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## **BRAZIL'S BALANCE OF TRADE HAS HISTORICAL HIGH FOR AUGUST**

Brazil's trade balance has registered the best balance in history for August since 1989, boosted by the harvest of several grains, and the valorization of ores. Last month, the country exported USD 7.6 billion more than imported. The balance is 31.7% higher than in August 2020. Exports widened to US\$ 27.2 billion, an increase of 49.2% over August 2020, according to the daily average criterion. Imports totaled US\$ 19.5 billion, up 34.4% in the same comparison. The shipments increased by 8.7%, according to the Ministry of Economy, while prices rose about 41.7% compared to the same month last year. Brazil's trade surplus widened to US\$ 52 billion in the first eight months of the year. The result is 45.7% higher than in the same months of 2020 and is also the highest in the historical series for the period. Imports of agricultural products increased by 26.7% in August compared to the same period last year.

Source: Canal Rural (\*Translated by la Niani)

## **FUEL CONSUMPTION GROWS 10.7% IN JULY**

Fuel consumption grew by 10.7% in July (4.47 billion liters) over that a year ago (4.04 billion liters), reflecting the impact of mobility restriction measures from the covid-19 last year. However, despite the strong recovery of fuel sales in comparison to 2020, the current consumption is still 1.35% lower than pre-pandemic levels. The data released by the National Agency for Petroleum, Natural Gas and Biofuels (ANP) and compiled by the Sugarcane Industry Association (UNICA) shows. Of the total of light fuels in July 2021, hydrous ethanol totaled 1.36 billion liters, down 9.5% over the same period of 2020, due to low competitiveness of the biofuel in relation to gasoline C, which showed an increase of 17.9%. Hydrous ethanol grew 0.9% (10.57 billion liters) in the first eight months of 2021, when compared to the period from January to July 2020. Gasoline C grew by 9.6% (21.31 billion liters) in the same period.

Source: Jornal Cana (\*Translated by la Niani)

## **ALVEAN SEES SUGAR DEFICIT DEEPENING**

Alvean, the world's largest sugar trading company, owned by Brazilian company Copersucar, sees an increase in sugar shortages in the 2021/22 international harvest which starts in October. The company predicts that the global supply will be 5 million to 6 million tons below demand, in a scenario that is mainly due to the adverse climate that should continue to affect production in Brazil and other countries. If confirmed, this will be the third consecutive deficit season. Alvean's projection is even higher than that of other agents, such as the International Sugar Organization (ISO), which last week released an estimate of a deficit of 3.8 million tons. The reduced supply also marks the current international harvest, which ends at the end of this month, and has driven the increase in prices on the New York Stock Exchange; prices have already risen almost 50% in 12 months. For the season that ends now, Alvean sees a deficit of 4 million tons, which comes after the deficit of 3 million tons in the previous harvest. Thus, in three seasons, consumption should exceed global production by 12 million tons.

Sources: Valor Econômico/Datamar News

## **GRAINS CRUSHERS EXPAND BRAZIL SOY PLUS TO OTHER CROPS**

The Brazilian Association of Vegetable Oil Industries (Abiove), which represents soy crushers in the country, announced the expansion of its technical assistance program for growers of wheat, corn and sugarcane. The "Soy Plus" program renamed "Agro Plus" offers farmers guidance on best practices, including waste management on properties, environmental compliance and employee safety, according to Abiove, which includes major grains traders ADM, LDC, Bunge, Cargill, Amaggi and Cofco. Bernardo Pires, Abiove's sustainability manager, said that the expanded training to more producers, including cattle ranchers, was a response to the demand from Brazil's booming farm belt. In its original format, the program helped producers to increase profits and improve

social and environmental indicators, by improving farm management, Pires said. "Due to these good results, it was natural to expand to other supply chains" Pires said.

Sources: Reuters/Nova Cana (\*Translated by la Niani)

## **BRAZILIAN CORN EXPORTS SOAR IN AUGUST**

4.349 million tons of corn were shipped in August, an increase of 119.29% compared to July. "Brazil went from a crop above 100 million tons to a cycle of just over 80 million tons. The country needed to rationalize the use of cereal and allocate less for export. But the month of August was a surprise", says Giovani Ferreira, content director at Canal Rural. In August, corn exports reached US\$ 847.03 million. "It was an important reaction, but it only lasted a month. Last year, Brazil exported more than 34 million tons of corn. This year, it will be below 20 million tons. Is there a market for more? There is. But the country does not have the volume to export. In addition to the crop failure, demand for the cereal in the country is high," says Giovani Ferreira, content director at Canal Rural.

