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BRAZILIAN AGRIBUSINESS EXPORTS SET RECORDS IN 2020

Brazilian agribusiness exports set records in Brazil in 2020. Data from Cepea (Center for Advanced Studies in Applied Economics) show that the volume exported increased by 10% from 2019 to 2020, with revenue reaching US\$ 101 billion, which represents an increase of 4%. The soybean complex, meat (mostly swine, followed by beef and chicken), sugar, cotton and coffee were the most exported agricultural products last year. Since 2013, China has progressively increased its participation in the sales list of Brazilian products, taking the lead in the commercial partnership with Brazilian agribusiness. In 2020, beef exports to China also increased, and total agribusiness exports to the Asian country reached 33.7%. Soybeans continue to be the main product exported to China, with 73% of the volume. Countries from the European Union were the second most important destination of Brazilian agribusiness exports, followed by the United States.

Source: *Agrolink*

BRAZIL WITH RECORD OIL PRODUCTION IN 2020

Brazilian oil production set a record in 2020, despite the worst crude-market in history. Last year, Brazil produced about 2.938 million barrels a day of crude oil, which represents an increase of 5.5% in relation to 2019, according to data from the National Agency of Petroleum, Natural Gas and Biofuels (ANP). In 2021, Brazilian oil industry expects to set a new historical record. The year of 2020 was the second consecutive year of production growth in Brazil. The new record comes even after a weaker second half, as the volume of oil has been falling since August. In December, the volume of crude oil declined to 2.726 million barrels a day, a reduction of 1% when compared to November. The great number of scheduled shutdowns can explain the decline on platforms in the second half of the year. S&P Global Platts points out that Brazilian production shows the first signs of recovery in the beginning of 2021, however slower than expected. Even so, the company projects a growth of 120 thousand barrels/day in production in Brazil for 2021 and 150,000 barrels/day for 2022, driven by the pre-salt projects.

Source: *Valor*

BRAZIL: PRODUCTION OF FERTILIZERS SET TO BE GIVEN A BOOST

In Brazil, an inter-ministerial working group has been created to formulate the National Fertilizer Plan. According to the Ministry of Agriculture, the objective of the plan is to increase the production of national fertilizers (fertilizers, soil corrective agents, soil conditioners), as to reduce dependence on imports and increase the competitiveness of agribusiness in the international market. The Institute for the Strengthening of Agriculture in Goiás (Ifag) points out that fertilizers and pesticides account for nearly half of soybean production costs. According to César Halum, the secretary of Agricultural Policy at the Ministry of Agriculture, Brazil imports about 60% of the fertilizers for agricultural production. "It is necessary to expand the production [of these inputs] in Brazil", he says. The group will last 120 days and the period can be extended for up to 120 days. At the end of the term, the National Fertilizer Plan is supposed to be sent to the Special Secretary for Strategic Affairs of the Presidency of the Republic.

Sources: *Notícias Agrícolas/Global Fert*

ETHANOL EXPORTS INCREASE BY 40.67%

In the first fifteen days of 2021, the sale of ethanol by mills in Brazil Center-South region reached 1.25 billion liters, with 1.21 billion liters destined for the domestic market and 41.68 million liters for exports (387.96 million liters of anhydrous ethanol, and 819.55 million liters of hydrous ethanol). The volume of hydrous ethanol dropped by 5.77% when compared to the same period in January 2020 (869.72 million liters of hydrous ethanol). Sanitizing and industrial alcohol continues rising, with an increase of 42.3% in the first half of January. The total sold since April reached 1.04 billion liters, up 32.22% when compared

to the 2019/2020 harvest (786.58 million liters), a percentage 3.42% higher when compared to the last agricultural season (1.00 billion liters). From the beginning of the 2020/2021 harvest to January 16, 2021, ethanol sales by companies in the Center-South region declined by 9.98%, reaching 24.56 billion liters. In turns, exports increased by 40.67%, totaling 2.25 billion liters, as sales in the domestic market registered a reduction of around 13.14%, reaching 22.31 billion liters.

