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**DOLLAR FALL CAUSES SOYA PRICE TO LOCK IN BRAZIL**

Soyabean prices ranged from stable to low in the country's main markets earlier this week. The drop of more than 1% in the dollar weighed on the benchmarks and pushed the negotiators away. Unlike the end of last week, the marketing stalled. Chicago was moderately upscale, without impacting the pace of business. In Passo Fundo (Rio Grande do Sul), the 60 kg bag followed by R \$ 75. In the Missions region, the price stabilized at R \$ 74.50 a bag. In the port of Rio Grande, prices remained at R \$ 79.50. In Cascavel, Paraná, the price went from R \$ 74 to R \$ 73.50. In the port of Paranaguá (PR), the bag fell from R \$ 79.50 to R \$ 79. In Rondonópolis (Mato Grosso), the bag fell from R \$ 70 to R \$ 69. In Dourados (Mato Grosso do Sul) the quotation fell from R \$ 71.50 to R \$ 70. In Rio Verde (Goiás), the bag fell from R \$ 69.50 to R \$ 68.50.

Source: Canal Rural

**WHEAT: BUYER LEAVES THE MARKET WITH UNCERTAINTY ABOUT TARIFF EXEMPTION**

The possibility of exemption from the Common Foreign Tariff (TEC) for US wheat imports, announced by the government last week, has left national producers on alert. According to the Center for Advanced Studies in Applied Economics (Cepea), the domestic market already shows signs of weak demand, since many mills have stock. In addition, buyers already have product receipts scheduled at least until the entry of the new crop. In general, some agents consulted by Cepea bet on the revocation of the CET exemption, which would favor the commercialization in the domestic market. Others believe that the de facto exemption will occur and this could cause national prices to oscillate according to import parity. In the midst of this uncertain environment, buyers preferred to stay away from new deals and await official disclosures.

Source: Canal Rural

**BRAZILIAN WHEAT FLOUR PRODUCTION GREW BY 3.4% IN 2018**

The Brazilian milling industry processed 12.17 million tons of wheat in 2018, a volume 3.4% higher than the 11.77 million in 2017. The North / Northeast area, with 3.71 million tons, followed by Paraná (3.47 million), Santa Catarina / Rio Grande do Sul (2.17 million), São Paulo (1.65 million) and Central-West / Minas Gerais / Rio de Janeiro / Espírito Santo (1.6 million). The data are from the Brazilian Wheat Industry Association (Abitrigo). For the first time, the entity calculated the mills' extraction, which, at the national average, stood at 75.9% last year. This is the percentage of flour obtained from the total wheat processed. The best result was verified in the plants of the Center-West / Minas Gerais / Rio de Janeiro / Espírito Santo (77.6%). This is followed by North / Northeast (77%), Paraná (76.4%), São Paulo (76.3%) and Santa Catarina / Rio Grande do Sul (74.9%). There are 160 industrial plants throughout the country. The mills did not fire and continued to invest in technology, machinery and equipment, although production in the sector is practically

stagnant, considering that the 2018 expansion only compensated for the decline observed in previous years and that the per capita consumption of flour in Brazil in 2018, of 45.6 kg / year, was slightly higher than the 44.8 kg / year of 2017. Each mill provides wheat flour for virtually all market segments: 98.5% serve the bakery segment; 86.4%, domestic consumption; 81.8%, pasta; and 74.2%, biscuits. Of the total processed cereal in 2018, 6.8 million tons were imported, especially from Argentina. According to data from Companhia Nacional de Abastecimento (Conab), the volume produced in the country was 5.6 million tons.

Source: Dinheiro Rural

**PORT OF SANTOS REACHES NEW RECORD OF MOVEMENT**

The Port of Santos hit a new record of cargo handling in February, informed the Port Authority, which manages the terminal on the south coast of São Paulo. A total of 10.03 million tons was moved, surpassing by 0.6% the highest index so far, verified in February 2017. The soyabean complex was responsible for the impulse, with 3.43 million tons shipped abroad, including grains in bulk, grain in containers, bulk meal and meal in containers, a 24.4% increase compared to February 2018. Only in soyabeans, the Port of Santos shipped abroad 2,937 million tons (23.6% more). In bulk, the advance was 25.5%, to 470.4K tons. The shipments of sugar, however, declined in February of this year, to 831,65K tons - against 1 million tons in February 2018 (-16.9%), which affected the overall increase of the movements, according to the port administration. In relation to imports, fertilizers were the most purchased raw material from abroad, with 266.87K tons (+ 45.3%) last month. Wheat also had a significant increase in imports, from 23.4% in February to 124.04K tons.

Source: Dinheiro Rural

**ETHANOL SALES UP 15.53% IN THE FIRST FORTNIGHT**

The total volume of ethanol sold by the Central-South mills in the domestic and foreign markets in the first weeks of March totaled 1.226 billion liters, compared to 1.061 billion liters in the same period of 2018, up 15.53%. The total accumulated volume of fuel sold to distributors and exported reached 29.659 billion liters in the 11 months and a half of the 2018/2019 harvest, started on April 1st of last year, up 17.35% against 25,274 billion liters of the same period 2017/2018.

