



# Brazil Agri Market Report

15-07-2024

Period: 01/07– 15/07  
2024

## FOREWORD

The information contained in this Report refers to the **first fortnight of JULY 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,

## Contents:

SOYBEANS.....	2
CORN.....	9
SUGAR.....	15
COFFEE.....	19



15-07-2024

Period: 01/07– 15/07  
2024

## SOYBEANS

### International Market

**Globally, USDA's soybeans made minor revisions to ending stocks estimates for both new-and old-crop marketing years. For 2024/25, stocks declined by 0.14 million tons to 127.76 million tons.**

U.S. oilseed production for 2024/25 is projected at 131.5 million tons, up 0.3 million from last month, with increases for rapeseed, peanuts, and cottonseed partly offset by reductions for soybeans and sunflowerseed.

Soybean production is projected at 4.4 billion bushels, down 15 million on lower harvested area. Harvested area, forecast at 85.3 million acres in the June Acreage report, is down 0.3 million from last month.

The soybean yield forecast is unchanged at 52.0 bushels per acre. With slightly lower beginning stocks, reduced production, and unchanged use, ending stocks for 2024/25 are projected at 435 million bushels, down 20 million from last month.

The U.S. season-average soybean price for 2024/25 is forecast at USD 11.10 per bushel, down USD 0.10 from last month. Soybean meal and oil prices are unchanged, at USD 330 per short ton and USD¢ 42 per pound, respectively.

Global soybean beginning stocks for 2024/25 are increased slightly, with higher stocks for China mainly offset by lower stocks for Argentina, Brazil, and Paraguay due to revisions for 2023/24. Argentina's soybean production for 2023/24 is revised down 0.5 million tons to 49.5 million guided by data from Argentina's Ministry of Agriculture, Livestock and Fisheries.

In the 2023/24 year, which includes the recently concluded South American harvest, USDA raised the ending stocks estimate 0.18 million tons to 11.25 million tons. USDA lowered Argentina's production to 49.5 million tons but left Brazil unchanged at 153 million tons.

China's soybean imports for 2023/24 are revised up 3.0 million tons to 108.0 million on larger-than-anticipated arrivals expected in the fourth quarter of the marketing year. Exports for Argentina, Brazil, Paraguay, Benin, and Canada are also raised for 2023/24.

With slightly higher beginning stocks, lower global production, and relatively small changes to use in 2024/25, global soybean stocks are reduced 0.1 million tons to 127.8 million on lower stocks for Argentina, Brazil, Paraguay, Russia, the EU, and the United States, mostly offset by higher stocks for China. Source: Based on WASDE, July 12, 2024



15-07-2024

Period: 01/07– 15/07  
2024

World Soybean Supply and Demand (Million of Metric Tons) Projected							
2024/25	Month	Beginning Stocks	Production	Imports	Domestic Total	Exports	Ending Stokes
World	June	111.07	422.26	176.40	401.63	180.20	127.90
	July	111.25	421.85	176.40	401.54	180.20	127.76
Worldless China	June	74.69	401.56	67.40	274.83	180.10	88.72
	July	71.87	401.15	67.40	274.74	180.10	85.58
USA	June	9.53	121.11	0.41	68.99	49.67	12.38
	July	9.40	120.70	0.41	68.99	49.67	11.85
Brazil	June	30.57	169.00	0.15	58.10	105.00	36.62
	July	29.72	169.00	0.15	58.10	105.00	35.77
Argentina	June	26.15	51.00	5.50	47.60	5.50	29.55
	July	24.85	51.00	5.50	47.60	5.50	28.25
China	June	36.38	20.70	109.00	126.80	0.10	39.18
	July	39.38	20.70	109.00	126.80	0.10	42.18
European Union	June	1.46	3.05	14.30	17.02	0.30	1.49
	July	1.36	3.05	14.30	17.02	0.30	1.39

Source: USDA WASDE July 12, 2024

Imports and exports may differ due to differences in marketing years

**July 15, 2024** – Soybeans stumbled out of the bed on Monday with contracts collapsing into the close. Futures ended the session to open the week with losses of USD¢ 18 to 27/bu. Soymeal futures were down USD 5 to USD 7/ton on the day. Soy Oil contracts were 23 to 111 points lower at the closing bell. Crop Progress data showed 51% of US soybean now blooming as of July 14, 7% faster than normal. Soybeans were 18% setting pods on that date, ahead of the average pace by 6%. Soybean conditions were unchanged at 68% good/excellent, with a 1% shift from excellent to good, taking the Brugler500 index down 1 to 370. Estimates had called for a 1% increase to 69% good/excellent.

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

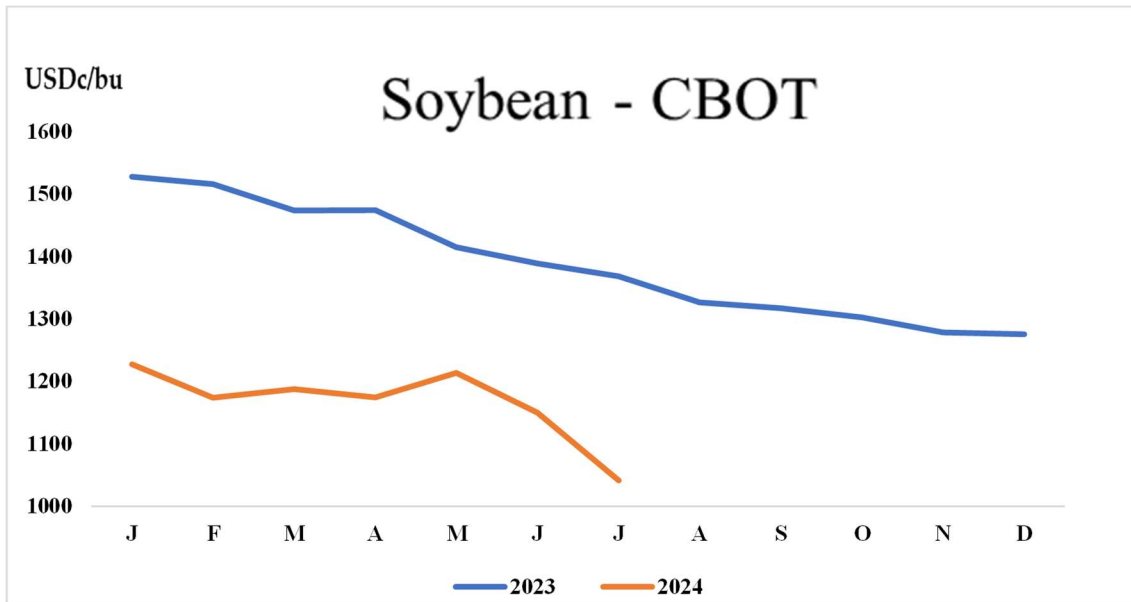




# Brazil Agri Market Report

15-07-2024

Period: 01/07– 15/07  
2024



Disclaimer: Every effort has been made to ensure that the information in this publication is accurate at the time of publication. However, no rights can be obtained from the content of this publication. Control Union reserves the right to make changes without prior notice.

