

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)

2022/23 SUGAR OUTPUT SEEN AT 525 MILLION TONS, UNICA SAYS

After a historic drop in sugarcane production in Brazil's Center-South region, the next sugarcane crop is likely to have a partial recovery. According to the technical director of the Sugarcane Industry Association (Unica), Antônio Pádua Rodrigues, the frequency of rainfall will begin in October, and the positive forecasts for January and February point to a recovery of at least 8.5% in sectorial productivity to begin as of April 2022. "We expect a partial recovery, depending on the weather condition, which is positive for now", he said. For the 2022/23 season, a partial recovery of sectorial productivity is expected; at least by 8.5%, due to better conditions of the planting are in relation to 2011/12; and greater investments in biological products, micronutrients, foliar fertilizers. There is a fair sign that good weather is on the way for the cultivation of sugarcane in the first quarter of 2022. The La Niña effect is expected to last until March and is not likely to affect rainfall in the Center-South.

Source: Canal Rural (*Translated by la Niani)

CORN ETHANOL PRODUCTION GROWS 36% IN 2021/2022

Corn ethanol was the great selling point for the ethanol demand in Brazil's Center-South region in the 2021/22 season, ensuring supply this year, after a sharp drop in sugarcane production. The technical director of the Sugarcane Industry Association (Unica), Antônio Pádua Rodrigues, said that the production of corn ethanol should close the 2021/22 season with 3.5 billion liters, an increase of 36% when compared to the 2.58 billion liters registered in 2020/21. "Numbers of anhydrous ethanol production were expressive, guaranteeing internal supply until April 2022, ensuring the addition level of 27 % in gasoline with no need for more imports from now on. The effort is impressive. We have total peace of mind in relation to the supply", Rodrigues said. By the beginning of December, the two largest corn ethanol producing states in Brazil were Mato Grosso, with 1.982 billion liters, and Goiás, with 262 million liters, according to Unica.

Sources: Agência Safras/Nova Cana (*Translated by la Niani)

BRAZILIAN GOVERNMENT APPROVES MIXTURE OF 10% BIODIESEL IN DIESEL OIL

President Jair Bolsonaro approved on Friday (17) a resolution of the National Energy Policy Council (CNPE) that establishes the mandatory blending content of biodiesel in fossil diesel oil at 10% for 2022. According to the Ministry of Mines and Energy (MME), the decision aims to protect the interests of consumers. The government expects that the percentage of the mandatory addition will avoid prices to rise about R\$ 0.12 next year, considering that commodities prices are continually increasing in the foreign and domestic market, such as soy. Soy is the main raw material for Brazilian biodiesel, which has about 71% the oilseed in its composition. The rest comes from beef tallow and other oils. According to the MME, through legislation, CNPE can increase this content up to 15% or reduce it to 6%, depending on the public interest.

Sources: Agência Brasil/DATAGRO (*Translated by la Niani)

BRAZIL'S OIL PRODUCTION SURGES IN NOVEMBER, SAYS ANP

Brazil's Agency for Petroleum, Natural Gas and Biofuels (ANP) reported on Thursday (16) that Brazil's oil production totaled 2.85 million barrels per day in November, compared to 2.78 million bpd in the previous month. Pumping also increased compared to November 2020, when extraction totaled around 2.75 million bpd. The production of natural gas, in turn, totaled 136.58 million cubic meters of natural gas per day (m³/day) in November, compared to 131.7 million m³/day in the previous month and 126.4 million m³ /day a year earlier. ANP said in a note that oil production in the Cessão Onerosa fields, in the Santos Basin pre-salt, surpassed the mark of 1 million barrels of oil equivalent per day (boe/d) in November. "It was the highest percentage of participation in national production ever registered, representing 27.05% of the national total, which was 3,710,774 boe/d in November", said the entity.

Sources: Reuters/Notícias Agrícolas (*Translated by la Niani)

GOVERNMENT GRANTS TWO PRE-SALT AREAS FOR R\$ 11 BILLION

On the 17th, the government granted, in an auction with little competition, two pre-salt areas for exploration and oil processing. The sell-off brought in R\$ 11 billion and is expected to generate investments of R\$ 204 billion. The market sees this auction as the last major offer of pre-salt areas destined for oil exploration in the country, given that there are no more relevant available areas with high oil potential on the Brazilian coast, as well as of the growing pressures to transition to the use cleaner energy sources. Only Sêpia, the most expensive of the two blocks, was a target of competition. A consortium composed of Total (France), Petronas (Malaysia) and Qatar Petroleum (Qatar) outbid Petrobras. The state-led company, though, exerted its preference right and decided to join the winning consortium. The companies will pay bonuses of R\$ 7 billion and have pledged to give 37.43% of the field's oil production to Brazil, after discounting production costs. The Atapu block was purchased by a consortium formed by Petrobras, Shell (England) and Total, which will pay a R\$4 billion signature bonus and pledged to return 31.68% of the production in-site production, which represents a gain of 437.86%. The group was the only one to present a proposal for the area.

