Feed, Seed & Residual	94	106	110	131	91	119
Domestic Use	1,897	1,768	1,862	1,779	1,794	1,724
Exports	1,159	1,279	1,499	1,501	1,362	1,345
Total Use	3,056	3,047	3,361	3,279	3,155	3,070
Ending Stocks	205	138	151	215	169	135
Stocks to use%	6.7%	4.5%	4.5%	6.6%	5.4%	4.4%
Stocks in Days of use	25	17	16	24	20	16

Source: USDA

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US Soyoil S&D

SOYBEAN OIL - US BALANCE

Mln lbs OCT/SEP

	07/08	08/09	09/10	10/11	11/12	12/13
Beg. Stocks	3,084	2,485	2,862	3,406	2,425	2,540
Production	20,580	18,746	19,615	18,887	19,740	18,700
Yield	11.41	11.28	11.20	11.46	11.52	11.65
Imports	66	90	104	159	149	350
Total Supply	23,731	21,321	22,580	22,452	22,314	21,590
Exports	2,910	2,194	3,360	3,232	1,464	2,150
Non Biodiesel Domestic Use	15,091	14,244	14,134	14,059	13,440	13,000
Biodiesel Use	3,245	2,022	1,680	2,736	4,870	4,900
Domestic Disappearance	18,336	16,266	15,814	16,795	18,310	17,900
Total Use	21,246	18,459	19,174	20,027	19,774	20,050
End. Stocks	2,485	2,862	3,406	2,425	2,540	1,540
Stocks to Use %	11.7%	15.5%	17.8%	12.1%	12.8%	7.7%
Stocks in Days of use	43	57	65	44	47	28

Source: USDA

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US Soymeal S&D

SOYBEAN MEAL - US BALANCE

T Short tons OCT/SEP

	07/08	08/09	09/10	10/11	11/12	12/13
Beg. Stocks	343	293	235	302	350	300
Production	42,284	39,102	41,707	39,251	41,025	38,200
Yield	46.89	47.06	47.62	47.64	47.90	47.60
Imports	141	88	160	180	216	250
Total Supply	42,767	39,484	42,102	39,733	41,591	38,750
Exports	9,242	8,497	11,160	9,081	9,741	8,700
Domestic	33,232	30,752	30,640	30,301	31,550	29,750
Total Use	42,474	39,249	41,800	39,382	41,291	38,450
End. Stocks	293	235	302	351	300	300
Stocks to Use %	0.7%	0.6%	0.7%	0.9%	0.7%	0.8%
Stocks in Days of use	3	2	3	3	3	3

Source: USDA

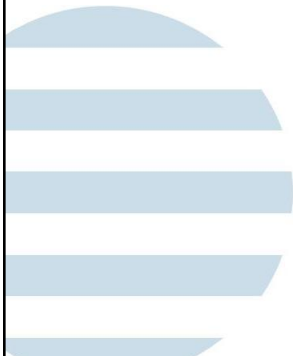
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Canadian Canola S&D

CANADIAN CANOLA BALANCE					
1000's MT					
Marketing Year AUG/JUL	09/10	10/11	11/12	12/13	13/14
Planted Area 1000's hectares	6,783	6,989	7,568	8,599	8,175
Harvested Area 1000's hectares	6,410	6,848	7,542	8,288	8,000
Yield per hectare	1.96	1.87	1.98	1.67	1.85
Percent Harvested	94.5%	98.0%	99.7%	96.4%	97.9%
Beginning Stocks	1,662	2,264	1,709	933	595
Production	12,569	12,773	14,963	13,850	14,790
Imports	139	214	90	183	146
TOTAL SUPPLY	14,370	15,251	16,762	14,966	15,531
FSR	156	127	130	132	136
Exports	7,162	7,105	8,701	7,695	8,248
Crush	4,787	6,310	6,999	6,544	6,570
TOTAL DISAPPEARANCE	12,106	13,542	15,830	14,370	14,954
CARRY OUT	2,264	1,709	933	595	577
Stocks to Use	18.70%	12.62%	5.89%	4.14%	3.86%
Stocks Express in Days of Use	68.30	46.10	21.52	15.13	14.09