Source: *Jornal Cana*

BRAZILIAN SOY EXPORTS TO ARAB COUNTRIES EXPECTED TO GROW OVER NEXT FEW YEARS

A study carried out by the Market Intelligence sector at the Arab Brazilian Chamber of Commerce pointed out that there is an expectation of growth in shipments of Brazilian soy to the Arab countries, motivated by the increased price in the international market over the next few years. According to the study, there are indications that export growth will also occur at a global level. According to the agency, the market potential for the product is due to the production of animal feed and for human consumption. The tariff tax on soybean sales from Brazil to the Arabs is considered low, which also favors trade. This is what already occurs in Brazilian exports to Saudi Arabia, Tunisia, Algeria, and Egypt. These countries have zero tariffs for imports from Brazil. From 2018 to 2020, product shipments were concentrated in these four countries. To go beyond these borders, the Arab Brazilian Chamber of Commerce highlights Bahrain, Iraq, Jordan, Lebanon, Palestine, and Sudan as potential markets. The trends that make these markets stand out are the changes in consumption habits linked to the prospect of increased income.

Source: *Brazil-Arab News Agency/Datamar News*

DECLINING OIL PRICE BOOSTS FERTILIZER EXCHANGE RATIO

Analysts say that the price of oil is likely to reach lower levels causing impacts on purchase of nitrogen fertilizers (basis of products such as ammonia, urea and nitric acid). For the analyst Vlamir Brandalitze from Brandalitze Consulting, the declining prices also enhance the exchange ratio for the producer. "Unlike gasoline prices at pumps, the drop in crude oil is more rapidly impacted. With a barrel below US\$ 50, the exchange ratio for the producer is favorable", he says. He also says that the fertilizer exchange ratio is favorable for corn and soybean. "It is necessary to monitor the market and take advantage of opportunities. As the U.S crop is about to begin, the advantageous conditions will come to an end".

Source: *Canal Rural*

SAO PAULO: AGRIBUSINESS TRADE BALANCE HITS US\$ 13.10 BIL. SURPLUS IN 2020

In 2020, agribusiness exports in São Paulo increased by 12.9%, reaching US\$ 17.23 billion; while imports amounted to US\$ 4.13, a drop of 11.9%. That way, São Paulo enjoyed a trade surplus of US\$ 13.10 billion, a 23.9% increase when compared to 2019, says the Institute of Agricultural Economics (IEA). São Paulo's main exports in 2020 were as follows: Sugar and Alcohol Complex (US\$ 6.40 billion: 84.4% sugar, 15.6% alcohol), Meat (US\$ 2.30 billion: beef accounted for 87.4%), Soy Complex (US\$ 1.91 billion), Forest Products (US\$ 1.54 billion: 49.9% paper and 37.3% cellulose) and Juices (US\$ 1.40 billion: orange juice 96.7%). These five groups represent 78.6% of São Paulo's agribusiness total exports. China remains São Paulo's top destination for exports, with US\$ 4.11 billion, a 38.9% increase when compared to 2019, followed by the European Union, with US\$ 2,65 billion and the United States, with \$ 1.66 billion.

Source: *Datagro*

CATTALINI TO RECEIVE VESSELS UP TO 70,000 DWT AT PORT OF PARANAGUÁ

Cattalini Terminais Marítimos, installed in the Port of Paranaguá (PR), expanded its operational capacity to receive ships of up to 70 thousand DWT and 229 meters LOA in the external berth of its private pier. The previous capacity of the external berth was for ships up to 60,000 DWT. To do this, the company (which only handles liquid bulk) invested in infrastructure and technology works. One is the implementation of a



monitoring system for docking laser ships, unprecedented in the Port of Paranaguá, which reads data during the ship's approach to the pier. Through a numerical indicator panel, the system notes the speed and the distance of the ship in relation to the berth, allowing the vessel pilots and tugboat pilots to perform maneuvers safely and quickly. In addition to the panel, traffic lights with green, yellow, and red indicator lights were installed that show the speed limits for mooring. The company also invested in the pier's infrastructure with the installation of new dolphins and fenders to receive ships with greater cargo potential.

Source: *Datamar News*

EMAP GROWS BY 21% IN CARGO HANDLING IN ITS 21ST ANNIVERSARY

Maranhao Port Administration Company (EMAP), manager of the Port of Itaqui, sets records in January reaching 1.4 million tons in cargo handling, a 16% increase when compared to 2020, and 24% higher than expected. Liquid bulk cargo should end the month with more than 700 thousand tons handled, an increase of 12% over last January and 35% in relation to what was planned for the period. The movement of Cellulose (40%), fertilizer (34%), wheat and general cargo (23% each) also grew in the period. "As from the beginning of the flow of grain production in March, the volume of cargo at the Port of Itaqui should increase even more. We are preparing ourselves for the super harvest, with three berths operated by Tegram and VLI", says the president of EMAP, Ted Lago.