15-07-2024

Period: 01/07– 15/07  
2024



## *Domestic Market*

**Brazil Farmers May Forgo Renting Marginal Land to Grow Soy. The 10<sup>th</sup> Conab survey on 07/11/2024, indicates a total production of 147.34 million tons, 4.7% lower than that obtained in the 2022/23 harvest, the largest ever harvested in Brazil.**

For the 2024/25 growing season, farmers in Brazil may encounter a situation they have not had to confront for over 17 years - low prices and high cost of production making renting marginal land to grow soybeans unprofitable.

The last time the soybean acreage declined in Brazil year-to-year was during the 2006/07 growing season. The reason for the decline was low yields in 2005/06 due to the ravages of Asian soybean rust. In 2005/06, farmers reduced their acreage due to low prices and the high cost of fungicides needed to control soybean rust and the uncertainty if the control measures would work. Since then, there have been 17 straight years of increasing soybean acreage in Brazil.

According to Conab, the soybean acreage in Brazil increased from 21.38 million hectares in 2003/04 (52.8 million acres) to 45.98 million in 2023/24 (113.5 million acres) or an increase of 115%.

This current dilemma could impact how much land farmers are willing to rent to grow soybeans especially in marginal areas of northeastern Brazil or for degraded pastures being converted to row crop production. In both situations, soybean yields are generally low for the first few years after conversion due to lower soil fertility. It takes a few years before the soil fertility can be improved enough to support higher soybean yields.

In new areas of the agricultural frontier in northeastern Brazil, rents are in the range of 14-17 sacks of soybeans per hectare or 12.5 to 15.1 bu/ac. In more established areas where the rainfall is higher and yields are better, the rent can be in the range of 15-25 sacks per hectare or 13.4 to 22.0 bu/ac.

Using a spot price of BRL 120 per sack (approximately USD 9.00 per bushel) and an exchange rate of BRL 5.4 per USD, 14 to 17 sacks per hectare rent would equate to approximately USD 125 to USD 150 per acre. A rent of 25 sacks per hectare would equate to approximately USD 225 per acre.

Given the current situation, there are reports in Brazil that farmers are opting not to renew their rental agreements to grow soybeans in marginal areas with lower productivity. With lower yield potential and higher costs to produce soybeans in marginal areas, it could be very difficult to turn a profit if you also must pay rent.

The Brazil soybean acreage is still expected to increase in 2024/25, but at a slower pace compared to the last several years. Source: Soybean & Corn Advisor, July 10, 2024.



# Brazil Agri Market Report

15-07-2024

Period: 01/07– 15/07  
2024

The harvest of the summer soybean crop has been completed in the country. Crops still occur 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 this survey, indicate a total production of 147,336.6 thousand tons, 4.7% lower than that obtained in the 2022/23 harvest, the largest ever harvested in Brazil.

Despite the climatic adversities that occurred in most regions, the results can still be considered satisfactory in the face of the climatic extremes that affected several producing states at different stages of crop development, showing the technical capacity of national producers to be prepared for different cultivation situations.

In this survey, the area sown with the oilseed was estimated at 46,020.2 thousand hectares, and an average productivity, which is now estimated at 3,202 kg/ha, influenced by the impacts of the voluminous rainfall that occurred in Rio Grande do Sul. Source: CONAB July 11, 2024.

**On July 11, 2024, CONAB released its 10<sup>th</sup> 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.**



### 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 (a)	Crop 23/24 (b)	VAR. % (b/a)	Crop 22/23 (c)	Crop 23/24 (d)	VAR. % (d/c)	Crop 22/23 (e)	Crop 22/23 (f)	VAR. % (f/e)
NORTH	3.010,5	3.412,6	13,4	3.372,6	3.362,9	-0,3	10.153,4	11.476,3	13,0
RR	123,0	142,1	15,5	2.800,0	3.000,0	7,1	344,4	426,3	23,8
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	7,4	0,0	2.658,0	2.593,0	-2,4	19,7	19,2	-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	1.455,4	9,7	3.625,0	3.141,0	-13,4	4.809,3	4.571,4	-4,9
NORTHEAST	4.019,2	4.405,5	9,6	3.785,1	3.578,3	-5,5	15.213,2	15.764,2	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	3,4	-26,1	3.894,0	3.463,0	-11,1	17,9	11,8	-34,1
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	21.272,2	3,8	3.791,7	3.181,6	-16,1	77.708,2	67.678,6	-12,9
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	4.802,1	5,6	3.900,0	3.480,0	-10,8	17.734,9	16.711,3	-5,8
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	7.818,1	11,2	3.608,5	3.484,3	-3,4	25.366,6	27.240,5	7,4
CENTER-SOUTH	37.050,4	38.202,1	3,1	3.488,3	3.143,7	-9,9	129.242,9	120.096,1	-7,1
BRAZIL	44.080,1	46.020,2	4,4	3.507,5	3.201,6	-8,7	154.609,5	147.336,6	-4,7

Source: Conab.

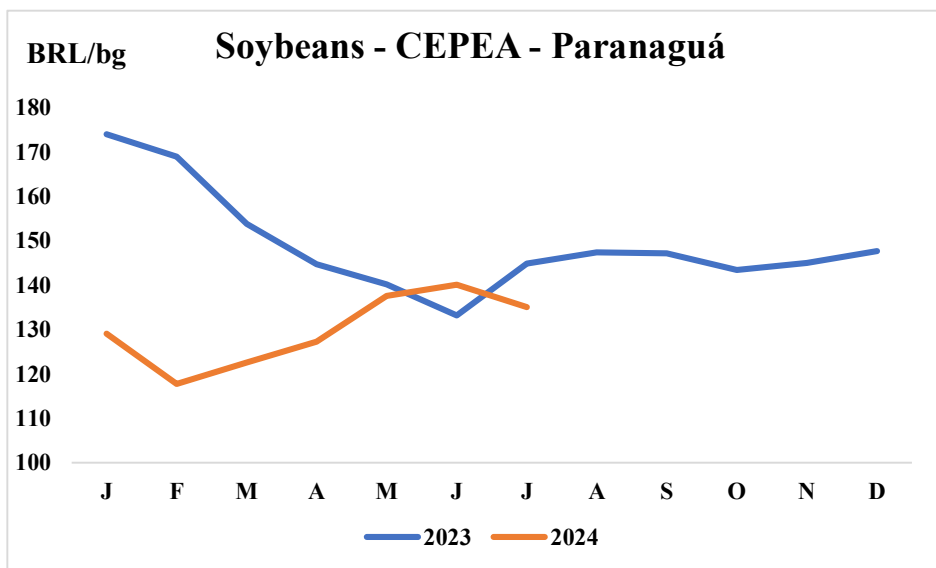
Nota: Estimative July 11, 2024



**Today, July 15, 2024** – ESALQ/BM&FBovespa for soybeans at the port of Paranaguá closed at BRL 132.86 (USD 24.39) per 60-kg bag, down 5.06 % in the fortnight.

