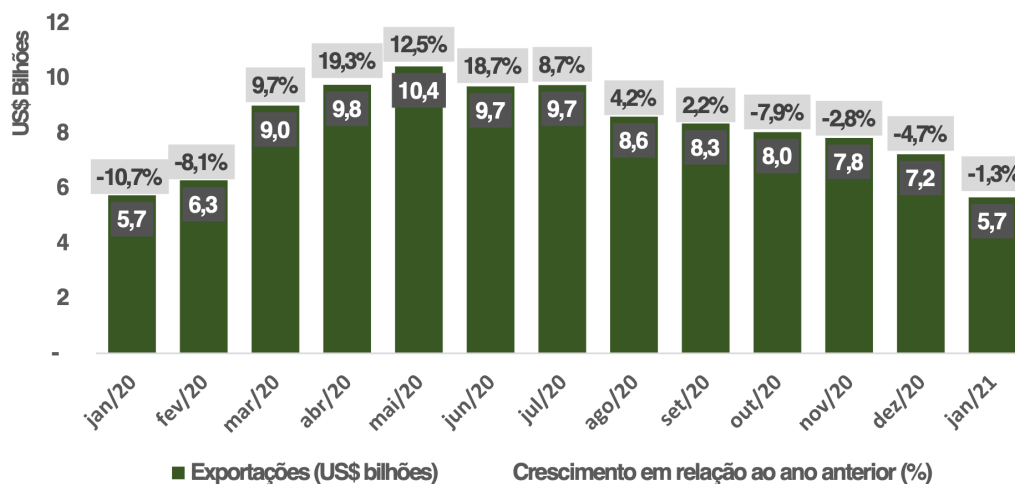


Agribusiness Foreign Trade Bulletin – January 2021

Brazilian Agribusiness Exports and Trade Balance

Brazilian agribusiness exports in January 2021 were 1.3% lower than those recorded in the same month of the previous year. Foreign sales reached US\$ 5.7 billion while the exported volume reached 10.2 million tons. Chart 1 shows the evolution of Brazilian foreign sales of agribusiness products in the recent period, from January 2020 to January 2021.

Chart 1 – Evolution of Agribusiness Exports – Value (in US\$ million) and Growth compared to the previous year (%)

