

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## **Brazil**

### **Grain and Feed Annual**

#### **2015-16 Planted Area Expected to Remain Stable For Grains**

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**Report Highlights:**

2015/16 wheat production is expected to increase 10 percent to 6.5 million metric tons (mmt) with a return to normal weather. 2015/16 corn production is estimated at 75 mmt based on little or no expansion. 2015/16 rice production is expected to be the same as the previous year at 8.3 mmt.

**Commodities:**

Corn

Wheat

Rice, Milled

**Commodities:**

## Wheat

Wheat Market Begin Year Brazil	2013/2014		2014/2015		2015/2016	
	Oct 2013		Oct 2014		Oct 2015	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Harvested	2,200	2,200	2,730	2,730	0	2,600
Beginning Stocks	1,001	1,001	1,887	1,887	0	1,187
Production	5,300	5,300	5,900	5,900	0	6,500
MY Imports	7,066	7,066	6,700	6,700	0	6,500
TY Imports	7,061	7,061	6,700	6,700	0	6,500
TY Imp. from U.S.	4,134	4,134	0	2,700	0	1,000
Total Supply	13,367	13,367	14,487	14,487	0	14,187
MY Exports	80	80	1,500	1,500	0	1,000
TY Exports	81	81	1,500	1,500	0	1,000
Feed and Residual	600	600	600	800	0	600
FSI Consumption	10,800	10,800	11,000	11,000	0	11,000
Total Consumption	11,400	11,400	11,600	11,800	0	11,600
Ending Stocks	1,887	1,887	1,387	1,187	0	1,587
Total Distribution	13,367	13,367	14,487	14,487	0	14,187
1000 HA, 1000 MT, MT/HA						

### **2015/16 Wheat**

**Supplies:** Planted area in 2015/2016 is expected to see a 5 percent reduction to 2.6 million hectares (mHA) as a result of reduced profitability last year and higher input costs due to a strong U.S. dollar. While planted area will

decrease, production is estimated to increase 10 percent to 6.5mHA from the previous year based on the assumption of normal weather. The torrential rains, excessive temperatures, and fungus issue of 2014 are not expected to be a factor in 2015/16. Over the last two years, Brazil has been investing in developing better seed varieties to improve wheat quality.

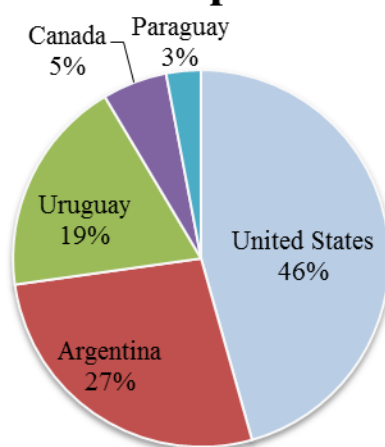
**2015/16 Wheat Trade:** Imports for 2015/2016 are forecast at 6.5 mmt, a three percent decrease from the previous year based on a stronger dollar. Brazil will need to import, even though production is forecast higher, as it needs high quality imports to blend with domestic wheat. At this point, economic uncertainty in Argentina continues to make U.S. wheat imports more viable. However, Argentine elections and a new government could make substantial economic policy changes that could provide more certainty to Brazilian importers.

**2015/16 Wheat Consumption:** Wheat consumption in 2015/16 is expected to remain the same as the previous year at 11.6 mmt. The cost of wheat based products, such as pastas, cookies, and crackers are expected to increase 8 percent due to rising costs. For importers, the strong dollar is increasing the price of wheat imports, which is expected to be slightly more than half of total supply. In addition to the strong dollar, a severe drought in the state of Sao Paulo is causing energy prices to go up nation-wide, further increasing the cost of production. Some estimate that energy prices could rise up to 38 percent.

**2014/15 Wheat Supplies:** Planted area for 2014/2015 is up 18 percent from the previous year to 2.73 mHA. Production, however, is only forecast to increase by 10 percent to 5.9 mmt due to bad weather and a fungus that reduced quality below acceptable domestic levels for nearly two-thirds of the wheat in the state of Rio Grande do Sul, the second largest wheat producing state in Brazil. This has led to lower prices that have continued through the first quarter of 2015. The largest producing state of Parana was not severely affected despite some flooding on the southern boarder during planting.

**2014/15 Wheat Trade:** Wheat exports in 2014/15 are forecast at 1.5mmt as a result of a poor crop with below average quality for domestic use. The exports were of low quality, but still contained a high gluten content and were primarily used for feed wheat or flat bread. 2014/15 imports are forecast at 6.7 mmt, a 4 percent decrease from the previous year. Argentina, typically Brazil's main supplier, has faced economic uncertainty over the last two years and has lost their foothold on the Brazilian market to North American wheat. For the second year in a row, almost half of the imported wheat originated in the United States. It is unknown if Brazil will reduce its Common External Tariff (TEC) from 10 to zero percent again this year, but the strong U.S. dollar may make it more difficult for U.S. wheat to compete with imports from Mercosul countries. Some Brazilian millers have expressed a preference for U.S. wheat as the higher quality does not cause any problems when milling. In 2014, Brazil was the third largest market for U.S. wheat with 2.6mmt, just behind Japan and Mexico.