Due to the composition of supply and demand for soybeans, I do not believe that the price in Chicago will resist an upward movement or even stability. A consistent improvement in the quality of American crops could take quotations below USD 10/bu in the short term," projects Ronaldo Fernandes, an analyst at Royal Rural

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







15-07-2024

Period: 01/07– 15/07  
2024

## CORN

### International Market

**Globally, USDA's corn pegs 2024/25 production at 1,224.79 million tons, up 4.25 million tons from June and ending stocks at 311.64 million tons, up 0.87 million tons. USDA pegs 2024/25 Brazilian corn production at 127 million tons and Argentina at 51 million tons.**

This month's 2024/25 U.S. corn outlook is for larger supplies, greater domestic use and exports, and slightly lower ending stocks. Corn beginning stocks are lowered 145 million bushels, mostly reflecting a greater use forecast for 2023/24. Exports are raised 75 million bushels based on current outstanding sales and shipments to date.

Feed and residual use is up 75 million bushels based on indicated disappearance in the June Grain Stocks report. Corn production for 2024/25 is forecast up 240 million bushels on greater planted and harvested area from the June Acreage report.

The yield is unchanged at 181.0 bushels per acre. Total use is raised 100 million bushels with increases to both feed and residual use and exports based on larger supplies and lower expected prices. With use rising slightly more than supply, ending stocks are down 5 million bushels. The season-average farm price received by producers is lowered 10 cents to USD 4.30 per bushel.

Global coarse grain production for 2024/25 is forecast 1.2 million tons higher to 1.512 billion. This month's 2024/25 foreign coarse grain outlook is for lower production and use, and larger stocks relative to last month.

Foreign corn production is reduced based on declines for the EU, Canada, and Russia. Canada is down based on lower area. For the EU and Russia, extreme early-season heat in southeastern Europe and the Southern and North Caucasus districts of Russia reduce yield prospects. For 2023/24, corn production is lowered for Argentina, Pakistan, Mexico, and the Philippines. Foreign barley production for 2024/25 is down with cuts for Canada, the EU, and Russia.

Major global trade changes for 2024/25 include larger corn exports for the United States with reductions for Russia and the EU. Corn imports are raised for Canada and Mexico but lowered for Iran and Bangladesh. For 2023/24 corn exports are raised for Ukraine and the United States but lowered for Argentina, Pakistan, and India. Foreign corn ending stocks for 2024/25 are higher, with increases for Pakistan, Mexico, and Turkey partly offset by a decline for Ukraine. Global corn stocks, at 311.6 million tons, are up 0.9 million. Source: WASDE, July 12, 2024.



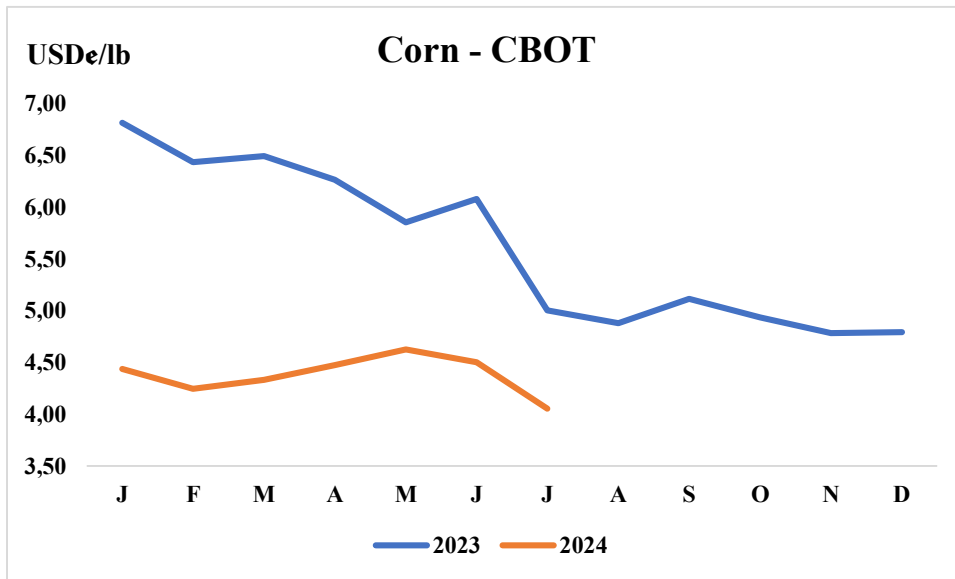
World Corn Supply and Demand (Million of Metric Tons) Projected							
2024/25	Month	Beginning Stocks	Production	Imports	Domestic Totals	Exports	Ending Stocks
World	June	312.39	1,220.54	186.16	1,222.16	191.70	310.77
	July	309.13	1,224.79	186.51	1,222.28	191.81	311.64
World less China	June	101.53	928.54	163.16	909.16	191.73	97.93
	July	98.27	932.79	163.51	909.28	191.79	98.80
USA	June	51.36	377.46	0.64	320.18	55.88	53.39
	July	47.67	388.56	0.64	322.09	56.52	53.22
Brazil	June	3.84	127.00	1.50	80.50	49.00	2.84
	July	3.84	127.00	1.50	80.50	49.00	2.84
Argentina	June	1.54	51.00	0.01	14.80	36.00	1.74
	July	1.54	51.00	0.01	14.80	36.00	1.74
China	June	210.86	292.00	23.00	313.00	0.02	212.84
	July	210.86	292.00	23.00	313.00	0.02	212.84
European Union	June	7.59	64.80	18.00	78.70	4.20	7.49
	July	7.59	64.00	18.00	78.10	4.00	7.49

Source: USDA WASDE July 12, 2024.

