

## PLANTING OF THE SECOND CORN CROP WAS CLOSED IN PARANÁ

The planting of the second crop of corn for the 2017/18 season was closed in Paraná, according to data from the latest bulletin of the Department of Rural Economy (Deral), an agency linked to the State Agriculture and Supply Secretariat (Seab), released this week. According to the department, 40% of the area are in good condition, 44% are in the middle stage and 16% are bad. According to the organ, 53% of the crops are in the fruiting phase, 38% in flowering, 5% in vegetative development and 4% in maturation.

Src.: *Universo Agro*

## WITH RECORD HARVEST, BRAZIL IS APPROACHING SOYABEAN LEADERSHIP

The harvest of the soyabean crop 2017/18 comes to an end in the Brazilian fields with record production. According to the National Supply Company (Conab), the volume collected should reach 116.9 million tons, after registering 114.1 million in the previous harvest. Some consultancies, such as Céleres, estimate an even higher production of 117.8 million. The expectation is that, in the next harvest, for the first time, Brazil may surpass the United States as the world's largest grain producer. According to the US Department of Agriculture (USDA), US crop output of 119.5 million tons was still higher than Brazil's, but the forecast for 2018/19 is that it should retreat to 116.4 million tons millions of tons. "For Brazil, we still do not have an estimate, because this crop only starts in September. In any case, production in recent years was very close. With any climatic or productive slide from the US, Brazil could be the leader", says Enilson Nogueira, market analyst at Céleres. According to Enilson Nogueira, the largest soyabean volume in our history results from a combination of climate and technology. "The rains from planting until February came with a lot of force, helping the crops reach the expected technological potential. As they are increasingly using more technology, growth in production is not surprising." According to Nogueira, the appreciation of the dollar against the real had an influence on the formation of the Brazilian soyabean price. This was not, however, the only factor. Besides the collapse of Argentine production, the possible Chinese taxation on American soyabeans, in retaliation for the barriers proposed by the Americans to Chinese products, favored the grain of Brazil. "From a month to now, taking advantage of the window of remunerative prices, the producer sold more than 10% of the volume of the harvest. In Paranaguá, on the 7th day, the bag was traded at R \$ 87, up 4% from last month and almost 25% on the same day of 2017", he said.

Src.: *Estadão*

## ESTIMATES FOR THIS YEAR'S CROP ARE GROWING AGAIN

The National Supply Company (Conab) has raised its estimate for the 2017/2018 grain crop by 1.3% in relation to the projection made in April. The country is now expected to harvest 232.6 million tons. The number would represent a decline of 2.1% over last year, but confirms the forecast for the second largest grain crop in Brazil. The data are part of Conab's eighth survey. According to the company, the area estimate is also highlighted, with the arrival of numbers of winter and other crops, and may become the largest in

the historical series, or 61.5 million hectares. The estimated increase is 1.1%, or 657K more hectares of planted area. The highest volumes are from soyabeans, responsible for the good productive performance and whose harvest advance confirms the good productivity, and the corn. The legume recorded 117 million tons, an increase of 2.6% compared to the previous crop (114.96 million tons). Corn production is expected to reach 89.2 million tons, down 8.8% from the previous period (97.84 million tons). The Brazilian Institute of Geography and Statistics (IBGE) has also revised its projections for the crop this year, although the figures are slightly lower than those of Conab. The estimate is for a total harvest of 230 million tons of grain, a growth of 0.3% compared to figures released in March. In 2017, the harvest totaled 240.6 million tons, the highest volume in history. According to the IBGE, the planted area reaches 61.2 million hectares, a stable number in relation to the previous year.

Src.: *Estadão*

## FERTILIZER DELIVERIES IN BRAZIL GROW 24.9% IN APRIL COMPARED TO APRIL 2017

Fertilizer deliveries to the final consumer increased by 24.9% in April compared to the same month in 2017 and totaled 1,723 million tons, according to the National Association for Fertilizer Diffusion (Anda). With the increase, deliveries in the first four months of the year were 3.4% higher than the same period of last year. Until March, cumulative deliveries were still 1.3% lower than in the first quarter of 2017. According to Anda, the accumulated growth in 2018 is due to the "beginning of the withdrawal (of fertilizers) for the summer crops in Mato Grosso, sugarcane in the Southeast region and wheat in the South." The national production of intermediate fertilizers in April continued below the one of the last year in 6.7%, totaling 618.2K tons and accompanying the fall verified in March. In the accumulated four months of 2018, the volume produced, of 2,477 million tons, was 4.7% lower than a year ago. Last year, total fertilizer delivered to the Brazilian market rose only 1% in relation to the volume of 2016, reaching 34.4 million tons, according to Anda. The industry closed 2017 with 5.533 million tons stored, 9.1% above 5.070 million tons by the end of 2016, according to the entity.

