

MILLS CONFIRM THAT THEY WILL RAISE STAKES IN ETHANOL IN THE 2018/19 HARVEST

A little more than a month after the "official" start of the 2018/19 sugarcane harvest in April, big companies in the segment confirmed that they will open the season by giving priority to ethanol, which was already gaining ground in the mix of mills in the second half of this 2017/18 crop. The resumption of domestic demand in recent months has been pushing up biofuel prices, giving mills better pay than sugar. In the current season, until January, 53.1% of the sugarcane juice processed in the Center-South was destined for ethanol, and in the entire 2016/17 harvest, the percentage was 53.7%. In the 2015/16 crop, the last one with a tendency to produce more ethanol, 59.35% of the sugarcane juice was directed to the production of the biofuel. Although the ethanol market has become more attractive to mills since September, the focus of this 2017/18 crop in the Central-South region is still more sugarcane because the mills have started the high-sugar season with prices already set. Therefore, the Brazilian sugar supply was still high. Already with the prospect of a more "alcoholic" harvest in 2018/19, the executives' expectation is that the reduction of the Brazilian sugar supply in the world end up sustaining the prices of the commodity.

Src.: *Valor Econômico*

CORN HARVEST REACHES 14% OF AREA

The summer corn crop had a slight evolution in the last week. According to data from DATAGRO Consultoria, until February 16th, the harvest in the Center-South region of Brazil reached 14.9% of the area planted against the 10% of the previous week. In the same period of 2017, the percentage of area harvested was 18%. In relation to the average of the last five years, the number of the last week indicates delay in the works, since the harvested area was of 17.3%.

Src.: *Universo Agro*

SOYABEAN HARVEST REACHES 5% OF AREA IN MATO GROSSO

Until February 9th, the soyabean harvest in Mato Grosso reached 5.1% of the area, according to the Soyabean Producers Association of Mato Grosso do Sul (Aprosoja-Mato Grosso). Among all the regions of the state, the north presents the largest advance of the harvested area, with 8.2%. The central region of the state has 7.1% of area harvested and the south region, 3.6%. The total harvested area estimate so far in Mato Grosso is approximately 98,800 hectares. Even though the trend was lower by 5.5% compared to the 2016/2017 harvest, as of February 9th, the evolution of the withdrawal of the grain from the crops is within the expected. In the last ten days the harvest has advanced 3.8% in the state, that is, 72,800 hectares of soya were harvested in this period. The projection of Aprosoja / Mato Grosso is that the area planted in this 2017/2018 harvest is 2.6 million hectares, with an estimated grain yield of 8.7 million tons. Therefore, average productivity is expected to remain at 56.0 sc / ha.

Src.: *Universo Agro*

SLIGHT DECREASE OF FERTILIZER SALES IN JANUARY COMPARED TO JANUARY 2017

Deliveries of fertilizer mixers (manufacturers of final products) to their resellers scattered across the country reached 2.4 million tons in January, according to data released

yesterday by the National Association for the diffusion of Fertilizers (Anda). Compared to January 2017, there was a fall of 6.4%, influenced by the most negative outlook for the planting of corn in the season 2017/18. Most of the Brazilian demand continues to be supplied by imports, but there was also a drop on that front last month. According to Anda, 1.8 million tons of intermediate fertilizers were brought in the month, 25.1% less than in January 2017. In the same comparison, domestic production fell 2.4% to 641.7K tons. Despite the fall in January, experts estimate that deliveries will increase by up to 5% in the country over 2018.

Src.: *Valor econômico*

CORN: BRAZIL: WEEKLY SHIPMENTS REACH 182K TONS

Brazilian weekly corn shipments in the week ended February 16th reached 182K tons, according to data from the Ministry of Industry, Foreign Trade and Services (MDIC), collected by DATAGRO Consultoria. Not accumulated since 1st of February, the amount shipped reached 914K tons, which corresponds to 3% of the total expectation of exports for the 2018/19 crop.

Src.: *Universo Agro*

SOYABEAN MEAL: BRAZIL: WEEKLY SHIPMENTS REACH 196K TONS

The weekly shipments of soyabean meal in Brazil in the week ended February 16th reached 196K tons, according to data from the Ministry of Industry, Foreign Trade and Services (MDIC), collected by DATAGRO Consultoria. Not accumulated since 1st of February, the amount shipped totaled 634K tons, corresponding to 4% of the total exports expectation for the 2018/19 crop.

Src.: *Universo Agro*

SOYABEANS: BRAZIL: WEEKLY SHIPMENTS REACH 554K TONS

Weekly shipments of soyabeans to Brazil in the week ended February 16th reached 554K tons, according to data from the Ministry of Industry, Foreign Trade and Services (MDIC), collected by DATAGRO Consultoria. Not accumulated since 1st of February, the amount shipped reached 1,140 million tons, corresponding to 2% of the total export expectation for the 2018/19 crop.