Imports and exports may differ due to differences in marketing years

**July 15, 2024** – Corn futures ended today session with contracts falling most nearby months were down USD¢ 7 to USD¢ 11 ½/bu. Some deferreds were USD¢ 1 to USD¢ 4 ½/bu in the red. Rains expected in a good portion of the Corn Belt this week added to pressure on the session.

**Below the chart comparing corn prices evolution 2024 vs. 2023:**



*Domestic Market*

**Safrinha Corn Harvest Sluggish in Southern Brazil – Conab forecasts a total production of 115.9 million tons of corn, an expected decrease of 12.2%, compared to the previous harvest.**

From June 30 to July 7, the state of Sao Paulo in southern Brazil hovered at 25% of its safrinha (second season) corn crop harvested. Showers have been persistent across southern Brazil during the past few weeks as fronts have stalled out across the region. For areas in central Brazil, harvest remains on pace as conditions are much drier. Next week may feature a pattern change that could allow drier conditions and harvesters to return to the corn fields in southern Brazil.

Last week, parts of Rio Grande Do Sul and Sao Paulo received up to 10-25 millimeters (0.4-1.0 inch) of rainfall. Since this past Monday, even more rainfall plagued these states as a stalled front





15-07-2024

Period: 01/07– 15/07  
2024

lingered across southern Brazil. High pressure to the north and south of this front allowed it to stall out. At times, the front would make slight shifts to the north or south, but the bulk of the rain fell from Sao Paulo to Rio Grande Do Sul.

In a recent crop report released by Conab, Brazil's food supply and statistics agency, states in central Brazil like Mato Grosso Do Sul, Mato Grosso, and Minas Gerais have made steady progress with their safrinha corn harvest since June 30. Mato Grosso reported that 68.7% of its safrinha corn crop was harvested by June 30 with an increase to 82.5% by July 7. Mato Grosso Do Sul showed an 18% increase in its safrinha corn crop harvested from June 30 to July 7. Dry conditions and mild weather helped them make steady progress and next week's forecast looks favorable for the progress to continue.

After periodic showers this weekend, next week's forecast shows a more favorable outlook for producers to get back out in the fields in southern Brazil as well. Both the European and American GFS models show rain showers lingering into Monday, but any showers on Monday will be light. By Tuesday, high pressure from the southern Atlantic Ocean will extend into the region with mostly dry conditions possible through at least next Friday. Source: Progressive Farmer, July 12, 2024.

For the 2023/24 harvest, Conab forecasts a total production of 115.9 million tons of corn, an expected decrease of 12.2%, 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 6.3% in the planted area and 6.2% in the sector's productivity. Source: Conab, July 11, 2024

**On June 11, 2024, CONAB released its 10<sup>th</sup> 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 22/24	VAR. %	Crop 22/23	Crop 23/24	VAR. %
<b>NORTH</b>	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
<b>NORTHEAST</b>	3.300,7	2.995,9	-9,2	3.542,1	3.245,6	-8,4	11.691,5	9.723,5	-16,8
MA	609,1	551,0	-9,5	5.161,5	5.161,0	0,0	3.143,8	2.710,3	-13,8
PI	639,4	454,5	-28,9	4.523,1	4.505,4	-0,4	2.892,0	2.047,7	-29,2
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	116,1	-3,6	818,0	659,0	-19,4	98,5	76,5	-22,3
PE	202,2	194,1	-4,0	979,6	1.136,5	16,0	198,1	220,6	11,4
AL	58,1	62,5	7,6	2.500,0	2.635,0	5,4	145,3	164,7	13,4
SE	183,6	183,6	0,0	4.879,0	5.078,0	4,1	895,8	932,3	4,1
BA	853,4	766,0	-10,2	4.603,6	3.724,8	-19,1	3.928,7	2.853,2	-27,4
<b>CENTER-WEST</b>	11.650,5	10.841,3	-6,9	6.640,9	6.205,9	-6,6	77.369,5	67.280,1	-13,0
MT	7.428,1	7.055,0	-5,0	6.898,2	6.691,7	-3,0	51.240,6	47.209,9	-7,9
MS	2.262,6	2.093,4	-7,5	5.795,2	4.299,2	-25,8	13.112,2	8.999,9	-31,4
GO	1.903,7	1.642,4	-13,7	6.640,3	6.526,3	-1,7	12.641,1	10.718,8	-15,2
DF	56,1	50,5	-10,0	6.695,9	6.959,4	3,9	375,6	351,5	-6,4
<b>SOUTHWEST</b>	2.088,8	1.913,7	-8,4	6.087,7	5.319,7	-12,6	12.716,1	10.180,4	-19,9
MG	1.289,1	1.143,2	-11,3	6.161,0	5.631,7	-8,6	7.942,1	6.438,2	-18,9
ES	15,1	13,8	-8,6	3.325,0	3.287,0	-1,1	50,2	45,4	-9,6
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	4.886,2	-18,9	4.715,4	3.690,0	-21,7
<b>SOUTH</b>	3.999,3	3.832,4	-4,2	6.198,1	5.980,7	-3,5	24.788,2	22.920,6	-7,5
PR	2.855,8	2.717,4	-4,8	6.481,3	5.777,4	-10,9	18.509,2	15.699,5	-15,2
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
<b>NORTH/NORTHEAST</b>	4.530,6	4.275,4	-5,6	3.756,4	3.620,2	-3,6	17.018,8	15.477,8	-9,1
<b>CENTER-SOUTH</b>	17.738,6	16.587,4	-6,5	6.475,9	6.051,6	-6,6	114.873,8	100.381,1	-12,6
<b>BRAZIL</b>	22.269,2	20.862,8	-6,3	5.922,7	5.553,4	-6,2	131.892,6	115.858,9	-12,2

Source: Conab.