### 2014 Wheat Imports to Brazil



**2014/15 Wheat Consumption:** Consumption in 2014/2015 is forecast at 11.6 mmt, a 2 percent increase due to increased feed wheat as a result of a poor crop. An economic slow-down, combined with the depreciation of the Brazilian currency, will likely keep consumption stable for the next two years.

**Table 1.1: Brazil Wheat Imports**

<b>Brazil Wheat Imports HTS 100110 and 100190 Wheat, Group 60 (2012)</b>			
<b>Partner Country</b>	<b>Quantity (Unit: 1,000 mt)</b>		
	<b>CY2012</b>	<b>CY2013</b>	<b>CY2014</b>
World	6,580.43	7,273.28	5,783.03
United States	54.51	3,475.27	2,639.55
Argentina	5,059.95	2,539.71	1,569.46
Paraguay	836.26	522.08	172.79
Uruguay	628.69	408.03	1,079.24
Canada	0.99	328.12	321.95

Source : Secretaria de Comércio Exterior

**Table 1.2: Brazil Wheat Flour Imports**

<b>Brazil Wheat Flour Imports HTS 1101 Wheat Flour, Group 44 (2012)</b>			
<b>Wheat Equivalent (conversion 1.368)</b>			
<b>Partner Country</b>	<b>Quantity (Units: 1,000 mt)</b>		
	<b>CY2012</b>	<b>CY2013</b>	<b>CY2014</b>
World	870.77	258.95	337.53
Argentina	806.32	137.77	269.83
Uruguay	42.19	50.17	38.29
Paraguay	18.72	65.51	11.94
Turkey	0.00	1.62	10.67
Peru	0.00	0.00	1.71
Italy	0.89	1.02	1.29
Canada	2.17	1.77	1.26
Netherlands	0.00	0.31	1.12
Suriname	0.00	0.00	0.53
France	0.06	0.45	0.26
United States	0.29	0.19	0.22
China	0.00	0.00	0.15
India	0.00	0.00	0.06
Portugal	0.00	0.01	0.06
United Kingdom	0.10	0.08	0.06
Greece	0.00	0.00	0.03
Belgium	0.02	0.05	0.02
Lebanon	0.00	0.00	0.02

Source : Secretaria de Comércio Exterior

**Table 1.3: U.S. Wheat Exports to Brazil**

U.S. Wheat Exports to Brazil (tons)					
CY2009	CY2010	CY2011	CY2012	CY2013	CY2014
218,145	494,008	104,248	54,508	3,475,270	2,639,554

Source : Secretaria de Comércio Exterior

**Table 1.4: Brazil Wheat Exports**

Brazil Wheat Flour Imports HTS 1101 Wheat Flour, Group 44 (2012)			
Wheat Equivalent (conversion 1.368)			
Partner Country	Quantity (Units: 1,000 mt)		
	CY2012	CY2013	CY2014
World	2404.90	1188.30	277.00
Philippines	0.00	0.00	115.20
Vietnam	0.00	0.00	69.83
Thailand	0.00	0.00	53.87
Paraguay	0.30	9.54	38.09

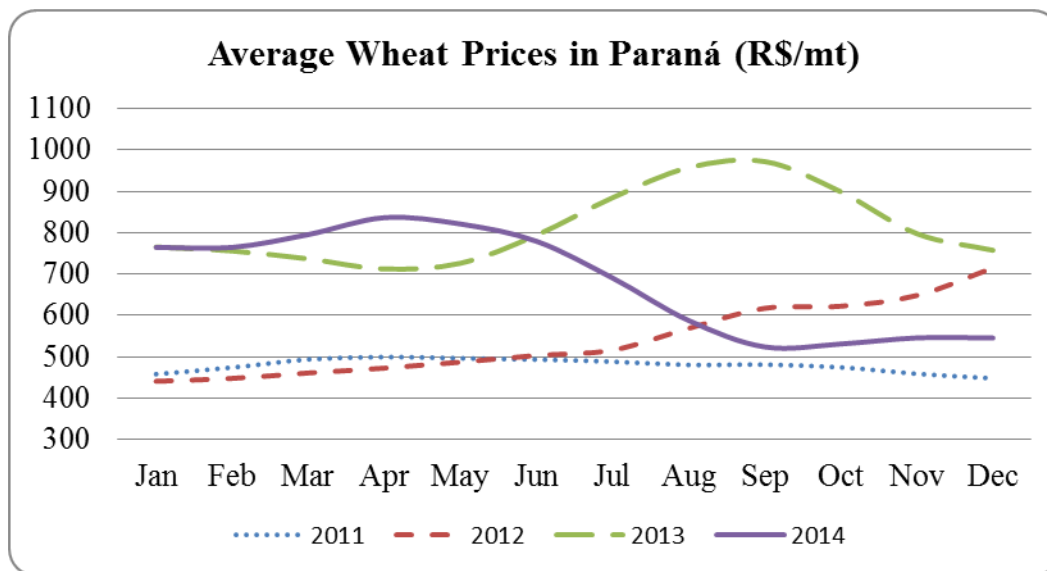
Source : Secretaria de Comércio Exterior