The total volume of ethanol traded by the mills with distributors in the domestic market in the Center-South reached 1.188 billion liters in the first half of March and accumulated 28.141 billion liters in the 2018/2019 harvest. The volumes represent increases of 14.53% in relation to the total of 1.037 billion liters sold in the first half of March 2018 and 18.15% of the accumulated volume sold up to the same period of the 2017/2018 harvest in the domestic market, 23.819 billion liters, according to the Sugar Cane Industry Union (Unica). Total sales of hydrous ethanol fuel rose 23.48% in the first half of March over the same period of 2018, from 668.647 million to 825.618 million liters. Total sales of hydrated in the harvest have increased from 35.82% to 20.640 billion liters. Accumulated anhydrous sales increased 1.97% compared to the same fortunes of 2018 and 2019, to 400.006 million liters and fall 10.5% in the harvest to 9.019 billion liters. Total exports of ethanol amounted to 37.835 million liters in the first week of March, up 59% compared to 23.793 million liters



shipped abroad in the same period of 2018. In the accumulated 2018/2019 harvest, exports total ethanol increased by 4.32% to 1.519 billion liters, compared to 1.456 billion liters in the same period of 2017/2018.

Source: *Dinheiro Rural*

### SOYABEAN HARVEST REACHES 67% OF THE AREA IN BRAZIL IN THE 2018/19 HARVEST

The harvest of the 2018/19 soyabean crop reached 67% of the area under cultivation in Brazil last week, compared to 63% in the previous week, 65% in the same period last year and 63% in the five-year average, the consultancy said. AgRural in weekly bulletin. "The work is progressing at a slower pace a few weeks ago because of the rains that fall in much of the country," AgRural says. Mato Grosso is the state with the most advanced harvest - with 99% of the area harvested, the works are practically closed. In Mato Grosso do Sul, where the harvest reached 98% of the cultivated area, the situation is similar. Rondônia (95%), São Paulo (94%) and Goiás (92%) are also with the harvest near the end. In contrast, Paraná is behind last year because of the rains - last week, 72% of the area was harvested. The entity's current estimate for soyabean production in the 2018/19 crop is 112.9 million tons, 8.5 million tons less than could be produced were it not for hot and dry weather in December and January, which affected mainly the States of Paraná and Mato Grosso do Sul. The next review will be made in the first half of April, focusing on the States of Matopiba and Rio Grande do Sul, which have a later schedule.

Source: *Dinheiro Rural*

### FERTILIZERS WERE THE MAIN IMPORTED CHEMICALS

Projections released by the Brazilian Institute of Geography and Statistics (IBGE) indicated that fertilizers were the most imported chemicals in the first two months of the year, registering 41.4% in quantities (4.4 million tons) and 64.1% in value (US \$ 1.3 billion). In this scenario, the accumulated deficit of the trade balance of chemical products reached US \$ 4.9 billion in the first two months of the year. According to the chief executive of the Brazilian Chemical Industry Association (Abiquim), Fernando Figueiredo, the strong rhythm stands out mainly where natural gas is used as energy or raw material. "Brazil, which was already a priority target for spawning surplus products with the commercial war between the United States and China, will be even more impacted if the problems of high energy costs and strategic inputs for the sector are not solved quickly, which prevent Brazilian companies from competing in the domestic and international markets", he says. Abiquim also said that this figure indicates an increase of 31.4% over the same period of last year, with imports of chemicals totaling US \$ 3.3 billion in February, a 16% compared to the same month last year. According to Abiquim's director of Foreign Trade Affairs, Denise Naranjo, all these results represent a significant economic opening in the sector. "The deficit has been increasing since then and has already surpassed US \$ 30.8 billion in the last 12 months, while production volumes are practically the same as in 2007. Unfortunately, the economic scenario in Argentina, Brazil's main trading partner in chemicals, is very delicate, which further aggravates the prognosis for the course of the year", he concludes.

Source: *Global Fert*

### GRINDING IN THE CENTRAL SOUTH ACQUIRING 1.59 MILLION TONS IN THE FIRST FIFTEEN OF MARCH

Production units in the Center-South region processed 1.59 million tons of sugarcane in the first half of March, down 53.48% compared to the milling in the same period in 2018 (3.42 million tons). According to UNICA technical director, Antonio de Padua Rodrigues, "the smallest grinding is due to the lower number of units in operation this year and to the rainier climate in early March, which made it difficult to operate the harvest." In the first fifteen days of March, 27 units registered sugarcane milling, in addition to another six with corn ethanol production. In the same period of 2018, 50 units were in operation. About corn ethanol, 52.76 million liters were produced in the first half of March, the highest fortnightly volume ever since the series began. The production so far amounted to 745.05 million liters, against 490.14 million liters in the last crop. In the accumulated from the beginning of the 2018/2019 harvest until March 16, 2019, milling totaled 566.05 million tons, down 3.82% in comparison with the index calculated in the same period of the previous crop. The sugar production registered in the first half of March reached only 9.08K tons, a reduction of 80.95% compared to the amount recorded in the same period of 2018. Ethanol production, in turn, totaled 141.90 million liter, with hydration (conversion of anhydrous ethanol to hydrous ethanol) of 32 million liters. In the accumulated since the beginning of the current harvest, the production of anhydrous ethanol reached 9.10 billion liters, while that of hydrous ethanol 21.46 billion liters. Therefore, in the aggregate, the volume of ethanol manufactured until March 16<sup>th</sup>, 2019 reached 30.56 billion liters, an increase of 19.11% over the value observed in the same period of the 2017/2018 crop.

Source: *Única*

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