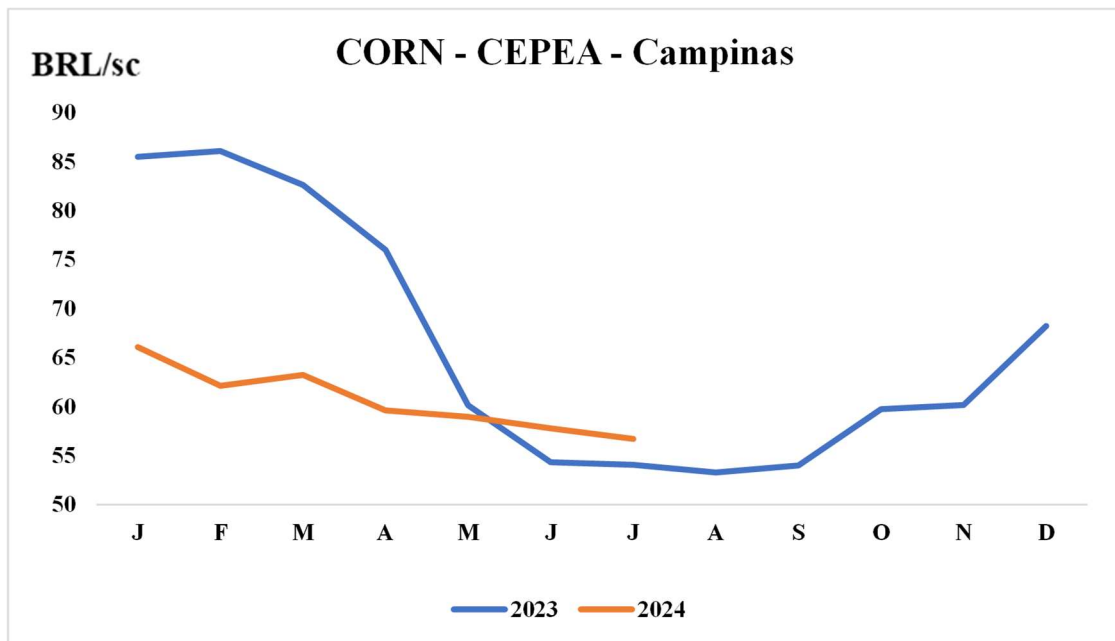
Nota: Estimative on July 11, 2024

**Today, July 15, 2024** – The ESALQ/BM&FBovespa index for corn in Campinas (SP) closed at BRL 56.35 (USD 10.35) per 60-kg bag, a decrease of 1.52% in the fortnight.





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







## SUGAR

### International Market

#### **Sugar Settles Sharply Higher on Below-Normal Monsoon Rains in India.**

October NY world sugar #11 today closed up USD¢ 0.56 (+2.92%), and Aug London ICE white sugar #5 closed up USD 24.00/ton (+4.38%).

Sugar prices recovered from early losses today and moved sharply higher. Sugar prices rallied today on below-normal monsoon rain in India, the world's second-largest sugar producer. The Indian Meteorological Department reported today that India received 287.7 mm of rain during the current monsoon season as of July 15, down 2% from the comparable long-term average of 294.2 mm.

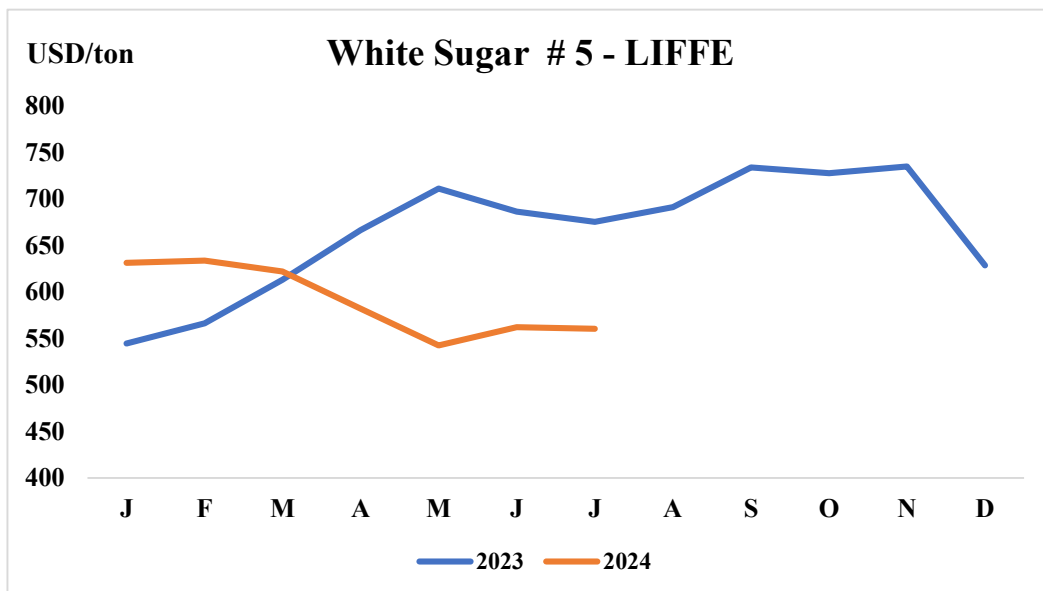
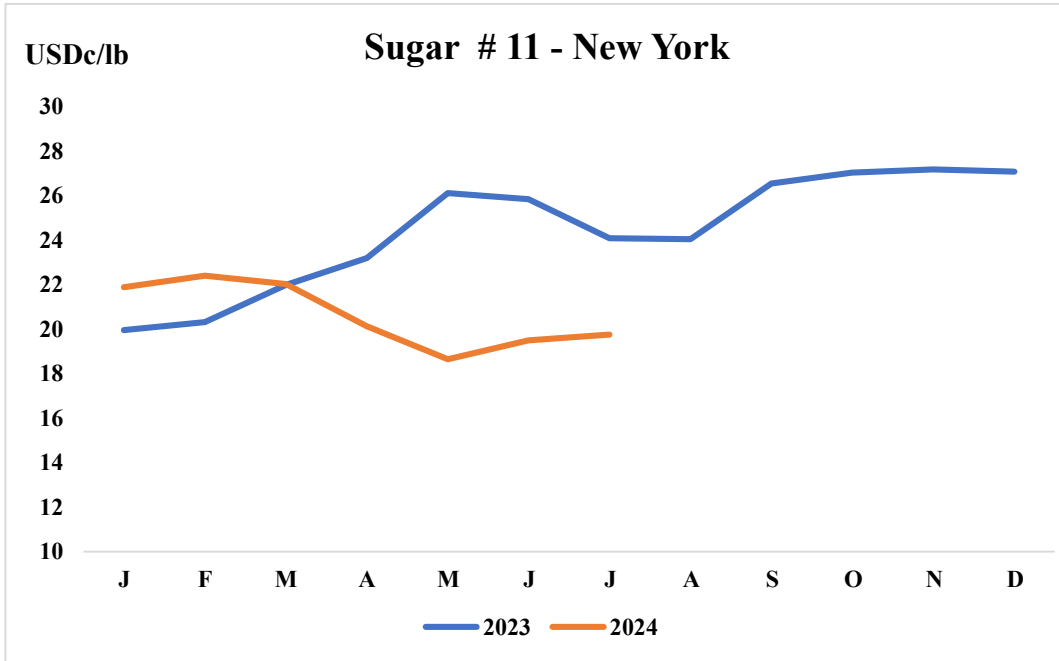
Sugar prices today initially moved lower, with NY sugar posting a 3-week low. Robust sugar output in Brazil, the world's largest sugar producer, is bearish for prices after Unica reported last Thursday that Brazil's sugar production for the 2024/25 crop year through June was up 15.7% y/y at 14.2 million tons. Also, the percentage of Brazil's 2024/25 sugar cane crop crushed for sugar rose to 48.72% from 47.69% last year.

