

RECORD: RIO GRANDE PORT MOVES 42.9 MILLION TONS IN 2018

The Port of Rio Grande handled 42.9 million tons in 2018, a record volume and 4.3% higher than in 2017. Soya products (oil, meal and grain) accounted for 16.338 million tons, up 8.8 % compared to the previous year. Soyabeans alone were 13.6 million tons, according to the Superintendency of the Port of Rio Grande (SUPRG). The main destinations for products shipped in the port of Rio Grande were China, Slovenia, South Korea, Spain and the United States. Already the imported products originated, mainly, Argentina, Algeria, the United States, China and Morocco. In 2018, 3,199 vessels passed through the port. Among the state ports, SUPRG highlighted Pelotas, which moved 998K tons last year, 11% more than in 2017. Porto Alegre's port handled 879K tons in the last year, according to SUPRG. Among the most important products are wheat and fertilizer potassium chloride.

Source: *Globo Rural*

FERTILIZERS: DEMAND IN BRAZIL IS EXPECTED TO GROW 3.2% PER YEAR BY 2022

Demand for fertilizers in Brazil is expected to grow 3.2% per year and reach 18.6 million tons by 2022, according to a new study by research company Freedonia Group. This is expected to be one of the highest in the world, reflecting increases in agricultural production and fertilizer application per hectare, the study said. According to Freedonia, Brazil is expanding the use of land that has not been cultivated. However, these lands tend to be nutrient-poor, requiring larger amounts of fertilizers. Soyabeans will be primarily responsible for increasing demand for fertilizers in Brazil, the study says. This should allow the use of phosphate and potassium fertilizers to grow above average by 2022. For the research company, global fertilizer demand will grow 1.4% per year by 2022, reaching 212.1 million tons. These gains should be driven by efforts to increase crop yields as the area under cultivation slows, says Freedonia.

Source: *Globo Rural*

PLANTING OF THE SECOND CORN CROP REACHES 15% IN THE CENTER-SOUTH

The planting of the second corn crop had another week of good progress in the Center-South of Brazil. According to the consultancy AgRural, last week, 15% of the area was sown in the region, compared to 3% last year and 4% in the average of five years. The producers of Mato Grosso lead the field work, with 21% of the area already sown. Next, Paraná (19%), Goiás (12%), Mato Grosso do Sul (6%), São Paulo (2%) and Minas Gerais (1%) appear. The harvest of the first corn crop reached 3% of the area cultivated in the Center-South of Brazil, against 5% a year ago. Santa Catarina leads, with 9% of the area already withdrawn, followed by Rio Grande do Sul and Paraná, with 5% each. In Rio Grande do Sul, there is a significant delay due to excessive rainfall. But the work has already gained pace and should intensify if the driest weather forecast in the state is confirmed.

Source: *Canal Rural*

SOYA CROP ADVANCES IN MT IN THE WEEK, TO 25.6% OF PLANTED AREA

Soyabean harvest of the 2018/19 crop in Mato Grosso advanced 13.3% last week and reached 25.6% of the

area planted in the State, of 9.620 million hectares. The works are 13.3% ahead of the same time last year, when they had been made in 13.3% of the area forecast, according to the Mato Grosso Institute of Agricultural Economics (Imea). It also surpasses the average of the last five years, of 11.6%. The harvest is more advanced in the western region of the State, where it was made in 38.5% of the area; in the mid-north, it reaches 33.4% and in the southeast, 25%.

Source: *Canal Rural*

RURAL FARMERS IN RIO GRANDE DO SUL START HARVESTING RICE

Farmers in Rio Grande do Sul have already begun the first works related to the harvest of rice from the 2018/2019 harvest. According to the Rio Grande Rice Institute (Irga), the withdrawal of the cereal is already being carried out in Taquari, central region of the state. The technicians of the entity Eduardo Sechaus says that the rural producer Alex Sandro Bizarro has already begun harvesting an area of 15 hectares. The total planted was 45 hectares. "The average yield this season, based on what was harvested, is at 7K kilos per hectare". As the Taquari region was not affected by rains that hit the state, productivity is similar to that expected at the beginning of the season and seen last season, he says.

Source: *Canal Rural*

IMPORTS OF FERTILIZERS UP 80% IN THE LAST WEEK OF JANUARY

The Brazilian trade balance registered a surplus of US \$ 618,198 million in the fourth week of January. According to data released by the Foreign Trade Secretariat of the Ministry of Economy, the value was reached with exports of US \$ 3.620 billion and imports of US \$ 3.002 billion. In January, the cumulative surplus is US \$ 2.139 billion. Imports registered a 21.64% increase in the daily average in the same comparison. They went from \$ 645.58 million to \$ 785.273 million. The highest increases in the period were Aircraft and parts (99.18%), Fertilizers and fertilizers (80.83%) and Aluminum and its works (36.35%).

