

**Main news**

On June 10, CMA CGM was forced to announce it would no longer accept shipments between East Coast South America and Cagliari (Italy), after the Cagliari Terminal Operator (CICT) announced it has stopped serving container vessels.



Map: CMA CGM

Hapag Lloyd decided to stop calling at the Sardinian port in April, due to its lack of investment over the years and hence inadequate infrastructure, which left the terminal in a critical state. Dataliner data shows that all cargoes going from ECSA to Cagliari are transshipments, with Hapag Lloyd accounting for the largest volume handled.

**SouthBound**

Port	Transit Time
MALTA(FREEPORT), MT	0
GENOA, IT	2
BARCELONA, ES	4
VALENCIA, ES	5
TANGER MED, MA	7
SALVADOR DI BAHIA, BR	17
SANTOS, BR	21
ITAPOA, SC, BR	23
PARANAGUA, BR	24
BUENOS AIRES, AR	27

Source: CMA CGM

A meeting is to be held at the Transport Ministry in Rome on Wednesday in Sarroch regarding the fate of CICT. In addition to the fate of hundreds of workers at the terminal, discussions will be held on how to re-launch the container terminal.

**NorthBound**

Port	Transit Time
BUENOS AIRES, AR	27
RIO GRANDE, BR	30
ITAJAI, BR	33
ITAPOA, SC, BR	34
SANTOS, BR	36
ITAGUAI, RJ, BR	38
TANGER MED, MA	50
MALAGA, ES	52
MALTA(FREEPORT), MT	55

Source: CMA CGM

**Ports, terminals and infrastructure**

**The Rodrimar Group's container terminal at the Saboó Pier in Santos, has had its custom status removed by the Federal Revenue Secretariat.** This means it has lost its authorization to receive import and export cargo and hence the site will be returned to Codesp (São Paulo State's Docking Company).

Stolthaven Santos has been granted authority to perform customs clearance until January 17 2021, of 95 tanks at its Terlig Bulk Liquids Terminal, located in Alemoa, Santos. These tanks have the capacity to store 149,600 cubic meters. The endorsement, dated May 15, was published in the last edition of the Official Gazette.

**The business mission to Chile led by the president of Rio Grande do Sul State's Industrial Federation (Fiergs), Gilberto Porcello Petry, has resulted in an agreement for Chile's Ultramar to expand its operations in Rio Grande Port** by investing approximately R\$300m. The investment will be used to increase the area occupied by the port in order to handle wood and pulp production. Meanwhile Chilean firm CMPC Celulosa, is already present in the city of Guaíba, and plans to increase its investment in Brazil.

Last year, the trade balance between Rio Grande do Sul and Chile stood at over US\$346m, with the state's vehicle exports accounting for 42% of total exports to Chile (worth US\$206.54m). The state's imports of organic chemicals accounted for 29% of the total imported from Chile, (worth US\$41.68m).

**The Port of Paranaguá is to undertake the first-ever renovation of its public pier dedicated to inflammable goods.** The pier was built in the 1940s and since then has only received minor maintenance interventions. The work was authorized last Wednesday (06/05) by the governor of Paraná, Carlos Massa Ratinho Junior.

The work, estimated to take 18 months, will require an investment of R\$41m and will be financed by the Paraná Port Administration. According to the Infrastructure and Logistics secretary, Sandro Alex, this will increase the Port's capacity to handle liquid exports by 60%.

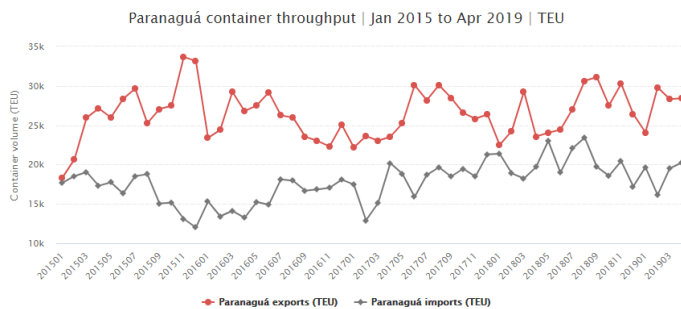
He informed that there would be a new logistics investment package in the next few months, highlighting the expansion of the port's containers area and construction of a viaduct with access to the maritime terminal at the city's entrance.

According to the president of Paraná Ports, Luiz Fernando Garcia, **half of all liquid bulk handled in Paranaguá is done in the public area**, currently composed of an access bridge and two berths, which allows two vessels to be received simultaneously. The pier is essential for volume handling, and importation of vegetable oil, ethanol, and fuels to supply Paraná, Mato Grosso and Mato Grosso do Sul. Between January and May of this year, 1.5m tons were handled on the public pier. Of this total, 78% (663,000 tons) were imported.

