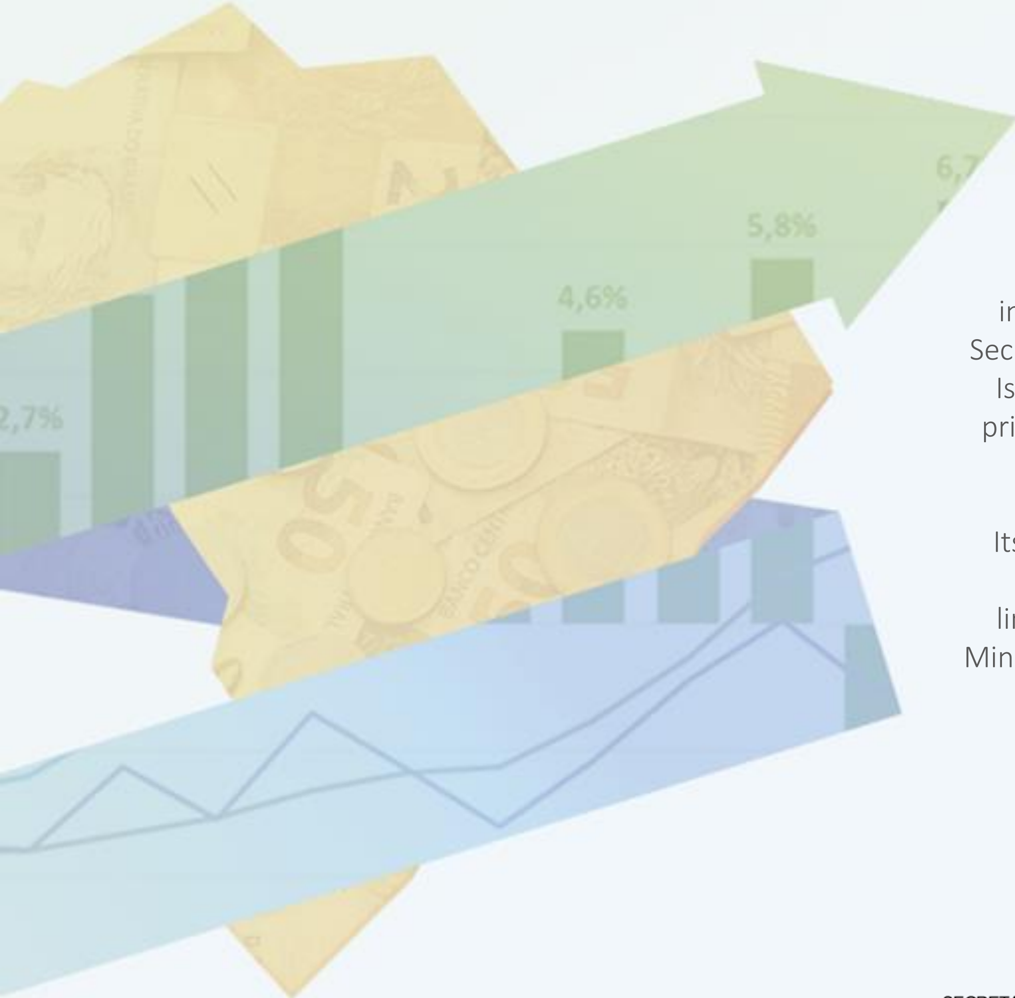
MACROECONOMIC OUTLOOK

February 2017

SECRETARIAT OF
PLANNING AND ECONOMIC AFFAIRS

MINISTRY OF
PLANNING, DEVELOPMENT AND MANAGEMENT

BRASIL
BRAZILIAN GOVERNMENT



Macroeconomic Outlook is an informational report produced by Secretariat for Planning and Economic Issues (SEPLAN) related to a set of primary public economic data about Brazilian economy.

Its content does not represent any prospective policy decisions or limitations to the actions taken by Ministry of Planning, Development and Management.

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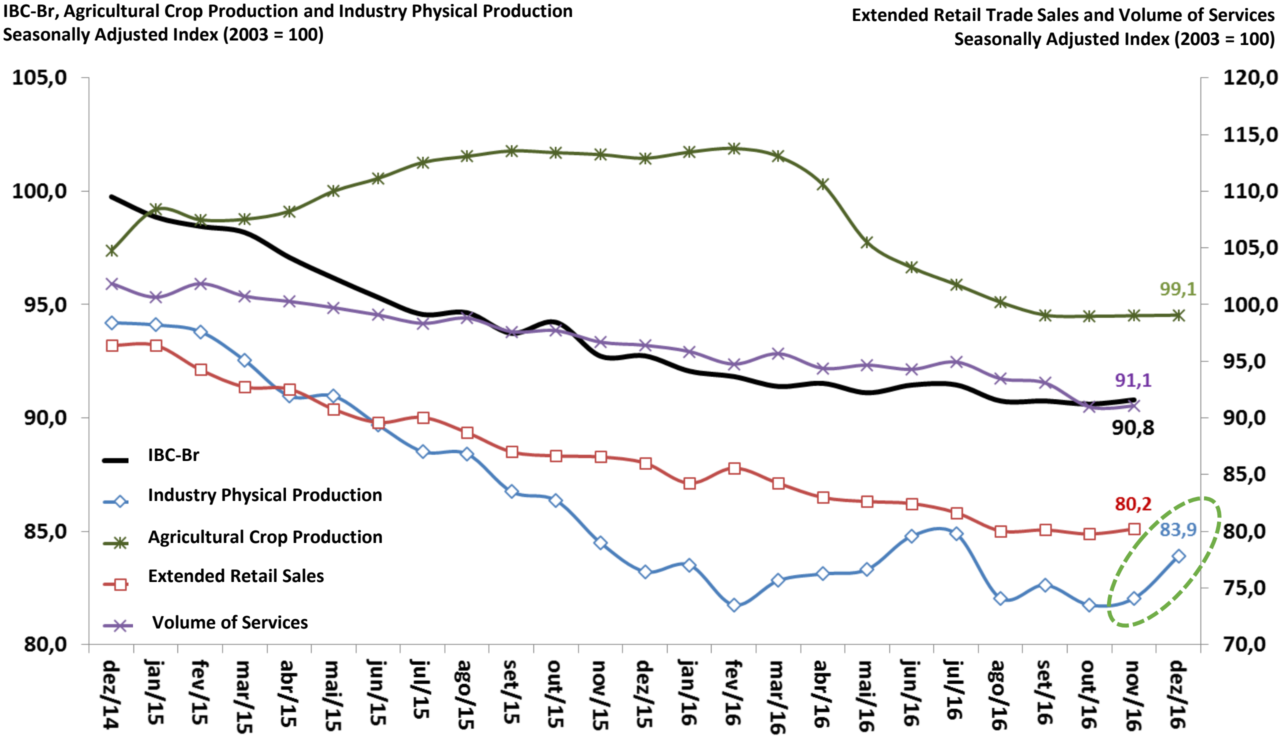
Index

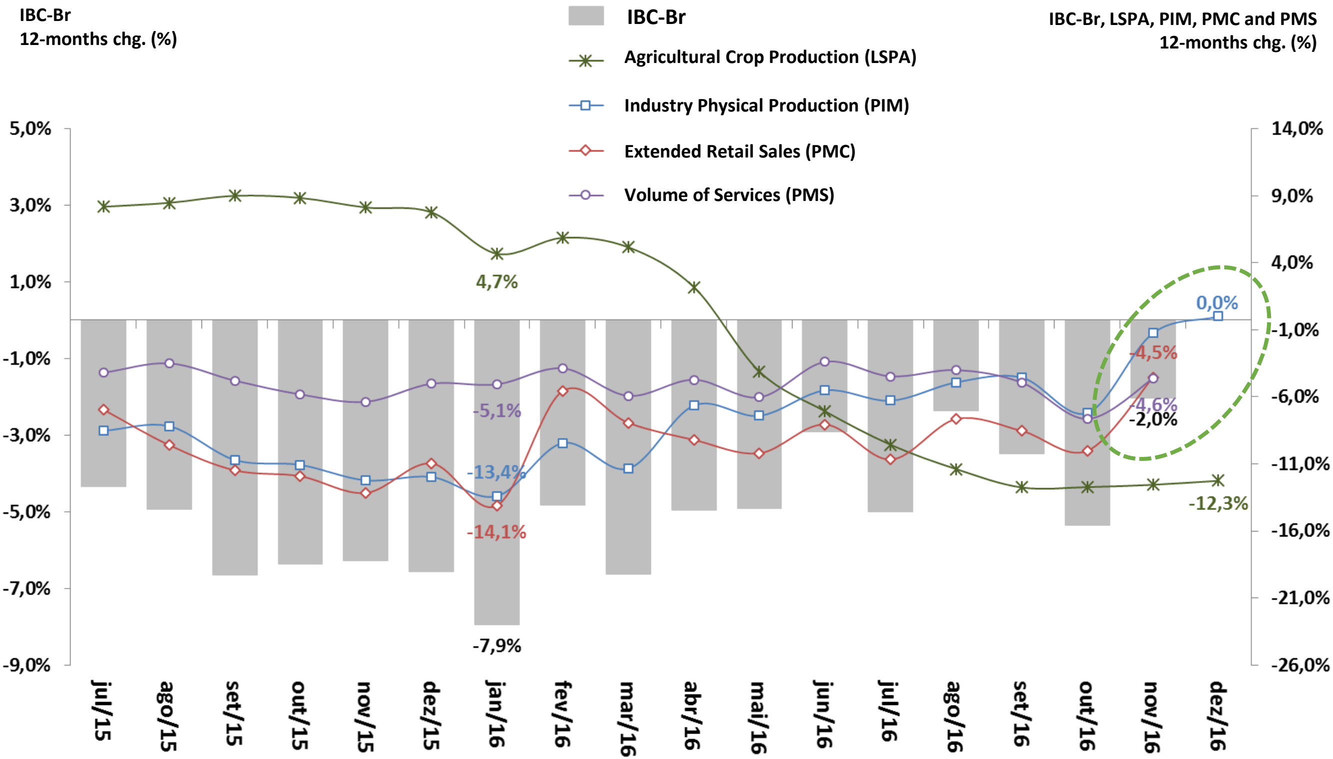
EDITION’S HIGHLIGHTS

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

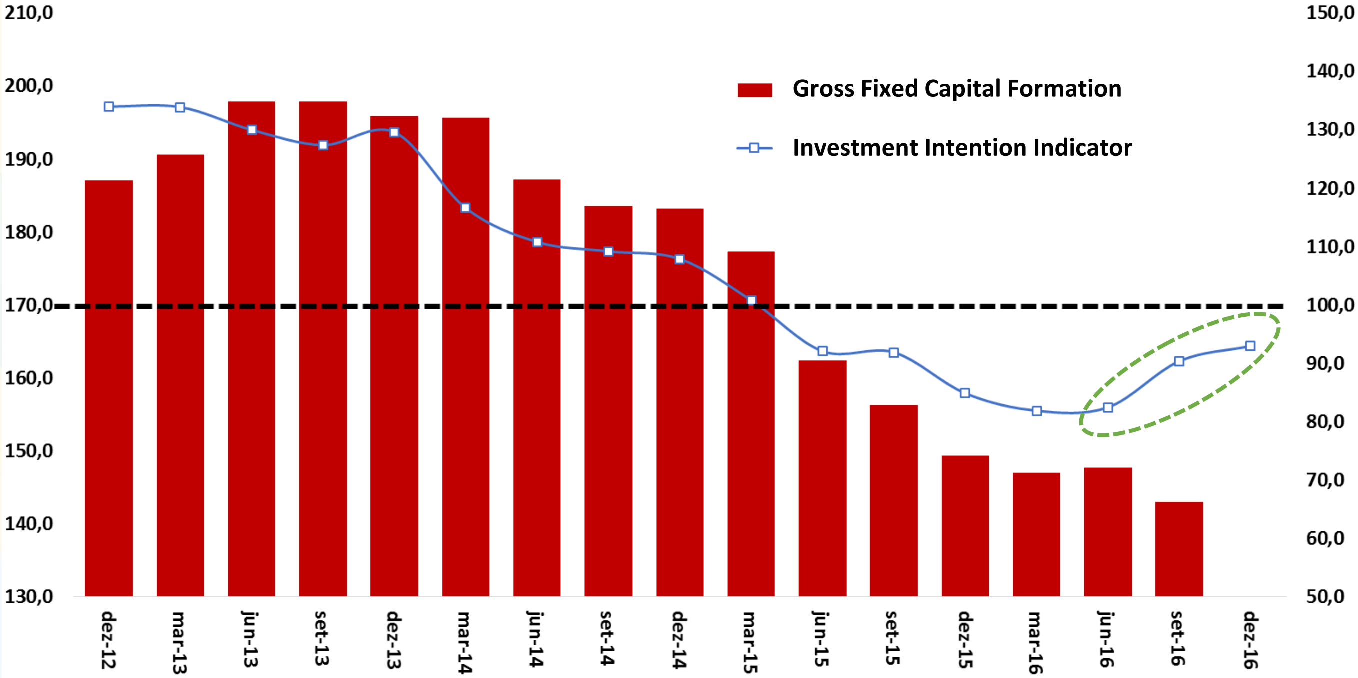


Sources: Central Bank of Brazil and IBGE: Systematic Survey of Agricultural Production (LSPA), Monthly Survey of Industry (PIM), Monthly Survey of Trade (PMC), and Monthly Survey of Services (PMS).

Gross Fixed Capital Formation and Investment Intention

Gross Fixed Capital Formation (Quarterly National Accounts)
Linked Series of the Seasonally Adjusted Index: 1995=100

Investment Intention Indicator*
IBRE/FGV Investments Survey



Source: IBRE/FGV.
*Note: Measures de difference between positive and negative answers, plus 100.

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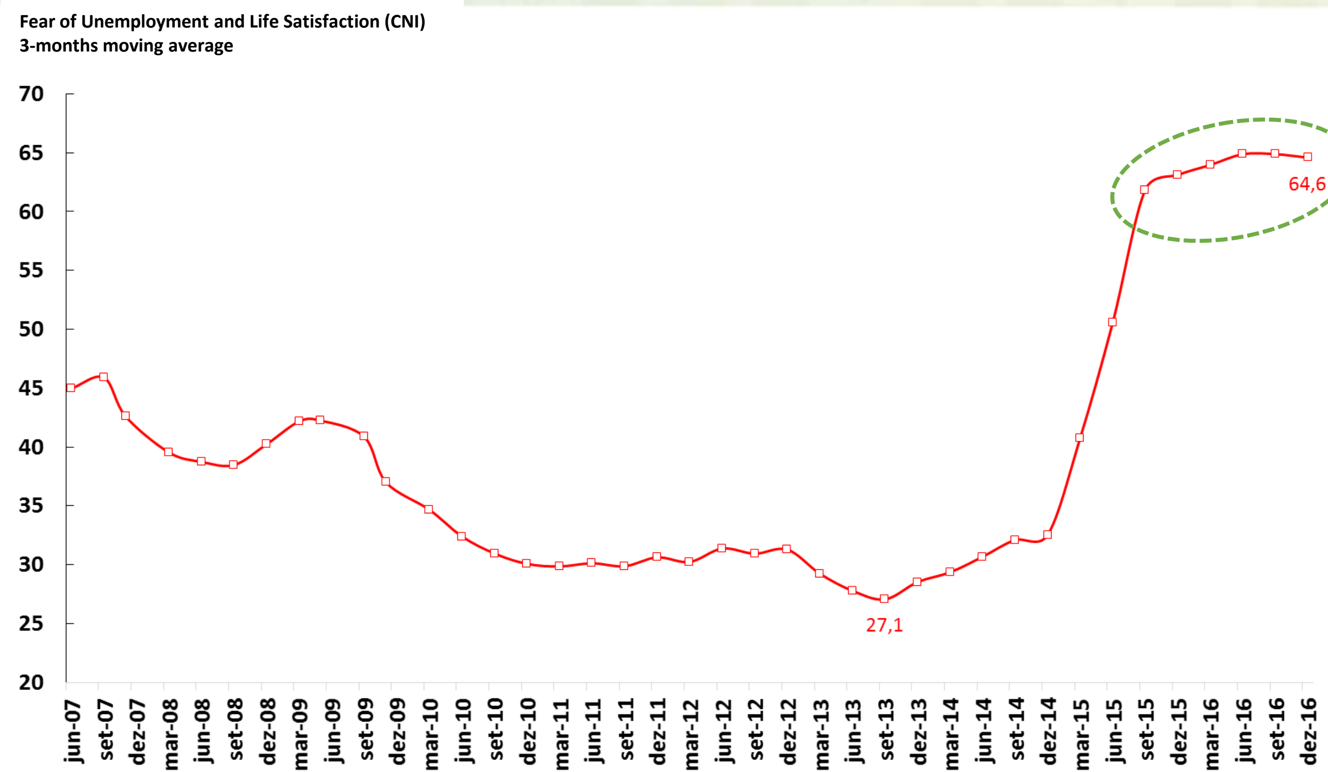
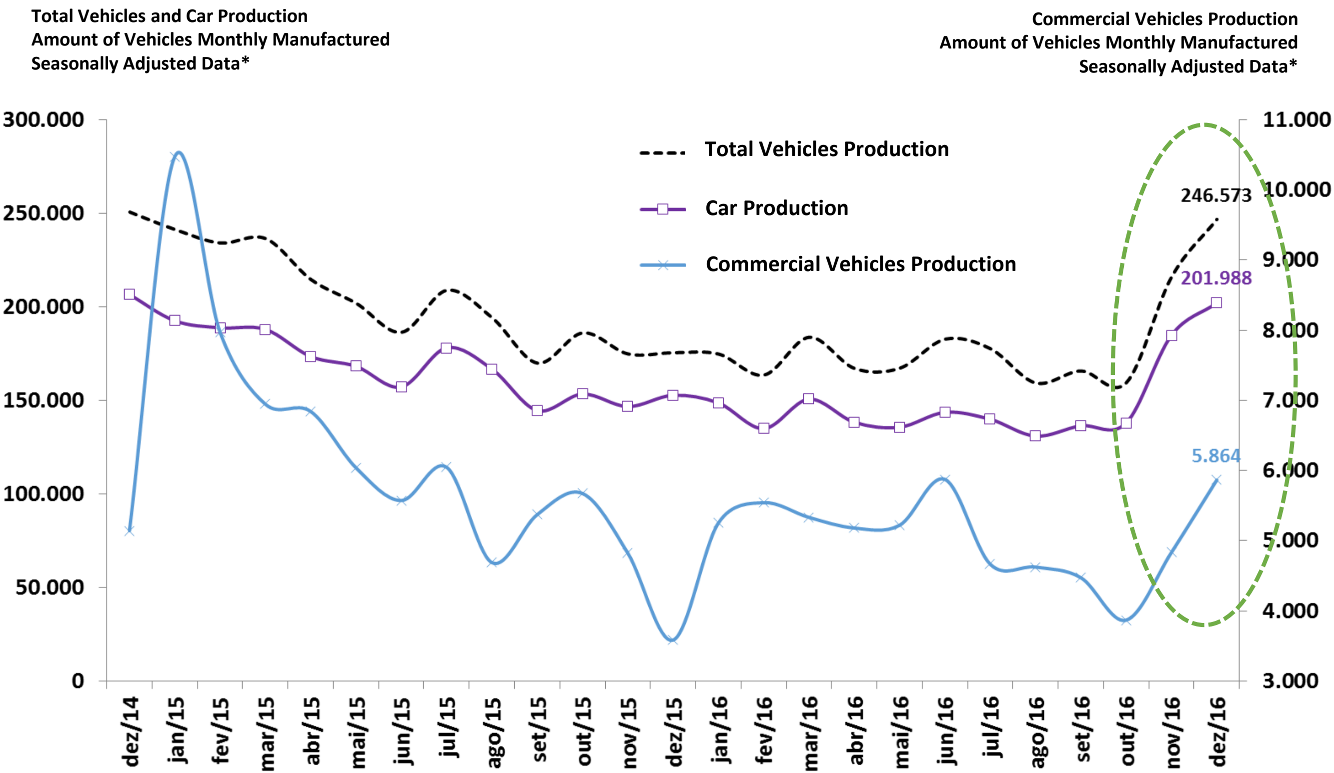
CNI: Fear of Unemployment Index



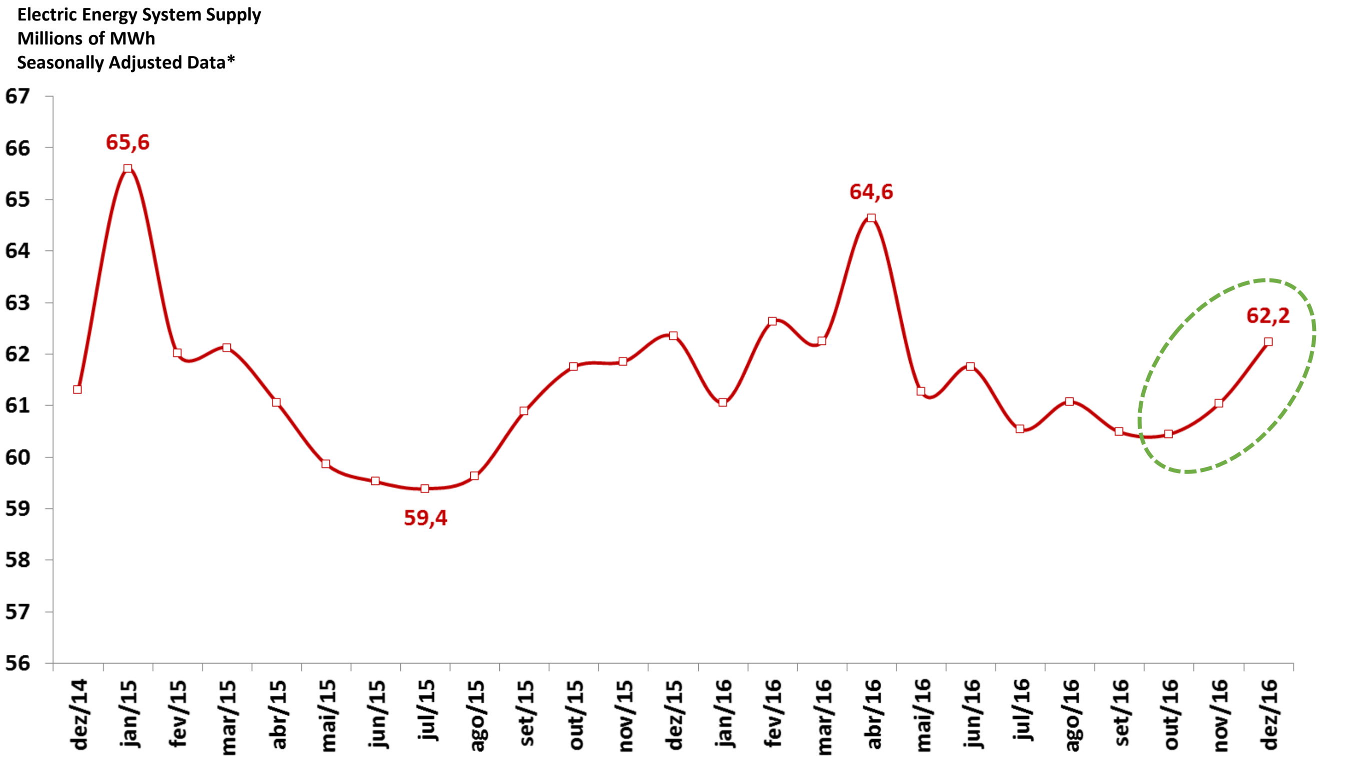
Source: CNI.

Anfavea: Automotive Sector Production



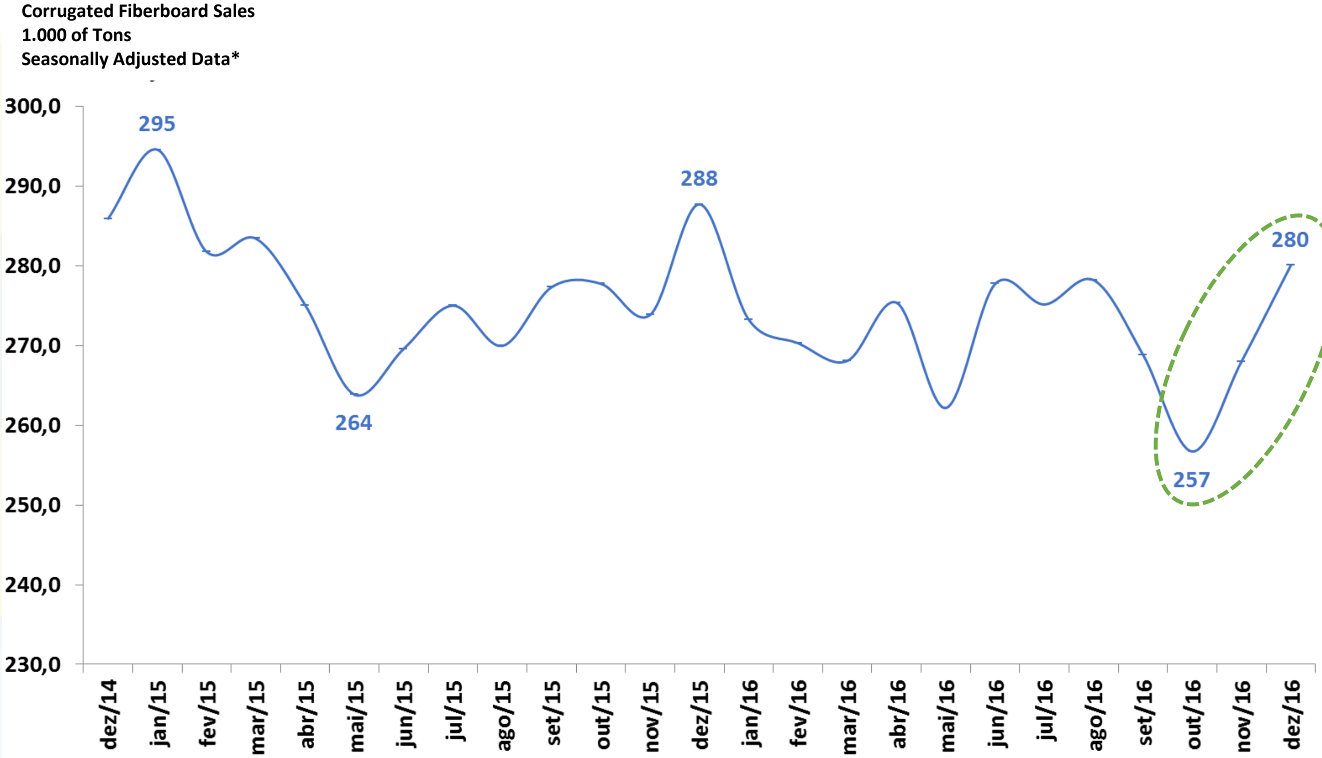
Source: ANFAVEA. * Seasonally adjusted by SEPLAN/MP.

ONS: Electric Energy System Supply



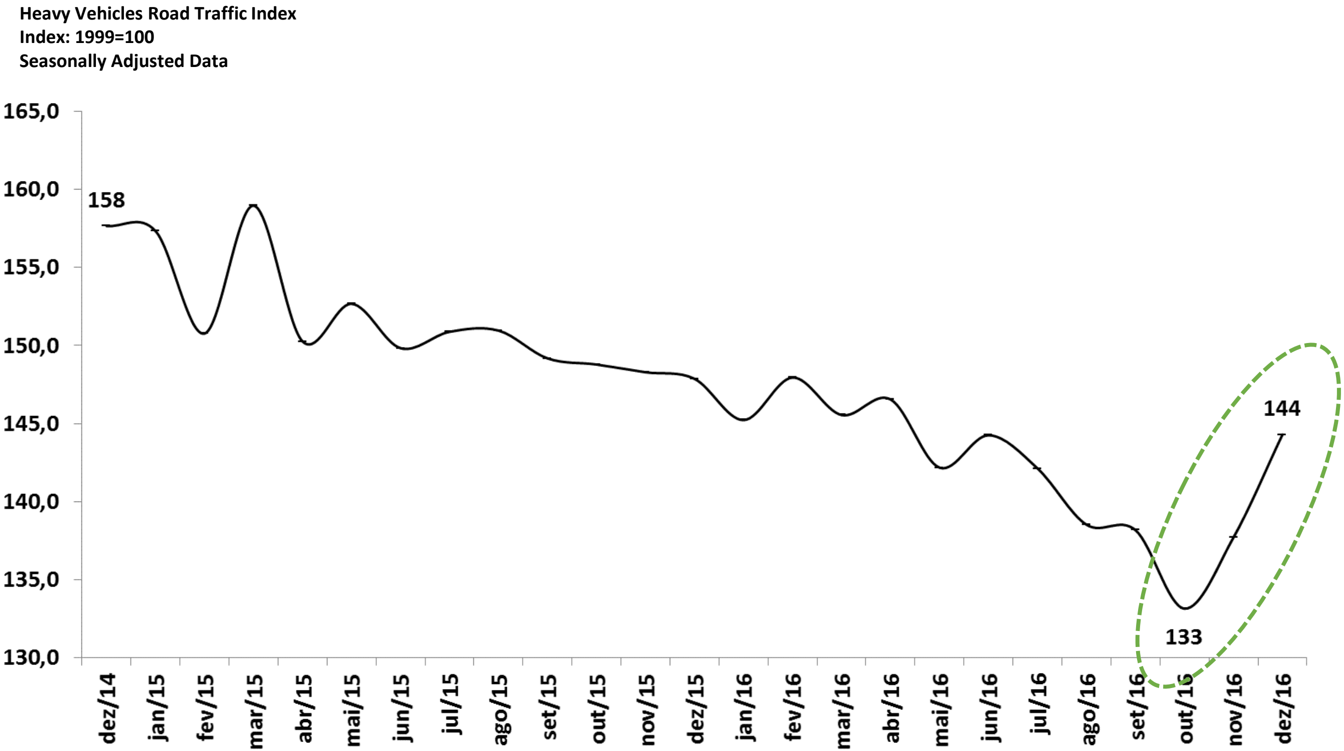
Source: ONS. * Seasonally adjusted by SEPLAN/MP.

ABPO: Corrugated Fiberboard Sales



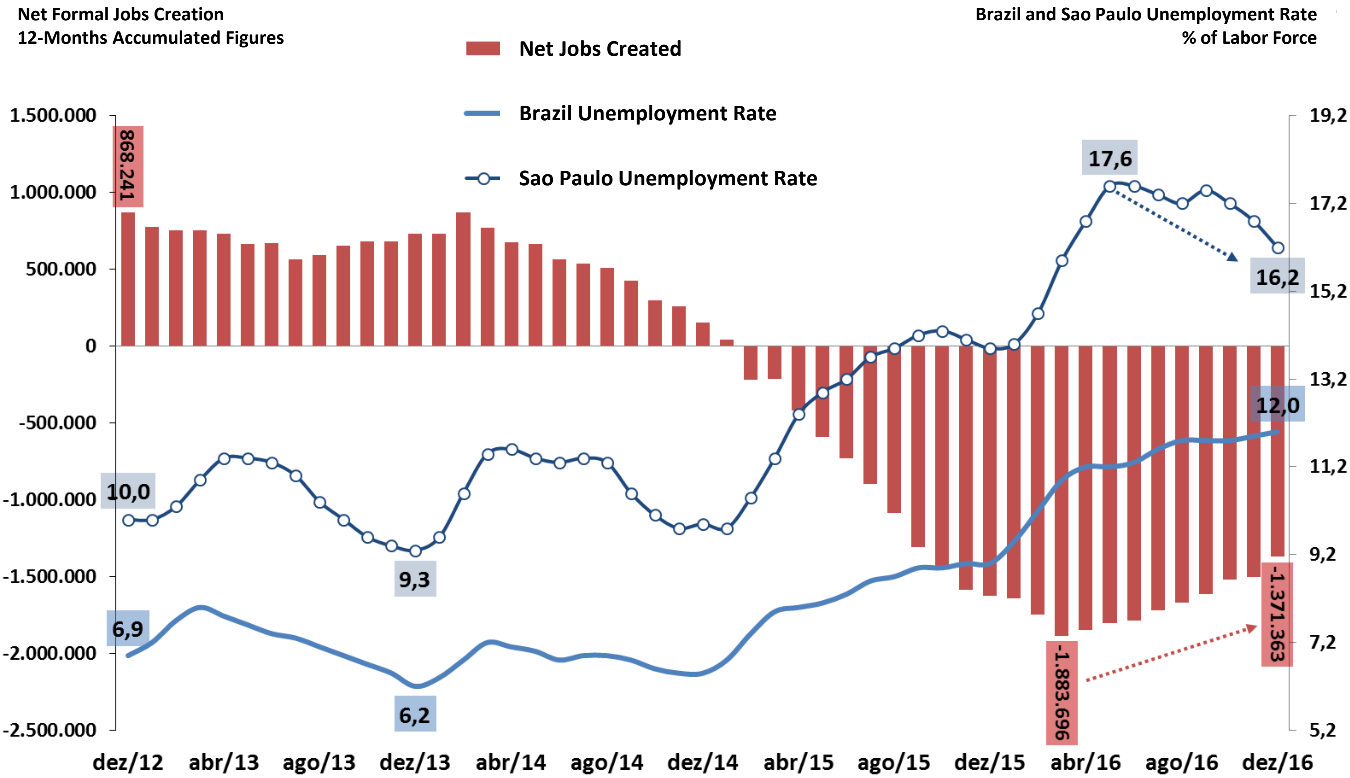
Source: ABPO. * Seasonally adjusted by SEPLAN/MP.

ABCR: Heavy Vehicles Road Traffic Index



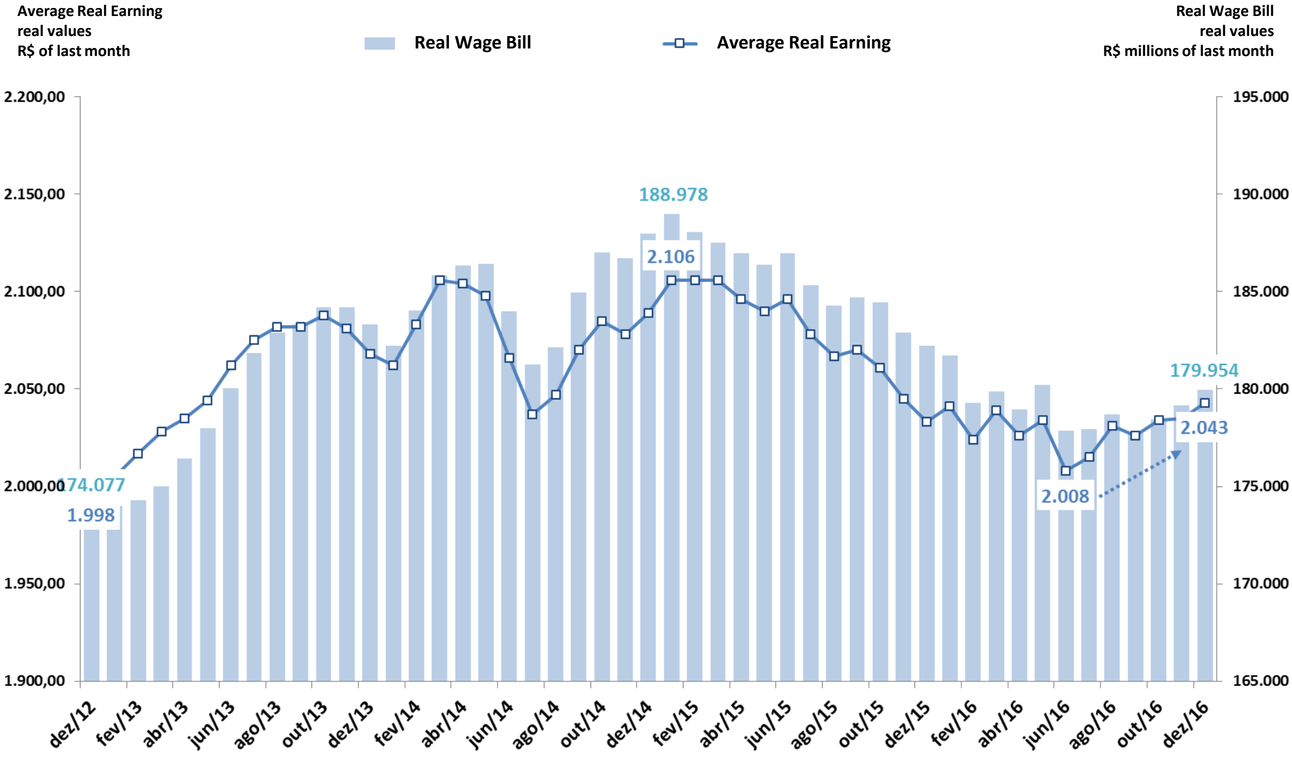
Source: ABCR.

Unemployment Rate and Net Formal Job Creation



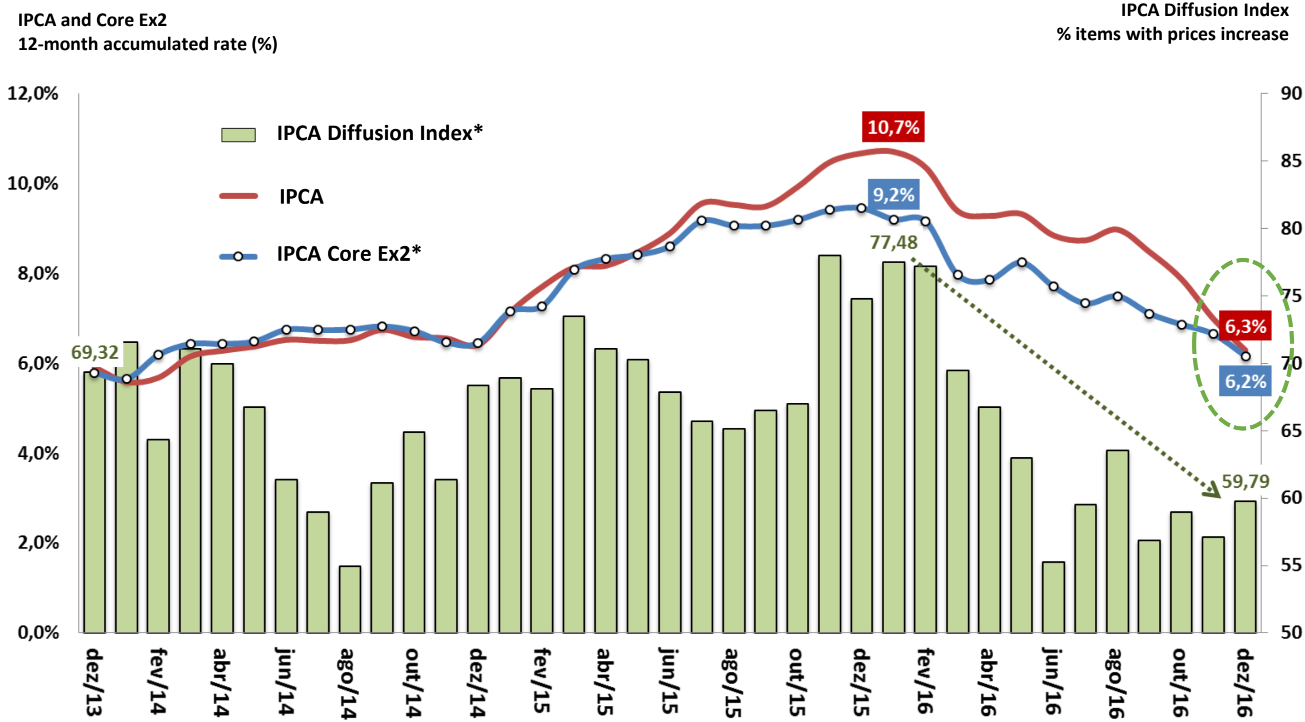
Sources: IBGE-PNADC, SEADE-PED and MTE-CAGED.

Real Wage Bill and Average Real Earning



Source: IBGE-PNADC.

IPCA, Core Inflation (IPCA Ex2) and Diffusion Index



Source: IBGE. * Ex2 = Exclusion from the main index of 12 items, 10 from residence dining and 2 from regulated prices. The excluded items represent, on average, 16% of IPCA main index.
** Diffusion Index = % of items from IPCA with price increase.

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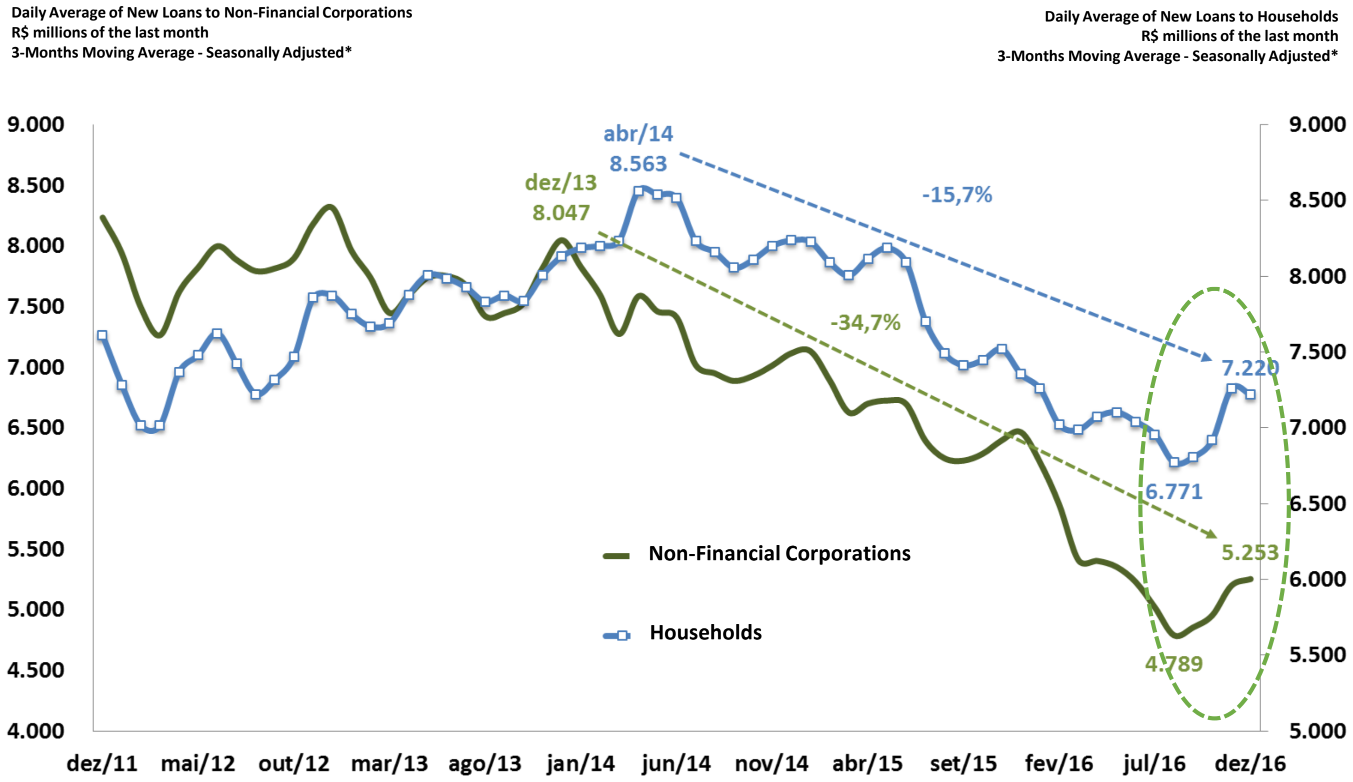
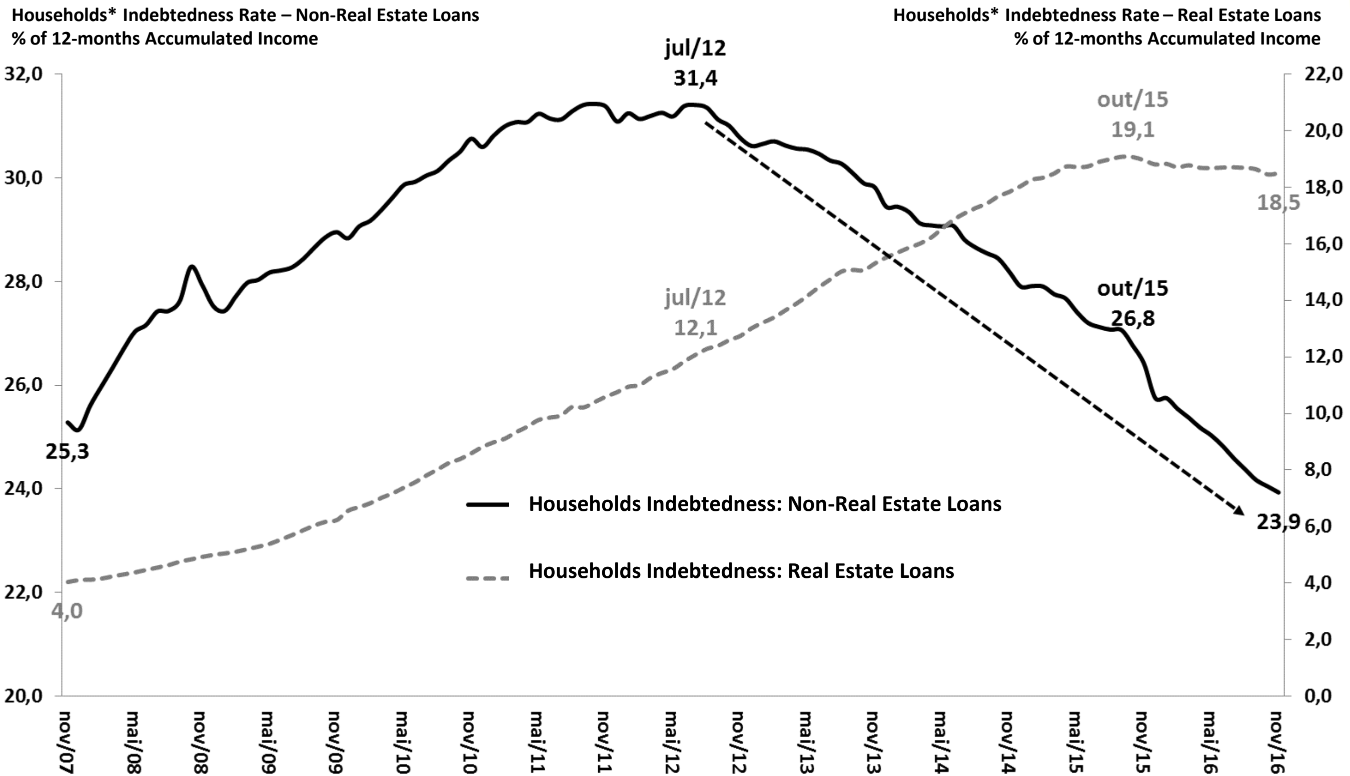
New Loans to Households and Non-Financial Corporations



Source: Central Bank of Brazil.   * Seasonally adjusted by SEPLAN/MP.

Households Indebtedness Rate



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

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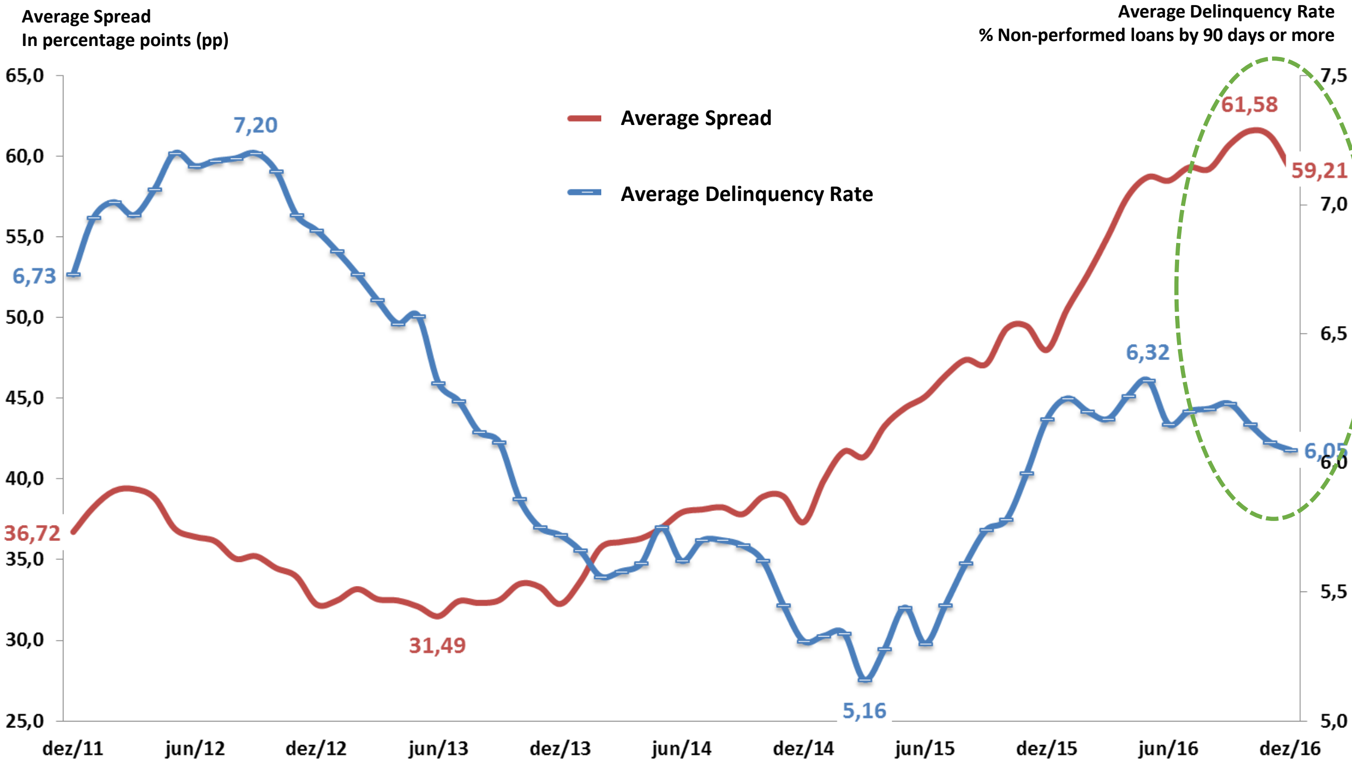
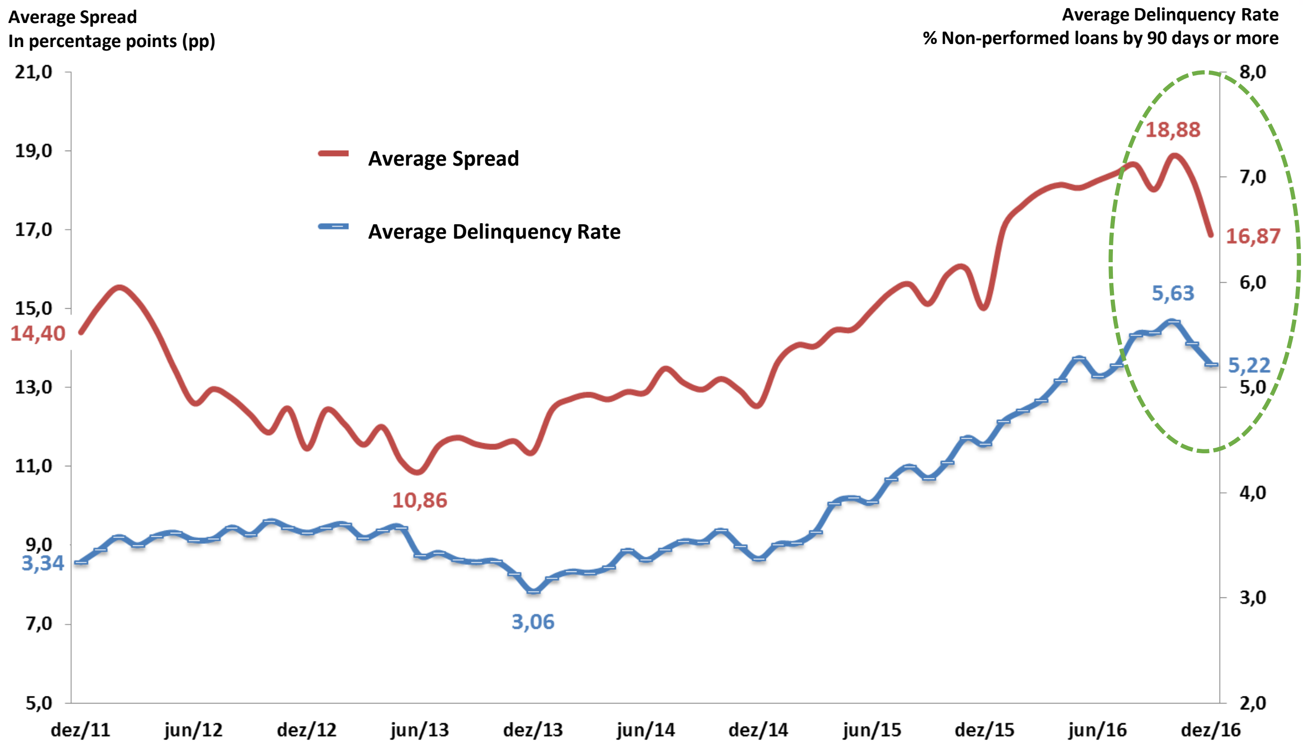
Households Loans: Spread and Delinquency Rates



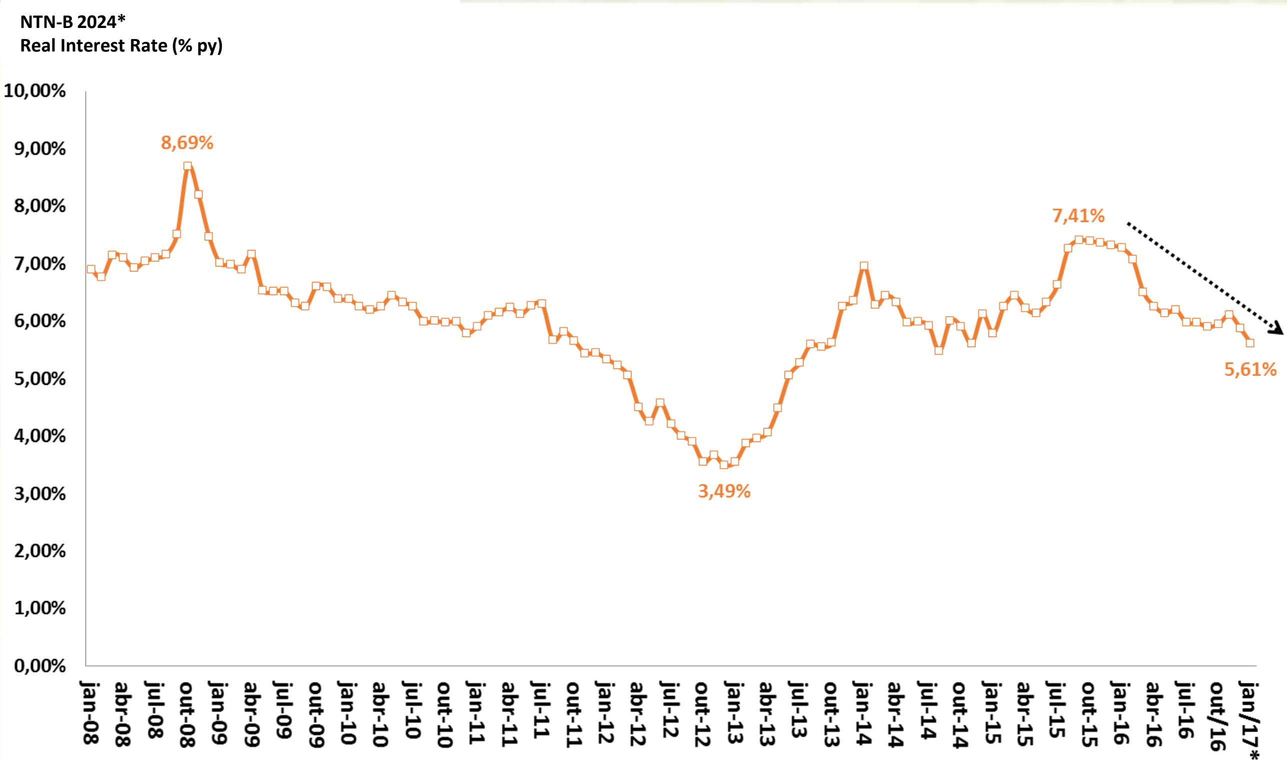
Source: Central Bank of Brazil.

Non-Financial Corp. Loans: Spread and Delinquency Rates



Source: Central Bank of Brazil.

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



Source: STN/MF. *27th Jan-2017 buy-rate.
* Interest rate paid by the NTN-B 2024 besides the IPCA inflation rate.

