



Brazil Agri Market Report

15-08-2024

Period: 01/08– 15/08
2024

FOREWORD

The information contained in this Report refers to the **first fortnight of AUGUST 2024** and comprises the market of Soybeans, Corn, Sugar, and Coffee, based on reports of CBOT (CME Group), FAO, USDA, ICO, CEPEA, CONAB among others, and of private sources,

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SOYBEANS

International Market

Global 2024/25 soybean production is increased 6.9 million tons to 428.7 million.

The 2024/25 outlook for U.S. soybeans includes higher production, exports, and ending stocks. Soybean production for 2024/25 is forecast at 4.6 billion bushels, up 154 million on higher area and yield. Harvested area is forecast at 86.3 million acres, up 1.0 million from July. The first survey-based soybean yield forecast is 53.2 bushels per acre, up 1.2 bushels from last month.

Soybean supplies for 2024/25 are projected at 4.9 billion bushels, up 11% from last year. With soybean exports up 25 million bushels on higher supplies and crush unchanged, ending stocks are forecast at 560 million bushels, up 125 million from last month.

The U.S. season-average soybean price for 2024/25 is forecast at USD 10.80 per bushel, down USD¢ 0.30/bu from last month.

Global 2024/25 soybean production is increased 6.9 million tons to 428.7 million on higher production for the United States, Ukraine, Russia, India, and Benin. Foreign production is revised up based on higher area forecasts from government reports. Global soybean exports are increased 1.0 million tons to 181.2 million on higher exports for the United States, Ukraine, Russia, and Benin partly offset by lower shipments for Argentina. Soybean imports are raised for Egypt, the EU, Iran, and Turkey.

Global 2024/25 soybean ending stocks are increased 6.5 million tons to 134.3 million mainly on higher stocks for China, the United States, and Argentina partly offset by lower stocks for Brazil. To note, stock revisions for China and Brazil derive from changes to trade in the 2023/24 year.

China's 2023/24 imports are raised to 111.5 million tons based on higher shipments by exporters. Brazil exports are raised to 105.0 million tons on the strong shipment pace through July. Source: WASDE, August 12, 2024.

August 15, 2024 – Soybean futures closed out the today session with contracts slipping off the intraday highs. Futures were down USD¢ ¾/bu in the Sep contract, with other contracts steady to fractionally higher. World soybean production was raised by 4 million tons via the International Grains Council's latest estimate to 419 million tons. Consumption was up 2 million tons, as stocks were raised by 3 million tons to 82 million tons.



15-08-2024

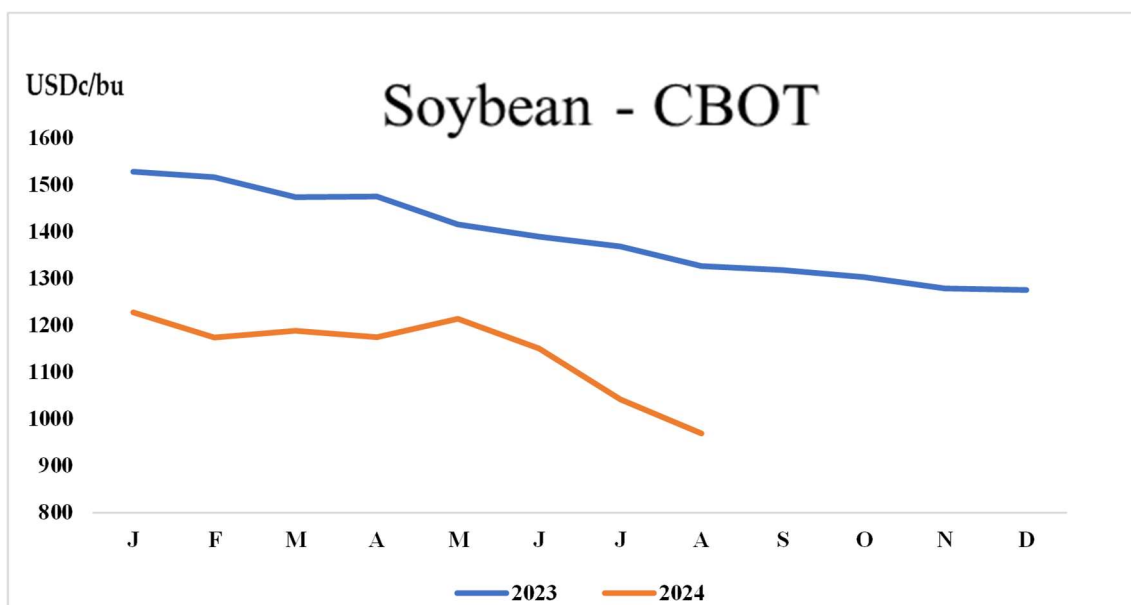
Period: 01/08– 15/08
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World Soybean Supply and Demand (Million of Metric Tons) Projected							
2024/25	Month	Beginning Stocks	Production	Imports	Domestic Total	Exports	Ending Stokes
World	July	111.25	421.85	176.40	401.54	180.20	127.76
	August	112.36	428.73	177.28	402.84	181.22	134.30
Worldless China	July	71.87	401.15	67.40	274.74	180.10	85.58
	August	69.48	408.03	68.28	276.04	181.12	88.62
USA	July	9.40	120.70	0.41	68.99	49.67	11.85
	August	9.39	124.90	0.41	69.10	50.35	15.25
Brazil	July	29.72	169.00	0.15	58.10	105.00	35.77
	August	27.82	169.00	0.15	58.10	105.00	33.87
Argentina	July	24.85	51.00	5.50	47.60	5.50	28.25
	August	24.35	51.00	5.50	47.60	5.50	28.75
China	July	39.38	20.70	109.00	126.80	0.10	42.18
	August	42.88	20.70	109.00	126.80	0.10	45.68
European Union	July	1.36	3.05	14.30	17.02	0.30	1.39
	August	1.36	2.98	14.60	17.02	0.30	1.61

Source: USDA WASDE August 12, 2024

Imports and exports may differ due to differences in marketing years

Below is the graph comparing prices evolution 2024 vs. 2023:



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15-08-2024

Period: 01/08– 15/08
2024

Domestic Market

Brazilian soybean growers retreat, and the trading pace falls in July.

The decline in futures contracts in Chicago, which created a more negative environment for the formation of domestic prices, held back growers for much of the month, reducing turnover in the main trading regions. Despite this, the high in the USD and the firmness of export premiums brought positive moments to growers. In any case, the percentage of sales remains below the five-year average for the period.

The trade of the 2023/24 soybean crop in Brazil now involves 77.5% of the projected production, according to a report by Safras & Mercado, with data collected up to August 9. In the previous report, with data through July 5, the figure was 71.8%. Current data indicate an increase of 5.7% compared to the previous month.

In the same period last year, trading involved 75.6%, while the five-year average for the period is 82.2%. Considering the estimated production of 151.705 million tons, the total soybeans already traded is estimated at 117.068 million tons.

