

Main news

According to DataLiner, Datamar's foreign intelligence system, a total of 2.7 million TEU were exported via Brazil's ports in 2019, with Santos exporting the most at 1.06 TEU, followed by Paranaguá with 364,525 TEU. It is worth noting that exports via the Port of Paranaguá in 2019 were 13.5% higher than in 2018, when 321,061 TEU were shipped. Another highlight in 2019 was a 24.8% year-on-year increase in the volume exported via Pecém at 26,711 TEU.

TEU by Port DataLiner | 2018 vs 2019 | Exports Brazil

Top POMO	2018	2019	%-diff
SANTOS	1.027.388	1.057.368	2,92%
PARANAGUA	321.061	364.525	13,54%
NAVEGANTES	285.525	273.380	-4,25%
RIO GRANDE	229.847	234.083	1,84%
ITAPOA	204.194	182.444	-10,65%
ITAJAI	115.818	137.386	18,62%
RIO DE JANEIRO	91.889	97.346	5,94%
SALVADOR	99.229	96.139	-3,11%
VITORIA	64.712	67.830	4,82%
VILA DO CONDE	52.766	53.936	2,22%
PORTO DE ITAGUAI	44.852	32.038	-28,57%
PECEM	21.400	26.711	24,82%
FORTALEZA	24.145	26.074	7,99%
NATAL	27.767	22.418	-19,26%
SUAPE	25.978	22.290	-14,20%
MANAUS	17.465	17.259	-1,18%
IMBITUBA	19.849	1.585	-92,01%
BELEM	4	374	9.250,00%
OTHERS	909	157	-82,73%
	Σ = 2.674.798	Σ = 2.713.343	

Imports

On the import side, Santos received the most cargo at 966,648 TEU, a volume 0.29% lower than in 2018, followed by Paranaguá which grew 1.81%, reaching 246,107 TEU. Meanwhile, the Port of Itajaí registered an 83.46% rise in the volume imported compared to 2018, reaching 116,283 TEU.

TEU by Port DataLiner | 2018 vs 2019 | Imports Brazil

Show All entries

Top POMD	2018	2019	%-diff
SANTOS	969.421	966.648	-0,29%
PARANAGUA	241.737	246.107	1,81%
NAVEGANTES	244.692	222.429	-9,10%
ITAPOA	149.180	186.718	25,16%
MANAUS	135.716	156.599	15,39%
RIO DE JANEIRO	128.321	131.288	2,31%
ITAJAI	63.384	116.283	83,46%
SUAPE	81.067	82.161	1,35%
RIO GRANDE	78.400	77.871	-0,67%
SALVADOR	61.318	71.062	15,89%
VITORIA	60.754	63.271	4,14%
PORTO DE ITAGUAI	43.484	40.439	-7,00%
PECEM	29.803	31.684	6,31%
VILA DO CONDE	6.578	7.665	16,52%
FORTALEZA	3.480	2.346	-32,59%
IMBITUBA	4.902	1.007	-79,46%
NATAL	1.102	857	-22,23%
OTHERS	356	438	23,03%
PORTO ALEGRE	374	350	-6,42%
	Σ = 2.304.069	Σ = 2.405.223	

Ports, terminals and infrastructure

A condenser weighing 100.1 tons was shipped on 06/03 via the Port of Paranaguá. Manufactured in Piracicaba, in the interior of São Paulo, the piece was imported by a Sugar Plant

in Cali, Colombia. The item will be received by the Port of Cartagena.

The Arc Resolve vessel used for the operation is "Roll on-Roll off" that is generally used to transport vehicles as well as other cargo that can go up or down the ramp of a vessel by its own means. The large condenser arrived in Paranaguá on Tuesday (03/03) after travelling for more than 24 hours from the origin to the Paraná Coast. In addition to this item, another 15 items were sent for export on the same vessel, amongst which were buses and agricultural machinery.

An import delivered by the Arc Resolve to the Port of Paranaguá was a 1976 Mercury Sedan car, a collectors item that will be stored in one of the warehouses.

