

Cheaper Dollar Spurs Raw Material Imports by Brazil

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Brazilian industry is importing more raw materials, according to a study by Brazil's National Confederation of Industries (CNI). The process of substitution of national inputs for foreign materials should be even stronger during the year of 2006, due to the value of the dollar, favorable to imports.

According to the study, 28% of the companies that already use imported inputs and raw materials plan on increasing even more its usage in the next six months.

This is the case in the sectors of machinery and electrical material; pharmaceutical; metal products and electronic and communications material.

Gas Pipeline

Petrobras and the Brazilian federal government started the construction works on the Urucu-Manaus gas pipeline, in the northern Brazilian state of Amazonas.

The construction may generate nearly 3,500 direct jobs and 10,000 indirect jobs. The cost estimated for the approximately 670 kilometers pipeline is of US\$ 1 billion. The construction was being announced since 1998.

In Coari, city in Amazonas, president Luiz Inácio Lula da Silva made today, June 1st, the first welding spot on the pipeline, which should be finished only in March 2008.

Anba, ABr