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### TRADE BALANCE HAS SURPLUS OF US\$ 754.5 MILLION IN THE 1ST WEEK OF FEBRUARY

The Brazilian trade balance registered a surplus of US\$ 754.5 million in the first week of February (1st to 6th). According to data released this Monday, February 7, by the Foreign Trade Secretariat (Secex) of the Ministry of Economy. In the period, exports were worth US\$ 4.743 billion while imports totaled US\$ 3.988 billion. The daily average of exports increased by 30.3% compared to the same period last year, with a 13.9% increase in agriculture, a 30.4% increase in the extractive industry, and a 34.6% increase in product sales in the manufacturing industry. The daily average of imports increased by 23.4% in the period, with a drop of 41.2% in Agriculture, an increase of 151.2% in the extractive industry, and 21.4% in products from the manufacturing industry. Year-to-date through February 6, the trade balance has a surplus of US\$ 540.1 million.

Sources: UOL/Datamar News

### UNITED STATES - BRAZIL AGREEMENT ON TRADE RULES AND TRANSPARENCY ENTERS INTO FORCE

The Office of the US Trade Representative announced this Wednesday (2) that an agreement on trade rules and transparency between the United States and Brazil entered into force. The agreement (referred to as Protocol), signed in October 2020, sets out a series of points related to trade processes between the two largest economies of the Americas. The Protocol includes online publication of customs information and other border information, including practical steps for import, export and transit; fees, taxes and current fees charged at the border. In addition, the agreement includes Anti-corruption commitments, with obligations to adopt measures to prevent and combat bribery; effective and persuasive sanctions for corrupt acts; procedures to denounce acts of corruption and protection for people who report corruption. Ambassador Jayme White said that the protocol is "a long-term investment" in a "bilateral relationship". "The Protocol is an opportunity for Brazil to demonstrate its willingness and capacity to meet high standards for governance and transparency," he said.

Sources: Estadão/Revista Globo Rural (\*Translated by la Niani)

### BRAZIL WILL NEED TO BUILD ETHANOL PLANTS, RAIZEN'S CEO SAYS

According to Raizen's CEO Ricardo Mussa, the increase in demand for ethanol may mean that, despite the large production, Brazil will have a lack of supply in a few years and need to build new production units. "Considering this supply and demand balance that we project for the coming years, not having enough supply is a concern, so we will need to build new plants," he said on Wednesday 2, during the Credit Suisse conference. "Despite the supply, there is a lot of demand for other products," he added. Mussa mentioned that today much of the company's production is for industrial use. "With the green wave, there are several demands from other sectors, such as pharmaceuticals, that go to ethanol", he said. He also mentioned about plastics and chemical industries. "We have a cheap and renewable carbon chain". To meet the growing demand, sugarcane productivity is essential, he said. He also mentioned second-generation ethanol, which can increase biofuel production by 50% without increasing the area.

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

### NATURAL GAS PRODUCTION SETS NEW RECORD IN 2021

Brazil produced a record amount of Natural gas in 2021, up 5% from 2020, averaging at 134 MMm3/d (million cubic meters per day). In 2020, the average was 127 MMm3/d. Oil, in turn, was 2.905 MMbbl/d (million barrels per day), dropping 1.18% from 2.940 MMbbl/d in 2020. National production in December 2021 averaged at 3.670 MMboe/d (million barrels of oil equivalent per day), with 2.838 MMbbl/d of oil and 132 MMm3/d of natural gas. Oil production dropped by 0.5% when

compared to the previous month and increased by 4.1% when compared to December 2020. There was a reduction of 3.2% of natural gas production when compared to November and an increase of 4.1% in relation to the same month of 2020. The data are available in the ANP's Monthly Bulletin of the Production of Oil and Natural Gas for December, which provides detailed data for the national output in December 2021 and a special data for the year 2021 as whole.

Source: DATAGRO (\*Translated by la Niani)

### BRAZIL IMPORTS CARGO OF GUYANESE CRUDE - SOURCE

Bahia's Mataripe refinery has imported the first shipment of Guyanese crude oil into Brazil. The oil, discharged between late January and early February from tanker Sonangol Portoamboim, was sold by Exxon Mobil Corp under in a spot deal for one cargo to the more than 300,000 barrel-per-day Mataripe refinery in Brazil, operated by Acelen and backed by Abu Dhabi's Mubalada fund, according to the source. Most of the sweet light crude is lower-sulfu. Guyana does not refine any of its oil, which ends up in Asian markets. Petrobras also gained market share in Asia with its low-sulfur crudes and fuel oil. The 1-million-barrel cargo of oil of Liza crude departed in early January from the Liza Destiny, a floating production storage and offloading (FPSO) facility off Guyana's coast, to the ports of Aratu and Madre de Deus, in the state of Bahia in Brazil, according to tracking data from the Refinitiv Eikon Tanker.

