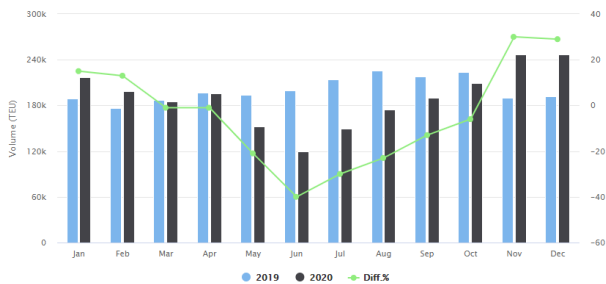


### Main news

**Datamar has published its full 2020 numbers and the end result shows that, despite the COVID-19 pandemic, Brazilian maritime trade ended 2020 on an even keel compared to the previous year.** Additionally the outlook for 2021 looks quite positive. Brazil exported actively all year, unfazed by the pandemic and driven by the dollar high that made Brazilian products more attractive abroad. Imports, of course, were badly hit after a strong first two months, but recovered from the middle of the year onwards, drawing a strong V-shaped recovery that lasted right up to December 2020.

DataLiner data released this Monday, February 1st, shows that November and December imports reached all-time highs. Not only were these the best months on record for Brazilian imports. They also led Brazil to record an overall container trade growth in 2020 compared to 2019, up 34.346,64 TEU, which represents an 0,67% increase.

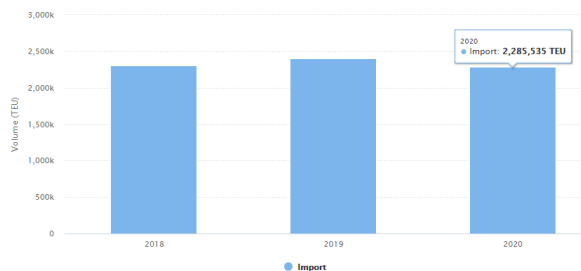
Brazilian Imports via Container | Jan to Dec 2019 - 2020 | TEU



Source: DataLiner

Even with the year-end recovery, Brazil's trade balance for 2020 showed it imported 5.26% less in containers than in 2019 and 0.80% less than in 2018:

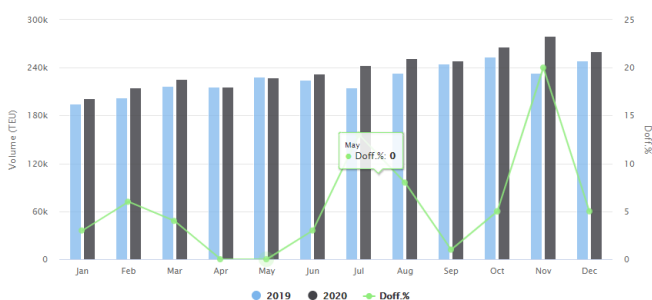
Comparison of Brazilian Imports | Jan to Dec 2018-2020 | TEU



Source: DataLiner

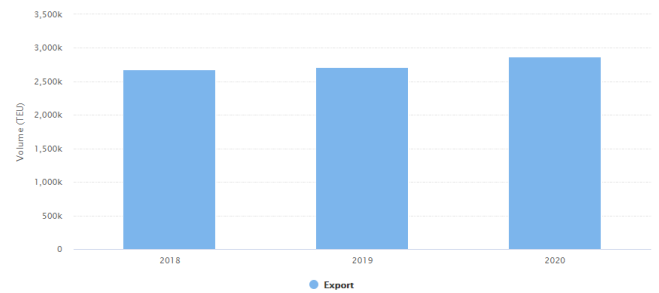
Exports were favored by the high dollar which made Brazilian products more competitive abroad. Year-to-date, exports grew 5.7% compared to 2019.

Brazilian Exports via Container | Jan to Dec 2019-2020 | TEU



Source: DataLiner

Comparison of Brazilian Exports | Jan to Dec 2018-2020 | TEU



Source: DataLiner

### Trade Imbalance and Rocketing Freight Rates

The graph below shows the trade imbalance of Brazilian container imports and exports in 2020, peaking in the middle of the year, between June and July. This mismatch between supply and demand continued as the Christmas season approached and was seen not only in Brazil, but the in the main tradelanes around the globe. The resulting shortage of containers led to sky-rocketing freight rates, which are yet to come down to more normal levels. "From what can be seen in conversations with market players, this imbalance might continue for a few more months, and continue to bring challenging conditions to market players," says Datamar's CEO, Andrew Lorimer.

Trade Imbalance | Jan 2017 to Dec 2020 | TEU



Source: DataLiner (To request a DataLiner demo click here)

### Outlook for 2021

With potentially the worst of the economic crisis over, the prospects for this year are positive. Brazilian trade is expected to grow, and the dollar is expected to remain at a high level – the expected appreciation of the Real has not happened.

In the meantime A.P.Moller-Maersk is one of the companies that is optimistic. In its new trade report released in January, the company expects growth of 3.5% in exports and 7% in imports this year.

