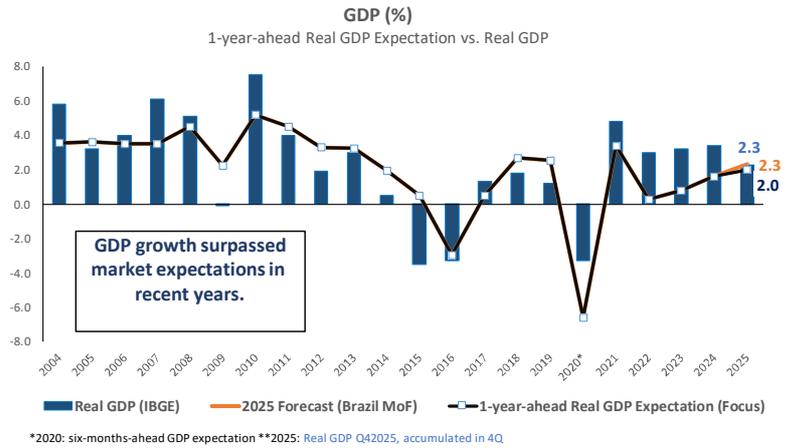


BRAZIL: MACROECONOMIC MONITOR

March 3, 2026

Highlights

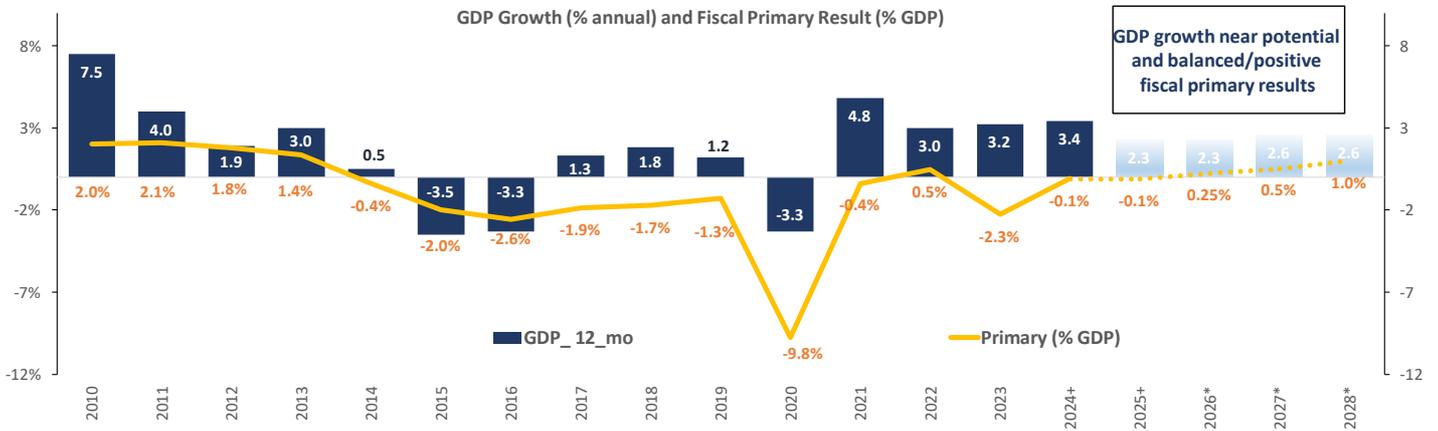
- Brazil Achieves Record Trade Performance in 2025.** Brazil registered a historic US\$629.1 billion in foreign trade flows in 2025, with exports reaching a record US\$348.7 billion (+3.5% YoY growth) and imports totaling US\$280.4 billion (+6.7% YoY growth), generating a trade surplus of US\$68.3 billion, the third highest ever. Despite global economic uncertainties and U.S. tariff measures, Brazil's trade flow grew 5.7%, more than the global average, highlighting the country's strengthened competitiveness, diversified export markets, and positive outlook for further growth in 2026.
- Brazil's Treasury raised US\$ 4.5 billion in its first sovereign bond issuance of 2026.** It has attracted strong investor demand of approximately US\$ 11 billion, which allowed for tighter pricing. The operation included a US\$ 3.5 billion 10-year bond priced at 6.4%—the largest-ever issuance in this tenor—and a US\$ 1 billion reopening of the 30-year bond at 7.3%, with a spread of 245 basis points over U.S. Treasuries, the lowest in this maturity in over a decade. Proceeds will be used to refinance existing debt. The issuance aligns with the Treasury's 2026 strategy of maintaining regular dollar benchmarks and diversifying funding sources.



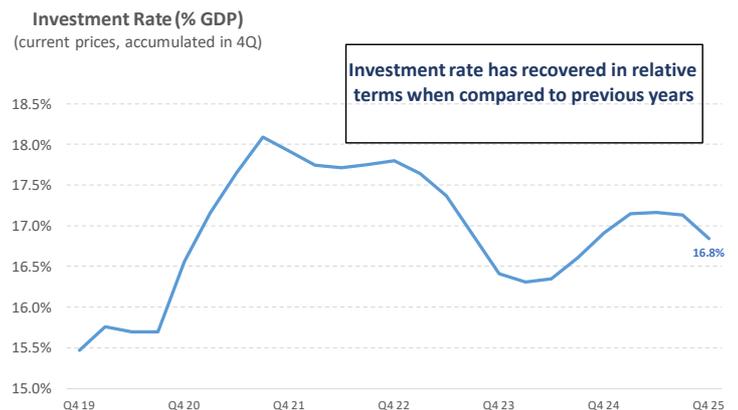
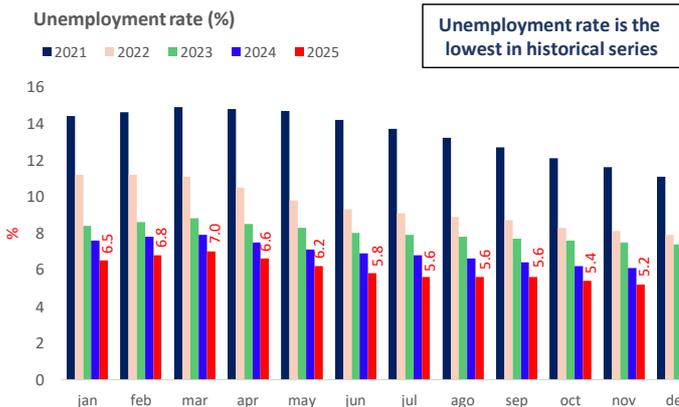
	2020	2021	2022	2023	2024	2025	2026
GDP (% YoY)	-3.3	4.8	3.0	3.2	3.4	2.3	2.3 (*)
Consumer Inflation IPCA (% YoY)	4.5	10.1	5.8	4.6	4.8	4.3	3.6 (*)
Current Account (USD bi)	-24.2	-39.4	-42.0	-27.1	-66.2	-69.0	-67.8 (**)
Foreign Investment in the Country (USD bi)	38.3	46.4	75.5	62.8	74.1	77.7	75.0 (**)
International Reserves (USD bi)	355.6	362.2	324.7	355.0	329.7	358	370 (02 Mar)
Unemployment rate (%)	14.2	11.1	7.9	7.4	6.2	5.1 (***)	5.1 (***)
General Government Gross Debt (% GDP)	86.9	77.3	71.7	73.8	76.3	78.66***	83.67 (**)
Ibovespa Index (BRL, % chg.)	2.9	-11.9	4.7	22.3	-10.4	34.0	14.1 (ytd)
CDS 5 years (year average)	151	222	250	140	188	139	132
Interest rate (Selic Target) (% eop)	2.00	9.25	13.75	11.75	12.25	15.00	12 (**)

