MINISTRY OF ECONOMY

Macroeconomic Outlook

March 2021

3/17/2021

SPE Secretaria de Política Econômica

SECRETARIA ESPECIAL DE **FAZENDA**

MINISTÉRIO DA **ECONOMIA**

PÁTRIA AMADA BRASIL GOVERNO FEDERAL

Macroeconomic Outlook is a report prepared by the Secretariat of Economic Policy (SPE) with the most relevant economic data and forecasting about Brazil.

This report does not constitute any indication of prospective policy decisions or delimits the operational area of the Ministry of Economy.

Data valid up to the date of the report.

Contents

Highlights

Macroeconomic Parameters

Macroeconomic Parameters					
Year	Gross Domestic Product				
	Nominal		Real		Deflator
	BRL million	*Chg. %*	*Chg. %*	*Per Capita chg. %*	*Chg. %*
2015	5,995,787	3.75	-3.55	-4.38	7.61
2016	6,269,328	4.56	-3.28	-4.07	8.07
2017	6,585,479	5.04	1.32	0.52	3.66
2018	7,004,141	6.36	1.78	0.96	4.49
2019	7,407,024	5.75	1.41	0.61	4.27
2020	7,447,858	0.55	-4.06	-4.79	4.79
2021	**8,207,850**	**10.20**	**3.20**	**2.44**	**6.75**
2022	**8,886,353**	**8.27**	**2.50**	**1.78**	**5.63**
2023	**9,527,344**	**7.21**	**2.50**	**1.81**	**4.58**
2024	**10,173,983**	**6.79**	**2.50**	**1.84**	**4.17**
2025	**10,848,957**	**6.63**	**2.50**	**1.87**	**4.02**

Source: SPE/ME. Macroeconomic Parameters, March-2021.

Macroeconomic Parameters

Macroeconomic Parameters						
Year	Industrial Activity - Annual chg. %					
	Manufacturing		Beverages		Vehicles	
	Production				Domestic Wholesale	
	Price	*Quantity*	*Price*	*Quantity*	*Price*	*Quantity*
2015	6.98	-9.84	10.67	-4.76	4.10	-25.21
2016	8.04	-5.99	7.59	-3.09	6.09	-17.53
2017	1.75	2.25	4.34	0.77	4.26	12.31
2018	8.35	1.10	2.67	0.87	3.30	13.05
2019	4.31	0.19	2.86	4.25	2.97	10.38
2020	9.13	-4.63	0.87	-0.18	4.15	-25.84
2021	**22.50**	**10.66**	**4.28**	**1.83**	**8.39**	**8.54**
2022	**3.85**	**5.12**	**5.34**	**2.22**	**3.99**	**4.51**
2023	**2.46**	**4.70**	**5.60**	**2.63**	**3.28**	**8.05**
2024	**2.92**	**4.15**	**5.62**	**2.72**	**2.91**	**8.22**
2025	**3.41**	**3.89**	**5.65**	**2.75**	**2.64**	**8.78**

Source: SPE/ME. Macroeconomic Parameters, March-2021.

Macroeconomic Parameters

Macroeconomic Parameters						
Year	Labor Force	Formal Jobs in Private Sector				
		Employed Population	Earnings		Wage Bill	
			Nominal	Real	Nominal	Real
	Chg. % accum. In 4-trimesters					
2015	1.91	-2.45	8.06	-0.92	5.40	-3.34
2016	1.45	-3.89	7.57	-1.09	3.39	-4.95
2017	1.77	-2.71	5.71	2.22	2.86	-0.55
2018	0.86	-1.16	3.71	-0.04	2.51	-1.20
2019	1.54	1.08	3.16	-0.55	4.28	0.52
2020	-6.13	-7.81	5.98	2.68	-2.34	-5.35
2021	**3.13**	**2.02**	**4.07**	**-1.68**	**6.23**	**0.33**
2022	**3.32**	**3.80**	**4.79**	**1.09**	**8.77**	**4.94**
2023	**2.21**	**3.39**	**4.13**	**0.81**	**7.66**	**4.23**
2024	**2.15**	**3.35**	**4.09**	**0.88**	**7.58**	**4.27**
2025	**2.14**	**3.47**	**4.00**	**0.80**	**7.60**	**4.30**

Source: SPE/ME. Macroeconomic Parameters, March-2021.

Macroeconomic Parameters

Macroeconomic Parameters						
Year	Inflation					
	IPCA		INPC		IGP-DI	
	Annual Average	Annual Accum.	Annual Average	Annual Accum.	Annual Average	Annual Accum.
	Chg. %					
2015	9.03	10.67	9.34	11.28	6.90	10.70
2016	8.74	6.29	9.32	6.58	10.19	7.18
2017	3.45	2.95	2.97	2.07	0.96	-0.42
2018	3.66	3.75	2.87	3.43	5.81	7.10
2019	3.73	4.31	3.75	4.48	6.05	7.70
2020	3.21	4.52	3.61	5.45	13.05	23.08
2021	**6.03**	**4.42**	**6.48**	**4.27**	**17.73**	**5.06**
2022	**3.73**	**3.50**	**3.77**	**3.50**	**2.42**	**3.57**
2023	**3.36**	**3.25**	**3.47**	**3.45**	**3.83**	**4.05**
2024	**3.25**	**3.25**	**3.48**	**3.50**	**4.02**	**4.00**
2025	**3.24**	**3.24**	**3.50**	**3.50**	**4.00**	**4.00**

Source: SPE/ME. Macroeconomic Parameters, March-2021.

Macroeconomic Parameters

Macroeconomic Parameters								
Year	Financial Indicators							
	Selic market rate			Long term rate TJLP		Referential rate TR	Financial Savings	
	Annual Average	December	Real chg.	Annual Average	December	Annual Average	Annual Average	
	Annual chg. %						*BRL million*	*Annual chg. %*
2015	13.34	14.15	2.41	6.22	7.00	1.80	4,009,835	13.27
2016	14.08	13.65	7.33	7.50	7.50	2.01	4,566,852	13.89
2017	9.87	7.00	6.72	7.12	7.00	0.60	4,992,614	9.32
2018	6.48	6.40	2.64	6.72	6.98	0.00	5,346,678	7.09
2019	5.90	4.59	1.53	6.18	5.57	0.00	5,744,064	7.43
2020	2.64	1.90	-1.80	4.87	4.55	0.00	6,369,162	10.88
2021	**2.85**	**3.90**	**-1.51**	**4.69**	**4.98**	**0.00**	**7,202,120**	**13.08**
2022	**4.74**	**5.40**	**1.20**	**4.93**	**4.85**	**0.00**	**7,895,457**	**9.63**
2023	**5.63**	**5.90**	**2.30**	**4.70**	**4.60**	**0.00**	**8,564,438**	**8.47**
2024	**5.90**	**5.90**	**2.57**	**4.49**	**4.40**	**0.00**	**9,215,442**	**7.60**
2025	**5.90**	**5.90**	**2.58**	**4.29**	**4.21**	**0.00**	**9,849,024**	**6.88**

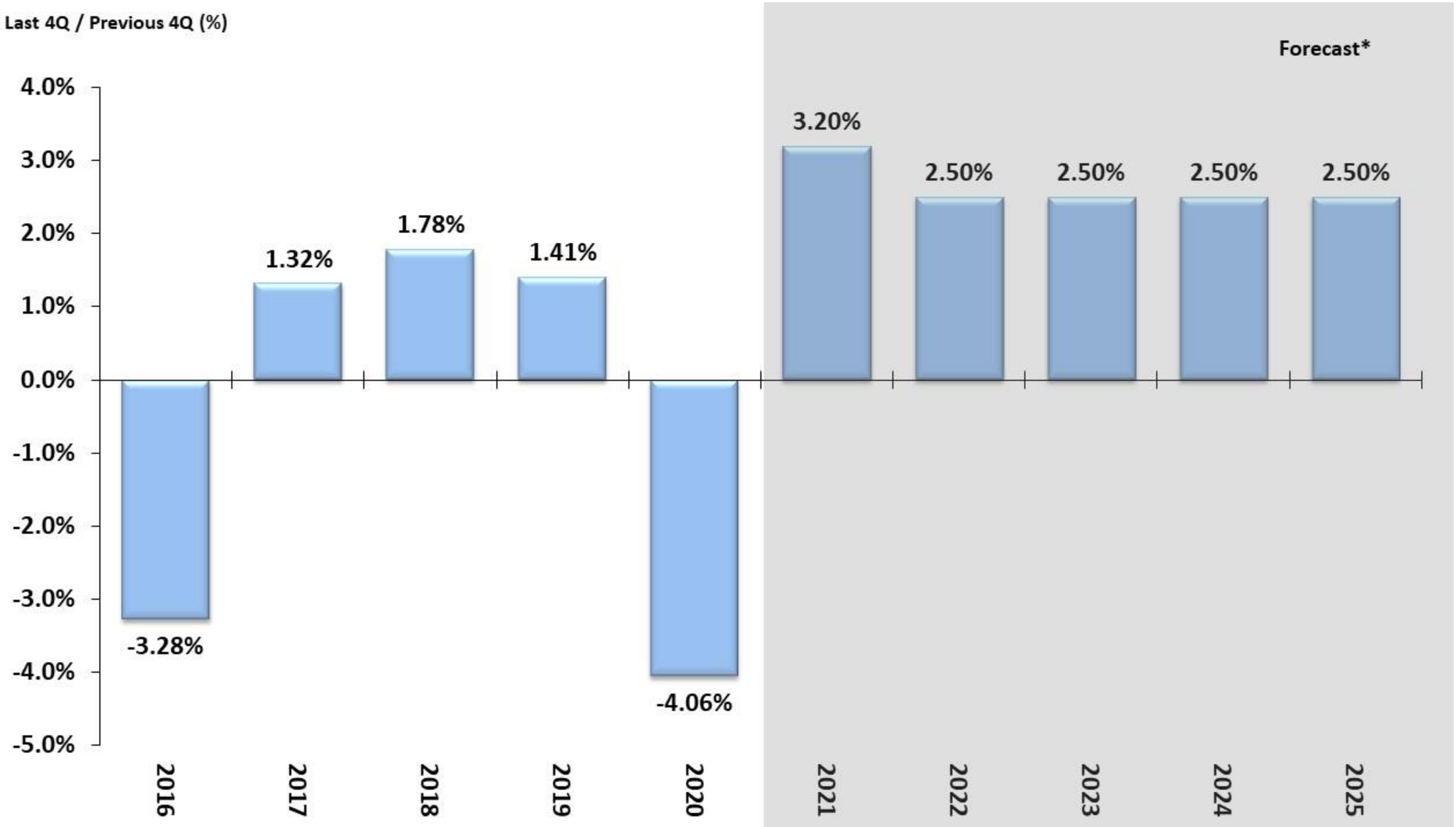
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Macroeconomic Parameters

Macroeconomic Parameters				
	External Sector			
	Exchange Rate			
Year	Annual Average	December	*Average chg. %*	*Annual chg. %*
	Exchange Rate BRL/USD			
2015	3.3	3.9	41.6	46.7
2016	3.5	3.3	4.8	-13.4
2017	3.2	3.3	-8.5	-1.8
2018	3.65	3.87	14.49	18.02
2019	3.95	4.03	7.95	5.78
2020	5.16	5.20	30.69	25.21
2021	**5.30**	**5.15**	**2.70**	**0.47**
2022	**5.15**	**5.13**	**-2.84**	**-0.10**
2023	**5.04**	**5.00**	**-2.02**	**-3.15**
2024	**5.00**	**5.00**	**-0.81**	**-0.05**
2025	**5.00**	**5.00**	**0.00**	**0.00**

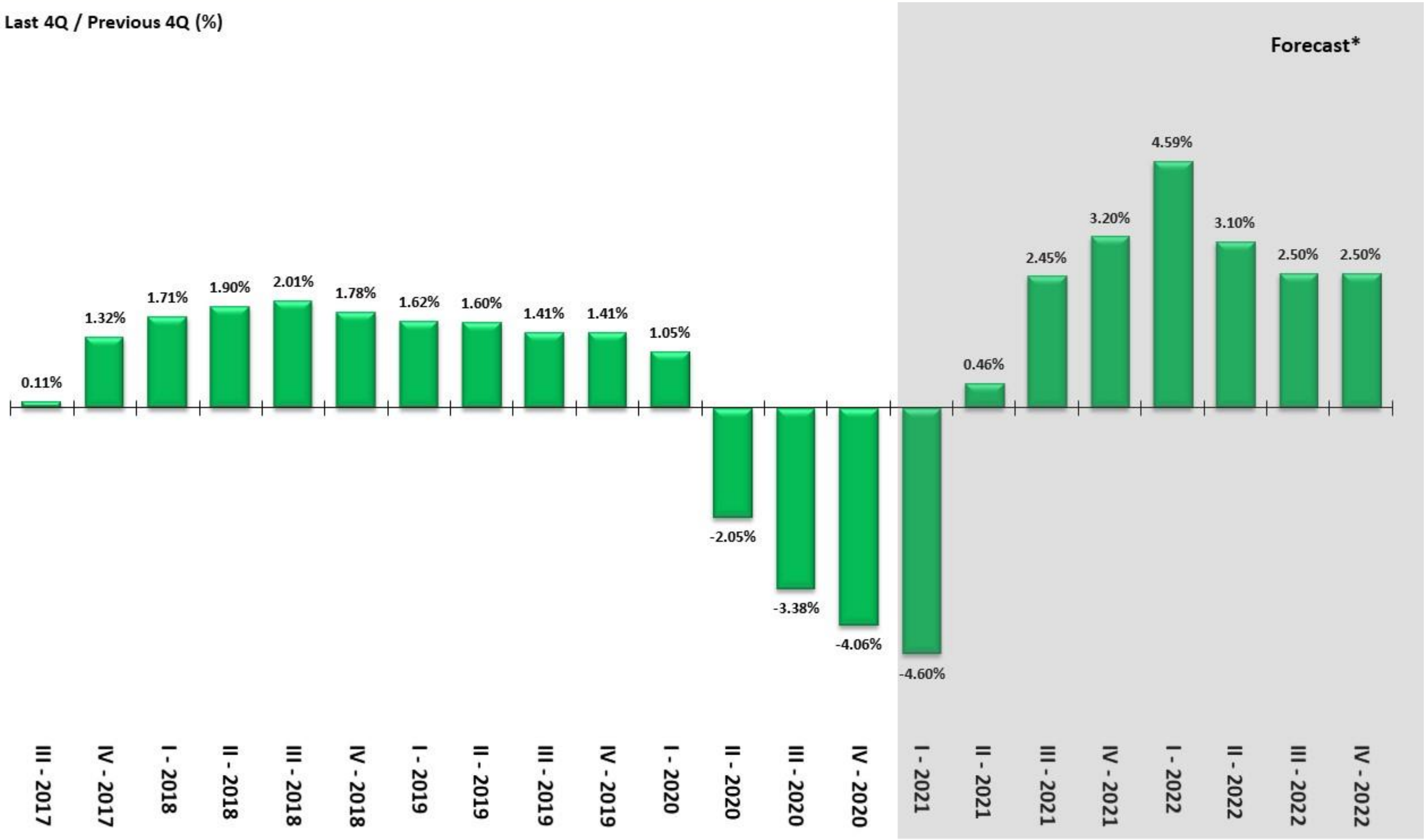
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Annual GDP



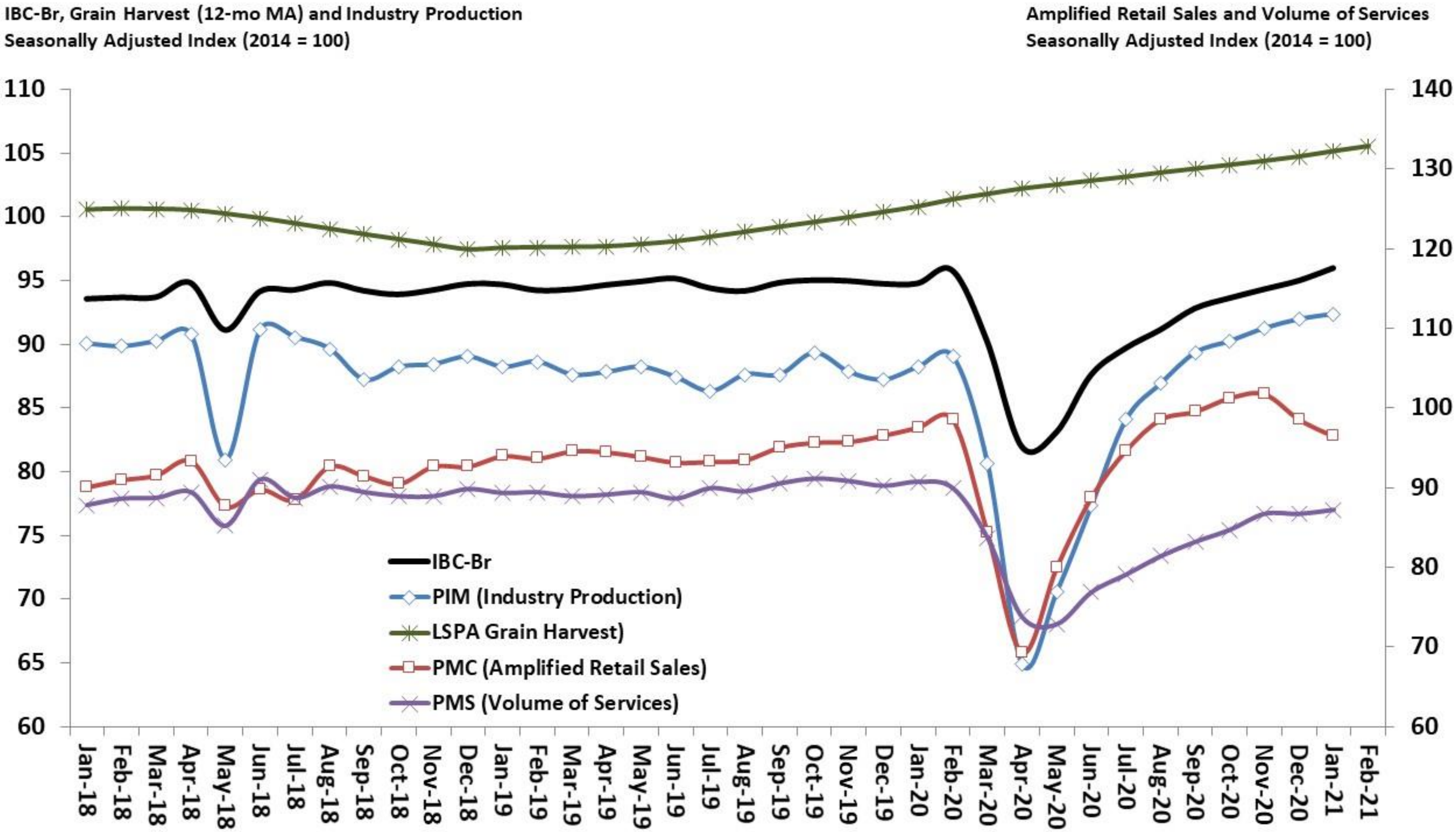
Source: IBGE, Quarterly National Accounts Series *Forecast: Macroeconomic Parameters, March-2021.

Quarterly GDP



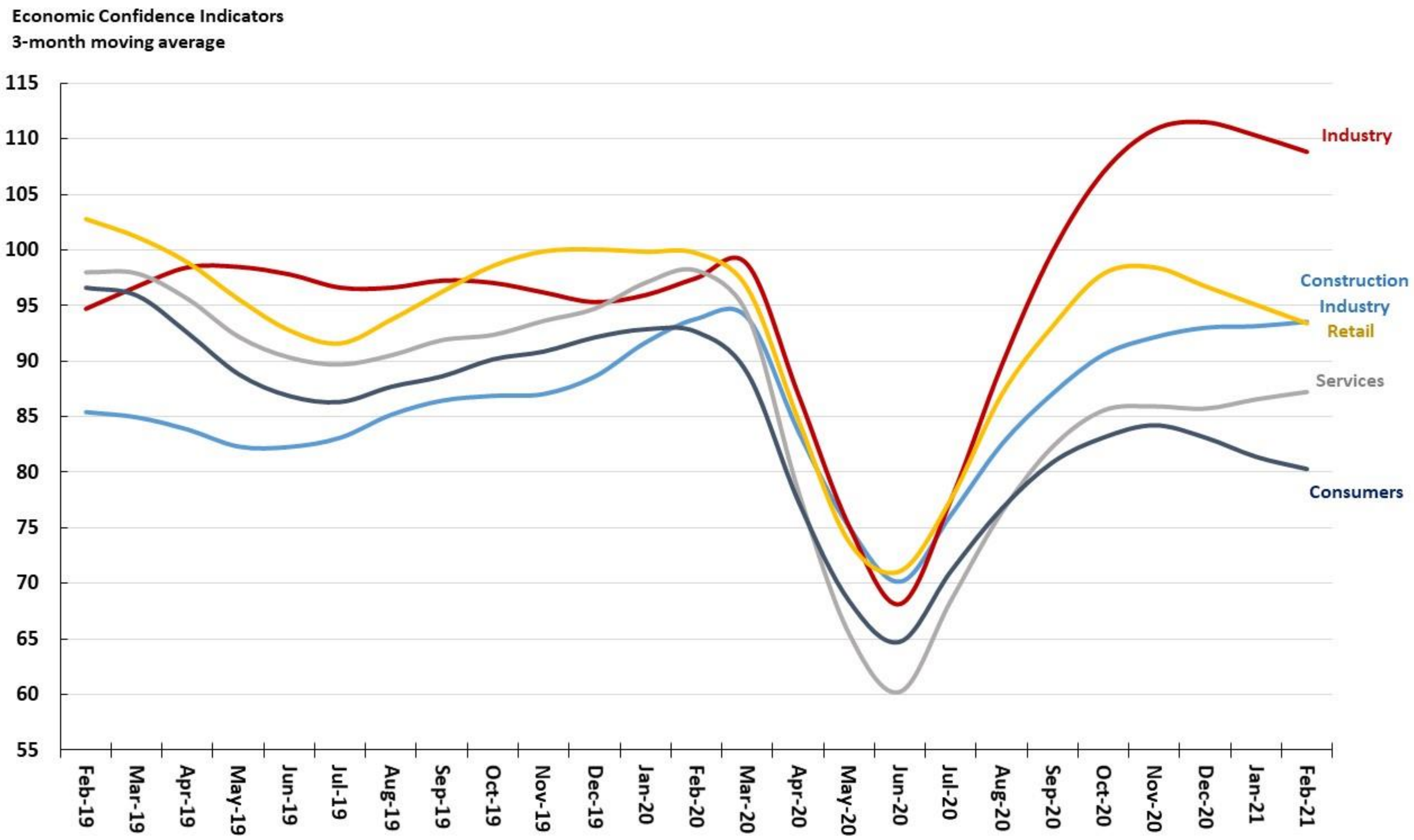
Source: IBGE, Quarterly National Accounts Series *Forecast: Macroeconomic Parameters, March-2021.

Major Monthly Economic Activity Indicators



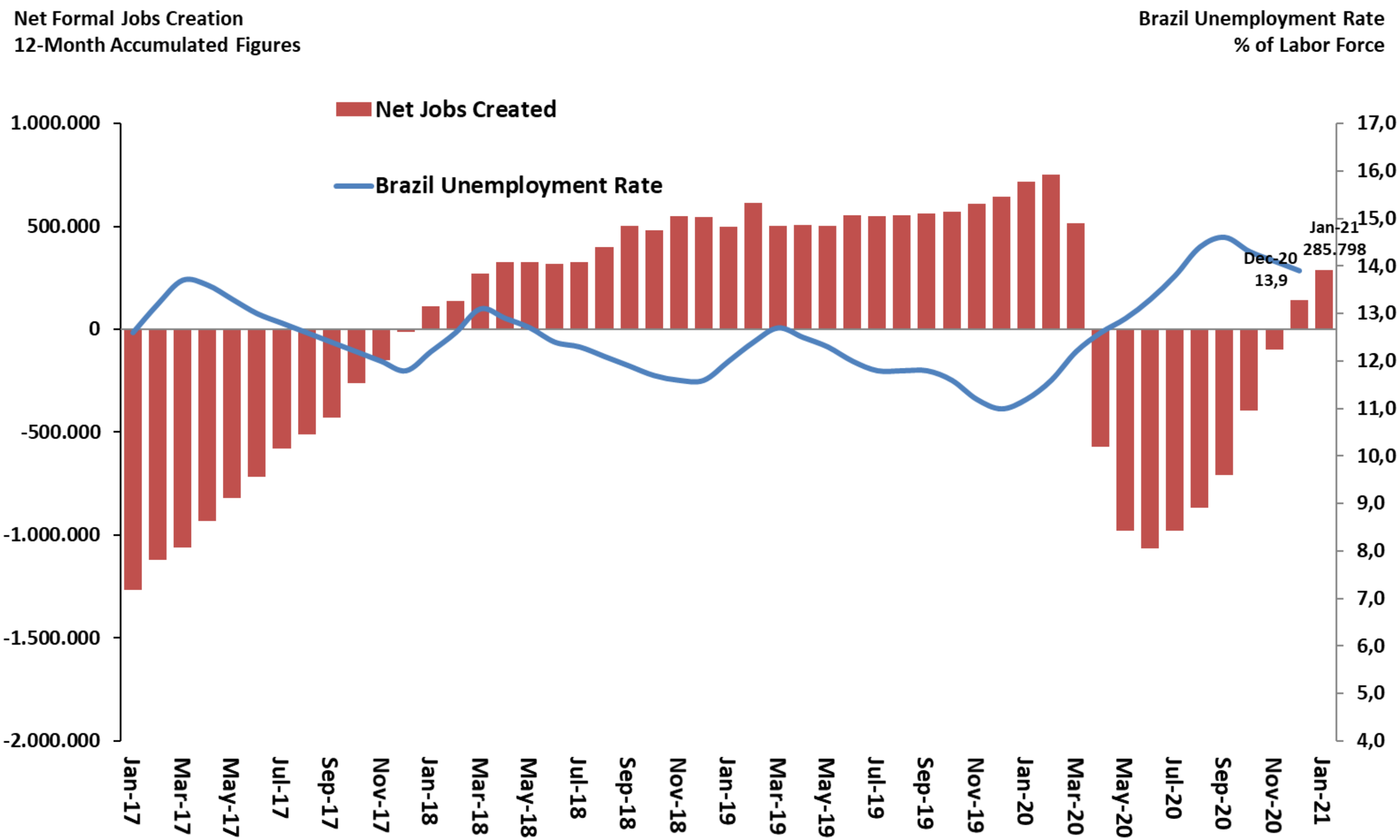
Sources: Central Bank of Brazil and IBGE: Systematic Survey of Agricultural Production (LSPA), Monthly Survey of Industry (PIM), Monthly Survey of Trade (PMC), and Monthly Survey of Services (PMS).

FGV: Economic Confidence Indicators



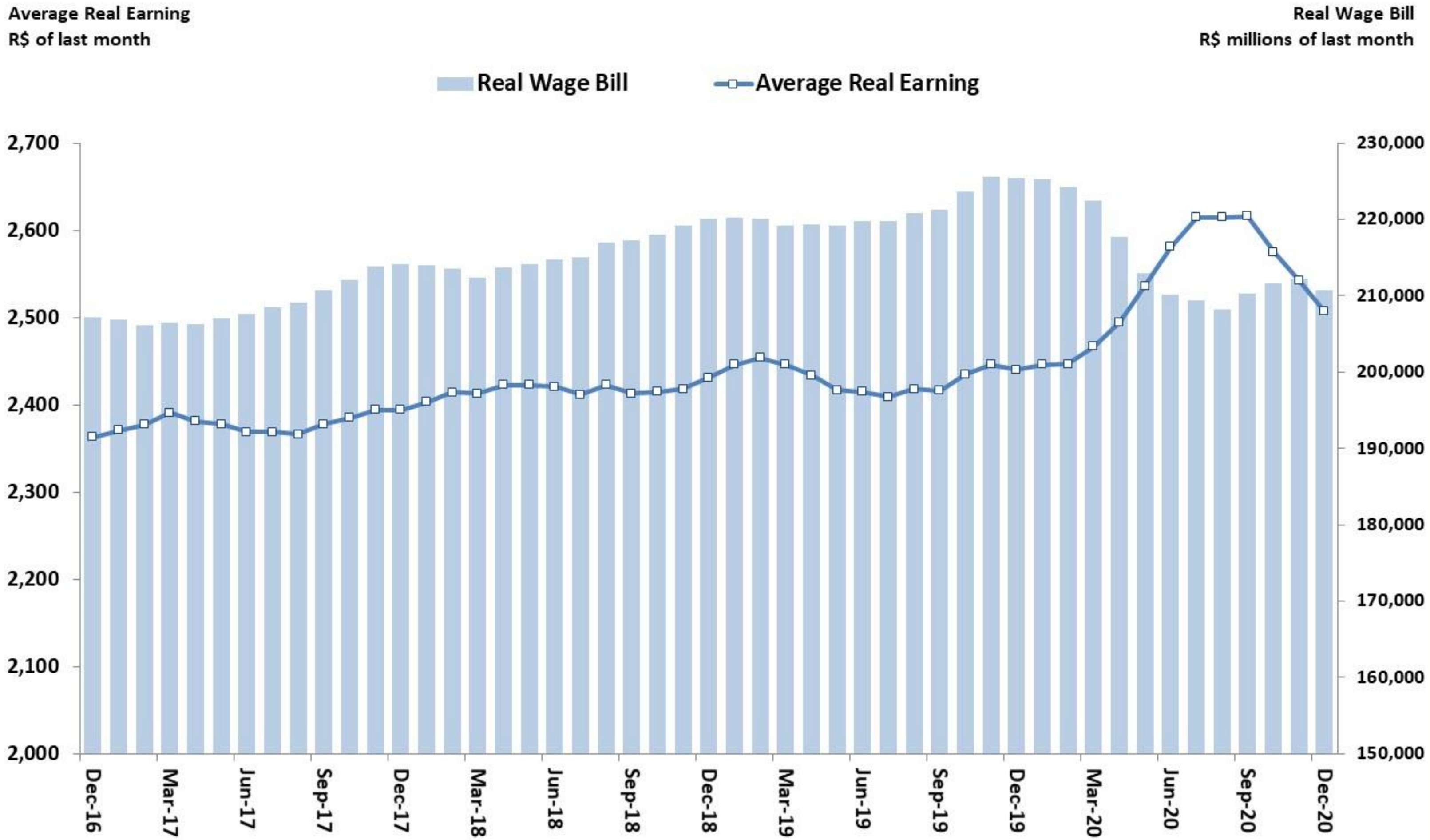
Source: IBRE/FGV.

Unemployment Rate and Net Formal Job Creation



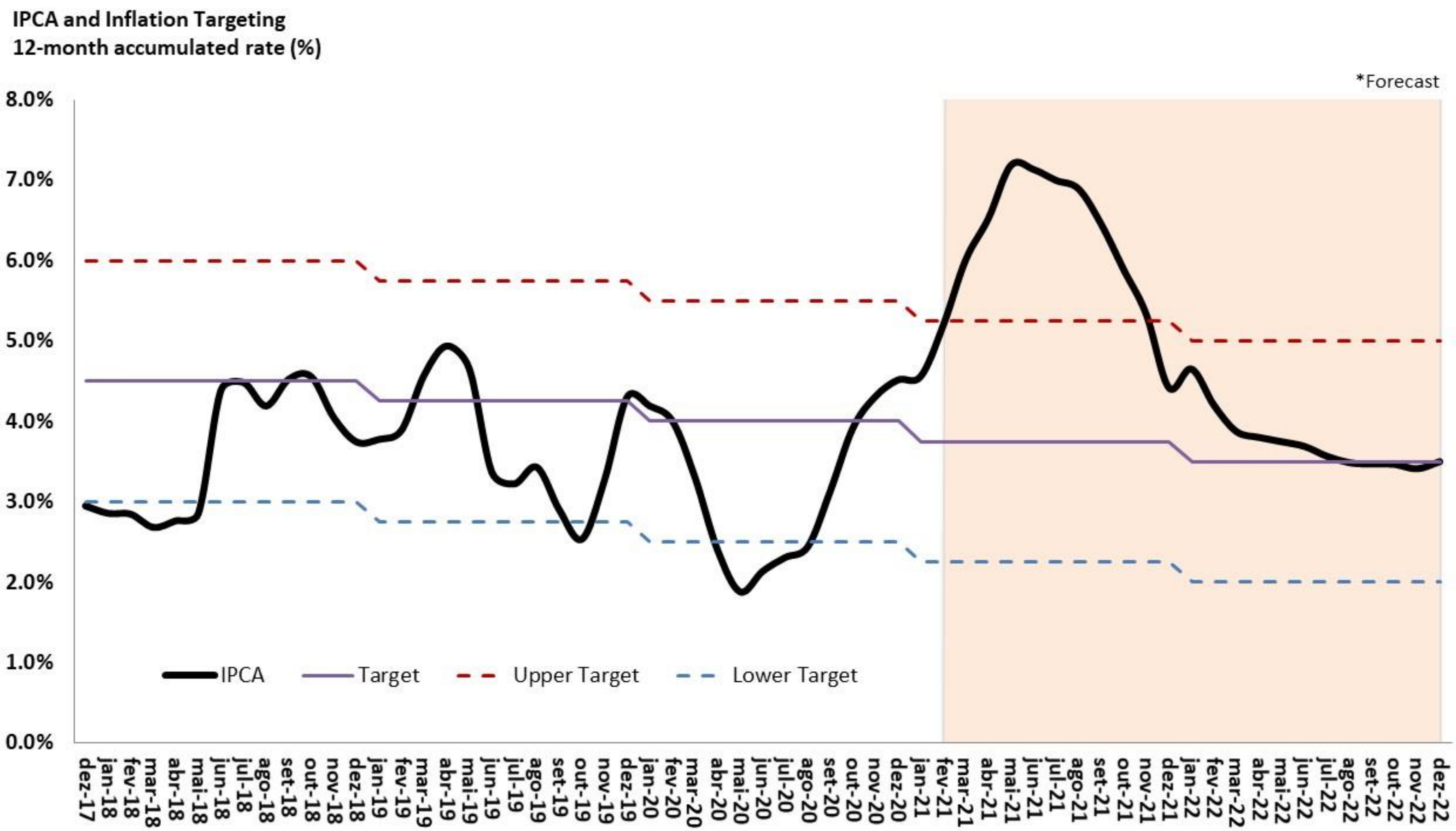
Sources: IBGE - PNADC and ME-CAGED (adjusted data).

Real Wage Bill and Average Real Earning



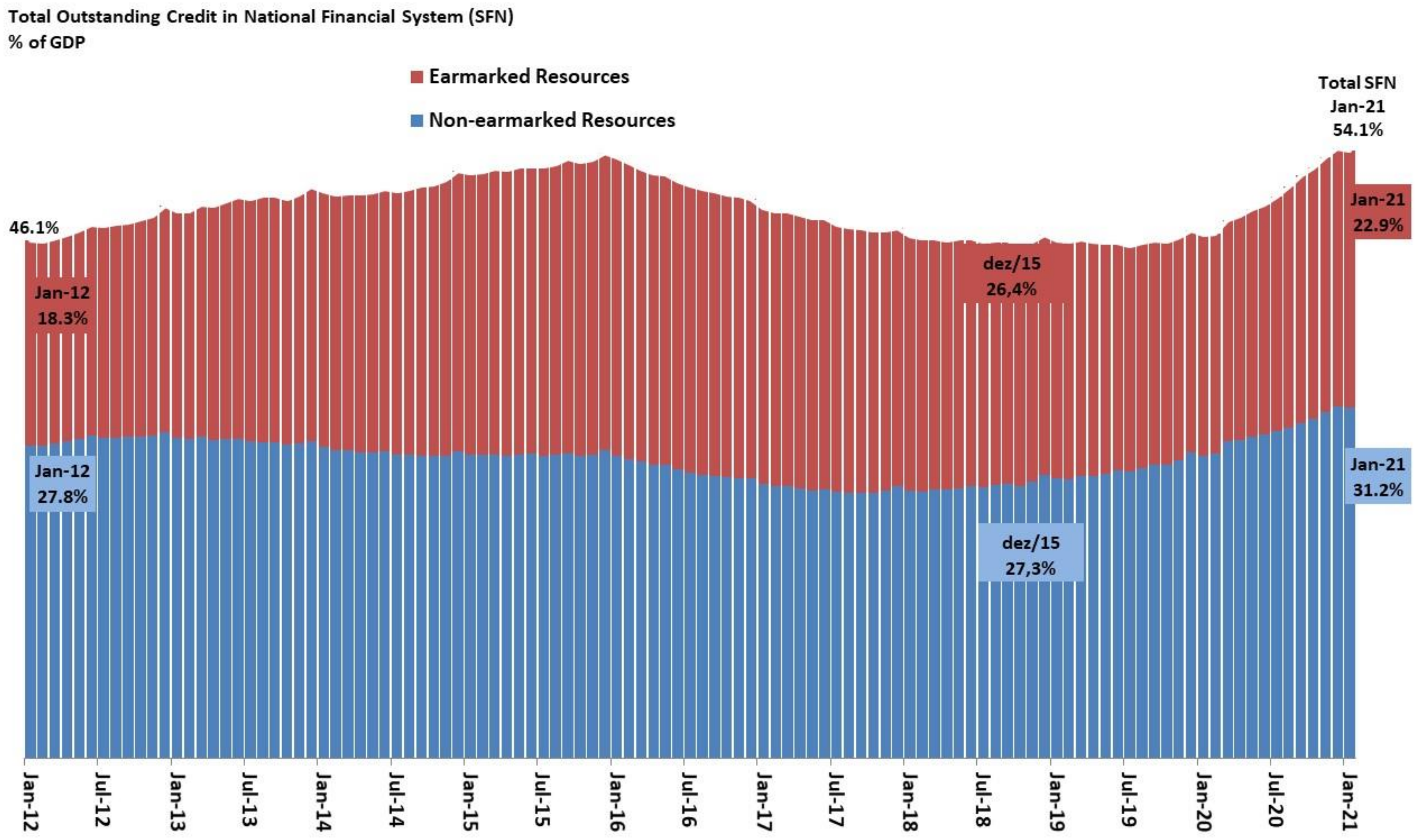
Source: IBGE - PNADC.

Inflation Targeting



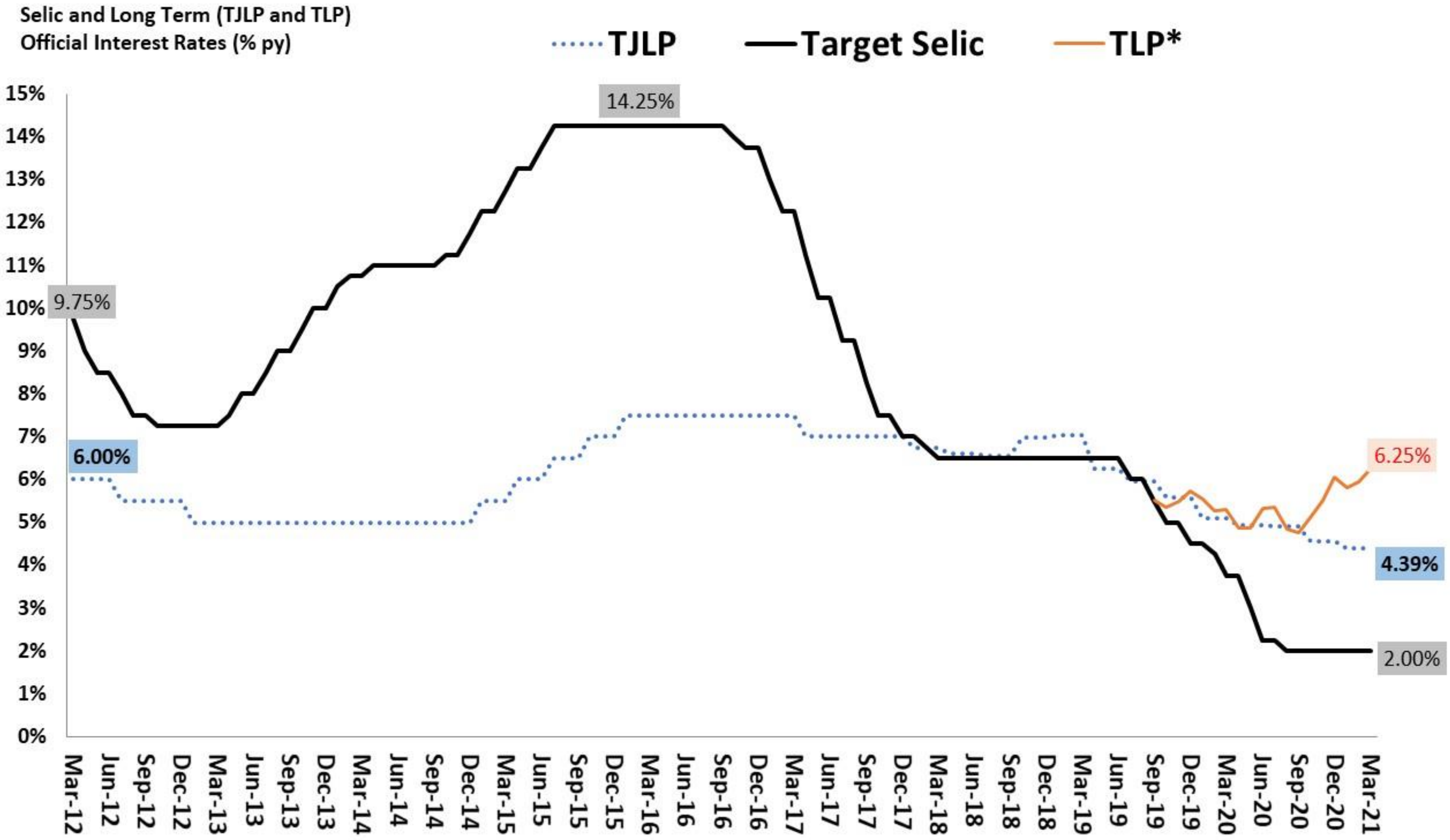
Source: IBGE and Central Bank of Brazil. *Forecast: Macroeconomic Parameters, March-2021.

Total Credit: Earmarked and Non-earmarkerd Resources



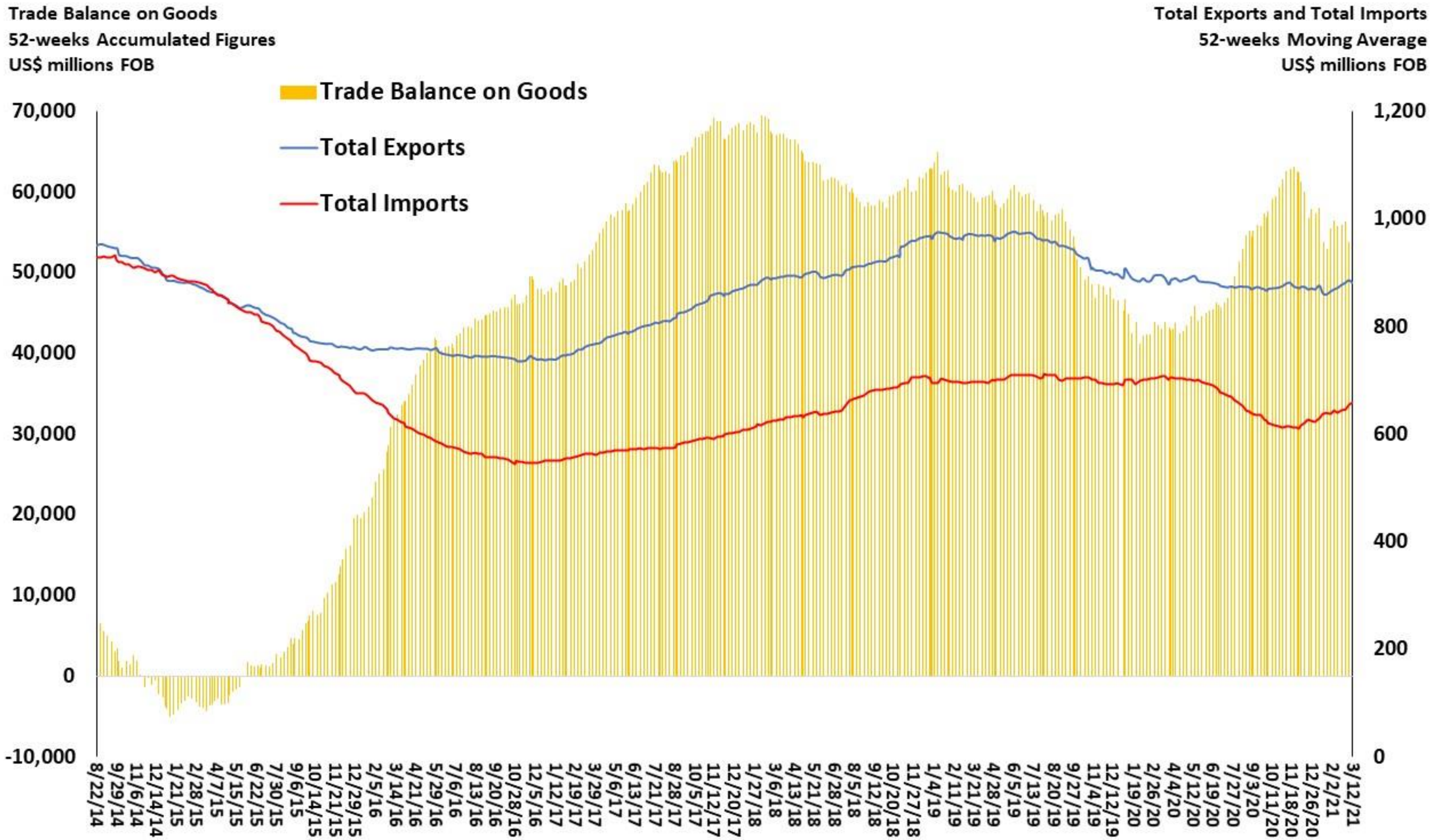
Source: Central Bank of Brazil.

Official Interest Rates Evolution (Target Selic and TJLP)



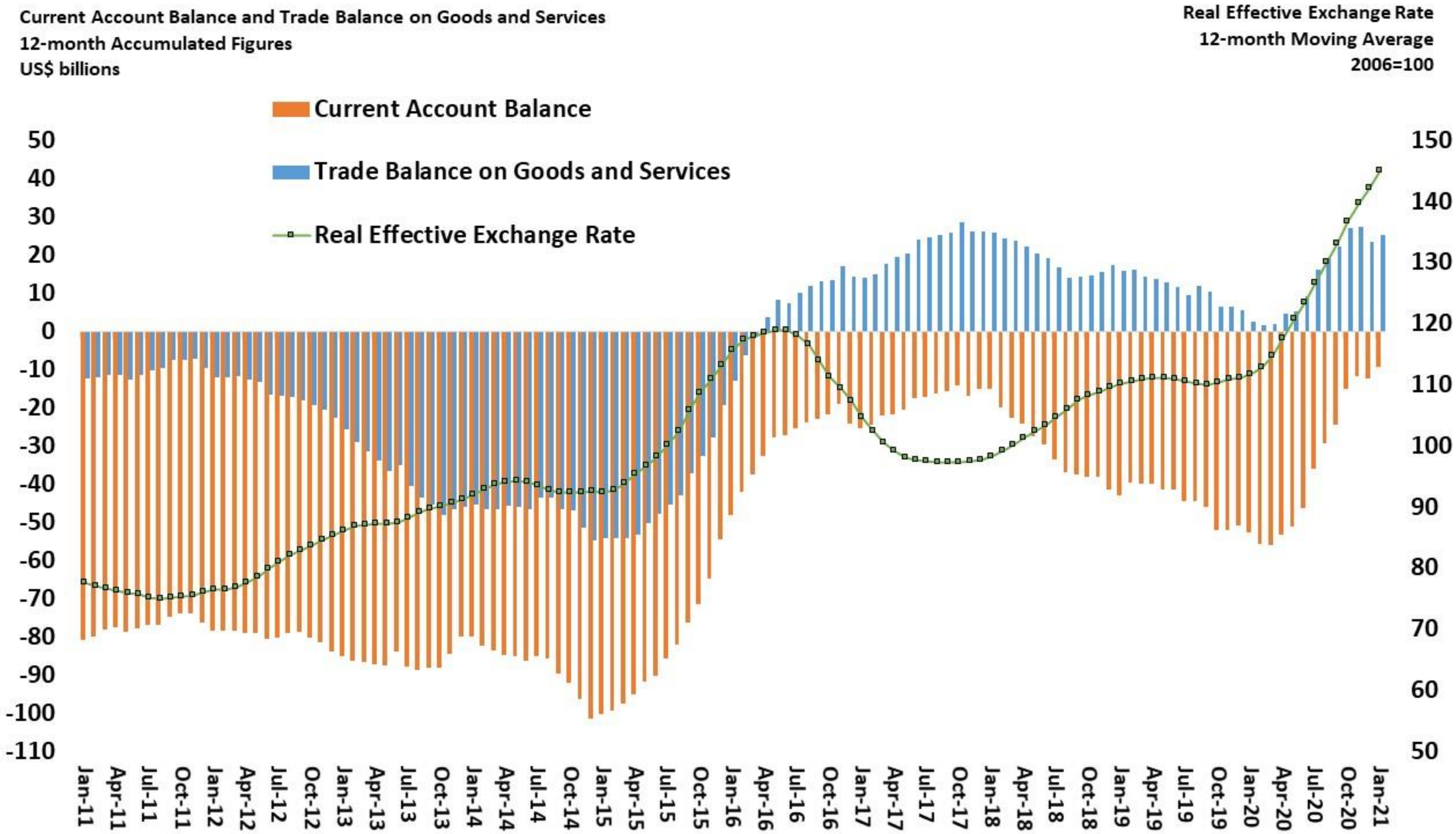
Source: Central Bank of Brazil. *TLP is 3-Month average of 5-Year NTN-B bonds plus IPCA Market Expectation (Focus Survey by BCB).

Trade Balance on Goods (52 weeks daily average)



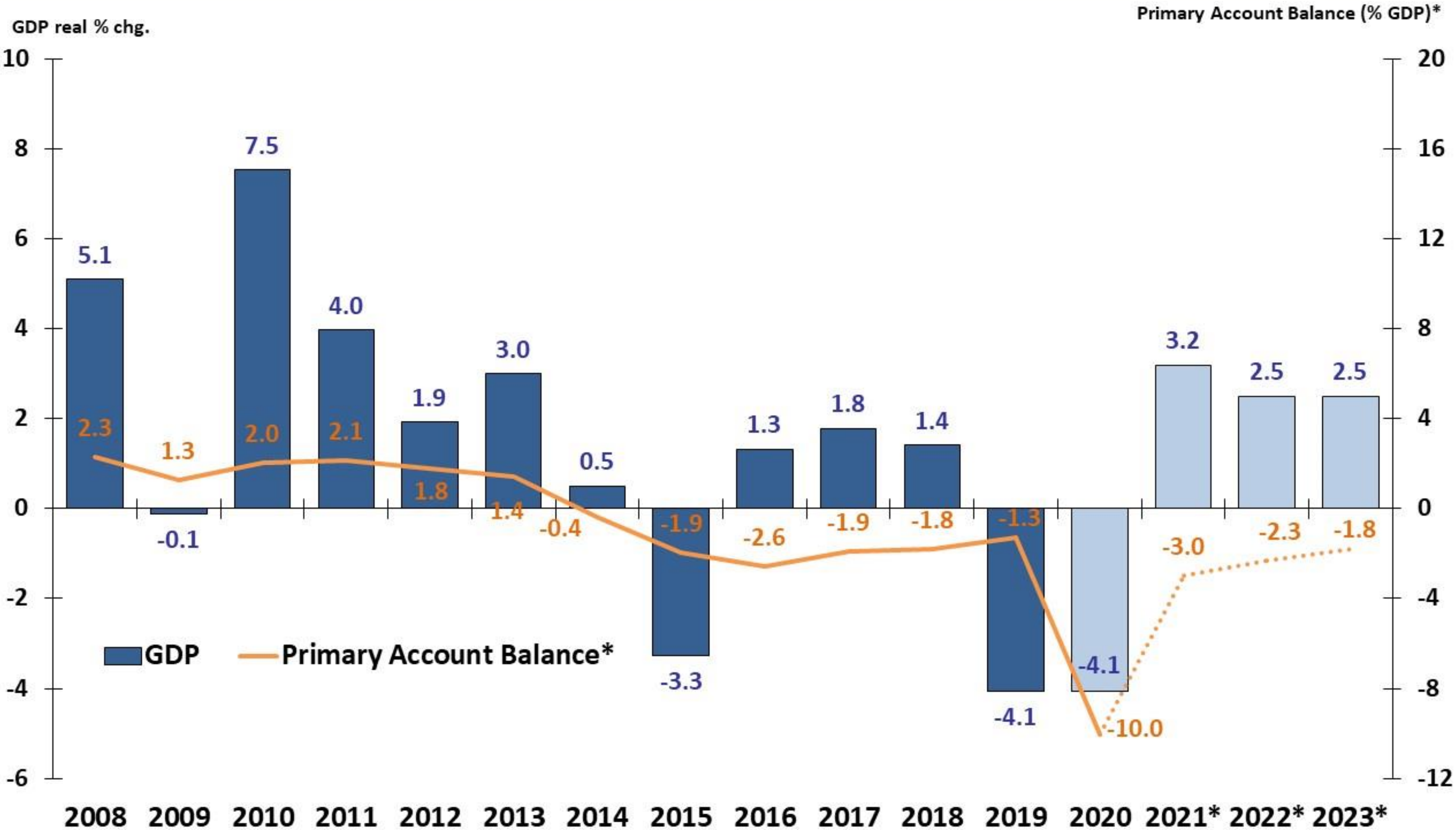
Source: SECEX.

Brazil: Real Exchange Rate and External Sector Adjustment



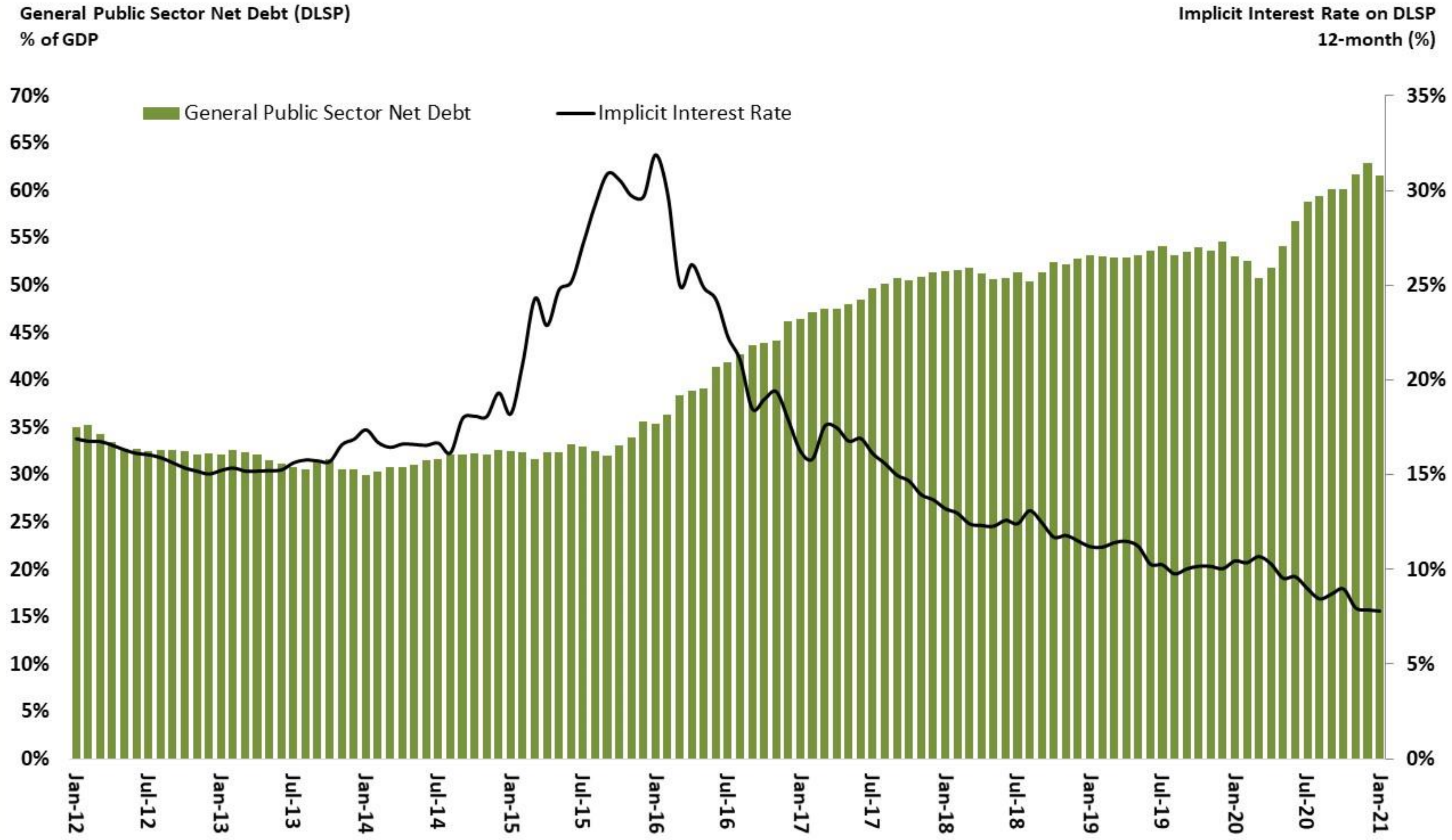
Source: Central Bank of Brazil.

Fiscal Adjustment and Economic Recovery



Source: IBGE, STN and Central Bank of Brazil. Primary Accout Balance of Federal Government.
* Annex IV-Fiscal Targets of 2021 Budgetary Guidelines Bill of Law 2021 and Macroeconomic Projections from SPE, March-21

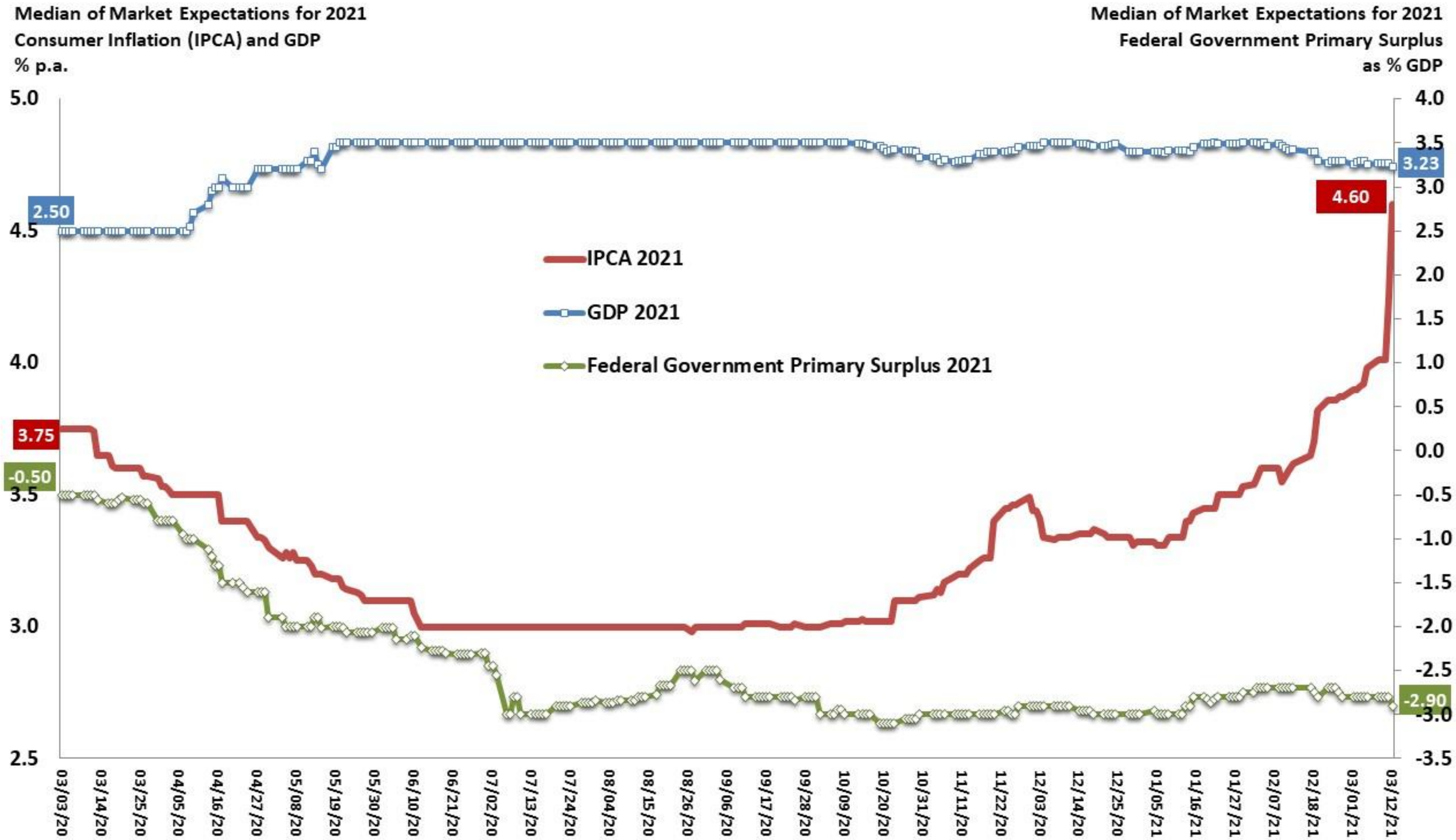
Public Sector Net Debt (as % GDP)



Source: Central Bank of Brazil.

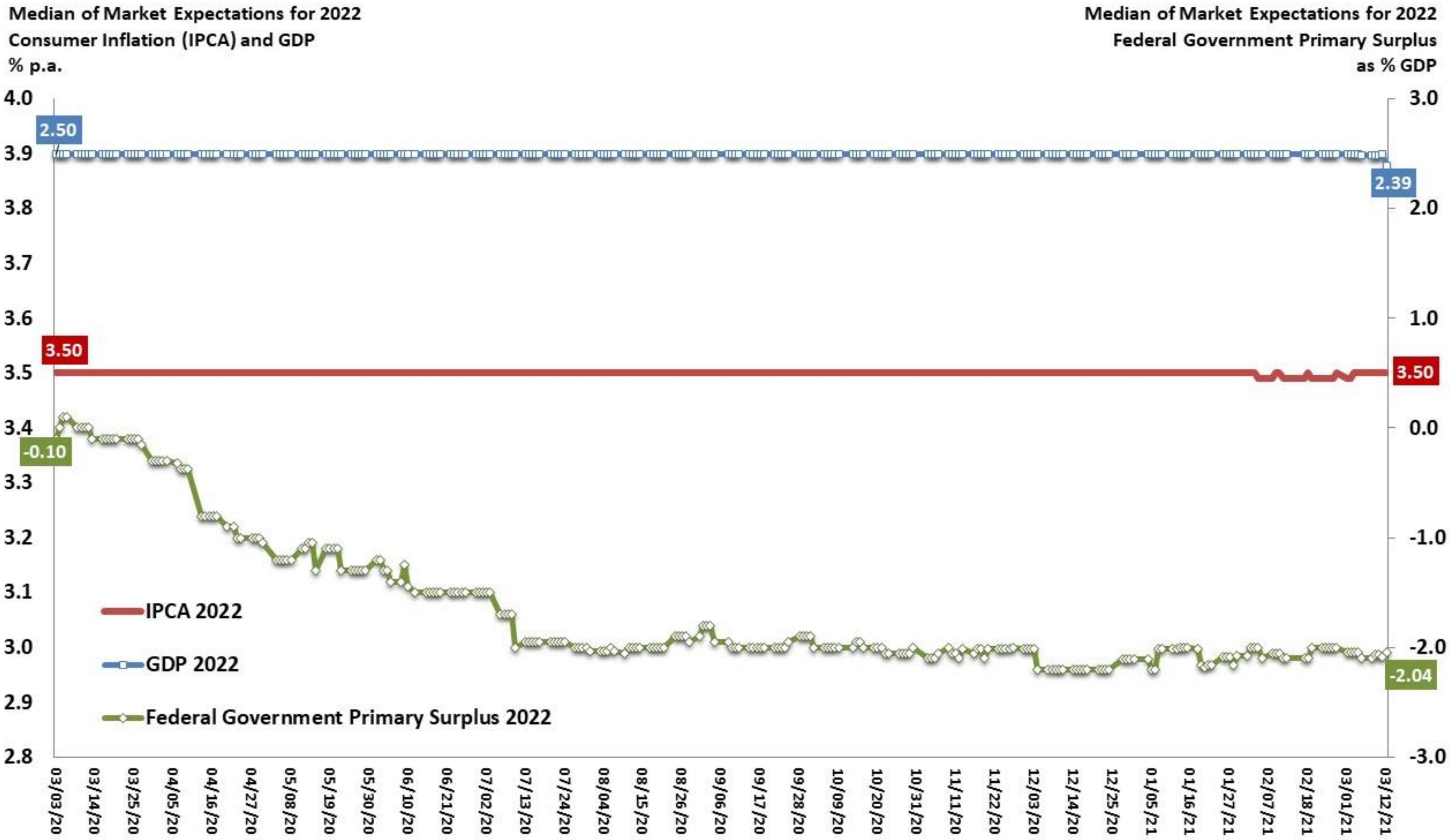
Market Expectations

Market Expectations for 2021



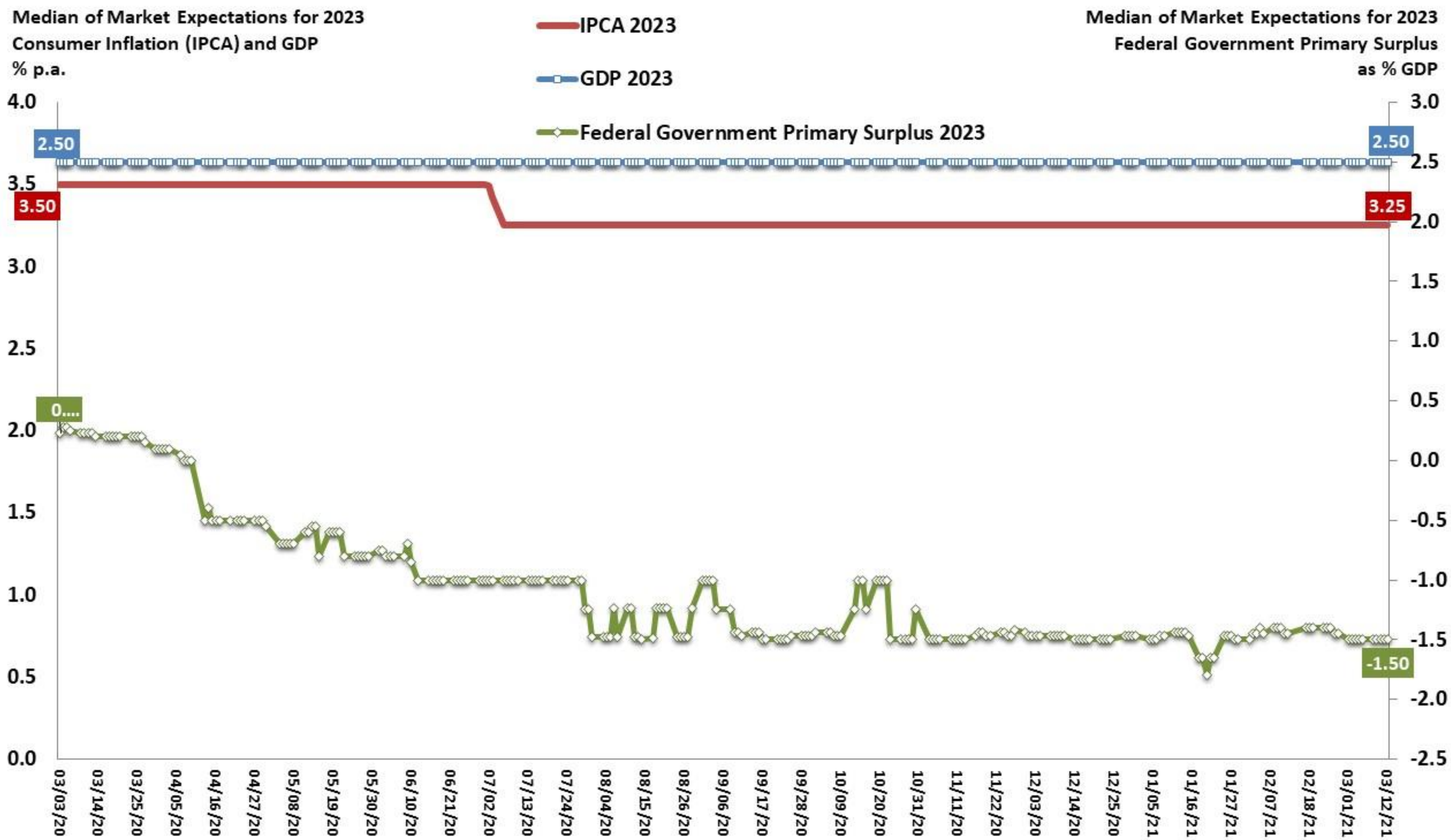
Source: Focus Survey, Central Bank of Brazil.

Market Expectations for 2022



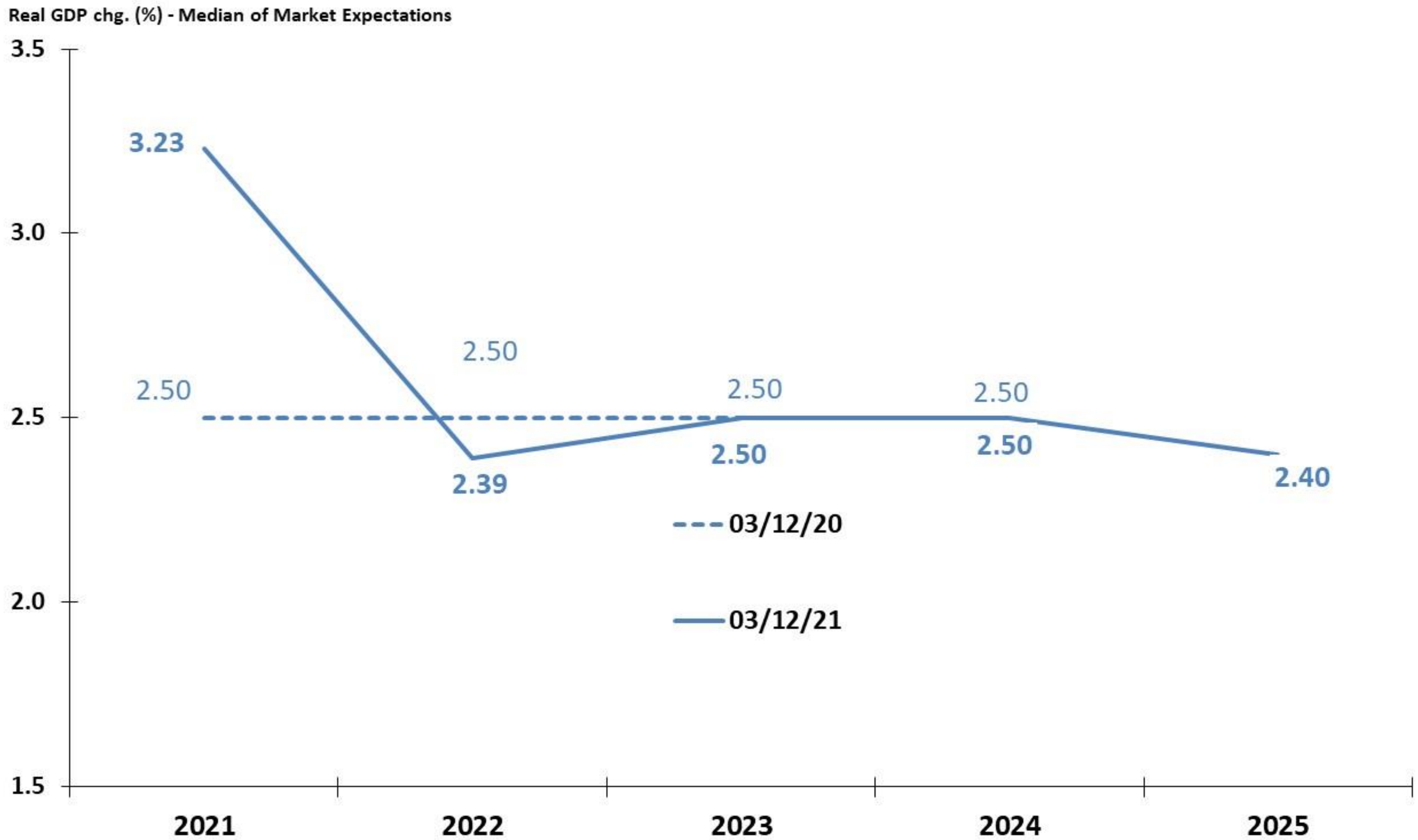
Source: Focus Survey, Central Bank of Brazil.

Market Expectations for 2023



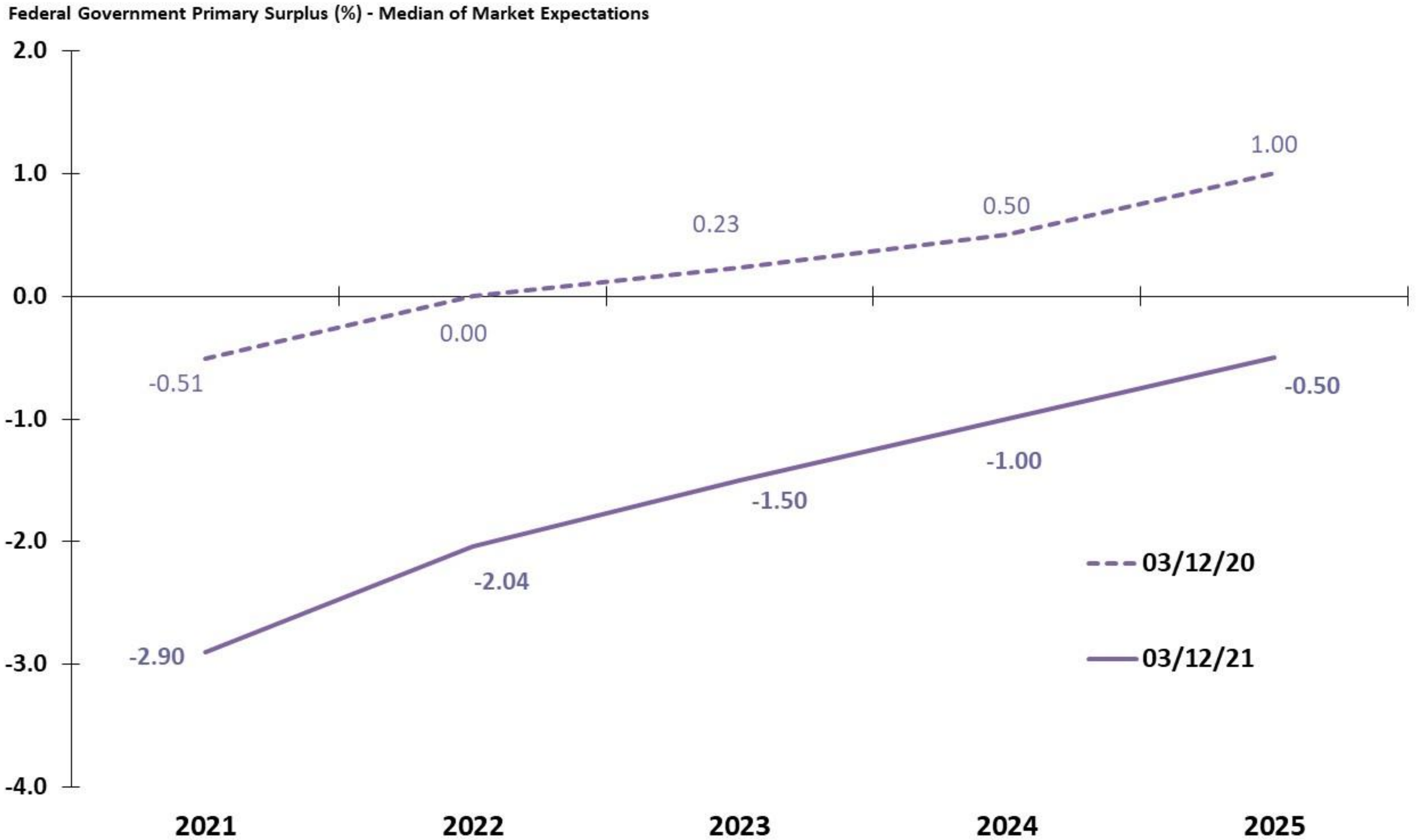
Source: Focus Survey, Central Bank of Brazil.