Among the main cargo discharged, the main ones were fuels and mineral oils such as diesel oil, methanol, and gasoline, originating in the US, Chile, Argentina, and Venezuela. Exports, however, accounted for 23% of total handling (181,000 tons). Besides fuel oil, Paraná is prominent in exporting soybean oil. The main destinations are Argentina, Singapore, the US, and Chile.

Cabotage accounted for more than half of all cargo handled, at approximately 712,000 tons.

The following graph, based on Dataliner, shows imports and exports from the Port of Paranaguá from January 2015 to April 2019.



Source: DataLiner

**The Port of Paranaguá recorded a record bulk sugar shipment loading via berth 204.** The Caravos Glory vessel from the Marshall Islands (Oceania) shipped 58,175 tons to the Middle East. Average shipments are usually between 40-45,000 tons.

According to Paraná Port Operations (Pasa), no extra measures were needed as the appropriate equipment was already available for the size of the operation. It informed that average loading capacity at the berth is 1,300 tons per hour.

According to Luiz Teixeira da Silva Júnior, Director of Pasa, what makes the operation even more interesting is the fact that for this shipment, the cargo was received at the terminal exclusively by rail. This year, the company has already handled almost 518,000 tons via berth 204. In 2018, this figure was around 2.1 million tons. The company also works with the grain. In 2018, a total of 3.3 million tons of sugar were handled by Paraná's ports.

**More news on Paranaguá is that cargo theft resulting from operations in which criminals sabotage products transported by truck to the port, reduced by 80% in the last quarter.** This is the result of all security forces working in the region.

The number of incidents dropped from 21 in March – before the forces started working together – to only 4 in May. Thefts from truck drivers fell from 11 incidents to 6 during the same period.

The following Dataliner chart shows sugar exports via the Port of Paranaguá from January 2015 to April 2019:



Source: DataLiner

### Logistics

**When the presidents of Paraguay and Bolivia meet on June 12 in La Paz, an important discussion topic will be how to maximise use of the Paraguay-Paraná Waterway as an important logistic route for physical and economic integration.** It is important to Bolivia to enable it to lower its logistical costs of accessing the ocean, and to Paraguay in allowing it to become a logistical hub.

The Paraguayan National Chancellery aims to take advantage of this logistic corridor to promote integration, development and attract investment. To make this happen, it is seeking to coordinate talks with the various bodies that exist within the Paraguay-Paraná Waterway River Transport Agreement.

Paraguay has much experience in navigation, handling of multi-purpose port terminals and specific cargo types. The country has 53 ports on the Paraguay-Paraná Waterway, of which 49 are private. The last terminals brought on-stream required large investments and have state-of-the-art technologies, such as Puerto Fénix, Caacupemí, Terpor and Imperial Shipping en Concepción.

**The National Land Transport Agency (ANTT) approved that a tender process is held for highway BR-364/365/GO/MG.** The public auction is scheduled for September 18, with proposals to be submitted by September 11, and is part of the Federal Government's Investment Partnerships Program (PPI).



Ministério da Infraestrutura  
@Minfraestrutura



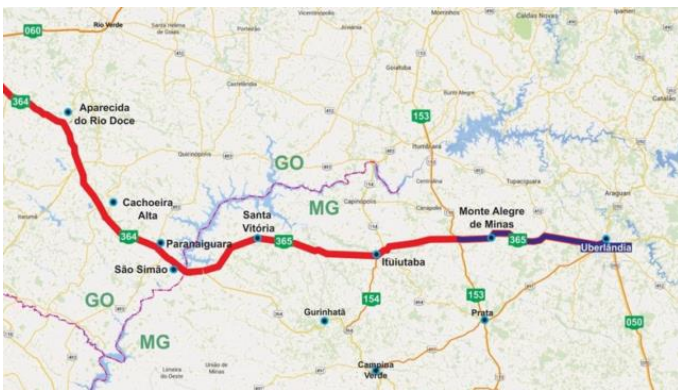
Foi publicado hoje (5), no Diário Oficial da União (DOU), o edital com a data do leilão de concessão da BR 364/365/GO/MG, que acontecerá no dia 18 de setembro e será realizado pela @ANTT\_oficial.

