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ETHANOL: EVEN WITH COTA RESTRICTION, IMPORTS UP TO 74.8% IN OCTOBER

Brazil's volume of ethanol imports reached 82.45 million liters in October, up 74.8% from the 47.18 million liters purchased abroad in October 2018. Total imports last month were also 26.4 % higher than the 65.24 million liters of September 2019. The increase comes even after the federal government restricts the volume of biofuel purchased abroad within the annual quota of 750 million liters free of a 20% tariff. Last month, the government defined what will be a time division in the quota period, between August 31 this year and August 30 next year. In the first six months, until February 29, 2020, the maximum imported and exempt volume will be 200 million liters. That is, only 52.31 million liters would be missing to enter Brazilian ports without taxation until the beginning of March. Between March 1 and May 31, 2010, the volume without tariff will be 275 million liters. In the remaining three months, from June 1 to August 30, another 275 million liters of ethanol could be purchased without the 20%. After the result of last month, the total imported biofuel reached 1.214 billion liters in the ten months of 2019, down 15.9% over the total of 1.444 billion liters accumulated between January and October 2018. The data are from Special Secretariat of Foreign Trade and International Affairs of the Ministry of Economy.

Source: *Canal Rural*

GOVERNMENT REDUCE ZERO VESSEL IMPORT RATE

The government reduced the import tariff on vessels to a meeting of the Foreign Chamber of Commerce (Camex) this week. The facilitation to import ships is part of a program called "BR do Mar", which aims to make cabotage transportation a competitive alternative to road transport. Other measures are being prepared, such as changes in procedures of agencies such as IRS and Anvisa, so that cabotage vessels have a differentiated and faster treatment compared to long-haul vessels, which bring goods from abroad.

Source: *Valor Econômico*

HIGH DOLLAR BOOST SOY PRICE IN BRAZIL

Domestic soybean prices rose this week as the trade dollar soared. But the pace of business was only moderate. Producers hope for even better quotes. Queries made by Safras & Mercado indicate deals involving 10K tons in Minas Gerais and another 20K in Bahia, for new crop. In Passo Fundo (RS), the 60-kilo bag rose from R \$ 83.00 to R \$ 84.50. In the region of Missions, the price advanced from \$ 82.50 to \$ 84.00. In the port of Rio Grande, the price increased from R \$ 88,00 to R \$ 89,50. In Cascavel, Paraná, the price went from \$ 83.00 to \$ 83.50 per bag. In the port of Paranaguá (PR), the bag rose from \$ 88.50 to \$ 89.50. In Rondonópolis (MT), the bag advanced from \$ 80.00 to \$ 82.00. In Dourados (MS), the price increased from \$ 81.50 to \$ 83.00. In Rio Verde (GO), the bag followed at \$ 80.00.

Source: *Canal Rural*

EXPORTS IN 2019 EXCEED ANEC EXPECTATION

The National Association of Cereal Exporters (Anec) takes it for granted to exceed this year's initial expectation of corn exports of 35 million tons. Aware of the volumes to be shipped in November and December, the entity still revises the number, but estimates that it may be closer to 40 million tons. The entity's estimates are based on shipment schedules at Brazilian ports. "To be over 40 million, it would have to repeat October exports in November and December. I believe it is below 40. Above would be very atypical, but the market is proving to be very atypical," said Anec's executive assistant, Lucas Brito, in Campinas (SP), where the organization performs on Thursday (7 / 11), the SP Grains Forum, with a series of discussions about the grain market. Soya: In soybean exports, Anec also sees the possibility of initial expectations being exceeded, but still works with 72 million tons. A much lower number than in 2018, when shipments exceeded 80 million tons of grain. Lucas Brito considered that the current market situation is quite different. Last year, with the trade war between the United States and China, there was a direction of demand for Brazil. A situation that reflected in prices, stimulated business and led the Brazilian soybean production chain to have the lowest stocks in recent decades. "Last year was a point off the curve because of China's need to look for an immediate supplier other than the United States because of the trade war," he said. "I do not see the possibility of seeking those numbers for China to reduce demand and spot imports from the United States," he said. According to Brito, Brazil is able to guarantee an increasing supply of soy to soy to the Chinese market. For the 2019/2020 crop, Anec considers a production of 120 million tons. Despite the delay in planting compared to last year, the executive stated that the first impressions have been of crops in good condition. The question, he said, is what will China's demand look like. The country has been suffering the effects of the African swine fever epidemic (PSA), with a strong impact on local pig farming. In addition, the course of the trade war should determine how much the Chinese intend to buy from US soybeans.