Regarding the new crop (2024/25), considering the initially estimated production of 171.542 mln tons, SAFRAS projects forward sales of 18.2%, equivalent to approximately 31.214 mln tons. In the previous report, up to July 5, the percentage was 14.6%. Current data indicate an increase of 3.6% over the previous month. In the same period last year, forward sales were at 13.9%, while the five-year average for the period is 22.7%. Source: Safras & Mercado. August 13, 2024

The harvest of the summer soybean crop has been completed in the country, but crops are still being cultivated in Tocantins, for seed production, and in Alagoas and Roraima, due to the different rainfall regime in these two states. The results obtained, up to the 11th survey, indicate a total production of 147,381.8 thousand tons, 4.7% lower than that obtained in the 2022/23 harvest, the largest ever harvested in Brazil.

The area sown with the oilseed was estimated at 46,029.8 thousand hectares and an estimated average productivity of 3,202 kg/ha. Source: Conab. August 13, 2024

On August 13, 2024, CONAB released its 11th survey with the estimates of Soybeans production of the 2023/24 harvest, as well as a comparison with the 2022/23 versus 2023/24 harvests, whose figures are in the table below.



15-08-2024

Period: 01/08– 15/08
2024

SOYBEANS 2022/23 AND 2023/2024 CROP COMPARISON Comparison of Area, Yield and Production



REGION/UF	AREA (million ha)			YIELD (kg/ha)			PRODUCTION (million tons)		
	Crop 22/23	Crop 23/24	VAR. %	Crop 22/23	Crop 23/24	VAR. %	Crop 22/23	Crop 23/24	VAR. %
	(a)	(b)	(b/a)	(c)	(d)	(d/c)	(e)	(f)	(f/e)
NORTH	3.010,5	3.389,9	12,6	3.372,6	3.365,6	-0,2	10.153,4	11.409,1	12,4
RR	123,0	118,0	-4,1	2.800,0	3.000,0	7,1	344,4	354,0	2,8
RO	595,0	643,2	8,1	3.423,0	3.547,0	3,6	2.036,7	2.281,4	12,0
AC	12,0	17,5	45,8	3.808,0	3.460,0	-9,1	45,7	60,6	32,6
AM	6,9	17,7	156,5	2.880,0	3.060,0	6,3	19,9	54,2	172,4
AP	7,4	7,5	1,4	2.658,0	2.693,0	1,3	19,7	20,2	2,5
PA	939,5	1.129,3	20,2	3.063,0	3.598,0	17,5	2.877,7	4.063,2	41,2
TO	1.326,7	1.456,7	9,8	3.625,0	3.141,0	-13,4	4.809,3	4.575,5	-4,9
NORTHEAST	4.019,2	4.406,0	9,6	3.785,1	3.578,3	-5,5	15.213,2	15.765,9	3,6
MA	1.112,7	1.329,7	19,5	3.514,0	3.312,0	-5,7	3.910,0	4.404,0	12,6
PI	976,6	1.087,0	11,3	3.634,0	3.540,0	-2,6	3.549,0	3.848,0	8,4
CE	4,6	3,9	-15,2	3.894,0	3.463,0	-11,1	17,9	13,5	-24,6
RN	0,0	0,0	0,0			0,0	0,0	0,0	0,0
PB	0,0	0,0	0,0			0,0	0,0	0,0	0,0
PE	0,0	0,0	0,0			0,0	0,0	0,0	0,0
AL	5,6	6,2	10,7	3.405,0	3.063,0	-10,0	19,1	19,0	-0,5
SE	0,0	0,0	0,0				0,0	0,0	0,0
BA	1.919,7	1.979,2	3,1	4.020,0	3.780,0	-6,0	7.717,2	7.481,4	-3,1
CENTER-WEST	20.494,5	21.304,0	3,9	3.791,7	3.182,0	-16,1	77.708,2	67.789,3	-12,8
MT	12.086,0	12.376,1	2,4	3.773,0	3.179,0	-15,7	45.600,5	39.343,6	-13,7
MS	3.775,0	4.005,3	6,1	3.723,0	2.825,0	-24,1	14.054,3	11.315,0	-19,5
GO	4.547,4	4.833,9	6,3	3.900,0	3.480,0	-10,8	17.734,9	16.822,0	-5,1
DF	86,1	88,7	3,0	3.699,0	3.480,0	-5,9	318,5	308,7	-3,1
SOUTHWEST	3.468,2	3.556,3	2,5	3.822,7	3.217,9	-15,8	13.257,9	11.443,7	-13,7
MG	2.171,3	2.251,6	3,7	3.844,0	3.460,0	-10,0	8.346,5	7.790,5	-6,7
ES	0,0	0,0	0,0			0,0	0,0	0,0	0,0
RJ	0,0	0,0	0,0			0,0	0,0	0,0	0,0
SP	1.296,9	1.304,7	0,6	3.787,0	2.800,0	-26,1	4.911,4	3.653,2	-25,6
SOUTH	13.087,7	13.373,6	2,2	2.924,6	3.063,8	4,8	38.276,8	40.973,8	7,0
PR	5.799,2	5.816,6	0,3	3.860,0	3.155,0	-18,3	22.384,9	18.351,4	-18,0
SC	733,4	792,1	8,0	3.918,0	3.750,0	-4,3	2.873,5	2.970,4	3,4
RS	6.555,1	6.764,9	3,2	1.986,0	2.905,0	46,3	13.018,4	19.652,0	51,0
NORTH/NORTHEAST	7.029,7	7.795,9	10,9	3.608,5	3.485,8	-3,4	25.366,6	27.175,0	7,1
CENTER-SOUTH	37.050,4	38.233,9	3,2	3.488,3	3.144,0	-9,9	129.242,9	120.206,8	-7,0
BRAZIL	44.080,1	46.029,8	4,4	3.507,5	3.201,9	-8,7	154.609,5	147.381,8	-4,7

Source: Conab.

Nota: Estimative August 13, 2024

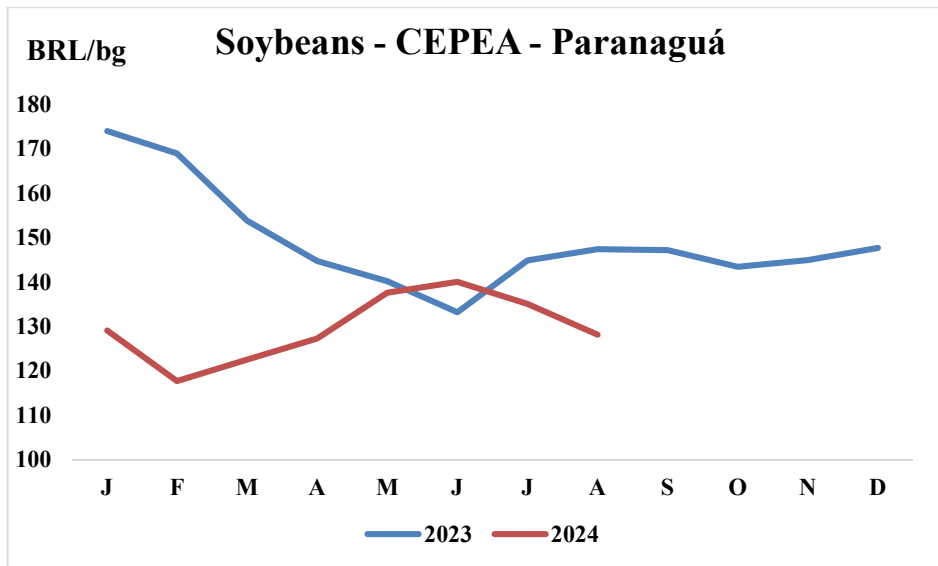


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Today, August 15, 2024 – ESALQ/BM&FBovespa for soybeans at the port of Paranaguá closed at BRL 128.99 (USD 23.53) per 60kg bag, down 5.97 % in the fortnight. In terms of fundamentals, the market was pressured by the expectation of ample global supply.