The 437km stretch of highway in question comprises 11 municipalities of Goiás (Aparecida do Rio Doce, Cachoeira Alta, Jataí, Paranaiguara, and São Simão) and 6 of Minas Gerais (Santa Vitória, Gurinhatã, Ituiutuba, Canópolis, Monte Alegre de Minas and Uberlândia ) and includes seven toll plazas.

It is estimated that R\$2.06bn will be invested in the work and R\$2.51bn in operating costs for the 30-year concession period. The construction will include 44.2km of duplication, 134.30km of additional lanes and improvements such as side roads, hard shoulders, and big roundabouts among others, for the entire stretch granted.

Among the mandatory operations is the completion of the Trevão (crossing of BR-365 / MG with Highway BR-153 / MG) and trunk road Xapetuba, which should be delivered in the 2nd and 1st year of the concession respectively. The ANTT may also request the inclusion of several improvements (side roads, roundabouts, walkways, etc.) during the contract.

The following ANTT map shows the location of the highway:



Map: Google Maps

**The Infrastructure Minister Tarcísio de Freitas announced that the government had given up on trying to merge the National Land Transport Agency (ANTT) with the National Agency for Water Transportation Agency (Antaq).**

“There is a legitimate concern in the market, especially within the port and navigation sector, that one sector will absorb the other and we will end up having weaker regulation, for example in the port and navigation segment,” he said, justifying the decision.

Even before taking office, the minister’s intention was to create the National Transportation Agency, bringing together the shipping, road and railroad sectors, providing greater ‘rationale’ in the regulatory process.

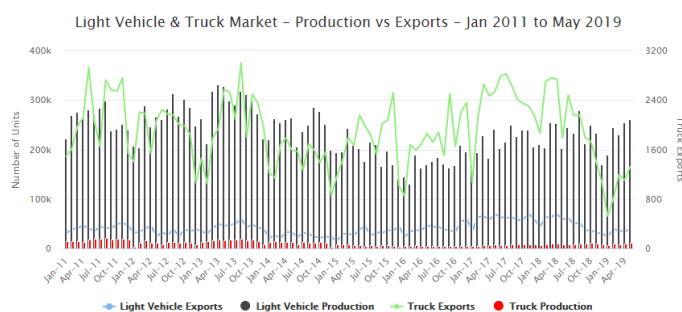
### Automotive

**Anfavea – National Association of Automobile Manufacturers – reported that Brazil’s automobile production grew 3.1% in May** compared to April. The growth rate was, however, lower than that of the previous month.

Domestic sales grew 5.8% in May compared to April. Exports, however, recorded a 42.2% drop in the year, largely due to the economic crisis in Argentina.

Automakers in Brazil produced 275,700 new cars and trucks last month, while sales totaled 245,400 vehicles, according to Anfavea.

Anfavea’s president, Luiz Carlos Moraes, explains that despite the country’s lacklustre economic indicators, the industry’s positive results are due to a long process of recovery that initiated in 2017, after a drop of more than 40% in 2015-2016, at the peak of the crisis. The following graph uses data from Anfavea to show production and exports of trucks and light vehicles between 2011 and April 2019:

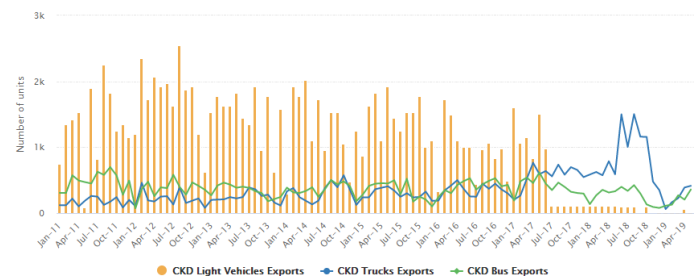


Source: DataLiner

“Our fall was well above the GDP’s 6.73% drop in those two years, so there is much to recoup to get back to 2012 levels. The domestic market in maintaining a good sales rate, with a 12.5% cumulative increase in the year so far. Production has not kept up with this level due to significant drop in exports to Argentina. The truck segment was the highlight of May, with its best month in sales since 2014. Fortunately, the market has been reacting steadily, and is expected to grow even more after the social security and tax reforms are approved,” Moraes believes.

The graph below shows exports of CKD trucks and light vehicles between January 2011 and May 2019:

CKD Light Vehicle, Truck & Bus Exports – Jan 2011 to May 2019



Source: DataLiner

**Fiat Chrysler Automobiles (FCA) has withdrawn its proposed merger with Renault.** If it had gone through, the merger would have resulted in the world’s third-largest automaker. The deal, worth US\$ 35bn, would have been a 50-50 partnership.