According to the Brazilian Animal Protein Association (ABPA), Brazilian chicken exports (both fresh and processed) totaled 348,400 tons in February. This is 10% higher than shipments made in the same month last year, when 316,700 tons were exported. Revenues generated from the exports reached US\$ 553.8 million, 5.2% higher year-on-year.

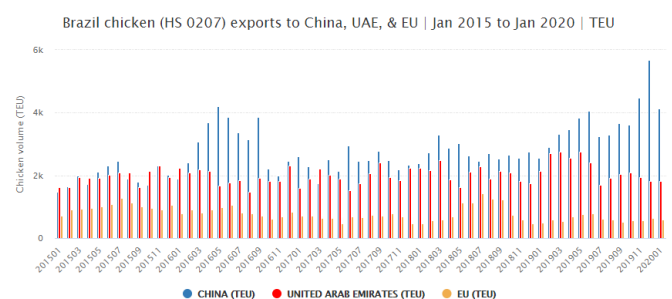
China received 17.5% of total Brazilian chicken exports in the first two months of this year, equating to 115,400 tons. This is 59% higher than the first two months of 2019. "As with pork exports, the extension of the Chinese New Year and the logistical issues caused by the coronavirus did not reduce Chinese demand for chicken from Brazil. On the contrary, there was an unusual boost during this period. The impact of African Swine Fever continues to dictate the behavior of this market, as well as other Asian countries", said Francisco Turra, president of ABPA.

Elsewhere in Asia, South Korea imported 17,500 tons from Brazil in the first two months of this year - 12.5% more year-on-year. The Philippines imported 14,700 tons (up 104%), and Singapore 18,300 tons (up 49%) between January and February.

"Asia has consolidated itself as the main export destination for Brazilian chicken. This is good news, especially when considering that average prices in Asia are higher than the general global average," points out Ricardo Santin, executive director of ABPA.

The European Union increased its imports of Brazilian chicken by 14% to 40,200 tons. Among the Islamic countries, the main highlight was Libya, with an increase of 370%, to 16,300 tons.

The following graph uses Datamar data to show Brazilian chicken exports to China, the European Union and the United Arab Emirates between January 2015 and January 2020:



Fonte do gráfico: DataLiner/Datamar

The Port of Suape registered the biggest January since it was founded. Throughput reached 2,397,838 tons, 45% higher than January last year and 31% higher than January 2017, which until now held the record for the biggest January with 1,819,028 tons. February should see a similar record being broken. Number for the month have not yet been confirmed, but a 60% approximate increase is expected in comparison with February 2019.

The increase is due to the increase in liquid bulk cargoes, the main type of cargo handled at the port. In January this year a total of 1,879,021 tons were moved, 754,000 more than in January last year, a 67% increase. The big driver is the Abreu e Lima Refinery (Rnest), which in January alone received 759,000 tons of crude oil – 60% more than the same month last year.

Leonardo Cerquinho, president of the Port of Suape said, “our prospects are even better in the medium and long term. We believe that liquid bulk cargoes will continue to grow with the sale of the Abreu e Lima Refinery and the completion of its park. We have a dry bulk terminal in transition, which must be tendered until the end of the year, a second container terminal to tender and good prospects, too, with the energy auction and gas transport. Not to mention the new companies setting up in Pernambuco which will want to use the port.”

Container throughput also registered growth in January, both in TEUs and in gross weight, up 15% and 16%, respectively. Over 470,000 tons of goods were moved, which is equivalent to more than 40,000 TEU. Dry bulk and general cargo volumes fell 69% and 31% respectively.

The Port of Suape performed very well in both exports and imports. Cargo shipped to ports in other countries grew 248%, jumping from 87,000 tons in January 2019, to more than 304,000 tons this year, reflecting the increase in liquid bulk (fuels, petroleum oil, etc.). Imports totaled 617,000 tons, a 73% increase on the 355,000 tons moved in January last year.

Cabotage movements grew 22% and reached 1,476,249 tons. The number of calls has also increased, from 107 in January 2019 to 115 ships in the first month of this year.