Estimates: (*) Ministry of Finance Macroeconomic Projections, Feb. 06, 2026; (**) Focus Survey, Central Bank of Brazil, Feb. 27, 2026; (***) Last date

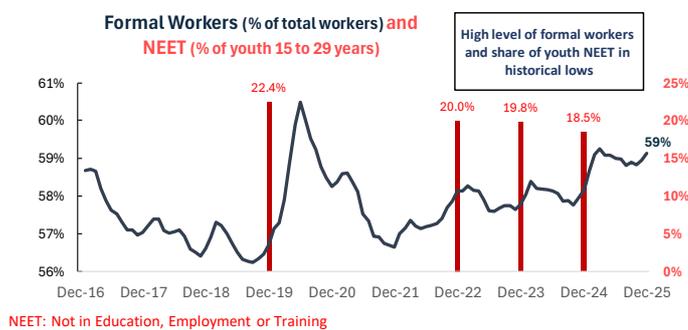
BRAZIL: ECONOMIC OUTLOOK



+In 2024 and 2025 -0.1% of GDP, excluding extraordinary expenditures with natural disasters and court-ordered debt payments.
 * From 2025 onwards, GDP forecasts from the Ministry of Finance (Feb/26) and Primary Result Targets from the Fiscal Framework.



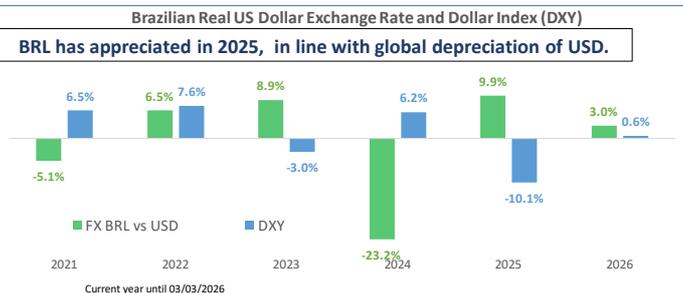
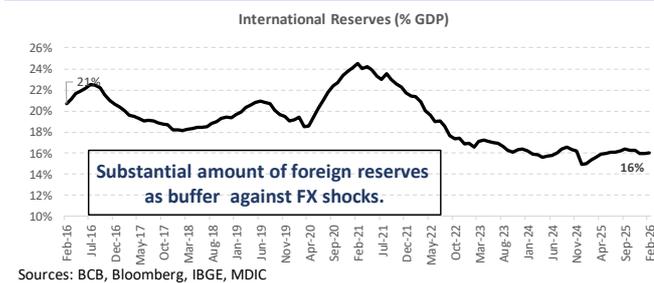
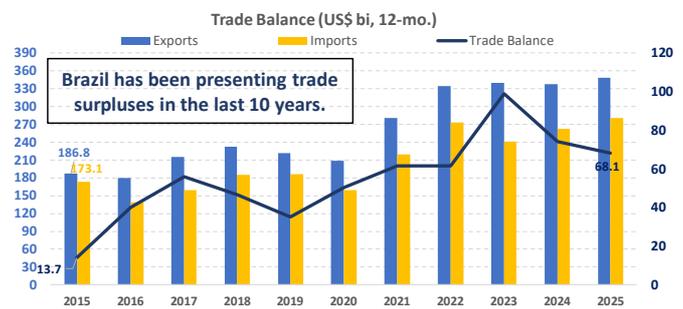
BRAZIL: ECONOMIC OUTLOOK



Brazil leader of exports in several agribusiness goods

Good	Approximate Share of Global Exports	Main Destinations
Soybeans	54%	China, Spain, Thailand, Netherlands
Orange juice	40%	USA, EU, China
Sugar	27%	Indonesia, India, China
Chicken meat	25%	China, Japan, Saudi Arabia, UAE
Coffee	22%	USA, Germany, Belgium
Pulp	19%	China, USA, Italy
Beef	17%	China, USA, UAE
Ethanol	9%	South Korea, USA, Netherlands

Source: TradeMap, Comexstat



Brazil – Main Macroeconomic Indicators

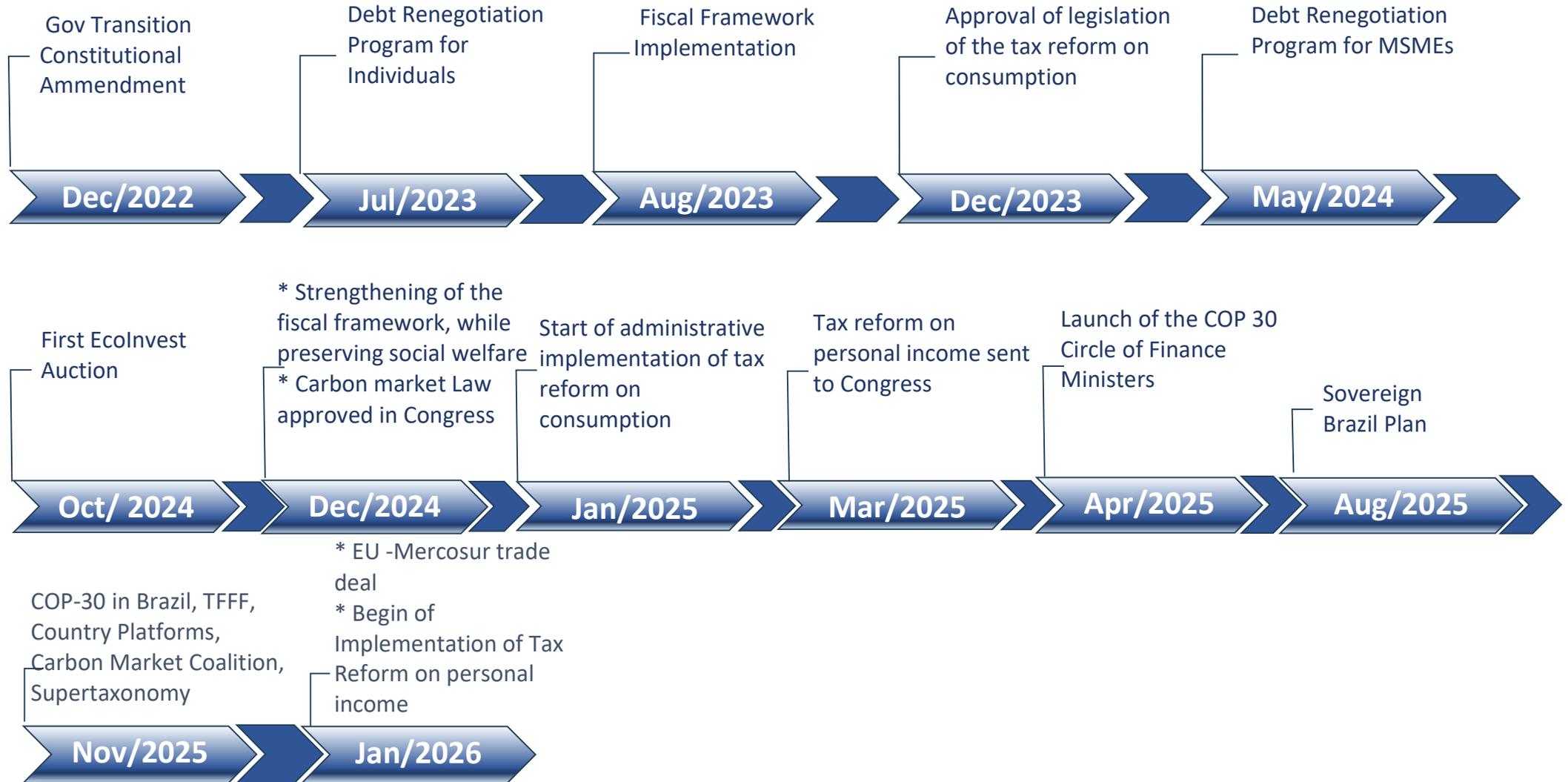
* The Brazilian economy has shown robust performance, with GDP growth exceeding expectations in recent years — 3.2% in 2023 and 3.4% in 2024, slowing to 2.3% in 2025. On the demand side, growth has been sustained by strong domestic consumption. On the fiscal front, the primary result has stayed within the target range both in 2024 and 2025 (-0.1% of GDP, excluding extraordinary expenditures with natural disasters and court-ordered debt payments). Finally, the investment rate, after declining during the pandemic, has been recovering in relative terms when compared to previous years, reaching 16.8% of GDP in Q4 2025 (accumulated in four quarters), driven by the production of capital goods and machinery and equipment. Together, these factors indicate a scenario of moderate growth, consistent with strong macroeconomic fundamentals and higher investment capacity.