Sources: *O Maranhense / Portos e Navios*

CARGO HANDLING AT BRAZILIAN PUBLIC PORTS UP 5.68% IN 2020

Cargo movement from Brazilian public ports grew 5.68% in 2020 compared to 2019: 447.1 million tons of cargo were handled last year compared to the 423 million tons handled in 2019. Most of the main port authorities that concentrate about 80% of leasing contracts in national ports recorded positive figures, showing that not did the sector survive during the pandemic, but it even managed to grow. Largest port complex in the Southern Hemisphere, the Port of Santos registered a 9.3% increase in cargo handling compared to 2019, with 146.5 million tons of cargo handled in 2020. Companhia Docas do Rio de Janeiro (CDRJ) saw its cargo movement grow by 46%. Another highlight was the Port of Ilhéus, belonging to the Companhia das Docas do Estado do Bahia (CODEBA). Its growth in cargo handling was 118.4% since 2019. The Companhia Docas do Pará (CDP) ports recorded a 10% increase in cargo handled. The largest growth was at Vila do Conde, which went from 14.8 million to 16.2 million tons handled. Another complex that set a new cargo-handling record was the Port of Suape: 25.6 million tons were handled in 2020, an increase of 7.53% compared to 2019 when the port handled 23.8 million tons. The Port of Itaqui reached the end of 2020 breaking a record set in 2019 and closed the year 2020 with 25.3 million tons of cargo handled. The Port of Imbituba handled 5.8 million tons, a volume 1.8% higher than the volume handled in 2019. The most-handled cargo for the period were petroleum coke, soybeans, iron ore, containers, corn, salt, and urea. In all, there were 228 ship moorings in 2020. Also in the south, the Ports of Paranaguá and Antonina (PR) broke the previous record by 8%, handling 57.3 million loads. In Fortaleza, Companhia Docas do Ceará closed 2020 setting several records in the Port of Fortaleza.

Source: *Datamar News*

PETROLEUM COKE MAKES UP 17.3% OF PORT OF IMBITUBA'S HANDLING IN 2020

Petroleum coke represented the highest handling volume at the Port of Imbituba in 2020, exceeding one million tons (1,017,306.15). In all, 28 ships at the port transported this mineral bulk: 19 ships unloaded and 9 ships were loaded. Coke handling took place at Pier 1 and Pier 3; these are connected to a belt conveyor system running to the storage yard of the TIEGS (solid bulk import and export terminal) which was leased to CRB – Grupo Votorantim. During the handling, the mineral bulk is removed from the ship by a mobile harbor crane (MHC) on wheels, placed in the hopper, then transferred to TIEGS by the conveyor belts. The other operations for loading and unloading coke

take place with MHCs and rely on the support of metal pools and funnels to support the removal of cargo from trucks or to load them. The imported bulk came mainly from the United States. The exported bulk was heading towards several destinations: Bahrain, Canada, China, and the USA.

Source: *Datamar News*

SPA SETS PUBLIC HEARING FOR PORT OF SANTOS INTERNAL RAILWAY

On February 10, Santos Port Authority (SPA) will hold a public hearing from 3:00 – 6:00 pm to discuss the development of a new model of the Port of Santos internal railway (FIPS), a rail system that integrates the port infrastructure. Participation will be online and interested parties must register in advance. The objective is to discuss the management, operation, maintenance, and expansion of FIPS. To participate in the public hearing, interested parties must register by e-mail on February 8 between 10:00 am and 2:00 pm. Interest may be expressed in writing, by audio, or by video. Interested parties may also enter the meeting room created in the "Microsoft Teams" application. The entire virtual session will be transmitted over the internet and will be recorded and made available on the SPA Youtube channel. Interested parties may register by sending an e-mail to consulta.fips@brssz.com. Further information about the public hearing is available on the Port of Santos website: <http://www.portodesantos.com.br/wp-content/uploads/Aviso-Audiencia-Publica-FIPS.pdf>

Source: *Datamar News*

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