Due to this situation with Coronavirus, most of business are operating from home-office. In case of need, please contact us through our Key Personnel mobile phones in our website (williams.com.br)

AGRIBUSINESS EXPORTS GROW 5.9% IN THE FIRST 4 MONTHS OF THE YEAR

Brazilian agribusiness exports increased by 5.9% in the first four months of the year, compared to the same period in 2019. Foreign exchange revenue in the period was US $ 31.4 billion, an increase of US $ 1.75 billion before 2019, informs the Confederation of Agriculture and Livestock of Brazil (CNA). The main destinations for Brazilian products in the period were China, the European Union and the United States. The Asian country imported US $ 11.8 billion or 38% of the Brazilian tariff in products in the segment from Brazil, while the European bloc and the United States bought respectively US $ 5.1 billion and US $ 1.9 billion. The CNA reports in the statement that "the month of April was marked by a large increase in sales of soybeans to China, which contributed to the growth of the results for the four-month period. However, it brought an even more concentrated profile for Brazilian exports, since other sectors registered significant declines ". Chinese purchases of Brazilian beef rose 138% from January and April this year compared to the first four months of 2019, totaling US $ 1.1 billion. Regarding chicken meat, the Asian country bought US $ 150.9 million more than in the first four months of last year, which added up to US $ 457.4 million in sales. Shipments of pork from Brazil to China, the largest consumer of this type of animal protein in the world, rose 221.5%. "With the loss of a large part of their herd due to PSA (African Swine Fever), the Chinese had to turn to the international market in an attempt to supply part of the domestic demand, which led Brazilian exports to the country to skyrocket," he explains. the Confederation. Two other Brazilian commodities that registered an increase in the period were cotton and sugar. Feather was highly demanded in Asia, with China having the largest increase in product purchases, with a positive variation of 79%. Regarding raw sugar, Bangladesh, Saudi Arabia and Indonesia together bought another US $ 514.8 million from Brazil. In the case of refined sugar, the significant increase came from purchases from Venezuela and African countries (Ghana and Senegal mainly).
Source: Revista Dinheiro Rural

CHINA'S DEMAND FOR BRAZILIAN SOY EXPECTED TO GROW STEADILY OVER NEXT TEN YEARS

The São Paulo Investment and Competitiveness Promotion Agency, Investe SP, believes China will continue to lead global grain imports and reduce meat purchases from abroad in the next decade. The analysis is from their China Agricultural Outlook 2020-2029 report, produced based on a conference held recently in Beijing, which outlined the agricultural prospects for the Asian country, projecting its needs for the next ten years. Over the next ten years, China will remain a major grain importer, with emphasis on soy, corn, wheat, and rice, in addition to sugar and animal products such as beef, pork, and chicken. Other products such as fruits, eggs, dairy products, and fish can also generate opportunities for Brazilian agribusiness. Brazil is China's main supplier of soybeans. Of the 88.6 million tonnes imported in 2019, around 65% came from Brazil. For the next decade, the Chinese will remain the largest importers of soybeans in the world, with an average annual growth rate close to 1%, which could approach 100 million tonnes imported in 2029. If confirmed, the volume would represent an increase of around 13% in Chinese soy purchases. In the case of corn, Brazil is not yet a significant supplier. Beijing has sought to guarantee its supply from Ukraine. However, given the significant increase in Brazilian production and the current exchange rate levels, it may become more competitive in the Chinese market.
Source: Datamar News/Invest SP/Valor Econômico

BRAZILIAN SUGAR EXPORTS GROW 23.4% IN FIRST QUARTER OF 2020

DataLiner data shows that Brazilian sugar exports increased by 23.4% in the first quarter of 2020 compared to year-ago levels, totaling 3.77 million tons of throughput. Rising sugar prices, a fall in the price of ethanol in the domestic market, and the devaluation of the real against the dollar have all stimulated exports. Data from the Foreign Trade Secretariat (Secex) shows that in April, Brazil exported 1.55 million tons of sugar, an increase of 27.5% when compared to the 1.22 million tons shipped in April of 2019. In the first two weeks of May alone, Brazilian sugar exports totaled 1.57 million tons (ten working days), a volume that exceeded the total amount exported in May 2019.
Fonte: Datamar News

