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AGRIBUSINESS: BRAZIL EXPORTS US\$ 6.5 BILLION IN FEBRUARY

Brazilian agribusiness exported US\$ 6.47 billion in February this year, which represents an increase of 2.8% compared to the same month last year (US \$ 6.29 billion). Foreign sales of the other products increased by 4.5%. With this higher increase in other products, the share of agribusiness in Brazilian exports drop from 40.3% (February / 2020) to 39.9%. According to the Ministry of Agriculture, Livestock and Supply (MAPA), agribusiness exports were negatively affected by the fall in soybean grain exports (-US\$ 560.64). The drop in soybean grain exports occurred due to two factors: the dry climate at the beginning of the planting period between October and December last year and, more recently, the excessive rainfall that delayed the harvesting process of the oilseed that occurs between January and mid-April in most producing states. For these reasons, soybean shipments decreased by almost two million tons.

Source: *Jornal Cana*

BRAZIL'S TOTAL ETHANOL EXPORTS WAS 343.3 MILLION LITERS IN THE FIRST TWO MONTHS OF 2021

The volume of ethanol exported has been falling since November, however Brazilian mills increased exports by 4.1% in February 2021 when compared to the same period in 2020. The volume exported was 156.66 million liters, which is the highest result for February since 2016. In 2021, ethanol exports totaled 343.31 million liters, up 50.9% compared to the first two months of 2020. Data were released by the Foreign Trade Secretariat (Secex), of the Ministry of Economy. In the two months, the main biofuel destinations were: South Korea (81.83 mi L), Netherlands (23.83 mi L) and China (16.22 mi L). The United States ranked tenth, with 1.85 million liters. The average price of ethanol exported in February was US\$ 461.35 per cubic meter. The value is slightly above the US\$ 460.48/m³ seen in January, but it is 19.6% below the US\$ 574.13/m³ recorded in February 2020. Still, in the accumulated of 2021, the revenue with the Ethanol sales were US \$ 158.22 million, which represents a 22% increase in the annual comparison.

Source: *Nova Cana*

BRAZILIAN RICE EXPORTS AT HIGHEST IN NINE YEARS

Based on information from the Ministry of Economy, data from ABIARROZ (the Brazilian rice industry association) and SINDARROZ-RS (the rice industry in the state of Rio Grande do Sul) show that Brazil exported 1.77 million tons of rice (husk base) during the crop year ending at the end of February; this was the highest volume in nine years. The volume of imports in the period, at 1.35 million tons, was the highest in 12 years. As a result, the segment's trade balance closed these 12 months at 417,300 tons. Of the total shipped, processed rice represented 38.8%, broken rice, 33%, and paddy rice, 27.2%. According to Abiarroz and Sindarroz / RS, the commercial year 2020/21 had a strong increase in exports of cereal in husk compared to the 2019/20 cycle, when the participation was 18%. Venezuela (importing 313,000 tons) and seven other countries stood out as destinations for Brazilian rice: Senegal (225,000 tons), Peru (176,500 tons), Gambia (129,000 tons), Sierra Leone (110,000 tons), the United States (95,000 tons), Costa Rica (91,400 tons) and Cuba (90,000 tons). Also according to the entities, the volume imported during the 2020/21 crop year rose 33% compared to the 2019/20 crop year. The main rice suppliers to Brazil were Paraguay, with a 47% share, Uruguay (20.1%) and Argentina (11.2%).

Source: *Valor Econômico*

SUGAR PRICES TO KEEP STABLE

According to experts at the Opening of Safra Cana event on March 11, the expectation of the global market is based on a slight deficit in the 2021/22 harvest year and should keep sugar prices stable for

producers. The participants of the event were Maurício Sacramento, Cofco's sugar executive; Ulysses Carvalho from Sucden; and Ivan Melo Filho, from DATAGRO Financial. According to Carvalho, sugar prices have recorded historic highs. Sacramento says that sugar and ethanol are well-paid products. According to Mello, the advance in the control of the covid-19 pandemic, on a global level, signals that the sugar market may register an increase in consumption by 1.5%. Melo Filho (DATAGRO) explains that China should remain as one of the major importers in this new season.

