

SUGAR PRICES INCREASE

Demerara sugar prices rose on the New York Stock Exchange, stopping a weeklong run. Contracts for May closed at 13.40 cents a pound, up 16 points. Sugar is being pressured by India and European Union imports into the international market, reinforcing forecasts of a surplus of world supply. Last week, prices gained additional pressure from speculation about the effects of a possible change in Brazil's ethanol import quota on the production mix of the mills. But ethanol continues to pay more than sugar. In the domestic market, the Cepea / Esalq indicator for the crystal sugar had a fall of 0.24%, to R \$ 58.32 a bag.

Src.: *Valor Econômico*

SOYABEAN CROP ADVANCES, BUT IS STILL DELAYED

The AgRural consultancy survey found that the soybean harvest reached 2.8% of the cultivated area in Mato Grosso, with a weekly advance of 2.5 %. According to the consulting firm, with only Mato Grosso and Rondônia (0.5%) going from zero to zero in the table, the area of soy harvested throughout Brazil reached 0.8%, against 0.1% in the previous one, down from 2.2% one year ago and 1.2% five-year average. AgRural explain that in the case of Paraná, in addition to having been delayed at the beginning of planting, there was still a lengthening of the crop, due to the lack of luminosity and the lower temperatures that marked a good part of this harvest. Analysts note that conditions are also good in other states and the forecast for the next two weeks is favorable rains to the development of crops in the states that later grow, such as Rio Grande do Sul and the Matopiba region, which encompasses the agricultural centers of Maranhão, Tocantins, Piauí and Bahia. Regarding the commercialization, they estimate that because of the later harvest, about 6.5 million tons of soybeans will leave Brazilian crops by the end of January - most of Mato Grosso, which is expected to harvest 5.6 million of tones.

Src.: *Globo Rural Magazine*

DEMAND AND CLIMATE HELP SUSTAIN SOYABEAN PRICES IN BRAZIL

Soyabean prices are firm in Brazil, supported by the demand for grain and the attention of market agents with the weather conditions, especially in South America. The information is from the Center for Advanced Studies in Applied Economics (Cepea). The Cepea indicator for the grain, based on the export corridor of Paranaguá (PR), recorded a 1% appreciation between January 12th and 19th. The price reached R \$ 71.85 the bag of 60 kilos last week. The reference based on the average business in the State of Paraná was close to stability in the last week, pointing to an increase of 0.4%. The 60 kg bag was priced at \$ 67.14 last week (1/19). In a note released this week, the researchers point out that the volume of rainfall has been low in the state of Rio Grande do Sul and Argentina. On the other hand, there is excess in the other localities in the Center-South region of Brazil. Added to this is the greater demand for soyabbeans from Brazil and the United States. With the harvest in progress, Nacional Supply Company (Conab) estimates Brazilian soyabean production at 110.4 million tons in the 2017/2018 harvest. US production in the current crop is estimated at 119.5 million tones by the country's Department of Agriculture (USDA).

Src.: *Globo Rural Magazine*

EXPORTED VOLUME OF ETHANOL ALREADY EXCEEDS 10.8% IN JANUARY 2017

Exports ethanol in the first three weeks of 2018 totaled 114.5 million liters and generated US \$ 66.1 million, according to the Ministry of Industry, Foreign Trade and Services (MDIC). Only in the period, with 14 working days, this volume already exceeds in 10.84% the foreign sales of the biofuel of January 2017, of 103.3 million liters, in 22 business days. Compared to the total exported in the 20 working days of December last year, of 65.2 million liters, ethanol exports in January are 75.6% higher. As export prices are lower this month, January's revenue did not exceed, in MDIC's balance, the total of US \$ 75.1 million obtained from biofuel exports in the same month of 2017. However eight business days left for the end of the month and the value will certainly be surpassed at the close of January. December's revenue of US \$ 40.4 million was 63.6% higher than the total billed in the first three weeks of 2018, at US \$ 66.1 million. The increase of ethanol exports coincides with the announcement by Agriculture Minister Blairo Maggi last week that the government is considering proposing to lift the import tariff on biofuel. In force since August, the tariff is 20% on an imported total that exceeds quota of 150 million liters of ethanol per quarter.

Src.: *Revista Globo Rural*

FUSION TO CREATE ABSOLUTE GRAIN LEADER IN BRAZIL

The \$ 30 billion that ADM would be willing to pay to merge its operations with those of rival Bunge would not only serve to create an agribusiness machine the size of Cargill, which since the beginning of last century has been leading the segment in the world. The move, if confirmed, would give the Americans a more privileged position in Brazil, where the potential for expanding crops such as soyabbeans and corn is unrivaled and a country in which, with a view to the expected increase in global demand for food, all the large multinational tradings have made billionaire investments.