GDP: Median of Market Expectations



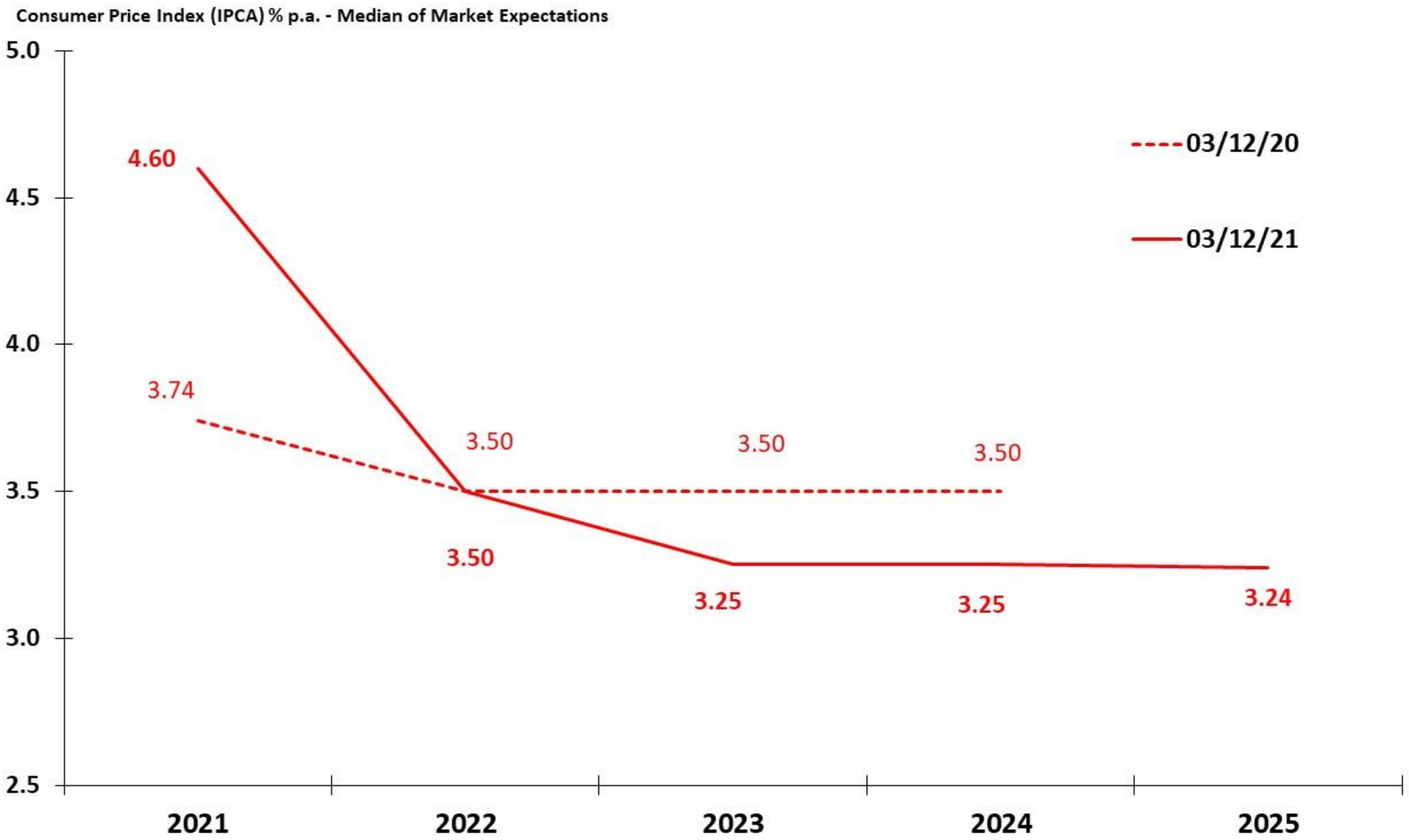
Source: Focus Survey, Central Bank of Brazil.

Primary Surplus: Median of Market Expectations



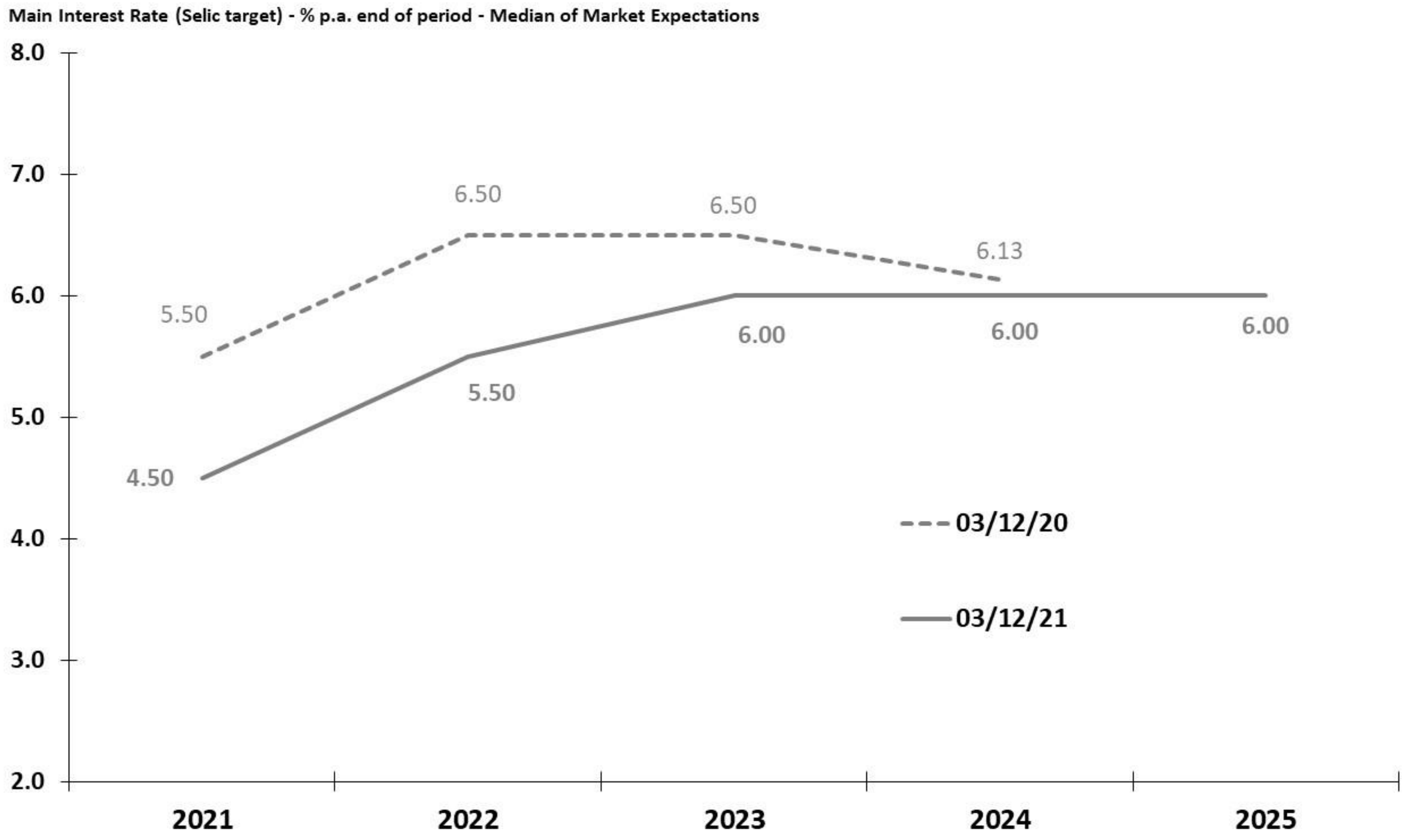
Source: Focus Survey, Central Bank of Brazil.

Consumer Price Index (IPCA): Median of Market Expectations



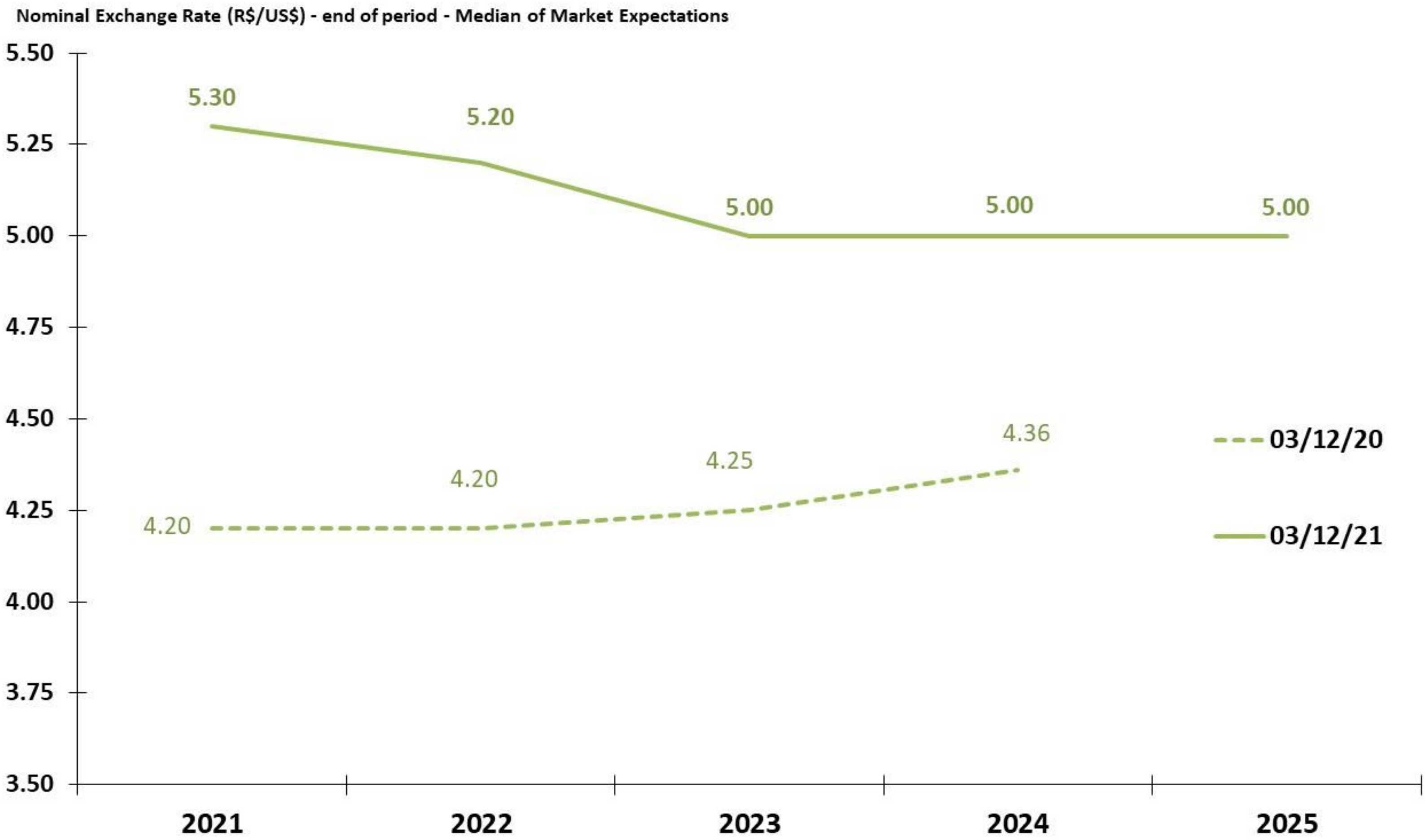
Source: Focus Survey, Central Bank of Brazil.

Main Interest Rate (Selic target): Median of Market Expectations



Source: Focus Survey, Central Bank of Brazil.

Nominal Exchange Rate: Median of Market Expectations



Source: Focus Survey, Central Bank of Brazil.

Economic activity

GDP and Quarterly Economic Activity

											BCB/Focus: 3/12/21		
Gross Domestic Product (IBGE) Q4 2020 % change	2019	2020	Q3 2020 / Q3 2019	Q4 2020 / Q4 2019	Q3 2020 / Q2 2020 (seasonally adjusted)	Q4 2020 / Q3 2020 (seasonally adjusted)	Year-To-Date	Q3 2020 accum. in 4-quarters	Q4 2020 accum. in 4-quarters	carry-over 2021	2021	2022	2023
Agriculture	0.6%	2.0%	0.4%	-0.4%	-0.6%	-0.5%	2.0%	1.8%	2.0%	-0.9%	2.31%	2.54%	2.61%
Industry	0.4%	-3.5%	-0.9%	1.2%	15.4%	1.9%	-3.5%	-3.5%	-3.5%	4.9%	4.32%	2.26%	2.50%
Services	1.7%	-4.5%	-4.8%	-2.2%	6.4%	2.7%	-4.5%	-3.5%	-4.5%	2.8%	3.15%	2.45%	2.50%
GDP (market prices)	**1.4%**	**-4.1%**	**-3.9%**	**-1.1%**	**7.7%**	**3.2%**	**-4.1%**	**-3.4%**	**-4.1%**	**3.6%**	**3.23%**	**2.39%**	**2.50%**
Household Expenditure	2.2%	-5.5%	-6.0%	-3.0%	7.7%	3.4%	-5.5%	-4.1%	-5.5%	3.2%			
Government Expenditure	-0.4%	-4.7%	-5.3%	-4.1%	3.5%	1.1%	-4.7%	-3.7%	-4.7%	0.5%			
Gross Fixed Capital Formation	3.4%	-0.8%	-7.8%	13.5%	10.7%	20.0%	-0.8%	-4.0%	-0.8%	14.8%			
Exports of Goods and Services	-2.4%	-1.8%	-1.1%	-4.3%	-2.0%	-1.4%	-1.8%	-1.9%	-1.8%	-1.7%			
Imports of Goods and Services (-)	1.1%	-10.0%	-25.0%	-3.1%	-9.6%	22.0%	-10.0%	-9.0%	-10.0%	6.5%			
Economic Activity Indicators (BCB and IBGE) Q4 2020 % change	2019	2020	Q3 2020 / Q3 2019	Q4 2020 / Q4 2019	Q3 2020 / Q2 2020 (seasonally adjusted)	Q4 2020 / Q3 2020 (seasonally adjusted)	Year-To-Date	Q3 2020 accum. in 4-quarters	Q4 2020 accum. in 4-quarters	carry-over 2021			
IBC-Br Economic Activity Index*	**1.0%**	**-4.0%**	**-3.4%**	**-0.5%**	**8.3%**	**3.4%**	**-5.2%**	**-3.6%**	**-4.0%**	**3.8%**			
LSPA: Grain Harvest	6.2%	4.8%	7.4%	5.4%	2.5%	-0.1%	2.4%	7.4%	5.4%	1.3%			
PIM: Industrial Production	-1.1%	-4.5%	-19.4%	-0.4%	-17.5%	22.3%	-7.1%	-5.6%	-5.5%	8.9%			
PMC: Amplified Retail Sales	3.9%	-1.4%	-15.2%	4.2%	-15.1%	23.0%	-3.6%	-1.5%	-1.4%	8.4%			
PMS: Volume of Services	1.0%	-7.8%	-16.3%	-9.6%	-15.4%	9.0%	-8.8%	-3.4%	-6.0%	4.3%			

LSPA: Systematic Survey of Agricultural Production (IBGE)
PIM: Monthly Survey of Industry (IBGE)
PMC: Monthly Survey of Trade (IBGE)
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Macroeconomic Parameters

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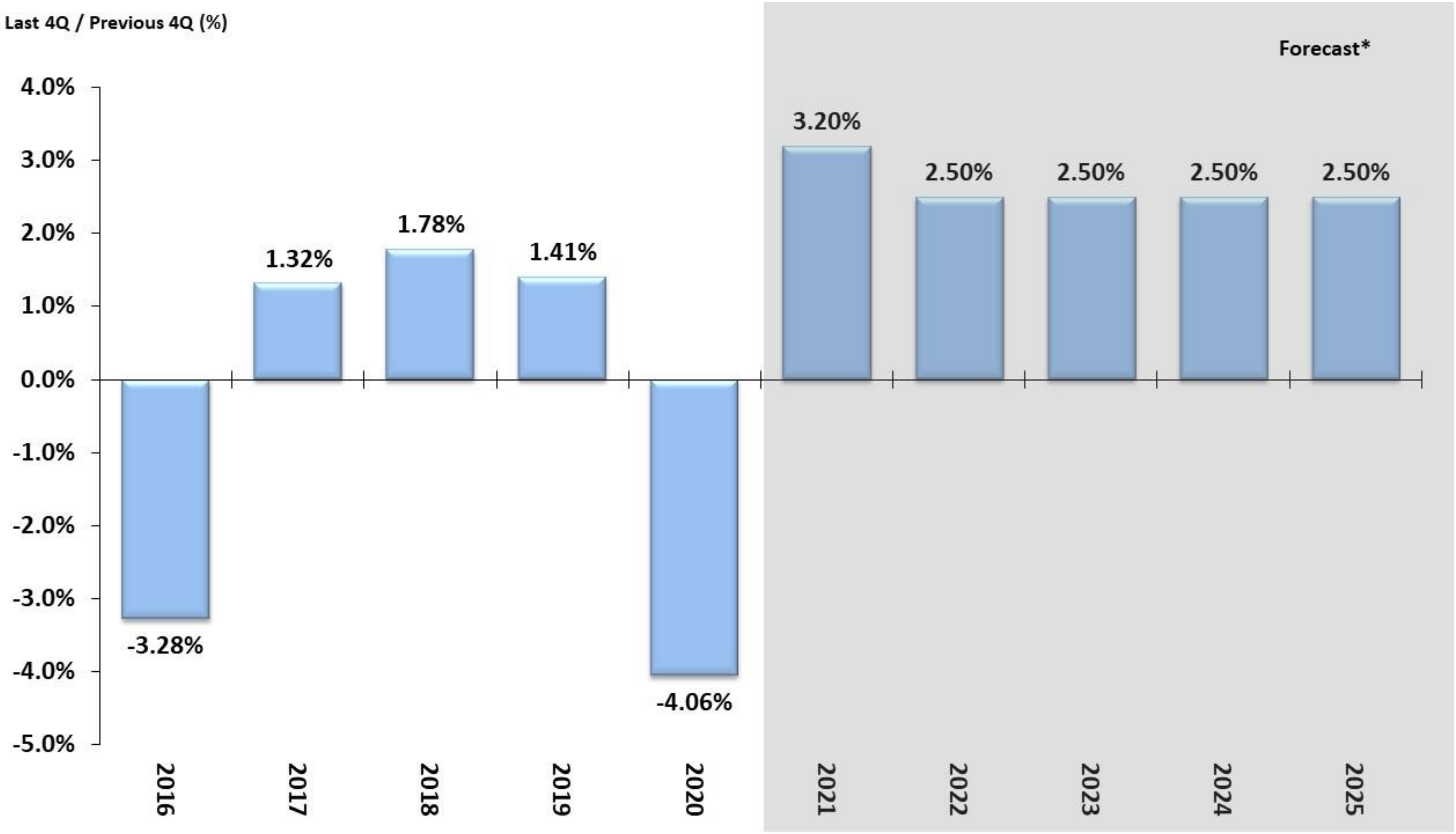
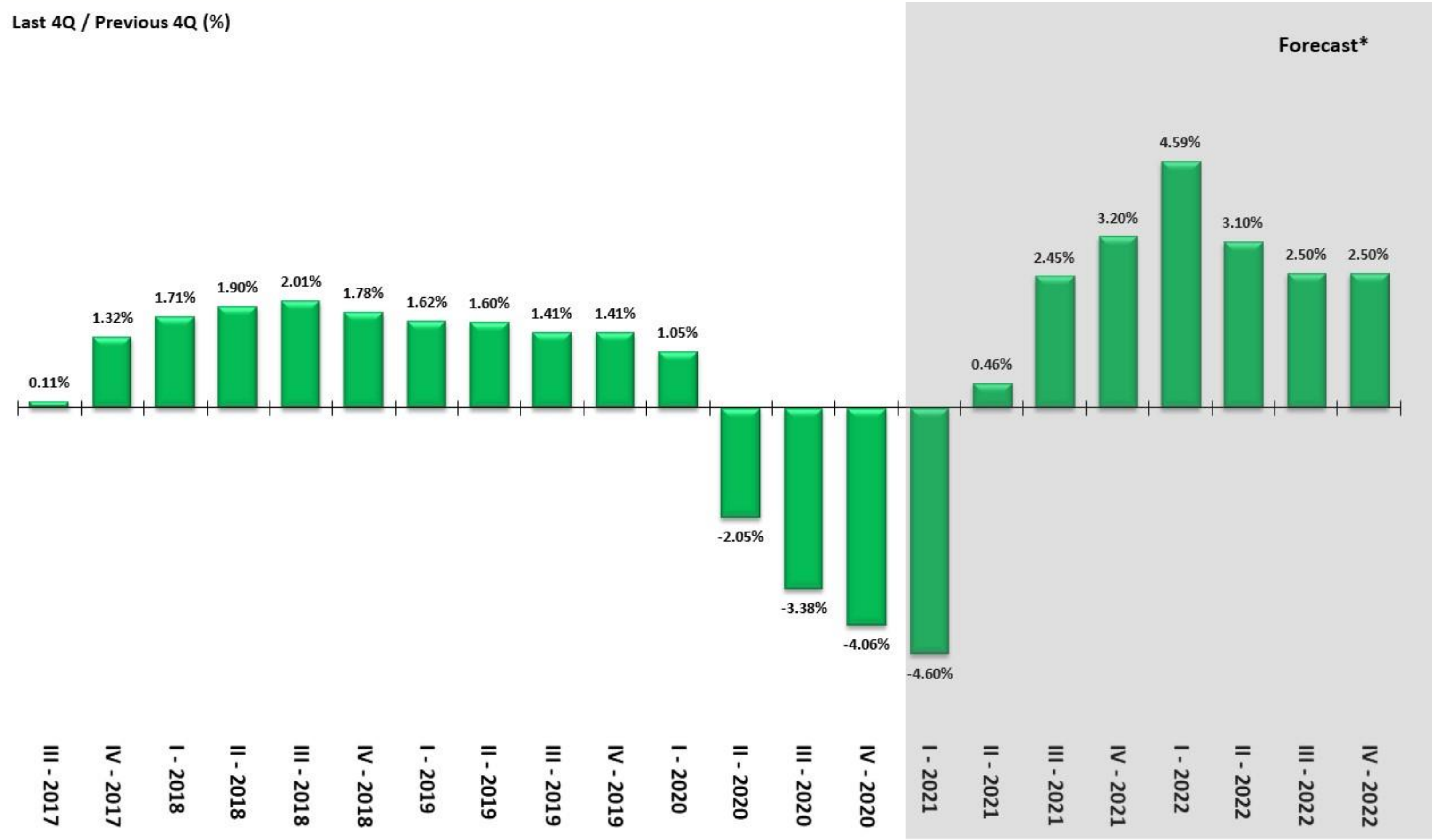
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Annual GDP



Source: IBGE, Quarterly National Accounts Series *Forecast: Macroeconomic Parameters, March-2021.

Quarterly GDP



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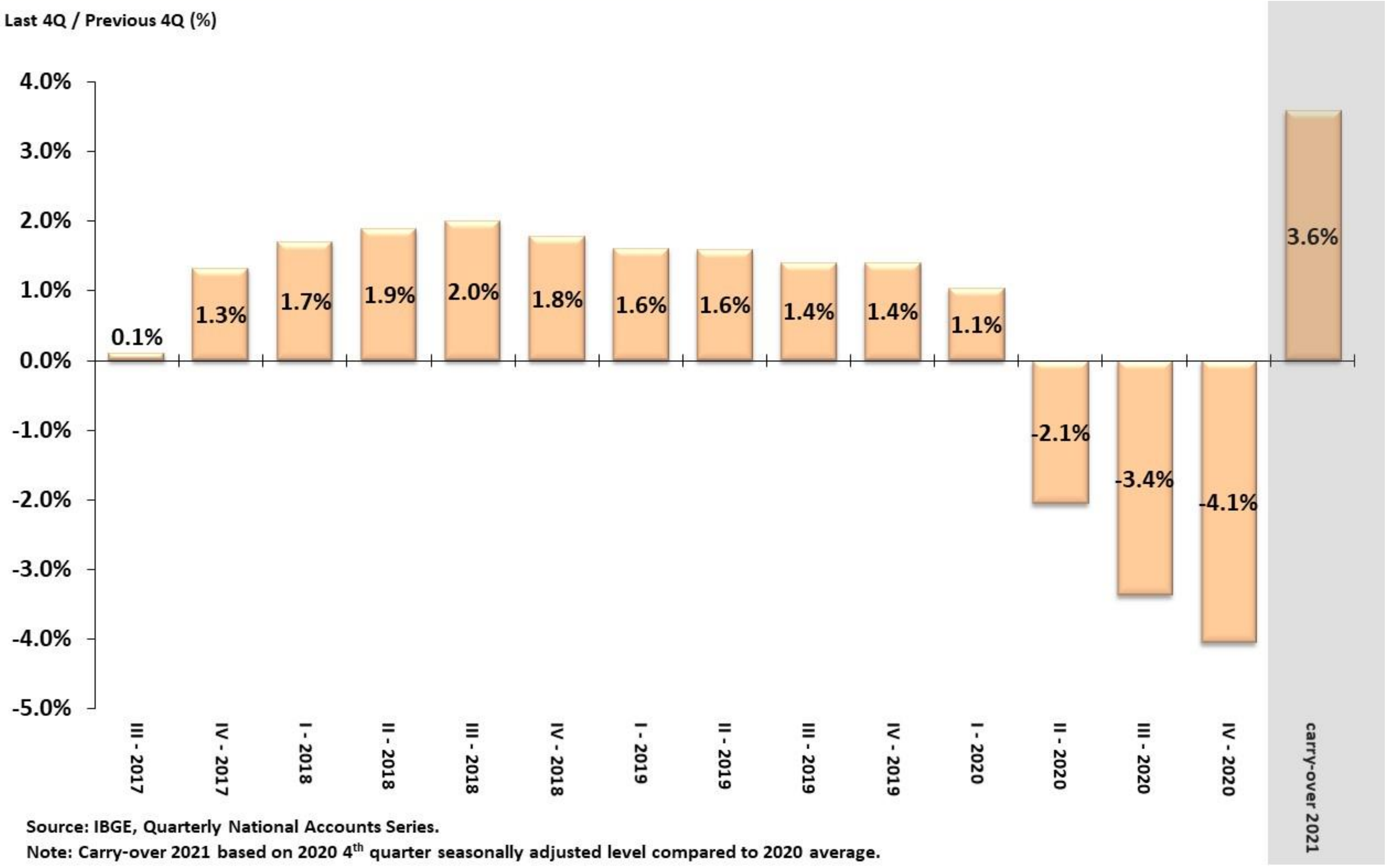
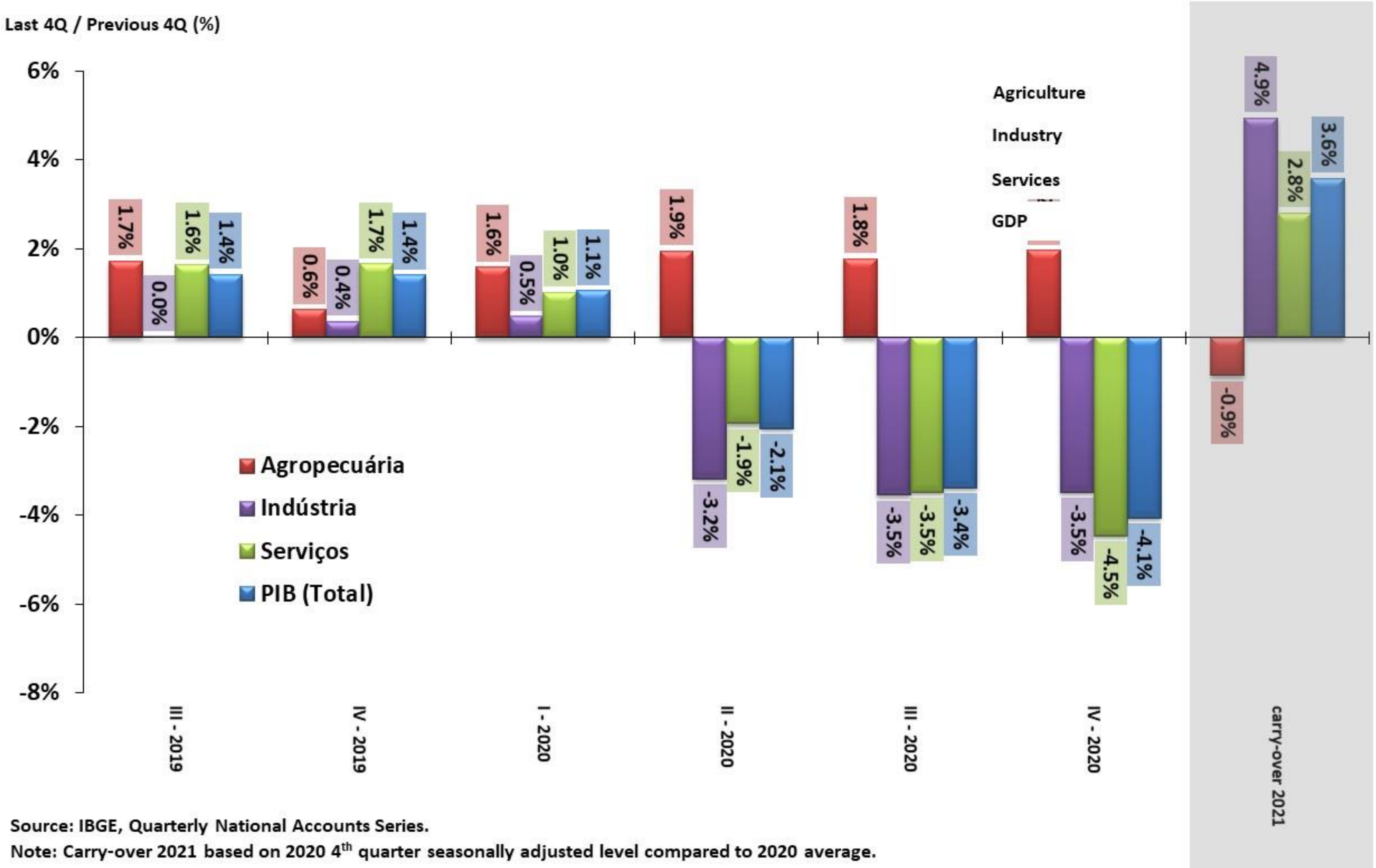


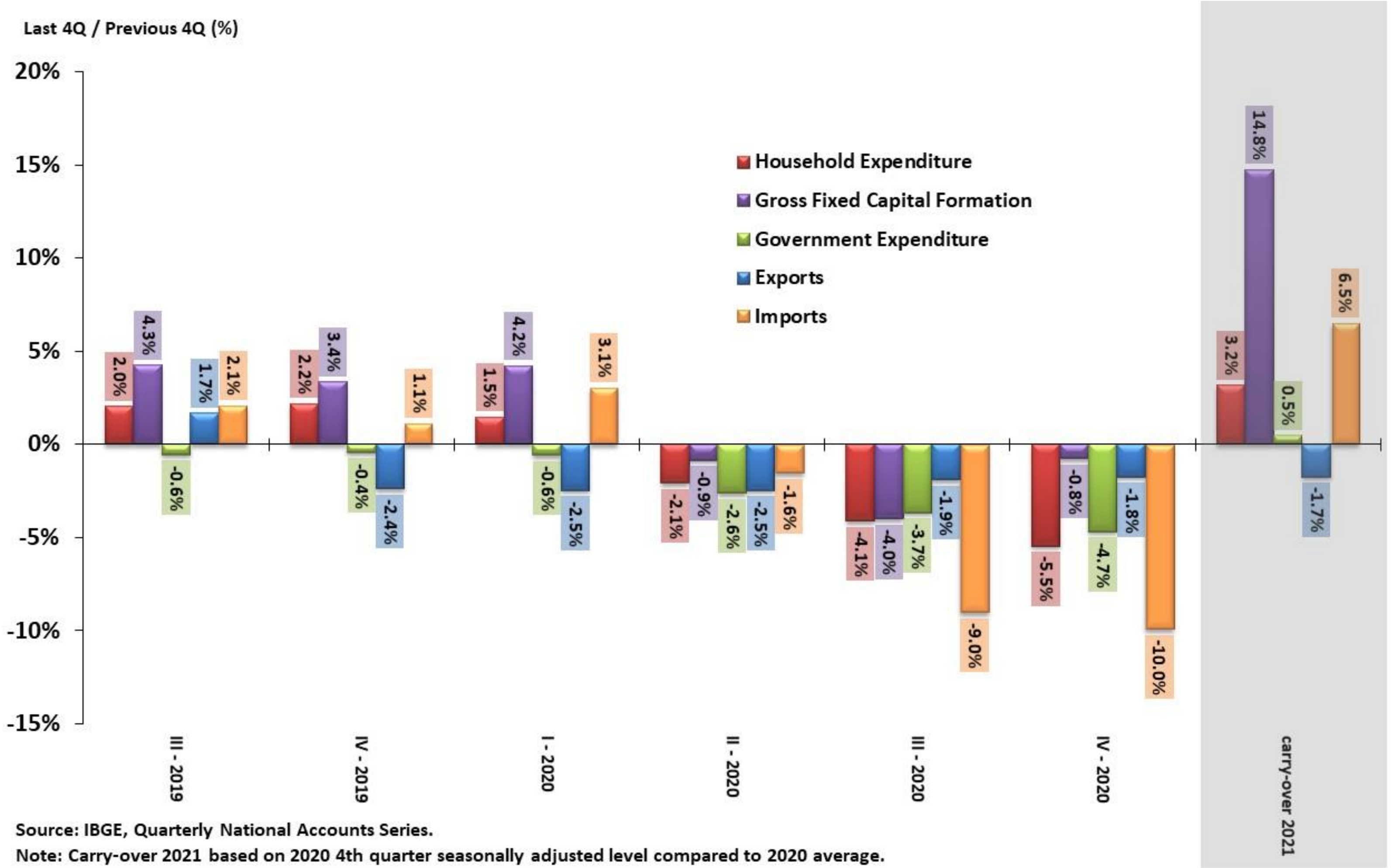
Source: IBGE, Quarterly National Accounts Series.
Note: Carry-over 2021 based on 2020 4th quarter seasonally adjusted level compared to 2020 average.

Quarterly GDP by Activity Sector



Source: IBGE, Quarterly National Accounts Series.
Note: Carry-over 2021 based on 2020 4th quarter seasonally adjusted level compared to 2020 average.

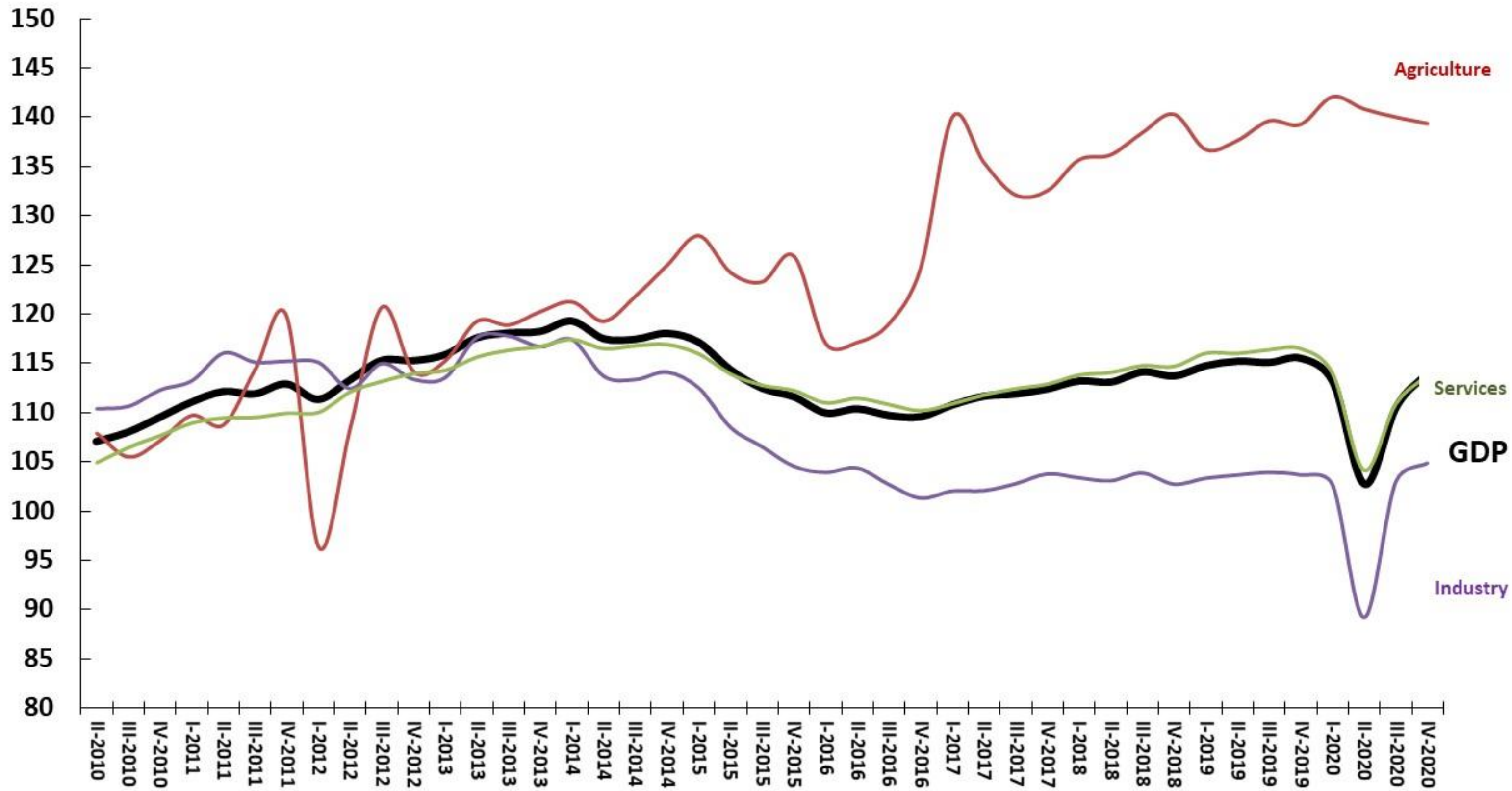
Quarterly GDP by Expenditure



Source: IBGE, Quarterly National Accounts Series.
Note: Carry-over 2021 based on 2020 4th quarter seasonally adjusted level compared to 2020 average.

Quarterly GDP by Activity Sector

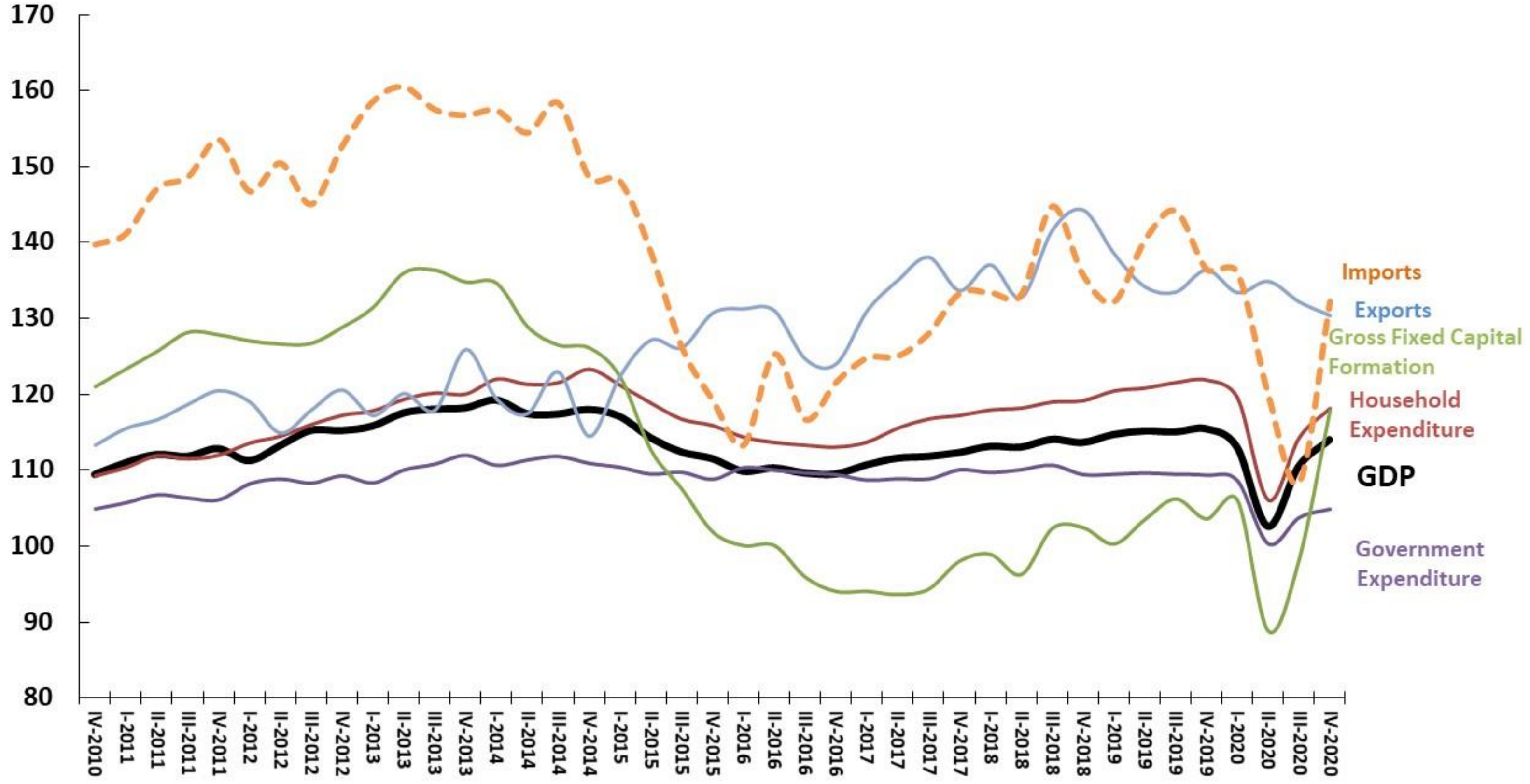
GDP and Economic Sectors Quarterly Volume Indicator
Chained Series of the Seasonally Adjusted Index: 2007=100



Source: IBGE, Quarterly National Accounts Series.

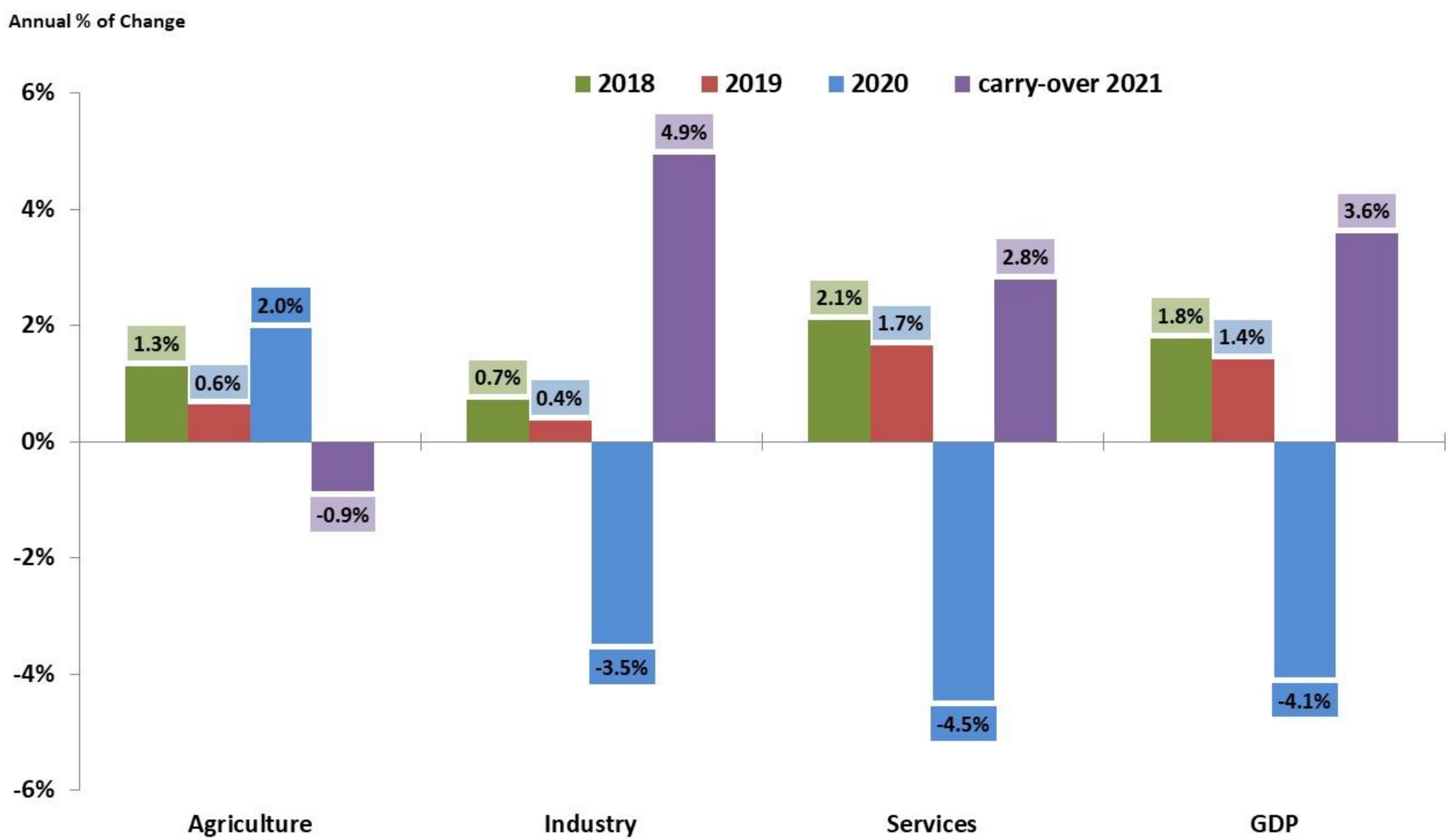
Quarterly GDP by Expenditure

GDP and Demand Categories Quarterly Volume Indicator
Chained Series of the Seasonally Adjusted Index: 2007=100



Source: IBGE, Quarterly National Accounts Series.

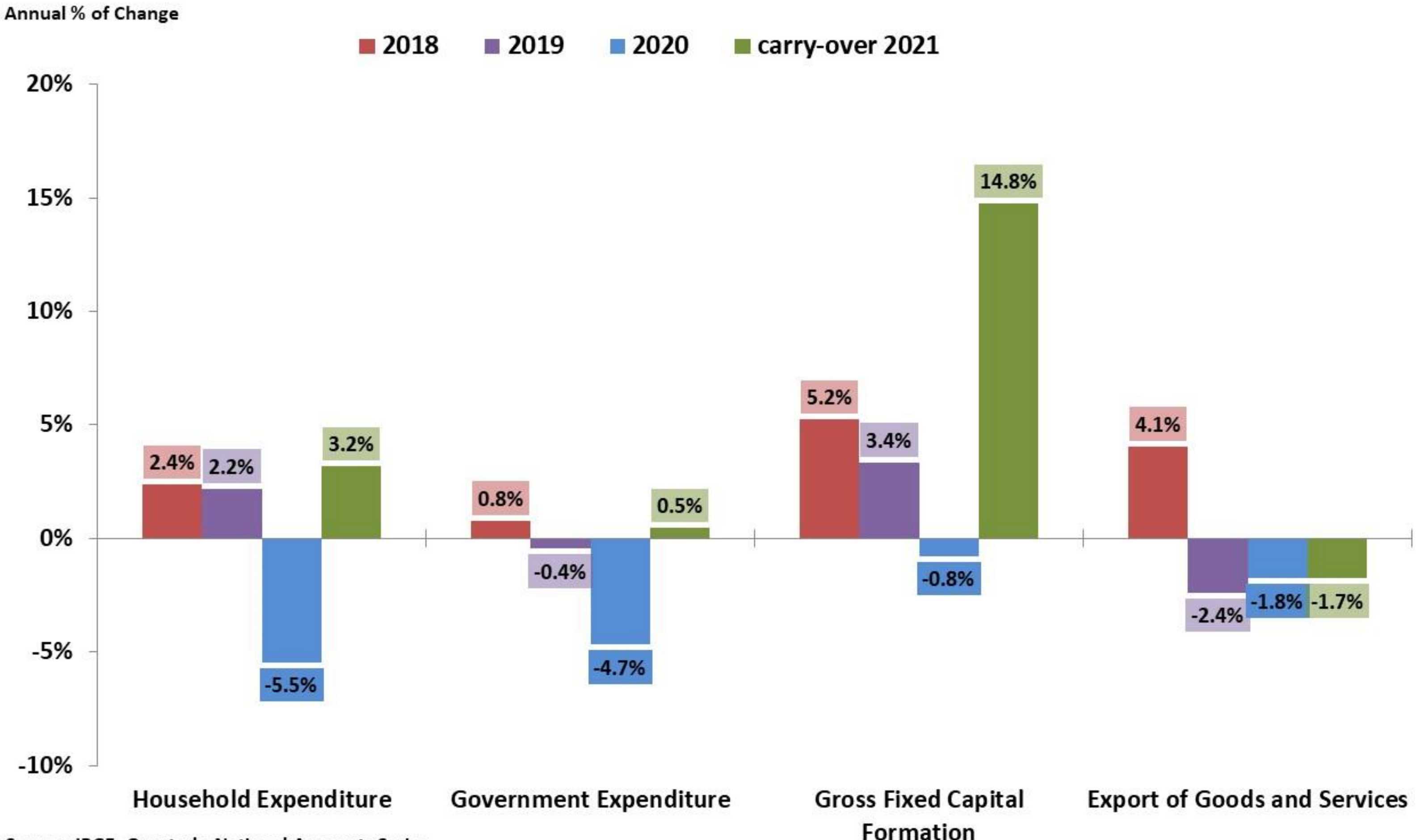
Annual GDP Real Growth by Activity Sector



Source: IBGE, Quarterly National Accounts Series.

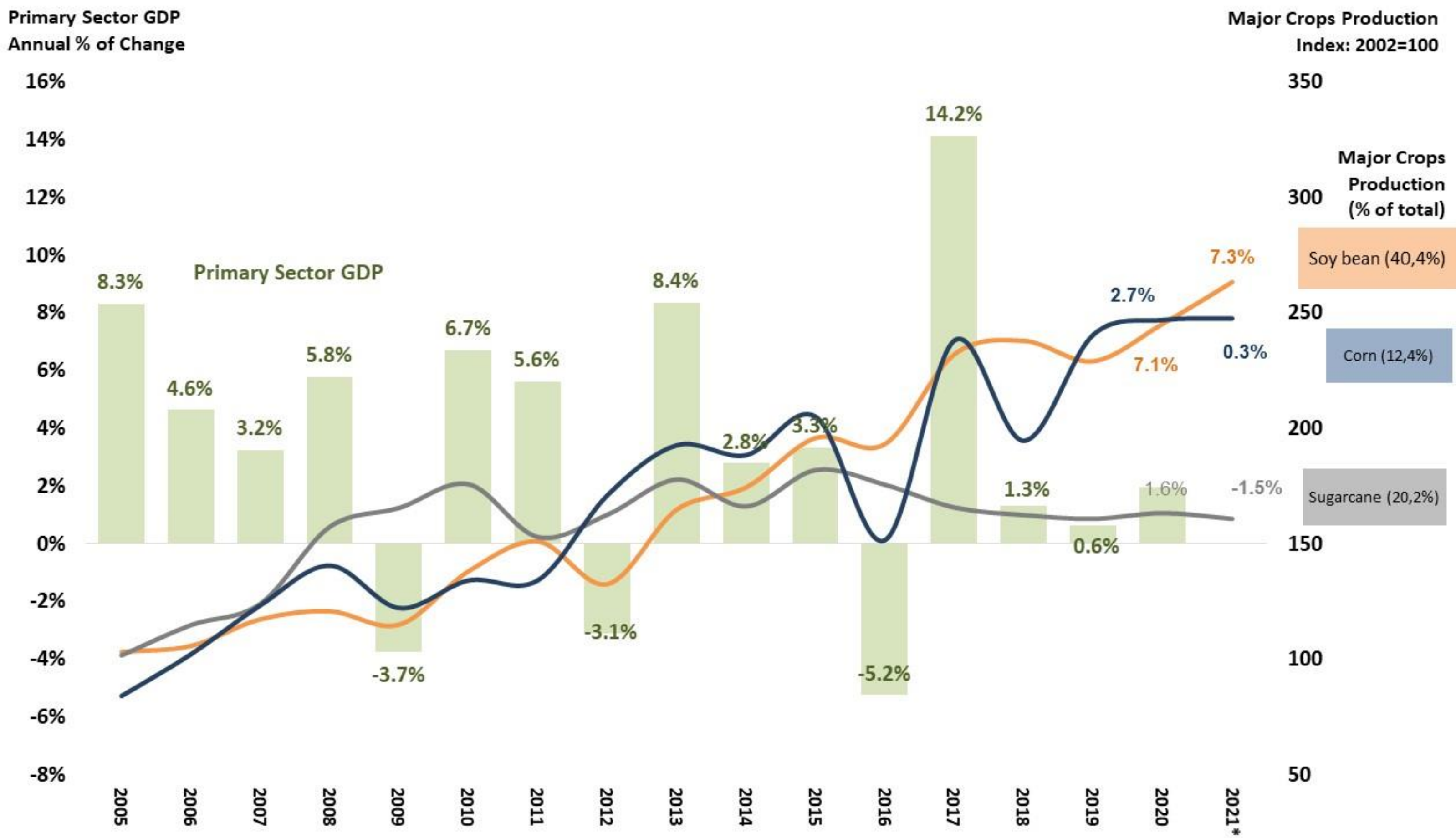
Note: Carry-over 2021 based on 2020 4th quarter seasonally adjusted level compared to 2020 average.

Annual GDP Real Growth by Expenditure



Source: IBGE, Quarterly National Accounts Series.
Note: Carry-over 2021 based on 2020 4th quarter seasonally adjusted level compared to 2020 average.

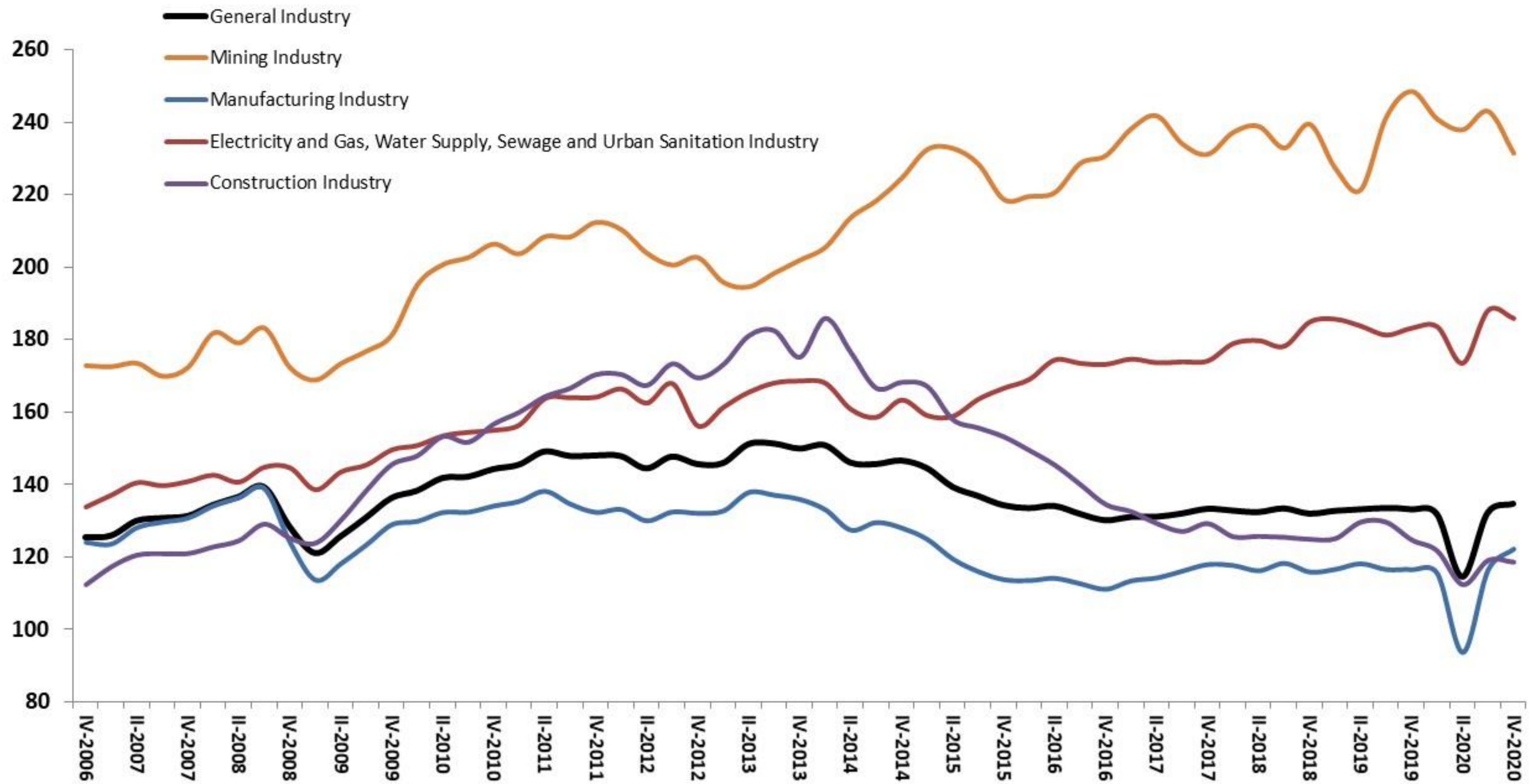
Primary Sector Performance by Major Crops



Source: IBGE, Systematic Survey of Agricultural Production (LSPA) - February/2021.

Industry Performance by Subsectors

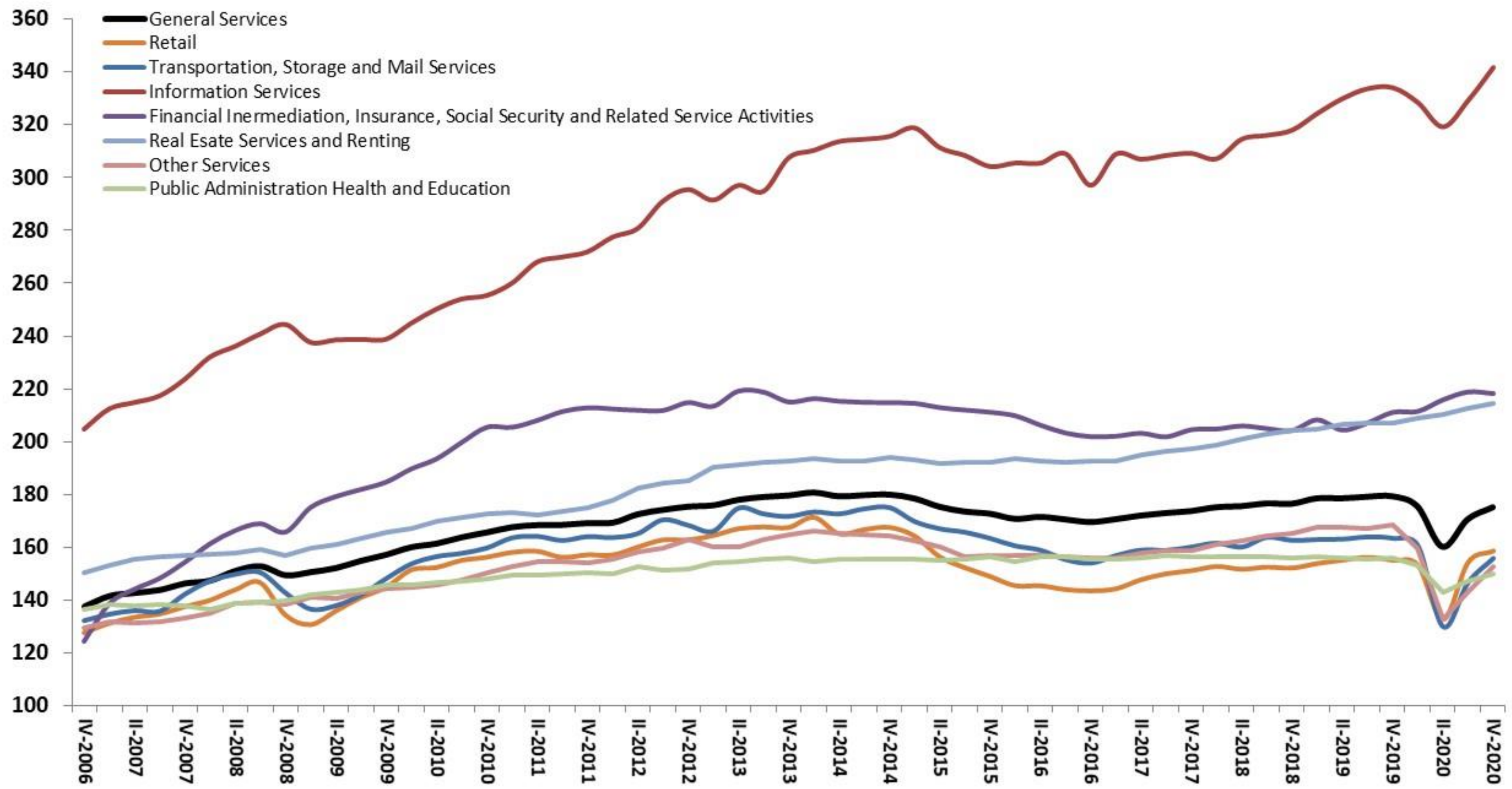
Industrial Production Indicators
Chained Series of the Seasonally Adjusted Index: 1995=100



Source: IBGE, Quarterly National Accounts Series.

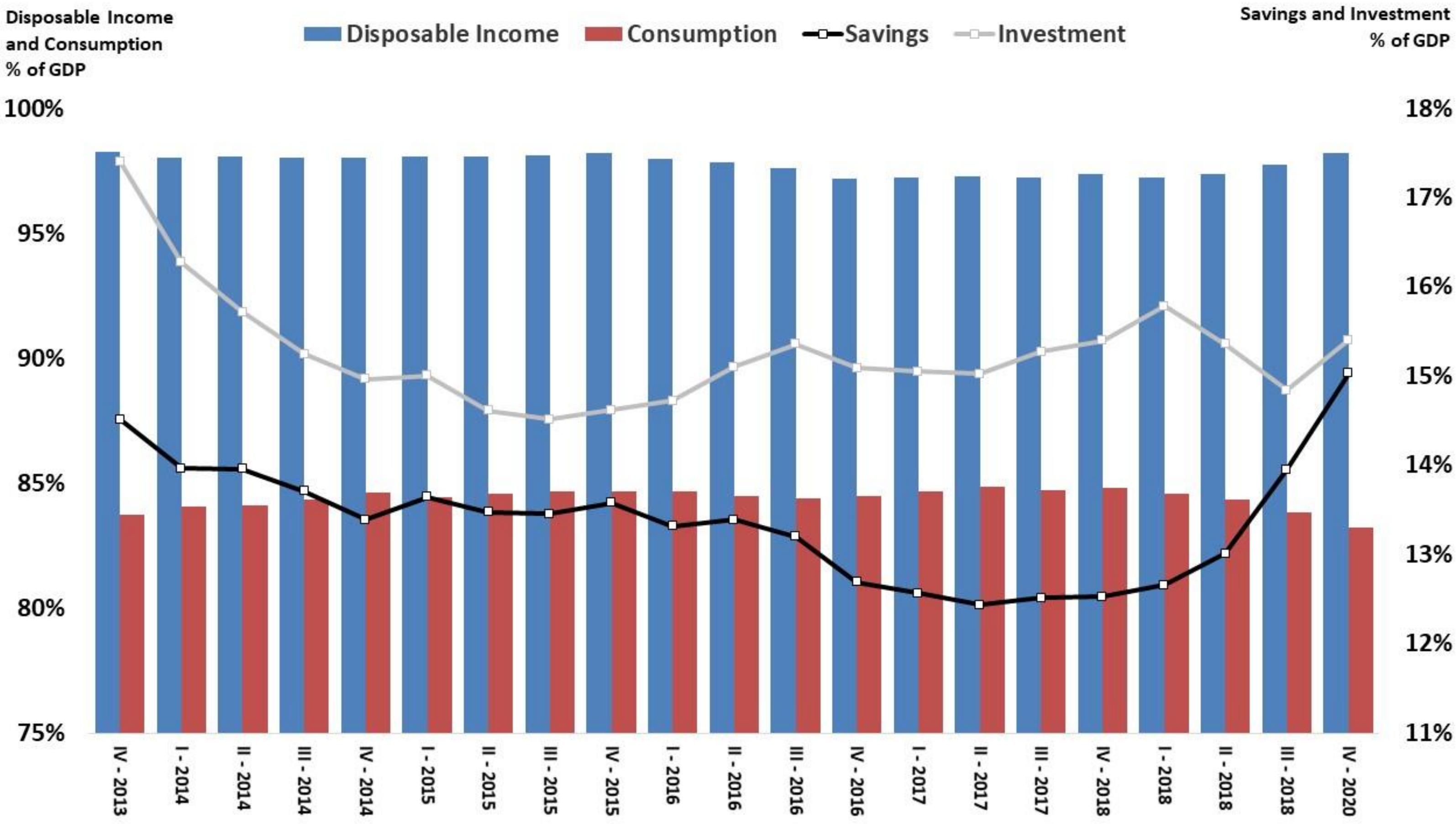
Services Performance by Subsectors

Services Provision Indicators
Chained Series of the Seasonally Adjusted Index: 1995=100



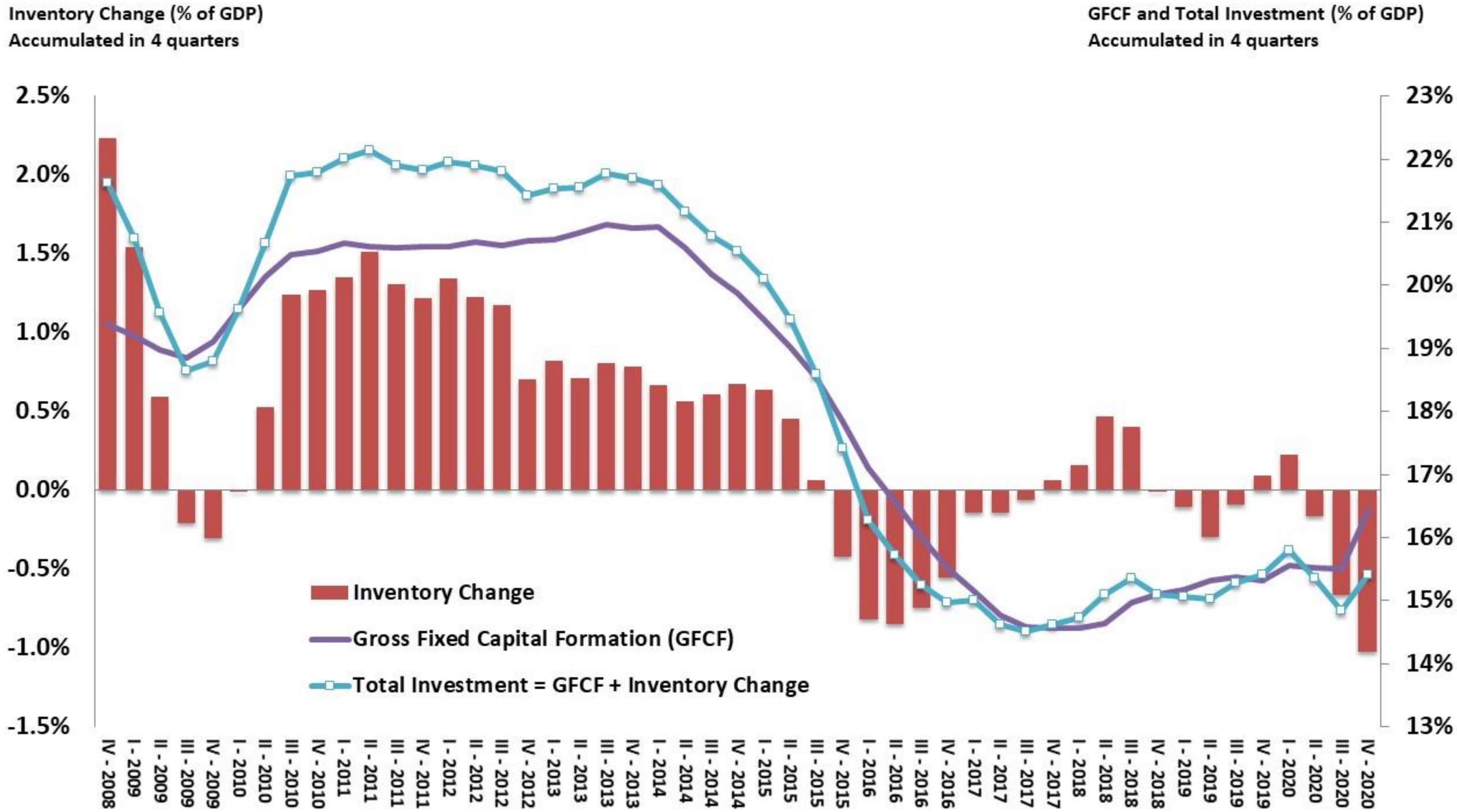
Source: IBGE, Quarterly National Accounts Series.

Disposable Income, Consumption, Savings and Investment



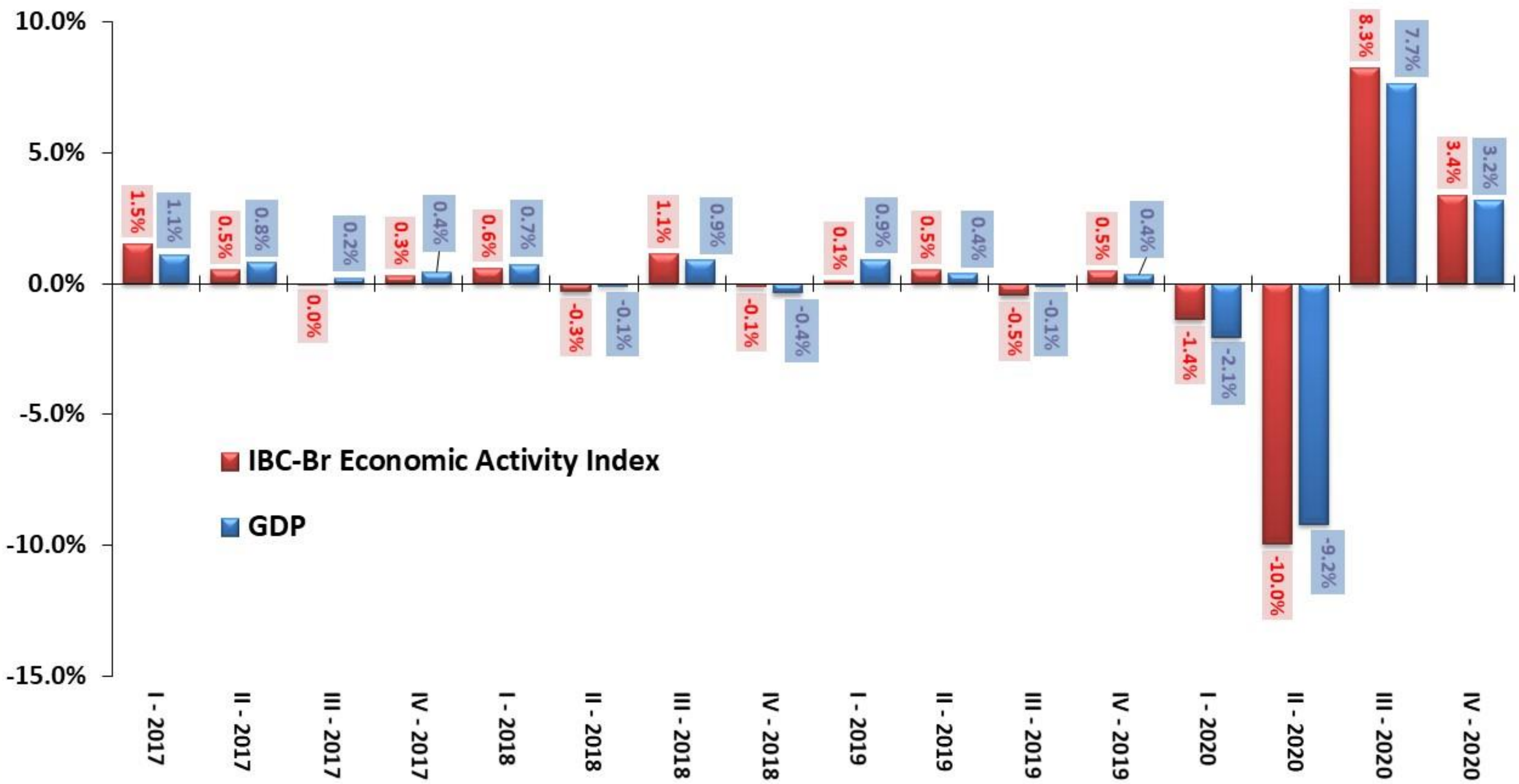
Source: IBGE, Quarterly National Accounts Series. Values accumulated in 4 quarters.

Inventory Change and Gross Fixed Capital Formation



Source: IBGE, Quarterly National Accounts Series.

Quarterly GDP Growth and IBC-Br Economic Activity Index



Sources: IBGE and Central Bank of Brazil.