In a statement released by FCA, it said: “it’s clear there are no political conditions in France for this combination to proceed.” That is because the French government, which owns a 15% stake in Renault, said it would only approve the deal if the partnership between the French automaker and Nissan were maintained.

Meanwhile, Renault released a statement saying that its board “cannot decide because of the explicit request by the French State’s representatives to postpone the vote to a future meeting.”

After the news was released, Fiat’s shares fell 4.62%.

### Shipping

**Antaq (National Water Transportation Agency) will request that its technical department assess the appropriate parameters for size restrictions on foreign vessels being chartered.**

The decision to request this assessment was made on May 28th at its board meeting. This is due to the perceived need for better discipline on the subject to avoid competitive imbalances.

According to Antaq’s director, Francisval Mendes, companies and associations filed complaints with the agency about this procedure, which is called leverage of tonnage. Agency rules require that a chartered foreign vessel must have a similar size (tonnage) to the vessel the Brazilian company already has.

However, Brazilian companies are said to be using vessels of low value but high tonnage to charter foreign vessels in the same proportion. According to Mendes, a detailed study of the topic is necessary for a better evaluation. No deadline for the completion of this process was given.



## Trade

**President Jair Bolsonaro reiterated that Brazil and Argentina could create a single currency**, but stressed that there is no deadline for implementing the idea, which foresees creating a monetary union for the whole of South America in the future.



**Jair M. Bolsonaro** ✓  
@jairbolsonaro

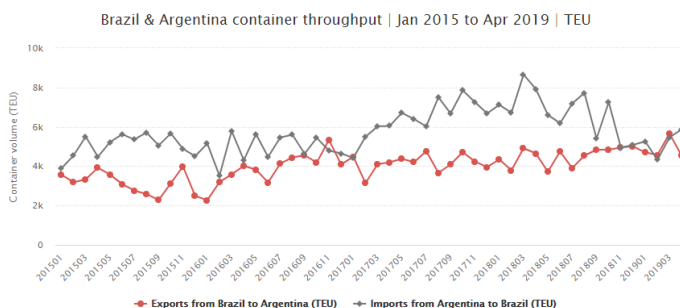


- Nossa despedida da Argentina e o sonho do peso/real.

♥ 23,5 mil 13:06 - 7 de jun de 2019

Bolsonaro first mentioned this plan the day before during a visit to Argentina. On Friday, the president said that the single currency could serve as a safety net against threats of 'socialist adventures' advancing in the region. According to Bolsonaro, this proposal has existed since 2011 and recently Brazil's Economic Minister Paulo Guedes and the Argentinian government have both shown an interest in re-studying the issue.

In a note, the Central Bank informed this morning that there are no projects or studies in progress for a monetary union between Brazil and Argentina. On Twitter, Brazil's President of the Chamber of Deputies, Rodrigo Maia, criticized the idea of the possible new currency.



Source: DataLiner

On Thursday (06/06), **President Jair Bolsonaro said that Mercosur will sign a trade deal with the European Union**, and thanked Argentinian President Mauricio Macri for his role in pushing for the trade pact.

The European Union, however, denied the statement by the presidents of both countries. "Some issues, including requests considered essential by the EU, remain pending," said EU Trade Commissioner Cecilia Malmström, who also said that the dismantling of the environmental policy by Bolsonaro and allowing for the use of new pesticides may hinder the agreement.

In a live broadcast on Facebook on Thursday (06/06), Brazilian Economy Minister Paulo Guedes said closer ties between Brazil and Argentina would revitalize Mercosur.

A spokesman for Argentina's Ministry of Finance said that the governments of Argentina and Brazil were negotiating the creation of a joint currency that could be called the 'real peso', combining the names of the Argentinean peso and Brazil's real currency. "We are working on that in the medium to long term," the spokesman told Reuters. The proposed currency could include the other Mercosur partners, Uruguay and Paraguay, according to media reports.

## Brazil and Argentina have begun discussing a reduction in the Mercosur Common External Tariff (TEC).

Currently, Mercosur – formed by Argentina, Brazil, Paraguay, and Uruguay – levies average tariffs of 14% on goods coming from outside the bloc. The idea is that a reduction would ease trade between members of Mercosur with the rest of the world, stimulating economic growth.

According to Reuters, those people familiar with the matter are not allowed to speak publicly about the negotiations, but the expectation is that changes will not happen in the short term. A Brazilian official told Reuters that the common external tariff has not changed in 25 years and both countries agree on the need to review it; a process launched by Argentina which will continue until the end of the year. The work is beginning with a technical review proposal, and no substantial decision has been made yet," he said.