Sources: Folha de S. Paulo/Datamar News

BRAZIL'S WHEAT EXPORT RISES AFTER RECORD HARVEST AND FAVORABLE FOREIGN EXCHANGE RATES

Brazil, a traditional wheat importer, has strongly expanded its exports of the product in December 2021, having even more shipments already scheduled for January and February. Such a change is the result of a record harvest and favorable exchange rates that are boosting the business. Wheat shipments departing from Brazil doubled by the daily average until the third week of December vis-a-vis the same month in 2020, reaching more than 20 thousand tons per day. According to data from the Secretariat of Foreign Trade (Secex), the total volume exported in the month exceed 300 thousand tons. Brazil traditionally exports good quantities in December, after the wheat harvest in Rio Grande do Sul, but a record harvest in the state indicates even greater exports. There talks about the country's wheat shipment reaching historical levels in the 2021/22 wheat commercial year (August/September). "We have already reached 2.5 million tons committed for export, an all-time national record," said analyst Luiz Pacheco, from the T&F consultancy firm.

Sources: Money Times/Datamar News

BRAZIL: RICE PRODUCERS BET ON EXPORTS IN 2022

Rice output in Rio Grande do Sul surged in 2021. The production of 9,000 kg per hectare brought calmness to the market. Costs, however, are still the most important concern for the rice sector, which has been seeking alternatives with the Federal government. For 2022, the Federation of Rice Associations of Rio Grande do Sul (Federarroz) continues to defend the increase in the soy planting area, considering exports investments can be effective. The president of Federarroz, Alexandre Velho, says that foreign sales are essential for market control, bringing references in terms of price, which results on a stronger position from the industry in relation to large quantities. He emphasizes that the Brazilian product could compete and enter Mexico (which imports 800 thousand to a million tons of rice a year) mainly due to some reasons, such as the drop in the North American crop of around 15%, the dollar above BRL 5.50, in addition to the fact that the bag price in the United States is 15 dollars.

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

BR DO MAR IS APPROVED AND FOLLOWS FOR PRESIDENTIAL SANCTION

On Wednesday, 15th, the House of Representatives approved Bill 4199/2020 - Program to Promote Cabotage Navigation - BR do Mar. The final text now goes for President Jair Bolsonaro's sanction. One of the pillars of the proposal is the flexibility of the chartering of foreign vessels for coastal shipping, which will facilitate the entry of new carriers to the Brazilian shipping market. According to the Ministry of Infrastructure, with the promotion of coastal shipping, it will be possible to increase the



volume of containers transported per year, from 1.2 million TEUs (20-foot equivalent unit) in 2019 to 2 million TEUs in 2022. According to the Federal Government, the new legislation can reduce freight costs by up to BRL 1.7 billion per year. The final amount (with social, economic and environmental advantages) can have a cost reduction of BRL 3 billion annually.

Source: PROMARE

AGRIBUSINESS DRIVES ROAD FREIGHT VOLUME UP 37.4% IN BRAZIL

According to the report "Road Cargo Transport in Brazil" by FreteBras, an online cargo platform, road freight increased by 37.4% in the third quarter of 2021, compared to the same period last year. Agribusiness represented 39.7% of cargoes registered on the FreteBras platform, with around R\$ 7.8 billion tons of cargoes distributed in freight. "The volume of freight followed the growth of agribusiness, which, according to estimates by the National Supply Company (Conab), will increase in the 2021/22 season compared to the previous one. The forecast is for an increase of 3.6% in the farming area and 14.2% in grain production next year, compared to 2021. To meet this demand for growth, the sector has already started to import millions of tons of fertilizers and we can see the impact of this movement on our platform", said Bruno Hacad, FreteBras Operations Director.

Source: DATAGRO (*Translated by la Niani)

CARGO HANDLING GROWS 27% IN PORT OF ITAQUI BY OCTOBER

The Port of Itaquí increased cargo handling by 27% from January to October when compared to the same period in 2020, according to data released by the Federal Government. Ports in Brazil handled altogether more than one billion tons of cargo in this period, which represents a 5.5% growth compared to the same period last year. "We have already surpassed 30 million tons of cargo and we expect to continue increasing until the end of the year, setting a new level of cargo handling for the coming years", said the President of the Port of Itaquí, Ted Lake. According to Antaq's Waterway Statistical Panel – National Waterway Transport Agency, Brazilian public ports handled 344.5 million tons in the period, up 5.01% over the same period last year, whereas private facilities handled 665.8 million tons, an increase of 5.70%. The public port of Itaguaí increased by 21.1% in the period. Considering the private ports, São Francisco do Sul Waterway Terminal showed the greatest movement, increasing more than 95.3 when compared to January/October 2020.