January 2020 throughput by cargo nature

Liquid bulk: 1,879,021 tons

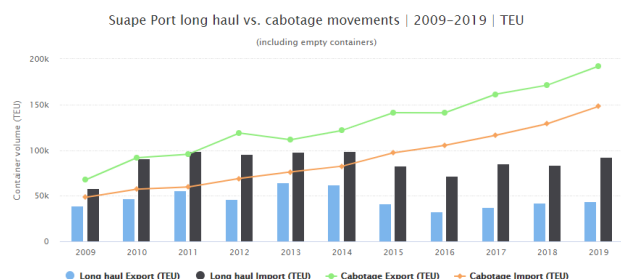
Containers: 470,800 tons (= 40,302 TEUs)

Dry bulk: 27,500 tons

General Cargo: 20,518 tons

TOTAL: 2,397,838 tons

The following graph, made with DataLiner data, shows the cabotage and deep-sea movement through the Port of Suape from 2009:



Fonte do gráfico: DataLiner/Datamar

CMA CGM has published new tariffs for its Freight All Kinds (FAK) products. They will take effect on April 1, 2020 (loading date at ports of origin) and will affect trades from Northern Europe to the Caribbean, Central America, East and West Coast of South America:

Northern Europe to/for	20 feet	40 feet
Buenos Aires	525 EUR	850 EUR
Callao	625 EUR	1.000 EUR
Cartagena	475 EUR	900 EUR
Guayaquil	625 EUR	1.000 EUR
Kingston	985 EUR	1.745 EUR
Puerto Barrios	985 EUR	1.720 EUR
San Antonio	625 EUR	1.000 EUR
Santos	525 EUR	850 EUR
Vila Do Conde	1.275 EUR	1.925 EUR

These new fees include:

- An increase of EUR 150/20' and EUR 200/40' in FAK tariffs for the Caribbean, Central America (except Trinidad and Sotavento Islands) and the West Coast of South America.

- An increase of EUR 75/20' and EUR 150/40' in FAK tariffs for Northern Brazil and the East Coast of South America

The new rates will be applied as follows:

Range of Origin: From northern European ports

Destination range: For the Caribbean, Central America (except Trinidad and Sotavento Islands), North of Brazil, East and West coasts of South America

Position: Dry

Date of application: 1 April 2020 (date of loading at the ports of origin) until further notice

Remember that these rates include basic freight and are subject to surcharges and contingency charges

Reorganization of the Sirius service

CMA CGM is reorganizing its Sirius service, which connects the Mediterranean to the East Coast of South America from March 2020.

The new port rotation will focus on the central ports of Algeiras and Tangier, from where connections will be made to and from Mediterranean ports with its extensive internal network, including feeder services.

New configuration of the SIRIUS service:

The weekly service will be maintained with 6 vessels (of which 2 are operated by CMA CGM) instead of the current 7; Mediterranean ports will be served via transshipment with connection services, maintaining competitive transit times; The service for the River Plate ports will be via transshipment with competitive transit times offered via its subsidiary Mercosul Line; The changes will take effect southbound with the departure of the “Maersk Lamanai” sailing from Genoa on March 29, 2020 and

Valencia on April 1, 2020, and northbound with the departure of the “Maersk Lamanai” from Itaguaí on March 11, 2020.

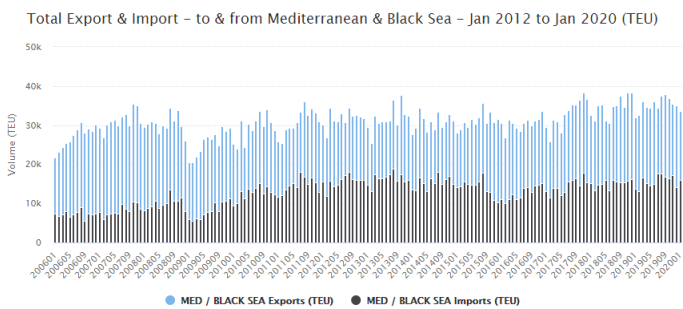
Representatives of the Rio de Janeiro Port Authority (Companhia Docas do Rio de Janeiro), the Brazilian Navy and the Rio de Janeiro Pilotage agreed on the conditions for 367-meter vessels to call at the Sepetiba Tecon terminal in the Port of Itaguaí.

