Due to this situation with Coronavirus, most businesses are operating from home-office. In case of need, please contact us through our Key Personnel mobile phones on our website (williams.com.br)

CANADIAN POTASH EXPORTERS SECURE SUPPLY FOR BRAZIL

Before announcing her trip to Canada this month to try to guarantee the supply of inputs for Brazil, Minister of Agriculture Tereza Cristina had already been informed about the country's inability to expand its exports in the short term and about the logistical difficulties faced by Canadian potash exporters A statement transmitted by the agricultural attaché in Ottawa, Paulo Márcio Mendonça Araújo, at the end of October, reports conversations between Brazilian diplomacy and the three main Canadian companies in the sector. But despite the logistical difficulty for a substantial increase in potash sales to Brazil, Nutrien, Mosaic (headquartered in the US), and K+S Canada rule out the possibility of a supply shock and guarantee a "reliable supply at competitive prices" to Brazilian rural producers. The president of Nutrien, Mayo Schmidt, told the Brazilian embassy he was "confident in contributing heavily to supplying Brazil, even in a possible scenario of accelerated growth", says the statement. The executive stressed that Nutrien will be able to maintain itself as a reliable supplier with competitive prices for Brazil", stated the letter from the attaché.

Source: Valor Econômico/Datamar News

FERTILIZER DELIVERIES GREW 14.3% IN FIRST 9 MONTHS

Fertilizer deliveries in Brazil totaled 33.7 million tons from January to September, 14.3% more than in the same period in 2020, according to the most recent data released by ANDA (the national association for fertilizer diffusion). In the month of September, 4.8 million tons were delivered, an increase of 3.9% compared to September last year. Fertilizer imports grew 33.6% in September, to 4.2 million tons. This was the biggest percentage increase registered in 2021 and also the biggest monthly volume this year. The prior import peak was registered in July when purchases totaled 4 million tons. Year-to-date imports through September increased 28.1% compared to the same period in 2020, to 28.2 million tons. The purchases consisted mainly of phosphates and potash. Domestic production of fertilizers also grew 1.9% in the first nine months of the year, to 4.9 million tons. In September, 584,400 tons were produced, the highest volume this year for a single month. Despite fears about the lack of products, Brazil also increased fertilizer exports in 2021. Sales through September grew 14.1%, reaching 524,400 tons. In September, 78,600 tons were shipped.

Source: Valor Econômico/Datamar News

RICE EXPORTS ARE EXPECTED TO SURPASS 150,000 TONS IN DECEMBER

The good news regarding Brazilian rice on the international market helped to improve rice farmers' spirits and stabilize the raw material. The expectation is that in December, Brazil will export more than 150,000 tons (bark base) according to the Port of Rio Grande lineup and current market information. Among the good news is the victory of the North American trading company TRC in the Costa Rican tender trade, which established the purchase of 80,000 tons of paddy rice from Mercosur. The first boat holding 20,000 tons is scheduled to embark between December 20 and 24. It is not yet known whether the other three boats will depart from Brazil or from the other three countries, but Brazilian prices are more attractive. Despite this, December is not likely to be enough to recover November's losses. According to CEPEA, with data from Secex, total rice shipments dropped 81% in November, totaling just 26,300 tons shipped in Brazil, this smallest monthly total in 12 years. At the same time, imports totaled 61.6 thousand tons. The situation reflects the crisis in logistics and transport and the high costs of worldwide freight.

Sources: Money Times/Datamar News

CORN ETHANOL COULD BE THE LINCHPIN FOR BRAZILIAN ENERGY TRANSITION

The need for a greater presence of renewable sources in national energy matrix was highlighted in the United Nations Climate Change Conference (COP26) in 2021. Ethanol made from sugarcane and corn is a promising alternative to achieve the goal in Brazil. For the director of Datagro, Guilherme Nastari, this is an important moment for the biofuel. "Never has a renewable source been so inserted in the global ESG agenda [good environmental and governance practices]," he said during the Teco Premiere event, organized by Novozymes. Ana Loureiro, the development manager at Argus agency, adds that the biofuel is a clean technology that has been used in Brazil for over 40 years: "Ethanol is important in this transition and could represent a step forward for a low carbon economy".

*Sources: Nova Cana (*Translated by Ia Niani)*

CORN ETHANOL PRODUCTION GROWS IN BRAZIL'S CENTER-SOUTH

Production of corn-based ethanol for the 2021/22 season in the Brazil's Center-South region reaches the volume of 2.10 million m³. The information was published by the Weekly Bulletin of the Institute of Agricultural Economics in Mato Grosso (Imea). The recent increase in production is related to the increase in corn crushing. In November, the margin on the price of corn was BRL 60.05 per bag, which corresponds to 89.26% of the price of corn in the period, this is the largest share since December 2019. The 13.98% rise of hydrous ethanol in the monthly comparison of Cepea contributed to the current scenario. On the other hand, the average price of the available corn in the state of Mato Grosso fell 1.23% and reached R$ 66.03 per bag. On the Chicago Stock Exchange (CME-Group), the price of corn rose 1.06% compared to last week and averaged US$ 5.79 per bushel.