Source: *Universo Agro / DATAGRO*

THE 2021 HARVEST TO INCREASE BY 3.5% COMPARED TO 2020, IBGE SAYS

The agricultural harvest of 2021 should reach 263.1 million tons, an increase of 3.5% when compared to 2020 (9.0 million tons). The data released on March 11 are from the Systematic Survey of Agricultural Production (LSPA) of February by the Brazilian Institute of Geography and Statistics (IBGE) and indicate another historical record figure. In comparison to January, this year's production estimates increased by 0.3% (908.4 thousand tons). Brazilian producers are expected to harvest 67.0 million hectares in 2021, an increase of 2.3% compared to the area harvested in 2020. The result represents an additional of 1.5 million hectares in one year. Compared to January, the LSPA increased by 156.5 thousand hectares (0.2%).

Source: *Estadão Content / Canal Rural*

AGRIBUSINESS CONTRIBUTED TO 24.3% TO BRAZIL'S GROSS DOMESTIC PRODUCT IN 2020

The Gross Domestic Product (GDP) of agribusiness rose 2.06% in December and closed 2020 with a record increase of 24.31%, more than a quarter of Brazil's economy. The productive chain of agriculture and livestock had significant expansions in 2020, increasing by 24.2% and 24.56%, respectively. As a result, agribusiness increased its share of the country's total GDP to 26.6% last year, compared to 20.5% in 2019, according to CAN and Cepea. All Brazilian agribusiness sectors increased in 2020, with emphasis on the primary sector (56.59%), followed by agroservices (20.93%), agribusiness (8.72%) and inputs (6.72%). "The performance of agribusiness GDP reveals the evolution of the sector's real income, in which volume variations and real prices changes are considered," said CNA.

Source: *Reuters*

PARANA ENCOURAGES WHEAT PRODUCTION IN WINTER

The Secretary of State for Agriculture and Supply and the Institute of Rural Development of Paraná - Iapar - Emater is encouraging the use of areas for planting wheat in winter. The note released by the Secretary includes the most suitable cultivars and aims to assure incomes to the producers in case of the second crop of corn is not possible. Brazil harvests about 6.2 million tons of wheat annually, and the state of Parana ranks first, with half of the production, however, consumption is about 11.8 million tons. Brazil imported 6.8 million tons of wheat last year, "causing scarce resources to be sent abroad, which are no longer used in Brazil and in the production chain of this important cereal". About 5.5 million hectares is used to cultivate soy in Parana. In winter, the second crop of corn occupies 2.28 million hectares of this area, while wheat is restricted to 1.12 million hectares. "Add to that the possibility of an exceptional financial return, the crop of wheat has not had such a high profitability since 2007", explains the note. According to data in November 2020, profitability reached 49%.

Source: *Agência de Notícias do Paraná*

PORT OF ITAQUI STANDS OUT IN FERTILIZERS AND FUELS IMPORTS

Porto do Itaqui (MA) aims to stand out not only grain exports, but also fertilizer imports. Last year, the port handled 2.8 million tons of fertilizers. The expectation is that the port will exceed 3 million tons in 2021, says the president of Porto do Itaqui, Ted Lago. Two factors can push the increase: the continued growth of agricultural production in



Matopiba, and the beginning of the operation of the terminal Companhia Operadora Portuária do Itaqui (Copi). The terminal has capacity to handle 3.5 million tons. The port of Itaqui starts to operate fertilizers with the beginning of the operation of the terminal. "We are expecting a large productivity growth. We are going to reach 750 tons/hour", says Lago. Besides fertilizers, Itaqui wants to expand fuels handling, focusing on the agribusiness growth, which demands both products to increase. Four terminals will go up for auction this year for handling and storing combustible liquid bulk.

Source: *Porto do Itaqui*

PORT OF IMBITUBA PREPARES TO RECEIVE SOYBEAN CROP

The beginning of the soybean harvest in Brazil is encouraging the prospects for the handling of the agricultural grain in the Port of Imbituba for the coming months. The port operator Granéis Imbituba confirmed the scheduling of at least six bulk shipments in the period between March and May. The cargo is already arriving by road transport and being stored in the warehouses of Fertilisanta and Serra Morena, which form the joint venture Granéis Imbituba. Together, the operators have a static storage capacity of around 220,000 tons. The product comes from the Midwest. According to José Roberto Martins, Managing Partner of Granéis, the late start of the harvest ends up putting pressure on the flow going through Brazilian ports and, as there is the capacity to send the cargo through Imbituba, the market seeks these solutions, closing new contracts. "We moved around 1.4 million tons of corn and soybeans through Imbituba in the last year and our expectation is to exceed this mark in 2021", highlights Martins. The ships scheduled for the coming months are of the Panamax class and are expected to load, on average, 66,000 tons each, bound for China.