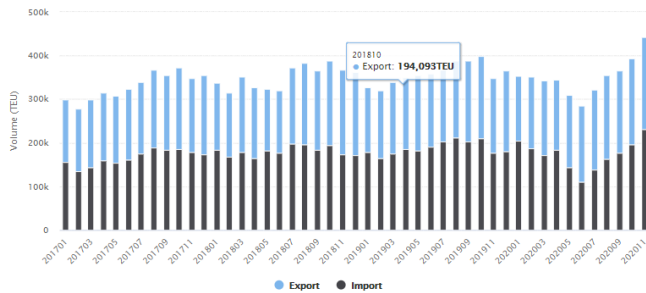
According to the predictions of the International Monetary Fund (IMF), the Brazilian economy should grow 3.6% in 2021.

**The handling of dry-cargo containers can be considered a thermometer of a country's economy. Therefore, the DatamarNews team prepared a ranking of Brazil's most exported and imported goods via dry-cargo container in this atypical year of 2020 (Jan to Nov 2020). The result is shown below:**

Despite economic uncertainties, exports via dry-cargo containers grew 5.78% in the period from January to November 2020 compared to the same period in 2019. Imports, however, fell

8.37% in the same comparison. It is worth noting that the high dollar favored exports and affected imports, as shown in the graph below:

Brazilian Dry-Cargo Container Handling | Jan 2017 to Nov 2020 | TEU



Source: DataLiner

### Exports

Wood and coal and its derivatives led dry-cargo container exports, which grew 13% in the period from January to November 2020 compared to 2019. Other highlights are cotton, which grew 27%, and sugars, which grew 59%.

### Ranking of Dry-Cargo Container Exports | Jan to Nov 2019-2020 | TEU

Rank	Commodity	2019	2020	% change
1	Wood and coal and derivatives	405.696	459.604	13%
2	Paper And Cellulose	246.327	253.384	3%
3	Foods	146.391	168.119	15%
4	Metals and derivatives	146.476	144.250	-2%
5	Plastic and derivatives	151.557	138.922	-8%
6	Cotton	119.898	151.775	27%
7	Beverages - Infusion	119.932	126.412	5%
8	Sugar and derivatives	69.936	111.453	59%
9	Seeds and straws	77.094	102.243	33%
10	Chemicals	87.621	89.276	2%
11	Reactors and boilers	80.220	68.142	-15%
12	Textiles, derivatives and clothing	61.668	59.897	-3%
13	Animal food	57.129	60.118	5%
14	Smoke	56.668	51.423	-9%
15	Minerals and derivatives	50.273	51.015	1%
16	Rubber and derivatives	53.345	41.742	-22%
17	Vehicles and parts	48.369	35.749	-26%
18	Ceramics	42.056	40.075	-5%
19	Furniture	28.444	30.672	8%
20	Electric machines	25.752	24.993	-3%
	Total	2.074.853	2.209.266	6%
	Others	190.536	187.071	-2%
	Grand total	2.265.389	2.396.337	6%

### Imports

In terms of imports, there was a drop in the accumulated volume of all goods. In addition, imports of fertilizer grew 16% in the period and food imports grew 11%.

### Ranking of Dry-Cargo Container Imports | Jan to Nov 2019-2020 | TEU

Rank	Commodity	2019	2020	% change
1	Plastic and derivatives	319.961	329.068	3%
2	Reactors and boilers	314.256	293.442	-7%
3	Vehicles and parts	323.747	235.179	-27%
4	Chemicals	277.238	280.846	1%
5	Electric machines	217.954	217.176	-0%
6	Metals and derivatives	196.445	177.319	-10%
7	Textiles, derivatives and clothing	190.793	155.332	-19%
8	Rubber and derivatives	121.384	97.750	-19%
9	Paper And Cellulose	91.613	84.011	-8%
10	Fertilizer	55.854	65.069	16%
11	Furniture	54.270	47.167	-13%
12	Glass and derivatives	47.446	39.400	-17%
13	Foods	38.561	42.970	11%
14	Drinks	40.345	37.790	-6%
15	Salt, plaster, cement	36.143	38.936	8%
16	Toys	39.761	30.506	-23%
17	Paints	25.570	25.078	-2%
18	Fuel	20.299	23.429	15%
19	Optical and photography instruments	21.329	19.928	-7%
20	Ceramics	16.976	13.687	-19%
	Total	2.449.945	2.254.085	-8%
	Others	328.483	291.573	-11%
	Grand total	2.778.429	2.545.658	-8%

### Ports and Terminals

**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.

SANTOS / SP – 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. In addition to the record number of loads, records were set for certain loads during the first 11 months of 2020. Solid bulk goods increased 14.9% on an annual basis, to 70.5 million tons; liquid bulk also grew by double digits (10.7%), to 17.2 million tons.

Companhia Docas do Rio de Janeiro (CDRJ) saw its cargo movement grow by 46%. The ports of Itaguaí, Rio de Janeiro, Niterói, and Angra dos Reis recorded a 21% increase in revenues, totaling R\$ 630 million, the highest growth in the last ten years. At the ore terminals, which account for approximately 72% of the volume handled at the ports managed by CDRJ, there was a recovery in handling, which had fallen in 2019. Container terminals also managed to recover, and the company's other terminals combined represented a growth of more than 30% in the volume handled in 2020 in comparison with 2019.

CODEBA – 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. Together with the other ports of the port authority (Aratu-Candeias and Salvador), the increase was 40.3% in the volume of cargo handled.

As for the type of cargo, the increase in the movement of gaseous products (21.40%), solid bulk (9.53%), and general cargo (25.89%) showed the largest increases.