Monthly Economic Activity

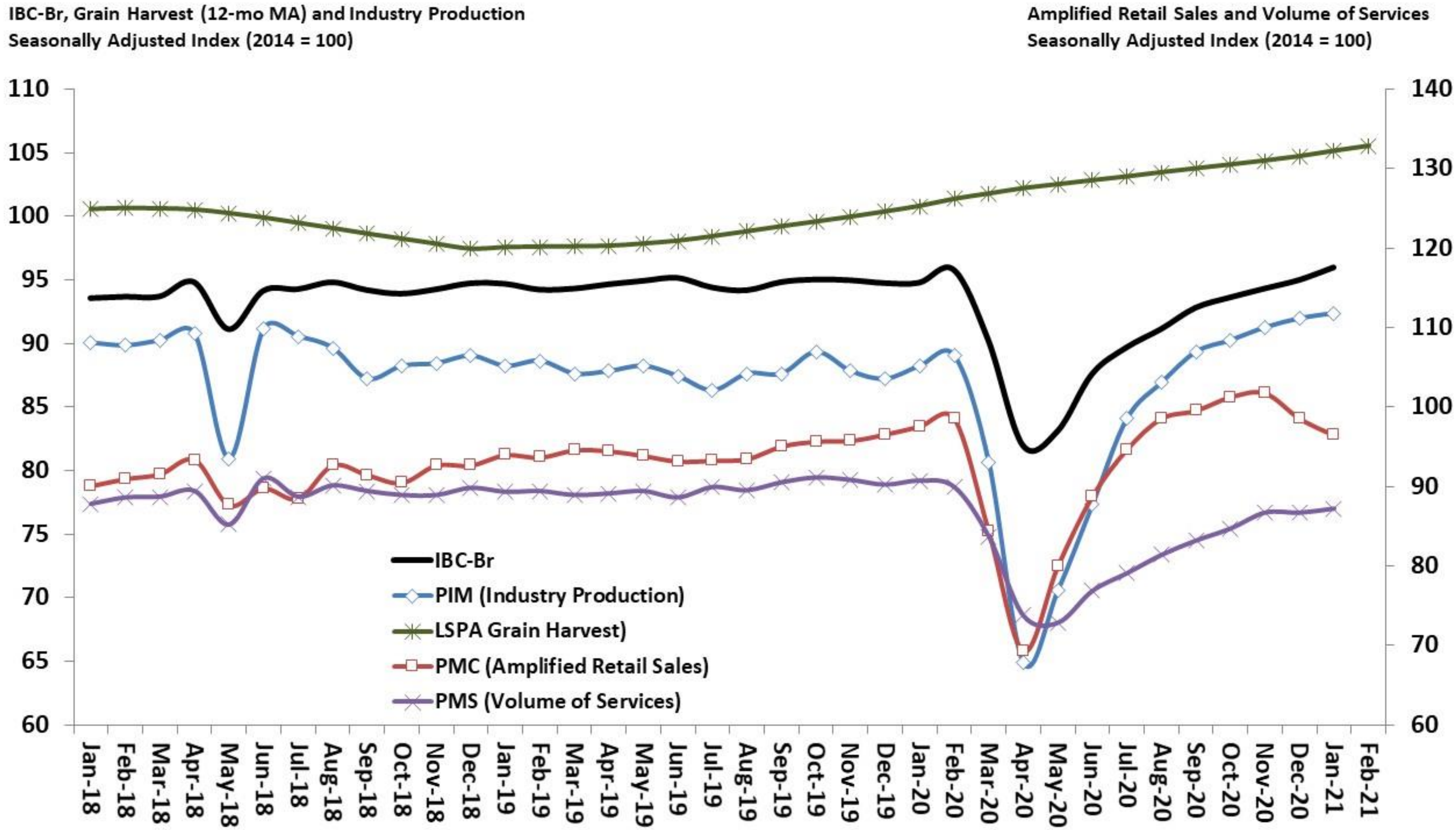
IBC-Br Economic Activity Index January-21 % change	2019	2020	Dec/20- Dec/19	Jan/21- Jan/20	Dec/20 - Nov/20 (seasonally adjusted)	Jan/21 - Dec/20 (seasonally adjusted)	Year-To-Date	Dec/20 accum. in 12-months	Jan/21 accum. in 12-months	carry-over 2021
IBC-Br Economic Activity Index	**1.0%**	**-3.99%**	**1.6%**	**-0.5%**	**0.7%**	**1.0%**	**-0.5%**	**-4.0%**	**-4.0%**	**5.6%**
Systematic Survey of Agricultural Production (IBGE) February-21 % change	**2019**	**2020**	**Jan/21- Jan/20**	**Feb/21- Feb/20**	**Jan/21 - Dec/20 (seasonally adjusted)**	**Feb/21 - Jan/21 (seasonally adjusted)**	**Year-To-Date**	**Jan/21 accum. in 12-months**	**Feb/21 accum. in 12-months**	**carry-over 2021**
Grain Harvest	**3.9%**	**5.6%**	**6.3%**	**5.7%**	**3.2%**	**0.3%**	**5.7%**	**6.3%**	**5.7%**	**5.4%**
Industry Production (IBGE) January-21 % change	**2019**	**2020**	**Dec/20- Dec/19**	**Jan/21- Jan/20**	**Dec/20 - Nov/20 (seasonally adjusted)**	**Jan/21 - Dec/20 (seasonally adjusted)**	**Year-To-Date**	**Dec/20 accum. in 12-months**	**Jan/21 accum. in 12-months**	**carry-over 2021**
General Industry	**-1.1%**	**-4.5%**	**8.3%**	**2.0%**	**0.8%**	**0.4%**	**2.0%**	**-4.5%**	**-4.2%**	**10.3%**
Mining Industry (weight 11,2%)	-9.7%	-3.4%	-3.9%	0.2%	4.2%	1.5%	0.2%	-3.4%	-2.0%	0.4%
Manufacturing Industry (weight 88,8%)	0.2%	-4.6%	10.2%	2.3%	1.4%	-0.1%	2.3%	-4.6%	-4.6%	12.3%
Food (weight 13,9%)	1.7%	4.2%	-1.7%	-5.5%	-4.5%	3.1%	-5.5%	4.2%	3.8%	-3.7%
Petroleum refinement and alcohol production (weight 10,3%)	1.7%	4.4%	-0.5%	-4.5%	-1.4%	-1.4%	-4.5%	4.4%	2.9%	-0.5%
Motor vehicles (weight 10,1%)	2.2%	-28.1%	22.5%	4.8%	5.9%	1.0%	4.8%	-28.1%	-27.8%	48.2%
Capital Goods	-0.6%	-9.8%	35.4%	17.0%	3.0%	4.5%	17.0%	-9.8%	-8.9%	35.5%
Intermediate Goods	-2.1%	-1.1%	8.2%	2.3%	1.4%	-1.3%	2.3%	-1.1%	-0.8%	5.7%
Durable Consumer Goods	2.1%	-19.8%	14.1%	-4.2%	1.5%	-0.7%	-4.2%	-19.8%	-20.2%	30.4%
Semi and Non-Durable Consumer Goods	1.0%	-5.9%	1.9%	-0.4%	-0.4%	2.0%	-0.4%	-5.9%	-5.9%	8.8%
Typical Construction Inputs	-0.8%	-1.3%	20.5%	11.5%	-9.0%	0.9%	11.5%	-0.3%	0.6%	3.9%
Retail Sales (IBGE) January-21 % change	**2019**	**2020**	**Dec/20- Dec/19**	**Jan/21- Jan/20**	**Dec/20 - Nov/20 (seasonally adjusted)**	**Jan/21 - Dec/20 (seasonally adjusted)**	**Year-To-Date**	**Dec/20 accum. in 12-months**	**Jan/21 accum. in 12-months**	**carry-over 2021**
Retail Sales	**1.9%**	**1.2%**	**1.3%**	**-0.3%**	**-6.2%**	**-0.2%**	**-0.3%**	**1.2%**	**1.1%**	**0.1%**
Amplified Retail Sales	**3.9%**	**-1.4%**	**2.8%**	**-2.9%**	**-3.1%**	**-2.1%**	**-2.9%**	**-1.4%**	**-1.9%**	**4.0%**
Vehicles, Motorcycles, Parts and Accessories	10.0%	-13.6%	2.3%	-15.4%	-3.3%	-3.6%	-15.4%	-13.6%	-15.6%	11.6%
Construction Material	4.3%	10.8%	19.2%	12.3%	-1.6%	0.3%	12.3%	10.8%	11.6%	7.6%
Fuel and Lubricants	0.6%	-9.7%	-6.5%	-8.2%	-1.5%	-0.1%	-8.2%	-9.7%	-10.3%	2.7%
Hypermarkets, Supermarkets, Food, Beverage and Tobacco	0.4%	4.8%	3.4%	1.4%	-0.3%	-1.6%	1.4%	4.8%	5.2%	-4.3%
Textiles, Apparel and Footwear	0.1%	-22.5%	-9.1%	-21.1%	-13.2%	-8.2%	-21.1%	-22.5%	-24.2%	6.5%
Furniture and Household Appliances	3.6%	10.6%	2.6%	-5.4%	-3.6%	-5.9%	-5.4%	10.6%	9.1%	-2.0%
Volume of Services (IBGE) January-21 % change	**2019**	**2020**	**Dec/20- Dec/19**	**Jan/21- Jan/20**	**Dec/20 - Nov/20 (seasonally adjusted)**	**Jan/21 - Dec/20 (seasonally adjusted)**	**Year-To-Date**	**Dec/20 accum. in 12-months**	**Jan/21 accum. in 12-months**	**carry-over 2021**
Volume of Services	**1.0%**	**-7.8%**	**-3.1%**	**-4.8%**	**0.0%**	**0.6%**	**-4.8%**	**-7.8%**	**-8.3%**	**5.7%**
Services Rendered to Families	2.7%	-35.6%	-25.4%	-27.6%	-4.0%	-1.5%	-27.6%	-35.6%	-38.1%	7.6%
Information and Communication Services	3.2%	-1.6%	1.8%	1.7%	0.5%	-0.7%	1.7%	-1.6%	-1.6%	3.1%
Professional, Administrative and Complementary Services	0.6%	-11.4%	-7.6%	-6.8%	0.1%	3.4%	-6.8%	-11.4%	-11.9%	4.7%
Transportation, Support Activities for Transportation and Mailing Activities	-2.5%	-7.7%	-2.0%	-4.0%	-0.2%	3.1%	-4.0%	-7.7%	-8.0%	8.6%
Other Services	5.9%	6.8%	9.6%	-2.2%	5.0%	-9.2%	-2.2%	6.8%	5.8%	-1.4%

Macroeconomic Parameters

Macroeconomic Parameters						
Year	Industrial Activity - Annual chg. %					
	Manufacturing		Beverages		Vehicles	
	Production				Domestic Wholesale	
	Price	*Quantity*	*Price*	*Quantity*	*Price*	*Quantity*
2015	6.98	-9.84	10.67	-4.76	4.10	-25.21
2016	8.04	-5.99	7.59	-3.09	6.09	-17.53
2017	1.75	2.25	4.34	0.77	4.26	12.31
2018	8.35	1.10	2.67	0.87	3.30	13.05
2019	4.31	0.19	2.86	4.25	2.97	10.38
2020	9.13	-4.63	0.87	-0.18	4.15	-25.84
2021	**22.50**	**10.66**	**4.28**	**1.83**	**8.39**	**8.54**
2022	**3.85**	**5.12**	**5.34**	**2.22**	**3.99**	**4.51**
2023	**2.46**	**4.70**	**5.60**	**2.63**	**3.28**	**8.05**
2024	**2.92**	**4.15**	**5.62**	**2.72**	**2.91**	**8.22**
2025	**3.41**	**3.89**	**5.65**	**2.75**	**2.64**	**8.78**

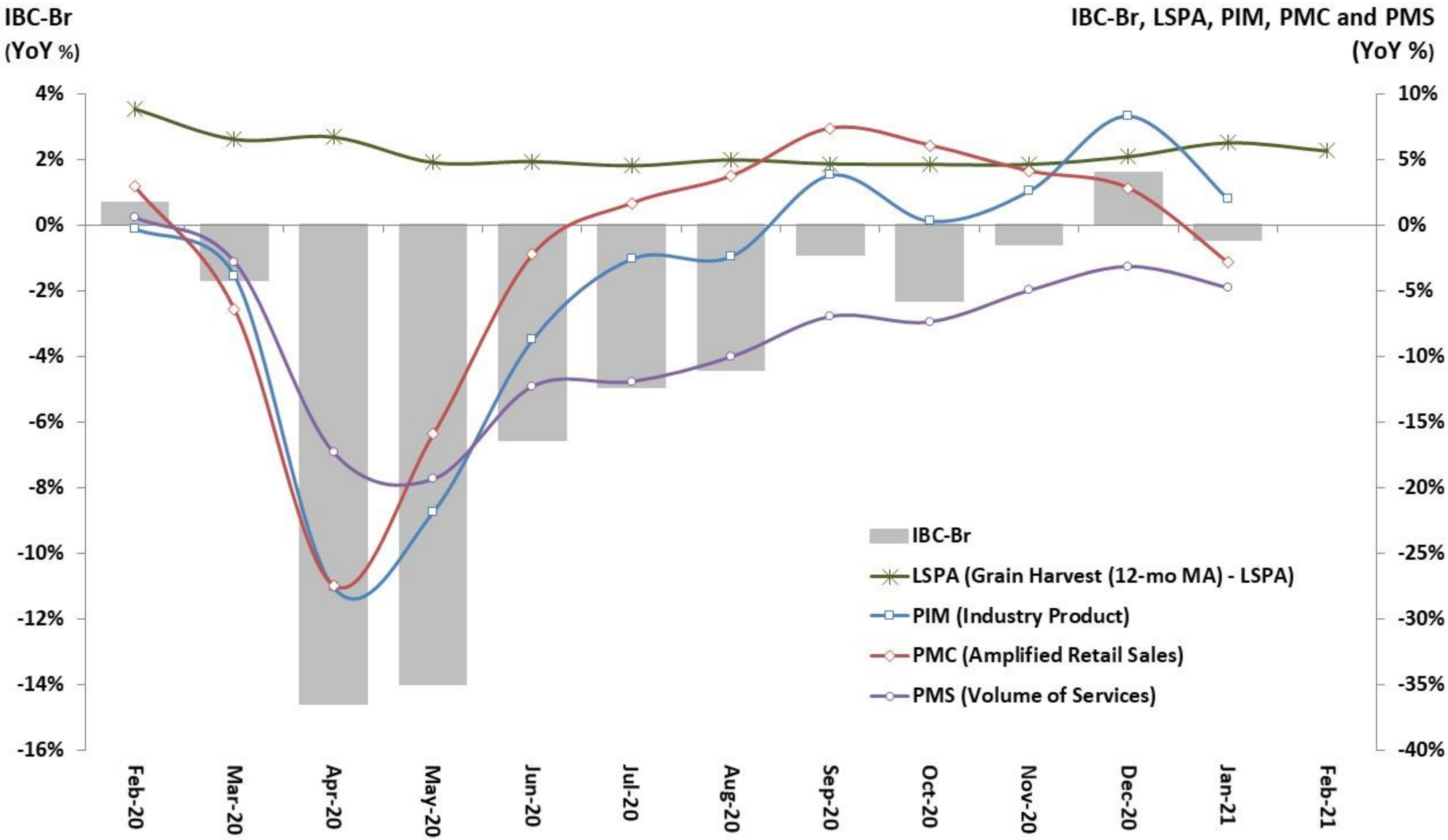
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Major Monthly Economic Activity Indicators



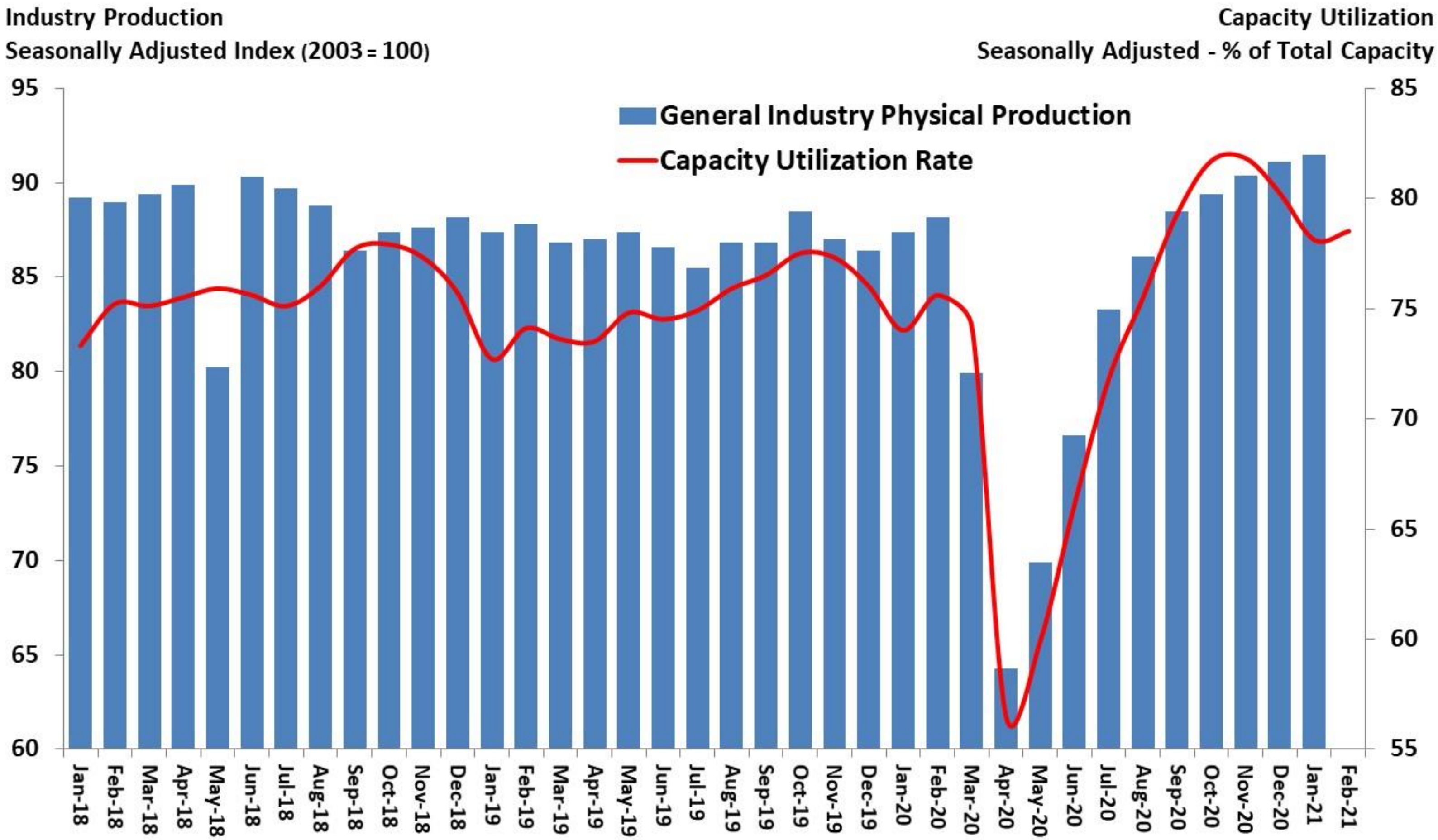
Sources: Central Bank of Brazil and IBGE: Systematic Survey of Agricultural Production (LSPA), Monthly Survey of Industry (PIM), Monthly Survey of Trade (PMC), and Monthly Survey of Services (PMS).

Major Monthly Economic Activity Indicators



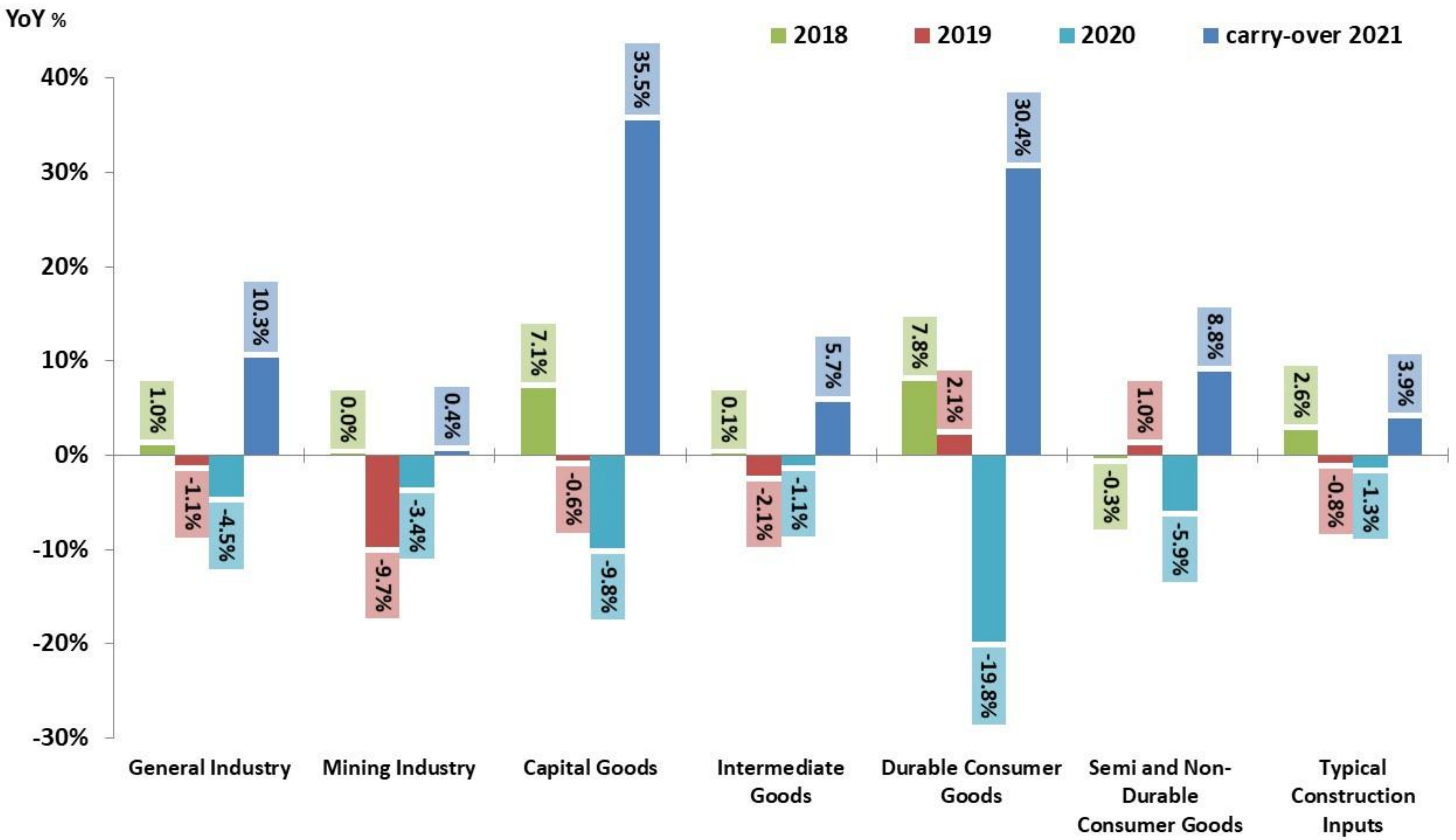
Sources: Central Bank of Brazil and IBGE: Systematic Survey of Agricultural Production (LSPA), Monthly Survey of Industry (PIM), Monthly Survey of Trade (PMC), and Monthly Survey of Services (PMS).

Industrial Production and Capacity Utilization



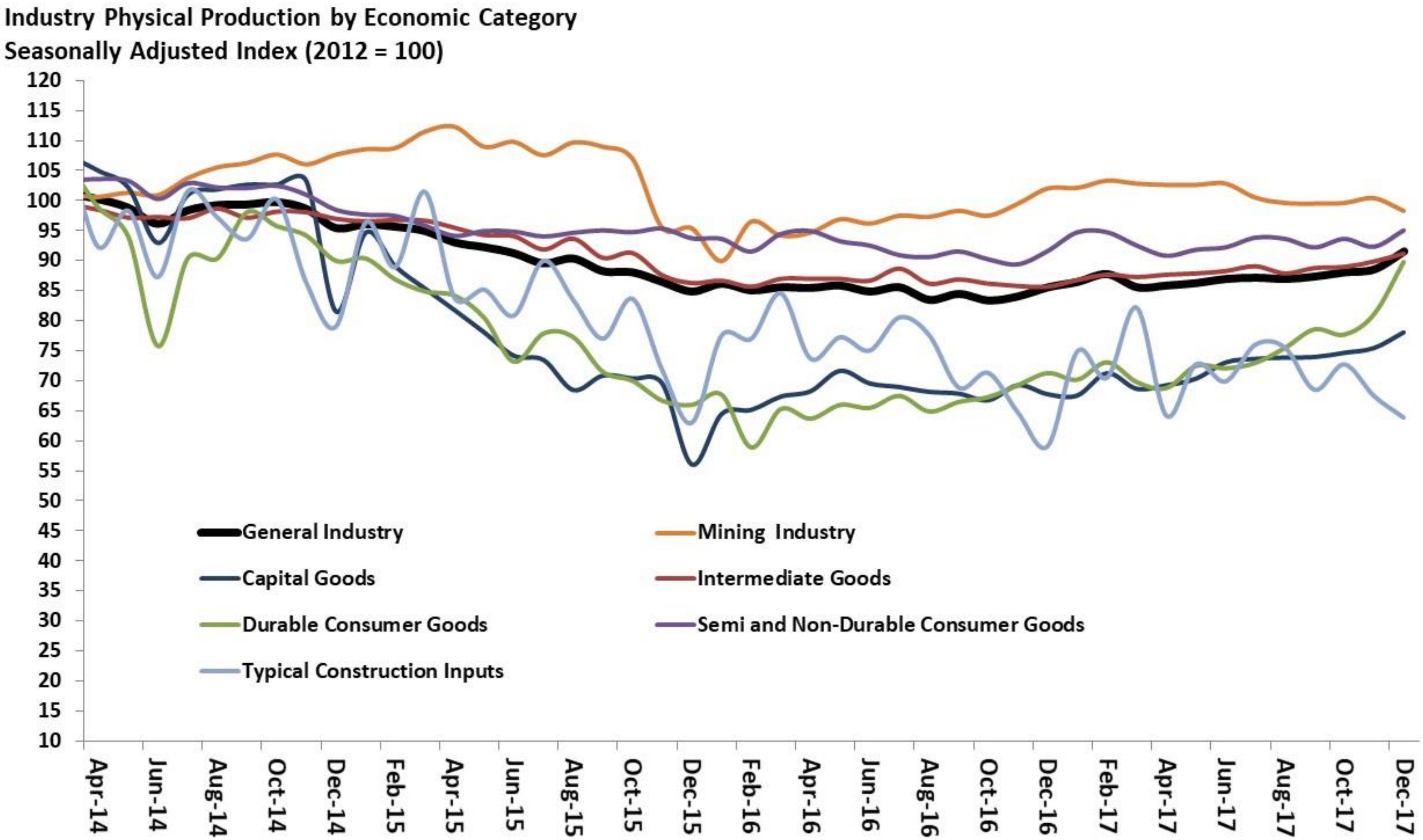
Sources: IBGE and FGV.

Total Industrial Production and Economic Categories



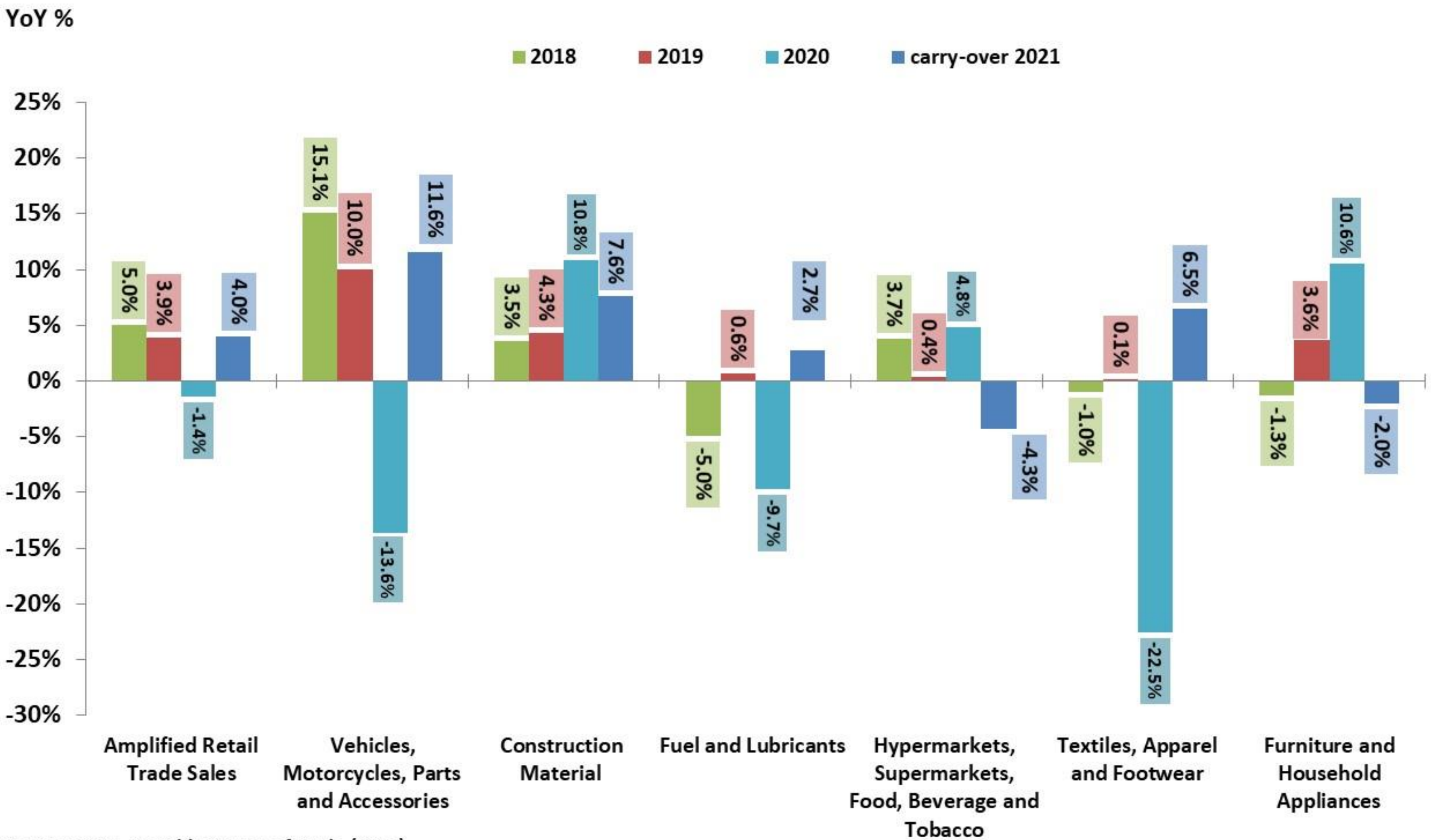
Source: IBGE, Monthly Survey of Industry (PIM).
Note: Carry-over 2021 based on January-2021 compared to 2020 average.

Total Industrial Production and Economic Categories



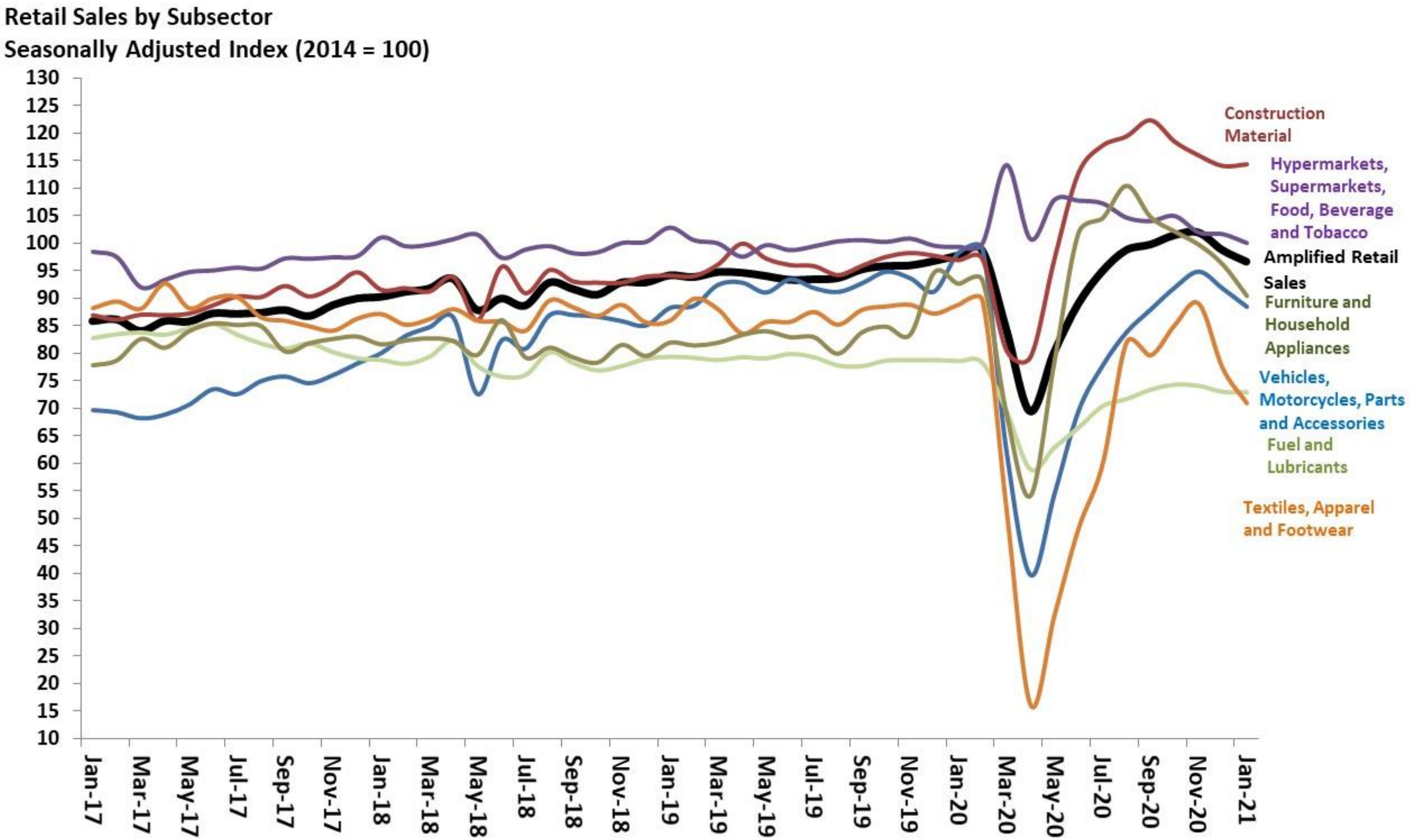
Source: IBGE

Total Retail Sales and Subsectors



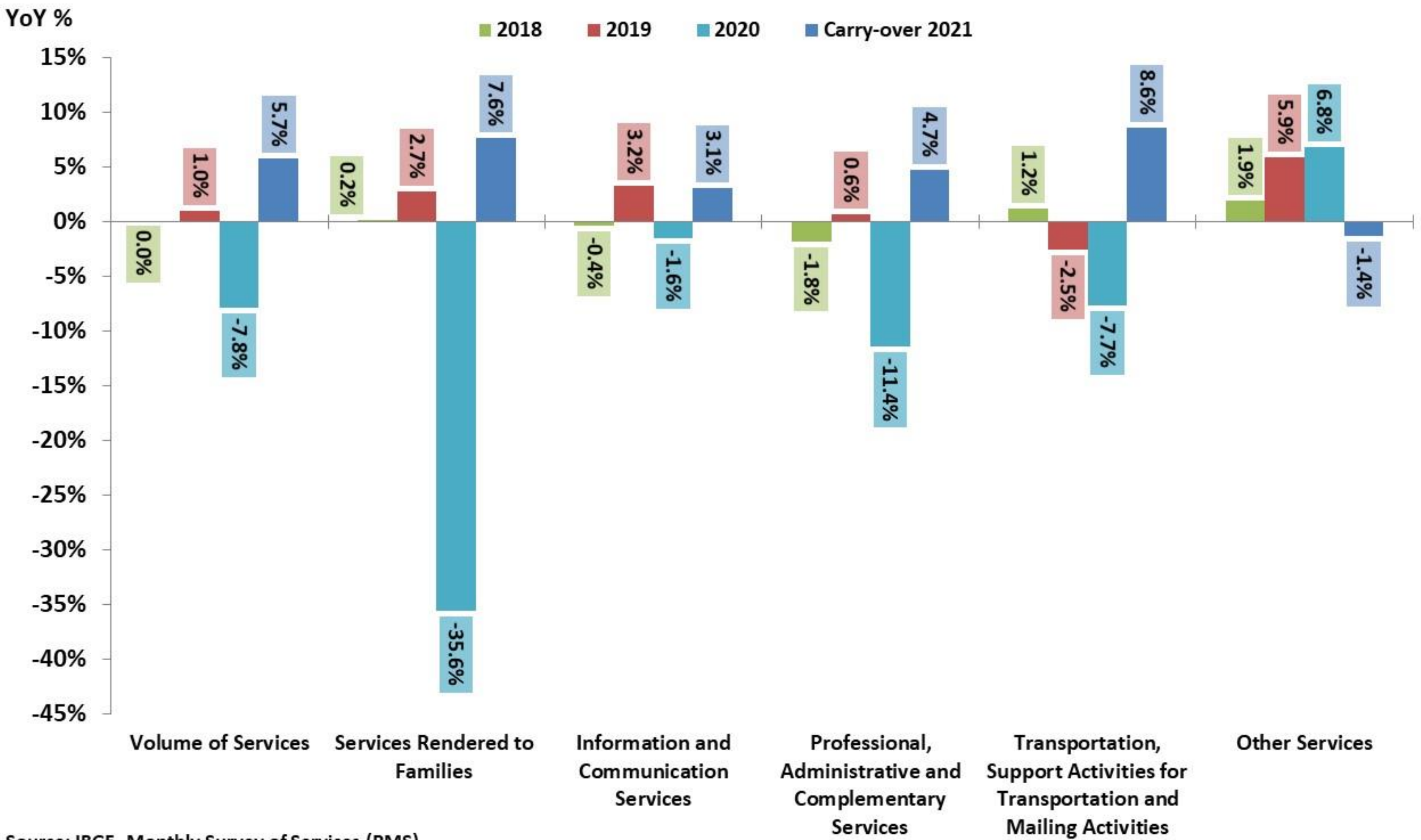
Source: IBGE, Monthly Survey of Trade (PMC).
Note: Carry-over 2021 based on January-2021 compared to 2020 average.

Total Retail Sales and Subsectors



Source: IBGE, Monthly Survey of Trade (PMC).

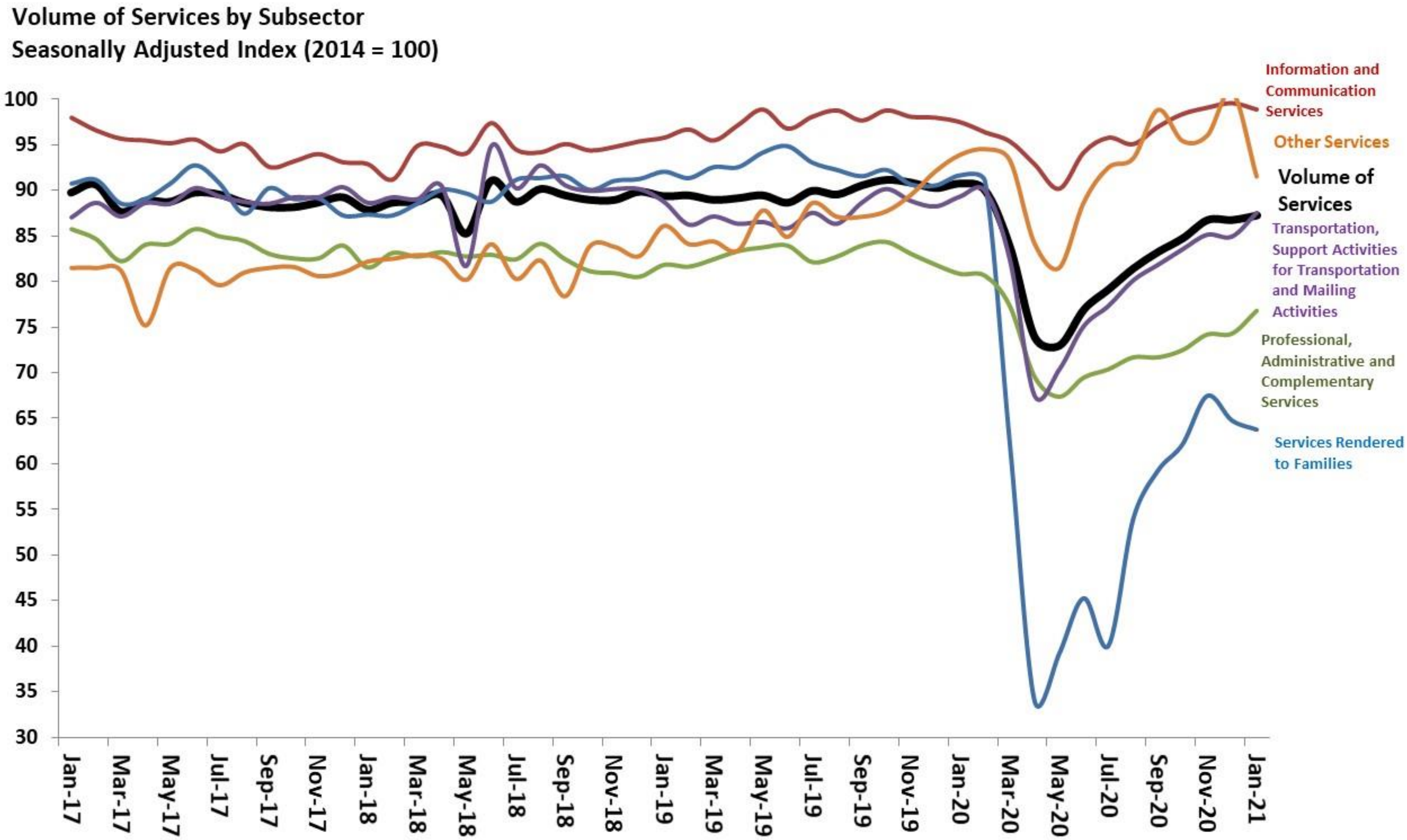
Volume of Services and Subsectors



Source: IBGE, Monthly Survey of Services (PMS).

Note: Carry-over 2021 based on January-2021 compared to 2020 average.

Total Services and Subsectors



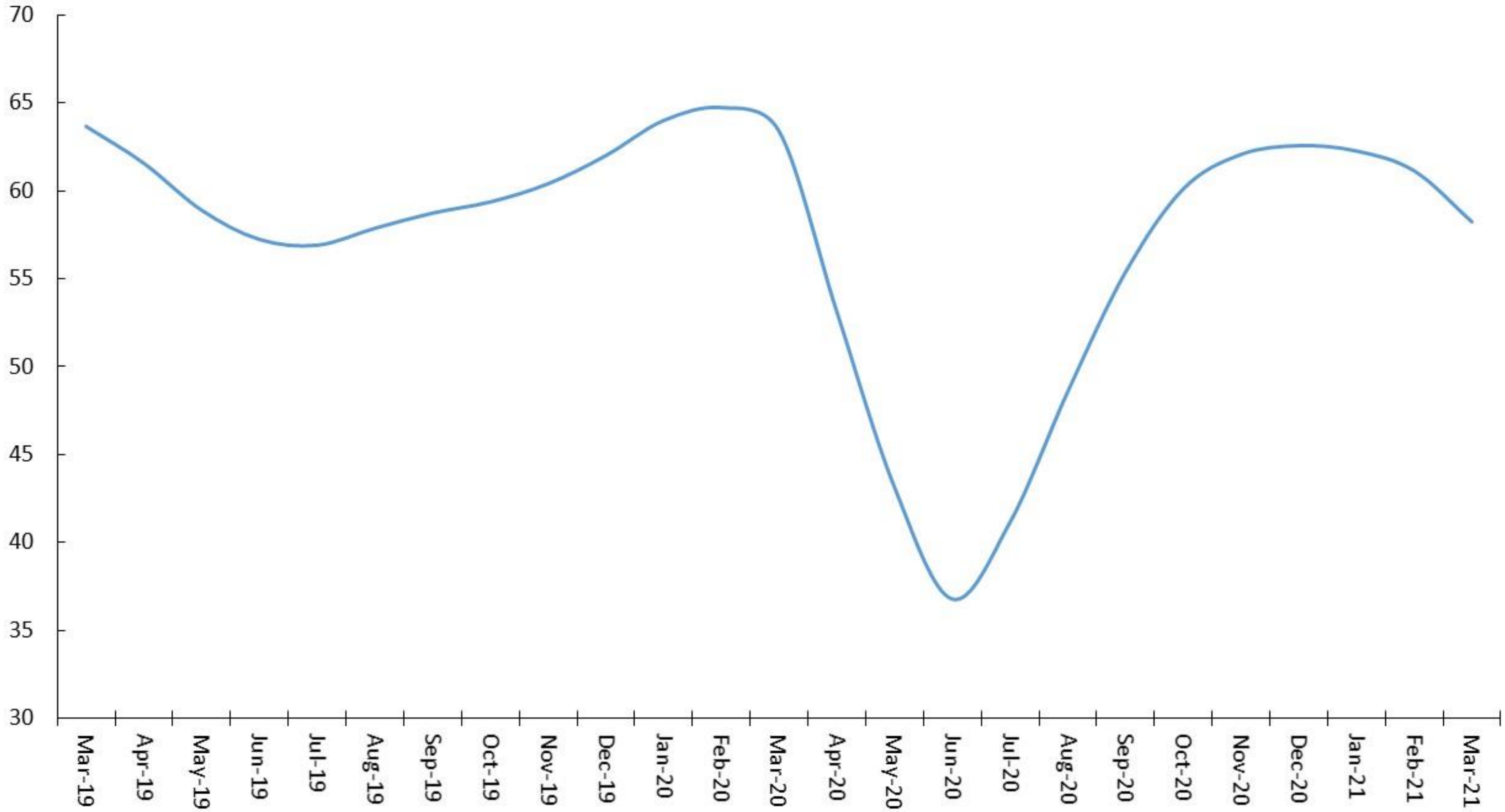
Source: IBGE, Monthly Survey of Services (PMS).

Other Monthly Economic Activity Indicators

	Last update (m / y)	Annual change % (y-1)	change % (m-1 / y) / (m-1 / y-1)	change % (m / y) / (m / y-1)	change % (m-1/y) / (m-2/y) (seasonally adjusted)	change % (m/y) / (m-1/y) (seasonally adjusted)	Year-To-Date	(m-1 / y) accum. in 12-months	(m / y) accum. in 12-months	carry-over	
Industry Indicators (CNI)											
Real Sales Revenue	**Jan-21**	-0.1%	13.0%	8.7%	1.7%	2.3%	8.7%	0.8%	1.2%	13.2%	2021
Working Hours in Production	**Jan-21**	-2.1%	10.4%	6.7%	2.9%	1.0%	6.7%	-4.0%	-3.5%	12.1%	2021
Capacity Utilization - UCI	**Jan-21**	0.4%	3.8%	2.9%	1.1%	-0.2%	2.9%	-1.7%	-1.5%	5.3%	2021
Industry Inventories (CNI) - Final Goods - planned x realize	**Mar-21**	1.0%	-7.1%	-3.7%	6.3%	1.6%	-3.7%	-8.8%	-9.0%	2.8%	2021
Business Confidence - ICEI (CNI)	**Mar-21**	19.7%	-8.0%	-9.8%	-0.3%	-4.6%	-8.1%	-11.2%	-11.8%	3.0%	2021
Sao Paulo Industry Confidence - ICEI-SP (FIESP)	**Feb-21**	25.9%	-9.9%	-12.9%	-5.6%	-2.0%	-11.4%	-10.6%	-11.5%	4.8%	2021
Industry Capacity Utilization - NUCI (FGV)	**Feb-21**	0.7%	5.5%	3.8%	-2.6%	0.5%	4.7%	-2.4%	-2.3%	7.4%	2021
Industry Confidence (FGV)	**Feb-21**	12.5%	11.2%	7.9%	-3.1%	-3.1%	9.5%	-1.6%	-1.1%	14.7%	2021
Consumer Confidence (FGV)	**Feb-21**	13.1%	-14.9%	-11.2%	-3.4%	2.9%	-13.1%	-13.5%	-14.0%	-0.1%	2021
Services Confidence (FGV)	**Feb-21**	14.6%	-10.8%	-11.8%	-0.8%	-2.7%	-11.3%	-14.9%	-15.9%	3.4%	2021
Construction Confidence (FGV)	**Mar-21**	8.5%	-1.8%	-1.0%	-1.5%	-0.5%	-1.4%	-0.6%	-1.5%	6.8%	2021
Retail Confidence (FGV)	**Feb-21**	15.2%	-6.8%	-8.0%	-1.0%	0.2%	-7.4%	-8.6%	-9.3%	2.8%	2021
Supermarket Sector Total Retail Sales (ABRAS)	**Dec-20**	1.3%	15.8%	17.5%	-0.9%	-0.6%	16.4%	14.8%	16.4%	3.7%	2021
Natural Gas and Oil Production (ANP)	**Jan-21**	4.5%	-12.3%	-9.6%	-2.8%	4.8%	-9.6%	5.4%	2.8%	-4.6%	2021
Electric Energy Consumption - Total (EPE)	**Jan-21**	1.2%	2.8%	2.9%	1.3%	0.1%	2.9%	-1.6%	-1.2%	4.7%	2021
Industry Consumption (EPE)	**Jan-21**	1.3%	7.2%	8.1%	1.8%	1.4%	8.1%	-1.1%	-0.2%	9.0%	2021
Electric Energy System Supply (ONS)	**Jan-21**	1.5%	3.7%	2.5%	0.9%	0.8%	8.6%	-1.6%	-1.1%	5.4%	2021
Corrugated Fiberboard Sales (ABPO)	**Feb-21**	5.1%	5.6%	12.1%	1.2%	3.6%	8.7%	5.7%	6.3%	11.6%	2021
Heavy Vehicles Road Traffic (ABCR)	**Feb-21**	3.2%	8.3%	2.2%	-0.6%	0.1%	-1.1%	-1.1%	-1.0%	-0.7%	2021
Total Vehicles Production (ANFAVEA)	**Feb-21**	-0.7%	4.2%	-3.5%	-4.4%	-8.8%	-30.1%	-31.2%	-30.1%	-28.6%	2021
Car Production	**Feb-21**	-0.5%	-3.1%	-10.6%	2.7%	-7.1%	-34.0%	-34.5%	-34.0%	-33.1%	2021
Commercial Vehicles Production	**Feb-21**	5.4%	19.4%	29.3%	-4.9%	9.4%	-16.2%	-18.9%	-16.2%	-14.4%	2021
Total Vehicles Exports (ANFAVEA)	**Feb-21**	-28.3%	21.9%	-12.2%	-10.3%	-17.8%	-23.0%	-22.4%	-23.0%	-20.0%	2021
Total Vehicles Sales/Licensing (FENABRAVE)	**Feb-21**	6.0%	-11.5%	-16.7%	1.9%	1.3%	-28.1%	-26.8%	-28.1%	-28.4%	2021
Domestic Vehicles Sales/Licensing	**Feb-21**	7.8%	-9.4%	-14.6%	1.4%	1.5%	-27.5%	-26.3%	-27.5%	-27.8%	2021
Imported Vehicles Sales/Licensing	**Feb-21**	-6.9%	-27.5%	-34.8%	10.8%	-3.1%	-32.9%	-30.6%	-32.9%	-33.6%	2021

CNI: Business Confidence and Consumers Expectation Indexes

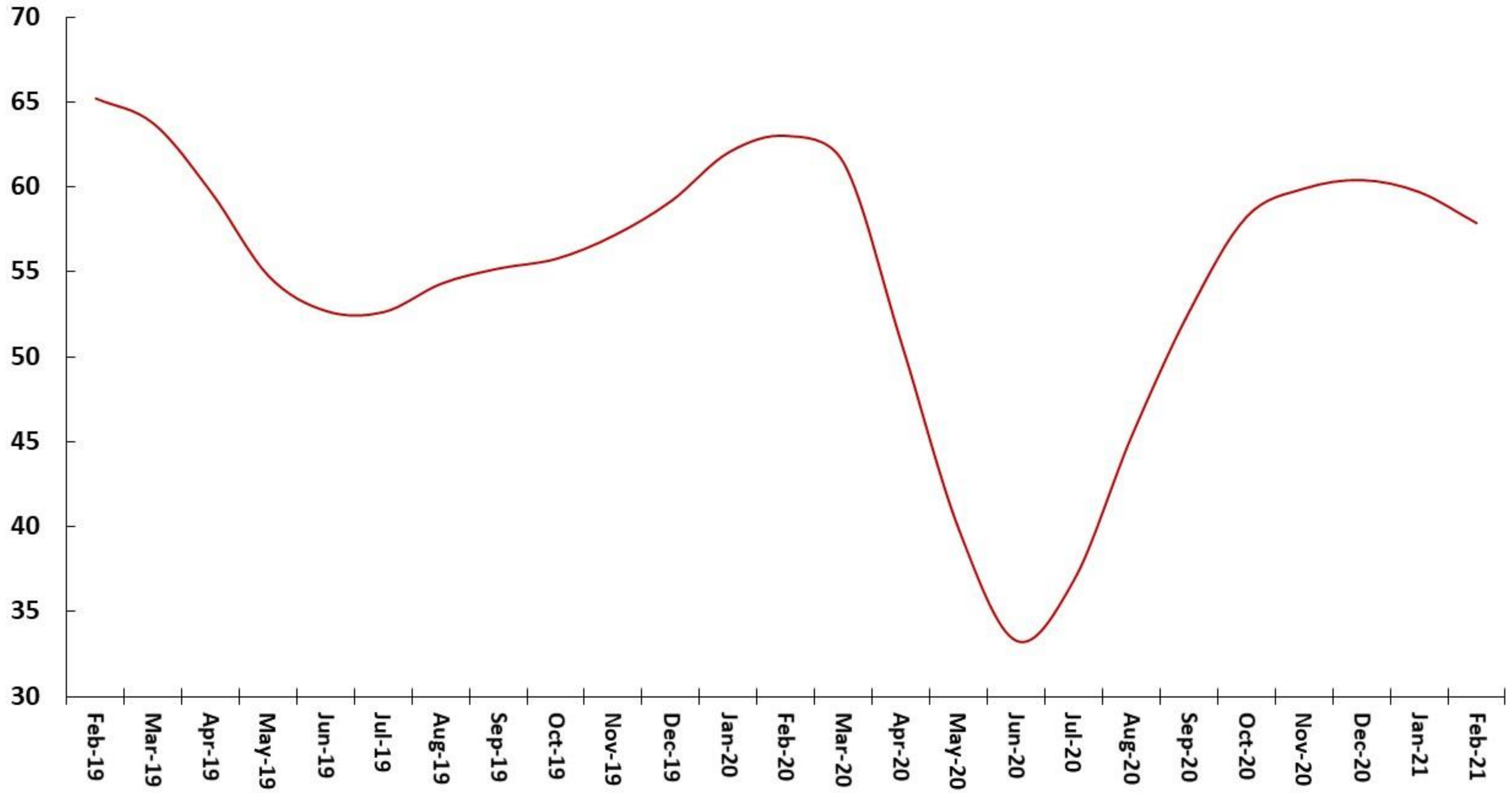
Business Confidence Index – ICEI
3-month moving average



Source: CNI.

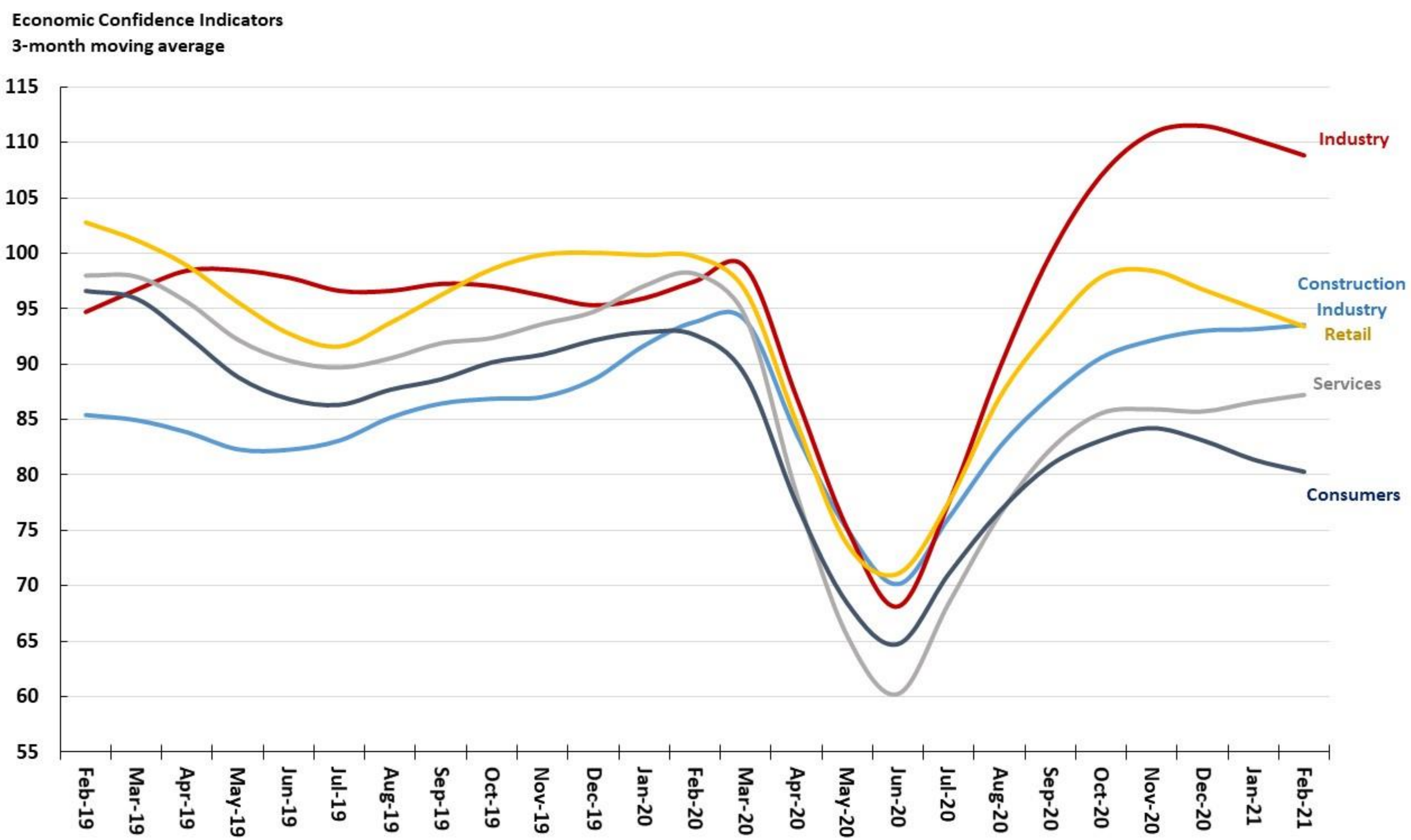
FIESP: Industry Confidence Index

Sao Paulo Industry Confidence - ICEI-SP
3-month moving average



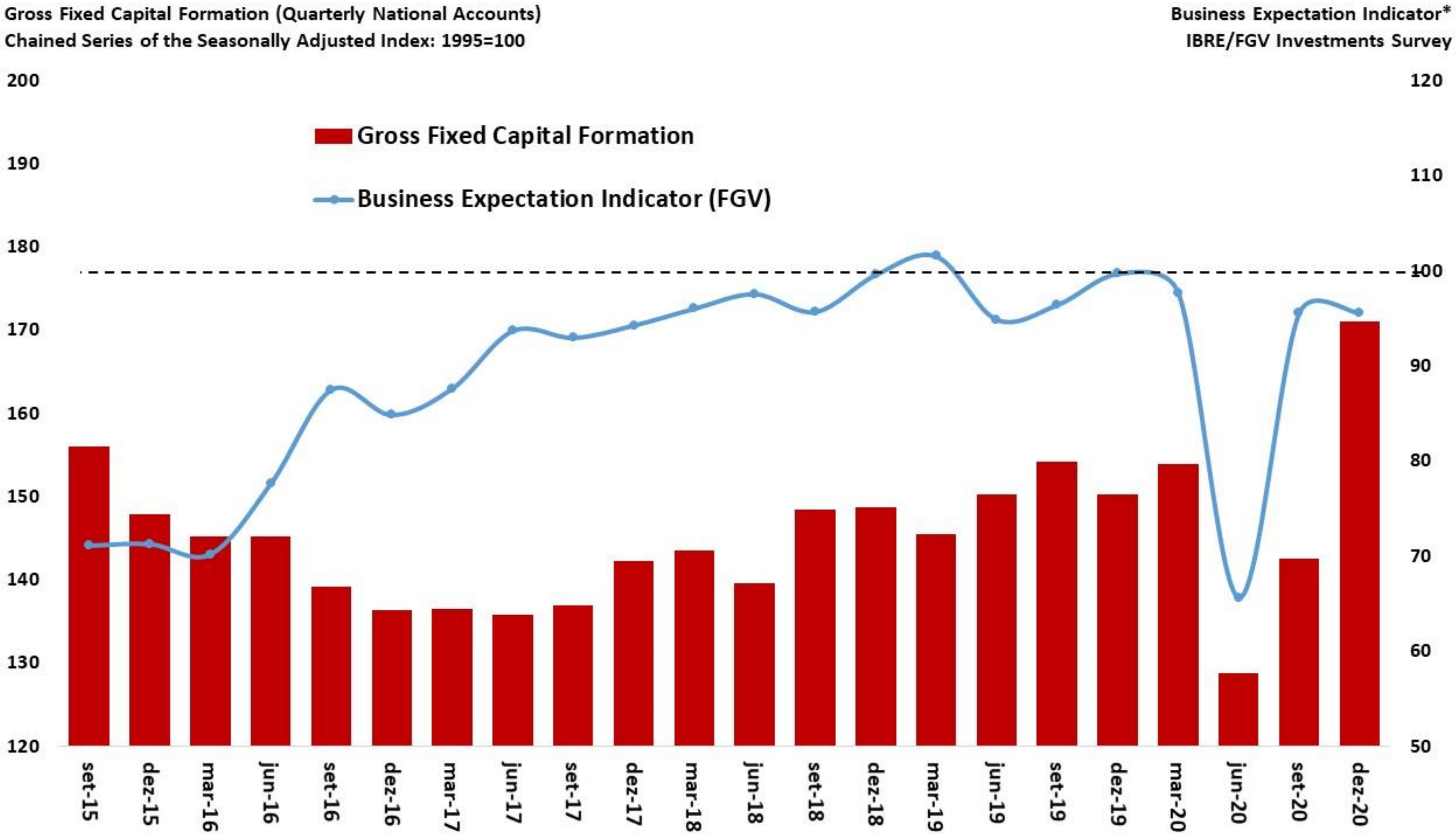
Source: FIESP.

FGV: Economic Confidence Indicators



Source: IBRE/FGV.

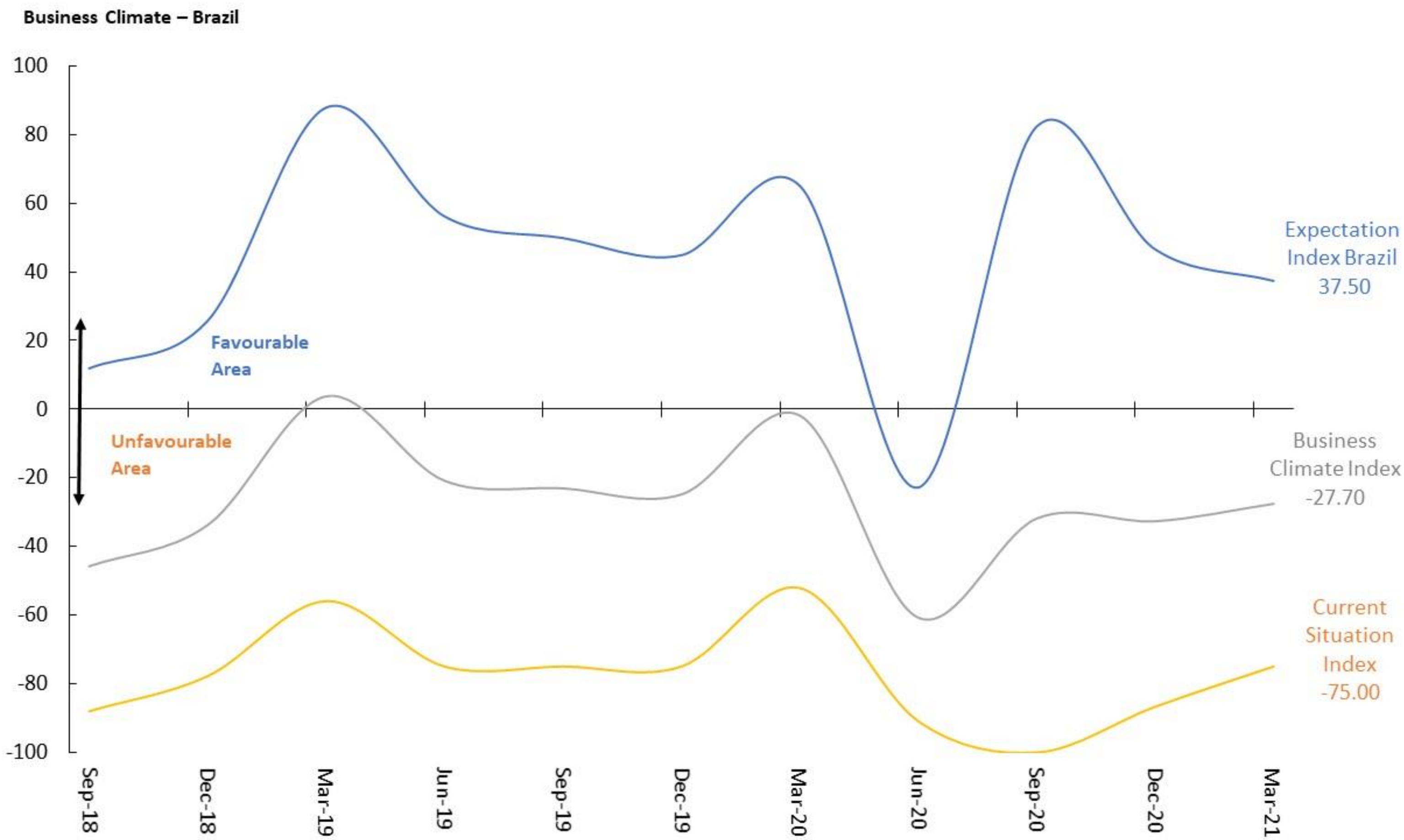
Gross Fixed Capital Formation and Investment Intention



Source: IBGE e IBRE/FGV.

*Note: Measures the difference between positive and negative answers, plus 100.

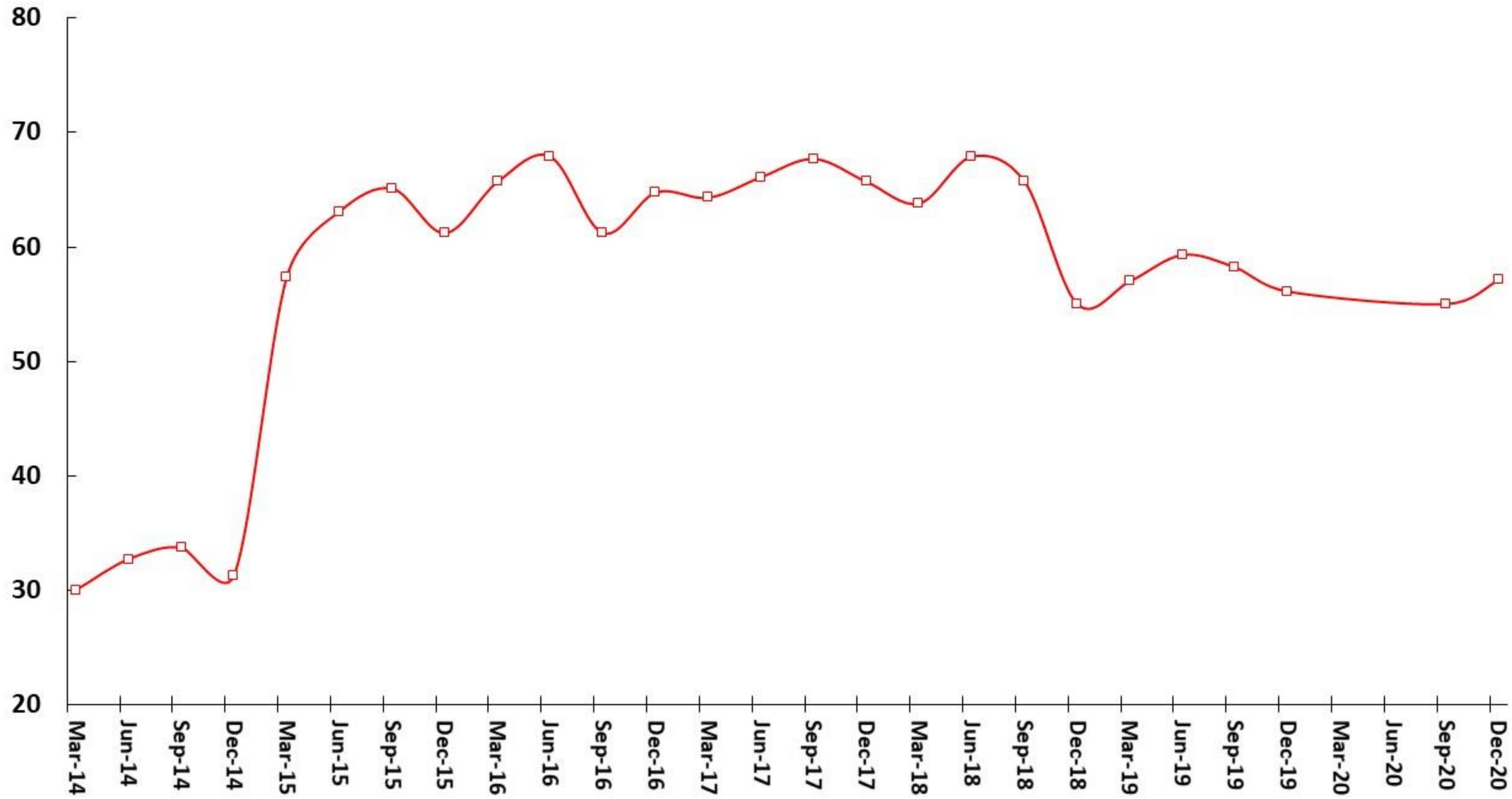
IFO / FGV: Business Climate Index - Brazil



Source: IFO and FGV.

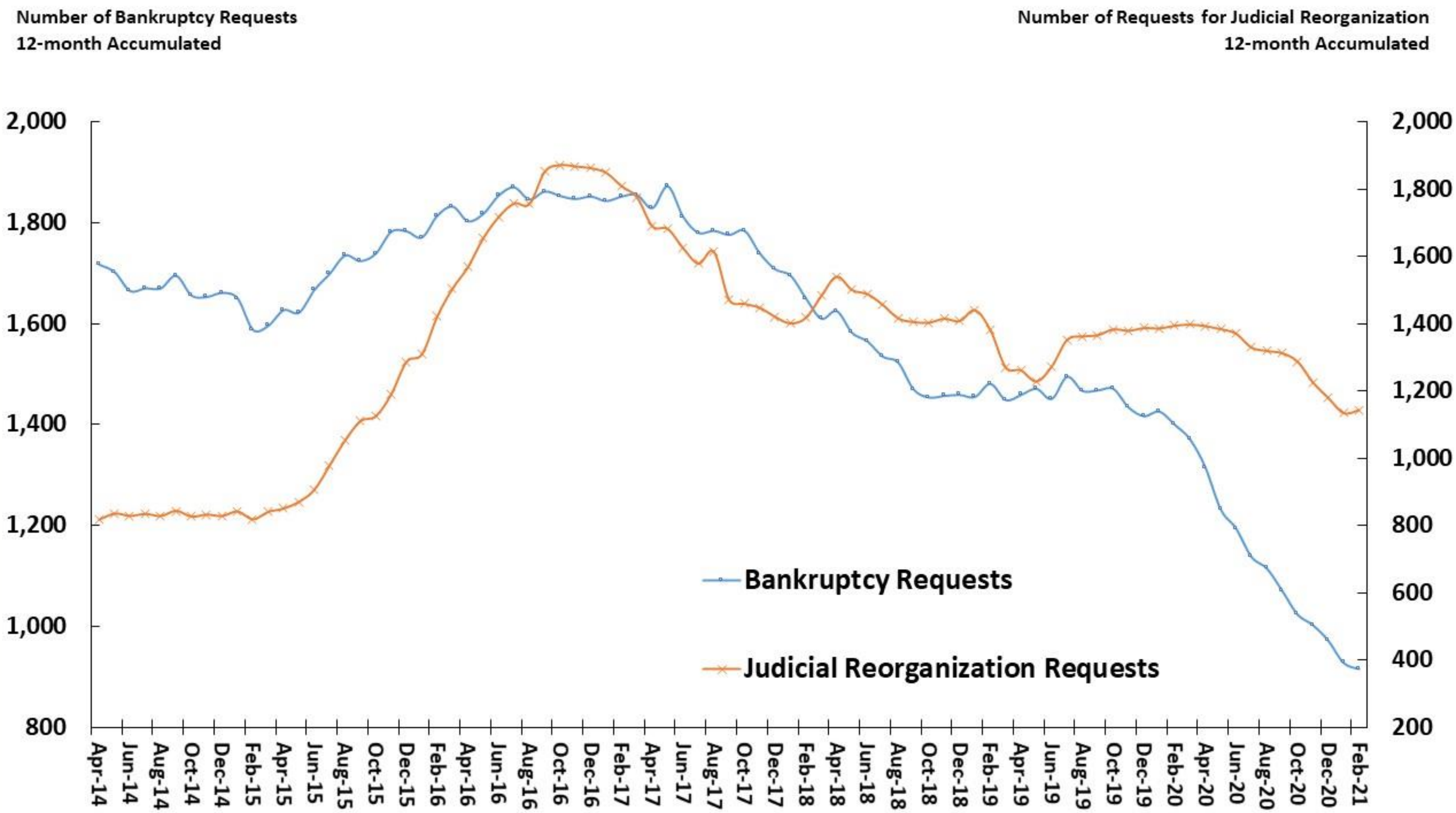
CNI: Fear of Unemployment Index

Fear of Unemployment and Life Satisfaction (CNI)
3-month moving average



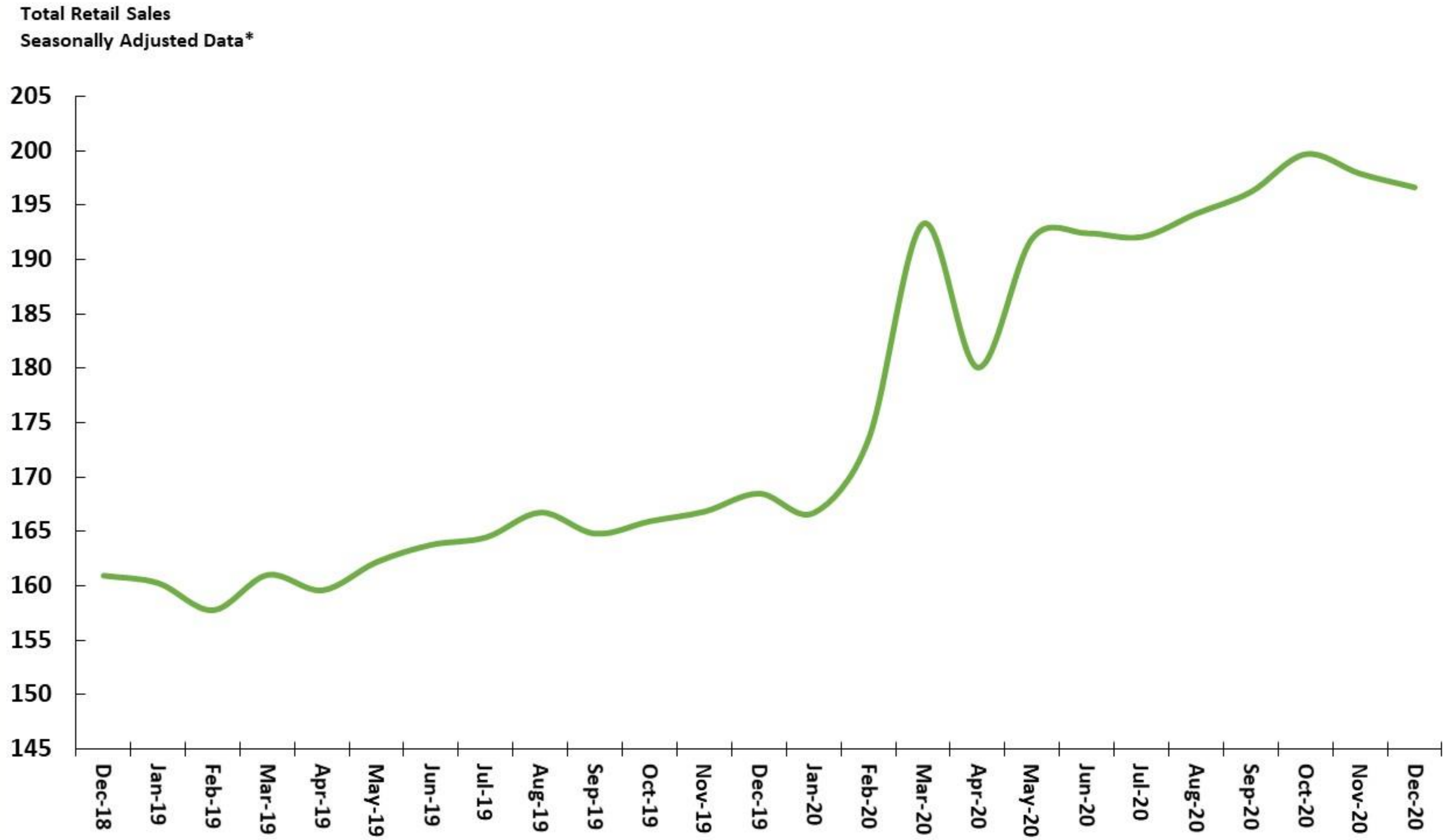
Source: CNI.

Bankruptcy and Judicial Reorganization Requests



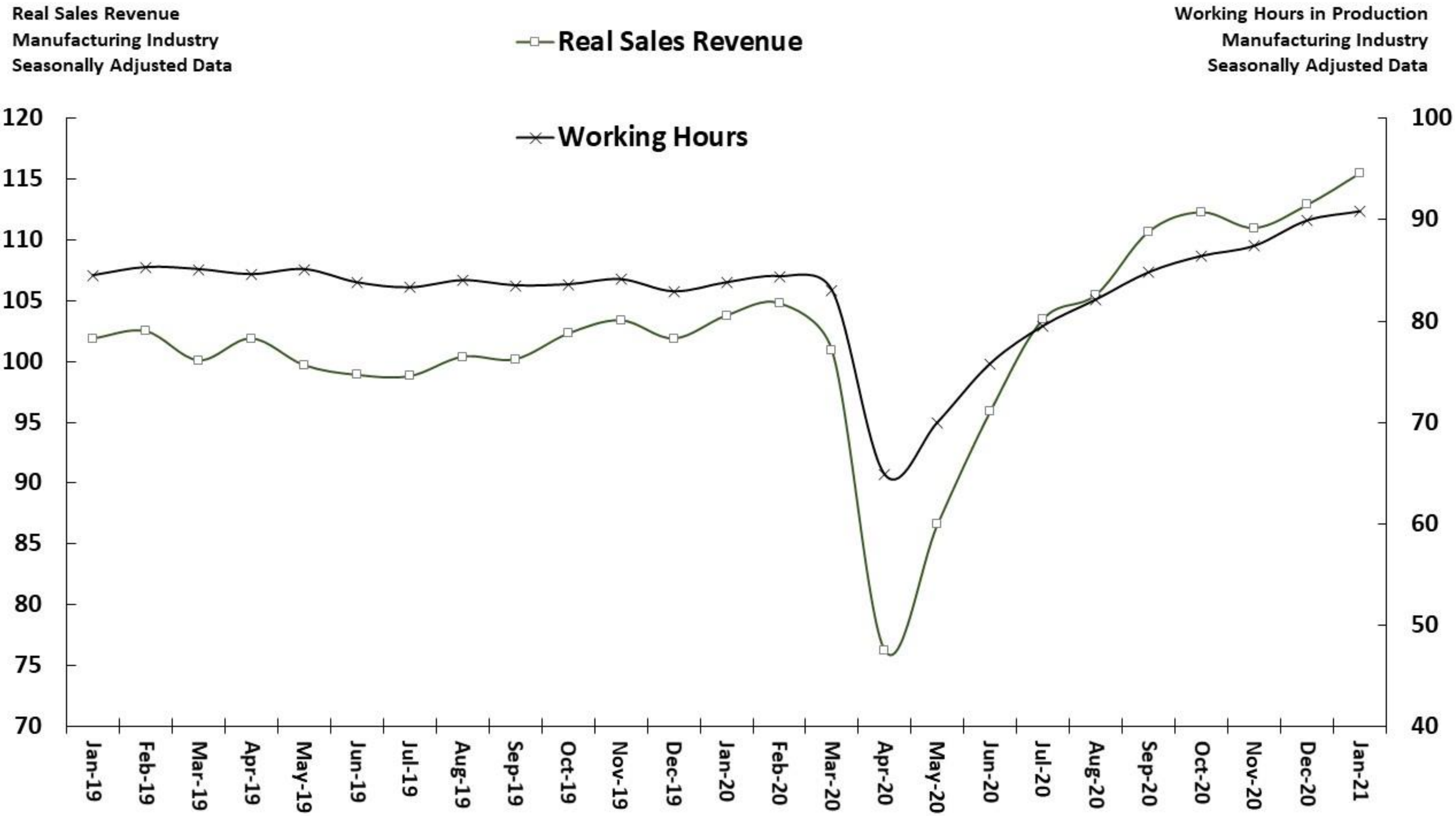
Source: Serasa-Experian.