Corn



US Corn S&D Sep/Aug (MBU)

CORN - US BALANCE mln bushels SEP/AUG

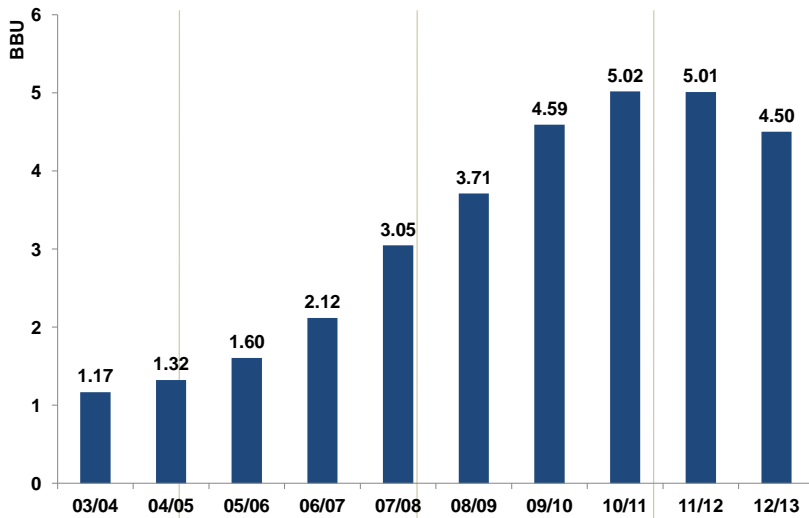
	07/08	08/09	09/10	10/11	11/12	12/13
Planted Acres (Mln Acres)	93.5	86.0	86.4	88.2	91.9	97.2
Harvested Acres	86.5	78.6	79.5	81.4	84.0	87.4
Percent Harvested	93%	91%	92%	92%	91%	90%
Yield Bu/Acre	150.7	153.9	164.7	152.8	147.2	123.4
Beg. Stocks	1,304	1,624	1,673	1,708	1,128	989
Production	13,038	12,092	13,092	12,447	12,360	10,780
Imports	20	14	8	28	29	100
Total Supply	14,362	13,729	14,774	14,182	13,517	11,869
FSI	4,442	5,025	5,961	6,426	6,437	5,867
FSI for Fuel	3,049	3,709	4,591	5,019	5,011	4,500
FSI not for fuel	1,393	1,316	1,370	1,407	1,426	1,367
Feed and Residual	5,858	5,182	5,125	4,795	4,548	4,450
Exports	2,437	1,849	1,980	1,834	1,543	950
Total Use	12,737	12,056	13,066	13,055	12,528	11,267
Ending Stocks	1,624	1,673	1,708	1,128	989	602
Stocks to use%	12.8%	13.9%	13.1%	8.6%	7.9%	5.3%
Stocks in Days of use	47	51	48	32	29	20

Source: USDA

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US Corn Use for Ethanol (BBU)



Source: USDA

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Wheat



US Wheat S&D (MBU)

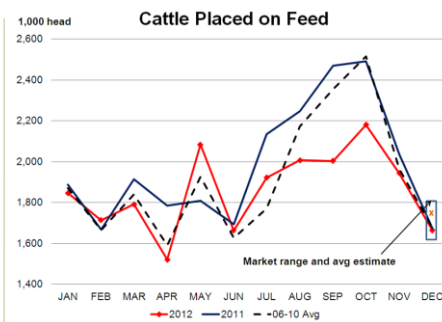
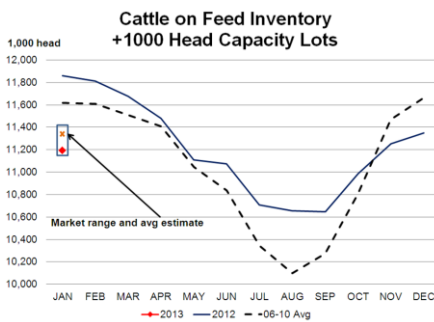
WHEAT - US BALANCE Mln bushels JUN/MAY

