



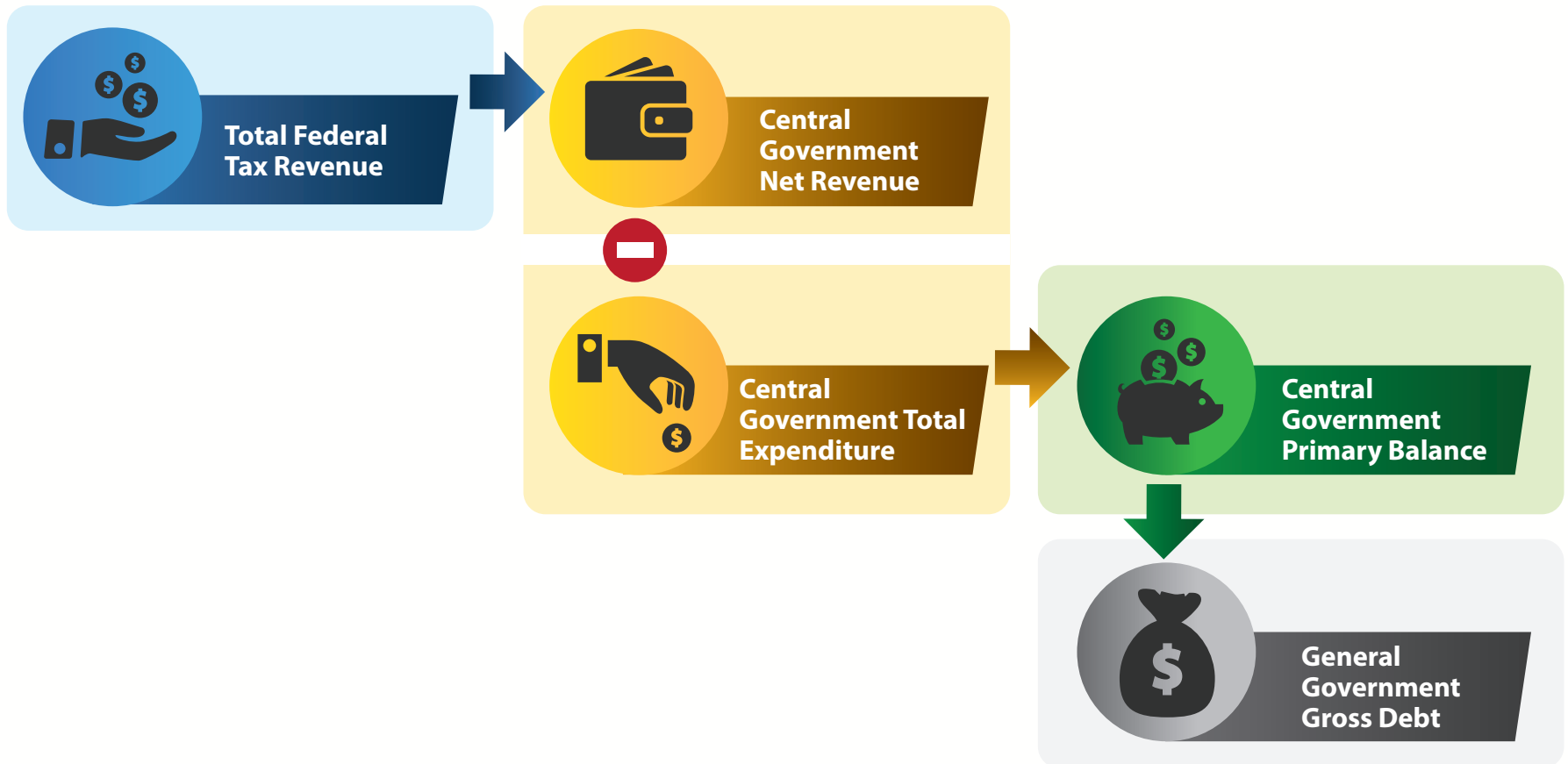
PRISMA
Fiscal



Secretaria de
Política Econômica

What is Prisma?

System that collects market expectations for the main Brazilian fiscal variables.



Motivation



Fiscal Variables Surveyed

- Total Federal Tax Revenue

The Total Federal Revenues are the Federal Government revenues managed by the Brazilian Internal Revenue Service (RFB), and other revenues, managed by other agencies, but collected by the RFB system. This concept basically includes all federal tax revenues, like income tax, industrialized products tax, import and export taxes and also the social contributions aimed at financing the social security system, including the public pension systems' revenues (for both private sector workers, military and civil servants).

- The official data for this variable is monthly published in the RFB website at <http://idg.receita.fazenda.gov.br/dados/receitadata/arrecadacao/relatorios-do-resultado-da-arrecadacao> (only in Portuguese).