CDP – The Companhia Docas do Pará (CDP) ports recorded a 10% increase in cargo handled. The ports of Vila do Conde, Santarém, and Belém together handled 30.8 million tons in 2020. The largest growth was at Vila do Conde, which went from 14.8 million to 16.2 million tons handled.

SUAPE – 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. It is the largest volume ever recorded in Suape's 42-year history and exceeds the target set for 2020 despite the pandemic that hit the world economy.

ITAQUI / MA – The Port of Itaquí reached the end of 2020 breaking a record set in 2019 and closed the year 2020 with 25.3 million tons of cargo handled. 12.1 million tons of grains (soybeans, corn, and soybean meal) were handled – including the Tegram and VLI operations – an 8.5% growth over the same period last year. And the volume of fertilizer reached 2.6 million tons, an increase of 21% over last year.

SANTA CATARINA – 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.

PARANAGUÁ / PR – Also in the south, the ports of Paranaguá and Antonina (PR) broke the previous record by 8%, handling 57.3 million loads.

CEARÁ – In Fortaleza, Companhia Docas do Ceará closed 2020 setting several records in the Port of Fortaleza. Compared to the same period in 2019, the EBITDA indicator led the growth, increasing by 254.35% (from R\$ 3.3 to R\$ 11.8 million), which shows CDC's cash-generation potential for future investments. Other indicators that grew were Revenues, growing by 13.49% (from R\$ 56.3 million to R\$ 64 million), and Cargo Handling, growing by 12% (from 4.4 million to 4.9 million tons).

PORTO DO PECÉM – Container goods totaled 4.8 million tons last year, the second-most-handled cargo in the Port of Pecém in 2020, behind only the solid bulk category which moved 7.7 million tons. Containerized cargo was the second most relevant cargo in the composition of the cargo nature index in tons, holding a 30% share.

**On January 28, Companhia Docas do Rio de Janeiro (CDRJ), the port authority responsible for managing the Ports of Rio de Janeiro, Itaguaí, Niterói, and Angra dos Reis, released the 2020 year-end balance sheet and their 3-year business plan.** Last year, the company's ports reached a volume of 54.765 million tons of cargo handled, an increase of 8.6% compared to 2019. Revenues hit a record high of R\$ 639.1 million, an increase of 30% compared to 2019. For 2021, the estimated total revenue is R\$ 742 million, a forecast 18% higher than in 2020.

According to Jean Paulo Castro e Silva, Director of Market Relations and Planning at CDRJ, the 2020 result represents the largest annual variation in the 2015-2020 period, both in terms of cargo handling and billing: "The result demonstrates not only the

resilience of the terminals that operate in the ports but also the company's ability to adapt and to quickly manage change in the face of the unprecedented challenges that arose in 2020, coupled with the high prices of iron ore and the dollar", he said.

Focusing on company growth, Docas do Rio approved the 2021-2023 business plan with R\$2.1 billion of investments foreseen for the period, an amount that will be applied in actions related to the port administration, existing leases, and new leases. Director Jean Paulo explains that the total estimated revenue of R\$ 742 million "includes the expected increases of the current leasing contracts, the new format for charging waterway tariffs, the new leases, and the transfer properties that are part of the Divestment Plan".

The approval of the business plan, drawn up by employees from different sectors of the company, is an assignment provided for in Law 13.303, also known as the 'State-Owned Companies Law', but for the CEO of Docas do Rio, Francisco Antonio de Magalhães Laranjeira, approval of the plan is not just for purposes of legal compliance: "Approval of the business plan demonstrates the commitment of the Executive Board of Docas do Rio to meet the demands of the market, recognizing the efficiency and transparency of our actions."

In addition to the investment and revenue forecast, the document includes the main commercial strategies, objectives, and actions such as new leases, the improvement of activities aimed at socio-environmental development, obtaining licenses for port operations, and the technological modernization of port operations.

**After decreasing in the first half of 2020, container handling at the Port of Santos recovered and ended the year at record levels for the segment that transports the highest added-value cargo. December registered a 20% growth in container handling compared to the same month in 2019, with 437,400 TEU handled.** Compared to November – already a record month at 399,300 TEU – handling increased by another 9.65%. 4.23 million TEU were handled in 2020, an increase of 1.6% over the previous record set in 2019 (4.17 million TEU). This survey was carried out by the Santos Port Authority (SPA) market intelligence and statistics department.

Considering total cargo, the Port of Santos ended December with 11.9 million tons handled, double-digit growth of 16.2% when compared to the same month of 2019. The numbers contributed to the overall record of the year, 146.6 million tons handled, up 9.4% over 2019. Santos' accumulated share in the Brazilian trade flow remained at 28% in December, equivalent to US\$ 103.2 billion. There were 4,904 vessel moorings in 2020, an increase of 1.3% compared to 2019 (with 4,842 vessel moorings).