*Source: Jornal Cana (*Translated by Ia Niani)*

COPERSUCAR MILLS PROVIDE BIOENERGY FOR 1.5 MILLION RESIDENCES IN BRAZIL

Most Brazilian sugarcane mills are currently self-sufficient, using bioenergy produced from the burning of sugarcane bagasse. That includes all 34 mills associated with Copersucar, a Brazilian company and the world's largest sugar and ethanol trader. By 25 Copersucar units export energy to the National Interconnected System (SIN), reaching domestic consumers as well. In the last season (2020/2021), Copersucar produced 191,088.673.74 GJ, equivalent to 53,080.58 GWh, of which 2,864.19 GWh were exported, a volume enough to supply nearly 1.5 million houses a year. Bioenergy is a form of renewable energy derived from clean organic sources, such as sugarcane. For the electric energy generation process, it is not necessary to grow extra sugarcane, as it derives from the use of heat of sugarcane bagasse. The steam power of industrial boilers is used to move the generators. According to data from Unica, bioenergy produced from sugarcane biomass is the 4th most important power source in Brazil, only behind hydropower, wind power, and natural gas.

*Source: Jornal Cana (*Translated by Ia Niani)*

SUGAR CANE PRODUCTION COST FORECAST TO RISE IN SAO PAULO FOR THE 2022/23 SEASON

With the rise of the dollar, the logistical and energy crisis, and the lack of inputs, an increase in the production costs for the 2022/23 sugarcane crop has been more and more expected in Brazil. In addition, the damage resulting from the 2021 climate changes, which delayed the sugarcane plantations, could happen again next year. For the agronomist, Antônio Luís Toniolo, who works at Copercana, the 2022 harvest is expected to be even worse than that of 2021. More than a hundred mills in the Center-South region of Brazil ended their production by October, a month earlier than usual as the harvest was harmed. According to the Sugarcane Industry Association (Unica), the initial forecast for the sugarcane harvest dropped from 605 million tons to 520 million tons, especially in São Paulo. According to the agronomist, frost, drought and fires have greatly damaged the sugarcane plantation. In addition, many planting areas needed to be renewed.
*Source: A Cidade On/Nova Cana (*Translated by Ia Niani)*

TRADER GAVILON PREDICTS POSITIVE SCENARIO FOR GRAIN EXPORTS IN 2022

Gavilon do Brasil, a commodity trading company owned by Japanese group Marubeni, forecasts a positive scenario for the next 2022 grain harvests. For Fábio Nascimento, the company's CFO, local production is extremely important for the development of the company and national agribusiness. "Soy leads our exports and currently most of this grain is destined for China, Southeast Asia, North Africa and Japan. The country is the largest producer and exporter of soy in the world, and this market is in constant growth, contributing with a strong economic pillar for the country that is agribusiness", he says. "One of the main reasons for the country to remain competitive globally is the high quality of the crops, resulting from the use of Good Agricultural Practices in the field, applied from production to delivery of products to their final destination", explains Thiago Milani, Head of Soybeans from Gavilon do Brasil. Good market prices and the profitability of the crop are pointed out as the main factors for year after year soy to establish itself as one of the largest crops produced in Brazil. The global reopening of activities and high fiscal stimuli made the world economy show an expressive recovery in 2021.
Sources: DATAGRO

THE 10% BIODIESEL BLEND PROTECTS CONSUMER INTERESTS

Brazil's Ministry of Mines and Energy said on Thursday (2) that the reduction to 10% in the biodiesel-diesel oil blend aims to protect the interests of the consumer. The ministry also refuted some comments from the productive sector and reinforced the benefits of the reduction. "The reduction in the price of diesel provides a reduction in freight prices and, as a result, in all goods transported by road. This is crucial for the country's competitiveness, particularly if we consider the global supply chains. In this sense, more expensive freight reduces the competitiveness of several industries,". The government also emphasizes that the 10% blend does not jeopardize the commitments made at COP26. "In the national climate neutrality strategy presented at COP-26, Brazil assured to use renewables in the diesel cycle, including biodiesel, green diesel, and the renewable part of co-processing diesel." The ministry also reinforces that the reduction will bring no impact on soybean meal.
*Sources: Canal Rural (*Translated by Ia Niani)*