Below is a graph showing soybeans domestic price performance in Paranaguá in 2024 versus 2023, so far.





15-08-2024

Period: 01/08– 15/08
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CORN

International Market

Globally, USDA pegs 2024/25 production at 1,219.82 million tons, down 4.97 million tons from July.

Total U.S. corn use for 2024/25 is forecast 60 million bushels higher to 15.0 billion. Corn used for glucose and dextrose and starch is projected lower based on observed use during 2023/24. Exports for 2024/25 are raised 75 million bushels to 2.3 billion reflecting U.S. export competitiveness and relatively low world market prices. With supply rising less than use, ending stocks are down 24 million bushels to 2.1 billion. The season-average corn price received by producers is lowered USD¢ 10 to USD 4.20 per bushel.

Global coarse grain production for 2024/25 is forecast 8.1 million tons lower to 1.504 billion. This month's 2024/25 foreign coarse grain outlook is for lower production, trade, and ending stocks relative to last month. Foreign corn production is down based on cuts to the EU, Russia, Serbia, Ukraine, and Moldova. For the EU, Serbia, and Russia, extreme heat and dryness in southeastern Europe and the Southern and North Caucasus districts of Russia during the month of July reduce yield prospects.

Corn production for Ukraine is reduced as higher area is more than offset by a decline in yield expectations. Yield is forecast lower based on heat and dryness in key corn regions during July. Area is increased reflecting greater estimated area for 2023/24 based on reported marketing year use to date.

Major global coarse grain trade changes for 2024/25 include higher corn exports for the United States but reductions for the EU, Serbia, Ukraine, Russia, and India. Corn imports are raised for India and Zimbabwe but lowered for Iran, Chile, Egypt, Nepal, and Vietnam. Foreign corn ending stocks are lower, reflecting declines for the EU, Pakistan, Nigeria, and Serbia that are partly offset by increases for Mexico and India. Global corn stocks, at 310.17 million tons, are down 1.5 million.

Globally, USDA pegs 2024/25 corn production at 1,219.82 million tons, down 4.97 million tons from July. Global ending stocks were pegged at 310.17 million tons, down 1.47 million tons USDA pegs 2024/25 Brazilian corn production at 127 million tons and Argentina at 51 million tons.

For the global 2023/24 the corn crop, ending stocks are pegged at 308.52 million tons down 0.61 million tons from July. USDA also held Brazil's 2023/24 production at 122 million tons. Exports remain pegged at 50 million tons. USDA lowered Argentina's production to 50 million tons Export volume was lowered to 35 million tons. Source: WASDE, August 12, 2024.

August 15, 2024 – Corn futures closed out the Thursday session with contracts falling later in the day, down USD¢ 2 to 6/bu across the board. A stronger USD added some pressure. The International Grains Council estimates world corn production 1 million tons higher at 1.226 billion tons this morning. Stocks were down 1 million tons to 277 million tons.



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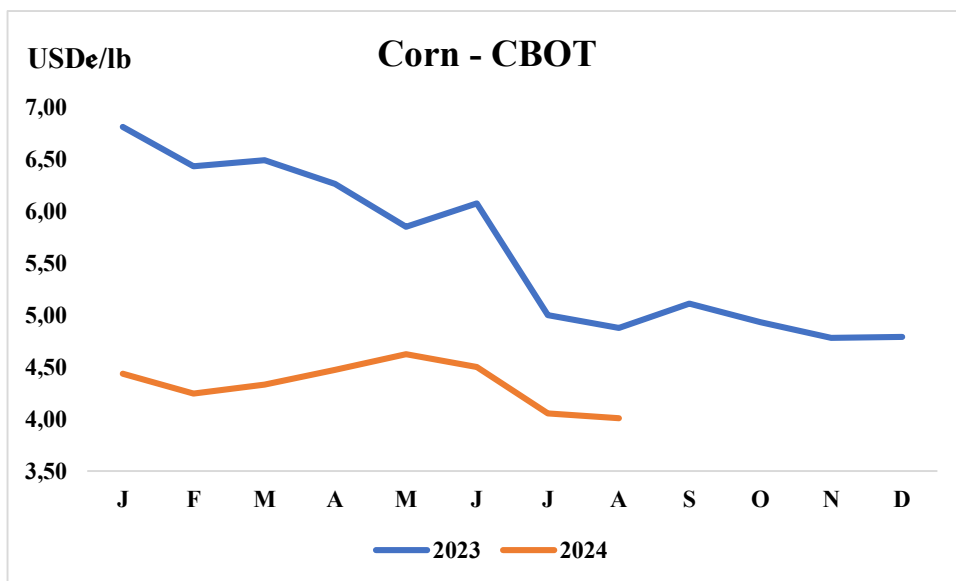
Period: 01/08– 15/08
2024

World Corn Supply and Demand (Million of Metric Tons) Projected							
2024/25	Month	Beginning Stocks	Production	Imports	Domestic Totals	Exports	Ending Stocks
World	July	309.13	1,224.79	186.51	1,222.28	191.81	311.64
	August	308.52	1,219.82	185.85	1,218.17	14.791	310.17
World less China	July	98.27	932.79	163.51	909.28	191.79	98.80
	August	97.66	927.82	162.85	905.17	191.45	97.33
USA	July	47.67	388.56	0.64	322.09	56.52	53.22
	August	47.42	384.74	0.64	321.71	58.42	52.67
Brazil	July	3.84	127.00	1.50	80.50	49.00	2.84
	August	3.84	127.00	1.50	80.50	49.00	2.84
Argentina	July	1.54	51.00	0.01	14.80	36.00	1.74
	August	1.54	51.00	0.01	14.80	36.00	1.74
China	July	210.86	292.00	23.00	313.00	0.02	212.84
	August	210.86	292.00	23.00	313.00	0.02	212.84
European Union	July	7.59	64.00	18.00	78.10	4.00	7.49
	August	7.48	60.50	18.00	75.60	3.50	6.88

Source: USDA WASDE August 12, 2024.