The vessels are 52 meters wide and can carry up to 14,000 TEU. The Sepetiba Tecon terminal allows vessels with a draft of up to 15.4 meters, one of the deepest on the east coast of South America.

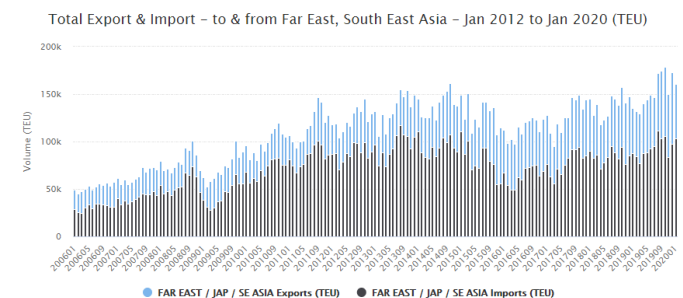
Dredging in the anchorage area, the turning basin and at the berths made the approval possible. In addition, docking simulations were carried out at the Maritime Institute of Technology and Graduate Studies (MITAGS), in the United States.

DataLiner tradelane charts show Brazil’s trade with the world’s main trading regions during 2019. The analysis and graphs below are built from DataLiner, Datamar’s foreign trade data intelligence tool.

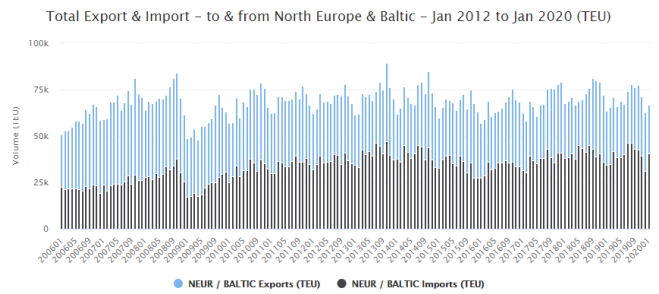
Exports to the Mediterranean and Black Sea reached 235,342 TEU in 2019. In 2018, they stood at 232,143 TEU. On imports, in 2019 they stood at 187,786 TEU. In 2018, that figure had been 181,902 TEU.



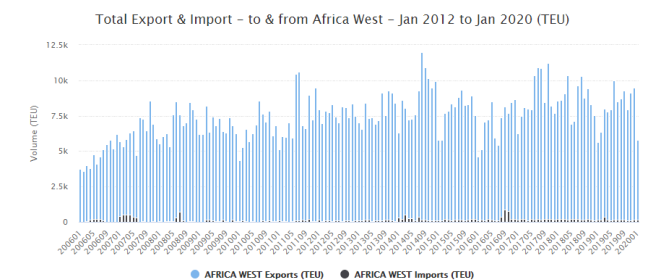
Meanwhile, exports to the Far East, Southeast Asia and Oceania reached 711,370 TEU in 2019 compared to 643,673 TEU in 2018, an increase of 11%. Imports stood at 1,114,160 TEU in 2019 up from 1,012,798 TEU in 2018, a 10% rise.



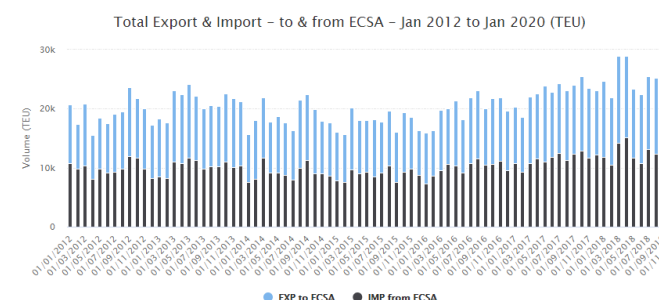
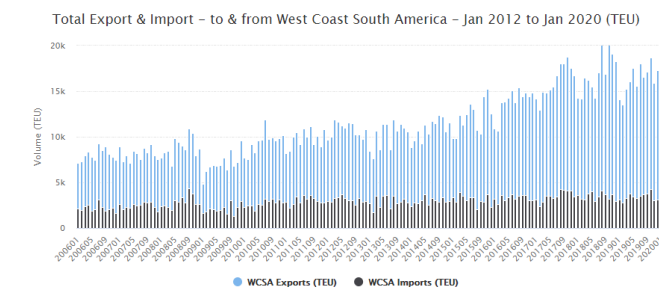
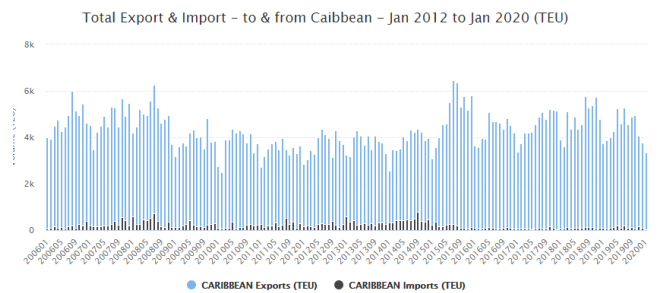
Exports to Northern Europe and the Baltic region on the other hand fell in 2019 to 364,106 TEU compared to 385,238 TEU in 2018. Imports from the region in 2019 reached 476,901 TEU a drop compared to the 488,415 TEU in 2018.

