



Analysis

Margins and costs of farming in Argentina

We present as example this model of farming production of costs and margins.
Province of Entre Ríos, with yields and costs estimated on average.

ESTIMATED MARGINS AND COSTS OF A FARM

It was calculated over a farm of 1,500 acres, with a production scheme based due rotation which allows the cropping of 2,000 acres

Yields and costs are based on average
Values in US dollars

Area	500	500	500	500
	Wheat	Late Soybean	Corn	Early Soybean
Yield (undredweight per acre)	13,2	10	34	13,6
(\$/hundredweight)	\$ 10,35	\$ 16,41	\$ 7,35	\$ 16,41
Income per acre	\$ 136,57	\$ 164,13	\$ 250	\$ 223,22
Marketing expenses (\$/acre)	\$ 17,2	\$ 18,4	\$ 46,8	\$ 31,5
Plantation costs (\$/acre)	\$ 29,2	\$ 45,6	\$ 54,4	\$ 42
Harvest expenditures (\$/acre)	\$ 7,2	\$ 11,2	\$ 12,8	\$ 13,6
Gross Margin	\$ 82,8	\$ 88,93	\$ 136,01	\$ 136,06
Gross Margin by cycle	\$	171,90	\$ 136,01	\$ 136,06
Gross Margin by Business Unit	\$	85.954,67	\$ 68.006,67	\$ 68.034,67
Gross Margin of Total Production Unit	\$			221.996,00

Current invesments	\$ 53,6	\$ 75,2	\$ 114	\$ 87,1
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Values per acre on annual basis:

Total Income	\$ 773,94
Total Expenses	\$ 329,95
Ratio I/E	2,35
Gross Margin per acre	\$ 444,99