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CHINA RESPONDS FOR 40% OF BRAZILIAN AGRICULTURAL EXPORTS IN 1ST SEMESTER

China responded for 40% of Brazilian agricultural exports in the first half of this year, according to a survey carried out by the Ministry of Agriculture's Secretariat for Trade and International Relations and obtained by Broadcast Agro, Grupo Estado's real-time news system. From January to June this year, US \$ 20.5 billion were generated from sales of agricultural products to the Chinese. "In 2020, China's participation in agro exports was a record," says the report. Then, among the main destinations, come the other countries in Asia (17%) and the European Union (16%). The top 10 products exported by Brazil represented 80% of the agribusiness export revenue. Of the total, R\$ 20.5 billion came from soybean sales (40%). Another R\$ 4.5 billion was generated by the external sale of beef (7%). In the sequence, among the biggest income, are cellulose (6%), chicken meat (6%), hipro (6%), sugar (5%), coffee (4%), cotton (2%), meat pork (2%), paper (2%) and other commodities (20%). For China, Brazilian agricultural exports increased by 30% in nominal value, in the comparison between the first half of 2019 and 2020, while for the other markets they fell by 1%. From soy, sales to China advanced 30% in the first six months of 2020 and meat grew 114%. Oilseeds and Brazilian proteins represent 87% of the value generated by foreign sales to the Asian country. China acquired 72% of the soybeans exported by Brazil.

Source: *Revista Dinheiro Rural*

SUGARCANE PROCESSING INCREASED 13% IN JUNE THIS YEAR COMPARING TO 2019

The amount of sugarcane processed by the plants and distilleries of the Center-South totaled 46.54 million tons in the first 15 days of July 2020. This result is 13.52% higher than that observed in the same fortnight of the 2019/2020, when 41.00 million tons were ground. In the accumulated since the beginning of the harvest until July 16, 2020, the crushing reached 275.95 million tons, an increase of 6.52% in comparison with the value verified in the same period in the last year (259.05 million tons). Data from the Sugarcane Technology Center (CTC) indicated an average yield of 85.9 tons of sugarcane per hectare for the crop harvested in the accumulated period since the beginning of the 2020/2021 harvest until 16 July. This index is 1.6% higher than that observed in the same period of the last agricultural cycle. Reflecting the greater crushing, the better quality of sugar cane and the more sugar-based mix, sugar production increased 55.60% in the first 15 days of July, with 3.02 million tons produced this year. In the first half of the month, 47.94% of sugarcane was destined for sugar production, compared to 35.99% registered on the same date in 2019.

Source: *Canal Rural*

HYDRATED ETHANOL CONSUMPTION IN JUNE REACHED 1.33 BILLION LITERS

The consumption of hydrated ethanol in the national market reached 8.96 billion liters in 2020, which represents a decrease of 16.7% in comparison 2019. The volume was the second largest consumption of hydrate in the first six months of each year. Gasoline, on the other hand, indicates a drop of 12.7% compared to the first half of 2019, with a total consumption of 22.72 billion liters. The data were published by the National Agency of Petroleum, Natural Gas and Biofuels (ANP). "This result emphasizes the competitiveness of ethanol in the main consumer centers in relation to gasoline, which made it possible to maintain participation in the fuel matrix of the Otto cycle. When supplying with ethanol, the consumer is using fuel that is not only more affordable but better for the environment", analyzes Antonio de Padua

Rodrigues, technical director of the Sugarcane Industry Union (UNICA). In conclusion, in the accumulated result for the year, the index, which measures the volume of hydrated and anhydrous consumed by the fleet of passenger vehicles and light cargo, indicates 47.2%. According to the agency, in June 2020, 3.64 billion liters of fuel were consumed by the light vehicle fleet. This result indicates a decrease of 12.6% when compared to the same period of the previous year – the least monthly retraction in comparison with 2019 since the beginning of the pandemic. Thus, the consumption of hydrated ethanol in the sixth month of 2020 totaled 1.33 billion liters in the country, a drop of 22.9% in relation to June 2019. This volume also represents a growth of 5.0% in the volume demanded for biofuel compared to May.