Src.: *Valor econômico*

SANTOS PORT HITS RECORD OF MOVEMENT.

The port of Santos last year moved the largest volume of cargoes in its history, driven by the growth of exports of agricultural products and the importation of fertilizers. 129.865 million tons of cargo were handled, 14.1% more than in 2016 and 8.3% above the previous record of 2015, according to São Paulo Dock Company (Codesp). Exports, accounting for 72.04% of overall physical movement, grew 14.9%, driven mainly by the growth of 79.8% of corn (14.280 million tons), 13.6% of the soya complex (21.733 million tones) and 1.9% (20.631 million tonnes) of sugar. Only these commodities represented 60.6% of the total exported and 43.6% of the general cargo movement operated by the port in the year. Imports reached a growth of 12.1%, with the highlight being the landing of fertilizer, the largest movement in this flow, with 4.138 million tons, up 16.6%. In terms of value, the most loaded cargoes were sugar, soya complex and coffee beans, mainly for Bangladesh, China and the United States, respectively.

Src.: *Valor econômico*



CORN: PRIVATE EXPORTERS REPORT SALES OF 256K TONS TO UNKNOWN DESTINATIONS

On Tuesday (23), US private exporters informed the US Department of Agriculture (USDA) of the sale of 256,1K tones of corn to unknown destinations. Delivery must be made during this harvest year. American exporters must notify the USDA of any export-type trading involving volume greater than or equal to 100K tones realized in a single day and volume greater than or equal to 200K tones for a longer period of time. In addition, any export of soyabean oil that exceeds the volume of 40K tons must also be informed to the department.

Src.: Universo Agro

MATO GROSSO EXPORTS RECORD SOYABEAN VOLUME

Soyabean exports hit a record high in Mato Grosso last year. According to data from the Secretariat of Foreign Trade (Secex), 18.0 million tons were sold abroad. According to the Mato Grosso Institute of Agricultural Economics (Imea), exports grew through the ports of Arco-Norte, with 42.7% of the volume sold. The highlight is the port of Barcarena (PA), which had an annual increase of 92.6%. However, the Port of Santos (SP) remains the main route for the disposal of soyabeans in the State. Also last year, China imported the largest volume of Mato Grosso soyabean from the historical series, accounting for 65.4% of the total. By 2018, soyabean exports in the state of Mato Grosso are expected to remain intense, with a slight annual decline due to lower production expectations.

Src.: Universo Agro

BRAZIL DOUBLES SOYA EXPORTS IN THREE MONTHS

The forecast for a smaller South American soyabean crop hit by the drought caused by La Niña has raised commodity prices on the Chicago Stock Exchange. However, prices could be higher, were it not for the strong Brazilian competition with the United States as a grain exporter. According to information from the Rosario Stock Exchange, between September (when the American crop starts) and December 2017, Brazil exported 6.5 million tons of soyabeans - twice the amount recorded in the same period of the previous harvest. In that same period, the United States exported a 15% lower amount, totaling 30 million tons. It is worth mentioning that this period is what happens the North American harvest and, consequently, where the largest volumes of the harvest are exported.

Src.: Universo Agro

FERTILIZER DELIVERIES IN 2017 ARE STABLE

The total fertilizer delivered to the Brazilian market in 2017 was practically stable, rising 1% to 34.4 million tons, according to data from the National Association for the Diffusion of Fertilizers (Anda). In 2016, the amount of fertilizer delivered, of 34.1 million tons, surpassed in 12.9% the previous year. In December 2017, Brazilian producers received almost 2.4 million tons of input, 11.9% less than in the same month of 2016. Anda had estimated that fertilizer deliveries last year would be similar to those of 2016. In August, during the 7th Brazilian Fertilizer Congress, the association's chairman, Carlos Henrique Dantas Heredia, said working with this perspective, especially in slower grain marketing and

lower corn prices, which led to a delay in the purchase of inputs.

The state of Mato Grosso received most of the deliveries last year, 19.7% of the total, with 6.78 million tons. In the ranking, the State of São Paulo appears in the second position, with 4.27 million tons or 12.4% of the whole, followed by Rio Grande do Sul, with 4.2 million tons (12.3%), Paraná , with 4.1 million tones (11.9%) and Minas Gerais, with 4 million tones (11.6%), according to Anda. The national production of intermediate fertilizers in 2017 decreased 9.5%, to 8.18 million tons. In December, the drop in production was more expressive, 22.5% compared to 2016, with 613.7K tons. Anda has updated data on the sector's fertilizer stocks. The industry closed 2017 with 5.533 million tons stored, 9.1% above 5.070 million tons by the end of 2016.

Src.: Global Fert

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