Src.: *Universo Agro*

MILLING OF SOYABEANS IN MATO GROSSO FALLS IN JANUARY WITH TRANSITION BETWEEN CROPS, SAYS IMEA

Milling of soyabean in Mato Grosso totaled 662.9K tons in January, informed the Institute Mato Grosso of Agricultural Economy (Imea). The number represents a reduction of 2.35% in relation to the same period last year and of 2.89% against December. However, in comparison with the historical average for the last five years, there is an increase of 21.87%. "This number is the second highest for the month of January in the Imea historical series", the institute said. Imea pointed out that since January is a transitional month between harvests, some overwhelming ones opted to perform the necessary annual maintenance, causing the processed volume to be smaller. "With the higher flow in the harvest this month of February and, consequently, greater availability of the grain, the pace of processing may increase", the institute



said. "Despite this, this movement is still uncertain, since the gross margin of milling still presents a lower average than the last five years in Mato Grosso."

Src.: Revista Globo Rural

PARAGUAY INAUGURATES NEW PORT AND THE MAIN GOAL IS OPERATE SOYABEAN FROM BRAZIL

The president of Paraguay, Horacio Cartes, participated in the inauguration of the new port of Concepción, which seeks to channel through the Paraguay River the Brazilian soybean from Mato Grosso from a land corridor that leaves the city of Pedro Juan Caballero. The inauguration took place in the port terminal in the city of Concepción, a work of the Baden consortium in partnership with the National Administration of Navigation and Ports (ANNP), with an investment of US \$ 12 million, according to the presidency. The facilities have the capacity to receive up to 500 tons of grain per hour per unloaded truck, while the naval load capacity reaches 1,400 tons per hour. The site also has a laboratory for the verification and analysis of grain quality and offices for ANNP and other official entities with Customs, the National Plant and Seed Health and Safety Service (Senave) and the National Anti-Drug Secretariat (Senad). The new port will be the recipient, among other ports, of the soya that must be transferred to Mato Grosso and which will then go abroad through the Paraguay waterway. The agreement to transport such soybeans between the Paraguayan government and the Mato Grosso productive sector established that these cargoes should be made by Brazilian bitrens trucks. This triggered a strike by the Paraguayan truck drivers earlier this month, who argued that bitrens, which do not exist in Paraguay, represented unfair competition. The strike ended a few days after the government ensured that Brazilian soybeans would cross the corridor in conventional trucks, Brazilians and Paraguayans.

Src.: Portos e navios

BRAZIL SUPPOSE TO PRODUCE 115.6 MILLION TONS OF SOYABEANS IN 2017/18, SAYS SAFRAS

Safra & Mercado increased its projection for Brazilian soybean production in 2017/18 to a record 115.64 million tons, up 1.2% over that of 2016/17, due to better yields than expected in Southeastern and Central-West States. In the previous forecast, in December, the consultancy was betting on a harvest of 114.56 million tons. The Safra estimate is among the most optimistic on the market and exceeds 112.6 million tons in a recent Reuters poll. On a note released, Safra & Mercado analyst Luiz Fernando Roque pointed out that "even with some negative adjustments in the areas sown in some Southern, Central-West and Southeast States, the expected production remains a record." Brazil's soybean crop 2017/18 raised concerns during the planting phase, due to a severe drought between September and October. Since then, however, the climatic conditions have been regularized in practically the whole country. The conditions for the development of the crop were very positive in Mato Grosso, Minas Gerais, Goiás and São Paulo, which brought great productive potential for these States, the consultancy said. In the South and Mato Grosso, the conditions were satisfactory and the productivities should be from regular to good, as well as in the North and Northeast of the country. In general, the country's harvest is developing "very well", except for

occasional problems such as excess humidity in some areas of Paraná and Mato Grosso, stressed Safra & Mercado.

Src.: Portos e navios

CARGO MOVEMENT IN THE PORT SECTOR GROWS 8.3%

The Brazilian port sector (public ports + terminals for private use) handled 1.086 billion tons last year. This corresponds to a growth of 8.3% in relation to 2016, when 1,002 billion tons were handled. The data are from the Statistical Management and Performance Evaluation of Antaq. Regarding the type of cargo, highlight the solid bulk. In 2017, there were 695.4 million tons handled in 2017, an increase of 10.3%. Corn and soybeans were shown, with growth of 71.8% and 31.5%, respectively, over 2016. As for liquid bulk, there were 230.2 million tons handled last year, which corresponded to a growth of 3.8%. Highlights for the import of oil products (+ 32%) and crude oil exports (+ 19%). The movement of loose general cargo also increased: 54.2 million tons, an increase of 7.6% compared to 2016.

Src.: Portos e navios

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