ANEC NUMBERS INDICATE SHIPMENTS OF 14.7 MILLION TONS OF SOYBEANS IN MAY

Shipments of soybeans from Brazil may reach 14.7 million tonnes this month, considering the figures released by the National Association of Cereal Exporters on Tuesday (19/5). According to Anec, between May 1st and 16th, 7.5 million tons of grain were shipped. And from the last 17th to the 31st, another 7.2 million tons are scheduled, according to the entity's bulletin. "In the last week, from 05/10 to 05/16, 56 ships were loaded with soybean loads, totaling 3.4 million tons, in addition to eight ships with soybean loads totaling 425 thousand tons. An additional 3.4 million tons of soybeans are scheduled to be shipped this week (05/17 to 05/23), in addition to 428,000 tons of soy bran ", says Anec, in the note, which updates the entity's assessments to the effects of coronavirus on exports. The Association reinforces that, despite measures to restrict circulation and even lockdown in some regions due to the advance of the pandemic in Brazil, cargo handling was not affected, since it is considered an essential activity. And port operations continue normally, says the entity, with preventive measures adopted at all terminals in the country. The National Association of Cereal Exporters also assesses that the movement of goods should not be affected even by an eventual lockdowm in São Paulo. However, he warns, however, regarding the transit and negotiation of shipping documents, which necessarily pass through the capital of São Paulo.
Source: Revista Globo Rural

EXCHANGE AND HIGH RENT IN THE LEASE INCREASE COSTS OF CORN PRODUCTION IN MATO GROSSO FOR HARVEST 2020/2021

The exchange rate appreciation, which increased by 4.39% in April, raised corn production costs in Mato Grosso for the 2020/21 harvest, points out the latest survey by the Mato Grosso Institute of Agricultural Economics (Imea). According to the institute, the rise in the dollar was reflected in the increase in prices of imported inputs, such as macronutrients and fungicides, which came to increase by 4.66% and 10.61%, respectively, in relation to the last report. In view of this new situation, variable costs are estimated at R $ 2,565.93 / hectare, an increase of 2.90% in comparison with March. Operating costs, however, rose 2.93% on the same comparative basis, impacted by the appreciation of land lease in the state.
Source: Universo Agro / DATAGRO

PETROBRAS INCREASES BY 12% THE PRICE OF GASOLINE FOR DISTRIBUTORS

The average price of Petrobras' gasoline for distributors rose 12% (or R $ 0.14 per liter), starting to cost R $ 1.26 per liter. The readjustment went into effect on Thursday (21) and was the third in May. In the year, 16 readjustments for gasoline and 12 for diesel were already promoted, with 12 reductions for gasoline and eleven for diesel. As of May, the increases applied by the oil company add up to R $ 0.34 per liter, following the recovery of prices in the foreign market. The company clarified that the successive reductions practiced up to last month totaled R $ 1 per liter, reflecting the falls in quotations in the international market. The value of diesel, which had been raised on Tuesday (12), by 8%, has not changed. In 2020, the drop in gasoline prices reached 34.2% and, in diesel, 39.7%. *Source: Jornal Cana*

ETHANOL DEMAND STILL WEAK, BUT PRICES ARE SUSTAINED

The price of hydrated ethanol was sustained in the São Paulo market for the third consecutive week, despite the fact that demand remains weak, according to a survey carried out by Cepea. Due to the still undefined behavior of prices at the beginning of the season in the Center-South region - few units were active in the spot market in the last week. Uncertainties about the impacts of the pandemic on the consumption of biofuels and the price of oil on the international market are still of great concern to the sector. According to the survey, the volume of hydrated ethanol traded last week and captured by Cepea registered a reduction of 37.6% in comparison with the previous period and 76% in comparison with the equivalent week of 2019. As for prices, between 11 and May 15, the CEPEA / ESALQ Indicator for hydrates was R $ 1.3931 / liter (without ICMS and without PIS / Cofins), an increase of 0.77% in relation to the previous period. The CEPEA / ESALQ Indicator for anhydrous was R $ 1.5424 / liter (without PIS / Cofins), a slight increase of 0.55% in the same comparison. *Source: Jornal Cana*