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

IMBITUBA HANDLING UP 22% IN NOVEMBER

With about 590,000 tons transported in November, the Port of Imbituba ended the month with a 22% increase in handling compared to the same period last year. Imports drove operations, with 60.7% of the volume, followed by exports (29.7%), and cabotage (9.6%). The result already confirms a new all-time record for the port, with more than 6.2 million tons handled in 2021. In November, coke (oil-derived) maintained its leadership among the busiest cargoes (213,300 tons), followed by iron ore (82,600 tons), containers (57,100 tons), steel products (43,600 tons), and calcium phosphate (39,400 tons). Salt, corn, potassium chloride, sodium sulfate, cellulose, soda ash, barley, urea, zinc sulfate, generators, and magnesium sulfate were also moved. Regarding the number of ships, 23 berthings were carried out in the period. In the accumulated result for the year, more than 260 ships have already passed through the Port, handling especially coke, containers, salt, bituminous coal, and iron ore.

Source: Datamar News

A SHIPMENT AT THE PORT OF IMBITUBA KICKS OFF BRAZIL'S FIRST CANOLA EXPORT

The Port of Imbituba is welcoming the first major canola shipment that will depart Brazil. The 9,500 tonnes of the oleaginous grain are being loaded onto the vessel MP KAMSARMAX 1, moored at Pier 2, and should sail to the ports of Dammam, in Saudi Arabia and Jebel Ali, in the United

Arab Emirates. Canola is traditionally grown in the state of Rio Grande do Sul and its production is relatively small in Brazil, but it has been gaining ground in crop rotation schemes. According to Conab, the forecast is that the 2021/2022 harvest will total approximately 55 thousand tons, 70% higher than that of 2020/2021 (32.2 thousand t). According to Comex Stat, the database that houses Brazilian foreign trade information, the last canola export occurred only in 2007. Thus, the shipment that will depart Imbituba can be considered as the first national canola export in a significant amount. The exporting company in charge of the task is Celena Alimentos, from Rio Grande do Sul. The company has been present in the national market for over 20 years and is now launching itself on the international level.

Source: Datamar News

ANTAQ WILL HOLD PUBLIC INQUIRY ON THE CONCESSION OF THE PORT OF SÃO SEBASTIÃO

ANTAQ will conduct, between December 27th and February 9th, public inquiries and hearings to gather contributions about the bidding for the concession of the Organized Port of São Sebastião (SP). Contributions may be sent to ANTAQ until 23:59 on February 9, exclusively through the electronic form available online at <https://www.gov.br/antag/pt-br>. The project consists of privatizing the Port of São Sebastião, in addition to the related public port services. According to the federal government, the proposal is related to policy guidelines for inducing private investments and improving port efficiency. The contractual term will be of 25 years. The concession of the Port of São Sebastião, in accordance with the federal government's public policy, will yield productivity gains especially in terms of management, efficiency, and purchasing and contracting speed.

Source: Datamar News

NEW REGULATORY FRAMEWORK MAY INCREASE GRAIN FLOW IN CEARÁ PORTS AND REDUCE FREIGHT PRICES

The new railroad regulatory framework approved last week by the Chamber of Deputies is expected to increase the flow of products, mostly grains, in the ports of the state of Ceará (Pecém and Fortaleza), on top of generating cheaper freight costs and bolstering projects such as the Transnordestina railway. The Brazilian Federal Government expects R\$ 80 billion to be added into the railway sector in the country, causing a decrease of nearly 40% in freight prices as a response to the decrease in dependence on road modal that would shortly follow. According to Augusto Fernandes, CEO of JM Negócios Internacionais, the majority of investments would be directed to the South-Southeast axis of Brazil given that these are the regions where most of the consumer market and firms are located at. Notwithstanding, Fernandes believes that the state of Ceará and the Northeast region altogether could still benefit from the new framework whatsoever. Among possible benefits, he mentions the increase in the flow of products at Pecém and Fortaleza.

Sources: Diário do Nordeste/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

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!

Please, follow us on Instagram



[@williamsagents](https://www.instagram.com/williamsagents)



Williams Serviços Marítimos Ltda.
+ 55 81 3327 9200
williams@williams.com.br
www.williams.com.br