Imports and exports may differ due to differences in marketing years

Below is the graph comparing prices evolution 2024 vs. 2023:



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Domestic Market

Work has already been completed in Mato Grosso, Piauí and Tocantins and is close to completion in Goiás, Maranhão, Paraná and Mato Grosso do Sul.

Companhia Nacional de Abastecimento released its weekly monitoring of Brazilian crops and updated the development stage of corn crops for the 2023/24 summer crop and the second 2024 crop in Brazil.

The second corn crop continues to be harvested, rising from 91.3% last week to 94.7% of the total cultivated in the country, this index is higher than the 72.4% in the same period of 2023.

Piauí, Tocantins and Mato Grosso have already completed their activities, followed by Maranhão (95%), Goiás (93%), Paraná (92%), Mato Grosso do Sul (90%), Minas Gerais (76%) and São Paulo (70%).

Meanwhile, the crops that are still under development are all (5.3%) maturing.

Detailing the development in each state, Conab specialists point out that the harvest was completed in Mato Grosso with yields above those initially estimated and showing good grain quality.

Goiás is also heading towards the end of the harvest, registering good yields. São Paulo and Minas Gerais, on the other hand, have yields below expectations due to the reduction in rainfall and the attack of spittlebugs.

The occurrence of precipitation interrupted activities in some regions of Paraná and Mato Grosso do Sul. At the same time, the harvest of the first 23/24 crop is also close to the end in Brazil, leaving 99.6% last week and going to 99.8% of the total forecast, a percentage lower than the 99.9% of the same period last harvest. Only Piauí (98%) still has harvests taking place.

For the 2023/24 harvest, Conab forecasts for the 11th survey a total production of 115.6 million tons of corn, an expected decrease of 12.3%, compared to the previous harvest. This reduction in total production is the result of the shrinkage of the corn area, with emphasis on the drop in the second harvest, together with a lower projected productivity in the field.

It should be noted that Conab projects a decrease of 5.9% in the planted area and 6.9% in the sector's productivity. August 13, 2024.

On August 13, 2024, CONAB released its 11th survey with the estimates of Corn production of the 2023/24 harvest, as well as a comparison with the 2022/23 versus 2023/24 harvests, whose numbers are in the table below.



TOTAL CORN - 2022/2023 and 2023/2024 CROPS COMPARISON

Comparison of area, Yield and Production

REGION / UF	AREA (million ha)			YIELD (kg/ha)			PRODUCTION (million tons)		
	Crop 22/23	Crop 23/24	VAR. %	Crop 22/23	Crop 23/24	VAR. %	Crop 22/23	Crop 23/24	VAR. %
NORTH	1.229,9	1.279,5	4,0	4.331,6	4.497,4	3,8	5.327,3	5.754,3	8,0
RR	9,0	9,0	0,0	6.720,0	6.000,0	-10,7	60,5	54,0	-10,7
RO	303,4	333,9	10,1	5.182,7	5.124,0	-1,1	1.572,4	1.710,9	8,8
AC	43,0	38,7	-10,0	3.231,5	3.263,2	1,0	139,0	126,3	-9,1
AM	5,6	8,5	51,8	2.953,0	3.262,0	10,5	16,5	27,7	67,9
AP	2,8	2,3	-17,9	940,0	977,0	3,9	2,6	2,2	-15,4
PA	435,3	491,9	13,0	3.414,5	3.502,4	2,6	1.486,3	1.722,8	15,9
TO	430,8	395,2	-8,3	4.758,6	5.340,1	12,2	2.050,0	2.110,4	2,9
NORTHEAST	3.300,7	2.953,8	-10,5	3.542,1	3.140,9	-11,3	11.691,5	9.277,5	-20,6
MA	609,1	551,0	-9,5	5.161,5	5.161,0	0,0	3.143,8	2.751,2	-12,5
PI	639,4	418,1	-34,6	4.523,1	3.744,1	-17,2	2.892,0	1.565,4	-45,9
CE	584,0	602,1	3,1	619,0	1.132,0	82,9	361,5	681,6	88,5
RN	50,5	66,0	30,7	550,0	555,0	0,9	27,8	36,6	31,7
PB	120,4	117,0	-2,8	818,0	659,0	-19,4	98,5	77,1	-21,7
PE	202,2	194,1	-4,0	979,6	1.195,8	22,1	198,1	232,1	17,2
AL	58,1	55,4	-4,6	2.500,0	2.635,0	5,4	145,3	146,0	0,5
SE	183,6	183,6	0,0	4.879,0	5.078,0	4,1	895,8	932,3	4,1
BA	853,4	766,5	-10,2	4.603,6	3.725,0	-19,1	3.928,7	2.855,2	-27,3
CENTER-WEST	11.650,5	10.890,7	-6,5	6.640,9	6.252,9	-5,8	77.369,5	68.097,9	-12,0
MT	7.428,1	7.055,0	-5,0	6.898,2	6.862,0	-0,5	51.240,6	48.411,1	-5,5
MS	2.262,6	2.104,6	-7,0	5.795,2	3.981,1	-31,3	13.112,2	8.378,6	-36,1
GO	1.903,7	1.680,6	-11,7	6.640,3	6.519,5	-1,8	12.641,1	10.956,7	-13,3
DF	56,1	50,5	-10,0	6.695,9	6.959,4	3,9	375,6	351,5	-6,4
SOUTHWEST	2.088,8	1.916,7	-8,2	6.087,7	5.130,9	-15,7	12.716,1	9.834,5	-22,7
MG	1.289,1	1.143,2	-11,3	6.161,0	5.371,4	-12,8	7.942,1	6.140,6	-22,7
ES	15,1	16,8	11,3	3.325,0	3.509,3	5,5	50,2	59,0	17,5
RJ	2,0	1,5	-25,0	4.183,0	4.544,0	8,6	8,4	6,8	-19,0
SP	782,6	755,2	-3,5	6.025,3	4.804,2	-20,3	4.715,4	3.628,1	-23,1
SOUTH	3.999,3	3.923,8	-1,9	6.198,1	5.781,2	-6,7	24.788,2	22.684,4	-8,5
PR	2.855,8	2.808,8	-1,6	6.481,3	5.505,3	-15,1	18.509,2	15.463,3	-16,5
SC	312,0	300,1	-3,8	8.164,0	7.900,0	-3,2	2.547,2	2.370,8	-6,9
RS	831,5	814,9	-2,0	4.488,0	5.952,0	32,6	3.731,8	4.850,3	30,0
NORTH/NORTHEAST	4.530,6	4.233,3	-6,6	3.756,4	3.550,9	-5,5	17.018,8	15.031,8	-11,7
CENTER-SOUTH	17.738,6	16.731,2	-5,7	6.475,9	6.013,7	-7,1	114.873,8	100.616,8	-12,4
BRAZIL	22.269,2	20.964,5	-5,9	5.922,7	5.516,4	-6,9	131.892,6	115.648,6	-12,3