	07/08	08/09	09/10	10/11	11/12	12/13
Planted Acres (Mln Acres)	60.5	63.2	59.2	53.6	54.4	55.7
Harvested Acres	51.0	55.7	49.9	47.6	45.7	49.0
Percent Harvested	84%	88%	84%	89%	84%	88%
Yield Bu/Acre	40.2	44.9	44.5	46.3	43.7	46.3
Beg. Stocks	456	306	656	976	863	743
Production	2,051	2,499	2,218	2,207	1,999	2,269
Imports	113	127	119	97	112	130
Total Supply	2,620	2,932	2,993	3,279	2,974	3,142
FSI	1,035	1,005	988	997	1,018	1,025
Feed and Residual	16	255	150	132	164	350
Exports	1,263	1,015	879	1,289	1,050	1,050
Total Use	2,314	2,275	2,018	2,417	2,232	2,425
Ending Stocks	306	656	976	862	743	716
Stocks to use%	13.2%	28.9%	48.4%	35.7%	33.3%	29.5%
Stocks in Days of use	48	105	177	130	122	108

Source: USDA

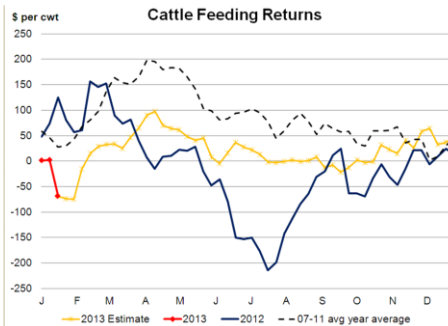
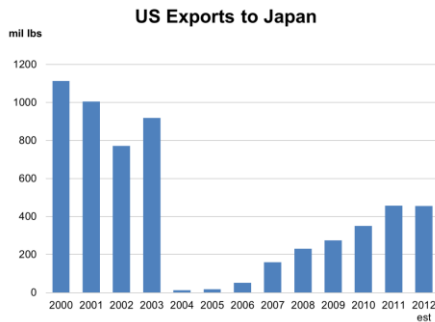
Livestock Update

Cattle on Feed



- Cattle on feed as of Jan 1 were 11,193 thousand head — 146 thousand head (or 1.3% lower) than the average pre-report market expectation
- Feeder cattle placements (movement of young cattle into feedlots) in Dec were down 0.5% from Dec of 2011 and down 4.6% from the average market guess
- This is the 10th month in a row where cattle placements were lower than year ago
- As cattle feeders continue to face high feed costs, they have continued to keep cattle outside of feedlots despite lack of pastureland available to graze

Beef Trade and Margins

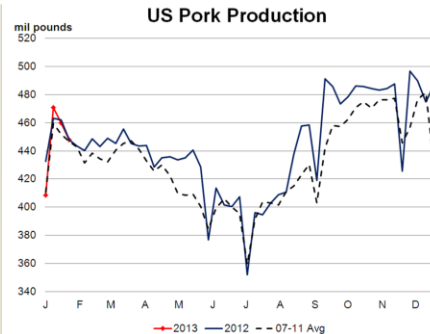
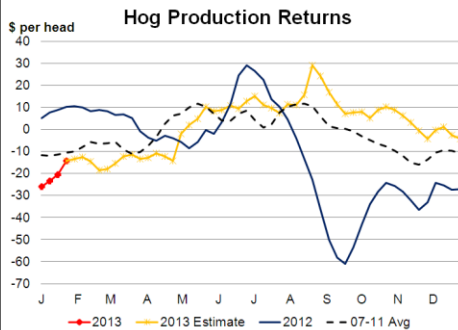


- Japan agreed to allow US beef imports from cattle slaughtered up to 30 months old — this is 10 months longer than the previous restriction of 20 months of age
- Through the first 11 months of 2012, Japan has been the largest importer of US beef
- Feedlot spot margins continue to stay in the red but look to improve by next month
- Average margins for this year are expected to be near \$20 a head

