

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)

BRAZIL RECOVERS ITS POSITION AS CHINA'S FIRST RANKED SUGAR SUPPLIER

Data from China's General Administration of Customs (GACC) indicates that in June, Brazil returned to being the main supplier of sugar to the Asian country, accounting for more than 60% of imports. Until 2016, China was the largest market for Brazilian sugar abroad, with purchases that reached 2.5 million tonnes per harvest. In 2017, however, Beijing imposed a surcharge on the entry of the Brazilian product to protect its domestic production, which slowed sales. In the 2017/18 cycle, with the barrier already in place, the volume dropped to 115,000 tonnes. But later on, the Chinese also restricted the entry of sugar from small producing countries into their market. With that, Brazil, the most competitive market in the world, increased exports to China again, but still not at the same levels as before. This year, Brazil abandoned a complaint at the World Trade Organization (WTO) and avoided opening an investigation committee against China because of the surcharge, after Beijing pledged not to extend it beyond May 2020. Thus, the rate outside the quota, which was 85%, was again 50%. As a result, Chinese imports of Brazilian sugar, which totaled just 145,300 tonnes between January and May, jumped in June to 239,400 tonnes, an increase of 477% in relation to the same month last year. Brazilian shipments already accounted for 63% of the total imported by China in June. The other three main suppliers to the Asian country in the month were Cuba (16.3%), El Salvador (11.9%), and Guatemala (7.6%).

Source: *Valor Economico*

CHILE'S SENATE APPROVES FREE TRADE AGREEMENT WITH BRAZIL

Chile's Senate approved on Tuesday a free trade agreement with Brazil, reinforcing a pact made in the 1990s with the Mercosur trading bloc. The agreement includes issues related to telecommunications, electronic commerce, the environment, and PMEs. Brazil is the largest trading partner of Chile in Latin America. In 2019, Chile shipped to Brazil US\$3.157 billion worth of goods, nearly 30% of its total shipments to Latin America. The agreement also provides for the elimination of 'roaming' technology between the two countries, said Chile's Foreign Minister. Chile, the world's top copper producer, has signed about 30 commercial agreements with 65 global markets. In 2019, Chile supplied Brazil with such products as copper cathodes, salmon and wine, while Brazil shipped to Chile vehicle bodies, iron and steel products.

Source: *Folha SP*

BR DO MAR CABOTAGE PROJECT BILL IS SENT TO CONGRESS AS MATTER OF URGENCY

On Tuesday, August 11, the Government's program to encourage cabotage, known as 'BR do Mar', was sent to the National Congress as a proposed bill and as a matter of urgency. The legislative measure aims to increase the supply of cabotage, encourage competition, create new routes and reduce costs. Among other goals, the Ministry of Infrastructure intends to increase the volume of containers transported per year, from 1.2 million TEU in 2019, to 2 million TEU in 2022, in addition to increasing the capacity of the maritime fleet dedicated to cabotage by 40% over the next three years (excluding vessels dedicated to the transportation of oil and oil products). Container cargo cabotage has grown more than 10% per

annum in recent years. BR do Mar is focused on four main aspects: fleet, shipbuilding industry, costs, and port. The program encourages the country's operating fleet so that Brazilian Shipping Companies (EBNs) have greater control and security in the operation of their lines. In this way, companies that own a national fleet can benefit from chartering a vessel with a foreign flag in time whilst its own fleet undergoes maintenance, which allows it to have lower operating costs. The possibility of foreign companies using the resources of the Merchant Marine Fund to finance the docking of their vessels in Brazilian shipyards is an example of an action that, by bringing greater economies of scale to shipyard operations, will also benefit EBN that currently use shipyards in Europe and even in China. An important initiative is to allow the use of personal contracts for the movement of cargo that does not yet have operations at a port, thus speeding up entry into operation at terminals dedicated to cabotage. In addition, the Federal Government is already working with a port modernization agenda, having completed the leasing of 14 port areas in five regions of the country since last year. Another 14 port areas will be tendered later this year, in addition to 33 private-use terminals that will be authorized.

Source: *Datamar News*

AGRIBUSINESS REPRESENTS MORE THAN HALF OF BRAZILIAN EXPORTS IN JULY

The Ministry of Agriculture, Livestock and Food Supply reports that, in July/2020, Agribusiness foreign sales represent 51.2% of the total value exported, totaling US\$10 billion, up 11.7% when compared to the same period in 2019. Important products on the Brazilian agricultural export plan had an increase in the volume sold: soybeans (+ 39.4%), sugar (+ 92.3%), cellulose (+ 35.1%), cotton (+ 64.4%), pork (+ 45%) and beef (+ 20.9%). Soybeans exports reached 10.4 million tons and generated US\$ 3.61 billion in revenues for Brazil in July/2020. China was the biggest importer of Brazilian soybeans. According to the balance sheet, foreign sugar sales increased from US\$ 526 million in July/2019 to US\$ 964 million in July/2020, up 83.4%. Sugar exports amount rose 92,3% reaching 3.5 million tons in July 2020.

Source: *Canal Rural*

CORN ETHANOL PRODUCTION CAN REACH 2.5 BILLION LITERS IN 2020/21

On Thursday (August 6th), during the webinar "DATAGRO, Soybean, Corn and Cotton Harvesting Season Open in 2020/21", The president of the National Corn Ethanol Union (UNEM), Guilherme Nolasco, said that Brazilian corn ethanol production, especially in the Central-West region, has potential to produce 2.5 billion liters in 2020/21, compared to 1.6 billion liters produced in 2019/20. Nolasco also highlighted the improvement of the corn residue used for ethanol production (DGG) as a sustainable protein ingredient for animal feed. Erasmo Battistella, president of Aprobio, pointed out that the percentage increase of biodiesel blending in diesel will quadruplicate the volume of soybean used for biofuel manufacturing in 2030. The president of the Corn and Sorghum Sectorial Chamber of the Ministry of Agriculture, Sérgio Bortolozzo, said that the advent of corn ethanol has expanded the opportunities in the grain production chain, guaranteeing the supply of food production, animal feed and generation of energy.