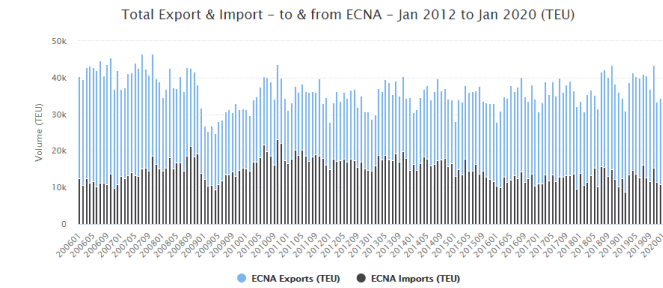
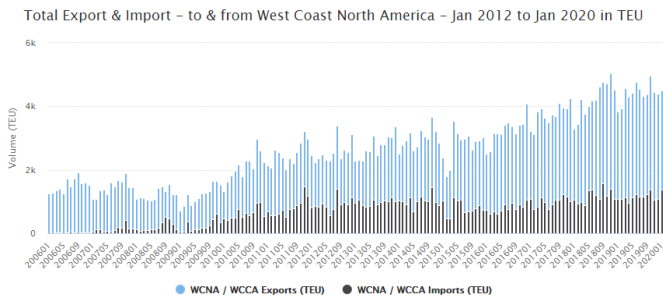


Exports to West Africa in 2019 reached 96,744 TEU. In 2018, this figure had been 102,462 TEU. Imports in 2019 reached 1,914 TEU while in 2018 that value had been 2,174 TEU.



See below the data of Brazilian foreign trade with other regions of the world:





The monthly export revenue reached US\$ 154.9 million, 54.6% higher than the result obtained in the second month of 2019, at US\$ 100.2 million.

In the accumulated result for the year, pork exports reached 135.9 thousand tons, 32.4% higher than that reached in the first two months of 2019, when a total of 102.6 thousand tons were registered. Sales for the period generated revenue of US\$ 319.1 million, 66.2% higher than that recorded in the first two months of 2019, at US\$ 192 million.

“The average export price remains high, pressured by strong Asian demand for animal protein. The impacts of the occurrence of African Swine Fever on the flock of markets such as China and Vietnam kept the flow of shipments high, at levels atypical for the period”, points out Ricardo Santin, executive director of ABPA.

The main export destination, China increased its purchases by 161% in comparison with the same period last year, with a total of 31 thousand tons exported in February.

“The specific logistical issues arising from the Covid-19 control actions did not generate significant impacts on the final balance of Brazilian exports. Logistical adjustments ensured the clearance of cargo in the Chinese market. The Chinese government prioritizes the transit of food”, said Francisco Turra, president of ABPA.

Japan also increased its pork purchases from Brazil, with a total of 678 tonnes in February, 239% higher than that shipped in February 2019.

In the early morning hours of March 4th, 2020, the bulk carrier Aeolian Grace (Cyprus flag) which had discharged its cargo at the port of São Francisco do Sul, in Santa Catarina at 12:37 am, and loaded 65,804 tons bound for Singapore, ran aground on Laje da Barata, in the Babitonga Bay.