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Hog Production and Returns

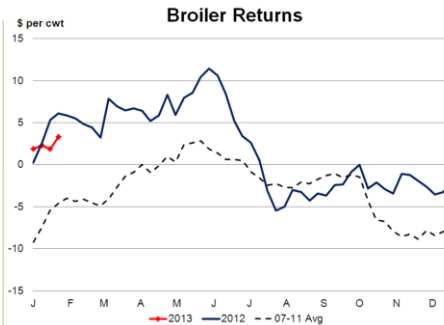
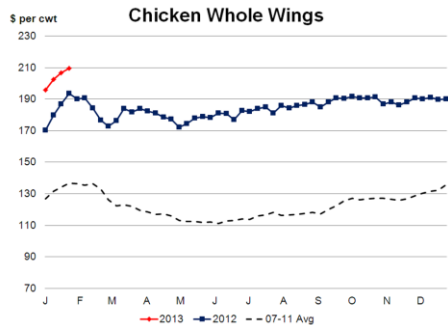


- Although 2012 was the worst year since 2009 for producer margins, 2013 looks to be better — average margins this year are expected to be just above break even
- Slaughter levels have averaged 0.4% below last year for the past four weeks
- Weights the past four weeks have averaged 1.2 lbs lighter than the same period a year earlier— this past fall weights were 2.5 lbs lighter than a year earlier
- Lower slaughter and lighter weights have pushed production the past four weeks 1.1% lower than the same weeks in 2012
- Nearby supplies look to stay below last year levels until producers are more willing to push weights higher

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Super Bowl Effect on Chicken

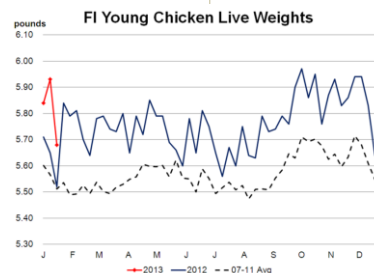
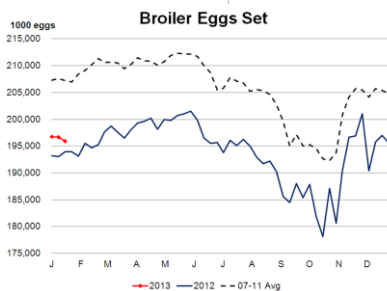


- As chicken has become more ingrained with American football cuisine, the month leading up to the Super Bowl has become exceptionally supportive to wing prices, which rose over 10% since Dec 28 this year
- With the increase in meat prices current margins are near \$3.31 per cwt
- While it is likely meat prices will taper off after the Super Bowl, producers are hopeful that demand will remain high enough to keep prices at profitable levels

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Future Chicken Production

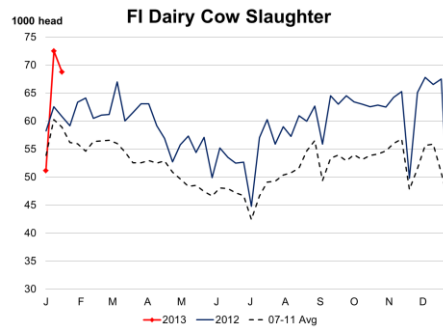
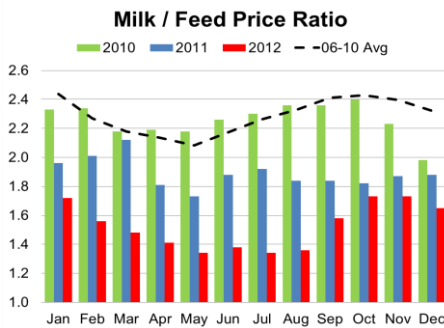


- Eggs set during the past four weeks ending Jan 19 averaged 1.5% higher than the same time last year — eggs set now will be slaughtered in April
- Weights have been up 2.2% from last year for the past four weeks
- Heavier weights have kept production the past four weeks slightly higher despite slaughter being down 1.1% from the same weeks last year

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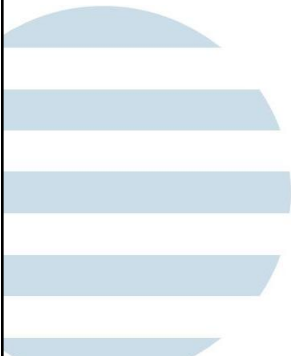
Dairy Price Ratios and Slaughter



- The average milk/feed price ratio for 2012 was 1.52, the lowest annual ratio going back to 1985
- Dairy cow slaughter four weeks ending 1/19 was up 1.0% from the same time last year
- Milk prices in January were down 9% from 2012 highs in November