Source: Reuters (\*Translated by la Niani)

### ITAU BBA HIGHLIGHTS THE POTENTIAL MARKET DEVELOPMENT OF FERTILIZERS

The fertilizer price reduction at the beginning of the year as well as the increasing price of soybean, corn, coffee, and cotton slightly improved the exchange ratio of the end of last year, according to a newsletter published by the agribusiness sector of Itaú BBA. The bulletin affirms that, in Brazil, even with the slight reduction in the exchange ratio, fertilizer purchases are seasonally slow, while price levels are still high. "Given the uncertainties, it is important for the producer to be aware of the opportunities and not ignore the risks of unavailability in case of any logistical disruption that could affect the flow of imports, and the internalization of products". The document bulletin also informs that intense purchases in Brazil can prevent possible drops, pointing to the factors that can reduce the prices of fertilizers. "The high prices of macronutrients can reduce the demand for fertilizers. With the end of winter in the Northern Hemisphere, natural gas prices tend to cool down, whereas inactive plants tend to return to produce, which will increase the availability of macronutrients, mainly the nitrogen macronutrients", Itau Bank said.

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

### STONEX LOWER FORECAST FOR BRAZIL'S SOYBEAN EXPORTS AND CONSUMPTION; PROJECTS RECORD CORN CROP

According to data from StoneX, Brazil's soybean exports are forecast at 80 million tons, dropping by 4 million tons when compared to the last forecast, due to the reduction of national production, and the drought. Shipments would still be below 2021's record of 86.1 million tons. StoneX further revised downward the country's soybean consumption forecast to 48.2 million tons from 47.5 million in 2021. Final outputs in 2022 are now estimated at 2.2 million tons, down from 3.26 million in 2021. In case of losses, StoneX still sees a potential record corn crop, since the largest part of the Brazilian production will be harvested in winter. Total production is forecast at 116 million tons, compared to 86.63 million in the previous cycle. Ending stocks for the 2021/22 season are now estimated at 9.5 million tons, compared to 7.92 million in the last season.

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

### MINERAL INDUSTRY'S OUTPUT INCREASE 7% WHILE REVENUE INCREASES 62%

The mineral industry in Brazil produced 1.150 billion tons last year, a 7% increase over the 1.073 billion tons produced in 2020. The sector's global revenue reached R\$ 339 billion, up 62% from R\$ \$209 billion the



previous year. The Brazilian Mining Institute (Ibram) released the information. Iron ore accounted for 74% of the sector's global revenue in 2021, compared to 66% in 2020, followed by gold (8%) and copper (5%). The data show that national mineral exports grew 58.6%, from US\$36.5 billion in 2020 to US\$58 billion in 2021. Mineral imports increased 120.8 % last year, from US\$ 4.1 billion to US\$ 9.1 billion. In 2021, Brazil exported 357.7 million tons of iron ore, vis-a-vis 341.6 million tons in the previous year. The main destinations for Brazilian iron ore were China (68%), Malaysia (6.4%), and Japan (3.6%). On the other hand, the main product imported by the sector was metallurgical coal, increasing 25% in tons. The leading supplying countries for this product were Colombia (27%), the United States (26%), and Australia (24%).  
Sources: Agência Brasil/Datamar News

### TEREOS ADOPTS A NEW ROUTE TO EXPORT SUGAR FROM SANTA CATARINA

The French company Tereos started to ship sacked sugar through the Port of São Francisco do Sul (SC) as an alternative to the Port of Paranaguá (PR), which currently suffers from long queues that impose high logistical costs. The company carried out the first shipment of more than 19 tons of refined sugar in 50-kg sacks, stored in the ship's hold as a container-free alternative. Tereos stated that it is negotiating the export of new volumes using the same method as the logistical issues concerning the disponibility of containers are likely to remain in place. Even though Tereos refines its sugar at its industrial facilities in the northwest of São Paulo, the current situation in the world of logistics compensates for the long southward journey to Santa Catarina. "The logistical costs of moving the cargo are similar. However, operating at the Port of São Francisco allowed us to spend less on demurrage/waiting time since the Port of Paranaguá had a long line-up of vessels," said the company. In the first shipment done in partnership with Porto Commodities, the company could save R\$2 million by mitigating port expenses and accommodation costs.  
Sources: Money Times/Datamar News