* On the labor market, the indicators have shown resilience. The unemployment rate reached 5.1% in December 2025, the lowest level in the historical series. There is also an increase in formalization, with a high share of formal jobs in the labor force (over 59%). The proportion of young people aged 15 to 29 who are not in education, employment, or training (NEET) fell to historically low levels (18.5% in 2024). From an income distribution perspective, there is a downward trend in the Gini index and a consistent rise in the population's average real income in recent years. This data indicates a strengthening of the labor market, and a reduction in inequality.

* Regarding Brazil's foreign trade, it is possible to see a consistent performance in recent years. The country has maintained significant trade surpluses — reaching around US\$ 68.1 billion in 2025 — as a result of exports remaining at higher levels than imports. The export portfolio has one of its important pillars in agribusiness, with Brazil leading global exports in several goods (such as soybeans, coffee, sugar, beef, chicken, corn), consolidating the country role as a bedrock of global food security.

* In terms of the exchange rate, the Brazilian real appreciated against the U.S. dollar in 2025, following a global trend of U.S. dollar weakening, and this trend has continued in early 2026. This exchange rate appreciation helped to reduce inflationary pressures by lowering the cost of imported goods. Meanwhile, Brazil maintained a robust level of international reserves, reaching around 16% of GDP in December 2025. This substantial volume of FX reserves serves as an important buffer against external volatility and exchange rate shocks. They reinforce the credibility of economic policy and the country's ability to respond in adverse scenarios.

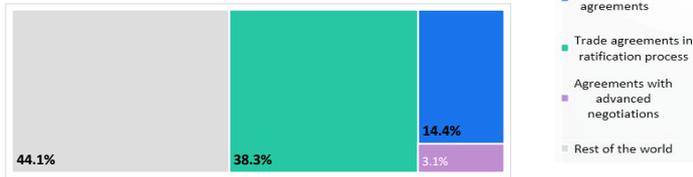
Ministry of Finance Highlights



Introduction

Mercosur has advanced an ambitious agenda to expand its network of trade agreements, strengthening market access and regulatory predictability across goods, services, and investment. Recent milestones include the **Mercosur – Singapore Free Trade Agreement - FTA (signed on December 2023)** and the conclusion of negotiations with **EFTA (signed on September 2025)** and most recently with the **European Union (signed on January 2026)**, alongside ongoing negotiations with partners such as Canada, the United Arab Emirates and India. These initiatives typically combine tariff liberalization with modern disciplines on trade facilitation, digital trade, government procurement, and sectoral regulation, while preserving policy space through exclusions and safeguard mechanisms. For Brazil, the agreements both reflect and reshape existing trade patterns—commodities and logistics on the export side, and higher value-added industrial inputs and services on the import side—reinforcing the country’s strategic insertion in global value chains. **Approximately 56% of FDI stocks in 2024 and 33% of exports in 2025 were related to countries with trade agreements (or advanced negotiations of agreements) with Brazil.**

FDI Inward stock covered by Agreements (2024)
 % of total Brazil’s FDI inward



Exports covered by Agreements (2025)
 % of total Brazil’s exports



Ratified Trade agreements (Mercosur, ALADI, Peru, Venezuela, Guyana, Suriname, South Africa, Botswana, Eswatini, Lesotho, Namibia, Egypt, Israel, Palestine); Trade agreements in ratification process (EU, EFTA and Singapore); Agreements with advanced negotiations (Canada, UAE and India – wider scope of preferential trade agreement)

Agreement	Status	Signed
Mercosur – European Union	Under domestic ratification procedures	Signed on 17 January 2026
Mercosur – EFTA	Under domestic ratification procedures	Signed on 16 September 2025
Mercosur – Singapore	Under domestic ratification procedures	Signed on 07 December 2023
Mercosur – Canada	Negotiations ongoing	Target conclusion in 2026
Mercosur – United Arab Emirates (UAE)	Negotiations ongoing	-
Mercosur – India	Negotiations ongoing	-

Country	GDP 2024 current prices (US\$ Trillions)	Population (Millions of people)
European Union	19.5	449.8
India	3.9	1,450.9
Mercosur	3.0	282.4
Canada	2.2	41.1
EFTA	1.5	15.0
United Arab Emirates	0.6	11.0
Singapore	0.5	6.0

Mercosur - European Union Agreement - January 17, 2026

Following negotiations between **Mercosur and the European Union**, the Parties **signed the Agreement on 17 January 2026**, in Paraguay, marking a first step toward its entry into force, which is subject to ratification by the EU and Mercosur Parliaments. **Uruguay and Argentina have already ratified the deal in Parliament, and Brazil and Paraguay are expected to follow soon.** In the EU, ratification may take longer due to a requested **legal review by the European Court of Justice (ECJ)**. However, with the ratification already confirmed by Argentina and Uruguay, **the European Commission will proceed with provisional application in EU**, pending the ECJ opinion. The Agreement is the result of **more than two decades of negotiations** and connects **two of the world’s largest economic blocs**, representing around **720 million people** and an estimated **GDP of approximately US\$ 22 trillion in 2025**. It is the **largest trade agreement ever negotiated by Mercosur** and one of the **largest agreements concluded by the European Union**, in a global context of rising protectionism.