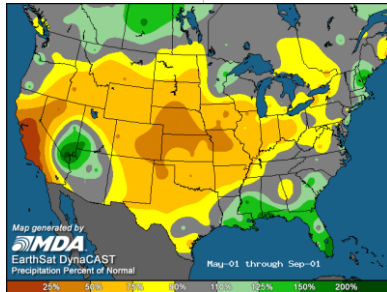
WEATHER

HAS TO BE PERFECT

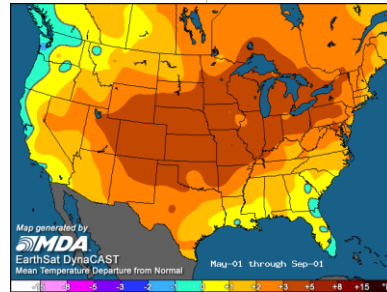


Dryness persisted from planting to early August. Temperatures were much above normal throughout the summer

Precipitation (% of 30 year normal)



Temperature (% of 30 year normal)

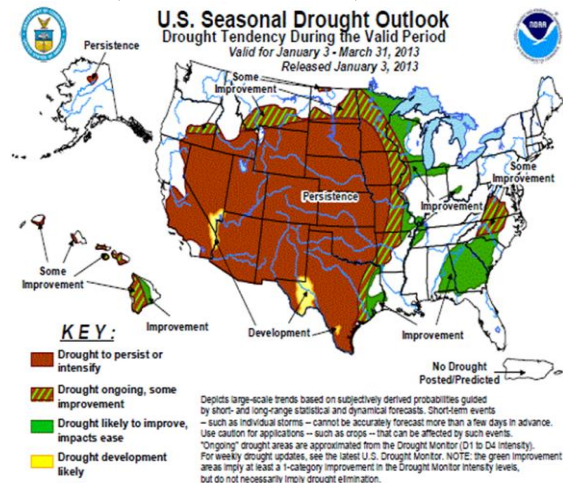


- Record high temperatures and continued dry conditions allowed for rapid harvest progress across the U.S.
- The harsh 2012 growing season was somewhat offset by significant improvements in plant genetics and intensive application of fertilizer and crop production inputs.



WEATHER

- NOAA reported 2012 was the hottest year at 118th warmest out of 118 years of data
- 2012 was 15th driest over the entire Midwest
- Unusually warm January now across the northern cornbelt, along with persistent dryness over the WCB, could make the trade nervous about 2013 prospects



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Conclusions

2011/2012 South and North American droughts resulted in the most dramatically tight food stocks situation in modern agriculture – new crops huge

March 1 stocks next issue to clarify old-crop supply

Situation is confusing, but the job of old crop is to stem demand for the March/August time period

WHEAT

Lower world supplies – US is price competitive – wheat will be not able to push into feed rations as in last year

CORN

🕒 Geographic supply dislocations were a major result of drought; US exports at record low pace - Brazil, Argentina, and Ukraine are world suppliers

🕒 US corn market share is lowest in living memory, - Jan reports shows us we never rationed enough

🕒 Ration nearby – huge potential for new crop could mean price pressure

SOYBEANS

🕒 January report maintained what November 9th report started, with larger yields and production

🕒 2012/13 carryout remains minimal, but demand is the key to prices next 3/6 months

🕒 US now waiting for SA supplies - logistics will be next bullish input

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South America

Oct-Nov Developments give way to better Jan/Mar

- Trends: Argentina – 200/400 percent of normal rainfall
- Brazil – low moisture in 4 major regions that produce 53 percent of total soybean crop

Dec/Jan – corn plantings in Argentina caught up with averages, Brazil in line with record corn and bean crop

- As of 1/11/213, Mato Grosso in Brazil 2-3% harvested, with few issues, 80/84 mmt bn potential
- Entering 6 weeks of dry weather – production estimates are closer to 50 mmt versus a starting point of 54 mmt = corn pollinating through stress
- Current chatter: increasing dryness in Argentina and southern Brazil - weather market, but not a large concern - yet
- Logistics are the next concern as harvest begins in Brazil
 - Port capacity not the issue – trucking, getting crops to port is