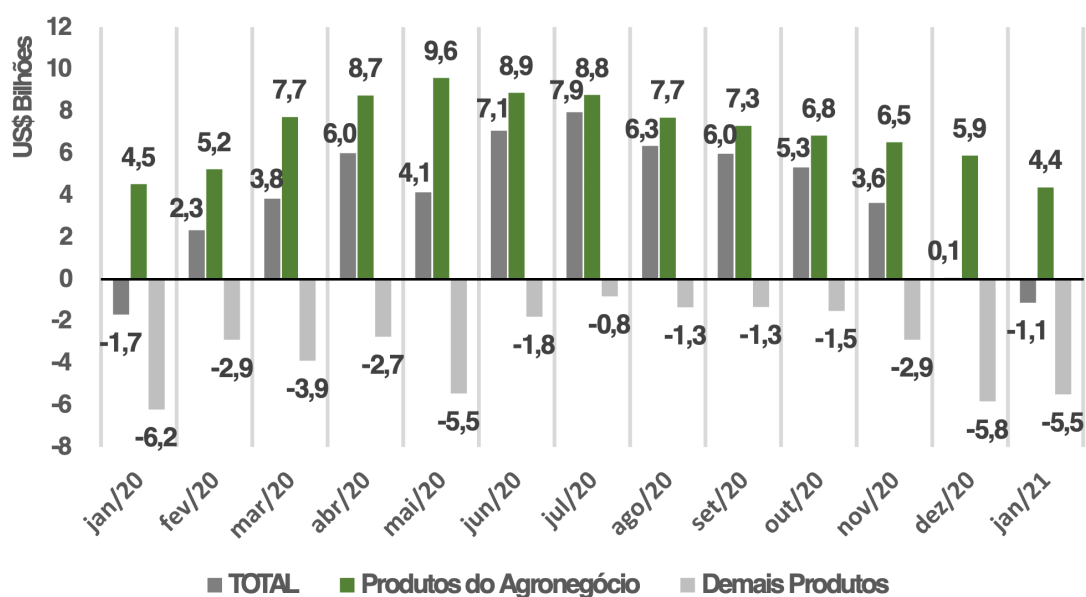


Source: Comex Stat/Ministry of the Economy¹

The outcome of the agribusiness trade balance, throughout 2020 and in January 2021, was positive in all months, unlike the trade balance of other products that recorded continuous deficits. In the last month analyzed, January 2021, the surplus of the agribusiness trade balance was US\$.4.4 billion, while the deficit of the other products was US\$ 5.5 billion, thus the total outcome of the Brazilian trade balance was negative by US\$ 1.1 billion.

¹ All information have been extracted from the database on 02/11/2021.

Chart 2 – Evolution of the Brazilian Trade Balance Outcome (in US\$ billion)



Source: Comex Stat/Ministry of the Economy

Analysis of Brazilian Agribusiness Exports – by product and destination

The main product of the Brazilian agribusiness export agenda in January 2021 was the **raw cane sugar**, which had a share of 9.5%, reaching the value of US\$ 537.1 million, with a growth of 35.6% compared to the same period in 2020, and the increase is due to the fall in the Thai sugarcane crop, a country that is Brazil's main competitor in the global supply.

The second main product was **corn**, with growth of 42.5% compared to January 2020, reaching exports of US\$ 499.9 million in the first month of 2021. Table 1 presents information on the main agribusiness products exported by Brazil.

Table 1 – Main Exported Agribusiness Products

Produto	Exportações (US\$ mil)		Varição jan/20 - jan/21	Exportações (1.000 toneladas)		Varição jan/20 - jan/21
	jan/20	jan/21	Valor	jan/20	jan/21	Peso
Açúcar de Cana em Bruto	396.012	537.071	35,6%	1.849	933	-49,5%
Milho	350.894	499.856	42,5%	2.547	851	-66,6%
Carne Bovina <i>in natura</i>	562.384	484.060	-13,9%	107	1.046	875,0%
Café Verde	358.148	466.198	30,2%	222	824	271,5%
Farelo de Soja	350.421	449.588	28,3%	1.025	800	-21,9%
Algodão não Cardado nem Penteadado	485.182	425.091	-12,4%	274	910	232,3%
Carne de Frango <i>in natura</i>	503.645	405.500	-19,5%	276	909	229,5%
Celulose	528.154	402.776	-23,7%	1.230	931	-24,3%
Sucos de Laranja	112.502	148.955	32,4%	213	261	22,5%
Fumo não Manufaturado	78.776	137.395	74,4%	32	216	586,2%
Carne Suína <i>in natura</i>	152.302	137.215	-9,9%	55	230	418,9%
Papel	156.061	125.981	-19,3%	158	282	79,0%
Álcool Etílico	43.079	90.857	110,9%	160	134	-16,2%
Trigo	22.497	88.519	293,5%	409	111	-72,8%
Açúcar Refinado	74.699	88.039	17,9%	247	163	-34,0%
Outros	1.570.396	1.182.075	-24,7%	1.357	2.752	102,8%
Total Agronegócio	5.745.153	5.669.174	-1,3%	10.161	11.414	12,3%