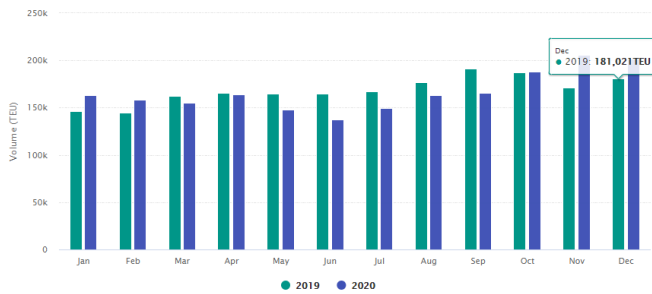
Exports in December totaled 8.0 million tons, an increase of 16.1% on an annual basis, and exports totaled 3.8 million tons, a growth of 16.4%. In the accumulated result for the year, there was also an increase in both directions: 13.2% in exports, to 106.8 million tons, and 0.3% in imports, to 39.8 million tons.

Exports of soybeans, alcohol, pulp, fuel oil, and diesel and diesel oil complex grew the most, led by sugar shipments which increased 69.5% to 24.1 million tons.

Fertilizer was the most imported product, with 6.5 million tons imported, an increase of 16.3% in relation to 2019.

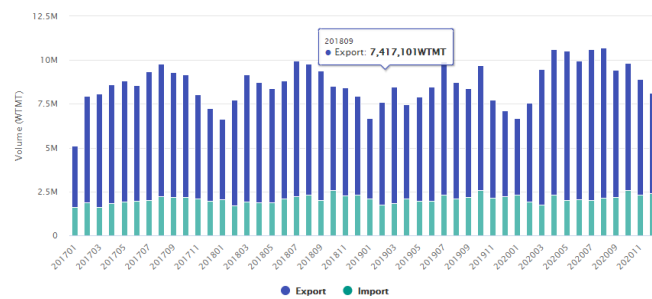
Consult the charts below for a comparison of container handling at the Port Santos, and imports and exports since 2017:

Comparison of Container Handling at the Port of Santos | Jan to Dec 2019-2020 | TEU



Source: DataLiner

Imports and Exports at the Port of Santos | Jan 2017 to Dec 2020 | WMTMT



Source: DataLiner (To request a DataLiner demo click here)

**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. Petroleum coke enjoys a wide range of industrial use, such as in the production of cement, for example.

In relation to 2019, when a little more than one million tons also passed through the port, there was a drop of about 4% in the volume of coke handled. However, the cargo made up 17.3% of the total handled in 2020 and contributed significantly to the port's profitability; the port ended 2020 with the largest movement in its history (5.8 million tons).

**Santos Brasil has announced the completion of the last civil works of the modernization project at Tecon Vila do Conde, a container terminal located in Barcarena (PA). In total, the civil works spanned 25 months and included the concrete paving of 36,000m2 of a patio to store containers and the construction of two new gates. Spaces for changing rooms and cafeterias for employees were also included.**

Another novelty is the automation of the gates at the terminal entrances, speeding up the flow of trucks and increasing the security of information and cargo. Developed based on modern Internet of Things (IoT) structures, the automated gates allow biometric authentication. This results in better driver control and management by eliminating registration lines and standardizing processes, automating the reading of license plates and container plates using OCR sensors, weighing the loaded truck, and synchronizing data between the company's units.

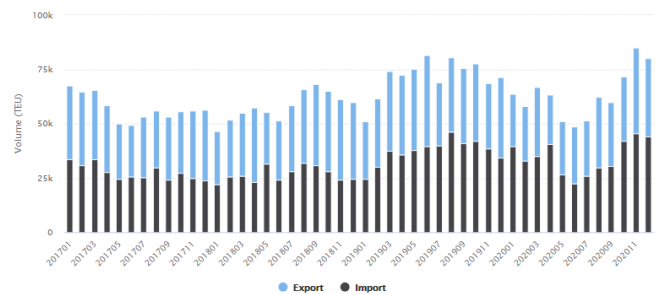
Currently, Tecon Vila do Conde has four entrance gates and two exit gates, and a concrete floor throughout its storage yard, which allows greater speed for operation and greater storage capacity. It also has nine reach stackers – three of which have just arrived at the terminal – replacing existing equipment for handling containers in the yard, and three MHC wheeled cranes that operate at the dock for loading and unloading containerized goods or project cargo.

Between 2018 and 2019, Santos Brasil invested approximately R\$ 60 million in civil works and yard and pier equipment. These investments provided a substantial increase in the productivity of the terminal and raised the level of service.

In recent years, Tecon Vila do Conde has shown consistent growth, and in 2019 it reached a record 104,000 containers were handled. In 2020, project cargo handling was the highest among all products handled.

See the graph below for monthly cargo handling at Santos Brasil since 2017:

Imports and Exports via Santos Brasil | Jan 2017 – Dec 2020 | TEU



Source: DataLiner (to request a Dataliner demo, click here)

**Brazil is the second-largest producer of vegetable resin, a fundamental raw material for the pharmaceutical, chemical, and industrial sectors. The merchandise is exported to all the continents of the world and one of its main exit ports is the Paranaguá Container Terminal – managed by TCP, in Paraná.** Of the 200,000 tons of resin and derivatives produced by Brazil, 60% of the volume is exported and almost 40% of the exported volume is transported via this terminal, leader in the movement of the product throughout the country.

In 2019, TCP handled 2,024 containers of the product. In 2020, the volume reached 2,246 containers, which represents an 11% growth. Removed from the pine trunk, the gum – a whitish, thick, and viscous paste – undergoes a distillation process, giving rise to other products such as pitch and turpentine which can be used to produce chewing gum, paints, varnishes, synthetic rubbers, cleaning products, additives, and more.