ABRAS: Supermarket Sector Total Retail Sales



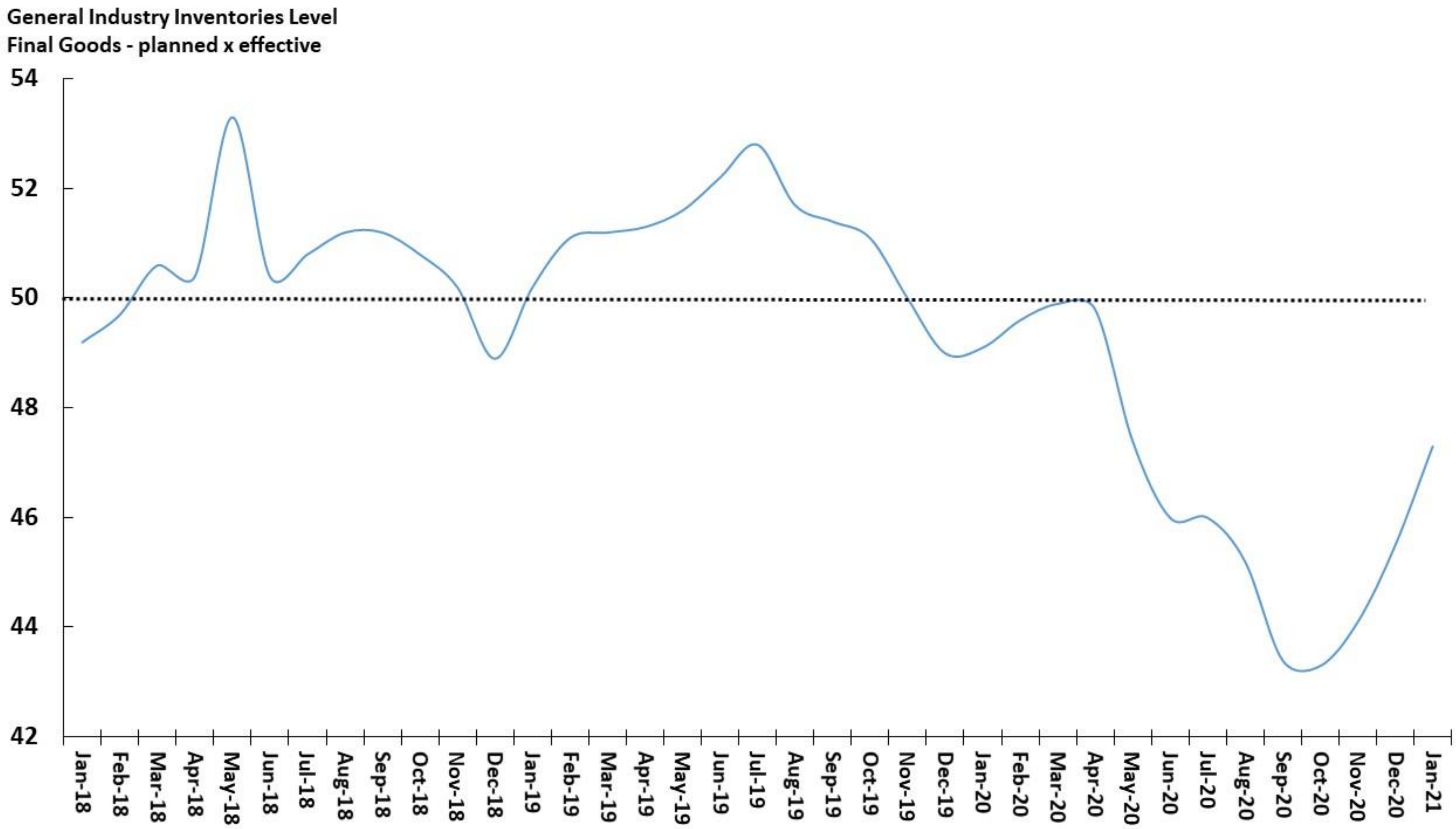
Source: ABRAS. * Seasonally adjusted by SPE.

CNI: Industry Real Sales Revenues and Working Hours



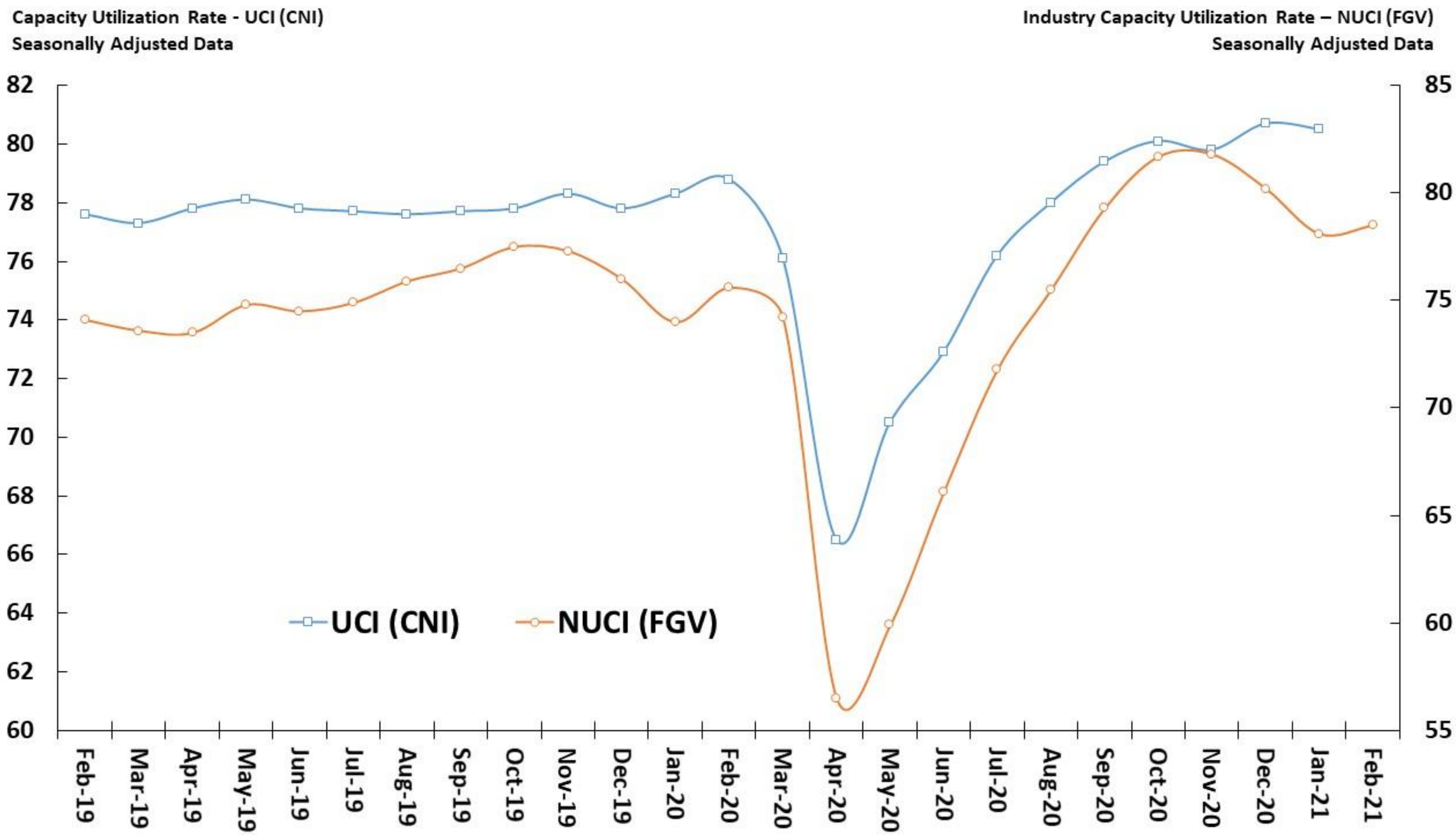
Source: CNI.

CNI: Industry Inventory



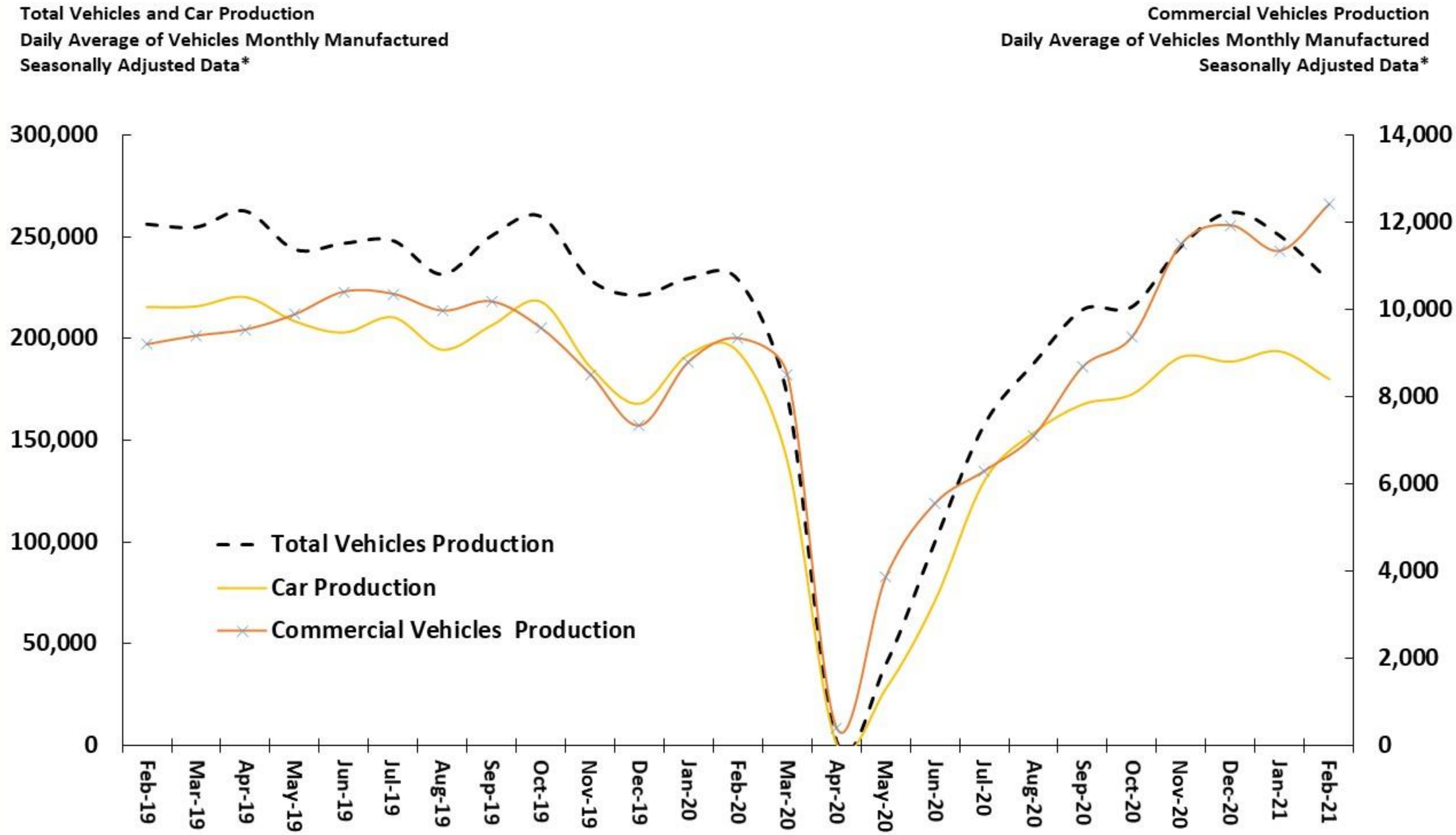
Source: CNI.

Capacity Utilization Rate



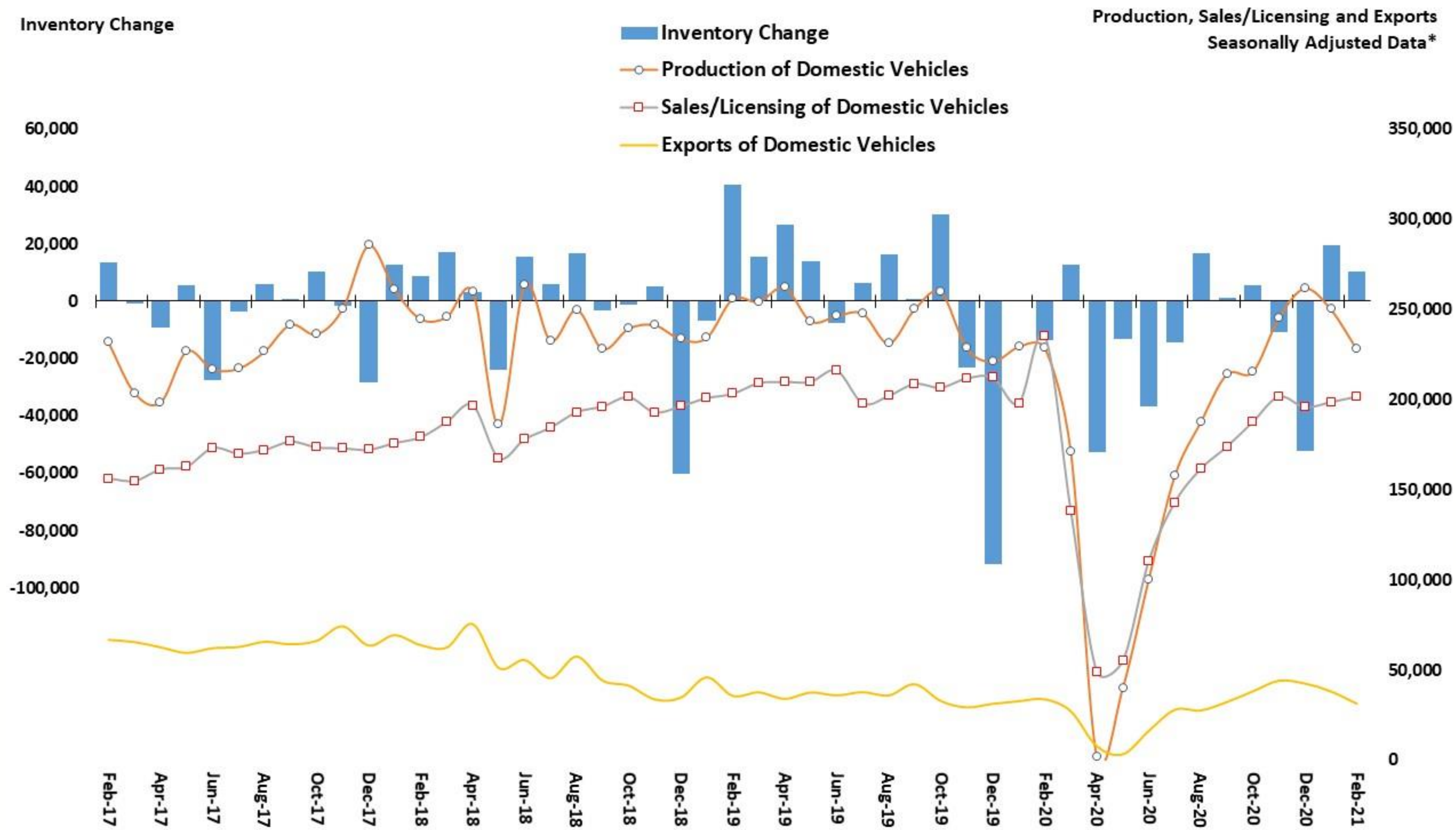
Source: CNI and FGV.

Anfavea: Automotive Sector Production



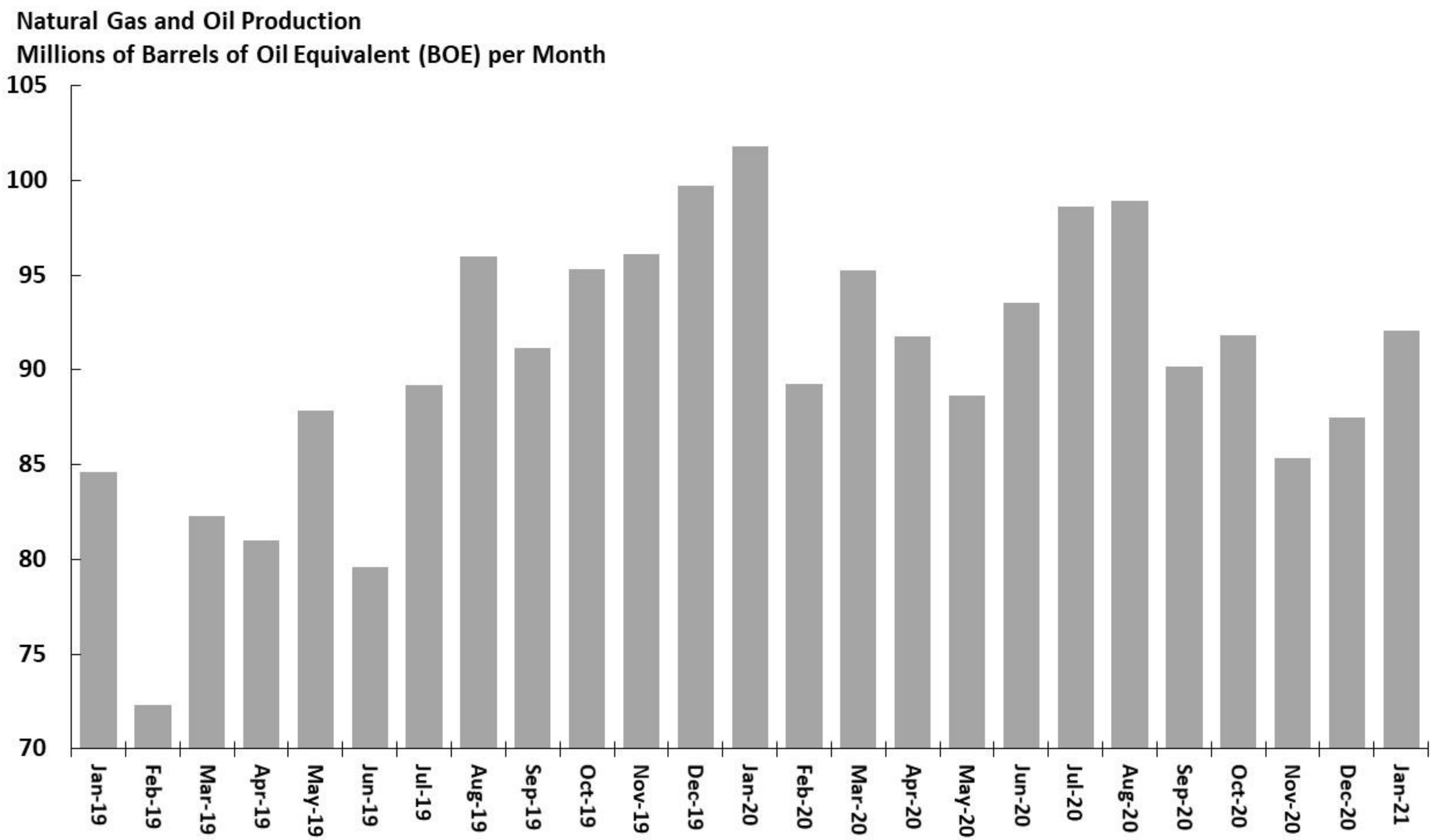
Source: ANFAVEA. * Seasonally adjusted by SPE.

Automotive Sector Production, Sales and Inventory Change



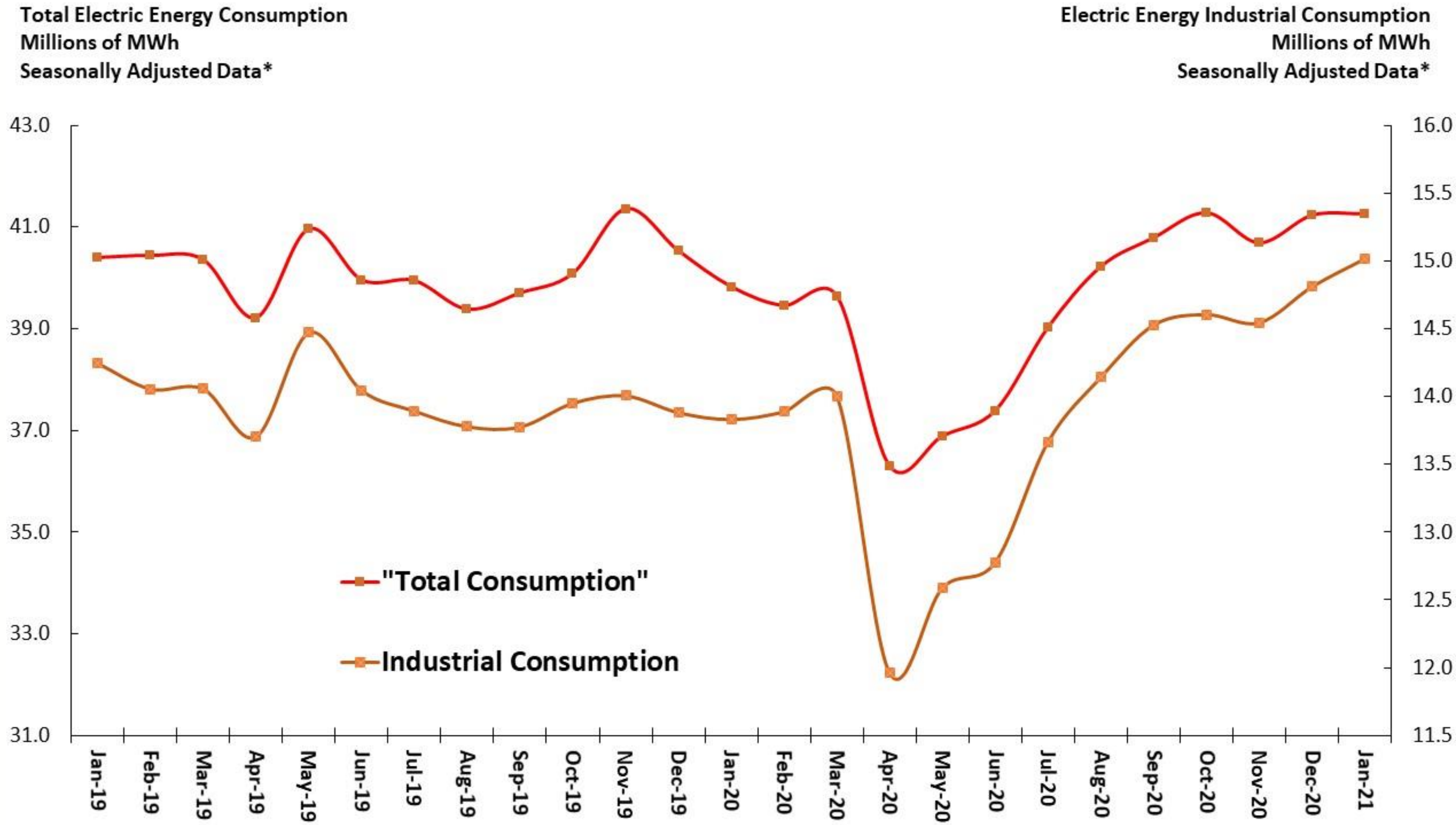
Source: ANFAVEA and FENABRAVE. * Seasonally adjusted by SPE.

ANP: Natural Gas and Oil Production



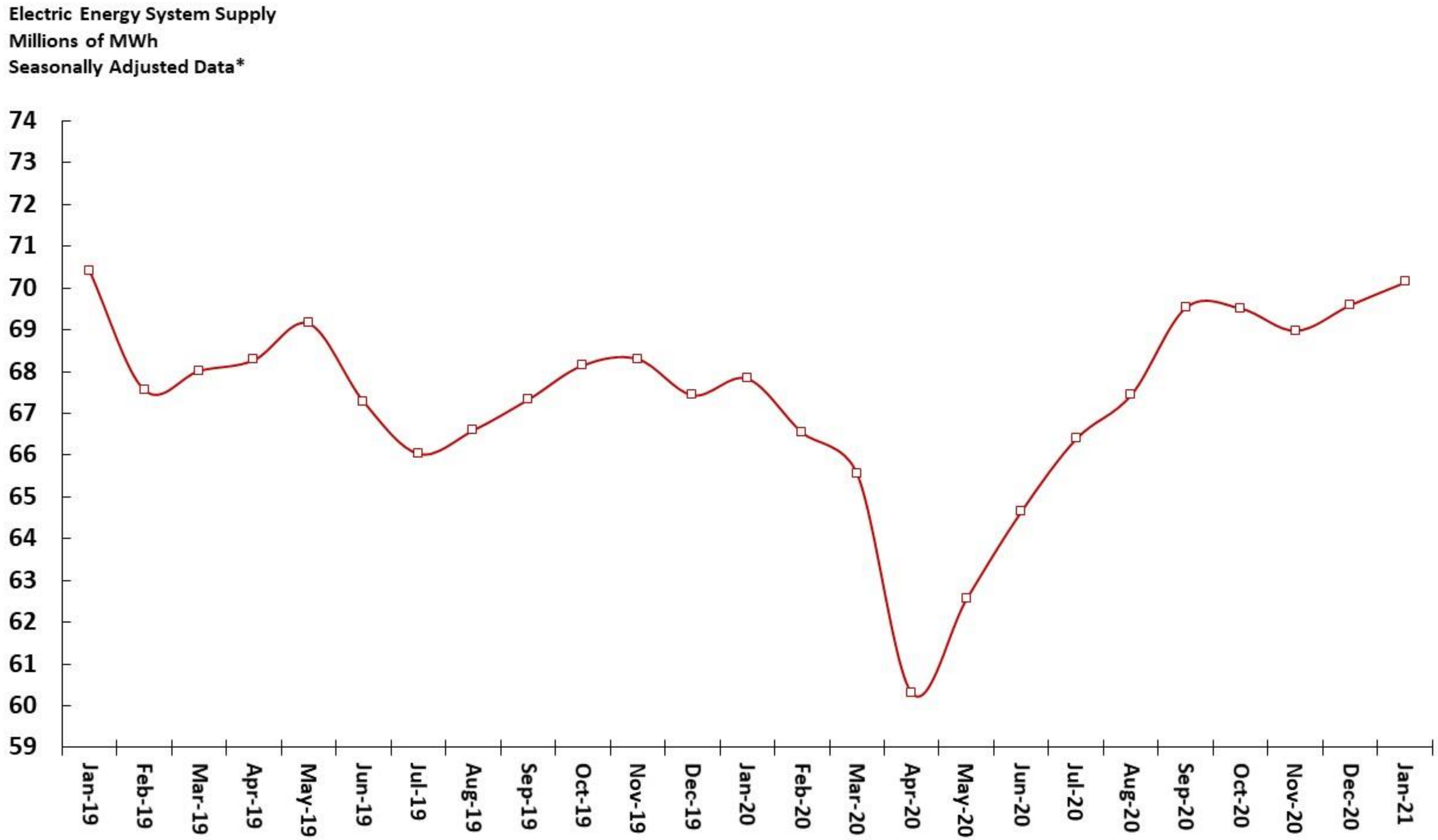
Source: ANP.

ANEEL: Electrical Energy Consumption



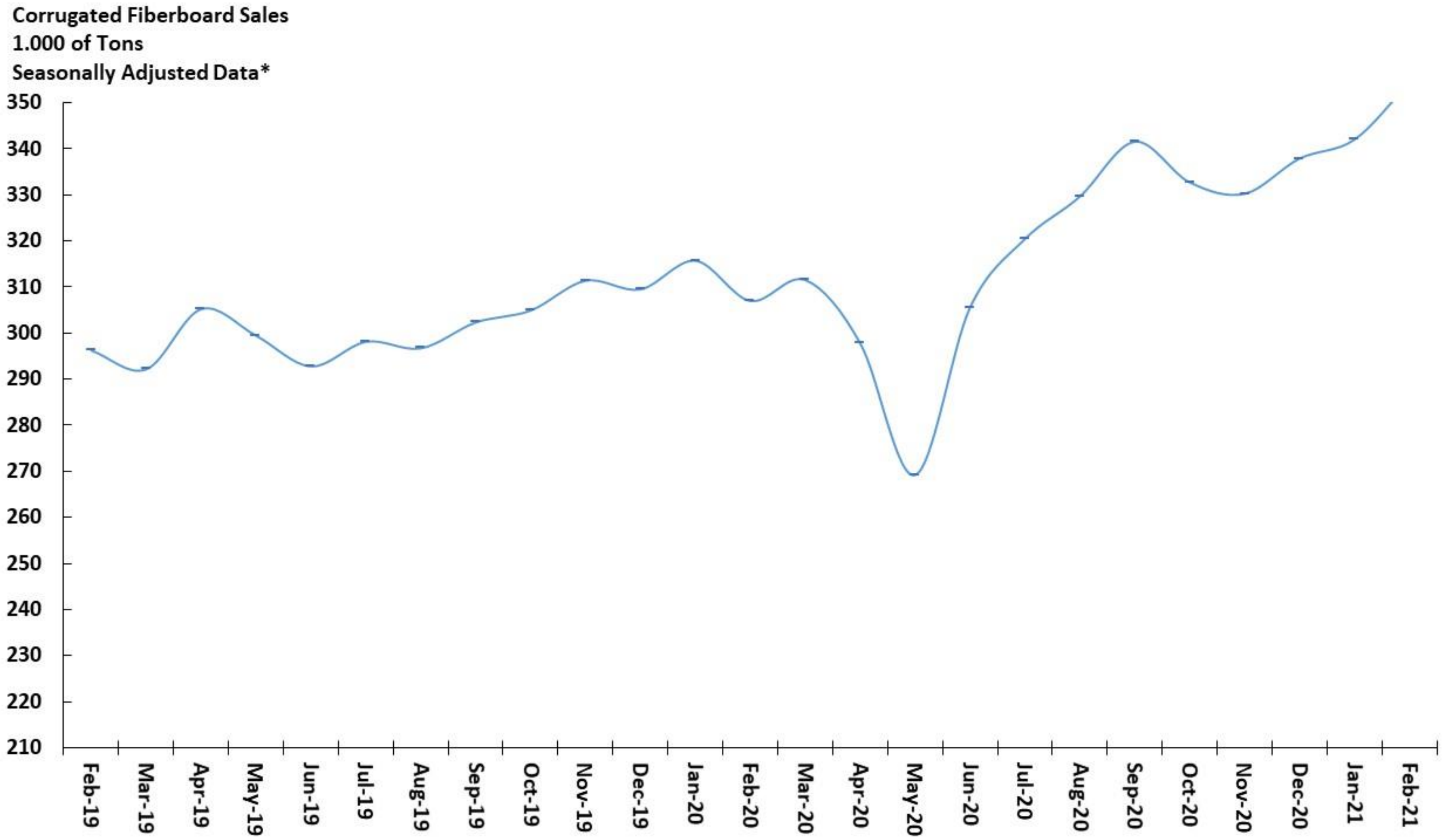
Source: ANEEL. * Seasonally adjusted by SPE/MP.

ONS: Electric Energy System Supply



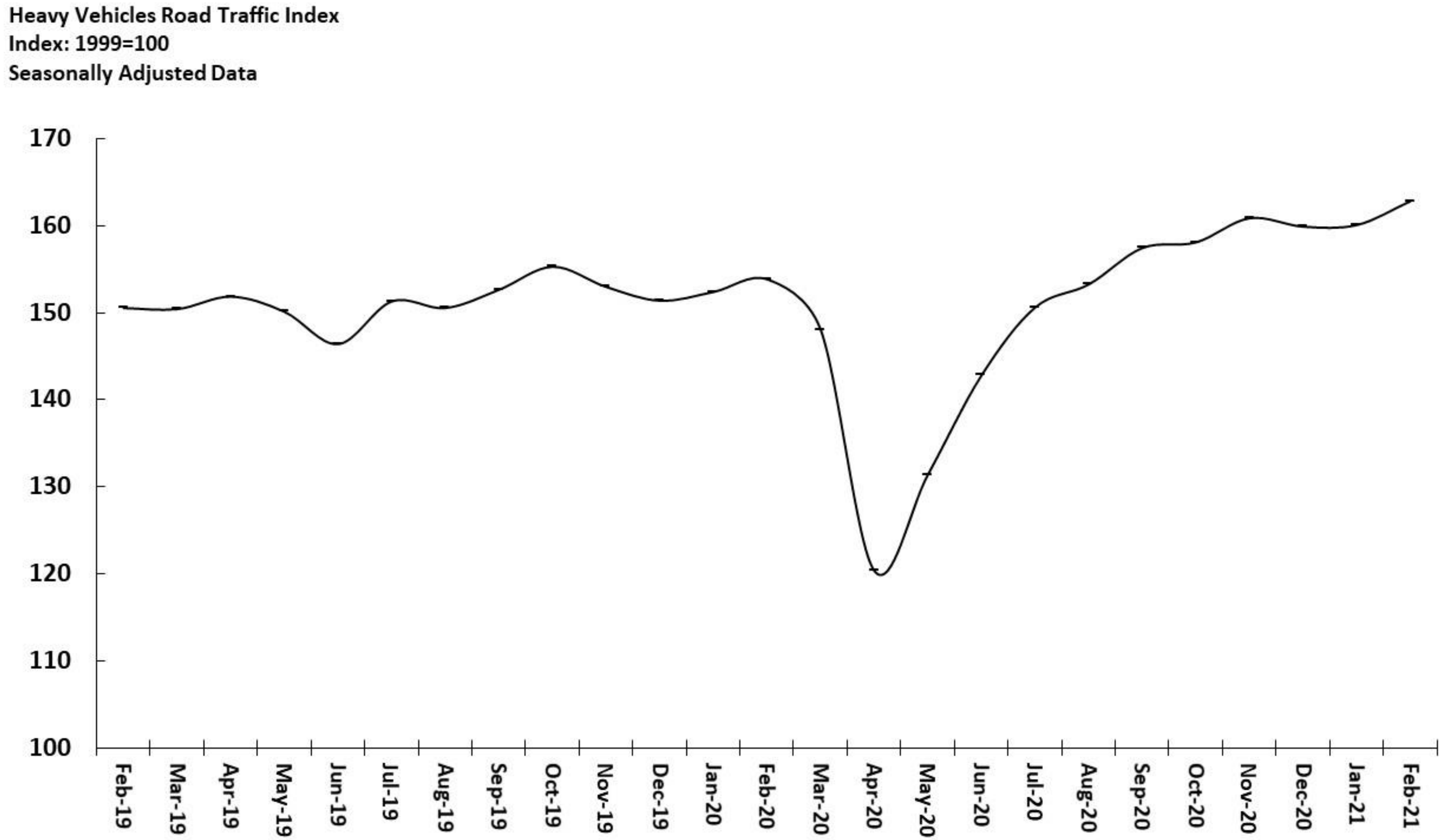
Source: ONS. * Seasonally adjusted by SPE.

ABPO: Corrugated Fiberboard Sales



Source ABPO. * Seasonally adjusted by SPE.

ABCR: Heavy Vehicles Road Traffic Index



Source: ABCR.

Labor market

Labor Market

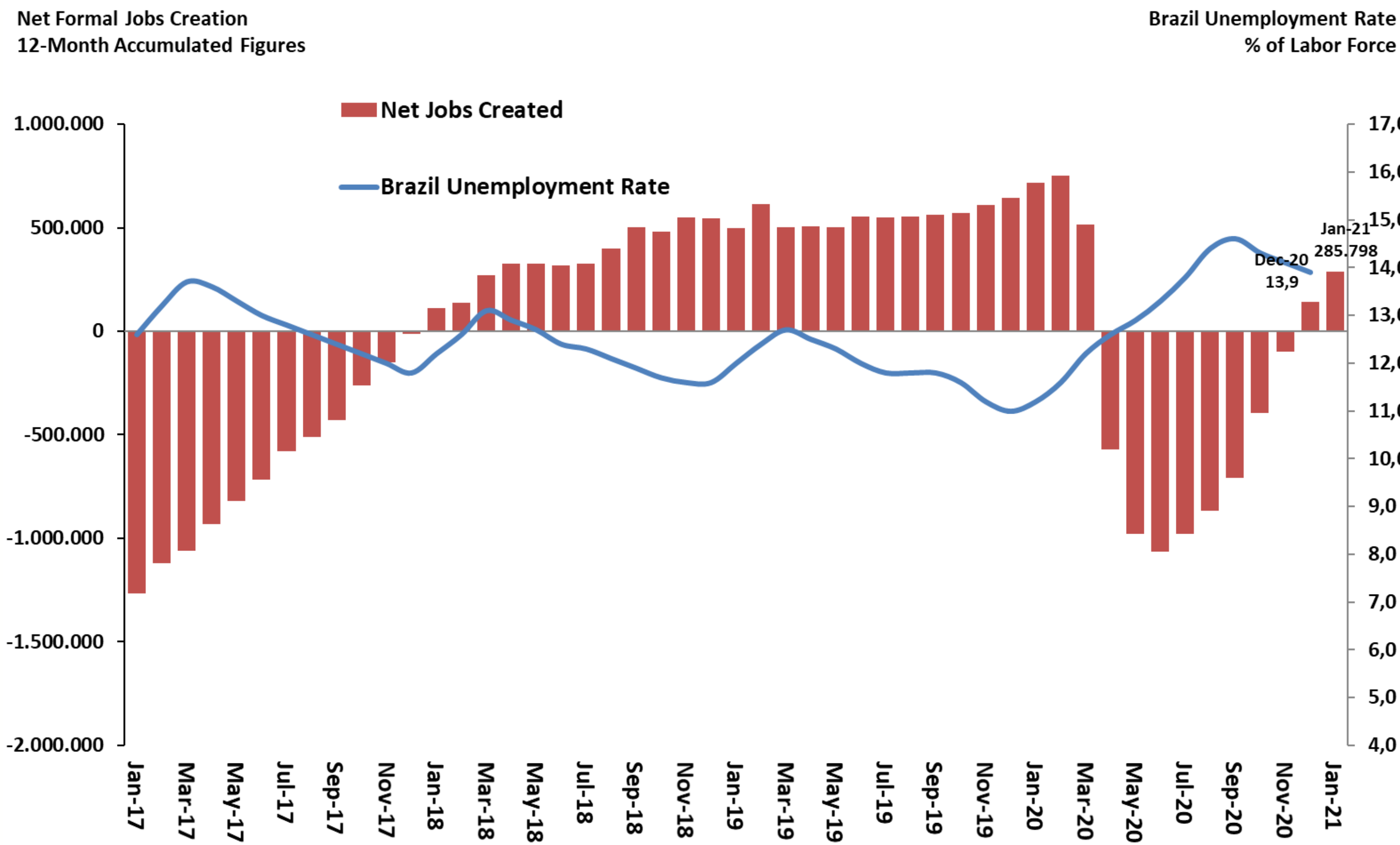
Employment Indicators Brasil (PNADC, IBGE)	December-20	2019 average	2020 average	Dec/20 (12-months moving average)	Dec-20	chg.% 2020 / 2019	chg.% Nov/20-Nov/19	chg.% Dec/20-Dec/19	chg.% YTD 2020 / YTD 2019	chg.% Dec/20 - 2019 average
Unemployment Rate % Labor Force		**12.3**	**11.9**	**13.2**	**13.9**	**-0.3 pp**	**2.9 pp**	**2.9 pp**	**1.3 pp**	**2.0 pp**
Unemployed Population (in thousands)		169,239	170,884	174,034	176,362	1.0%	2.7%	2.8%	1.8%	3.2%
Labor Force (in thousands)		104,293	105,852	99,939	100,104	1.5%	-6.3%	-5.7%	-5.6%	-5.4%
Employed Population (in thousands)		91,511	93,227	86,735	86,179	1.9%	-9.4%	-8.9%	-7.0%	-7.6%
Working Age Population (in thousands)		12,782	12,625	13,204	13,925	-1.2%	18.2%	19.7%	4.6%	10.3%
Average Real Earnings (PNADC, IBGE) real values (in R$ of last month)	**December-20**	**2019 average**	**2020 average**	**Dec/20 (12-months moving average)**	**Dec-20**	**chg.% 2020 / 2019**	**chg.% Nov/20-Nov/19**	**chg.% Dec/20-Dec/19**	**chg.% YTD 2020 / YTD 2019**	**chg.% Dec/20 - 2019 average**
Employed Population		**2,417**	**2,431**	**2,537**	**2,507**	**0.6%**	**4.0%**	**2.7%**	**4.3%**	**3.1%**
Formal Contract		2,313	2,297	2,355	2,345	-0.7%	2.3%	2.4%	2.6%	2.1%
Informal Contract		1,421	1,478	1,617	1,591	4.0%	5.9%	5.7%	9.5%	7.7%
Self-employed		1,768	1,776	1,826	1,802	0.4%	1.6%	1.0%	2.8%	1.5%
Public Sector		3,835	3,899	3,941	3,990	1.7%	2.3%	1.8%	1.1%	2.3%
Real Wage Bill (in R$ milions of last months)		**215,752**	**221,214**	**214,625**	**210,724**	**2.5%**	**-5.9%**	**-6.5%**	**-3.0%**	**-4.7%**
Formal Jobs (CAGED, MTE) **Million people**	**January-21**	**2019**	**2020**	**Dec/20 accum. in 12-months**	**Jan/21 accum. in 12-months**	**Year-To-Date**	**Jan-21**	**chg.% 2020 / 2019**	**chg.% Jan/21 accum.12-m / 2019**	**chg.% YTD 2020 / YTD 2019**
Net Formal Jobs Creation		**644**	**143**	**143**	**286**	**260**	**260**	**-77.8%**	**100.3%**	**222.1%**
Job Oppenings		16,197	15,166	15,166	15,189	1,527	1,527	-6.4%	0.2%	101.5%
Job Separations		15,553	15,024	15,024	14,904	1,267	1,267	-3.4%	-0.8%	91.3%

Macroeconomic Parameters

Macroeconomic Parameters						
Year	Labor Force	Formal Jobs in Private Sector				
		Employed Population	Earnings		Wage Bill	
			Nominal	Real	Nominal	Real
	Chg. % accum. In 4-trimesters					
2015	1.91	-2.45	8.06	-0.92	5.40	-3.34
2016	1.45	-3.89	7.57	-1.09	3.39	-4.95
2017	1.77	-2.71	5.71	2.22	2.86	-0.55
2018	0.86	-1.16	3.71	-0.04	2.51	-1.20
2019	1.54	1.08	3.16	-0.55	4.28	0.52
2020	-6.13	-7.81	5.98	2.68	-2.34	-5.35
2021	**3.13**	**2.02**	**4.07**	**-1.68**	**6.23**	**0.33**
2022	**3.32**	**3.80**	**4.79**	**1.09**	**8.77**	**4.94**
2023	**2.21**	**3.39**	**4.13**	**0.81**	**7.66**	**4.23**
2024	**2.15**	**3.35**	**4.09**	**0.88**	**7.58**	**4.27**
2025	**2.14**	**3.47**	**4.00**	**0.80**	**7.60**	**4.30**

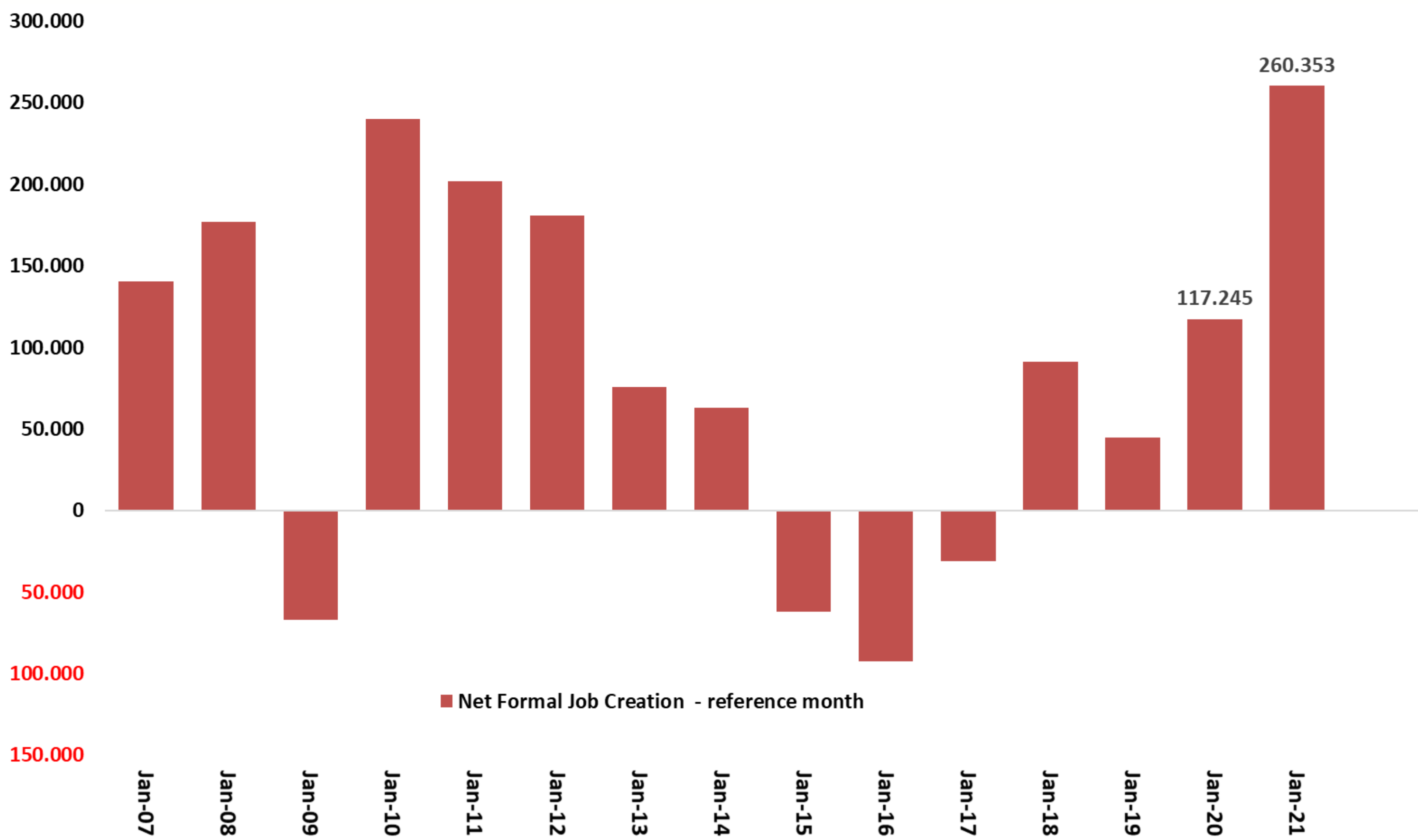
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Unemployment Rate and Net Formal Job Creation



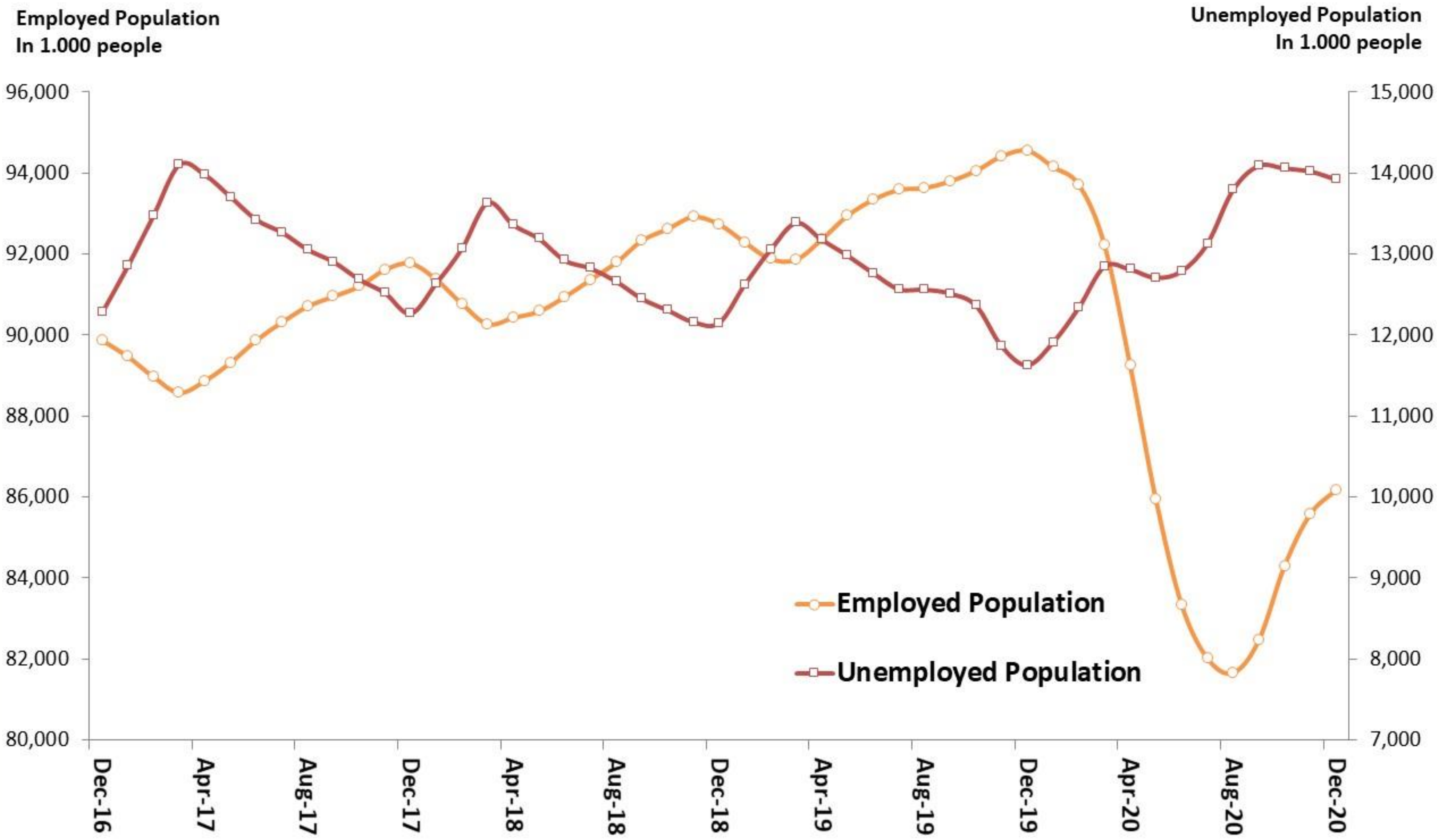
Sources: IBGE - PNADC and ME-CAGED (adjusted data).

Net Formal Job Creation on Month



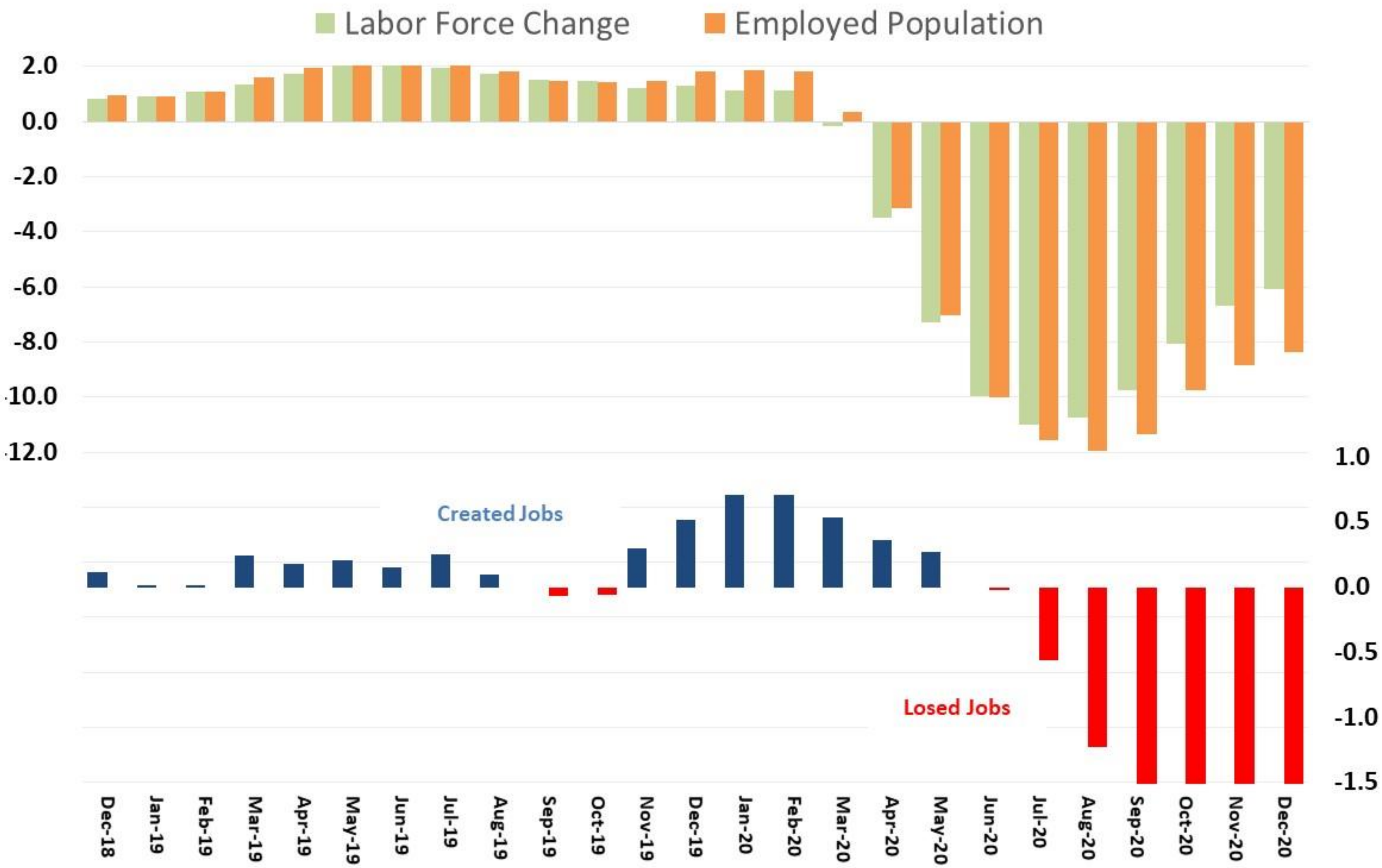
Source: ME-CAGED (adjusted data).

Employed Population and Labor Force Evolution



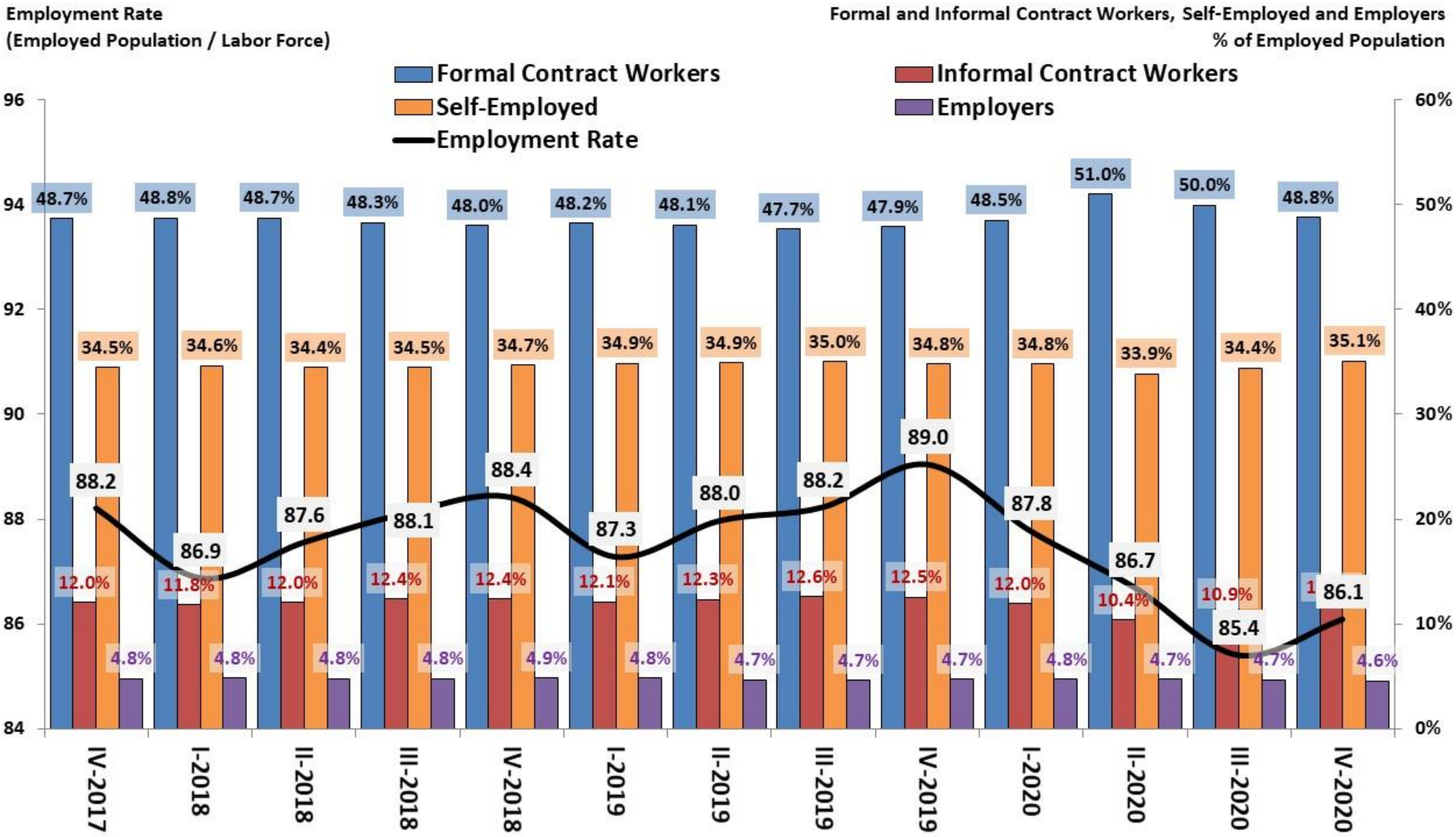
Source: IBGE - PNADC.

12-Month Total Unemployment Increase Decomposition



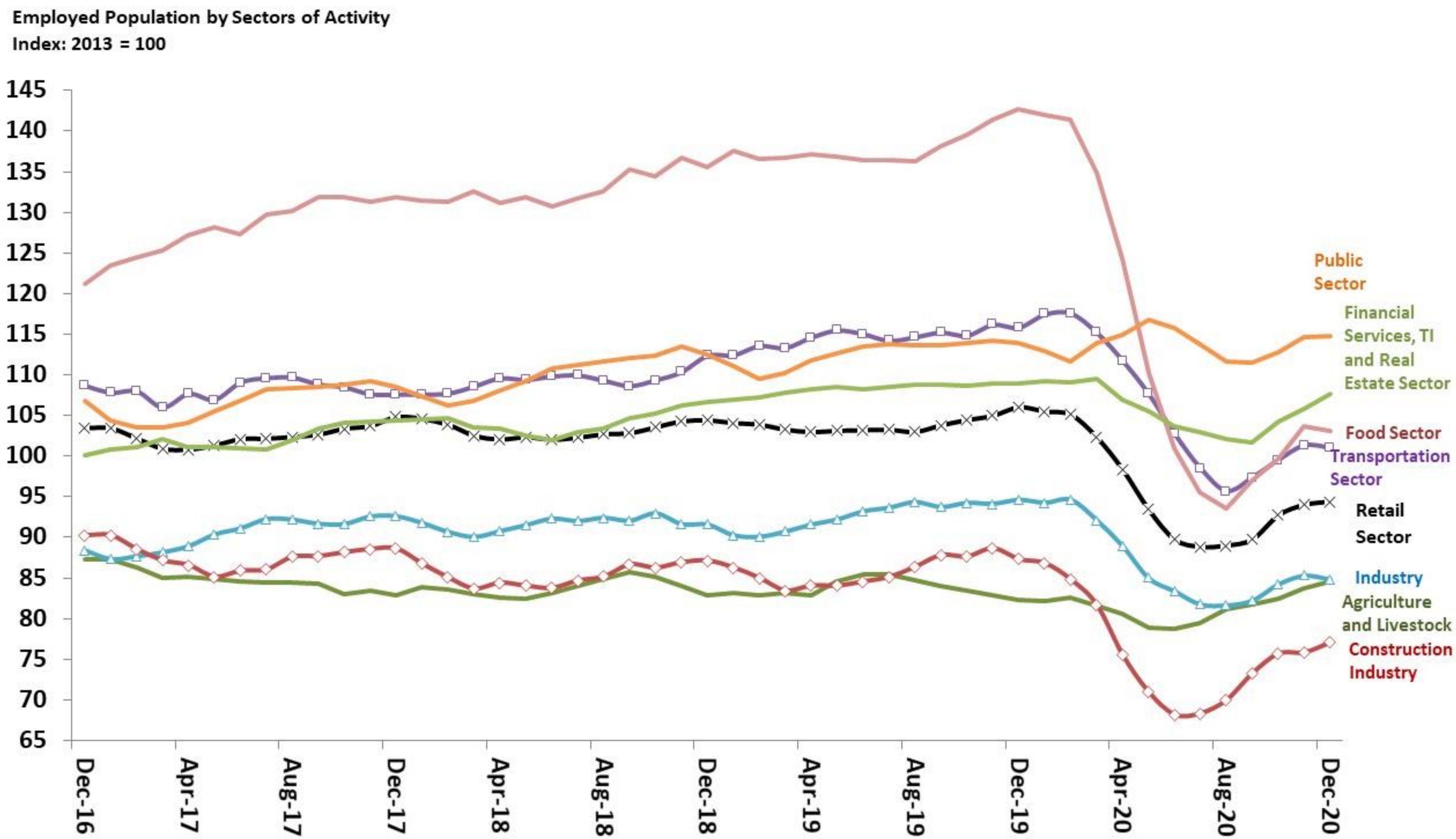
Source: IBGE - PNADC.

Labor Market Evolution by Employment Type



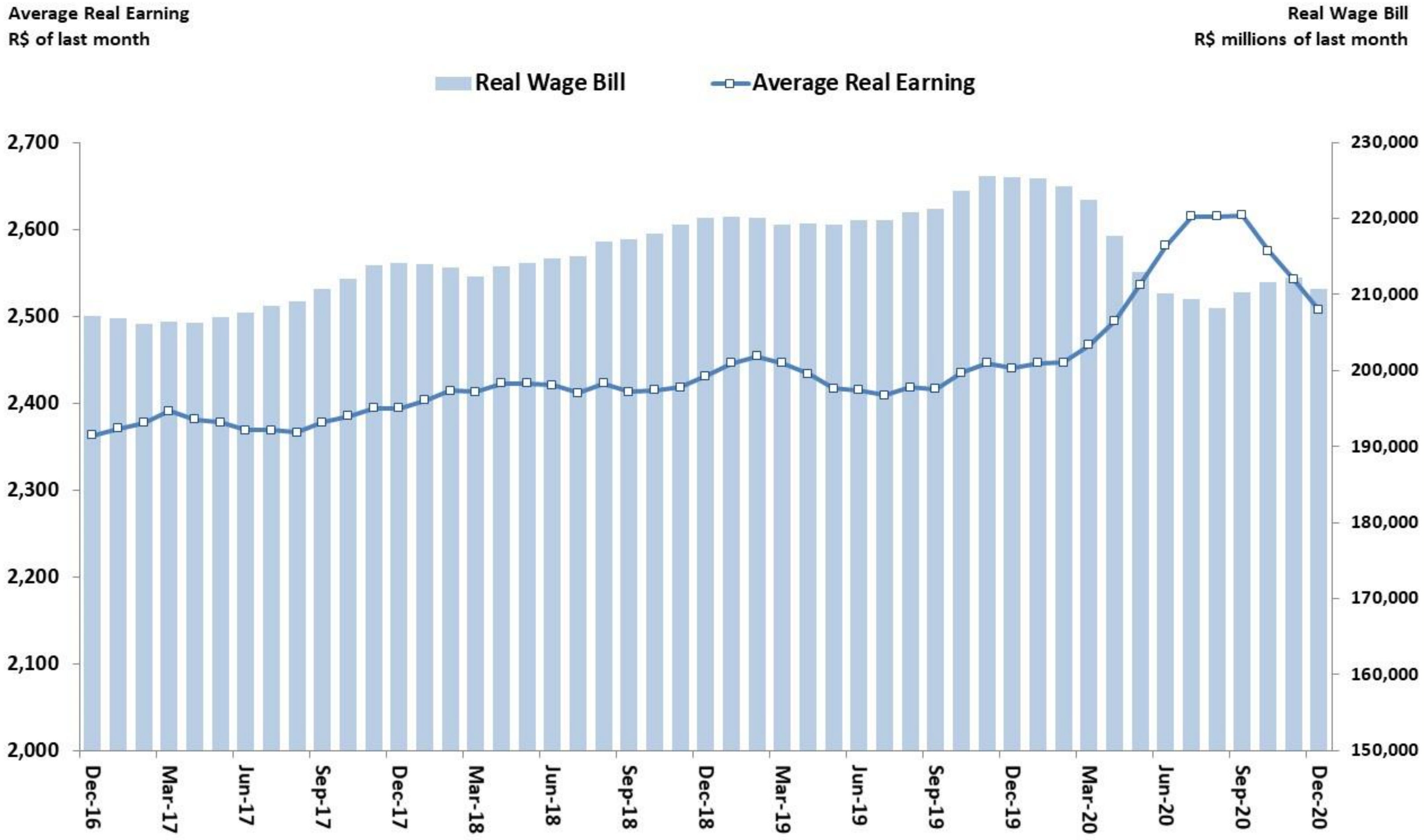
Source: IBGE - PNADC. Note: Formal contract includes both private and public sectors and Self-Employed includes home-workers and family-workers.

Employment by Sector of Activity



Source: IBGE - PNADC.

Real Wage Bill and Average Real Earning



Source: IBGE - PNADC.

Inflation

Inflation – Main Indexes

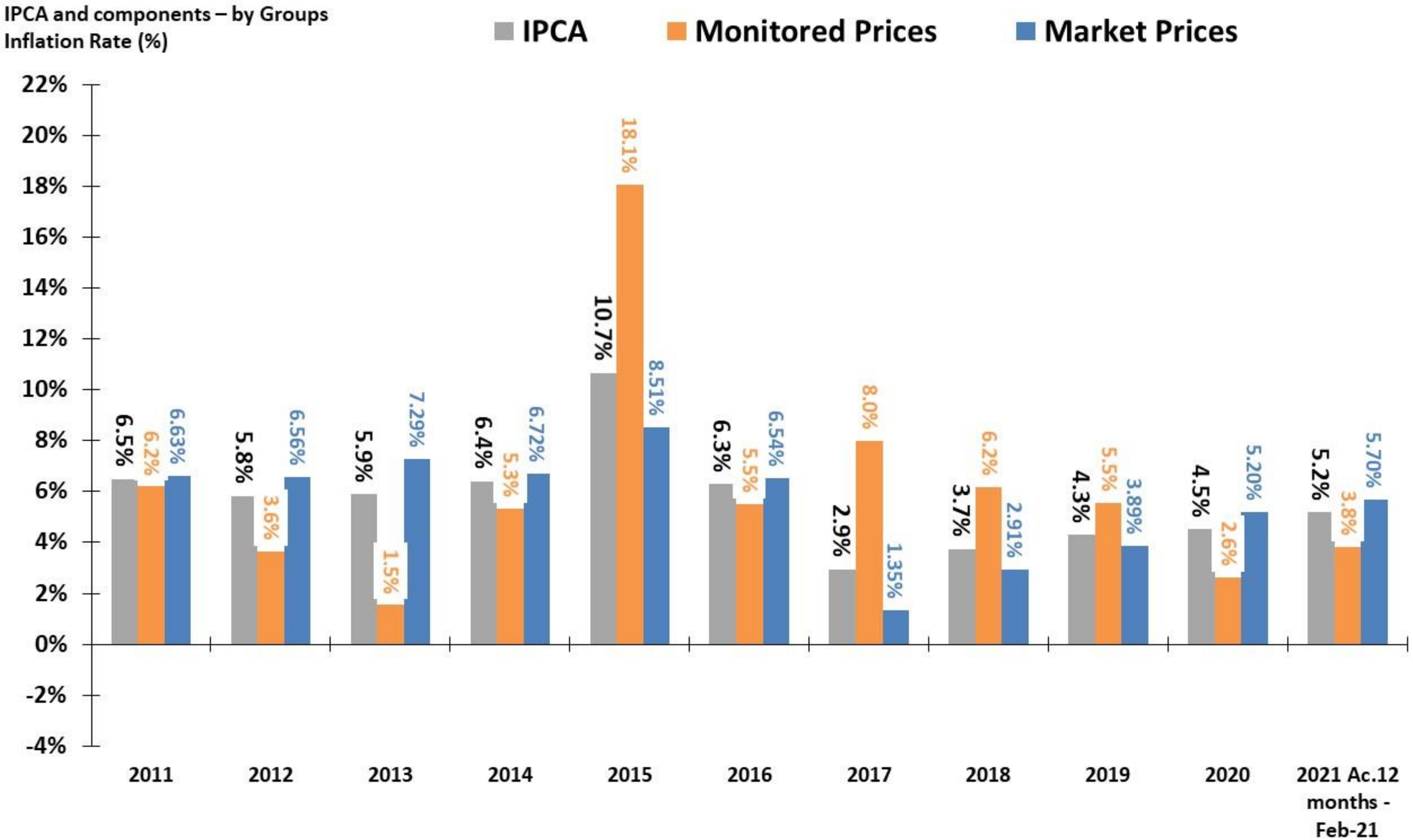
													BCB/Focus: 3/12/21		
Inflation Index	Last update (m / y)	2017	2018	Accum. In 12-months	YTD 2017	YTD 2018	(m-2/y-1)	(m-1/y-1)	(m/y-1)	(m-2/y)	(m-1/y)	(m / y)	2021	2022	2023
IPCA Inflation Target (CMN)		**4.3%**	**4.0%**	**3.8%**									**3.75%**	**3.50%**	**3.25%**
Consumer Price Index IPCA (IBGE)	**Feb-21**	**4.31%**	**4.52%**	**5.20%**	**0.46%**	**1.11%**	**1.15%**	**0.21%**	**0.25%**	**1.35%**	**0.25%**	**0.86%**	**4.60%**	**3.50%**	**3.25%**
IPCA core (By exclusion food and energy - Ex2)	**Feb-21**	3.0%	2.8%	2.7%	0.5%	0.4%	0.2%	0.2%	0.3%	1.2%	0.0%	0.5%			
Food and Beverages	**Feb-21**	6.4%	14.1%	15.0%	0.5%	1.3%	3.4%	0.4%	0.1%	1.7%	1.0%	0.3%			
Housing	**Feb-21**	3.9%	5.3%	4.4%	0.2%	-0.7%	-0.8%	0.6%	-0.4%	2.9%	-1.1%	0.4%			
Household Articles	**Feb-21**	-0.4%	6.0%	7.8%	-0.1%	1.5%	-0.5%	-0.1%	-0.1%	1.8%	0.9%	0.7%			
Apparel	**Feb-21**	0.7%	-1.1%	0.4%	-1.2%	0.3%	0.0%	-0.5%	-0.7%	0.6%	-0.1%	0.4%			
Transportation	**Feb-21**	3.6%	1.0%	3.7%	0.1%	2.7%	1.5%	0.3%	-0.2%	1.4%	0.4%	2.3%			
Health and Personal Care	**Feb-21**	5.4%	1.5%	2.0%	0.4%	0.9%	0.4%	-0.3%	0.7%	0.4%	0.3%	0.6%			
Personal Expenses	**Feb-21**	4.7%	1.0%	0.9%	0.7%	0.6%	0.9%	0.4%	0.3%	0.7%	0.4%	0.2%			
Education	**Feb-21**	4.8%	1.1%	-0.1%	3.9%	2.6%	0.2%	0.2%	3.7%	0.5%	0.1%	2.5%			
Communication	**Feb-21**	1.1%	3.4%	3.0%	0.3%	-0.1%	0.7%	0.1%	0.2%	0.4%	0.0%	-0.1%			
Consumer Price Index INPC (IBGE)	**Feb-21**	**2.07%**	**3.43%**	**6.22%**	**0.36%**	**1.09%**	**1.22%**	**0.19%**	**0.17%**	**1.46%**	**0.27%**	**0.82%**	**0.00%**	**0.00%**	**0.00%**
Consumer Price Index IPCA - 15 (IBGE)	**Feb-21**	**3.91%**	**4.23%**	**4.57%**	**0.93%**	**1.26%**	**1.05%**	**0.71%**	**0.22%**	**1.06%**	**0.78%**	**0.48%**	**0.00%**	**0.00%**	**0.00%**
General Price Index IGP-10 (FGV)	**Mar-21**	**-0.42%**	**7.92%**	**31.15%**	**1.73%**	**1.99%**	**1.07%**	**0.01%**	**0.64%**	**1.33%**	**2.97%**	**2.99%**			
General Price Index IGP-M (FGV)	**Feb-21**	**-0.53%**	**7.55%**	**28.94%**	**0.44%**	**2.54%**	**2.09%**	**0.48%**	**-0.04%**	**0.96%**	**2.58%**	**2.53%**	**11.02%**	**4.03%**	**3.78%**
General Price Index IGP-DI (FGV)	**Feb-21**	**-0.42%**	**7.10%**	**29.96%**	**0.09%**	**0.09%**	**1.74%**	**0.09%**	**0.01%**	**0.76%**	**2.91%**	**2.71%**	**0.00%**	**0.00%**	**0.00%**
Consumer Price Subindex IPC/Br-DI	**Feb-21**	**3.22%**	**4.34%**	**5.41%**	**0.59%**	**0.59%**	**0.77%**	**0.59%**	**-0.01%**	**1.07%**	**0.27%**	**0.54%**			
Construction Cost Subindex INCC-DI	**Feb-21**	**4.25%**	**3.83%**	**11.07%**	**0.38%**	**0.38%**	**0.21%**	**0.38%**	**0.33%**	**0.70%**	**0.89%**	**1.89%**			
Wholesale Price Subindex IPA-DI	**Feb-21**	**-2.52%**	**8.73%**	**41.78%**	**-0.13%**	**-0.13%**	**2.34%**	**-0.13%**	**-0.03%**	**0.68%**	**3.92%**	**3.40%**	**0.00%**	**0.00%**	**0.00%**
IPA-DI Industry	**Feb-21**	1.22%	9.16%	37.42%	0.14%	0.14%	1.63%	0.14%	-0.70%	2.97%	4.20%	3.83%			
IPA-DI Agriculture	**Feb-21**	-12.34%	7.52%	53.80%	-0.88%	-0.88%	4.39%	-0.88%	1.88%	-4.46%	3.25%	2.37%			
São Paulo Consumer Price Index IPC RMSP (FIPE)	**Feb-21**	**2.28%**	**2.99%**	**6.35%**	**0.39%**	**1.09%**	**0.94%**	**0.29%**	**0.11%**	**0.79%**	**0.86%**	**0.23%**	**0.00%**	**0.00%**	**0.00%**
São Paulo Cost-of-Living Index ICV SP (DIEESE)	**Feb-20**	**2.44%**	**3.87%**	**3.07%**	**0.00%**	**-100.00%**	**-0.21%**	**0.43%**	**0.35%**	**0.87%**	**0.64%**	**0.12%**			

Macroeconomic Parameters

Macroeconomic Parameters						
Year	Inflation					
	IPCA		INPC		IGP-DI	
	Annual Average	Annual Accum.	Annual Average	Annual Accum.	Annual Average	Annual Accum.
	Chg. %					
2015	9.03	10.67	9.34	11.28	6.90	10.70
2016	8.74	6.29	9.32	6.58	10.19	7.18
2017	3.45	2.95	2.97	2.07	0.96	-0.42
2018	3.66	3.75	2.87	3.43	5.81	7.10
2019	3.73	4.31	3.75	4.48	6.05	7.70
2020	3.21	4.52	3.61	5.45	13.05	23.08
2021	**6.03**	**4.42**	**6.48**	**4.27**	**17.73**	**5.06**
2022	**3.73**	**3.50**	**3.77**	**3.50**	**2.42**	**3.57**
2023	**3.36**	**3.25**	**3.47**	**3.45**	**3.83**	**4.05**
2024	**3.25**	**3.25**	**3.48**	**3.50**	**4.02**	**4.00**
2025	**3.24**	**3.24**	**3.50**	**3.50**	**4.00**	**4.00**

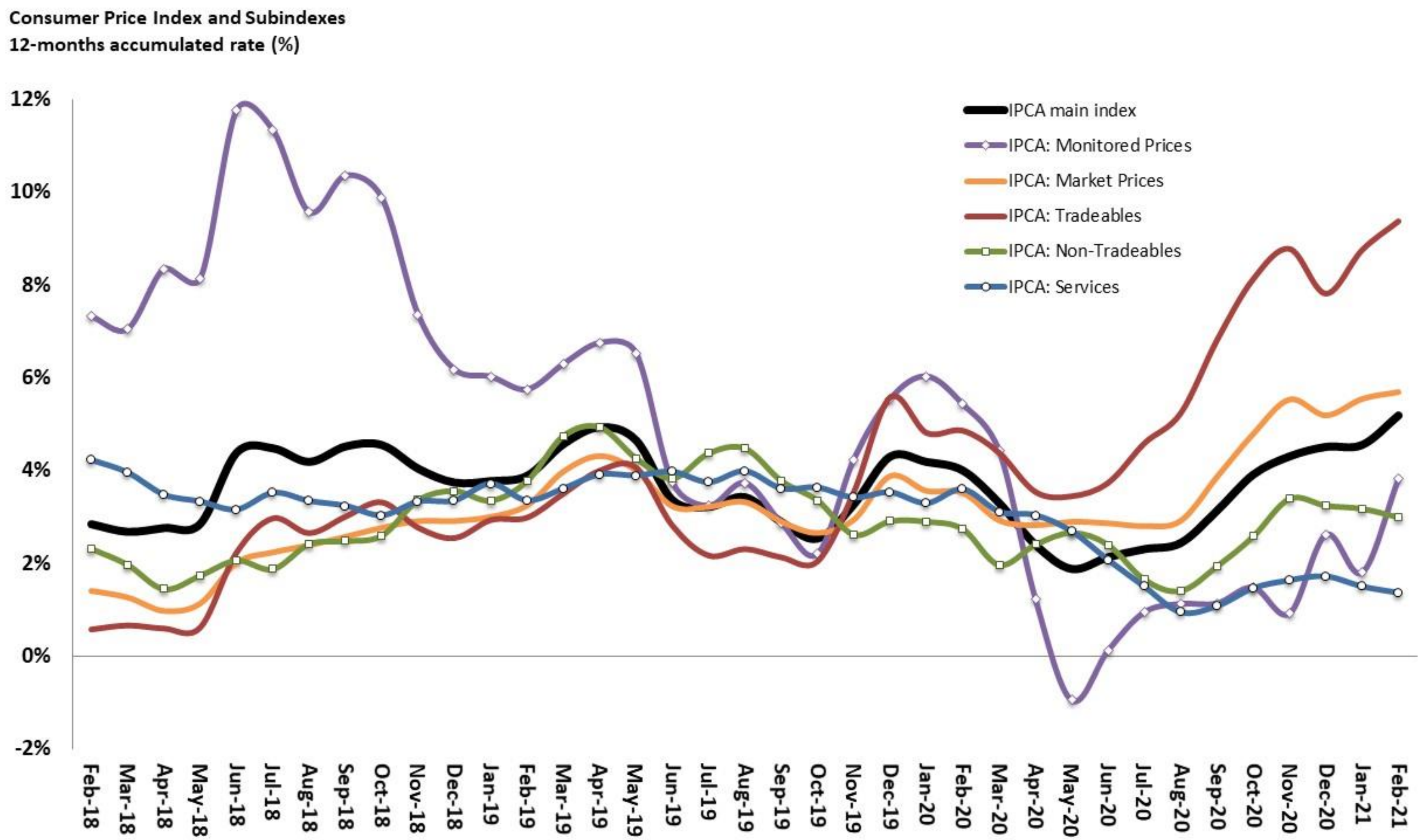
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Relative Prices Convergence in the Consumer Price Index



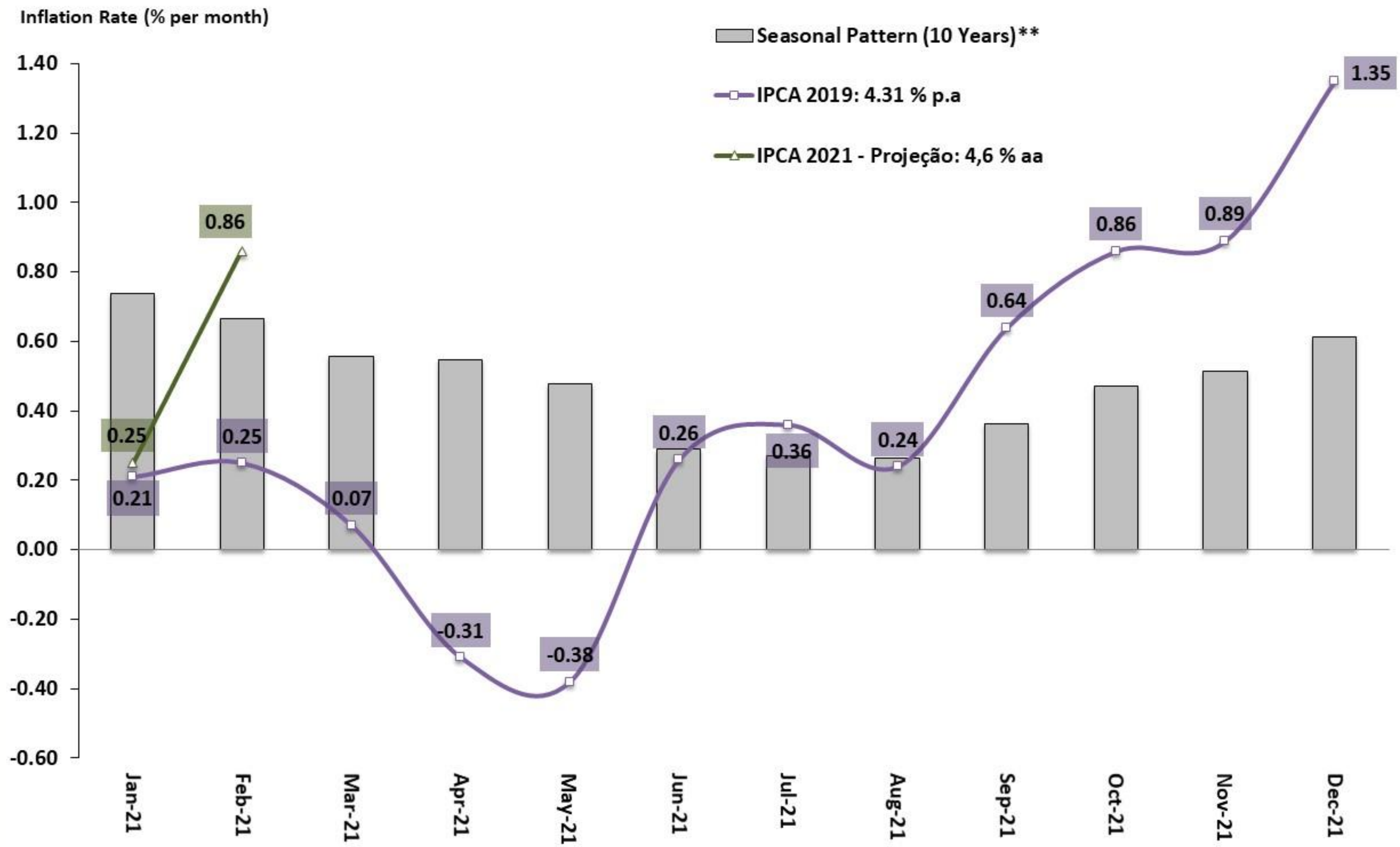
Source: IBGE.