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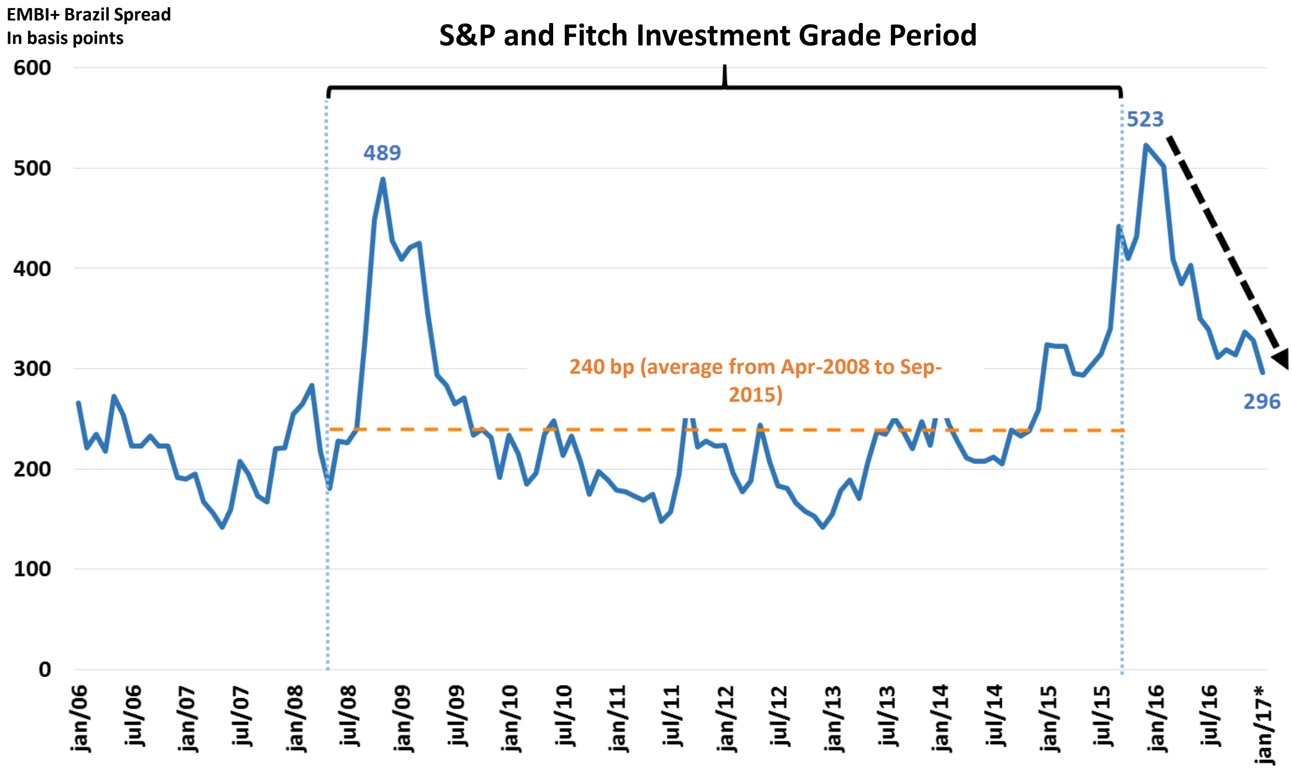
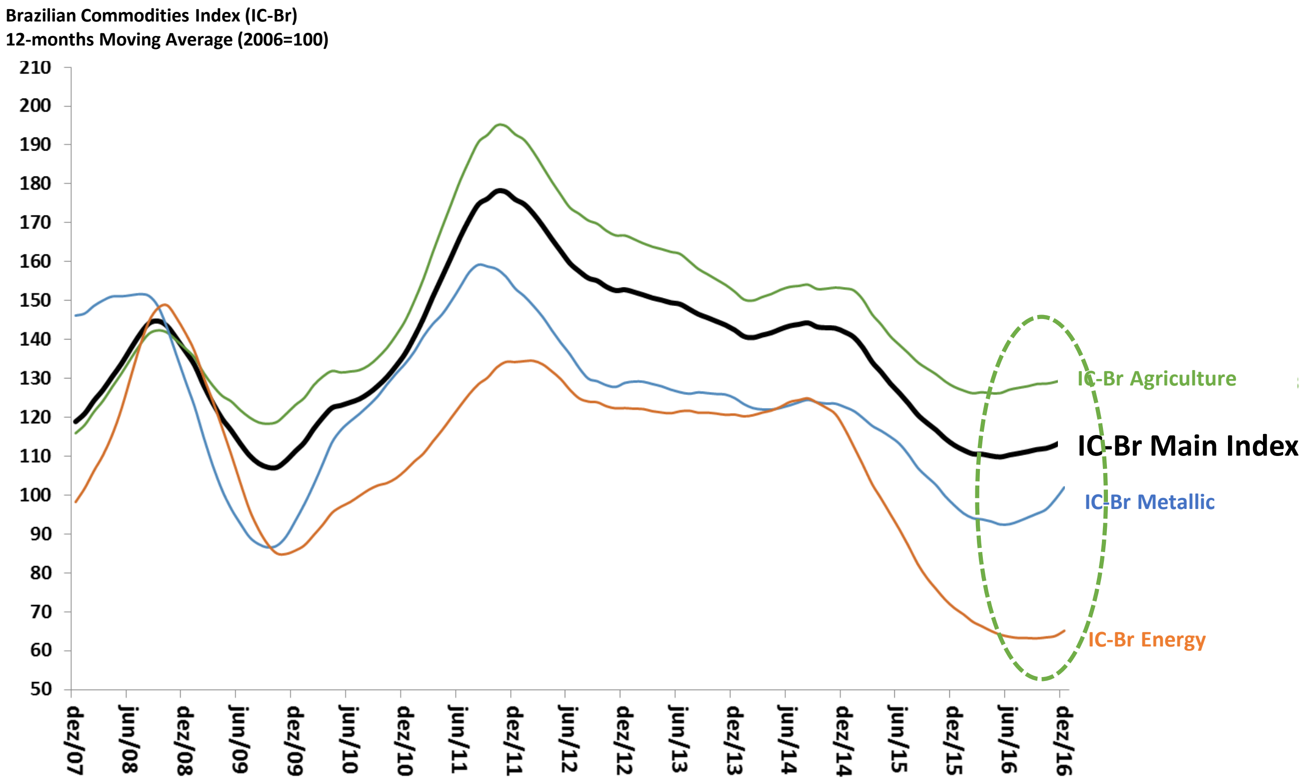
Sovereign Risk Perception Evolution



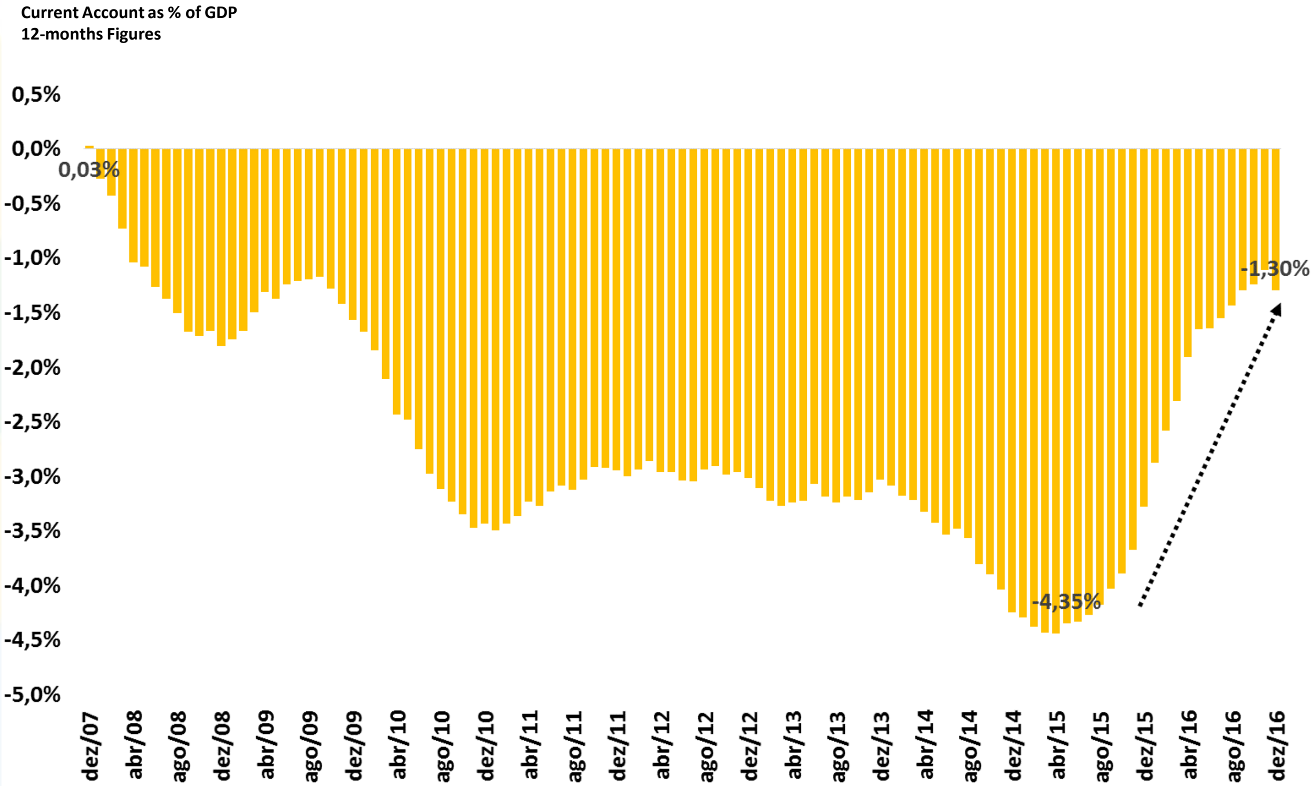
Source: JPMorgan. *23rd Jan-2017 value.

Brazilian Commodities Price Indexes



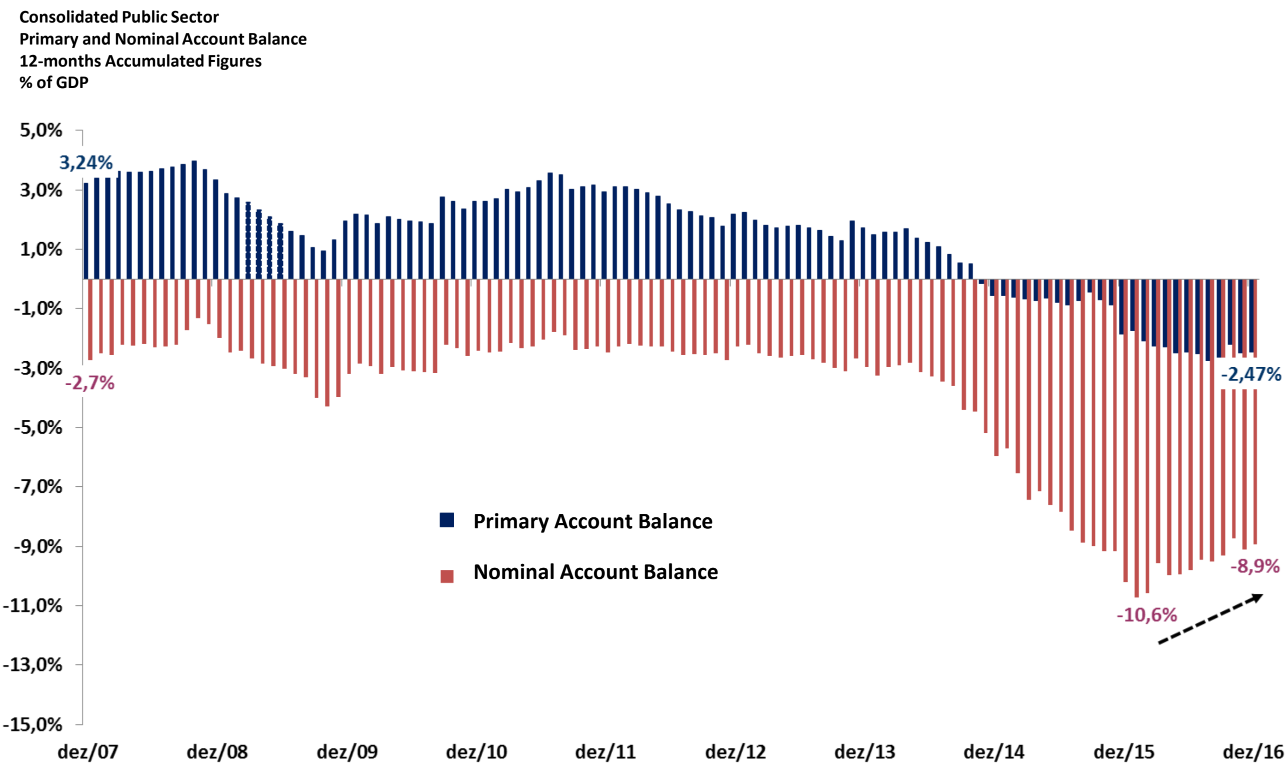
Source: Central Bank of Brazil.

Current Account Deficit as % of GDP



Source: Central Bank of Brazil.

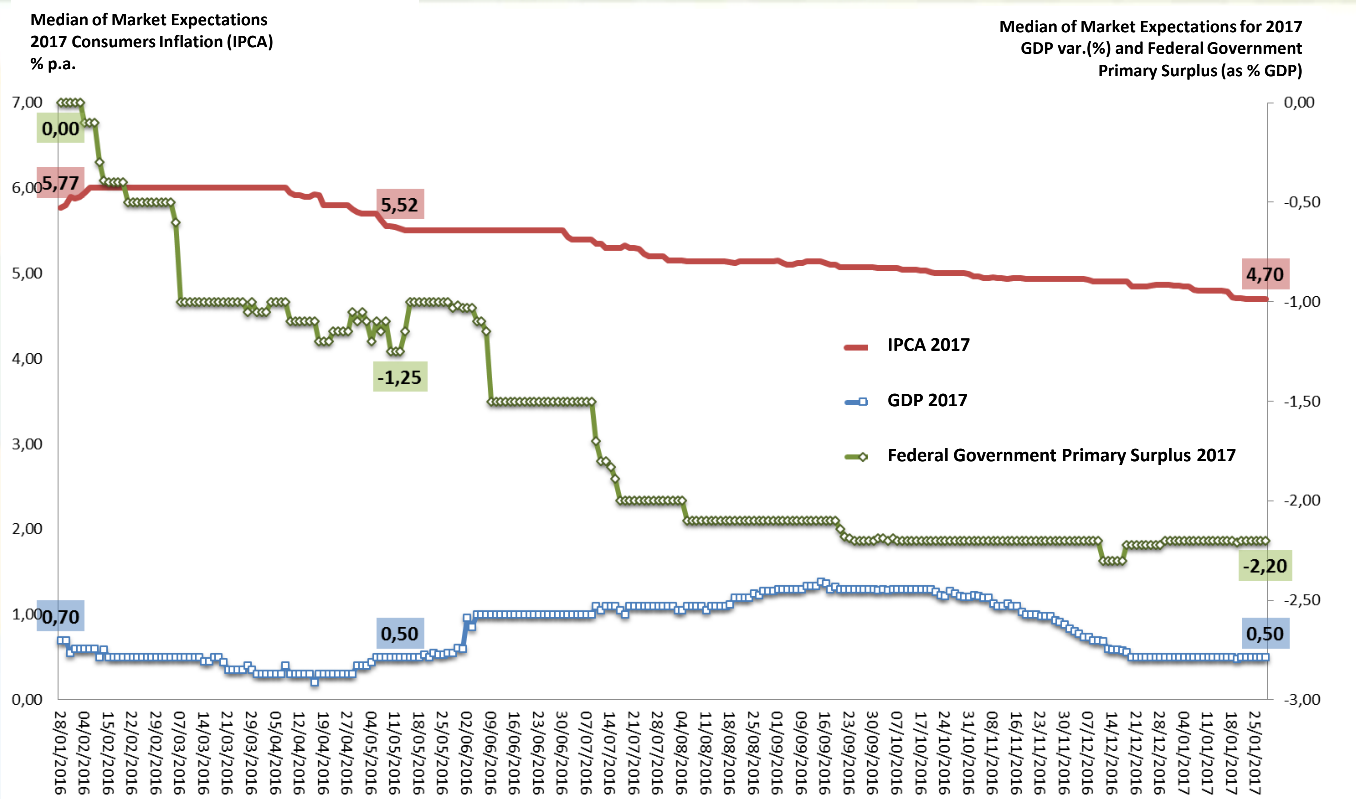
General Public Sector Primary and Nominal Account Balance



Sources: Central Bank of Brazil.

MARKET EXPECTATIONS

Market Expectations for 2017



Source: Focus Survey, Central Bank of Brazil.

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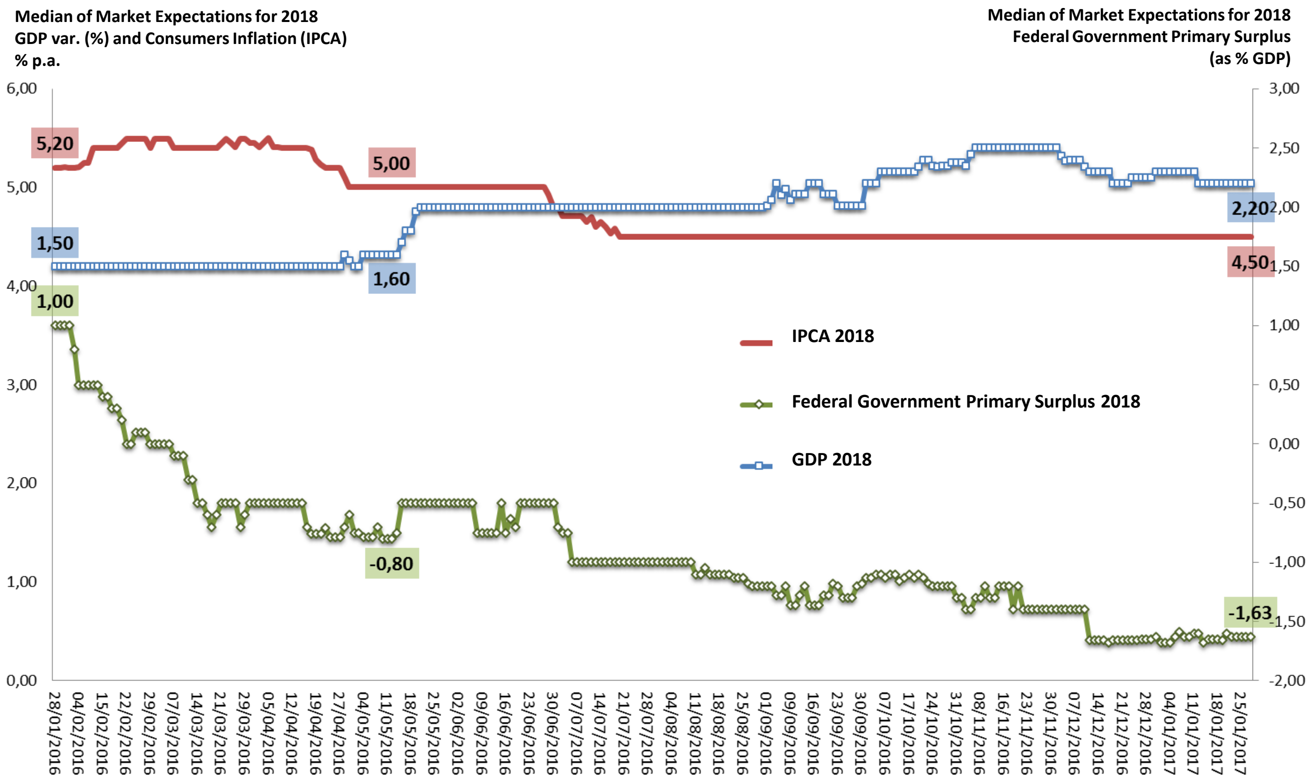
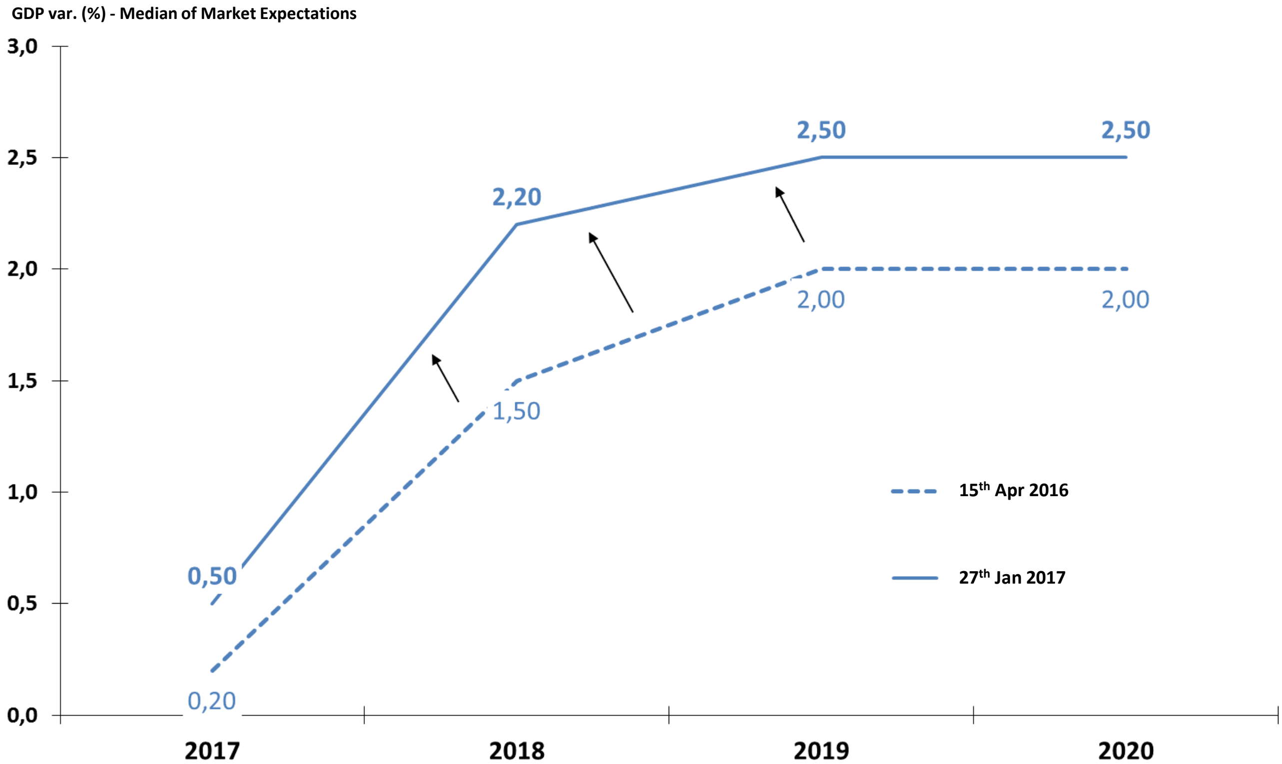
Market Expectations for 2018



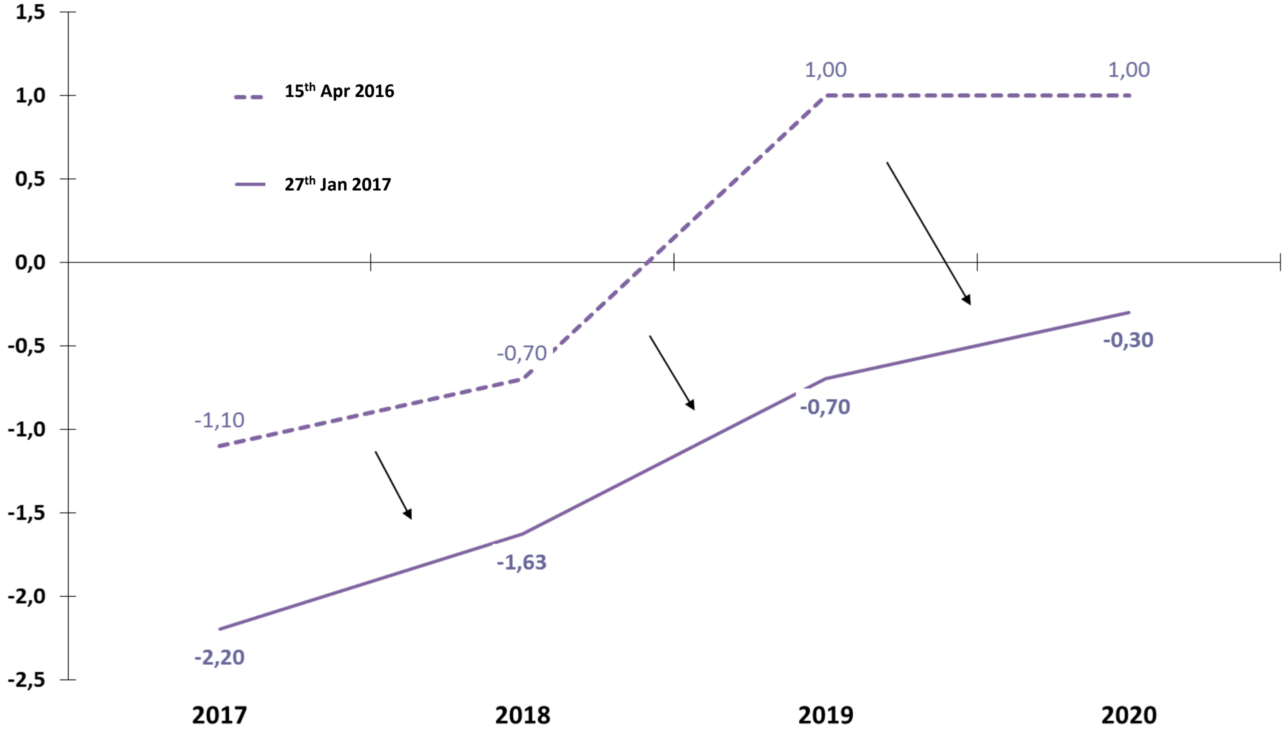
Source: Focus Survey, Central Bank of Brazil.

GDP: Median of Market Expectations



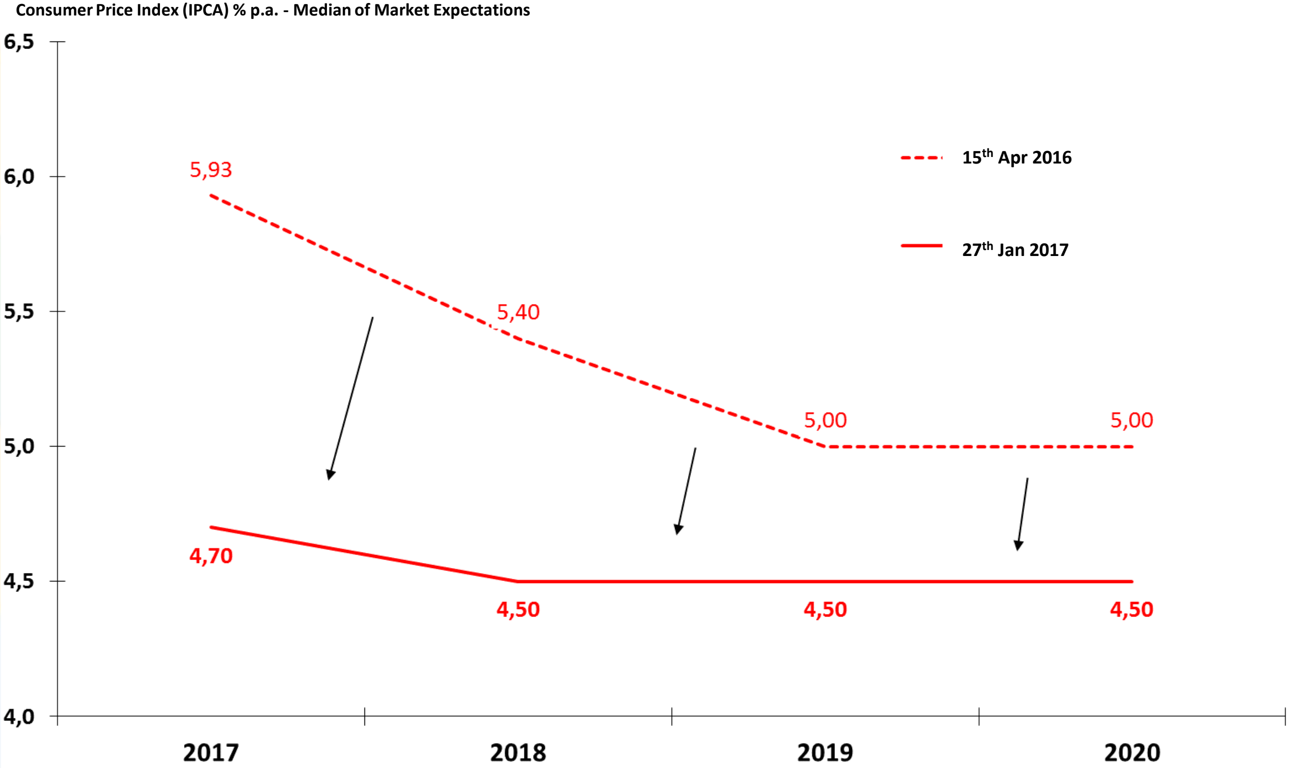
Source: Focus Survey, Central Bank of Brazil.

Primary Surplus: Median of Market Expectations



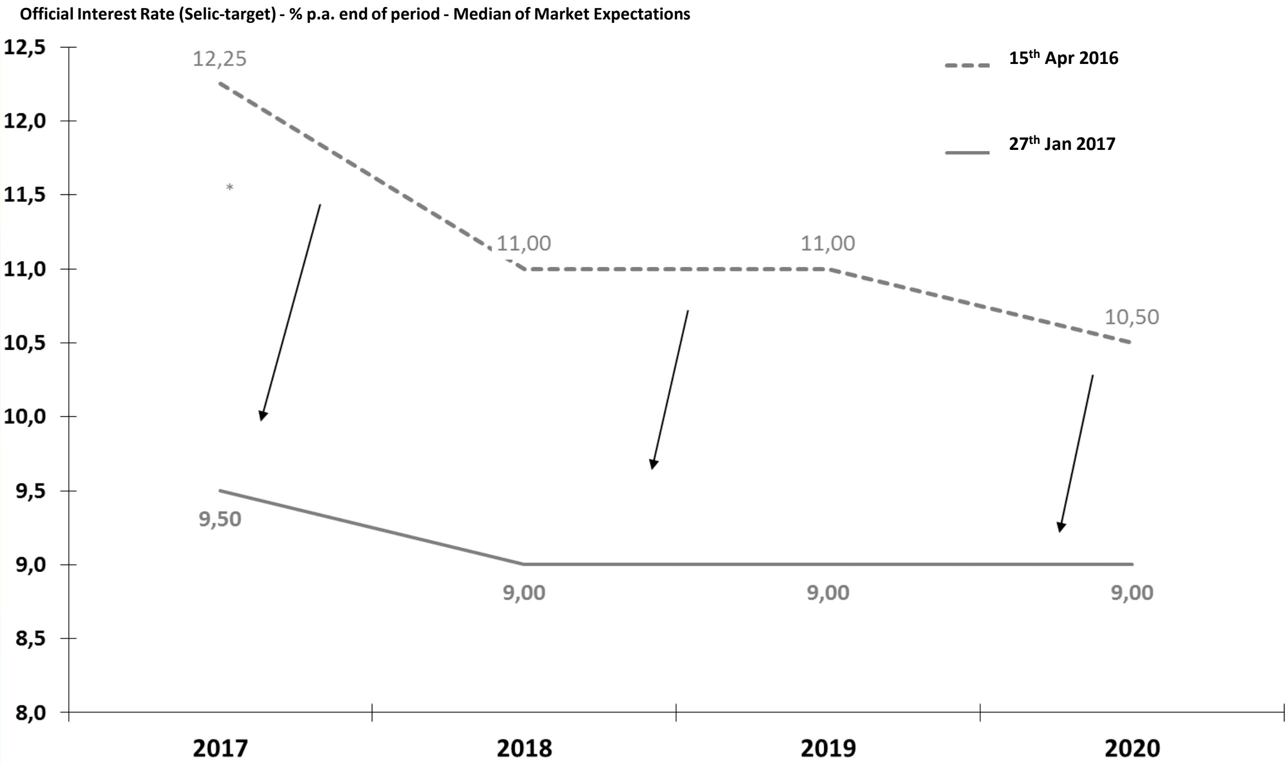
Source: Focus Survey, Central Bank of Brazil.

Consumer Price Index (IPCA): Median of Market Expectations



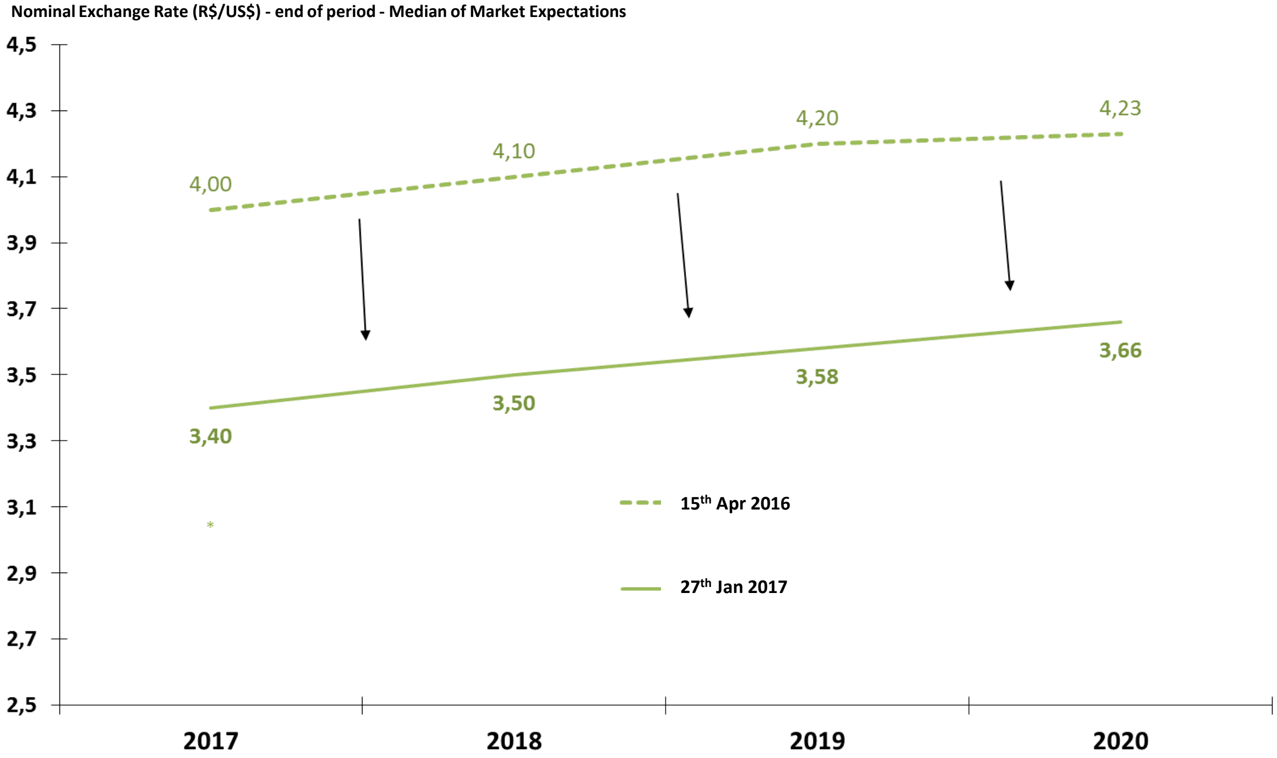
Source: Focus Survey, Central Bank of Brazil.

Official 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

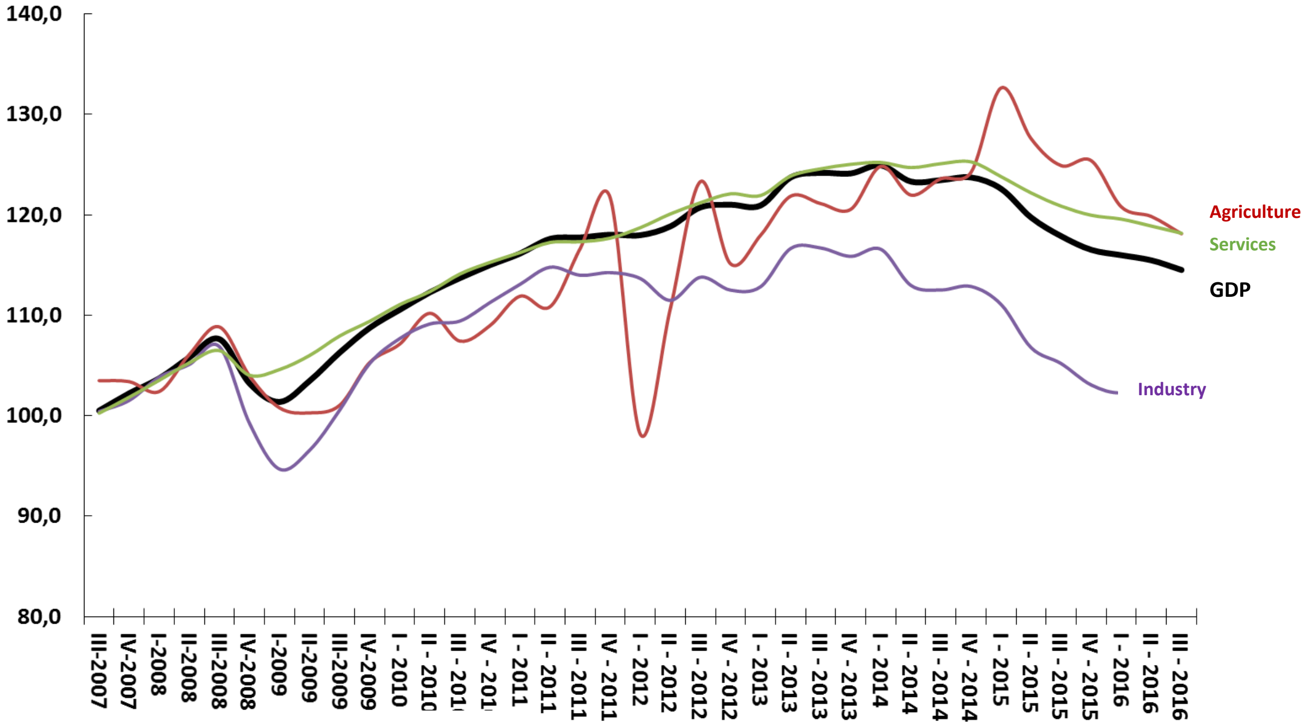
Gross Domestic Product (IBGE) — Q3 2016 — % change	2015	Q2-2016 / Q2-2015	Q3-2016 / Q3-2015	Q2-2016 / Q1-2016 (seasonally adjusted)	Q3-2016 / Q2-2016 (seasonally adjusted)	Year-To-Date	Q2-2016 accum. in 4-quarters	Q3-2016 accum. in 4-quarters	carry-over 2016	BCB/Focus: 27/01/2017 2016	2017	2018	2019
Agriculture	3,6%	-6,1%	-6,0%	-0,8%	-1,4%	-6,9%	-4,1%	-5,6%	-6,6%	-5,84%	3,63%	2,90%	3,00%
Industry	-6,3%	-2,9%	-2,9%	1,2%	-1,3%	-4,3%	-6,3%	-5,4%	-3,7%	-3,60%	0,52%	2,45%	2,50%
Services	-2,7%	-2,7%	-2,2%	-0,6%	-0,6%	-2,8%	-3,4%	-3,2%	-2,5%	-2,55%	0,00%	1,95%	2,20%
GDP (market prices)	**-3,8%**	**-3,6%**	**-2,9%**	**-0,4%**	**-0,8%**	**-4,0%**	**-4,8%**	**-4,4%**	**-3,4%**	**-3,50%**	**0,50%**	**2,20%**	**2,50%**
Household Expenditure	-3,9%	-4,8%	-3,4%	-1,0%	-0,6%	-4,7%	-5,5%	-5,2%	-4,3%				
Government Expenditure	-1,1%	-0,5%	-0,8%	0,0%	-0,3%	-0,7%	-1,1%	-1,0%	-0,5%				
Gross Fixed Capital Formation	-13,9%	-8,6%	-8,4%	0,5%	-3,1%	-11,6%	-15,0%	-13,5%	-10,0%				
Exports of Goods and Services	6,3%	4,0%	0,2%	-1,8%	-2,8%	5,2%	7,2%	6,8%	3,4%				
Imports of Goods and Services (-)	-14,1%	-10,4%	-6,8%	2,8%	-3,1%	-13,1%	-18,0%	-14,8%	-10,3%				

Economic Activity Indicators (BCB and IBGE) — Q3 2016 — % change	2015	Q2-2016 / Q2-2015	Q3-2016 / Q3-2015	Q2-2016 / Q1-2016 (seasonally adjusted)	Q3-2016 / Q2-2016 (seasonally adjusted)	Year-To-Date	Q2-2016 accum. in 4-quarters	Q3-2016 accum. in 4-quarters	carry-over 2016				
IBC-Br Economic Activity Index*	**-4,3%**	**-4,3%**	**-3,6%**	**-0,4%**	**-0,4%**	**-4,8%**	**-5,6%**	**-5,2%**	**-4,5%**				
LSPA: Agricultural Crop Production	8,2%	-3,0%	-11,2%	-6,2%	-5,7%	-11,3%	-3,0%	-11,2%	-12,5%				
PIM: Industry Physical Production	-8,3%	-6,5%	-5,3%	1,3%	-1,2%	-7,6%	-9,7%	-8,7%	-7,1%				
PMC: Extended Retail Trade Sales	-8,6%	-9,2%	-9,0%	-2,4%	-2,5%	-9,2%	-10,0%	-10,0%	-9,0%				
PMS: Volume of Services	-3,6%	-4,7%	-4,5%	-1,0%	-0,7%	-4,7%	-4,9%	-5,0%	-5,4%				

LSPA: Systematic Survey of Agricultural Production (IBGE)
PIM: Monthly Survey of Industry (IBGE)
PMC: Monthly Survey of Trade (IBGE)
PMS: Monthly Survey of Services (IBGE)

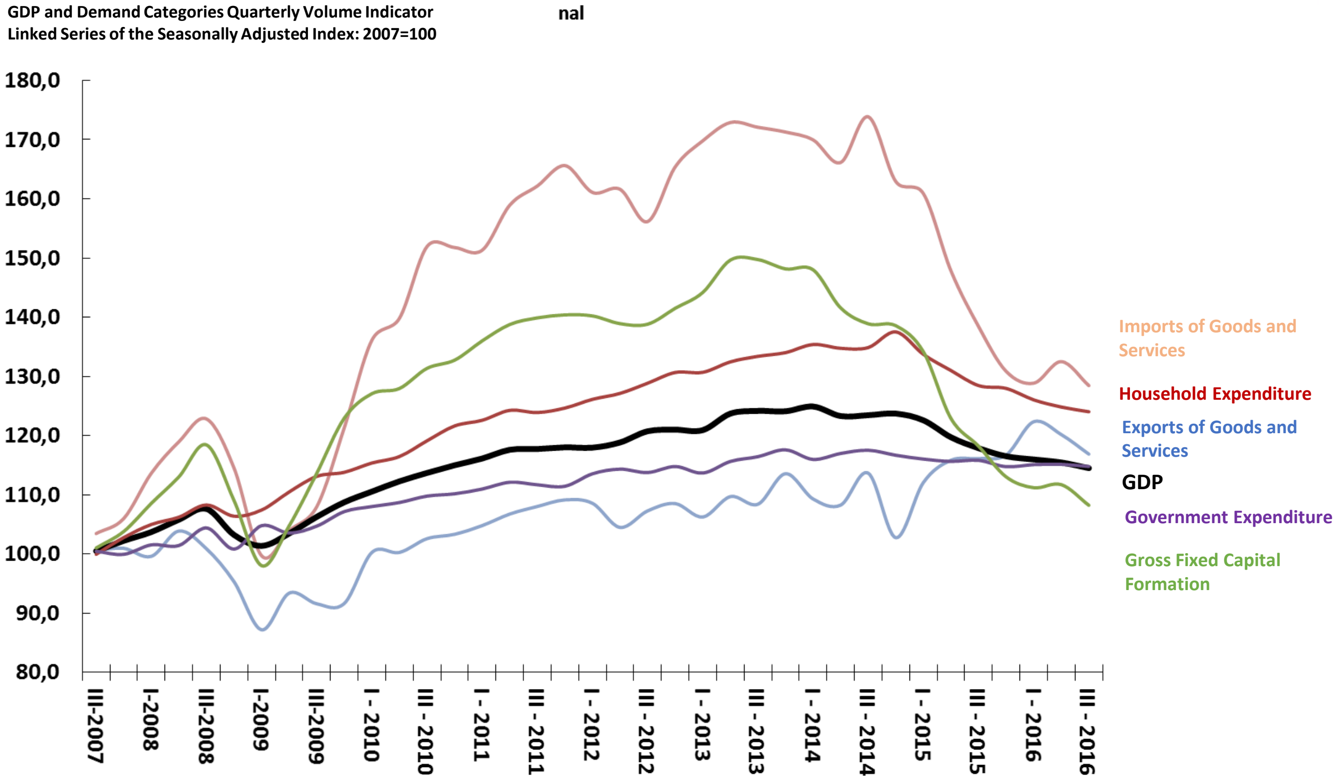
Quarterly GDP by Production Approach

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



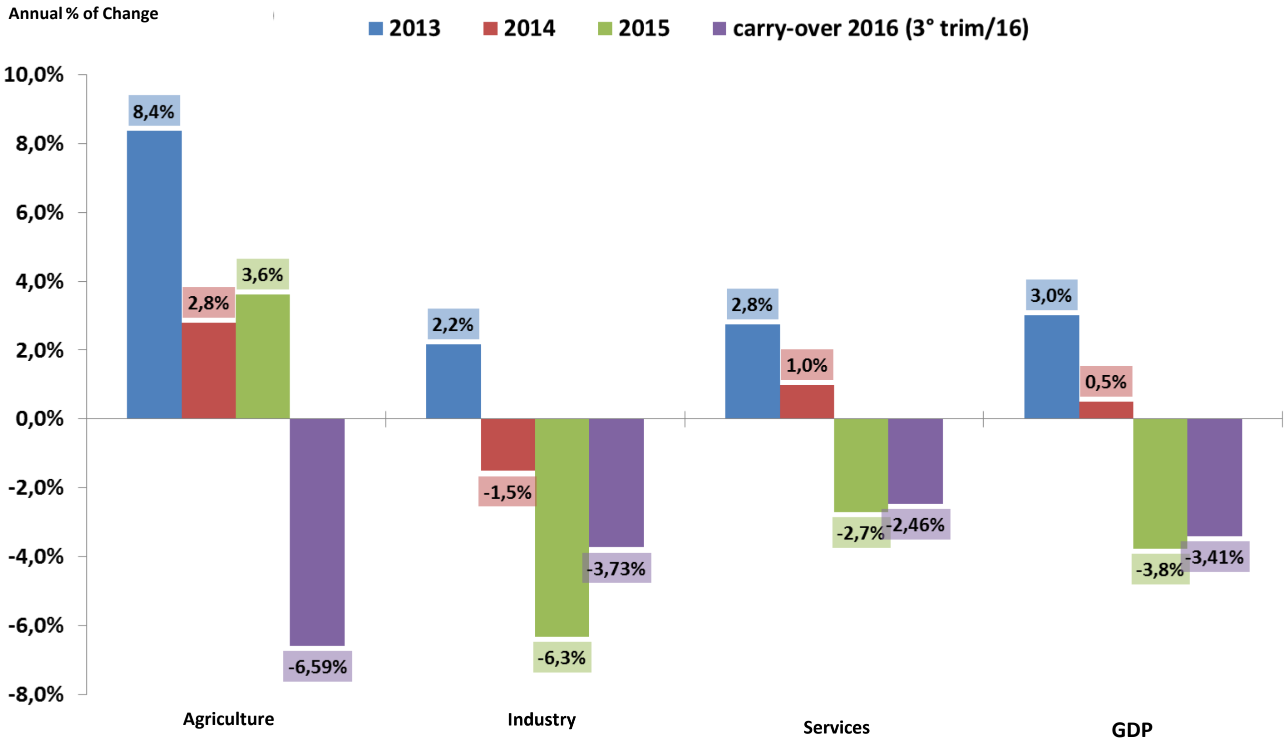
Source: IBGE, Quarterly National Accounts Series.

Quarterly GDP by Expenditure Approach



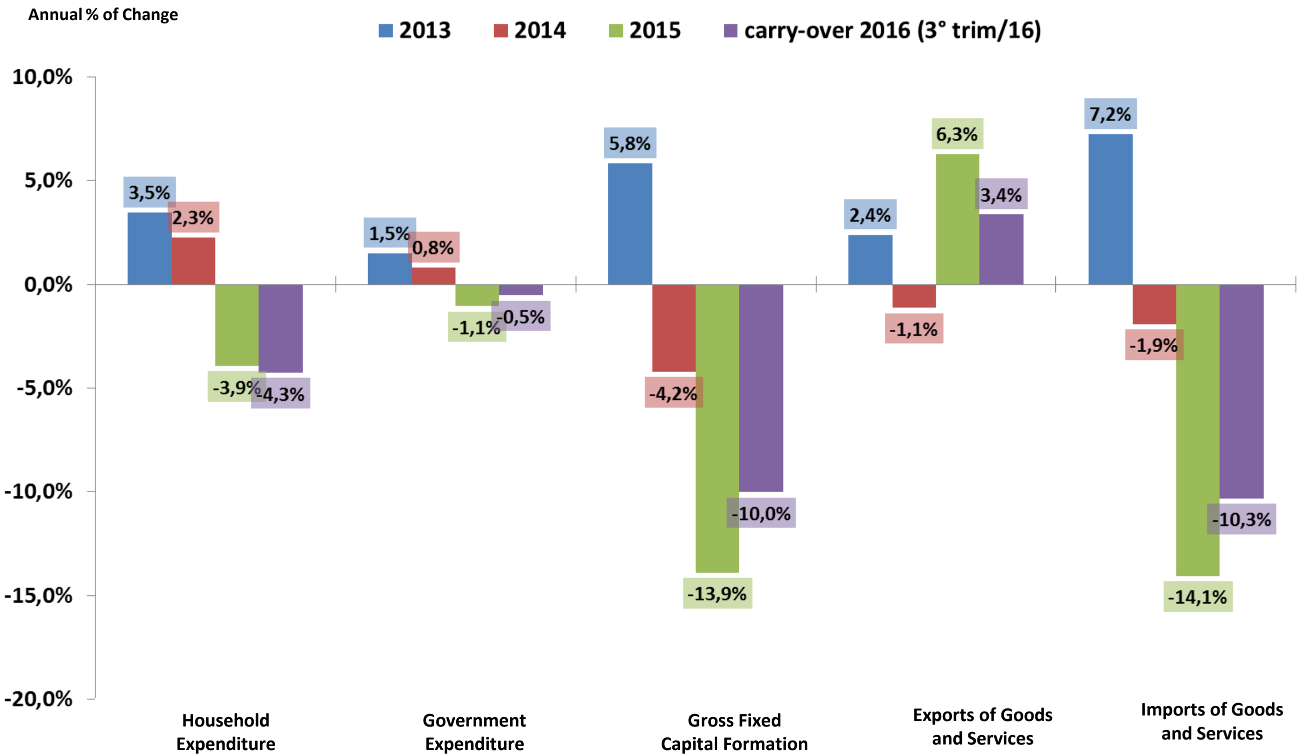
Source: IBGE, Quarterly National Accounts Series.

Annual GDP Real Growth by Production Approach



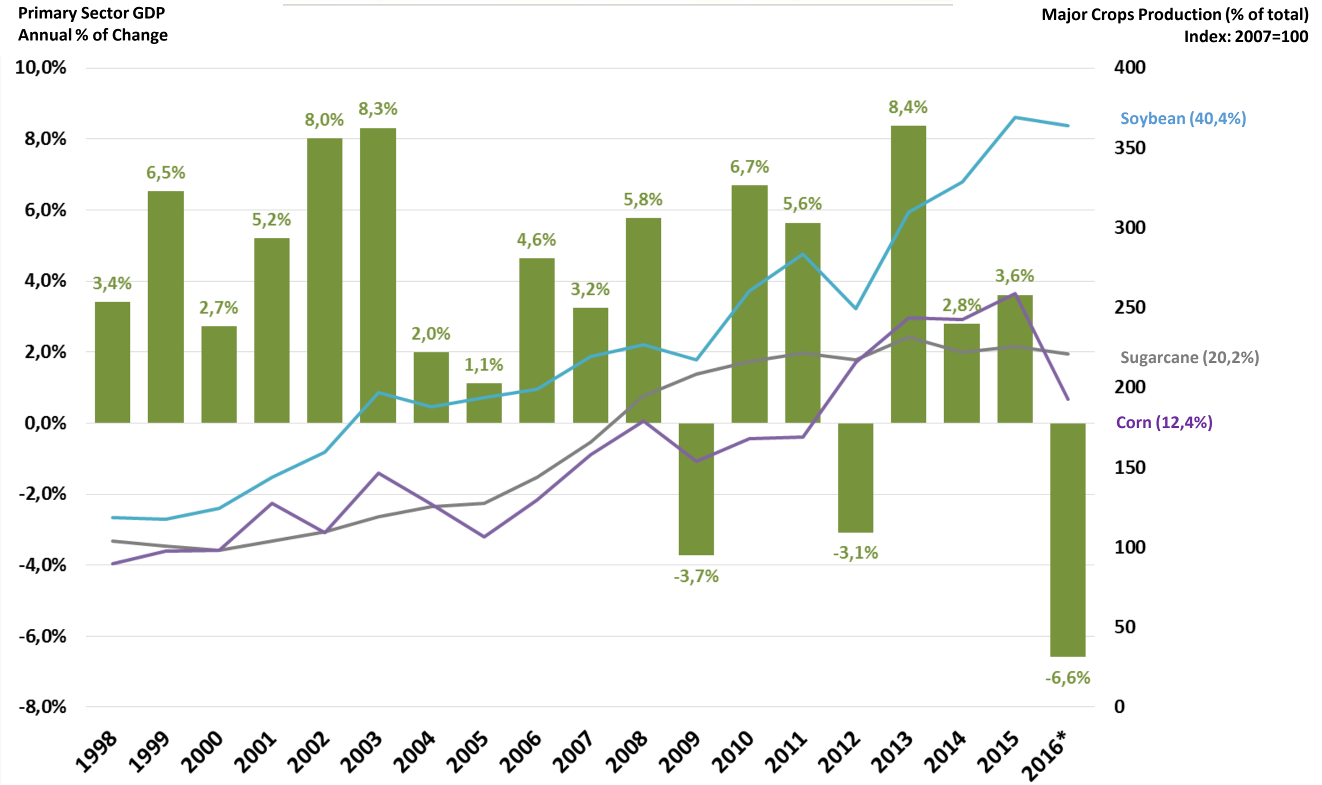
Source: IBGE, Quarterly National Accounts Series.

Annual GDP Real Growth by Expenditure Approach



Source: IBGE, Quarterly National Account Series.