Tariff changes: The Agreement provides for **broad tariff elimination**, with Mercosur phasing out tariffs on **91% of European goods** over periods of up to **15 years**, and the European Union eliminating tariffs on **95% of Mercosur goods** within **12 years**, generating immediate gains for **key industrial sectors**. Only a **residual share of goods** remains subject to **tariff-rate quotas or non-tariff treatments**.

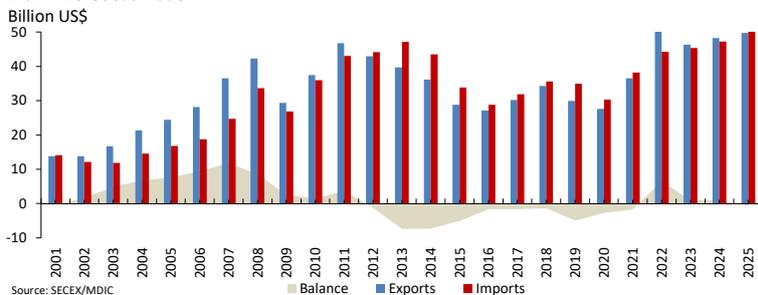
In agriculture, EU concessions focus on **expanded market access through tariff-rate quotas**, with **gradual tariff reductions or elimination**. Key products include **beef, poultry and pork**, as well as **sugar, ethanol, rice, honey, corn and sorghum**, benefiting from reduced or duty-free in-quota tariffs. The Agreement also includes concessions for **orange juice, cachaça and cheeses**, preferential margins for **yogurt and butter**, and **full tariff elimination for several fruits**, without quantitative limits. **Instruments in the agreement to facilitate trade: Modern rules of origin**, including **self-certification**, reduce bureaucracy and costs for firms. **Trade facilitation provisions** streamline import and export procedures through digital processes, enhanced transparency and mutual recognition of trusted operators.

Mechanisms in the agreement to reduce barriers and uncertainty: Technical barriers to trade: promotion of international standards and public consultations to prevent unnecessary regulatory requirements. **Sanitary and phytosanitary measures:** introduction of mechanisms such as **pre-listing and regionalization**, facilitating agri-food exports while preserving high food safety standards.

Tools in the agreement to protect sectors and public policy: Preservation of **trade defense instruments, bilateral safeguards** (including sector-specific mechanisms for the automotive sector) and disciplines on **subsidies and competition**, in line with multilateral rules.

Safeguarding **policy space in services, investment and government procurement**, with relevant exceptions for sensitive areas in Brazil, such as **public health**.

Brazil - EU Goods Trade

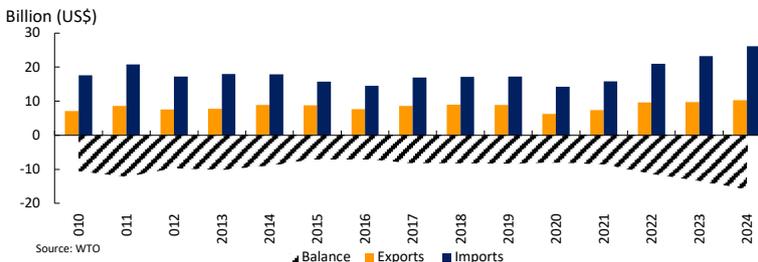


Source: SECEX/MIDIC

Top 5 traded products Brazil - European Union 2025

Exports	Participation (%)	Imports	Participation (%)
Petroleum oils and oils, crude	19.7%	Medicinal and pharmaceutical products	8.7%
Coffee not roasted or decaffeinated	14.4%	Medicaments (including veterinary medicaments)	7.5%
Soybean waste and other animal feeds	8.1%	Parts and accessories of the motor vehicles of groups	5.0%
Copper ores and concentrates	6.2%	Engines and motors, non-electric parts,	4.9%
Soya beans	4.9%	Measuring, checking, analysing and controlling instruments	2.9%

Brazil - EU Services Trade



Source: WTO

Top 5 Traded Services Brazil-European Union 2024

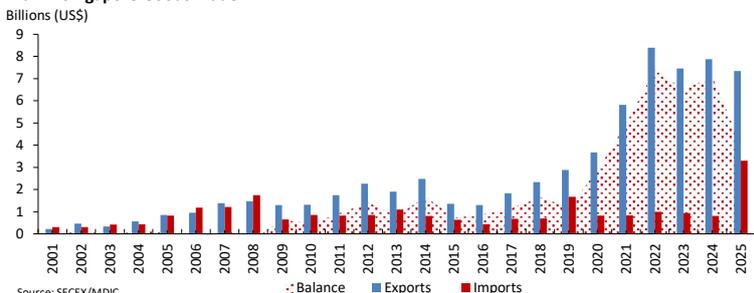
Exports	Participation (%)	Imports	Participation (%)
Other business services	30.7%	Transport	29.0%
Transport	27.5%	Travel	17.8%
Travel	15.2%	Other business services	17.4%
Telecommunications, computer, and information services	8.6%	Charges for the use of intellectual property n.i.e.	16.9%
Insurance and pension services	5.5%	Telecommunications, computer, and information services	9.1%

Mercosur - Singapore Agreement - December 7, 2023

Signed on December 7, 2023, in Rio de Janeiro, the Mercosur–Singapore FTA covers goods, services, and investment and includes modern disciplines—such as trade facilitation, intellectual property, government procurement, and e-commerce—strengthening predictability and shared rules between the parties. Singapore will liberalize 100% of Mercosur exports upon entry into force, while Mercosur will liberalize 95.8% of its tariff lines, with part implemented immediately and the remainder phased in over 4 to 15 years, preserving sensitive items through exclusions.

Brazil currently records a sizable trade surplus with Singapore, with exports highly concentrated in the oil sector. Since the agreement was signed, Brazilian exports to Singapore have continued to grow, reinforcing the partnership’s strategic relevance and supporting Brazil’s bilateral economic position in a dynamic market.

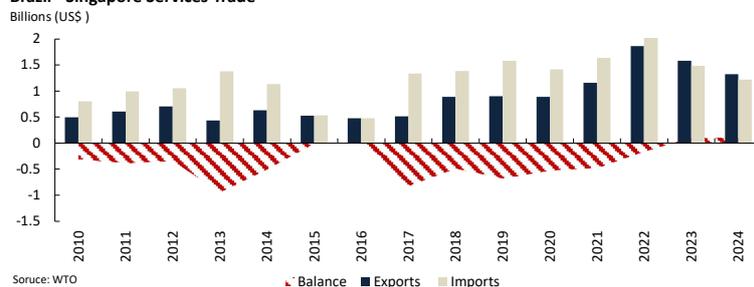
Brazil - Singapore Goods Trade



Top 5 traded products Brazil - Singapore 2025			
Exports	Participation (%)	Imports	Participation (%)
Petroleum oils and oils other than crude	45.9%	Ships, boats and floating structures	75.5%
Petroleum oils and oils crude	16.7%	Thermionic, cold cathode or photo-cathode valves and tubes	5.7%
Pumps, air or other gas compressors and fans	8.7%	Heating and cooling equipment and parts	2.2%
Other machinery and equipment specialized for particular industries	5.8%	Measuring, checking, analysing and controlling instruments	1.6%
Meat and edible offal of the poultry	3.8%	Taps, cocks, valves and similar appliances for pipes	1.2%

in services, the agreement enhances transparency and predictability and includes sectoral annexes (financial, professional, and postal services) and rules on domestic regulation, while also facilitating the temporary movement of business travelers.

