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## BRAZILIAN EXPORTS GROW 10% IN MAY WITH SALES TO THE US

Brazilians grew 10% in May this year, compared to last year. According to the Getulio Vargas Foundation (FGV), the highlight was sales to the United States, which grew 72% in the month compared to the same period of 2018. At the same time, exports to Argentina and China fell. The beginning of the South American neighbor comes from the beginning of the year due to the Argentine economic crisis. Already as sales to China since decelerating from March. The increase in exports to the United States can be explained by the increase in sales of crude (492%) and semimanufactured iron and steel (322%) to that country. The two products accounted for 24% of the total exported by Brazil to the North American market. Brazilians (from all countries) grew 12.9% in May. The balance of the trade balance is 6.3 billion dollars in the month. Non-accumulated of the year, as the bridges retreated 0.9%, while imports grew 1.8%. The accumulated balance is 22.1 billion dollars.

Source: Aboissa

## SOYABEAN PRICE IS THE LARGEST OF THE LAST MONTHS

The price of soy in the market will close on Friday (14.06) with the soybean average in the Brazilian markets on wheels rising 1, 15%, to R \$ 82.73, for the proportions for the month of June, to 0, 18%. According to T & F Consultoria Agroeconômica, the interior prices have risen more, from the front to the sales of more than one million tons (MT) of bran for export. Instead, prices rose 1.32% to R \$ 77.67 / s, bringing prices to the positive rate of 0.70% from the end of May. The first day is 0.18% in Brazilian ports and 0.70% in the interior of the country. The recovery of the quotations of Chicago, in the movement of the climatic problems with the American harvest, high of 0.56% in the week of the Brazil in Brazil, and especially in China, which includes about 10 grain loads and about 1.0 month a week, prices are supported, "comments T & F analyst Luiz Fernando Pacheco. At the dose of the clinical, prices are higher, but are not yet at farmers' levels, which are retracted: "When prices are the same as farmers, they are, although it is a mistake (it is changing, the that is good). With June prices May prices are not seeing the cause price fixtures to expect. The export market, due to the large volume of negotiations negotiated this week for export. "

Source: Aboissa

## PORT OF ANTONINA INCREASES BY 49% THE MOVEMENT OF CARGO IN THE FIRST FIVE MONTHS OF THE YEAR

The Port of Antonina, where the Port Terminals of Ponta do Félix (TPPF) operate, is expected to move around 1.7 million tons of fertilizer, soybean meal and bagged sugar in 2019. Only in the first five months of the year were almost 376,000 tons transported, an increase of 49% if purchased with the same period of 2018, when cargo handling reached more than 253Ktons. The main product handled by Antonina is the fertilizer, on import. In the balance of the first five

months of the year, there were 255K tons handled - 52% more than the volume imported in 2018. Export direction, are moved sugar (sack) and soybean meal. In 2019, more than 31.2K tons of sugar and more than 89.3K of soybean meal (100% paranaense and non-transgenic) were exported. By 2020, the Port of Antonina intends to increase its handling by 66%, to 2.8 million tons of products such as grains and meal, cereals, sugar, fertilizer and frozen products. The projections are due to the favorable market and the operational improvements, among them, the dredging of the canal - announced by the Port Administration of Paranaguá and Antonina (APPA) - that should guarantee adequate depth for the operations of the Terminal. The port of Antonina returned to operation in 2011, becoming again an exit port of bulk and Brazilian bagged sugar and receiving ships loaded with fertilizers. In recent years, the TPPF increased its movement from 313K tons to 1.3 million tons of cargoes.

Source: Global Fert

## TEREOS MAKES FIRST SHIPMENT OF SUGAR BY VLI TERMINAL IN SANTOS; DESTINATION WILL BE CHINA

Tereos, the world's third-largest sugar producer, concluded this week the first shipment of sugar into VLI's integrated system at the port of Santos, with the product bound for China, the company said in a statement. The shipment of 26Ktons was made as part of an agreement signed in 2018 between Tereos and VLI, a company that has integrated logistics for railways and ports. The agreement provides for a joint investment of more than 200 million reais for the construction of two warehouses - one in the interior of São Paulo and another in the port of Santos. Under the long-term agreement signed between the companies, a commitment was made to transport 1 million tons of raw sugar per year. The works for the storage units, installed within the integrated system of VLI, have already begun, he added in a note to Tereos. Tereos, which sells white and raw sugar in more than 60 countries, shipped the commodity through the crib 3 of Tiplam, a port terminal located in Santos. The product came to the port through the railroad and the multimodal structures of VLI, which has among the main shareholders the mining company Vale and the Canadian fund Brookfield, besides the Japanese Mitsui.

Source: Nova Cana

## ASIA MAY REPRESENT THE NEW FRONTIER FOR ETHANOL

The export potential of Brazilian ethanol was one of the topics discussed at the Ethanol Summit, one of the largest renewable energy events in the world, held in São Paulo. Asian countries were singled out as the next frontier for foreign sales of ethanol. According to estimates by the International Energy Agency, an entity linked to the Organization for Economic Cooperation and Development (OECD), biofuels should increase participation in the transport sector by 19% by 2023 worldwide. Developing countries, such as China and India, represent great potential for expansion in the consumption of renewable energy. During panel on international opportunities for Brazilian ethanol, Marcos Jank, CEO of Agro Brazil Alliance and professor of Insper, highlighted the potential of consumption countries like China, India and the Philippines. In India, there is a natural tendency to direct sugarcane surplus to ethanol production, according



to Jank. This year, the country should set a target of 7.2% ethanol in gasoline and 10% in 2020.