“A big advantage for resin exporters is the customs-export warehouse, located in the primary zone, which simplifies and reduces steps, reducing costs for exporters. We are also the

terminal with the largest number of maritime lines in the country. In addition to offering various logistical products such as the railroad connecting the entire state, we also monitor the flow management cell”, explains Thomas Lima, the company’s commercial and institutional director.

According to Rafael de Castro Lopes, Foreign Trade coordinator for the Resinas Brasil Group, one of the competitive advantages of exporting via Paranaguá is the port fees charged by the terminal. The company located in Sengés, Paraná, has been exporting through the port of Paraná for 15 years, handling 400 tons per month. The Group is a reference in the sector, being one of the largest exporters of pitch, rosin, and turpentine in the world, responsible for just over 50% of the market.

**On January 16, 2020, the first maneuver was carried out in the new evolution basin area of the Itajaí and Navegantes Port Complex. A little more than a year after this feat, many rotations have been carried out in the new basin, and on January 27th, the 300th rotation took place.** The CMA CGM JACQUES JUNIOR was the ship that completed the 300th rotation. Measuring 300 meters in length and more than 48 meters in width, the ship was moored in the Portonave berth.

“It is with great satisfaction and joy that the Itajaí and Navegantes Port Complex has something to celebrate. One year after the first operation, we are completing a significant number, three hundred maneuvers in the new evolution basin. During this period, we made it possible not only to receive the 300 ships but also to break the Brazilian record for receiving the largest container ship, the APL Paris (347.04 x 45.27), on June 17, 2020”, highlights the superintendent of the Port of Itajaí, Fábio da Veiga.

In June 2020, five months after the first rotation, the Complex received the largest container ship to sail on the Brazilian coast, a historic feat for the Itajaí and Navegantes Port Complex in 2020. APL Paris, from Singapore, is 347.4 meters long and 45.2 meters wide and is larger than the Eiffel Tower. APL Paris’s rotation was the 6th successful maneuver in the new evolution basin for the category of ships over 306 meters in length and up to 350 meters wide.

“We were losing a lot of space to competitors, and if it weren’t for this new evolution basin – not only the basin but also the remodeled waterway access structure – we would lose space. The works provided an important leap for us to obtain the best results”, points out Heder Cassiano Moritz, General Director of Logistics Operations at the Port of Itajaí.

The Saco da Fazenda Basin, named Afonso Wippel, permitted the Port Complex to raise its maximum ship size permitted from 306 meters to 350 meters and made it possible for ships up to 306 meters long to enter and exit at night, decisively increasing the growth of the Port of Itajaí and Navegantes.

2nd stage of the Evolution Basin - The second stage of the work to expand the basin intends to increase the space for the ships to turn, allowing the Complex to receive ships measuring 366 meters, or up to 400 meters, depending on the project’s execution.

“The new Evolution Basin was a joint effort by the Port Authority, Navy, Pilotage, Itajaí City Hall, State Government, and Port Terminals, which brought us operational and alternative conditions, stimulating economic development. The complex’s current condition puts us at the forefront to receive these larger

ships, which are a reality and a trend in international maritime trade. However, we also need to focus on carrying out the second phase of the Basin, to make the Complex even more competitive and to be able to receive ships up to 400 meters in length”, concludes Osmari de Castilho Ribas, Portonave’s Administrative Superintendent Director.

**According to a study carried out jointly by the Group of Research and Extension in Agroindustrial Logistics (ESALQ-LOG), Escola Superior de Agricultura Luiz de Queiroz (ESALQ/USP), and the United States Department of Agriculture (USDA), Brazilian agribusiness depends a little less on roads today than it did in the past. Even so, in exports, mainly of soy and corn, the importance of roads has grown in the country.**

The dependence on road transportation for soy dropped from 74.7% in 2010 to 67.4% in 2019. In contrast, railway handling increased from 20.2% to 24%, while waterway handling increased from 5.1 % to 8.6% in the same period.

Considering only soy exports, however, the share of the road modal rose from 44.7% (2010) to 49.1% (2019). In the same period, the use of railways fell from 47% to 38.3% and that of waterways grew from 8.3% to 12.6%.

In the case of corn, the study shows that the trucks sent most of the grain from the farm to the main destinations (domestic and ports), accounting for almost 69% of the total handling in 2019. Handling by railways and waterways was 21% and 10%, respectively.

The participation of highways in the transportation of corn fell from 83.8% in 2010 to 69.2% in 2019. However, in cereal exports, the dependence on road transportation rose from 20% to 31%, while that of waterways increased from 2.5% to 19.5%. The weight of the railways, in turn, decreased from 77.5% to 49.5%.

According to the survey, the average distance traveled by truck to take soybeans and corn from farms to any destination other than the rail and barge terminals is 357 kilometers. Corn travels an average distance of 1,258 kilometers by railway, and soybeans, 1,047 kilometers.

Higher freight - According to the “Annual Freight Report – Road Transport in Brazil”, produced by the online cargo-transport platform, Fretebras, the record grain harvest last year boosted demand for freight in the agricultural sector. When considering all freight coming from this sector, the study volume was 71.3% higher than in 2019.

Considering all the volume handled, despite the atypical year due to the pandemic, the road cargo transportation sector had a positive result in 2020. The volume of freight registered in the country increased 62% in comparison with 2019.

