

INFORMATION TO THE MARKET

STOCKS AUDITED ON JUNE 30TH, 2020:

A survey carried out through an independent audit with each of the companies associated with CitrusBR and also consolidated by an external audit, found that the global inventories of Brazilian orange juice, converted into Concentrated and Frozen Orange Juice equivalent to 66 ° Brix (FCOJ Equivalent at 66 ° Brix), held by its associates, on June 30th, 2020, were 471,138 tons.

INDUSTRIAL YIELD ON FRUIT FOR THE 2020/21 SEASON:

The compilation also carried out individually and confidentially by an independent audit among the companies associated with CitrusBR pointed out that the average industrial yield on fruit for the 2020/21 season is estimated at 268 boxes for the production of one ton of FCOJ equivalent to 66° Brix. However, due to the multiple blossoms in the current crop and uncertainties regarding the climate, this estimate is subject to correction until the end of the season.

ORANGE PROCESSING AND JUICE PRODUCTION PROJECTED FOR THE SEASON 2020/21:

Considering a crop estimated by Fundecitrus at 287,760,000 boxes of 40.8 kg and a consumption in the Brazilian domestic market of fresh fruit of around 50,000,000 boxes, it is possible to estimate processing around 237,760,000 boxes for CitrusBR' members and non-members.

By dividing the 268 boxes required to produce one ton of FCOJ equivalent to 66 Brix by the 237,760,000 orange boxes available to be processed in the 2020/21 harvest, it is possible to estimate a total production of 887,164 tons of FCOJ equivalent to 66° Brix. If confirmed, it will represent a drop of 26.2% compared to the 1,202,792 produced in the 2019/20 harvest.

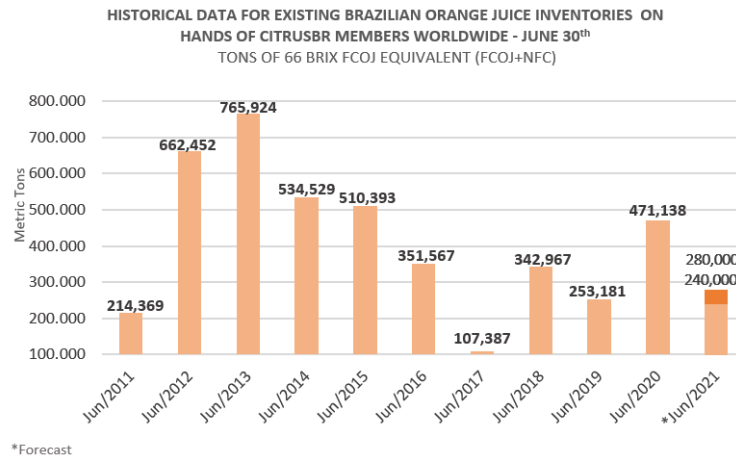
ESTIMATED DEMAND FOR THE 2020/21 SEASON

For calculation purposes, it is possible to consider that the international demand for orange juice may remain stable at approximately 1,070,000 tons, according to data from the Foreign Trade Secretariat (Secex). To this volume, it is necessary to add the estimated consumption of orange

juice in the Brazilian domestic market of 80,000 tons of FCOJ equivalent to 66° Brix, totaling an estimated demand of around 1,150,000 tons of FCOJ equivalent to 66° Brix.

ESTIMATED OF CARRY-OUT OF BRAZILIAN ORANGE JUICE IN THE 2020/21 SEASON

Considering all the data exposed, possible changes in demand, and the incorporation of juices from other states in São Paulo's inventories, it is reasonable to estimate that the final stock of orange juice on the date of passage on June 30th, 2021, will vary between 240,000 and 280,000 tons of FCOJ equivalent to 66° Brix. The next review will happen in February 2021, when it will be possible to have more clarity about the behavior of demand in the current crop year, as well as potential changes in the development of the orange crop.



São Paulo, August 25th, 2020

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Executive-Director