BRAZILIAN STOCK EXCHANGE (BBM) AND DATAGRO ANNOUNCE JOINT VENTURE

The Brazilian Stock Exchange and Datagro have just announced a joint venture to implement a modern platform for trading biodiesel, and other products, such as DDG (dried distillers' grains), DDGs (soluble), sugarcane bagasse, ethanol, and environmental assets. "As a Commodity Exchange, our goal is to provide a safe and transparent atmosphere in terms of pricing these products which will be very important as a free market from now on, especially biodiesel", said Cesar Henrique Bernardes Costa, general director of BBM, an entity with tradition in electronic platforms. The BBMDatagro platform offers an innovative environment for controlling and registering systems for trading in spot and forward markets, bringing more efficiency to this important sector of the Brazilian fuel matrix. The BBMDatagro platform goes into operation in early December 2021.
*Sources: Bolsa Brasileira de Mercadorias/Noticias Agricolas (*Translated by Ia Niani)*

BRAZILIAN STEEL: GROSS PRODUCTION TO GROW BY 2.2% IN 2022

The Aço Brasil Institute estimates an increase of 2.2% in production, in 2022, to 36.807 million tons. The internal sales are expected to grow by 2.5%, to 23.347 million tons, according to the entity. "We believe that demand levels will continue in 2022", said the president of the Board of Directors of Aço Brasil, Marcos Faraco. Apparent consumption will rise by 1.5%, to 27.05 million tons. According to Aço Brasil, projected investments from 2021 to 2025 total R$ 45 billion. The entity also revised upward the steel production at 14.7%, in 2021, to 36 million tons. Domestic sales are expected to grow 17%, to 22.78 million tons. Exports will have a drop of 4.3%, in 2021, to 10 million tons. The organization estimates that imports will increase by 96.9%, to 3.86 million tons. Apparent steel consumption will grow 24.3% to 26.65 million tons.
*Sources: Portos e Navios (*Translated by Ia Niani)*

GRAINS AND OTHER CARGO BOOST PRIVATE INVESTMENTS IN THE PORT OF ITAQUI

By the end of the year, the Port of Itaqui, in Maranhão, is going to announce a package of infrastructure investments in the order of R$ 500 million for the next three years, which will be carried out with its own resources. Driven by grain exports from the Matopiba region — an agricultural frontier that includes parts of Maranhão, Tocantins, Piauí, and Bahia — and by the transport of liquid bulk, the port is experiencing a boom in private sector investments. After completing the acquisition of the logistics company CLI from the group that owns Coteminas in a deal that involved approximately US$ 240 million in debt and equity a year ago, the IG4 fund has already started studies for the third phase of Tegram, a grain terminal operated by the company. The estimate is that the investment will add up to around R$ 600 million and start operating within five years, adding a total of up to 6 million tons to Tegram's current capacity of 15 million.
Sources: Valor Econômico/Datamar News

PECEM PORT HANDLES MORE THAN 2 MI TONS IN A SINGLE MONTH

For the fourth consecutive month, more than two million tons were handled at the Pecém port terminal in a single month. In

November, imports totaled 1,556,667 tons and exports totaled 740,729 tons. In total, 2,297,396 tons were handled – it was the best monthly handling ever recorded in the Port of Pecém. The result represents a growth of 10% compared to the previous month (October/2021 – 2,095,848 tons). In comparison with the same period last year (November/2020 – 1,464,294 tons), the growth was even higher, approximately 56%. With the November closing, the Ceará port terminal reached a new record: 20,405,383 tons handled between January and November 2021 – a growth of 41% compared to the same period in 2020, when 14,458,128 tons were handled. Year to date, exports totaled 6,583,475 tons this year – a growth of 37% compared to the same period in 2020 (Jan-Nov 2020: 4,788,666 tons). Imports totaled 13,821,908 tons, an increase of 43% compared to the first eleven months of last year (Jan-Nov 2020: 9,669,462 tons), thus consolidating Port of Pecém as a gateway to the north and northeast regions of Brazil.
Sources: Datamar News

PORT OF SAN FRANCISCO CARGO HANDLING UP 25% IN NOVEMBER

The Port of São Francisco do Sul handled 902,000 tons of products last month, summing imports and exports. The volume is 25% higher than that registered in the same period last year when 722,000 tons were handled. The data was released this week by the port authority. Imports accounted for 551,000 tons, representing 61% of the goods that passed through the port complex in the North of Santa Catarina. Imports included steel products such as steel bars and coils, with 310,000 tons, and fertilizers, with 188,000 tons. The exported cargo reached 351,000 tons (39% of the total). Soy led exports, with 175,000 tons, followed by corn (58,000 tons) and the wood and pulp sector (25,000 tons).
Source: Datamar News

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

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