Sugar prices are also under pressure after the Indian Sugar and Bio-energy Manufacturers Association (ISM) on July 3 reported India's 2023/24 sugar reserves at 9.1 million tons and reported a surplus of 3.6 million tons.

The group also urged the government to allow increased exports of surplus sugar. India has restricted sugar exports since October 2023 to maintain adequate domestic supplies. India allowed mills to export only 6.1 million tons of sugar during the 2022/23 season to September 30 after allowing exports of a record 11.1 million tons in the previous season.

Separately, the Indian Sugar and Bioenergy Manufacturers Association reported on May 13 that India's 2023/24 sugar production from Oct-Apr fell 1.6% y/y to 31.4 million tons. Source: Barchart, July 15, 2024.

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





### *Domestic Market*

#### **Sugar production continues to grow in the Center-South**

Sugar production from mills in the Center-South totaled 3.25 million tons in the second half of June, registering an increase of 20.11% compared to the amount recorded in the same period in the 2023/2024 harvest (2.70 million tons), according to data released this week by the Sugarcane and Bioenergy Industry Union (Unica). In the cumulative since the beginning of the harvest, from April 1st to July 1st, the manufacture of the sweetener totaled 14.20 million tons, against 12.27 million tons in the previous cycle (+15.70%). In fact, 49.89% of the available sugarcane was directed to sugar production in the last fortnight, compared to 49.36% observed in the same period of the 2023/2024 harvest.

"So far, the growth in sugar production has reached 1.93 million tons, of which 1.63 million are due to the advance in sugarcane crushing and only 300 thousand tons associated with the change in the production mix of the production units," said Unica's Director of Sector Intelligence, Luciano Rodrigues.

In the second half of June, the producing units in the Center-South region processed 48.80 million tons of sugarcane, compared to 43.19 million in the 2023/2024 harvest, an increase of 12.99%. In the accumulated since the beginning of the 2024/2025 harvest until July 1, crushing reached 238.40 million tons, compared to 210.48 million tons recorded in the same period in the 2023/2024 cycle, an increase of 13.27%. "The advance in crushing recorded so far is related to the anticipation of the start of operations in the first months of the harvest and, especially, to the weather condition that has favored the harvest in the current cycle," said Rodrigues. Crushing plus accelerated crushing may result in an earlier harvest, with the risk of intensifying the impact of dry weather on crop yield in some areas, concludes the executive.

The average daily revenue obtained from Brazilian exports of sugar and other molasses reached USD 95.913 million in the first five working days of July, according to data from the Secretariat of Foreign Trade (Secex). The average daily volume of exports reached 207.256 thousand tons in the month. 1,036,283 tons of sugar were exported in July, with revenues of USD 479 million, at an average price of USD 462.80 per ton.

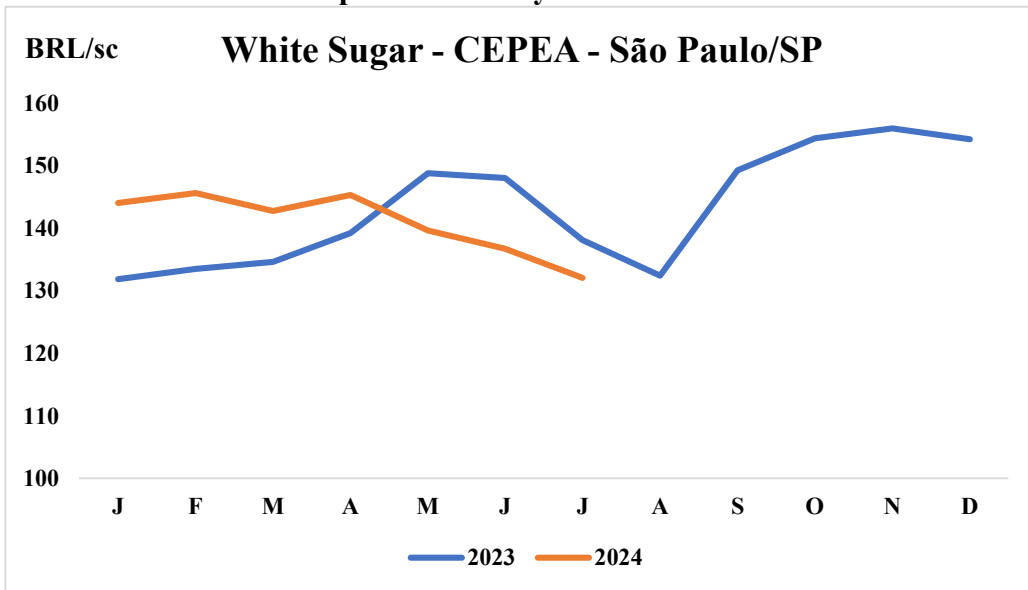
Compared to the daily average of USD 70.978 million in July 2023, there is an increase of 35.1% in the value obtained daily by sugar exports in July 2024. In volume, there is a gain of 47.8% compared to the 140.198 thousand tons shipped daily in July 2023. The average price fell 8.6%, compared to USD 506.30 per ton. verified in July 2023. Source: Safras & Mercado, June 15, 2024

**On July 15, 2024** – the CEPEA/ESALQ index for white sugar in the State of São Paulo closed at BRL 134.45 (USD 24.32) per 50-kg bag, down 0.31% in the fortnight.





Domestic prices chart – year 2024 versus 2023



15-07-2024

Period: 01/07– 15/07  
2024



## COFFEE

### International Market

#### **I-CIP reaches 13-year high**

The ICO Composite Indicator Price (I-CIP) averaged USD¢ 226.83/lb in June, an 8.9% increase from May 2024. The I-CIP posted a median value of USD¢ 225.70/lb, and fluctuated between USD¢ 221.71 and USD¢ 235.69/lb.

The Colombian Milds and Other Milds increased by 7.2% and 7.0%, reaching USD¢ 250.39 and USD¢ 248.39/lb, respectively, in June 2024.

The Brazilian Naturals also grew by 9.3% to USD¢ 229.25/lb in June 2024.

The Colombian Milds–Other Milds differential expanded from USD¢ 1.39 to USD¢ 2.00/lb.