**Wheat Prices:****Table 1.5: Brazil Wheat Prices**

Monthly Average Wheat Prices in Paraná				
Prices in R\$ per Metric Ton (discounted by the NPR tax)				
CY	2011	2012	2013	2014
Jan	457.81	440.54	765.24	764.48
Feb	473.89	447.64	755.78	764.49
Mar	493.59	460.69	736.77	795.35
Apr	499.40	472.41	712.25	836.27
May	496.20	486.87	726.00	821.07
Jun	493.18	503.05	793.94	779.23
Jul	488.19	515.99	884.48	690.33
Aug	480.21	568.48	957.18	587.71
Sep	480.92	617.24	971.96	523.78
Oct	474.28	622.26	898.63	530.97
Nov	458.68	648.13	797.53	545.57
Dec	447.72	714.78	757.39	545.27

Source: CEPEA

**Graph 1: Wheat Prices**



**Commodities:**

**CORN**

Corn Market Begin Year Brazil	2013/2014		2014/2015		2015/2016	
	Mar 2014		Mar 2015		Mar 2016	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Harvested	15,800	15,800	15,000	15,000	0	15,000
Beginning Stocks	14,150	14,150	18,950	18,950	0	18,250
Production	80,000	80,000	75,000	76,000	0	75,000
MY Imports	800	800	800	800	0	800
TY Imports	846	846	800	800	0	800
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	94,950	94,950	94,750	95,750	0	94,050
MY Exports	21,000	21,000	20,500	21,000	0	20,000
TY Exports	22,041	22,041	22,000	22,000	0	21,000
Feed and Residual	46,000	46,000	47,500	47,500	0	48,000
FSI Consumption	9,000	9,000	9,000	9,000	0	9,000
Total Consumption	55,000	55,000	56,500	56,500	0	57,000
Ending Stocks	18,950	18,950	17,750	18,250	0	17,050
Total Distribution	94,950	94,950	94,750	95,750	0	94,050

1000 HA, 1000 MT, MT/HA

**2015/2016 Corn Supplies:** In 2015/16 planted area is expected to remain the same as in the previous year. High land prices in the largest producing states of Mato Grosso and Parana have made it difficult for producers to expand area in the near term. Tighter credit due to the economic slowdown in Brazil will also be an issue for producers in 2015/16 and another reason area is unlikely to expand. That said, inexpensive land in the Northern states of Amapa, Para, and Roraima may incentivize expansion in the north of Brazil over the next few years. As agricultural infrastructure is improved in the region, it will become more profitable to produce in the north as the proximity to new ports and roads will decrease transport costs.

Production for 2015/16 is expected to decrease 1 mmt to 75mmt. The current exchange rate at US\$1 = BR 3.2, a more than 30 percent jump from the same time last year. While this makes exports more profitable now, it also increases the cost of production for 2015/16. Producers will likely seek to reduce their inputs costs, as most of the inputs are imported. Farmers may lessen the amounts of fertilizers and pest control products or switch to second or third tier biotechnology. In addition to the exchange rate, transport costs continue to rise. Paradoxically, while global oil prices are at their lowest in years, Brazilian fuel prices are going up due to government intervention and a stricter fiscal policy aimed at increasing government revenue.

**2015/2016 Corn Consumption:** In 2015/16 corn consumption is estimated at 57 mmt, a one percent increase from the previous year based on the growing poultry and pork sectors. The Brazilian Feed Industry (Sindirações) forecast corn for feed at 39.7 mmt, representing about 60 percent of total feed, which is mainly used for pork and poultry. This number does not include silage. The majority of beef and dairy cattle are grass-fed, but about 5 percent of beef cattle use corn feed lots. These feed lots are only in use during the dry season (May – September) due to the dry conditions of pastureland in certain areas. This number is not expected to change due to the already high price of cattle and the investment it would require.

There has been a lot of media coverage about the feasibility of corn ethanol in the face of low global prices and rising costs of production, especially in the principal producing state of Mato Grosso and the Central-West region. It was recently announced that the National Development Bank (BNDES) will finance four new corn-based ethanol plants in the region to help absorb the supply of second crop “safrinha” corn. The problem for the state, however, lies in the government’s requirement that ethanol must first go to a distributor before being sold to consumers. These distributors are often located far from the producing region, increasing transport costs. There are several “flex plants” operating in the region that have been retrofitted to process both sugarcane and corn. Normally, the sugarcane plants only operate 9 months out of the year, but with the retrofitting, they can produce corn ethanol for the remaining 3 months. Even with the government financing and public support, corn ethanol represents less than one percent of total ethanol production.

**2015/2016 Corn Trade:** Imports for 2015/16 are estimated at 800,000 metric tons, the same as the year before. 2015/16 exports are expected to decrease by 5 percent to 20 mmt due to lower production. Logistics are expected to improve in 2015/16 as new ports come online and roads are improved. The government of Brazil has made progress on modernizing and expanding the port system by passing regulatory reform to increase efficiency to reduce costs, after the infrastructural bottlenecks seen in 2013. Some of the measures include; increasing port depths through dredging, allowing private ports to compete with public ports by easing restrictions on third party cargo, and reducing bureaucratic bottlenecks. New ports are coming online as part of the “Northern Arc” project, which is seeking to increase export capacity in the Amazon River Basin and the Northeast ocean ports (see referenced infrastructure report).

**2014/15 Corn Supplies:** In 2014/15 corn area is forecast to drop slightly from the previous year to 15 mHA. Production in 2014/15 is forecast at 76 mmt, a 5 percent decrease from last year, but higher than initial estimates due to improved prices during second “safrinha” crop planting. There was concern earlier in the year that delays in soybean planting would lead to delays in the harvest and thus, delays in

the second “safrinha” crop planting. The worry was that farmers would not be able to get the corn in the ground before the ideal planting window closed in mid-March, but good harvesting and planting weather allowed for 90 percent of the second “safrinha” crop to be planted within the window.