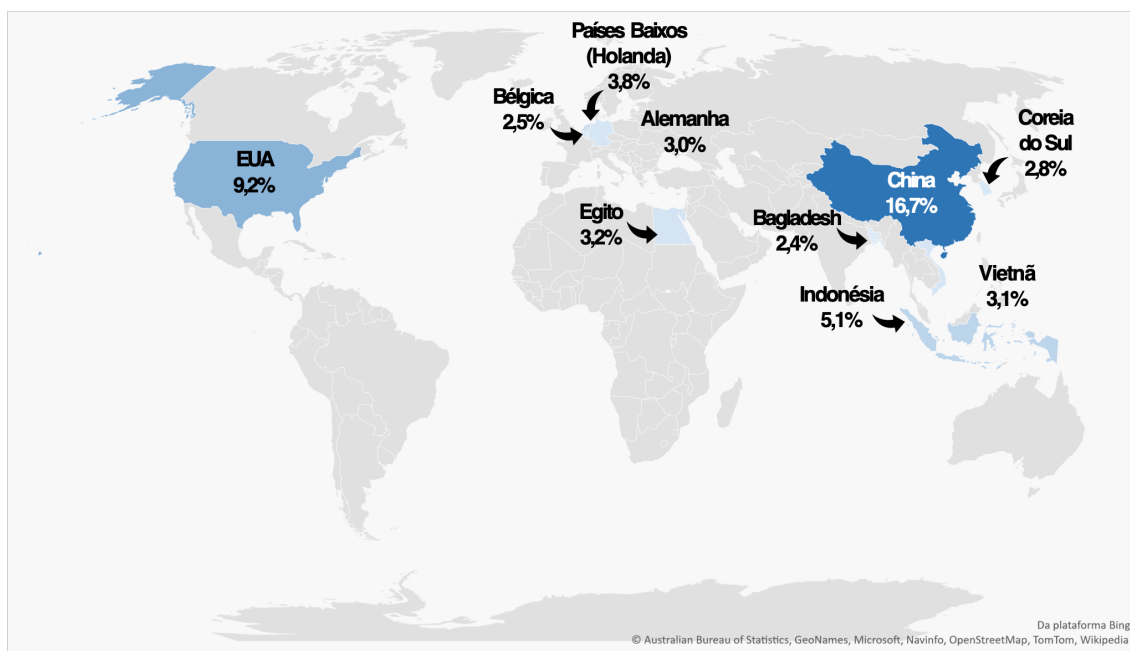
Source: Comex Stat/Ministry of the Economy

As for the most significant increases between January 2020 and 2021, the highlight is **wheat** (+293.5%), that increased from US\$ 22.5 million in 2020 to US\$ 88.5 million in 2021; and **ethyl alcohol** (+110.9%) as its exports in January 2020 were US\$43.1 million and reached US\$ 90.9 million in January 2021. In addition, **non-manufactured tobacco** has also shown a good performance, with an increase of 74.4% in its exported value.

In January 2021, 51.8% of Brazilian agribusiness exports were directed to ten main destinations. Among them, the most relevant is the **European Union**, with a share of 16.9%, and among the countries of the economic bloc there is an emphasis on the **Netherlands**, **Germany** and **Belgium**. **China**, the second main destination, corresponded to 16.7% of Brazilian agribusiness exports. Other countries of the **Asian Region** are also among the main ones, which are: **Indonesia** (5,1%); **Vietnam** (3,1%); **South Korea** (2,8%); and **Bangladesh** (2,4%). Another highlight is the **United States**, because the country was the destination of 9.2% of Brazilian exports in agribusiness products.

In the comparison between January 2021 and the same period of 2020, the growth rate of Brazilian agribusiness products exports to **Indonesia** (+202.5%) and to **Egypt** (+157.8%), both recorded significant increases in Brazilian sugar purchases, due to Thailand's limited capacity to supply the product. On the other hand, exports to **China** dropped 36.2%, much to do with the drop in soy sales. The country has significantly increased the purchases of this good in 2020 and increased its stocks, in addition, January is a month when Brazilian soy sales traditionally get lower, because the crops are still in early stages and the first maturities of soy contracts happen only in March.