The arbitrage, as measured between the London and New York futures markets, contracted 0.3% to USD¢ 43.60/lb in June 2024.

The intra-day volatility of the I-CIP remained stable at 12.3% between May and June 2024.

The London certified stocks continued to expand in June 2024, increasing by 24.3% to 0.97 million bags. Certified stocks of Arabica coffee reached 0.86 million 60-kg bags, a 2.8% increase versus May 2024.

Exports of the Colombian Milds increased by 10.0% to 1.01 million bags in May 2024 from 0.91 million bags in May 2023.

Shipments of the Other Milds increased by 1.2% in May 2024 to 2.57 million bags from 2.54 million bags in the same period last year.

Green bean exports of the Brazilian Naturals increased in May 2024, rising by 56.1% to 3.8 million bags from 2.43 million bags in May 2023.

Green bean exports of the Robustas were down 13.4% to 3.39 million bags in May 2024 from 3.73 million bags in May 2023.

Exports of all forms of coffee from Asia & Oceania decreased by 39.3% to 2.42 million bags in May 2024.

Exports of all forms of coffee from Africa increased by 44.8% to 1.74 million bags in May 2024 from 1.21 million bags in May 2023.

In May 2024, South America's exports of all forms of coffee increased by 59.6% to 5.54 million bags.

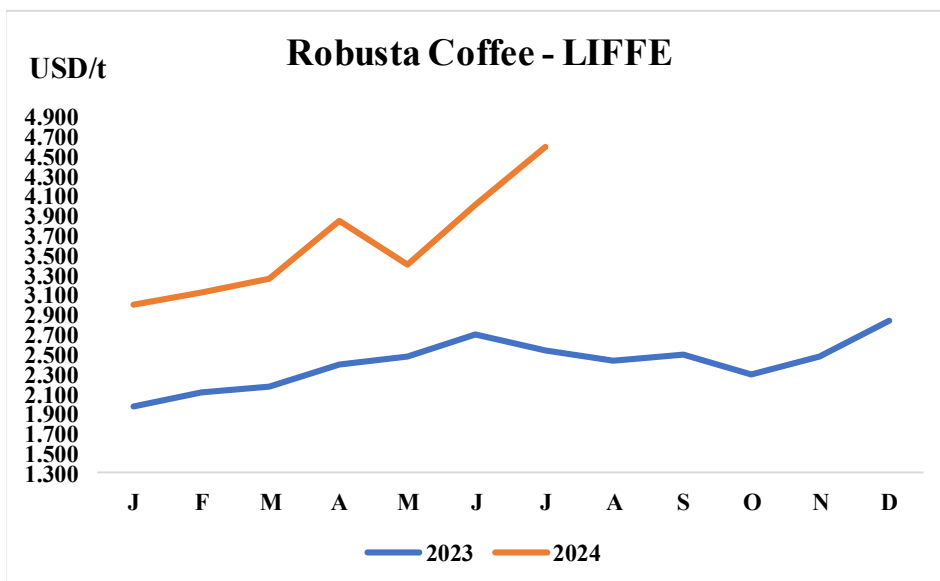
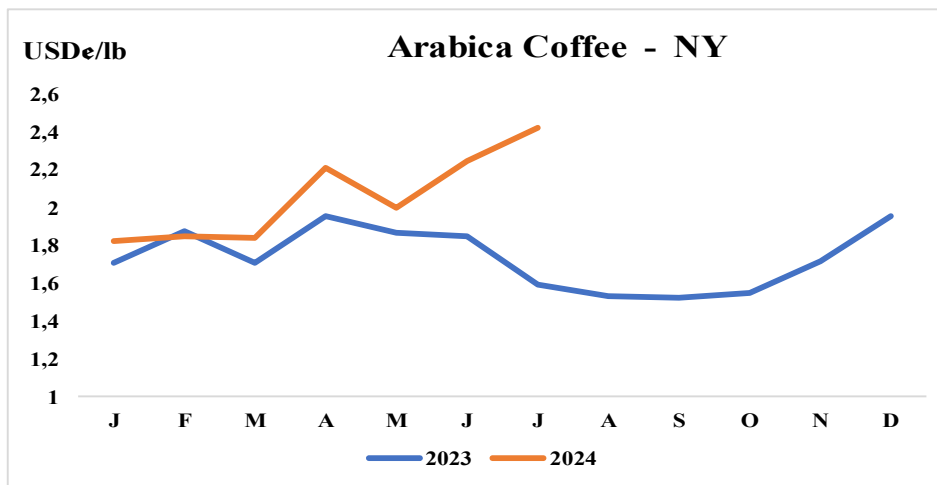
In May 2024, exports of all forms of coffee from Mexico & Central America were up 0.2% to 2.074 million bags, as compared with 2.069 million in May 2023.

Total exports of soluble coffee decreased by 11.3% in May 2024 to 0.95 million bags from 1.07 million bags in May 2023. Source: ICO, July 12, 2024.

**July 15, 2024** – September Arabica coffee today closed down USD¢ 6.60/lb. (-2.65%), and Sep ICE Robusta coffee closed down USD 34/ton (-0.74%). Coffee prices today retreated due to increased precipitation in Brazil, which has alleviated concerns about dryness.



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







### *Domestic Market*

#### **Brazil exports a record 47,3 million bags of coffee in the 2023/24 harvest**

Brazilian coffee exports reached a historic volume of 47,300 million 60 kg bags in the 2023/24 harvest year, which implies an increase of 32,7% compared to the 35,632 million bags recorded from July 2022 to June 2023. The current amount, shipped to 120 countries, also represents growth of 3,6% over the previous record, of 45,675 million bags in the 2020/21 cycle. The data is part of the monthly statistical report of the Brazilian Coffee Exporters Council (Cecafé).

An increase of 20,7% was also recorded in foreign exchange revenue obtained from shipments made in the last 12 months ending last June. The value jumped from USD 8,142 billion, in the 2022/23 season, to the current USD 9,826 billion. This figure is the highest in the history of the survey of Brazilian coffee exports, which began in 1990.

The aforementioned performance was achieved with the 3,573 million bags sent abroad by the country in June, the highest amount recorded for this month each year, and the USD 851,4 million in revenue, also a record for the months of June.

Thus, shipments of coffee from Brazil in the first half of 2024 totaled 24,286 million bags, generating USD 5,331 billion, levels that imply increases, respectively, of 49,6% and 50%, measuring, in the same way, performances historical figures for this six-month interval.

According to the president of Cecafé, Márcio Ferreira, the result achieved by Brazilian exports reflects disparate contexts in the coffee market, involving less availability of other producing origins, but also the continuity of intense problems in logistics.