**2014/15 Corn Consumption:** Corn consumption in 2014/15 is forecast at 56.5mmt, a 3 percent increase from the previous year based on the continued expansion of the pork and poultry sectors. However, growth in the sector is a slower pace than previous years due to the economic slowdown and fewer than expected exports of pork and poultry products.

**2014/15 Corn Trade:** Imports in 2014/15 are forecast at 800,000 metric tons. Exports for 2014/15 are forecast at 21 mmt, the same as the previous year. The largest importers of the grain in 2014 were Iran, Vietnam, and South Korea. A recent truckers strike over higher freight costs halted truck transport across the country in late February created delays in soybean, pork, poultry, and cattle shipments. The strike didn’t have a large impact on corn exports as the export season typically begins in June and peaks in October/November, but it highlights the dissatisfaction with the current government. The truckers are threatening another strike on April 22, 2015 if the government does not reduce the cost of diesel fuel.

**Table 2.1: Brazil Corn Imports**

<b>Brazil Import Statistics</b>			
<b>Commodity: 1005, Corn (Maize)</b>			
<b>Partner Country</b>	<b>Quantity (Units: 1,000 mt)</b>		
	<b>CY2012</b>	<b>CY2013</b>	<b>CY2014</b>
World	830.44	911.39	773.04
Paraguay	824.31	827.30	768.14
Argentina	5.87	56.03	3.64
United States	0.20	0.51	0.76
Brazil	0.00	0.00	0.39
Bolivia	0.06	0.04	0.09
Spain	0.00	0.02	0.02

Source : Secretaria de Comércio Exterior

**Table 2.2: Brazil Corn Exports**

<b>Brazil Export Statistics</b>			
<b>Commodity: 1005, Corn (Maize)</b>			
<b>Partner Country</b>	<b>Quantity (Units: 1,000 mt)</b>		
	<b>CY2012</b>	<b>CY2013</b>	<b>CY2014</b>
World	19801.94	26624.89	20654.64
Iran	2966.92	2168.57	4698.58
Vietnam	73.42	1193.54	3185.38
Korea South	2581.26	3484.88	1900.08
Taiwan	1937.99	2250.72	1484.87
Japan	3049.38	3737.26	1311.81
Indonesia	129.04	1346.01	1261.38



Malaysia	641.17	1002.29	1260.23
Egypt	1846.39	1592.99	1246.23
Saudi Arabia	754.36	1132.38	726.27
Morocco	1003.98	982.04	683.84
Algeria	211.05	766.44	647.12
Dominican Republic	610.56	549.41	328.45
Netherlands	24.27	739.85	293.19
Spain	385.96	784.35	218.16
Tunisia	215.00	288.21	199.53
Cuba	230.57	152.70	177.16
Israel	159.69	195.33	140.36
Venezuela	152.46	97.14	139.74
Jordan	44.85	100.39	109.12
Yemen	0.13	141.74	107.14
United Arab Emirates	79.35	175.84	86.02
Ecuador	34.80	31.03	69.26
Nigeria	53.80	0.40	58.89
Libya	0.00	0.00	53.48
Oman	18.65	36.00	37.50
Portugal	132.56	506.47	35.03
Senegal	0.00	33.57	30.96
Kuwait	83.12	109.67	30.22
Italy	29.80	80.04	28.25
China	79.91	48.18	24.40
Angola	0.04	12.55	16.71
Nicaragua	17.11	38.28	11.33
Turkey	1.94	1.84	9.37
Puerto Rico (U.S.)	58.83	77.56	8.00
Costa Rica	154.22	90.49	7.55
Peru	243.53	128.38	5.55
Paraguay	8.23	6.44	5.15
United States	729.39	1039.16	3.40
Bolivia	1.72	2.83	3.38
Singapore	21.44	0.00	2.81
Argentina	3.26	1.22	1.28
Guyana	0.00	0.87	1.26

Hong Kong	0.05	1.15	1.06
Colombia	467.54	825.29	0.88
Lebanon	0.30	0.00	0.62
France	0.65	10.12	0.55
Virgin Islands (British)	0.00	0.00	0.50
Benin	0.25	0.08	0.45
Togo	0.00	0.00	0.40
India	0.18	2.11	0.33
El Salvador	82.76	37.51	0.29
Honduras	22.35	29.43	0.26
Uruguay	0.00	2.76	0.21
Ghana	0.08	0.05	0.15
Bulgaria	0.25	0.13	0.13
Philippines	2.54	10.64	0.11
Greece	0.00	0.18	0.05
Sudan	0.00	0.00	0.05
Thailand	25.00	49.76	0.05
Montenegro	0.00	0.00	0.03
Liberia	0.00	0.00	0.03
Canada	0.00	0.00	0.02
Panama	80.85	85.67	0.02
Chile	0.05	74.86	0.01
Cape Verde	0.00	0.01	0.01