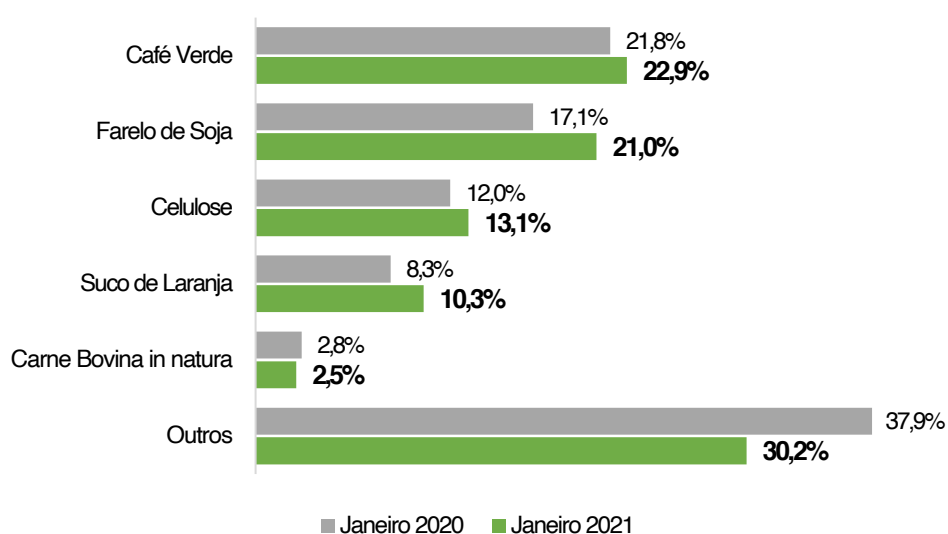
Figure 1 – Main Export Destinations of Brazilian Agribusiness in January 2021



Source: Comex Stat/Ministry of the Economy

The main products exported to the European Union were **green coffee** (22.9%; US\$ 219.5 million), **soy bran** (21.0%; US\$ 201.5 million) and **cellulose** (13.1%; US\$125.9 million). Together these products represented 56.9% of the total agribusiness products sold to the region in January 2021. It is worth highlighting the significant growth of **orange juice** (+38.9%) that had an increase of about US\$27.8 million in exported value.

Chart 3 – Main products exported to the European Union in January – 2020 and 2021 – Share in total exports to the country

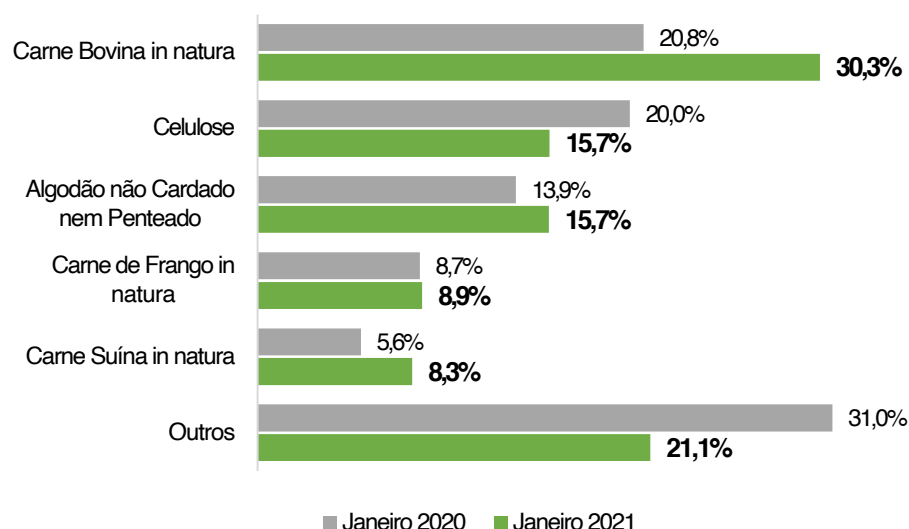


Source: Comex Stat/Ministry of the Economy

In January 2021, 61.7% of the US\$ 948.6 million exported to China focused on three products: **beef in natura** (30.3%; US\$ 287.2 million), **cellulose** (15.7%; US\$ 149.0 million) and **cotton, not carded or combed** (15.7%; US\$ 148.8 million). However, it is worth noting that all the highlighted products registered a decrease in the exported value, in January 2021, in comparison with January 2020, the sharpest retraction being that of **cellulose**, with a contraction of 50,0%, followed by **chicken meat in natura**, with a drop of 35.3%,

The drops in Chinese imports of food products such as beef and chicken are also partially explained by a natural movement that occurs due to the celebrations at the beginning of the year in China, since importers tend to increase their purchases in the last months of the year to prepare for the Lunar New Year holiday that occurs between January and February, and in those months the demand for imported food falls traditionally sharply.