Fiscal Variables Surveyed

- Central Government Net Revenue

The Central Government Net Revenue considers all Total Federal Tax Revenue plus the non-tax revenues (like the ones arising from infrastructure concessions and dividends) and excludes the Constitutional Transfers to States and Municipalities.

- Central Government Total Expenditure

Central Government Total Expenditure is the sum of the total primary expenditure, including, for instance, the social security benefits, public investments, subsidies, payroll and social assistance spending.

- Central Government Primary Balance

The Central Government Primary Balance is the difference between the Central Government Net Revenue and the Central Government Total Expenditure.

- Central Government: this concept covers the Federal Government (plus the Social Security System) and the Central Bank.
- The official data for these variables are monthly published by the National Treasury Secretariat website at <http://www.tesouro.fazenda.gov.br/en/central-government-primary-balance> .

Fiscal Variables Surveyed

- General Government Gross Debt

The General Government Gross Debt (DBGG) covers the total liabilities of the federal government, states and municipalities, with the private sector, the public financial sector and the rest of the world. The liabilities of state-owned enterprises at the three levels of government are not covered by the concept.

- This official data for this variable is monthly published in the Central Bank's website at <http://www.bcb.gov.br/ingles/notecon3-i.asp> .

Fiscal Variables Monitored

Variable	Unit	Forecast Horizon	
		Month (current one and the next 11 months)	Year (current one and the next 3 years)
Total Federal Tax Revenue	(R\$ million)	X	X
Central Government Net Revenue	(R\$ million)	X	X
Central Government Total Expenditure	(R\$ million)	X	X
Central Government Primary Balance	(R\$ million)	X	X
General Government Gross Debt	(% of GDP)		X

Market participants post their expectations up to the 5th working day of each month M.

[illegible]

Annual Variables (Long Run)

Market participants post their expectations up to the 5th working day of each month M of the year Y.

	Y	Y+1	Y+2	Y+3
Total Federal Tax Revenue				
Central Government Net Revenue				
Central Government Total Expenditure				
Central Government Primary Balance				
General Government Gross Debt				

Monthly Report

After the collection of the expectations, the Prisma Fiscal publishes the Monthly Report with the following statistics for each variable:

- median
- mean
- standard deviation
- minimum
- maximum


This report also brings the mean of the top five forecasters' expectations for each horizon considered (monthly and annual) for each variable. This ranking of best forecasters is named "Podium".

For the monthly variables, the Report presents forecasts for 3 months (current one and the next two), and for the annual variables, forecasts are presented for 2 years (current and the next one).

Finally, it has an annex presenting the frequency distribution of the expectations for each variable, comparing the current month sample with the sample of the previous two months.

Monthly Report

Total Federal Tax Revenue									BRL million
	November 2017			December 2017			January 2018		
	current month	previous month	var	current month	previous month	var	current month	previous month	var
median	110,986.00	110,000.00	▲	136,785.50	136,399.00	▲	146,956.91	144,826.66	▲
mean	112,355.35	111,481.19	▲	138,984.89	137,154.24	▲	146,276.10	145,226.72	▲
standard deviation	6,122.07	6,596.75	▼	5,750.10	5,876.09	▼	5,315.33	5,652.37	▼
minimum	102,404.00	95,985.02	▲	128,832.00	125,365.70	▲	132,165.00	131,903.20	▲
maximum	135,817.00	135,817.00	=	153,801.48	160,296.10	▼	159,725.00	159,725.00	=

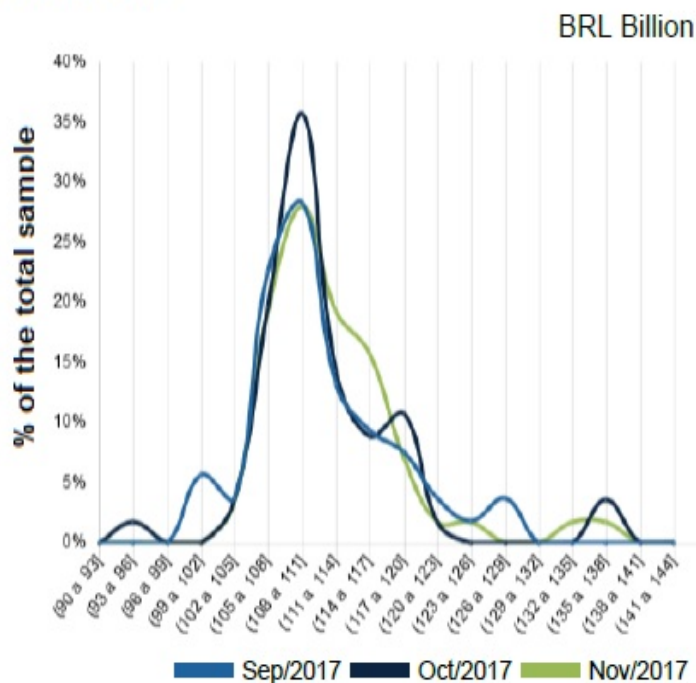
Central Government Net Revenue									BRL million
	November 2017			December 2017			January 2018		
	current month	previous month	var	current month	previous month	var	current month	previous month	var
median	94,693.12	93,967.51	▲	118,852.64	116,928.34	▲	126,108.65	125,311.00	▲
mean	94,500.03	93,675.62	▲	118,182.71	117,124.04	▲	124,339.02	125,188.94	▼
standard deviation	8,852.25	8,243.79	▲	8,781.39	9,886.08	▼	7,511.56	5,610.93	▲
minimum	78,257.00	74,603.95	▲	96,977.00	96,503.00	▲	103,101.00	108,811.00	▼
maximum	116,557.00	116,557.00	=	132,575.80	137,380.00	▼	137,800.00	137,800.00	=