Source: *Nova Cana*

### **WHEAT: EVEN WITH INCREASED PRODUCTION, HIGH CONSUMPTION CAN SUSTAIN PRICES**

In the 2019/2020 season, world wheat production is expected to grow compared to the previous one; however, consumption should also increase. This scenario, according to information from the Center for Advanced Studies in Applied Economics (Cepea), can cause prices to remain at high levels in the coming months. As for the values in Brazil, small increases were recorded in recent days, as domestic demand continues to weaken. Part of the mills indicates having stocks and, therefore, does not accept the higher levels that sellers have requested.

Source: *Canal Rural*

### **RECORD ON CORN EXPORT**

After suffering from crop failures last year, the Brazilian corn producer has reason to celebrate. Due to the anticipation of planting, the productivity of the 2018/19 cycle - which is coming out of the fields now - will be a record. The consultancy Agroconsult projects yield of 101 bags of 60 kilos per hectare in the second crop. As a result, output for the second crop is expected to total 74.6 million tons, up 38% from last season. Considering also the summer harvest, already harvested, the total corn production in Brazil is expected to reach 101.2 million tons in this 2018/19 harvest, a growth of 25%. But the larger volume collected alone would not be so encouraging. What benefits the producers is the external demand, driven by the fall of the American crop. In addition, the prospect of increased demand for meat from China, which is suffering from an outbreak of African swine fever, tends to increase feed production - mainly corn - in the country. In the domestic market, demand will also be record. The feed industry is expected to demand 51.7 million tons this year, reflecting the increase in pork and chicken exports. Considering the corn destined for the production of ethanol, domestic demand should reach 62.8 million tons, according to Agroconsult. "First time in history, consumption will exceed 60 million tons," Pêsoa said.

Source: *Portos e Navios*

### **US-CHINA TRADE WAR OPENS SPACE FOR BRAZILIAN ETHANOL**

Raízen Trading's executive director, Paulo Neves, assessed that the trade war between the United States and China opens up space for Brazilian ethanol in the eastern market. The Chinese have a mandate to reach a 10% ethanol / gasoline mix by 2020, which would generate annual demand of 17 billion biofuels, with the necessary import of 2.5 billion liters. As only Brazil and the United States are large-scale exporters of ethanol, Brazilians can occupy the open vacuum with the reduction in the supply of North Americans. Data presented by Neves point out that the United States exported 500 million liters to China in the first half of 2018, before the Chinese-Chinese trade war. After the dispute, 200 million liters were exported to the Chinese. In the case of Japan, according to the executive, the scenario is different, with the United States occupying the Brazilian market in that country. "The reality is that Brazilian (cane) ethanol, which has a 60%

reduction in emissions, finances and subsidizes the entry of US ethanol (from corn and with lower emission reductions)," he said.

Source: *Revista Globo Rural*

### **ORANGE JUICE: BIGGER CROP IN BRAZIL SHOULD PULL RECOVERY OF STOCK**

The expectation of an increase in the supply of orange juice in Brazil in 2019/2020 should pressure spot orange prices throughout the harvest and bring a relief in the contract negotiations for the next harvest. The evaluation is from Rabobank, in a quarterly report on commodities. Rabobank points out that global juice prices should also remain under pressure with increased supply and weak demand in developed markets. For now, prices in Europe stand at around \$ 1,900 a ton. In the United States, data from AC Nielsen point to a drop in orange juice consumption in the first four months of 2019. Fundecitrus announced on May 10 its first estimate for the 2019/20 orange crop in São Paulo and the Minas Gerais triangle. The expected production in the survey is 389 million boxes, which represents an increase of 36% compared to the 2018/19 harvest. Rabobank notes that the preliminary information points to a good quality crop in 2019/20, but it is too early to say about fruit yield. If quality is good, with the volume projected, the industry will achieve high production, replenishing stocks at higher levels and sustaining high NFC production. "The climatic conditions in the coming months will be key to confirm the size and quality of the 2019/20 harvest in Brazil," concludes Rabobank.

Source: *Revista Globo Rural*

### **US ETHANOL PRODUCERS EVALUATE BRAZILIAN CORN PURCHASES, SAYS ASSOCIATION**

Some ethanol producers in the United States are considering buying Brazilian corn to ensure adequate raw material costs as domestic grain prices are advanced, the head of the Renewable Fuels Association (RFA) said this week, from the country. Corn prices in the US have hit five-year highs this week, including a 25% advance since May, as the crop's outlook deteriorated because of the unfavorable weather. In Brazil, prices are moving more slowly, and the country is harvesting its largest corn crop in history. Brazilian consultancy Agroconsult cited reports from US ethanol producers buying corn from Brazil and Argentina. In addition to the figures, another factor driving these deals is the difficulty in transporting corn from some of the US production areas to domestic ethanol facilities due to the closure of waterways after the rains, said André Pessôa, Managing Partner of Agroconsult. Brazil's biofuel industry, largely based on sugarcane, believes that the situation with corn in the US may expand demand for its product. In his presentation at the conference, Cooper asked the Brazilian government to let the quota system expire in September and not renew it for a period, saying it would be fair, since the US does not tax Brazilian ethanol. Brazil rates US ethanol by 20% when imported volume exceeds 150 million liters per quarter.

Source: *Nova Cana*

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