Brazil - Singapore Services Trade

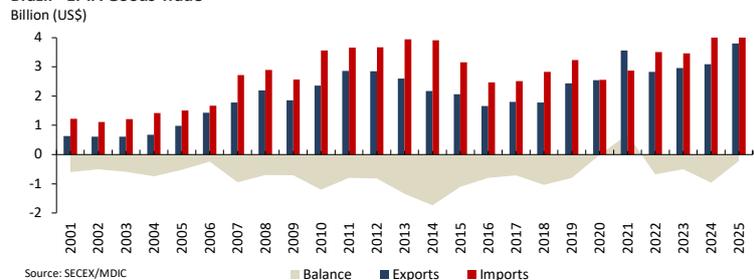


Top 5 Traded Services Brazil-Singapore 2024			
Exports	Participation (%)	Imports	Participation (%)
Transport	38.6%	Transport	36.2%
Other business services	32.3%	Other business services	24.6%
Goods-related services	11.5%	Financial services	12.2%
Telecommunications, computer, and information services	6.8%	Telecommunications, computer, and information services	9.9%
Travel	4.6%	Charges for the use of intellectual property	6.4%

Mercosur - EFTA Agreement - September 16, 2025

Mercosur and EFTA (Switzerland, Norway, Iceland, and Liechtenstein) concluded negotiations on a free trade agreement after 14 rounds, with the agreement being signed on September 16, 2025. The deal fits Mercosur’s broader strategy to expand its trade network alongside the Mercosur–EU agreement and the Mercosur–Singapore deal. Brazil–EFTA trade remains largely commodity-driven on the export side, while Brazil imports a diversified set of higher value-added industrial goods, many of which serve as inputs for agribusiness and livestock production.

Brazil - EFTA Goods Trade

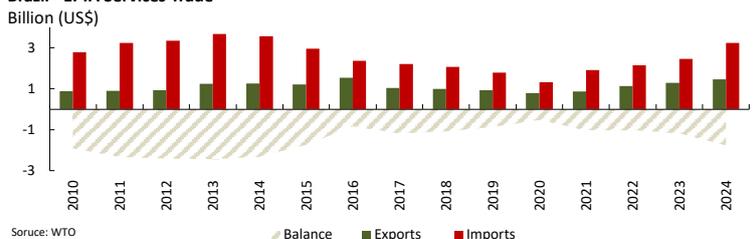


Top 5 traded products Brazil - EFTA 2025			
Exports	Participation (%)	Imports	Participation (%)
Gold, non-monetary	40.9%	Medicinal and pharmaceutical products	21.6%
Alumina (aluminium oxide)	32.4%	Organo-inorganic compounds	10.2%
Taps, cocks, valves and similar appliances	4.1%	Nitrogen-function compounds	10.2%
Petroleum oils and oils obtained from bituminous minerals	3.6%	Medicaments (including veterinary medicaments)	7.4%
Coffee not roasted or decaffeinated	3.4%	Fertilizers - excluding group 272	5.7%

Sensitive agricultural products—such as dairy, chocolate, and infant formula—were addressed through tariff-rate quotas (TRQs), granting preferential access while maintaining volume controls. A dedicated Trade Facilitation annex aims to reduce costs and streamline import, export, and transit procedures by strengthening transparency, predictability, and customs efficiency. It includes provisions on the use of technology, risk management, inter-agency cooperation, simplified procedures, caps on fees and charges, advance rulings, and appropriate treatment of perishable goods.

In services, Brazil’s exports are concentrated in research and development and consulting services, while imports are largely driven by transport services associated with the shipment of industrial goods.

Brazil - EFTA Services Trade

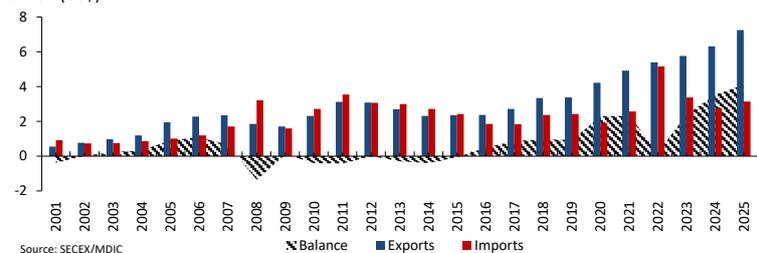


Top 5 Traded Services Brazil-EFTA 2024			
Exports	Participation (%)	Imports	Participation (%)
Other business services	37.7%	Transport	33.8%
Transport	28.3%	Charges for the use of intellectual property	17.1%
Telecommunications, computer, and information services	8.2%	Other business services	14.2%
Charges for the use of intellectual property	7.2%	Travel	10.3%
Travel	6.0%	Telecommunications, computer, and information services	8.3%

Mercosur - Canada Agreement

The launch of negotiations between Mercosur and Canada was announced on March 9, 2018, in Asunción, Paraguay, with Brazil assigned to lead the negotiations on behalf of Mercosur. Since then, seven negotiating rounds have been held. In addition to these rounds, negotiating groups have continued to meet virtually to advance technical work in their respective areas. The parties have already exchanged offers covering goods, services, investment, and government procurement. Brazil–Canada trade in goods is heavily concentrated in aeronautical products, machinery, and commodities. In recent years, Brazil has recorded a solid trade surplus. Despite strong bilateral trade ties, the agreement remains under negotiation, with additional rounds scheduled to address more detailed and outstanding issues.

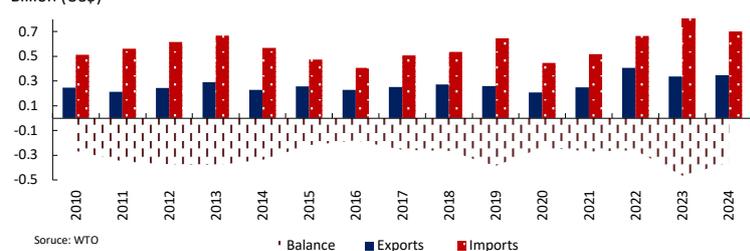
Brazil - Canada Goods Trade
Billion (US\$)



Top 5 traded products Brazil - Canada 2025			
Exports	Participation (%)	Imports	Participation (%)
Gold, non-monetary	44.8%	Fertilizers - excluding group 272	50.5%
Alumina (aluminium oxide)	20.8%	Engines and motors, non-electric parts	10.5%
Sugars and molasses	6.9%	Aircraft and associated equipment	4.9%
Coffee not roasted or decaffeinated	4.6%	Medicaments (including veterinary medicaments)	3.2%
Aircraft and associated equipment	3.1%	Polymers of ethylene, in primary forms	2.9%

In services trade, Canada stands out primarily in the travel sector. As one of the main destinations for Brazilian travelers, tourism-related services account for around 48% of Brazil's total services imports from Canada. In turn, Brazil's services exports to Canada are concentrated in transport—especially logistics linked to the shipment of metallic and agricultural commodities—alongside technical expertise and consulting services for the agribusiness sector.