Source : Secretaria de Comércio Exterior

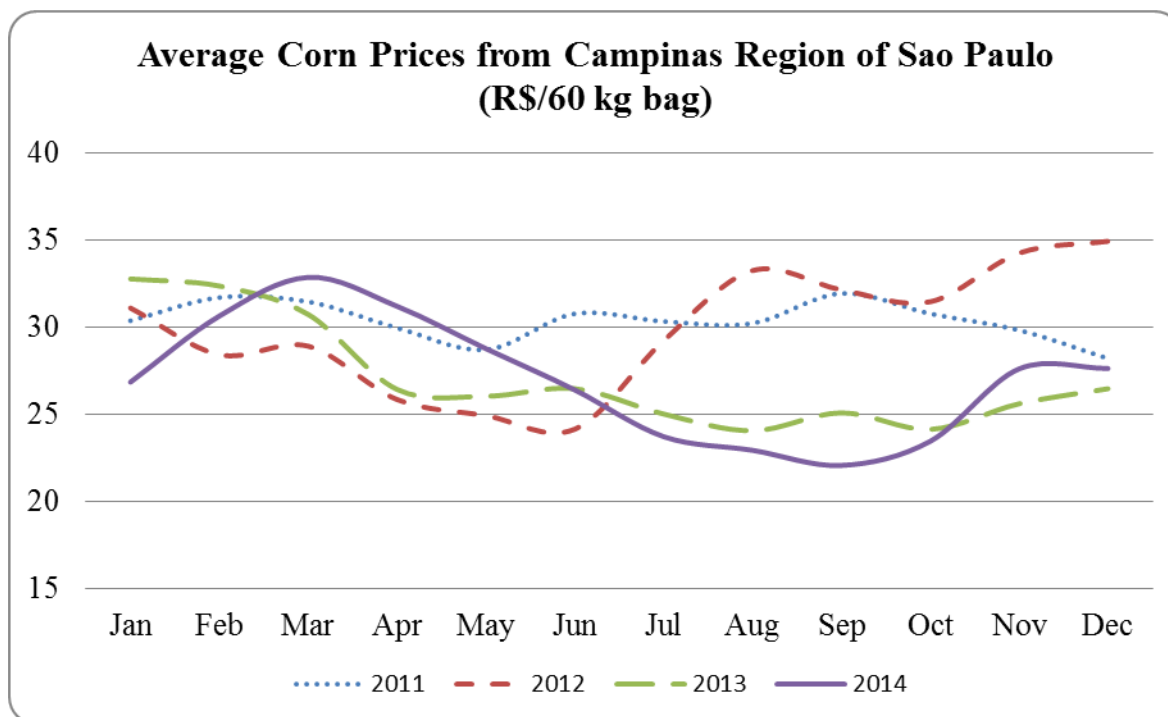
### **Corn Prices:**

**Table 2.3: Brazilian Corn Prices**

<b>Monthly Average Corn Prices from the Campinas Region of Sao Paulo</b>				
Prices in R\$ per 60 kg bag (discounted by the CDI/CETIP taxes)				
<b>CY</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Jan	30.35	31.08	32.75	26.83
Feb	31.68	28.40	32.34	30.62
Mar	31.44	28.89	30.71	32.84
Apr	29.94	25.83	26.41	31.18
May	28.69	24.91	26.02	28.75
Jun	30.75	24.13	26.45	26.38
Jul	30.31	29.21	25.00	23.70
Aug	30.20	33.23	24.04	22.92
Sep	31.92	32.12	25.07	22.05
Oct	30.75	31.44	24.12	23.44
Nov	29.81	34.23	25.59	27.59
Dec	28.18	34.91	26.45	27.61

Source: CEPEA

**Graph 2: Corn Prices**



**Commodities:**  
**RICE, MILLED**

Rice, Milled Market Begin Year Brazil	2013/2014		2014/2015		2015/2016	
	Apr 2014		Apr 2015		Apr 2016	
	USDA Official	New post	USDA Official	New post	USDA Official	New post
Area Harvested	2,400	2,400	2,400	2,400	0	2,450
Beginning Stocks	528	528	728	728	0	828
Milled Production	8,300	8,300	8,300	8,300	0	8,300
Rough Production	12,206	12,206	12,206	12,206	0	12,206
Milling Rate (.9999)	6,800	6,800	6,800	6,800	0	6,800
MY Imports	700	700	700	700	0	700
TY Imports	610	610	700	700	0	700
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	9,528	9,528	9,728	9,728	0	9,828
MY Exports	900	900	900	1,000	0	900
TY Exports	850	850	800	900	0	800
Consumption and Residual	7,900	7,900	7,900	7,900	0	7,950
Ending Stocks	728	728	928	828	0	978
Total Distribution	9,528	9,528	9,728	9,728	0	9,828
1000 HA, 1000 MT, MT/HA						

**2015/16 Rice Supplies:** In 2015/16 rice production area is estimated at 2.4 mHA, the same as the previous year. Production is also expected to remain the same at 8.3 mmt (milled). Prices have been steady over the past year and it's likely that farmers will neither expand nor reduce area.