Consumer Price Index (IPCA) and Subindexes



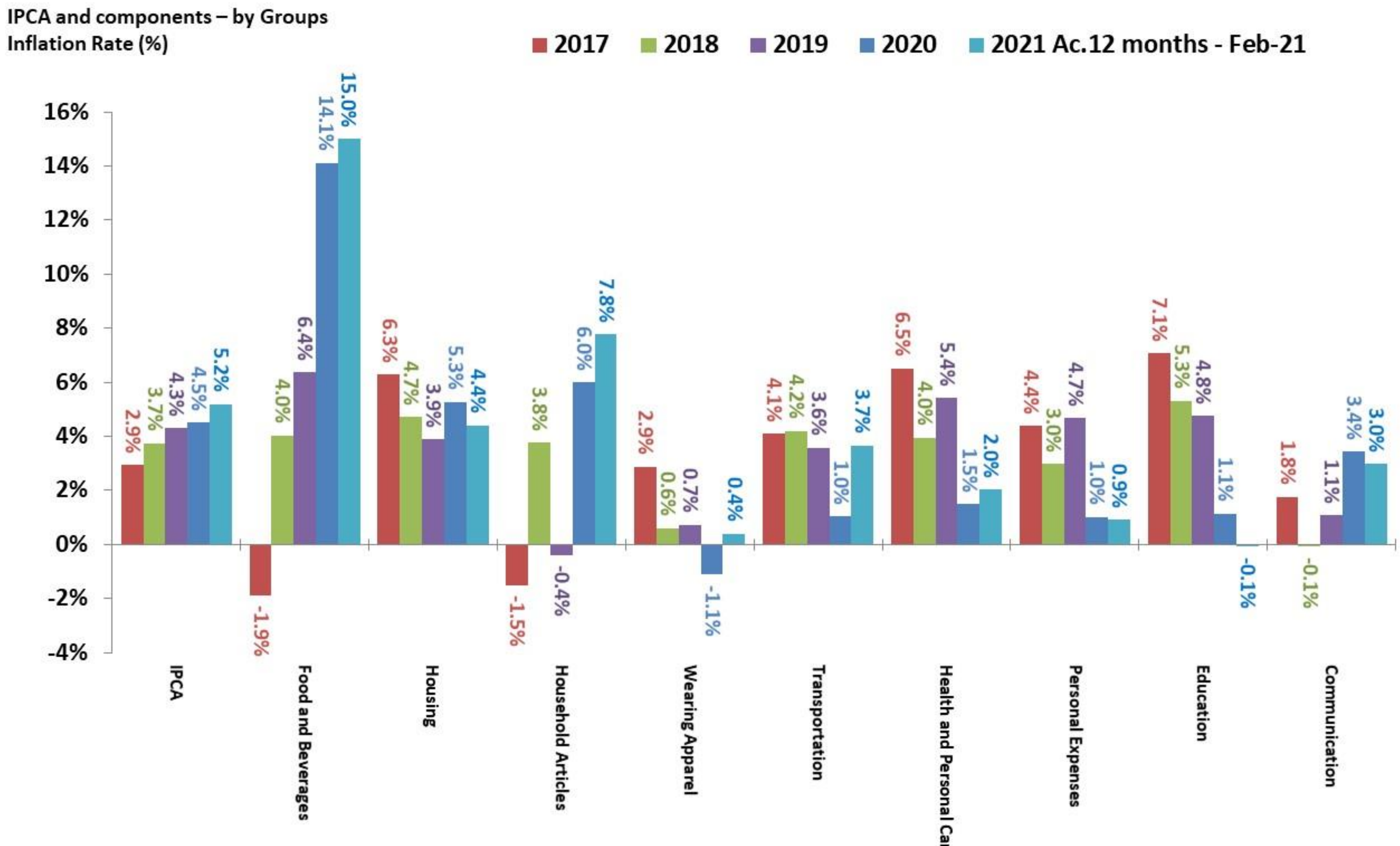
Source: IBGE

Consumer Price Index (IPCA) and Seasonal Pattern



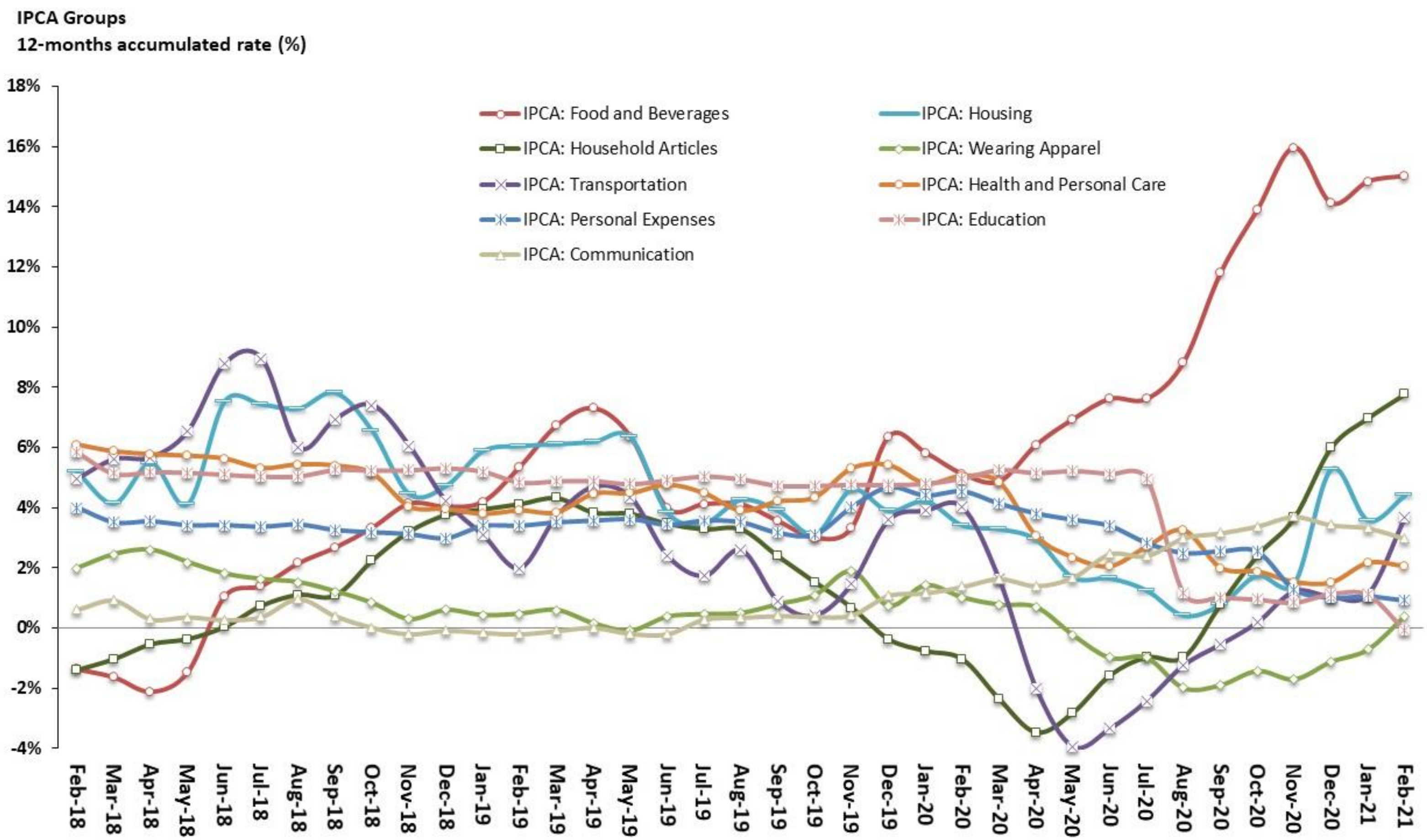
Sources: IBGE and Central Bank of Brazil. * Annual Forecast: Central Bank of Brazil, Focus Survey, 03/12/2021 *Seasonal pattern estimated by SPE.

Consumer Price Index (IPCA) by Groups



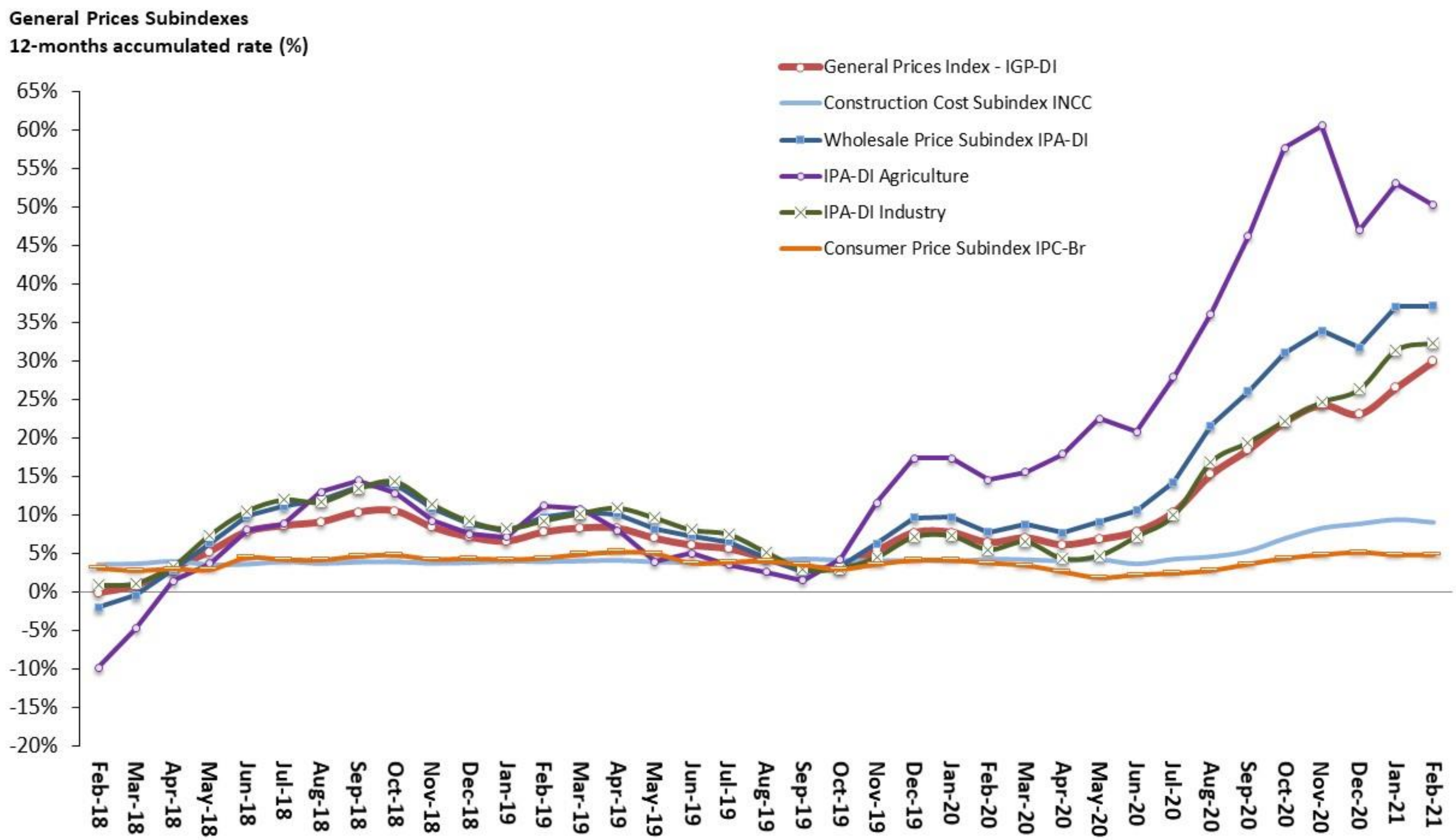
Source: IBGE.

Consumer Price Index (IPCA) by Groups



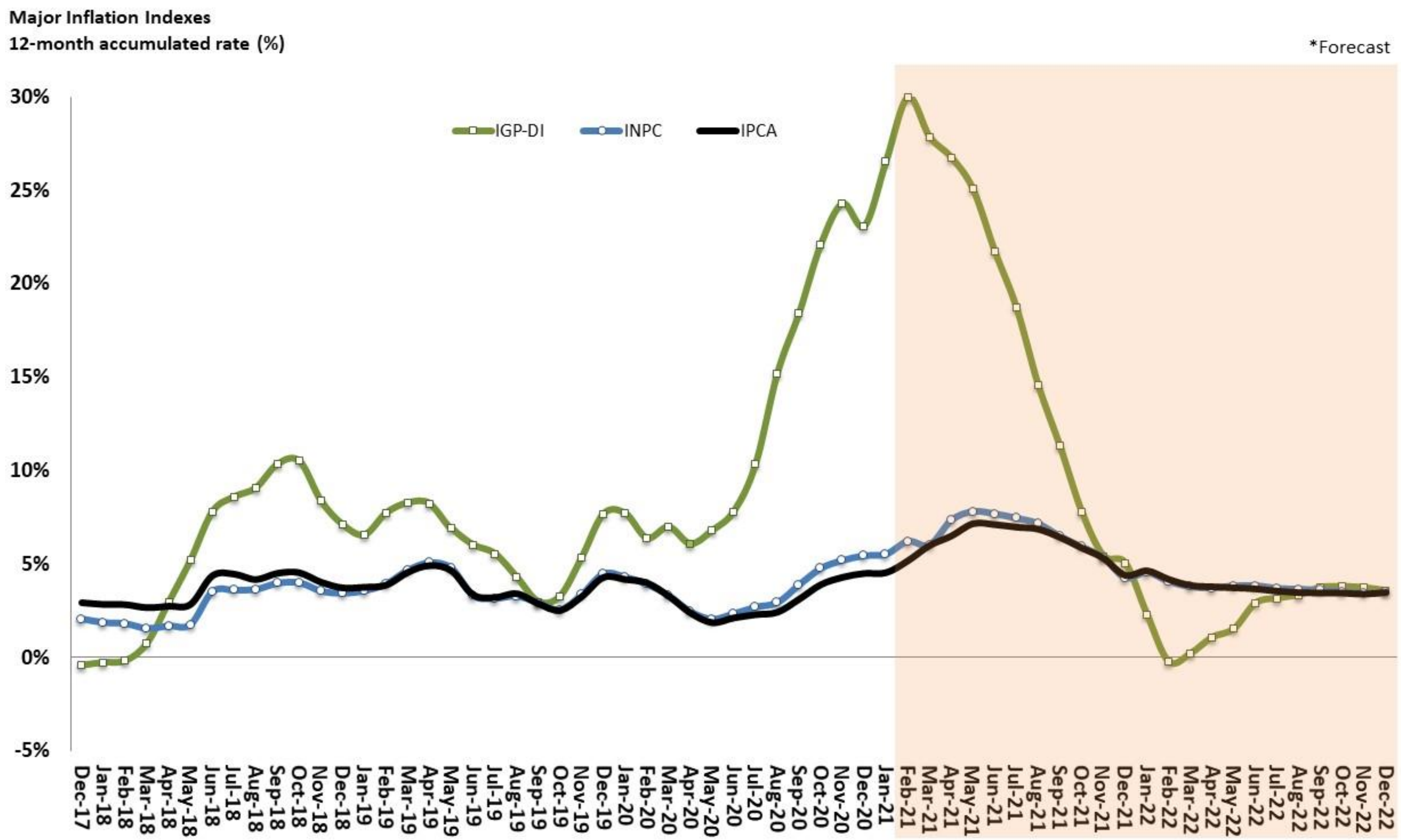
Source: IBGE.

General Price Index (IGP-DI) by Subindexes



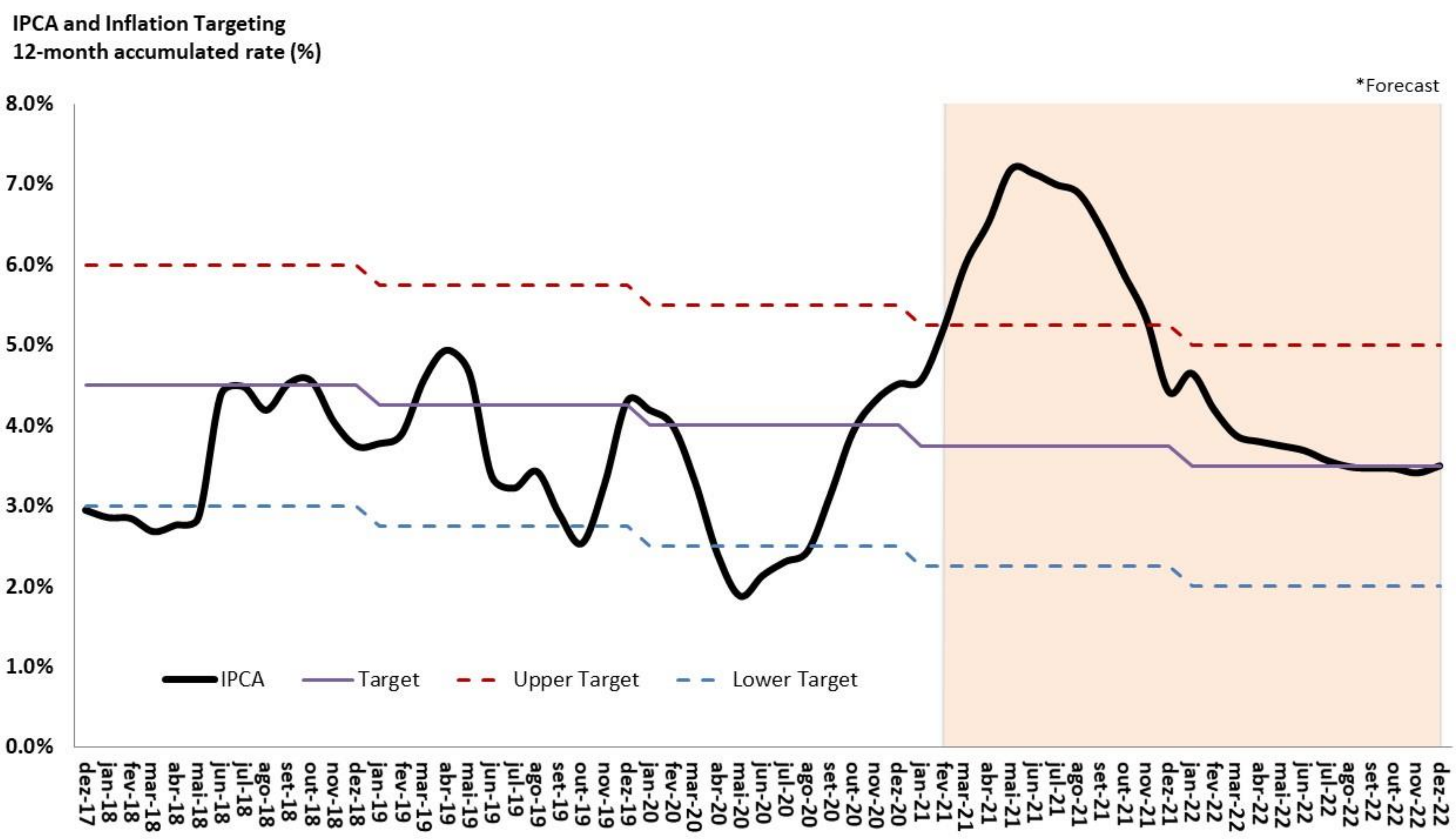
Source: IBGE.

Major Inflation Indexes



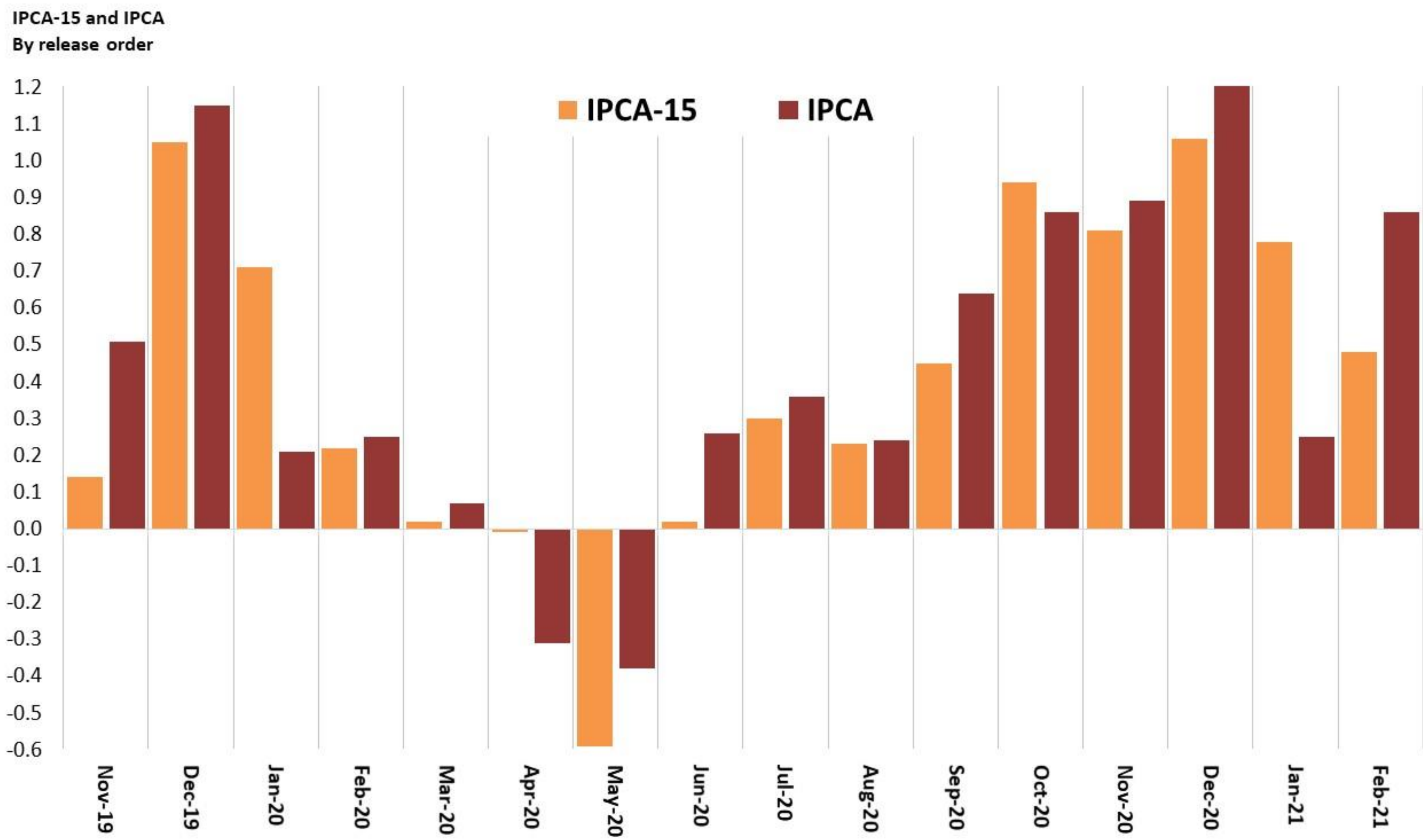
Source: IBGE and FGV. *Forecast: Macroeconomic Parameters, March-2021.

Inflation Targeting



Source: IBGE and Central Bank of Brazil. *Forecast: Macroeconomic Parameters, March-2021.

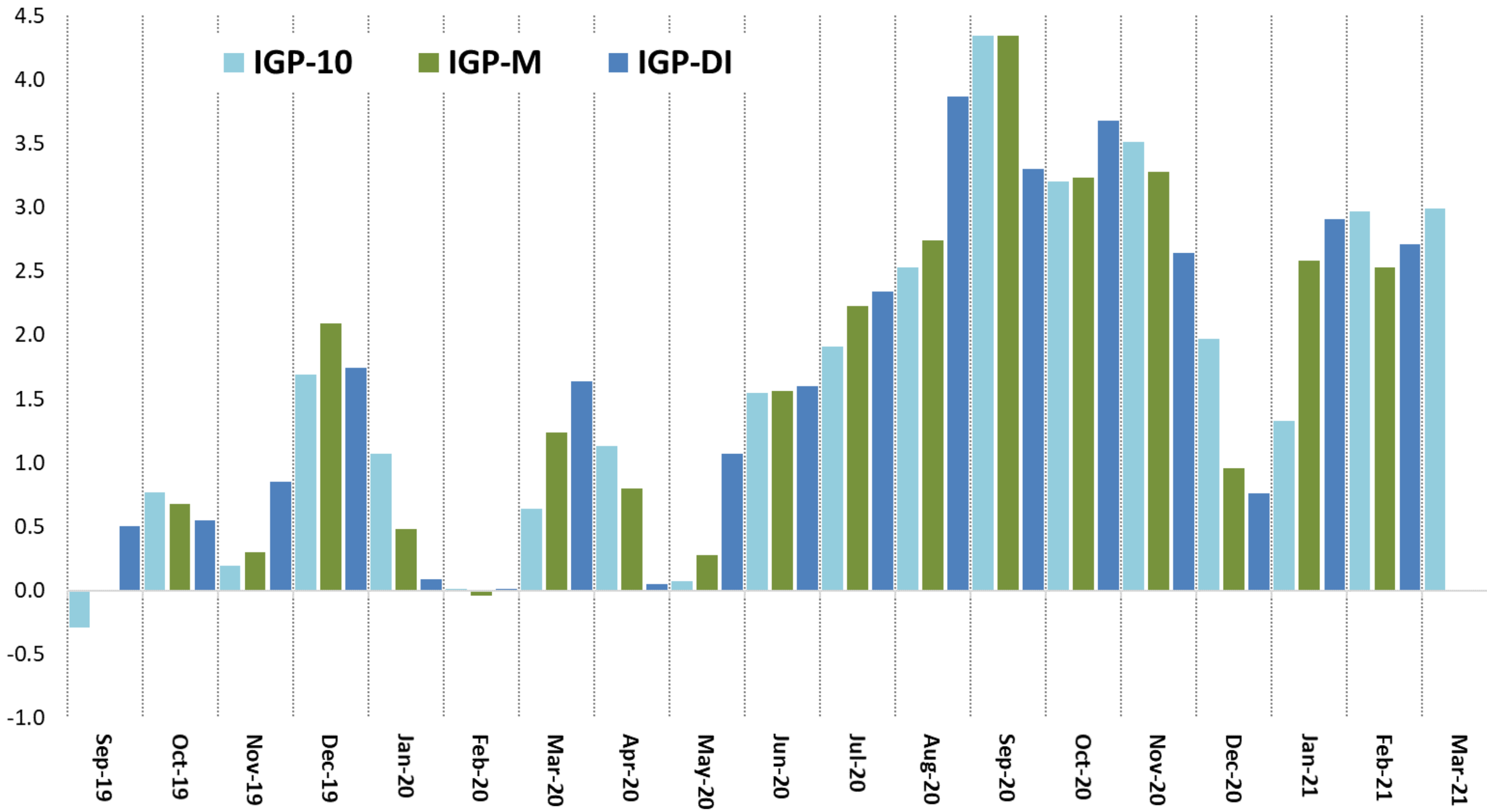
IBGE: Monthly Consumer Price Indexes



Source: IBGE.

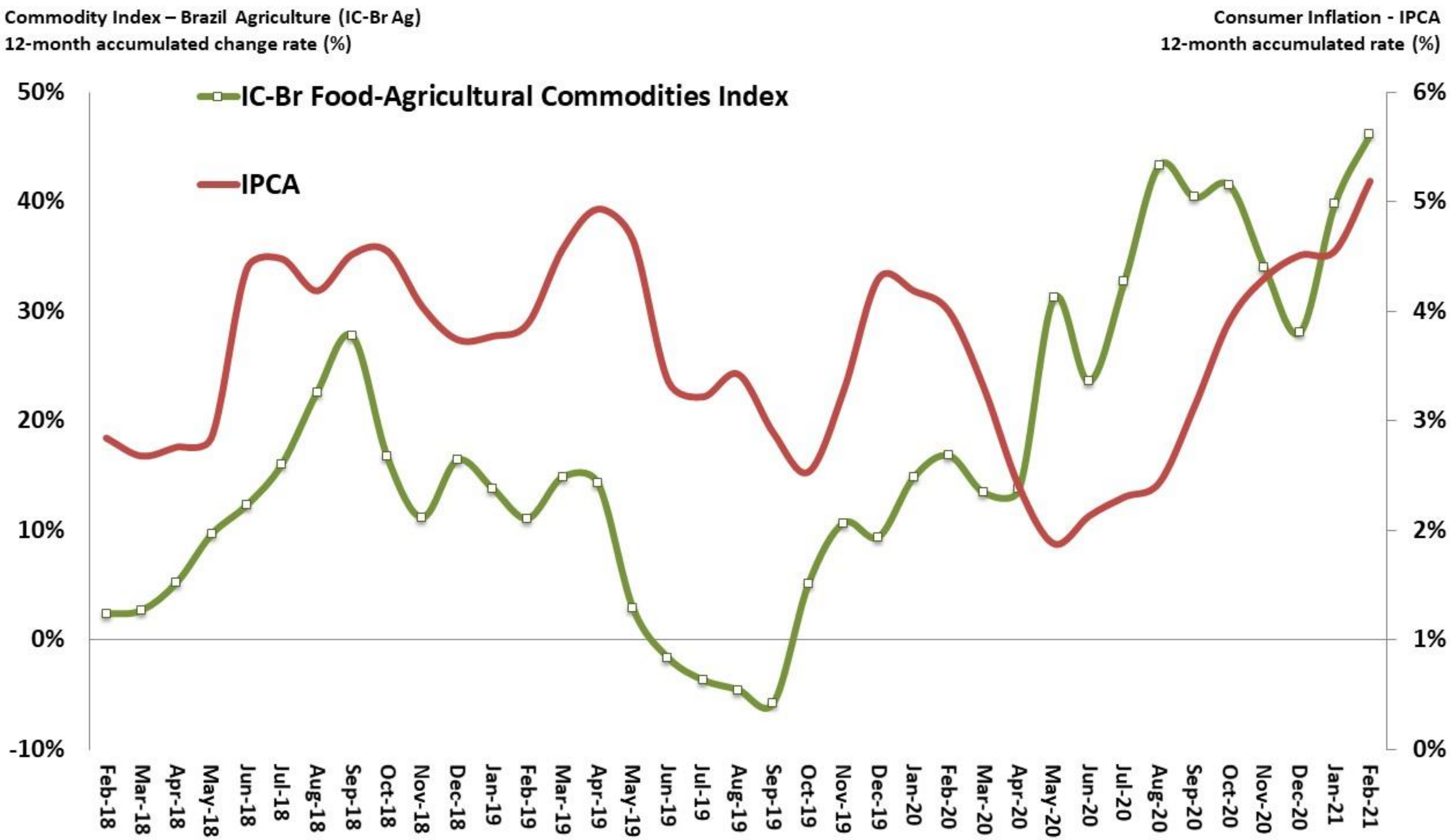
FGV: Monthly General Price Indexes

IGP-10, IGP-M and IGP-DI
By release order



Source: FGV.

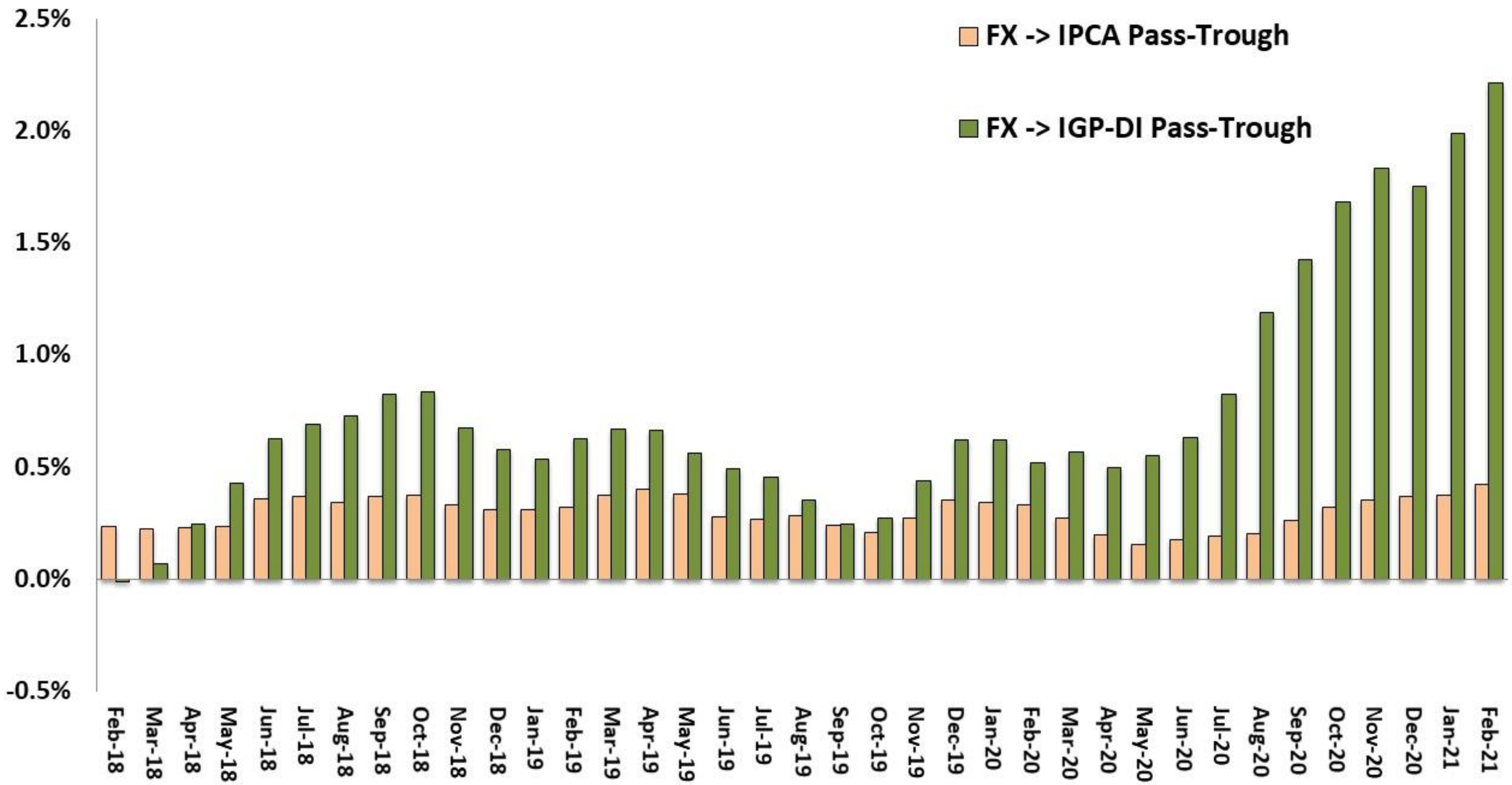
Consumer Price Index and Commodity Index (Brazil Agriculture)



Sources: IBGE and Central Bank of Brazil.

Exchange Rate Pass-Through in Consumer and General Price Indexes

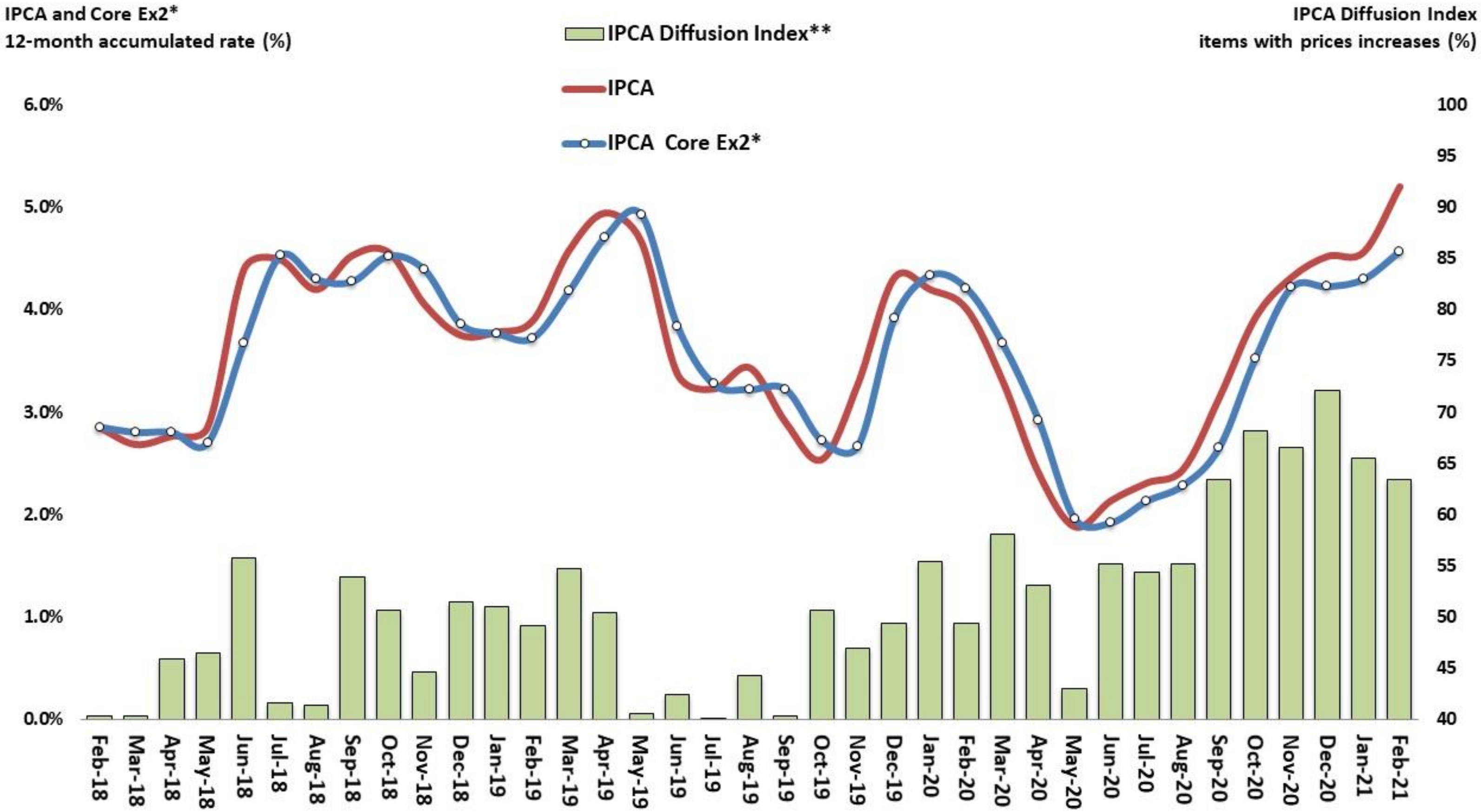
Exchange Rate-Inflation Pass-Trough = impact of 1% change of exchange rate in 12-months inflation



Source: IBGE and Central Bank Of Brazil

* Ex2 = Exclusion from the main index of 12 items, 10 from residence dining and 2 from monitored prices. The excluded items represent, on average, 16% of IPCA main index.

IPCA, Core Inflation (IPCA Ex2) and Diffusion Index



Sources: IBGE and Central Bank of Brazil.

* Ex2 = Exclusion from the main index of 12 items, 10 from residence dining and 2 from monitored prices. The excluded items represent, on average, 16% of IPCA main index.

** Diffusion Index = % of items from IPCA with price increase.

Credit Market

Credit Market

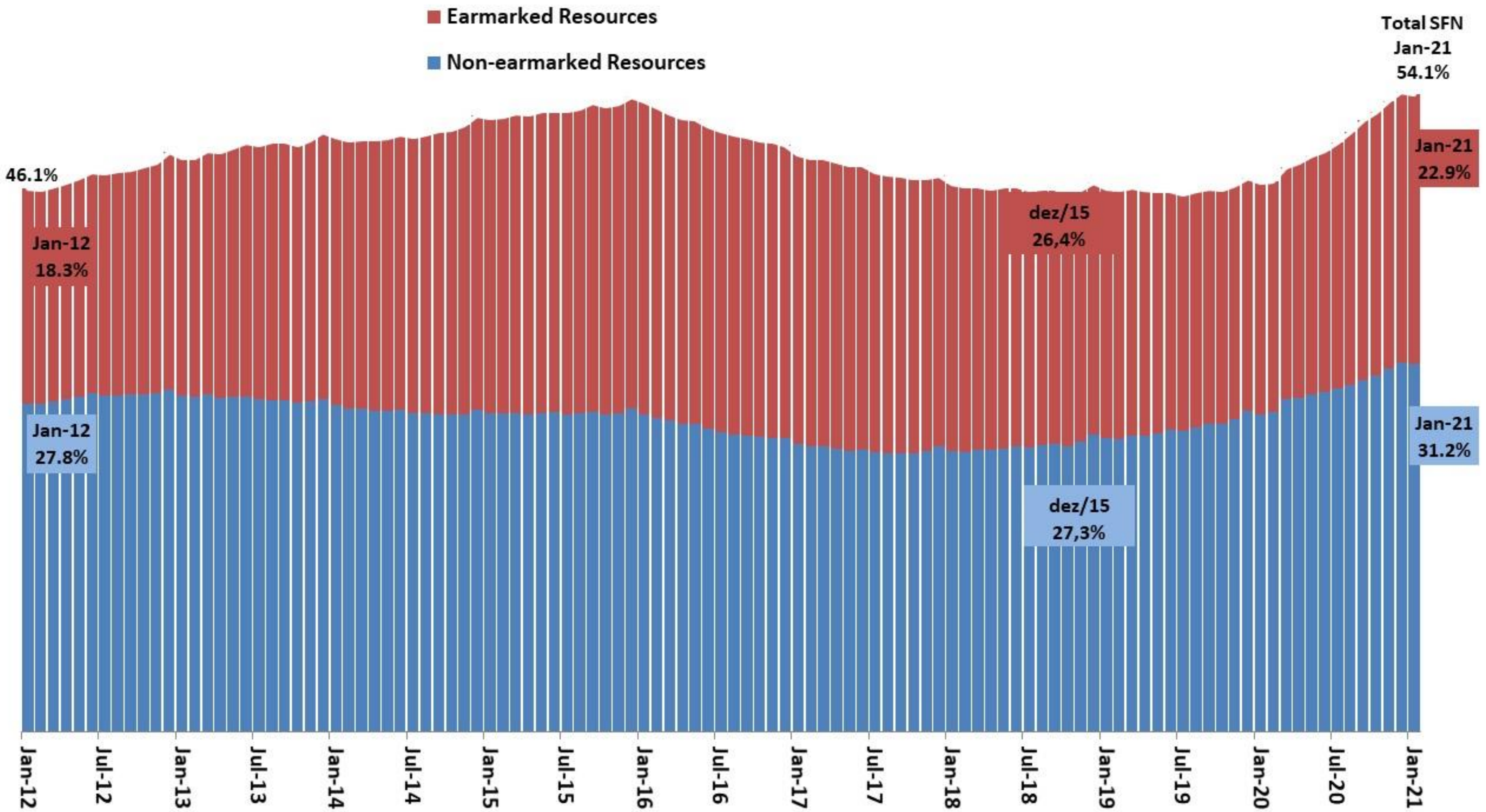
Credit Market (BCB) January-21 End-of-Period Outstanding Credit (in R$ billions)	Dec-19	Dec-20	Jan-21	% of Total Credit Dec/19	% of Total Credit Dec/20	% of Total Credit Jan/21	chg.% Dec/20-Dec/19	chg.% Jan/21-Dec/20	% of GDP Dec/19	% of GDP Dec/20	% of GDP Jan/21
Total Credit to the National Financial System (NFS)	**3,477.1**	**4,021.6**	**4,020.1**	**100.0%**	**100.0%**	**100.0%**	**15.7%**	**0.0%**	**46.9%**	**54.2%**	**54.1%**
by type of borrower											
Public Sector (incl. State-Owned Enterprises)	**195.0**	**222.4**	**223.9**	**5.6%**	**5.5%**	**5.6%**	**14.0%**	**0.7%**	**2.6%**	**3.0%**	**3.0%**
Private Sector	**3,282.1**	**3,799.2**	**3,796.1**	**94.4%**	**94.5%**	**94.4%**	**15.8%**	**-0.1%**	**44.3%**	**51.2%**	**51.1%**
Non-Financial Corporations	**1,460.1**	**1,779.1**	**1,764.0**	**42.0%**	**44.2%**	**43.9%**	**21.9%**	**-0.8%**	**19.7%**	**24.0%**	**23.7%**
Households	**2,017.0**	**2,242.5**	**2,256.0**	**58.0%**	**55.8%**	**56.1%**	**11.2%**	**0.6%**	**27.2%**	**30.2%**	**30.3%**
by type of lender											
Public Financial Institutions	**1,634.1**	**1,807.8**	**1,809.2**	**47.0%**	**45.0%**	**45.0%**	**10.6%**	**0.1%**	**22.1%**	**24.4%**	**24.3%**
National Private Financial Institutions	**1,237.6**	**1,478.9**	**1,481.1**	**35.6%**	**36.8%**	**36.8%**	**19.5%**	**0.2%**	**16.7%**	**19.9%**	**19.9%**
Foreign Private Financial Institutions	**605.4**	**734.8**	**729.7**	**17.4%**	**18.3%**	**18.2%**	**21.4%**	**-0.7%**	**8.2%**	**9.9%**	**9.8%**
by type of credit											
Earmarked Resources	**1,464.6**	**1,697.8**	**1,702.6**	**42.1%**	**42.2%**	**42.4%**	**15.9%**	**0.3%**	**19.8%**	**22.9%**	**22.9%**
Housing	258.6	277.5	280.0	7.4%	6.9%	7.0%	7.3%	0.9%	3.5%	3.7%	3.8%
Rural	672.1	741.5	745.7	19.3%	18.4%	18.5%	10.3%	0.6%	9.1%	10.0%	10.0%
BNDES Development Bank	437.1	445.8	445.1	12.6%	11.1%	11.1%	2.0%	-0.1%	5.9%	6.0%	6.0%
Others	96.8	233.0	231.8	2.8%	5.8%	5.8%	140.7%	-0.5%	1.3%	3.1%	3.1%
Non-Financial Corporations	559.9	687.6	683.8	16.1%	17.1%	17.0%	22.8%	-0.6%	7.6%	9.3%	9.2%
Households	904.7	1,010.2	1,018.8	26.0%	25.1%	25.3%	11.7%	0.9%	12.2%	13.6%	13.7%
Non-earmarked Resources	**2,012.5**	**2,323.8**	**2,317.5**	**57.9%**	**57.8%**	**57.6%**	**15.5%**	**-0.3%**	**27.2%**	**31.3%**	**31.2%**
Non-Financial Corporations	900.2	1,091.5	1,080.2	25.9%	27.1%	26.9%	21.3%	-1.0%	12.2%	14.7%	14.5%
Households	1,112.4	1,232.3	1,237.2	32.0%	30.6%	30.8%	10.8%	0.4%	15.0%	16.6%	16.6%

Non-earmarked Resources (BCB) January-21 *New Loans, Spread and Delinquency Rates*	Dec-19	Dec-20	Jan-21	% of Total Credit Dec/19	% of Total Credit Dec/20	% of Total Credit Jan/21	chg.% Dec/20-Dec/19	chg.% Jan/21-Dec/20	% of GDP Dec/19	% of GDP Dec/20	% of GDP Jan/21
New Loans (12-months accum. in R$ billions)	**3,590.4**	**3,621.6**	**3,583.3**	**100.0%**	**100.0%**	**100.0%**	**0.9%**	**-1.1%**	**48.5%**	**48.8%**	**48.2%**
Non-Financial Corporations	1,695.9	1,766.4	1,751.2	47.2%	48.8%	48.9%	4.2%	-0.9%	22.9%	23.8%	23.6%
Households	1,894.5	1,855.1	1,832.1	52.8%	51.2%	51.1%	-2.1%	-1.2%	25.6%	25.0%	24.6%
Spread (in pp per year)	**27.8**	**20.9**	**23.4**				**-6.9 pp**	**2.4 pp**			
Non-Financial Corporations	11.1	7.7	10.7				-3.4 pp	2.9 pp			
Households	40.4	32.1	33.9				-8.3 pp	1.8 pp			
Delinquency (% non-performing loans by 90 days or more)	**3.7**	**2.9**	**3.0**				**-0.8 pp**	**0.1 pp**			
Non-Financial Corporations	2.1	1.5	1.6				-0.7 pp	0.1 pp			
Households	5.0	4.2	4.1				-0.9 pp	0.0 pp			

Macroeconomic Parameters		
Year	Credit Market	
	Total Credit	
	Annual Average	
	BRL million	*Annual chg. %*
2015	3,118,230	9.85
2016	3,144,353	0.84
2017	3,079,705	-2.06
2018	3,145,561	2.14
2019	3,324,679	5.69
2020	3,702,630	11.37
2021	**4,370,697**	**18.04**
2022	**4,918,139**	**12.53**
2023	**5,354,163**	**8.87**
2024	**5,754,317**	**7.47**
2025	**6,165,577**	**7.15**

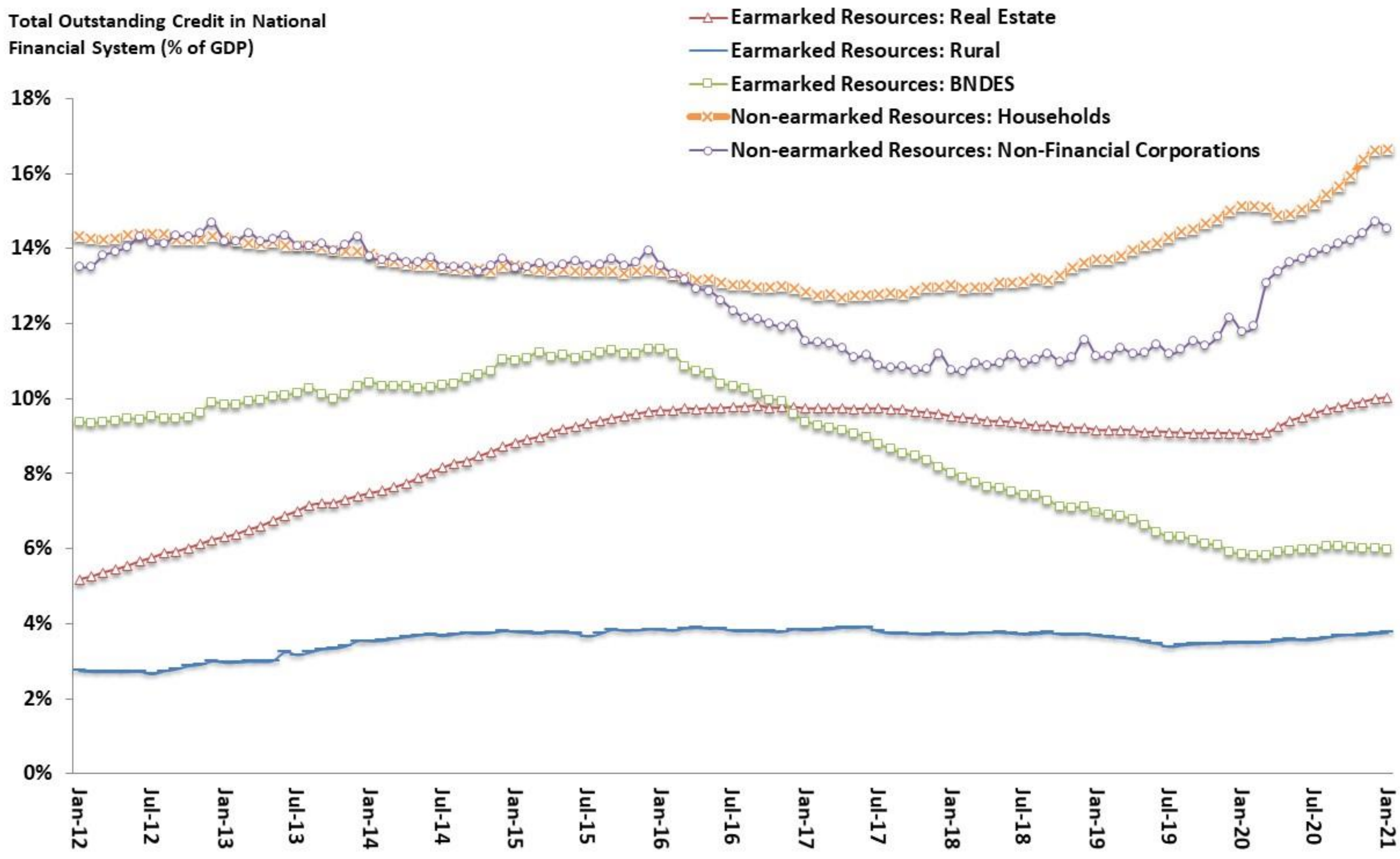
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Total Credit: Earmarked and Non-earmarkerd Resources



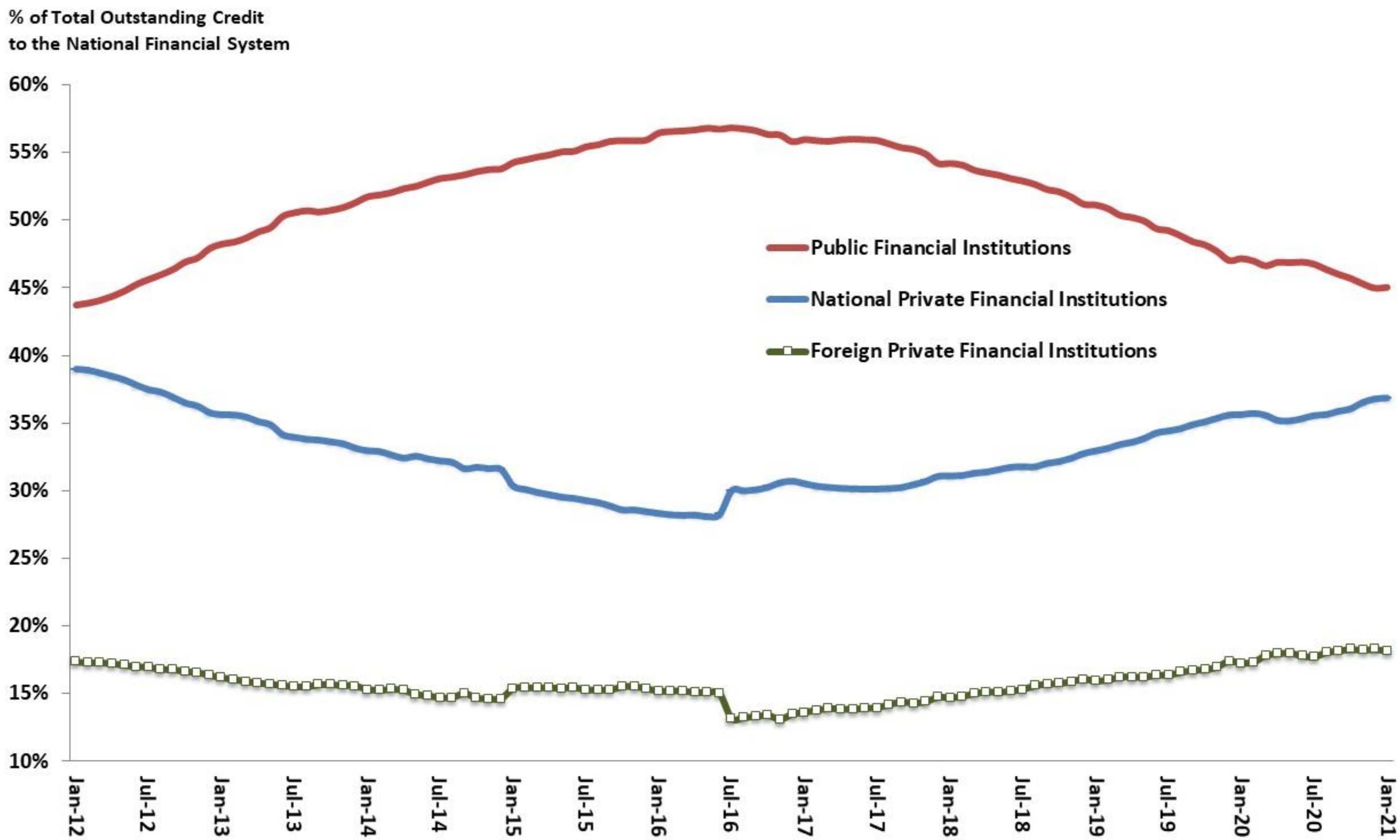
Source: Central Bank of Brazil.

Total Credit Evolution by Major Segments



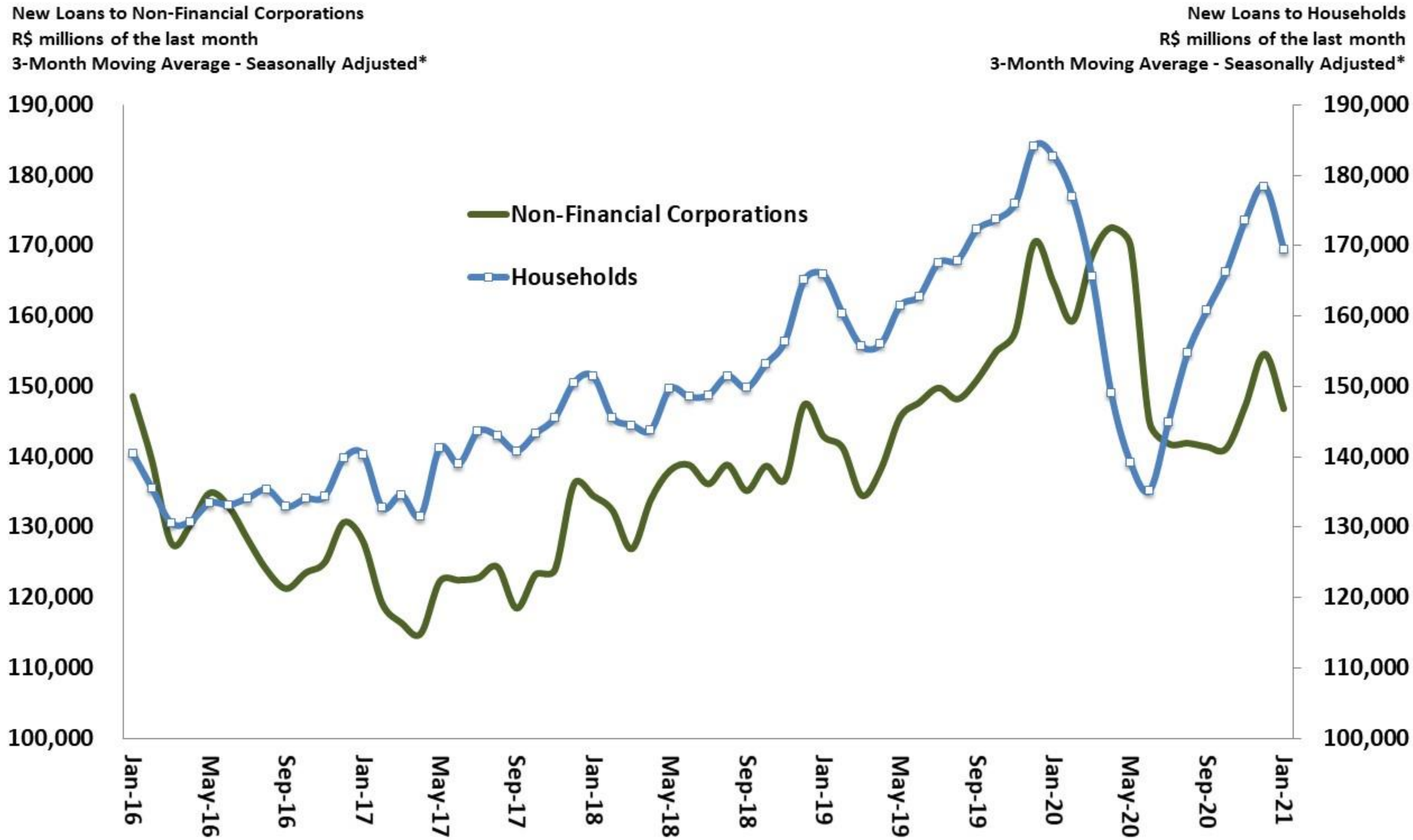
Source: Central Bank of Brazil.

Total Credit by Types of Financial Institutions



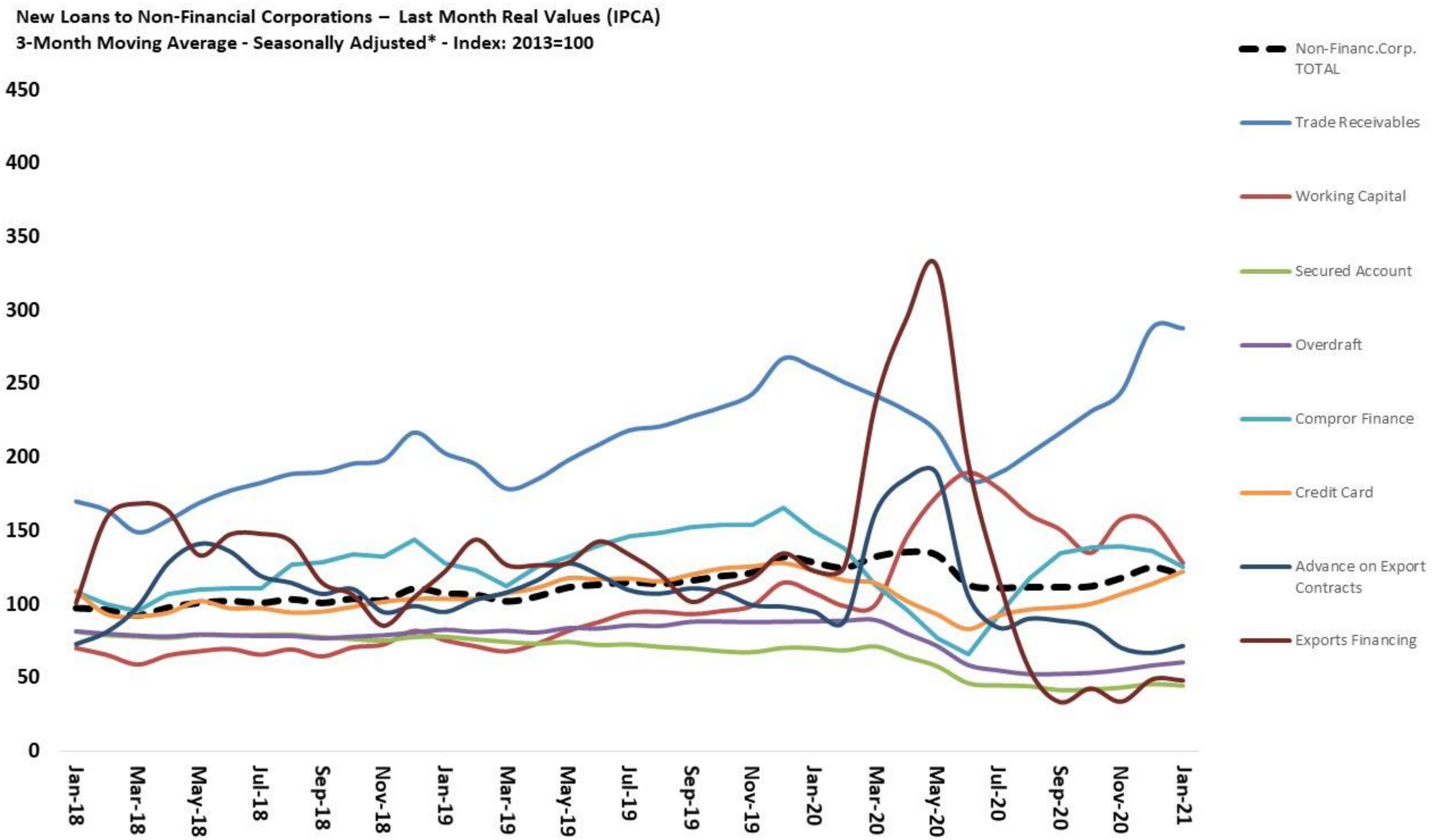
Source: Central Bank of Brazil.

New Loans to Households and Non-Financial Corporations



Source: Central Bank of Brazil. * Seasonally adjusted by SPE.

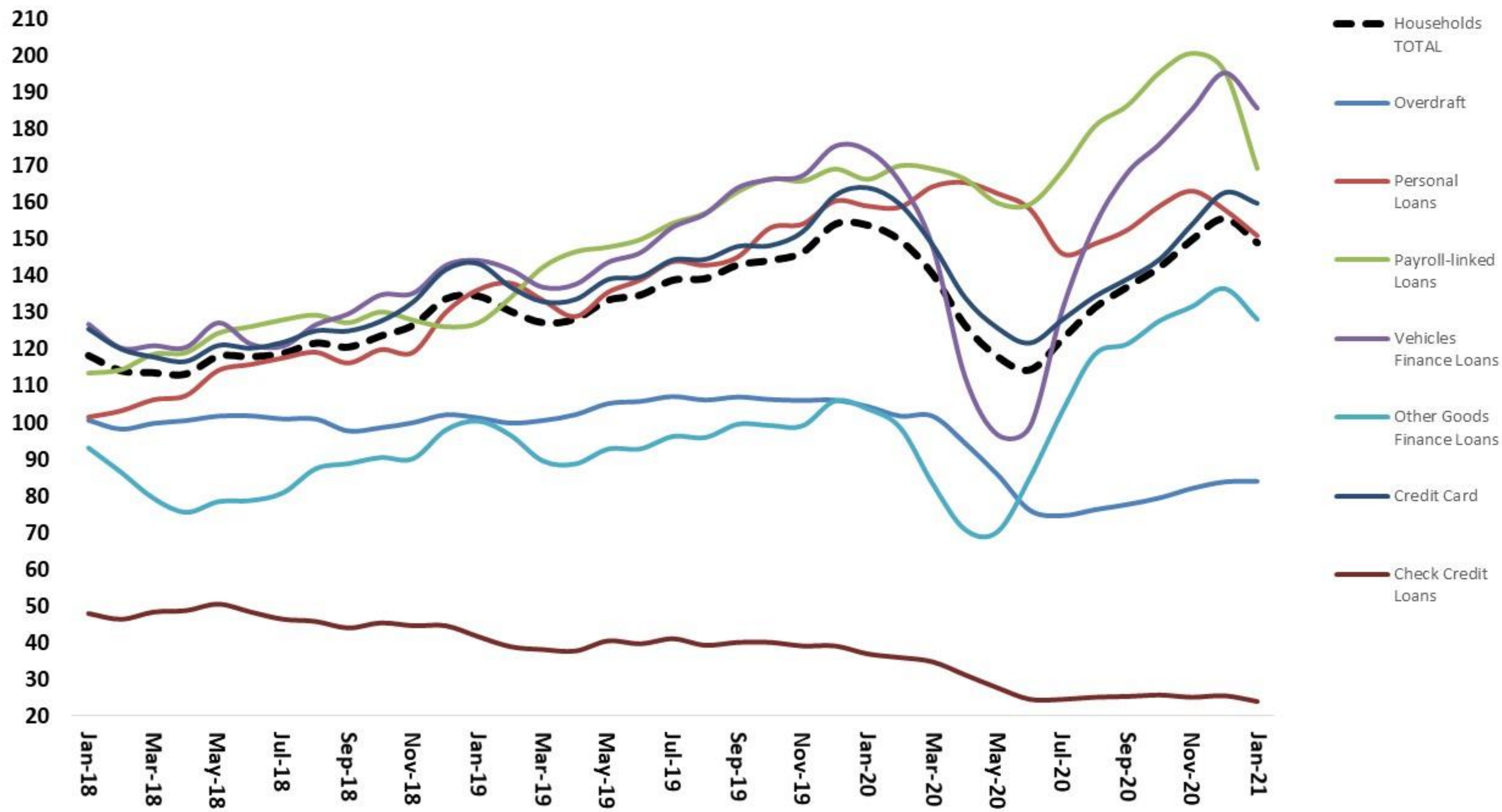
New Loans to Non-Financial Corp. by Type of Credit Lines



Source: Central Bank of Brazil. * Seasonally adjusted by SPE.