Source: *Revista Globo Rural*

FERTILIZER DELIVERIES ADVANCE 2.2% IN JUNE BEFORE JUNE 2018

Deliveries of fertilizers to end consumers in June advanced 2.2% over the same month of 2018, totaling 3.053 million tons. The data were published by the National Association for Fertilizer Spread (Anda) and are the latest from the entity. When observed in the first half of the year, the delivered volume of 13.723 million tons surpassed by 7.1% the corresponding interval of last year. Mato Grosso, once again, concentrated the delivery of fertilizers in the country from January to June, with 23.1% of the total or 3.173 million tons. It was followed by Paraná, with 1.935 million tons; São Paulo, with 1.616 million tons; Goiás, with 1,378 million tons; and Minas Gerais, with 1.291 million tons. Already the national production retreated in the annual comparison. In June, 566,000 tons were produced, down 13.2% from the same month a year earlier. Year-to-date, the production volume of 3.439 million tons was 8.9% lower than in the first six months of 2018. Imports of intermediate fertilizers increased by 15.8% and 11.4% in June and in the year to date, respectively. In June, 3.009 million tons were brought from abroad, while in



the first half of the year 12,257 million tons. The Port of Paranaguá (PR) was the main port of fertilizers in the country, with landing of 3.759 million tons between January and June this year, 7.7% less than in the first six months of last year.

According to Anda, intermediate product inventories for fertilizers and NPK formulations (nitrogen, phosphorus and potassium) reached 6.057 million tons at December 31, 2018, up 9.5% from 5.533 million tons at the end of 2017.

Source: *Dinheiro Rural*

46% OF THE AREA IN BRAZIL IS SEEDED IN CROP 2019/20

Soyabean planting in Brazil reached 46% of the projected area in the 2019/20 crop until last Thursday, 31, estimates the consultancy AgRural. The result represents an advance of 11% in the week. The number exceeds the five-year average of 43% of planted area in the same period but still represents a delay compared to the same interval last year, according to AgRural's weekly survey. Again, according to the consultancy, Mato Grosso was the highlight of the week with acceleration of planting. In the week, the State sowing went from 72% to 84% of the area to be planted. In Paraná, planting reached 60% of sowed area by Thursday, an increase of 14% in the week, driven by increased humidity. Despite the significant advance of sowing, with 58% of planted area, compared to 29% of the previous week, the state has received little rain. According to AgRural, if the rain forecast for this week is confirmed, the sowing of soybeans in the state of Mato Grosso do Sul will end within the first half of November, which allows the planting of corn to be completed within the region window, which runs until mid-March. "But the ideal would be to plant before the end of February, to prevent the productivity of the safrinha is more susceptible to the reduction of rainfall and possible frost from May," says the consultancy. In Goiás, Minas Gerais and São Paulo, irregular rainfall delays fieldwork, while in Rio Grande do Sul, sowing is slower because of the high soil moisture. In Matopiba (region that partially comprises the states of Maranhão, Tocantins, Piauí and western Bahia), planting is still restricted to crops where it has already rained, with the region showing irregularity in rainfall. AgRural estimates that Brazil should plant 36.4 million hectares with soybean in the 2019/20 crop, 1.3% more than in the previous season. Production is forecast at 121 million tons - record harvest.

Source: *Dinheiro Rural*

AGRO EXPORTS REACH US \$ 8.4 BILLION IN OCTOBER

Foreign sales of corn registered record value and quantity exported for the month of October. Corn exports were US \$ 1 billion (+ 91.3%). The amount of grain exported was also record, from 3.1 million to 6.14 million tons exported (+ 97.6%). According to the Secretariat of Commerce and International Relations of the Ministry of Agriculture, Livestock and Supply (MAPA), the record corn crop of almost 100 million tons, according to a Conab survey (September / 2019), was the main factor that allowed the increase of foreign sales of the cereal. Total Exports: Agribusiness exports were \$ 8.41 billion in October this year, up 0.8% from \$ 8.35 billion in the previous year. The increase in exports was due to the increase in the quantity exported (+ 6.8%). On the other hand, the export price index decreased by 5.7% compared to October 2018. Imports of agribusiness products also grew from

US \$ 1.19 billion in October 2018 to US \$ 1.21 billion in October 2019 (+ 1.3%). Agribusiness's share in the October trade balance was 46% of total exports.

Source: *Notícias Agrícolas*

SUGAR EXPORTS GROW 0.78% BEFORE OCTOBER 2018 TO 1.93 MILLION TONS

In October, Brazil exported 1,928 million tons of raw and refined sugar, up 0.78% compared to the total shipped in the same period of 2018, of 1,913 million tons. When compared to September exports of 1.719 million tons, there was a high of 12.16%. Data from the Special Secretariat of Foreign Trade and International Affairs of the Ministry of Economy released last week shows that of the total exported last month, 1.791 million tons were demerara sugar and 137K tons, refined. Data consider 23 working days. Revenue from food exports in October was \$ 545.0 million, 12.77% higher than in September, \$ 483.3 million, and 3.11% lower than October 2018, of \$ 562.5 million. In the accumulated ten-month period of 2019, the export volume reached 15.642 million tons, a decrease of 11.80% over the period from January to October 2018, of 17.734 million tons, with revenue of US \$ 4.383 billion, a decrease of 22, 62% of the total of \$ 5.522 billion in the same 2018 range.

Source: *Nova Cana*

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