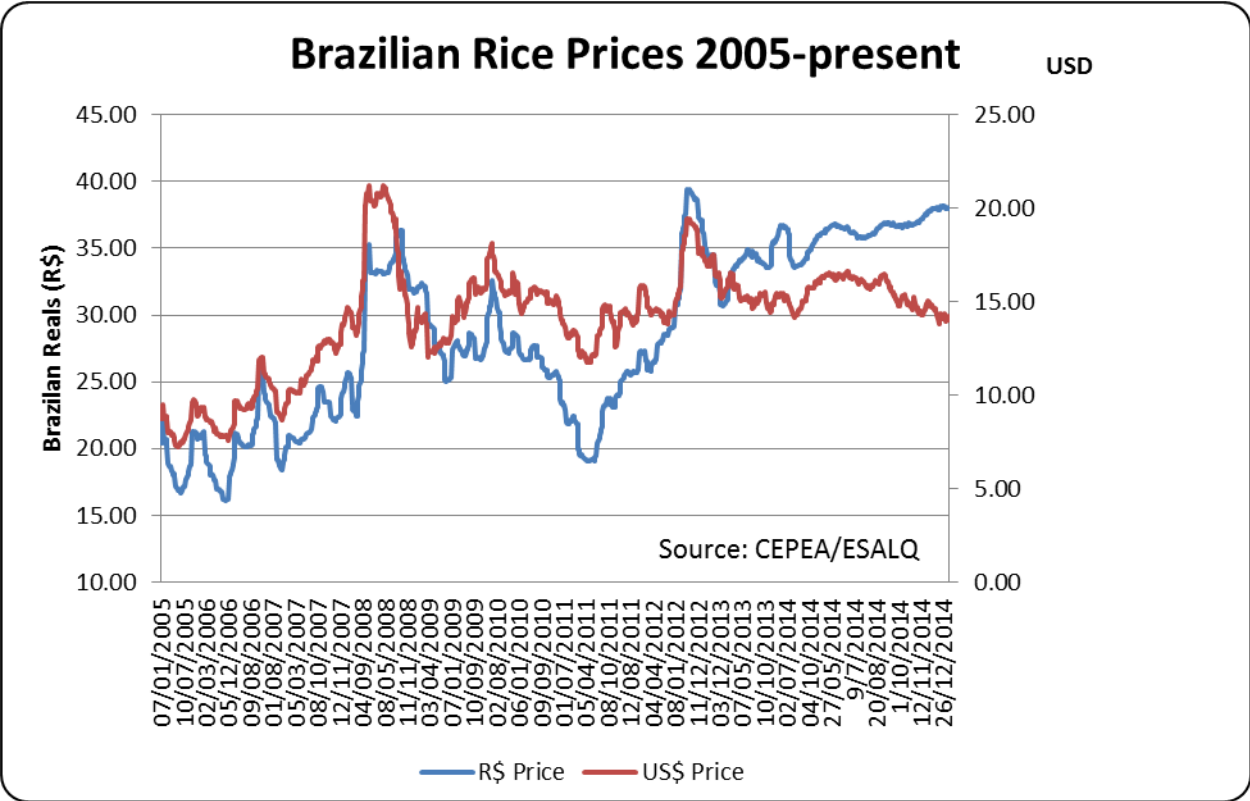
**2015/16 Rice Consumption:** Rice consumption in 2015/16 is expected to be marginally higher based on population growth. There have been media reports that the slow-down of the economy and resulting increase in prices will force consumers to buy more rice, as opposed to wheat based products. However, Brazilians of all social classes already consume a lot of rice and it's unlikely that they will consume more, even if wheat prices increase. The average Brazilian consumes 43kg of rice per year and it is generally served for both lunch and dinner.

**2015/16 Rice Trade:** In 2015/16 rice exports are expected to decrease to 900,000 metric tons due to economic uncertainty in Venezuela, the largest market for Brazilian rice in 2014, and competition with the United States in Cuba, it's third largest market. Venezuela is prioritizing paying down its national debt and restricting the distribution of dollars to importers. Imports for 2015/16 are expected remain the same as the previous year at 700,000 metric tons. Brazil's main rice suppliers are other Mercosul countries, Paraguay, Uruguay and Argentina.

**2014/15 Rice Supplies:** Production for 2014/15 is forecast to be the same as the previous year at 8.3 mmt (milled). There was a slight delay in planting in the largest producing state of Rio Grande do Sul, but the majority of the crop was planted before the ideal planting window closed on November 20. There have been some instances of blast, but the damage will likely be mitigated by favorable weather. The reduction in area in the drought stricken region of the Southeast was offset by increases in productivity in nearly other every region.

**2014/15 Rice Consumption:** In 2014/15 rice consumption is forecast to remain stable at 7.9 mmt (milled). Rice continues to be a staple in the Brazilian diet. The growing middle class may consume less rice, but population growth continues to offset this trend.

**2014/15 Rice Trade:** Exports for 2014/15 are forecast to increase to 1 mmt, up 10 percent from the previous year due to the depreciating Brazilian currency making exports more competitive. In 2014, Venezuela was the largest buyer of Brazilian rice, followed by Senegal and Cuba respectively. The Brazilian rice industry has showed concern over warming economic relations between the United States and Cuba, fearing that U.S. rice could take market share away from Brazilian rice. Brazil has made significant investments in Cuban infrastructure to enhance trade with the Caribbean nation.



