

EXPORTS REACH HISTORICAL SHARE

In October, exports of cooperatives registered their best historical percentage share in the trade balance, with 2.9%, equivalent to US \$ 5.302 billion of the total of US \$ 183.46 billion sold by Brazil. The performance of cooperatives is concentrated in items related to agribusiness, such as soybeans, soybean meal, meats (especially poultry and pork), refined sugar and coffee beans. The amount exported represents a growth of 20.8% over the accumulated in 2016, but there is no expectation that the historic record of 2012 will be beaten, when US \$ 6.233 billion were exported. According to data from the Ministry of Industry, Foreign Trade and Services (MDIC), the presence of cooperatives has remained stable in recent years - 232 in 2017, down from 234 last year. Some cooperatives are among the largest Brazilian exporters, such as Copersucar (sugar and ethanol), which occupies the 12th position, Coamo (soybeans and soybean meal), 19th largest exporter, and Aurora Alimentos (poultry and pork) in 49th place. In spite of the small share of total volume, cooperatives play a significant role in items of global exports such as fresh chicken meat (19.5%), coffee beans (15%), pork (22.7%), refined sugar (36%) and cocoa (60%).

Src.: *Valor Economico*

NEW RAILROAD IN PARANÁ IS CRUCIAL FOR GRAIN DISPOSAL, SAYS THE STATE GOVERNOR

The governor of Paraná, Beto Richa, said that the construction of a new railroad in the state is crucial to meet the growing demand for Brazilian agricultural commodities. Paranaguá, the second largest grain handling port in Brazil, made important investments for the improvement of its infrastructure, but was not accompanied by the logistic reality arrived at the port. Richa went to São Paulo to officially launch the call for investors. He recalled that less than 20% of the drive from Paranaguá currently arrives by train.

Src.: *Valor Economico*

WORLD GRAIN HARVEST TO REACH 2,079 BI / TON IN 2017/18 HARVEST

In its most recent crop monitoring report in November, the International Grains Council (IGC) predicts that world production of grain [soybeans, corn, wheat and rice] in the 2017/18 crop is expected to reach to 2.079 billion tons. In turn, production for the 2016/17 season, which is ending, is expected to reach 2.134 b / ton. The council raised the estimate for the global grain trade in the 2017/18 crop to 359 mln / ton, 6 mln / ton above the projection for the 2016/17 crop. World consumption will also grow in the 2017/18 season compared to the previous one, jumping from 2,091 bi / ton in the 2016/17 crop to 2,107 bi / ton the next. According to the IGC, global stocks at the end of the 2017/18 period are expected to be around 496 mln / ton, 27 mln / ton less than expected for the 2016/17 crop.

Src.: *Valor Economico*

EXPORTS OF CORN GREW 190% IN THE PORT OF SANTOS

Cargo movement in the Port of Santos registered a record in October and reached the highest mark for one month, with 109,052 million tons. The most traded port cargo was corn, whose exports grew 190.1% last month, when 2,193 million

tons were loaded, according to information from Companhia Docas do Estado de São Paulo (Codesp). Another important product in the movement of the port was the soya complex, with exports increasing from 66.3% to 448.535k tons in the month and 13.3% until October, reaching 20.680 million tons, item of greater movement in Porto of Santos. In the export agenda, soybeans, sugar and coffee emerged as the busiest cargoes in terms of commercial value. China remains the main importer of goods shipped in Santos, representing a total of US \$ 7.993 billion, 15.8% of the exports made by the complex.
Src.: *Universo Agro*

SUGARCANE PROCESSING IS LOWER IN CENTRAL-SOUTH

Cane milling in the Center-South region reached 30.6 million tons during the second half of October, totaling 529.60 million tons since April, down 1.9% over the same period in 2016/17 (540, 25 million). As rains only occurred at the end of the month, the sucrose concentration reached 153.64 kg ATR per ton of sugarcane in the last two weeks of October, an increase of 11.3% over the same period of last year. In the accumulated crop, the production of ATR reached 72.98 million tons, slight growth of 0.8%. According to information from DATAGRO Consultoria, only 43 mills have already closed their activities until the second half of last month, against 67 units a year ago. More sucrose has been directed to ethanol production, with the sugar mix reaching 42.85% in the second half of October, down 6.44% in a year. As a result, sugar production reached 1.883 million tons in the second half of October, down 8.7% from the same period last year, totaling 33.102 million tons in the harvest since April, an increase of 2.8%. The production of hydrous ethanol in turn increased 34.2% to 921 million liters in the second two weeks, while anhydrous production reached 649 million liters, an increase of 3.6% in a year.

Src.: *Universo Agro*

CENTRAL-SOUTH CANE REGIONS RECORD MORE RAINFALL IN NOVEMBER

November has been a month with more rains in the sugarcane areas of the Center-South Region of Brazil. According to the monitoring carried out by DATAGRO Consultoria, the average rain recorded until November 19 was 129.8 mm, corresponding to 16.6% of the expected volume for the whole month. Among the states monitored by the consulting firm, only Goiás and Mato Grosso recorded above-normal rains, reaching 227.7 mm and 164.6 mm, respectively. In São Paulo, rainfall was 118.5 mm, in Paraná, 75.6 mm, Minas with 106.3 mm and in Mato Grosso do Sul, where the index was 139.6 mm. In the first half of this month, four grinding days were lost due to the rains, a number below the last two years, when six days were lost in the same period of 2016 and 4.5 days lost in 2015. In the accumulated of the year, since April, the number of days lost reaches 31, compared to 30.7 in 2016 and 33.5 days lost in 2015. The rains should not stop in the next few weeks. A cold front coming from the South Region should bring more rainfall in almost all the sugarcane areas of the Center-South. According to DATAGRO, up to November 30th it should rain 70.0 mm in the region average, reaching a volume of 200 mm in the whole month, corresponding to an index of 28.6% of the normal climatological.