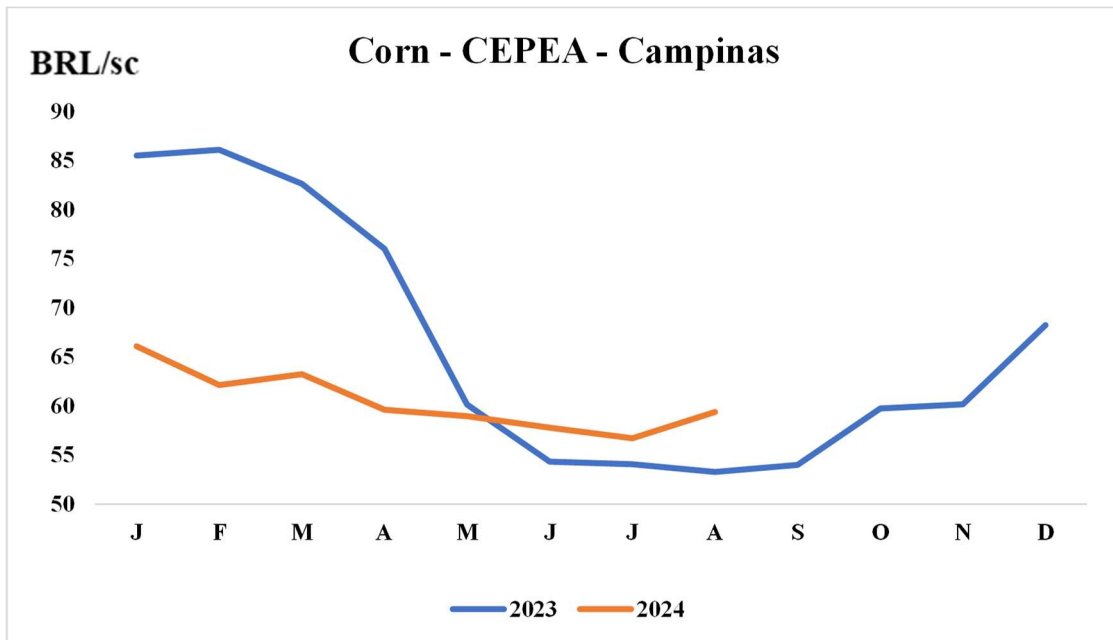
Source: Conab.

Nota: Estimative on August 13, 2024



Today, August 15, 2024 – The ESALQ/BM&FBovespa index for corn in Campinas (SP) closed at BRL 59.01 (USD 10.76) per 60-kg bag, a decrease of 0.32% in the fortnight.

Below is a chart showing Corn domestic price performance in 2024 versus 2023, so far.





SUGAR

International Market

On August 15, 2024 – October NY world sugar #11 today closed down USD¢ 0.09/lb. (-0.50%), and Oct London ICE white sugar #5 closed down USD 2.10/ton (-0.4%).

Sugar prices today slid to 1-week lows and are just above recent significant lows. NY sugar posted a 1-3/4 year nearest-futures low last Monday, and London sugar dropped to a 2-1/3 year low. Over the past month, sugar prices have been under pressure from signs of larger global supplies.

On Tuesday, Unica reported that Brazil's Center-South sugar production in the marketing year through July was up by 8% y/y at 20.753 million tons.

Optimism that above-average monsoon rains in India will lead to a bumper sugar crop is a bearish factor for sugar prices. The Indian Meteorological Department reported Sunday that India received 579.7 mm of rain during the current monsoon season as of August 11, 7% more than the comparable long-term average of 481.9 mm. India's monsoon season runs from June through September.

On August 14, 2024 – Sugar production in Brazil's center-south region fell 3.61 million tons in the second half of July, 2.16% drop on a yearly basis, with the drier weather hurting yields, said a report Tuesday from the industry group Unica.

In the period, the crushing of sugarcane totaled 51.31 million tons, which represents a reduction of 3.35% compared to the previous year. In conjunction with the decrease in sugar, ethanol production advanced 3.47% to 2.55 billion liters.

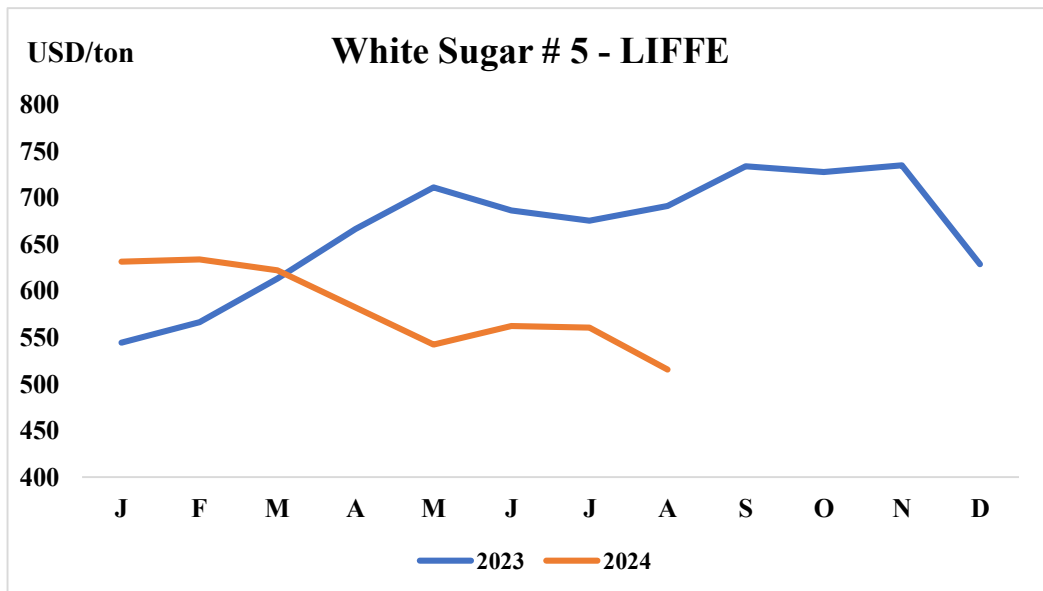
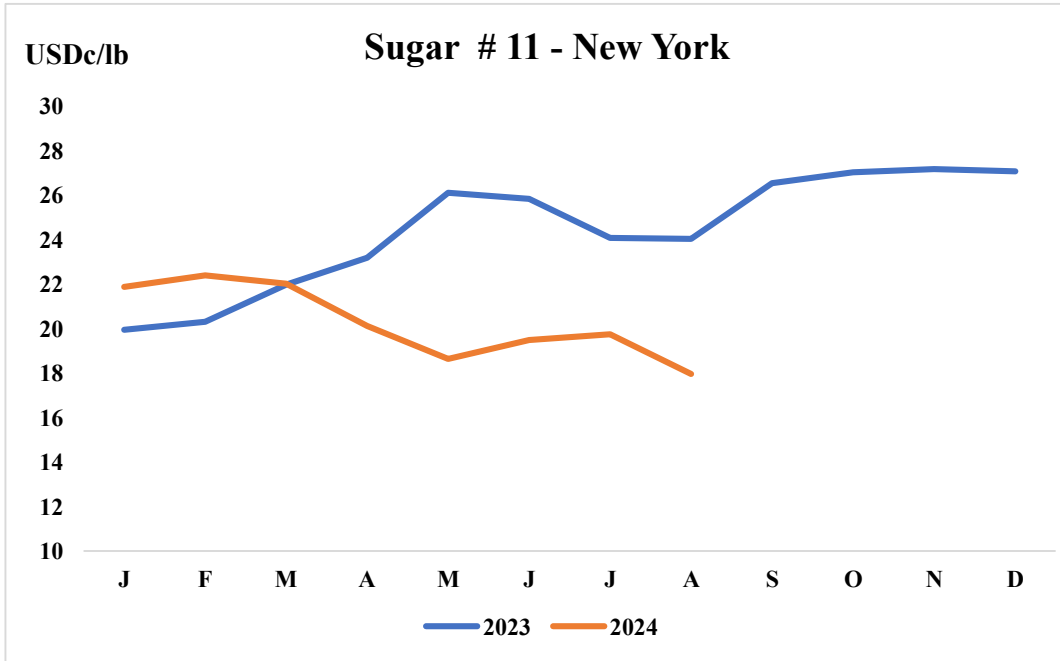
Unica's report further emphasized the 10% decrease in productivity of sugarcane for July, such that the volume per hectare has been reported down to 78.75 tons from 87.5 tons per hectare last year.