Sources: Canal Rural/Datamar News

## **CORN: PARANA'S 2021/2022 SUMMER CROP CAN REACH 4.1 MILLION TONS**

The first 2021/22 corn crop in Paraná is expected to produce 4.1 million tons, an increase of 32% when compared to last year. This is one of the highlights of the Agricultural Conjuncture Bulletin in the week of August 27 to September 3. Favorable weather conditions made the beginning of the corn crop possible. The area is still small (14.5 thousand hectares) and represents only 3% of the estimated total extension. There is great hope, however, that the production will jump from 3.1 million tons to 4.1 million. If this is confirmed, productivity can be 9,700 kilograms per hectare, almost close to the record of the 2019/20 crop (10,000 kilograms per hectare). As the first 2021/22 crop begins to take shape, producers have also advanced with the second 2020/21 crop, which was supposed to end in September. About 82% of the estimated area of 2.5 million hectares has been harvested so far.

Sources: Universo Agro/DATAGRO (\*Translated by la Niani)

## **GERDAU BUILDS INVENTORIES AMID ENERGY CRISIS IN BRAZIL**

Water reserves at hydropower plants are already at their lowest level in 91 years of records, and Brazil is at risk of rationing and blackout. Gerdau draws a strategy for this crisis. According to Marcos Faraco, head of Gerdau's operations in South America, the company has been working at full capacity to serve customers and increase steel inventories. "This is a point of attention, and we are closely monitoring how it will play out. But it is important to understand that this crisis is more severe in the Southeast, and this is important because we have production facilities across the country, which gives us more flexibility to shift production, as we did in the previous crisis", said Faraco. In addition, with a larger stock, Gerdau will be able to serve customers at the end of this year and at the beginning of 2022, if the situation worsens, he said. Gerdau has its own power generation at the Ouro Branco mill, in Minas Gerais, which is able to supply 60% to 70% of its energy demand. "

Sources: Valor/Portos e Navios (\*Translated by la Niani)

## **ANTAQ REGISTERS 8.44% YTD INCREASE IN PORT HANDLING**

According to the Waterway Statistical Panel by ANTAQ (the national waterway transport agency), in the period from January to July 2021, 54.2 million tons more than in the same period of 2020 were handled by Brazilian port facilities. The numbers show growth in the operation of all types of cargo compared to 2020: solid bulk (+5.13%); liquid bulk (+12.06%); containerized (+15.31%); and general cargo (+16.56%). Iron ore – with 205 million tons handled – followed by oil and derivatives, soy, containers, and fertilizers drove cargo handling. Among the ports that handled the most cargo in the period, the Ponta da Madeira Maritime Terminal handled 97.8 million tons and the Port of Santos handled 68.7 million tons. Specifically, in July, ANTAQ registered an increase of 1.36% in the movement of Brazilian public and private ports compared to the same month last year. This July, 103.3 million tons were handled, totaling



1.4 million tons more than in July 2020. Liquid bulk cargo (+ 13.58%) and containerized (+6.36%) and general cargo (+3.53%) increased compared to the same month last year. Only solid bulk registered a decrease compared to July 2020 (-4.00%).

Source: *Datamar News*

### NEW PLATFORM TO BE USED FOR TRUCK SCHEDULING AT PORT OF SANTOS

Scheduling of the arrival of trucks at the Port of Santos will change platforms starting on September 21st. The new tool is now available to users for testing. "To avoid transition failures and doubts from operators of terminals and regulatory yards, we kept the integration layouts identical, both for the exchange by files and for the integrations via web service", explains the Director of Operations at SPA, Marcelo Ribeiro. Developed by Santos Port Authority (SPA), the new system will feature new functions aimed at updating and improving scheduling. The current road cargo arrival synchronization platform, Portolog, works in conjunction with the Port Authority's truck traffic management system (SGTC). With the new system, SPA will be able to unify the two tools in the future and, therefore, be more efficient. The new system contains the same characteristics as the previous one, both for exchanging XML files and for web services. Access was made easier by changing the authentication format. SPA's objective is to allow the migration to the new scheduling system at the Port of Santos as soon as possible.

Source: *Datamar News*

### RECIFE HANDLING UP 80% IN AUGUST

The Port of Recife registered another month of growth. The port saw an 80% increase in cargo handling in August, compared to the same period in 2020. The main cargo handled was the soda ash, followed by barley and wheat malt. Serving as an input for the glass and soap industries, 32,193 tons of the soda ash were handled in August, an increase of 811.21% compared to last year. Malt to supply São Paulo's beer hub increased by 25.86%, moving a total of 20,001 tons. In third place, 14,231 tons of wheat were handled, growing 6.84% compared to the same period in 2020. The Port of Recife ended the month of August with 23 moorings that represented 97,751 tons handled, a growth of 80%. Most of the operations were for imports, which increased by 57.46%, with 53,516 tons handled.