Source: *Global Fert*

MATO GROSSO INTENSIFIES INVESTMENT IN CORN ETHANOL PRODUCTION

About 1.5 million tons. This was the volume of corn destined to the production of ethanol in 2018, in the state that is considered the granary of the country. Mato Grosso has been registering a significant increase in local demand since the transformation of the cereal into ethanol began to gain strength in the state. In an interview with the Direct to Point program this week, Ricardo Tomczyk, executive president of the National Union of Ethanol from Corn, says that from 2012, when the first "flex" plant started operating and the economic viability was proven of the bet on corn as raw material, for the production of biofuel, local demand gained strength. The demand is expected to increase further. "Of what was produced of ethanol in the state, more or less 630 million liters were of corn ethanol and the rest of cane ethanol. What we are seeing, in terms not only of Mato Grosso, but of Brazil, the more rigorous growth of ethanol production is coming from the production of corn. Because corn in the Brazilian Midwest, especially Mato Grosso, is a very competitive corn in terms of price", says the Unem leader. Currently, Mato Grosso has five



mills that use corn to produce ethanol. "We have the pioneer in Campos de Júlio, with a very significant production, we have a plant in São José do Rio Claro, a plant in Jaciara, a small plant in Sorriso, which also uses corn as part of its raw material in ethanol production. And we have the pioneer, 'full' power plant in Lucas do Rio Verde, which in less than two years has doubled in capacity". The president explains that the only full-fired power plant in the state began operating in August 2017, and only uses corn in ethanol production, unlike the "flex" plants, where part of the year, of sugarcane and, in the off-season of sugarcane, starts to use corn. With at least five other mills in the pipeline and / or facility in the state, Tomczyk believes that by 2019, the production of corn for the production of biofuels is expected to jump to 2.6 million tons.
Source: Canal Rural

SOYABEANS LEAD THE BRAZILIAN AGRIBUSINESS

Exports of the soya complex lead the way in Brazil's exports, and there is no indication that such leadership will be lost in the short term, as demand for soya remains hot and market prices are satisfactory. The area planted with oilseed in the main producing regions of the country continues to increase, a necessary effort to meet the growing demand for the product. As a proportion of the world's area of other grains, soyabeans have been the fastest growing in the last decades, and even so, there has been no formation of giant stocks, promoters of falling prices. According to estimates by the United States Department of Agriculture, in the 2018/19 crop, Brazil could surpass the United States in soyabean production (117 million tons - Mt versus 116.5 Mt) and assume global leadership, since the 1950s, it belongs to the United States. The current US crop indicates a fall of 3.5 Mt over the previous harvest (120 Mt), partly because there was a reduction in cultivated area (36.22 million hectares - Mha vs. 35.79 Mha) and also because the productivity of the harvest - in full harvesting process - was estimated as the average of the last five years. It may be higher or lower, as the area may be higher or lower.

Source: Canal Rural

EXPANSION OF THE SALE OF HYDRATED ETHANOL IS INTENSE THIS BEGINNING OF YEAR

The total volume of ethanol sold by the plants in the Central-South region totaled 1.26 billion liters in the first 15 days of 2019, representing a growth of 20.78% over the same period of the previous year (1.04 billion liters), with 66.15 million liters for export and 1.19 billion liters for the domestic market. According to the entity, the expansion of sales of hydrous ethanol in the domestic market continues intense at the beginning of this year, totaling 866.82 million liters. This volume represents an expressive increase of 32.10% in relation to the value recorded in the same period of 2018 (656.16 million liters). Preliminary data allow us to estimate that the fuel market of the Otto cycle (without CNG) showed a drop of close to 3% in 2018 when compared to the previous year. However, hydrate share should show significant growth, reaching approximately 26% in 2018 compared to 17.8% in 2017. "This increase in the relevance of biofuel is due to the increase of more than 40% in ethanol consumption, with a 13% in the C gasoline market," Unica said in a statement. As a result of this expansion and the high competitiveness of ethanol in the resellers, the use of hydrates gave

Brazilian consumers a saving of R \$ 6.5 billion in 2018. To consider only the states with a tax policy that recognizes the benefits of biofuel as, São Paulo, Goiás, Paraná, Minas Gerais and Mato Grosso, totaled R\$ 6.2 billion. The accumulated sales of ethanol by the mills since the beginning of the 2018/2019 harvest until January 16 totaled 24.34 billion liters, with 1.29 billion liters exported and 23.05 billion liters internally traded - accumulated growth of 16, 63% compared to the 2017/2018 crop. This volume includes ethanol produced from sugarcane and corn.

Source: Globo Rural

Please, do not hesitate to contact us for further information through our commercial@williams.com.br and lineup@williams.com.br! Always keeping you duly posted.

