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BRAZIL'S TRADE BALANCE REGISTERS US\$ 1.8 BILLION SURPLUS IN 4TH WEEK OF JULY

Data on Brazil's trade balance, released on Monday, July 27, by the Foreign Trade Secretariat (Secex), shows a US\$ 1.836 billion surplus and a US\$ 7.244 billion trade flow in the fourth week of July 2020. This is the result of exports worth US\$4.54 billion and imports of US\$2.704 billion. The cumulative total for the year shows exports totaled US\$ 117.321 billion and imports US\$88.572 billion, with a positive balance of US\$ 28.749 billion and a trade flow of US\$ 205.893 billion. On the export side, a year-on-year comparison of the daily average up to the fourth week of July 2020 shows a 1.1% dip down to US\$866.76 million, led by a 10.3% drop in sales from the manufacturing industry. On the other hand, there was a 22.2% increase in agribusiness sales and a small increase in the mining industry (+ 0.4%). On the import side, the daily average until the fourth week of July 2020 was down 34% to US\$509.74 million year-on-year. The fall was led mainly by the mining industry (-57.3%) and manufacturing (-32.8%). There was a slight increase in imports related to agriculture (+ 0.4%).

Source: *Datamar News*

GOVERNMENT AUTHORIZES REOPENING OF AIR FRONTIERS FOR ENTRANCE OF FOREIGNERS IN BRAZIL

The Federal Government authorized the reopening of air borders for foreigners to enter Brazil. The ordinance published in the Federal Official Gazette opens the airspace, but maintains restrictions for land transit at the borders or in waterway transportation for another 30 days. Foreign passengers will be able to visit Brazil for up to 90 days provided they present proof of purchase of health insurance valid for the entire period of the trip. However, the ordinance maintains a ban on international flights to some airports: those in the states of Mato Grosso do Sul, Paraíba, Rondônia, Rio Grande do Sul and Tocantins. The entry of foreigners into Brazil was banned in late March due to the pandemic of the new coronavirus. Initially, the ban was for 30 days, but ended up being extended several times. However, the restriction of foreigners' entry across land borders continues, with some exceptions: for cargo transportation; in case the visitor needs to enter Brazil to take a flight back to the country of origin; or if the foreigner is a resident of a border city, provided that he presents a document proving and there is reciprocity in the treatment of the Brazilian by the neighboring country, or even if the foreigner is in the condition of immigrant, that is, a first-degree relative of Brazilian. The ordinance, however, prohibits the entry of immigrants or relatives of Brazilians who come from Venezuela.

Source: *Radioagência Nacional*

MERCOSUR-CANADA: AGREEMENT CAN RAISE EXPORTS FROM BRAZIL BY US\$ 7,8 BILLION

The signing of the free trade agreement between Mercosur and Canada has the potential to increase revenues of Brazilian agricultural products exports by US\$ 7.8 billion, according to a study by the Confederation of Agriculture and Livestock of Brazil (CNA). According to the CNA, the results of the document show the relevance of the agreement for the sector and will subsidize Brazilian negotiators with technical data, to help in decision-making and in defining the country's positioning. Meats, cereals, flours and preparations, fruits and soy complex are the sectors of the agribusiness, according to the CNA, which have the most potential to benefit from the agreement. In the soy complex (grain and hipro), the CNA estimate is for an increase of US \$ 703.9 million, despite competition with the United States. "The geographical proximity between the two North American countries implies lower costs for logistics and transportation", indicates the study. With regard to tariffs, the understanding of the entity's study is that the Canadian market tends to negotiate the elimination of a good part of them in the year following the entry into force of the agreements, which may benefit Brazilian

producers in the short term. In 2019, trade in agricultural products with Canada recorded a turnover of US \$ 628.7 million. Brazilian exports of fresh chicken meat, cashews and corn increased by US \$ 21.3 million, according to data from the Ministry of Economy.