According to the official note released by the Port of São Francisco do Sul, at the time of the accident, the sea, wind and draft conditions were within the appropriate operational parameters for seaworthiness established by the maritime authority.

The note also stated that the Port and Pilotage technical team assessed the damage caused to the ship and do not rule out the possibility of the suspending port operations due to obstruction of the access channel.

According to the note, no oil leak was identified and emergency services are on standby waiting to act preventively.

In February this year, Petrobras set a new record for exporting fuel oils, reaching 238 thousand barrels exported per day and exceeding 1 million tons this month. The new worldwide specification for marine fuels (IMO 2020), which reduced the sulfur content limit in fuel oil from 3.5% to 0.5%, has created a unique opportunity for Petrobras, since both oil and fuel oil produced by the company are low in sulfur.

Oil exports remain at high levels, with volumes exported exceeding 690 thousand barrels per day in February.

World demand - Petrobras was able to capitalize and its biggest export opportunities have come during a challenging period for the global economy. The coronavirus outbreak (COVID-19), restricted demand in Asia, Brazil’s biggest market. As a result,

Maersk has announced that from March its Bossa Nova service between the East Coast of South America (ECSA) and the Mediterranean will have its rotation in Europe reduced.

According to the company, this is an attempt to provide customers with competitive and reliable transit times to and from South America.

The new route will be as follows:

South American East Coast (ECSA) to / from Mediterranean

Port Tangier – Salvador – Santos – Paranagua – Itapoa – Rio Grande – Itapoa – Itajai – Santos – Sepetiba – Port Tangier – Algeciras

The first ship of the new rotation will be the Maersk Lins voyage 011N, ETD from Rio Grande on March 11th.

After the update, the transit times offered to the main destinations will be:

De ECSA para Mediterrâneo

De/Para	Genoa	Vado Ligure	Barcelona	Valencia
Santos	22	20	20	18

Do Mediterrâneo para ECSA

De/Para	Genoa	Vado Ligure	Barcelona	Valencia
Santos	20	18	15	15

According to the Brazilian Animal Protein Association (ABPA), Brazilian pork exports (considering all products, from fresh to processed) totaled 67,400 tons in February. The number is a record for the month and exceeds the volume shipped in the same period of 2019 by 24.7%, when 54.100 tons were exported.

new trade flows were tweaked, with an increase in the destination of petroleum and fuel oils to the Caribbean, the United States and Europe, among other markets.

The company also pointed out that it is not yet possible to safely estimate the full impact that Petrobras may suffer in relation to its operations and results, in view of the developments related to the outbreak of COVID-19 in the global economy.

CMA CGM is making some adjustments to its services due to the coronavirus. According to the company, in view of the current situation, the country's terminals face congestion which is causing a shortage of outlets available for refrigerated cargo (reefer plugs). As a result, reefer containers are having to be off-loaded at an alternative port before making their way to the port of final destination.

This is in accordance with clause 10 of the company's transport contract, which clarifies that all transport related costs will be borne by the party interested in the cargo, as this forms part of the client's business risk. Also according to the company, this occurrence fits into a situation of unforeseeable circumstances / force majeure, under the terms of article 393 of the Civil Code.

Santos Port Authority (SPA) has changed its name in Portuguese from Companhia Docas do Estado de São Paulo (Codesp) to Autoridade Portuária de Santos S.A. The change is part of a strategy to revamp the company. The SPA president, Casemiro Tércio Carvalho, explained that the move is yet another measure to recover the port authority's core purpose. "The initiative is part of a comprehensive process of strategic repositioning of the company", stated the president.

Another reason for the change is that the name Codesp, although quite established in the region, communicated little outside the Baixada Santista. The name 'Autoridade Portuária de Santos' is intended exclusively for official documents. The name 'Santos Port Authority' is for all other uses as it aligns with the worldwide communication standard observed in other large ports that are non-English speaking countries, such as Port of Rotterdam in the Netherlands and Port of Antwerp in Belgium.