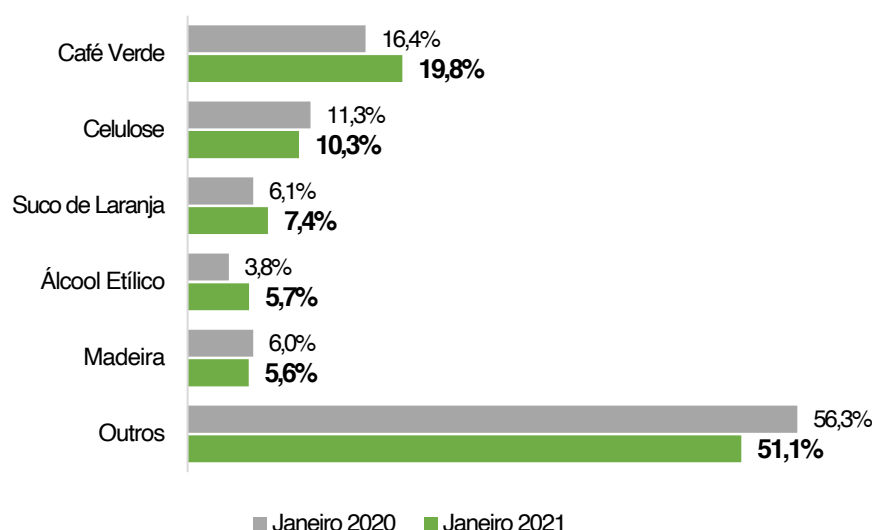
Chart 4 – Main products exported to China in January – 2020 and 2021 – Share in total exports to the country



Source: Comex Stat/Ministry of the Economy

Exports to the United States have a lower concentration compared to China and the European Union, with the three main products accounting for 37.6% of total sales: **green coffee** (19.8%; US 1 103.9 million); **pulp** (10.3%; US 5 54.0 million) and **orange juice** (7.4%; US 3 39 million). Among the main products exported, in January 2021 the highlight is the growth of **ethyl alcohol** (+99.9% compared to January 2020), **orange juice** (+64.8%) and **green coffee** (+62,1%).

*Chart 5 – Main products exported to the United States in January – 2020 and 2021 –
Share in total exports to the country*



Source: Comex Stat/Ministry of the Economy

Analysis of Selected Sectors (Agro.BR)

Agro.BR is an internationalization project aimed at small and medium-sized Brazilian rural entrepreneurs, carried out by the Confederation of Agriculture and Livestock of Brazil – CNA, in partnership with the Brazilian Agency for the Promotion of Exports and Investments – Apex-Brazil. The initiative aims to organize the products supply and increase the amount of rural entrepreneurs in foreign trade, in order to promote the diversification of the Brazilian export agenda.

The priority sectors of Agro.BR are **tea, mate and spices; fruit; dairy products; fish** and **beekeeping products**. The following is a detailed analysis of the export performance of products contained in these sectors.

Tea, mate and spices

Exports of **tea, mate and spices** reached US\$ 31.5 million in the first month of 2021, which represented a growth of 32.0% compared to January 2020. The sector accounted for 0.6% of Brazilian agribusiness products exports in January 2021.

The main products exported by the sector are: **black pepper** (US\$ 20.9 million); **mate** (US\$ 6.8 million) and **cloves** (US\$ 1.4 million). These products account for 88.7% of the total export in the sector, as shown by table 2.

As a highlight, the performance of **ginger** exports, which grew at an average rate of more than 100.0% between January 2020 and January 2021. In terms of value,

sales increased from US\$ 383 thousand in January 2020 to US\$ 1.2 million in January 2021, an increase of US\$ 840.5 thousand.

Table 2 – Main Products Exported from the “Tea, mate and spices” Sector

Produto	Exportações (US\$ mil)		Variação jan/20 - jan/21	Exportações (toneladas)		Variação jan/20 - jan/21
	jan/20	jan/21	Valor	jan/20	jan/21	Peso
Pimenta piper seca, triturada ou em pó	13.182	20.889	58,5%	6.738	8.290	23,0%
Mate	6.591	6.771	2,7%	3.095	3.692	19,3%
Cravo-da-índia	2.983	1.362	-54,4%	701	295	-57,9%
Gengibre	383	1.224	>100,0%	312	551	76,8%
Demais especiarias	502	966	92,4%	53	102	94,0%
Outros	190,9	249,6	30,8%	42	53	25,3%
TOTAL	23.833	31.461	32,0%	10.940	12.983	18,7%