Primary Sector Performance by Major Crops



Source: IBGE, Systematic Survey of Agricultural Production (LSPA)

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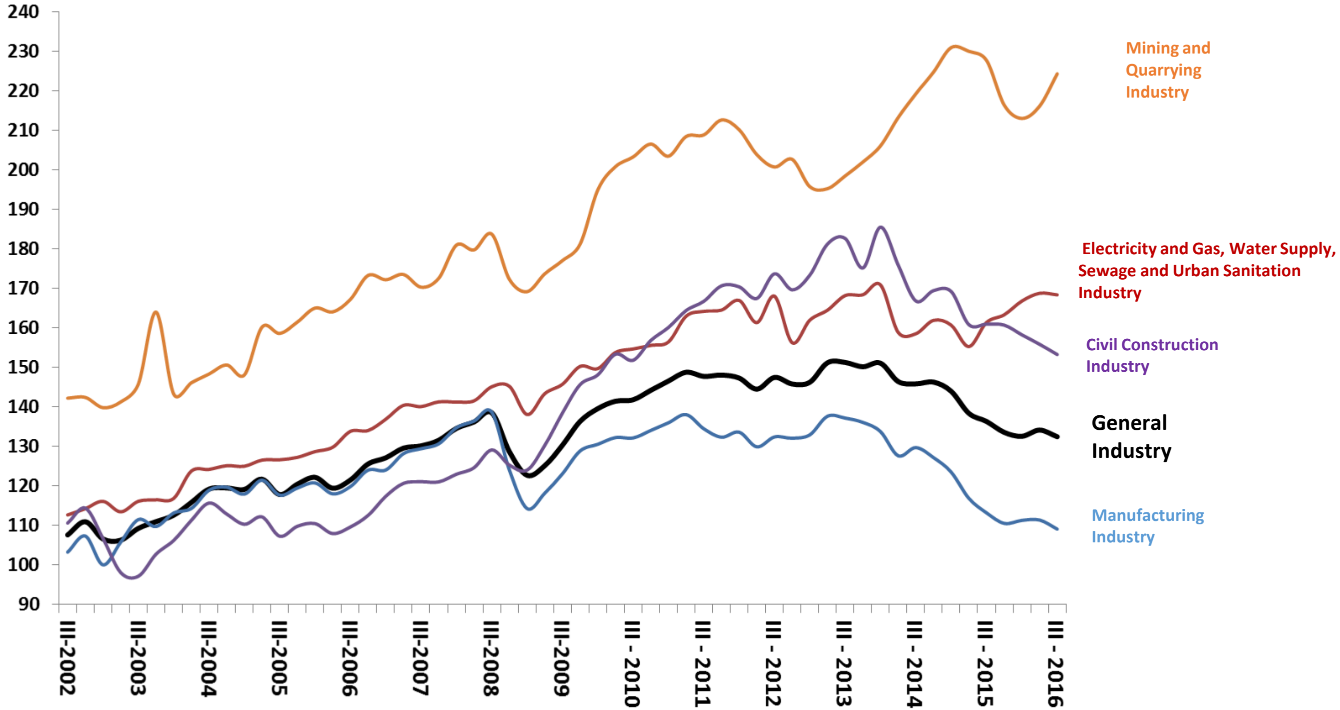
Industry Performance by Subsectors

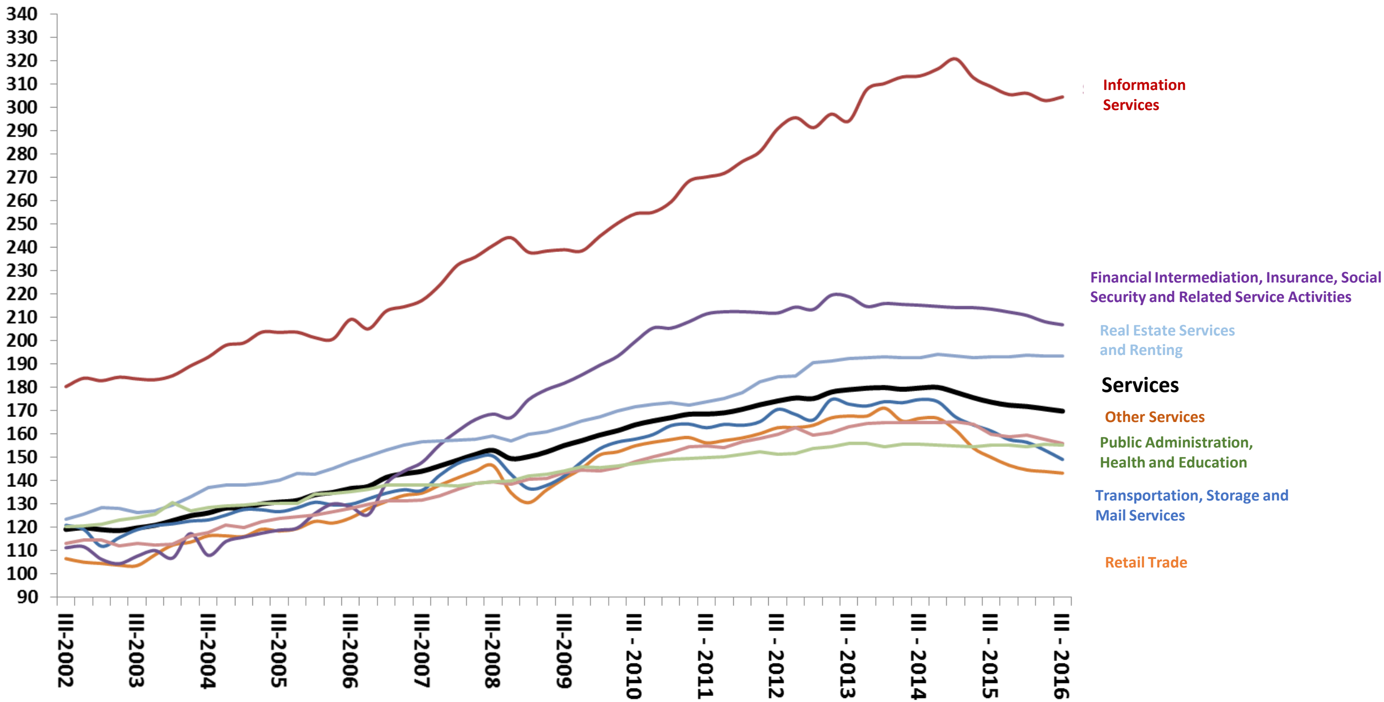
Industrial Production Indicators
Linked Series of the Seasonally Adjusted Index: 1995=100



Source: IBGE, Quarterly National Accounts Series.

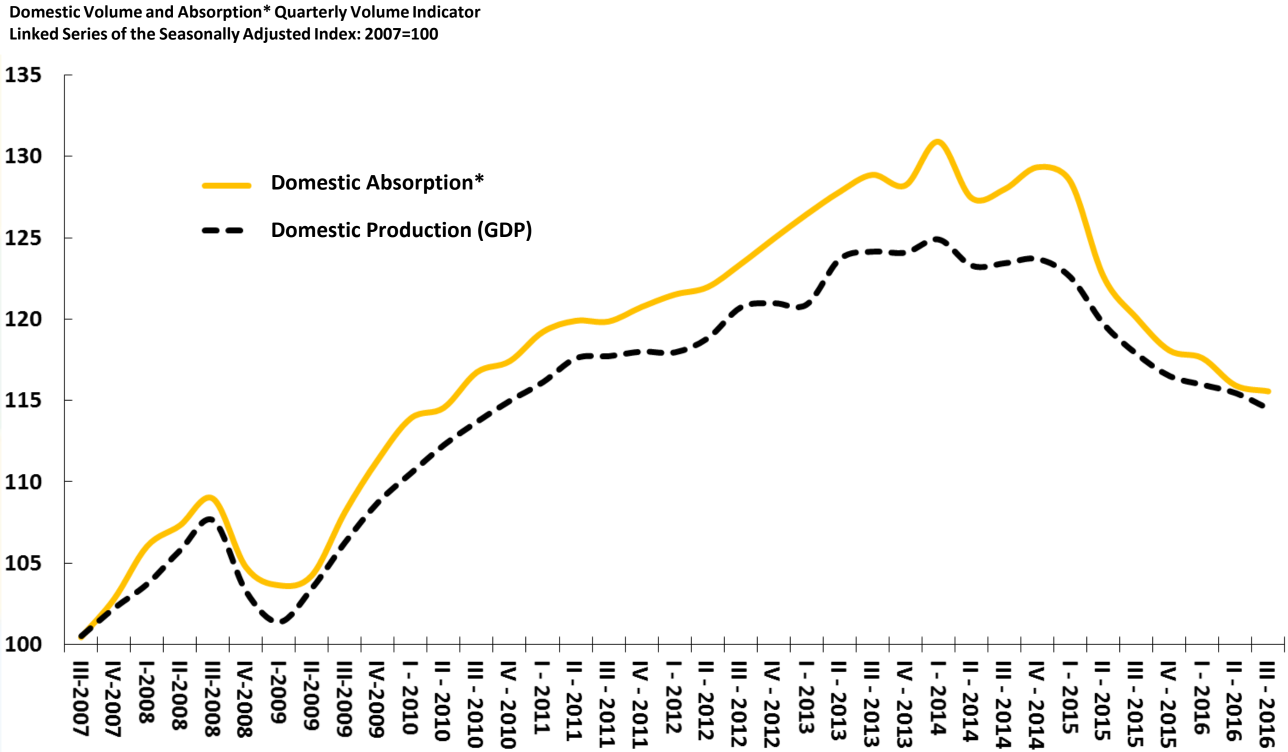
Services Performance by Subsectors

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



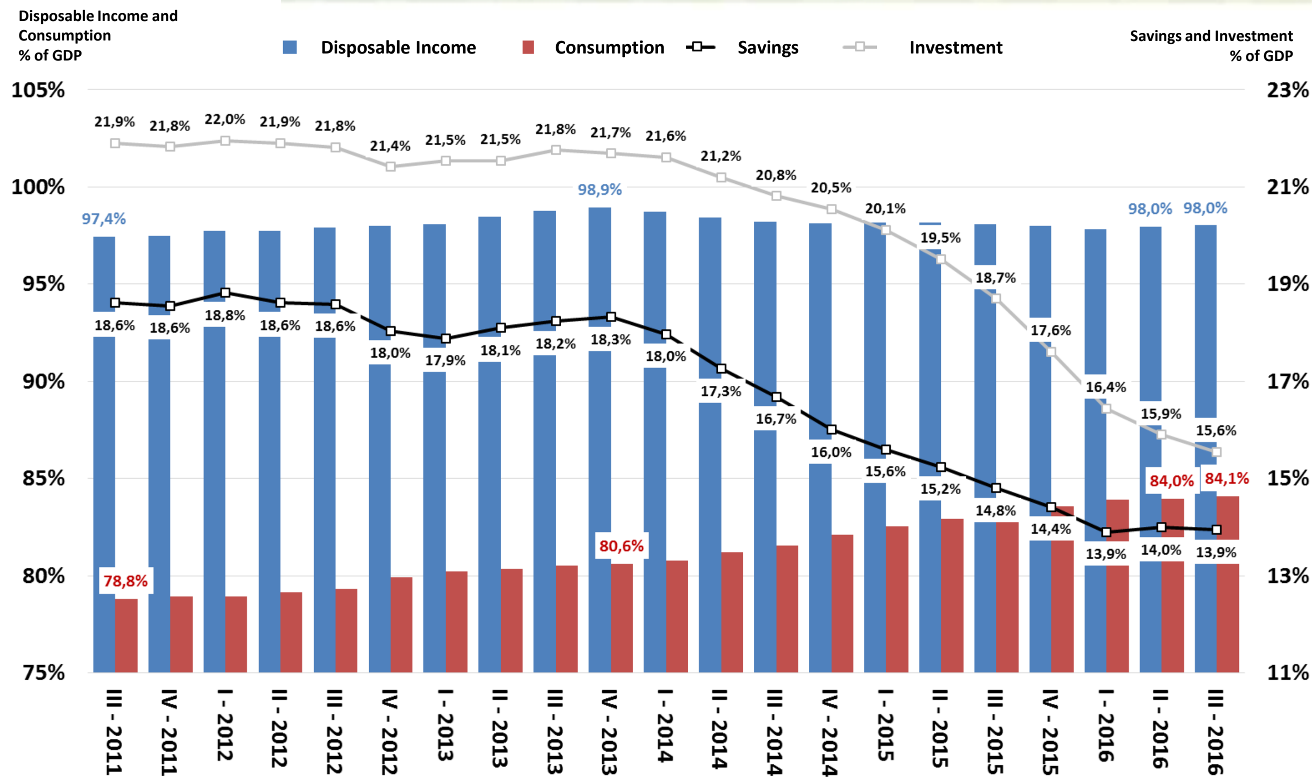
Source: IBGE, Quarterly National Accounts Series.

Domestic Production and Absorption



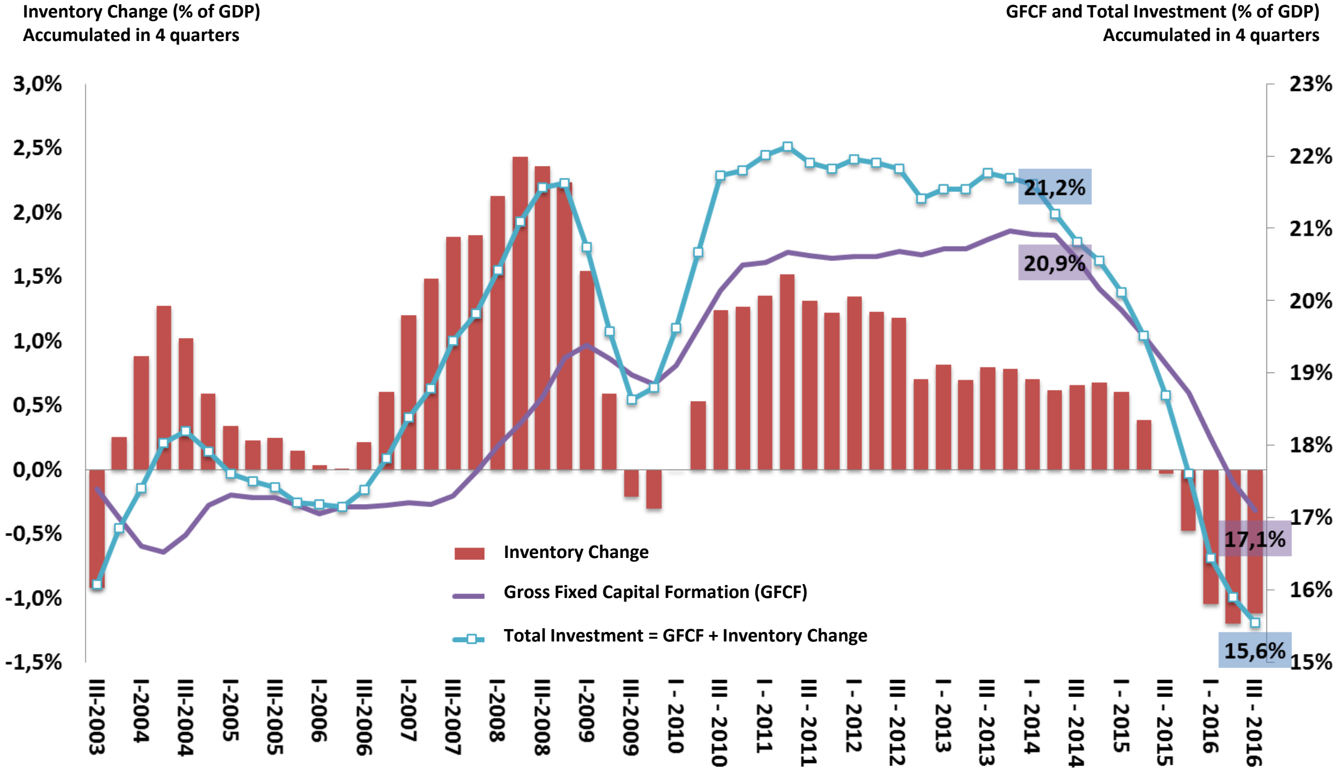
Source: IBGE, Quarterly National Accounts Series. * Domestic Absorption = GDP – Exports of Goods and Services + Imports of Goods and Services.

Disposable Income, Consumption, Savings and Investment



Source: IBGE, Quarterly National Accounts Series.

Inventory Change and Gross Fixed Capital Formation



Source: IBGE, Quarterly National Accounts Series.

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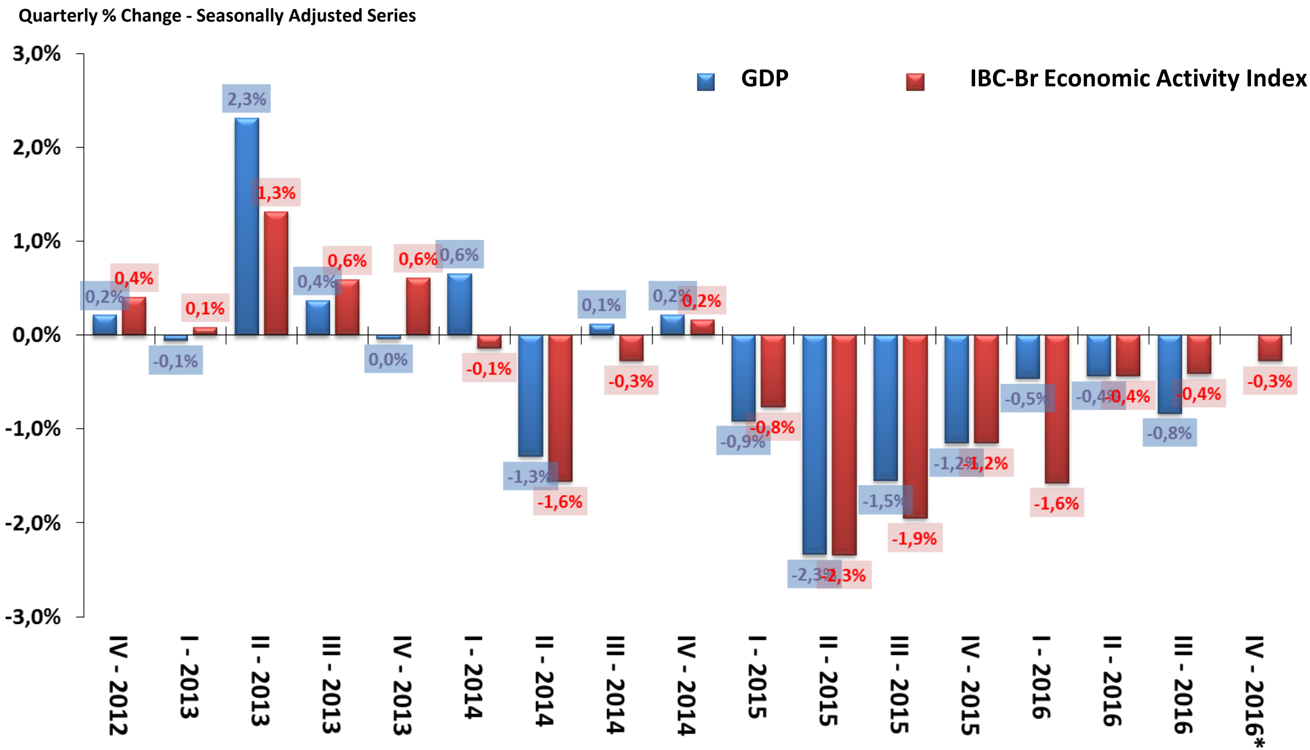
Quarterly GDP Growth and IBC-Br Economic Activity Index

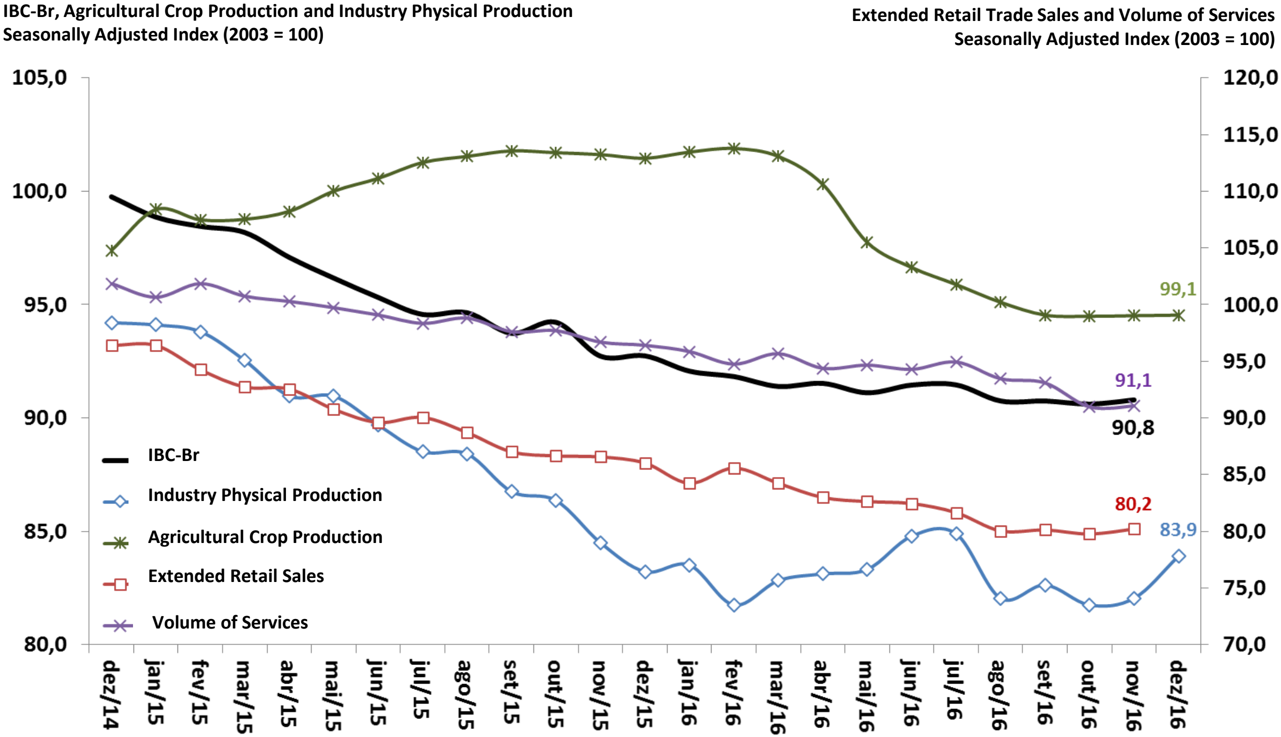


Sources: IBGE and Central Bank of Brazil. * IBC-Br carry-over calculated using year to September data.

Monthly Economic Activity

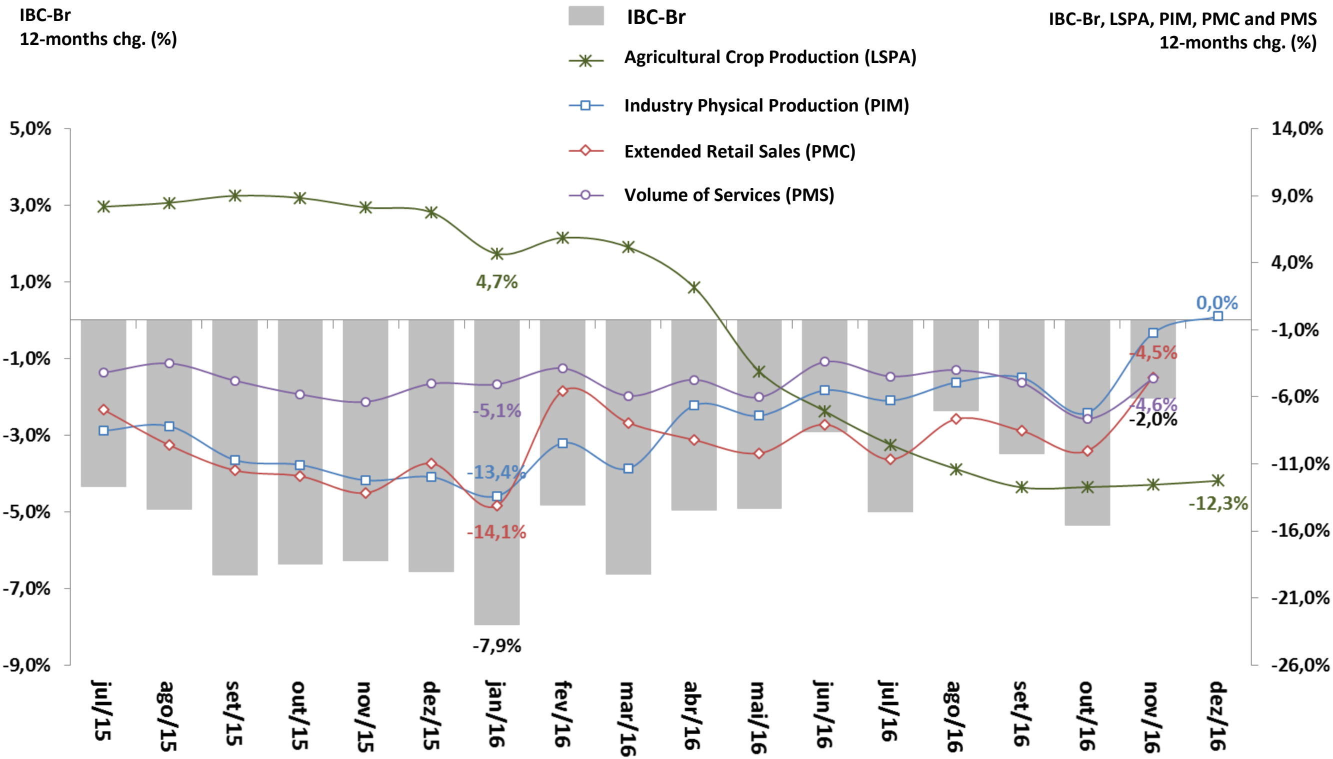
IBC-Br Economic Activity Index November 2016 %change	2015	Oct/16 - Oct/15	Nov/16 - Nov/15	Oct/16 - Sep/16 (seasonally adjusted)	Nov/16 - Oct/16 (seasonally adjusted)	Year-To-Date	Oct/16 accum. in 12-months	Nov/16 accum. in 12-months	carry-over 2016
IBC-Br Economic Activity Index	**-4,3%**	**-5,3%**	**-2,0%**	**-0,2%**	**0,2%**	**-4,6%**	**-5,1%**	**-4,8%**	**-4,5%**
Systematic Survey of Agricultural Production (IBGE) December 2016 %change	**2015**	**Nov/16 - Nov/15**	**Dec/16 - Dec/15**	**Nov/16 - Oct/16 (seasonally adjusted)**	**Dec/16 - Nov/16 (seasonally adjusted)**	**Year-To-Date**	**Nov/16 accum. in 12-months**	**Dec/16 accum. in 12-months**	**carry-over 2017**
Agricultural Crop Production	**7,8%**	**-12,6%**	**-12,3%**	**0,1%**	**0,1%**	**-12,3%**	**-12,6%**	**-12,3%**	**-12,3%**
Industry Physical Production (IBGE) December 2016 %change	**2015**	**Nov/16 - Nov/15**	**Dec/16 - Dec/15**	**Nov/16 - Oct/16 (seasonally adjusted)**	**Dec/16 - Nov/16 (seasonally adjusted)**	**Year-To-Date**	**Nov/16 accum. in 12-months**	**Dec/16 accum. in 12-months**	**carry-over 2017**
General Industry	**-8,2%**	**-1,3%**	**0,0%**	**0,4%**	**2,3%**	**-6,6%**	**-7,5%**	**-6,6%**	**1,0%**
Mining and Quarrying Industry (weight 11,2%)	3,9%	4,5%	6,9%	1,6%	1,6%	-9,5%	-10,8%	-9,5%	4,8%
Manufacturing Industry (weight 88,8%)	-9,8%	-2,0%	-1,2%	0,2%	1,5%	-6,1%	-6,9%	-6,1%	0,0%
Food (weight 13,9%)	-1,8%	-1,2%	-3,1%	-0,3%	0,9%	0,6%	1,1%	0,6%	-2,1%
Petroleum refinement and alcohol production (weight 10,3%)	-5,9%	-8,9%	-14,1%	-3,9%	-1,9%	-8,5%	-8,0%	-8,5%	-7,3%
Motor vehicles (weight 10,1%)	-25,9%	13,3%	19,9%	6,9%	10,8%	-11,4%	-14,6%	-11,4%	15,2%
Capital Goods	-25,3%	2,0%	17,4%	3,9%	-3,2%	-11,1%	-14,3%	-11,1%	-0,2%
Intermediate Goods	-5,2%	-0,6%	-0,5%	0,7%	1,4%	-6,3%	-7,1%	-6,3%	0,1%
Consumer Durable Goods	-18,5%	7,2%	4,8%	4,3%	6,5%	-14,7%	-16,8%	-14,7%	9,7%
Consumer Semi and Non-Durable Goods	-6,7%	-5,0%	-3,6%	-0,6%	4,1%	-3,7%	-3,8%	-3,7%	0,0%
Civil Construction Typical Inputs	-12,5%	-10,2%	-5,7%	3,9%	0,4%	4,4%	-12,9%	-11,8%	-5,3%
Retail Trade Sales (IBGE) November 2016 %change	**2015**	**Oct/16 - Oct/15**	**Nov/16 - Nov/15**	**Oct/16 - Sep/16 (seasonally adjusted)**	**Nov/16 - Oct/16 (seasonally adjusted)**	**Year-To-Date**	**Oct/16 accum. in 12-months**	**Nov/16 accum. in 12-months**	**carry-over 2016**
Retail Trade Sales	**-4,3%**	**-8,1%**	**-3,5%**	**-0,3%**	**2,0%**	**-6,4%**	**-6,8%**	**-6,5%**	**-6,3%**
Extended Retail Trade Sales	**-8,6%**	**-10,0%**	**-4,5%**	**-0,4%**	**0,6%**	**-8,8%**	**-9,8%**	**-9,1%**	**-9,0%**
Vehicles, Motorcycles, Parts and Accessories	-17,8%	-13,7%	-7,6%	-0,4%	-0,3%	-13,9%	-16,1%	-14,6%	-14,2%
Construction Material	-8,4%	-13,5%	-4,3%	-5,9%	7,2%	-11,4%	-12,3%	-11,5%	-11,2%
Fuel and Lubricants	-6,1%	-10,0%	-8,1%	-1,4%	-0,4%	-9,6%	-9,9%	-9,6%	-9,7%
Hypermarkets, Supermarkets, Food, Beverage and Tobacco	-2,5%	-6,4%	-1,1%	-0,3%	0,9%	-3,1%	-3,5%	-3,1%	-3,2%
Textiles, Apparel and Footwear	-8,6%	-12,2%	-9,6%	0,5%	-1,5%	-11,2%	-11,5%	-11,0%	-11,5%
Furniture and Household Appliances	-14,1%	-13,5%	-7,4%	0,4%	2,1%	-13,0%	-14,4%	-13,7%	-12,7%
Volume of Services (IBGE) November 2016 %change	**2015**	**Oct/16 - Oct/15**	**Nov/16 - Nov/15**	**Oct/16 - Sep/16 (seasonally adjusted)**	**Nov/16 - Oct/16 (seasonally adjusted)**	**Year-To-Date**	**Oct/16 accum. in 12-months**	**Nov/16 accum. in 12-months**	**carry-over 2016**
Volume of Services	**-3,6%**	**-7,6%**	**-4,6%**	**-2,3%**	**0,1%**	**-5,0%**	**-5,1%**	**-5,0%**	**-5,4%**
Services Rendered to Families	-5,3%	-6,8%	-5,6%	0,1%	0,2%	-4,6%	-5,0%	-4,9%	-4,7%
Information and Communication Services	0,0%	-4,4%	-3,0%	-3,1%	1,0%	-2,8%	-2,7%	-2,6%	-2,8%
Professional, Administrative and Complementary Services	-4,3%	-5,7%	-3,5%	-1,9%	0,8%	-5,5%	-6,1%	-5,9%	-5,4%
Transportation, Support Activities for Transportation and Mailing Activities	-6,1%	-13,4%	-7,8%	-2,0%	2,1%	-7,6%	-7,6%	-7,6%	-7,9%
Other Services	-9,0%	-4,5%	-0,2%	-0,2%	3,3%	-3,1%	-4,4%	-3,8%	-2,7%

Major Monthly Economic Activity Indicators



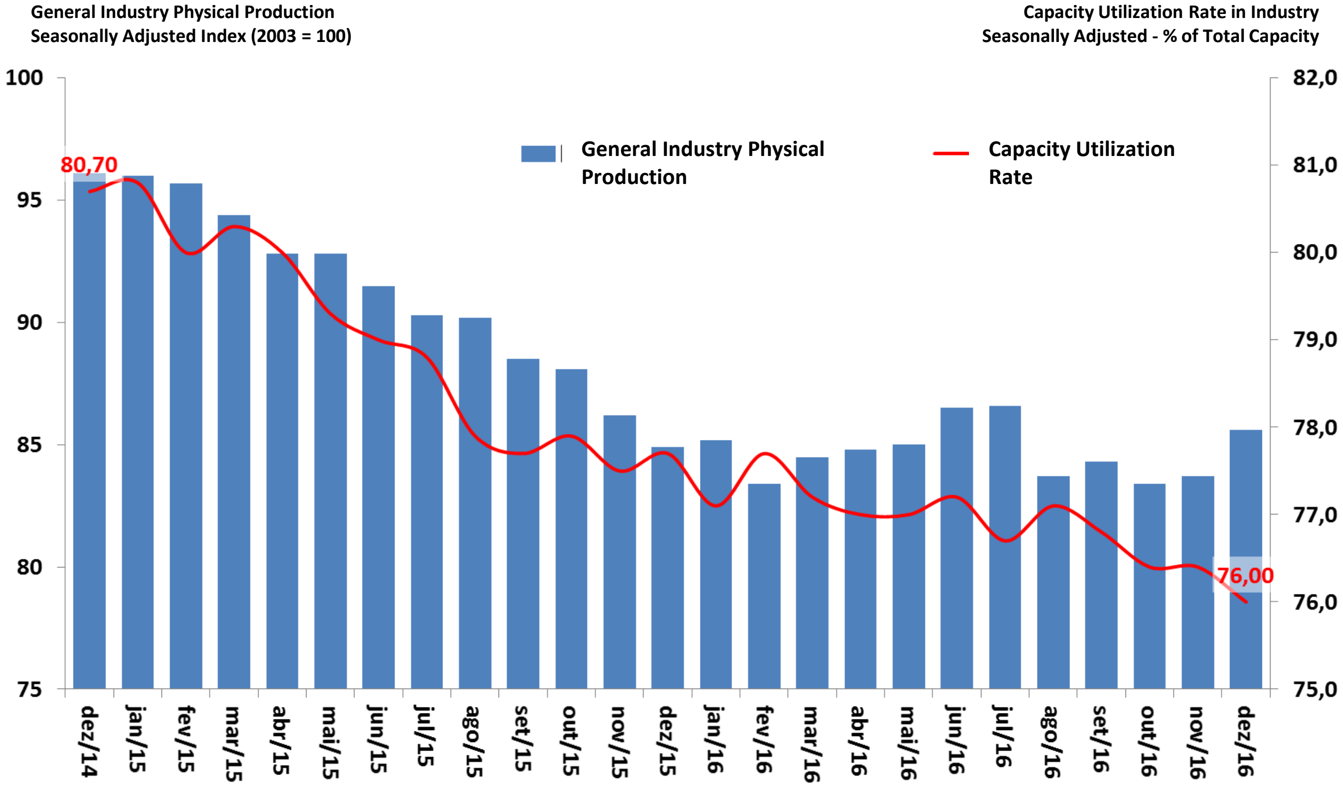
Sources: Central Bank of Brazil and IBGE: Systematic Survey of Agricultural Production (LSPA), Monthly Survey of Industry (PIM), Monthly Survey of Trade (PMC), and Monthly Survey of Services (PMS).

Major Monthly Economic Activity Indicators



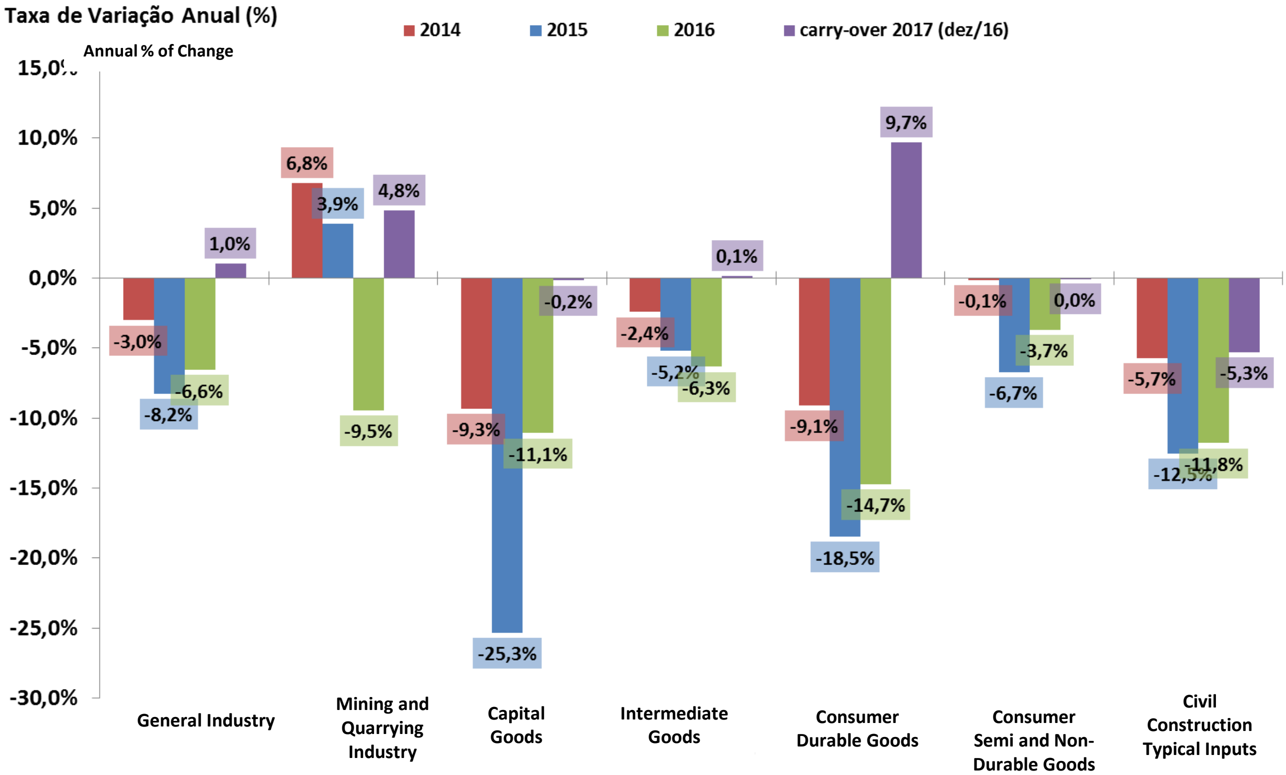
Sources: Central Bank of Brazil and IBGE: Systematic Survey of Agricultural Production (LSPA), Monthly Survey of Industry (PIM), Monthly Survey of Trade (PMC), and Monthly Survey of Services (PMS).

Industry: Physical Production and Capacity Utilization Rate



Sources: IBGE and National Confederation of Industry (CNI).

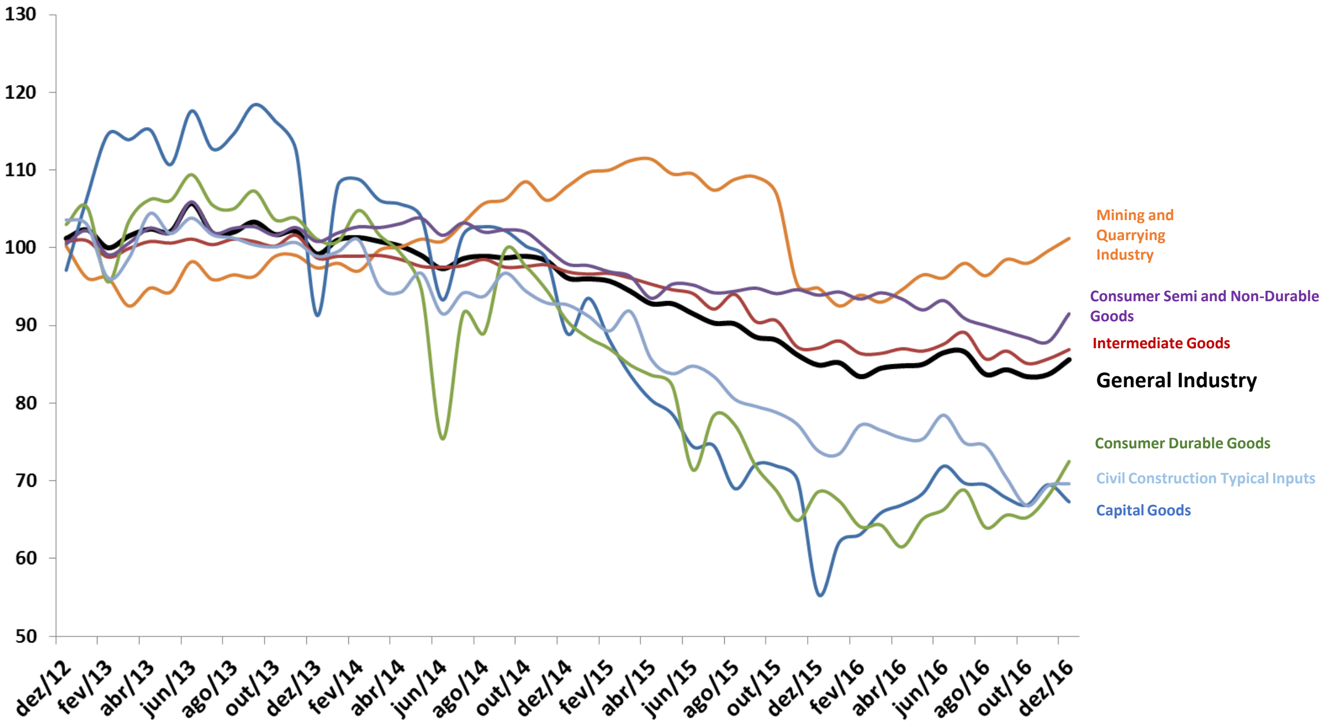
Total Industrial Production and Economic Categories



Source: IBGE, Monthly Survey of Industry (PIM). *Carry-over 2017 = Dec 2016 s.a. level / 2016 average level.

Total Industrial Production and Economic Categories

Industry Physical Production by Economic Category
Seasonally Adjusted Index (2002 = 100)



Source: IBGE, Monthly Survey of Industry (PIM).

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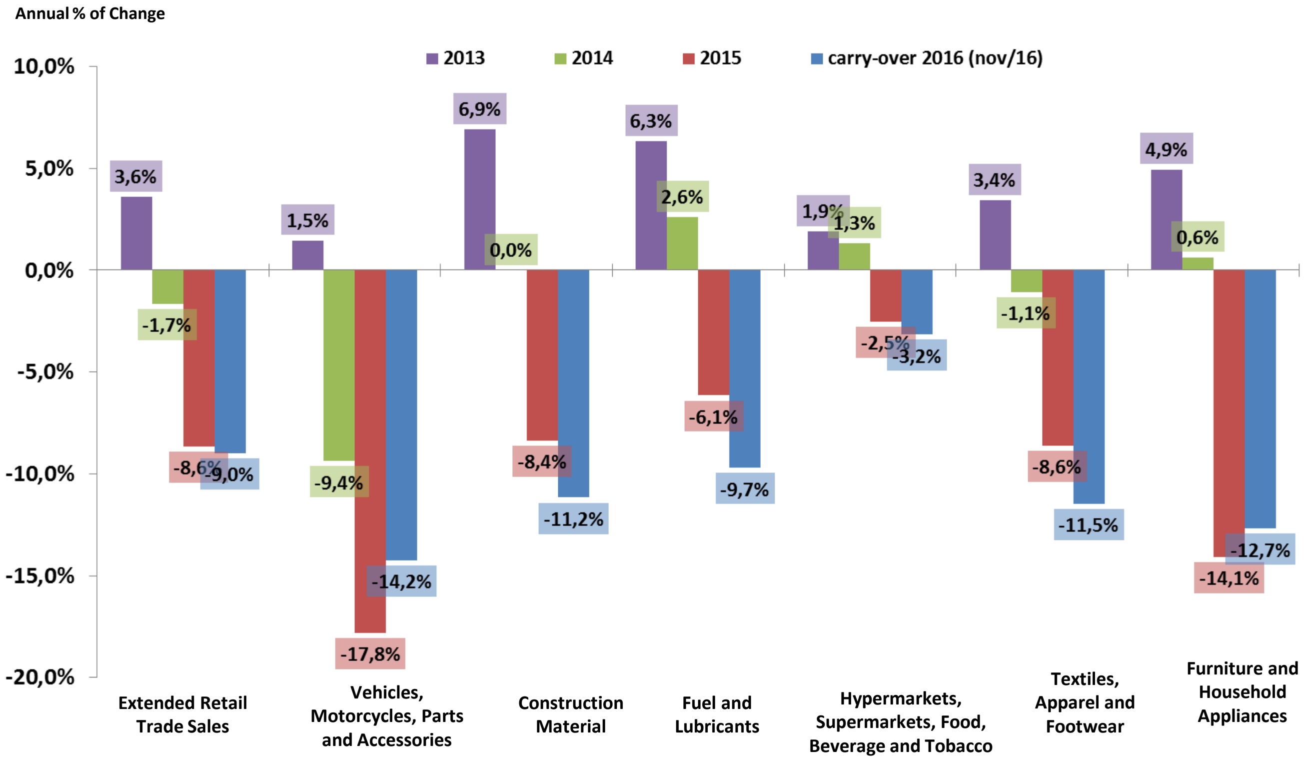
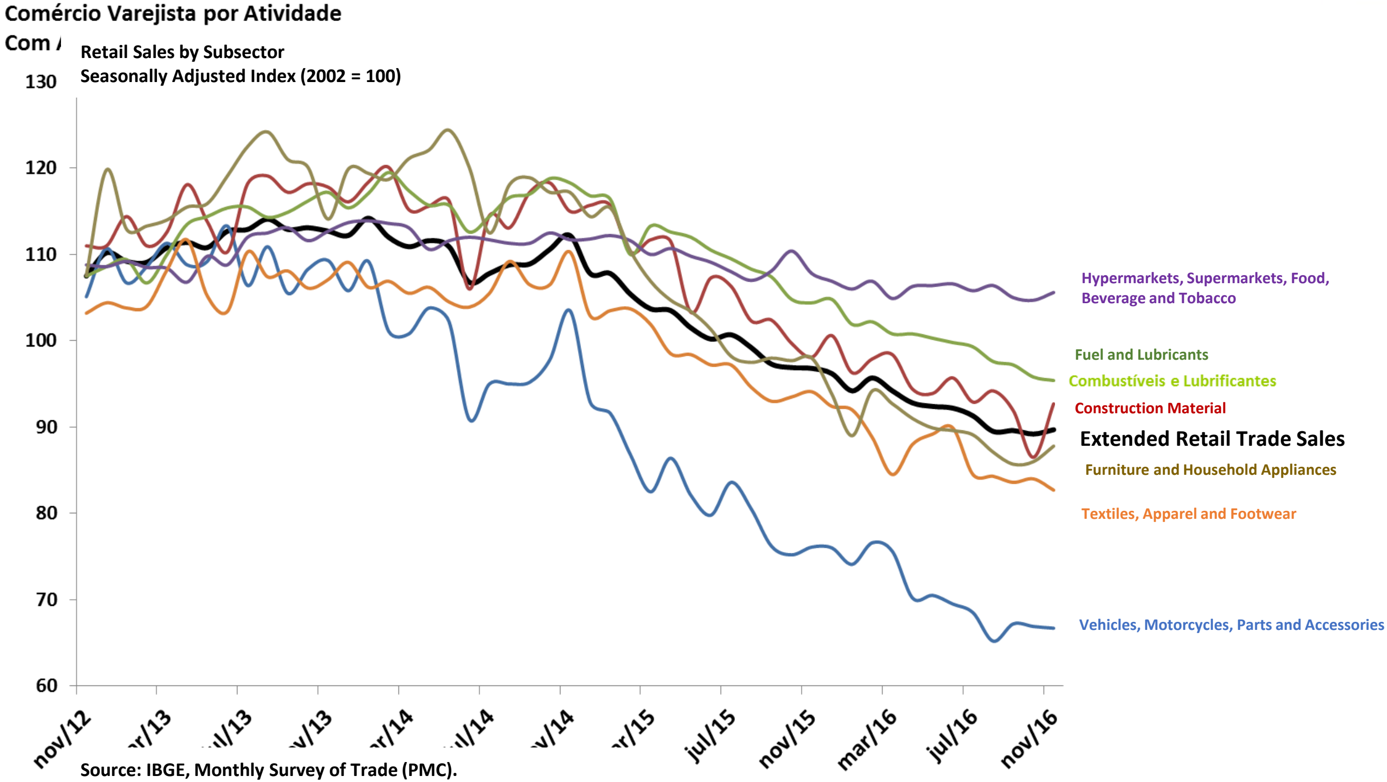
Total Retail Sales and Subsectors



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

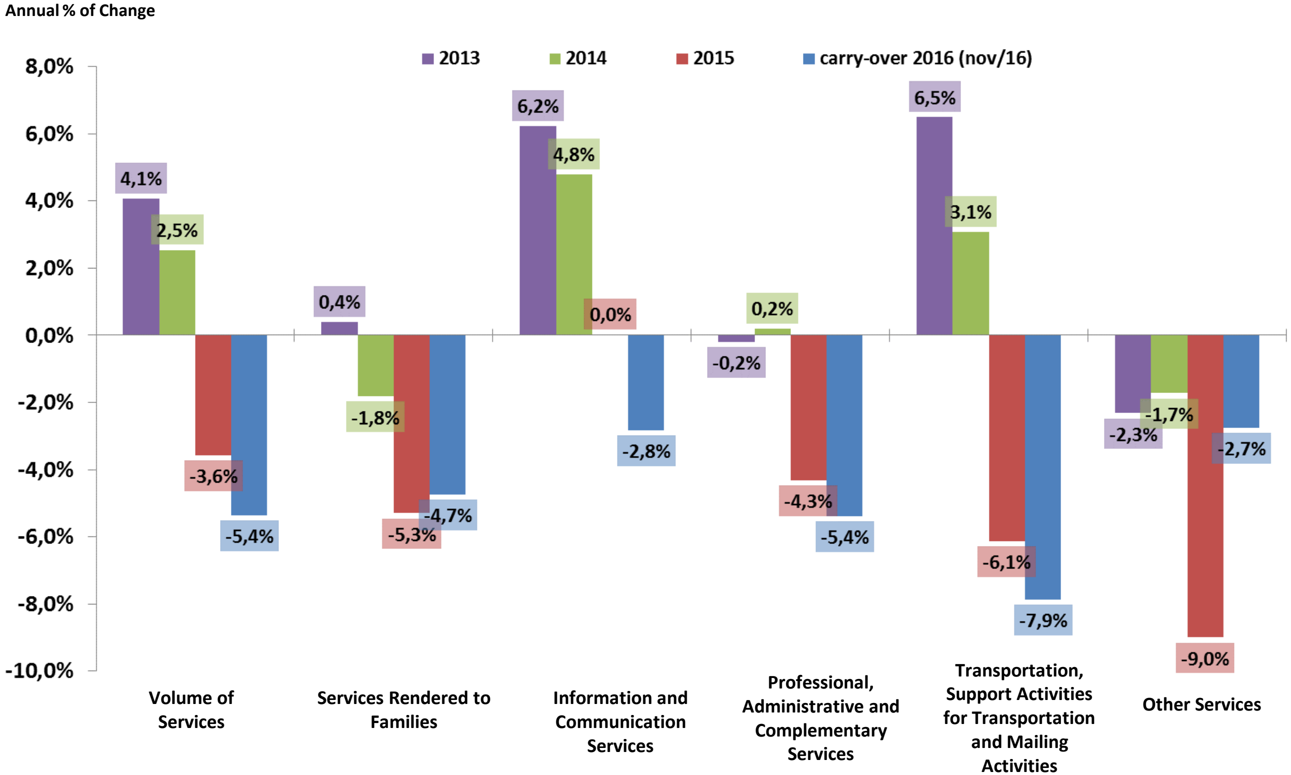
Total Retail Sales and Subsectors



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

Fonte: IBGE, Pesquisa Mensal de Comércio (PMC).