Brazil - Canada Services Trade
Billion (US\$)



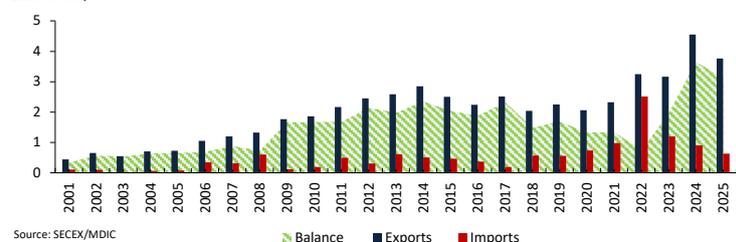
Top 5 Traded Services Brazil-Canada 2024			
Exports	Participation (%)	Imports	Participation (%)
Travel	26.0%	Travel	48.1%
Transport	22.8%	Transport	13.7%
Other business services	19.7%	Other business services	11.4%
Charges for the use of intellectual property n.i.e.	15.0%	Telecommunications, computer, and information services	11.3%
Telecommunications, computer, and information services	8.7%	Charges for the use of intellectual property n.i.e.	6.6%

The agreement will consolidate services and investment in a single chapter to enhance transparency and legal certainty, enabling business and bilateral investment, in line with WTO disciplines. It will establish commitments on national treatment and market access, specifying sectors and conditions for the operation of companies and investors from the other party. It will also include sectoral disciplines (e.g., financial services, telecommunication, and e-commerce), preserving prudential measures and rules on cross-border financial data flows.

Mercosur - UAE Agreement

Negotiations between Mercosur and the United Arab Emirates were officially launched on July 7, 2024, in Asunción, Paraguay. Since then, four negotiation rounds have taken place. In parallel with the in-person round, the negotiating groups have continued to meet virtually to advance technical work across their respective tracks. The discussions cover a broad agenda, including trade in goods, rules of origin, customs procedures, trade facilitation and others. Brazil and UAE are great economic partners, in areas of business and oil sector. In the last years, Brazil has handled an acceleration in the surplus in goods trade, specially in food group. When it comes to the main goods imported from Brazil, they were related to oil and manufacturing.

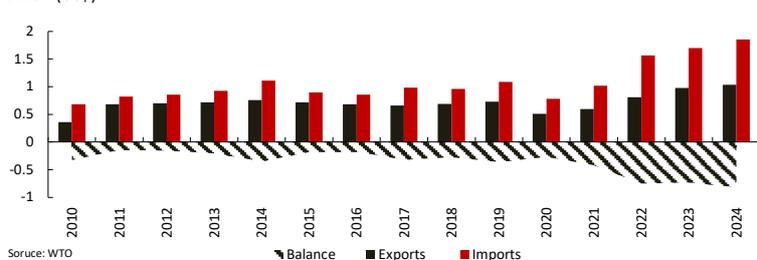
Brazil - UAE Goods Trade
Billion US\$



Top 5 traded products Brazil - UAE 2025			
Exports	Participation (%)	Imports	Participation (%)
Meat and edible offal of the poultry	24.8%	Petroleum oils and oils (other than crude)	61.4%
Sugars and molasses	19.5%	Sulphur of all kinds	12.3%
Gold, non-monetary	9.1%	Other machinery and equipment specialized for particular industries	3.9%
Meat of bovine animals, fresh, chilled or frozen	6.7%	Polymers of ethylene, in primary forms	3.0%
Pulp	4.4%	Other plastics, in primary forms	2.3%

In services, Brazil's trade with the UAE has registered deficits, differently from the surpluses in goods trade. In imports, transport services—largely linked to goods trade, especially oil and chemicals—along with travel, accounted for the largest shares. In exports, business services dominated, notably research and development, professional and management consulting, and technical and other business services.

Brazil - UAE Services Trade
Billion (US\$)

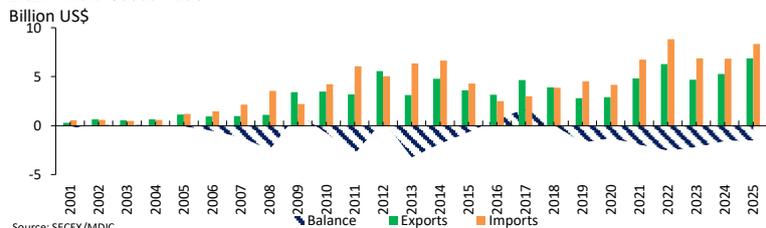


Top 5 Traded Services Brazil-UAE 2024			
Exports	Participation (%)	Imports	Participation (%)
Other business services	25.6%	Transport	35.3%
Transport	24.1%	Travel	32.4%
Travel	16.1%	Other business services	16.3%
Telecommunications, computer, and information services	15.2%	Telecommunications, computer, and information services	5.8%
Insurance and pension services	5.9%	Personal, cultural, and recreational services	3.1%

Mercosur - India Agreement

The Mercosur – India Preferential Trade Agreement was signed in New Delhi on 25 January, 2004. In 2013, India signaled its willingness to launch discussions to expand the scope of the agreement. By 2026, Mercosur, especially Brazil, is again seeking to deepen trade ties with this strategic partner. So far, only 14% of Brazilian exports of goods to India are currently covered. The objective is to broaden the product list—particularly in areas of export interest—reduce tariff barriers, and address other trade-restrictive measures. As one of the world's most populous countries, India is a major buyer of Brazilian commodities and a key partner for Brazil within BRICS and the G20.

Brazil - India Goods Trade

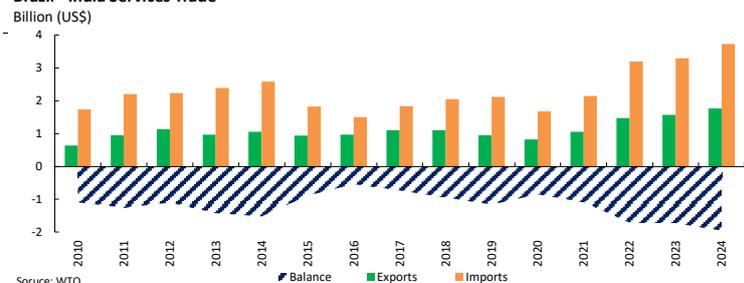


Source: SECEX/MNDIC

Top 5 traded products Brazil - India 2025			
Exports	Participation (%)	Imports	Participation (%)
Petroleum oils and oils, crude	28.3%	Organo-inorganic compounds, heterocyclic compound	17.6%
Sugars and molasses	15.7%	Petroleum oils and oils (other than crude)	13.3%
Fixed vegetable fats and oils	14.1%	Medicaments (including veterinary medicaments)	6.8%
Iron ore and concentrates	6.4%	Insecticides, rodenticides, fungicides, herbicides, anti-sprouting products	6.5%
Cotton (other than linters)	6.0%	Parts and accessories of the motor vehicles	3.7%

In services, the Brazil–India partnership is particularly strong in technology-related activities. Within the digital inclusion agenda, India plays a pivotal role as a provider of modern digital solutions and capabilities. On the other hand, India’s services imports from Brazil are more concentrated in transport services and in business services such as research and development, professional and management consulting, and technical services—especially those linked to agriculture value chains.