Source: Comex Stat/Ministry of the Economy

The main export destinations for the sector in January 2021 were: **European Union** (17.1%; US\$ 5.4 million), **Uruguay** (14.9%; US\$ 4.7 million); **Pakistan** (8.7%; US\$ 2.7 million); **Vietnam** (8.5%; US\$ 2.7 million) and **Egypt** (7.8%; US\$ 2.4 million). Together, these markets accounted for 57.0% of the exported total during the first month of 2021.

Fruit

Brazilian **fruit**² exports totaled about US\$67.8 million in the first month of 2021, this was the 13th main sector among the 25 Brazilian agribusiness sectors. Table 3 below shows that in January 2021 the sector shrank by 6.5% compared to January 2020.

The five most exported products account for more than 75% of the sector, being: **fresh melons** (US\$ 24.0 million), **fresh or dried mangoes** (US\$ 7.4 million), **cashew nuts** (US\$ 6.8 million), **fresh watermelons** (US\$ 6.7 million) and **fresh or dried lemons and limes** (US\$ 6.6 million).

In terms of change in the value of exports, in January 2021, compared to January 2020, two products registered an increase: **fresh melons** (+5,0%) and **fresh watermelons** (+14,1%). On the contrary, **fresh or dried mangoes**, **cashew nuts** and **fresh or dried lemons or limes** have shown retraction. The latter with the sharpest drop, of about US\$ 2.2 million in January 2021.

² Fresh, dried, pickled fruit and nuts and chestnuts

Table 3 – Main Products Exported from the “Fruit” Sector

Produto	Exportações (US\$ mil)		Variação jan/20 - jan/21	Exportações (1.000 toneladas)		Variação jan/20 - jan/21
	jan/20	jan/21	Valor	jan/20	jan/21	Peso
Melões Frescos	22.888	24.023	5,0%	37,6	37,0	-1,6%
Mangas Frescas ou Secas	7.877	7.445	-5,5%	7,0	7,6	8,3%
Castanha de Cajú	8.587	6.780	-21,0%	1,4	1,3	-7,7%
Melancias Frescas	5.873	6.699	14,1%	13,5	14,2	5,6%
Limões ou Limas Frescos ou Secos	8.810	6.568	-25,5%	11,3	8,4	-25,2%
Outros	18.518	16.322	-11,9%	18,6	16,3	-12,4%
TOTAL	72.553	67.836	-6,5%	89,4	84,9	-5,1%

Source: Comex Stat/Ministry of the Economy

The main destinations of Brazilian fruits, in January 2021, were: **European Union** (57.1%; US\$ 38.7 million), **United Kingdom** (18.8%; US\$ 12.8 million), **United States** (7.7%; US\$ 5.2 million). These countries accounted for 83.6% of the sector's exports in January 2021.

Dairy products

Exports of **dairy products** added US\$ 6.4 million in January 2021, dropping 19.9% during January 2020.

From the information in table 4, it can be seen that the main products exported from this sector in January 2021 were: **condensed milk** (US\$ 1.7 million), **cheese** (US\$ 1.7 million), **whipped cream** (US\$ 1.6 million), **modified milk** (US\$ 850.8 thousand) and **milk jam** (US\$ 132,7 thousand). Added up, they accounted for 95% of the sector's foreign sales.

The case of milk jam stands out for the unprecedented sales to Peru, which began in April 2020, and which, in January 2021, represented almost 50% of the of the product's total sales.