Src.: *Universo Agro*



GLOBAL SUGAR EXPORTS EXPECTED TO RISE 3.2% IN 2017/18 SEASON

Global sugar exports in the 2017/18 season are expected to grow 3.2% compared to the previous crop, being pulled by Thailand and the European Union. Brazil will maintain world leadership, with shipments estimated at 22.1 million tons, just over half of what is traded globally per crop. The figures were presented by José Orive, executive director of the International Sugar Organization (ISO), on the second day of the 17th DATAGRO International Conference on Sugar and Ethanol. According to Orive, China is expected to remain the largest importer of sugar. According to the director of ISO, world consumption in the 2017/18 season is expected to increase by 1.77% compared to the previous harvest. "Equatorial Africa, the Far East, Oceania and India are expected to pull demand," said Orive, adding that consumption should retreat in Europe, the United States and South America. With a forecast surplus of 4 million tons, the trend is for depressed prices in the 2017/18 crop, Orive said. The leader also drew attention to the fact that the prospects of new market openings for sugar on the international scene are low. "Europe is especially refractory to that."

Src.: Universo Agro

OIL PRICES FALL DUE TO STRONG US DOLLAR

Oil futures are trading lower on Tuesday (November 28th) morning. The commodity is pressured by the stronger US dollar and expectations are also expected for this week's meeting of the Organization of the Petroleum Exporting Countries (OPEC). At 9:32 p.m. of that day, WTI crude for January fell 0.88% at \$ 57.60 a barrel on the New York Mercantile Exchange (Nymex) and Brent for February, the most liquid contract, was down 0.76%, to US \$ 62.90 a barrel, at ICE. In exchange, the US dollar is slightly stronger against other strong currencies. This move makes oil more expensive for holders of other currencies and undermines investor demand. In addition, there is hope for the OPEC meeting. The cartel and other countries outside the group, such as Russia, decide on Thursday (November 30th) will extend the deadline of the agreement in effect to cut supply. Currently, the initiative is scheduled to end in March, but investors believe it could take effect until December 2018. In the assessment of Norbert Rücker, director of macro and commodity research at Julius Baer, caution is needed on oil prices amid signs that shale production continues to hold strength in the US. UBS Wealth Management commodity analyst Giovanni Staunovo maintains that it is not yet clear whether there will be agreement among all parties to keep the agreement until the end of next year, as the market expects. There will also be attention to possible signs of an "exit strategy" of the agreement and whether the cartel will pressure Libya and Nigeria to also participate in the initiative. The two countries were previously excluded because they faced problems with civil unrest and in their infrastructure of the sector. JBC Energy says the most likely outcome is the extension of the agreement for another six or nine months. Tamas Varga, an analyst at PVM Oil Associates, said anything other than a nine-month extension could lead to disappointment and a sharp outflow of investors from the market. Oil prices have jumped more than 20% since September, in anticipation of an extension of the deal, as well as some episodes that have

raised geopolitical risk.

Src.: Revista Exame

ORANGE JUICE: EXPORTS REVENUE INCREASE 84.3% AND VOLUME 47.2% IN OCTOBER

Total export revenue of Brazil's orange juice rose 84.3% in October compared to the same month in 2016, from US \$ 114 million to US \$ 210.1 million, according to the Ministry of Industry, Foreign Trade and Services (MDIC). Compared to September 2017, there was a 0.91% increase over the US \$ 208.2 million recorded that month. The total volume of orange juice exported last month was 215.5k tons, down 8.22% from a total of 234.8k tons in September and an increase of 47.2% from a total of 146.4k tons in October 2016. With the result of October, cumulative sales of juice in the first ten months of 2017 reached 1.755 million tons, 8.8% less than the total of 1.924 million tons shipped in the same period of 2016. Revenue from January to October totaled US \$ 1.566 billion, only 0.25% below the US \$ 1.570 billion recorded in the same period of 2016. In October, sales of concentrated and frozen orange juice (FCOJ) amounted to US \$ 104 million, up 21.1% from US \$ 85.9 million in September and an increase of 85.1% over the total of US \$ 54.2 million in October 2016. The volume of concentrated juice was 56.2k tons in October, 1.92% lower than the total of 57.3k tons in September and 84.4% higher than the volume of 29.4k tons in October 2016. Sales of non-concentrated and non-frozen (NFC) juice sales were US \$ 106.1 million in October, down 13.25% from US \$ 122.3 million in September and an increase of 77.4% % compared to US \$ 59.8 million in October 2016. Meanwhile, the volume of NFC exported was 159.3k tons last month, down 10.25% from 177.5k tons in September and a high of 36.15% against 117k tons in October of the year past.

Src.: Revista Globo Rural

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