Src.: *Global Fert*

## VOLUME OF ORANGE JUICE EXPORTED TO USA RISES 69% AND BORDER RECORD

Exports of orange juice to the United States rose 69% in the first ten months of the 2017/2018 harvest, between July last year and April this year, compared to the same period in 2016/2017, from 151,766 to 256,22K tons. Two months from the end of the harvest, Brazilian industry is approaching the historical record of exports of the beverage to the North American market, in 2006/07, of 259.4K tons, volume that will be surpassed already in this month of May. Revenue from exports of juice to the United States reached US \$ 453.6 million in ten months of the 2017/2018 harvest. The figure already surpasses the record of US \$ 419.13 million obtained in the 2014/15 harvest, and represents a 62% increase compared to US \$ 279.4 million in the first ten months of the 2016/17 harvest. The survey, released this week, by the National Association of Exporters of Citrus Juices (CitrusBR) from data from the Ministry of Industry, Foreign Trade and Services (MDIC), considers the sum of volumes of



concentrated orange juice and frozen (FCOJ) and fresh, non-concentrated and frozen (NFC) juice. The six-fold volume of NFC is converted into the FCOJ equivalent and added to that of the concentrate in the total reported. Orange juice shipped to the United States is basically the FCOJ used to be reconstituted and marketed in the local market, or re-exported. US production, which had fallen due to the greening in Florida - the main plague of orchards - forced the closure of factories in that state. As a consequence, the demand for the Brazilian beverage has increased. In addition, the local supply was also affected by the action of Hurricane Irma, which affected the production of orchards of that state at the end of last year. With the performance of exports to the North American market, the total shipped volume of the drink between July and April of this year over the same period of the previous crop grew 30%, from 723.15 K to 941.41K tons. Revenue from total juice exports jumped 31% over the same period, from \$ 1.31 billion to \$ 1.72 billion. The volume sold in the first ten months of the 2017/2018 harvest for the European Union, destination of 60% of the Brazilian orange juice in the period, reached 558.7K tons compared to 459K tons of FCOJ equivalent in the previous period, up 22% . It is the same percentage of variation in juice revenue exported between the periods for the economic bloc, from US \$ 831.2 million to US \$ 1.016 billion. Among the remaining markets, the highlight is Japan, with 41% growth in shipments in the ten-month harvest, to 40.7K tons and 64% in revenue, with US \$ 78.5 million. China increased by 19% the volume of juice imported from Brazil, with 30,14K tons and 31% revenue, to US \$ 60.6 million, between the periods. CitrusBR again compared the current period with the ten months of the delayed harvest, to 2015/2016, before the problems derived from the scarce orange supply, and showed that there is a 3% increase in the total volume of FCOJ equivalent exported by Brazil. In that harvest, the volume exported between July 2015 and March 2016 was 913.8K tons. CitrusBR notes that the United States, with a 55% increase in exported volume, and the European Union, with a decrease of 11%, show opposite directions in the beverage trade.

#### **IN THE RS, 99% OF THE SOYABEAN AND 98% OF THE CORN ARE HARVESTED**

Few areas still have soya and corn to harvest in Rio Grande do Sul. Emater-RS survey, released this week, points out that 99% of the area of soya and 98% of that of corn are harvested. In the case of cereal, productivity is maintained around 105 bags per hectare, with good quality product. The average yield of soyabeans is approaching three tons per hectare, as anticipated. Regarding the commercialization, Emater says that 70% of the corn production was negotiated. "Business is stable, with producers awaiting better definition of the market and waiting for the result of the development of the Brazilian safrinha and the conditions of the American harvest," says the company. The average value of the bag is R \$ 34.95, 0.55% higher than the previous week, and 22.8% higher than the historical average for the period. In the case of Rio Grande do Sul, 60% of the harvest was commercialized. "Maintaining the price of the product at higher levels makes good profitability," says Emater. "

*Src.: Dinheiro Rural*

#### **ABIOVE INCREASES EXPORT REVENUE FORECAST FOR SOYABEAN COMPLEX**

The Brazilian Association of Vegetable Oil Industries (ABIOVE) has raised its revenue forecast for soyabean exports in 2018 to \$ 36.497 billion. In April, the forecast was \$36.016 billion. The association raised the value forecasts obtained with the export of soyabeans in grain, bran and oil in 2018. For soyabeans, Abiove now predicts revenues of US \$ 29.192 billion, compared to US \$28.864 billion last month. The association maintained the forecast of price per ton at US \$ 410 per ton. For the bran, the association raised its revenue estimate from \$ 6.552 billion to \$6.630 billion. The expectation of price per ton was stable at US \$390. With respect to oil, Abiove increased its revenue forecast from \$600 million to \$675 million. The price per ton perspective was maintained at US \$750 per ton.

*Src.: Dinheiro Rural*

*Please, do not hesitate to contact us for further information!  
Always keeping you duly posted.*