### PORTOS DO PARANÁ ISSUES PUBLIC NOTICE FOR GENERAL CARGO AREA BIDDING

Portos do Paraná published on this Monday, February 7, the public notice for auction 001/2022 regarding a handling and storage area of general cargo located in the primary lane of the Port of Paranaguá. The 6,600-meter long land slot, PAR32, is on the west side of the pier and is connected to berth 205. The terminal is not greenfield meaning that it already features a physical structure that, in particular, is destined for sugar cargoes. The highest award value will be the bidding criterion, and the estimated investment costs (Capex) will be around R\$ 4.17 million. The requirements to participate are broken down in the auction notice, which is available, as well as its annexes, on the websites [www.portosdoparana.pr.gov.br](http://www.portosdoparana.pr.gov.br) and [www.infraestrutura.gov.br](http://www.infraestrutura.gov.br). The public auction session will take place at the Brazilian Stock Exchange, B3, on April 1 at 2 pm. The Paraná port authority is the first in Brazil to conduct auctions for its own terminals. Portos do Paraná received autonomy to manage the contracts in August 2019.  
Source: Datamar News

### THE PORT OF NATAL SAW AN INCREASE IN HANDLING RATES IN JANUARY

Cargo handling at the Port of Natal increased by 150.10% last month, reaching 105,206 tons. The increase in shipped containers and sugar shipments was decisive for the result. The amount handled in January 2021 was 42,066 tons. The handling of containers increased by 61.89% compared to last year. In 2020, 2,430 containers were handled, while only 1,501 in 2021. The number of berths also grew in the period, reaching 17 last month. The cargoes handled the most at the port were fruit, sugar, and wheat. The Areia Branca Salt Terminal also saw a considerable increase of 34.35% in handling. In total, 221,374 tons of salt were shipped in the first month of 2022. In January last year, the amount of salt that left Porto Ilha was 164,775 tons.  
Source: Datamar News

### IMBITUBA HAS ITS BEST JANUARY PERFORMANCE IN HISTORY

In January 2022 alone, the Port of Imbituba handled 671.1 thousand tons, making it the single best January in terms of handled volume in the Port's history. Compared to operations in January 2021, this year has begun with a 64.8% increase in transported tonnage. In total, the wharf served 26 vessels, up 30%. The closing of the month consolidated the leadership of solid bulk in Imbituba with 517.9 thousand tons, an increase of 63% vis-a-vis the same period of the previous year. The products that showed the highest handling rates were petroleum coke (calcined and non-calcined); fertilizers (urea, MAP, and potassium chloride); and containers, followed by iron ore and wheat. Imbituba also had salt, wood logs, steel products, soybean bran, barley, and cellulose operations. For February, the Port Authority forecast is that the Port will maintain the monthly growth curve and move around 470 thousand tons.  
Source: Datamar News

Source: Datamar News

### BRAZILIAN PORTS SEE INCREASED HANDLING RATES AT 4.8% IN 2021

Brazilian ports handled 1.21 billion tons of cargo in 2021, according to the National Waterway Transportation Agency (Antaq). Shipments, including public and private terminals, grew by 4.8% last year. Antaq forecasts that Brazilian ports will handle 1.239 billion tons of products in 2020, an expansion of 2.4% over 2021. The transportation of solid bulks, which have a share of 58%, increased 1.8% in 2021 vis-a-vis 2020. In total, the sector handled 703.6 million tons. The total amount of liquid bulks transported was 313.7 million tons. In comparison to 2020, this represented an increase of 8%. Last year, loose general cargo handling increased by 11%, reaching 60.1 million tons; this category accounts for 5% of total handling at Brazilian ports. Antaq studies show that 51% of Brazilian long-haul exports go to China. In terms of imports, Brazil's leading trade partners are the United States (24%), China (11%), Russia (7%), and Argentina (6%).  
Sources: Valor Econômico/Datamar News

Sources: Valor Econômico/Datamar News

### LIQUID BULK HANDLING AND CABOTAGE SHIPPING STOOD OUT AT SUAPE PORT IN 2021

The Suape Port Industrial Complex closed 2021 by taking the national leadership in liquid bulk handling. In addition, Suape is now the largest container hub in the North and Northeast regions of Brazil, ranking at the top among public ports in both regions. The port handled a total of 14.9 million tons in 2021, compared to 14.3 million in the Port of Santos and to 9.8 million in the Port of Itaquí. Liquid bulks accounted for 67.8% of all cargo handled in Suape. Cabotage shipping also stood out. Last year, about 13.9 million of the 22 million tons handled by Suape had their origin or destination in other Brazilian ports. Loose general cargo, such as steel sheets, bagged sugar, vehicles, wind turbines, among others, increased by 22%, totaling 492,927 tons. Dry bulk (wheat and coal coke) increased by 22.3%, totaling 719,174 tons.  
Source: Portos e Navios (\*Translated by Ia Niani)

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