The sugar mix, which reflects the allocation of cane towards sugar production, came in at 50.28%, missing a range in analysts' expectations, and also below the mix a year ago.

Sugar industry in Pakistan has been demanding that the government allow at least 850,000 tons more sugar exports, worth around USD 485 million, given the projected 3.2 million tons of surplus stock, reports The News.

This request follows the earlier approval to export 150,000 tons of sugar, valued at USD 90 million, which was granted in light of the bumper sugarcane crop this year.

Below are the graphics with the NY (contract # 11, raw sugar) and London (contract # 5 white sugar) comparing 2024 versus 2023:





15-08-2024

Period: 01/08– 15/08
2024

Domestic Market

Crushing in the Center-South reaches 51.3 million tons in the 2nd half of July.

In the second half of July, the producing units in the Center-South region processed 51.31 million tons compared to 53.09 million in the 2023/2024 harvest – which represents a drop of 3.35%.

In the accumulated from the beginning of the 2024/2025 harvest until August 1, crushing reached 332.88 million tons, compared to 312.12 million tons recorded in the same period in the 2023/2024 cycle – an increase of 6.65%.

Preliminary data from the Sugarcane Technology Center (CTC), for a common sample of 102 producing units, indicate an agricultural yield of 87.5 tons per hectare harvested, on average, in the crops of the Center-South.

This value represents a retraction of 10.5% compared to the index recorded in the same period of the 2023/2024 harvest. In the accumulated from April to July, the index shows a drop of close to 5%.

The director of Sectoral Intelligence at UNICA, Luciano Rodrigues, adds that "this preliminary information from July is already beginning to portray the condition observed in the field for sugarcane that is yet to be harvested. On average in the State of São Paulo, the data obtained indicate a retraction of productivity of more than 15% in July, reaching 20% in regions such as Araçatuba, Assis and São José do Rio Preto".

At the end of the second half of July, 257 units were in operation in the Center-South, 238 of which were with sugarcane processing, nine companies that manufacture ethanol from corn and ten flex mills.

Regarding the quality of the raw material, the level of Total Recoverable Sugars (ATR) recorded in the second half of July reached 146.86 kg of ATR per ton. of sugarcane, against 144.07 kg per ton. in the 2023/2024 harvest – positive change of 1.93%.

In the cumulative of the harvest, the indicator marks 133.1 kg of ATR, a slight increase of 0.14% in relation to the same period of the last cycle.

Sugar production in the second half of July totaled 3.61 million tons, registering a drop of 2.16% compared to the amount recorded in the same period in the 2023/2024 harvest (3.69 million tons). In the cumulative index from the beginning of the harvest to August 1, the production of the sweetener totaled 20.75 million tons, against 19.22 million tons in the previous cycle (+7.98%).

Rodrigues explains that the proportion of sugarcane destined for the manufacture of the sweetener reached 50.28% in the second half of July, below the 50.63% recorded last year. "The proportion of sugarcane directed to the manufacture of sugar continues to be harmed by the quality of the raw material", adds the executive. "Despite the fact that 3kg more ATR per ton was recorded.



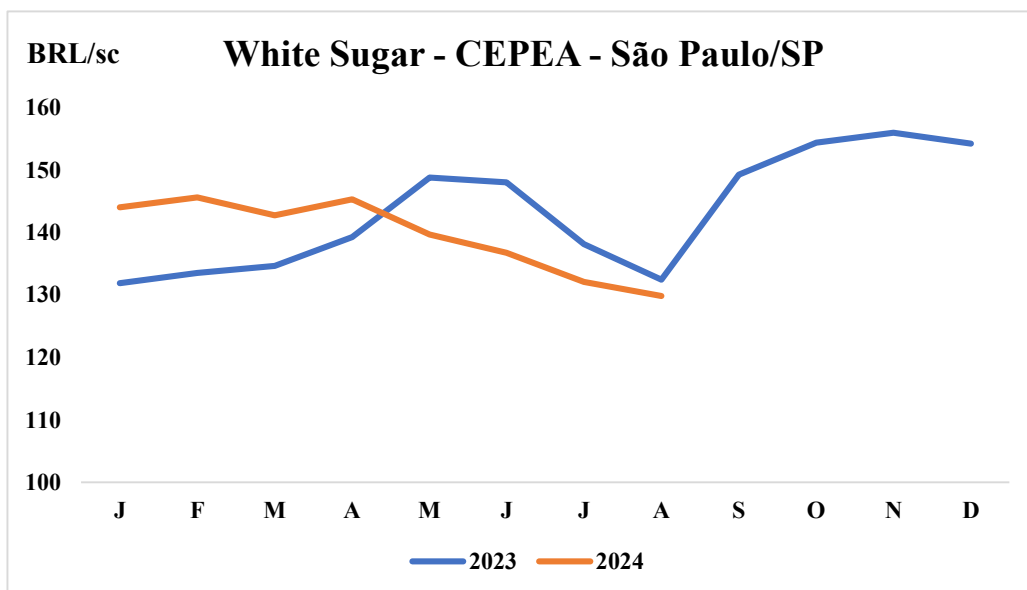
"Although 3kg more ATR per ton of sugarcane processed was recorded in the second half of July, the sucrose content per ton. it is practically the same observed in the same period of the last cycle, since the purity of the juice fell two percentage points compared to the same period in 2023", adds Rodrigues.

In the second half of July, ethanol production by the units in the Center-South reached 2.55 billion liters, of which 1.60 billion liters (+8.25%) of hydrous ethanol and 947.14 million liters (-3.73%) of anhydrous ethanol. In the cumulative since the beginning of the current agricultural cycle until August 1, the manufacture of biofuel totaled 15.69 billion liters (+8.66%), of which 9.95 billion of hydrous ethanol (+19.41%) and 5.74 billion of anhydrous (-6.00%).