PROGRAMMED SUGAR SHIPMENT FROM BRAZIL SENDS RECORD EXPORTS, SAYS DATAGRO

The queue of ships to carry sugar in Brazil more than doubled in the last week, signaling volumes as high as those recorded in a period in which the country had a monthly record of exports, said the president of consultancy Datagro, Plinio Nastari, to Reuters. The statement was made after Brazil embarked in the first two weeks of this month 1.57 million tonnes of the product, already exceeding the volume shipped in the entire month of May 2019, according to government data. "As a sign of the increase in demand for Brazilian sugar, the queue for sugar shipment more than doubled this week, from 27 to 56 vessels scheduled to load 2.642 million tons, a volume four times higher than that programmed exactly one year ago," he said Nastari, founder of the consultancy. The crushing of Brazil's sugarcane crop has recently started, with the sector prioritizing sugar, which has gained more advantage over ethanol, whose market was affected by the impact of measures to combat the coronavirus. In the case of the sweetener, the dollar at historic highs favors shipments abroad. According to Nastari, the last time that the shipping schedule reached this mark, in September 2017, Brazil broke a monthly export record, with 3.5 million tons. Among the main destinations, China stands out, which should absorb 14% of the volume scheduled for shipment, or 367 thousand tons, followed by Egypt, with 8.8%, and Indonesia, with 7%. Shipments of sugar (raw and refined) from Brazil reached 5.85 million tonnes in the first four months of the year, compared to about 4.5 million in the same period last year, according to government data. Brazil will increase sugar production by 18.5% in the 2020/21 harvest, to 35.3 million tons, with a greater destination of cane for the production of sweetener, according to the National Supply Company (Conab). According to Conab, the devalued real against the dollar, the anticipated sales of a large part of production, a drop in world production in the 2019/20 harvest and the expectation of expansion of Brazilian production in the 2020/21 season contribute to the increase in Brazilian exports in this period. year. Around 80% of the sugar to be exported by Brazil has already been negotiated in advance, with the sector taking advantage of higher prices for the commodity between October 2019 and February 2020, before, therefore, the more severe impacts of the coronavirus. *Source: Reuters/Portos e Navios*

PERFORMANCE OF BERTHS AT SANTOS HAMPERED DUE TO LACK OF DREDGING MAINTENANCE WORK

A delay in carrying out dredging and maintenance work at Santos has caused 7 of the 64 berths to lose their operational draft, hampering berthing ability of large vessels. The loss of draft happened even with an existing dredging contract. Until recently, the works were coordinated by the National Department of Transport Infrastructure (Dnit) and carried out by Van Oord Maritime Operations. According to the Santos Port Authority, the corrections were not encompassed in the contract with Dnit because it only provided for the readjustment of the geometry of the channel and the berths. On January 8, a maintenance contract was signed with DTA Engenharia but, according to the SPA, it was impeded. “The preliminary injunction that prevented the work from starting was lifted on April 23 and, on April 29, a service order was signed for the mobilization of berth equipment,” stated SPA. Dnit, on the other hand, only informed that the reduction in draft is not related to the organ’s dredging contract. *Source: Datamar News/A tribuna*

PORT OF ILHEUS RETURNS OPERATION WITH SOYBEAN

Suspended since August 2018, soybean operations have been returned at the Port of Ilhéus since May 4, with the shipment of 30,000 tons of the commodity. The forecast for this resumption operation is to carry out up to five shipments, with a total load of 150 thousand tons of the product. To reactivate the movement of soy in the port, the companies Cargill and Intermarítima invested in the recovery of equipment that was out of use, which made it possible to receive the initial load of 30 thousand tons of raw soy. The movement of soy represents an increase in the rate of occupation of the pier - with the mooring of five (5) more vessels compared to last year - and an increase of more than 100% in cargo handling, in relation to the performance of 2019. For 2020, it is projected an increase of 32% in the revenue of the Organized Port of Ilhéus, in relation to last year's turnover.

Source: Portos e Navios

Please, do not hesitate to contact us for futher information through our commercial@williams.com.br and lineup@williams.comb.br! Always keeping you duly posted