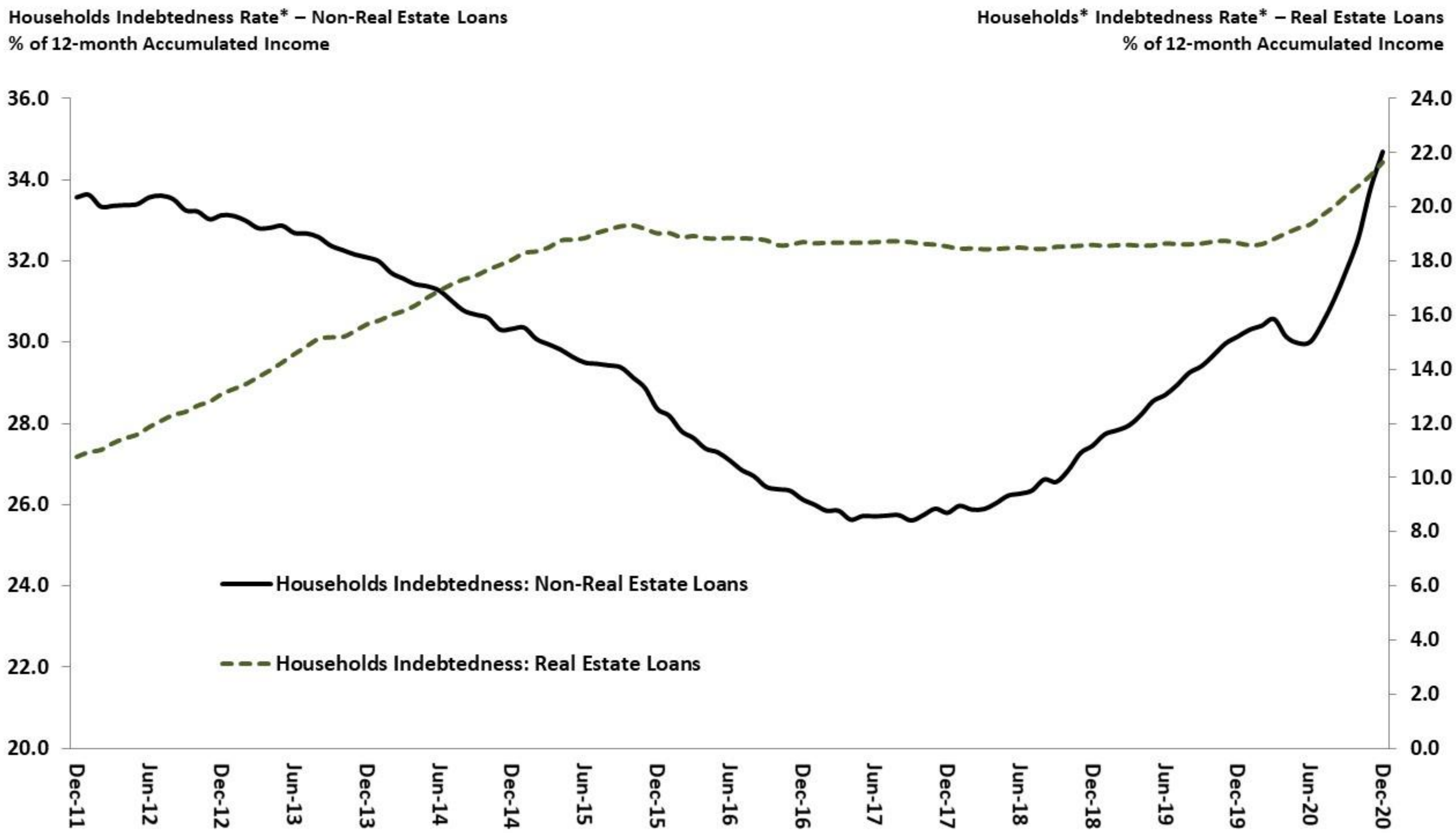
New Loans to Households by Type of Credit Lines

New Loans to Households – Real Last Month Values (IPCA)
3-Months Moving Average - Seasonally Adjusted* - Index: 2013=100



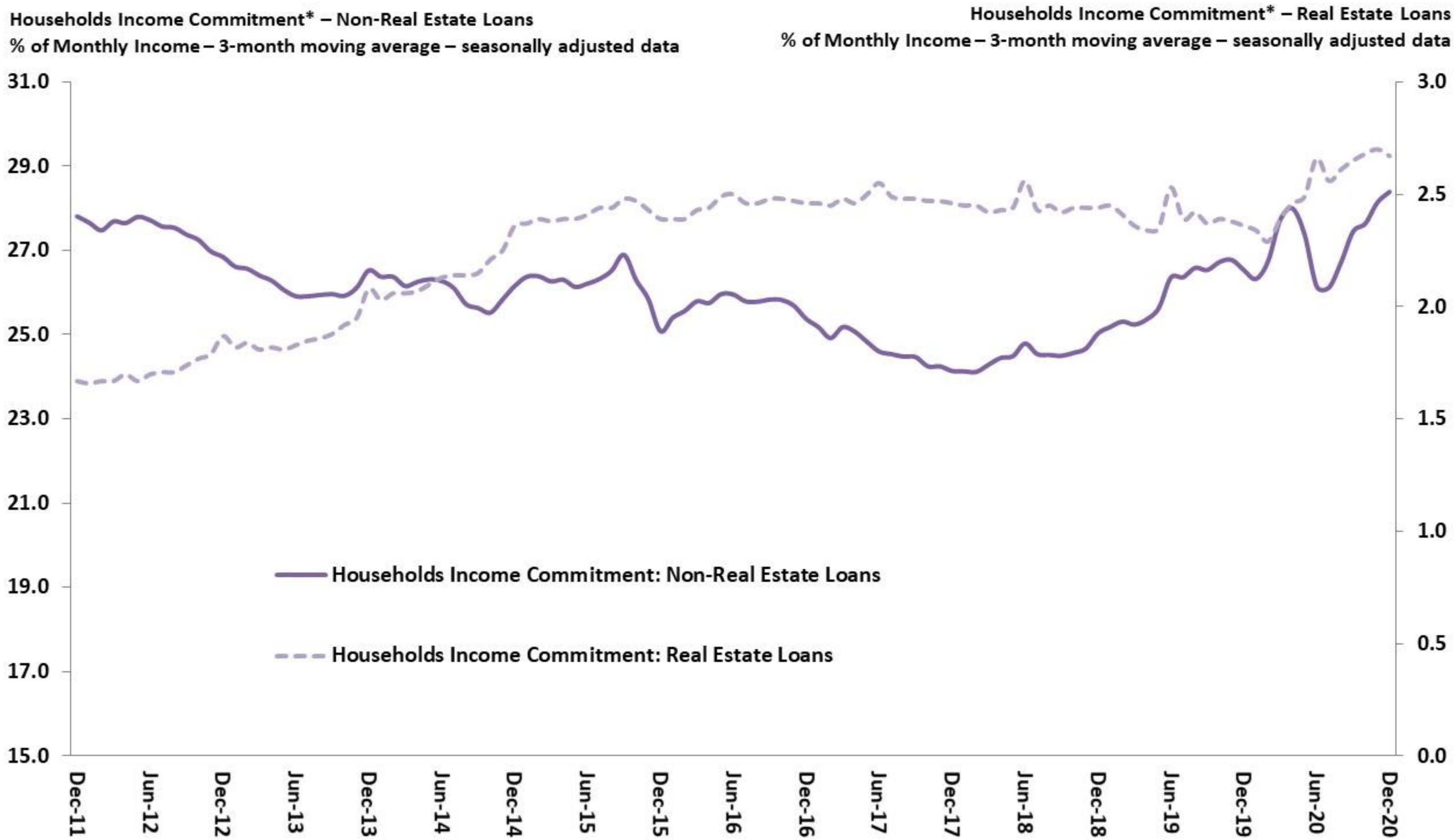
Source: Central Bank of Brazil. * Seasonally adjusted by SPE.

Households Indebtedness Rate



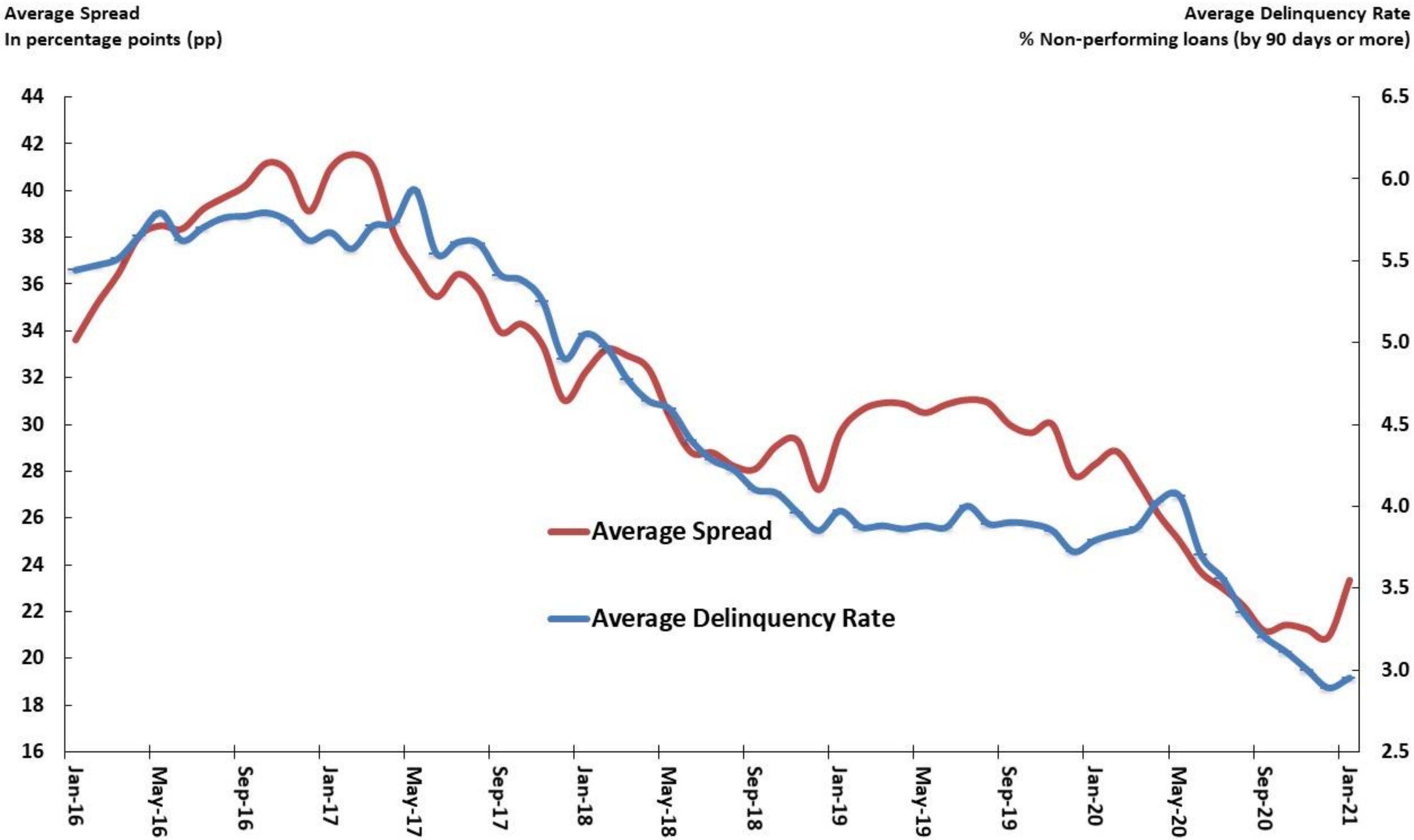
Source: Central Bank of Brazil. * Indebtedness rate = total outstanding debt / 12-months accumulated income.

Households Income Commitment



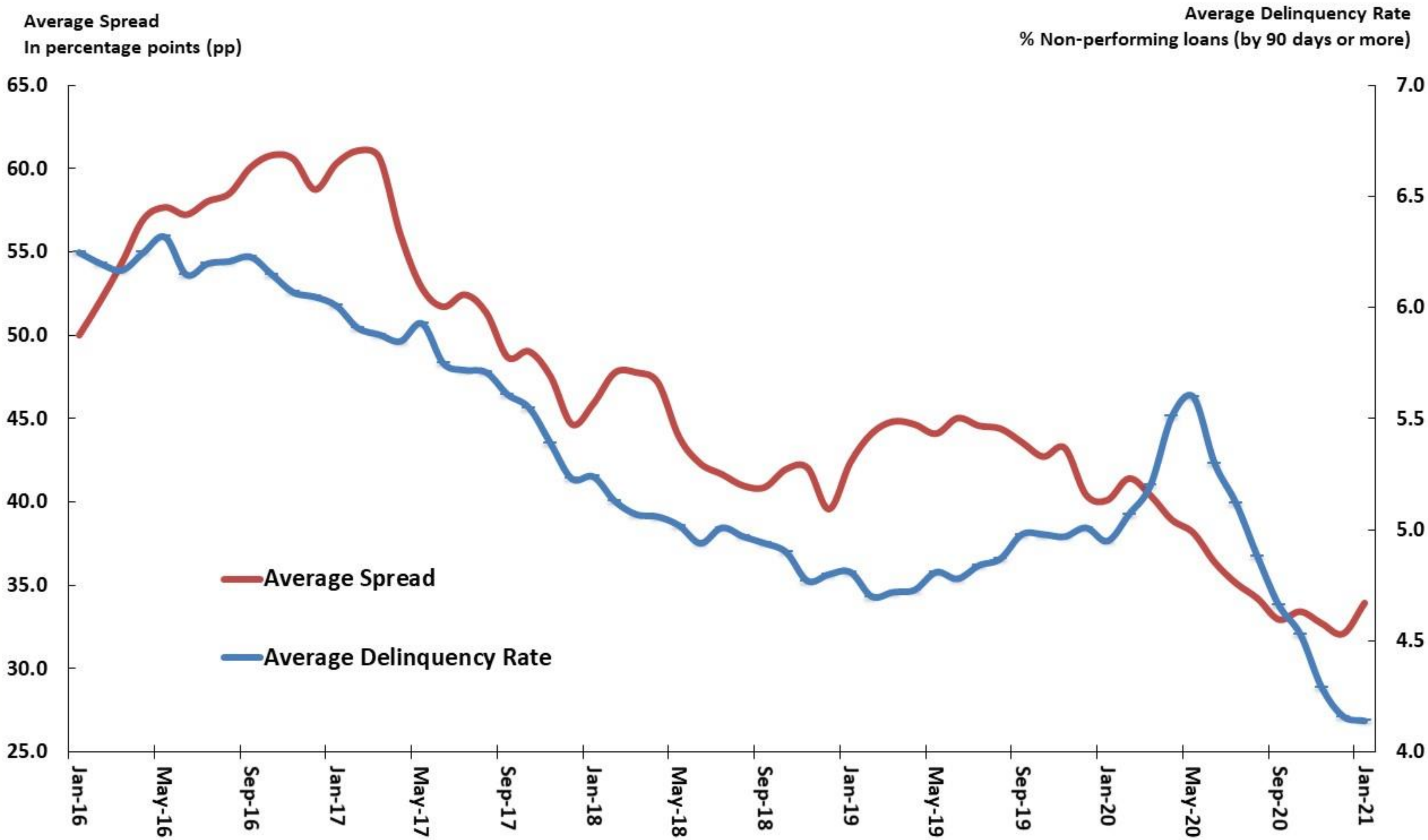
Source: Central Bank of Brazil. * Households Income Commitment = Loans Service Monthly Expenditure / Monthly Income.

Non-earmarked Resources: Spread and Delinquency Rates



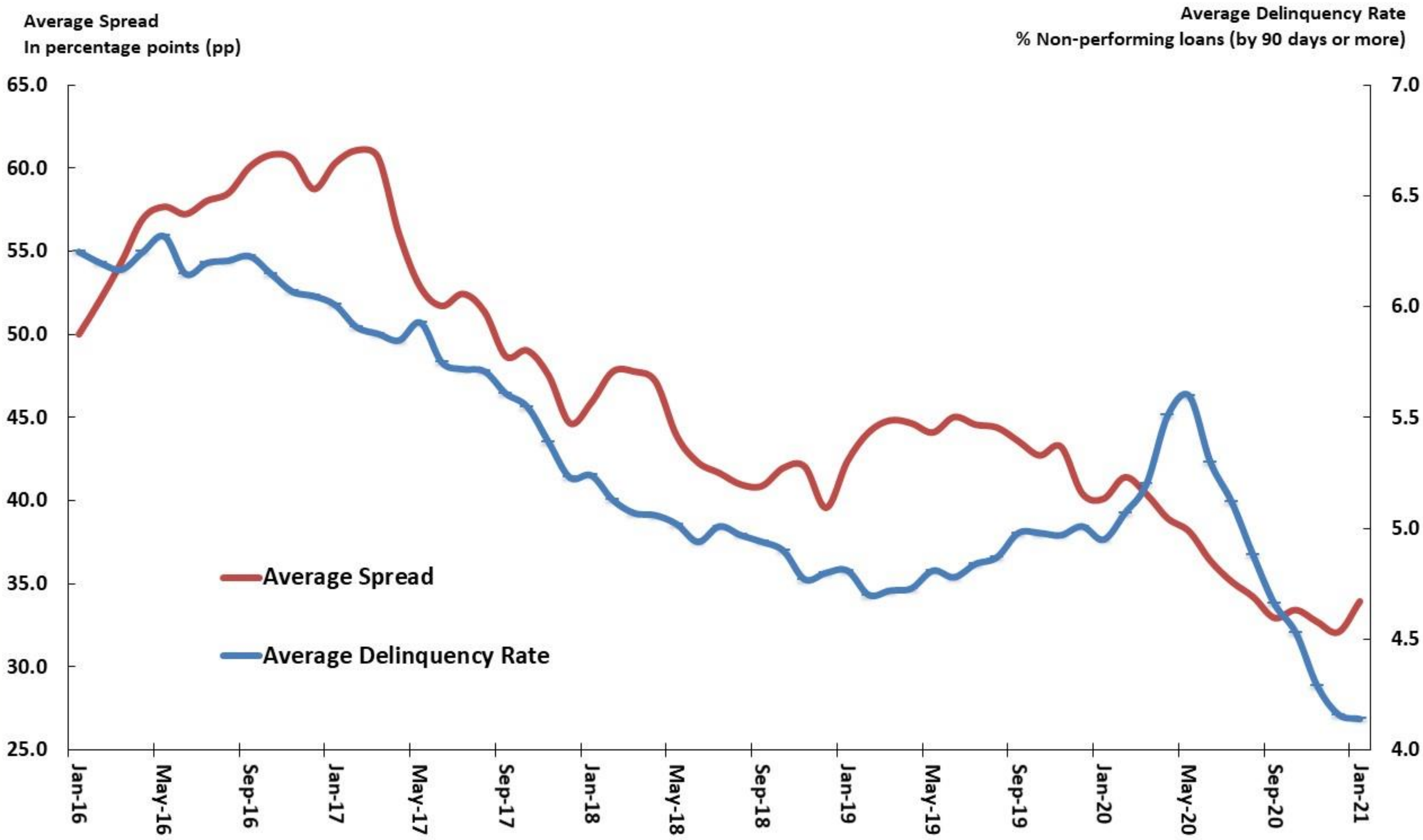
Source: Central Bank of Brazil.

Households Loans: Spread and Delinquency Rates



Source: Central Bank of Brazil.

Non-Financial Corp. Loans: Spread and Delinquency Rates



Source: Central Bank of Brazil.

Financial Markets

Financial Markets

									BCB/Focus:	3/12/21	
Financial Savings (BCB) **February-21** Outstanding Positions - R$ billions	**Dec-19**	**Dec-20**	**Feb-20**	**Feb-21**	**chg. % Dec/17 / Dec/16**	**chg. % Dec/18 / Dec/17**	**chg. % Feb/21-Dec/18**	**chg. % Feb/21-Feb/20**			
Bank Certificates of Deposit (CDB/RDB)	1,010.8	1,598.0	1,012.7	1,566.2	34.9%	58.1%	-2.0%	54.7%			
Savings Accounts (Caderneta de Poupança)	845.5	1,035.6	834.4	1,014.8	16.7%	22.5%	-2.0%	21.6%			
Investment Funds	4,257.9	4,346.3	4,309.5	4,465.6	23.0%	2.1%	2.7%	3.6%			
Off-market Funds (Fundos Extramercado)	#VALOR!	#VALOR!	#VALOR!	#VALOR!	#VALOR!	#VALOR!	-	-			
Exchange-traded Funds	496.5	608.3	490.4	581.5	113.6%	22.5%	-4.4%	18.6%			
Treasury Bonds Direct (Tesouro Direto)	59.6	62.7	58.8	62.5	23.0%	5.1%	-0.3%	6.3%			
BM&F-Bovespa - listed companies value as % of GDP	64.4%	69.3%	64.4%	69.3%	0.58 pp	0.67 pp	19.01 pp	4.85 pp			
Capital Market (CVM) **February-21** New Public Offering - R$ billions	**Dec-19**	**Dec-20**	**Feb-20**	**Feb-21**	**chg. % Dec/17 / Dec/16**	**chg. % Dec/18 / Dec/17**	**chg. % Feb/21-Dec/18**	**chg. % Feb/21-Feb/20**			
Stocks	4.2	26.1	3.0	10.6	23.7%	517.8%	7.2%	211%			
Debentures	14.7	3.3	0.0	2.6	442.6%	-77.7%	-	-			
Housing Credit-backed Securities (CRI)	21.4	3.5	0.4	0.2	230.9%	-83.8%	-100.0%	-100.0%			
Investment Funds - new shares	9.4	24.6	6.0	3.4	-16.1%	162.1%	-50.2%	-60.4%			
Monet Market (BCB) **February-21**	**Dec-19**	**Dec-20**	**Feb-20**	**Feb-21**	**chg. % Dec/17 / Dec/16**	**chg. % Dec/18 / Dec/17**	**chg. % Feb/21-Dec/18**	**chg. % Feb/21-Feb/20**			
Interest Rates											
Selic market rate (% py)	**4.59**	**1.90**	**3.95**	**1.90**	**-1.8 pp**	**-2.7 pp**	**0.0 pp**	**-2.1 pp**			
CDI (% py)	4.59	1.90	3.95	1.90	-1.8 pp	-2.7 pp	0.0 pp	-2.1 pp			
Swap DI-Pre 180 days (% py)	4.33	2.10	4.07	3.02	-2.1 pp	-2.2 pp	0.9 pp	-1.0 pp			
Swap DI-Pre 360 days (% py)	4.55	2.83	4.14	4.08	-2.0 pp	-1.7 pp	1.3 pp	-0.1 pp			
Monet Market (BCB) **March-21**	**Dec-19**	**Dec-20**	**Mar-20**	**Mar-21**	**chg. % Dec/17 / Dec/16**	**chg. % Dec/18 / Dec/17**	**chg. % Mar/21-Dec/18**	**chg. % Mar/21-Mar/20**	**2021**	**2022**	**2023**
Selic target rate (% py)	**4.50**	**2.00**	**3.75**	**2.00**	**-2.0 pp**	**-2.50 pp**	**0.0 pp**	**-1.8 pp**	**4.50%**	**5.50%**	**6.00%**
TJLP (% py)	5.57	4.55	5.09	4.39	-1.4 pp	-1.0 pp	-0.16 pp	-0.70 pp			
Brazil Sovereign Risk (BCB) **February-21** Monthly Average (in basis points)	**Dec-19**	**Dec-20**	**Feb-20**	**Feb-21**	**chg. pp Dec/17 / Dec/16**	**chg. pp Dec/18 / Dec/17**	**chg. % Feb/21-Dec/18**	**chg. % Feb/21-Feb/20**			
EMBI+ (JPMorgan)	214	260	252	299	-62 pp	46 pp	39 pp	47 pp			
5 years CDS	99	143	132	191	-108 pp	43 pp	48 pp	59 pp			
10 years CDS	180	215	210	278	-103 pp	35 pp	63 pp	68 pp			

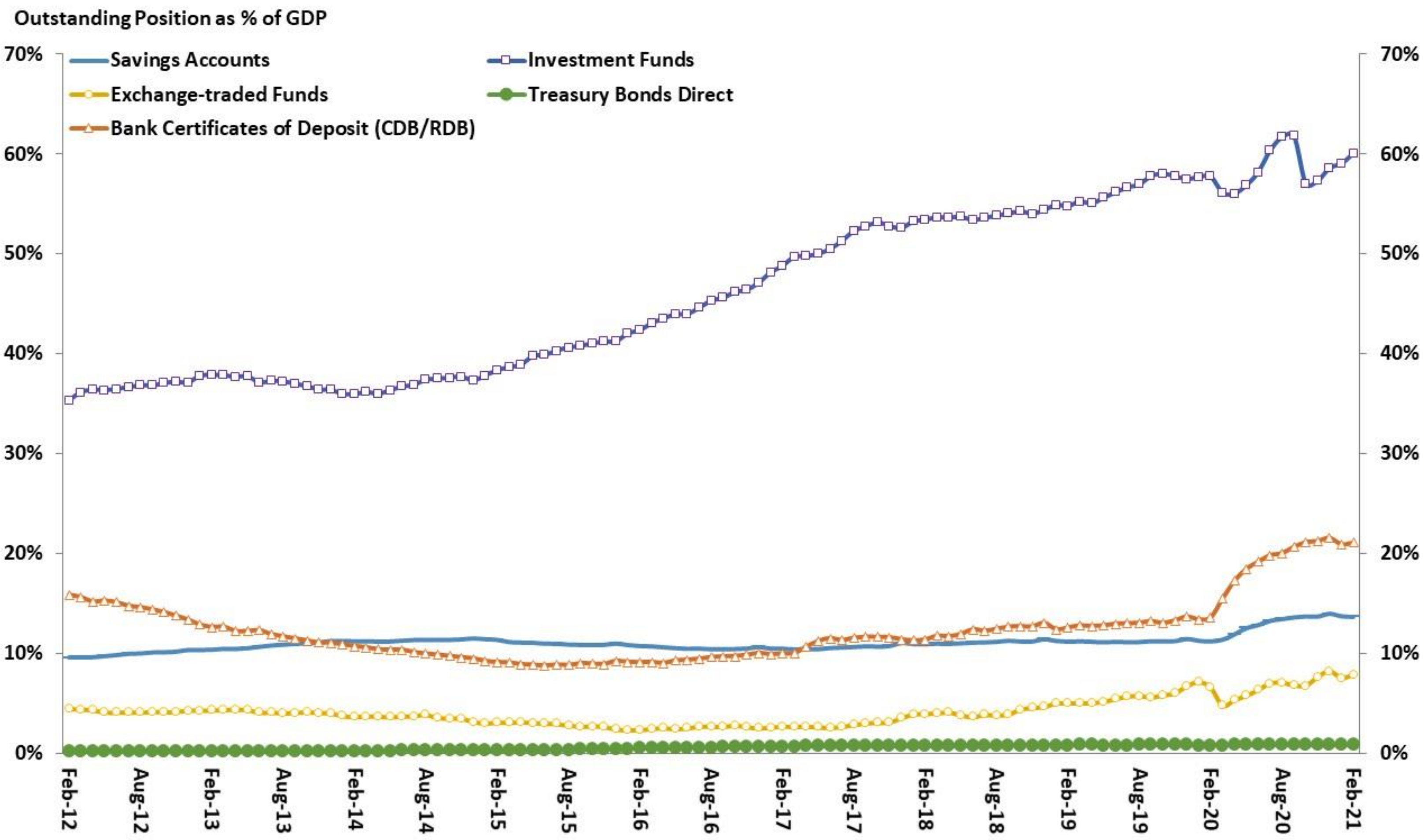
Major Financial Savings Instruments

Macroeconomic Parameters

Year	Financial Indicators							
	Selic market rate			Long term rate TJLP		Referential rate TR	Financial Savings	
	Annual Average	December	Real chg.	Annual Average	December	Annual Average	Annual Average	
	Annual chg. %						*BRL million*	*Annual chg. %*
2015	13.34	14.15	2.41	6.22	7.00	1.80	4,009,835	13.27
2016	14.08	13.65	7.33	7.50	7.50	2.01	4,566,852	13.89
2017	9.87	7.00	6.72	7.12	7.00	0.60	4,992,614	9.32
2018	6.48	6.40	2.64	6.72	6.98	0.00	5,346,678	7.09
2019	5.90	4.59	1.53	6.18	5.57	0.00	5,744,064	7.43
2020	2.64	1.90	-1.80	4.87	4.55	0.00	6,369,162	10.88
2021	**2.85**	**3.90**	**-1.51**	**4.69**	**4.98**	**0.00**	**7,202,120**	**13.08**
2022	**4.74**	**5.40**	**1.20**	**4.93**	**4.85**	**0.00**	**7,895,457**	**9.63**
2023	**5.63**	**5.90**	**2.30**	**4.70**	**4.60**	**0.00**	**8,564,438**	**8.47**
2024	**5.90**	**5.90**	**2.57**	**4.49**	**4.40**	**0.00**	**9,215,442**	**7.60**
2025	**5.90**	**5.90**	**2.58**	**4.29**	**4.21**	**0.00**	**9,849,024**	**6.88**

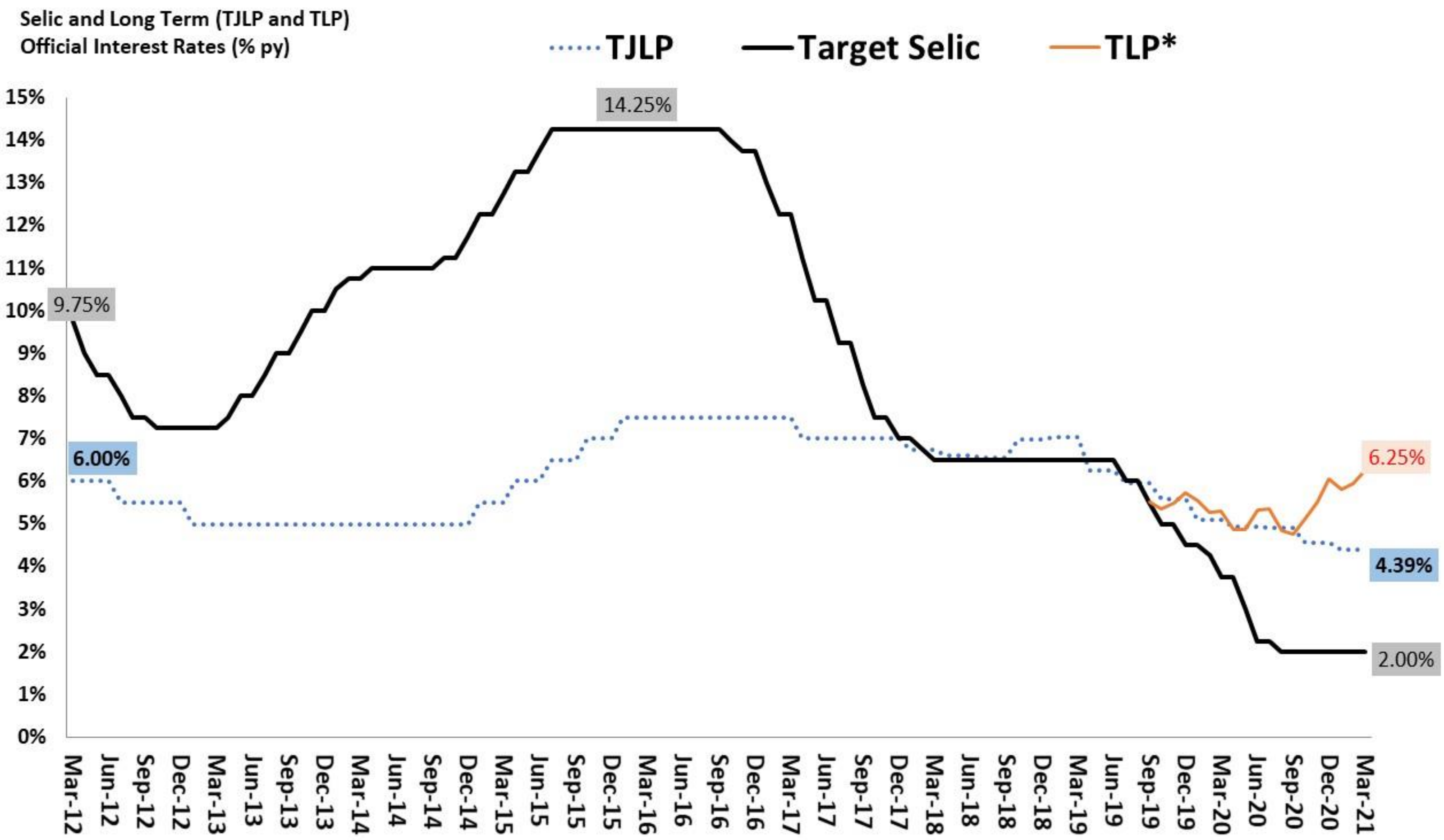
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Major Financial Savings Instruments



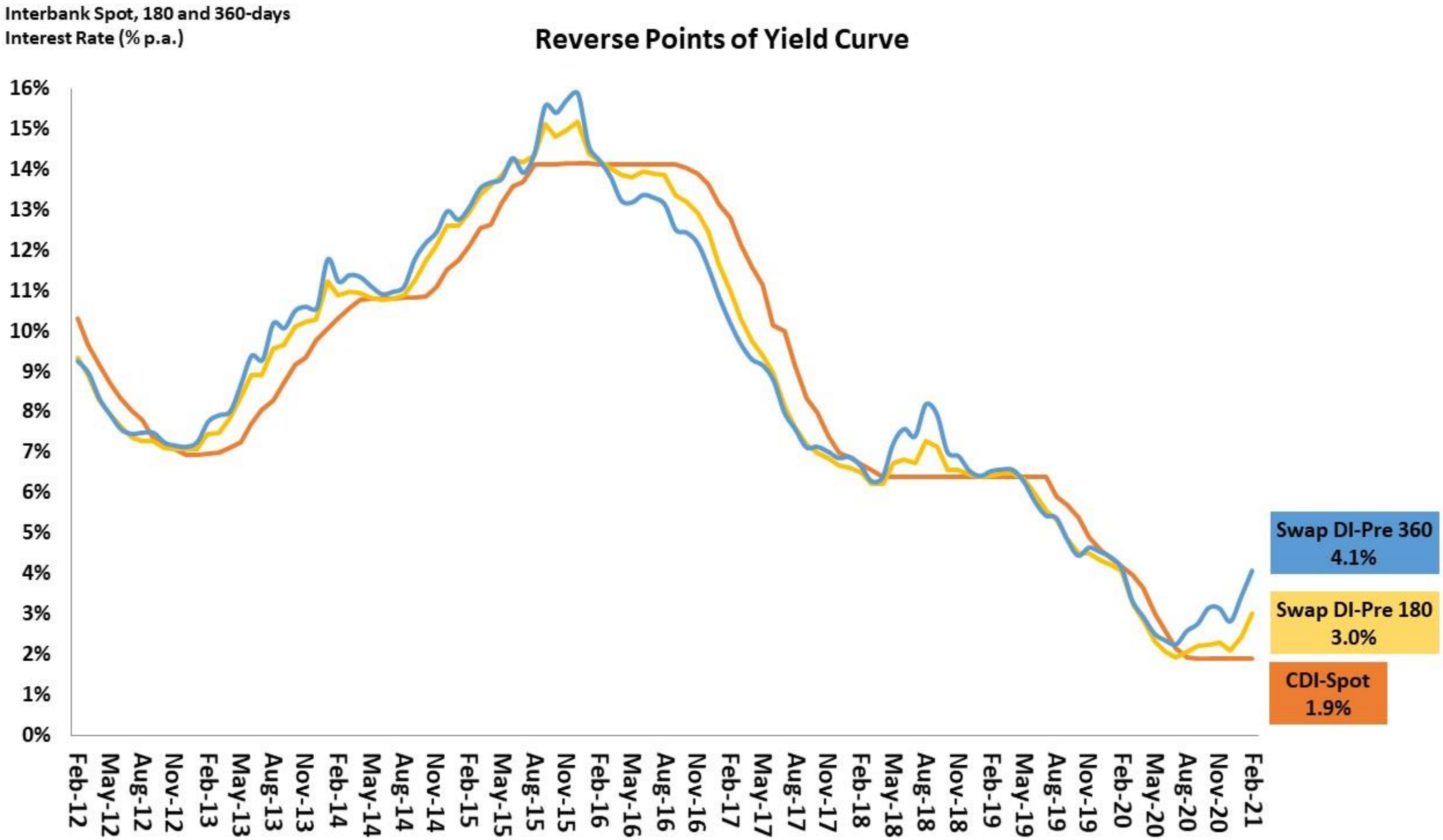
Source: Central Bank of Brazil.

Official Interest Rates Evolution (Target Selic and TJLP)



Source: Central Bank of Brazil. *TLP is 3-Month average of 5-Year NTN-B bonds plus IPCA Market Expectation (Focus Survey by BCB).

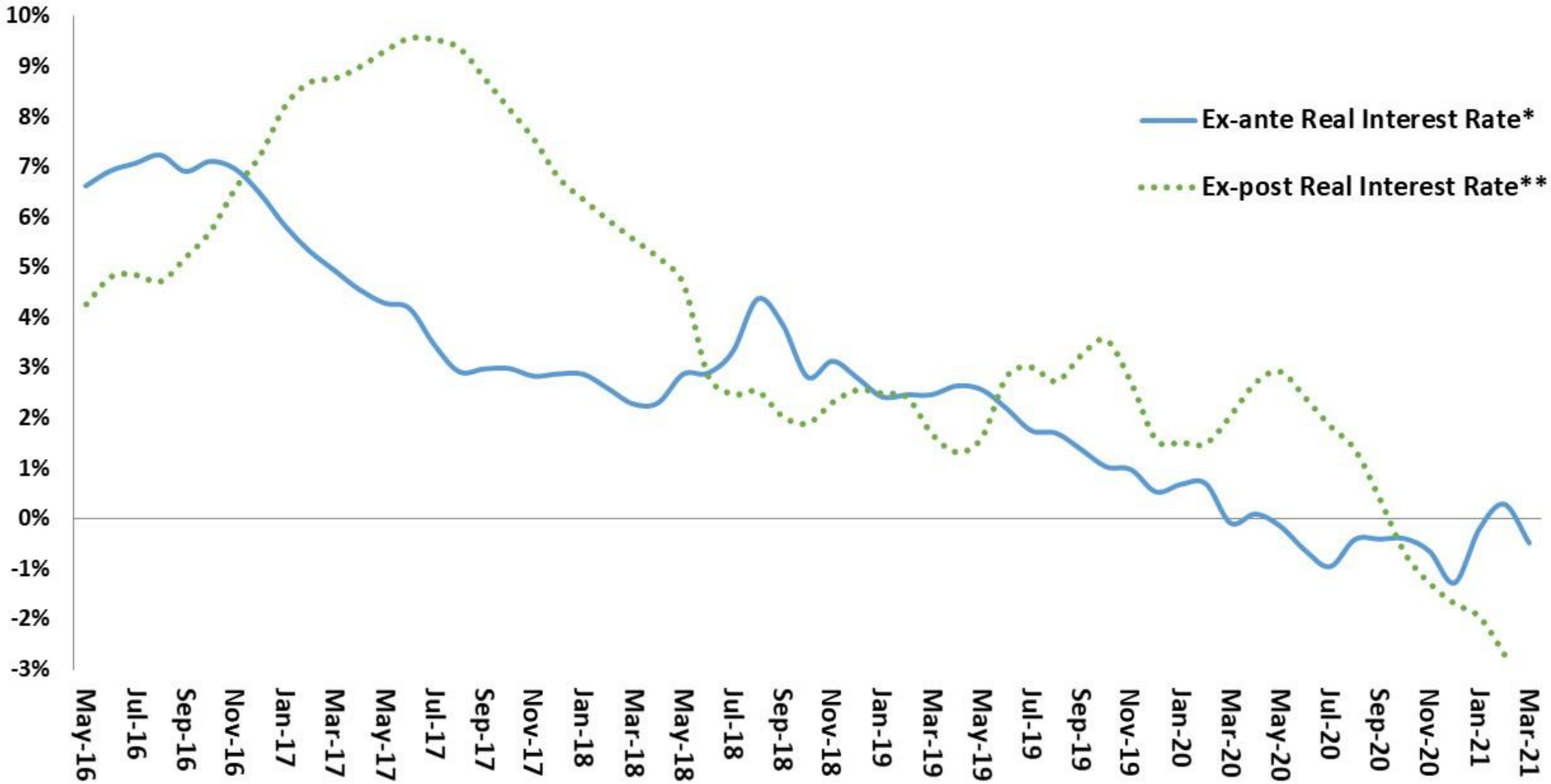
Term Structure of Interbank Interest Rate



Source: Central Bank of Brazil.

Ex-ante and Ex-post Real Interest Rates

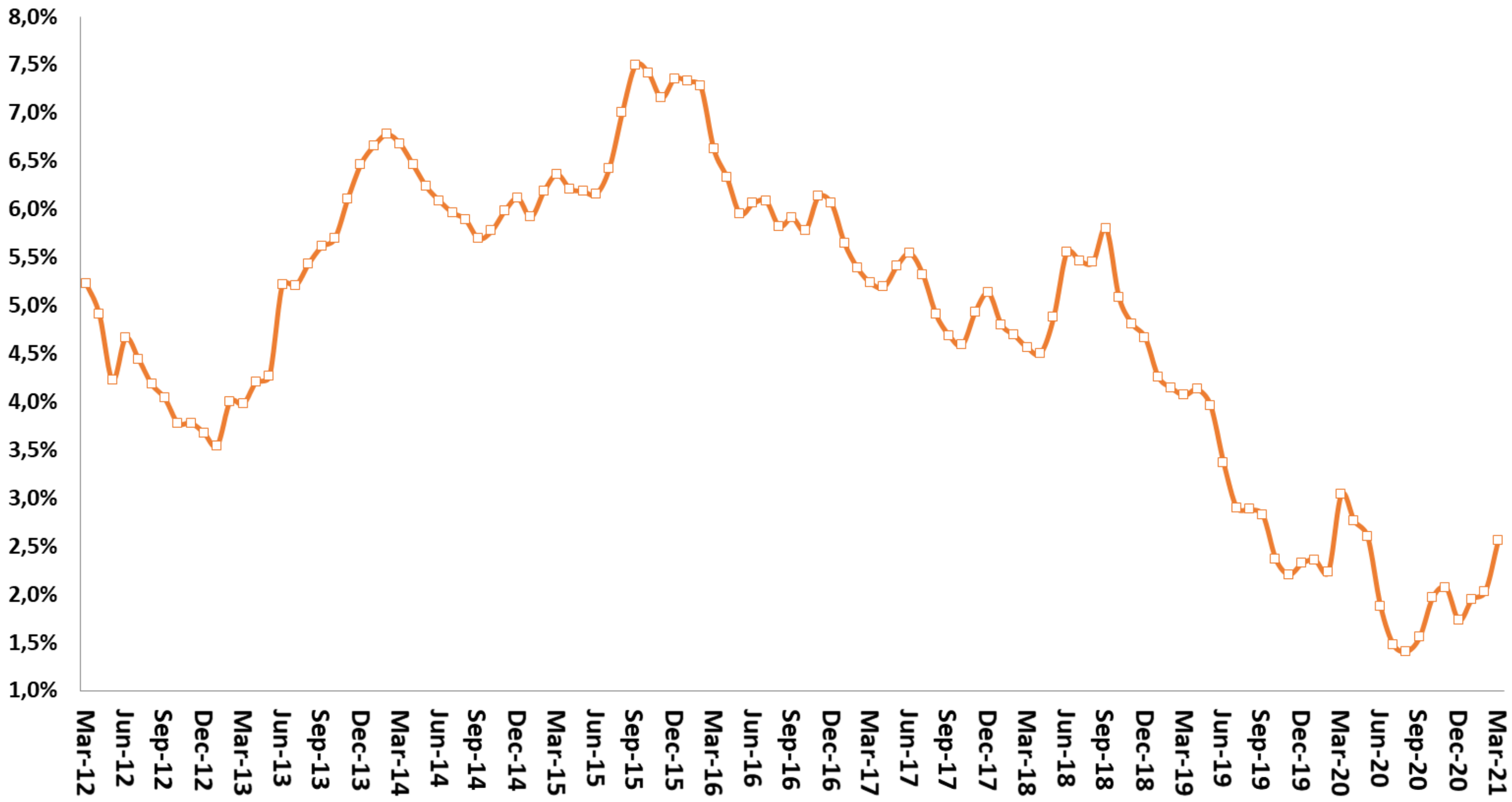
Ex-ante and Ex-post Real (Interbank CDI/IPCA) Interest Rates (% py)



Source: Central Bank of Brazil. Data valid up to the date of the report.
* Ex-ante Real Interest Rate = Expected Interbank CDI/IPCA ratio, considering 360-days Swap DI-Pre rate and IPCA median of BCB-Focus Survey.
** Ex-post Real Interest Rate = Observed 12-months accumulated CDI/IPCA ratio.

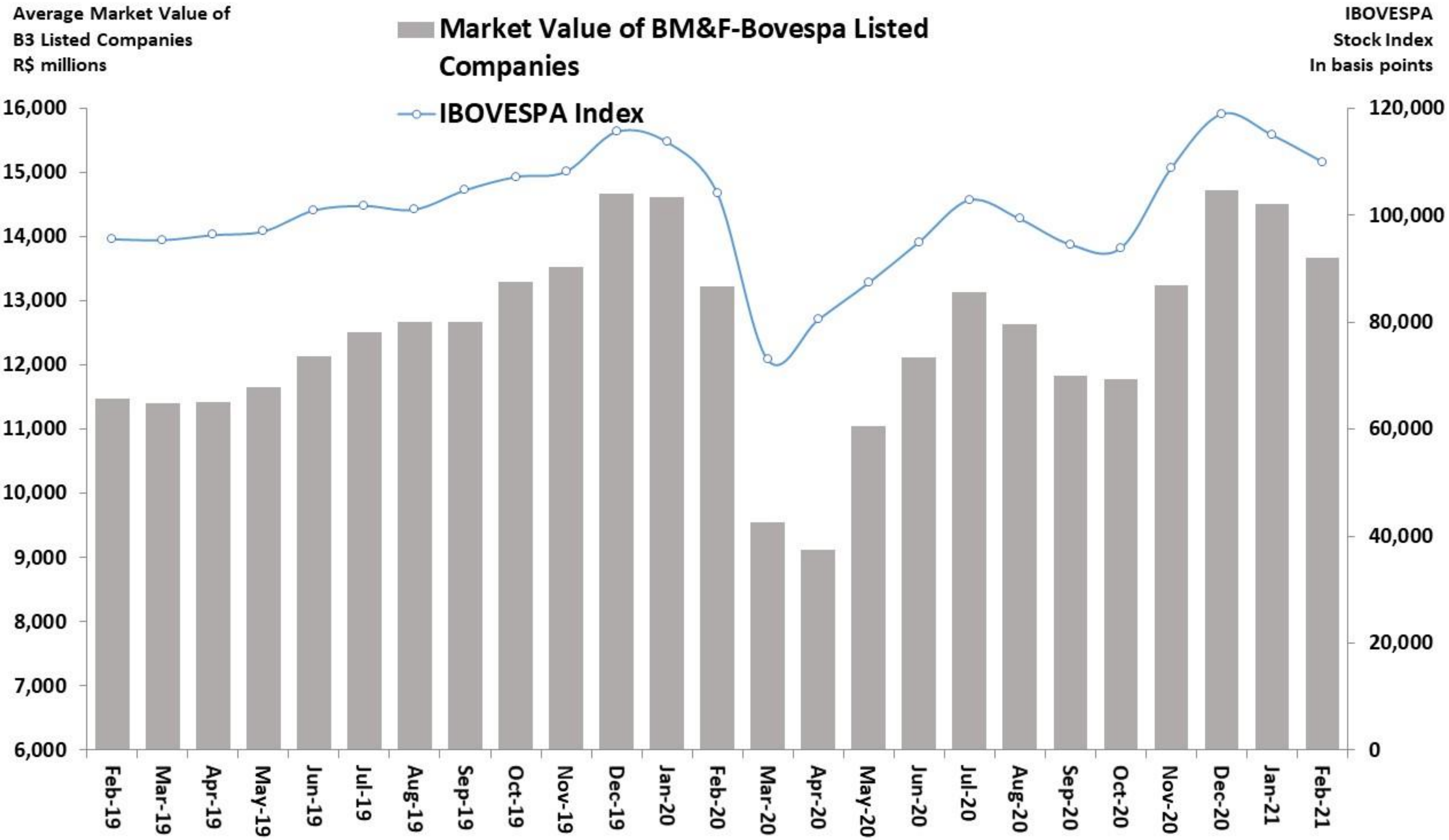
Domestic Federal Bond (NTN-B): Implicit Real Interest Rate

NTN-B 2024*
Real Interest Rate (% p.a.) – End Of Month



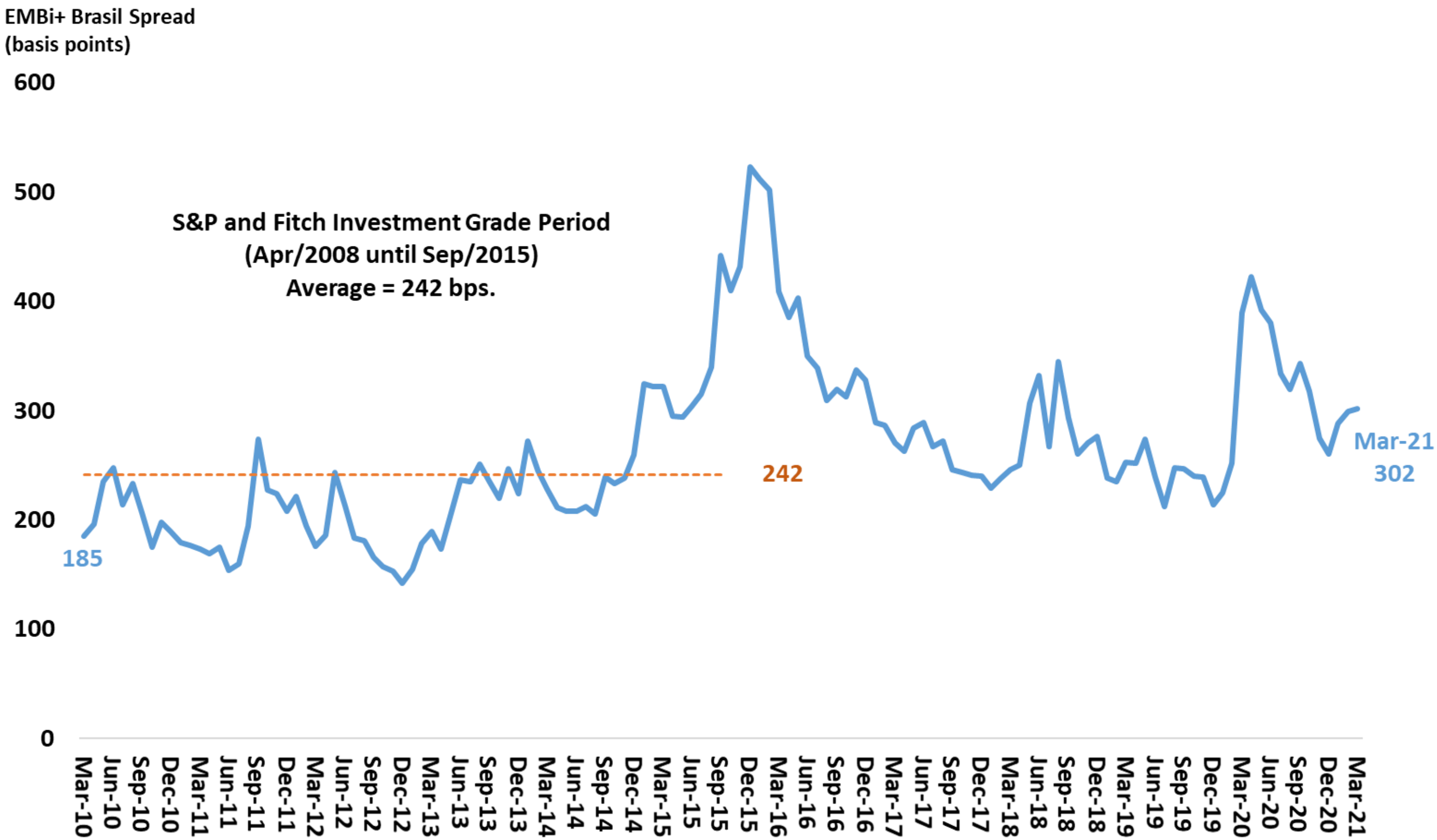
Source: STN. * Interest rate paid by the NTN-B 2024 besides the IPCA inflation rate. Data valid up to the date of the report.

Brazilian Stock Market Evolution



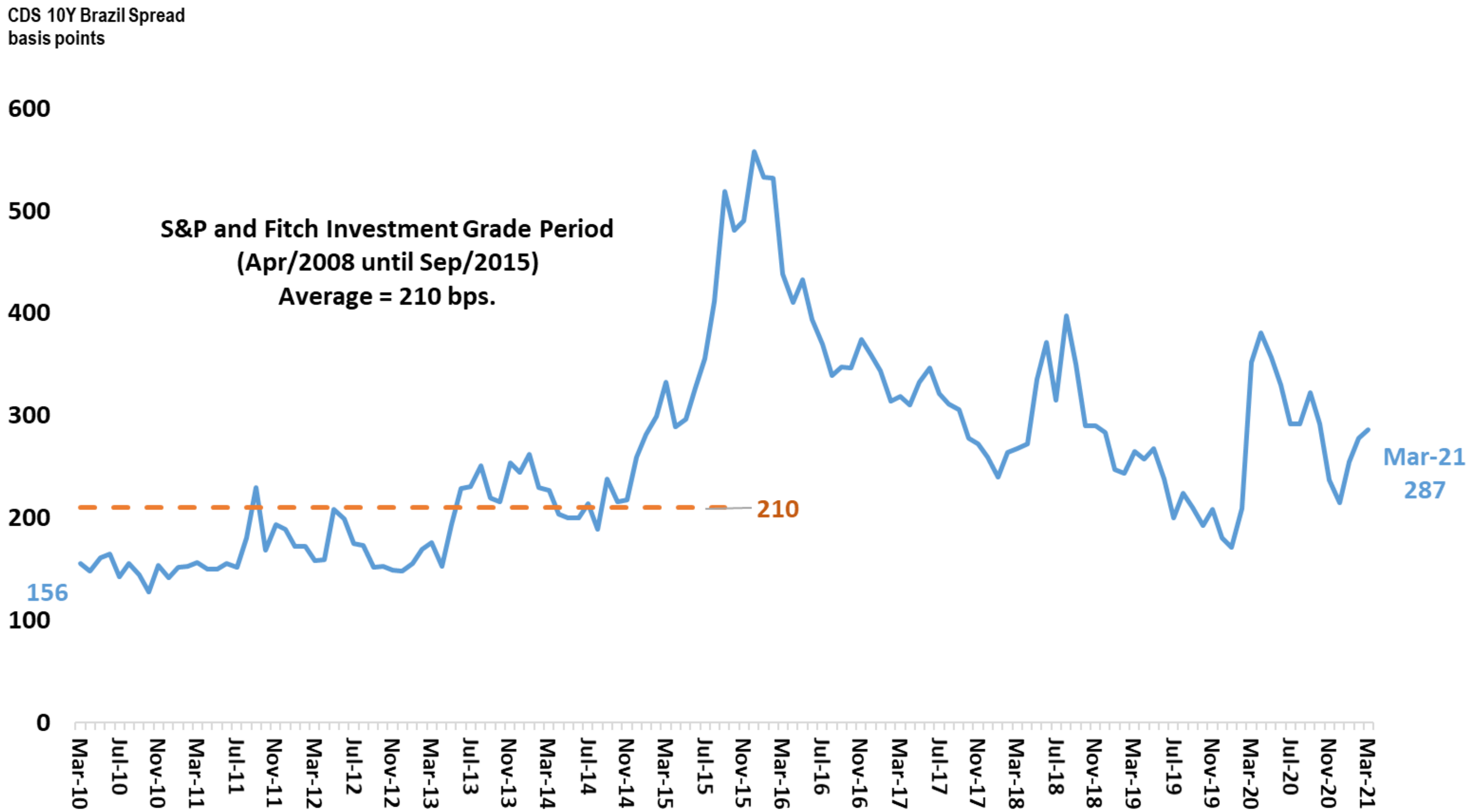
Source: Central Bank of Brazil.

Sovereign Risk (EMBI+ BR)



Source: JPMorgan. Data valid up to the date of the report.

Sovereign Risk (CDS 10Y BR)



Source: Bloomberg. Data valid up to the date of the report.

Foreign Trade

Foreign Trade

											BCB/Focus:	1/0/00	
Exchange Rate Indicators (BCB) FX % change rate: appreciation (-) or depreciation (+) of the Real	February-21	2019	2020	chg.% Dec/20-Dec/19	chg.% Jan/21-Jan/20	chg.% Feb/21-Feb/20	YTD 2021	Dec/20 accum. in 12-months	Jan/21 accum. in 12-months	Feb/21 accum. in 12-months	Average FX Rate 2021	Average FX Rate 2022	Average FX Rate 2023
Nominal Exchange Rate (R$/US$) - sale - end of period; month value:	**5.5302**	**7.2%**	**32.9%**	**28.9%**	**28.3%**	**22.9%**	**25.5%**	**32.9%**	**33.7%**	**33.8%**	**5.30**	**5.20**	**5.00**
Exchange Rate Indicators (BCB) FX % change rate: appreciation (-) or depreciation (+) of the Real	**January-21**	2019	2020	chg.% Nov/20-Nov/19	chg.% Dec/20-Dec/19	chg.% Jan/21-Jan/20	YTD 2021	Nov/20 accum. in 12-months	Dec/20 accum. in 12-months	Jan/21 accum. in 12-months			
Real Effective Exchange Rate (IPCA)		1.4%	27.9%	30.8%	26.1%	29.9%	29.9%	25.9%	27.9%	29.8%			
Exchange Rate / Wage Ratio adjusted by Labor Productivity		0.9%	9.6%	-6.2%	-8.2%	-4.1%	-4.1%	10.1%	9.6%	9.0%			
Unitary Labor Cost in US$		-5.0%	-20.2%	-24.4%	-26.0%	-13.0%	-13.0%	-18.7%	-20.2%	-20.8%			
Foreign Trade of Goods (FUNCEX) Average Price and Quantum	**December-20**	2018	2019	chg.% Oct/20-Oct/19	chg.% Nov/20-Nov/19	chg.% Dec/20-Dec/19	YTD 2020	Oct/20 accum. in 12-months	Nov/20 accum. in 12-months	Dec/20 accum. in 12-months			
QUANTUM													
Exports (X)		**4.7%**	**-2.9%**	**-8.5%**	**0.3%**	**-0.6%**	**0.6%**	**-0.6%**	**0.5%**	**0.6%**			
Basic Goods		9.9%	1.0%	-15.3%	2.9%	-14.3%	6.6%	7.7%	8.5%	6.6%			
Semi-Manufactured		-4.4%	-0.5%	16.7%	4.1%	21.1%	10.5%	7.3%	7.8%	10.5%			
Manufactured		2.8%	-6.0%	-7.7%	-5.2%	15.7%	-12.5%	-15.8%	-14.5%	-12.5%			
Imports (M)		**11.9%**	**2.4%**	**-20.1%**	**10.0%**	**57.2%**	**-2.4%**	**-7.8%**	**-6.0%**	**-2.4%**			
Intermediate Goods		5.0%	6.7%	-21.4%	19.4%	27.5%	-4.1%	-7.6%	-5.7%	-4.1%			
Capital Goods		68.1%	-8.2%	-24.9%	7.5%	311.6%	18.3%	-9.0%	-1.2%	18.3%			
Durable Consumer Goods		26.0%	-14.3%	-13.9%	10.0%	-21.2%	-30.3%	-28.1%	-26.3%	-30.3%			
Semi and Non-Durable Consumer Goods		3.7%	-0.1%	-6.0%	21.6%	10.8%	-2.3%	-4.0%	-1.8%	-2.3%			
Fuel and Lubricants		2.9%	3.4%	-25.6%	-35.2%	-15.4%	-16.9%	-8.9%	-16.1%	-16.9%			
Exports Profitability Index		**11.7%**	**-1.1%**	**-6.6%**	**1.3%**	**20.2%**	**7.5%**	**5.1%**	**5.3%**	**7.5%**			
Quantum Ratio = average quantum X / average quantum M		**-5.7%**	**-5.2%**	**14.5%**	**-8.9%**	**-36.7%**	**5.0%**	**8.2%**	**7.5%**	**5.0%**			
PRICE													
Exports (X)		**5.2%**	**-3.9%**	**-1.4%**	**-1.9%**	**1.4%**	**-6.9%**	**-7.7%**	**-7.4%**	**-6.9%**			
Basic Goods		7.4%	-1.9%	0.9%	0.0%	7.8%	-5.0%	-6.1%	-5.9%	-5.0%			
Semi-Manufactured		1.7%	-6.8%	2.8%	4.6%	5.7%	-6.4%	-9.0%	-7.9%	-6.4%			
Manufactured		4.9%	-4.8%	-6.7%	-8.0%	-9.1%	-10.3%	-10.0%	-10.0%	-10.3%			
Imports (M)		**7.4%**	**-4.5%**	**-8.9%**	**-11.5%**	**-6.7%**	**-8.2%**	**-8.0%**	**-8.5%**	**-8.2%**			
Intermediate Goods		6.7%	-4.7%	-5.4%	-7.1%	-5.4%	-6.3%	-6.4%	-6.5%	-6.3%			
Capital Goods		5.4%	-3.9%	-1.3%	-9.6%	-0.2%	-1.3%	-1.7%	-2.3%	-1.3%			
Durable Consumer Goods		0.5%	1.0%	-8.1%	-15.1%	-13.5%	-6.9%	-3.6%	-5.4%	-6.9%			
Semi and Non-Durable Consumer Goods		1.2%	0.0%	-13.6%	-20.0%	-2.4%	-6.5%	-4.6%	-7.2%	-6.5%			
Fuel and Lubricants		21.8%	-9.3%	-32.6%	-29.3%	-23.6%	-27.4%	-26.2%	-26.7%	-27.4%			
Terms of Trade = average price X / average price M		**-2.1%**	**0.6%**	**8.3%**	**10.8%**	**8.7%**	**1.5%**	**0.3%**	**1.2%**	**1.5%**			

Macroeconomic Parameters								
Year	Imports of Goods				Fuels			
	Brent Oil		Imports of Goods less Fuels		Gasoline		Diesel	
	Average price	Chg. %	USD million	Chg. %	Annual average sales			
	USD				Million cubic meters	Chg. %	Million cubic meters	Chg. %
2015	52.37	-47.07	149741.94	-21.04	2.51	-9.33	4.77	-4.70
2016	44.05	-15.89	125178.62	-16.40	2.62	4.09	4.52	-5.13
2017	54.39	23.49	133174.22	6.39	2.69	2.63	4.56	0.91
2018	71.07	30.66	159196.92	19.54	2.33	-13.13	4.64	1.56
2019	64.03	-9.91	156678.17	-1.58	2.32	-0.49	4.77	3.00
2020	42.30	-33.94	146453.21	-6.53	2.18	-6.13	4.79	0.30
2021	**64.34**	**52.11**	**170762.29**	**16.60**	**2.32**	**6.53**	**5.07**	**5.87**
2022	**60.95**	**-5.28**	**186704.19**	**9.34**	**2.41**	**3.97**	**5.25**	**3.50**
2023	**58.27**	**-4.39**	**212458.94**	**13.79**	**2.52**	**4.22**	**5.43**	**3.42**
2024	**56.69**	**-2.70**	**241408.55**	**13.63**	**2.62**	**4.16**	**5.61**	**3.33**
2025	**55.84**	**-1.51**	**273196.06**	**13.17**	**2.73**	**4.28**	**5.80**	**3.35**

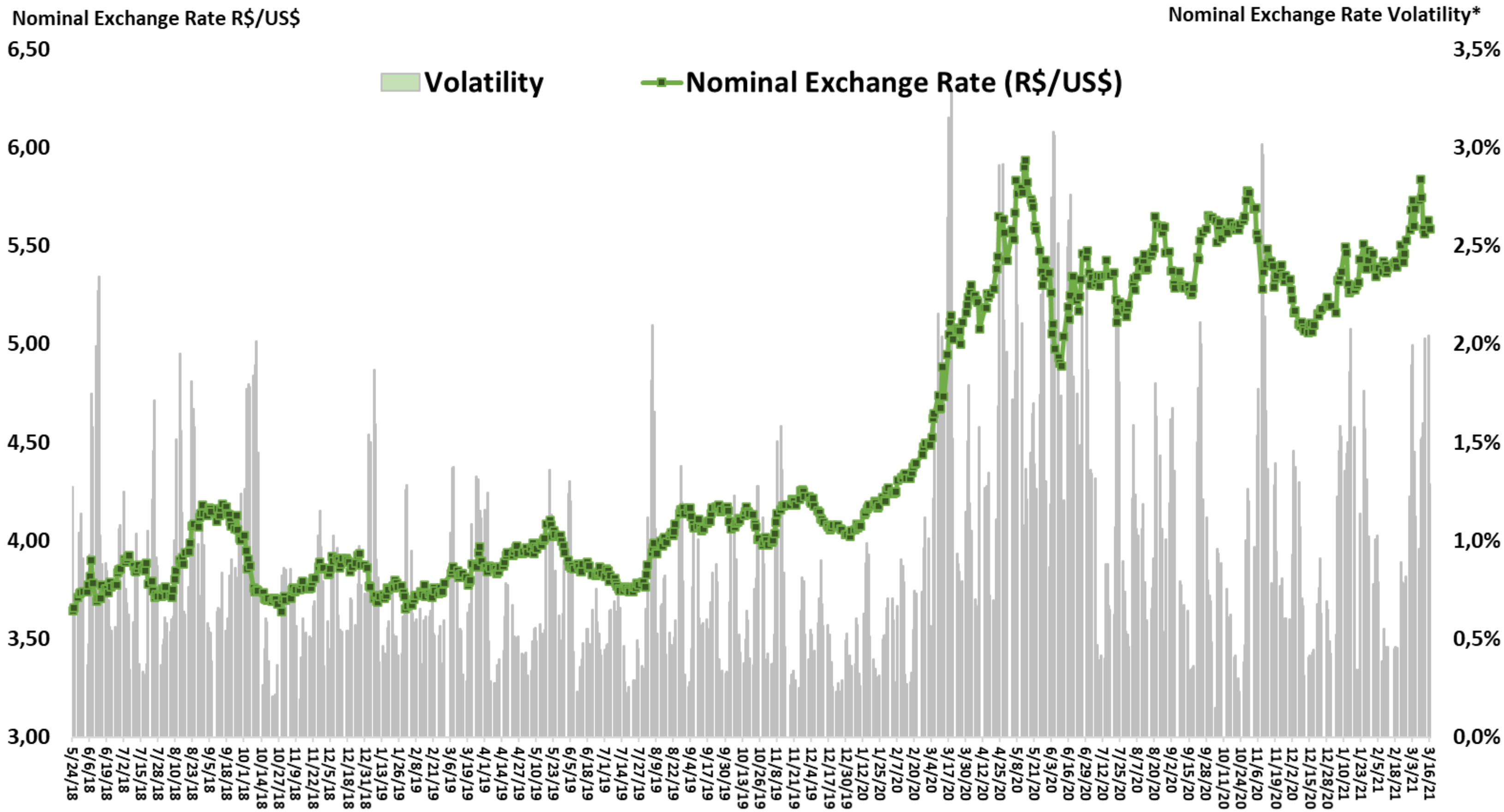
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Macroeconomic Parameters

Macroeconomic Parameters				
Year	**External Sector**			
	Exchange Rate			
	Annual Average	December	*Average chg. %*	*Annual chg. %*
	Exchange Rate BRL/USD			
2015	3.3	3.9	41.6	46.7
2016	3.5	3.3	4.8	-13.4
2017	3.2	3.3	-8.5	-1.8
2018	3.65	3.87	14.49	18.02
2019	3.95	4.03	7.95	5.78
2020	5.16	5.20	30.69	25.21
2021	**5.30**	**5.15**	**2.70**	**0.47**
2022	**5.15**	**5.13**	**-2.84**	**-0.10**
2023	**5.04**	**5.00**	**-2.02**	**-3.15**
2024	**5.00**	**5.00**	**-0.81**	**-0.05**
2025	**5.00**	**5.00**	**0.00**	**0.00**

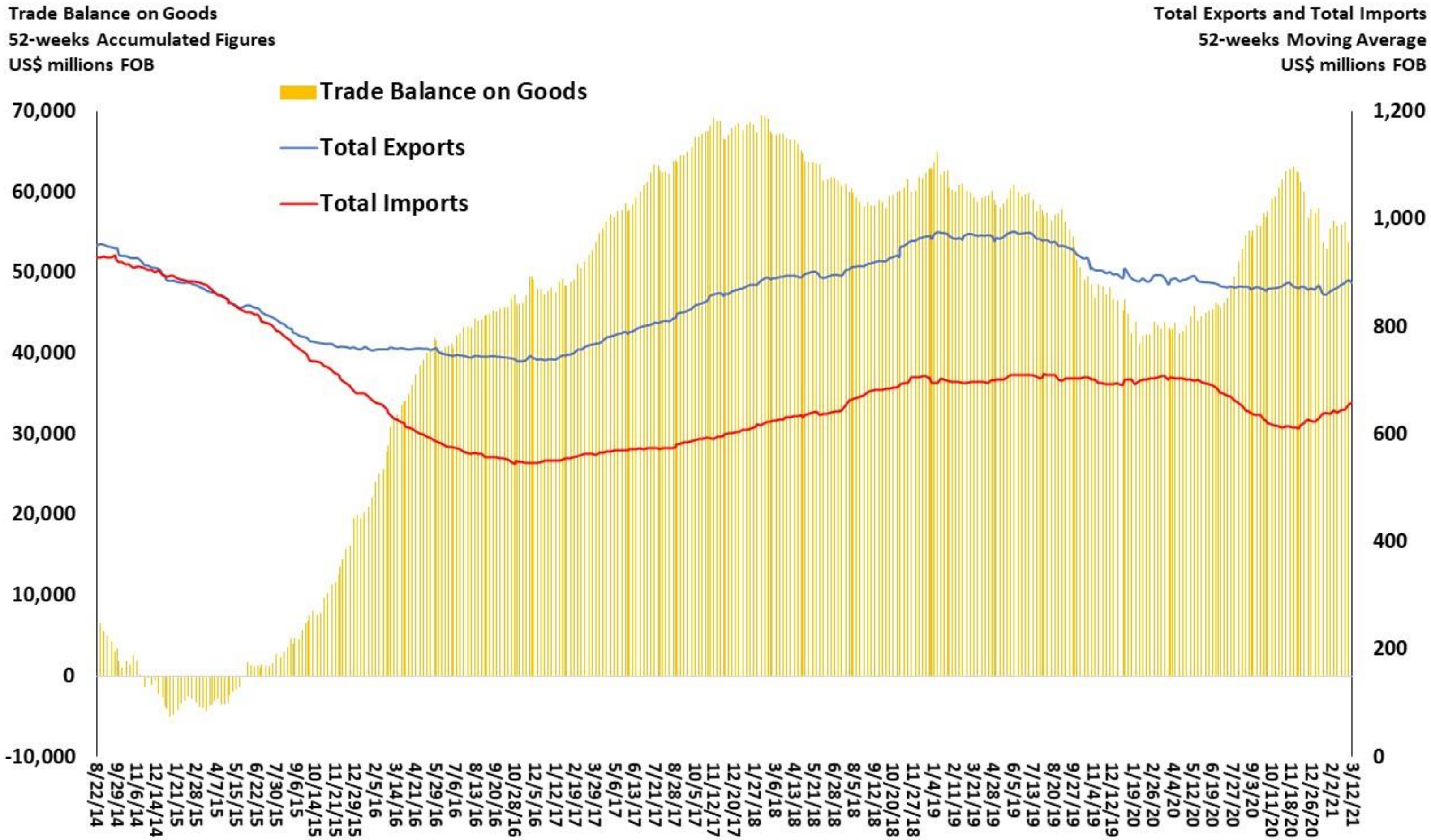
Source: SPE/ME. Macroeconomic Parameters, March-2021.

Daily Nominal Exchange Rate R$/US$



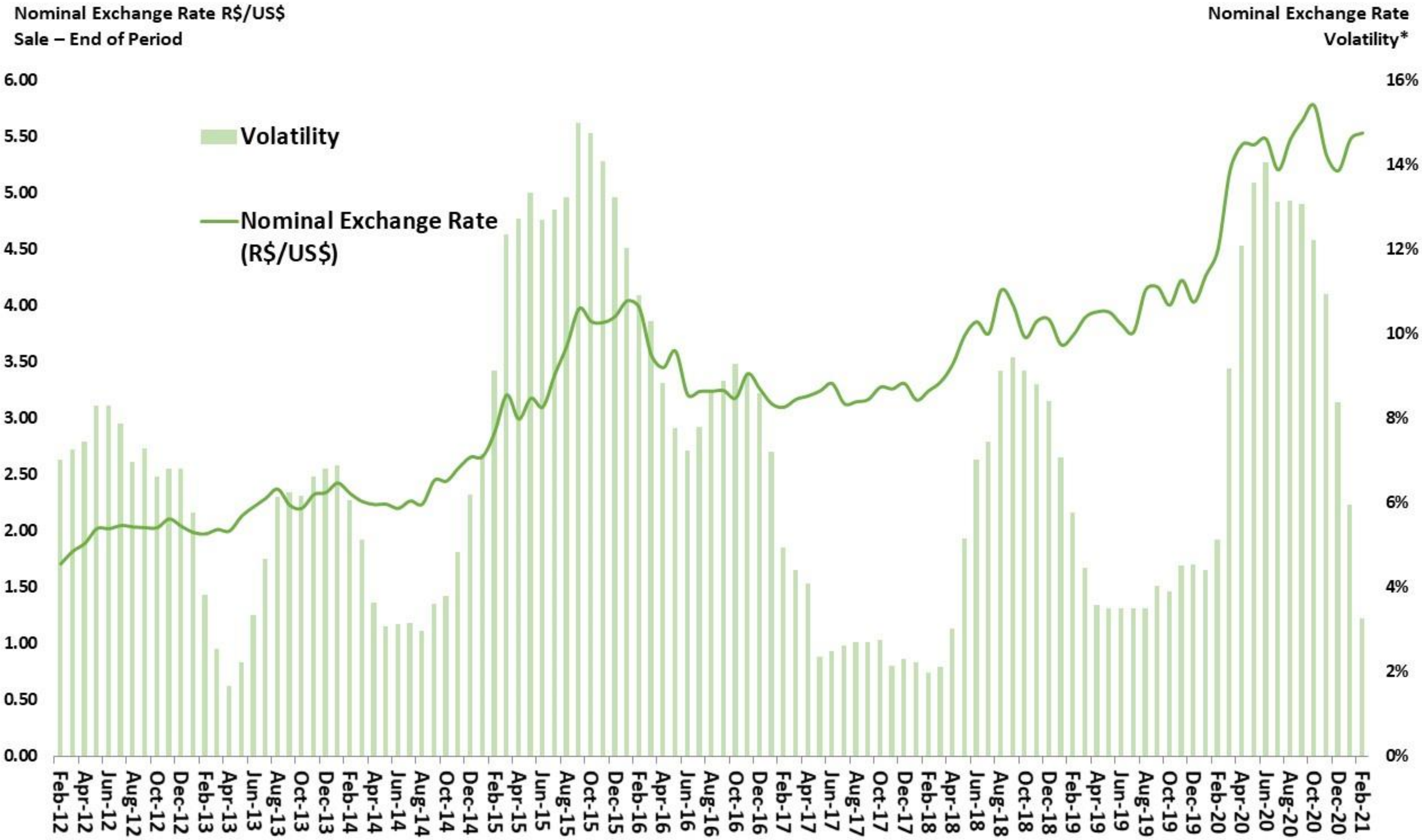
Source: Central Bank of Brazil. *Volatility = 5-days Moving Coefficient of Variation.

Trade Balance on Goods (52 weeks daily average)



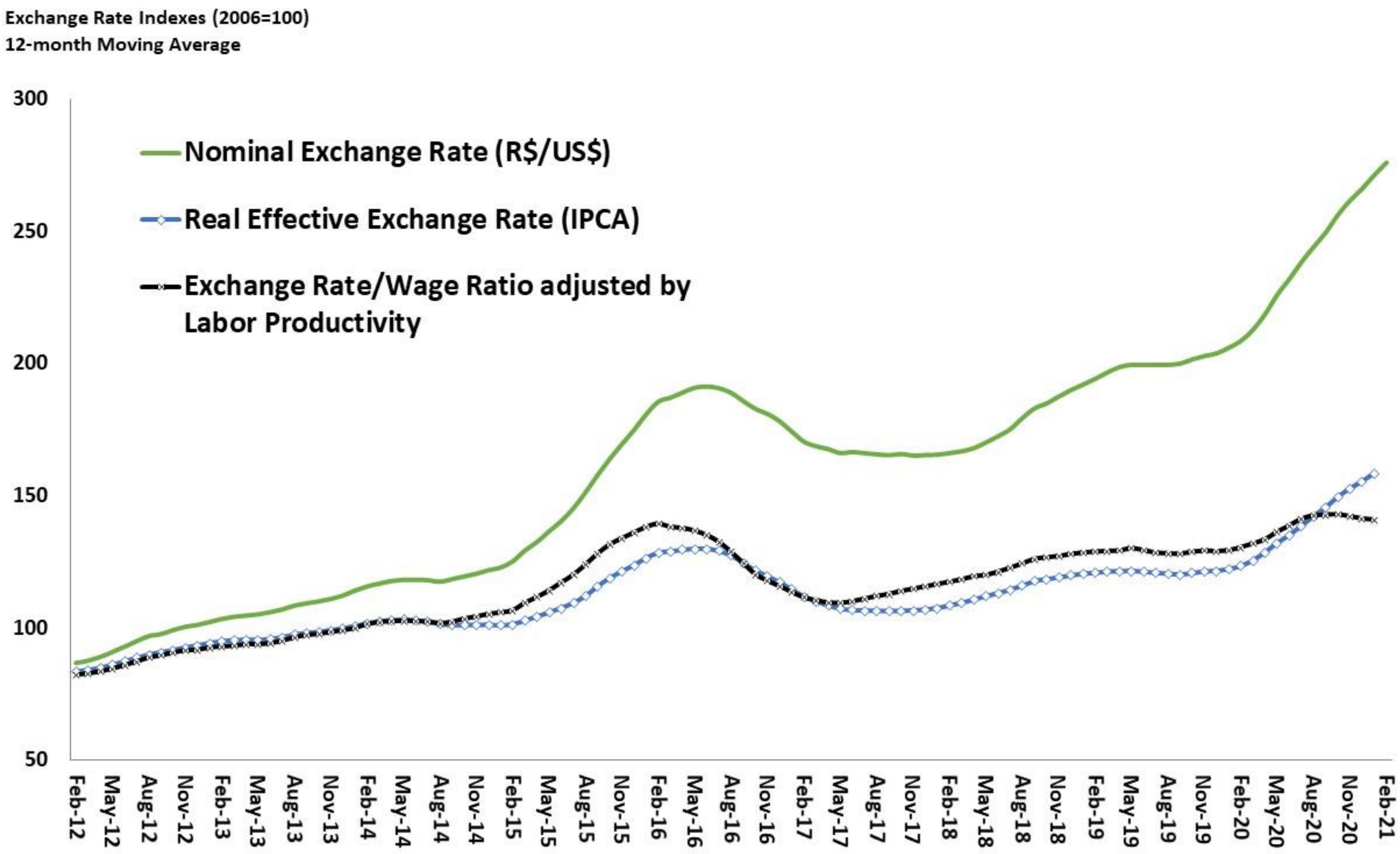
Source: SECEX.

