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**INCREASE IN ETHANOL DEMAND BY 2030 MAY STIMULATE EXPANSION OF BRAZILIAN AGRICULTURAL LAND**

A study led by the University of Queensland revealed that future demand for ethanol could potentially expand Brazil's sugarcane farmland by five million hectares by 2030. UQ researcher Milton Aurélio Uba de Andrade Junior said that as Brazil produces ethanol from sugarcane, future demand for biofuels would directly impact land use. "Our study modeled scenarios for forecasting future ethanol demand based on different trajectories of gross domestic product, population growth, fuel prices, blending policies, fleet composition and efficiency gains," he said. "A scenario of high demand fueled by strong economic and population growth, high gasoline prices and ambitious blending targets could mean that current demand for ethanol in Brazil will double by 2030." According to him, if this scenario occurs, Brazil will need another five million hectares of land for sugarcane crops, in order to meet the high demand. The researcher also said that most additional sugarcane farms will likely expand over pasture, minimizing the impact on native forests.

Source: *Nova Cana*

**SOYA HAS GOOD BUSINESS DAY FOR NEW CROP IN THE SOUTH REGION**

The Brazilian soyabean market presented mixed prices, but at firm levels. There was business, especially the new crop. Chicago rose and the dollar had a volatile day. There were records of business involving 200K tons in Rio Grande do Sul, half involving new crop. In Paraná, about 60K tons changed hands, also with half in advance. In Passo Fundo (RS), the 60-kilo bag fell from R \$ 83.00 to R \$ 82.50. In the region of Missions, the price dropped from \$ 82.00 to \$ 81.50. In the port of Rio Grande, the price rose from R \$ 86.50 to R \$ 87.00. In Cascavel, Paraná, the price followed at \$ 81.50 per bag. In the port of Paranaguá (PR), the bag stabilized at R \$ 87.50. In Rondonópolis (MT), the bag remained at R \$ 78.50. In Dourados (MS), the price was \$ 79.00. In Rio Verde (GO), the bag followed at R \$ 79.00.

Source: *Canal Rural*

**CORN: FAVORABLE CLIMATE AND HEATED DEMAND AFFECTS PRICE ON PORTS**

With dry weather in the countryside and the intense pace of exports, corn prices have been rising in Brazil in recent days, according to the Center for Advanced Studies in Applied Economics (Cepea). According to the institute, producers are far from the market and cooperatives and cerealists report difficulties in buying the cereal. Between September 12 and 19, the ESALQ / BM & FBovespa Indicator, Campinas - SP, rose 1.2%, closing at R \$ 37.89 / 60-kg bag. In the São Paulo regions of Itapeva and Sorocabana, the increases in values were 0.8% and 1.2%, respectively. In ports, prices rose this week due to stronger demand. In Santos (SP) and Paranaguá (PR), the prices advanced 2.6% and 4.4%, respectively, in seven days. Despite the rise, employees report that business is still punctual, given the disparity between buyer and

seller prices - for shipment in September and October, plaintiffs bid \$ 36 / sc and sellers ask for \$ 40 / sc. Exports, according to data from the Secretariat of Foreign Trade (Secex), recorded a daily average of 3.32K tons in the first 10 working days of September, which, if maintained until the end of the month, could result in foreign sales of almost 7 million tons, which would be a record for the period.

Source: *Canal Rural*

**CORN EXPORT WILL REDUCE INTERNAL OFFER AND SECTOR WILL HAVE PURCHASE DIFFICULTY**

The Federation of Agriculture and Livestock of Santa Catarina (Faesc) estimates that in 2020 may lack domestic corn to meet all demand. "The insufficiency of corn will be due to natural factors (drought, burning, delay in planting and reduction of cultivated area) and economic (increased exports of grain due to the favorable exchange rate situation)," said the entity in a statement. Faesc Vice President Enori Barbieri noted in a statement that Brazil will have a record harvest of 101 million tons and that 60 million tons will be for domestic consumption and another 40 million tons will be exported. According to the entity, 27 million have already been shipped out and another 13 million will be exported in due course. "And there's another detail: 5 million tons will be transformed into corn ethanol in the Midwest of Brazil, which will further reduce grain availability next year," he said. For Barbieri, "the Ministry of Agriculture lacked vision and planning." In his assessment, corn should already be lacking in the first half of 2020. "The scenario is worrying because, of the total demand, 96% is destined to animal nutrition, mainly poultry and swine herds." In Santa Catarina, the corn deficit - about 3.3 million tons / year - is supplied by grain purchases in Mato Grosso, Mato Grosso do Sul and Paraná, as well as imports from Argentina and Paraguay.

Source: *Revista Global Rural*

**EARLY SOYA SALE REACHES 25% OF EXPECTED VOLUME IN MS**

Growers of Mato Grosso do Sul marketed 25% of the 2019/2020 soyabean crop, whose planting has already begun, informed the Federation of Agriculture of Mato Grosso do Sul (Famasul). A survey by the Famasul System technical department using data from Granos Corretora indicates that the state should produce 9.68 million tons of soyabeans, 3.18% more than in the previous cycle. "Corn closed the harvest with a super harvest of 12.1 million tons in the state," Famasul said in a statement. The entity cites data from the SIGA / MS (Agribusiness Geographic Information System), which indicate cultivation of 2.1 million hectares (+ 19.88%) and productivity of 93.24 bags per hectare (+ 33%).