Source: *Canal Rural*

GRAIN HARVEST SHOULD GROW 27% IN THE NEXT DECADE, SAYS STUDY

Brazil's grain production is expected to increase 27% in the next decade. The estimate appears in the Agribusiness Projections, Brazil 2019/20 to 2029/30, updated annually based on information covering the period from 1994 to May this year. The study is carried out by the Secretariat of Agricultural Policy of the Ministry of Agriculture, by the Secretariat of Intelligence and Strategic Relations of the Brazilian Agricultural Research Corporation (Embrapa) and by the Department of Statistics at the University of Brasília (UnB). The report points out that Brazilian agriculture has a promising scenario for the next ten years, despite the occurrence of the covid-19 pandemic, which affected some agricultural activities, such as vegetables, fruits and milk. In the projection for the next decade, Brazil will jump from the current 250.9 million tons in 2019/20 (according to a survey by the National Supply Company - Conab -, from May / 2020) to 318.3 million tons, 27% increase in national production. Cotton, second-crop corn and soybeans are expected to continue driving growth in grain production. The grain planted area is expected to expand from 65.5 million hectares to 76.4 million hectares in 2029/30, up 16.7%. Taking into account the total area planted with crops, including grains, sugar cane, cocoa, coffee, orange, fruit and cassava, the country should increase from 77.7 million hectares (2019/20) to 88.2 million (2029/30), up 13.5%.

Source: *Revista Dinheiro Rural*

BRAZILIAN DAILY SUGAR EXPORT AVERAGE GROWS 85% IN JULY

Until the fourth week of July, the daily average of Brazilian sugar exports jumped by 85%, with the average shipment per working day totaling 146,400 tonnes, compared to 79,180 tonnes in July last year. The data is from the Foreign Trade Secretariat (Secex). According to the agency, the country already exported 2.63 million tonnes of sugar in July, higher than the total of 1.82 million shipped in the same month of 2019. The soy export average also grew, from 323,600 tonnes a day in July last year to 485,000 tonnes by the fourth week of this month, totaling 8.7 million tonnes shipped. Meanwhile, corn exports declined. Coffee, on the other hand, remains at a practically stable export pace. In the extractive industry segment, iron ore shipments also have a daily average close to stability, while the pace of oil sales has more than doubled.

Source: *Reuters*

BRAZIL'S SOYBEAN HARVEST EXPECTED TO REACH A RECORD OF 130 MILLION TONNES IN 2020/21

A survey conducted by Reuters shows that Brazil's soybean production in 2020/21 is expected to jump to a record 130 million tonnes, with good prices driving farmers to increase planting in pasture areas after a drought reduced the harvest in the south of the country in 2019/20. The survey carried out with eight experts indicates that Brazil, the largest global producer and exporter of soybeans, may increase its harvest by about 8% compared to the 120.9 million tonnes projected by the government in the previous cycle. The growth, of almost 3% in the harvested area, to the unprecedented level of 38 million hectares, is driven by high-profit margins, coupled with the exchange rate boost, which allowed accelerated advance sales by producers, according to analysts. "Almost 50% of the soybean crop has already been sold, at a record pace, this shows the trend of growth in the area," Bartolomeu Braz Pereira, president of producer association Aprosoja Brasil, told Reuters.

Source: *Reuters*



WHEAT PLANTING COMPLETED IN RIO GRANDE DO SUL

The sowing of wheat is concluded in Rio Grande do Sul. The predominance of firm weather, high temperatures and excellent solar radiation during the period contributed to the good development of the crops. According to data from the Conjunctural Newsletter, a document prepared by Emater / RS-Ascar in partnership with the State Secretariat for Agriculture, Livestock and Rural Development (Seapdr), released on Thursday 30, in most regions, producers took advantage of favorable conditions of the climate to carry out the cultural treatments of nitrogen fertilization in cover, control of pests and diseases, in addition to the control of invasive plants. In the administrative region of Emater/RS-Ascar de Santa Rosa, the first wheat crops sown have already started flowering. The initial expectation is that productivity will be 3,090 kilos per hectare, since the implanted crops have a good population of plants and a good general appearance. The frosts that occurred in the previous weeks, associated with the application of nitrogen fertilization, had a positive impact on the crop. The price of grain remains stable in the region, and the good price of wheat should guarantee profitability for producers.