According to the study, the biggest impact of the pandemic on the transport sector in 2020 was felt in the first half of the year. From the first to the second quarter, there was a drop of 8% in freight. The reduction occurred at the exact moment when the social distance measures were imposed due to the Covid-19 pandemic. However, the arrival of the third quarter, with a record increase driven mainly by the record harvest of agricultural products, contributed to a freight volume that was twice as high as in the same period in 2019, registering an increase of 102%.

**Companhia Docas do Rio de Janeiro (CDRJ) reported that on January 21, transceivers were activated on the Automatic Identification System with Aids to Navigation (AIS AtoN).** The transceivers are located on three submersible articulated buoys (BAS) on the Cotunduba Canal manufactured by the Espirito Santos company, UMI SAN Serviços de Apoio à Navegação (a company providing navigation and engineering support services), and are anchored on the main waterway access for large ships to the Port of Rio de Janeiro. With AIS AtoN devices activated and codes assigned by ANATEL (the national telecommunications agency), modern nautical signaling has become part of the mobile maritime service, leading to greater security for navigation.

With the conclusion of this step, the whole project for the new beacon on Cotunduba Canal has been completed. The transceivers transmit virtual markers that indicate to the ships the exact positioning of the BAS, with a precise delimitation of the channel, facilitating their maneuvers and reducing the risk of accidents. Manufactured by Sabik Marine, they are made of stainless steel and are highly resistant to shock, vibration, temperature, water, wind, and UV rays.

Nautical signs - The new nautical-signaling buoys were installed in March of last year to permit the efficient and safe navigation of large ships bound for the Port of Rio de Janeiro at night. This increases boarding operations and unloading windows, leading to more dynamic and profitable container terminals. From April until the end of 2020, the first two phases of the 'ramp-up' of experimental night maneuvers were carried out. Now, the 3rd phase is underway, with maneuvers of container ships from 306 to 335m in length (LOA).

The project was developed by the company Precursore Consultoria Portuária LTDA, through a partnership between CDRJ and the Brazilian Navy (MB), Praticagem-RJ, and the companies leasing the MultiRio, ICTSI-Rio and Triunfo Logística port terminals. It is part of a set of measures that are being carried out by this working group that studies improvements for waterway access to the Port of Rio de Janeiro. To lead the Maritime Mobile Service Identities (MMSI) activation, the UMI SAN and SABIK teams had logistical support from the company Rio Interport.

**The Itajaí and Navegantes Port Complex ends 2020 setting a record in handling and registers a 15% increase in TEU and a 14% increase in tonnage. From January to December 2020, 1,419,082 TEU and 15,655,812 tons were handled, compared to 1,230,467 TEU and 13,724,748 tons from the same period in 2019.**

"This was the most handling carried out in the port complex in terms of TEU, surpassing the movement of 1,230,467 TEU in 2019, which, until then, had been the largest handling registered in a year", says Heder Cassiano Moritz, Director of Logistics Operations of the Superintendence of the Port of Itajaí.

Exports made up 61% of the cargo direction. Chicken, meat – especially pork and wood and by-products – were the main products exported in 2020. Mechanical and electronic products, chemical products, and various textiles were the main items imported. Imports accounted for 39% of the cargo that passed through the complex.

Moritz emphasizes that the works carried out to improve access and the waterway and the new Evolution Basin of the Port Complex of Itajaí and Navegantes were fundamental to the

achievement of these levels. He points out that the new infrastructure has also changed the profile of ships arriving at Itajaí and Navegantes: "The fact that we can receive ships 350 meters long by 48 meters wide and also the depth conditions we offer means that we can operate fewer ships with more cargo. That is why we have seen significant cargo growth without an increase in the number of berths".

He also points out that 2020 ends an extremely positive quadrennium (2017/2020) for the complex: "In 2017 we registered 1,119,271 TEU; in 2018, 1,150,559 TEUs; in 2019, there were 1,230,467 TEU; and in 2020, 1,419,082 TEU. In the last four years, we handled 4,919,374 TEU and 54,639,210 tons, with yearly growth during this quadrennium".

In comparison with the same period of the previous year, in December alone the complex registered a growth of 21% in TEI handling and 20% in tonnage. In 2019, 114,571 TEU and 1,282,324 tons were handled; this increased to 139,061 TEU and 1,538,318 tons in 2020.

At the Port of Itajaí (public berths and APM Terminals), 2020 ends with an 11% increase in TEU handling, with 545,338 TEU handled compared with 489,202 TEU in 2019. In tonnage, the movement recorded was 6,054,049 against 5,422,002 tons from the previous year, a growth of 12%.

The Port of Itajaí also showed a solid growth rate over the last 4 years. Compared to the total handled in 2016, public berths and APM Terminals grew 194.7% in tons, 177% in TEU, and 92.7% in moorings. In the last four years, the public dock handled 1,644,303 TEU and 17,950,303 tons.

Portonave, which registered its best operating level in November, ended the year with 18% growth in containers and tonnage. In 2020, the terminal handled 873,744 TEU and 9,476,718.00 tons, compared to 741,265 TEU and 8,064,145.00 tons in 2019. The port recorded 19 stopovers and 64,931 tons handled, a 58% drop in cargo compared to 2019. Poly Terminais registered a 3% growth in cargo handling, with 10 ships unloading 46,556 tons in 2020. Barra do Rio handled 9 ships unloading 13,558 tons, a drop of 31% compared to the previous year.

