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AGRIBUSINESS EXPORTS TOTALED ALMOST US\$ 9 BILLION IN AUGUST

In August 2020, Brazil exported US\$ 8.91 billion in agribusiness products, an increase of 7.8% in relation to the same month in 2019 (US\$ 8.26 billion). Between August 2019 and 2020, agribusiness product exports grew by 16.5% or US\$ 646.24 million in absolute values. According to the Agribusiness Trade Balance released by the Department of Trade and International Relations of the Ministry of Agriculture and Food Supplies (MAPA) on September 11, the increase in foreign sales of soybeans and cane sugar were responsible for the increase. Soybean exports reached US\$ 2.21 billion (+ 25.1%), of which China purchased close to 75%, valued at US\$ 1.65 billion. With the fall in sugar production in India and Thailand during the 2019/2020 harvest, there were new opportunities for Brazil to increase exports of the product, which reached US\$ 960 million in August, an increase of 107%. Shipments of Brazilian agribusiness products to China also explain the increase in the month analyzed. 30% more products than registered for 2019 (US\$ 639 million) were shipped to the Asian country, totaling US\$ 2.7 billion in August. Agribusiness accounted for more than 50% of the country's total exports. Imports of agricultural products decreased from US\$1.10 billion (August 2019) to US\$ 912 million (August 2020), a decrease of 17.3%. Thus, the August trade balance totaled US\$ 7.1 billion.

Source: *Datamar News*

BRAZILIAN HARVEST TO HIT NEW RECORD IN 2020

Brazilian agricultural production is expected to hit a new record in 2020, reaching 251.7 million tons. The harvest should increase 4.9% when compared to that registered in 2019. Estimates predict soybeans and coffee should reach their highest production levels. Carlos Barradas, from IBGE, points out that the strength of the dollar and the good quality of products should empower Brazil to increase exports and recover markets. The total volume of soybeans production should reach 121 million tons, up 6.6% when compared to the previous year's harvest. For soybean oil, exporting records to China and the United States ended up causing greater external trades, leaving domestic prices higher. Soybeans, corn and rice are the three main products of the national grain harvest, together, they represent 92.3% of the output estimate and account for 87.2% of the area to be harvested.

Source: *O Globo*

PETROBRAS BEATS RECORD OF DIESEL S-10 PRODUCTION FOR THE THIRD MONTH IN AUGUST

For the third consecutive month, Petrobras hits the record of low-sulfur diesel (S-10) production. In August, the refineries produced 1.84 million m³ of the product, a slightly higher volume than that produced in July (1.81 million m³), and up 15% in comparison to June (1.6 million m³). The successive records of Diesel S-10 are mainly due to the development of heavy-duty engines and vehicles powered by diesel operating within the national territory. Currently, there are two types of road diesel in Brazil: Diesel S-500 and Diesel S-10. The S-500 is used only by vehicles manufactured until 2011. The Henrique Lage Refinery (Revap), in São José dos Campos (SP), also achieved the monthly production record for Diesel S-10. In August, 203.5 thousand m³ of this derivative were produced, 10% higher than the previous record in March. The main reason for this result is due the increase in the load

of the U-262 diesel hydrotreating unit, after the authorization from ANP was obtained.

Source: *Portos e Navios*

GOVERNMENT EXTENDS TARIFF FREE QUOTA ON ETHANOL IMPORTS FROM UNITED STATES

According to the Ministry of Foreign Affairs (MRE), the Brazilian government decided to extend the tariff-free import quota on ethanol imported from the United States for three months. The measure aims to buy time to negotiate better terms in exporting sugar to the United States. According to the MRE, "Brazil and the United States will also consider an increase in access to the corn market in both countries. The two countries will also discuss ways to ensure fair market access alongside an increase in ethanol consumption, as well as to coordinate and ensure that the ethanol industries in both countries are treated fairly and benefit from future regulatory changes in biofuel products in Brazil and the United States. The discussions must seek to achieve reciprocal and proportional results that generate trade and open markets for the benefit of both countries ". The Government also informed that the discussions will take place over a period of 90 days, beginning on September 14, 2020. During this period, Brazil will maintain a pro-rata tariff rate quota (TRQ), proportional to the total annual volume of TRQ in effect on 30 August 2020.

Source: *Datamar News*

BRAZILIAN GOVERNMENT ZEROES THE IMPORT TAXES FOR RICE

CAMEX (Foreign Trade Chamber) decided to zero the tax rate on imports of hulled and processed rice until December 31. The Management Executive Committee of the Camex established that the reduction is restricted to a quota of 400 thousand tons of non-parboiled hulled rice, semi-milled and milled rice. Camex's objective is to reduce the cost of imported rice to increase the supply and contain the high price of the product in the Brazilian domestic market. Currently, the import tax rate for countries outside Mercosur is of 10% for hulled rice and 12% for processed rice, and the product is already tariff-free for members of Mercosur (Argentina, Uruguay, Paraguay). According to the Ministry of Agriculture, from January to August, Brazil imported 417.4 thousand tons of rice and exported 1.153 million tons of the product. According to the National Supply Company (Conab), during the pandemic, rice consumption grew mainly due to the emergency financial help from the government.