Grain

According to an estimate by the consultancy INTL FCStone, Brazil is expected to harvest a record 124.2 million tons of soybeans in the 2019/20 season, an increase of just over 200,000 tons year-on-year. "This very positive result will set a historical record for Brazil. This is despite the losses in Rio Grande do Sul," said analyst Ana Luiza Lodi.

According to the consultancy production in the state of Rio Grande do Sul was adjusted downwards again to 17.14 million tons. This is due to the unfavorable climatic conditions in the last month with irregular rain and forecast of drought in the northern region of the state for the next ten days. However, other soy producing areas such as the largest producing state, Mato Grosso, have offset the projected reductions in Rio Grande do Sul – traditionally ranked as third largest producing state.

According to FCStone, the soybean harvest in progress points to positive prospects and historical records in several states. In Mato Grosso for example, the harvest should be close to 34.5 million tons, almost 1 million tons above the previous projection and an increase of about 2 million tons in comparison with the previous

harvest. The consultancy also raised its February forecast for Brazil's soybean exports by 3 million tons to 75 million tons. "Despite concerns about a negative impact of the agreement between China and the USA, the line-up data indicates very strong shipments and about 60% of the harvest is already sold," says Ana Luiza.

Meat

The Brazilian Animal Protein Association (ABPA) informed that Brazil's egg exports (fresh and processed) totaled 446 tons in February. This is 67.7% lower than year ago levels when 1,380 tons were shipped. During that same period comparison, the balance of exports totaled US\$769,000 – a 54.2% year-on-year drop.

Year-to-date, egg exports reached 1,260 tons, 57.2% less than in the first two months of 2019, when exports stood at 2,960 tons. Sales during the two month period this year generated revenues of US\$1.63 million, 51.1% lower than the same period last year at US\$3.34 million.

"The domestic market continues to absorb practically all production, which reflects a lower export volume compared to 2019", analyzed the executive director of ABPA, Ricardo Santin. Among the main destinations for Brazilian exports, the United Arab Emirates bloc imported 159 tons in February, Saudi Arabia 64 tons, Thailand 55 tons and Japan 22 tons.

Brazilian food manufacturer BRF has received 15 licenses for export to Oman, opening up a new opportunity in the local market. The authorization was granted after a mission by Omani religious and health authorities to visit the company's units in 2019. In total, BRF will be able to export up to 5,000 tons of food per month to the Middle Eastern country, where it has been operating since the 1980s.

"BRF has been present in Oman for over 30 years and the qualification of our plants for export confirms the quality of our products, as well as reinforcing our presence in key markets of the company's growth strategy", says Fadi Felfeli, director executive for Gulf and Turkey from BRF. The plants that have been licenced are in the cities of Chapecó (SC), Dois Vizinhos (SC), Carambeí (PR), Jataí (GO), Francisco Beltrão (PR), Uberlândia (MG), Serafina Corrêa (RS), Garibaldi (RS), Rio Verde (GO), Buriti Alegre (GO) and Nova Mutum (MT). Two other plants were enabled in the city of Lajeado in Rio Grande do Sul and the Capinzal plant (SC) received two qualifications, one for chicken and one for processed food.

BRF holds about 12% of the global market for chicken exports. With exports to Oman under the Sadia brand, the company is the main supplier in the griller market. The country is part of the halal (Muslim) segment, which totaled R\$2.1 billion in revenues in the third quarter of 2019. "We are consolidating our strategy to expand international markets, one of the main drivers of our strategy in the long term", concludes Felfeli.

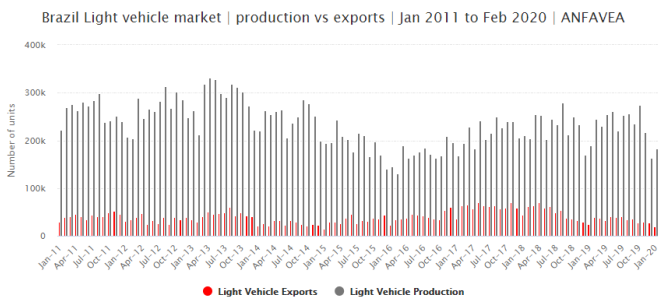
According to a report recently concluded by the Dutch bank Rabobank, the Chinese beef imports are only expected to return to normal by the third quarter of 2020. According to the bank this is because beef is the protein most affected by the coronavirus as it is the most consumed protein outside of the home. "Restaurants are likely to remain closed in some regions until March, while in other regions people can avoid eating out," he said.

