CHINA WILL REPLACE US SOYABEANS BY PRODUCT OF BRAZIL AND OTHER COUNTRIES, SAYS EXECUTIVE

China will almost entirely replace its imports of US soyabeans for Brazil's grains and other sources next season, but may run out of oil in early 2019, an executive with a large crush said this week. The company's forecast is one of the most pessimistic about the impact of the trade war between Washington in Beijing for American farmers. Imports from the United States, which normally rank second among China's largest suppliers, are expected to drop to only 700K tons in the 2018/19 season from last month, said Guo Yanchao, vice president of the Jiusan Group. This compares to 27.85 million tons of soyabeans imported into the US the year before. Imports from Brazil will jump to 71.06 million tons, with the rest coming from Argentina, Canada, Russia and other countries, Guo told an industry conference. But stocks could end until February or March next year, when Brazil's soya offer is limited, the executive said.

Src.: Folha de São Paulo

EXPORTS OF THE SOJA COMPLEX GREW 33.8% IN AUGUST IN THE ANNUAL COMPARISON

Brazilian exports of the Soja Complex (grains, bran and oil) reached 9,798 million tons in August, up 33.8% year-on-year, according to figures from the Ministry of Industry, Foreign Trade and Services (MDIC). Revenue from shipments reached US $ 3.98 billion, up 43.7% from August 2017. According to the MDIC, exports of the Soyabean Complex totaled 77.476 million metric tons, an increase of 14.1% over the same period of 2017. Revenues in the accumulated total reached US $ 31.21 billion, an increase of 21 % in relation to the same period last year. According to the ministry, shipments of soyabeans in grain reached 8,127 million tons in August, up 36.5% year-on-year. In the case of bran, exports reached 1.461 million tons in August, an increase of 19.2% in the annual comparison. In relation to soyabean oil, shipments reached 209.3K tons in August, up 43.5% year-on-year.

Src.: Universo Agro

WHEAT CROPS IN RS SHOW GOOD DEVELOPMENT

Wheat cultivation in Rio Grande do Sul is accelerating in the process of spike and flowering in the main producing regions of the state, reaching 75% in vegetative development, 22% in flowering and 3% in grain filling, points out the most recent Emater / RS-Ascar. According to the bulletin, the regions of Santa Rosa and Ijuí are with 32% and 23%, respectively, of the crops of flowering wheat, critical phase for the formation of frost, which leaves the Gaucho producers apprehensive with the possibility of damages to the culture. "Frosts at this time tend to significantly decrease crop productivity, but so far, few symptoms of damage are observed," says Emater / RS technical director Lino Moura. So far, the crops have an excellent development, with a low incidence of diseases and pests.

Src.: Universo Agro

VALUE OF FREIGHT SUFFERED POSITIVE READJUSTMENTS IN THE MONTH OF JULY

According to the EsalqLog group, during the month of July, fertilizer movements were unstable, having been hampered by the difficulty of companies to adapt to the freight values stipulated by the minimum price table determined by the National Land Transport Agency (ANTT). Given the lack of supervision and the difficulty in complying with the stipulated values, many companies worked with freights below the table, which did not please part of the drivers. In the port regions, due to the delay in deliveries observed in recent months and the good unloading of fertilizers, the warehouses have a high availability of inputs, and an increase in the flow of cargo was observed during the month with main destinations in the mixers of the states of Mato Grosso, Goiás, Minas Gerais, Paraná and São Paulo. Freight rates were positively impacted during the month in almost all regions, driven by the minimum table value, the accumulated demand for products and their upward trend.

Src.: Global Fert

FERTILIZER IMPORTS INCREASE IN JULY

According to a GlobalFert survey, the volume of fertilizers imported by Brazil in July was 2.1 million tons, an increase of 11% in relation to June, where 1.9 million tons of fertilizers were imported. The import of nitrogen fertilizers showed a decrease of 20% compared to June. The volume of phosphates and Potassium Chloride increased by 75% and 0.1%, respectively, between July and June. The main port of entry of fertilizers in July was the Port of Paranaguá responsible for 25.1% of total fertilizer imports followed by Rio Grande Port with 20.5% and the Port of Santos with 12% of the volume.