Another Brazilian source said that any agreement would have to wait until after the Argentinian elections in October, but the intention was to reduce the bloc's external tariff for several years, from an average of 14% to about 5% or 6% in the long term. "If Macri wins, the tariff review may begin early next year. We share the same views on opening up trade," the Brazilian source said.

## Coffee

According to the Foreign Trade Secretariat (Secex), **Brazil's coffee bean exports reached 3.157m 60-kg bags in May**, representing an increase of 123.3 % compared to the same month last year (1.414m bags).

Regarding foreign exchange earnings, there was a 74% increase in the period, to US\$372.9m compared to US\$ 214.3m in May 2018.

## Meat

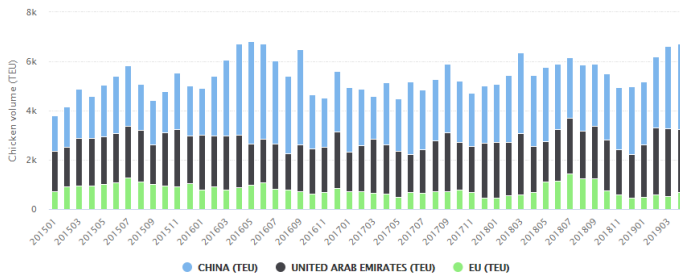
**Brazilian chicken exports to China grew 49% in May compared to the same time last year.** This was to fulfil domestic demand after African swine fever affected domestic production.

Brazil, the world's largest chicken exporter, exported 381,100 tons last month, a 14.4% year-on-year increase, according to a statement issued by the Animal Protein Association (ABPA). According to ABPA, China accounted for almost 15% of shipments and was Brazil's main chicken export destination in May. The chicken exporters also benefited from higher prices, with revenues growing 27.3% to US\$658.9m over the same period comparison.

Exports to the United Arab Emirates, where BRF's presence is strong, grew almost 50%, while exports to the European Union increased 26%, according to data showed by ABPA. "The disruption in the market created by China is happening at a time when other importers are increasing their purchases as well," said ABPA executive director Ricardo Santin.

The following graph uses Dataliner data to show Brazil's chicken exports to China, The United Arab Emirates and the European Union between January 2015 and April 2019.

Brazil chicken (HS 0207) exports to China, UAE, &amp; EU | Jan 2015 to Apr 2019 | TEU



Source: DataLiner

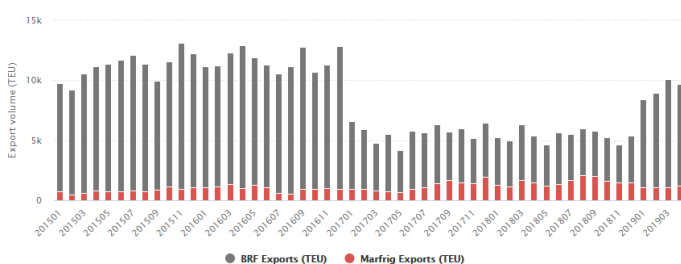
**BRF and Marfrig have begun official merger talks.** There will be 90 days of negotiations and according to sources close to both companies, issues being discussed include the release of capital in the United States, and the headquarters of the new company, which can take advantage of NationalBeef's structure, an American company controlled by Marfrig.

According to information by Valor, Pedro Parente should continue as chairman of the board and Lorival Luz as CEO of the new company. But an alternative to be considered is shared chairmanship of the board of directors between Parente and the entrepreneur Marcos Molina, founder, and chairman of Marfrig's board. The shareholders of both companies must be heard in an assembly before any agreement can be reached, although the executive board of the new company will include professionals from both BRF and Marfrig.

As reported by DatamarNews on May 31st, if successful, the merger will result in a company that will be amongst the largest companies of the sector in Brazil, US, Latin America, Middle East, and Asia. BRF is expected to have an 85% stake of the new company, while Marfrig is expected to hold 15%.

The following graph uses Dataliner data to show BRF and Marfrig's beef exports between January 2015 to April 2019.

BRF and Marfrig meat (HS 0201, 0202, 0203, 0207) export trends | Jan 2015 to April 2019 | TEU



Source: DataLiner

**Brazil and the government of Laos met in late May to negotiate the export of live animals (cattle for breeding, fattening, and slaughter) and poultry meat to Laos.**

The meeting between the deputy trade secretary and international relations (SCRI) for the Agriculture, Livestock and Supply Ministry, Flávio Bettarello, and the deputy Minister of Agriculture and Forestry of Laos, Bounkhouang Khambounheuang, took place in Vientiane (Laos). Bettarello was accompanied by a Brazilian Embassy delegation in Bangkok.