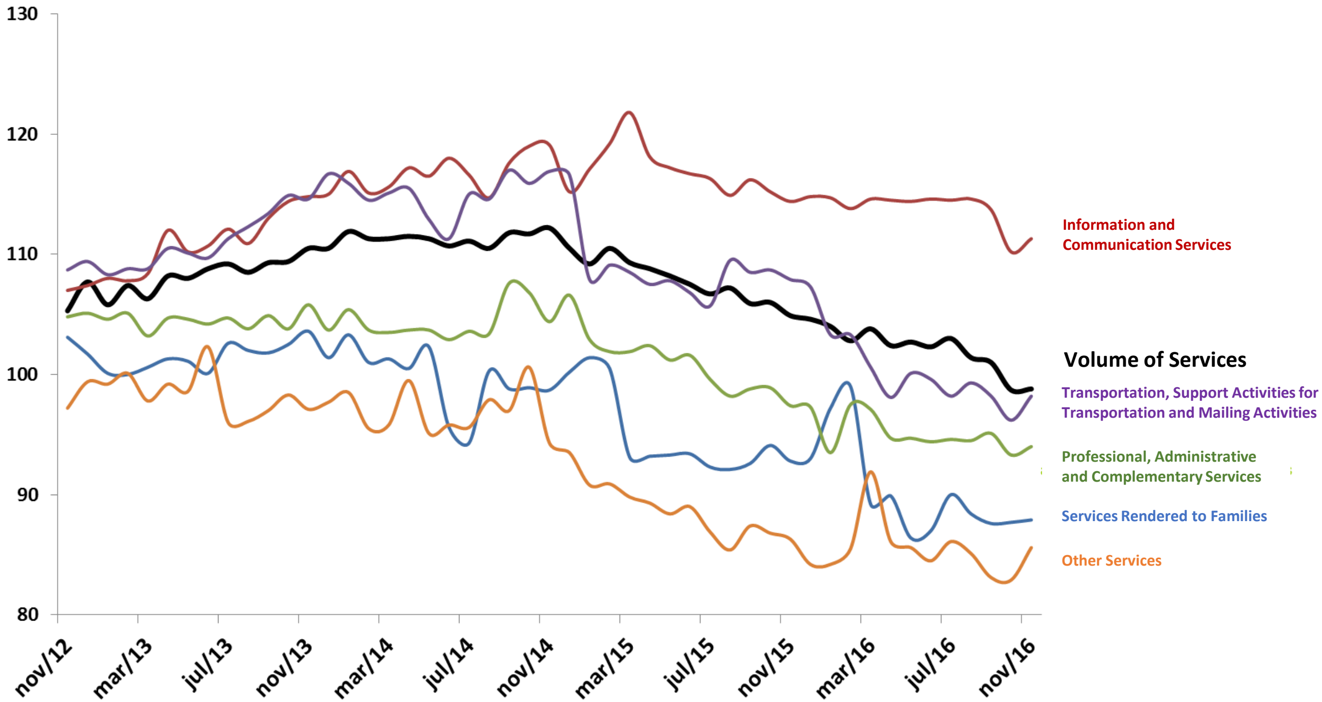
Volume of Services and Subsectors



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

Total Retail Sales and Subsectors

Volume of Services by Subsector
Seasonally Adjusted Index (2002 = 100)



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

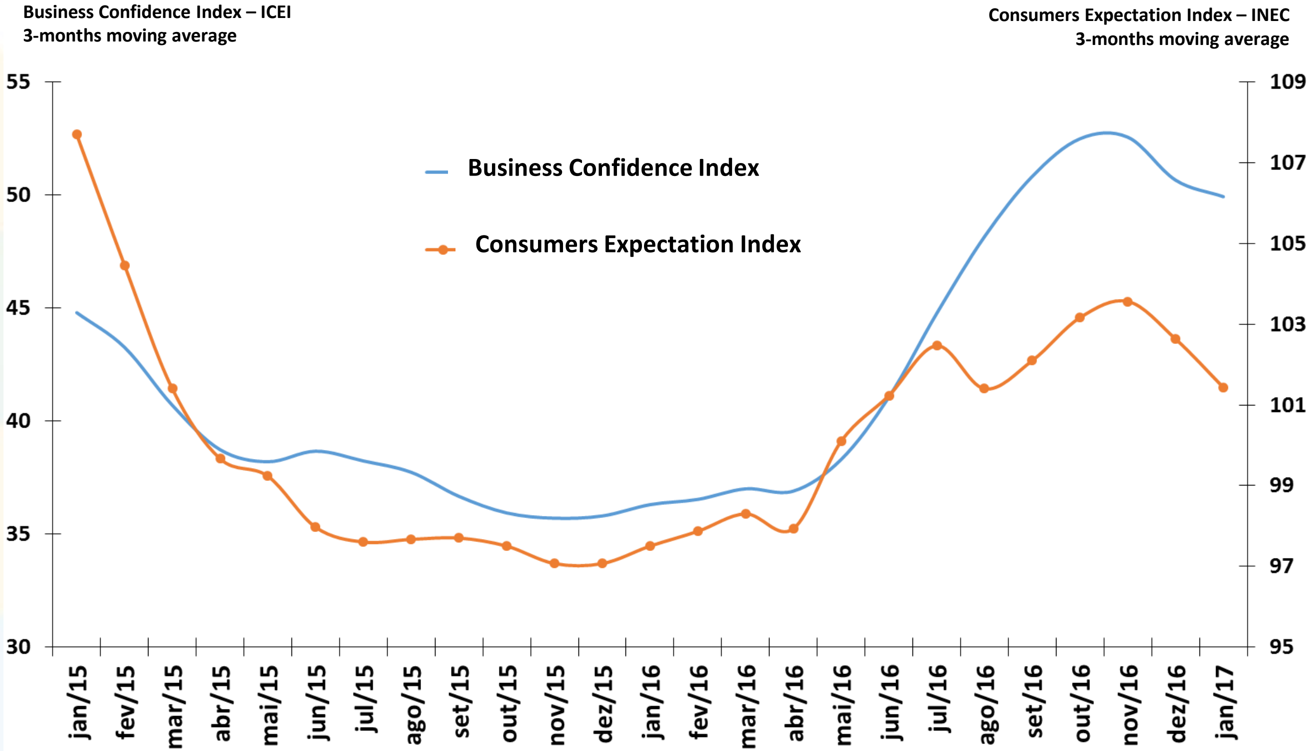
Other Monthly Economic Activity Indicators

November 2016 %change		2015	Oct/16 - Oct/15	Nov/16 - Nov/15	Oct/16 - Sep/16 (seasonally adjusted)	Nov/16 - Oct/16 (seasonally adjusted)	Year-To-Date	Oct/16 accum. in 12-months	Nov/16 accum. in 12-months	carry-over 2016
Natural Gas and Oil Production (ANP)		7,8%	9,1%	10,4%	-1,9%	-0,8%	2,9%	1,9%	2,7%	3,2%
Electric Energy Consumption - Total (EPE)		-2,2%	-2,8%	-1,2%	-1,8%	1,1%	-1,1%	-1,6%	-1,3%	-1,1%
Industry Consumption (EPE)		-5,7%	-1,7%	0,1%	-1,5%	0,8%	-3,2%	-4,5%	-3,7%	-3,0%

December 2016 %change		2015	Nov/16 - Nov/15	Dec/16 - Dec/15	Nov/16 - Oct/16 (seasonally adjusted)	Dec/16 - Nov/16 (seasonally adjusted)	Year-To-Date	Nov/16 accum. in 12-months	Dec/16 accum. in 12-months	carry-over 2016
Supermarket Sector Total Retail Sales (ABRAS)		-1,9%	5,0%	2,2%	0,7%	-4,9%	1,6%	0,9%	1,6%	1,6%
Industry Indicators (CNI)		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Real Sales Revenue (CNI)		-8,9%	-9,6%	-4,8%	4,6%	0,1%	-12,1%	-12,8%	-12,1%	-12,0%
Working Hours in Production (CNI)		-10,1%	-5,0%	-1,1%	0,8%	1,0%	-7,6%	-8,4%	-7,6%	-7,6%
Capacity Utilization Rate - UCI (CNI)	**month level: 73,9**	-2,9%	-1,4%	-2,2%	0,0%	-0,5%	-2,6%	-2,7%	-2,6%	-2,6%
Industry Inventories (CNI) - Final Goods - planned x realized	**month level: 48,6**	1,9%	-4,3%	-2,4%	-2,5%	-0,7%	-4,1%	-4,0%	-4,1%	-4,1%
Total Vehicles Production (ANFAVEA)		-22,8%	23,5%	40,6%	35,4%	14,3%	-11,2%	-15,7%	-11,2%	-10,7%
Car Production		-19,4%	25,9%	32,3%	34,0%	9,3%	-11,9%	-15,7%	-11,9%	-11,3%
Commercial Vehicles Production		-47,1%	0,2%	63,6%	25,0%	21,3%	-18,2%	-21,6%	-18,2%	-18,0%
Total Vehicles Exports (ANFAVEA)		24,9%	55,3%	36,1%	64,9%	50,4%	24,7%	27,6%	24,7%	25,2%
Total Vehicles Sales/Licensing (FENABRAVE)		-26,6%	-8,7%	-10,3%	-1,1%	44,5%	-20,2%	-23,5%	-20,2%	-20,6%
Domestic Vehicles Sales/Licensing		-25,2%	-5,2%	-5,9%	-0,3%	43,7%	-17,4%	-21,1%	-17,4%	-17,8%
Imported Vehicles Sales/Licensing		-32,8%	-29,5%	-32,6%	-7,9%	51,2%	-34,8%	-35,7%	-34,8%	-35,1%
Electric Energy System Supply (ONS)		-0,6%	-1,3%	-0,2%	1,0%	2,0%	0,4%	0,6%	0,4%	0,5%
Corrugated Fiberboard Sales (ABPO)		-2,8%	-2,1%	-2,8%	4,4%	4,4%	-2,3%	-2,0%	-2,3%	-2,3%
Heavy Vehicles Road Traffic (ABCR)		-6,2%	-5,7%	-3,5%	3,4%	4,8%	-6,0%	-6,1%	-6,0%	-6,1%

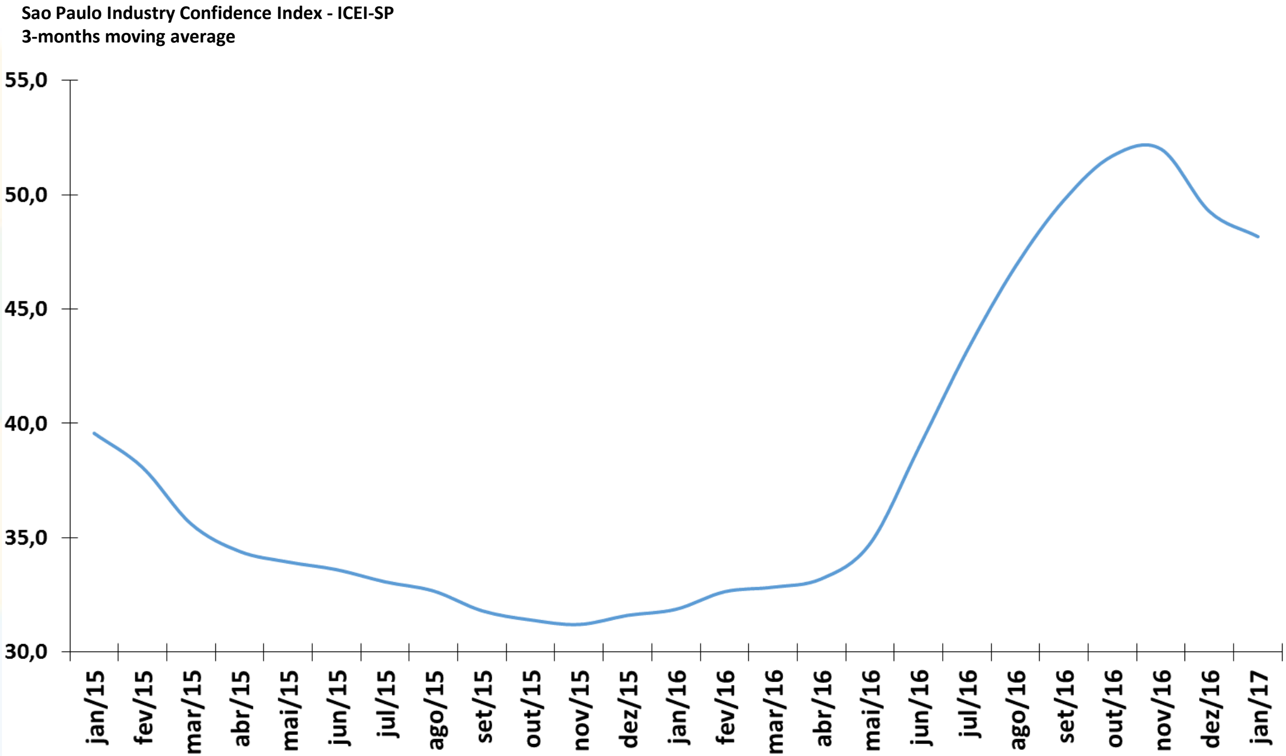
January 2017 %change		2016	Dec/16 - Dec/15	Jan/17 - Jan/16	Dec/16 - Nov/16 (seasonally adjusted)	Jan/17 - Dec/16 (seasonally adjusted)	Year-To-Date	Dec/16 accum. in 12-months	Jan/17 accum. in 12-months	carry-over 2017
Business Confidence Index - ICEI (CNI)	**month level: 50,1**	18,3%	33,3%	37,3%	-7,2%	3,8%	37,3%	18,3%	23,4%	9,5%
Consumer Expectations Index - INEC (CNI)	**month level: 100,8**	2,6%	4,2%	2,2%	-2,0%	0,5%	2,2%	2,6%	3,2%	-1,2%
Consumer Confidence Index (FGV)	**month level: 81,9**	2,8%	12,7%	17,0%	-6,2%	8,5%	17,0%	2,8%	5,8%	8,7%
Business Confidence Index (FGV)	**month level: 85,2**	5,7%	11,6%	14,1%	-1,9%	5,1%	14,1%	5,7%	7,9%	8,4%
Services Confidence Index (FGV)	**month level: 82,0**	1,1%	11,5%	14,4%	-2,3%	6,2%	14,4%	1,1%	3,9%	8,8%
Retail Trade Confidence Index (FGV)	**month level: 80,2**	4,6%	16,6%	13,4%	0,9%	-0,1%	13,4%	4,6%	7,4%	6,2%
Civil Construction Confidence Index (FGV)	**month level: 75,6**	-5,8%	2,9%	10,4%	-1,1%	4,1%	10,4%	-5,8%	-3,1%	6,2%
Sao Paulo Industry Confidence Index - ICEI-SP (FIESP)	**month level: 48,4**	28,8%	43,3%	51,3%	-10,6%	7,5%	51,3%	28,8%	34,8%	11,3%

CNI: Business Confidence and Consumers Expectation Indexes



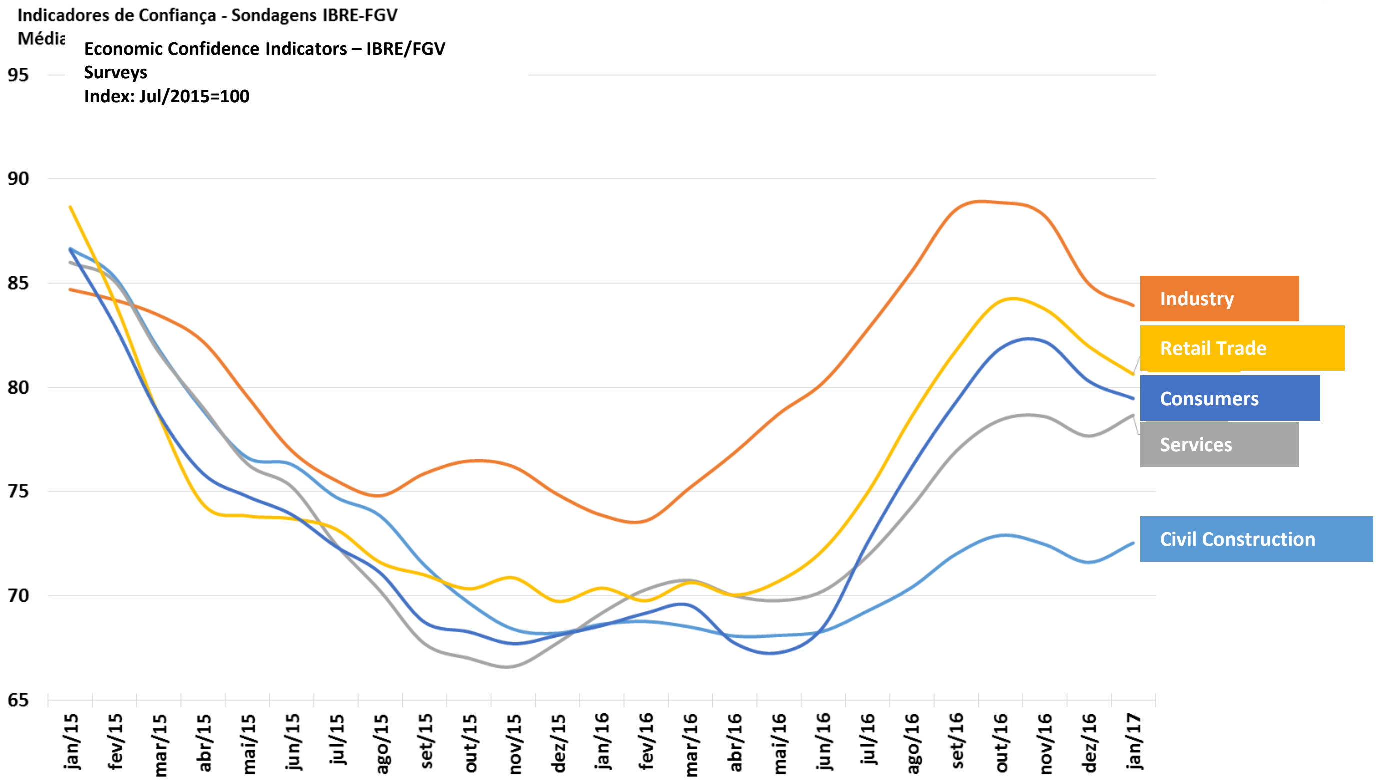
Source: CNI.

FIESP: Industry Confidence Index



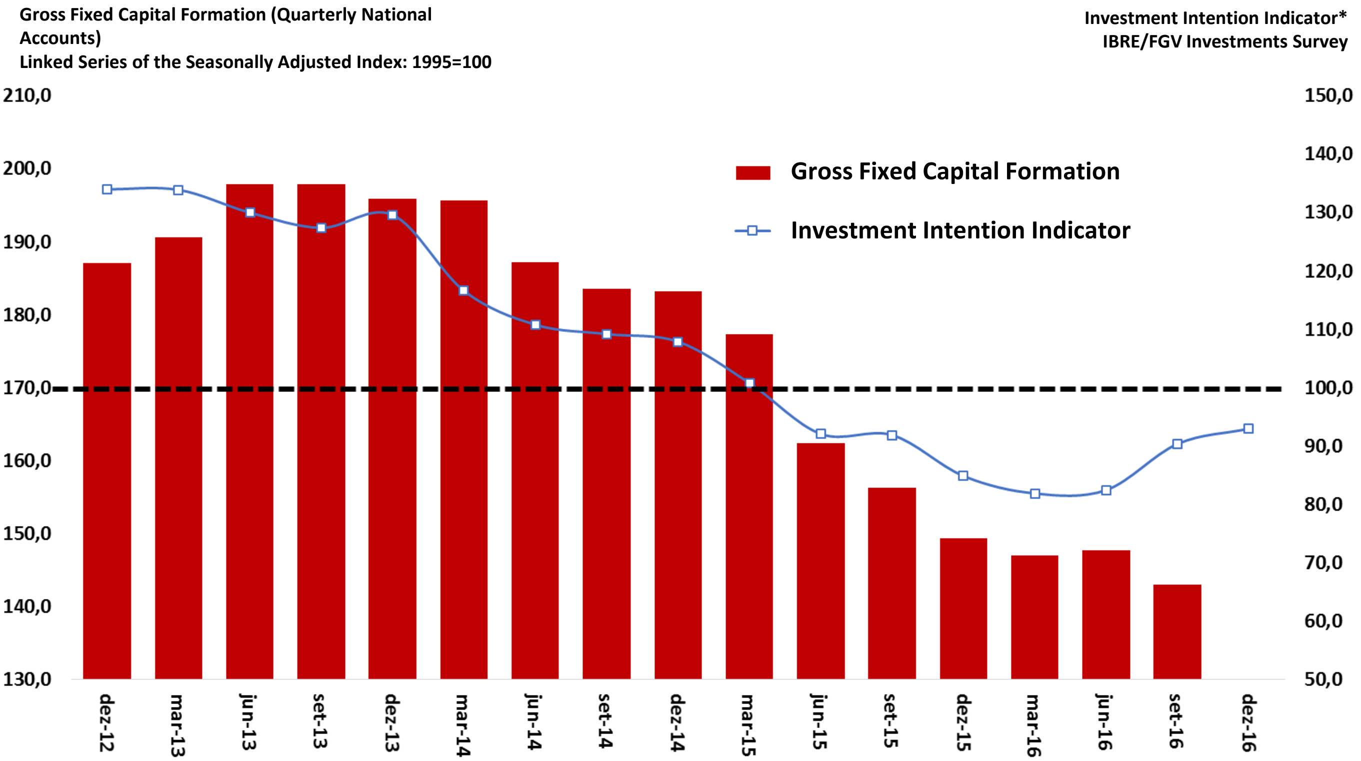
Source: FIESP.

FGV: Economic Confidence Indicators



Source: IBRE/FGV.

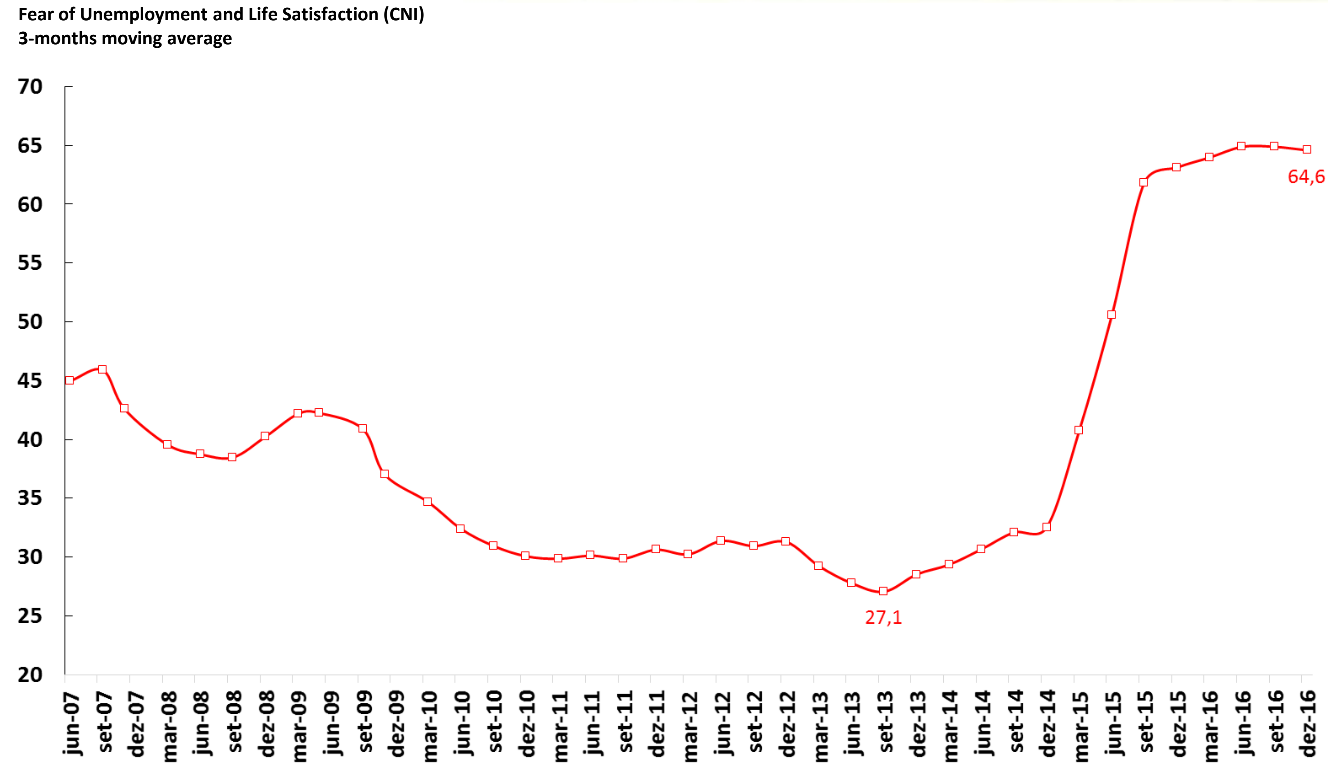
Gross Fixed Capital Formation and Investment Intention



Source: IBRE/FGV.

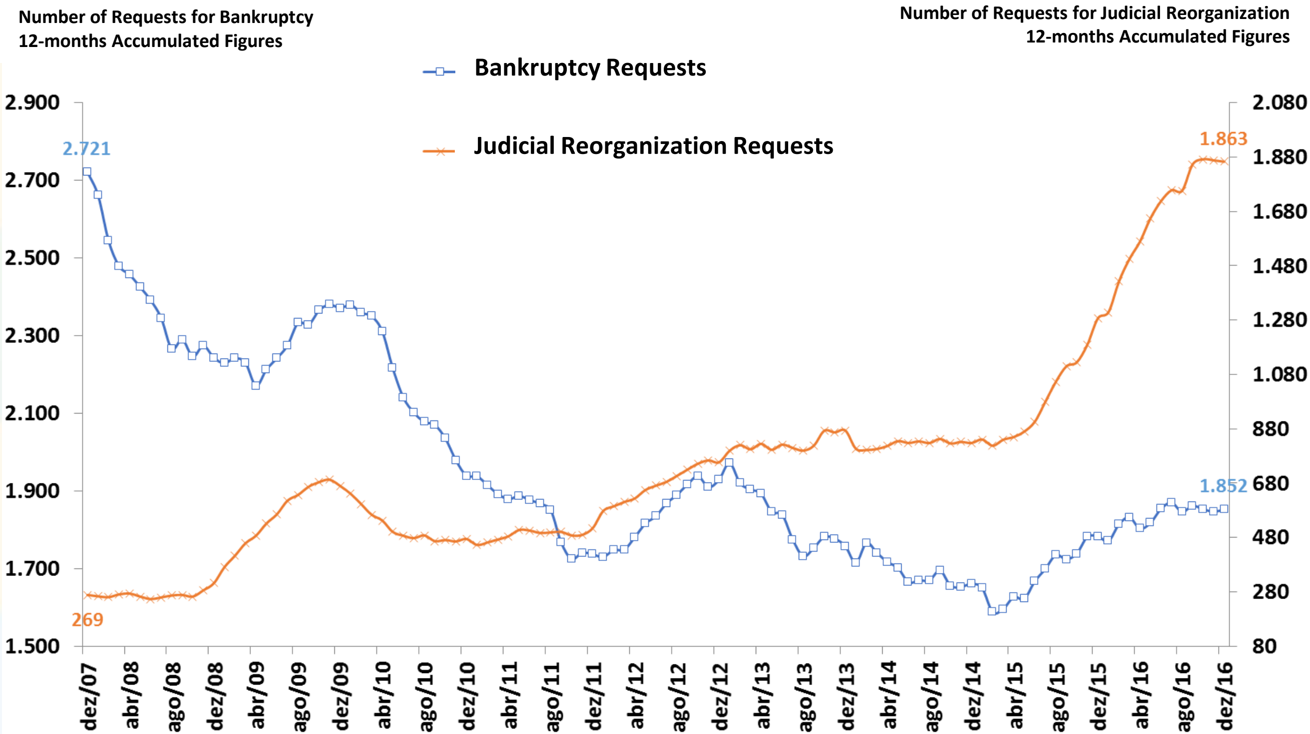
*Note: Measures de difference between positive and negative answers, plus 100.

CNI: Fear of Unemployment Index



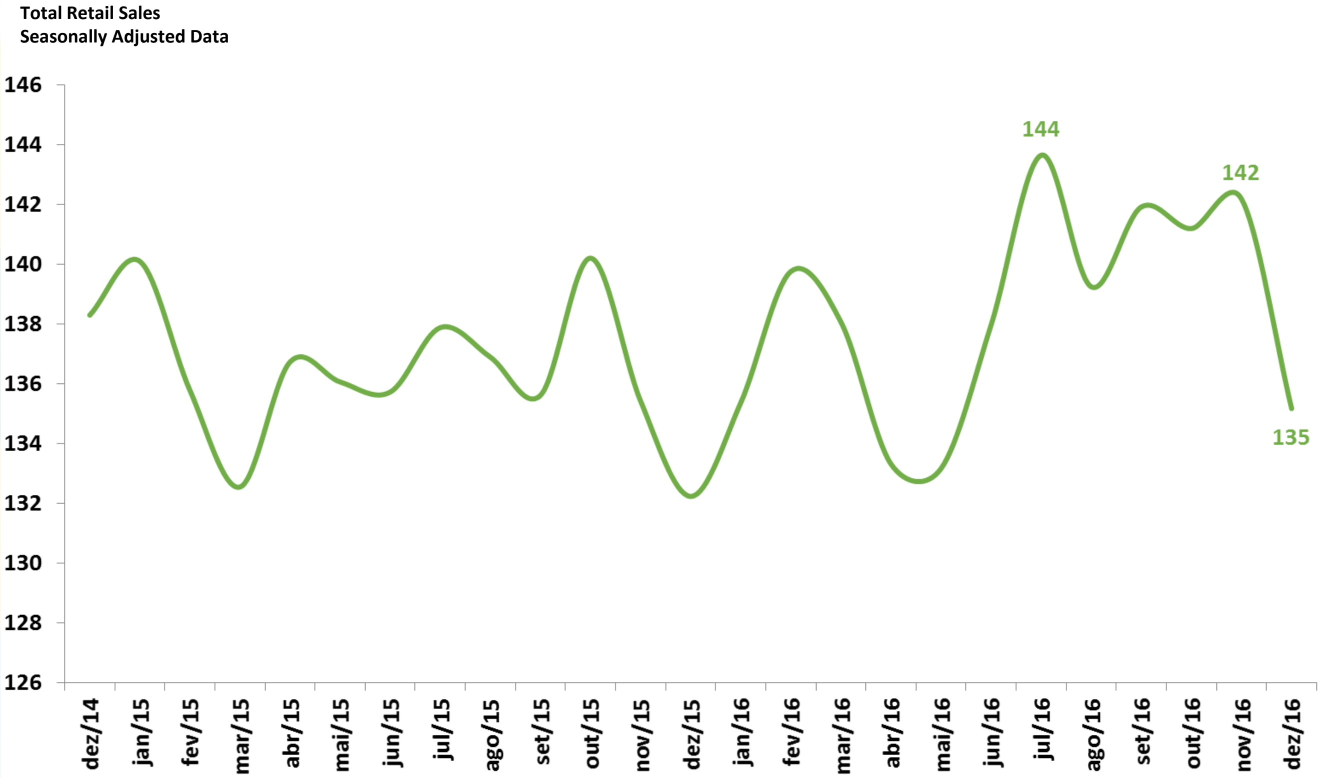
Source: CNI.

Bankruptcy and Judicial Reorganization Requests



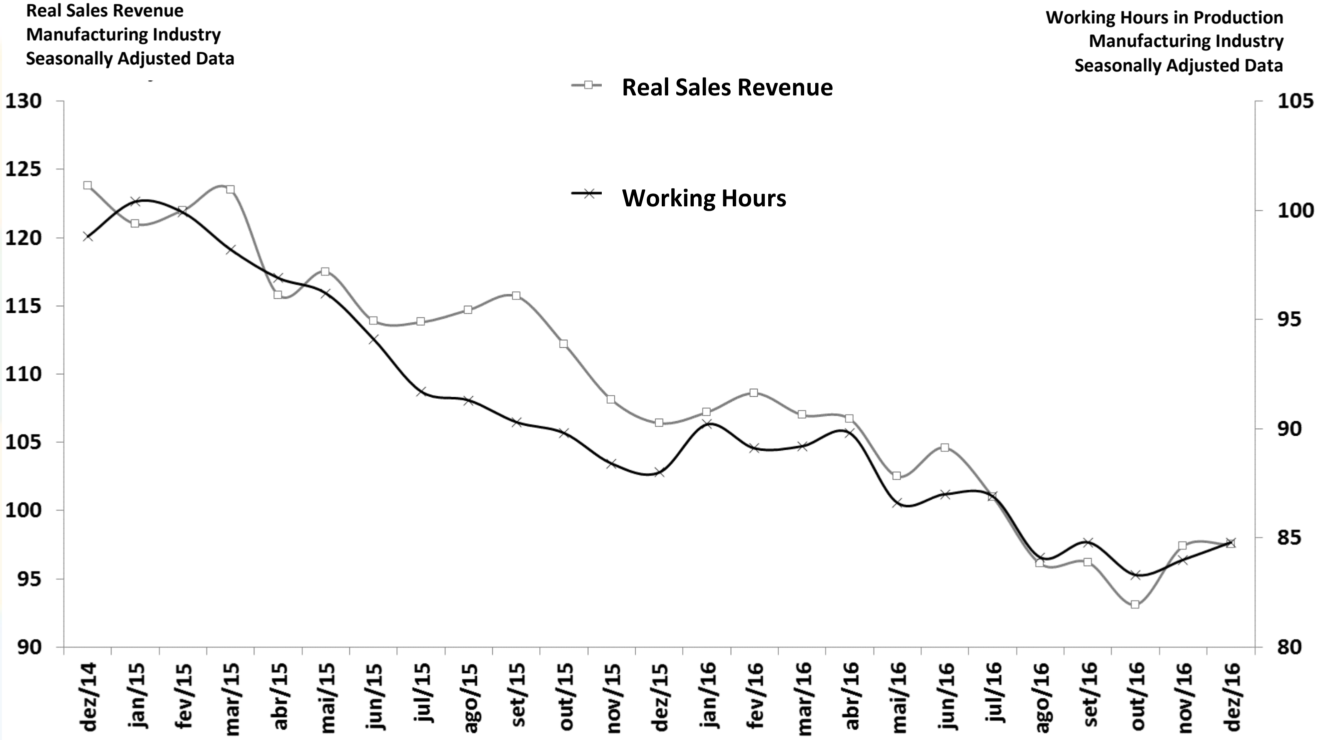
Source: Serasa-Experian.

ABRAS: Supermarket Sector Total Retail Sales



Source: ABRAS. * Seasonally adjusted by SEPLAN/MP.

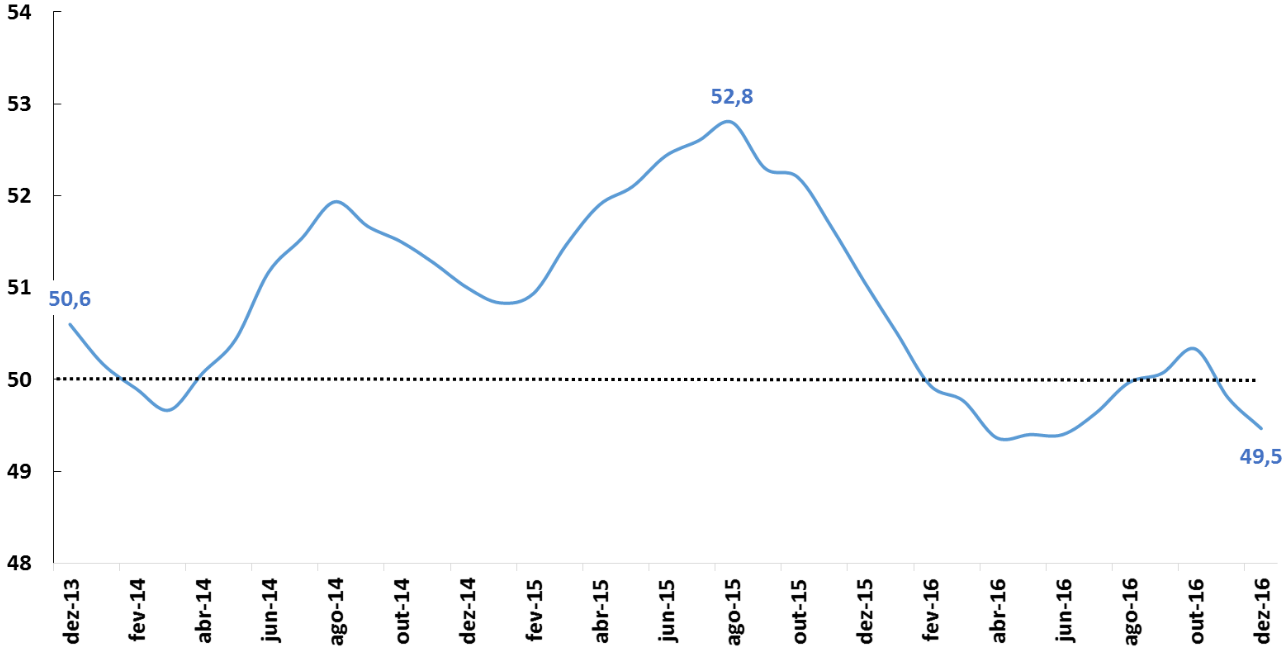
CNI: Industry Real Sales Revenues and Working Hours



Source: CNI.

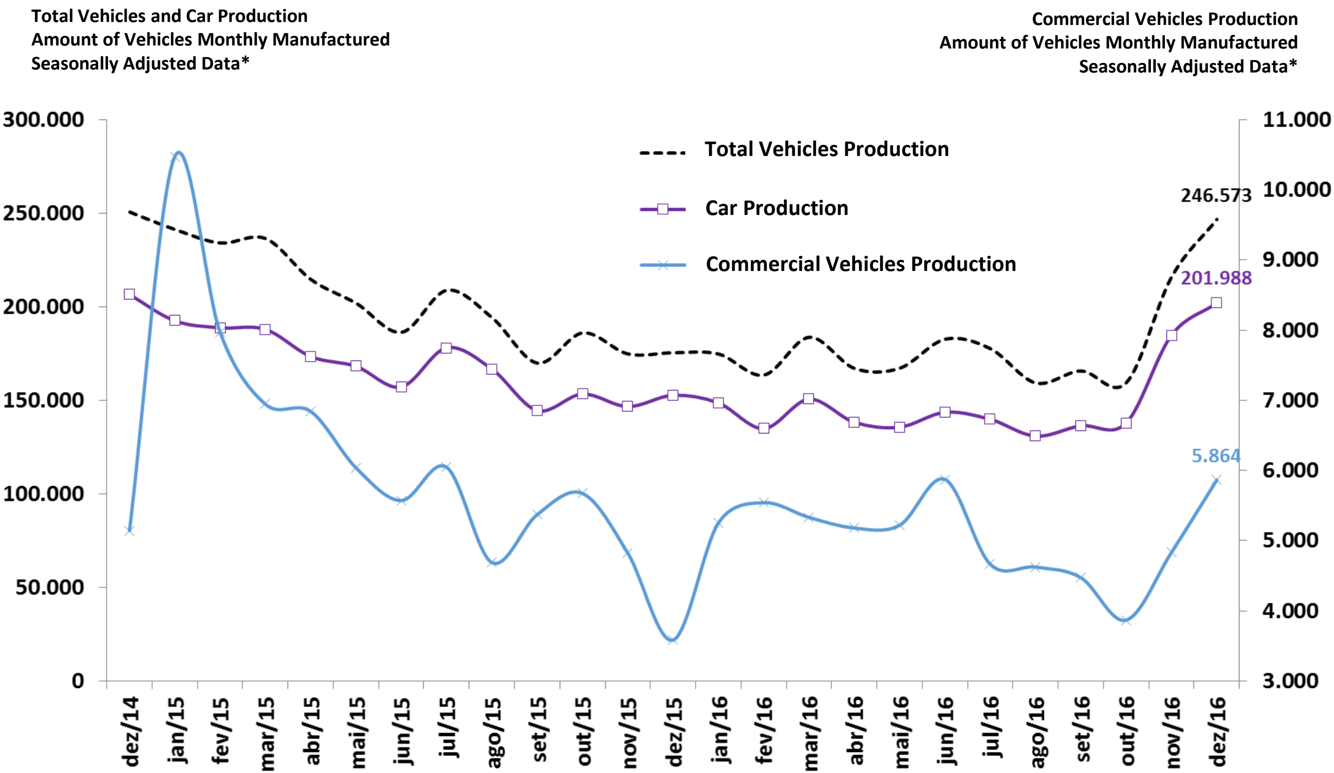
CNI: Industry Inventory Levels

General Industry Inventories Level
Final Goods - planned x realized
3-months moving average



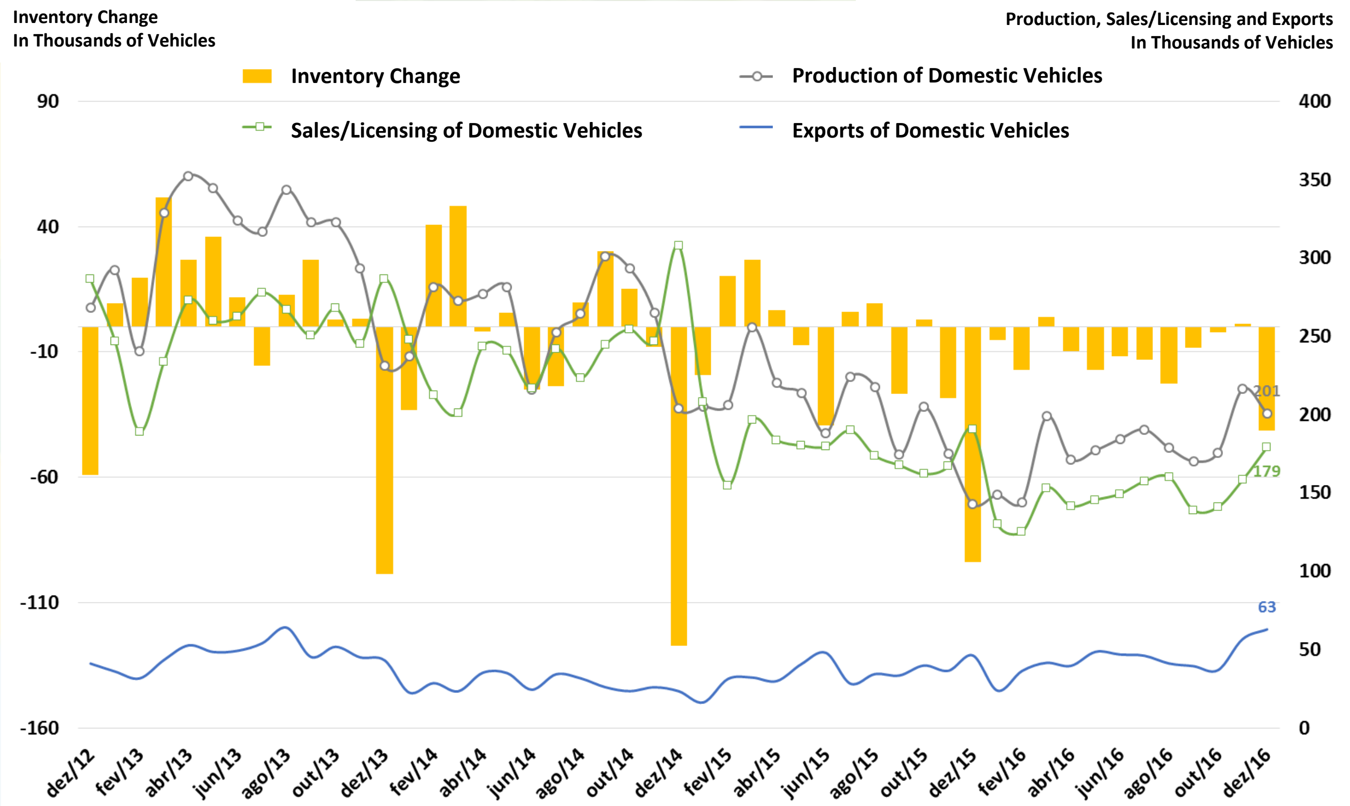
Source: CNI.

Anfavea: Automotive Sector Production



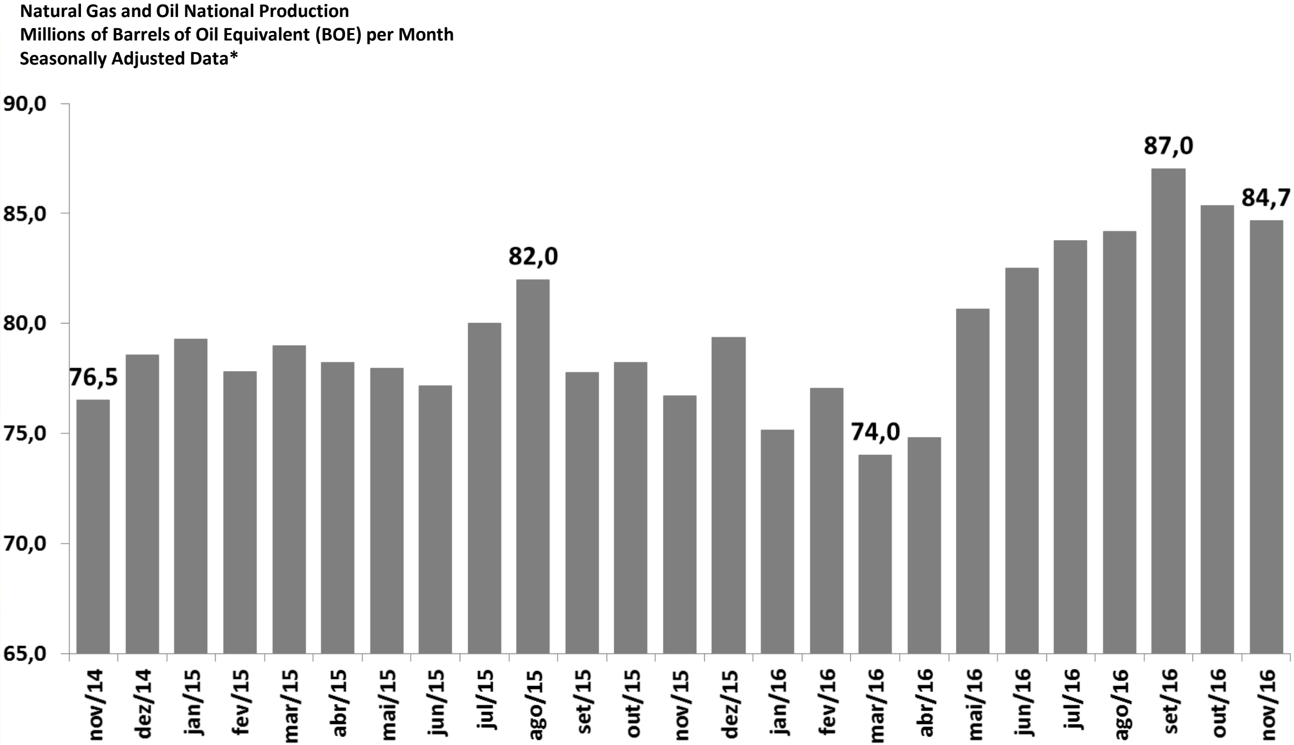
Source: ANFAVEA. * Seasonally adjusted by SEPLAN/MP.

Automotive Sector Production, Sales and Inventory Change



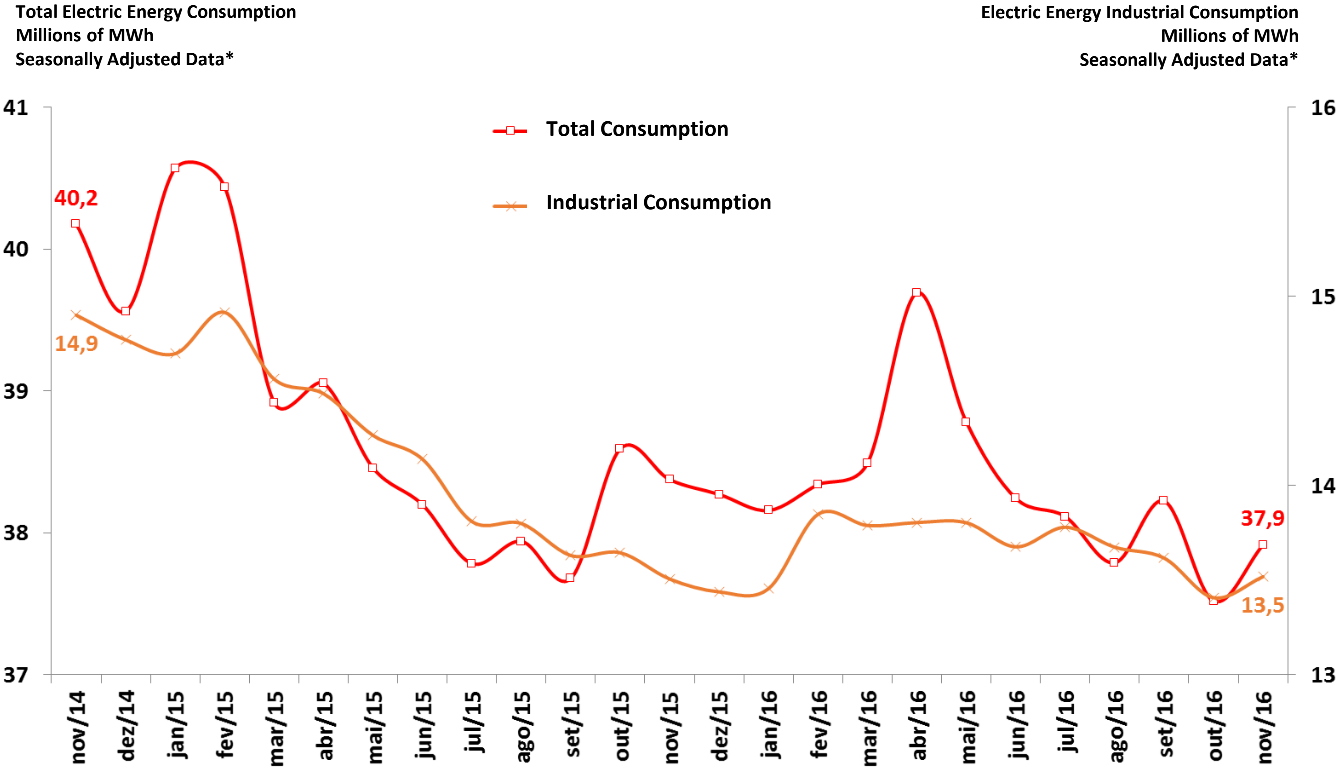
Source: ANFAVEA and FENABRAVE.

ANP: Natural Gas and Oil Production



Source: ANP. * Seasonally adjusted by SEPLAN/MP.

ANEEL: Electric Energy Consumption



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

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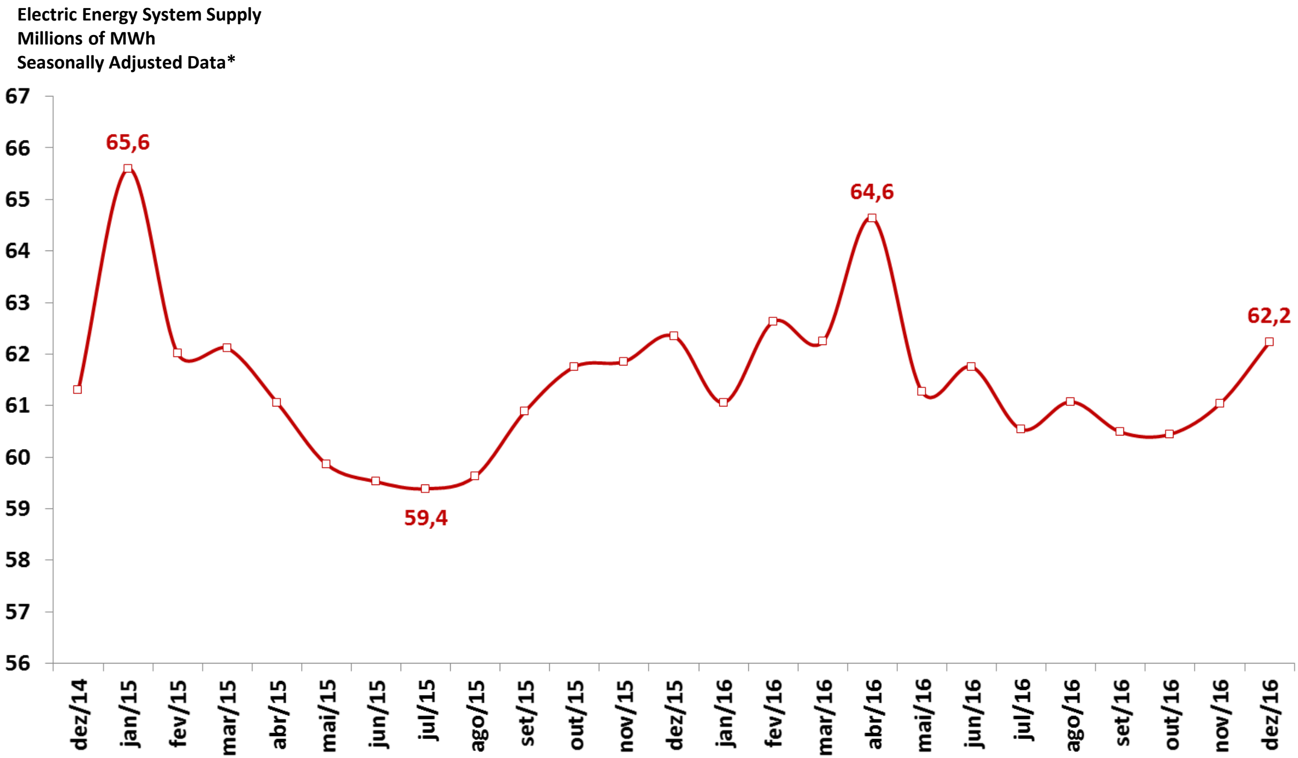
ONS: Electric Energy System Supply



Source: ONS. * Seasonally adjusted by SEPLAN/MP.

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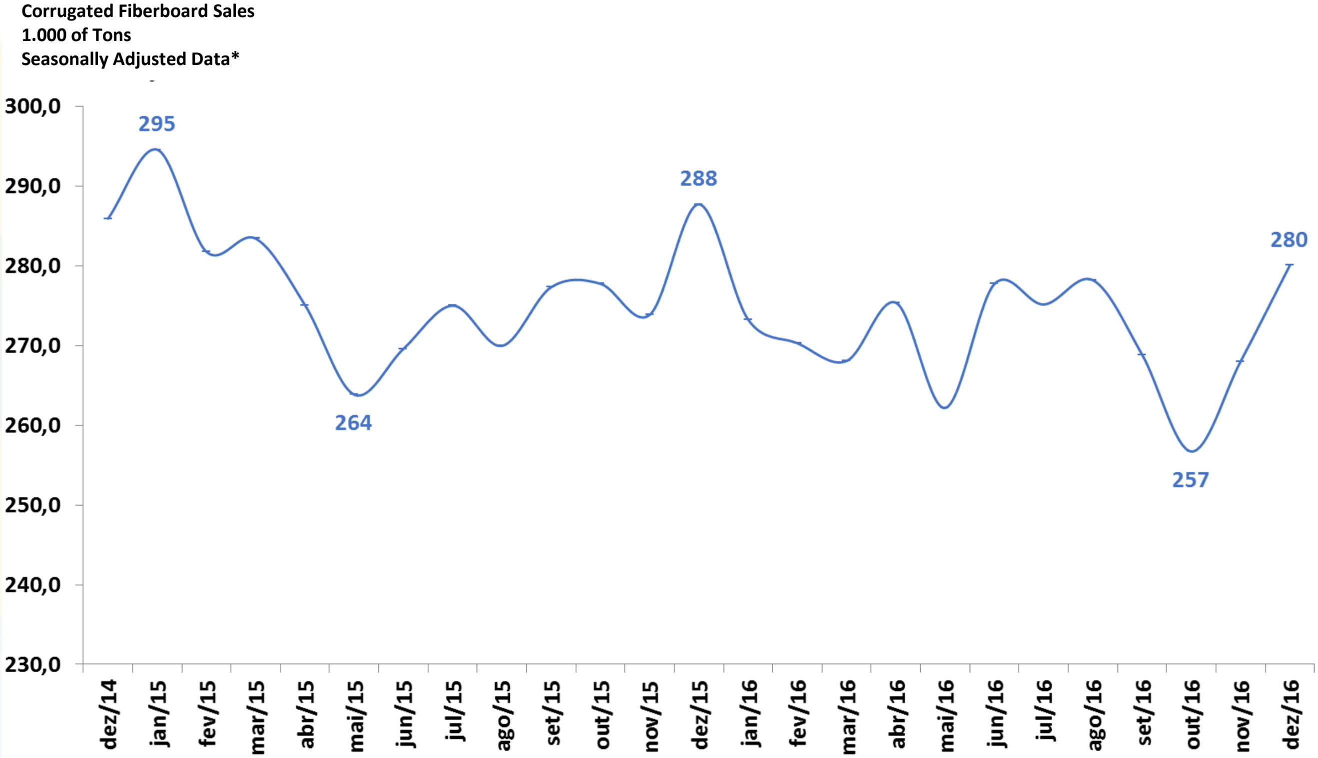
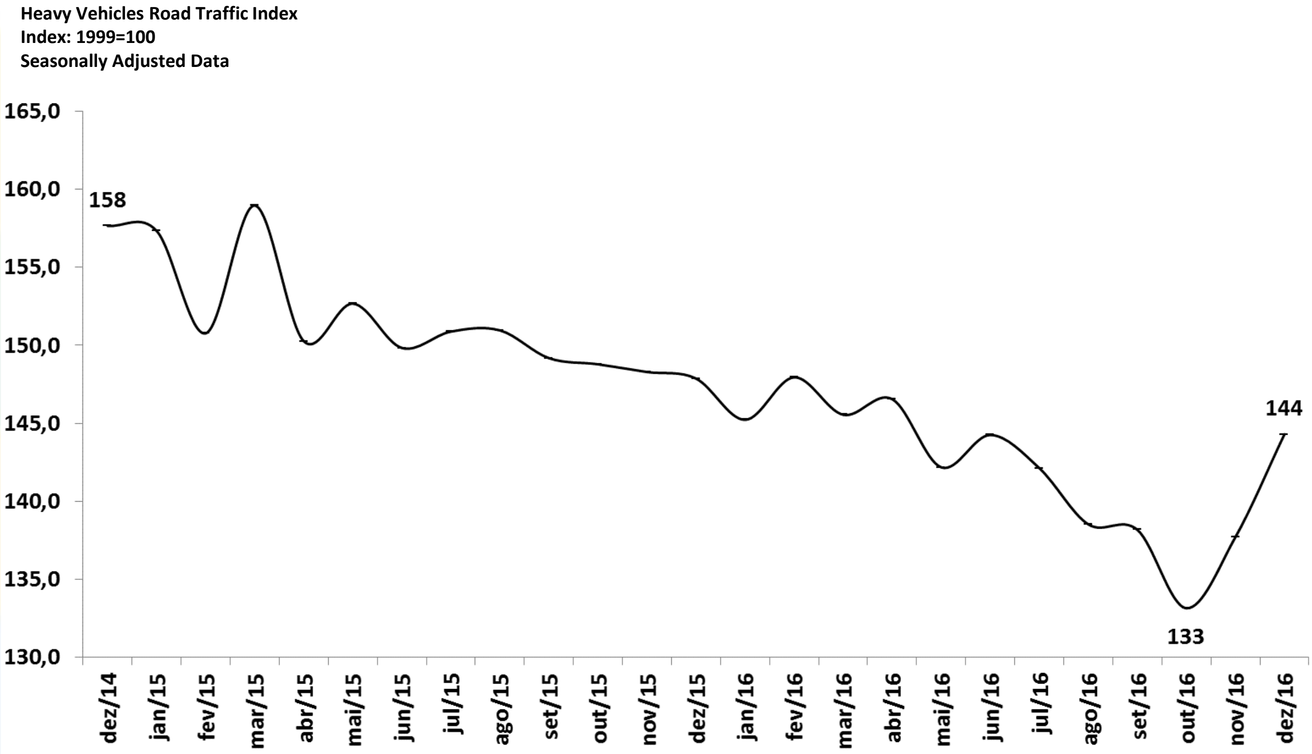
ABPO: Corrugated Fiberboard Sales



Source: ABPO. * Seasonally adjusted by SEPLAN/MP.

ABCR: Heavy Vehicles Road Traffic Index



Source: ABCR.

