

**SOYABEANS: SALES OF THE 2018/19 CROP GROW 6% IN MT**

Sales of the 2018/19 soyabean crop advanced 6.66% in Mato Grosso in August, according to the Institute of Mato Grosso do Agropecuária (Imea). In the accumulated of the harvest, the negotiations reach 28,15%. In relation to the 2017/18 harvest, the increase in sales was 3.42%. According to Imea, the heated marketing is a reflection of the improvement in prices, driven by the rise of the dollar in the period, and the proximity to the beginning of sowing. Therefore, the average sales value of the 17/18 crop was R \$ 72.26 / sc, and the crop 18/19, R \$ 67.44 / sc, an increase of 2.68% and 3.70% , respectively, in relation to the month of July. In the evaluation of the institute, in the coming months, the dollar tends to continue being the main business vector. In addition to the routine concerns and close sowing, Imea recommends that the producer be aware of the "bustling" Brazilian political scene, in order to guarantee the best opportunities.

Src.: *Universo Agro*

**ETHANOL SALES GROW 22.95% IN AUGUST; DOMESTIC MARKET GROWS 25.60%, SAYS SINGLE**

The total volume of ethanol sold by the Central-South mills in the domestic and foreign markets in August totaled 2.947 billion liters, compared to 2.397 billion liters in the same period of 2017, up 22.95%. The total accumulated volume of fuel sold to distributors and exported reached 12.186 billion liters in five months of the 2018/2019 harvest, started on April 1st, up 15.73% versus 10.529 billion liters in the same period of 2017/2018 . The total volume of ethanol sold by the mills to distributors in the domestic market in the Center-South reached 2.7567 billion liters in August and accumulates 11.493 billion liters in the 2018/2019 harvest. The volumes represent increases of 25.6% in relation to the total of 2.203 billion liters sold in August 2017 and 17.68% in volume accumulated during the same period of the 2017/2018 harvest in the domestic market of 9.766 billion liters. liters, informed the Sugarcane Industry Union (Unica). Sales of hydrated ethanol fueled 37.31% in August over the same period of 2017, from 1.486 billion to 2.04 billion liters. According to Unica, in the last half of August the domestic market absorbed 1.05 billion liters of hydrated, a record for this fortnightly period. The previous record of the last fortnight of July 2018 was 932.35 million liters. "With this, the sale in August, which added 1.97 billion liters domestically, is also a historic mark for a month", Unica reported. With the result, total sales of hydrated in the harvest have increased from 37.92% between the periods, to 8.291 billion liters. Total anhydrous sales fell by 0.48% compared to the same months of August 2017 and 2018 to 906.43 million liters and fell 13.78% in the accumulated crop to 3.895 billion liters. The total ethanol export was 180.16 million liters in August, down 7.19% against the 194.12 million liters shipped abroad in the same month last year. In the accumulated 2018/2019 harvest, total ethanol exports fell 9.17% to 693.22 million liters, compared to 763.21 million liters in the same period of 2017/2018.

Src.: *Jornal do Brasil*

**IMPORT OF SOYABEANS BY CHINA GOES UP IN AUGUST WITH MORE SHIPMENTS FROM BRAZIL**

China imported 9.15 million tons of soyabeans in August, 8% more than 1 year ago when 8.44 tons were bought. The

country started to buy more soya from Brazil after imposing tariffs on products from the United States. Last June, Beijing imposed an additional 25% tariff on a list of US products worth US \$ 34 billion in value, including soya, which is the main agricultural item sold by the US to China. The move was a response to US rates on Chinese goods of the same value. In comparison with July, the increase in soyabean imports by the Chinese in August was even higher, at 14%. Already in the accumulated of the year, the volume is 2% lower than the first 8 months of 2017, totaling 62 million tons. The data are from the Chinese General Administration of Customs. Chinese buyers had already bought heavily soyabeans from Brazil before Beijing's high taxes on US cargoes came into force, with concerns that stocks would tighten as Brazil's supply, the world's largest exporter, is getting thinner. "The market continues to buy Brazilian soyabeans, but there is only a little volume of soyabeans there, and stocks here are high", said Tian Hao, a senior analyst at First Futures, before the August data was released. Imports in the coming months, before November, are expected to be above 7 million tons per month, but supply may tighten later as Brazil's soyabean season approaches the end, analysts said. Some see the shortage later. China may run out of soyabeans in early 2019, an executive from a major state processor said.

Src.: *Portos e Navios*

**GRAIN CROP 2017/18 WAS THE SECOND LARGEST IN HISTORY, SAYS CONAB**

Closed officially, the Brazilian grain and fiber crop 2017/18 was the second largest in history, according to a survey by the National Supply Company (Conab), with 228.3 million tons. In the previous cycle, when the record was set, the country harvested 237.67 million tons, therefore 3.9% more than now. Soyabean and corn, the main crops in the country, accounted for a production of 119.2 million and 81.3 million tons, respectively, with a rise of 4.6% and a fall of 16.8% over the previous season. Of the total corn produced, 54.5 million tons are the responsibility of the winter harvest, representing a decrease of 19.1% compared to 2016/17. In the case of soyabean, both planted area and seed productivity recorded significant gains, helping to boost the final volumes of the flagship of the Brazilian field. In the area, the oilseed went from 33.91 million hectares to 35.14 million hectares between one cycle and another, the greatest absolute gain among all crops analyzed. Compared to soyabeans planted in Brazil in 2006/07, plantations grew by no less than 69.9%, Conab notes. The average yield of soyabeans should also have ended this cycle with a record of 3,394 kilos / hectare. Besides the best technological package, the good performance of the seed was favored by precipitations and favorable temperatures in this cycle. With the decline in corn, Conab reduced the projection for cereal exports in 2017/18 for the third consecutive time. The expectation is now 25.5 million tons, down from an estimated 27 million tons last month and well below the estimated 32 million tons in June. In 2016/17, Brazil exported 30.84 million tons of corn. Still, despite the reduction, Conab's estimate is much more optimistic than that of the National Association of Exporters of Cereals (Anec), which forecasts 20 million tons exported, mainly affected by the establishment of minimum prices for road freight in the country.