Table 4 – Main Products Exported from the "Dairy" Sector

Produto	Exportações (US\$ mil)		Variação jan/20 - jan/21	Exportações (toneladas)		Variação jan/20 - jan/21
	jan/20	jan/21	Valor	jan/20	jan/21	Peso
Leite Condensado	811,0	1.736,9	>100,0%	483,4	1.077,5	>100,0%
Queijos	1.500,2	1.729,4	15,3%	307,1	295,0	-4,0%
Crema de Leite	1.883,9	1.588,2	-15,7%	766,6	667,2	-13,0%
Leite Modificado	217,0	850,8	>100,0%	63,2	213,1	>100,0%
Doce de Leite	54,4	132,7	>100,0%	17,7	64,4	>100,0%
Outros	3.495,4	339,4	-90,3%	1.302,4	322,8	-75,2%
TOTAL	7.961,9	6.377,4	-19,9%	2.940,3	2.640,1	-10,2%

Source: Comex Stat/Ministry of the Economy

During January 2021, the main destinations of **dairy products** from Brazil were: **Venezuela** (16.5%; US\$ 1.1 million), **United Arab Emirates** (13.7%; US\$ 872.8 thousand), **United States** (11.7%; US\$ 747.6 thousand), **Russia** (9.1%; US\$ 578.7 thousand) and **Trinidad and Tobago** (8.0%; US\$ 508.0 thousand). These countries accounted for 58.9% of the Brazilian exports in the sector.

Fish

The **fish** industry exported US\$ 18.3 million in January 2021. This figure represents a 10.9% drop compared to the same month in 2020. The main Brazilian products sold abroad in January were: **other frozen fish** (US\$ 4.2 million), **frozen lobsters** (US\$ 3.2 million), **other fresh or chilled fish** (US\$ 3.1 million), **frozen snapper** (US\$ 2.8 million) and **prepared and preserved tuna** (US\$ 1.7 million). The share of these products represents approximately 80% of the total exported fish.

It is found that, in relation to growth dynamics, among the products analyzed in table 5, **frozen snapper** had a much higher growth than the others, exceeding 100.0%. On the other hand, the main exported product, **other frozen fish**, had the sharpest drop, of 39.5%.

It is important to highlight the performance of shrimps (frozen and non-frozen). The product showed an increase of 114.4% in value and 251.4% in volume in sales with foreign destinies in January 2021, and reached the amount of US\$ 270.9 thousand. Meanwhile, tilapias (frozen, fresh or chilled, live, in frozen, fresh or chilled fillets) declined 29.5% in value. 3.0% in volume compared to the same month of the previous year.

Table 5 – Main Products Exported from the “Fish” Sector

Produto	Exportações (US\$ mil)		Variação jan/20 - jan/21	Exportações (toneladas)		Variação jan/20 - jan/21
	jan/20	jan/21	Valor	jan/20	jan/21	Peso
Outros Peixes Congelados	6.937	4.197	-39,5%	2.620	1.585	-39,5%
Lagostas Congeladas	3.108	3.158	1,6%	125	144	15,0%
Outros Peixes Frescos ou Refrigerados	2.442	3.095	26,7%	404	486	20,3%
Pargos Congelados	2.847	2.480	-12,9%	424	369	-13,1%
Preparações e Conservas de Atuns	374	1.671	>100,0%	92	439	>100,0%
Outros	4.874	3.730	-23,5%	580,5	445,3	-23,3%
TOTAL	20.582	18.331	-10,9%	4.246	3.467	-18,3%

Source: Comex Stat/Ministry of the Economy

In January 2021, the destination of almost half (48.1%) of fish exports were the **United States** (US\$ 8.8 million). Then come **China** (12.5%; US\$ 2.3 million), **Hong Kong**

(8.6%; US\$ 1.6 million), **Argentina** (5,3%; US\$ 962,9 thousand) and **Chile** (3,3%; US\$ 612,5 thousand). It is worth noting the last two destinations that showed 343.6% and 344.9% growth, respectively.

Beekeeping products

Brazil exported US\$ 14.5 million in **beekeeping products** in January 2021. The growth above 100.0% in the sector's exports was the best monthly result since 2010. In addition, the absolute variation exceeds US\$ 11.4 million.

The products comprised by the sector are **natural honey** – which had exports of US\$ 13.7 million in January 2021 and was responsible for 94.1% of the total exports of the sector – and **beeswax**, which reached US\$ 858,9 thousand during the same period. It is noteworthy that, although the sector growth was driven by the natural product, the rise of beeswax was extremely relevant, being close to 650.0%.