Nominal Exchange Rate R$/US$



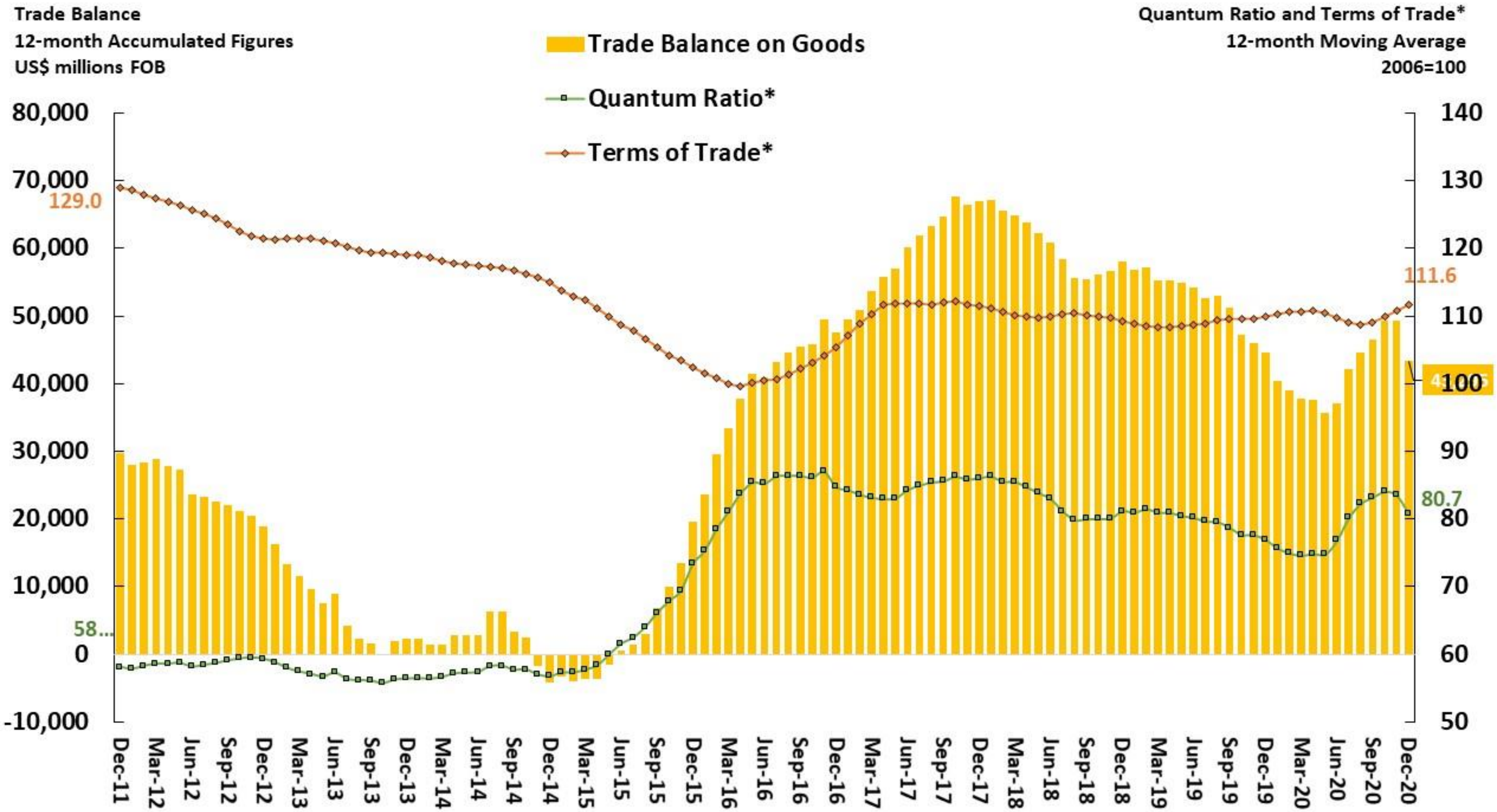
Source: Central Bank of Brazil. *Volatility = 12-months Moving Coefficient of Variation.

Exchange Rate Indexes



Source: Central Bank of Brazil.

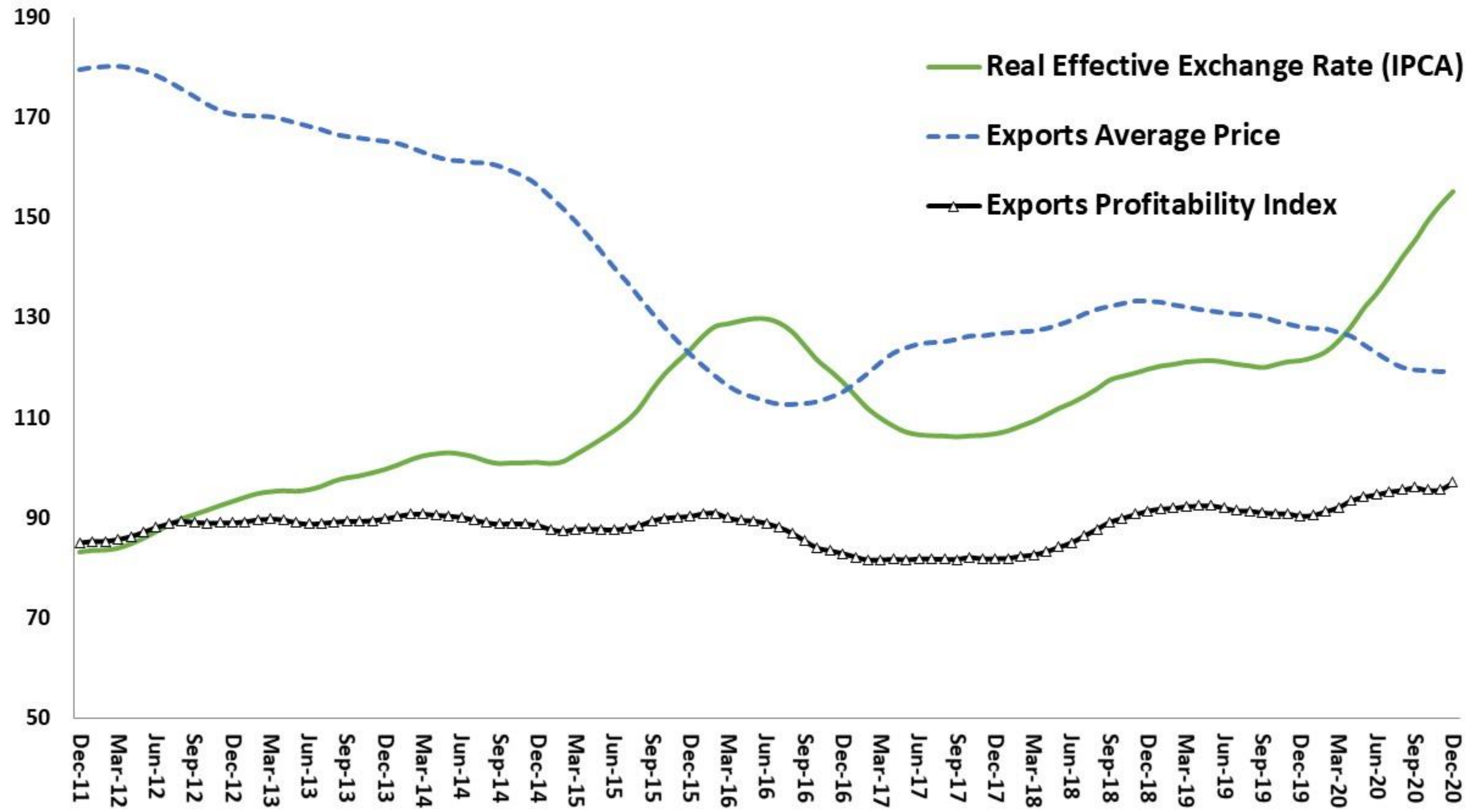
Trade Balance, Quantum and Terms of Trade Ratios



Sources: Central Bank of Brazil, SECEX and FUNCEX.
* Quantum Ratio = (average quantum Exports / average quantum Imports)
Terms of Trade = (average price Exports / average price Imports)

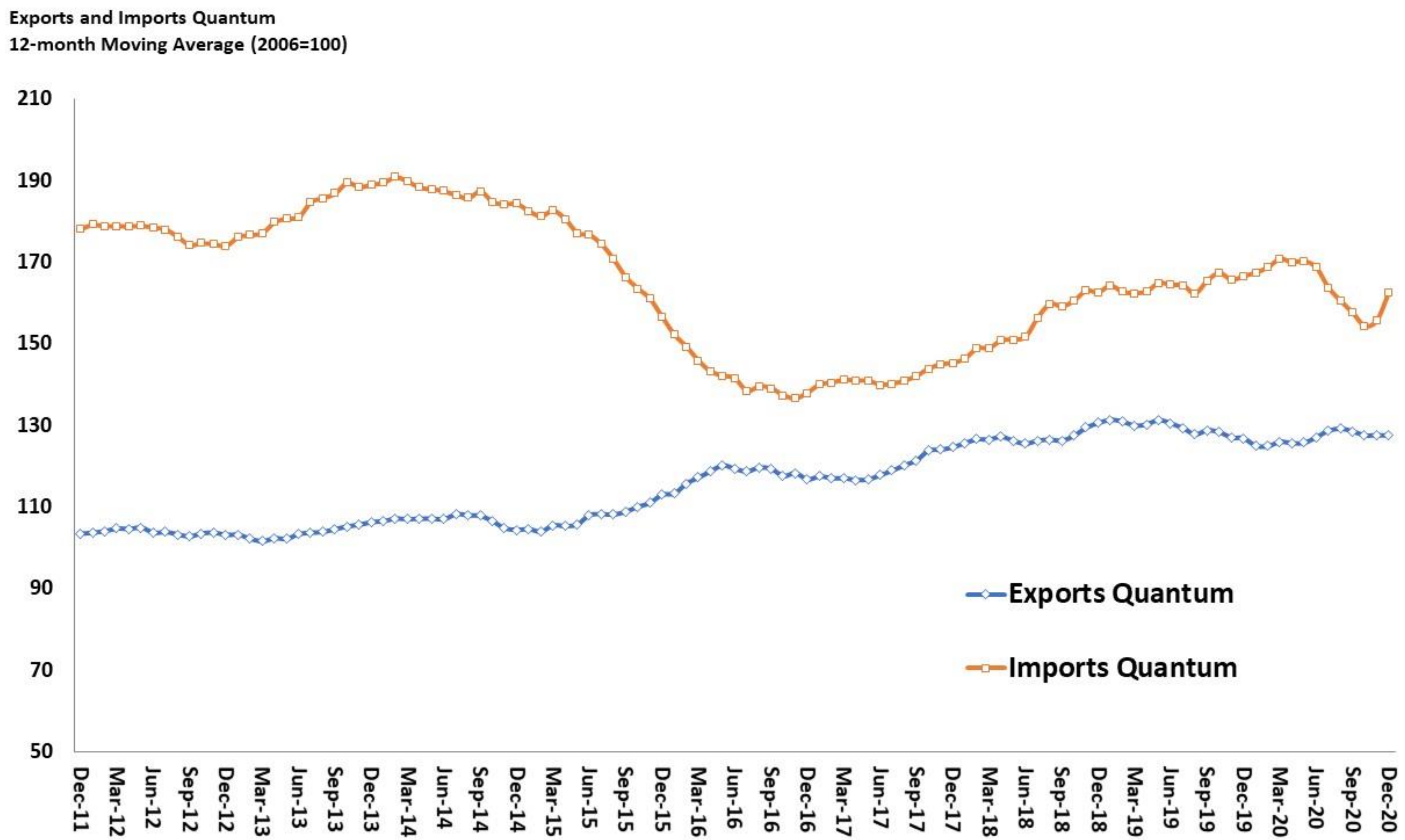
Exports: Profitability, Price and Real Exchange Rate

Real Effective Exchange Rate (IPCA), Exports Average Price and Exports Profitability Index
12-month Moving Average (2006=100)



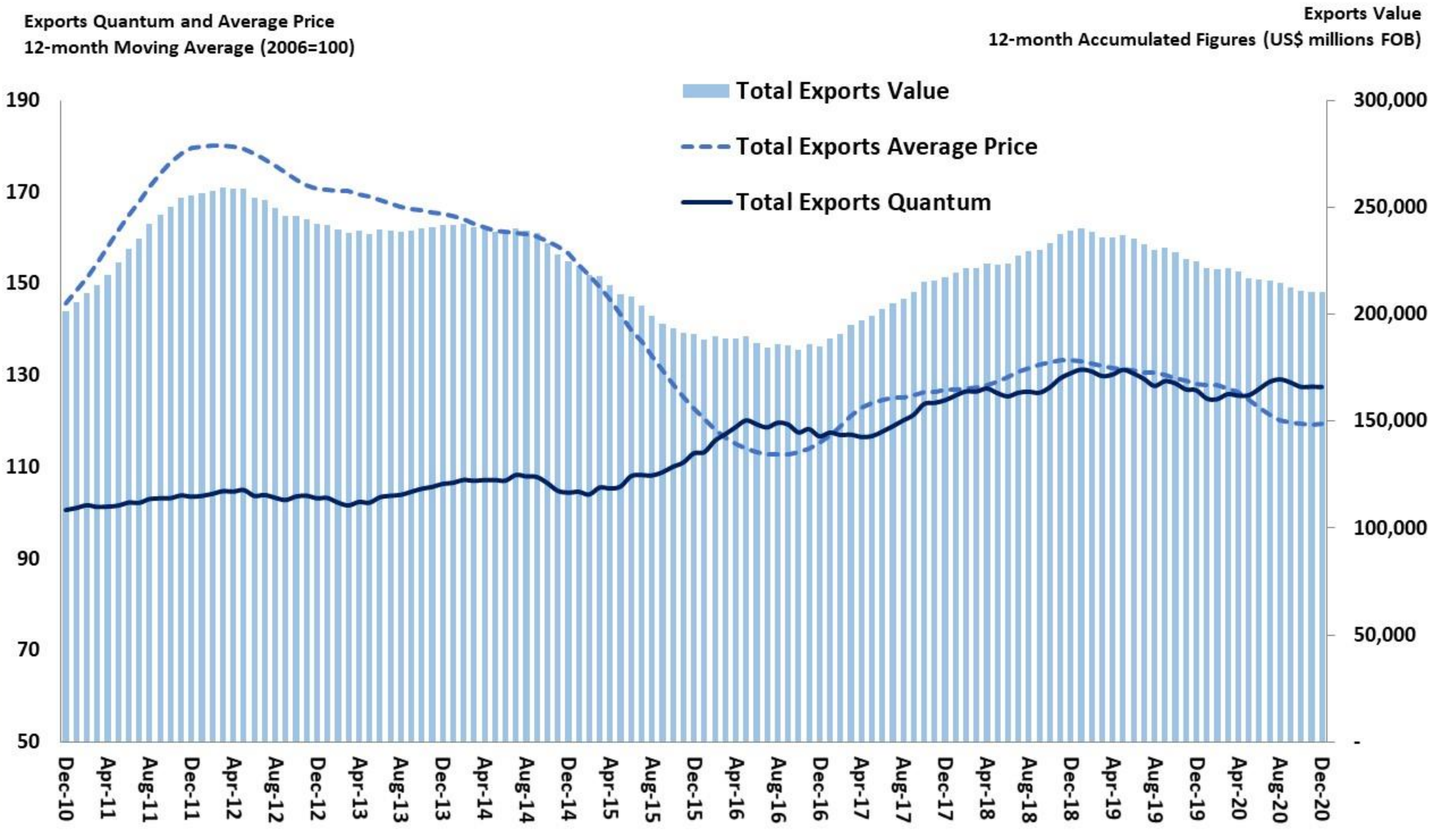
Sources: Central Bank of Brazil and FUNCEX.

Quantum of Exports and Imports



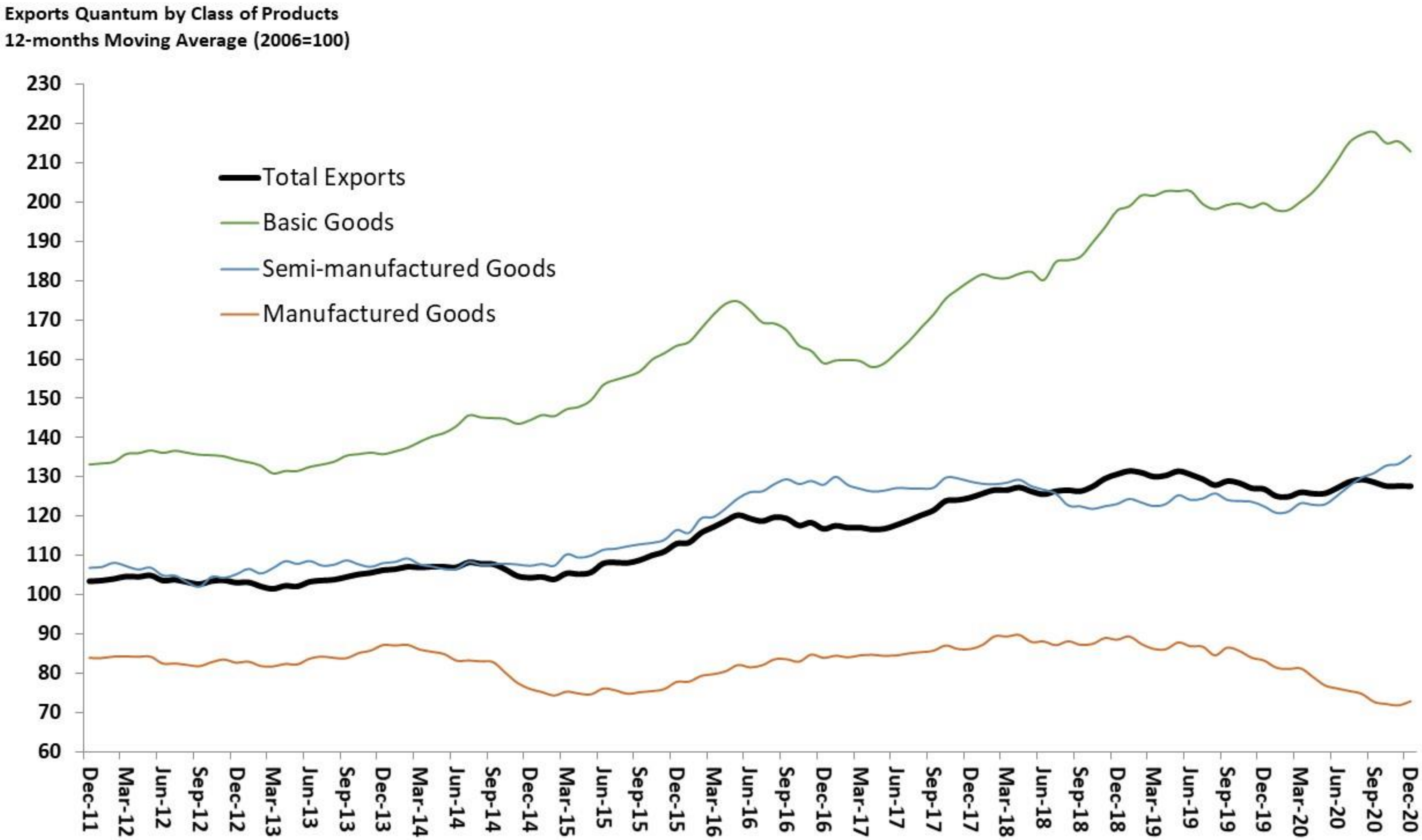
Source: FUNCEX.

Total Exports: value, quantum and price



Sources: SECEX and FUNCEX.

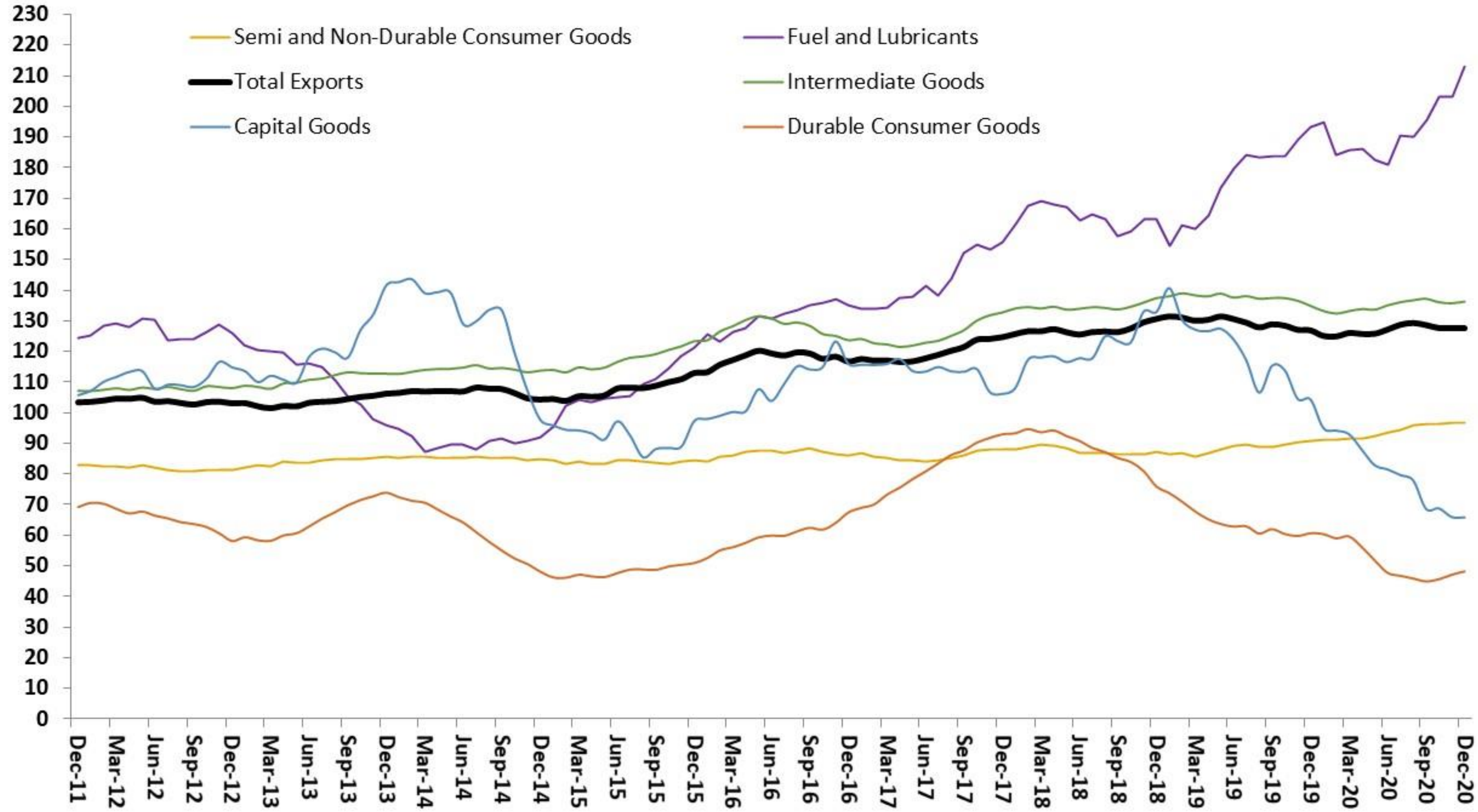
Quantum of Total Exports by Class of Products



Source: FUNCEX.

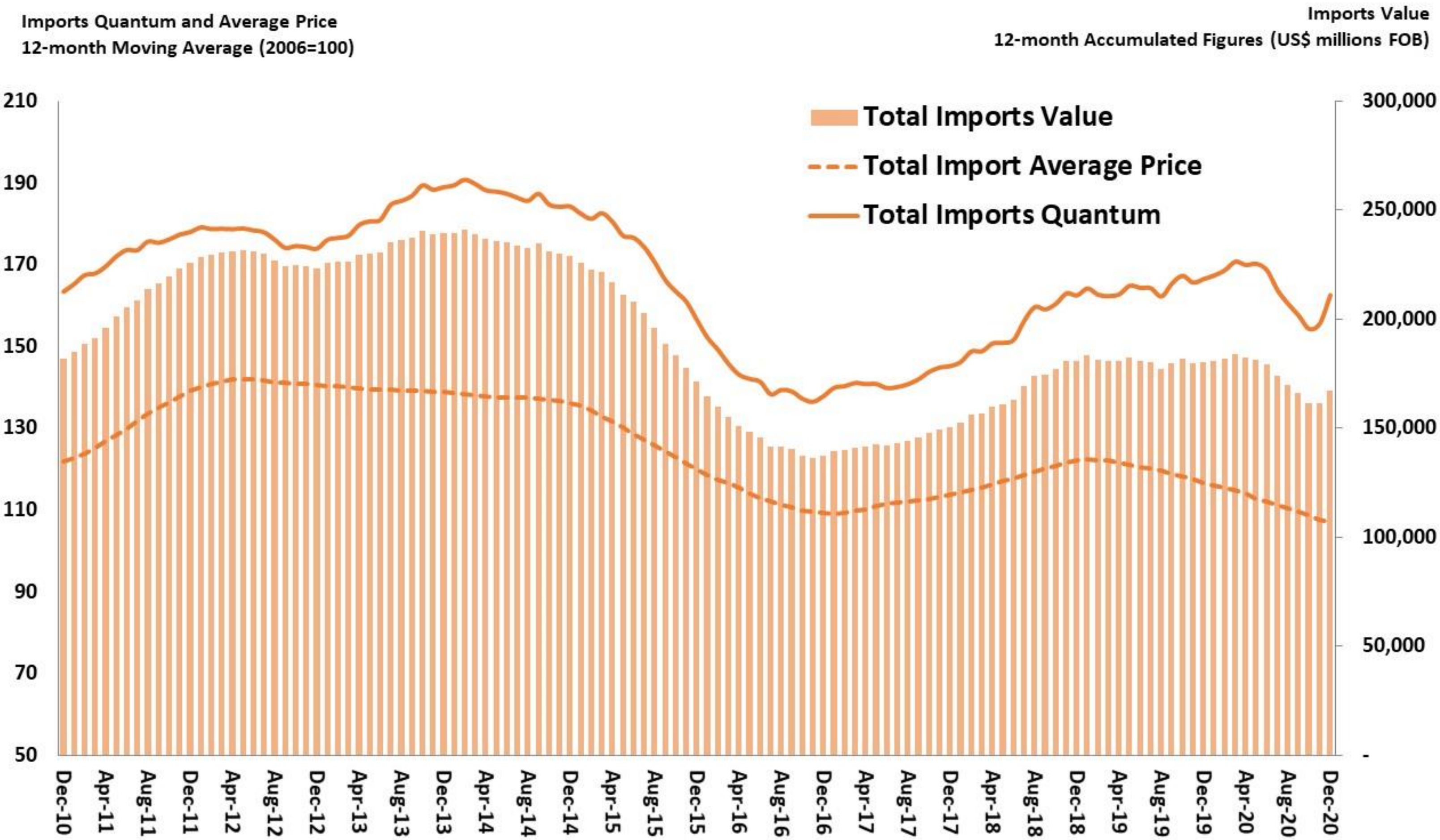
Quantum of Total Exports by Economic Categories

Exports Quantum by Economic Categories
12-month Moving Average (2006=100)



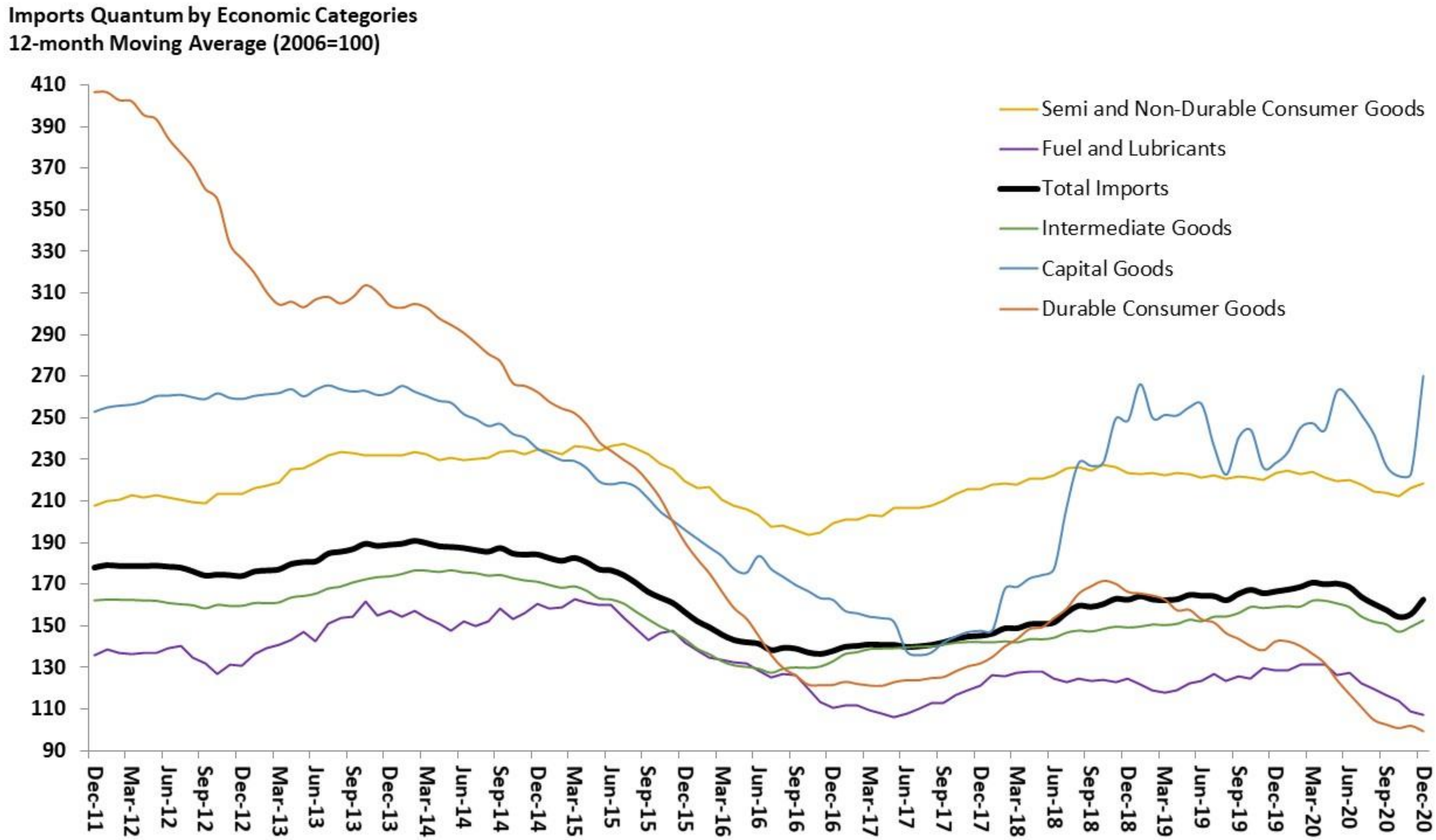
Source: FUNCEX.

Total Imports: value, quantum and price



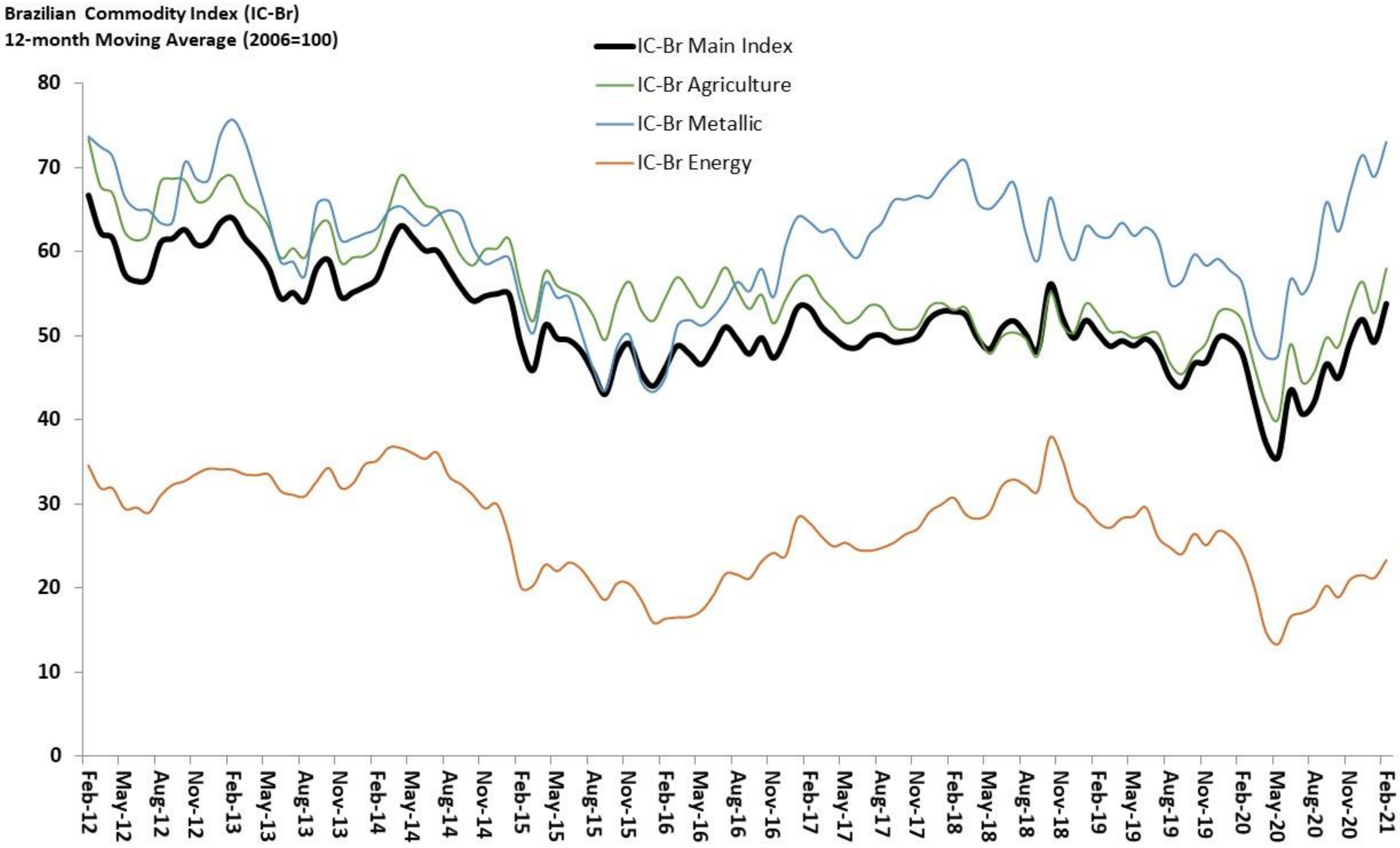
Sources: SECEX and FUNCEX.

Quantum of Total Imports and by Economic Categories



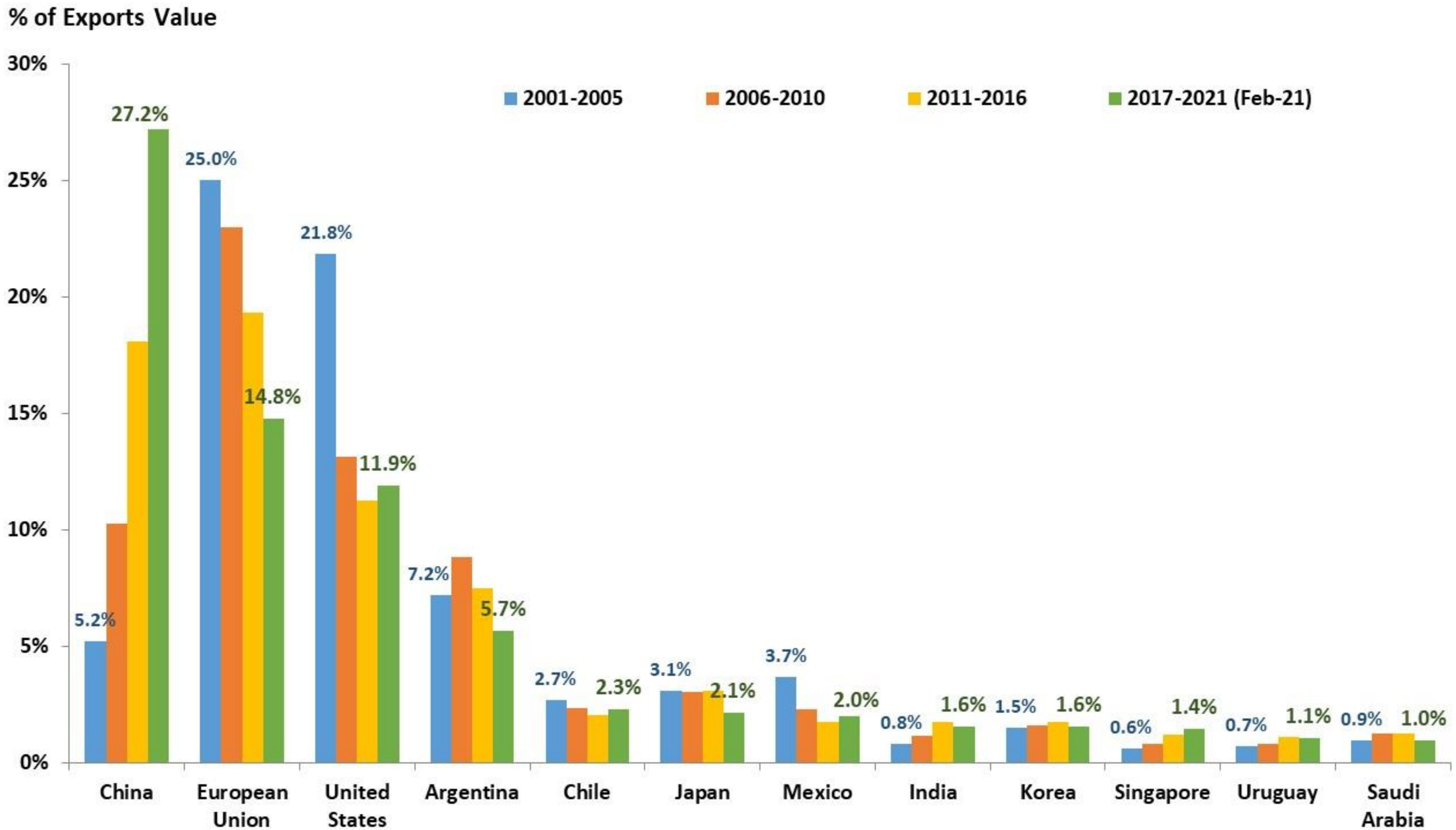
Source: FUNCEX.

Brazilian Commodity Price Indexes



Source: Central Bank of Brazil.

Brazilian Exports Evolution by Country of Destination



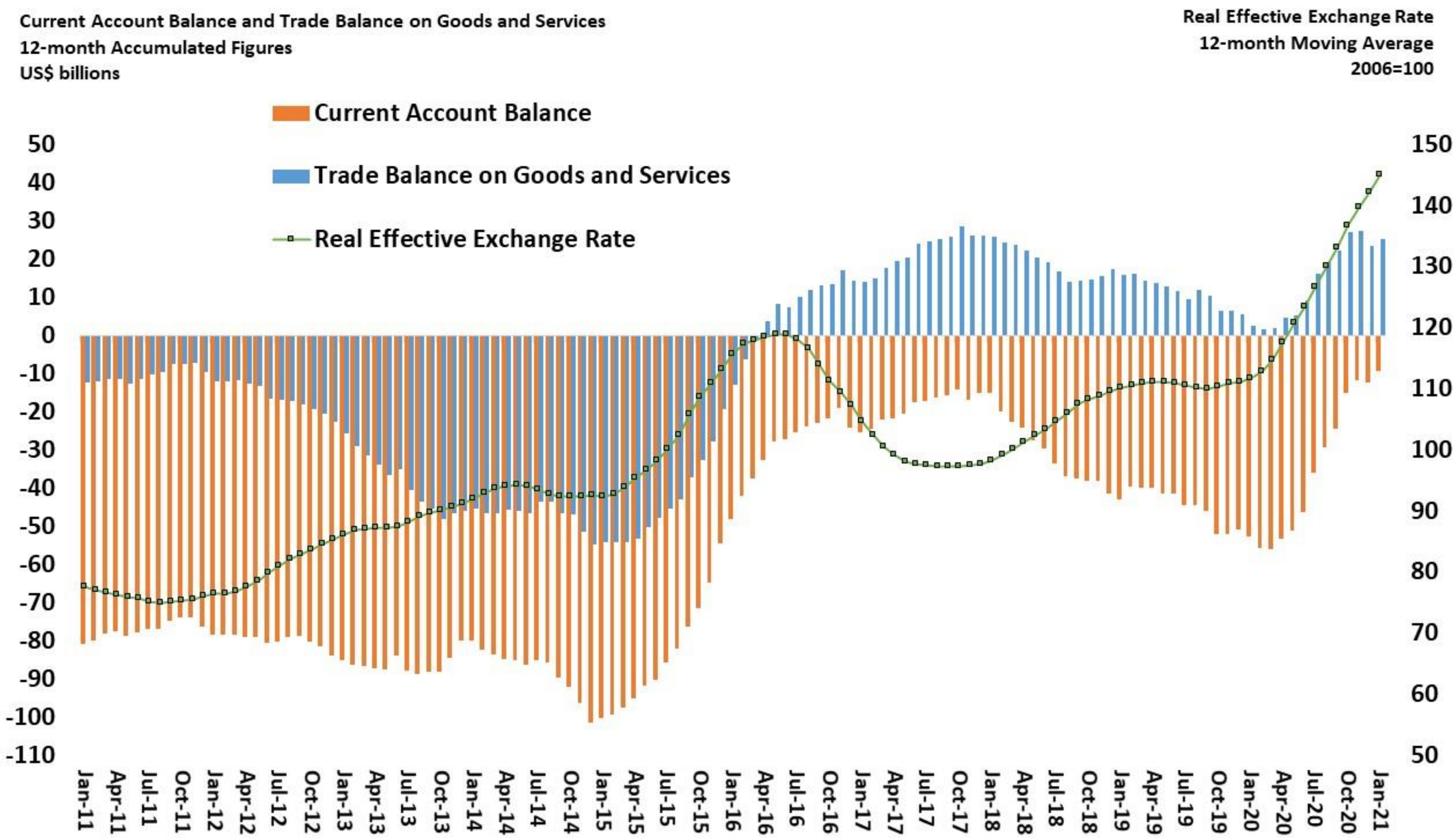
Source: SECEX.

External Sector

External Sector

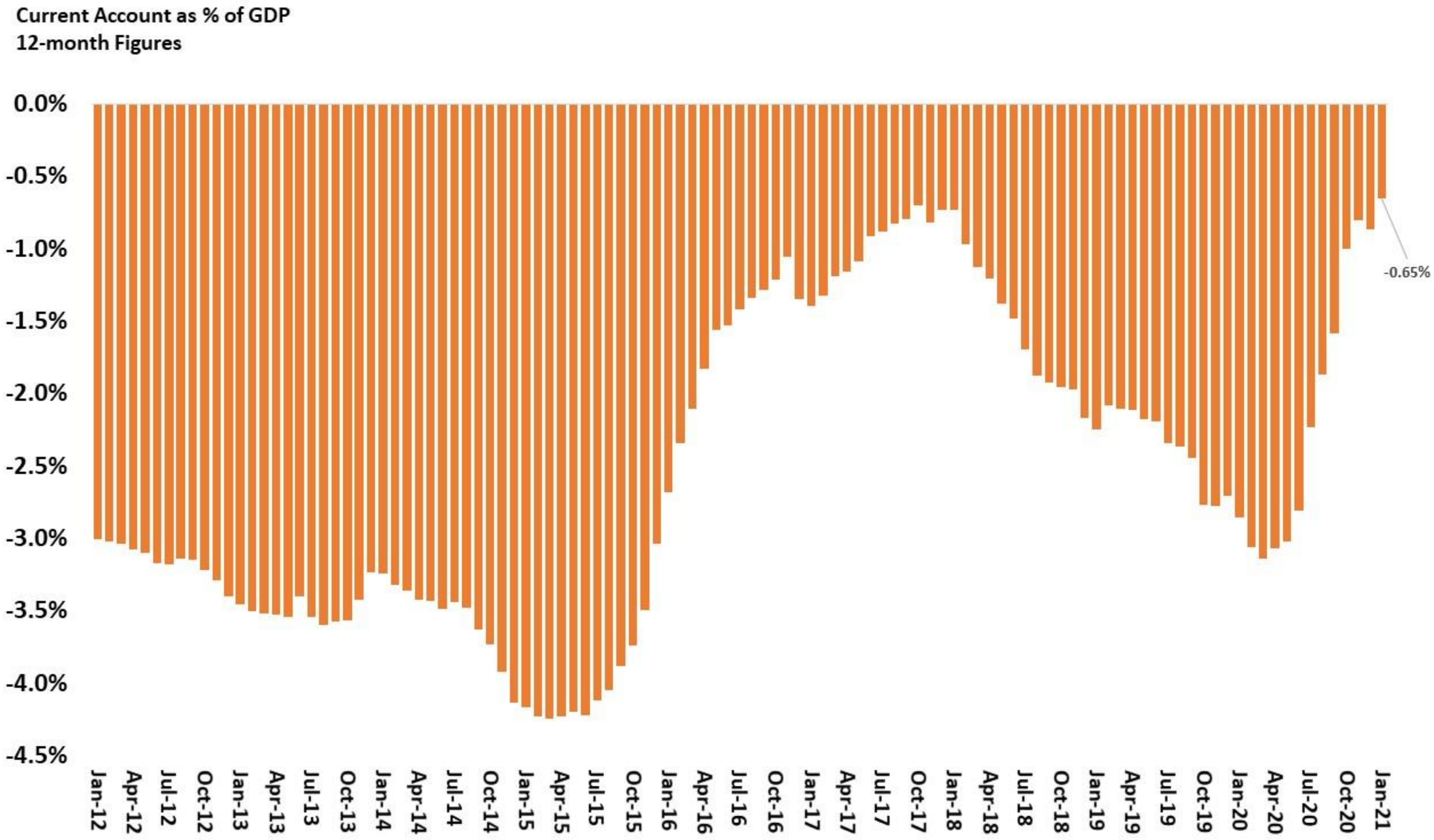
										BCB/Focus:	3/12/21	
Balance of Payments (BCB) January-21 In US$ millions	**2019**	**2020**	**Jan/21 accum. in 12-months**	**chg.% 2020 / 2019**	**chg.% Jan/21 accum. 12-m / 2020**	**chg.% Dec/20 - Dec/19**	**chg.% Jan/21 - Jan/20**	**chg.% - Jan-Dec/20 - Jan-Dec/19**	**chg.% - Jan-Jan/21 - Jan-Jan/20**	**2021**	**2022**	**2023**
Balance of Payments	**304**	**2,520**	**2,867**	**729.3%**	**13.7%**	**-101.3%**	**-80.3%**	**-124.4%**	**-80.3%**			
Current Account Balance (CAB)	**-50,697**	**-12,457**	**-9,405**	**-75.4%**	**-24.5%**	**13.7%**	**-29.6%**	**25.0%**	**-29.6%**	-11.0	-19.7	-15.0
CAB as % of GDP	*-2.7%*	*-0.9%*	*-0.7%*	*1.8 pp*	*0.2 pp*	*1.8 pp*	*2.2 pp*	*0.0 pp*	*0.0 pp*			
Balance on Goods	40,473	43,295	43,871	7.0%	1.3%	-117.3%	-23.2%	-335.5%	-23.2%	50.6	49.8	55.6
Exports	225,821	210,730	211,131	-6.7%	0.2%	0.3%	2.8%	-19.3%	2.8%	225.2	235.0	253.5
Imports	185,348	167,435	167,261	-9.7%	-0.1%	44.8%	-1.0%	0.4%	-1.0%	174.6	185.2	198.0
Balance on Services	-35,066	-19,923	-18,534	-43.2%	-7.0%	-55.5%	-59.1%	-18.0%	-59.1%			
Primary Income	-57,272	-38,187	-37,251	-33.3%	-2.5%	-49.8%	-16.7%	-9.9%	-16.7%			
Secondary Income	1,168	2,358	2,510	101.92%	6.4%	-331.3%	115.5%	-160.0%	115.5%			
Capital Account	**369**	**281**	**245**	**-24.0%**	**-12.8%**	**-574.4%**	**-61.4%**	**73.6%**	**-61.4%**			
Financial Account	**-50,024**	**-9,656**	**-6,294**	**-80.7%**	**-34.8%**	**-3458.3%**	**-31.5%**	**65.7%**	**-31.5%**			
Direct Investments	-46,355	-50,586	-50,606	9.1%	0.0%	-51.3%	-4.5%	-142.7%	-4.5%			
Foreign Direct Investments (FDI)	69,174	34,167	33,350	-50.6%	-2.4%	-73.8%	-30.8%	-4.5%	-30.8%	52.5	60.0	70.0
Portfolio Investments	19,216	14,212	13,371	-26.0%	-5.9%	-456.3%	30.4%	-26.6%	-100.0%			
Stock Market	5,227	7,701	1,425	47.3%	-81.5%	-3320.1%	-309.1%	-174.6%	-309.1%			
Bonds	9,636	-3,112	1,985	-132.3%	-163.8%	-864.9%	-94.9%	730.7%	-94.9%			
Others Investments and Capital Flows	-22,886	26,717	30,941	-216.7%	15.8%	-480.6%	-50.6%	407.4%	-50.6%			
International Reserves - liquidity concept	**356,884**	**355,620**	**355,416**	**-0.4%**	**-0.1%**	**-0.4%**	**-1.1%**					
Gross External Debt (BCB) January-21 In US$ millions	**2019**	**2020**	**Jan-21**	**2019 % of total**	**Jan/aa % of total**	**chg. pp**	**2019 % of GDP**	**Jan/21 % of GDP**	**chg. pp**			
Total External Debt	**672,885**	**635,045**	**627,565**	**100.0%**	**100.0%**	**-**	**35.7%**	**43.6%**	**7.9 pp**			
Gross External Debt	**325,651**	**307,577**	**304,976**	**48.4%**	**48.6%**	**0.2 pp**	**17.3%**	**21.2%**	**3.9 pp**			
Public Sector	79,651	88,962	84,476	24.5%	27.7%	3.2 pp	4.2%	5.9%	1.6 pp			
Private Sector and Public Financial Sector	246,001	218,615	220,500	75.5%	72.3%	-3.2 pp	13.1%	15.3%	2.3 pp			
Short Term	73,228	65,753	69,631	22.5%	22.8%	0.3 pp	3.9%	4.8%	1.0 pp			
Medium and Long Term	252,424	241,824	235,345	77.5%	77.2%	-0.3 pp	13.4%	16.4%	3.0 pp			
Intercompany Loans	**240,226**	**244,096**	**243,230**	**35.7%**	**38.8%**	**3.1 pp**	**12.7%**	**16.9%**	**4.2 pp**			
Domestic Bonds with Foreign Investors	**107,008**	**83,372**	**79,359**	**15.9%**	**12.6%**	**-3.3 pp**	**5.7%**	**5.5%**	**-0.2 pp**			

Brazil: Real Exchange Rate and External Sector Adjustment



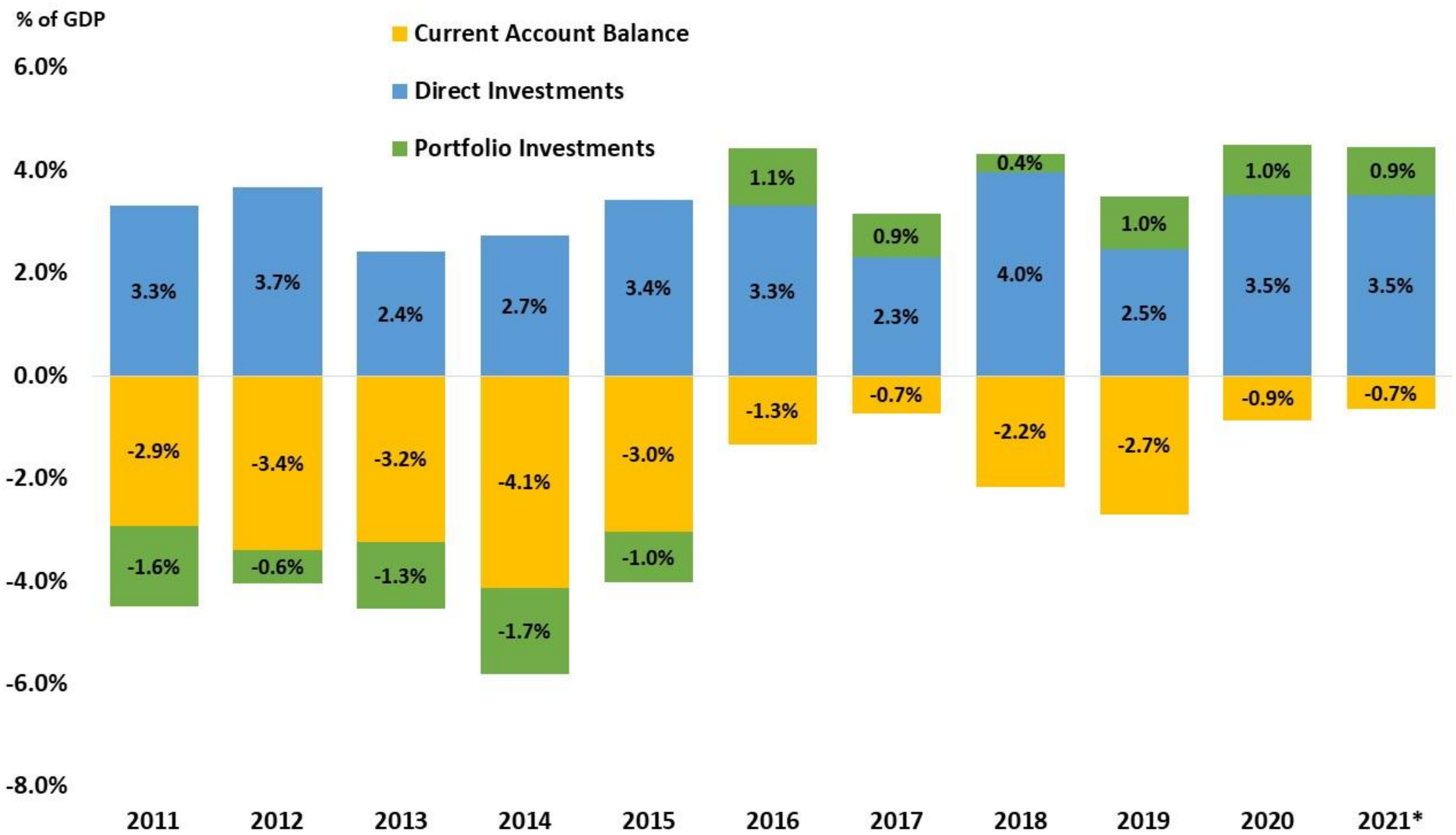
Source: Central Bank of Brazil.

Current Account Deficit as % of GDP



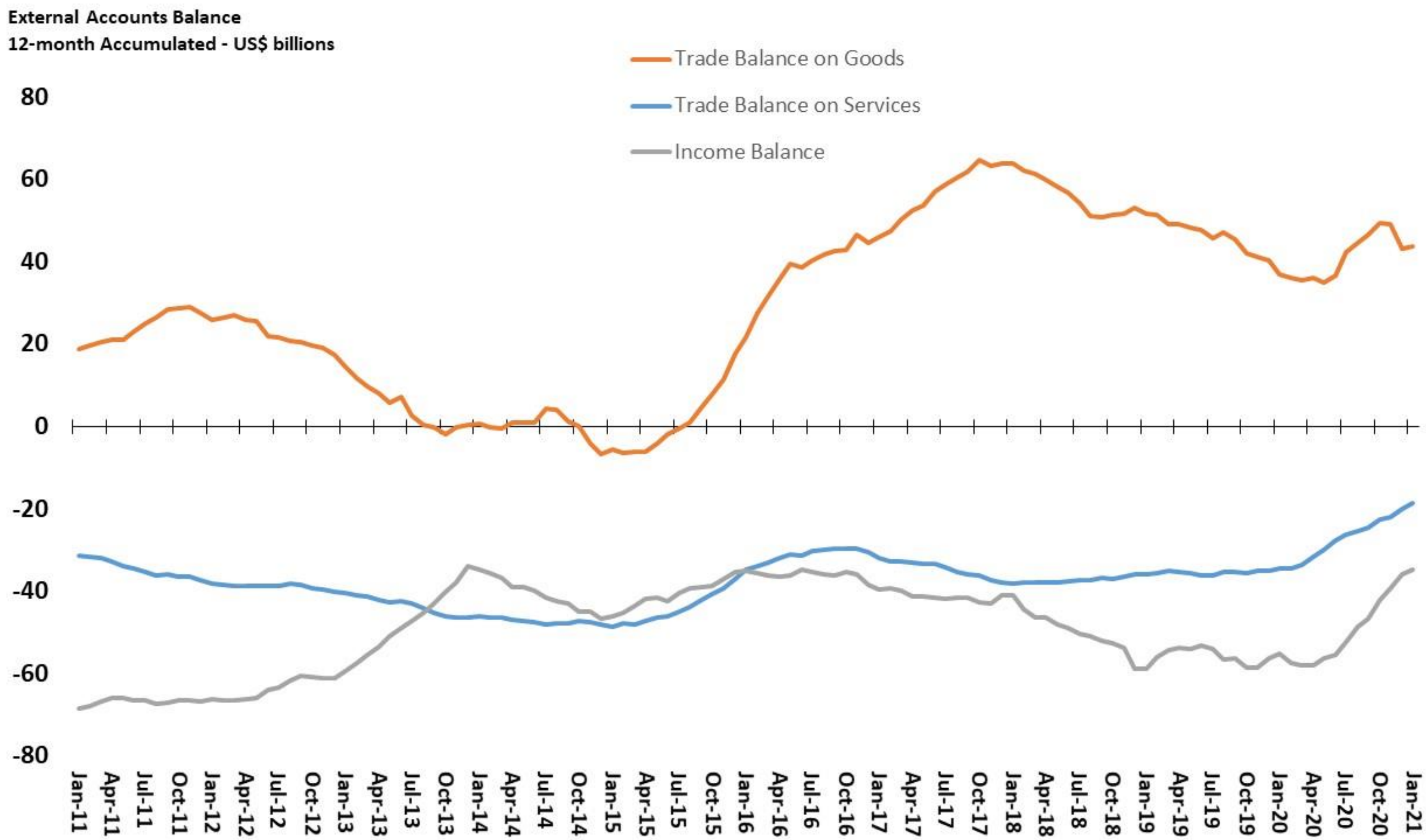
Source: Central Bank of Brazil.

Current Account Deficit Financing



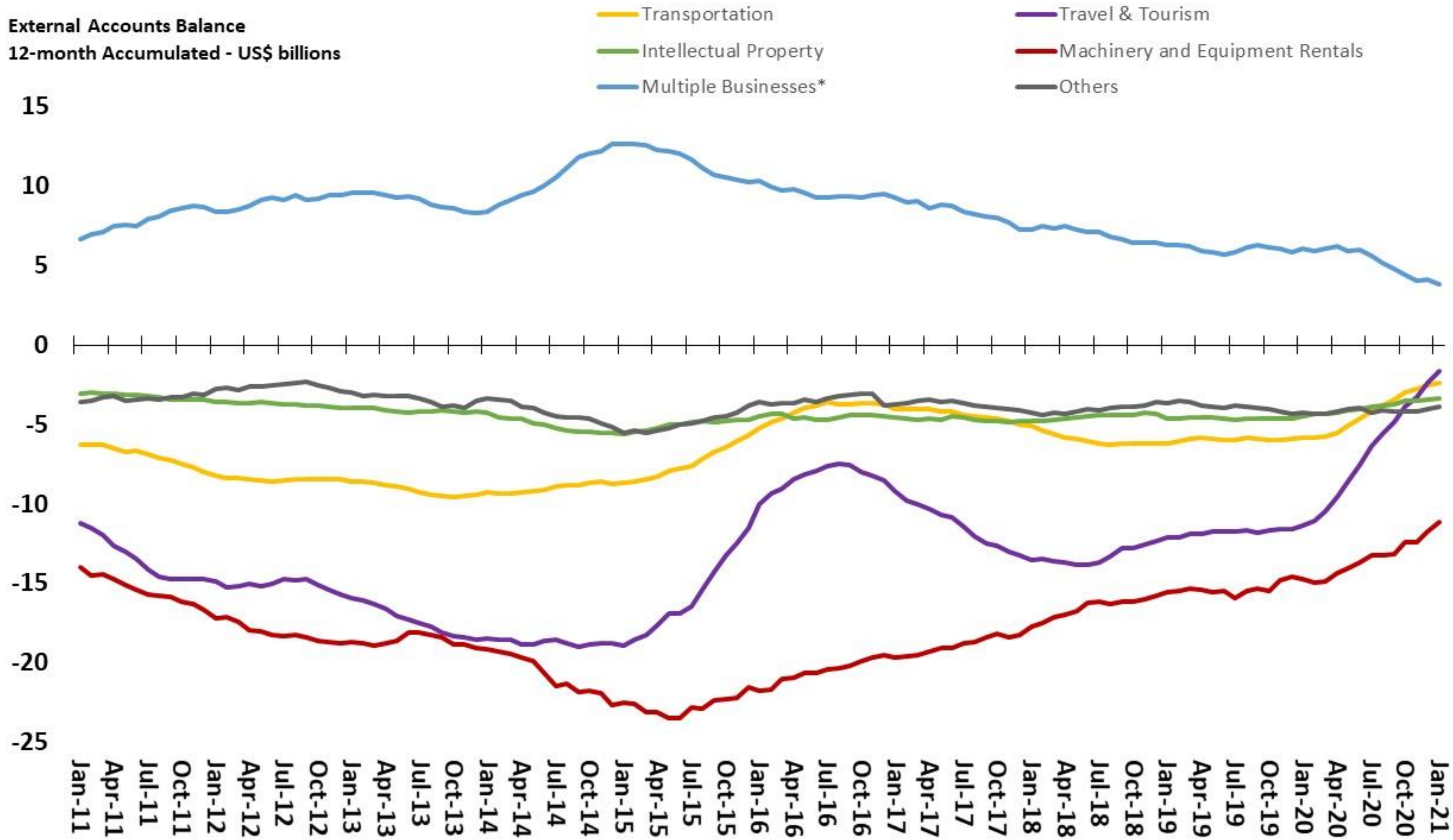
Source: Central Bank of Brazil.

Current Account Balance Components



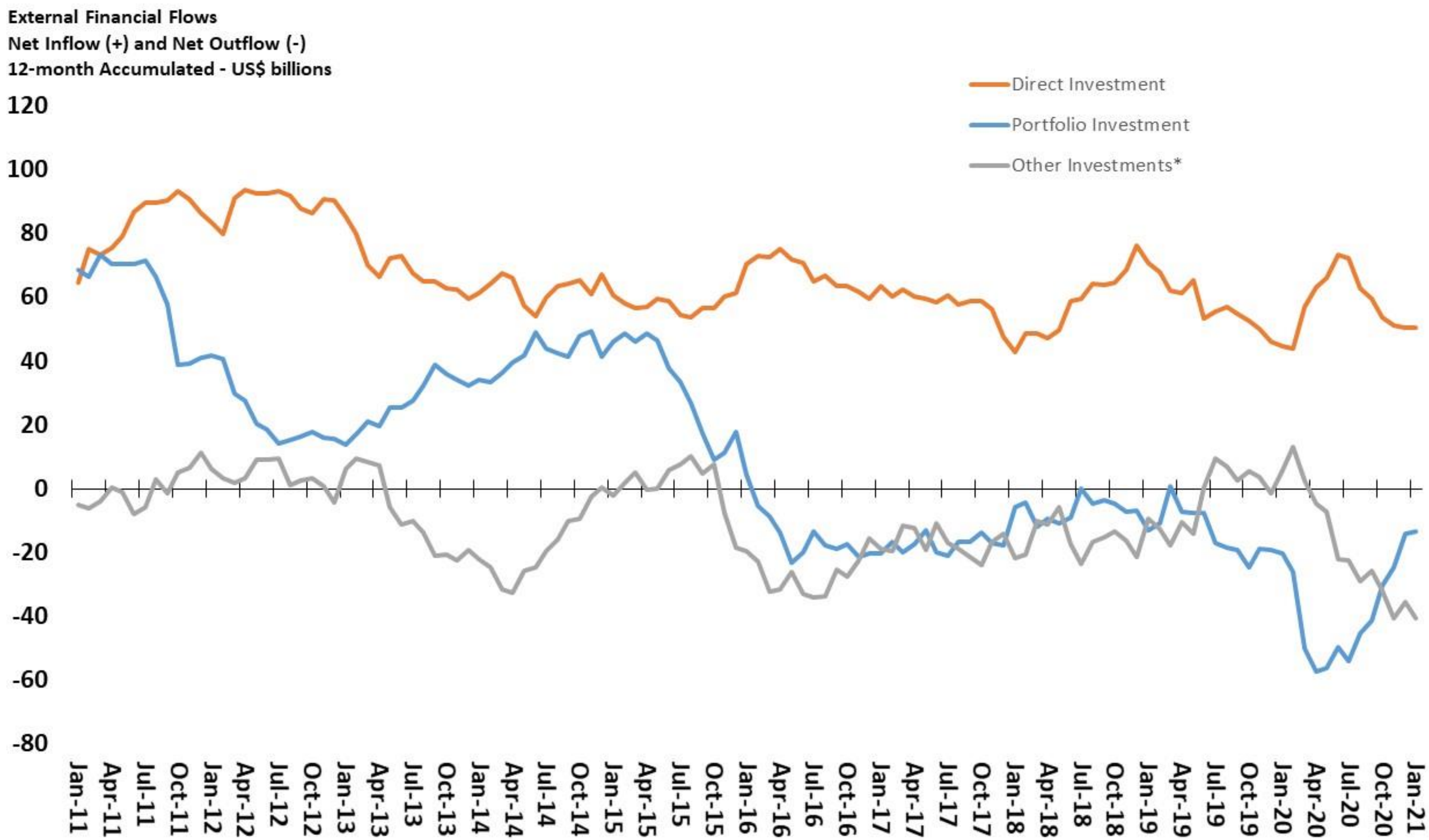
Source: Central Bank of Brazil.

Service Account Balance and Components



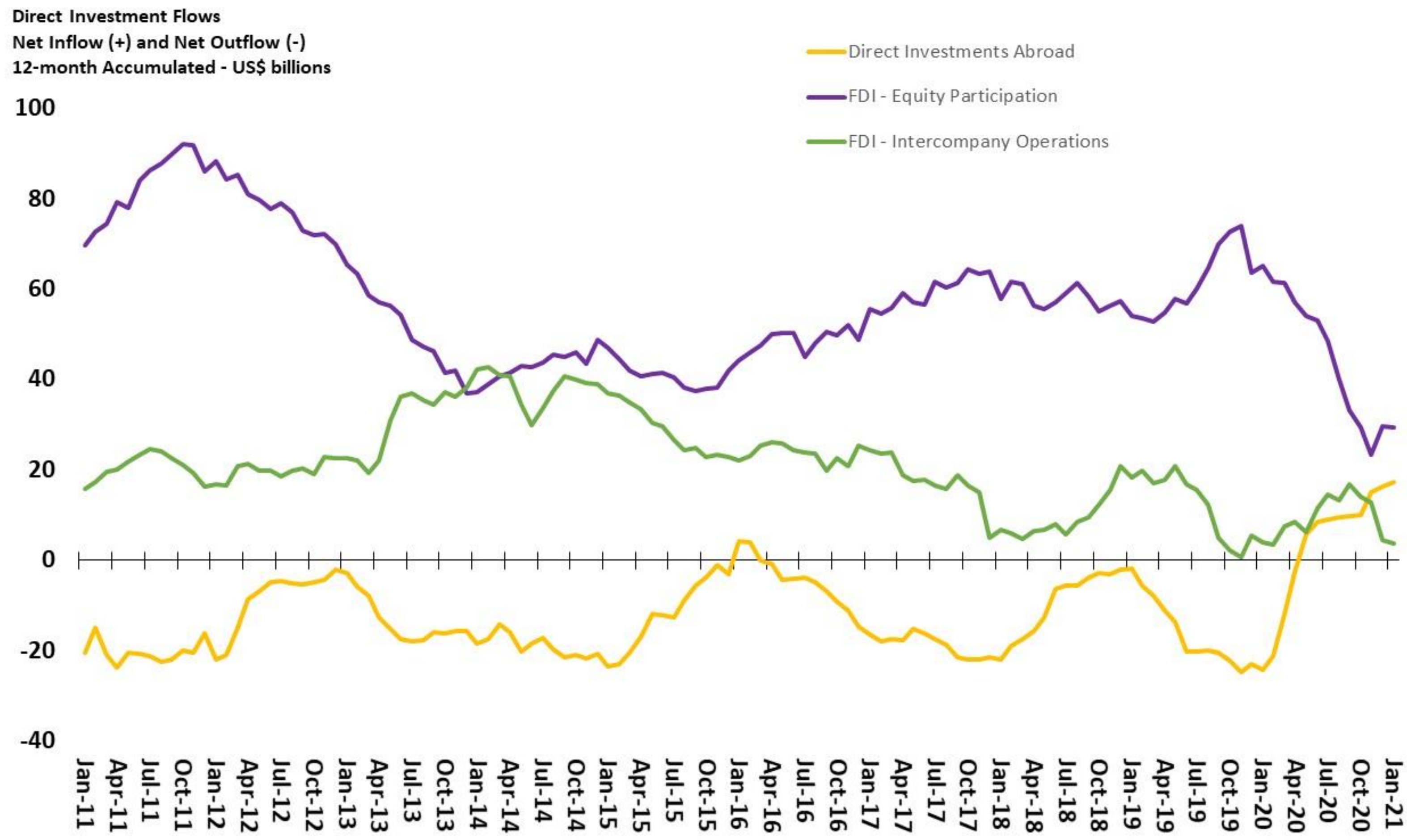
Source: Central Bank of Brazil. *Includes services of P&D, legal services, marketing, architecture & engineering, environmental services, among others.

Financial Account Balance and Components



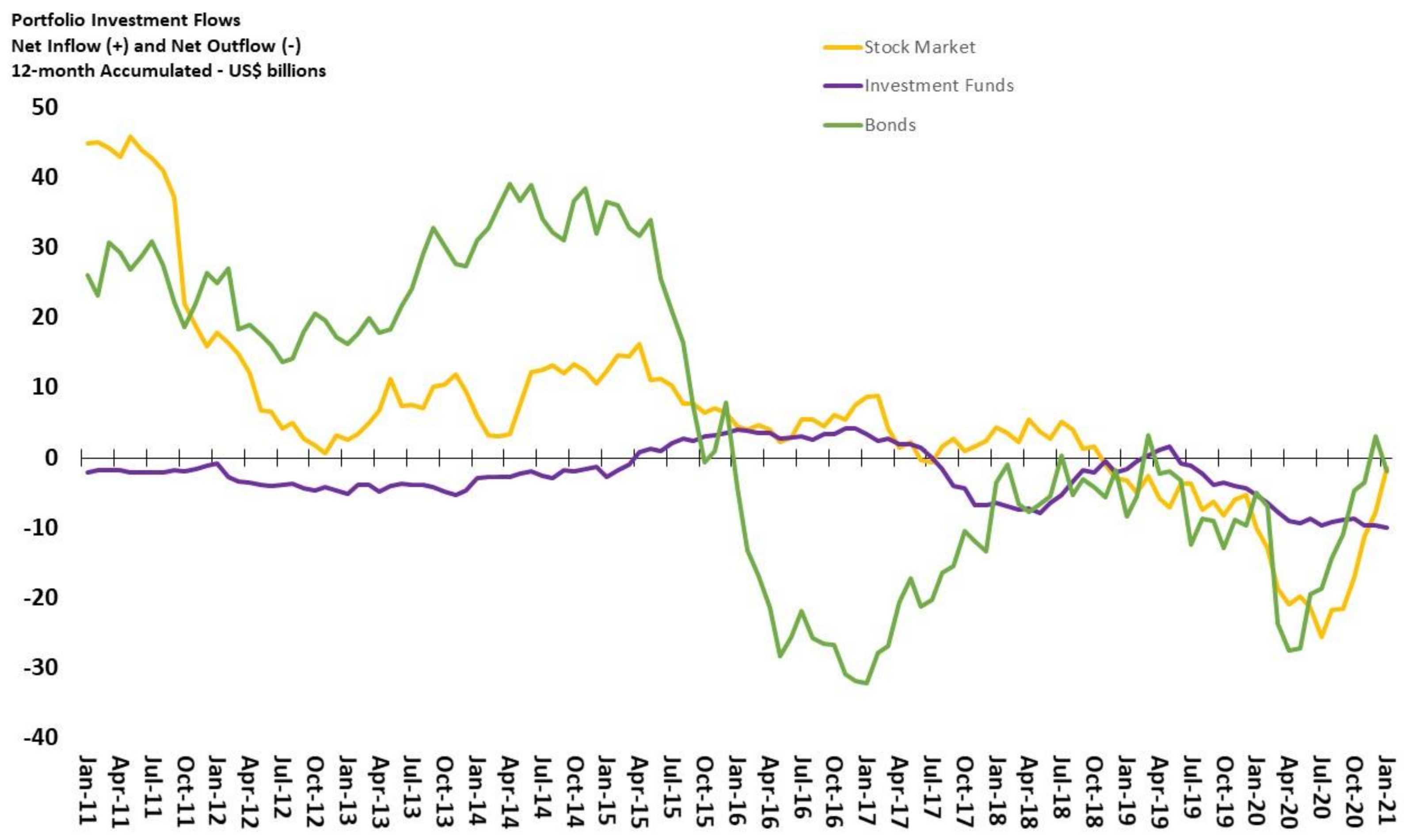
Source: Central Bank of Brazil. *Commercial Credit and Loans.

Direct Investments and Components



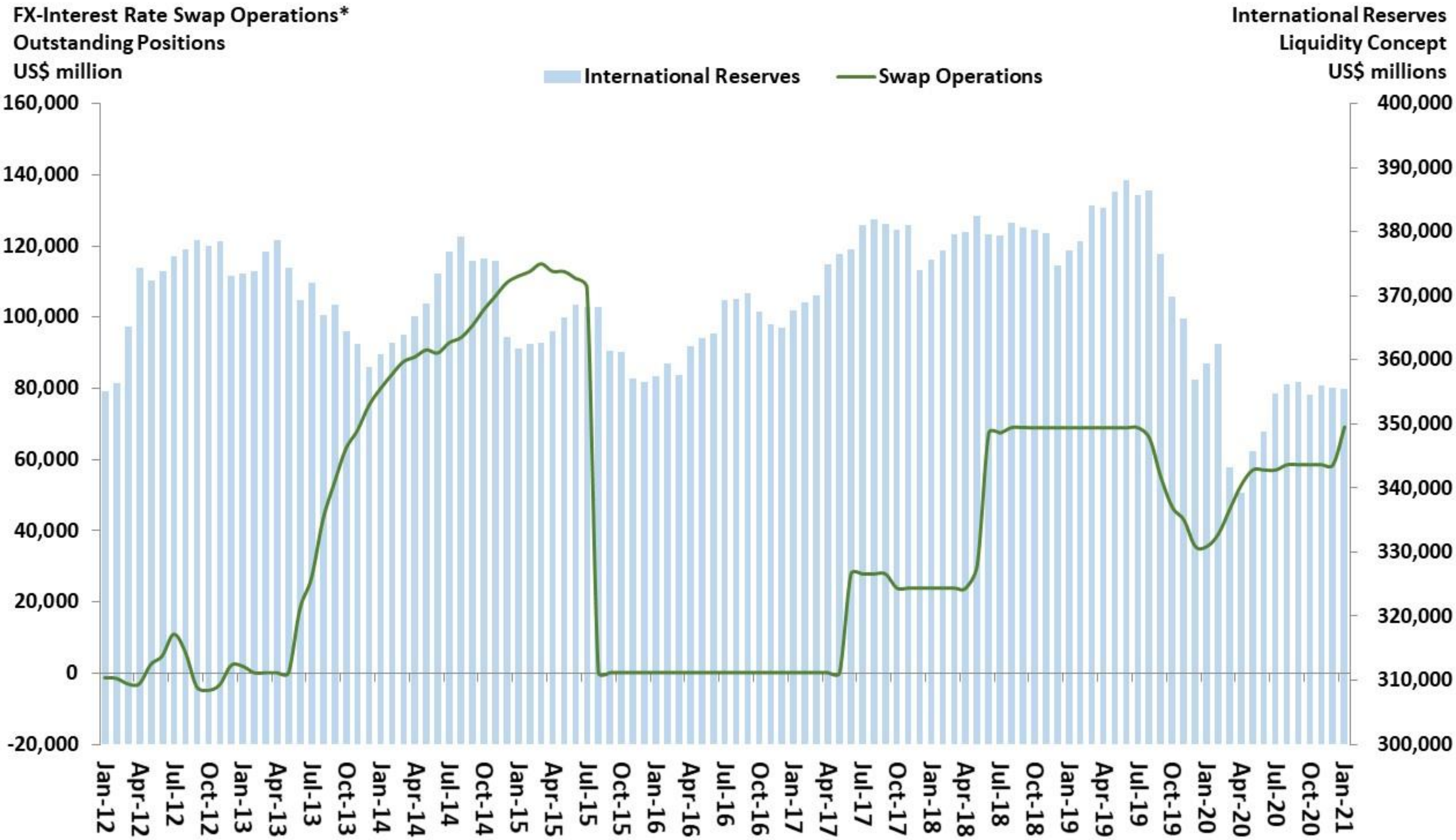
Source: Central Bank of Brazil.

Portfolio Investments and Components



Source: Central Bank of Brazil.