Source: *Universo Agro / DATAGRO*

CORN PLANTED AREA IN THE 1ST HARVEST SHOULD GROW 1.8%, DATAGRO SAYS

The corn planted area in Brazil's first harvest is expected to increase 1.8% in 2020/2021, to 4.46 million hectares, compared to 4.38 million hectares in 2019/2020, Datagro projected. According to the consultancy, if the climate remains within the normal range and there is "maintenance of a high technological standard", the production potential of summer corn will be 28.39 million tons, 8.8% above the estimated 26.10 million tons consultancy for the current season. For the winter harvest, Datagro projects an area increase of 3.2%, to 14.82 million hectares, compared to 14.36 million hectares in the current cycle. The production potential, according to Datagro, is 83.74 million tons, 8.2% above the 77.37 million tons projected for this year. According to Datagro's grain coordinator, Flávio Roberto de França Junior, Brazil can produce a total of 112.136 million tonnes in 2020/21, exceeding the 103.470 million tonnes of the current season in both seasons.

Source: *Canal Rural*

CARGO HANDLING IN PUBLIC PORTS GROWS 6.6% IN THE 1ST SEMESTER

The movement of cargo from public ports grew by 6.6% in the first half, compared to the same period last year. During the period from January to June, 168.8 million tons were transported compared to the movement of 158.4 million tons in 2019. The data from the Ministry of Infrastructure reflect the activities of eight port authorities that concentrate about 80% of the lease agreements at national ports. The highest growth was registered at Companhia Docas do Pará, with an increase of 26.5%, followed by the Port of Suape (16.7%), Ports of Paraná (12.6%), Santos Port Authority (12%) and Emap (5.1%). The numbers consolidate the growth trend that had already been registered in the port sector data until May. As the Broadcast (Grupo Estado 's real-time news system) showed, the ministry' s assessment is that the segment has shown itself resilient to the crisis of the new coronavirus, with the help of the harvest, which should have a record, and the devaluation of the real.

Source: *Revista Dinheiro Rural*

NEW DEVELOPMENT PLANS FOR SANTOS PORT ARE APPROVED

The new development plans for Santos Port were approved on Tuesday, July 28, by the Infrastructure Ministry (Minfra). It approved the new Development and Zoning Plan (PDZ) for the port and published Ordinance No. 1,620 in the Official Gazette this Wednesday (07/29), which states it will allow the port modernization to be implemented by strategically planning the occupation of public areas for the next 20

years. The implementation of the plan will increase the capacity of the Santos complex by approximately 50% by 2040, reaching 240.6 million tonnes. The instrument was developed over the last year by the Santos Port Authority (SPA), based on guidelines for operational efficiency and port-city integration. The new PDZ updates the 2006 version to ensure an efficient flow of cargo. The need to do this had been identified in the Master Plan, Minfra's macro planning instrument, published in April 2019, with a schedule for updating port planning. The new PDZ for the port encompasses 100% of the cargoes in the region that deal with the port, the consolidation of areas for cargo clustering, and the increase in railway transportation. In terms of integration with the city, the plan includes solutions for interference with road and rail access and the destination of the Valongo pier for the handling of passengers on cruise ships. The new plan will be implemented immediately, with changes in the type of cargo carried out as the current contracts expire.

Source: *Datamar News*

PORT OF SUAPE RECEIVES 330 METERS SHIP FOR THE 1ST TIME

Over the past few years, the ships employed by shipping companies have evolved in capacity and technology, being able to transport more products with reduced costs. One type of large vessel is the Sammax class container ship (the largest available in South America), which can measure 336 meters in length, 48 meters in width and 15.2 in maximum draft. It was a ship of this class that the Port of Suape received on Thursday 23, for the first time and unloaded on the morning of Friday 24. The vessel "MSC Nitya B" belonging to the company MSC - Mediterranean Shipping Company, docked at pier 2 for the landing of 233 containers and the loading of 55, for a total of 288 handled. The ship came from the Port of Valencia (Spain) and left Suape for the Port of Salvador (Bahia). The vessel is 330 meters long (LOA), capable of transporting 12 thousand TEUs and 15.2 meters of maximum draft. Previously, the largest container port that had docked at the port in Pernambuco was 305 meters long and 48.2 meters wide. "Suape is a world-class port, with deep waters, a strategic location and trained professionals to ensure safe mooring, we are prepared for large vessels", stresses the port management director, Paulo Coimbra.

Source: *Portos e Navios*

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