Of the total ethanol obtained in the second half of July, 14% was manufactured from corn, registering production of 349.63 million liters this year, against 248.266 million liters in the same period of the 2023/2024 cycle – an increase of 40.83%. In the accumulated since the beginning of the harvest, the production of corn ethanol reached 2.46 billion liters – an increase of 26.28% compared to the same period last year. Source: UNICA, August 14, 2024.

On August 15, 2024 – the CEPEA/ESALQ index for white sugar in the State of São Paulo closed at BRL 129.33 (USD 23.59) per 50-kg bag, down 3.32% in the fortnight, influenced by expectations of an increase in global supply, mainly due to the Indian harvest.

Domestic prices chart – year 2024 versus 2023





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Period: 01/08– 15/08
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COFFEE

International Market

I-CIP continues to increase in July 2024, hitting USD¢ 236.54/lb Green Coffee Price

The ICO Composite Indicator Price (I-CIP) averaged USD¢ 236.54/lb in July, a 4.3% increase from June 2024.

The Colombian Milds and Other Milds increased by 3.0% and 3.5%, reaching USD¢ 257.82 and USD¢ 257.10/lb, respectively, in July 2024. The Robustas presented the strongest growth amongst all coffee groups, at 5.1%, reaching an average of USD¢ 214.72/lb. The Brazilian Naturals also appreciated, increasing by 4.6% to USD¢ 239.70/lb in July 2024.

The Colombian Milds–Other Milds differential contracted from USD¢ 2.00 to USD¢ 0.72/lb.

The arbitrage, as measured between the London and New York futures markets, contracted USD¢ 6.7% to USD¢ 40.69/lb in July 2024.

The intra-day volatility of the I-CIP retracted by 0.9 percentage points, averaging 11.4% in July 2024.

The London certified stocks continued to expand slightly in July 2024, increasing by 1.7% to 0.99 million bags. Certified stocks of Arabica coffee reached 0.87 million 60-kg bags, a 0.9% increase versus June 2024.

Exports by Coffee Groups – Green Beans

Colombian Milds increased by 26.0% to 1.04 million bags in June 2024 from 0.82 million bags in June 2023.

Other Milds increased by 2.4% in June 2024 to 2.34 million bags from 2.29 million bags in the same period last year.

Brazilian Naturals increased in June 2024, rising by 22.3% to 3.1 million bags from 2.53 million bags in June 2023.

Robustas were down 12.7% to 3.3 million bags in June 2024 from 3.78 million bags in June 2023.

Exports by Regions – All Forms of Coffee

Asia & Oceania decreased by 33.0% to 2.43 million bags in June 2024.

Africa increased by 31.6% to 1.75 million bags in June 2024 from 1.33 million bags in June 2023.

South America increased by 34.7% to 4.85 million bags.

Mexico & Central America were down 4.2% to 1.76 million bags, as compared with 1.84 million in June 2023.

Exports of Coffee by Forms

Soluble coffee increased by 6.5% in June 2024 to 0.94 million bags from 0.88 million bags in June 2023, and its share in the total exports of all forms of coffee for the year to date was 8.9% in June 2024, down from 9.3% in the same period a year ago.

Roasted beans were down 24.4% in June 2024 to 59,467 bags, as compared with 78,618 bags in June 2023. Source: ICO, August 12, 2024.



15-08-2024

Period: 01/08– 15/08
2024

August 15, 2024 – September Arabica coffee on today closed up USD¢ 2.90/lb. (+1.22%), and Sep ICE Robusta coffee closed up USD 99/ton (+2.21%). Coffee prices posted moderate gains on today for a second day. Coffee prices were boosted by the rise in the Brazilian real (USDBRL) to a 4-week high against the USD on Wednesday, discouraging export selling from Brazil's coffee producers.

Last Monday, coffee prices fell to 2-month lows on an increase in global coffee exports. The International Coffee Organization (ICO) reported that global June coffee exports rose 3.8% y/y to 10.78 million bags, and Oct-Jun global coffee exports were up 10.1% y/y to 103.47 million bags.

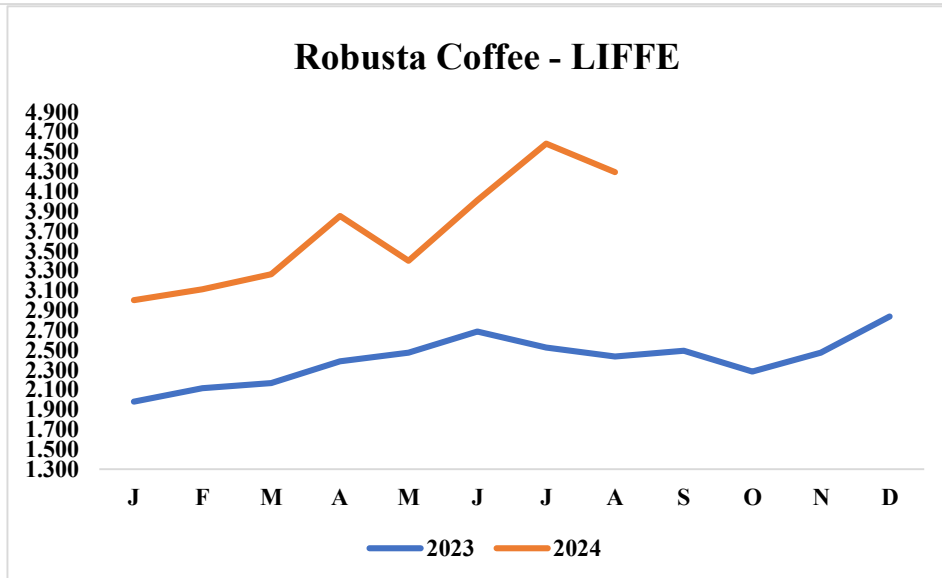
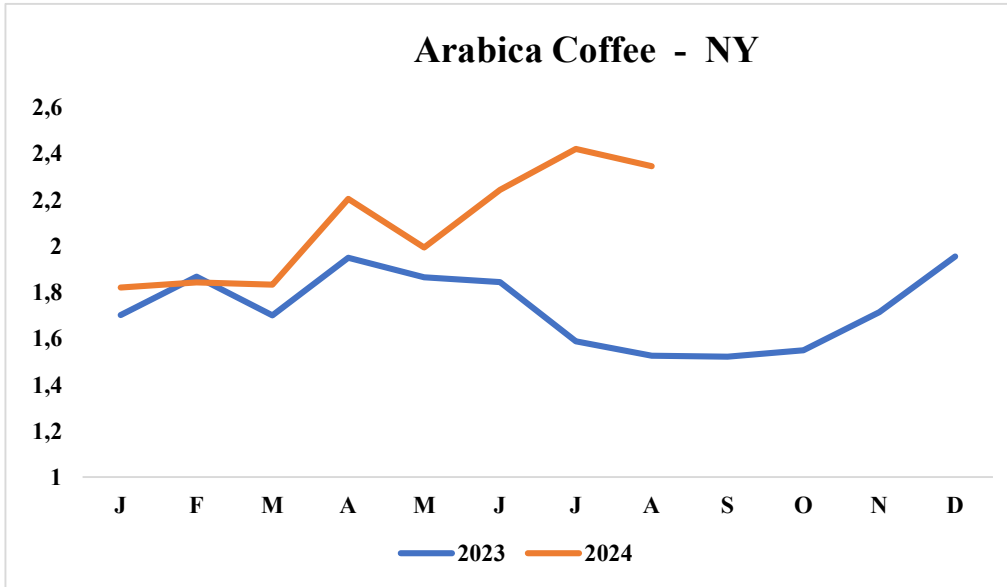
Dry weather concerns in Brazil eased, which is also bearish for coffee prices. Somar Meteorologia reported Monday that Brazil's Minas Gerais region received 8.9 mm of rain last week, or 228% of the historical average for the week of 8.6 mm. Minas Gerais accounts for about 30% of Brazil's Arabica crop.