LABOR MARKET

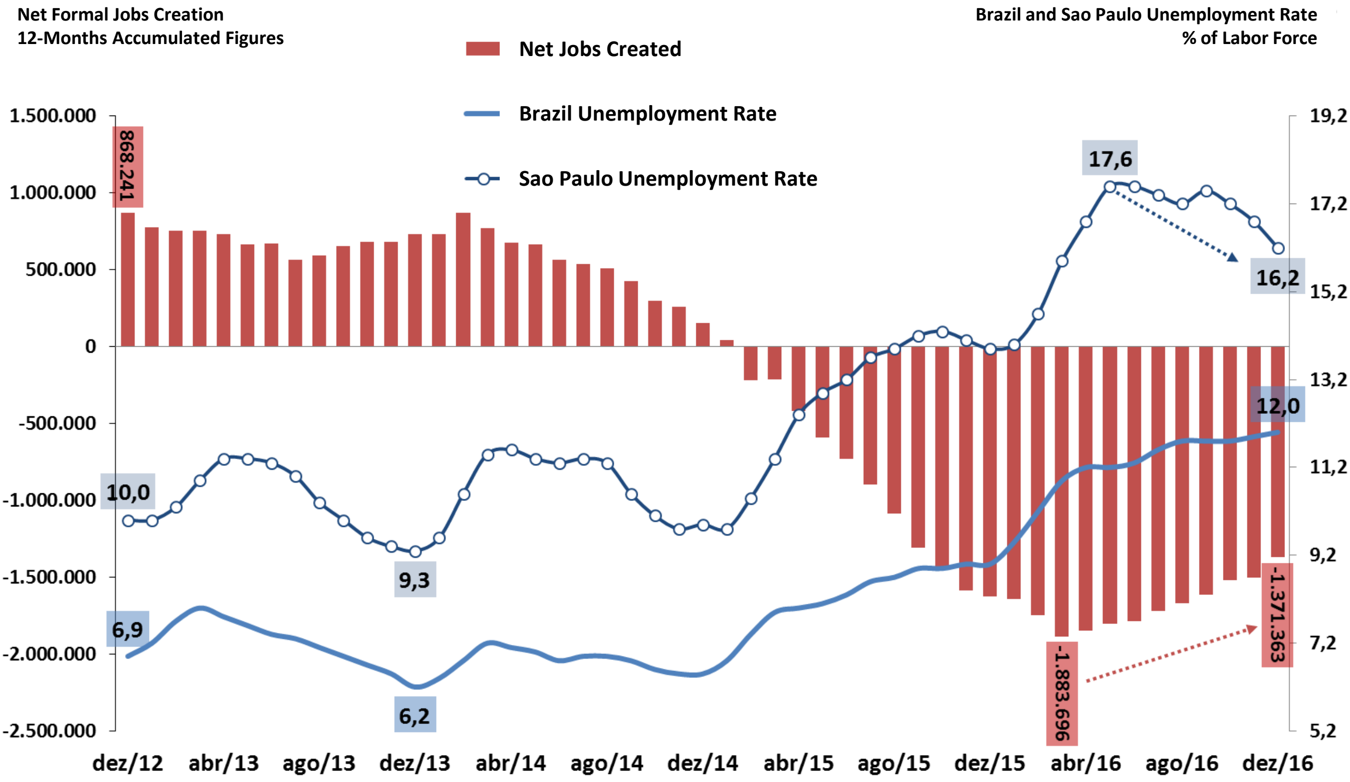
Labor Market

Formal Jobs (CAGED, MTE) December 2016 em milhares de pessoas	2014	2015	Nov/16 accum. in 12-months	Dec/16 accum. in 12-months	Year-To-Date	Dec/16	chg.% 2015 / 2014	chg.% Dec/16 accum. 12-m / 2015	chg.% YTD 2016 / YTD 2015
Net Formal Jobs Creation	**153**	**-1.626**	**-1.505**	**-1.371**	**-1.371**	**-462**	**-1164,4%**	**-15,6%**	**84,4%**
Job Oppenings	20.661	16.862	14.220	14.172	14.172	869	-18,4%	-16,0%	84,0%
Job Separations	20.508	18.487	15.725	15.543	15.543	1.332	-9,9%	-15,9%	84,1%

Employment Indicators December 2016 Brasil (PNADC, IBGE)	2014 average	2015 average	Dec/16 (12-months moving average)	Dec/16	chg.% 2015 / 2014	chg.% Nov/16 / Nov/15	chg.% Dec/16 / Dec/15	chg.% YTD 2016 / YTD 2015	chg.% Dec16 / 2015 average
Unemployment Rate % Labor Force	**6,8**	**8,3**	**10,5**	**12,0**	**1,5 pp**	**2,9 pp**	**3,0 pp**	**3,0 pp**	**3,7 pp**
Unemployed Population (in thousands)	6.700	8.358	10.722	12.342	24,7%	33,1%	36,0%	37,5%	47,7%
Employed Population (in thousands)	92.004	92.216	91.066	90.262	0,2%	-2,1%	-2,1%	-1,8%	-2,1%
Labor Force (in thousands)	98.704	100.575	101.788	102.604	1,9%	1,1%	1,3%	1,4%	2,0%
Working Age Population (in thousands)	161.804	164.197	165.667	167.148	1,5%	1,2%	1,3%	1,2%	1,8%
São Paulo Unemployment Rate % (RMSP, PED-Seade)	**10,8**	**12,9**	**15,9**	**16,2**	**2,1 pp**	**2,7 pp**	**2,3 pp**	**3,7 pp**	**3,3 pp**

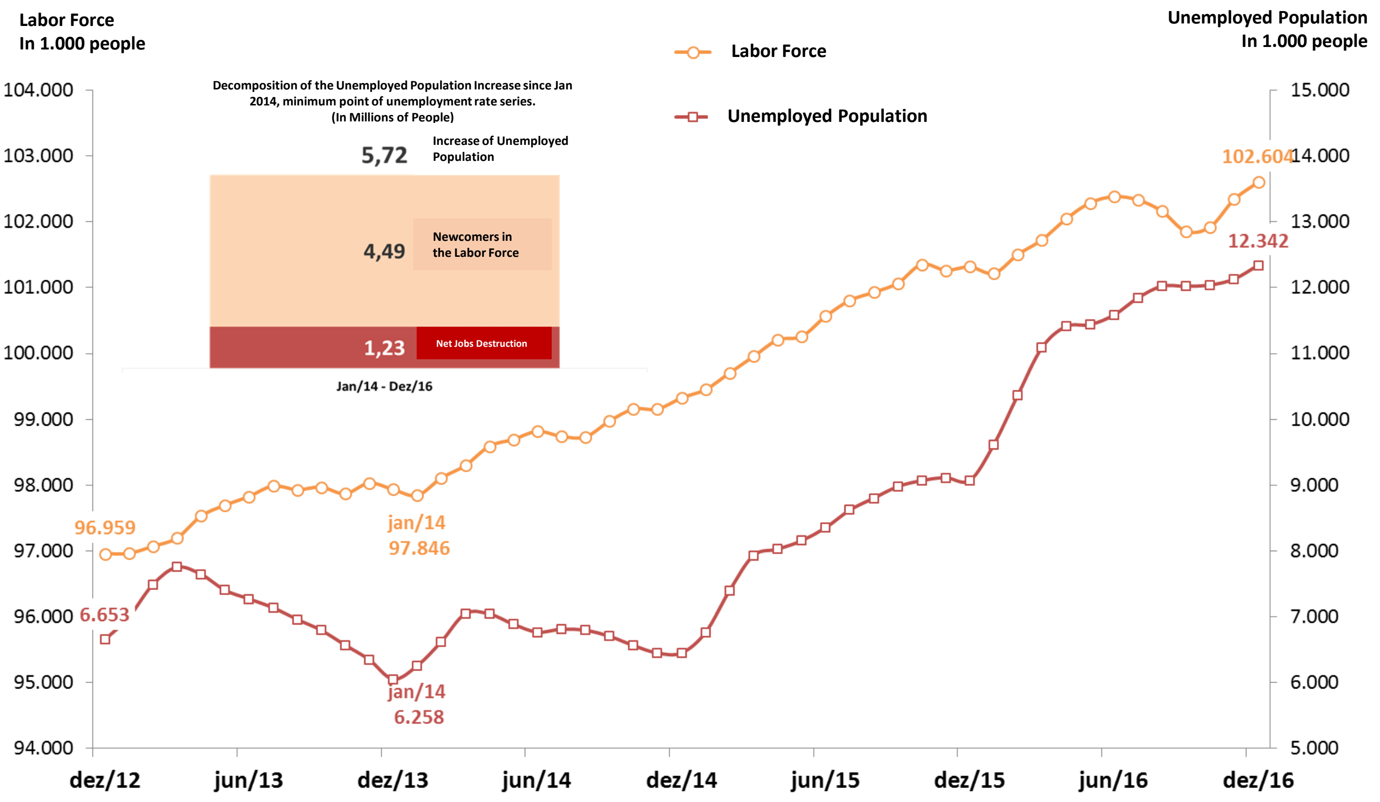
Average Real Earnings (PNADC, IBGE) December 2016 real values (in R$ of last month)	2014 average	2015 average	Dec/16 (12-months moving average)	Dec/16	chg.% 2015 / 2014	chg.% Nov/16 / Nov/15	chg.% Dec/16 / Dec/15	chg.% YTD 2016 / YTD 2015	chg.% Dec16 / 2015 average
Employed Population	**2.077**	**2.080**	**2.032**	**2.043**	**0,1%**	**-0,5%**	**0,5%**	**-2,4%**	**-1,8%**
Formal Contract	1.967	1.979	1.952	1.962	0,6%	0,3%	1,1%	-1,3%	-0,8%
Informal Contract	1.205	1.190	1.203	1.168	-1,2%	-3,3%	-3,8%	0,4%	-1,9%
Self-employed	1.632	1.589	1.544	1.506	-2,6%	-2,2%	-3,5%	-3,5%	-5,2%
Public Sector	3.136	3.150	3.178	3.249	0,5%	2,5%	2,3%	1,4%	3,1%
Real Wage Bill (in R$ millions of last month)	184.907	185.729	180.157	179.954	0,4%	-2,0%	-1,3%	-3,5%	-3,1%

Unemployment Rate and Net Formal Job Creation



Sources: IBGE-PNADC, SEADE-PED and MTE-CAGED.

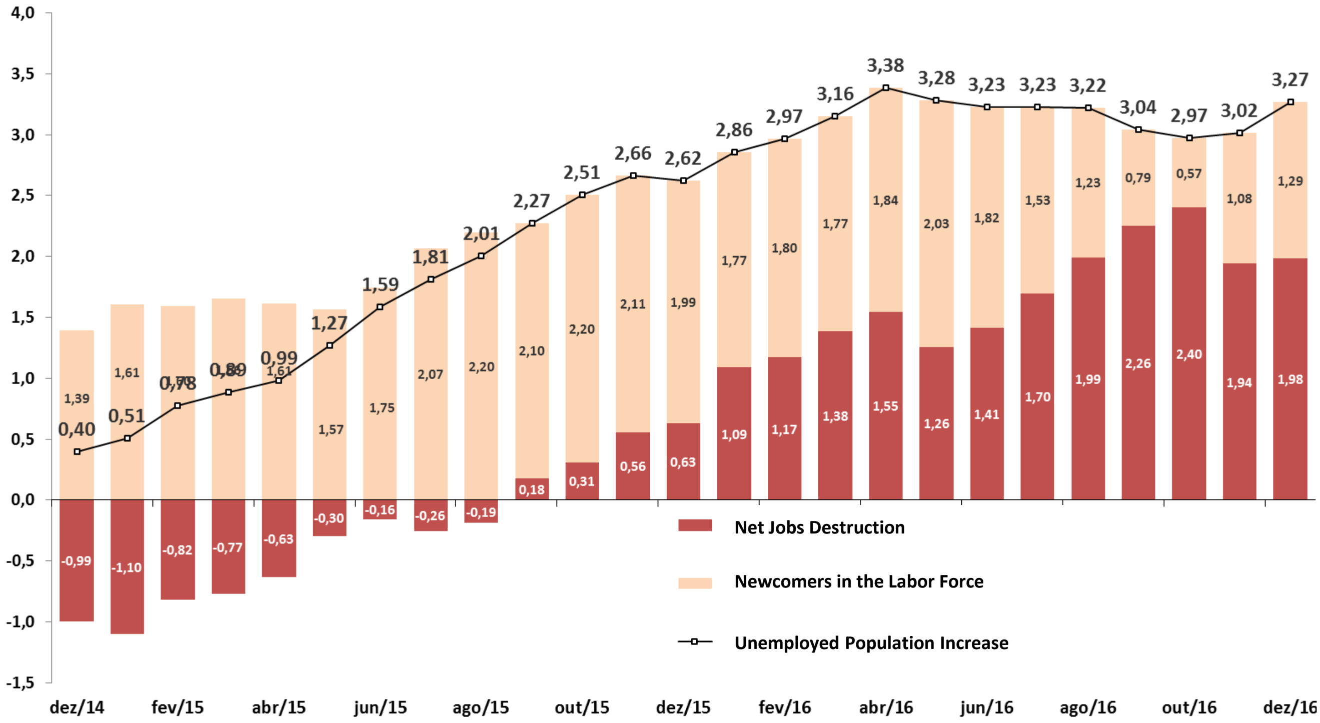
Unemployed Population and Labor Force Evolution



Source: IBGE-PNADC.

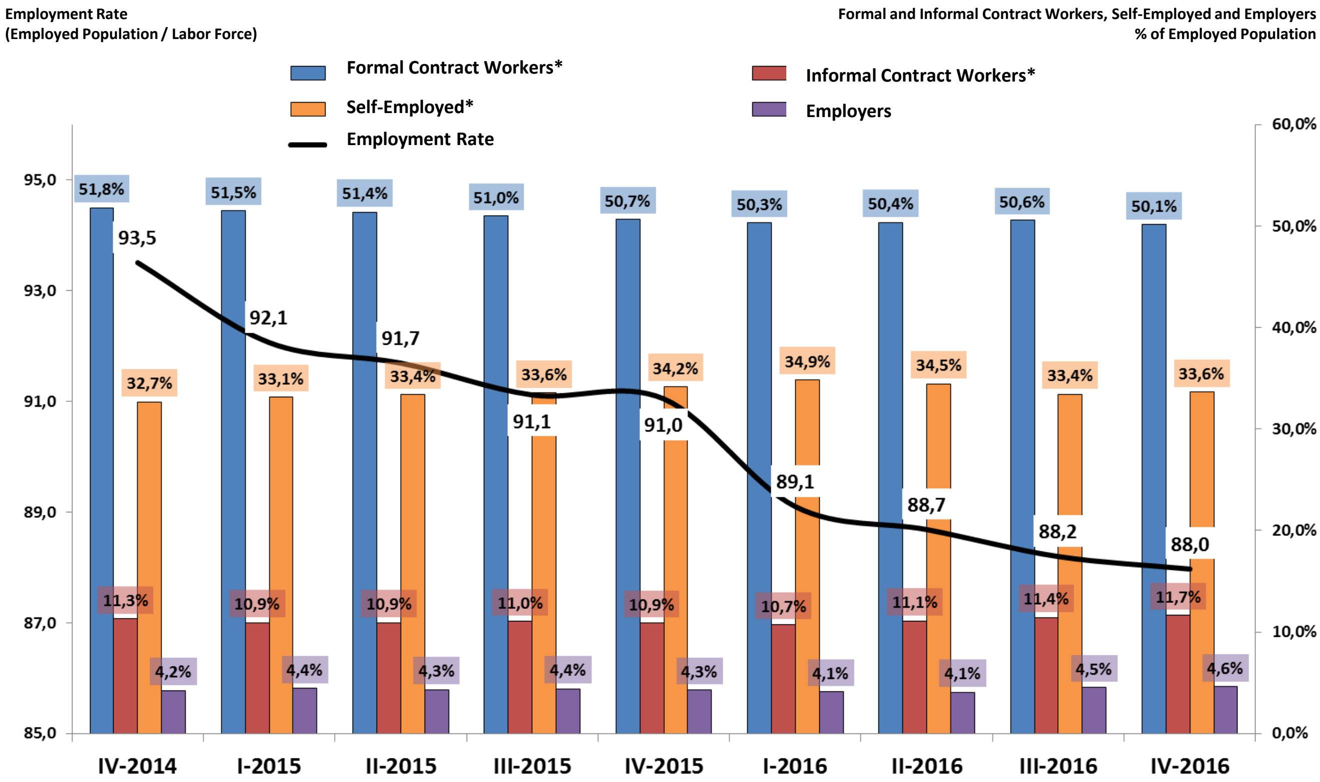
12-Month Total Unemployment Increase Decomposition

In millions people



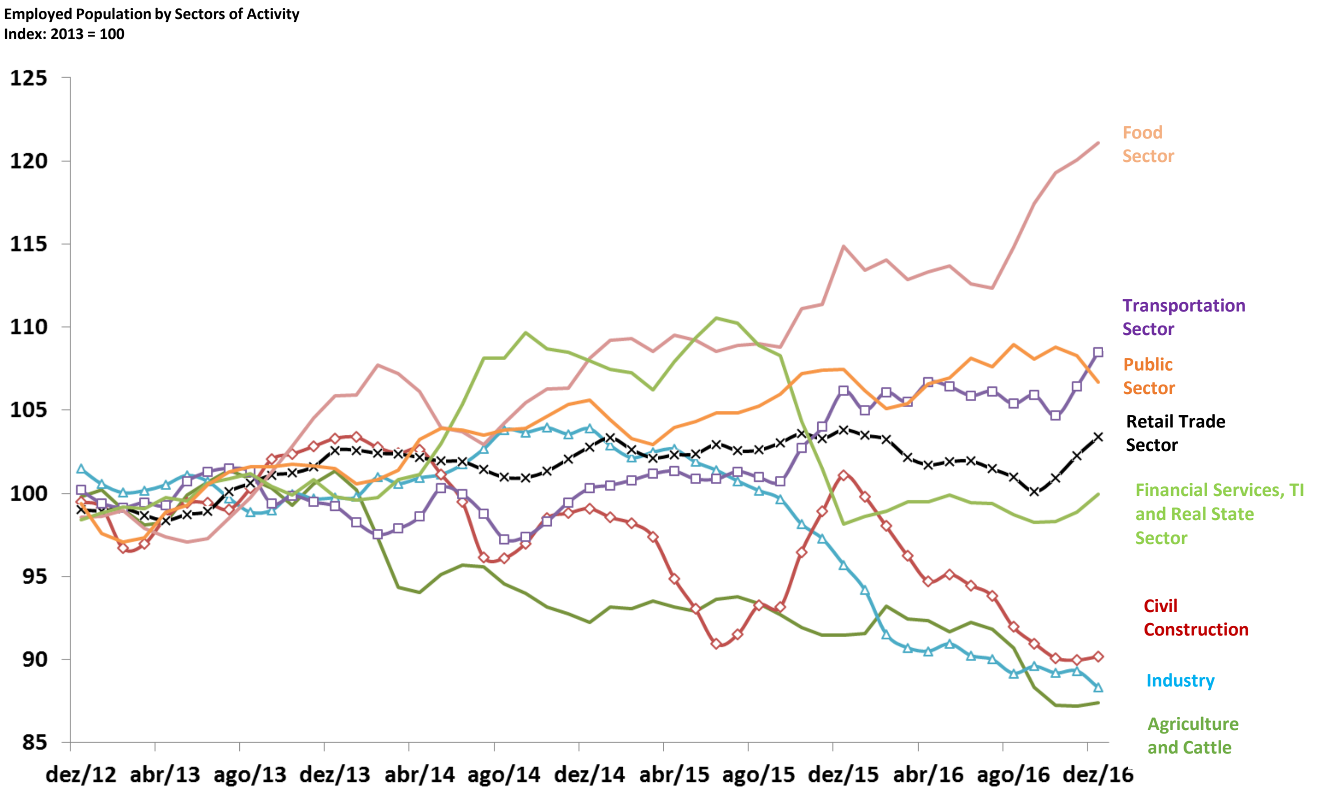
Source: IBGE-PNADC.

Labor Market Evolution by Employment Type



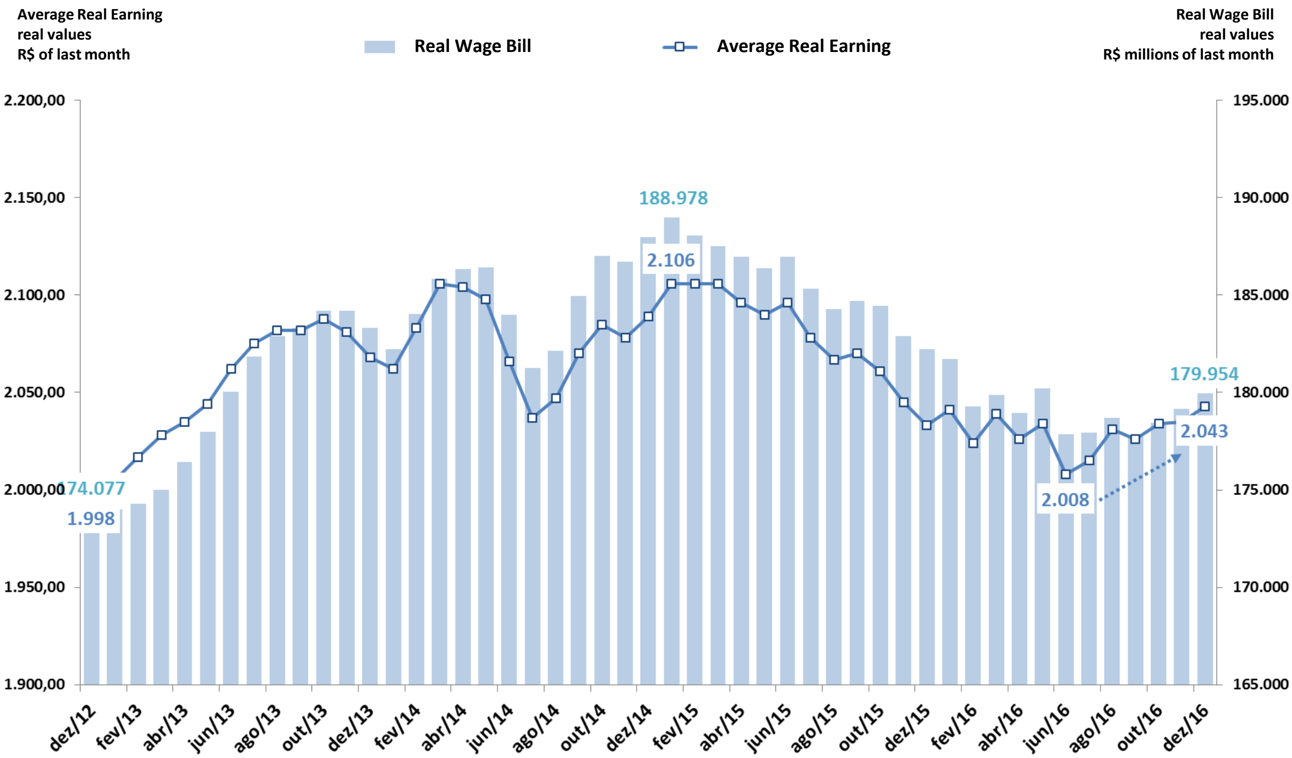
Source: IBGE-PNADC. Note: *Formal contract includes both private and public sectors and Self-Employed includes home-workers and family-workers.

Employment by Sector of Activity



Source: IBGE-PNADC.

Real Wage Bill and Average Real Earning



Source: IBGE-PNADC.

PRICES AND INFLATION

Prices and Inflation

BCB/Focus: 27/01/2017

Inflation Index — December 2016	2014	2015	Accum. In 12-months	YTD 2015	YTD 2016	Oct/15	Nov/15	Dec/15	Oct/16	Nov/16	Dec/16	2017	2018	2019
IPCA Inflation Target (CMN)	**4,5%**	**4,5%**										**4,5%**	**4,5%**	**4,5%**
Consumer Price Index IPCA (IBGE)	**6,4%**	**10,7%**	**6,3%**	**10,7%**	**6,3%**	**0,82%**	**1,01%**	**0,96%**	**0,26%**	**0,18%**	**0,30%**	**4,7%**	**4,5%**	**4,5%**
IPCA core by Ex2 method	6,5%	9,5%	6,2%	9,5%	6,2%	0,5%	0,5%	0,8%	0,3%	0,3%	0,3%			
Food and Beverages	8,0%	12,0%	8,6%	12,0%	8,6%	0,8%	1,8%	1,5%	-0,1%	-0,2%	0,1%			
Housing	8,8%	18,3%	2,8%	18,3%	2,8%	0,8%	0,8%	0,5%	0,4%	0,3%	-0,6%			
Household Articles	5,5%	5,4%	3,4%	5,4%	3,4%	0,4%	0,3%	0,5%	-0,1%	-0,2%	-0,3%			
Wearing Apparel	3,6%	4,5%	3,5%	4,5%	3,5%	0,7%	0,8%	1,2%	0,5%	0,2%	0,3%			
Transportation	3,8%	10,2%	4,2%	10,2%	4,2%	1,7%	1,1%	1,4%	0,8%	0,3%	1,1%			
Health and Personal Care	-1,5%	2,1%	1,3%	2,1%	1,3%	0,4%	1,0%	0,4%	0,1%	0,3%	0,0%			
Personal Expenses	7,0%	9,2%	11,0%	9,2%	11,0%	0,6%	0,6%	0,7%	0,4%	0,6%	0,5%			
Education	8,3%	9,5%	8,0%	9,5%	8,0%	0,6%	0,5%	0,6%	0,0%	0,5%	1,0%			
Communication	8,5%	9,2%	8,9%	9,2%	8,9%	0,1%	0,2%	0,2%	0,0%	0,1%	0,1%			
Consumer Price Index INPC (IBGE)	**6,2%**	**11,3%**	**6,6%**	**11,3%**	**6,6%**	**0,77%**	**1,11%**	**0,90%**	**0,17%**	**0,07%**	**0,14%**	**4,7%**	**4,6%**	**4,5%**
São Paulo Consumer Price Index IPC RMSP (FIPE)	**5,2%**	**11,1%**	**6,5%**	**11,1%**	**6,5%**	**0,88%**	**1,06%**	**0,82%**	**0,27%**	**0,15%**	**0,72%**	**5,1%**	**4,5%**	**4,5%**
São Paulo Cost-of-Living Index ICV SP (DIEESE)	**6,7%**	**11,4%**	**6,2%**	**11,4%**	**6,2%**	**0,78%**	**1,02%**	**0,77%**	**0,37%**	**0,28%**	**0,12%**			
General Price Index IGP-DI (FGV)	**3,8%**	**10,7%**	**7,2%**	**10,7%**	**7,2%**	**1,76%**	**1,19%**	**0,44%**	**0,13%**	**0,05%**	**0,83%**	**5,1%**	**4,9%**	**4,5%**
Consumer Price Subindex IPC/Br-DI	**6,9%**	**10,5%**	**6,2%**	**10,5%**	**6,2%**	**0,8%**	**1,0%**	**0,9%**	**0,3%**	**0,2%**	**0,3%**			
Civil Construction Cost Subindex INCC-DI	**6,9%**	**7,5%**	**6,1%**	**7,5%**	**6,1%**	**0,4%**	**0,3%**	**0,1%**	**0,2%**	**0,2%**	**0,3%**			
Wholesale Price Subindex IPA-DI	**2,2%**	**11,3%**	**7,7%**	**11,3%**	**7,7%**	**2,4%**	**1,4%**	**0,3%**	**0,0%**	**0,0%**	**1,1%**	**5,3%**	**5,0%**	**4,6%**
IPA-OG-DI Industry	1,3%	9,6%	6,7%	9,6%	6,7%	2,2%	1,0%	-0,1%	0,2%	0,8%	2,0%			
IPA-OG-DI Farming	4,4%	15,6%	9,9%	15,6%	9,9%	2,8%	2,5%	1,5%	-0,4%	-1,9%	-1,2%			

Inflation Index — January 2017	2015	2016	Accum. In 12-months	YTD 2015	YTD 2016	Nov/15	Dec/15	Jan/16	Nov/16	Dec/16	Jan/17	2017	2018	2019
General Price Index IGP-10 (FGV)	**10,5%**	**7,0%**	**7,2%**	**0,7%**	**0,9%**	**1,64%**	**0,81%**	**0,69%**	**0,06%**	**0,20%**	**0,88%**			
Consumer Price Index IPCA - 15 (IBGE)	**10,7%**	**6,6%**	**5,9%**	**0,9%**	**0,3%**	**0,85%**	**1,18%**	**0,92%**	**0,26%**	**0,19%**	**0,31%**			
General Price Index IGP-M (FGV)	**10,5%**	**7,2%**	**6,7%**	**1,1%**	**0,6%**	**1,52%**	**0,49%**	**1,14%**	**-0,03%**	**0,54%**	**0,64%**	**5,3%**	**4,7%**	**4,5%**

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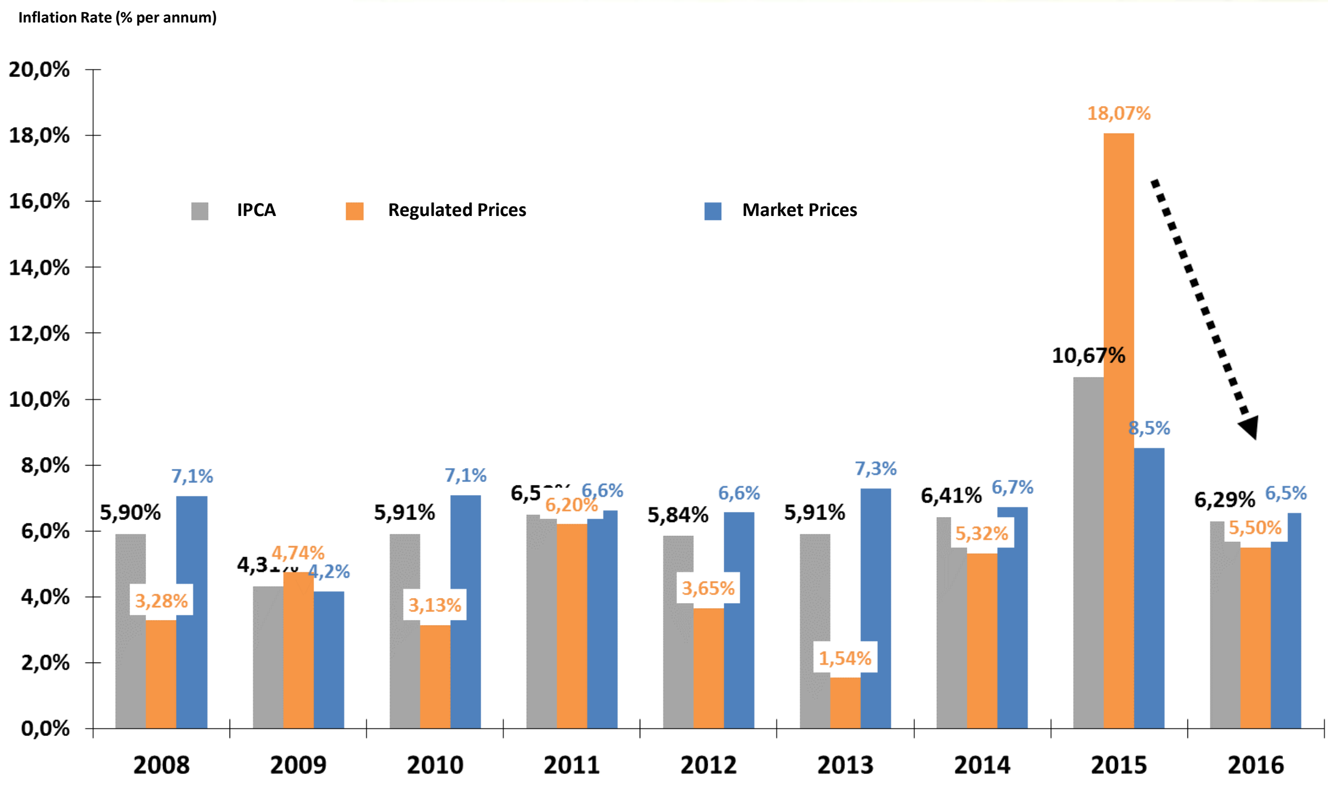
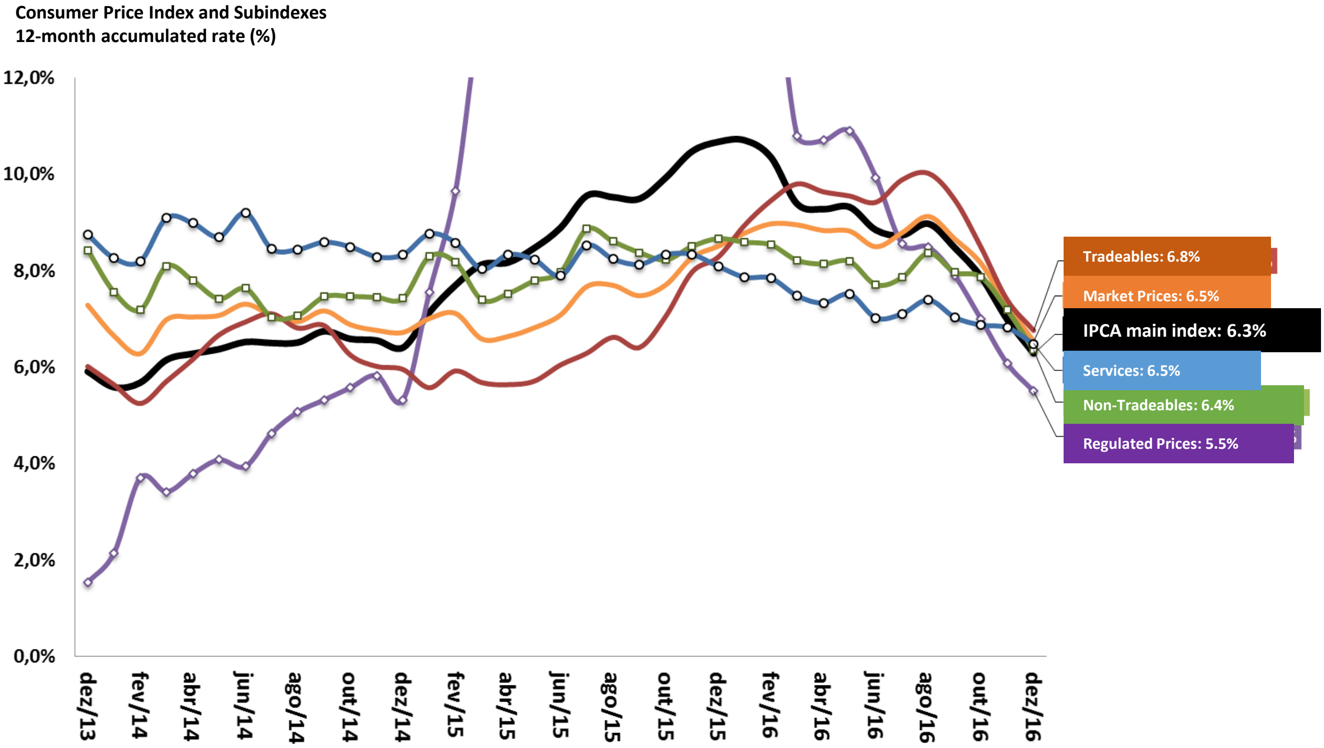
Relative Prices Realignment in Consumer Price Index



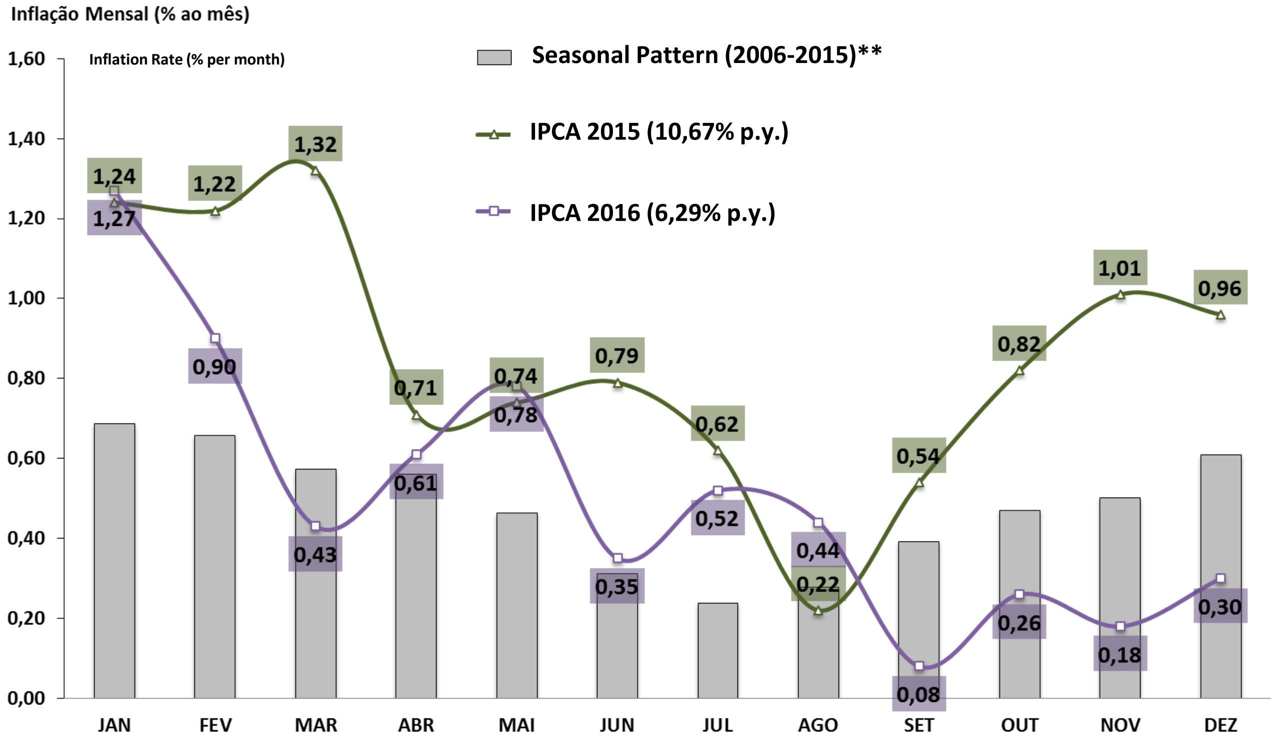
Source: IBGE.

Consumer Price Index (IPCA) and Subindexes



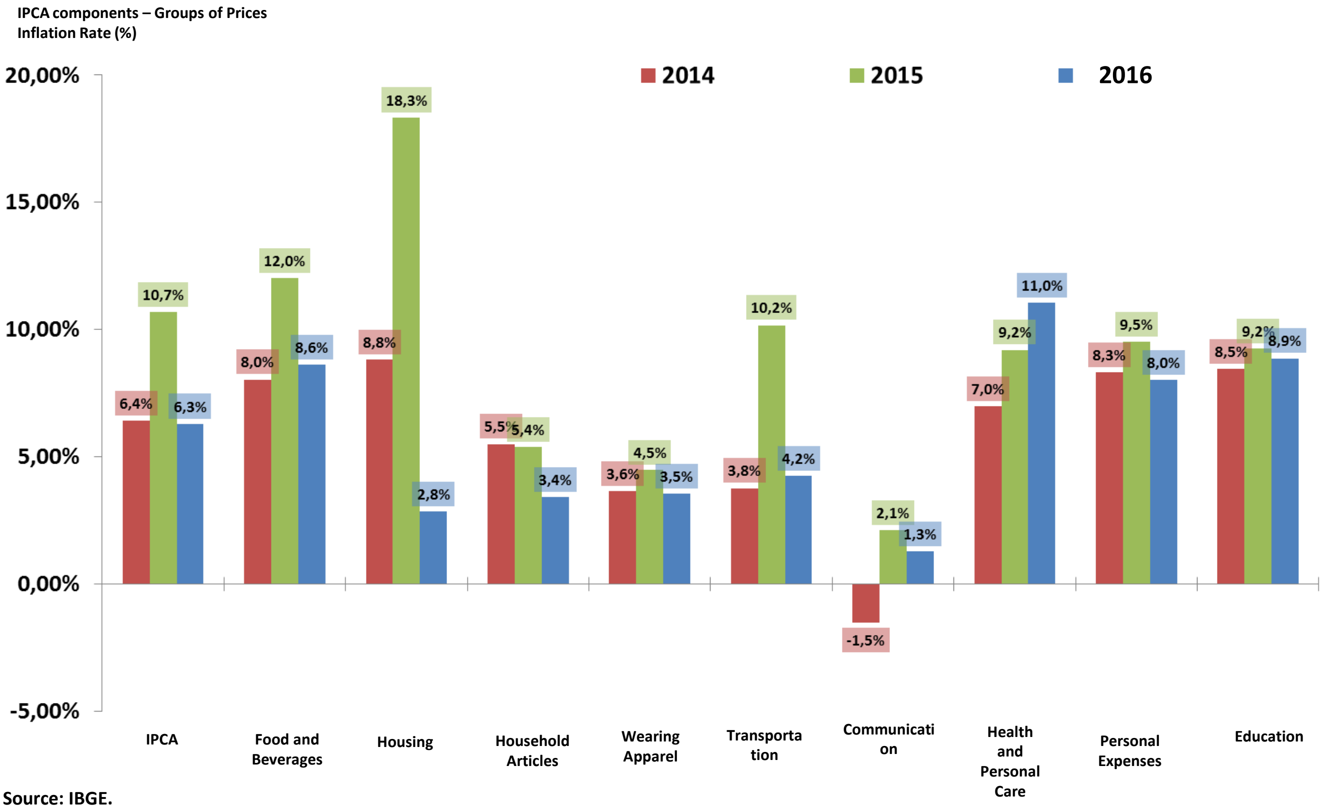
Source: IBGE.

Consumer Price Index (IPCA) and Seasonal Pattern



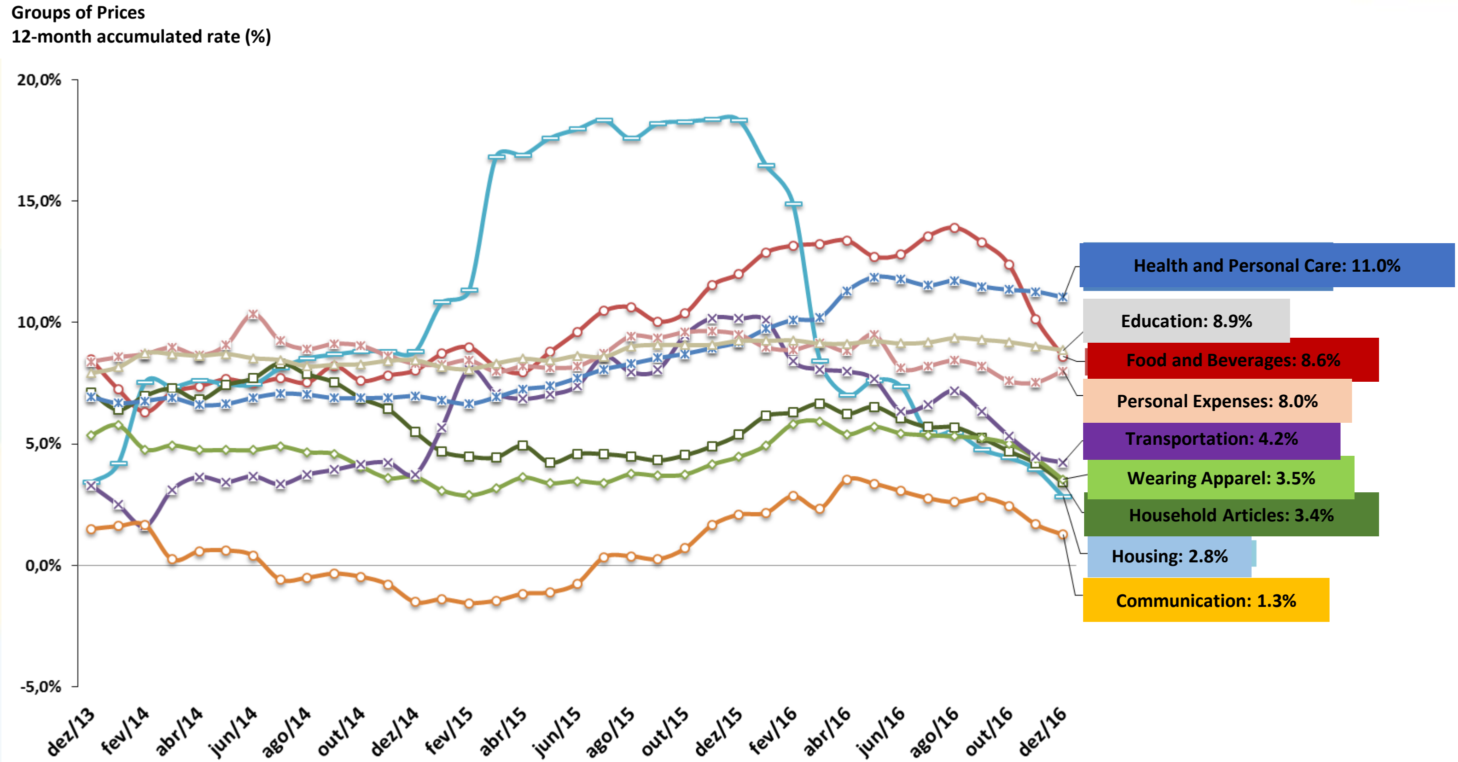
Sources: IBGE and Central Bank of Brazil. **Seasonal pattern estimated by SEPLAN/MP.

Consumer Price Index (IPCA) by Groups of Prices



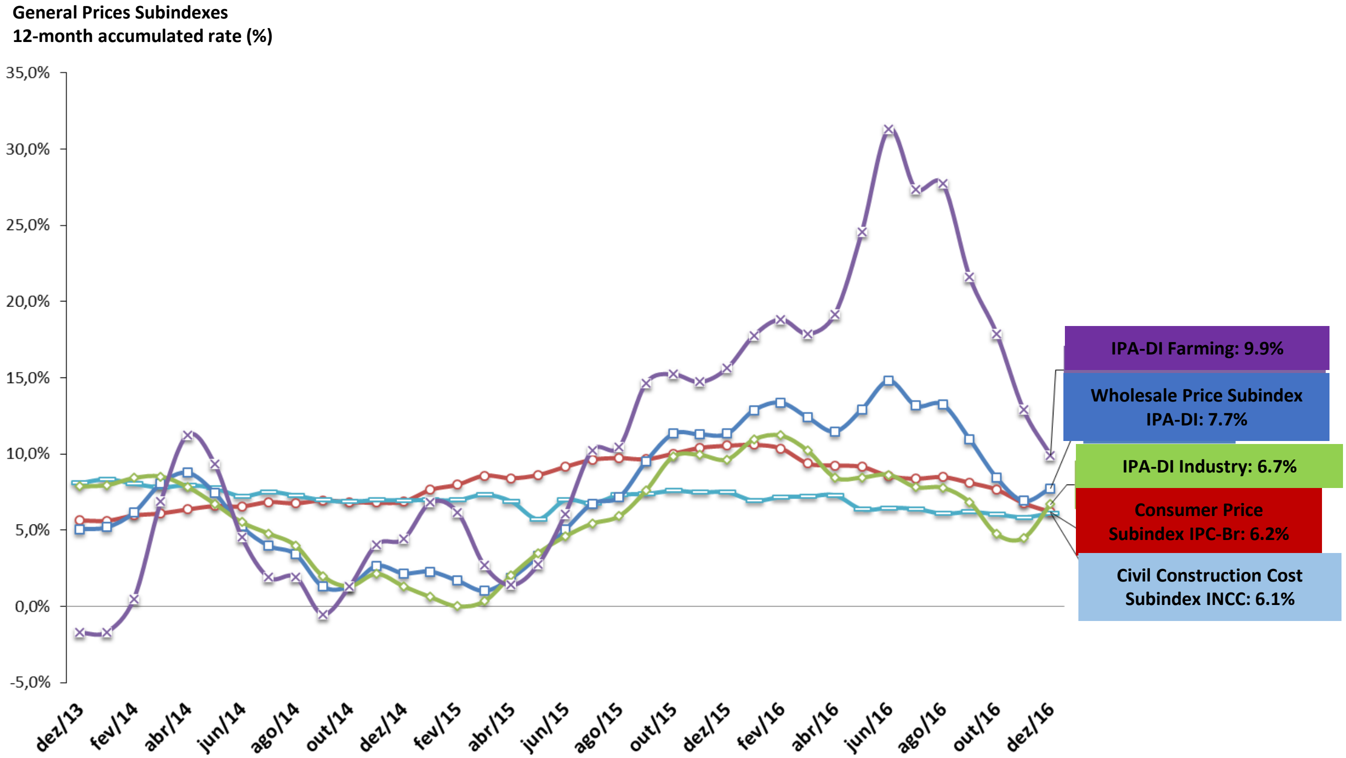
Source: IBGE.

Consumer Price Index (IPCA) by Groups of Prices



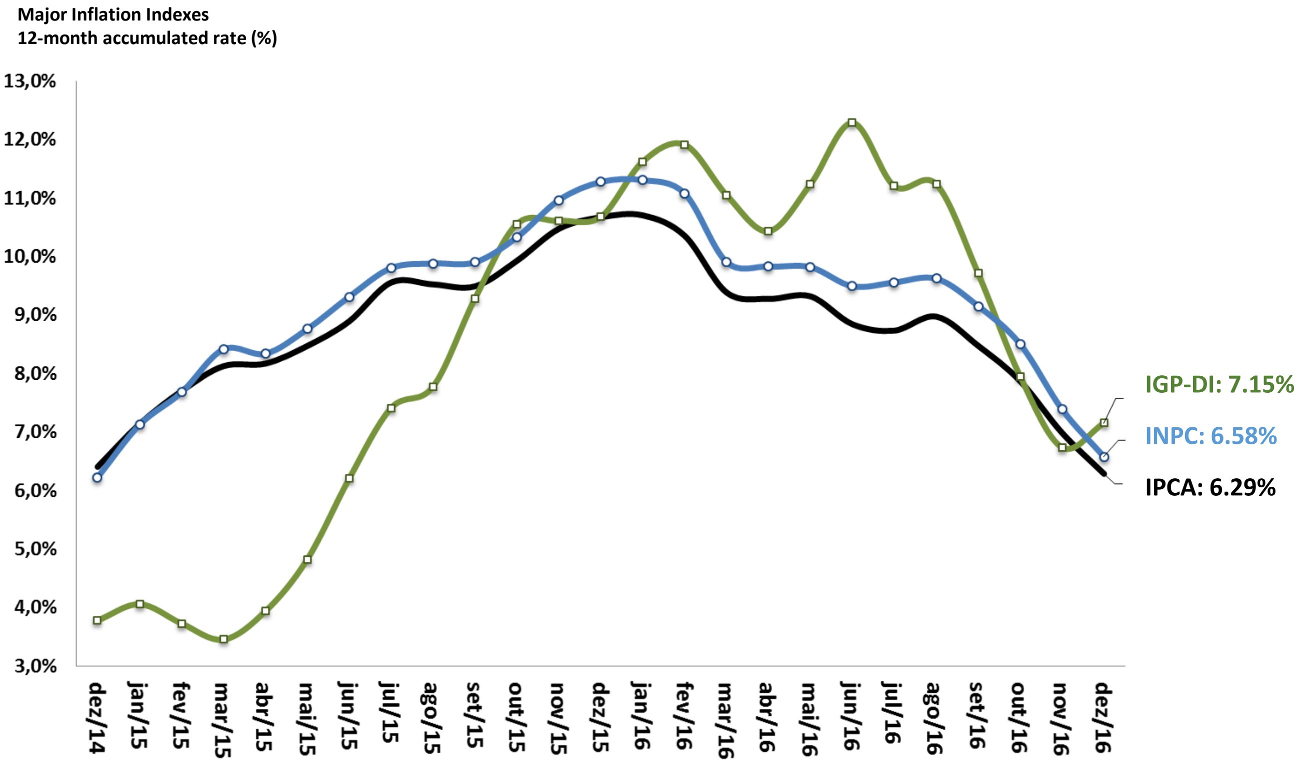
Source: IBGE.

General Price Index (IGP-DI) by Subindexes



Source: FGV.

Major Inflation Indexes: 12 Months



Sources: IBGE and Central Bank of Brazil.

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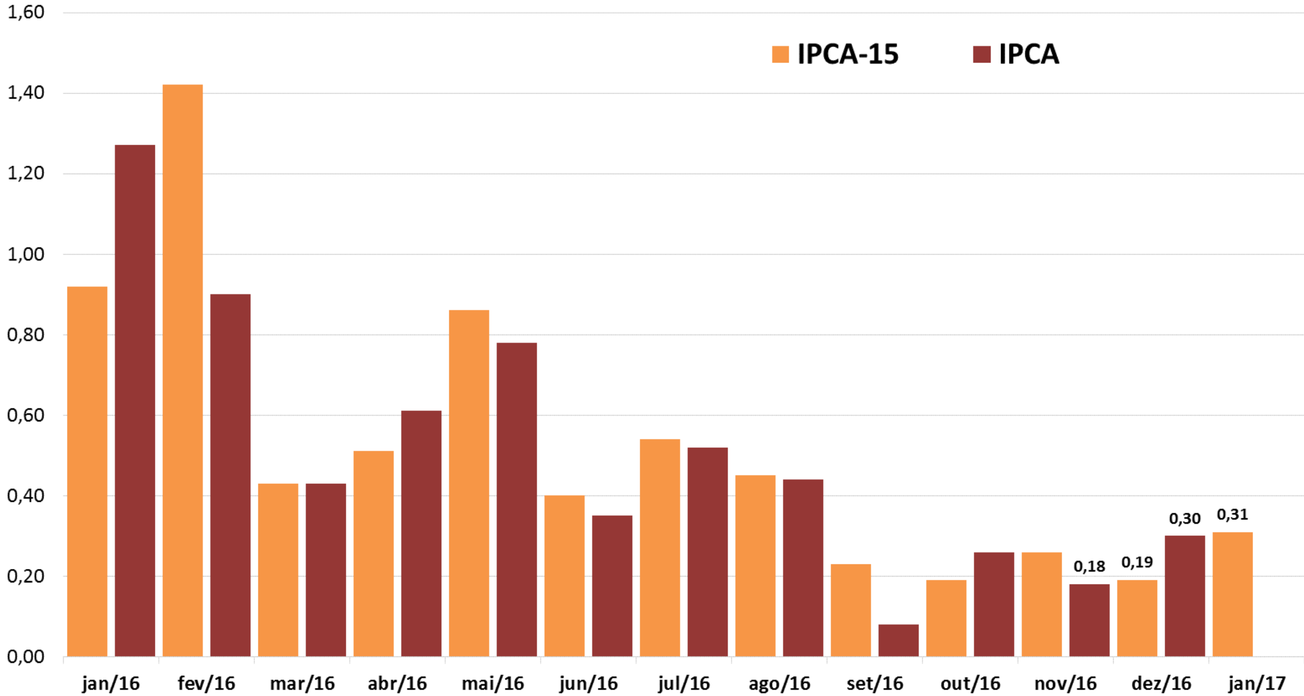
BRAZILIAN GOVERNMENT

Chained Series of Monthly Consumer Price Indexes

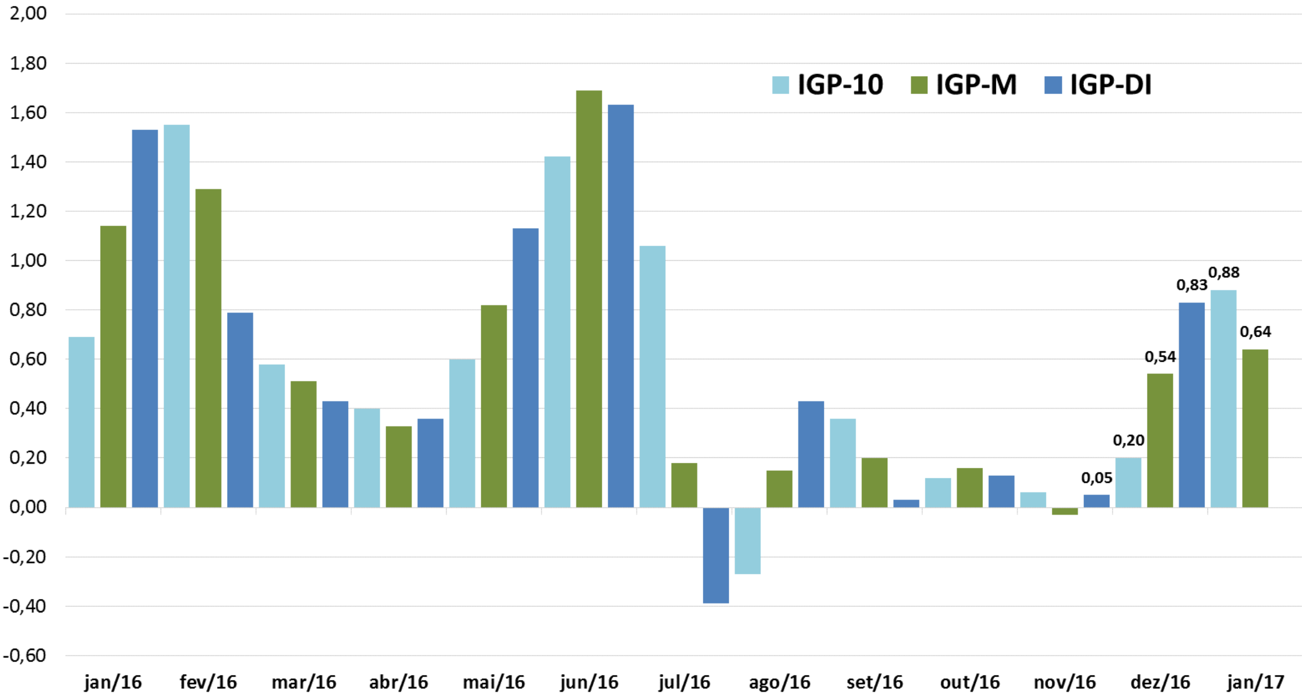
IPCA-15 and IPCA – Chained series of indexes by order of publication



Source: IBGE.