Source: *Revista Globo Rural*

**ETHANOL VOLUME TRADED IN GOIÁS WEEK IS THE LARGEST THIRD DAY**

The volume of hydrous ethanol fuel traded in the state of Goiás last week was the third largest for this season 2019/20 - below only that verified in the first week of the crop (from April 1st to 5th) and from May 13<sup>th</sup> to 17<sup>th</sup>. Research conducted by Esalq-USP's Center for Advanced Studies in Applied Economics (Cepea) shows that between 16<sup>th</sup> and 20<sup>th</sup> September, the amount of hydrate traded was 51.6% higher than the previous week and more than triple traded on



equivalent week of 2018. According to researchers, demand was very hot, which, coupled with the firm stance of some plants, raised the prices of biofuel in the period. Between September 16 and 20, the Cepea / Esalq Indicator for hydrous ethanol (for domestic sales) closed at R \$ 1.5273 / liter (excluding ICMS and PIS-Cofins), up 2.65% from the week previous. Regarding anhydrous ethanol, in turn, the Cepea / Esalq Indicator was R \$ 1.8419 / liter (without PIS-Cofins), a slight increase of 0.22% in the same period.

Source: *Nova Cana*

#### PORTS HANDLE 513 MILLION / T IN 1ST HALF

The Brazilian port sector handled 513 million tons in the first half, down 3.29% over the same period of 2018, when Brazilian port facilities handled 530.5 million tons. According to the National Waterway Transportation Agency, the result reflects the poor performance of the Brazilian economy and the retraction of the world economy. Based on preliminary data and the recovery history of the second half, Antaq sees a recovery trend and may even close the year with slight growth in numbers. In the first half of the year, private use terminals (TUPs) accounted for 337 million tons, 4.04% less than in the same period last year. Public ports handled 176 million tons, down 1.83%. Data released this week is consolidated by the agency's statistics management and performance appraisal. Eight of the country's nine major port facilities experienced a decline in cargo handling in the first half of this year compared to the same period in 2018. Among the TUPs, the largest declines were: Ponta da Madeira (-7.06%), Tubarão (-25, 48%), São Sebastião (-0.55%) and Guaíba Island (-37.83%). Among public ports, there was a reduction in the volume handled: Santos (-3.36%), Itaguaí (-11.05), Paranaguá (-5.93%) and Rio Grande (-3.93%). Only the Angra dos Reis Waterway Terminal showed a positive variation (11.40%). Handled solid bulk in the first six months of this year totaled 314.6 million tons, down 6.80% compared to the first half of 2018. The volume of liquid bulk increased by 2.58% compared to the previous year. same period last year: 115.9 million tons. There was also an increase in container handling (+ 3.72%) and general cargo (+ 2.76%), totaling, respectively, 55 million and 27.3 million tons handled. Corn was one of the highlights among commodities in the first six months of the year, with 9.2 million tons of corn handled, 116.53% higher than in the same period of 2018. Oil and derivatives accounted for 102.8 million tons. tons, 4.22% more on the same basis of comparison. Other highlights were fertilizers and iron and steel, which recorded, respectively, an increase of 6.47% and 7.69% compared to the same period last year. The main decreases were registered in iron ore movements (-8.90%), which registered 16.5 million tons less than in the first half of 2018, and soybeans (-8.09%), with a decrease of 5%, 3 million tons on the same basis of comparison. Also presented movement retraction in the period: bauxite (-13.20%); mineral coal (-13.51%) and cellulose pulp (-4.76%). Antaq attributes the drop in handling in the first half of 2019 to the decline in iron ore shipments. The agency's assessment is that bulk has been facing problems since the early end of the production chain, due to the disruption of dams and an atypical period of heavy rainfall in the northern region of the country.

Source: *Portos e Navios*

#### INCREASES ROW OF VESSELS TO SHIP SUGAR IN PORTS OF BRAZIL

The total number of ships waiting to ship sugar to Brazilian ports was 28 in the week ending September 18, compared to 26 the week before (September 11), according to a survey by Williams Brazil. According to the report, it was scheduled to load 946,639 tons of sugar, against 964,197 tons the previous week. By the Port of Santos (SP) should be carried most, 749,195 tons, or 79% of the total. Then come the port of Paranaguá (PR) with 164,412 tons (17%) and Maceió (AL) with 33,000 tons (4%). The sugar cargo to be exported consists of the VHP variety. The agency's report takes into account vessels that are already moored, those that are offshore awaiting mooring, and those expected to arrive by October 2<sup>nd</sup>. Exports: Average daily revenue from Brazilian sugar exports was US \$ 17.615 million in the second week of September, from 9 to 15. Compared to the August 2019 daily average of US \$ 21.954 million, decrease of 12.3% in the value obtained daily by sugar exports in the accumulated average from September to the 15th, which is of \$ 19.248 million. In comparison with September 2018, which had a daily average of US \$ 37.334 million, there is a decrease of 48.4% in the average daily value of September exports this year. With ten business days in September until the 15th, 688.2K tons of sugar (raw + refined) were exported in the period, with total revenue of US \$ 192.5 million and an average price of US \$ 266.70 per ton for raw sugar and \$ 378.40 per ton for refined sugar.

Source: *Portos e Navios*

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