Brazil - India Services Trade



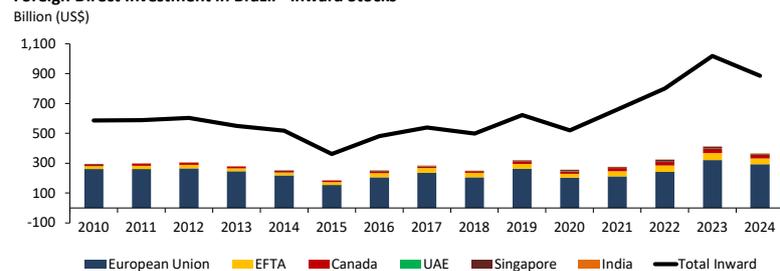
Source: WTO

Top 5 Traded Services Brazil-India 2024			
Exports	Participation (%)	Imports	Participation (%)
Transport	35.9%	Telecommunications, computer, and information services	45.2%
Other business services	24.9%	Other business services	29.5%
Travel	18.0%	Transport	10.9%
Telecommunications, computer, and information services	11.4%	Travel	8.6%
Goods-related services	2.4%	Personal, cultural, and recreational services	1.9%

Mercosur’s Investment Agreements and Brazil Bilateral Investments

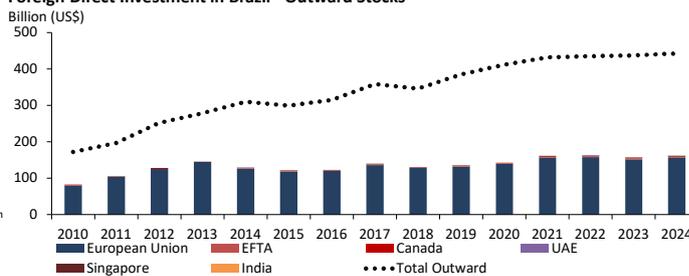
Brazil maintains strong economic links with the jurisdictions listed above, particularly the European Union (EU). FDI stock—which measures the accumulated value of cross-border investment over time—shows the EU as one of Brazil’s largest sources of inward investment, while also serving as an important destination for Brazilian outward investment. Bilateral Inward FDI positions have expanded significantly, reaching almost US\$364 billion in 2024. Brazil’s investment in the EU has grown especially fast, increasing by 177% between 2010 and 2024.

Foreign Direct Investment in Brazil - Inward Stocks



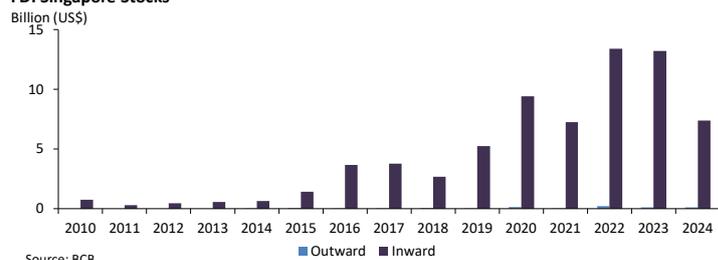
Source: BCB * Data on foreign direct investment stocks available until 2024. Data on foreign direct investment flows available until 2025.

Foreign Direct Investment in Brazil - Outward Stocks



Mercosur - Singapore Investment

FDI Singapore Stocks



Source: BCB

Brazil and Singapore have been strengthening their investment partnership, supported by a broader agenda to deepen trade and financial ties and to position Singapore as a gateway for Brazilian firms into Asia.

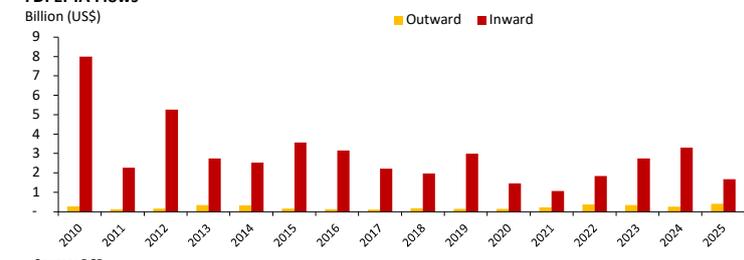
A key milestone was the signature of the Mercosur–Singapore Free Trade Agreement, which explicitly aims to create more transparent and predictable conditions for investors. Alongside these instruments, official bilateral statements highlight growing investment cooperation and the presence of Singaporean firms in Brazil across sectors such as oil and gas, infrastructure, real estate, agriculture, and transport.

Brazil has also signed a Memorandum of Understanding with Singapore about partnership for climate action, which may foster bilateral green investments.

Mercosur - EFTA Investment

Brazil is an important investment partner for EFTA countries. Over the past decade, Brazil has received, on average, around US\$ 2.5 billions in investment inflows per year, with 2010 standing out, when inflows reached around US\$ 8 billions. Since 2010, the inward investment stock has grown at an average rate of 5.3% per year, underscoring the strength of the bilateral relationship. In total EFTA FDI stock, the largest inward investors in 2024 were Norway (68%) and Switzerland (32%). Data of inward FDI stock for Liechtenstein and Iceland were not available. The Brazil–EFTA partnership is expected to deepen with the signing of the agreement, which has the potential to attract additional investment into the country. Through schedules of specific commitments, Mercosur and EFTA have undertaken national treatment obligations, ensuring non-discrimination between domestic and foreign investors.

