

# Atlântica News

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## Peanut: Indicative for 2016



The 2016 Brazilian crop has not yet begun, but we can already predict volumes very similar to last year. According to the Brazilian National Supply Company (CONAB), there was a reduction in the planted areas regarding to the 2014/15 crop; however, there is an increase in productivity in the regions.

Despite the heavy rains of recent days, the scene until now indicates a good crop, with good conditions for peanut. By the end of March, we expect to receive approximately 3 million bags, equivalent to ¼ of the national production.

## A month to the ending season



In general, Brazilian orange season in Sao Paulo and south areas of the country is to finish in a month more and no news from here, this time, does not mean good news.

Industrial yield is really low and recently it had easily reached about 365 boxes for one metric ton of FCOJ; the season yield average is not confirmed but from now on until last orange is crushed obviously this scenario get worst so expected final numbers are to scare, even not to mention that from now

on fruit can simply disappeared with no prior signal, as typically of ending season.

Ratios have not being a positive big surprise when not resulting on high level, even for spot batches, like last season so an extra care when committing with customer's needs.

Impacts of El Niño and multiple blossom for the next season are big problems when in the same tree there are flowers, small green fruit and almost ripe fruit, so clear about costs increase at the fields including inflation of other costs Brazil is facing at this moment when devaluation of Real x US Dollar impacts into a dollarized chain, like the orange juice concentrate is, so price increase start to be recognized by the market.

Finally, if many things can happen in a month until the season ends, imagine until next season.

## Anticipating the demands for the tomato crop



The crop of tomatoes for industrial use which will start in Brazil from July 16 on, according to producers it must be at least 35% more expensive than the previous year due to the rise in production costs such as electricity, pesticides, fertilizers and seeds, considering that the last three items are priced in US dollars.

Therefore, we are anticipating the negotiations for 2016 in order to keep offering good conditions for our customers; please check with our commercial team!

## Grape harvest - The worst disaster in 70 years

Since the end of 2015 when the disastrous combination of hail, rain and frost hits the grape main production area called "Serra Gaúcha" in Rio Grande do Sul state, it was expected that the 2016 grape harvest would be damaged, so what is scaring producers and the market is the size of the real reduction size now that the harvest had begun.

Depending on the region where it is located and where the fresh grapes are bought Brazilian, wine and juice industries indicate a drop between 30% and 70%. For industries, the situation - the worst in the last 70 years - is desolating, mainly because many were already suffering from the prices flatness of concentrated and wines and so expected a better scenario with NFC juice sales that had in recent years an increase of 25% per year due to increased demand for healthy foods.



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