Brazilian International Reserves



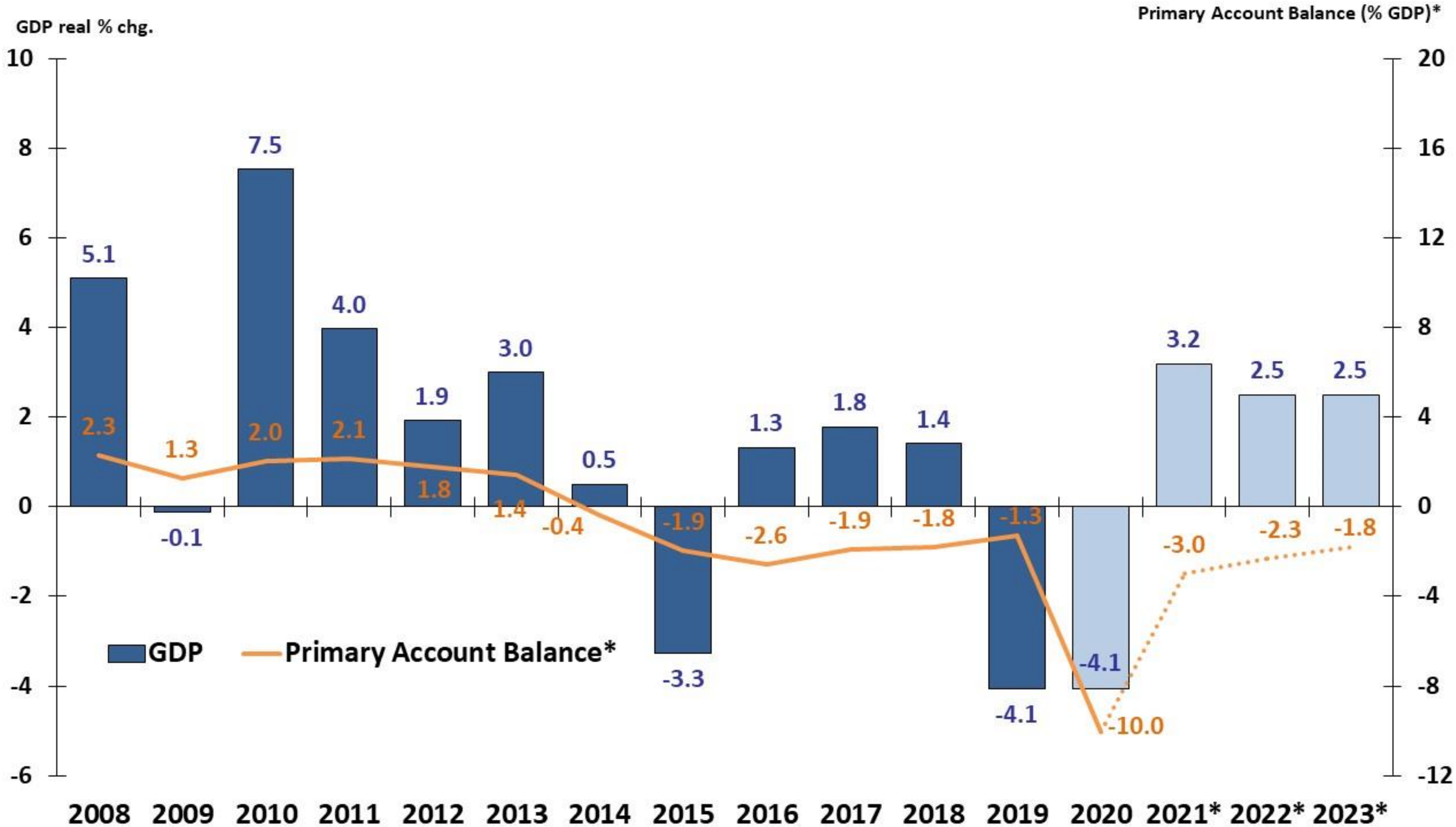
Source: Central Bank of Brazil. *Positive values represent net sell position on fx and negative values net buy position on fx.

Public Sector Accounts

Public Sector Accounts

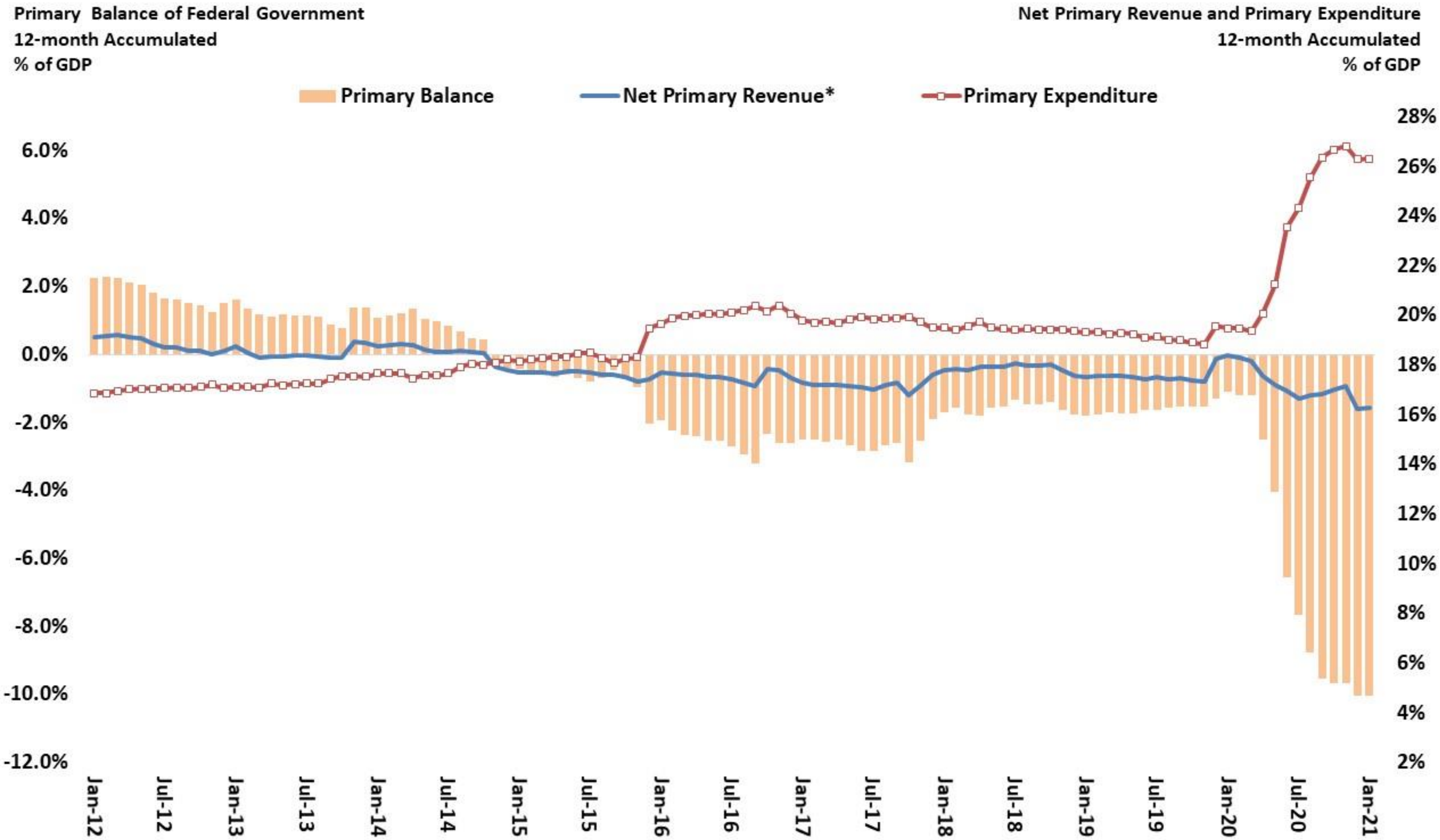
										BCB/Focus:	3/12/21	
Federal Government Accounts January-21	**12-month Acummulated Figures (in R$ millions)**						**chg. %**					
Federal Budget (National Treasury/Ministry of Finance)	**2016**	**2017**	**2018**	**2019**	**2020**	**Jan/21 accum. in 12-months**	**2020 / 2019**	**Dec/17 accum. 12-m / 2016**	**YTD 2018 / YTD 2017**	**2021**	**2022**	**2023**
Total Primary Revenue (a)	**1,314,953**	**1,383,082**	**1,484,238**	**1,635,111**	**1,467,759**	**1,475,595**	**-10.2%**	**0.5%**	**-10.5%**			
National Treasury	956,816	1,008,297	1,093,056	1,221,780	1,062,986	149,140	-13.0%	-86.0%	-13.2%			
Social Security General System	358,137	374,785	391,182	413,331	404,773	32,663	-2.1%	-91.9%	-2.8%			
States and Municipalities Mandatory Transfers (b)	**226,835**	**228,335**	**256,724**	**288,331**	**263,798**	**26,511**	**-8.5%**	**-90.0%**	**-8.8%**			
Net Primary Revenue (a-b)	**1,088,118**	**1,154,746**	**1,227,514**	**1,346,780**	**1,203,961**	**155,293**	**-10.6%**	**-87.1%**	**-11.8%**			
Total Primary Expenditure	**1,249,393**	**1,279,008**	**1,351,757**	**1,441,845**	**1,947,136**	**112,073**	**35.0%**	**-94.2%**	**37.7%**			
National Treasury	741,522	721,773	765,378	815,335	1,283,232	60,938	57.4%	-95.3%	62.2%			
Social Security General System	507,871	557,235	586,379	626,510	663,904	51,136	6.0%	-92.3%	5.8%			
Federal Government Accounts January-21	**12-month Acummulated Figures (in R$ millions)**						**% of GDP**					
Federal Budget (National Treasury/Ministry of Finance)	**2016**	**2017**	**2018**	**2019**	**2020**	**Jan/21 accum. in 12-months**	**2019**	**2020**	**Jan/21 accum. in 12-months**			
Primary Account Balance of Federal Government (STN/MF)	**-161,276**	**-124,261**	**-124,242**	**-95,065**	**-743,176**	**43,219**	**-1.3%**	**-10.0%**	**0.6%**			
National Treasury	-11,542	58,189	70,955	118,114	-484,044	61,692	1.6%	-6.5%	0.8%			
Social Security General System	-149,734	-182,450	-195,197	-213,179	-259,132	-18,472	-2.9%	-3.5%	-0.2%			
Consolidate Public Sector Accounts January-21	**12-month Acummulated Figures (in R$ millions)**						**% of GDP**					
Public Sector Financial Need (Central Bank of Brazil - BCB)	**2016**	**2017**	**2018**	**2019**	**2020**	**Jan/21 accum. in 12-months**	**2019**	**2020**	**Jan/21 accum. in 12-months**	**2021**	**2022**	**2023**
Primary Account Balance Target in Law (% GDP)										**-1.84%**	**-1.47%**	**-0.90%**
Primary Account Balance (Deficit)	**155,791**	**110,583**	**108,258**	**61,872**	**702,950**	**-58,375**	**0.8%**	**9.5%**	**-0.8%**	**-2.9%**	**-2.0%**	**-1.5%**
Federal Government	159,473	118,442	116,167	88,899	-5,615	-43,156	1.2%	10.1%	-0.6%			
States and Municipalities	-4,666	-7,498	-3,492	-15,196	-38,748	-14,772	-0.2%	-0.5%	-0.2%			
State Owned Companies (except Petrobrás and Eletrobrás)	983	-362	-4,417	-11,831	-3,567	-446	-0.2%	0.0%	0.0%			
Net Financial Public Expenditure (Debt Interest Payments)	407,024	400,826	379,184	367,282	312,427	40,446	5.0%	4.2%	0.5%			
Nominal Account Balance (Deficit)	**562,815**	**511,408**	**487,442**	**429,154**	**1,015,377**	**-17,928**	**5.8%**	**13.7%**	**-0.2%**	**-7.1%**	**-6.7%**	**-6.5%**
General Public Sector Debt (BCB) January-21	**Debt Outstanding (in R$ millions)**						**chg. %**					
End of Period Debt Outstanding (in R$ millions)	**Dec-16**	**Dec-17**	**Dec-18**	**Dec-19**	**Dec-20**	**Jan-21**	**Dec/19 - Dec/18**	**Dec/20 - Dec/19**	**Jan/21 - Dec/20**	**2021**	**2022**	**2023**
Consolidated Public Sector	**2,892,913**	**3,382,942**	**3,695,837**	**4,041,769**	**4,670,004**	**4,582,209**	**9.36%**	**15.54%**	**-1.88%**			
Federal Government	2,090,133	2,534,119	2,763,702	3,078,019	3,651,460	3,585,626	11.4%	18.6%	-1.8%			
States and Municipalities	747,503	789,403	871,134	907,931	954,485	931,636	4.2%	5.1%	-2.4%			
State Owned Companies (except Petrobrás and Eletrobrás)	55,278	59,420	61,001	55,819	64,060	64,946	-8.5%	14.8%	1.4%			
Net Domestic Debt	3,453,814	898,267	4,444,587	4,750,944	5,654,808	5,656,627	6.9%	19.0%	0.0%			
Net External Debt	-560,900	-618,135	-748,749	-709,175	-984,804	-1,074,419	-5.3%	38.9%	9.1%			
General Public Sector Net Debt (% GDP)	**46.1%**	**51.4%**	**52.8%**	**54.6%**	**63.0%**	**61.6%**	**1.8 pp**	**8.4 pp**	**-1.3 pp**	**65.0%**	**66.2%**	**68.2%**
General Public Sector Gross Debt (% GDP)	**69.8%**	**73.7%**	**75.3%**	**74.3%**	**89.2%**	**89.7%**	**-1.0 pp**	**14.9 pp**	**0.5 pp**			
General Public Sector Gross Debt (in R$ millions)	**4,853,850**	**5,449,151**	**5,937,904**	**6,437,299**	**7,305,734**	**7,328,487**	**8.41%**	**13.49%**	**0.31%**			

Fiscal Adjustment and Economic Recovery



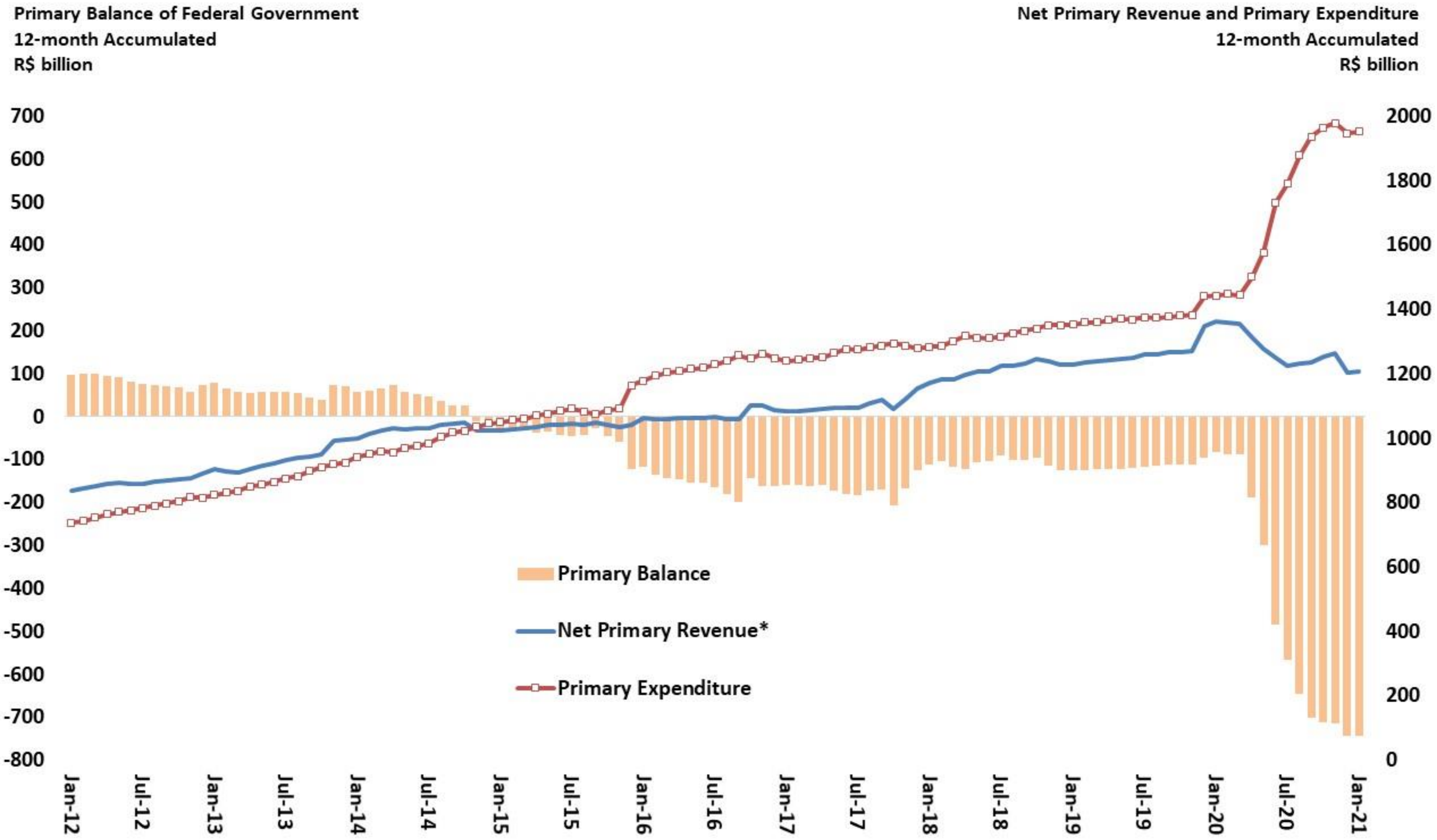
Source: IBGE, STN and Central Bank of Brazil. Primary Accout Balance of Federal Government.
* Annex IV-Fiscal Targets of 2021 Budgetary Guidelines Bill of Law 2021 and Macroeconomic Projections from SPE, March-21

Primary Balance of Federal Government (as % GDP)



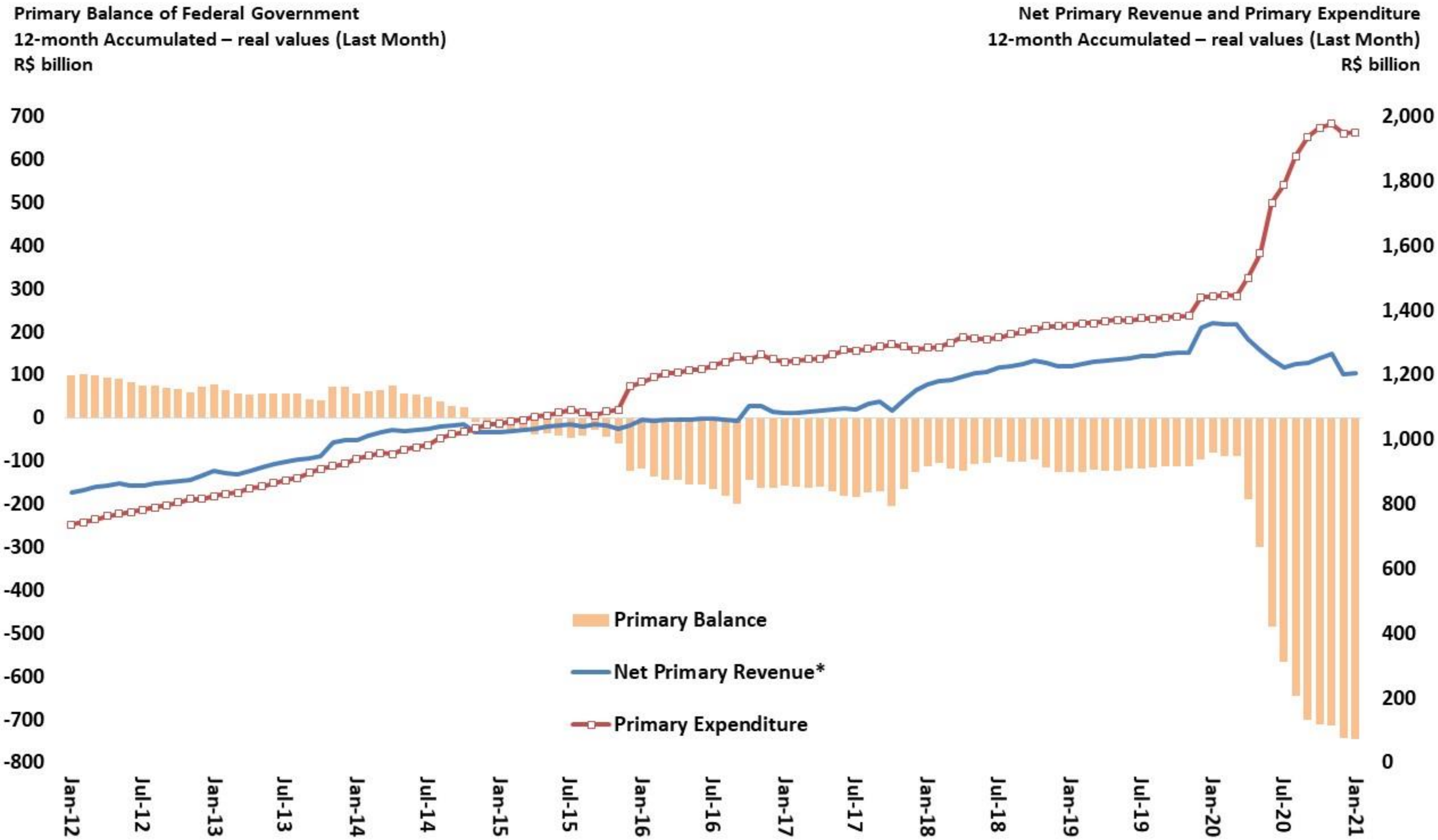
Sources: STN/ME. *Excludes compulsory transfers to subnational entities.

Primary Balance of Federal Government (nominal values)



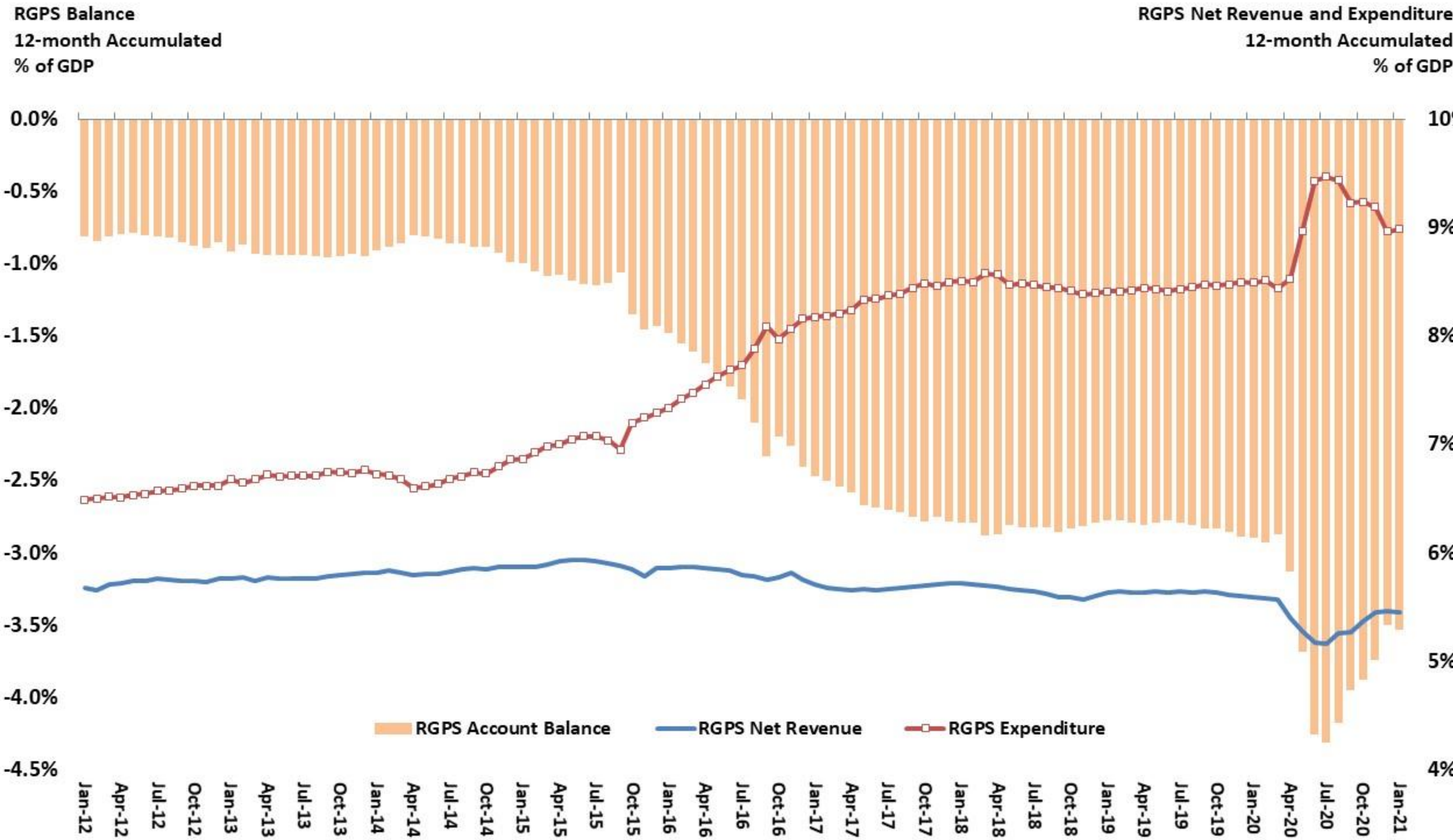
Source: STN/ME. *Excludes compulsory transfers to subnational entities.

Primary Balance of Federal Government (real values)



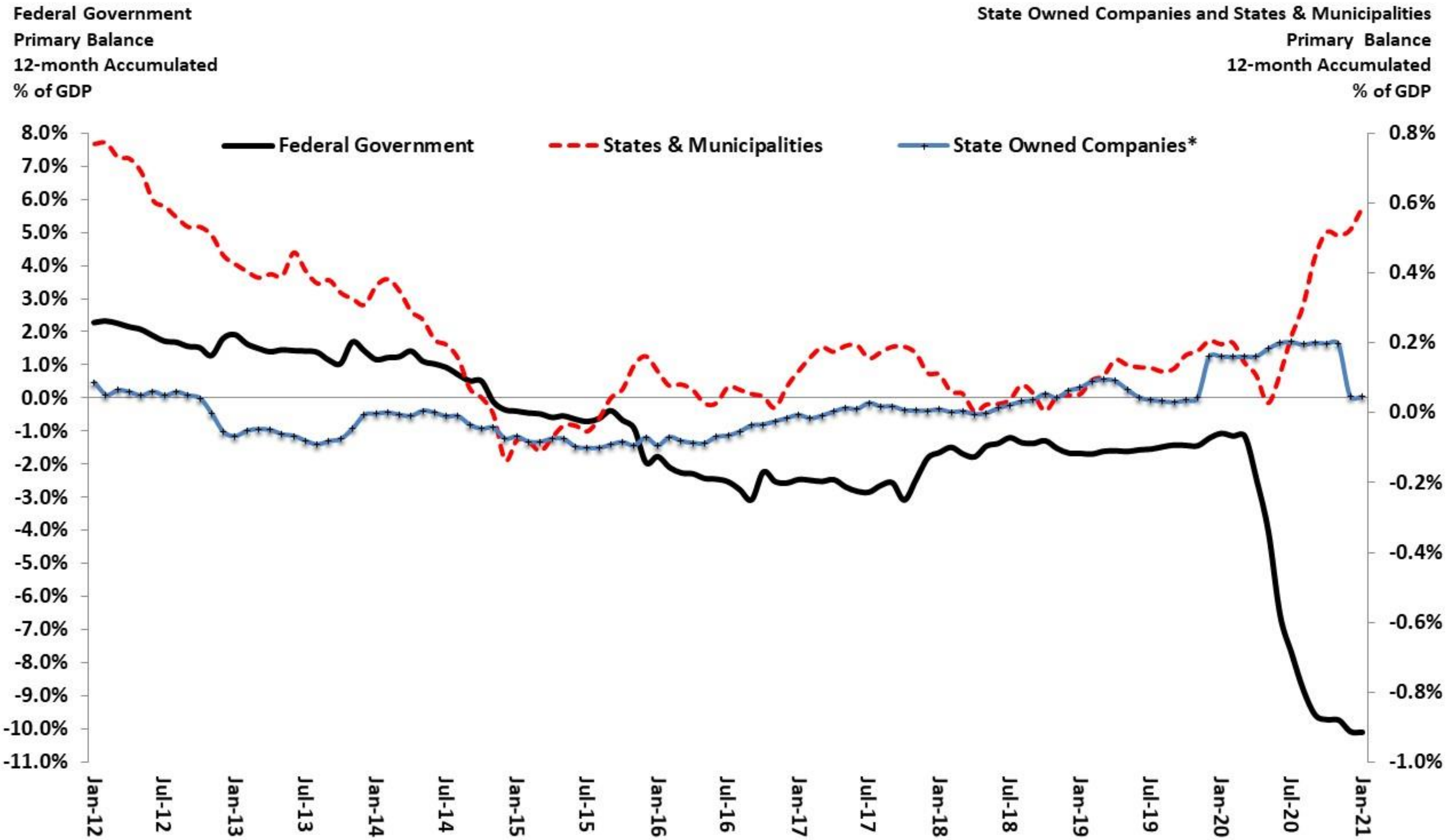
Source: STN/ME. *Excludes compulsory transfers to subnational entities.

General Social Security System (RGPS) Balance



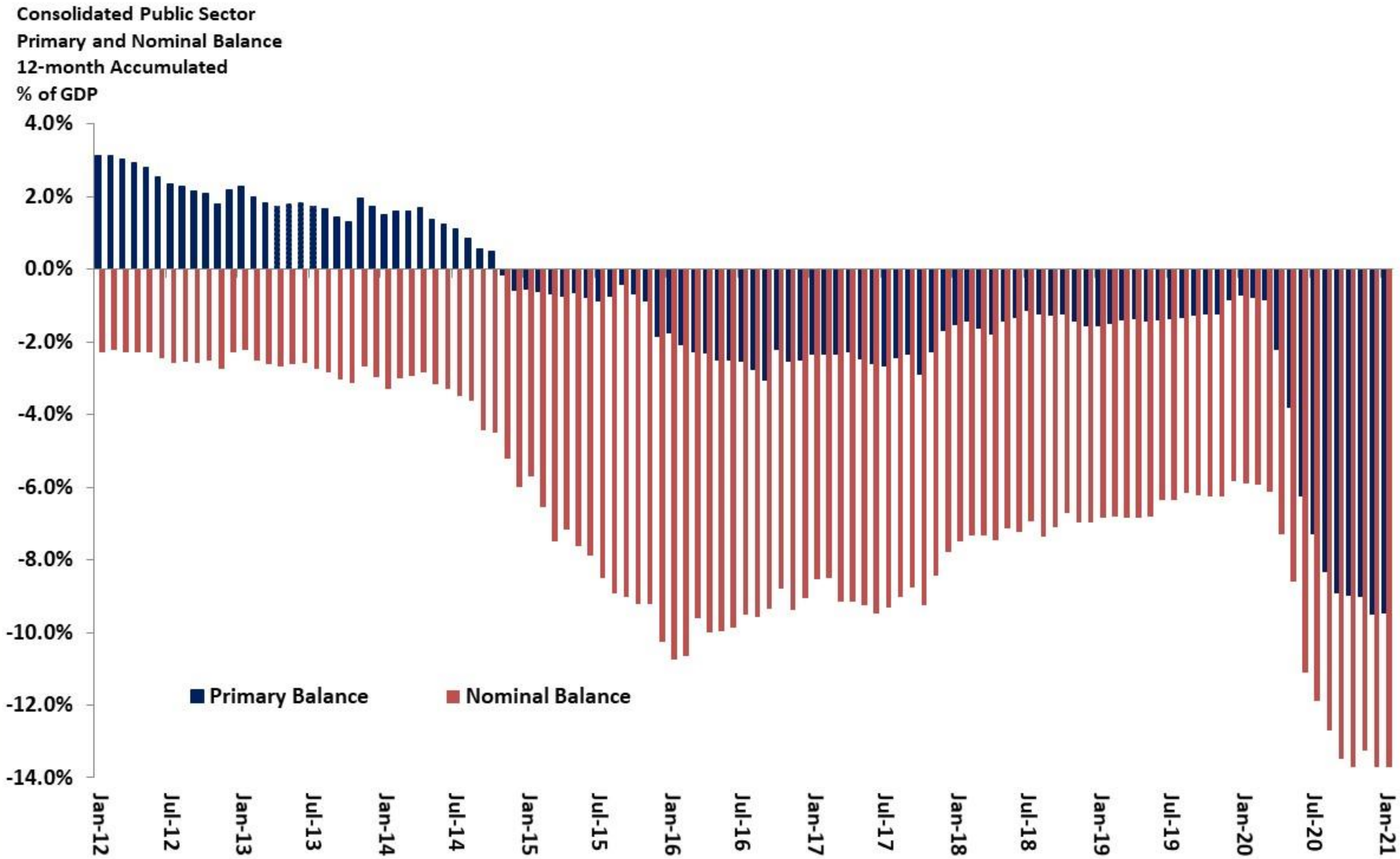
Sources: Central Bank of Brazil and STN/ME.

Public Sector Primary Balance (as % GDP)



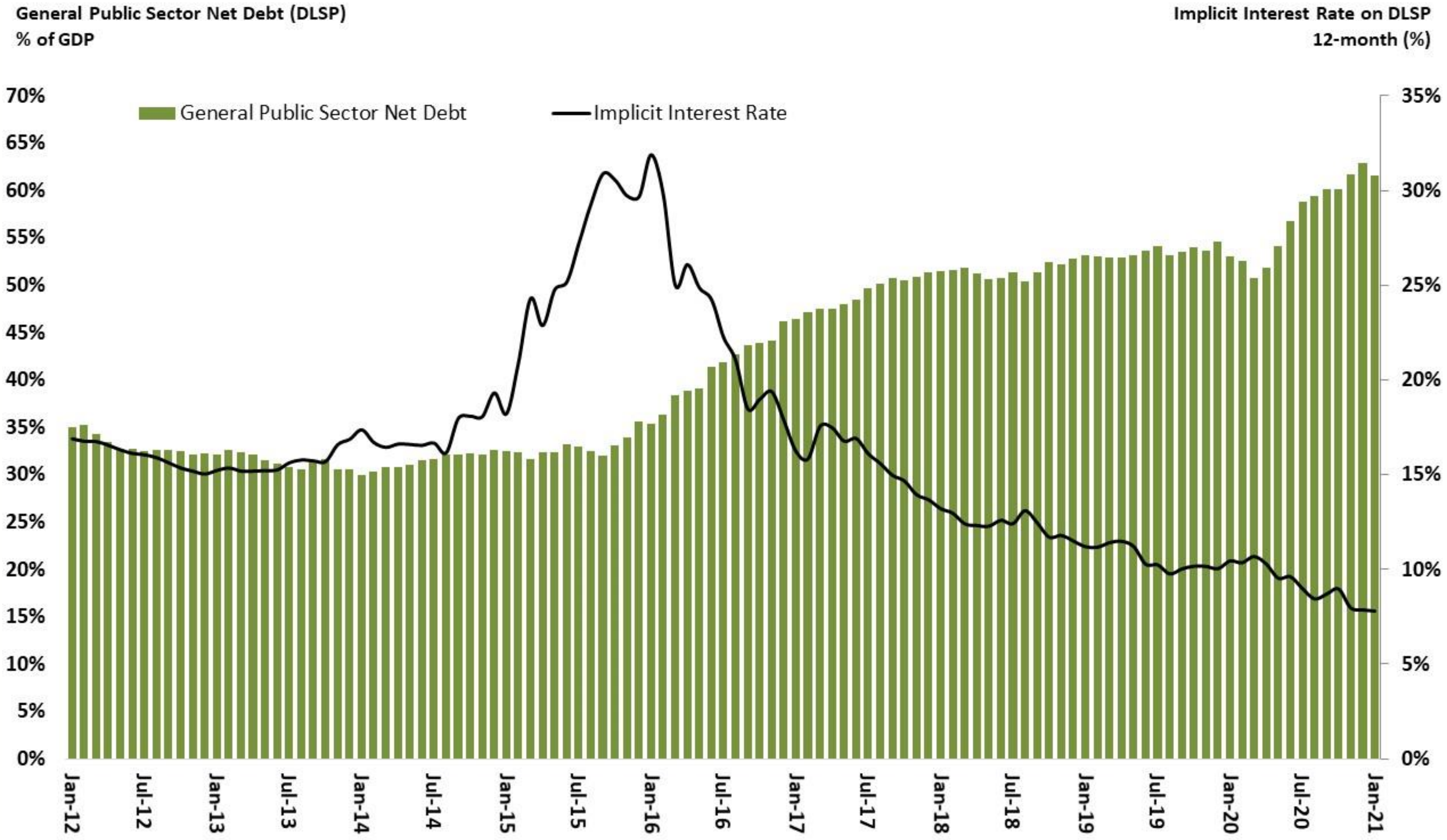
Sources: Central Bank of Brazil. *Excludes Petrobras and Eletrobras.

Public Sector Primary and Nominal Balance



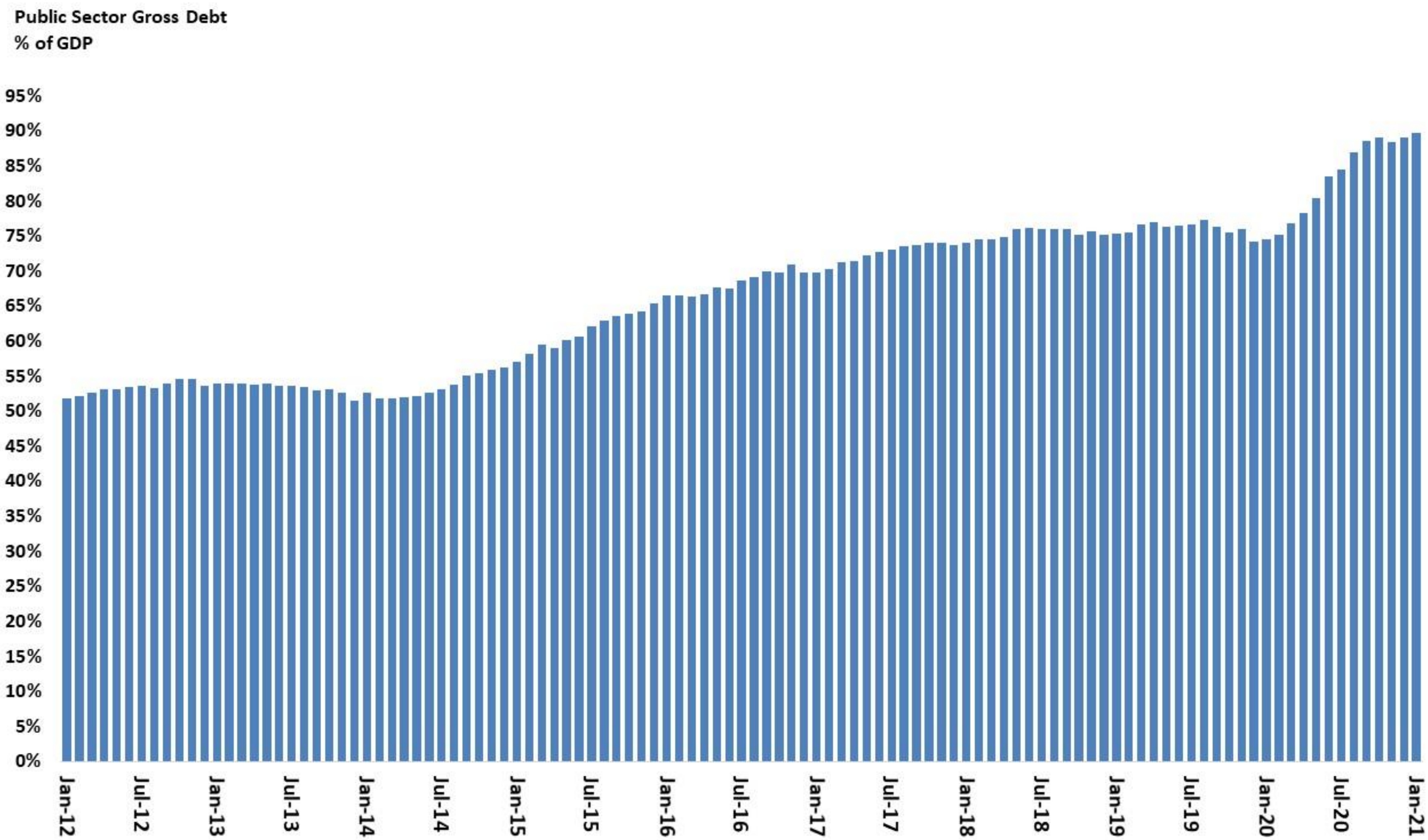
Source: Central Bank of Brazil.

Public Sector Net Debt (as % GDP)



Source: Central Bank of Brazil.

Public Sector Gross Debt (as % GDP)



Source: Central Bank of Brazil.

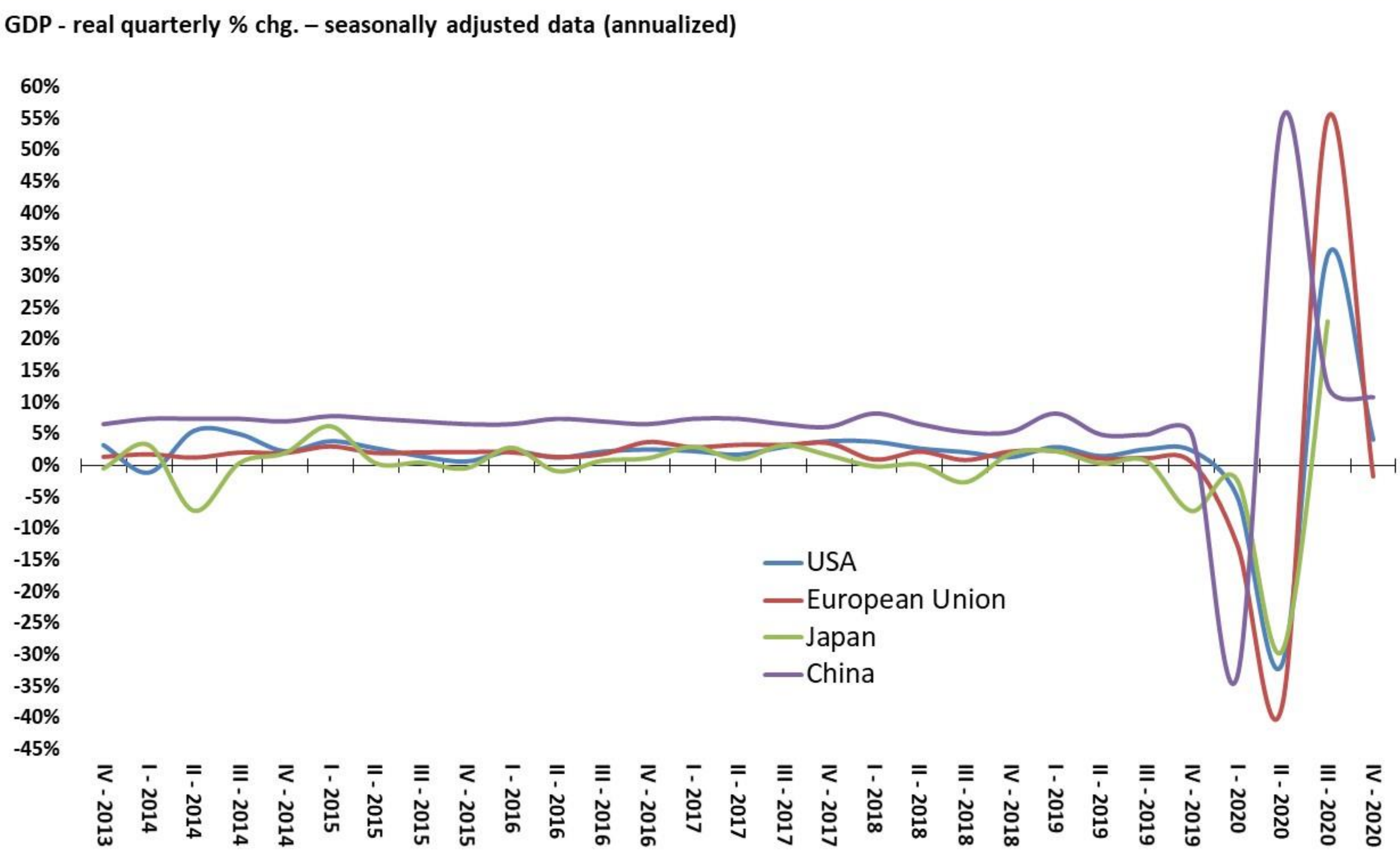
World Economy

World Economy

IMF - WEO, January 2021.

World Q4 2020 *data from IMF and WTO*	2016	2017	2018	2019	2019	Q4-2016 / Q4-2015	Q4-2017 / Q4-2016	Q4-2018 / Q4-2017	Q4-2019 / Q4-2018	Q4-2020 / Q4-2019	2021	2022
World Output - GDP	**3.4%**	**3.9%**	**3.6%**	**2.8%**	**-3.5%**	**3.2%**	**2.8%**	**3.6%**	**2.7%**	**-1.4%**	**5.5%**	**4.2%**
Advanced Economies	1.7%	2.5%	2.2%	1.6%	-4.9%	2.0%	2.3%	2.0%	1.5%	-3.9%	4.3%	3.1%
Emerging Market and Developing Economies	4.6%	4.8%	4.5%	3.6%	-2.4%	4.4%	4.8%	4.6%	3.7%	0.9%	6.3%	5.0%
Latin America and the Caribbean	-0.6%	1.3%	1.1%	0.2%	-7.4%	-1.1%	1.3%	1.1%	0.0%	-4.8%	4.1%	2.9%
World Trade of Goods and Services	**2.2%**	**5.6%**	**3.9%**	**1.0%**	**-9.6%**						**8.1%**	**6.3%**
National Accounts Q4 2020 *data from IMF, OECD, Eurostat, NBSC and METI*	**2016**	**2017**	**2018**	**2019**	**2020**	**Q3-2020 / Q3-2019**	**Q4-2020 / Q4-2019**	**Q2-2020 accum. in 4-quarters**	**Q3-2020 accum. in 4-quarters**	**Q4-2020 accum. in 4-quarters**	**2021**	**2022**
USA - GDP	**1.6%**	**2.4%**	**3.0%**	**2.2%**	**-3.5%**	**-2.9%**	**-2.5%**	**-1.1%**	**-2.3%**	**-3.5%**	**5.1%**	**2.5%**
Household Expenditure	2.7%	2.6%	2.7%	2.4%	-3.9%	-2.9%	-2.6%	-1.3%	-2.6%	-3.9%		
Government Expenditure	1.4%	0.7%	1.8%	2.3%	1.1%	0.4%	-0.6%	2.5%	2.1%	1.1%		
Gross Fixed Capital Formation	-1.3%	4.4%	6.3%	1.7%	-5.3%	-3.8%	3.2%	-5.3%	-6.5%	-5.3%		
Exports of Goods and Services	-0.1%	3.5%	3.0%	-0.1%	-13.0%	-14.6%	-11.0%	-6.5%	-10.2%	-13.0%		
Imports of Goods and Services (-)	1.9%	4.7%	4.1%	1.1%	-9.3%	-8.9%	-0.6%	-7.2%	-9.6%	-9.3%		
Industrial Production	-1.9%	2.4%	4.3%	1.0%	-6.8%	-7.0%	-4.7%	-4.2%	-6.0%	-6.8%		
Unemployment (% of Labor Force)	4.9%	4.4%	3.9%	3.7%	7.5%	5.2 pp	3.1 pp	5.6%	7.3%	7.5%		
Consumer Price Index	1.3%	2.1%	2.4%	1.8%	1.2%	1.4%	1.2%	1.5%	1.4%	1.2%		
European Union - GDP	**2.1%**	**2.8%**	**2.2%**	**1.7%**	**-6.4%**	**-3.9%**	**-4.9%**	**-3.4%**	**-4.8%**	**-6.4%**	**4.2%**	**3.6%**
Household Expenditure	2.2%	1.8%	1.5%									
Government Expenditure	1.7%	1.1%	1.1%									
Gross Fixed Capital Formation	3.1%	3.1%	3.3%									
Exports of Goods and Services	3.2%	5.3%	3.0%									
Imports of Goods and Services (-)	4.3%	4.3%	3.3%									
Industrial Production	1.9%	3.5%	1.6%	-3.3%	-16.0%	-5.9%	-34.0%	-6.8%	-8.1%	-16.0%		
Unemployment (% of Labor Force)	10.0%	9.1%	8.2%	7.6%	7.2%	-0.4 pp	-0.2 pp	6.5%	6.9%	7.2%		
Consumer Price Index	1.1%	1.7%	1.7%	1.4%	0.7%	0.2%	0.2%	1.1%	0.9%	0.7%		
Japan - GDP	**0.5%**	**2.2%**	**0.3%**	**0.7%**	**-4.9%**	**-5.8%**	**-1.3%**	**-2.8%**	**-4.7%**	**-4.9%**	**3.1%**	**2.4%**
Industrial Production	0.2%	2.8%	1.1%	-2.8%	-9.8%	-11.8%	-3.4%	-7.9%	-10.4%	-9.8%		
Unemployment (% of Labor Force)	3.1%	2.8%	2.4%	2.4%	2.7%	0.6 pp	0.7 pp	2.5%	2.6%	2.7%		
Consumer Price Index	-0.1%	0.5%	1.0%	0.5%	0.0%	0.0%	-0.8%	0.4%	0.3%	0.0%		
China - GDP	**6.7%**	**6.8%**	**6.6%**	**6.1%**	**2.3%**	**4.9%**	**3.2%**	**2.1%**	**1.8%**	**2.3%**	**8.1%**	**5.6%**
Industrial Production	6.0%	6.1%	6.1%	6.2%	2.1%	6.0%	7.1%	-1.0%	1.9%	2.1%		
Unemployment (% of Labor Force)	4.0%	3.9%	3.8%	3.6%	5.6%	0.4 pp	0.0 pp	5.5%	5.6%	5.6%		
Consumer Price Index	2.0%	1.6%	2.1%	2.9%	2.5%	1.7%	0.1%	3.6%	3.3%	2.5%		

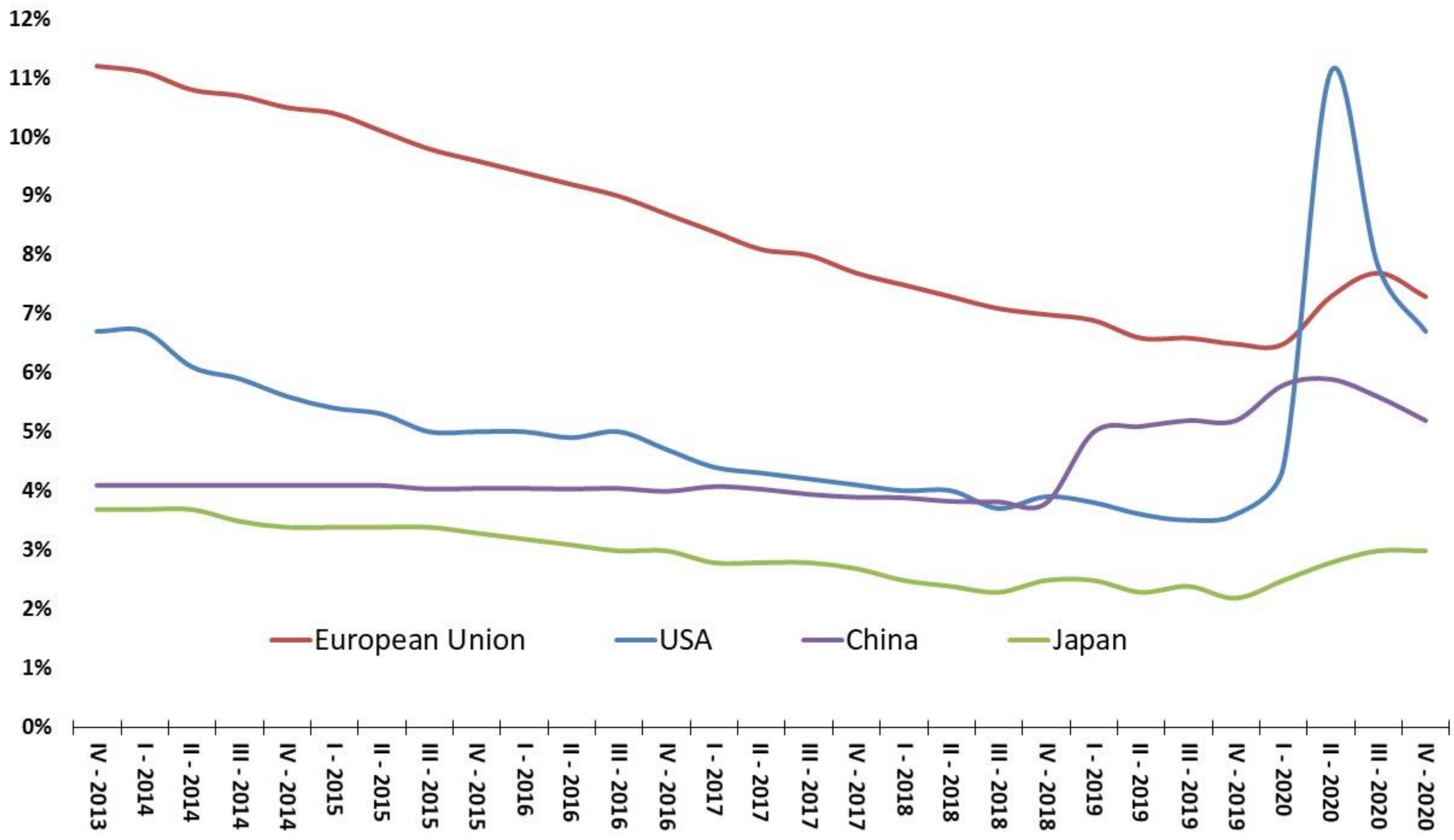
World Major Economies GDP



Source: OECD.

World Major Economies Unemployment Rate

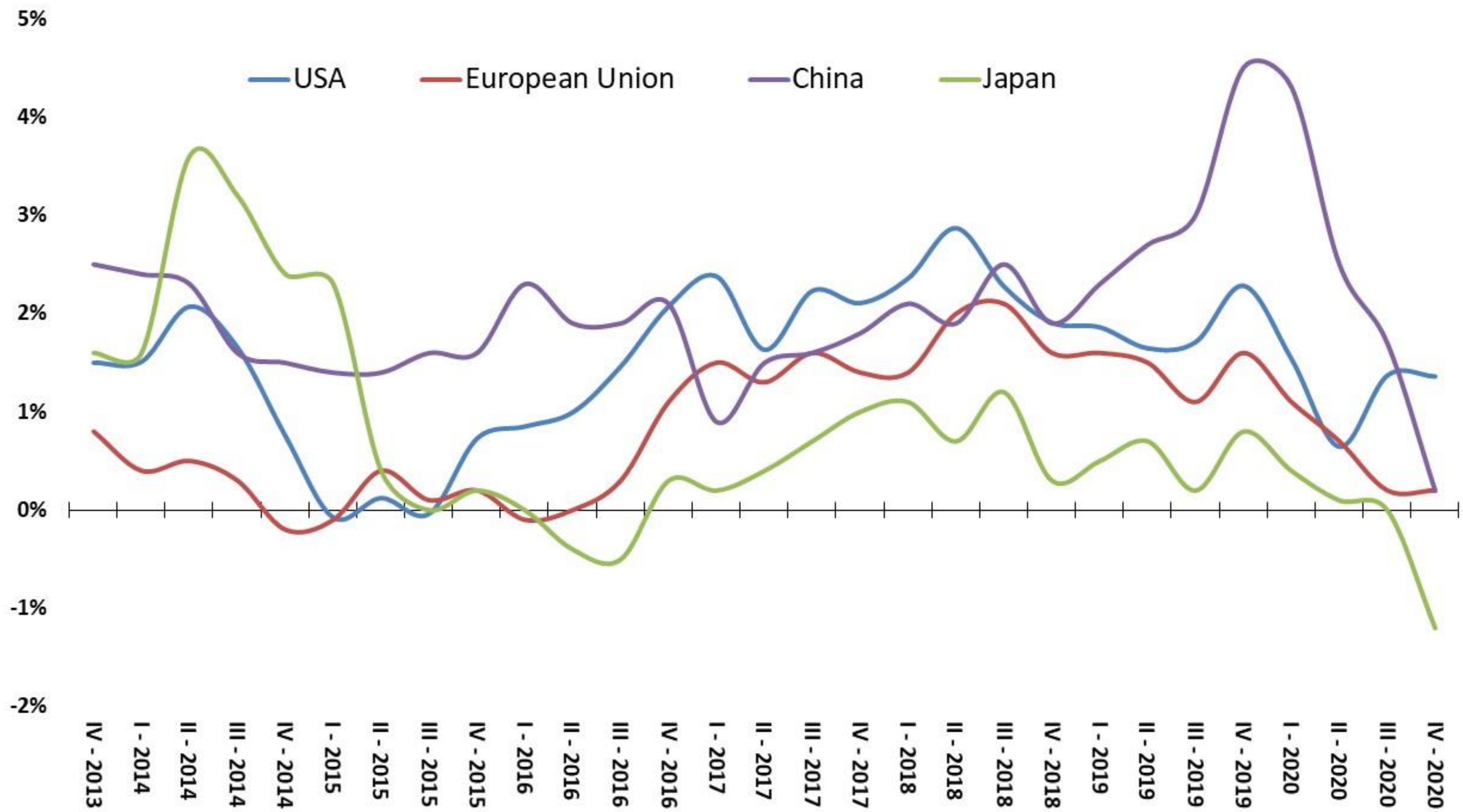
Unemployment Rate as % of Labor Force



Source: OECD.

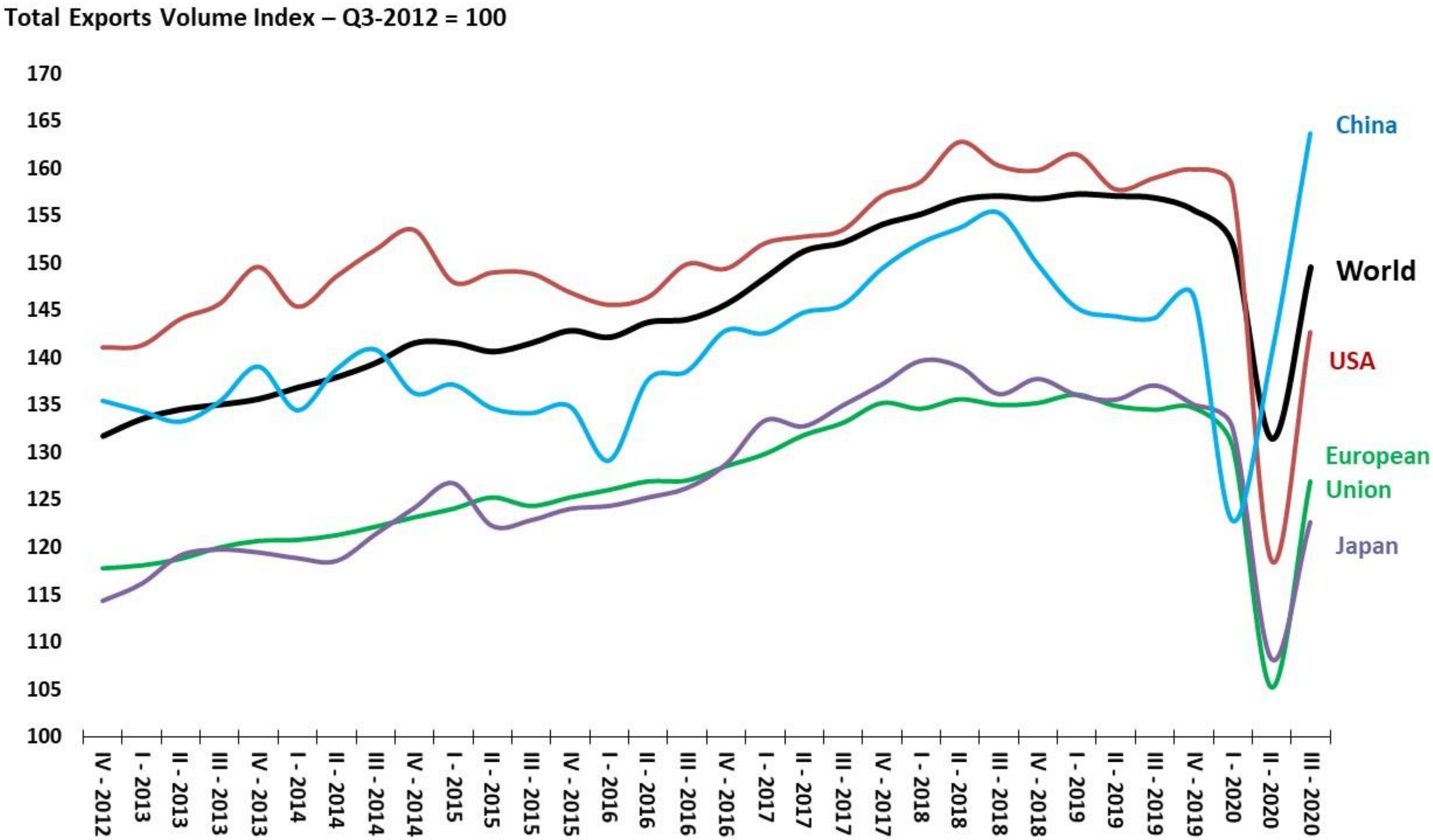
World Major Economies Consumer Price Index

Consumer Price Indexes – annual chg.%



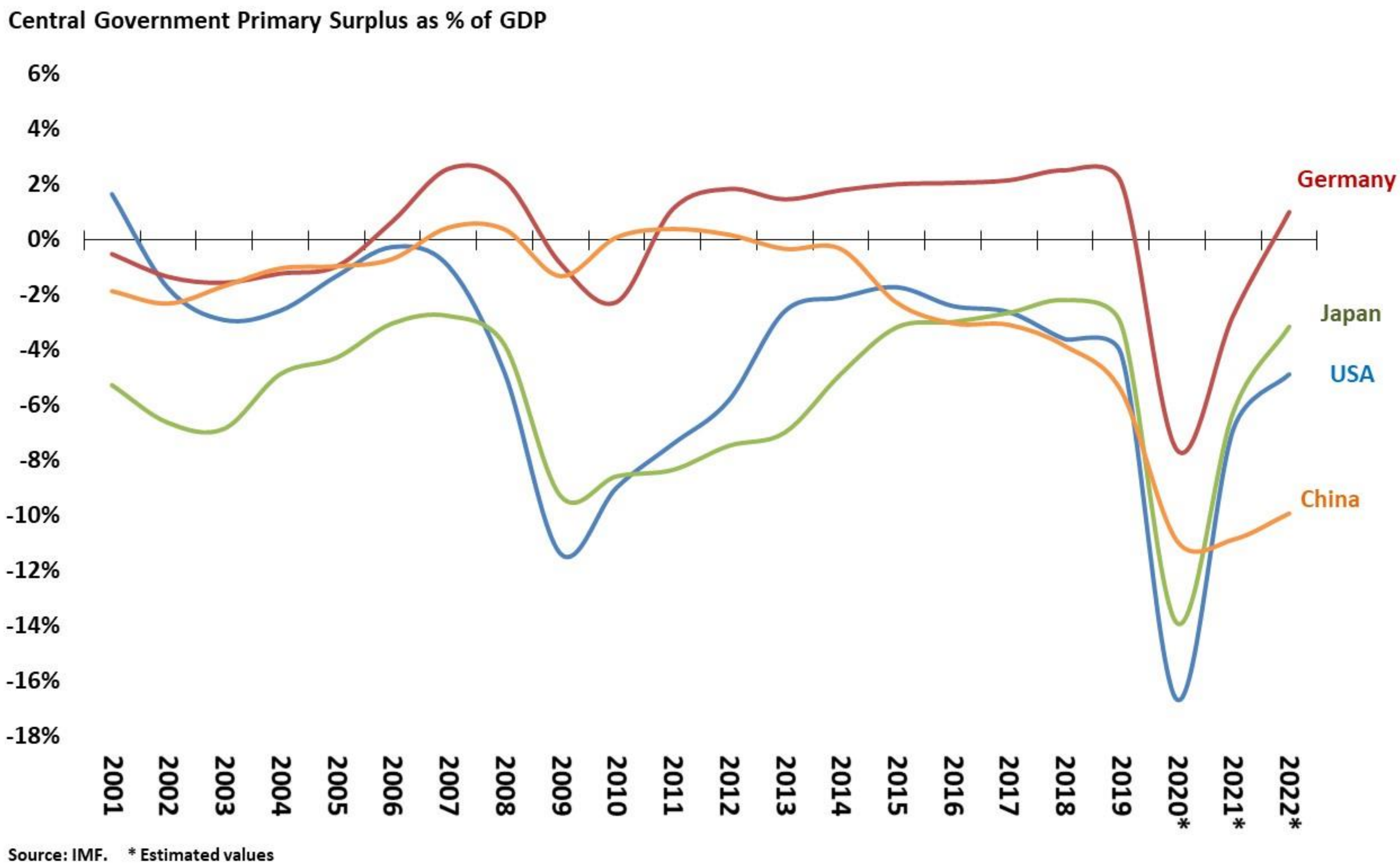
Source:: OECD.

World Major Economies Total Exports



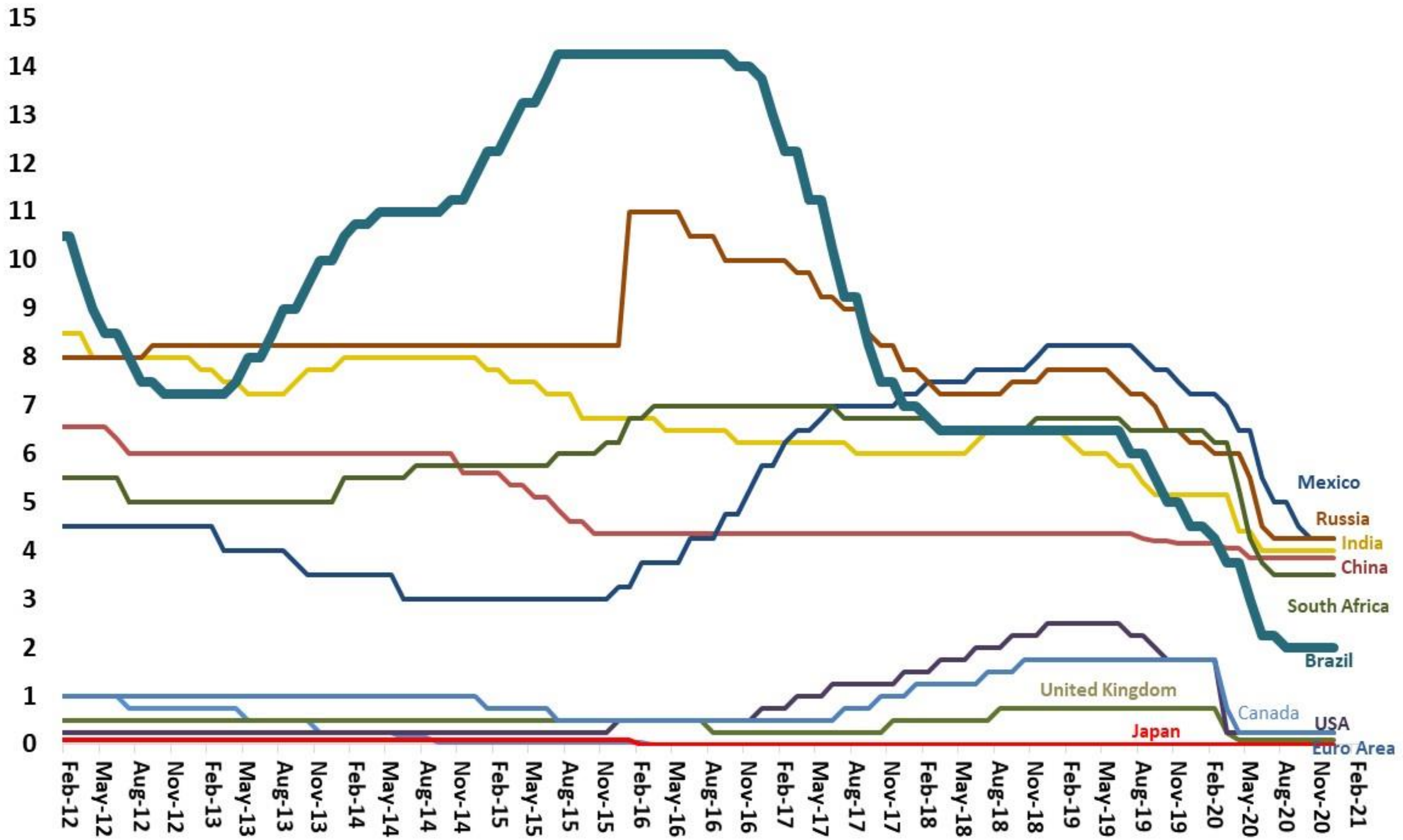
Source: WTO.

World Major Economies Government Primary Surplus



Selected Economies Main Interest Rate

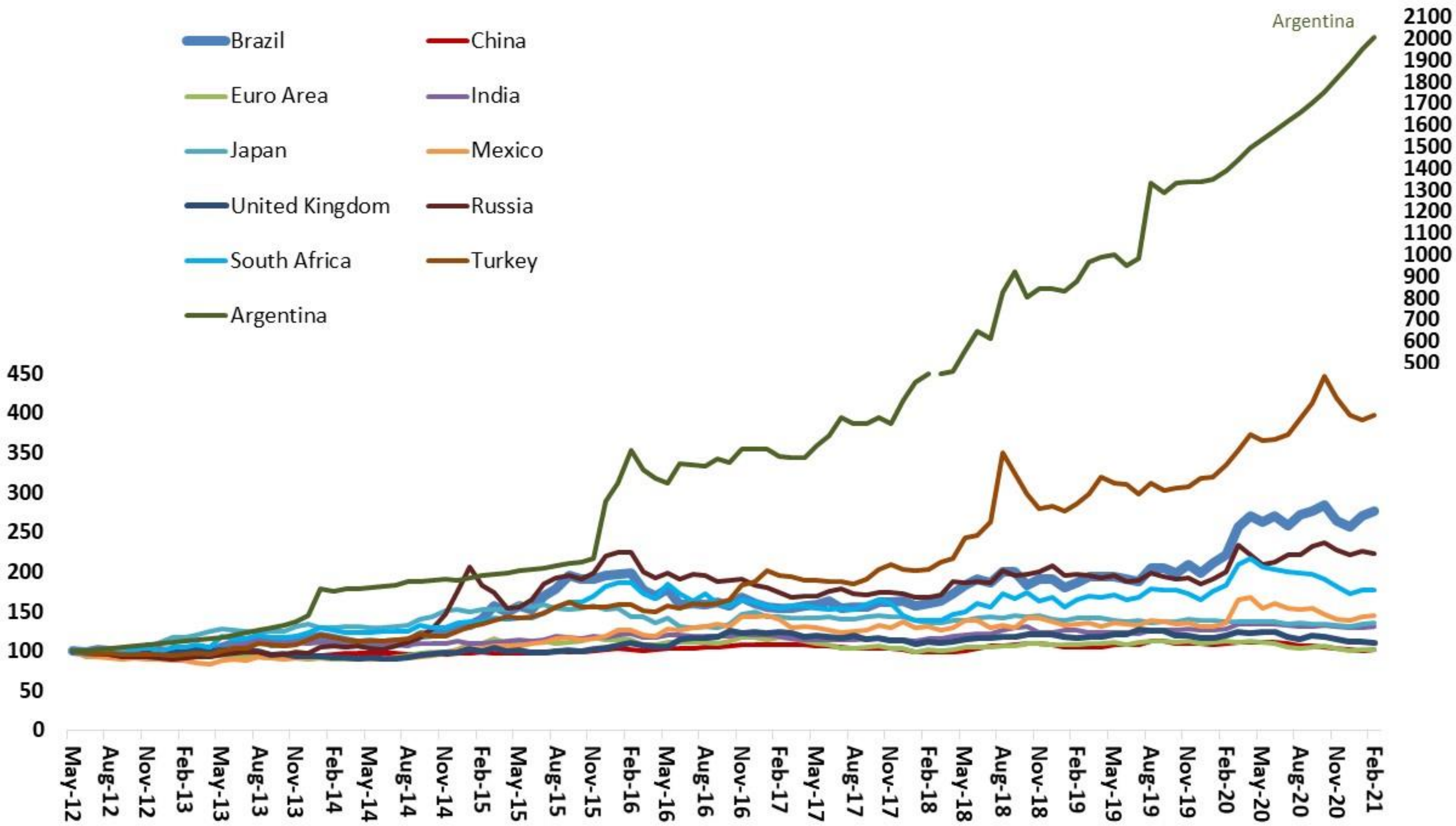
Main Interest Rates – Selected Economies – % per year



Source: Central Bank of Brazil.

Selected Economies FX-dollar Rate Evolution

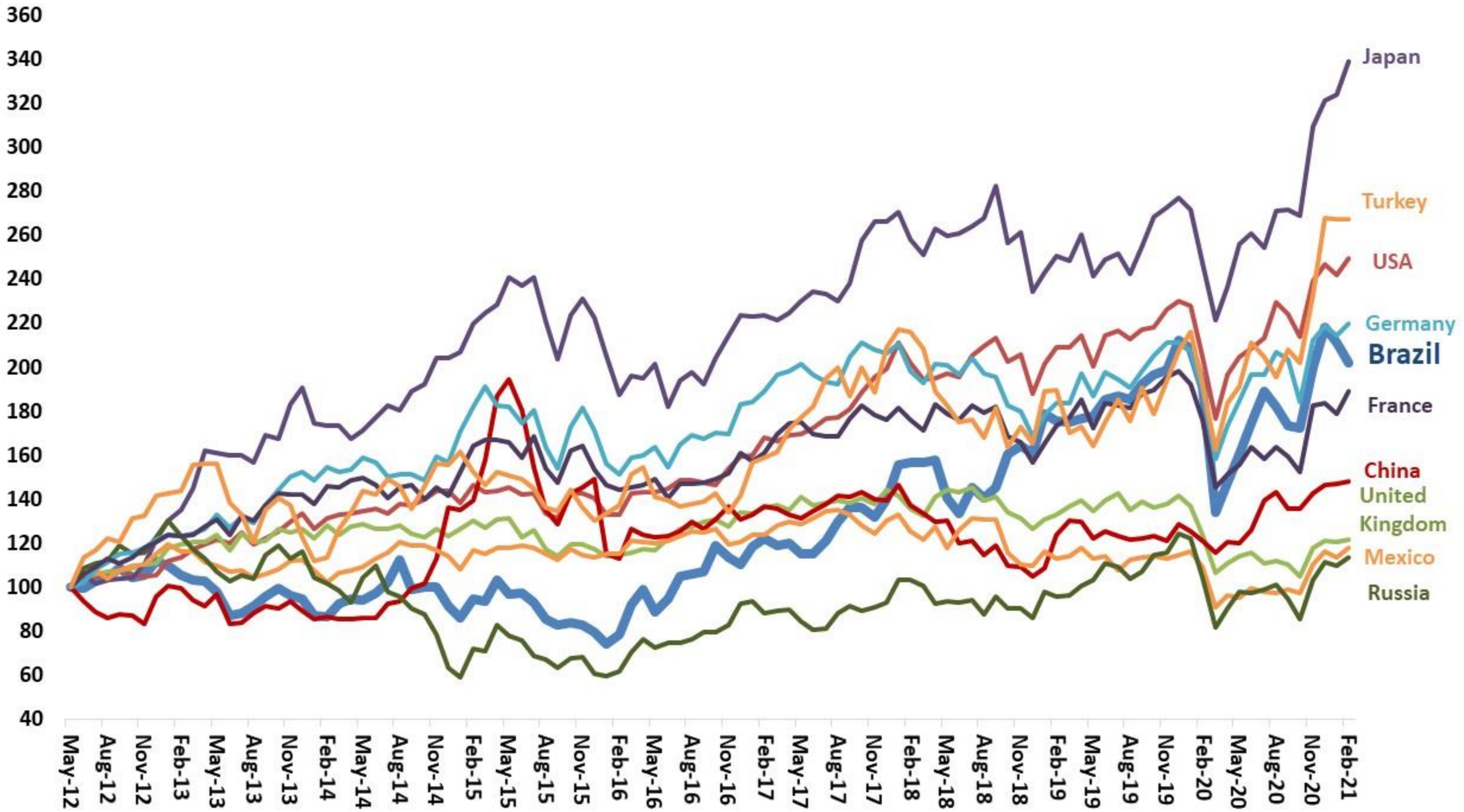
Selected Economies FX-rate Indexes – Dec/2008 = 100



Source: Bloomberg.

Selected Economies Main Stock Index Evolution

Selected Economies Main Stock Indexes – Dec/2008 = 100



Source: Bloomberg.

Macroeconomic Outlook
March 2021

MINISTER OF ECONOMY - **PAULO ROBERTO NUNES GUEDES**

EXECUTIVE SECRETARY - **MARCELO PACHECO DOS GUARANYS**

SPECIAL SECRETARY FOR FINANCE - **WALDERY RODRIGUES JUNIOR**

SECRETARY OF ECONOMIC POLICY - **ADOLFO SACHSIDA**

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MINISTRY OF ECONOMY

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