Source: *Datamar News*

CARGO HANDLING AT BAHIA'S PORTS SEES STRONG GROWTH IN FEBRUARY

In February, Bahian ports managed by Companhia Docas do Estado da Bahia (CODEBA) reached the mark of 958,681 tons handled, a strong 28.17% increase compared to the same period of 2020 when the company handled 747,991 tons. It was the best month of February in CODEBA's history. The numbers were driven mainly by increased handling at the Port of Aratu-Candeias, up 58.79% compared to February 2020. 501,170 tons were handled compared to 315,626 tons in the same period of the previous year. The movement of liquid bulk (+49.27%) and solid bulk (+138.18%) largely contributed to the increase. 436,919 tons were handled through the Port of Salvador, a 7.02% increase compared to February 2020, when 408,253 tons were handled. The increased tonnage of solid bulk (+37.45%) and containers (+4.68%) contributed to the increase. The Port of Ilhéus handled 20,592 tons in February. 9,931 tons of nickel left the country through the Organized Port of Southern Bahia and 10,661 tons of cocoa entered. For the sixth consecutive month, Bahian ports recorded a continuous increase in cargo handling when compared to the same month of the previous year.

Source: *Datamar News*

PORT OF VITÓRIA THROUGHOUT UP 23.14% IN THE FIRST TWO MONTHS OF 2021 YOY

The Port of Vitória registered a 23.14% increase in cargo handling in the first two months of the year, compared to the same interval last year. During this period, 1,129,088 tons were handled, with emphasis on caustic soda; malt; compost and fertilizer; containers; and marble and granite. In terms of handling by cargo nature, solid bulk stands out with an increase of 88,500 tons handled compared to the same period of the previous year, an increase of 27.13%. In this category, the main products handled increased significantly: malt (+ 41.3%) and fertilizer (+ 38.39%). According to the Planning and Development Coordinator, Leonardo Bianchi, the perspective is that solid bulk will be the main cargo operated at the Port of Vitória in 2021. Among the liquid bulk, caustic soda was the biggest highlight, registering an increase of 72%. Also, the movement of loose general cargo increased by 18.92%, with

the highlight being the export of granite. In January and February this year, the Port of Vitória registered a percentage of 51.27% in long-haul shipping and 48.73% in the cabotage category. Also, in cumulative terms, the port registered more products exported than imported: 261,200 tons of products were exported and 243,900 tons were imported. When it comes to cargo origins, the country that appears at the top of product imports handled by the Port of Vitória is the United States, which sent 45,000 tons of cargo in the first two months of this year alone. The North American country is followed by China, Colombia, Holland, and Estonia.

Source: *Datamar News*

AÇU PORT TO OFFER DISCOUNT TO ENVIRONMENTALLY FRIENDLY VESSELS

This month, Açú Port formalized its adhesion to the Environmental Ship Index (ESI), an environmental index that classifies vessels that exceed the emission standards established by the International Maritime Organization (IMO). With this, ships that have environmental performance that are above the standards, including the levels of greenhouse gas emissions, now have access to different port tariffs, with discounts of up to 10%. With the initiative, Açú Port joins a list of 62 global ports that have adopted the environmental incentive mechanism. ESI is a project led by the World Ports Sustainability Program (WPSP), linked to the International Association of Ports and Harbors (IAPH). "Açú's adoption of ESI-approved standards reinforces our commitment to participate in the global effort to reduce emissions through an incentive for a key player in the maritime chain – that is, the shipowners – in joining efforts to use more and more clean technologies", says Tessa Major, Director of International Business at Açú Port and Vice President of IAPH in South and Central America. The first vessel to receive the incentive when accessing the base was SEA Brasil, operating for Equinor. Today, there are already more than 8,000 vessels registered with the program.

Source: *Datamar News*

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