At the same time on Tuesday March 3rd, China's Ministry of Agriculture reported that it detected the African swine fever virus in a wild boar in Hubei province. The ministry said seven wild boars were found dead in the northwestern province of Shennongjia Forestry, which is in central China. China's domestic pig herd has already fallen by more than 40% due to the virus epidemic, although few cases have been reported in wild boars in the country.

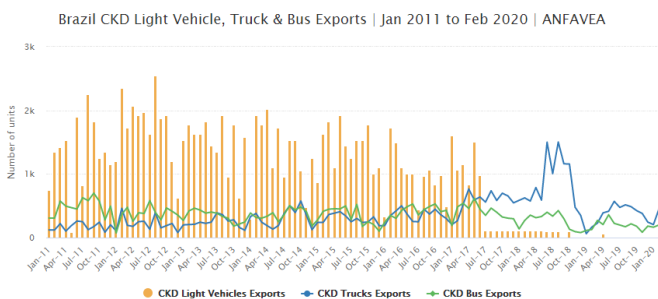
Other cargo

Anfavea (The National Motor Vehicle Manufacturers Association) announced on Friday, March 6th that in February the production of cars, light commercial vehicles, trucks and buses grew 6.5% in Brazil compared to the previous month, to 204,200 units. In comparison with February 2019, there was a decline of 20.8%. Vehicle sales increased by 3.9%, reaching 201,000 units. In relation to February 2019 however, the increase was only 1.2%. On the export side, in February, 37,700 vehicles were shipped abroad – an 83.4% rise compared to January, but a 7% year-on-year decrease.

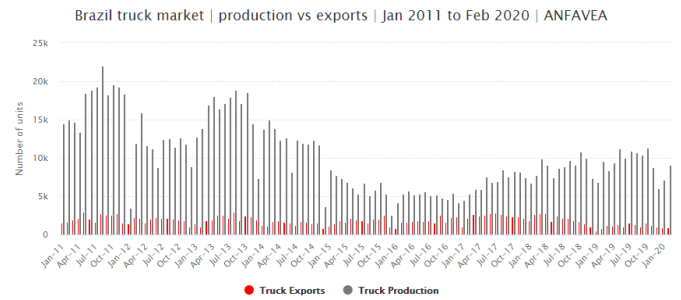
The following graph shows the production and export of light vehicles from Brazil between January 2011 and February 2020:



The chart below shows the production and exports of CKD vehicles (Completely Knocked Down vehicles assembled at a local manufacturing facility) from Brazil between January 2011 and February 2020:



The graph below shows the production and export of Brazilian trucks between January 2011 and February 2020:



Trade

According to a report published by Valor Econômico, the Organization for Economic Cooperation and Development (OECD) was previously considering raising its growth projections for Brazil to around 2% for this year although this has now been reduced due to the coronavirus.

The growth forecast was looking more optimistic after Brazil's economic activity in the third quarter of 2019 had been stronger than expected. However with the coronavirus crisis, the projection has been downgraded to 1.7% for this year and 1.8% for 2021. Despite this, the organization considers that Brazil "probably will not be one of the most affected by the impact of the coronavirus".

Coronavirus causes FED to cut interest rates - Today (March 3rd) the US central bank held an extraordinary meeting in which it decided to reduce the country's interest rates due to the economic risks related to the coronavirus. Interest rates were lowered by 0.5% to between 1- 1.25% by a unanimous decision.

In a statement, the FED said the US economy's fundamentals remain strong. However, coronavirus poses increased risks to economic activity. "In light of these risks and in support of meeting its goals of maximum employment and price stability, the Federal Open Market Committee decided today to reduce the target," says the statement. The committee added that "it is closely monitoring developments and their implications for the economic outlook and will use its tools and act appropriately to support the economy".

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Your contributions, criticisms, suggestions and, if you do them, press releases, will be welcome. Contact: datamarweek@datamar.com.br
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