**On February 4th and 5th, Portos do Paraná will hold public hearings to continue the bidding process for two new lease areas in the Port of Paranaguá. This year, the public company intends to present and receive suggestions virtually for improving the necessary documentation for the event.**

The estimate is that the areas will be auctioned in the first half of the year. Port terminal PAR32 will be auctioned for general cargo, with an emphasis on bagged sugar; and PAR50 is intended for handling liquid bulk. The public hearing for PAR32 will take place on February 4, beginning at 1:00 pm and finishing at 6:00 pm. The session for PAR50 will take place on February 5th, at the same time.

According to the Port Authority, all operational, engineering, financial, economic, and legal issues involving the lease of the two areas may be found in the Technical, Economic, and Environmental Feasibility Study (EVTEA) which will also be presented and discussed at the hearings.

The sessions will be conducted by Portos do Paraná, with the participation of EPL (a planning and logistics company), SNPTA

(the national waterway transportation and ports secretariat), and ANTAQ (the national waterway transportation agency).

How to participate - Portos do Paraná created a banner on their website [www.portosdoparana.pr.gov.br](http://www.portosdoparana.pr.gov.br) with all the details and step-by-step instructions for public participation.

The sessions will be broadcast on the Portos do Paraná channel on Youtube: just type "Appa Licitação" in the platform search tool ([www.youtube.com/channel/UCoiMycUOx8v3knygPTCC74A](http://www.youtube.com/channel/UCoiMycUOx8v3knygPTCC74A)).

No registration is required for just watching. However, if interested parties wish to speak up, they must register via Whatsapp at (41) 99189-7720. The registration period will be from 7 am to 11 am on session days. Videos, audios, or text

A meeting room to broadcast to audiences will also be created. If an interested party would like to enter the Zoom platform, they must make this request and send the login email address when signing up (via Whatsapp).

There is also a specific banner on the website of the public company with information about public consultations for the auction process of both areas. These began on December 30, 2020, and continue until the end of the respective hearing days.

As highlighted by CLAP (the port area bidding commission of the Ports of Paraná), to be considered in the process any suggestion or comment must be formalized through ANTAQ's digital form which has been available on the website of Portos do Paraná since the start of consultations. This can be done before, during, or after the hearings, until 11:59 pm.

After the analysis of public contributions and possible changes in the minutes, the process of both areas is forwarded to TCU (the federal audit court). Upon approval by the agency, the bidding process will be published.

### Shipping

**On January 26th, more than 300 large companies pledged to work together to help hundreds of thousands of merchant sailors trapped on ships for many months due to Covid-19. About 90% of world trade is transported by sea, and coronavirus restrictions in many countries are affecting global supply chains.**

In December 2020, the UN General Assembly asked countries to designate seafarers as essential workers. However, ship crews are still struggling to switch places with colleagues on land.

Maritime industry officials say many sailors are no longer able to cope and many have been at sea for more than 11 months.

The companies, which include transportation groups such as AP Moller Maersk, the mining companies Anglo American and Rio Tinto, the main oil companies BP and Royal Dutch Shell, as well as the commercial companies Cargill, Trafigura, and Vitol, will increase information sharing since they have now signed the "Neptune Declaration".

Signatories will also increase collaboration between shipping operators and charterers to accelerate crew changes.

**A.P.Moller – Maersk announced the arrival of Frank Kleinegris as its new regional CFO for Latin America and the Caribbean, based in Panama.**

Kleinegris is a senior financial executive holding a bachelor's degree in business administration and a master's degree in accounting from Vrije Universiteit Amsterdam. With over 17 years of experience in the logistics industry, Kleinegris served as Vice President of Integration for Federal Express (FedEx) in the Asia-Pacific region, headquartered in Hong Kong, where he led the Project Management Office (PMO) for more than 5 years. He also gained strong experience in financial tools in his role as an auditor at PwC (formerly PricewaterhouseCoopers). Kleinegris brings to Maersk his deep knowledge of how to run a profitable, long-term logistics business, gained during his several years working in finance at TNT, including serving as CFO for the same company in China. While serving as Managing Director of TNT Singapore, Kleinegris gained commercial focus and executive management experience, valuable for his new role as CFO.

In his most recent role as Vice President of Integration for FedEx Express Asia Pacific, he led the team responsible for planning and executing integration, ensuring balance in achieving synergies and improving the customer experience in the Asia Pacific, Middle East, Indian subcontinent, and Africa, responsible for more than 12 thousand TNT and 16 thousand FedEx employees.

Maersk's new regional CFO for Latin America and the Caribbean combines his financial background with the business knowledge gained from his experience in managing TNT Express in Singapore as Managing Director, where he was responsible for all aspects of the business, including operations, sales, and customer experience.

### Grain

**In December 2020, Argentine wheat exports fell 52% compared to the same month of 2019, the lowest level in the last five years. The cereal revenue was also the lowest in five years, according to information from the local portal Agrofy. Shipments represent less than half the tonnage shipped over the same period last season.**

The Rosario Stock Exchange (BCR), highlighted that in addition to the drop in production, which will have an impact on the campaign's lowest exportable balance (estimated at 17 million tons), the Grande Rosário export complex was hampered by strikes from different sectors of the supply chain. "They have more or less paralyzed port terminal activity and the flow of goods in and out," he said.