**Table 3.1: Brazil Rice Imports**

<b>Brazil Import Statistics</b>			
<b>Commodity: Rice, Group 58 (2012)</b>			
<b>Partner Country</b>	<b>Quantity (Units: 1,000 mt)</b>		
	<b>CY2012</b>	<b>CY2013</b>	<b>CY2014</b>
World	740.37	757.18	624.40
Paraguay	204.22	309.94	326.53
Uruguay	229.85	179.83	126.90
Argentina	281.43	239.54	96.15
Thailand	0.55	0.38	60.88
Guyana	0.00	0.04	6.56
Chile	0.00	0.00	4.46
Italy	3.18	3.66	2.21
Pakistan	0.08	0.00	0.31
Vietnam	19.97	19.94	0.17
United States	0.52	0.59	0.14
France	0.03	0.05	0.05
India	0.53	0.06	0.03
Spain	0.01	0.01	0.02
Portugal	0.00	0.00	0.01

Source : Secretaria de Comércio Exterior

**Table 3.2: Brazil Rice Exports**

<b>Brazil Export Statistics</b>			
<b>Commodity: Rice, Group 58 (2012)</b>			
<b>Partner Country</b>	<b>Quantity (Units: 1,000 mt)</b>		
	<b>CY2012</b>	<b>CY2013</b>	<b>CY2014</b>
World	1152.71	918.05	929.92
Venezuela	103.42	148.07	141.52
Senegal	116.39	95.18	112.24
Cuba	116.02	107.47	105.02
Sierra Leone	98.75	74.84	84.59
Gambia	50.39	70.28	78.23
Nicaragua	47.03	105.43	65.74
Bolivia	10.13	25.79	50.68
Peru	29.94	14.81	32.46
Switzerland	51.07	20.30	31.53
Turkey	0.00	0.00	31.50
Benin	85.40	73.98	31.41
Iraq	28.65	0.00	30.00
Costa Rica	0.00	20.00	24.33
Netherlands	19.62	56.39	22.32
Angola	19.65	16.93	21.12
United States	7.39	8.41	14.60
Trinidad & Tobago	12.26	9.49	9.01
Saudi Arabia	1.86	3.91	8.73
Panama	10.45	27.86	7.81
Cape Verde	1.65	3.25	6.45
Chile	1.95	0.50	4.91
Netherlands Antilles	1.09	0.89	1.80
Barbados	1.08	1.45	1.52
Libya	0.75	1.20	1.43
Puerto Rico (U.S.)	1.03	1.54	1.18
Belgium	5.92	2.00	1.16
United Kingdom	5.45	3.12	1.04
Namibia	1.50	1.00	0.93
Colombia	0.00	0.03	0.92
Bahamas	0.60	0.48	0.78
Argentina	1.31	0.98	0.76
Equatorial Guinea	0.39	0.65	0.71
Paraguay	0.64	0.62	0.65
Algeria	0.25	0.43	0.65

Canada	0.48	0.29	0.33
Uruguay	2.01	2.12	0.28
South Africa	43.72	5.37	0.23
Antigua & Barbuda	0.15	0.18	0.20
Lebanon	0.20	0.14	0.20
Israel	0.33	0.33	0.17
Mozambique	0.08	0.16	0.14
Haiti	0.00	0.00	0.10
Guatemala	0.00	7.20	0.10
Lithuania	0.22	0.17	0.10
Portugal	1.28	0.09	0.08
Nigeria	221.60	0.00	0.05
Mexico	0.00	0.00	0.05
New Zealand	0.05	0.05	0.05
Guinea-Bissau	0.05	0.00	0.03
Aruba	0.07	0.08	0.03
Martinique	0.00	0.00	0.03
Italy	0.01	0.22	0.02
Denmark	0.00	0.00	0.02
France	0.03	0.01	0.01