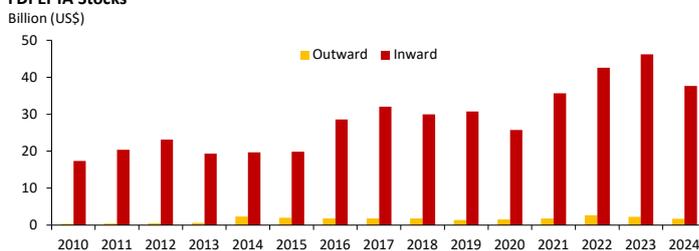
FDI EFTA Flows



Source: BCB

Available data for Switzerland (Outward) and Switzerland and Norway (Inward)

FDI EFTA Stocks



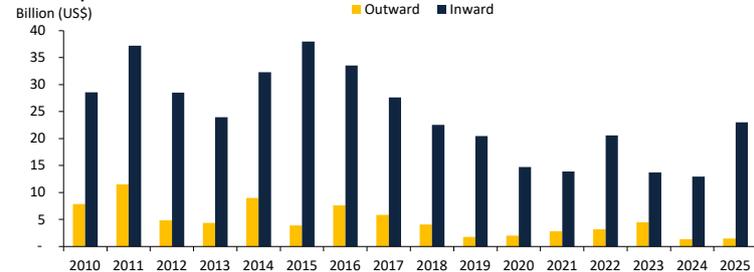
Available data for Switzerland, Norway and Liechtenstein (Outward) and Switzerland and Norway (Inward)

Mercosur - European Union Investment

EU is one of the greatest investors in Brazil. In total EU FDI stock, the largest inward investors in 2024 were France (23%), Spain (17%), Netherlands (16.5%), and Germany (13%). During the last decade, the investment has stood relatively constant. The agreement consolidates services and investment disciplines into a single chapter, aiming to strengthen transparency and legal certainty so that investors from both blocs can conduct business and execute cross-border investments.

The Mercosur - EU framework follows WTO-aligned disciplines and establishes national treatment and market access commitments, reducing discrimination risks and regulatory uncertainty for foreign capital. The schedules of specific commitments define, sector by sector, where and under which conditions firms and investors may operate, increasing predictability for investment planning and capital allocation.

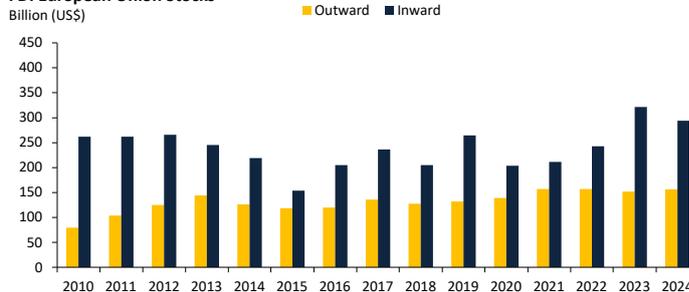
FDI European Union Flows



Source: BCB

From the 27 EU countries, available data for 12 (Outward) and 16 (Inward) largest investor partners.

FDI European Union Stocks

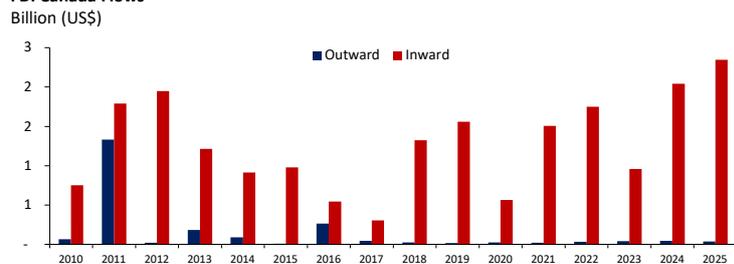


From the 27 EU countries, available data for 19 (Outward) and 12 (Inward) largest investor partners.

Mercosur - Canada Agreement

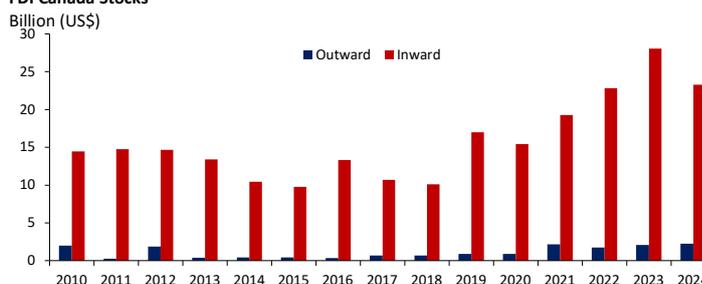
The Brazil–Canada investment relationship has shown mixed dynamics in recent years. Despite heightened volatility in the global environment—which typically increases investor risk aversion—Canada has remained among the leading investors in Brazil. In 2023, Canada’s FDI stock in Brazil reached a record level of approximately US\$ 28 billion. Investments are spread across sectors such as renewable energy, infrastructure, oil and gas, real estate, technology services, venture capital and private equity, as well as other activities.

FDI Canada Flows



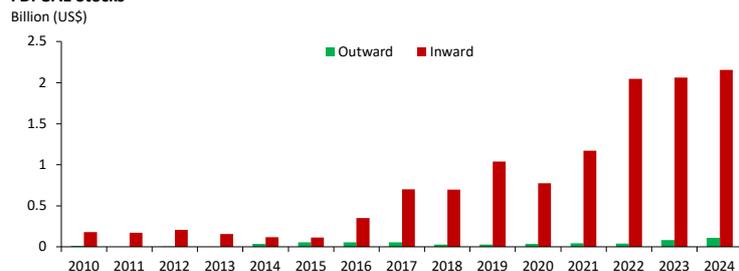
Source: BCB

FDI Canada Stocks



Mercosur - UAE Investment

FDI UAE Stocks

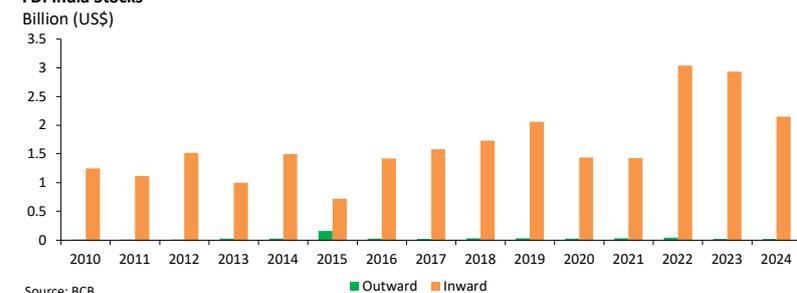


Source: BCB

The United Arab Emirates (UAE) has significantly expanded its investment presence in Brazil. The UAE’s FDI stock in Brazil reached an all-time high of US\$ 2.1 billion in 2024, an strong increase since 2015, consolidating the UAE as the leading Middle Eastern country investing in Brazil. The main sectors for investments were Venture Capital and Private Equity; Oil and Gas; Renewable Energy; Real Estate; Infrastructure; Technology and Financial Services.

Mercosur - India Investment

FDI India Stocks



Source: BCB

India is highlighted as a relevant partner for Brazil in investment. Its major investments in Brazil are on manufacturing, technology, energy, pharmaceuticals, automotive, and consumer goods, with an increasing focus in areas such as digital infrastructures, vaccines, renewables and agribusiness. These investments are supported by recent legal and economic cooperation instruments.

The Investment Cooperation and Facilitation Agreement (ICFA), approved by Congress in September, has been promulgated in October 2025. The ICFA aims to promote cooperation, facilitation, and encouragement of bilateral investments, fostering business activity and sustainable economic development.

Another decree seeks to eliminate or minimize double taxation of income tax and prevent tax evasion or avoidance, benefiting investors and strengthening cooperation between the tax administrations of Brazil and India. New partnerships and investments will take place after the Brazil President State visit to India, that occurred between February 17 and 21, 2026.