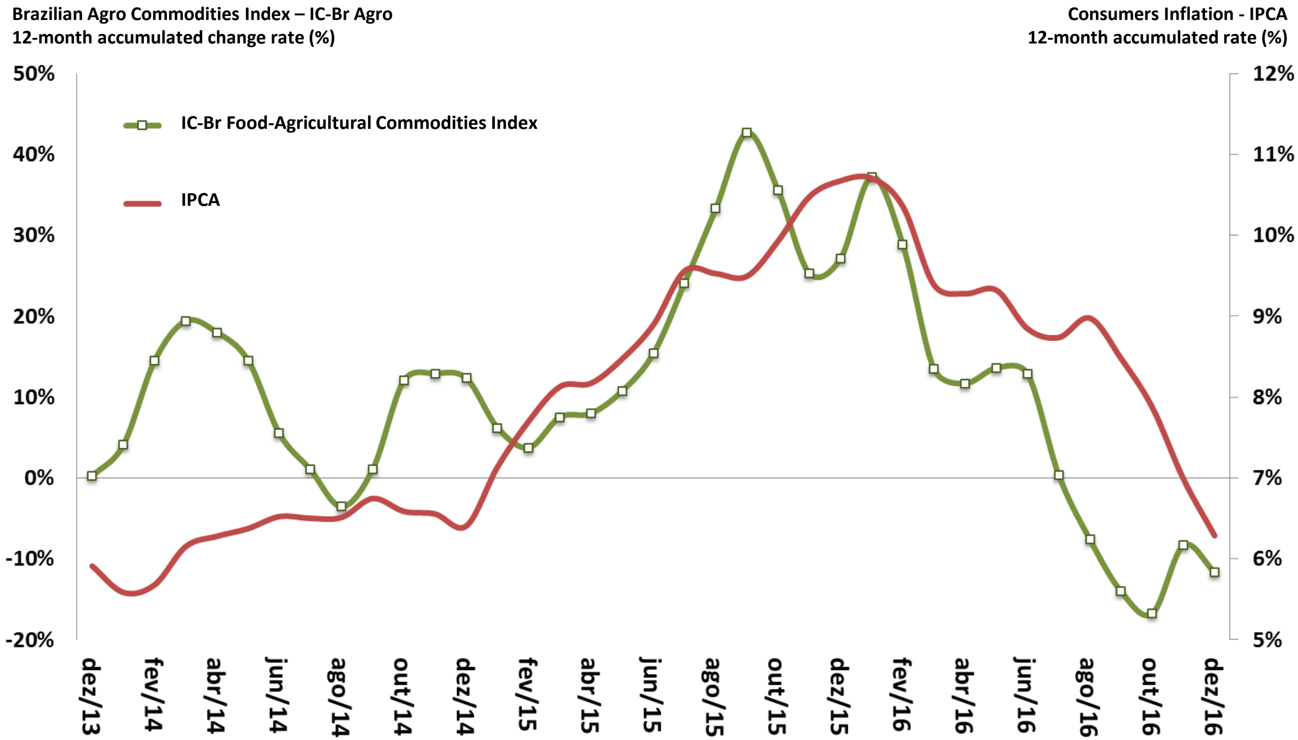
Chained Series of Monthly General Price Indexes

IGP-10, IGP-M and IGP-DI – Chained series of indexes by order of publication



Source: FGV.

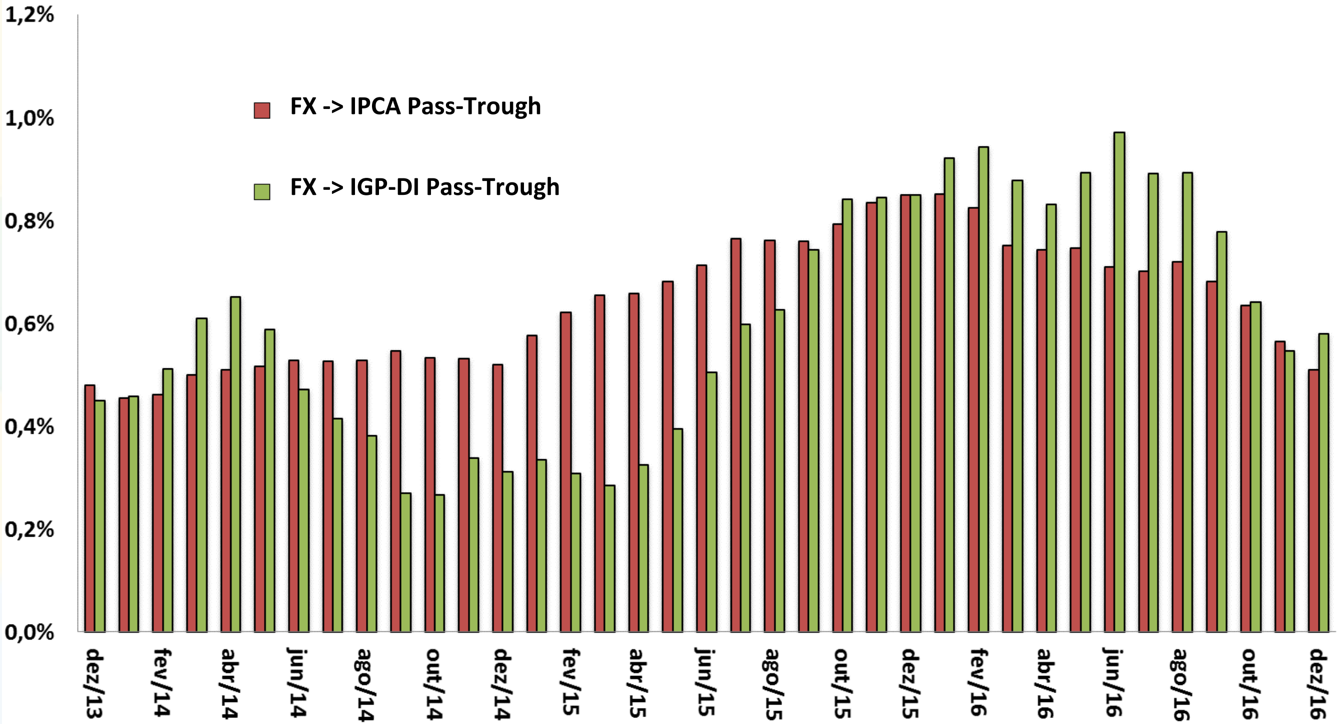
Consumer Price Index and Food-Agricultural Commodities Index



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-month inflation



Sources: IBGE and FGV. Note: Pass-Trough series estimated by SEPLAN/MP.

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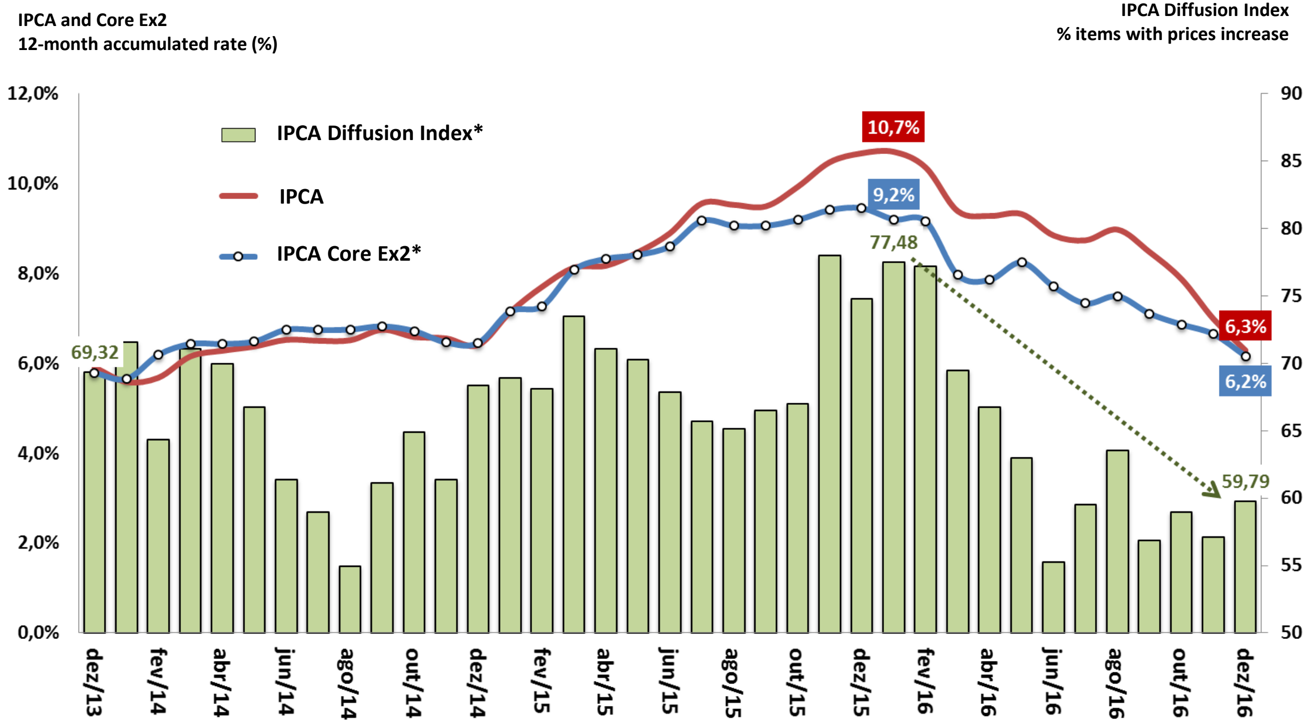
IPCA, Core Inflation (IPCA Ex2) and Diffusion Index



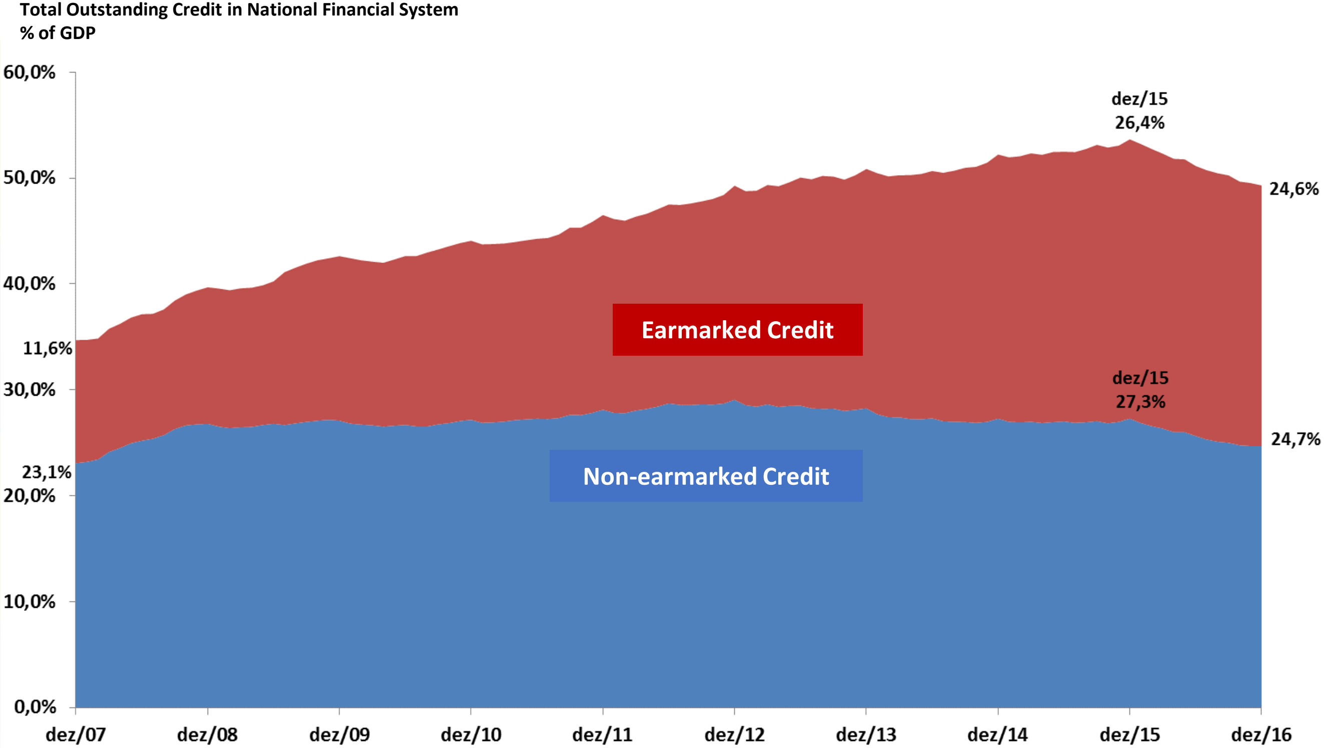
Source: IBGE. * Ex2 = Exclusion from the main index of 12 items, 10 from residence dining and 2 from regulated prices. The excluded items represent, on average, 16% of IPCA main index.
** Diffusion Index = % of items from IPCA with price increase.

CREDIT MARKET

Credit Market

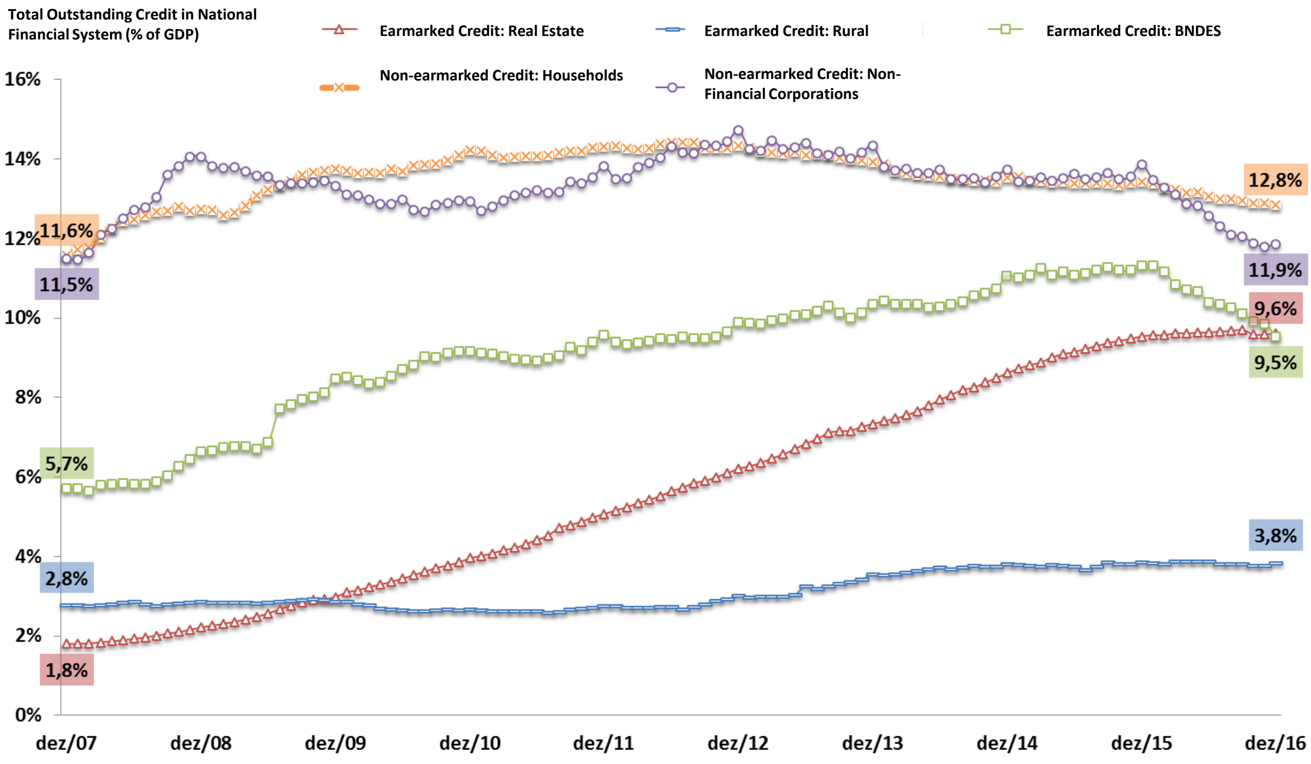
Credit Market (BCB) December 2016 End-of-Period Outstanding Credit (in R$ billions)	Dec/14	Dec/15	Dec/16	% of Total Credit Dec/14	% of Total Credit Dec/15	% of Total Credit Dec/16	chg.% Dec/15 / Dec/14	chg.% Dec/16 / Dec/15	% of GDP Dec/14	% of GDP Dec/15	% of GDP Dec/16
Total Credit in National Financial System	**3.017,5**	**3.219,5**	**3.106,5**	**100,0%**	**100,0%**	**100,0%**	**6,7%**	**-3,5%**	**52,2%**	**53,7%**	**49,3%**
by type of borrower											
Public Sector (incl. State-Owned Enterprises)	**206,8**	**261,1**	**236,2**	**6,9%**	**8,1%**	**7,6%**	**26,3%**	**-9,5%**	**3,6%**	**4,4%**	**3,7%**
Private Sector	**2.810,7**	**2.958,4**	**2.870,3**	**93,1%**	**91,9%**	**92,4%**	**5,3%**	**-3,0%**	**48,6%**	**49,3%**	**45,6%**
Non-Financial Corporations	**1.605,4**	**1.707,2**	**1.545,7**	**53,2%**	**53,0%**	**49,8%**	**6,3%**	**-9,5%**	**27,8%**	**28,5%**	**24,5%**
Households	**1.412,1**	**1.512,2**	**1.560,8**	**46,8%**	**47,0%**	**50,2%**	**7,1%**	**3,2%**	**24,4%**	**25,2%**	**24,8%**
by type of lender											
Public Financial Institutions	**1.623,1**	**1.796,7**	**1.729,8**	**53,8%**	**55,8%**	**55,7%**	**10,7%**	**-3,7%**	**28,1%**	**29,9%**	**27,5%**
National Private Financial Institutions	**953,2**	**948,0**	**978,4**	**31,6%**	**29,4%**	**31,5%**	**-0,5%**	**3,2%**	**16,5%**	**15,8%**	**15,5%**
Foreign Private Financial Institutions	**441,2**	**474,7**	**398,3**	**14,6%**	**14,7%**	**12,8%**	**7,6%**	**-16,1%**	**7,6%**	**7,9%**	**6,3%**
by type of credit											
Earmarked Credit	**1.441,2**	**1.582,2**	**1.550,0**	**47,8%**	**49,1%**	**49,9%**	**9,8%**	**-2,0%**	**24,9%**	**26,4%**	**24,6%**
Housing	497,8	572,3	605,6	16,5%	17,8%	19,5%	15,0%	5,8%	8,6%	9,5%	9,6%
Rural	220,4	231,1	242,2	7,3%	7,2%	7,8%	4,9%	4,8%	3,8%	3,9%	3,8%
BNDES Development Bank	638,4	679,4	601,0	21,2%	21,1%	19,3%	6,4%	-11,5%	11,0%	11,3%	9,5%
Others	84,6	99,3	101,2	2,8%	3,1%	3,3%	17,3%	1,9%	1,5%	1,7%	1,6%
Non-Financial Corporations	812,0	875,3	798,3	26,9%	27,2%	25,7%	7,8%	-8,8%	14,1%	14,6%	12,7%
Households	629,3	706,9	751,7	20,9%	22,0%	24,2%	12,3%	6,3%	10,9%	11,8%	11,9%
Non-earmarked Credit	**1.576,2**	**1.637,3**	**1.556,5**	**52,2%**	**50,9%**	**50,1%**	**3,9%**	**-4,9%**	**27,3%**	**27,3%**	**24,7%**
Non-Financial Corporations	793,4	832,0	747,4	26,3%	25,8%	24,1%	4,9%	-10,2%	13,7%	13,9%	11,9%
Households	782,8	805,3	809,1	25,9%	25,0%	26,0%	2,9%	0,5%	13,5%	13,4%	12,8%
Non-earmarked Credit (BCB) December 2016 *New Loans, Spread and Delinquency Rates*	**Dec/14**	**Dec/15**	**Dec/16**	**% of Total Credit Dec/14**	**% of Total Credit Dec/15**	**% of Total Credit Dec/16**	**chg.% Dec/15 / Dec/14**	**chg.% Dec/16 / Dec/15**	**% of GDP Dec/14**	**% of GDP Dec/15**	**% of GDP Dec/16**
New Loans (12-months accum. in R$ billions)	**3.242,3**	**3.218,7**	**3.015,0**	**100,0%**	**100,0%**	**100,0%**	**-0,7%**	**-6,3%**	**56,1%**	**53,6%**	**60,9%**
Non-Financial Corporations	1.507,0	1.475,1	1.282,7	46,5%	45,8%	43,4%	-2,1%	-13,0%	26,1%	24,6%	26,4%
Households	1.735,3	1.743,6	1.732,3	53,5%	54,2%	56,6%	0,5%	-0,6%	30,0%	29,1%	34,5%
Spread (in pp per year)	**25,3**	**32,1**	**40,1**				**6,8 pp**	**8,1 pp**			
Non-Financial Corporations	12,6	15,0	16,9				2,5 pp	1,8 pp			
Households	37,3	48,0	59,2				10,7 pp	11,2 pp			
Delinquency (% non-performed loans by 90 days or more)	**4,3**	**5,3**	**5,7**				**1,0 pp**	**0,4 pp**			
Non-Financial Corporations	3,4	4,5	5,2				1,1 pp	0,8 pp			
Households	5,3	6,2	6,1				0,9 pp	-0,1 pp			

Total Earmarked and Non-earmarkerd Credit



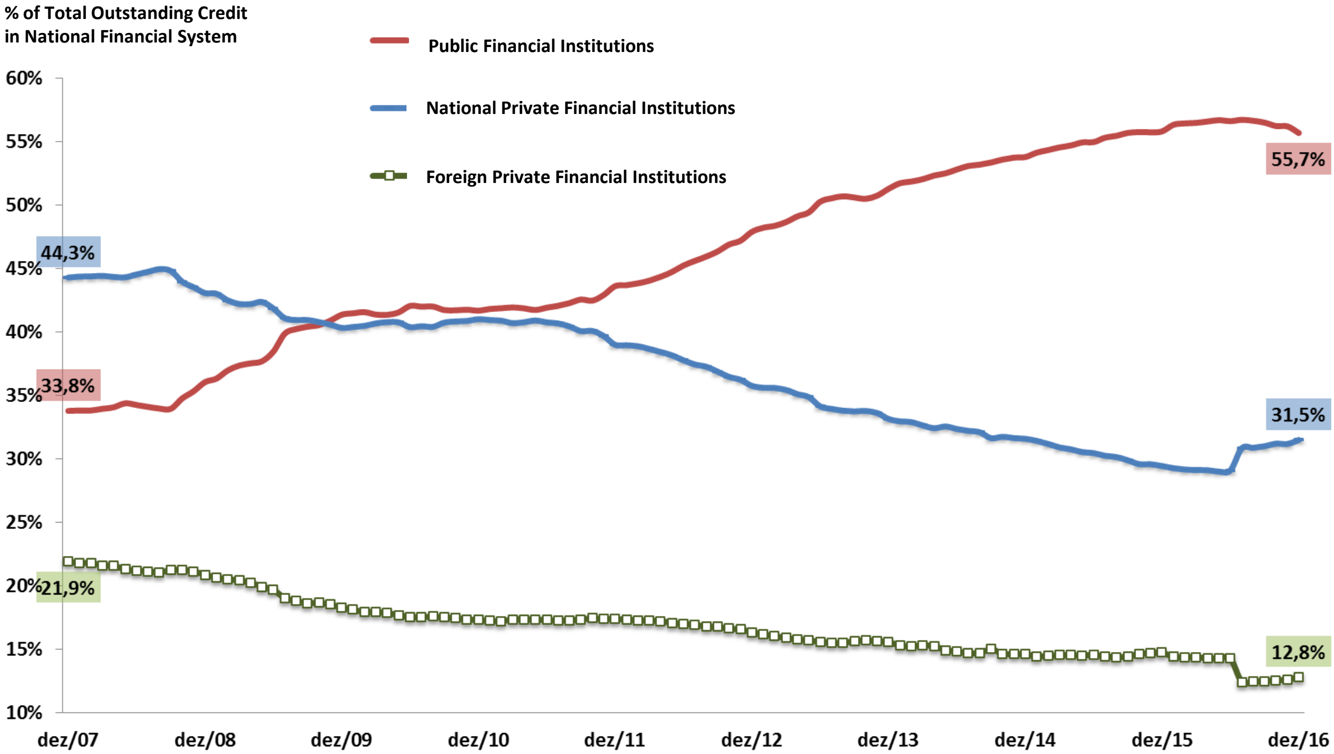
Source: Central Bank of Brazil.

Total Credit Evolution by Major Segments



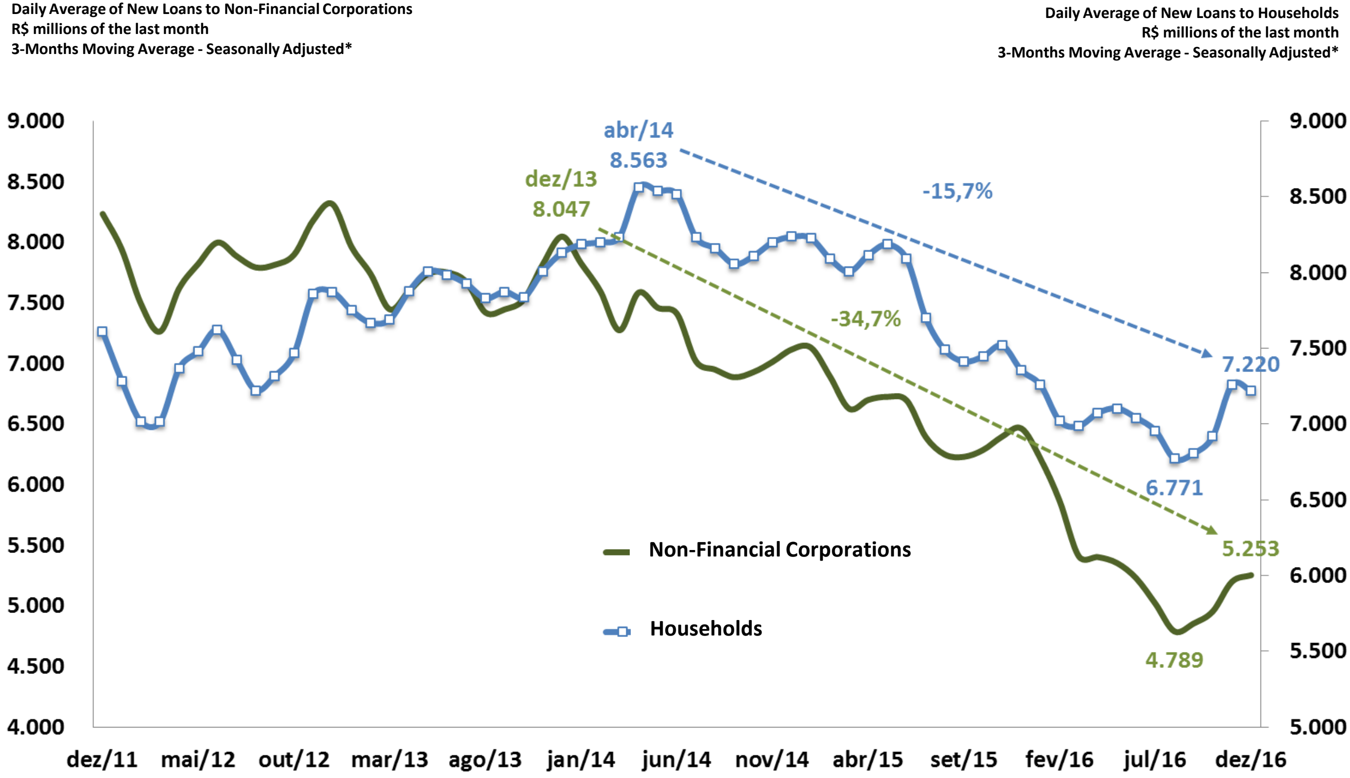
Source: Central Bank of Brazil.

Total Credit Evolution by Types of Financial Institutions



Source: Central Bank of Brazil.

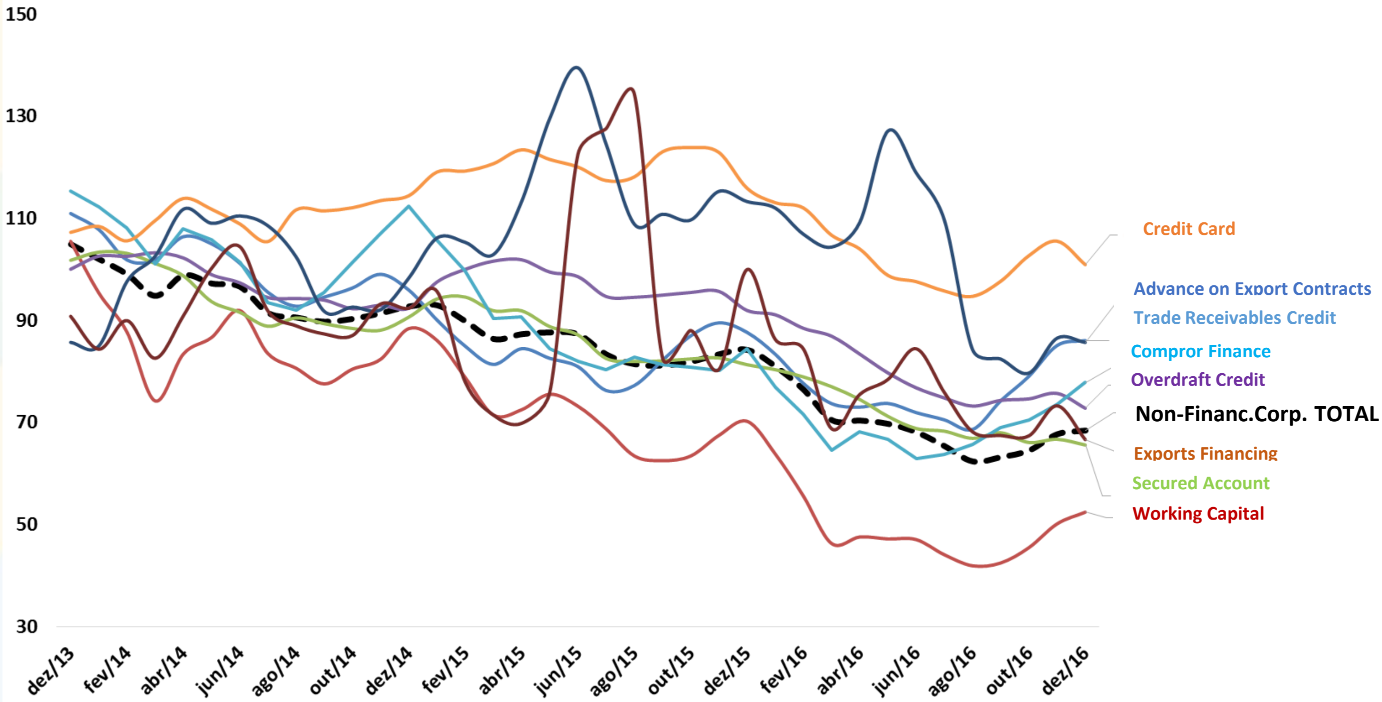
New Loans to Households and Non-Financial Corporations



Source: Central Bank of Brazil. * Seasonally adjusted by SEPLAN/MP.

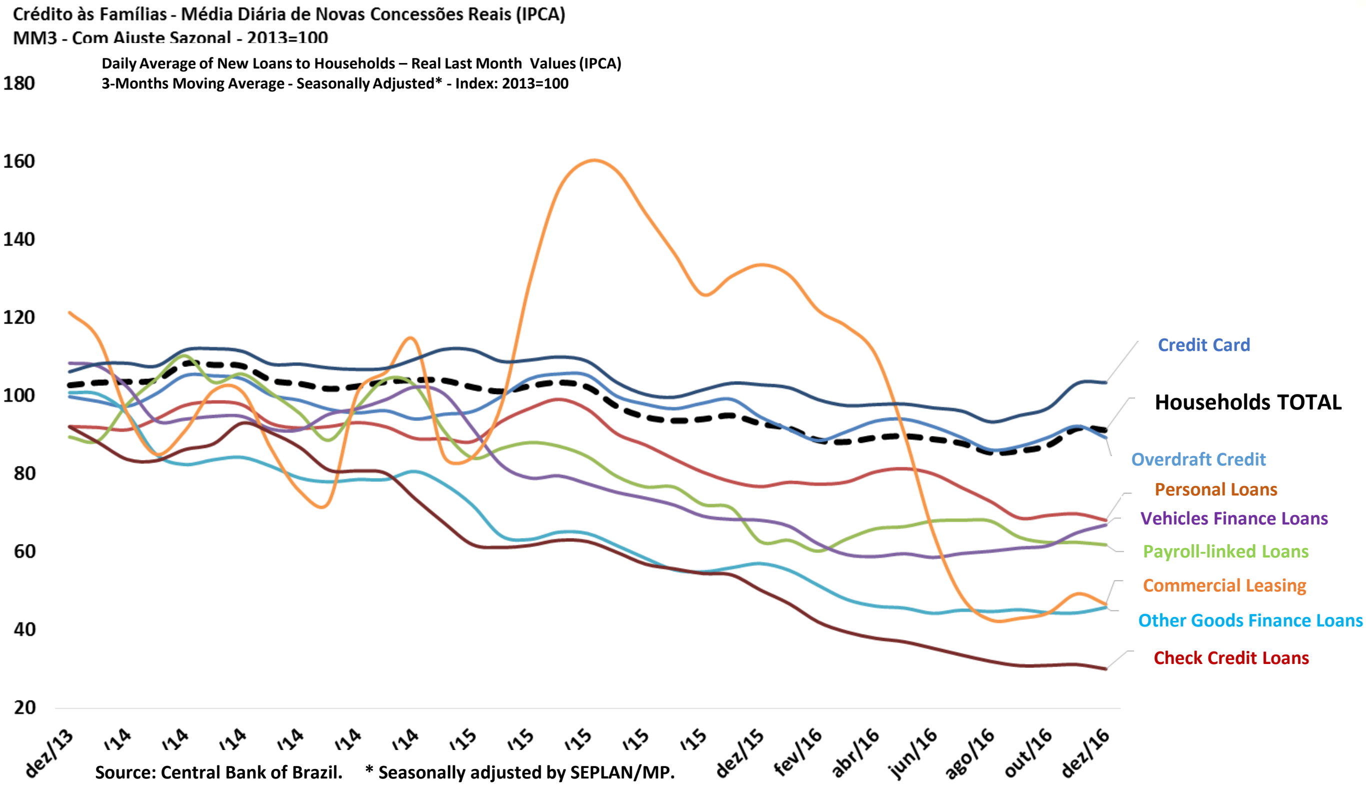
New Loans to Non-Financial Corp. by Types of Credit Lines

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



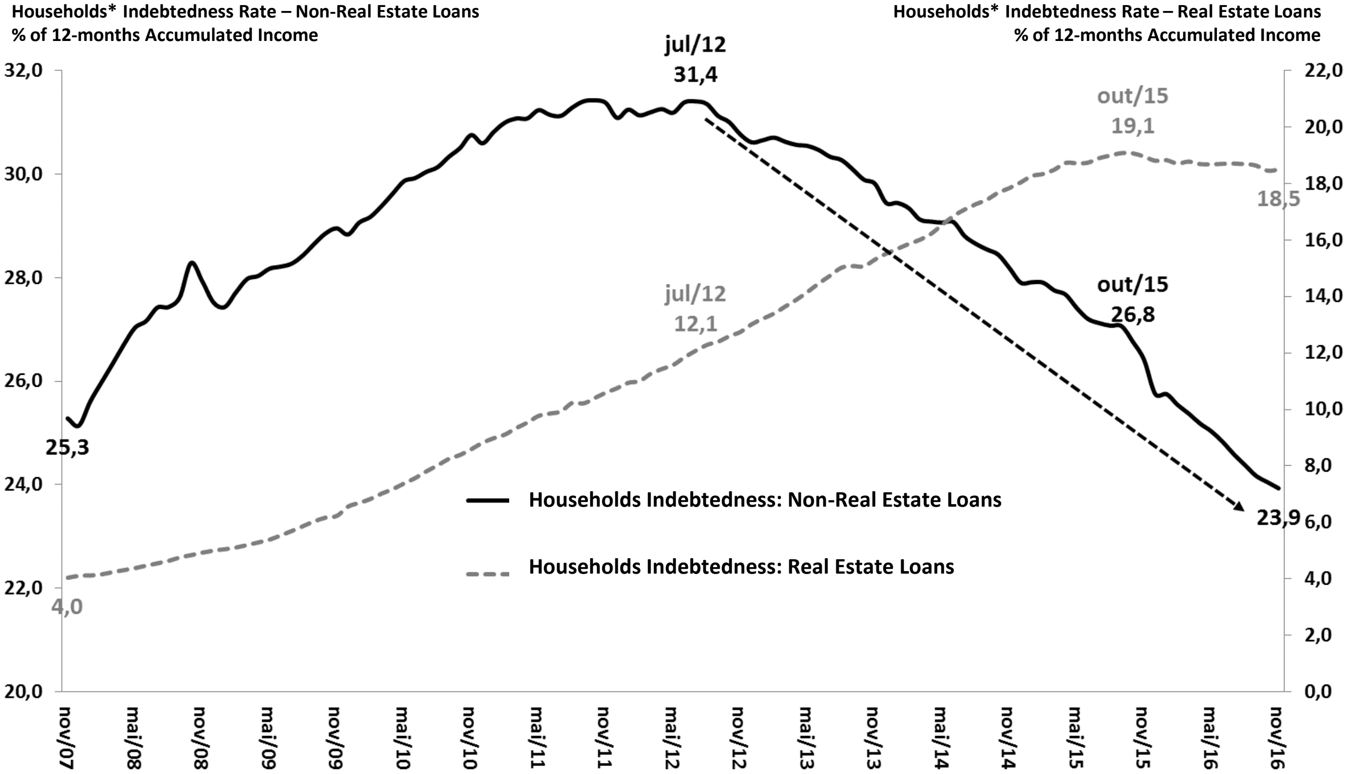
Source: Central Bank of Brazil. * Seasonally adjusted by SEPLAN/MP.

New Loans to Households by Types of Credit Lines



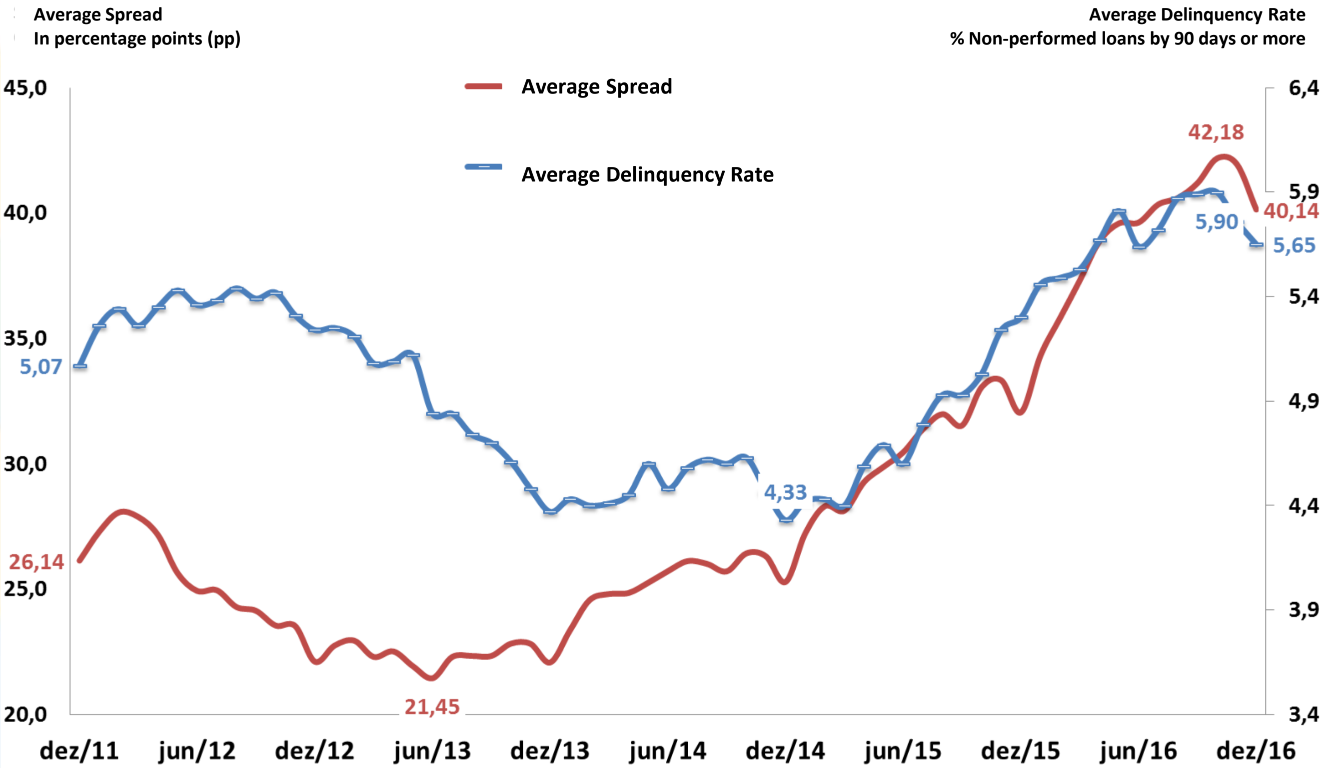
Fonte: BCB. *Exclui Crédito Consignado. Ajuste Sazonal: SEPLAN-MP.

Households Indebtedness Rate



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

Non-earmarked Credit: Spread and Delinquency Rates



Source: Central Bank of Brazil.

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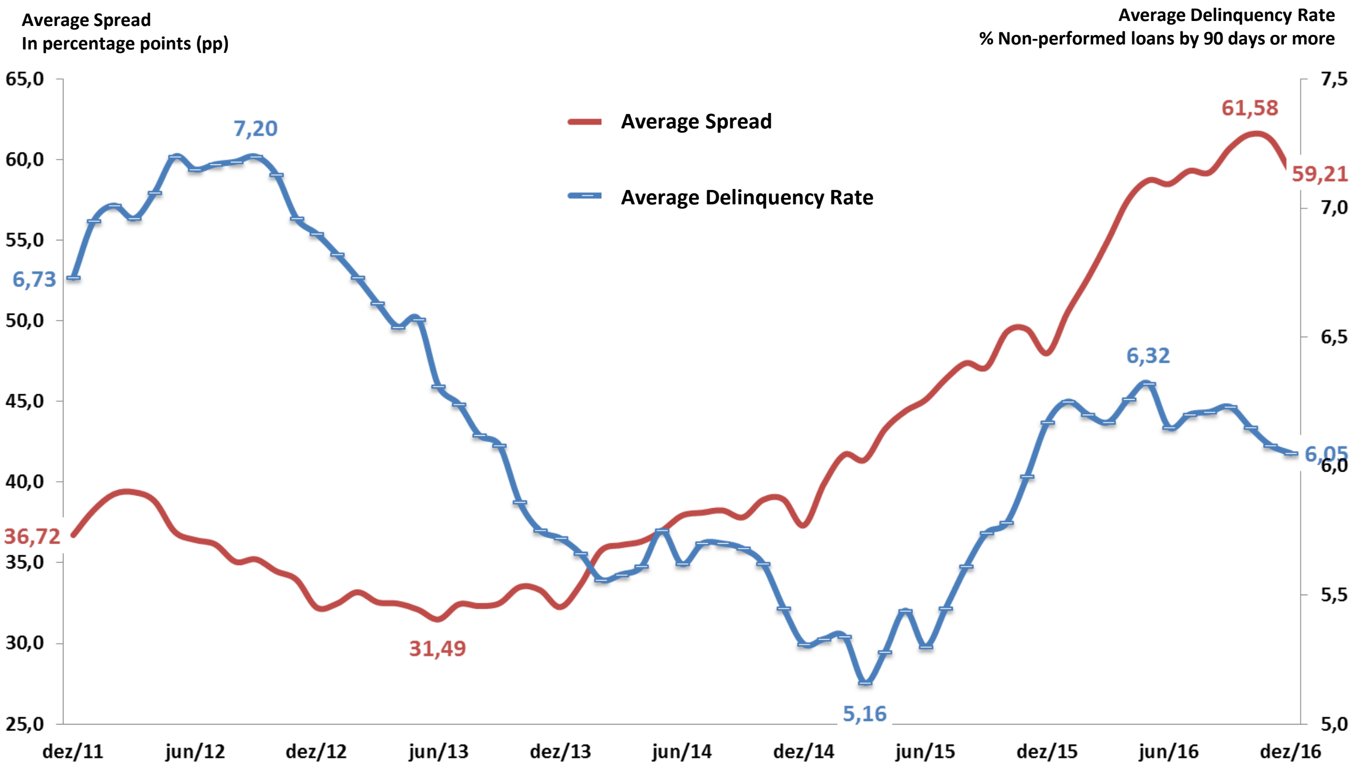
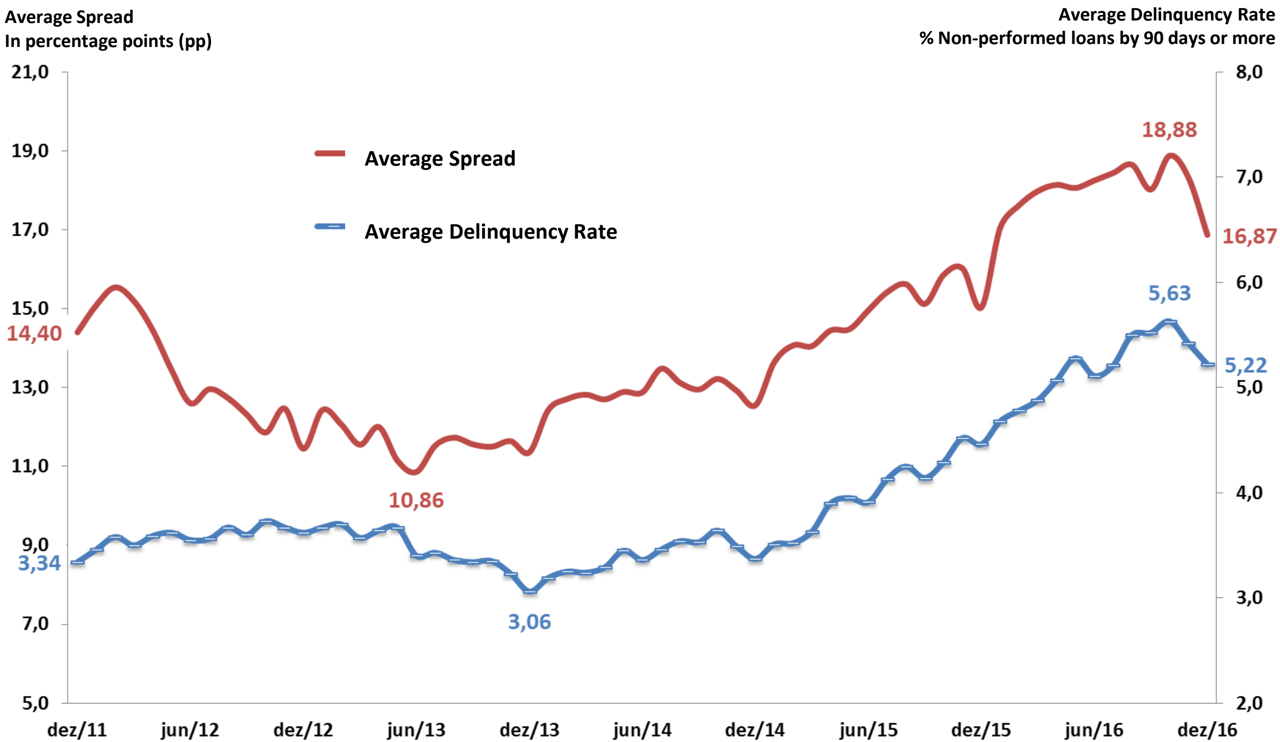
Households Loans: Spread and Delinquency Rates



Source: Central Bank of Brazil.

Non-Financial Corp. Loans: Spread and Delinquency Rates



Source: Central Bank of Brazil.

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Secretaria de Planejamento e Assuntos Econômicos

MINISTRY OF PLANNING, DEVELOPMENT AND MANAGEMENT

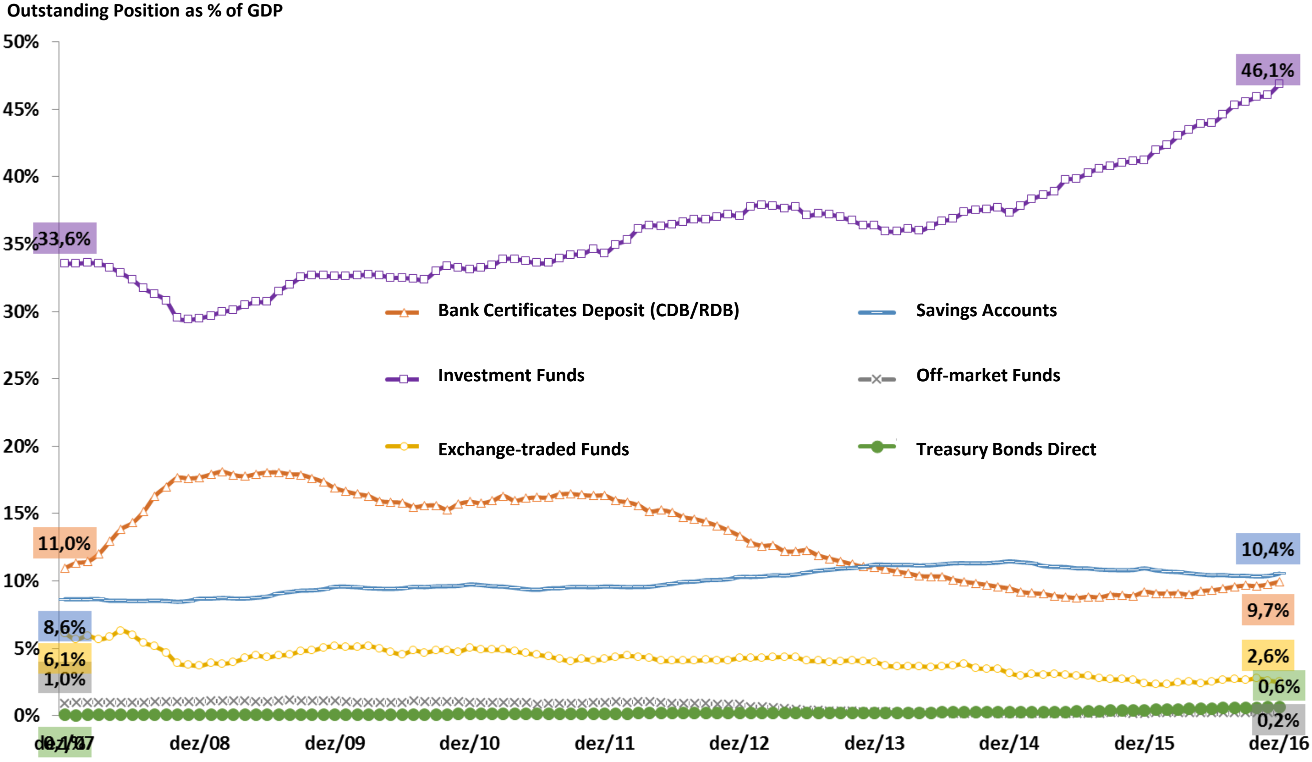
BRASIL
BRAZILIAN GOVERNMENT

FINANCIAL MARKETS

Financial Markets

									BCB/Focus:		27/01/2017
Financial Savings (BCB) **December 2016** Outstanding Positions - in R$ billions	**Dec/14**	**Dec/15**	**Dec/15**	**Dez/16**	**chg.% Dec/14 / Dec/13**	**chg.% Dec/15 / Dec/14**	**chg.% Dec/16 / Dec/15**	**chg.% Dec/16 / Dec/15**			
Bank Certificates of Deposit (CDB/RDB)	546,3	552,1	552,1	627,4	-7,0%	1,1%	13,6%	13,6%			
Savings Accounts (Caderneta de Poupança)	662,7	656,6	656,6	665,0	10,8%	-0,9%	1,3%	1,3%			
Investment Funds	2.156,9	2.473,0	2.473,0	2.953,4	11,2%	14,7%	19,4%	19,4%			
Off-market Funds (Fundos Extramercado)	10,0	11,9	11,9	14,9	-35,1%	19,7%	25,0%	25,0%			
Exchange-traded Funds	182,5	144,1	144,1	158,1	-14,5%	-21,0%	9,7%	9,7%			
Treasury Bonds Direct (Tesouro Direto)	15,3	25,6	25,6	41,1	34,2%	67,3%	60,5%	60,5%			
BM&F-Bovespa - listed companies value as % of GDP	38,8%	31,9%	31,9%	39,2%	-6,46 pp	-6,95 pp	4,03 pp	7,29 pp			
Capital Market (CVM) **December 2016** New Public Offering - in R$ billions	**2014**	**2015**	**YTD 2015**	**YTD 2016**	**chg.% 2014 / 2013**	**chg.% 2015 / 2014**	**chg.% YTD 2016 / 2015**	**chg.% YTD 2016 / YTD 2015**			
Stocks	15,1	16,1	16,1	0,5	142,6%	6,7%	-96,7%	-97%			
Debentures	3,7	20,6	20,6	21,9	-66,4%	461,8%	5,9%	5,9%			
Promissory Notes	0,0	0,0	0,0	0,0	-	-	-	-			
Housing Credit-backed Securities (CRI)	2,3	3,9	3,9	11,3	-7,5%	70,0%	191,9%	191,9%			
Investment Funds - new shares	4,7	5,8	5,8	2,1	-55,2%	21,8%	-63,5%	-63,5%			
Monet Market (BCB) **December 2016**	**Dec/14**	**Dec/15**	**Dec/15**	**Dez/16**	**chg.% Dec/14 / Dec/13**	**chg.% Dec/15 / Dec/14**	**chg.% Dec/16 / Dec/15**	**chg.% Dec/16 / Dec/15**	**2017**	**2018**	**2019**
Interest Rates											
Selic target rate (% py)	**11,75**	**14,25**	**14,25**	**13,75**	**1,8 pp**	**2,5 pp**	**-0,5 pp**	**-0,5 pp**	**9,50%**	**9,00%**	**9,00%**
Selic market rate (% py)	**11,58**	**14,15**	**14,15**	**13,65**	**1,7 pp**	**2,6 pp**	**-0,5 pp**	**-0,5 pp**			
TJLP (% py)	5,00	7,00	7,00	7,50	0,0 pp	2,0 pp	0,5 pp	0,5 pp			
CDI (% py)	11,51	14,14	14,14	13,63	1,7 pp	2,6 pp	-0,5 pp	-0,5 pp			
Swap DI-Pre 180 days (% py)	12,60	15,18	15,18	12,45	2,3 pp	2,6 pp	-2,7 pp	-2,7 pp			
Swap DI-Pre 360 days (% py)	12,96	15,86	15,86	11,56	2,4 pp	2,9 pp	-4,3 pp	-4,3 pp			
Brazil Sovereign Risk (BCB) **January 2017** Monthly Average (in basis points)	**Dec/15**	**Dec/16**	**Jan/16**	**Jan/17**	**chg. pp Dec/15 / Dec/14**	**chg. pp Dec/16 / Dec/15**	**chg. pp Jan/17 / Dec/16**	**chg. pp Jan/17 / Jan/16**			
5 years CDS	523	328	512	296	264,0 pp	-195,0 pp	-32,0 pp	-216,0 pp			
10 years CDS	495	281	473	250	294,2 pp	-214,2 pp	-30,7 pp	-223,4 pp			
EMBI+ (JPMorgan)	558	360	533	342	298,8 pp	-198,7 pp	-17,5 pp	-190,8 pp			

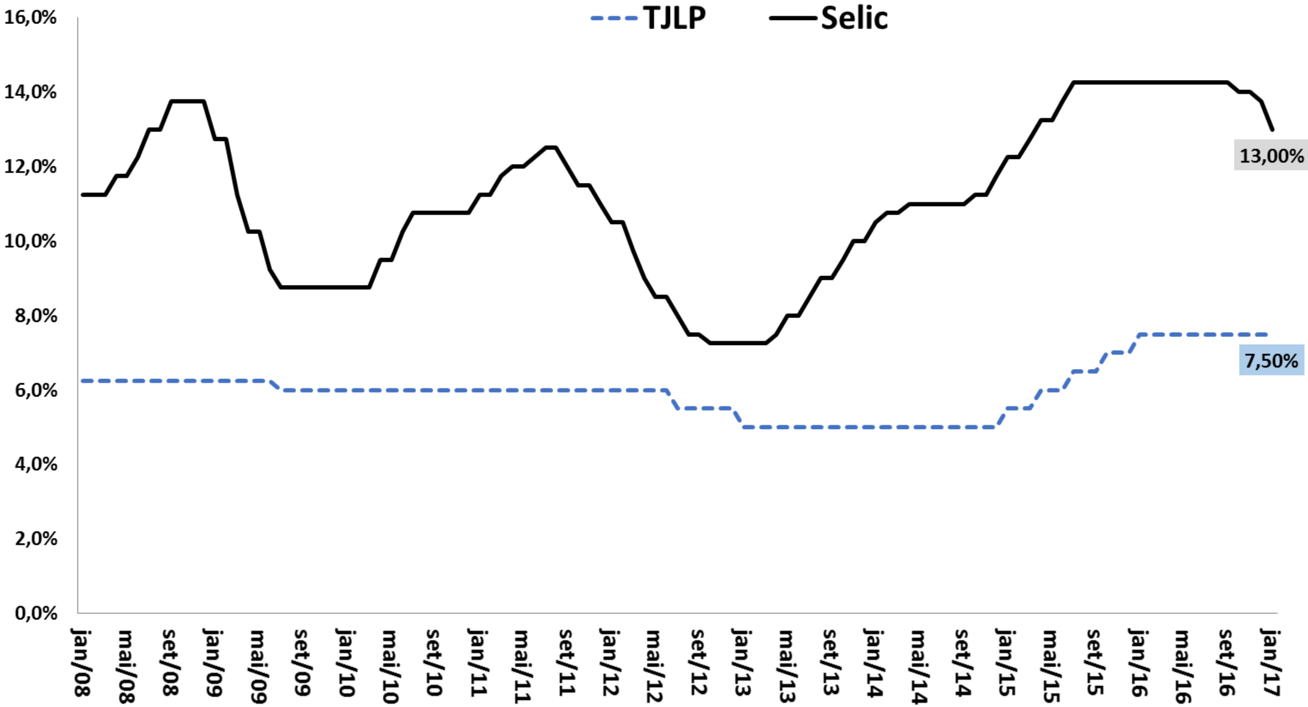
Major Financial Savings Instruments Evolution



Source: Central Bank of Brazil.