Src.: *Portos e Navios*



## ORANGE 18/19 HARVEST WILL BE 273.34 MILLION CARTONS

The second 2018/2019 Orange Estimating Survey (PES) in the citrus commercial park of São Paulo and Minas Gerais, released this week showed a production of 273.34 million boxes (40.8 kg), volume 5, 19% lower than the total of 288.23 million boxes indicated in the first survey in May. Production, if confirmed, will represent a drop of 31.4% over the supply of the 2017/2018 crop, the second largest in history, of 398.35 million boxes. According to Fundecitrus, the reduction in supply over the previously estimated occurs because of the drought between May and July, more severe than initially expected. The fruits harvested of all the varieties until the month of August presented average weight below the projected one. "The rains of this period are directly related to the development of the fruits and, consequently, to the weight they reach in the harvest", said the institution. Early expectations already indicated a less rainy year, with a cumulative forecast for these three months averaging around 101 millimeters in the citrus belt, index 24% below the historical average. "However, the actual volume of rain accumulated in this period was 36 millimeters, 73% lower than the historical average, making it the worst drought for those months in the last 10 years analyzed," he said. "It was only in August that more significant rains were observed and above the historical average in the south, southwest and most of the center, averaging 103 millimeters, while in the rest of the citrus belt the average was 38 millimeters in that month," reported.

Src.: *Revista Globo Rural*

## CNA CRITICIZES DRAFT RESOLUTION OF ANTT OF FINE FOR TABLE NON-COMPLIANCE

The Brazilian Confederation of Agriculture and Livestock (CNA) will strengthen its chief of staff, Eliseu Padilha, his assessment of the negative impacts of the freight rate for the economy. In an official letter to the minister, the entity states that the "scenario of legal insecurity installed in the country by the board, is increasingly aggravated by the draft of the Resolution of the Land Transport Agency (ANTT) that provides for the establishment of a fine for noncompliance with the table." The CNA points out that this week ANTT published the documents referring to the public hearing that aims to discuss measures to ensure compliance with the minimum freight price. Among them, the one that establishes the fine of R \$ 5K per trip for those who fail to comply with the tariff. The entity also remembers, in the letter, the inspection carried out by ANTT during the holiday of September 7, which resulted in notifications that allow truckers to collect compensation from the shippers, in an amount corresponding to twice the difference between the value contracted and what would be due. "It is understood that, as long as the new scale, foreseen for January 2019, is not formulated, the payment of fines, sanctions and indemnities is illegal," says the CNA in the letter, noting that Law 13,703, which establishes the National Policy of Minimum Floors of Road Transport, establishes that "the process of fixing minimum floors should be technical, widely publicized and attended by representatives of shippers, freight contractors, cargo transport cooperatives, trade unions of freight companies and freight forwarders ". The entity still complains, once again, that the table in force since May 30, was formulated without interaction of the actors

involved in road freight transport. "In addition, factors such as the type and quantity of cargo, the vehicle model, the distance traveled, the time of transport, the road conditions, the seasonality of the demand, the regional peculiarities of the municipalities that cover the routes from the origin to the destination, the possibility of freight return, the interaction with other modes of transport, the form of contracting, the deadline for delivery, the payment of toll, among others. " According to the CNA, this practice results in freights higher than 57% (when the truck is expected to return with cargo) or 203% (return of the empty truck) than was practiced in the free market, depending on the distances traveled. "The ANC reinforces that the damages caused to the agricultural sector, due to compliance with the table, which will be replaced at the beginning of 2019, due to the inconsistencies presented, are taking on irreparable proportions in an economic and social sense. It also considers the proposed solution (mandatory freight charging) inadequate, since instead of solving a chronic problem in the transportation of cargo in the country, it creates distortions, without resulting in a definitive solution to the problem of the truckers' costs ", says the letter.

Src.: *Dinheiro Rural*

## DESPITE HIGH EXCHANGE, IMPORTS OF WHEAT REMAIN FIRM

Even with the dollar on the rise, imports of wheat remain firm, especially the Argentine product. The greater interest of Brazilian mills for the foreign cereal is justified to the smaller area cultivated in 2017, due to the low profitability with the crop and the unfavorable climate of that year, which resulted in a significant reduction of the harvest in Brazil. Despite a fall in imports of cereal in August, of 632.09K tons, 16.6% lower than the previous month, in July, the country imported the largest quantity of wheat since September 2016, according to data from the Secretariat of Foreign Trade (Secex). In the domestic market, marketing is slow. According to collaborators of the Center for Advanced Studies in Applied Economics (Cepea), for the new season, buyers and sellers prefer to wait for a more effective entry of the product in Brazil to negotiate.

Src.: *Canal Rural*

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