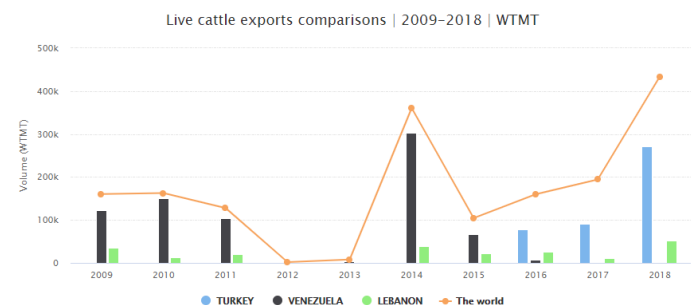
The Laos government is to send official letters fully approving the requirements proposed by Brazil for live animal exports. Laos should also soon approve the animal health requirements

proposed by Brazil to export bovine semen and embryos, as well as health requirements for pig and cattle meat. A future visit was also scheduled by a technical team of veterinarians from the Laos Livestock and Fisheries Department to become familiar with the national meat inspection system (cattle, pigs, and poultry).

"For Brazil, access to the Laos market represents a good opportunity to establish itself in a country whose economy is growing at about 7% a year and has great potential for increased animal protein consumption. It is also part of our consolidation strategy in the increasingly promising Asian market," said SCRI's deputy secretary.

The deputy secretary and deputy minister also discussed possibilities for partnerships that represent value added to Brazilian raw materials and the exploitation of trade opportunities in countries bordering Laos – China, Thailand, and Vietnam – all of which are major markets.

The following DataLiner chart shows Brazil's 10-year live cattle export trends to the top destinations:



Source: DataLiner

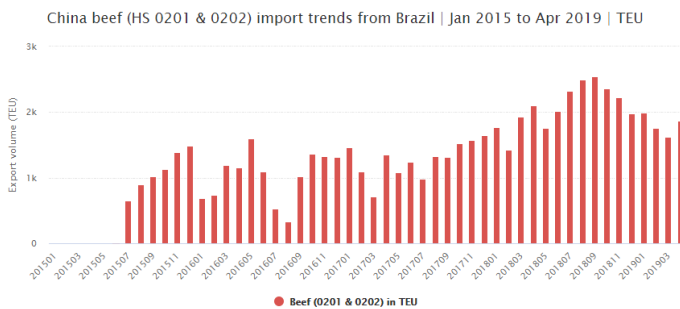
**The World Organization for Animal Health (OIE) ended the unusual case of BSE (Bovine Spongiform Encephalopathy),** known as 'mad cow disease', registered in Brazil. This was done without changing the country's sanitary status, which remains classed as an insignificant risk as far as the disease is concerned.

The Animal and Plant Health Secretariat of the Agriculture, Livestock and Food Supply Ministry (MAPA) had confirmed an incident of BSE in Mato Grosso at the end of May. Mad cow disease happens spontaneously and sporadically and is not related to food ingestion. Moreover, according to the OIE, there will be no additional reports on the case. In more than 20 years of monitoring for the disease, Brazil has recorded only three cases of atypical BSE and no cases of the classic BSE.

Despite the OIE report, MAPA has temporarily suspended health certificates for China until the Chinese authorities have to analyze all the information relating to this episode. Brazil's decision complies with the bilateral protocol signed in 2015.

Just a few weeks ago, MAPA sent 19 meatpackers to be licensed to export to China. The meatpackers were optimistic that the Asian country would expand the number of Brazilian slaughterhouses able to supply to it after it suffered an outbreak of African swine fever.

The following DataLiner chart shows the trends in Brazilian beef imports by China from January 2015 to March 2019.