Transcription of the Monthly Report. This full report is available at <http://fazenda.gov.br/prisma-fiscal>.

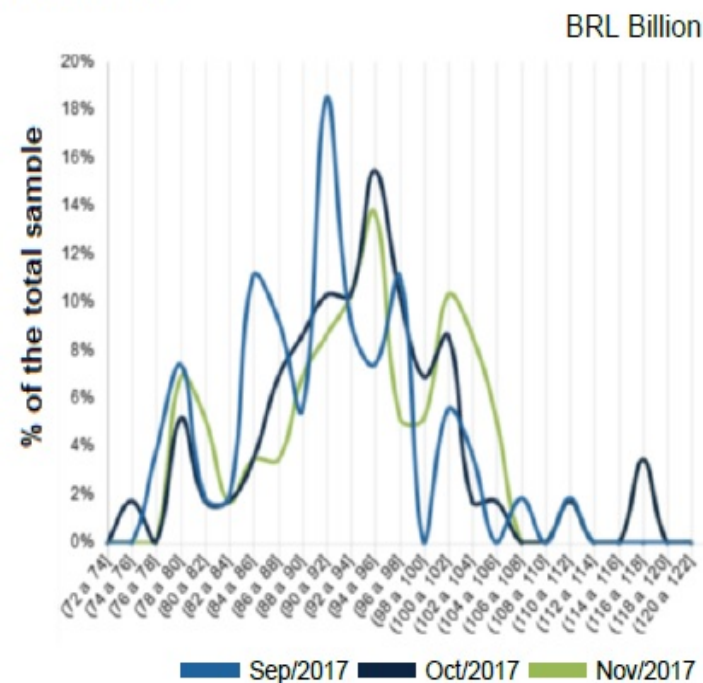
Monthly Report

Frequency Distribution - forecasts for November/2017

Tax Revenue



Net Revenue



Transcription of the Frequency Distribution Annex. This full annex is available at <http://fazenda.gov.br/prisma-fiscal>.

Podium Ranking – Best Forecasters



To incentivise the participation of the main economic institutions, the Prisma Fiscal publishes the ranking of the five institutions that best predicted the behavior of the fiscal variables.

Podium Ranking – Best Forecasters

Three rankings are published:

- **Short Run Podium** (monthly): institutions with the least average forecast error over a 6-month period considering the forecasts posted up to 5th working day of the month M for the month M.
- **Long term Podium** (annually): institutions with least weighted average error posted over a 18-month period for a certain year Y. The closest the month of the collection to the end of the year Y, the lowest the weight of that forecast in the average calculation.
- **Best Short Run of the Year** (annually): the ranking of the five best short run forecasters in a certain year.

Podium Ranking – Best Forecasters

Podium – Short Run

Total Federal Tax Revenue		
position	institution	error (%)
1º	BRASILE INVESTIMENTOS	1,21
2º	TELEFONIA BRASIL S.A.	2,79
3º	BANCO SANTO DO BRASIL S.A.	2,79
4º	BRASILEIRA CAPITAL	3,09
5º	CLAYTON INVESTIMENTOS	3,16
other institutions (mean)		7,38

Central Government Net Revenue		
position	institution	error (%)
1º	BRASILE INVESTIMENTOS	3,21
2º	CAIXA ABBEY	3,95
3º	CEBSA SAUD	3,96
4º	BANCO SANTO DO BRASIL S.A.	4,21
5º	ITAU UNIBANCO S.A.	4,76
other institutions (mean)		27,24

Transcription of the Podium – Short Run. This full report is available at <http://fazenda.gov.br/prisma-fiscal>.

Publications Calendar

A calendar highlighting main publication dates can be found in the website.



Transcription of the Publications calendar. This full report is available at <http://fazenda.gov.br/prisma-fiscal>.



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