Source: *G1*

BRAZIL FERTILIZER DELIVERIES RISES 15.7% IN FIRST-THIRD OF 2020

Fertilizer deliveries reached 2.06 million tons in April, up 25.8% according to the annual report of Anda. In the first four months of the year, it reached around 9.5 million tons, an increase of 15.7% when compared to the same period of 2019. The national production of intermediate products was of 557 thousand tons in April, an annual increase of 7.1%. From January to April, the total production was of 2.237 million tons, that represents a 4.8% decrease in relation to the same period last year. In April, imports numbers reached a total volume of 2.434 million tons, an annual growth of 34.1%. In the first four months of the year, the volume of imports reached 8.028 million tons, an increase of 16.9% in relation to the same period in 2019.

Source: *DATAGRO*



EXPORTS OF RAW SUGAR IN MATO GROSSO DO SUL GROWS 207%

From January to July, Mato Grosso do Sul exported 309 thousand tons of raw sugar, an increase of 207% in comparison to the same period of 2019. According to data from the Brazilian government, in the first seven months of the year, the revenue from exports increased by 176%, from U\$ 29 million to U\$ 79 million. For the whole last year, the total volume exported was of 238 thousand tons of sugar, a revenue of U\$ 67 million. The technical consultant of the Famasul System, Clóvis Tolentino, says that the increase is due mainly to three reasons: the COVID-19 pandemic that reduced ethanol consumption, the strength of the US dollar, and the external demand amid drop of other countries' production; also the low consumption of ethanol in the first semester made industries focus on raw sugar production. Currently, according to IBGE (Brazilian Institute of Geography and Statistics) numbers, the state of Mato Grosso do Sul is the fourth sugarcane producer in Brazil, behind Goiás, Minas Gerais and São Paulo. It has 709 thousand hectares of land planted with sugarcane.

Source: *Universo Agro / DATAGRO*

CARGO HANDLING IN THE PORT OF IMBITUBA GROWS 12.7% IN AUGUST

The Port of Imbituba has reported a 12.7% increase in cargo volumes handled in August, in comparison with the same period last year. Altogether, 18 vessels have berthed at the port for loading and unloading 558,523 tons of cargo. Corn, coke, soybeans and containers accounted for 78% of the monthly cargo handling, also Urea, salt, soybean meal, hulled rice and cellulose were transported in August. "Through strengthened efforts, operational efficiency and commitment, the Port of Imbituba has managed to overcome this pandemic and make good outcomes. All this means further inputs, jobs and revenues", says Luís Antonio Braga Martins, CEO of SCPAR, Port Authority. From January to August, a total of 135 vessels were berthed at the port's three quays, and 3.7 million tons of cargo were handled.

Source: *Portos e Navios*

CARGO HANDLING FROM PORTS OF PARANA INCREASES 8% TO AUGUST

The volume of cargo handled in the ports of Paraná has already exceeded 38.67 million tons. The running total from January to August this year is 8.4% higher than that recorded in the same period in 2019, when 35.65 million tons were transported. "We have handled almost 73% of this so far, and expectations are really good. If we sustain the same average handling from September to December, we should end 2020 with a new record", says Luiz Fernando Garcia, the CEO of Ports of Paraná. In August alone, 5.37 million tons of products were handled in the Ports of Paraná, by 2.27% more than that registered in the same month in 2019. Almost 67% of the cargo handled in 2020 in the ports of Paranaguá and Antonina were of dry bulk. Liquid bulk accounted for 12% of export and import cargo, up 5% when compared to 2019.

Source: *Portos e Navios*

BNDES LAUNCHES PRIVATIZATION STUDIES IN THE PORTS OF SANTOS AND SÃO SEBASTIÃO

On Wednesday, September 9, the Ministry of Infrastructure launched the studies contracted by the Brazilian Bank for Economic and Social Development (BNDES) to structure the privatization of exploitation and provision of public services at the ports of Santos (SP) and São Sebastião (SP). The consortium selected by BNDES to carry out the studies is formed by DTA Engenharia, Alvares & Marsal, Garin Investimentos, Lobo & De Rizzo Advogados, and Navarro Prado

Advogados. The studies, approved at the 10th Meeting of the Board of the Investment Partnerships Program (PPI), through Decree No. 10,138 of November 28, 2019, are set to begin immediately. Once completed, the next steps will be scheduled, such as the holding of a public hearing, analysis of the studies by the Federal Audit Court (TCU), and the public auction, scheduled for the beginning of 2022.

Source: *Datamar News*

RIO GRANDE RAILWAY BRIDGE COMPLETED

On the 9th of September, works were concluded on the Rio Grande railway bridge, located on the border of São Paulo and Minas Gerais. The new road is part of Rumo's Malha Central, (the new name of the North-South Railway) and will open paths for the markets of Goiás, Tocantins, and Minas Gerais to connect to the Port of Santos. The project is part of the stretch that connects the state São Paulo to the future terminals of Iturama (MG) and São Simão (GO). The bridge is one of the longest on the stretch under management by Rumo and will complete a government project that began 30 years ago with the objective of integrating rail transport. It is 495 meters long and is a mixed structure of concrete and steel. It weighs about a thousand tons and consists of ten spans, of which seven are made of concrete beams, and the other three are made of metal. The work had started before Rumo took over the concession, but had not been completed until now. The commercial operation of Malha Central, consisting of a 1,537-km stretch between Porto Nacional (TO) and Estrela D'Oeste (SP), is expected to start in the first half of 2021.

Source: *Datamar News*

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