The drop in revenue was affected by the combination of a drop in production in the center and north of the country and union conflicts that interrupted the flow of goods unloading at various terminals in the Gran Rosário port belt for most of the month.

The BCR report adds that despite partially regulating the entry of goods in the first half of January, so far in this commercial harvest about 41,300 trucks have entered the ports of the region carrying around 1.24 million tons of wheat, approximately one-third of that registered in the same period last season.

### Other cargo

**In 2020, Brazilian ports registered 34.25 million tons of fertilizer imports, almost 10% more than in 2019. The country is dependent on external purchases of fertilizers so it can provide the world with the result of three harvests per year.**

Brazil spent US\$ 8 billion in 2020 on fertilizer purchases. In dollars, the value was 11% below that registered a year earlier by SECEX, the foreign trade secretariat; in 2019, 31 million tons of fertilizers cost US\$ 9 billion. The drop in the price of fertilizers in foreign currency explains the “discount”.

However, it is in the conversion of dollars to Brazilian reais that the increase in spending is most evident. In a scenario of the devaluation of the Brazilian currency in relation to the American currency, the weight is greater for products such as fruit and vegetables, which are not dollarized, such as soybeans and corn traded at international prices on the Chicago stock exchange.

Imports of mono ammonium phosphate (MAP), the main fertilizer used in soy, grew 22.2% last year, to 4.8 million tons. Urea, nitrogen demanded by corn, increased 27.6%, reaching 7.1 million tons. The inflow of potassium chloride (KCl) in the country, in turn, increased 7.4%, to 11 million tons.

According to Carlos Eduardo Florence, CEO of AMA (the Brazilian fertilizer-mixers association), imports were within expectations and Brazil needed to maintain the levels of transit stocks at around 5 to 6 million tons. This inventory volume is normal.

The supply of mineral fertilizers is restricted in Brazil for natural reasons, providing a minimum safeguard to offset the dependence on imports. The countries that account for most fertilizer shipments to Brazil are Russia, Canada, China, and Morocco. The 2020 internal distribution data, which also includes domestic production, are not yet available.

Florence recalls that last year’s purchases will fuel the planting of the second crop, especially corn, but also cotton in the midwest and Matopiba, sugar cane in São Paulo, and potato crops in the south and southeast during the first semester of 2021. With the imbroglío involving the increase of ICMS for agricultural inputs in the state of São Paulo, on which the government retreated, he believes that some more purchases may have been anticipated.

### Economy

**Data from the Arab Brazilian Chamber of Commerce shows that trade between Brazil and the Arab League generated a US\$ 6.1 billion surplus for Brazil in 2020, 12.2% of the record US\$ 50-billion surplus reached by Brazil in 2020. It also represents a 16.2% increase over the positive balance of the Brazil-Arab League balance of 2019.**

According to the entity, Brazilian exports to the bloc of 22 countries in the Middle East and North Africa generated revenues of US\$ 11.4 billion, 6.3% below that of 2019. The fall, however, is weaker than the fall registered from other relevant commercial partnerships, such as with the United States (-23.7%) and Mercosur (-17.7%).

Export performance keeps the Arab League among Brazil’s three largest trade partnerships abroad, behind only China and the United States. It also confirms the region as the second busiest destination for agribusiness exports which make up the majority of the export basket.

Brazilian sugar was the most demanded product (revenue of US\$ 2.8 billion, up 32.5% over 2019), followed by chicken (US\$ 1.9 billion, -11.7%), ore iron (US\$ 1.4 billion, -22.3%), corn (US\$ 1.1 billion, + 3.1%), and beef (US\$ 968 million, -18.2%) that was mainly exported to the United Arab Emirates (bought US\$ 2 billion in 2020, 8.7% reduction over 2019), Saudi Arabia (US\$ 1.8 billion, -6.7%), and Egypt (US\$ 1.7 billion, -4, 0%).

To ensure access to food, the Arabs actively sought foodstuffs across the globe. The pandemic, however, caused a significant reconfiguration in trade with the region, opening new markets and changing demand in others.

Algeria, for example, bought US\$ 1.1 billion in 2020, an increase of 16.2% over 2019. The North African country has historically had a surplus trade relationship with Brazil, but in 2020 the surplus favored Brazil. Morocco, which used to figure in the top ten markets in 2020, bought 43% more compared to 2019 (US\$ 671.2 million) and is now in the seventh position.

Sugar was once again the product most demanded by the Arab partners, displacing chicken. Alone, the commodity was responsible for 25% of the total revenues of US\$ 2.8 billion, an increase of 32.5% over 2019, indicating that the sugar-energy sector, more mechanized than its competitors in India and Thailand, managed to maintain a steady trade flow and ended up taking a larger share of the Arab market.

There was an even greater demand for soybeans (US\$ 323 million, + 68.7%) and corn (US\$ 1.1 billion, + 3.1%), driven by the markets in the Arabian Gulf. The Arab Brazilian Chamber also noted that the closing of the food service in most Arab countries due to the local lockdown led to the adaptation of portioned products sold to restaurants for sale in supermarkets and for home delivery, in addition to the increased demand for fruit in all large markets in the region.

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