Source: *Universo Agro / DATAGRO*

THE PORT OF SANTOS BREAKS A HISTORICAL HANDLING RECORD IN JULY



The Port of Santos breaks historical record in July when handling 13.49 million tons, up 0,05% over the best mark so far, which is 13.48 million tons in April 2019. When compared to July 2019, it was a 5.9% growth. The data are from the preview of results released this Thursday (13) by the Santos Port Authority (SPA). July was the best month in the history of the port, it represents the sixth consecutive record over the last months. As for year to date numbers, the port also had the best result so far, handling 84.1 million tons, up 10.2% over January-July 2019. In July 2020, dry bulk cargo grew over 7%, reaching 7.6 million tons. Sugar and soybean are the main export highlights: sugar shipments grew 86.2% to 2.2 million tons while soybeans shipments grew 6.3% to 1.3 million tons. Bulk liquid cargo increased 22.8% to 1.7 million tons.

Source: *Portos e Navios*

THE PORT OF FORTALEZA BREAKS NEW RECORD OF LOAD HANDLING

In the first seven months of the year, The Port of Fortaleza registered an increase of 12% when compared to the same period of 2019. About 2.8 million tons of cargo were handled in the Port. The highlights include dry bulk (41%), general cargo (16%) and liquid bulk (7%). Also 431 ships berthed at the Port of Fortaleza during these seven months. In July, the main cargo handled was wheat (mostly from Argentina, but also from the United States and Canada), manganese, clinker, slag, billet, parts of wind blades, and 1,442 TEU. Fuel arrives at the port by long haul and cabotage use (route calculated from port to port inside the country) via Suape, Itaqui, Barra do Riacho, São Sebastião, Santos, Rio de Janeiro, Espírito Santo Petroleum Basin, Aratu, Belém. From abroad, it comes mainly from Houston, New Orleans International APT and Belmont, among others.

Source: *Datamar News*

VLI HANDLES 14% MORE OF GRAINS AND SUGAR IN THE FIRST SEMESTER

VLI handled 12.5 million tons of grains and sugar in the first half of 2020, up 14% compared to the same period in 2019. The company that offers logistics solutions to integrate terminals, railways and ports has reported that the volume of grains (soybeans, corn, and bran) surpassed 10 million tons, and the volume of sugar was close to two million tons. The Port Integrator Terminal Luiz Antonio Mesquita (Tiplam) recorded a growth rate of 25% in volume of grains and sugar, compared to the same period of 2019. The port handled almost four million tons of cargo. "The terminal is already responsible for about a third of the volume of sugar exported by Santos, and, in the medium and long-term projection, the volume will increase due to the new warehouses built in partnership with Tereos in Tiplam and Guar, in the countryside of So Paulo" the company says.

Source: *Revista Globo Rural*

AMAZONAS RIVER MAY RECEIVE LARGE BULK CARRIERS

Simulations indicate that the entry of New Panamax ships into the Port of Santana, and into two other forthcoming private terminals in Amap, would be feasible. The simulation was carried out in the Polytechnic School (Poli) of USP with pilots and Maritime and Port authorities. New Panamax ships cross the Panama's newest channel. They have seven holds and are 240 meters long and 40 meters width (beam). Currently, the Handysized vessels that berth at the Port are up to 203 meters in length and 32 meters in width (width), and have five holds. "For decades, we have operated with 55,000 tons of cargo on a ship. Now, we are reaching 80 thousand tons, almost 50% growth. This is efficiency, and includes security of navigation and the environmental

protection of the Amazon", said the president of the National Pilotage Council, Ricardo Falco. This new generation of Panamax shortens the trip to China and favors agribusiness exports from the Brazilian Central-West region. Another Pilotage investment was the depth sounding of Ilha de Santana surroundings, which can become a second route for large bulk carriers via the Amazon River.

Source: *Praticagem do Brasil*

THE PORT OF SUAPE RELEASED PUBLIC NOTICE FOR RENTING DRY BULK TERMINAL

The Port of Suape released on Thursday (13) a public notice for those interested in entering into a transition service agreement to make temporary use of the Suape Dry Bulk Terminal (TGSS), with an area of 72,542 square meters available. The terminal is in the background area of the Pier 5, located in the primary area of the port. It is equipped to handle and stock up bulk sugar or bags of sugar, and dry bulks, such as fertilizers, petroleum coke, vegetable bulk, neobulks, and others. The terminal has an annual capacity to handle about 750 thousand tons of products. The transition service agreement lasts for 6 months, or until the auction determine the final renting agreement, whichever comes first. Suape's website www.suape.pe.gov.br is providing access to the public notice, which will be available for 30 days after one expresses an interest. The transition contract will be entered into with any interested parties for a minimum monthly amount of R\$ 142,846.96. In the first half of this year, the Port of Suape broke a record in cargo handling and registered 12,361,846 tons, up 17% when compared to January-June 2019.

Source: *Port Of Suape*

IMPORTANT NOTICE: In order to facilitate the documents issuance all messages related to Documentation (Documentary Instructions / BsL / Mate's Receipt / Others) for the vessels in Santos Port, should be sent to the new e-mail

DOC.SANTOS@WILLIAMS.COM.BR

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