“On the positive side, Brazil, with a better harvest, after two smaller harvest cycles, expanded its market share in global trade, occupying spaces left by reduced supply from other producers, such as Indonesia and Vietnam, mainly with Conillon and Robusta. national”, he analyzes.

He highlights that another positive point is the record foreign exchange revenue, which reflects good times of growth in the international market throughout the 2023/24 harvest.

“Arabica and canephora coffees (Robusta + Conillon), as well as the soluble product, had their highest foreign exchange revenues in history, which enabled a record inflow of foreign currency into the country, a slight relief from the high costs in the exporters’ cash flow. and, mainly, significant transfers of the FOB value (Free on Board) to producers, at an average of 85%”, he comments.

“On the other hand – ponders Ferreira –, we continue to face intense logistical bottlenecks, with problems abroad due to the persistence of geopolitical conflicts, and, internally, with the exhaustion of the main Brazilian port, in Santos (SP), which has generated high additional and unforeseen costs for exporters, which, nevertheless, go to great lengths to honor commitments to international customers and maintain Brazil as the main global player”.



According to figures from the Detention Zero Bulletin (DTZ), prepared by ElloX Digital in partnership with Cecafé, 254 ships destined for coffee exports suffered delays or changes of call in Brazilian ports in June, a number that represented 62% of the 413 container ships handled last month. In Santos alone, 118 vessels experienced delays in the boarding process, or 82% of the total.

### **Ports**

The Port of Santos was the main exporter of coffee from Brazil in the 2023/24 harvest year, with the shipment of 32,607 million bags, which corresponds to 68,9% of the entire volume sold. Despite the leadership in the ranking, this is the lowest percentage of representation of the Santos dock in history – which has already reached 85% –, which highlights its exhaustion and signals more difficulties for the second half of the year, when exports of containerized cargo increase.

Next comes the Rio de Janeiro maritime complex, which increased its share to 28,1% of exports, already absorbing “cargo leaks” from Santos, by sending 13,269 million bags abroad in the 2023/24 season; and the Port of Paranaguá (PR), with the shipment of 465.770 bags and a representation of 1%.

### **Coffee types**

From July 2023 to June 2024, Arabica coffee, with 35,431 million bags, remains the most exported by Brazil. This amount represents 74,9% of the total and implies an increase of 16,7% compared to the 2022/23 harvest year.

The canephora species is the main highlight of the period, increasing its participation to 17,4% overall. In the 2023/24 coffee season, 8,238 million bags of Brazilian conillon and Robusta coffees were shipped, which represents a substantial increase of 461,1% compared to the same previous period.

The soluble coffee segment, with 3,585 million bags – a drop of 4,7% and 7,6% of the total – and the roasted and roasted and ground product section, with 45.445 bags (-5,2% and 0,1% representation), complete the list.

“The record performance of canephora coffees results from decades of investments in research and technology, which increased quality and productivity, through sustainable cultivation, enabling this species and its varieties to have volumes and sensory attributes for Brazil to expand its market share global, meeting growing global demand. To a lesser extent, Arabicas have also been playing this role”, says the president of Cecafé.

### **Main destinations**

The 10 main buyers of coffee in Brazil expanded their purchases during the 2023/24 harvest. The United States tops the ranking, having imported 7,062 million bags, or 2,8% more compared to the previous cycle, which is equivalent to 14,9% of total exports.

Germany, with a representation of 13,8%, purchased 6,508 million bags (+26,1%) and occupies second place in the table. Next comes Belgium, with the purchase of 3,868 million bags (+111,5%); Italy, with 3,774 million bags (+26,3%); and Japan, with 2,471 million bags (+20,2%).





15-07-2024

Period: 01/07– 15/07  
2024

Up to tenth place, the performances of the United Kingdom also stand out, sixth place in the ranking, with imports of 1,738 million bags, a volume that implies growth of 137,4% in relation to the 2022/23 coffee season; and China, seventh place, which recorded the biggest increase in the purchase of Brazilian product in the period, of 186,1%, acquiring 1,646 million bags in the 12 months of the 2023/24 harvest.

By economic blocs, it is worth highlighting the growth in shipments of Brazilian coffee to the European Union, the main buyer of the product, amid the approaching validity of the EU Regulation for Deforestation-Free Products (EUDR), from January 1, 2025, In the 12 months of the 2023/24 season, Brazil exported 21,288 million bags to this destination, or 37,7% more compared to the same previous period.

In percentage terms, the 136,3-point increase in shipments to the other BRICS countries (2,843 million bags) stands out; 108,2% to Arab Countries (2,229 million bags); 55,4% to nations that make up the Trans-Pacific Partnership – TPP (6,143 million bags); 50,8% to Eastern Europe (1,475 million bags); and 48,9% to the Middle East (3,119 million bags).

### **Differentiated coffees**

Differentiated coffees, which are those that have superior quality or certificates of sustainable practices, account for 18,6% of total Brazilian exports of the product in the 2023/24 harvest year, with a volume of 8,799 million bags sent abroad. This performance represents growth of 45,4% compared to that recorded in the 2022/23 coffee cycle.

The average price of the product was USD 229,15 per bag, generating foreign exchange revenue of USD 2,016 billion, which corresponds to 20,5% of that obtained with total coffee shipments from July last year to the end of June this year. In relation to the 2022/23 season, the value is 28,4% higher than that recorded in the same previous 12 months.

In the ranking of the main destinations for Brazilian differentiated coffees in the 2023/24 harvest, the USA occupies the lead, with imports of 1,852 million bags, equivalent to 21,1% of the total of this type of product exported.

Completing the top 5 are Germany, with the acquisition of 1,544 million bags and a representation of 17,5%; Belgium, with 957.999 bags (10,9%); Netherlands (Netherlands), with 649.966 bags (7,4%); and the United Kingdom, with 376.872 bags (4,3%). Source: Cecafé, July 11, 2024

**On July 15, 2024** – the CEPEA/ESALQ index for Arabica Coffee in the State of São Paulo closed at BRL 1,443.05 (USD 264.93) per 60-kg bag, with an increase of 5.27% in the fortnight. The same index for Robusta Coffee in the state of Espírito Santo closed at BRL 1,237.51 (USD 233.80) per 60-kg bag, again an increase of 4.18% in the fortnight.

Cepea researchers indicate that the scenario of tight global supply, especially of Robusta, and the still low volume of grain from the new Brazilian crop being made available in the national spot – it is worth remembering that producers allocate the first lots to the fulfillment of contracts – support the internal values.





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