Source: *Datamar News*

### BRAZIL: PORT OF ITAQUI AMONG THE TOP 3 IN PORT MANAGEMENT

The Port Administration Company of the Port of Itaquí received on Wednesday (1) the award from Portos + Brasil prize, in the category of "Ranking of the Management Index of Port Authorities (IGAP)", with the second-best score in the country, together with the port of Santos, only behind the Port of Paranaguá. The award ceremony took place in Brasília, with the presence of authorities from the port sector and the Federal Government. "Good management requires commitment from the team. We had the opportunity to count with known executives and experienced professionals in public administration", Diogo Piloni, the national secretary of Ports and Waterway Transport, said, adding the partnership with the Brazilian Navy as a third pillar for the recent success of the ports. "This award is the recognition of a work focused on continuous improvement as to achieve the best results for Itaquí, with social and environmental responsibility to contribute to the development of the state of Maranhão", said Ted Lago, the president of the Port of Itaquí.

Source: *Porto do Itaquí (\*Translated by la Niani)*

### NEW EVOLUTION BASIN REACHES 600 MANEUVERS IN ITAJAÍ AND NAVEGANTES PORT COMPLEX

The port complex of Itajaí and Navegantes reached the milestone of 600 rotations in the new evolution basin area. The 600th maneuver was registered with the Portuguese vessel MSC Michela, 299.90 meters long and 48.20 meters wide. In 2019, the first phase of the project to expand the waterway access to the Itajaí and Navegantes Port Complex took

place, enabling the arrival of ships of up to 350 meters. Before the completion of the first stage of the evolution basin, it was necessary to have a free cradle on both sides of the complex so that the rotation could be carried out, making it difficult to speed up the procedures. "It was a great satisfaction for the port authority of Itajaí to complete this very significant number of 600 maneuvers. This growth broke the Brazilian record for receiving the largest container ship on June 17 of last year, the APL Paris (347.04 x 45.27). This project also ensured that our port remains useful for the market, increasing productivity and achieving results after nearly a decade of planning", said Fábio da Veiga, superintendent of the Port of Itajaí.

Source: *Portos e Navios (\*Translated by la Niani)*

### PECÉM EXPANDS ANCHORAGE AREAS

The Pecém port terminal, located on the west coast of Ceará, has gained three new anchorage areas so that ships can drop anchor and wait their turn after berthing or can still carry out operations with crew or cargo using authorized means. The anchorage or anchorage areas work with a "parking lot" previously approved and regulated by the Brazilian Navy. In addition, they are areas that are part of the port facilities as a security element for the terminal, pursuant to the International Convention for the Safety of Life at Sea, 1974, to which the Port of Pecém is a signatory. It is the port terminal's obligation to monitor the anchorage areas in order to avoid their irregular use, including by vessels not programmed to operate in their berths. "With the expansion from two to five anchorage areas, the Pecém port terminal will therefore have a larger waiting area for container ships or even vessels in a situation of arrest/embargo or quarantine. This not only ensures safe operations, but also allows a greater capacity for port operations", says Waldir Sampaio, Operations Director at Porto do Pecém.

Source: *Datamar News*

### BEMISA GROUP FORMALIZES INTEREST IN CONCLUDING THE SUAPE BRANCH OF TRANSNORDESTINA RAILWAY

On September 2nd, ore exploration and exportation company Bemisa Group formalized with the Ministry of Infrastructure its interest in facilitating the completion of the Suape branch of the Transnordestina Railway. The company intends to install an iron ore terminal on the island of Cocaia, in Suape, and to transport the product from its deposits located in Piauí. Negotiations with the Bemisa Group had been underway with the government of Pernambuco since 2019 to complete the state section of the railway, whose works began in 2006. The railway branch of Transnordestina that connects Curral Novo, in Piauí, and the Port of Suape, is 717 kilometers long. The planned investment is valued at R\$ 5.7 billion, and the project will generate hundreds of jobs for the people of Pernambuco. Details of the partnership with the government will be announced shortly, putting an end to the impasse generated after the federal government announced that the concessionaire company Transnordestina Logística SA, belonging to the CSN Group, would only complete the stretch from Elizeu Martins (PI) to the Port of Pecém, on the Ceará coast, 92 kilometers longer than the branch to Suape.

Source: *Datamar News*

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