Larger coffee exports from Brazil are negative for prices after Cecafe reported on Tuesday that Brazil's July green coffee exports surged 26% y/y to 3.4 million bags. Also, the Brazilian Trade Ministry reported last Wednesday that Brazil's July coffee exports rose 44% y/y to 202,000 tons.

Coffee harvest pressures in Brazil are also bearish for prices. Safras & Mercado reported Friday that Brazil's 2024/25 coffee harvest was 92% completed as of August 6, faster than 86% last year at the same time and faster than the 5-year average of 89%. Brazil is the world's largest producer of Arabica coffee beans.

Reduced coffee exports from Vietnam, the world's largest Robusta coffee producer, are bullish for prices. Last Friday, the General Department of Vietnam Customs reported that Vietnam's July coffee exports fell 29.3% y/y to 76,982 tons. Also, Vietnam's Jan-July coffee exports are down 12.4% y/y to 979,353 tons.

Below are the graphs with Arabica Coffee – NY, and London Robusta Coffee – LIFFE, comparing 2024 versus 2023:





Domestic Market

Light frosts reported in some Brazilian coffee areas, prices surge. Brazil records 26% increase in coffee exports in July

Farmers reported light frosts in coffee-producing areas of Brazil over the weekend as an unusually strong cold mass for this time of year advances from the South to central areas in the country.

Coffee prices rose more than 6% on the ICE exchange on Monday following the news, as investors rushed to buy futures to safeguard against potential production problems linked to the frosts.

Brazilian farmers posted videos on social media of light frosts in the Cerrado Mineiro region, the second most important producing region of top Brazilian coffee grower Minas Gerais. There were no reports of frosts yet in the main coffee area of South Minas Gerais.

According to farmers' posts and information from coffee co-ops, municipalities such as Patrocínio and Tapira in the Cerrado Mineiro region showed signs of being hit by frosts.

"Yes, we had some frosts in specific places," said Expocacer, a coffee co-op at the Cerrado Mineiro region. "It is not clear yet the extension of the event, we have started an assessment among associated farmers."

Marco Antonio dos Santos, a meteorologist with Rural Clima forecasters, said frosts were light with no resemblance to the last major frost event in 2021 that destroyed hands of hectares of plantations.

Frosts can reduce agricultural yields in coffee crops if they are intense, as they cause leaves to fall, reducing trees' vitality. Brazil's current crop is nearly all harvested, but any major frost would hit production potential for 2025.

The last major frost to hit coffee areas in mid-August happened in 1978, according to data from forecasters. Source: Reuters, August 12, 2024

Brazilian coffee exports totaled 3.774 million 60-kg bags in July this year, the first month of the 2024/25 crop year, marking a 25.7% increase compared to the 3.002 million bags shipped during the same period in 2023. Foreign exchange revenue reached USD 932.5 million, reflecting a 47.9% growth over the same comparative period. These figures are part of the monthly statistical report from the Brazilian Coffee Exporters Council (Cecafé).

In July, the Robusta and conillon coffee varieties maintained their strong performance from previous months, with an annual growth of 82.2%, totaling 900,818 bags—the second-highest

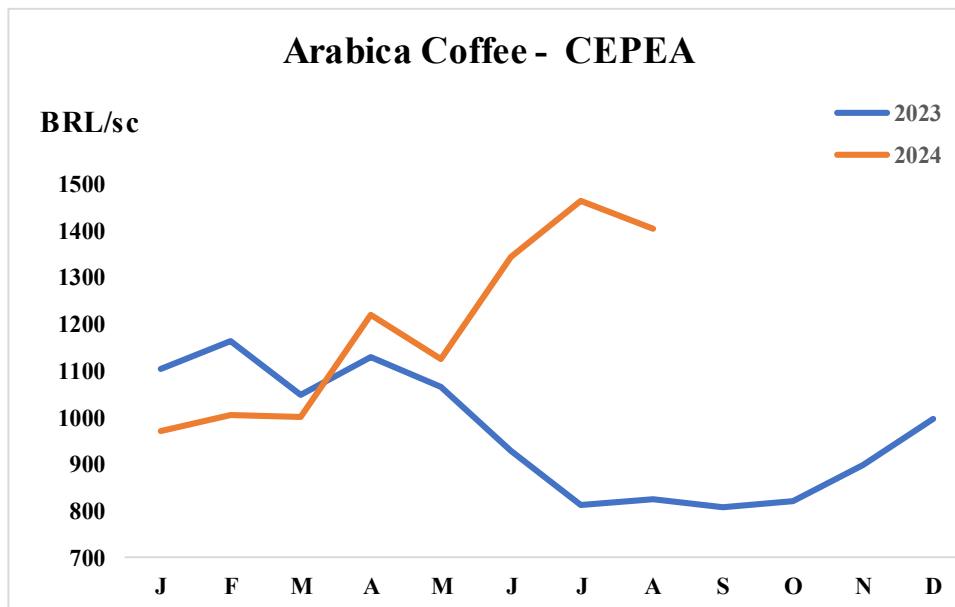


volume ever recorded for a single month, behind only the 902,266 bags shipped in November 2023. Arabica coffee saw a 13% increase, reaching 2.491 million bags; soluble coffee grew by 26%, with 376,524 bags; and roasted and ground coffee shipments rose by 47%, totaling 5,552 bags.

The chart shows Brazil’s coffee export volume between January 2021 and June 2024. The information featured comes from DataLiner, August 14, 2024

On August 15, 2024 – the CEPEA/ESALQ index for Arabica Coffee in the State of São Paulo closed at BRL 1,408,08 (USD 256.85) per 60-kg bag, with an increase of 0.55% in the fortnight. The same index for Robusta Coffee in the state of Espírito Santo closed at BRL 1,295.74 (USD 236.36) per 60-kg bag, an increase of 1.95% in the fortnight.

Below the charts with average monthly prices comparing 2024 vs. 2023





Brazil Agri Market Report

15-08-2024

Period: 01/08– 15/08
2024

Robusta Coffee - CEPEA

