

CORN PRICES DECREASE 48%

With a higher supply, prices paid to corn producers in Paraná decreased from R\$ 30 a sack to about R\$ 18 a sack, currently - a 48% decrease, according to the Department of Rural Economy (Deral), an organ linked to the Department of Agriculture and Supply of the State of Paraná. According to Deral, prices returned close to the historical average, from R\$ 20 a sack. The two corn crops in Paraná are expected to total 18.5 million tons, about 5 million more than last year's harvest. The first harvest, already closed, yielded 4.9 million tons, an increase of 47% over the same period last year. The second harvest, with the harvest in progress, is expected to reach 13.7 million tons, an increase of 35% over the same period last year.

Src.: *Universo Agro*

WHEAT SUPPLY EXPECTED TO DECREASE

Given the unfavorable climatic conditions in 2017 in many localities, wheat availability may decrease in the 2017/18 season in several countries, according to the Center for Advanced Studies in Applied Economics (Cepea) analysis. In this scenario, Brazil, which ranks fourth among the world's largest cereal importers, may be affected. In addition, according to Deral / Seab, production in Paraná, the main producer of grain in the country, is expected to decrease by 19% to 2.82 million tons. In terms of values, according to Cepea, price swings in cereal suppliers to Brazil, coupled with exchange rate variations (Real x US dollar), may impact the values of the grain and its derivatives in the domestic market.

Src.: *Universo Agro*

WEATHER AFFECTS WHEAT HARVEST IN PARANA

Drought since June and frost this month have reduced wheat production potential in Paraná by 6%, and the harvest of the current 2016/17 crop in the state should not exceed 2.82 million tons, projected by the Department of Rural Economy of Paraná (Deral). Before the climatic adversities, the Deral predicted that the Paraná, largest national producer of the grain, would harvest this year about 3.1 million tons. Last year, the harvest was 3.48 million tons. According to Deral, there will also be a reduction in planted area and productivity compared to last year. While sowing is expected to fall to 955.83 hectares (decrease of 13%), yields should decrease to 2.97 tons per hectare. Last week's heavy frosts mainly affected wheat crops in western Paraná, which were more susceptible to losses. According to the State Cooperatives Organization (Ocepar), approximately 30% of the area of wheat susceptible to losses was reached. Deral informed that the climate has slightly impacted prices - this week the average price of wheat in the state is at R\$36,00 compared to R\$35,00 last week.

Src.: *Reuters*

ORANGE PRICES DECREASE 0.7%

Orange prices decreased slightly this week, pressured by lower demand, typical at the end of the month, reports Center for Advanced Studies in Applied Economics (Cepea / Esalq-USP). In addition, according to researchers from Cepea, the supply of fruit with inferior quality to that demanded by the segment also increased, contributing to the

devaluation. Between July 24 and 27, pear orange averaged R\$ 15.86 / cx of 40.8 kg, in the tree, a slight decrease of 0.7% in relation to the previous period.

Src.: *Reuters*

GRAIN HARVEST FROM PARANA IS INCREASED TO 40 MILLION TONS

In a new crop revaluation, the Paraná Agriculture and Supply Secretariat estimates that 2016/17 grain production could exceed 40 million tons, among the three harvests planted in the state. The report of the Department of Rural Economy (Deral), which monitors the evolution of crops on a monthly basis, has already recorded the initial losses in the wheat crop, due to recent frost, drought during crop evolution and even less planting area. For wheat, the main winter cereal in Paraná, the frosts occurred in June did not cause damage to the crops. The July ones caused some damage that began to be counted. For the director of Deral, Francisco Carlos Simioni, the summer grain harvest was closed in Paraná, consolidating with a volume of 25 million tons, a 24% increase over last year's result. The second grain harvest in progress is expected to increase 30% over the same period last year, reaching 14 million tons pulled by second crop corn. Despite the cold, rain and now dry, this year the producers have dribbled the abrupt variations of the climate. The wheat planted in Paraná already has 6% losses in production due to the recent frosts and drought period that affected the crops of the West and Center of the State. Otherwise, there was a reduction of area occupied by the crop, which this year was 13% lower. Deral's initial expectation was to harvest three million tons of wheat and has now been reevaluated to 2.8 million tons, a loss of 200k tons of grain. Deral predicts further losses with the forecast of at least two more frosts by the end of the winter, climate experts are predicting. In addition, these losses will be better sized as the plants grow and reveal more intensely the damage that has occurred. According to Deral 56% of the planted area (955,835 hectares) is still exposed to frost risk.

