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BRAZIL CONTINUES TO MASTER WORLD MARKET MARKET

Brazil continues to export corn in record way since May! Export commitments (grain already shipped plus contracts to be fulfilled) reached 29.50 million tons, against 12.85 million tons at the same time last year. The USDA projects that Brazil should export a total of 38 million tons, a historic record. The best result to date was in 2015/16, when Brazil exported a total of 34.5 million tons of corn. The most interesting fact is that the pace of ships arriving at ports (lineup) does not stop rising. According to ARC Mercosur calculations, taking into account the movement of ships in ports, the amount of corn that will be shipped in October should be almost 5 million tons. If we take into account the high prices paid for corn and also the large amount of grain being offered, it is possible that Brazil exports even more than the 38 million tons forecast by the USDA. Brazil x USA by global domain: The United States remains the world's leading corn exporter. However, if 38 million tons are actually exported, this figure will only be 10 million tons lower than the US total (48 million tons). This competition will intensify in the coming years, but Brazil may assume the position of largest exporter of corn on the planet in a few years (which already happened with soya). This is a problem that worries the US producer amid low productivity this year. In addition to reaping less, prices are not much better than last year. Brazil has arrived to take up US corn export demand.

Source: Canal Rural

SUMMER CORN PLANT IN PARANÁ REACHES 80% OF AREA

The Department of Rural Economy (Deral), linked to the State Department of Agriculture and Supply of Paraná (Seab), estimated in its weekly report that the planting of the first crop of 2019/2020 corn in the state reached 80% of the cultivated area. The expectation of the entity is that the total sowed is 336.8K hectares, 6% below the 360K hectares of the 2018/2019 cycle. Crops are divided into 22% in germination phase and 78% in vegetative growth, and 89% of the crop already planted is in good condition, 10% in average situation and 1% in bad condition. The projection of Deral is that this season, the first crop corn reach production of 3.1 million tons, 1% lower volume compared to the previous cycle.

Source: Canal Rural

ETHANOL: GOVERNMENT IS FOR PRODUCER QUOTA ONLY WITHOUT TARIFF; IMPORT SCHEDULE IS SET

The federal government will only allocate to local producers the annual quota-free import quota of 750 million liters. Distributors and other importers will continue to have to pay a 20% tariff for all biofuel they buy abroad. In addition, each producer or group of mills will be able to import a maximum of 2.5 million liters exempt until the end of August 2020, when the quota expires. The deliberation of the Executive Management Committee of the Executive Secretariat of the Foreign Chamber of Commerce (Gecex / Camex), this week, depends on publication in the Federal Official Gazette to take effect. It was also defined as the time division of the

import quota in the period between August 31 of this year and August 30 of the next year. Until February 29th, 2020, that is, over a period of six months, the maximum imported and exempt volume of 20% will be 200 million liters. As imports in September totaled 65.3 million liters, the total remaining without tariff until the end of February is 134.7 million liters of ethanol. Between March 1st and May 31st, 2010, the volume without tariff will be 275 million liters. For the remaining three months, from June 1 to August 30, another 275 million liters of ethanol could be purchased without the 20%. The measure meets demand from Northeastern ethanol producers, as the smaller quota of 200 million liters, for the longest period, of six of the 12 months, coincides with the local sugarcane crop. The region is the gateway to imported biofuel, primarily from the United States, which depresses local ethanol prices. The remaining 550 million liters without tariff, divided equally in two quarters, may enter the country at the beginning of the country's sugar cane crop.

Source: Udop

CORN PLANTS REACH 68% OF AREA IN RIO GRANDE DO SUL

Corn planting reaches 68% of the area in Rio Grande do Sul, 10 percentage points up on the previous week. The Emater / RS-Ascar estimate for the 2019/2020 corn crop indicates an area of 771.5 hectares, an increase of 1% over the previous crop and an estimated production of 5.9 tons. According to the agroclimatic zoning for corn, the planting period occurs between the beginning of August and the end of January. According to the weekly price survey, the average price of corn for the state was \$ 33.36 for each bag, an increase of 1.77% over the previous week. In the regional of Ijuí, the average price of corn was from R \$ 30,00 to R \$ 32,50; The product available in Cruz Alta was quoted at R \$ 39,00. In Santa Rosa, the price was R \$ 31.90; in Passo Fundo, R \$ 32.50; In Erechim, corn was sold for R \$ 35.00 per bag.