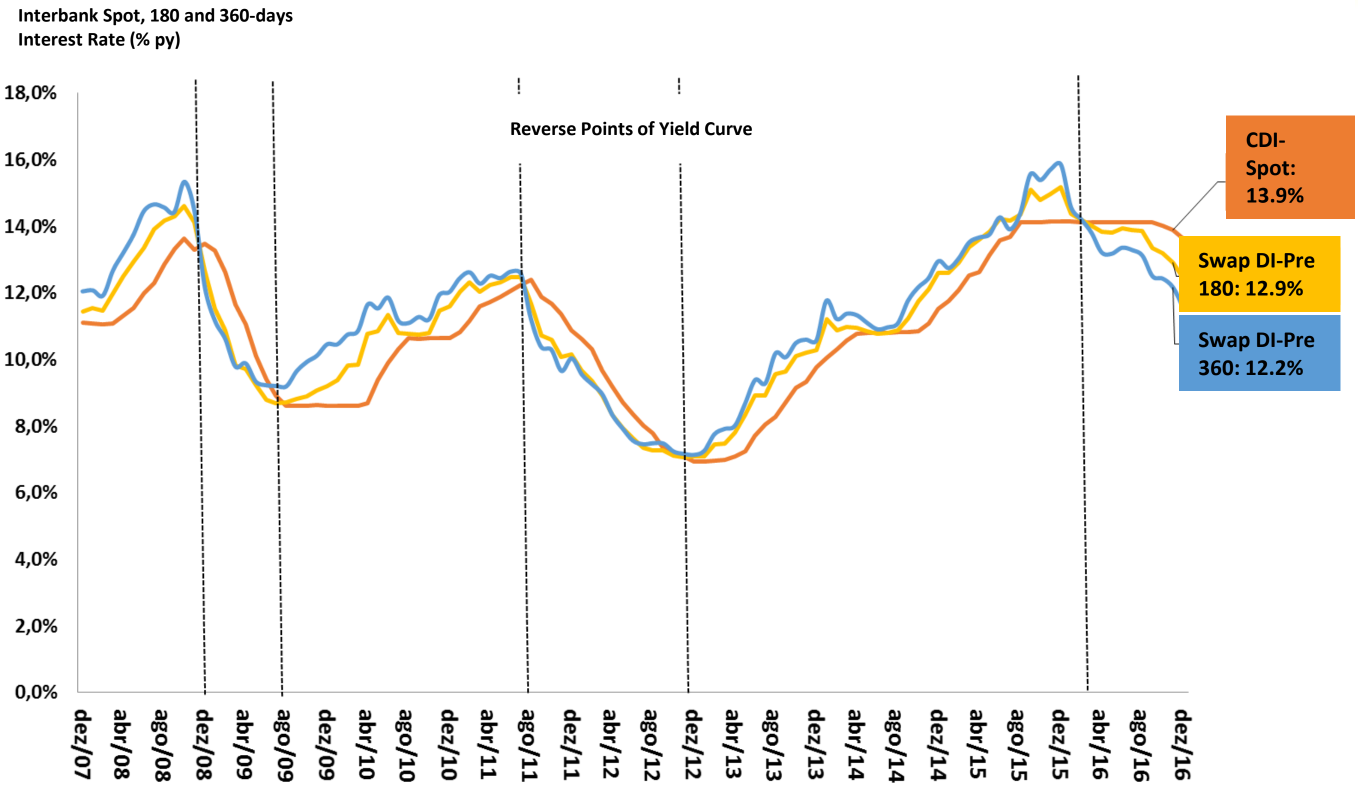
Official Interest Rates Evolution (Target Selic and TJLP)

Selic and Long Term (TJLP)
Official Interest Rates (% py)



Source: Central Bank of Brazil.

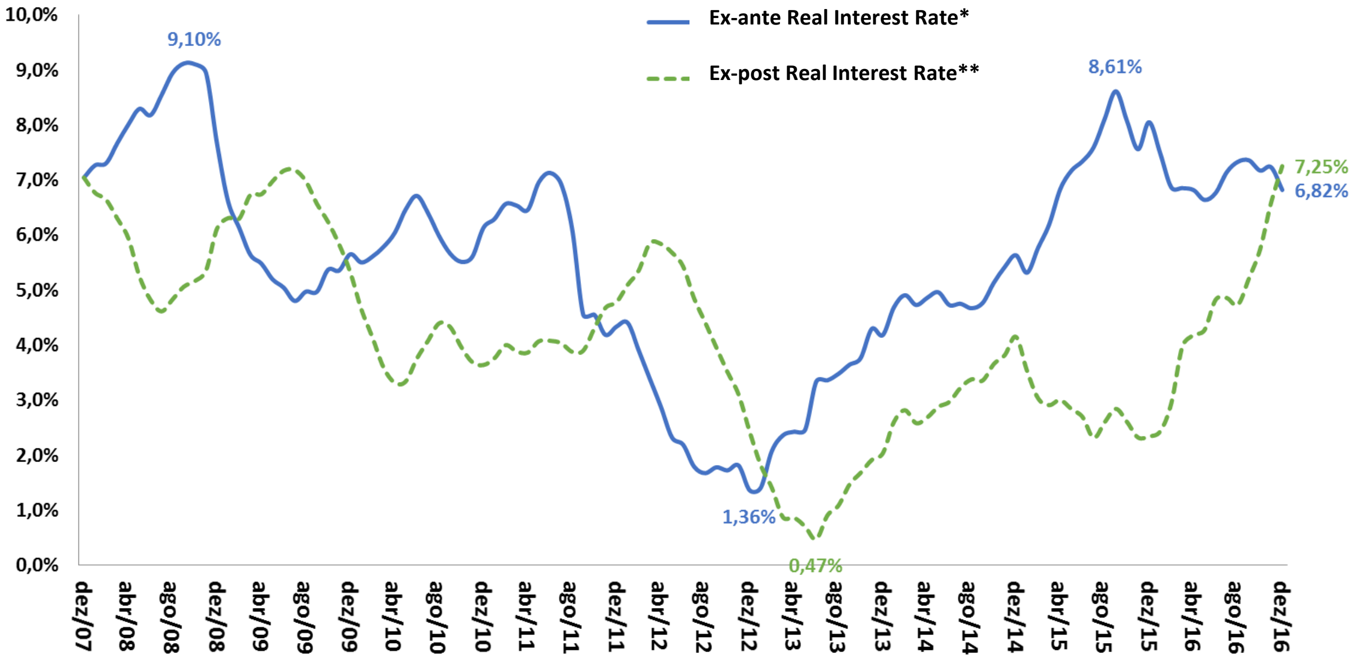
Term Structure of Interbank Interest Rate Evolution



Source: Central Bank of Brazil.

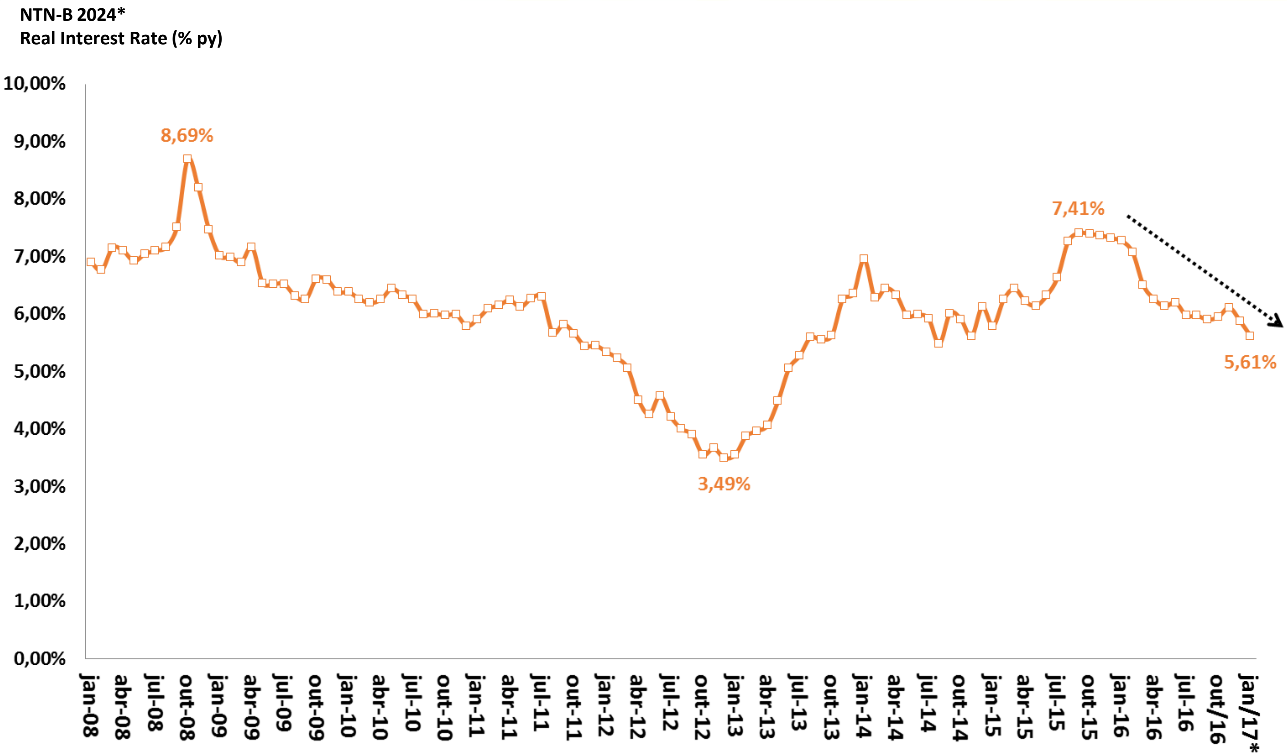
Ex-ante and Ex-post Real Interest Rates Evolution

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



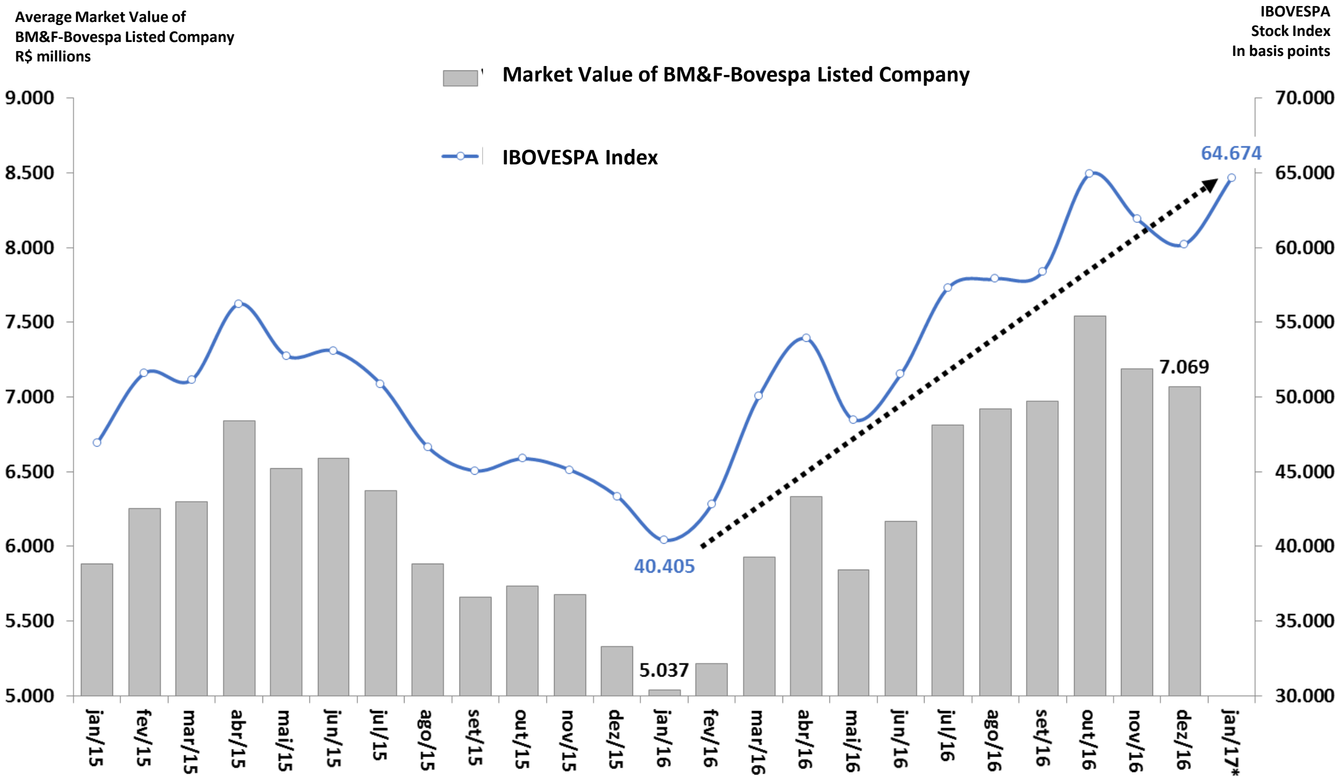
Source: Central Bank of Brazil.
* Ex-ante Real Interest Rate = Expected Interbank CDI/IPCA ratio, considering 360-days Swap DI-Pre rate and IPCA median of BCB-Focus Survey.
** Ex-post Real Interest Rate = Observed 12-months accumulated CDI/IPCA ratio.

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



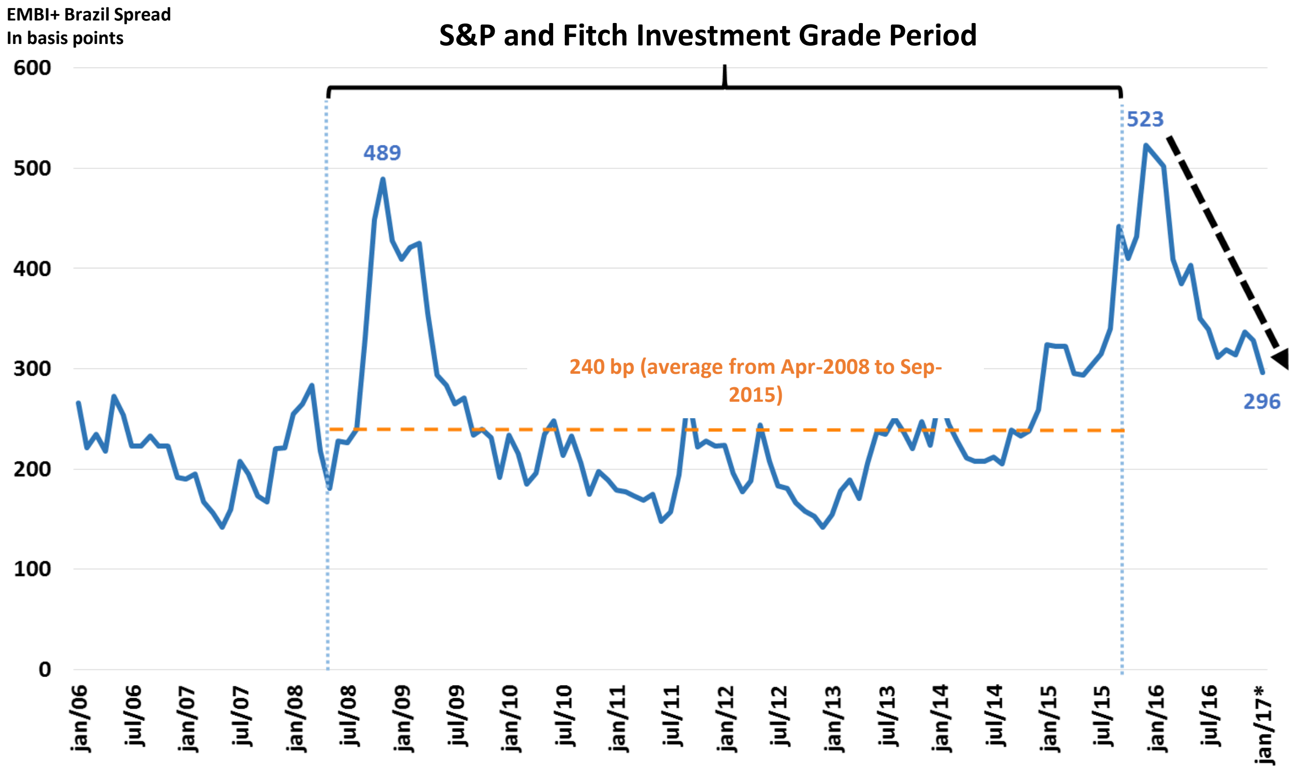
Source: STN/MF. *27th Jan-2017 buy-rate.
* Interest rate paid by the NTN-B 2024 besides the IPCA inflation rate.

Brazilian Stock Market Evolution



Source: Central Bank of Brazil. *31st Jan-2017 value.

Sovereign Risk Perception Evolution



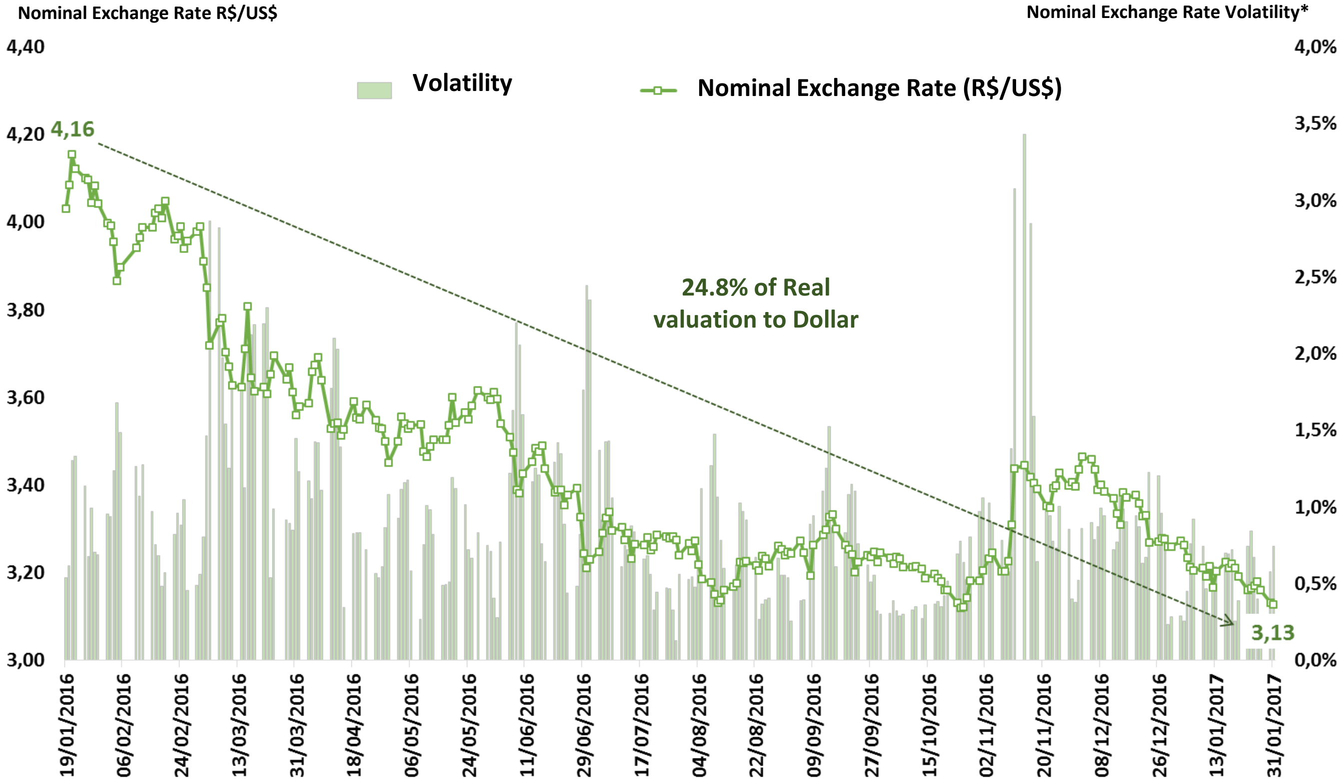
Source: JPMorgan. *23rd Jan-2017 value.

FOREIGN TRADE

Foreign Trade

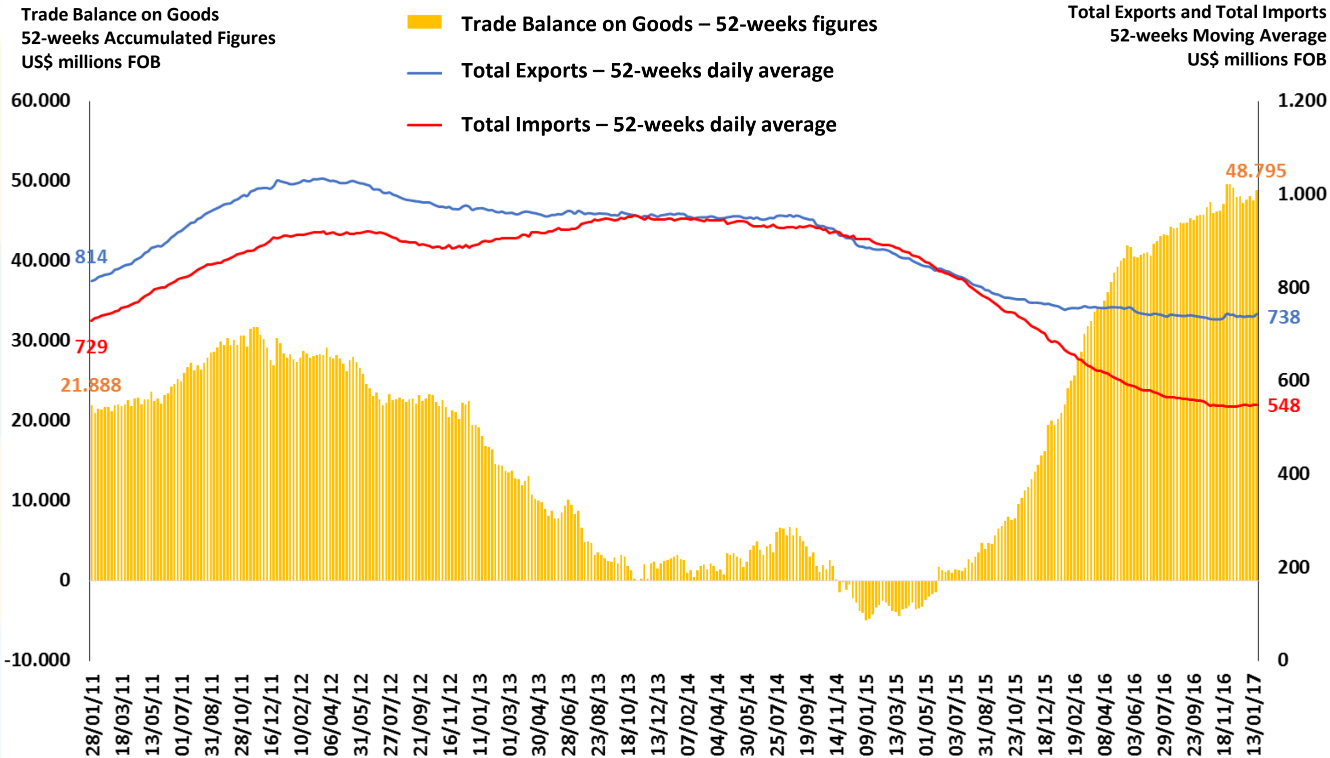
										BCB/Focus:	27/01/2017	
Exchange Rate Indicators (BCB) December 2016 FX % change rate: valuation (-) or devaluation (+) of Real	**2014**	**2015**	**chg.% Oct/16 / Oct/15**	**chg.% Nov/16 / Nov/15**	**chg.% Dec/16 / Dec/15**	**YTD 2016**	**Oct/16 accum. in 12-months**	**Nov/16 accum. in 12-months**	**Dec/16 accum. in 12-months**	**Average FX Rate 2017**	**Average FX Rate 2018**	**Average FX Rate 2019**
Nominal Exchange Rate (R$/US$) - sell - end of period **month value: 3,26**	**8,5%**	**43,5%**	**-17,6%**	**-11,8%**	**-16,5%**	**1,8%**	**11,5%**	**6,7%**	**1,8%**	**3,40**	**3,50**	**3,58**
Real Effective Exchange Rate (IPCA)	1,4%	22,1%	-24,7%	-18,3%	-19,0%	-5,1%	2,1%	-1,6%	-5,1%			
Exchange Rate / Wage Ratio adjusted by Labor Productivity	6,3%	26,8%	-31,6%	-21,1%	-22,4%	-16,0%	-9,7%	-13,0%	-16,0%			
Unitary Labor Cost in US$	-0,6%	-21,7%	38,4%	15,5%	18,0%	3,0%	-3,8%	-0,4%	3,0%			
Foreign Trade of Goods (FUNCEX) December 2016 Average Price and Quantum	**2014**	**2015**	**chg.% Oct/16 / Oct/15**	**chg.% Nov/16 / Nov/15**	**chg.% Dec/16 / Dec/15**	**YTD 2016**	**Oct/16 accum. in 12-months**	**Nov/16 accum. in 12-months**	**Dec/16 accum. in 12-months**			
QUANTUM												
Exports (X)	**-1,8%**	**8,3%**	**-17,5%**	**11,8%**	**-14,6%**	**3,6%**	**6,9%**	**6,9%**	**3,6%**			
Basic Goods	6,4%	13,2%	-26,6%	-11,6%	-23,0%	-2,5%	2,5%	0,6%	-2,5%			
Semi-Manufactured	-0,6%	8,5%	-11,3%	8,1%	-8,0%	9,8%	13,1%	13,0%	9,8%			
Manufactured	-12,9%	2,3%	-9,0%	38,4%	-9,8%	8,9%	10,2%	12,6%	8,9%			
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Imports (M)	**-2,5%**	**-15,1%**	**-14,4%**	**-6,6%**	**13,9%**	**-12,6%**	**-16,7%**	**-15,9%**	**-12,6%**			
Capital Goods	-1,5%	-16,3%	-2,0%	6,4%	28,5%	-7,5%	-13,4%	-11,4%	-7,5%			
Intermediate Goods	-10,2%	-16,6%	-22,2%	-25,2%	-5,3%	-18,6%	-20,0%	-20,1%	-18,6%			
Consumer Durable Goods	-13,7%	-27,6%	-30,0%	-2,1%	0,9%	-36,1%	-42,5%	-39,4%	-36,1%			
Consumer Semi and Non-Durable Goods	1,1%	-6,5%	-13,5%	4,1%	30,0%	-11,7%	-17,0%	-15,8%	-11,7%			
Fuel and Lubricants	2,1%	-11,4%	-47,4%	-41,9%	-27,1%	-22,4%	-18,9%	-23,2%	-22,4%			
Exports Profitability Index	**-1,4%**	**2,0%**	**-17,8%**	**-9,9%**	**-8,5%**	**-8,7%**	**-6,7%**	**-7,8%**	**-8,7%**			
Quantum Ratio = quantum X / quantum M	**0,6%**	**29,3%**	**-4,5%**	**15,2%**	**-25,0%**	**15,6%**	**26,9%**	**25,4%**	**15,6%**			
PRICE												
Exports (X)	**-5,3%**	**-21,6%**	**3,9%**	**5,3%**	**11,6%**	**-6,5%**	**-11,7%**	**-9,4%**	**-6,5%**			
Basic Goods	-8,9%	-29,7%	5,9%	7,0%	18,1%	-6,5%	-13,3%	-10,3%	-6,5%			
Semi-Manufactured	-4,2%	-16,1%	7,3%	12,6%	17,8%	-4,2%	-10,2%	-7,5%	-4,2%			
Manufactured	-1,0%	-11,3%	0,8%	2,8%	4,0%	-6,9%	-9,9%	-8,5%	-6,9%			
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Imports (M)	**-2,0%**	**-11,9%**	**-5,5%**	**-2,8%**	**-4,2%**	**-8,2%**	**-9,8%**	**-8,8%**	**-8,2%**			
Capital Goods	-2,2%	-6,4%	-6,6%	-4,6%	-6,3%	-7,3%	-7,8%	-7,3%	-7,3%			
Intermediate Goods	0,4%	-5,3%	-1,9%	3,7%	-11,7%	-2,5%	-2,8%	-1,6%	-2,5%			
Consumer Durable Goods	0,8%	-4,6%	-2,4%	-2,3%	9,7%	-3,9%	-5,6%	-5,6%	-3,9%			
Consumer Semi and Non-Durable Goods	-1,1%	-7,5%	-1,4%	-5,7%	-5,9%	-2,1%	-1,8%	-1,6%	-2,1%			
Fuel and Lubricants	-4,4%	-37,9%	-14,7%	-8,6%	15,2%	-25,6%	-32,9%	-30,2%	-25,6%			
Terms of Trade = average price X / average price M	**-3,4%**	**-11,0%**	**9,9%**	**8,3%**	**16,5%**	**1,8%**	**-1,9%**	**-0,5%**	**1,8%**			

Daily Nominal Exchange Rate R$/US$



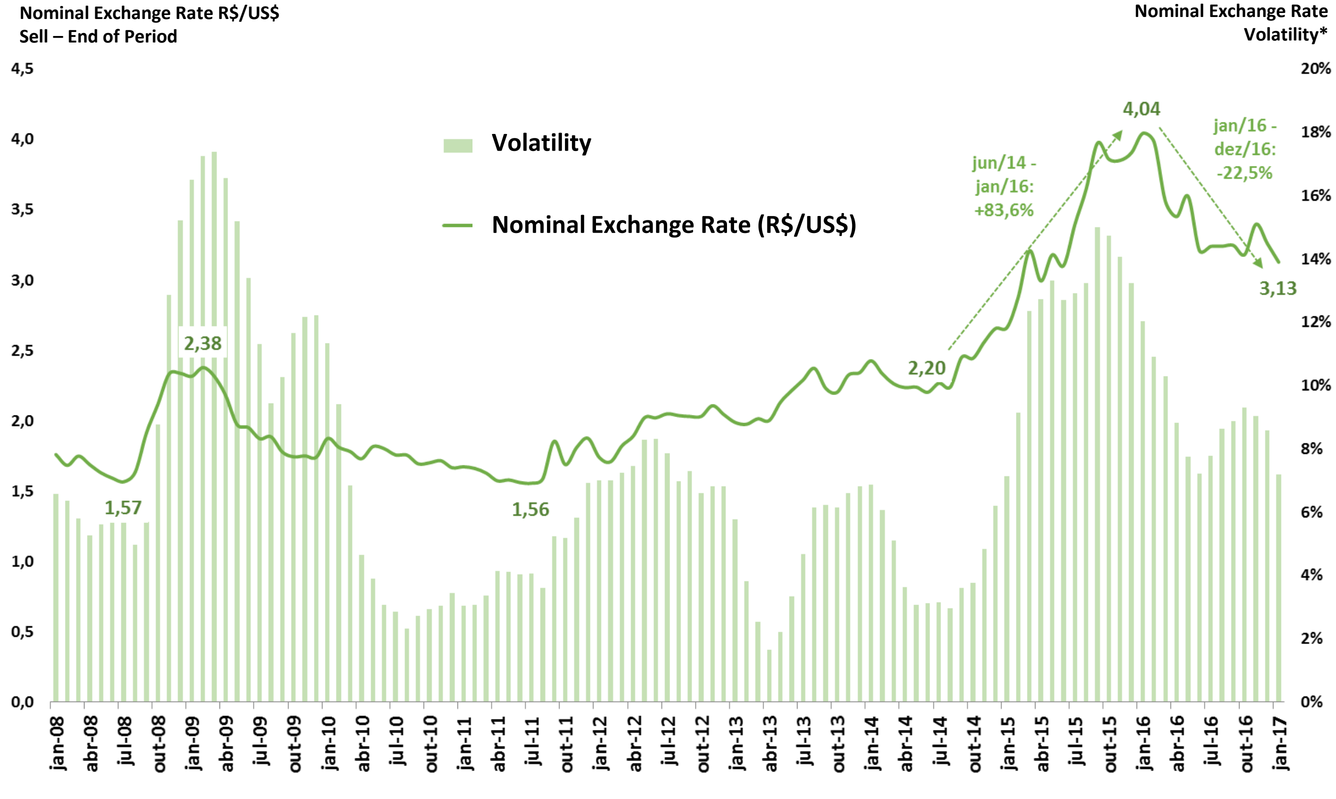
Source: Central Bank of Brazil. *Volatility = 5-days Moving Coefficient of Variation.

Daily Nominal Exchange Rate R$/US$



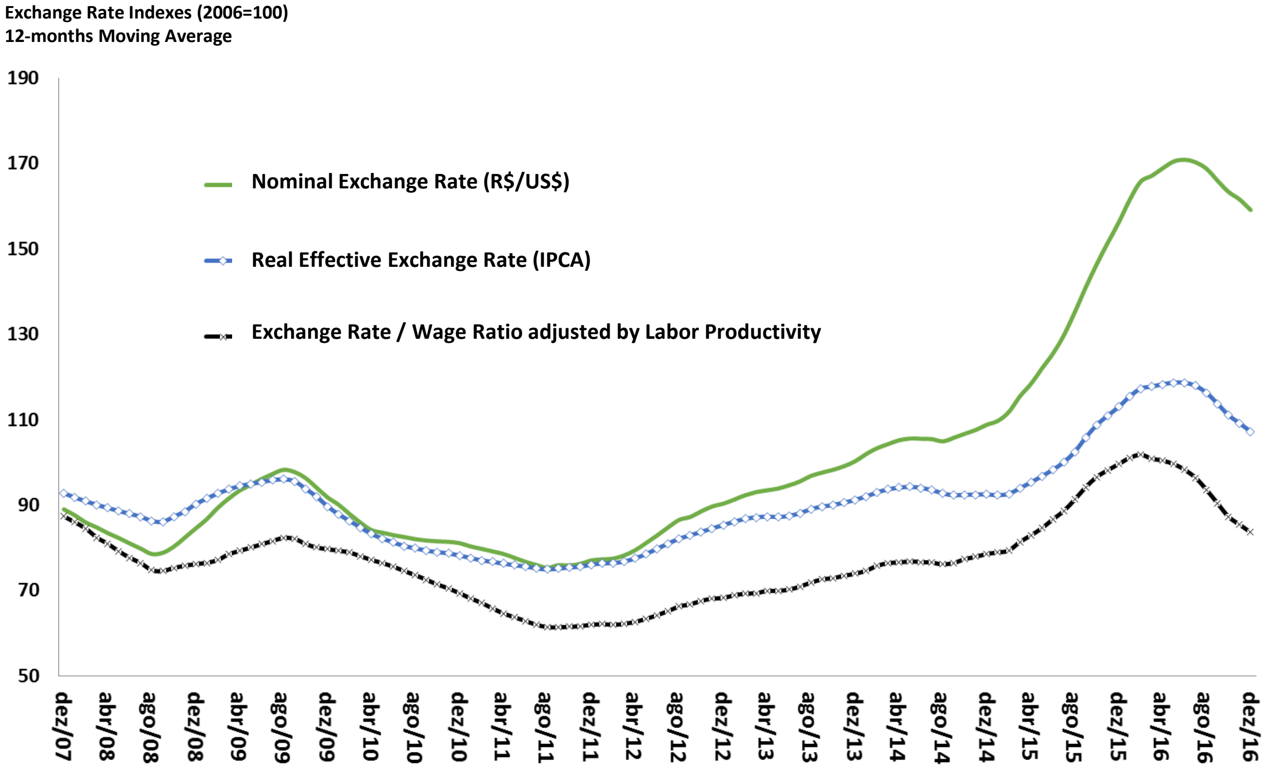
Source: SECEX/MDIC.

Monthly Nominal Exchange Rate R$/US$



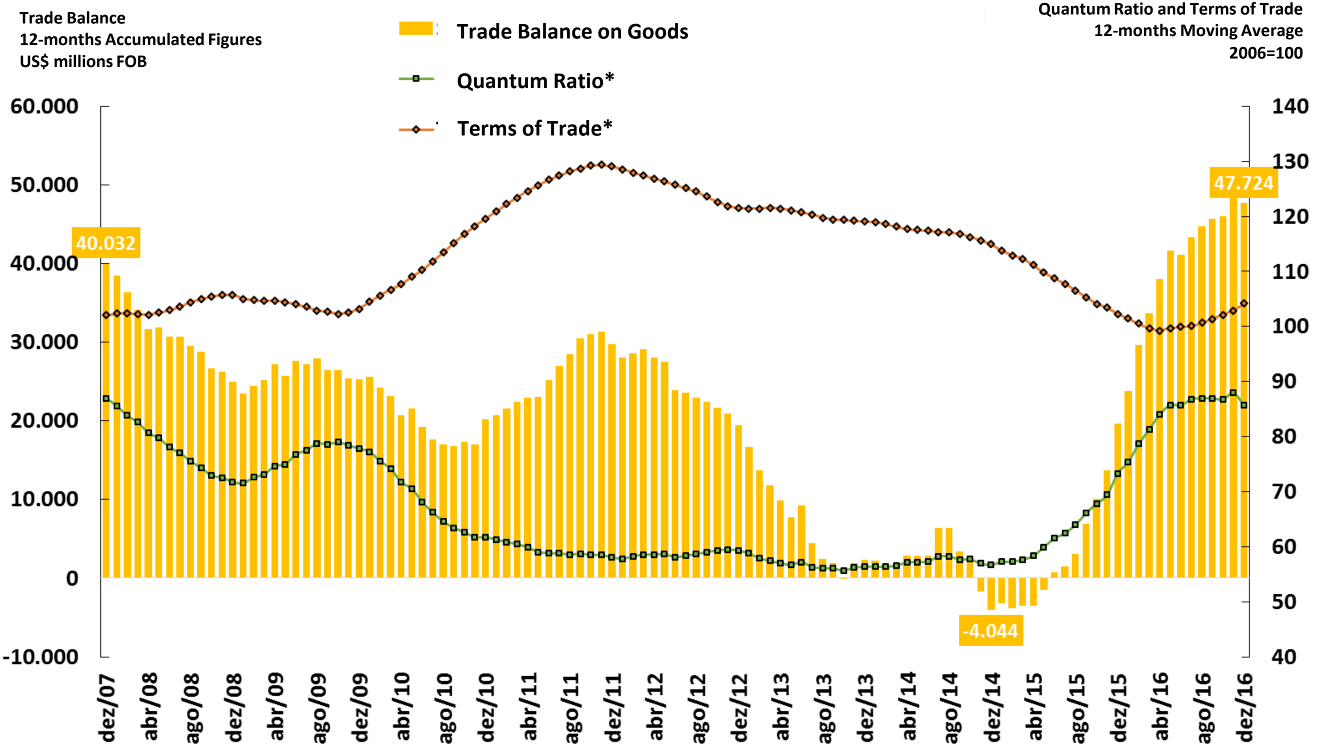
Source: Central Bank of Brazil. *Volatility = 12-months Moving Coefficient of Variation.

Exchange Rate Indexes



Source: Central Bank of Brazil.

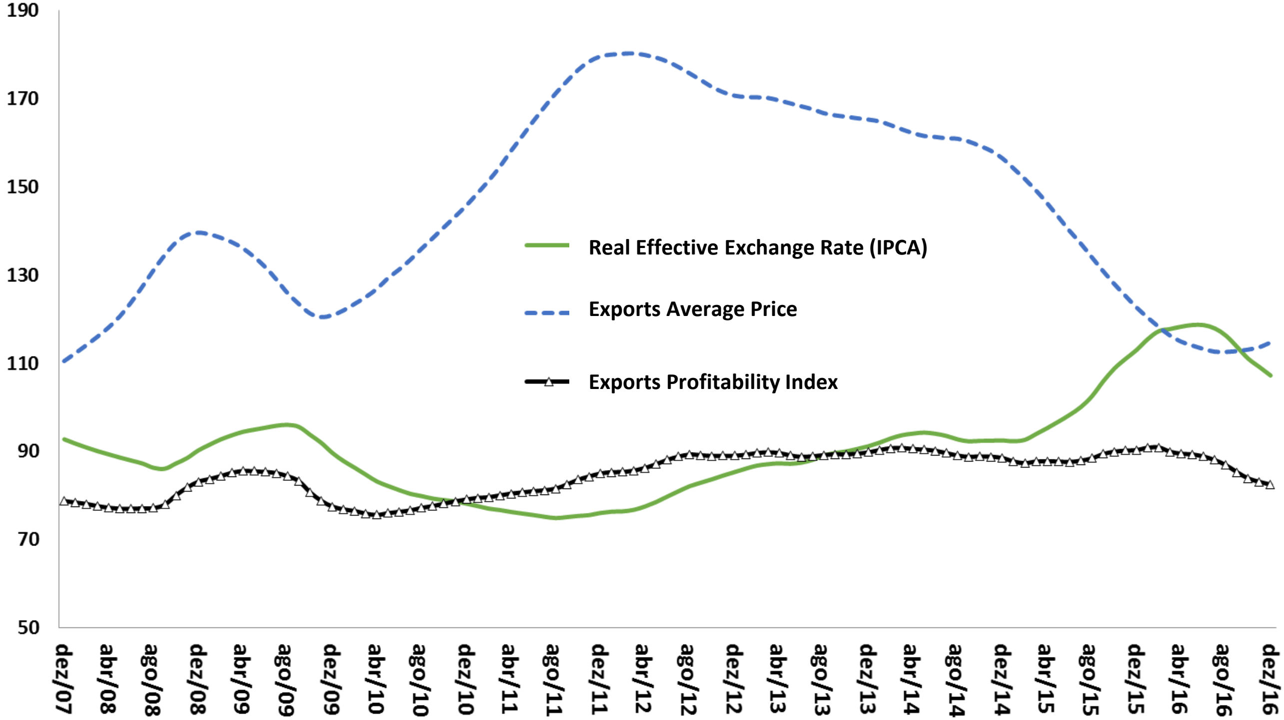
Trade Balance, Quantum and Terms of Trade Ratios



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

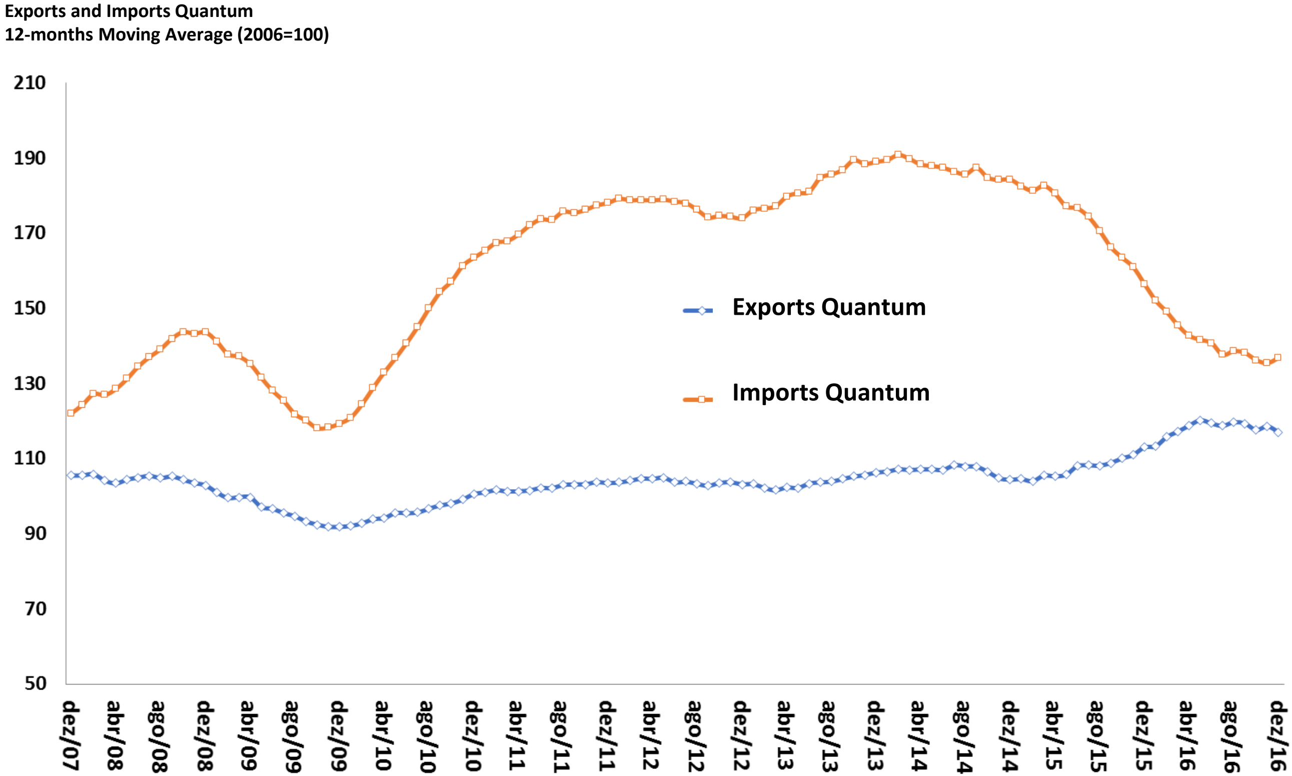
Exports: Profitability, Quantum, Price and Real Exchange Rate

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



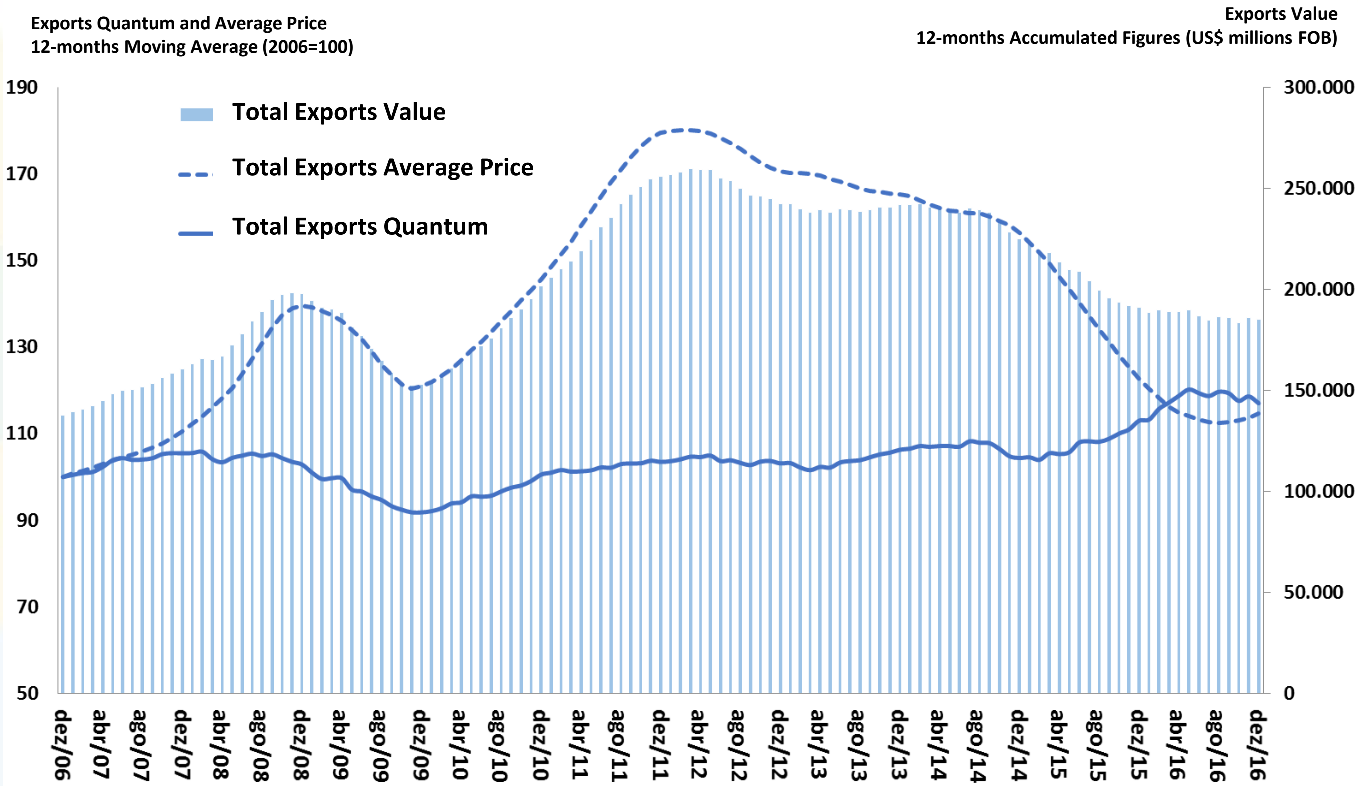
Sources: Central Bank of Brazil and FUNCEX.

Quantum of Exports and Imports



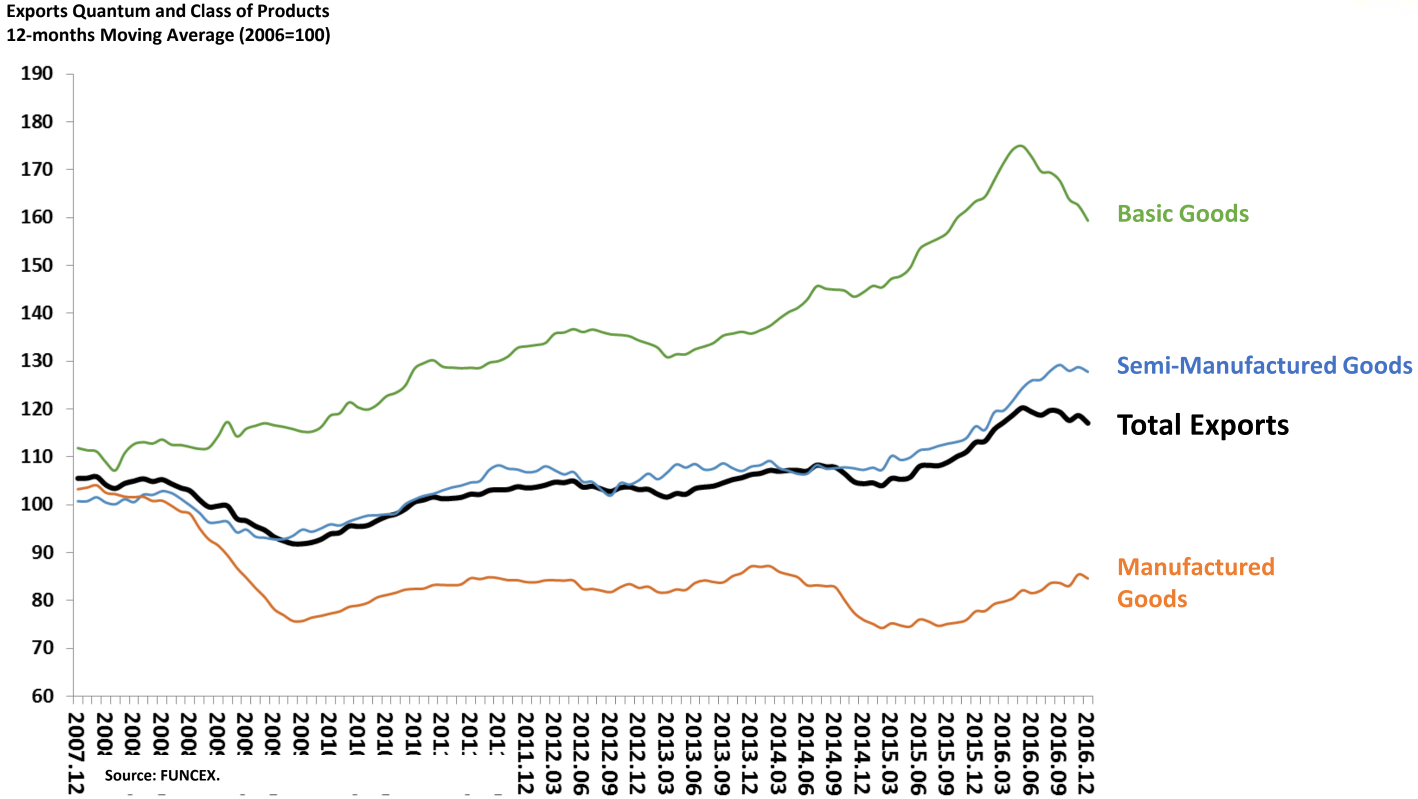
Source: FUNCEX.

Total Exports: value, quantum and price



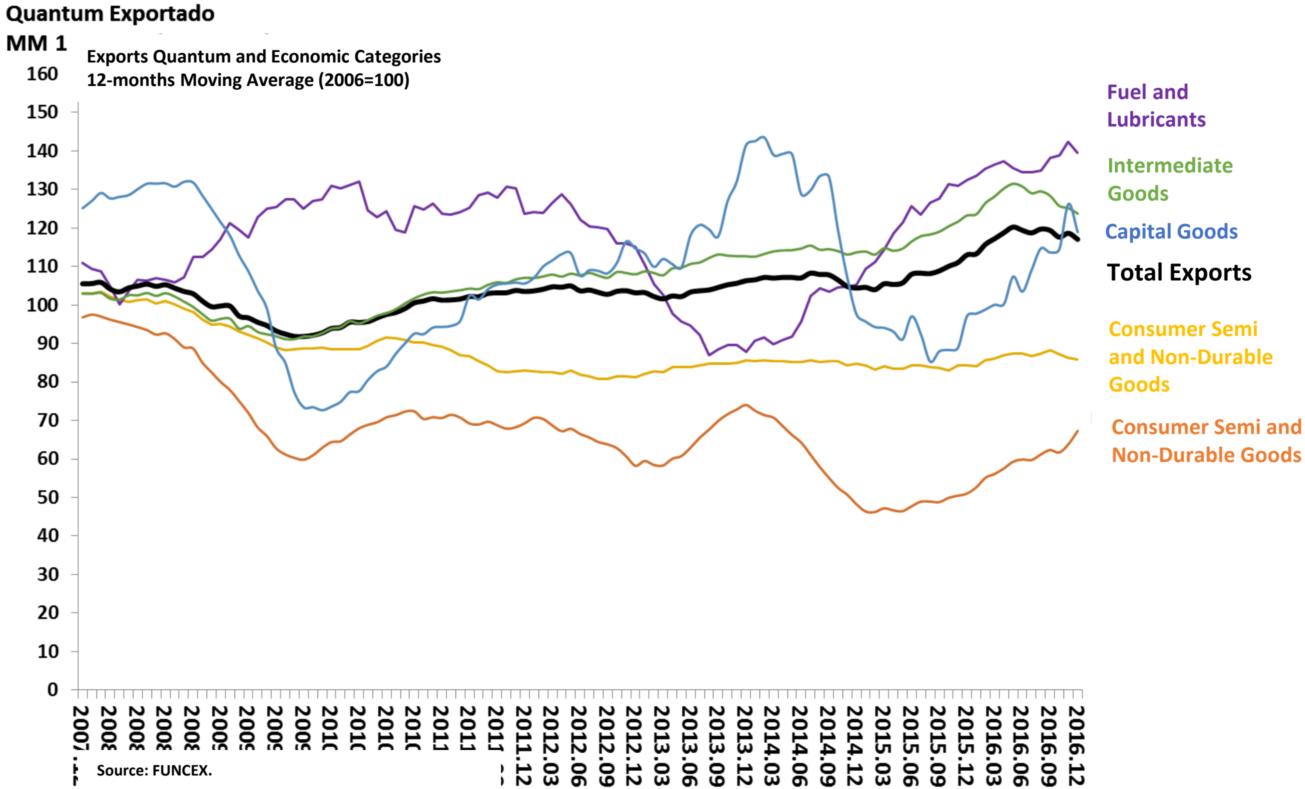
Sources: SECEX/MDIC and FUNCEX.