Src.: Global Fert

FREIGHT TARIFF SHOULD HAVE READJUSTMENT OF ABOUT 5%

The freight rate table should be readjusted by about 5%, according to a source told the state. The increase is aimed at updating prices after a 13% readjustment of diesel announced last week. The adjustment will be made on the current chart. The theme will be discussed this week at a meeting of the board of the National Land Transport Agency (ANTT). The regulator will also discuss ways to speed up the start of inspections regarding compliance with the tariff by contractors of transport services. The new table, incorporating the effects of the 13% readjustment in the price of diesel and is expected to be published later this week. The expectation is that it will be ratified at this week's meeting on the board of ANTT. The prospect of an immediate correction of the table contained, at least for now, the impetus of a new truck stoppage. "The government can affirm in a peremptory way that a new strike will not happen," said the Chief Minister of the Government Office, Carlos Marun, last Sunday. Understand the adjustment in the freight table: According to ANTT, Law 13,703, of 2018, provides that a new table with minimum freight must be published when there is oscillation of more than 10% in the price of diesel in the domestic market. The law instituted the National Policy of Minimum Floors of Road Transport of Loads. Since last Friday, 31, the average price of diesel in refineries of Petrobras rose by 13.03%. With the increase, the price went from R $ 2.0316 to R $ 2.2964. It is the first union since June, when, in agreement with the strike truckers, the government froze the price of the product at the refineries at R $ 2.0316 per liter.

Src.: Portos e Navios

CHINA-US TRADE WAR EXTENDS BRAZILIAN EXPORTS

Even in the face of pessimism about the trade war between the United States and China, the barriers imposed from one side to the other contributed to increasing Brazilian exports to the two countries in some sectors - largely driven by the Port of Santos. Survey by the Ministry of Industry, Foreign Trade and Services (MDIC) shows that from January to July, sales to these countries of products such as iron and steel, animal protein and soya were increased. Sectors attribute export growth, in part, to the imposition of trade barriers between the Americans and Chinese. In retaliation for the surcharges imposed by the Americans, China also increased import tariffs for US products, which had a positive side effect for the sale of Brazilian products to that market. With this, from January to July, there was an 18% increase in the sale of soyabeans to China, which is already seen as a sign that Brazil may occupy the US space in the grain supply to the Asian country. Steel exports rose 38% in the period to the US, from US $ 1.3 billion to US $ 1.8 billion. In volume, sales grew 14.2% in the year, above the high level allowed by the Americans for this year. In May, the US set 25% tariffs on steel imports from countries such as China and the European Union. Brazil was out of the surcharge, but an annual quota was established based on the average sales of the Brazilian product in the last three years, which allows a 7.0% increase over 2017. This week the US once again relaxed Brazilian steel imports and allowed local companies to request quota exclusions that are either insufficient or not produced in the country.

Src.: Portos e Navios

ANEC ESTIMATES EXTRA COST OF US $ 5 BI IN THE OUTFLOW OF THE CROP WITH TABLE READJUSTMENT

After the 5% increase in the freight rate, confirmed this week by the National Land Transport Agency (ANTT), the National Association of Cereal Exporters (ANEC) raised its forecast of US $ 4 billion to US $ 5 billion extra cost with freight to run the soyabean and corn crop in 2019. "The situation is getting worse and worse. There is no producer or exporter to absorb this, "said the association's director general, Sergio Mendes, in an interview with Broadcast Agro, Grupo Estado's real-time news system. "The government will have to study this case better and see how it will provide protection for transporters. Otherwise, it will be worth buying trucks for part of the transportation needs of cooperatives, companies and the producer himself", he said. According to Mendes, the readjustment of the table and Anec's decision to begin monitoring compliance with the measure encourage companies to prioritize the purchase of grain delivered to factories and to the port, ie leaving the cost of freight with the seller. "Exporter is currently thinking of the commitment made with the customer. And the main customer is China, which has a problem with the United States, "Mendes said. Considering only the export of soyabeans, corn and bran this year, Anec estimates an extra cost of US $ 2.4 billion with the table, but considered that this value may increase after the adjustment, depending on the contracts of each exporter. "The companies will fulfill the commitments they have," he emphasized. For Mendes, tradings may even resume the future purchase of the 2018/19 soyabean crop, but will account for a safety margin for the uncertainty about the cost of transportation. "Now it will depend on how the producer behaves, because the cost will fall on the producer. The freight next year happens to be his business", he said. "We believe that, like us, the producer will be cautious, because we are talking about large values." In Mendes' assessment, the negotiation tends to be slow in the expectation of a solution in the next government. Meanwhile, according to the representative of Anec, the export of corn should be impaired. Anec's initial forecast was for shipments abroad of 32 million tons, but the forecasts were being revised after the freight tabulation and the breakdown of the safrinha in Brazil.

Src.: Dinheiro Rural

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