Source: Canal Rural

BRAZIL ORANGE JUICE EXPORTS SHOOTING EU FIRST QUARTER

Brazilian orange juice exports were up 33% in the first quarter of the 2019/20 crop year-over-year, boosted by shipments to the European Union, Brazil's main customer, reported this week. Exporters of Citrus Juices (CitrusBR). Shipments from Brazil, the largest global exporter of orange juice, reached 291,767 tons (66° Brix Equivalent FCOJ) between July and September, recording revenues of \$ 508.4 million in the period, up 23% from the first quarter of the crop. previous. "With a greater availability of juice in the square because of the large supply and depreciated prices, this recovery was a possibility, but we have to consider that the base is low since last year's exports did not perform well," said the statement. CitrusBR's executive director, Ibiapaba Netto. Production in Brazil's main citrus region (São Paulo and Triângulo / Sudoeste Mineiro) is estimated at 388.42 million 40.8 kg boxes, up 36% from last season, according to a survey by the Defense Fund. Citriculture (Fundecitrus). By early September, the region had harvested about 35% of the crop. For the European Union, exports totaled 225,462 tons, a 56% increase over the 2018/19 period.



Exports to the United States, the second largest Brazilian juice market, fell 16% between July and September compared to the previous season, to 37,106 tons of orange juice.

Source: Reuters

METHANOL: AVAILABILITY FOR FUEL

Methanol has been gaining ground among the less polluting fuel alternatives for the global shipping market. Technicians estimate that ships with three fuel options (HFO, MGO and Methanol, for example) give shipowners flexibility in a variety of pricing scenarios. It is expected that by the end of the year, 40% of the world's fleet will have the option to operate on methanol. The subject was the theme of the methanol fuel seminar, which took place in September, in Rio de Janeiro. The event had previous editions in India, Greece and the United Arab Emirates.

Source: Portos e Navios

SUGAR: PRICES FALL BOOST BY CHINA AND INDIA DATA

This week demerara sugar futures fell sharply on the New York Stock Exchange. The lot for March / 20 was settled at 12.35 cents per pound, down 24 points. On the May / 20 screen the devaluation was 25 points and the papers were settled at 12.44 cents per pound. The devaluation of the other contracts was between 16 and 24 points. According to the Money Times portal, the devaluation of the commodity is linked to the fact that China and India cut demand for sugar in Asia and shortened Brazil's portfolio. "The Chinese have announced that they will not increase Thailand's sugar import quota compared with India that guarantees the purchase of its product," the portal said. "India has also formalized negotiations with Iran, as well as other markets, for regular supply contracts." In London, white sugar also fell. The batch for December / 19 closed at \$ 341.70 a ton and the maturity for March / 20 closed at \$ 337.60 a ton, both with devaluation of \$ 5.90. Prices of other displays fell between \$ 4.10 and \$ 6.

Source: Udop

MATO THICK SOUTH WILL GROW LESS CANE IN THE OFFSET AND ALREADY ACCUMULATES 86.6% ETHANOL PRODUCED

Mato Grosso do Sul is the state that grinds the most in the sugar cane offseason in the Center-South, when it is not the only one. In the next too, but with a smaller volume, the smaller was also in the last. Three mills have already stopped, others will cease operations soon and, therefore, of the 19 that ran the current crop, a smaller number will be active from December to the end of March. The run favored by the drought has already provided an accumulated 86.6% of ethanol, against the historical participation in the 70% mix. Some data are still being collected by Biosul, the regional that brings together the companies, but President Roberto Holanda Filho estimates, in volume, below the 3.5 million tons that turned into ethanol and sugar in the last off season. "We have already crushed 10% of the crop in these periods, but the last one was smaller and now we will fall a little more," he says. Notably, some resemblance: the strength of ethanol since the second half of last year, plus the climate mess with the prolonged drought, has caused the mills to accelerate, much like what happens now, with the "wild drought of September and October", which put everyone on the run. On the other

hand, says Holanda, last July's frosts, which will help possibly lift up to 2m tons from an estimated 51mt behind. The milling so far comes from 38.2 million tons, 10% higher than the accumulated 2018. In the second half of September, the high was 70%, emphasizes the president of Biosul, giving an idea of how the machines advanced to take the cane. Other figures in the Mato Grosso do Sul sugar-energy scenario show some stability, according to Roberto Holanda Filho: sugarcane renewal remains between 15% and 20%, crop expansion is modest, investments in the industry are more aligned with retrofits. Already the total recoverable sugar (ATR) is falling, 1.23%, confirming the profile of the Center-South for a lower quality cane.

Source: Udop

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