Src.: *Universo Agro*

BRAZIL'S OIL PRODUCTION INCREASES IN JUNE

Brazil's oil output increased 0.8% in June from May to 2.675 million barrels a day (bpd), its second consecutive monthly advance, boosted by the development of pre-salt areas, whose extraction surpassed the post-salt for the first time. In comparison with June 2016, oil production in Brazil increased 4.5% last month, according to data released by the National Petroleum, Natural Gas and Biofuels Agency (ANP) on Monday. ANP pointed out that oil production in the pre-salt in June reached 1.353 million bpd, while that of the post-salt was 1.322 million bpd. Natural gas production in June totaled 111 million cubic meters per day (m³ / d), an increase of 6.1% from the previous month and increase of 7.4% from the same month 2016. The fields operated by Petrobras produced 94% of oil and natural gas in June. In the first months of the year, production had been affected by a large number of maintenance stops by Petrobras, according to the company, after the country recorded a production record in December. Total oil and natural gas production in the country in June was 3.37 million barrels of oil equivalent per day (boe / d). Of the total amount, the pre-salt accounted for 49.6% in June, with output of 1.353 million



bpd and 53 million cubic meters / d, totaling 1.686 million boe / d, an increase of 6.4% in relation to the previous month. Petrobras produced in June, according to ANP calculations, 2,074 million bpd. Anglo-Dutch Shell, Brazil's second-largest oil and gas producer and Petrobras' partner in pre-salt areas, produced 315.048 bpd in June, an increase of 6% from a month earlier, according to ANP data.

Src.: Reuters

CORN HARVEST REACHES 87.9% IN MATO GROSSO

The weekly survey of the Institute of Agricultural Economics (Imea), linked to the Federation of Agriculture and Livestock of Mato Grosso (Imea), shows that the harvest of corn from the second crop in the state reached 87.9% of the 4,738 million last Friday Of cultivated hectares. The pace of work is the second fastest in the Imea's historical series, surpassed only by the harvest of 92.1% of the area until the end of July 2010, when 2,002 million hectares of corn were harvested. It is worth remembering that the anticipation of the soyabean harvest contributed to the planting of more than 95% of the corn within the ideal window. Favored by the good climatic conditions, last week the corn harvest grew 12.8% (604.2k hectares). The highlight was the southeastern region of Mato Grosso, where the work advanced 22 points (195.7k hectares) and reached 73.1% of the 890.7k hectares cultivated. In the northern region, which accounts for 43% of the area planted with corn crops in Mato Grosso, work is close to the final stretch. Until last week 96.9% of the 2,025 million hectares estimated by Imea were harvested. The advance in the week was 5.8 points (117.2k hectares).

Src.: Revista Globo Rural

SUGAR EXPORTS DECREASES 8.6% IN JULY

Brazil exported 2,661 million tons of raw and refined sugar in July, 13.8% less than the 3.089 million tons shipped in June and 8.6% below the 2,911 million tons registered in the same month of 2016. Ministry data (MDIC) show that of the total shipped last month, 2.185 million tons of demerara sugar and 476.7k tons of refining. Data take into account the 21 working days of July. Revenues from total sugar exports last July were US \$ 1.040 billion, 18.3% lower than in June (US \$ 1.273 billion), and 2.2% lower than in July 2016, US \$ 1.063 billion. In the accumulated volume of 2017, the volume exported reached 15.444 million tons (+ 0.2%), with revenues of US \$ 6.554 billion (+ 31.3%). In July, the country exported 156.1 million liters of ethanol, a decrease of 2.5% compared to 160.1 million liters shipped in June. Compared to July last year, when 219 million liters were shipped, the volume is 28.7% lower. Foreign exchange revenue from the sale of biofuel reached US \$ 80.6 million in July, a decrease of 6.4% from US \$ 86.1 million in June. In relation to the US \$ 105.2 million in July 2016, there was a decrease of 23.4%. In the accumulated volume of 2017, the exported volume reached 744.8 million liters (-42.8%), with revenues of US \$ 438.6 million (-29.9%).

Src.: Revista Globo Rural

SOYABEAN CRUSHING IS RECORD IN MATO GROSSO IN THE FIRST SEMESTER OF 2017

In June, the crushing of soyabeans in grain in Mato Grosso was 744.8k tons, according to the Institute of Mato Grosso do Agropecuária (Imea). According to the institute, the total

amount processed of the grain in the first half of this year was a record in the State. This, according to the Imea, is due, in large part, to the greater supply of soyabeans in the current harvest, which reflected in the retreat of the price of the grain, stimulating the processing. For the second semester, a still intense volume of grain processing is expected, despite the currently reduced gross margin. However, a change in the plant maintenance period observed may bring about a change in the seasonality of the monthly volumes crushed in relation to previous years.

Src.: Universo Agro

PURCHASE OF VALE FERTILIZERS BY MOSAIC IS APPROVED WITHOUT RESTRICTIONS

The acquisition of Vale Fertilizers by US-based Mosaic was approved without restriction by the Administrative Council of Economic Defense, according to a publication of the agency in the Official Gazette of the Union of this Tuesday. The mining unit Vale acquired by Mosaic has a production capacity of 4.8 million tons of phosphate fertilizers and 500k tons of potassium, including five Brazilian phosphate mines, four chemical and fertilizer production plants and a potassium Brazil. Vale announced in December its deal with Mosaic, which involves around 2.5 billion reais. Through the transaction, Mosaic also acquires a 40% stake in Vale Fertilizers at the Miski Mayo phosphate mine in Peru, as well as the potash project in Kronau, Saskatchewan, Canada. Mosaic could also acquire the Rio Colorado potash project in Argentina as part of the negotiation, but the company did not exercise the option. Also out of the transaction was the unit of nitrogen and non-phosphate Cubatão, according to Cade. On the other hand, Vale will hold 11% of Mosaic's shares after the conclusion of the deal, and may appoint up to two people to Mosaic's Board of Directors, one of which must be an independent member.

Src.: Notícias Agrícolas

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