Table 6 – Main Products Exported from the “Beekeeping Products” Sector

Produto	Exportações (US\$ mil)		Variação jan/20 - jan/21	Exportações (toneladas)		Variação jan/20 - jan/21
	jan/20	jan/21	Valor	jan/20	jan/21	Peso
Mel Natural	2.936,5	13.662,8	>100,0%	1.502,5	4.324,0	>100,0%
Ceras de Abelha	114,3	858,9	>100,0%	0,72	4,1	>100,0%
TOTAL	3.050,8	14.521,7	>100,0%	1.503,2	4.328,0	>100,0%

Source: Comex Stat/Ministry of the Economy

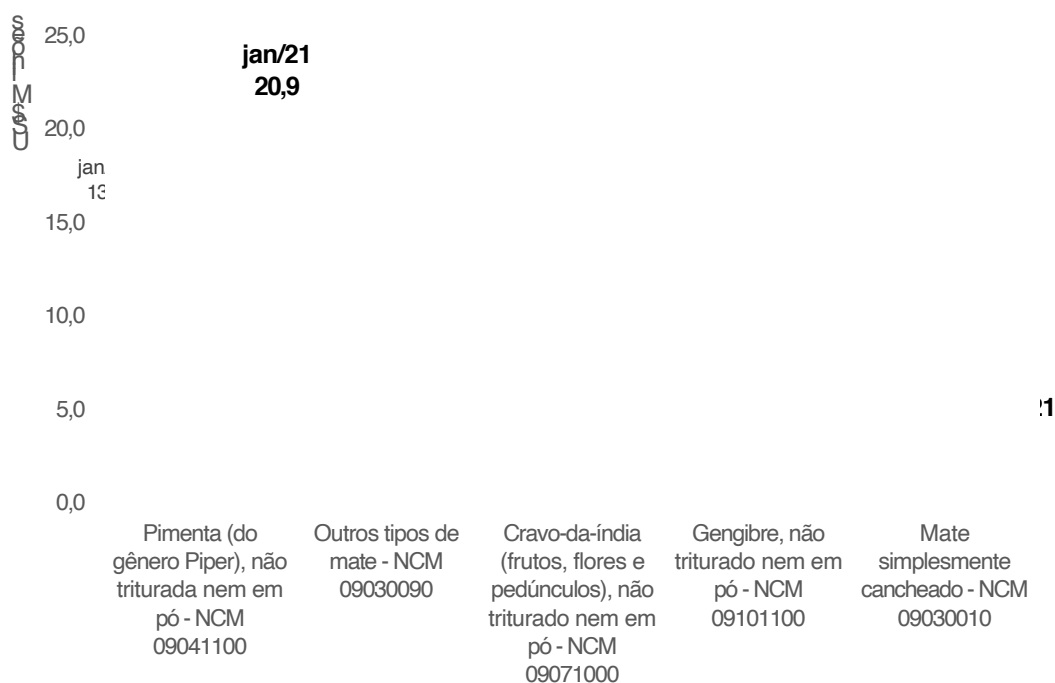
The **United States** (79.2%; US\$ 11.5 million) were the main destination of Brazilian **beekeeping products** in January 2021, followed by the **European Union** (9.6%; US\$ 1.4 million), **Canada** (4,8%; US\$ 697,4 thousand) and **China** (3,5%; US\$ 510,1 thousand). Together, these destinations accounted for more than 95% of the industry's foreign sales.

HIGHLIGHT

The **tea, mate and spices** sector consists of 39 codes classified by the Mercosur Common Nomenclature (NCM), being the most disaggregated level available for consultation and analysis of products exported by Brazil.

The following chart shows the top five NCMs in the sector. It can be seen that, over the last thirteen months, only the NCM codes 09041100 (Pepper of the genus piper, not crushed or powdered) and NCM 09030010 (Mate simply canched) had increases in exports when compared to January 2020. In addition, the last code had the highest growth among those selected, an increase of 619.9% in monthly foreign sales, from US\$ 152 thousand in January 2020 to US\$ 1.1 million in January 2021.

Chart 9 – Top NCMs exported in the "tea, mate and spices" sector in US\$ million



Source: Comex Stat/Ministry of the Economy