Source: DataLiner

### Fish

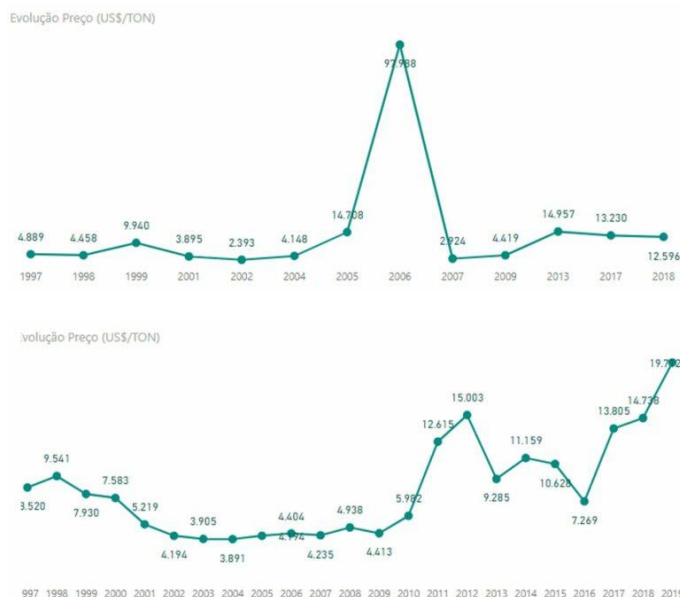
#### A Brazilian court suspended the protective measure that blocked the entry of Argentine shrimps into the country.

The embargo had been filed in October 2013 with the support of the Brazilian Association of Shrimp Breeders. At the time, the association backed the alleged hypothesis of health risk and consumer health.

The current judicial measure is based on several scientific articles that show that Argentina's shrimp exports do not represent a real and effective risk for Brazil.

In January of this year, a decision by the Federal Supreme Court of Brazil granted Ecuador the possibility of re-exporting its traditional shrimp to the country.

A Datamar study, based on the Dataliner data, shows that frozen shrimp imports were low over the last few decades, reaching only US\$15m since 1997. Imports were mainly from France, Argentina, and Ecuador.



Source: DataLiner

During this period (1997 to 2019), foreign trade operations involving shrimp in Brazil corresponded to 0.47% in imports versus 99.53% in exports.

According to Dataliner, considering volumes since 1997, the largest volume imported was in 2003, at 99,000 tons. Brazil

practically hasn't imported any shrimp since 2011. It is worth noting that shrimp exports are seasonal, with temporary bans on fishing imposed in order to make it sustainable. According to IBAMA's regulation 189/08, the stoppage season for shrimp fishing is between April 1 – May 31.



Source: DataLiner

The following NCMs (Mercosur Common Nomenclature) were considered in this study: frozen shrimps; frozen krill shrimp; frozen whole shrimps other than "krill" (main), other frozen shrimps other than "krill", frozen whole cold water shrimps (pandalus spp.); cold water shrimps other than whole, frozen; other frozen whole shrimps; other shrimps other than whole, frozen; not frozen shrimps, other not frozen shrimps; other live shrimps, fresh or refrigerated and shrimps in general.

### Grain

On June 3, **DatamarNews reported that Brazilian corn exports might hit record highs this year due to two factors:** a historic delay in corn planting in the US, the world's largest producer, and exporter, and Brazil's high production during this period. As a result, companies like ADM (Archer Daniels Midland) are selling Brazilian corn to Smithfield Foods in the US.

ADM runs more than 270 factories worldwide, where cereal grains and oilseeds transformed into numerous products used in food, beverages, industry and animal feed. In Brazil, the company processes and sells soybean, corn and animal feed, as well as biofuels, chemicals, and unique ingredients for the industry.

According to sources who requested anonymity, Smithfield – largest pork processor in the US which belongs to the Chinese group Shuanghui since 2013 – owns port facilities on the US' East Coast and sometimes sources corn from abroad because of the cost of grain transport from the domestic Corn Belt.

According to Reuters, one source said Smithfield Foods probably ordered between five and ten corn shipments from Brazil, which are to be shipped between September 2019 and January 2020.

**The US Department of Agriculture said that only 67% of US corn had been planted by June 2nd**, well behind the five-year average of 96%, due to heavy rains faced by American farmers. Meanwhile, the Brazilian government estimates were for corn exports to grow 25% this season to 31m tons, even before weather problems hit US corn crops.

The last time Brazil sold significant quantities of corn to the US was during a drought in 2012 and 2013. At the time, Brazilian corn exports to the US totaled 1.7m tons, according to government data.

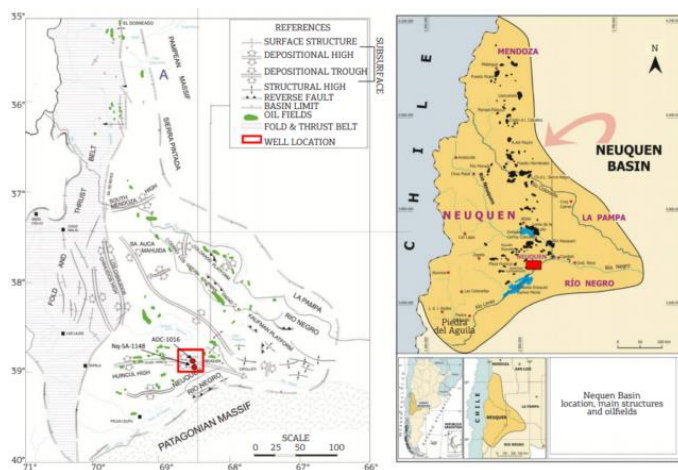


**Mexican importers who normally buy this grain from the US, have reserved a 35,000 ton shipment from Brazil.** The cargo will be shipped from the Port of Santarém and will leave on June 22nd. The export is taking place mainly due to two factors: the trade dispute between Mexico and the US and problems faced by North American producers during this harvest.