Source: *Jornal Cana*

SOYBEAN PRODUCER FINALIZES 1. SEMESTER WITH POSITIVE FINANCIAL RESULTS

The first half of 2020 ended with positive results for Brazilian soy producers, according to a survey carried out by Consultoria DATAGRO. Considering the price behavior in the period in four main trading centers in the country, the values in reais were 27% to 29% higher than in the same period of the previous year, when the results had already been representative. "In the analysis so far, quotations guarantee positive income results for most producers. Except for those who had more pronounced losses due to the climate, where we can highlight Santa Catarina and, especially, Rio Grande do Sul. As prices gradually and almost linearly advanced, the flow of sales also followed this pace, with producers correctly taking advantage of each observed price peak, says Flávio Roberto de França Junior, coordinator of DATAGRO Grains. In the profitability analysis, which is the gross ratio between the average revenue obtained and the cost of production, the sector also managed to maintain a positive scenario for the fourteenth consecutive year, even with results superior to those of the previous year, since there is no chance of reversal until the end of the year with sales above 90%. In spite of the increase in production costs in some states, most of the markets had an advance in average productivity.

Source: *Universo Agro / DATAGRO*

BRAZILIAN PRODUCER ALREADY PURCHASES FERTILIZER FOR 2021/2022

The high level of capitalization of soy producers in Brazil, driven by record exports and the exchange rate, already leads to the acquisition of fertilizers for the 2021/22 harvest, which will be planted at the end of next year, in a rare movement of anticipation as well. to escape any uncertainties related to the coronavirus. "The exchange ratios are favorable and, in this scenario, we have already noticed the first movements in the purchase of fertilizers for the 21/22 harvest in the Midwest," Eduardo Monteiro, Distribution Director of Mosaic Fertilizantes, told Reuters. The executive of Mosaic, a company that accounts for about 25% of the fertilizer market in Brazil, avoided saying how much he believes that fertilizer has already been negotiated for the 2021/22 harvest. This type of strategy occurred "very rarely" in Brazil, when the farmer found the opportunity to make a longer-term currency hedge, said the executive director of the Brazilian Agribusiness Association (Abag), Eduardo Daher, stressing that usually this anticipation of shopping involves more large soybean farmers. The first half of 2020 ended with very positive results for Brazilian soy producers, according to a survey conducted by consultancy Datagro. "Currently, especially in more professional agriculture, 50% of input purchases are made by the producer using his own resources. Before it was 30% with own resources, 30% financing and 30% by "barter" (exchange of inputs for grain)", explained Daher.

Source: *Reuters*



SUAPE PORT HANDLED A RECORD 12.4 MILLION TONNES IN FIRST SEMESTER

The Port of Suape is forecast to set a new historical record in 2020 for cargo volume handled. The first semester registered growth of 17% year-on-year, with 12.4 million tonnes handled, a record amount for this period. The result is also 8.8% higher than in the first half of 2018, which totaled 11.4 million tonnes. This was also a record at the time. The good performance made Suape jump from sixth position in the public port ranking, to fourth place. The expectation is the port will end 2020 with double-digit growth. The main reason for the increase is the movement of liquid bulk, and in particular, bunker oil operations produced at the Abreu e Lima Refinery, leading to a 94% increase in exports, mainly to Singapore. Another product that had significant growth was LPG (cooking gas), with an increase of 18% in shipments and 29% in receipts, totaling 1.2 million tonnes. More than 75% of all cargo that passes through the port is liquid bulk and in the first half the total handled was 9.3 million tonnes, representing an increase of 22.2%. Suape is the largest national hub in this cargo group. In cabotage shipping, Suape ended the semester with 8 million tonnes – an increase of 13% in relation to the first six months of 2019. Exports had an even higher percentage growth, reaching 80% and a total of 1.86 million tonnes. Imported cargo totaled 2.5 million tonnes – an increase of 2%.

Source: *Datamar News*

PORT OF SANTOS AUCTIONS TO BE BROUGHT FORWARD

Brazil's Federal Government's Investment Partnership Program (PPI) has brought forward the auction for areas STS 08 and STS 8A, in the Port of Santos. The areas, which should be used for storage and distribution of liquid bulk cargoes, such as fuel, should be tendered later this year. The decision was published this Monday, July 20, in the Federal Official Gazette. Previously, the auctions were expected to take place in the 2nd quarter of next year. The areas are the largest port tenders held in the country to date. Together, they should receive investments of approximately R\$ 1.4 billion from future tenants. The area known as STS 08 covers 137,319 m² and will be leased for 25 years during which investments of R\$ 209.6 million must be made. The winning terminal operator will pay the port authority R\$ 1,516,139 per month plus an additional R\$ 9.35 per ton handled. As a result of the tender, the Port of Santos will gain a further two berths to handle liquid bulk. The area known as STS 08a covers 305,688m² and will also be leased for 25 years during which investments must be made totalling R\$ 1.196 billion over the 25 years of the contract. Monthly charges will be set at R\$ 3,202,636 plus an additional R\$ 7.13 per ton handled.