Source : Secretaria de Comércio Exterior

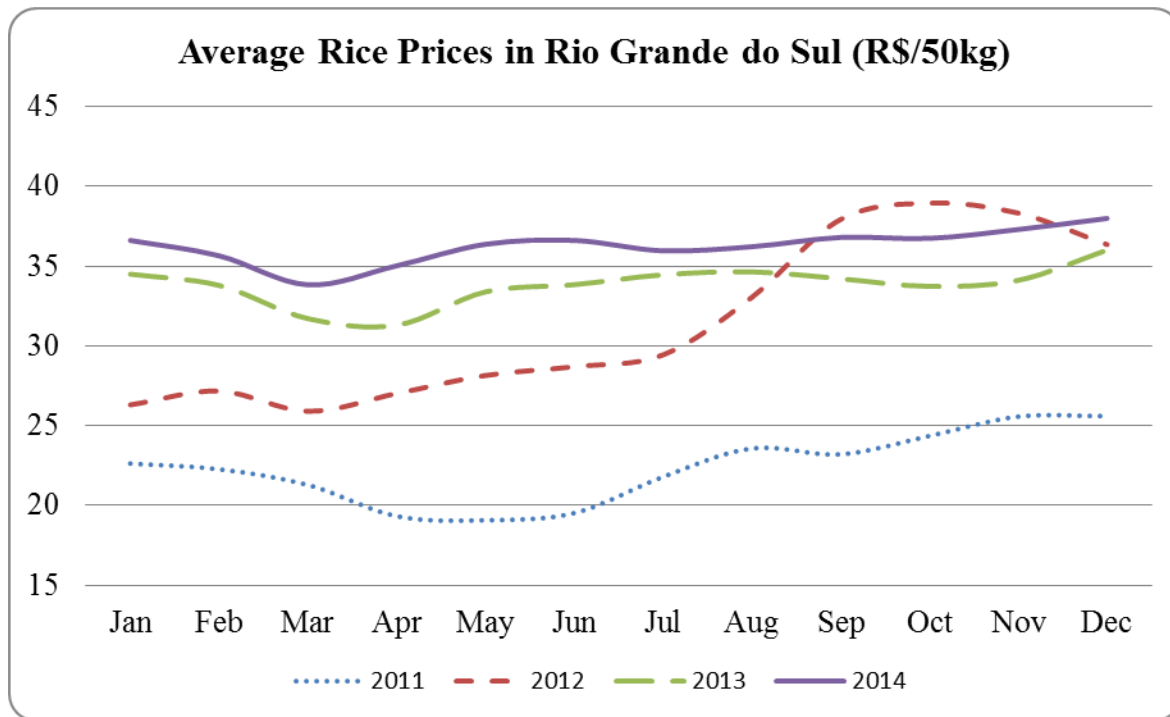
**Table 3.3: Brazil Rice Prices**



<b>Monthly Rice Prices in Rio Grande do Sul</b>				
Prices in R\$ per 50 kg bag (type 1, Rio Grande do Sul) discounted by the CDI/CETIP tax				
<b>CY</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Jan	22.63	26.31	34.50	36.61
Feb	22.27	27.17	33.79	35.65
Mar	21.29	25.91	31.71	33.83
Apr	19.33	27.02	31.30	35.02
May	19.08	28.15	33.39	36.37
Jun	19.53	28.70	33.84	36.61
Jul	21.80	29.44	34.46	35.96
Aug	23.58	33.05	34.64	36.22
Sep	23.21	37.93	34.21	36.80
Oct	24.36	38.95	33.73	36.74
Nov	25.57	38.32	34.11	37.30
Dec	25.60	36.35	36.01	37.99

Source: CEPEA

**Graph 3: Rice Prices**



**Government Support for Commercialization and Export:**

Total government support across all commodities was down over 30 percent from the previous year by weight to 8.3mmt, which is the lowest since 2008. However, over three-fourths of that went to the Equalizing Premium Paid to the Producer (PEPRO) programs for wheat and corn, with corn receiving 5.8 mmt of support through the program.

In September 2014, the government of Brazil reduced the amount of support they were initially willing to provide from R\$500 million to R\$300 million (US\$227 and 136 million, respectively). This signaled that the government may not be able to provide as much support in the face of continued low global prices, an economic slow-down in Brazil, and a government that is trying to rein in spending. The government has the opportunity to update the minimum price once a year, and the price varies by commodity and classification, and by region of the country. This typically takes place in May/June. The minimum price for corn in 2014 in the state of Mato Grosso was R\$13.56/60kg (US\$2.61/bushel)

In 2013/14 rice production received no government support and neither PEP nor PEPRO are expected to be used in 2014/2015. No government support programs have been used for rice since 2010.

The Brazilian government provided support for 810,000 metric tons of wheat, mostly through the PEPRO program in 2014. The minimum price in the state of Parana during the harvest was R\$557.50/mt (US\$253.41/mt).

**Table 4.1: Government Support for Corn (Quantity Unit: 1,000 mt)**

Program	2008	2009	2010	2011	2012	2013	2014
Acquisition (AGF)	149.5	587.9	103	1.2	0.0	364	15.85
PEP	599.2	4875.1	11,229	0	0	0	0
PROP	531.4	0	0	0	0	0	0
PEPRO	0.0	1,295.5	875	0	0	8,459.20	5,802.58
Total	1,280	6,758.5	12,208	1.2	0.0	8,823.20	5,818.43
Production	58,863.7	51,003.9	56,100	57,514	72,979.5	79,500	75,000
Participation %	2%	13%	21.6%	0	0	11.1%	7.7%

Source: Brazilian Ministry of Agriculture/SPA/DEAGRO and CONAB

2014 VEP CORN Auctions			
	Auctioned (1,000 mt)	Sold (1,000 mt)	Premium (US\$)
Apr	75,171	17,735	\$2,637,075
May	171	0	\$0
June	342	171	\$22,580
<b>Total</b>	<b>75,684</b>	<b>17,906</b>	<b>\$ 2,659,655</b>

\*exchange rate: USD 1 = BR 2.2

**Table 4.2: Government Support for Rice (Quantity Unit: 1,000 mt)**

Program GOB Year	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
USDA MY	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13

Acquisition (AGF)	0.3	0	396.3	0	0	0
PEP	0	143.0	1,538.2	0	0	0
PROP	0	0	0	0	0	0
PEPRO	0	0	64.4	0	0	0
Options	0	0		0	0	0
- Round 1			982.8			
- Round 2			385.1			
Total	0.3	143.0	2,981.7	0	0	0
Production	12,602.5	12,059.9	13,613	11,599.5	11,750	12,206
Participation %	0%	1%	21.9%	0%	0%	0%

Source: Brazilian Ministry of Agriculture/SPA/DEAGRO and CONAB

**Table 4.3: Government Support for Wheat (Quantity Unit: 1,000 mt)**

Program	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Acquisition (AGF)	21.3	373.8	0.2	445.70	0	15.0
PEP	1,113.2	3,261.3	1,786	1,594.03	0	0
PEPRO	0	0	0	86.72	0	794.83
Total	1,416.9	3,635	1,786.4	2,126.45	0	809.83
Production	4,081.9	5,026	5,881.6	5,788.6	4,380	5,300
Participation %	34.7%	72.3%	30.4%	36.7%	0	15%

Source: Brazilian Ministry of Agriculture/SPA/DEAGRO and CONAB

References:

[2014 Brazil Grain and Feed Annual – BR0933](#)

[2014 Advances in Agricultural Infrastructure in the North of Brazil – BR0951](#)