Mexico is the main destination for US corn exports. This would be the first corn export from Brazil to Mexico since 33,000 tons were shipped January, according to the Brazilian Agricultural Ministry.

### Oil & gas

**Local government adviser Jorge Sapag, informed that six new exploration concessions are to be granted in Argentina's Neuquen province,** the site of Vaca Muerta shale play, before the end of the year. Investments in Vaca Muerta are expected to reach US\$27.3bn over the next four years, with Neuquen doubling Argentina's oil production to reach annual revenues from exports of close to US\$12bn.



Map: PGS

Sapag informed that "there are 8,222 square kilometers of concessions for 35 years, which represents 27% of Vaca Muerta. There are 34 concessions right now, and by the end of the year, another six will be approved". Vaca Muerta is a key component in President Mauricio Macri's plan to end Argentina's need to import energy and become a net exporter instead. Macri will seek re-election in October and is hoping to attract foreign investment, especially in the energy sector, after foreign companies were scared off by former president Cristina Fernandez's interventionist policies.

**In April, Brazil's oil and gas production rose compared to the previous month and compared to April 2018.** During this period, oil and gas production reached the equivalent of 3.314m barrels per day.

Oil production stood at 2.604m barrels per day, a 1.7% increase over March and 0.3% year-on-year. Natural gas output reached 113m cubic meters per day, an increase of 1.3% over the previous month and 3.8% compared to April 2018. The Lula field, in the Santos Basin, produced the most oil and gas, at an average of 873,000 barrels of oil per day and 37.2m cubic meters of natural gas per day.

**Petrobras announced the sale of 22 oil fields in Bahia, which are part of the Polo Recôncavo and Polo Rio Ventura fields.**

Among them is the Campo de Candeias, Brazil's first commercial oil field, discovered in the 1940s.

The announcement is in disagreement with the ongoing debate in the Federal Supreme Court (STF), regarding whether it is constitutional to sell state-owned units, subsidiaries, and shareholding, without the approval of Congress and without considering Law 8666 / 93, which addresses public biddings.

Two injunctions – of Ministers Ricardo Lewandowski and Edson Fachin – are in place that suspends Petrobras from any part of a privatization process, until a decision is reached by the STF's Plenary. One of the injunctions suspended the sale of state-owned units, such as refineries and TAG.

### Ore

**Vale resumed freight train operations on the Belo Horizonte stretch of the Vitória-Minas Railroad (EFVM).** The decision was made after an independent international consulting firm testified that any possible movement as a result of a slide in the northern slope of the Gongo Soco mine pit would not affect the railroad.

Freight transport was interrupted at EFVM between Sabará and Barão de Cocais (MG) on 19/5 because the train circulates in the vicinity of the Gongo Soco mine pit, where movements in the northern slope of the structure were recently identified.

The passenger train remains operating under special conditions. Those who leave Belo Horizonte station board a bus rented by Vale and are taken to Dois Irmãos Station in Barão de Cocais, where train traveling resumes. In the opposite direction (Vitória-Belo Horizonte) passengers disembark from the train at Estação Dois Irmãos and continue by bus towards the final destination. The change began on 5/16 as a preventive measure.

The Vitória-Minas Railroad runs through 51 municipalities. Iron ore, fuels, grains, steel, and others are transported via the

**Cade – Administrative Council for Economic Defense – approved Vale's purchase of mining company Ferrous.**

Porto Sudeste had requested that the negotiation be suspended because of the concentration in the market and iron ore exports it would cause. Cade ruled, however, that Vale does not "have the ability to monopolize the port used by iron ore producers in the Southeast region." Cade also understood that Ferrous is not Vale's direct competitor and that the purchase would not have negative consequences for consumers or other companies in the sector.

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Your contributions, criticisms, suggestions and, if you do them, press releases, will be welcome. Contact: [datamarweek@datamar.com.br](mailto:datamarweek@datamar.com.br)

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