Source: *Datamar News*

PORT OF RIO GRANDE HAS ITS BEST MONTH YET IN JUNE

The Port of Rio Grande has the best month in its history in June, with a movement of 4.4 million tonnes. The previous record had been in September 2018, when 4.3 million tonnes had been handled. The first semester at the port of Rio Grande was also the second best first semester in the port's history, registering 20 million tonnes handled, a value 6.97% higher than the same period in 2019. This increase was mainly driven by the rise in movement of phosphates and rice, which grew 36.07% and 32.65% respectively, as well as the large volume of soybean shipments, which increased 27.35% in the period, to 1.4 million tonnes. Regarding the main destinations and origins of exports and imports from the Port of Rio Grande, there are few percentage differences in relation to the locations dealt with at the end of 2019. China, which held the first place for exports, with 58, 38% of cargo shipped, remained stable in the first place in the first half of this year with 57.27%. On the import side, Algeria lost first place to Argentina, which increased from 9.74% to 12.12% for its share of imports from the port.

Fonte: *Datamar News*

RECORD BULK SHIPMENT OF 103,000 TONNES PERFORMED AT PARANAGUÁ

A record bulk shipment is being carried out in Paranaguá Port's Export Corridor this week, with vessel E.R Bayonne being loaded with 104,200 tonnes of soybean meal at berth 214. It is the second shipment at the port to exceed 100,000 tonnes. The other was the Pacific South which, in June, carried just over 103,000 tonnes. According to the CEO of Paraná Ports, Luiz Fernando Garcia, the trend is to receive more and more large bulk carriers. "Paraná is already preparing the remodeling, modernization and repowering project for the Export Corridor, which will allow our ports to be even more competitive", says the president. E.R Bayonne has a Liberian flag. Like the Pacific South, this ship also measures 292 meters in length and 45.05 meters in width and has nine holds (two more than vessels that normally carry bulk through Paraná Ports). The soybean meal loaded in Paranaguá will be taken to the port of Amsterdam, in the Netherlands. The director of operations for Paraná Ports, Luiz Teixeira da Silva Júnior, states that the ports in Paraná are prepared in maritime and land infrastructure to receive and operate large vessels and large volumes of cargo. According to Teixeira, this type of super vessel does not generally operate directly, as is commonly done with vessels up to 225 meters. "This type of vessel needs to turn in order to fully load, which demands more mooring time. The advantage is that they take twice the amount of cargo as a vessel that is normally handled (carrying 65,000 tonnes)", he adds. Currently, the Port of Paranaguá exports the second largest amount of soybean meal in Brazil.

Source: *Portos e Navios*

NEW RAIZEN TERMINAL IN MARANHAO PROMISES TO CHALLENGE REFINERIES

Inaugurated about two months ago in the middle of a pandemic, the Raízen terminal in the port of Itaqui, in São Luís, has already started receiving ships with fuels, in a project that should expand the import of diesel from the country and the distribution of products to the North and the Northeast, company executives told Reuters on Thursday. With an investment of R\$ 200 million, the new terminal with the capacity to handle 1.5 billion liters of fuel per year, which can store up to 80 million liters, is connected to railways, which ensures that Raízen will also be able to transport ethanol and biodiesel from the Midwest with lower costs. For the director of Business Development and Infrastructure at Raízen, Nilton Gabardo, the fuel market is a "cost reduction race", which is at the heart of the terminal project. Raízen, which is among the three largest fuel distributors in Brazil, in a market led by BR, expects to supply the States of Maranhão, Piauí, Pará, Tocantins and Mato Grosso with the Itaqui unit, in addition to functioning as a hub cargo to other ports in the States of the North and Northeast Regions, which may be served by smaller ships. Gabardo pointed out that the new São Luís terminal is part of a network of new railway bases, recently built by Raízen in Porto Nacional (TO) and Marabá (PA), in addition to the existing railway bases in Teresina (PI) and Açailândia (MA)). According to the company, this group of terminals and distribution bases were designed to be the company's most efficient assets in the long run, operating large railway trains connected by the railway network of the Centro-Atlântica Railway, in addition to the North-South Railway.

Source: *Money Times*

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