Quantum of Total Exports and by Class of Products



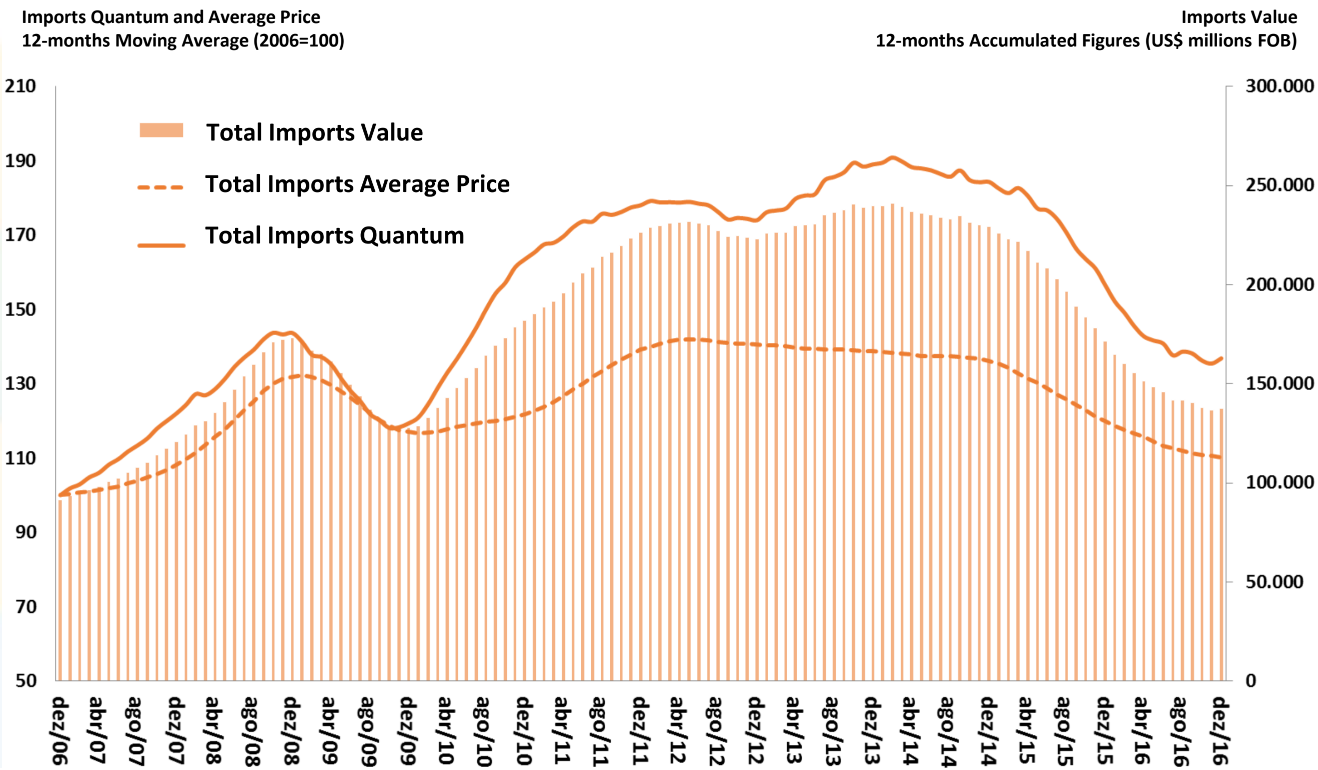
Fonte: FUNCEX.

Quantum of Total Exports and by Economic Categories



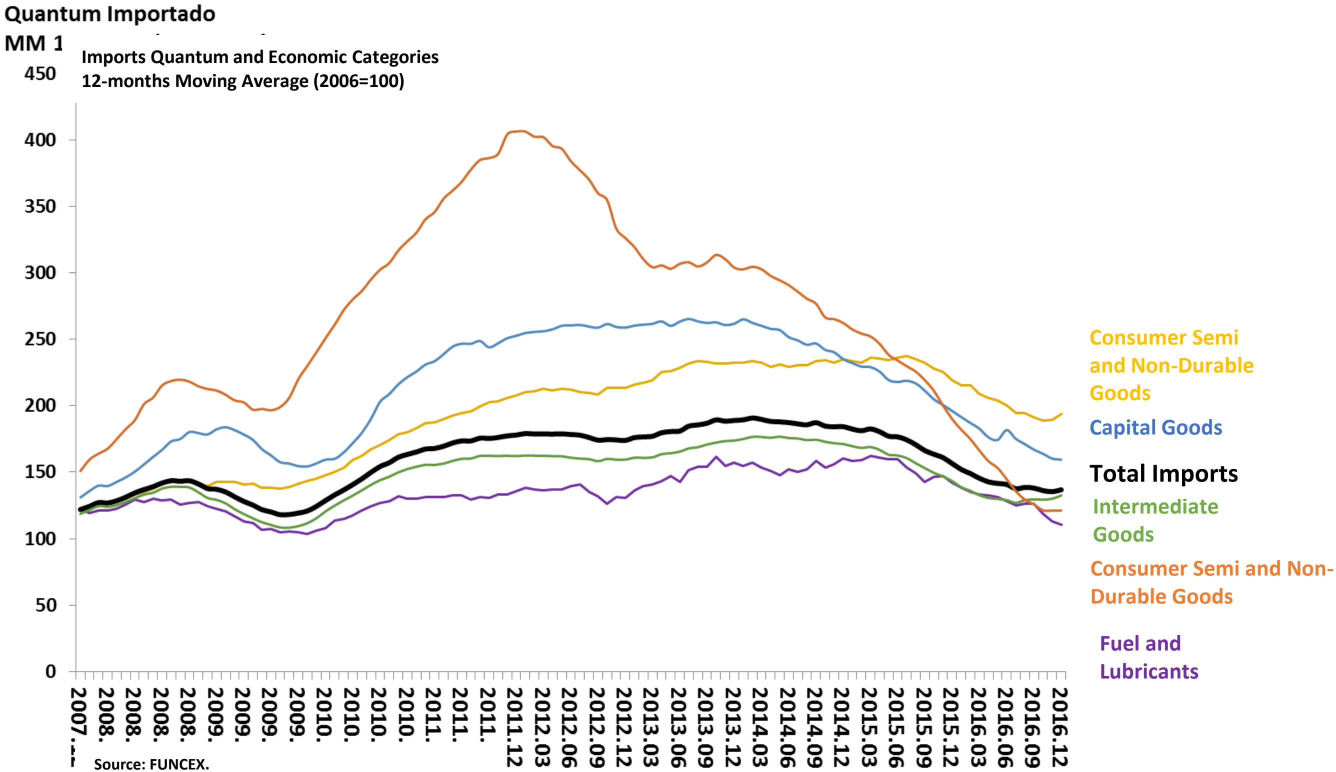
Fonte: FUNCEX.

Total Imports: value, quantum and price



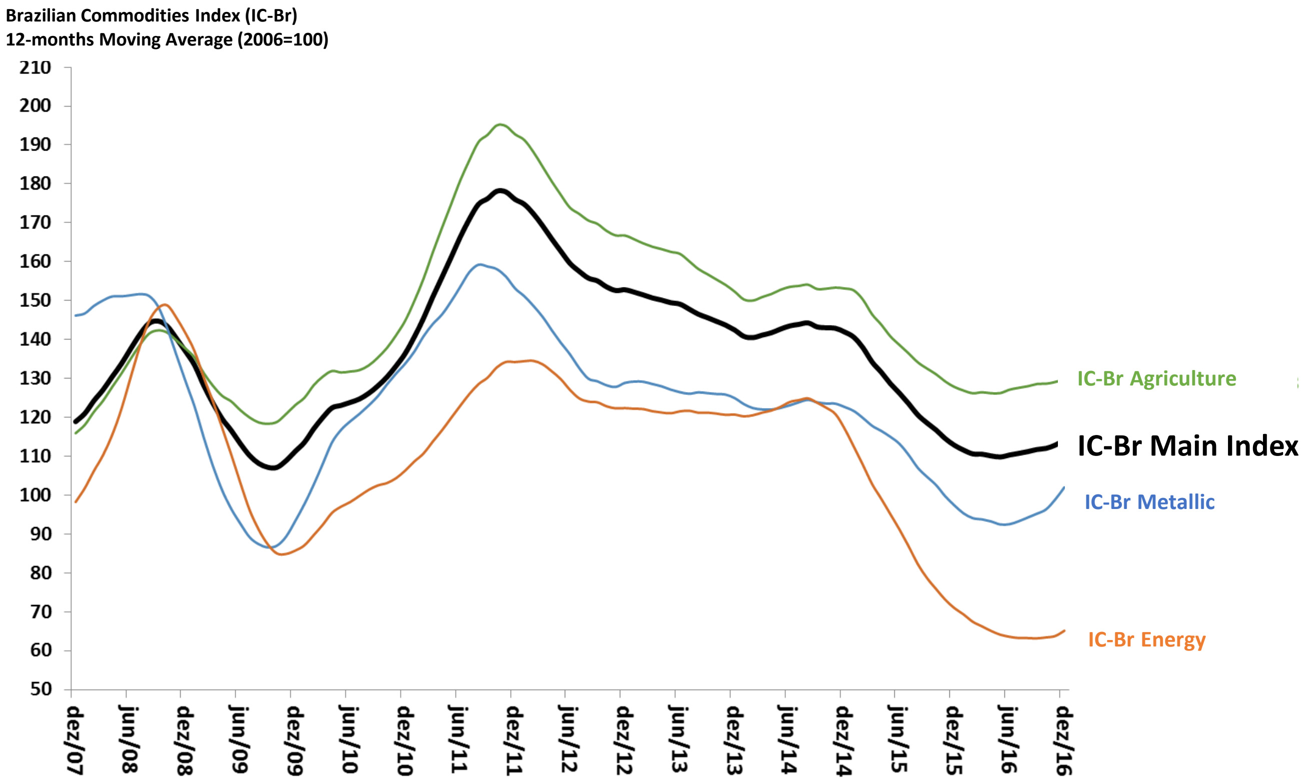
Sources: SECEX/MDIC and FUNCEX.

Quantum of Total Imports and by Economic Categories



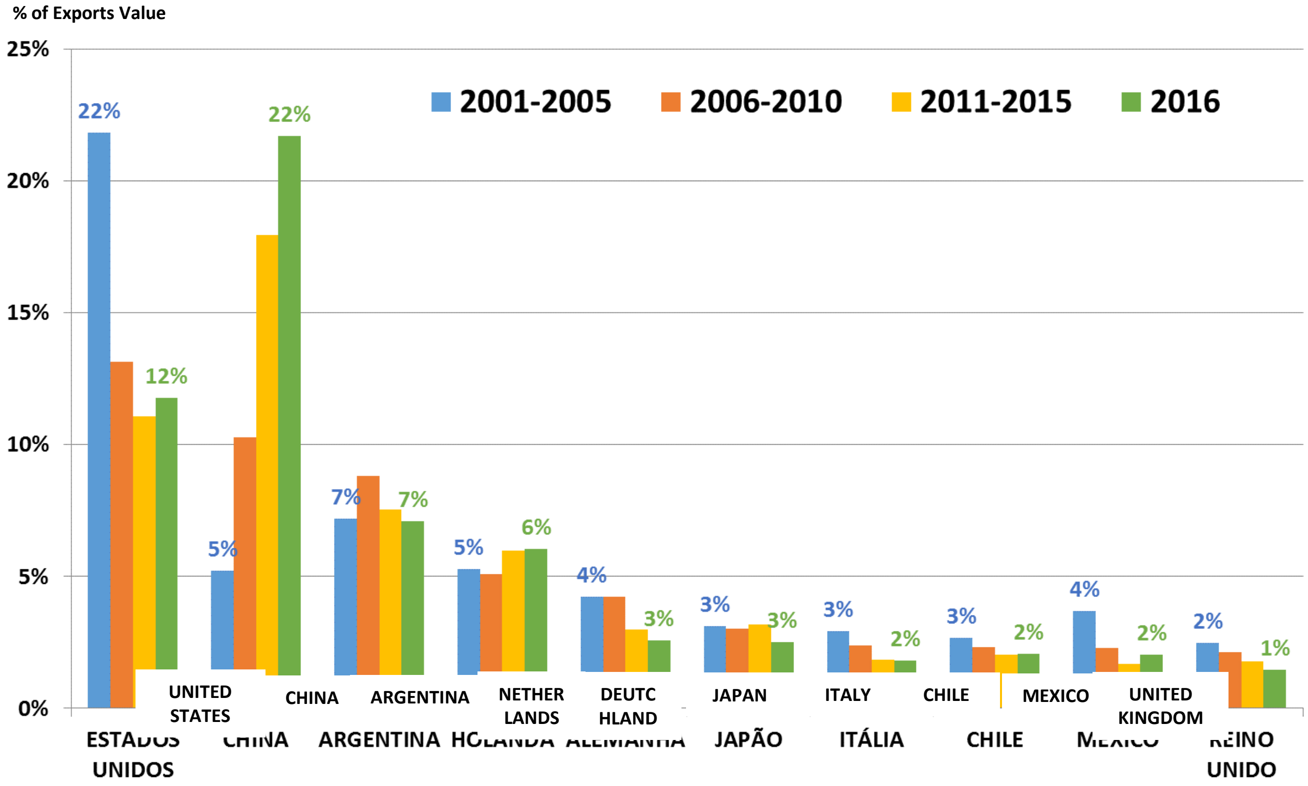
Fonte: FUNCEX.

Brazilian Commodities Price Indexes



Source: Central Bank of Brazil.

Brazilian Exports Evolution by Country of Destination



Source: MDIC/SECEX

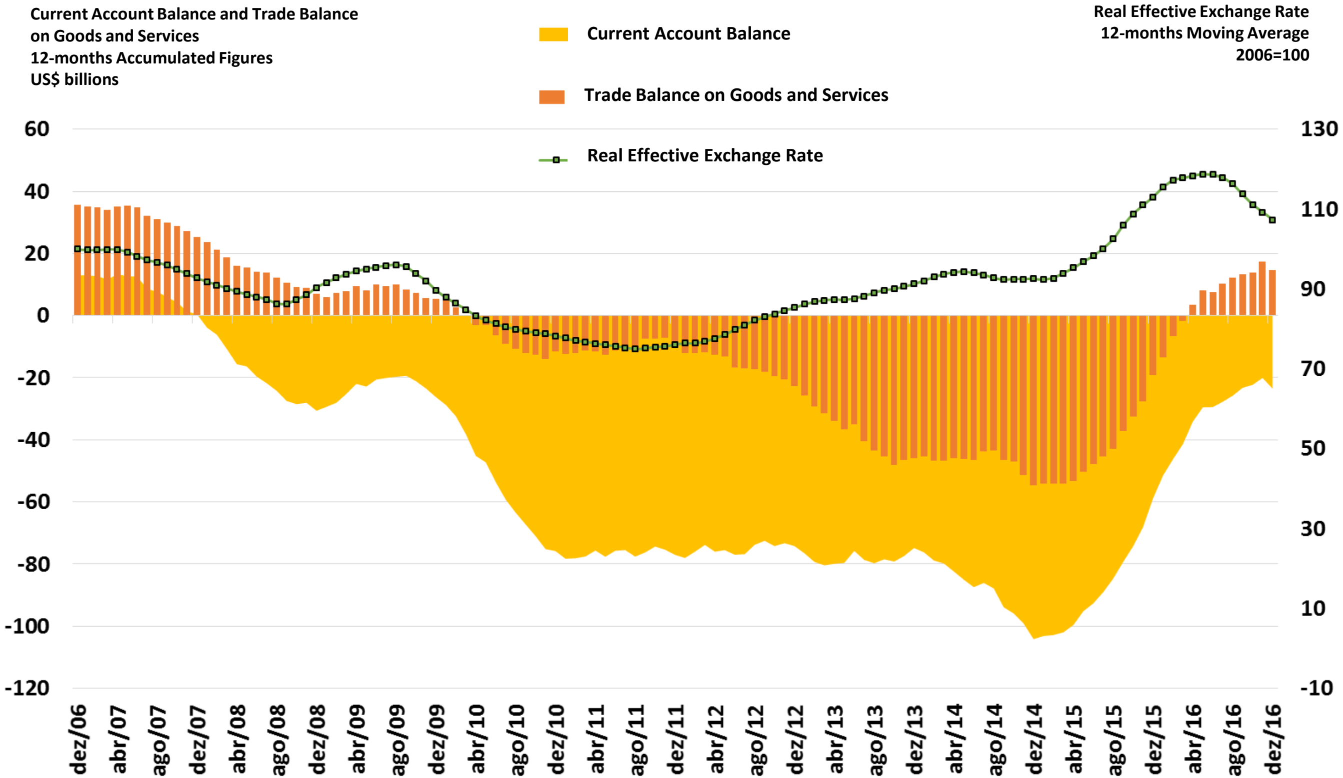
EXTERNAL SECTOR

External Sector

Balance of Payments (BCB) December 2016 In US$ millions	2014	2015	Dec/16 accum. in 12-months	chg.% 2015 / 2014	chg.% Dec/16 accum. 12-m / 2015	chg.% Nov/16 / Nov/15	chg.% Dec/16 / Dec/15	chg.% Jan-Nov/16 / Jan-Nov/15	chg.% Jan-Dec/16 / Jan-Dec/15	BCB/Focus: 27/01/2017 2017	2018	2019
Balance of Payments	**3.351**	**3.708**	**7.062**	**10,6%**	**90,5%**	**-5080,5%**	**-93,1%**	**266,1%**	**90,5%**			
Current Account Balance (CAB)	**-104.181**	**-58.882**	**-23.507**	**-43,5%**	**-60,1%**	**-75,6%**	**140,7%**	**-68,8%**	**-60,1%**	-26,50	-35,10	-37,50
CAB as % of GDP	*-4,2%*	*-3,3%*	*-1,3%*	*1,0 pp*	*2,0 pp*	*2,6 pp*	*2,0 pp*					
Balance on Goods	-6.629	17.670	45.037	-366,5%	154,9%	380,1%	-30,7%	251,9%	154,9%	47,0	42,7	44,5
Exports	224.098	190.092	184.453	-15,2%	-3,0%	17,7%	-4,7%	-2,8%	-3,0%	192,71	202,00	214,00
Imports	230.727	172.422	139.416	-25,3%	-19,1%	-9,0%	10,1%	-21,1%	-19,1%	145,75	159,30	169,55
Balance on Services	-48.107	-36.919	-30.449	-23,3%	-17,5%	0,3%	34,5%	-21,3%	-17,5%			
Primary Income	-52.170	-42.357	-41.055	-18,8%	-3,1%	81,0%	8,1%	-5,1%	-3,1%			
Secondary Income	2.725	2.724	2.961	-0,04%	8,7%	38,0%	-39,7%	18,5%	8,7%			
Financial Account	**232**	**440**	**248**	**90,1%**	**-43,6%**	**-1378,9%**	**-94,3%**	**-16,7%**	**-43,6%**			
Conta Financeiras	**100.598**	**54.734**	**16.197**	**-45,6%**	**-70,4%**	**-90,3%**	**1103,8%**	**-80,7%**	**-70,4%**			
Direct Investments	70.855	60.976	71.181	-13,9%	16,7%	41,4%	30,2%	13,5%	16,7%			
Foreign Direct Investments (FDI)	96.895	74.475	78.929	-23,1%	6,0%	73,9%	5,5%	6,1%	6,0%	70,00	71,93	72,25
Portfolio Investments	38.708	22.048	-19.646	-43,0%	-189,1%	-101,9%	-34,9%	-175,1%	-189,1%			
Stock Market	10.813	6.366	7.049	-41,1%	10,7%	-154,2%	-116,9%	-16,4%	10,7%			
Bonds	29.079	11.919	-30.857	-59,0%	-358,9%	-119,2%	94,6%	-313,4%	-358,9%			
Others Investments and Capital Flows	-8.965	-28.290	-35.339	215,6%	24,9%	-12,1%	-9,7%	41,8%	24,9%			
International Reserves - liquidity concept	**362.547**	**359.368**	**365.016**	**-0,9%**	**1,6%**	**2,4%**	**2,4%**					

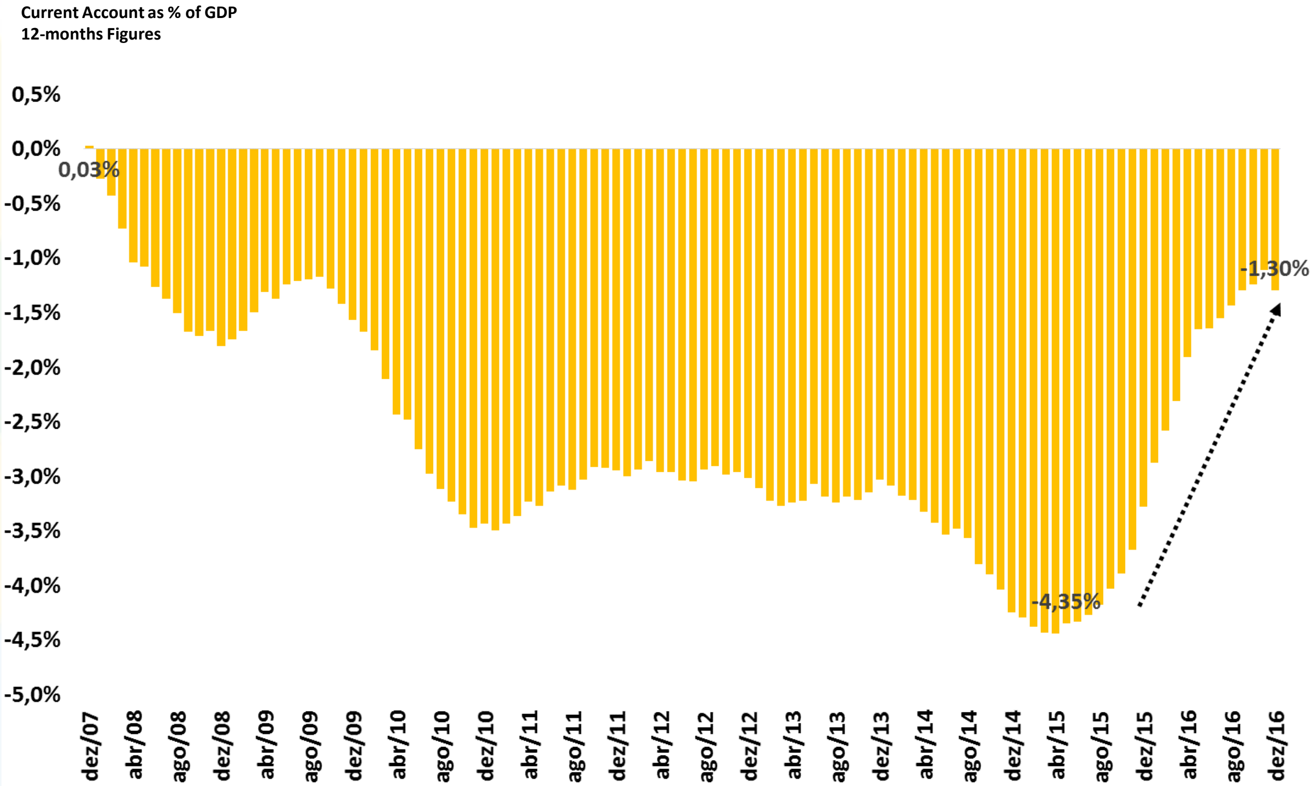
Gross External Debt (BCB) December 2016 In US$ millions	2014	2015	Dec/16	2014 % of total	Dec/16 % of total	chg. pp	2014 % of GDP	Dec/16 % of GDP	chg. pp			
Total Externa Debt	**712.655**	**665.101**	**682.161**	**100,0%**	**100,0%**	**-**	**29,0%**	**37,7%**	**8,7 pp**			
Gross External Debt	**352.821**	**334.745**	**323.714**	**49,5%**	**47,5%**	**-2,1 pp**	**14,4%**	**17,9%**	**3,5 pp**			
Public Sector	79.796	68.208	74.484	11,2%	10,9%	-0,3 pp	2,9%	4,1%	1,2 pp			
Private Sector and Public Financial Sector	273.025	266.537	249.230	38,3%	36,5%	-1,8 pp	11,4%	13,8%	2,3 pp			
Short Term	57.783	51.140	58.360	8,1%	8,6%	0,4 pp	2,2%	3,2%	1,0 pp			
Medium and Long Term	295.038	283.605	265.354	41,4%	38,9%	-2,5 pp	12,2%	14,7%	2,5 pp			
Intercompany Loans	**207.756**	**205.711**	**228.607**	**29,2%**	**33,5%**	**4,4 pp**	**8,8%**	**12,6%**	**3,8 pp**			
Domestic Bonds with Foreign Investors	**152.078**	**124.645**	**129.840**	**21,3%**	**19,0%**	**-2,3 pp**	**5,8%**	**7,2%**	**1,4 pp**			

Brazil: Real Exchange Rate and External Sector Adjustment



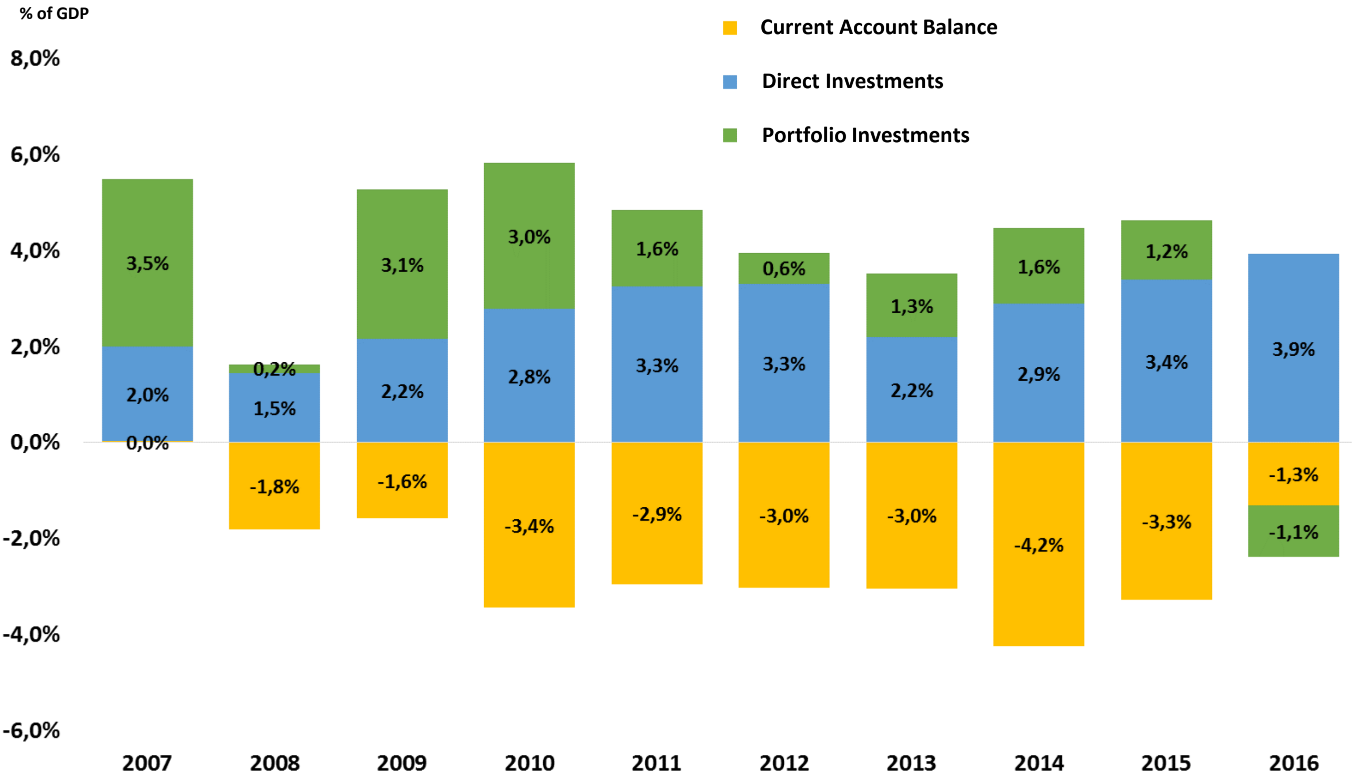
Source: Central Bank of Brazil.

Current Account Deficit as % of GDP



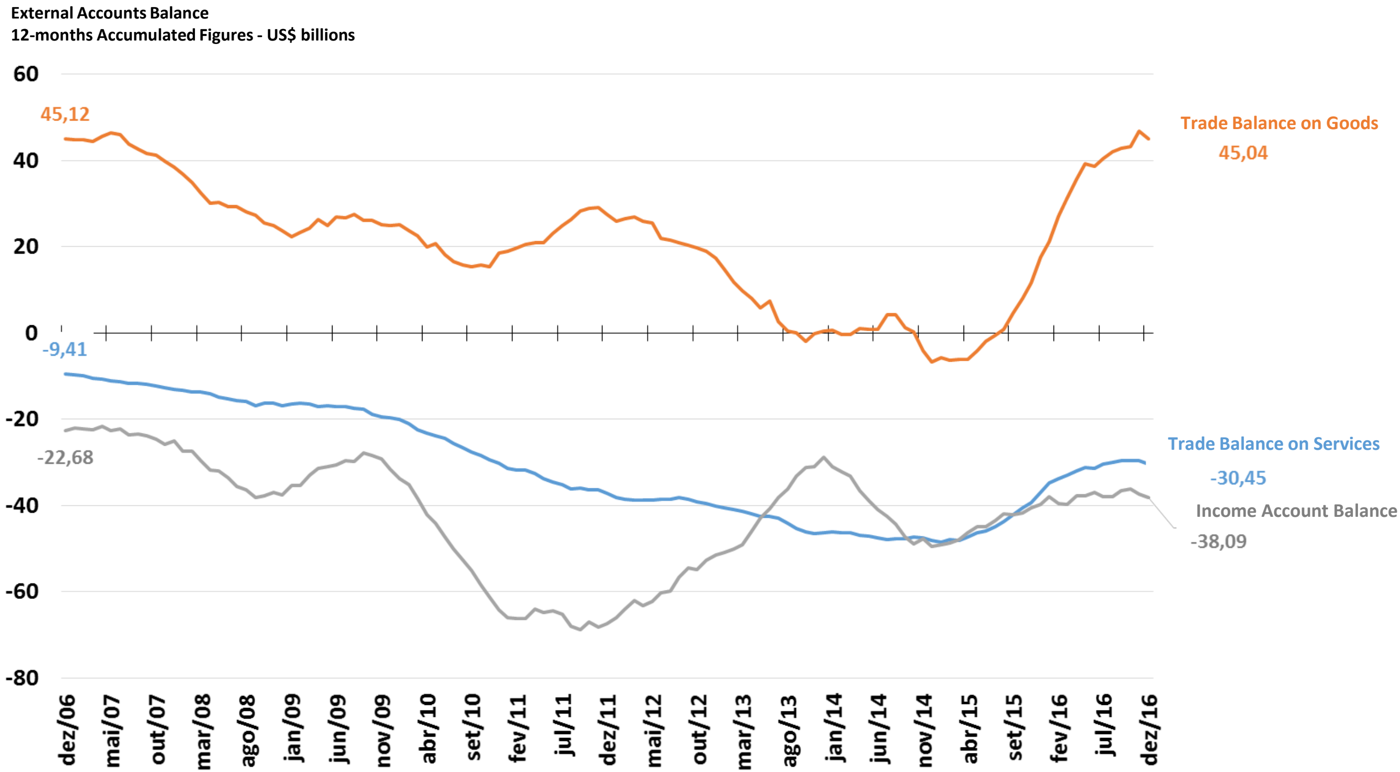
Source: Central Bank of Brazil.

Current Account Deficit Financing



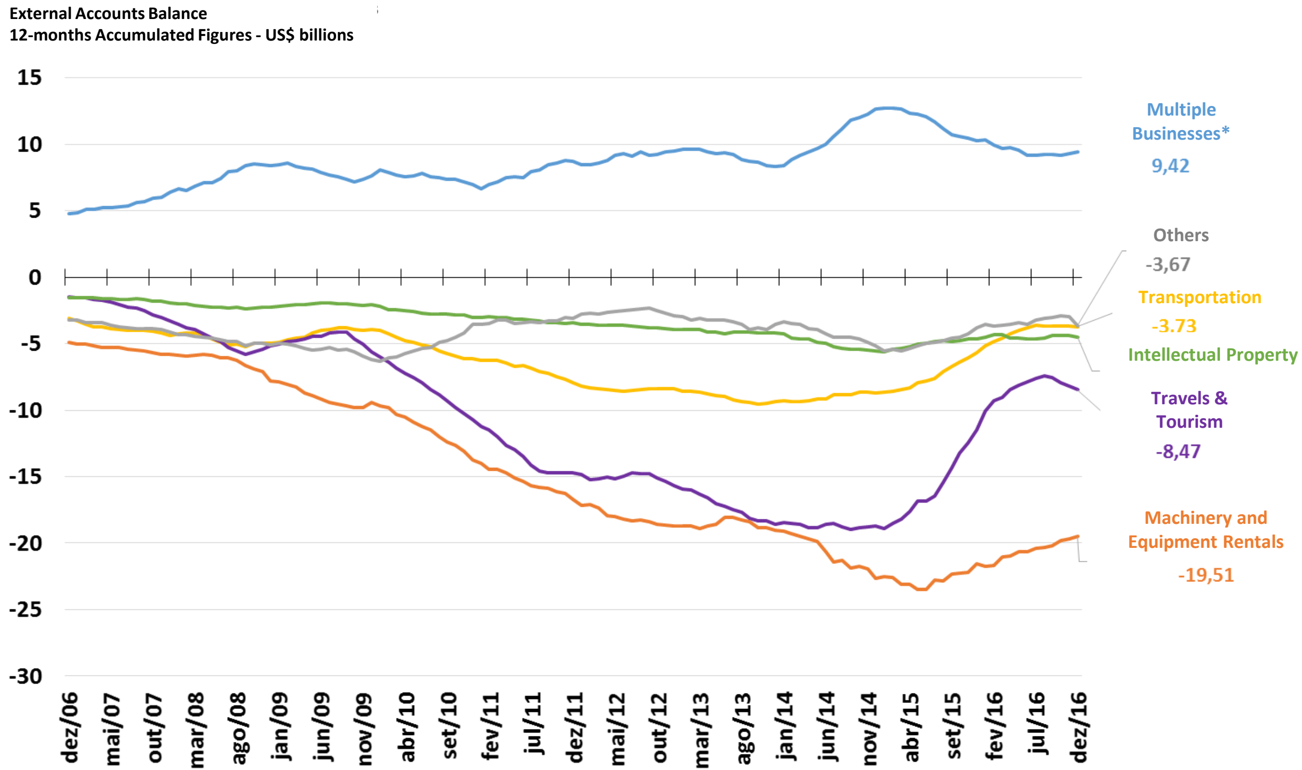
Source: Central Bank of Brazil.

Current Account Balance Components



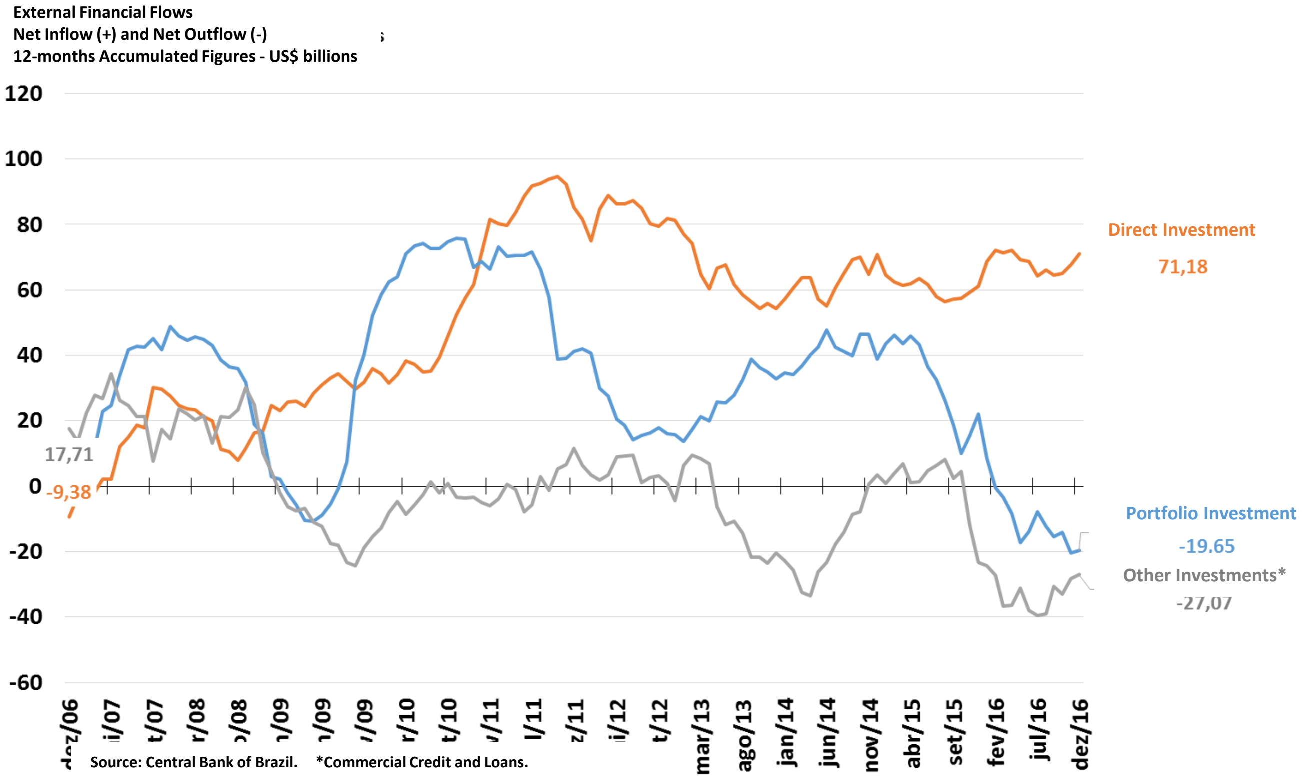
Source: Central Bank of Brazil.

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



Fonte: BCB. *Empréstimos e Créditos Comerciais.

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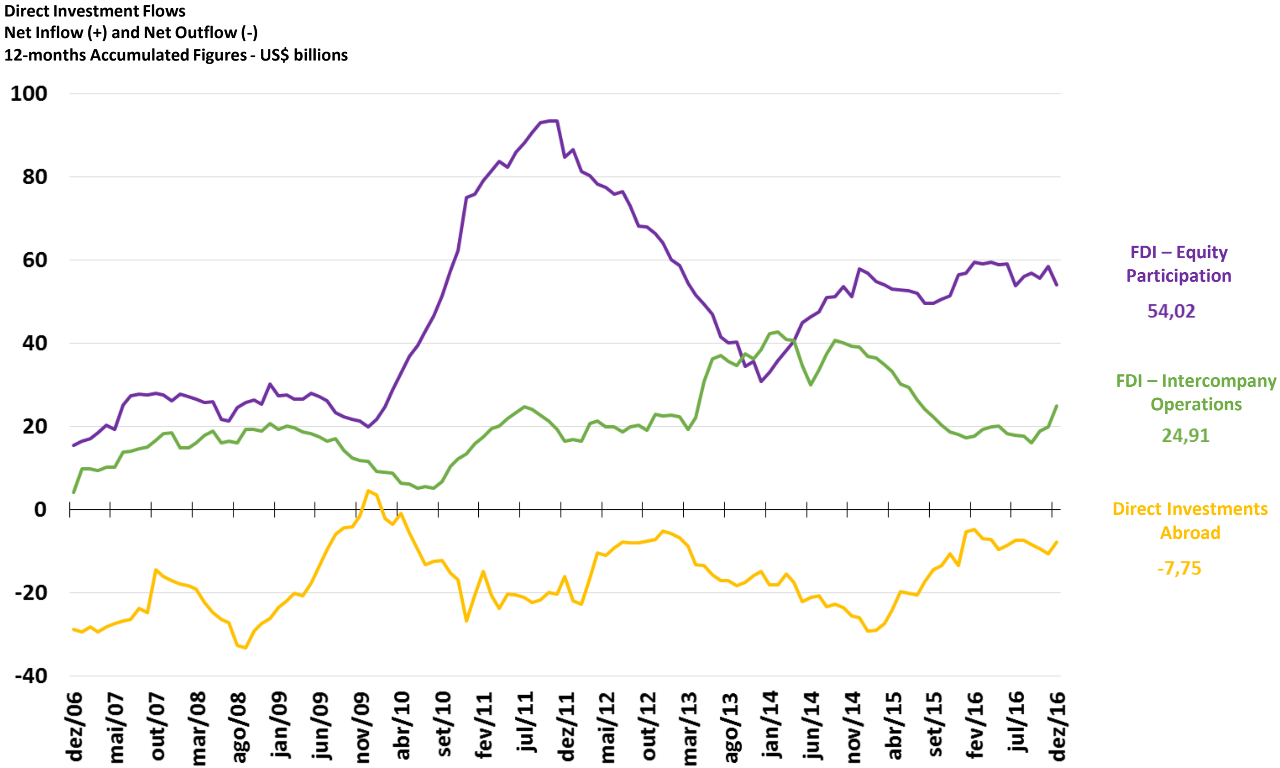
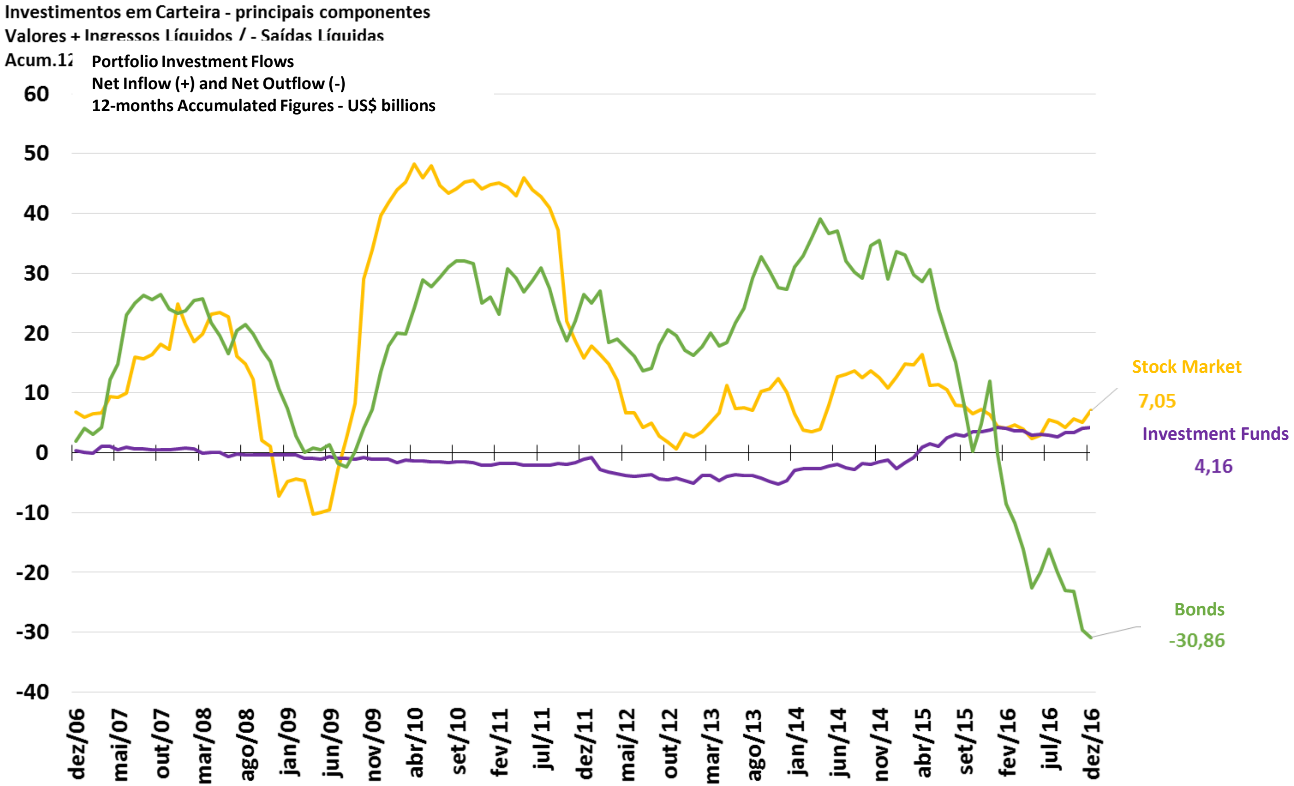
BRASIL BRAZILIAN GOVERNMENT

Direct Investments and Components



Source: Central Bank of Brazil.

Portfolio Investments and Components



Source: Central Bank of Brazil.

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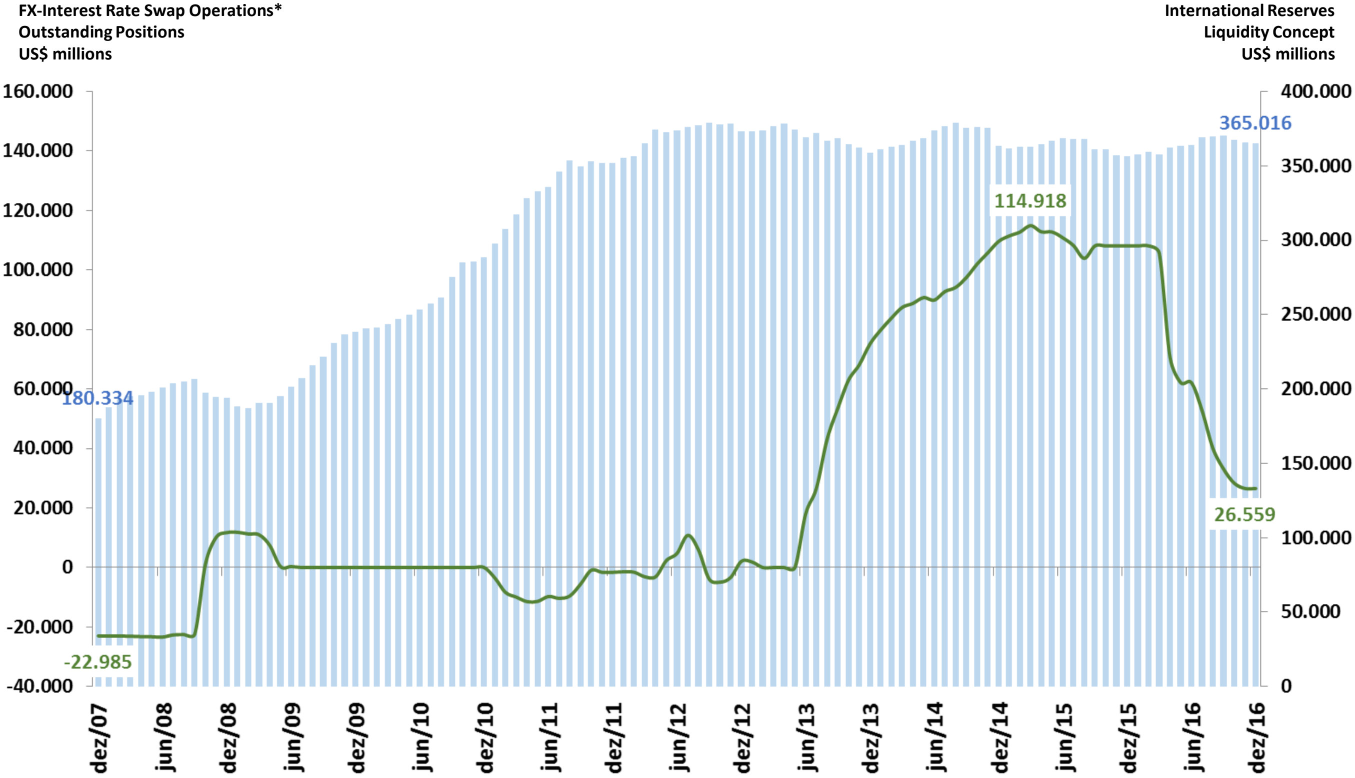
BRASIL BRAZILIAN GOVERNMENT

Brazilian International Reserves Evolution



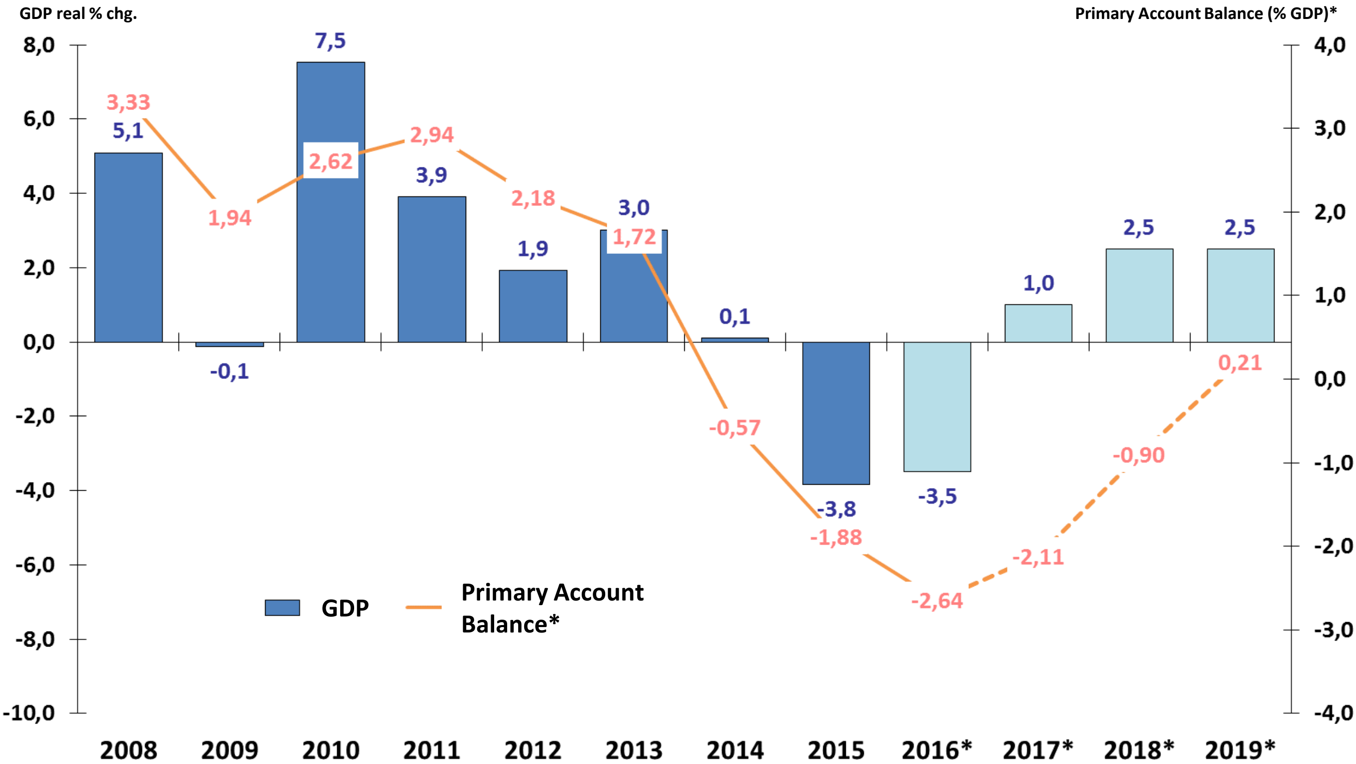
Source: Central Bank of Brazil. *Positive values represent net sell position on fx and negative values net buy position on fx.

PUBLIC ACCOUNTS

Public Accounts

										BCB/Focus:	27/01/2017	
Federal Government Accounts — **December 2016**	**12-month Acummulated Figures (in R$ millions)**						**chg. %**					
Federal Budget (National Treasury/Ministry of Finance)	**2011**	**2012**	**2013**	**2014**	**2015**	**Dec/16 accum. in 12-months**	**2015 / 2014**	**Dec/16 accum. 12-m / 2015**	**YTD 2016 / YTD 2015**			
Total Primary Revenue (a)	**988.270**	**1.059.889**	**1.178.983**	**1.221.474**	**1.247.789**	**1.314.953**	**2,2%**	**5,4%**	**5,4%**			
National Treasury	742.378	784.125	871.836	883.971	897.517	956.816	1,5%	6,6%	6,6%			
Social Security General System	245.892	275.765	307.147	337.503	350.272	358.137	3,8%	2,2%	2,2%			
States and Municipalities Mandatory Transfers (b)	**163.036**	**171.394**	**181.895**	**198.462**	**204.684**	**226.835**	**3,1%**	**10,8%**	**10,8%**			
Net Primary Revenue (a-b)	**825.234**	**888.495**	**997.088**	**1.023.013**	**1.043.105**	**1.088.118**	**2,0%**	**4,3%**	**4,3%**			
Total Primary Expenditure	**731.711**	**812.632**	**920.095**	**1.040.223**	**1.158.701**	**1.242.373**	**11,4%**	**7,2%**	**7,2%**			
National Treasury	450.273	496.043	563.092	646.022	722.611	734.502	11,9%	1,6%	1,6%			
Social Security General System	281.438	316.590	357.003	394.201	436.090	507.871	10,6%	16,5%	16,5%			
Federal Government Accounts — **December 2016**	**12-month Acummulated Figures (in R$ millions)**						**% of GDP**					
Federal Budget (National Treasury/Ministry of Finance)	**2011**	**2012**	**2013**	**2014**	**2015**	**Dec/16 accum. in 12-months**	**2014**	**2015**	**Dec/16 accum. in 12-months**			
Primary Account Balance of Federal Government (STN/MF)	**93.524**	**75.863**	**76.994**	**-17.211**	**-115.596**	**-154.255**	**-0,3%**	**-1,9%**	**-2,4%**			
National Treasury	129.070	116.687	126.850	39.487	-29.778	-4.521	0,7%	-0,5%	-0,1%			
Social Security General System	-35.546	-40.825	-49.856	-56.698	-85.818	-149.734	-1,0%	-1,4%	-2,4%			
Consolidate Public Sector Accounts — **December 2016**	**12-month Acummulated Figures (in R$ millions)**						**% of GDP**					
Public Sector Financial Need (Central Bank of Brazil - BCB)	**2011**	**2012**	**2013**	**2014**	**2015**	**Dec/16 accum. in 12-months**	**2014**	**2015**	**Dec/16 accum. in 12-months**	**2017**	**2018**	**2019**
Primary Account Balance Target (% GDP)										**-2,64%**	**-2,11%**	**-0,90%**
Primary Account Balance	**-128.710**	**-104.951**	**-91.306**	**32.536**	**111.249**	**155.791**	**0,6%**	**1,9%**	**2,5%**	**-2,2%**	**-1,6%**	**-0,7%**
Federal Government	-93.035	-86.086	-75.291	20.472	116.656	159.473	0,4%	1,9%	2,5%			
States and Municipalities	-32.963	-21.511	-16.337	7.790	-9.684	-4.666	0,1%	-0,2%	-0,1%			
State Owned Companies (except Petrobrás and Eletrobrás)	-2.712	2.645	322	4.274	4.278	983	0,1%	0,1%	0,0%			
Net Financial Public Expenditure (Debt Interest Payments)	236.673	213.863	248.856	311.380	501.786	407.024	5,4%	8,4%	6,5%			
Nominal Account Balance	**107.963**	**108.912**	**157.550**	**343.916**	**613.035**	**562.815**	**6,0%**	**10,2%**	**8,9%**	**-9,2%**	**-8,1%**	**-7,5%**
General Public Sector Debt (BCB) — **December 2016**	**Debt Outstanding (in R$ millions)**						**chg. %**					
End of Period Debt Outstanding (in R$ millions)	**Dec/11**	**Dec/12**	**Dec/13**	**Dec/14**	**Dec/15**	**Dec/16**	**Dec/14 - Dec/13**	**Dec/15 - Dec/14**	**Dec/16 - Dec/15**	**2017**	**2018**	**2019**
Consolidated Public Sector	**1.508.547**	**1.550.083**	**1.626.335**	**1.883.147**	**2.136.888**	**2.892.913**	**15,79%**	**13,47%**	**35,38%**			
Federal Government	1.009.192	1.002.205	1.025.358	1.200.680	1.312.962	2.090.133	17,1%	9,4%	59,2%			
States and Municipalities	474.345	519.423	569.794	643.066	771.635	747.503	12,9%	20,0%	-3,1%			
State Owned Companies (except Petrobrás and Eletrobrás)	25.010	28.456	31.183	39.402	52.292	55.278	26,4%	32,7%	5,7%			
Net Domestic Debt	2.047.015	2.169.502	2.341.011	2.669.547	3.289.112	3.856.985	14,0%	23,2%	17,3%			
Net External Debt	-538.468	-619.419	-714.676	-786.400	-1.152.224	-964.072	10,0%	46,5%	-16,3%			
General Public Sector Net Debt (% GDP)	**34,5%**	**32,2%**	**30,5%**	**32,6%**	**35,6%**	**45,9%**	**2,1 pp**	**3,0 pp**	**10,3 pp**	**50,9%**	**55,0%**	**56,1%**
General Public Sector Gross Debt (% GDP)	**51,3%**	**53,7%**	**51,5%**	**56,3%**	**65,5%**	**69,5%**	**4,7 pp**	**9,2 pp**	**4,0 pp**			

Fiscal Adjustment and Economic Recovery



Sources: IBGE, MF and MP.

* Annex IV-Fiscal Targets of 2017 Budgetary Guidelines Bill of Law (PLDO 2017) and Macroeconomic Projections for Budgetary Bill of Law (PLOA 2017).

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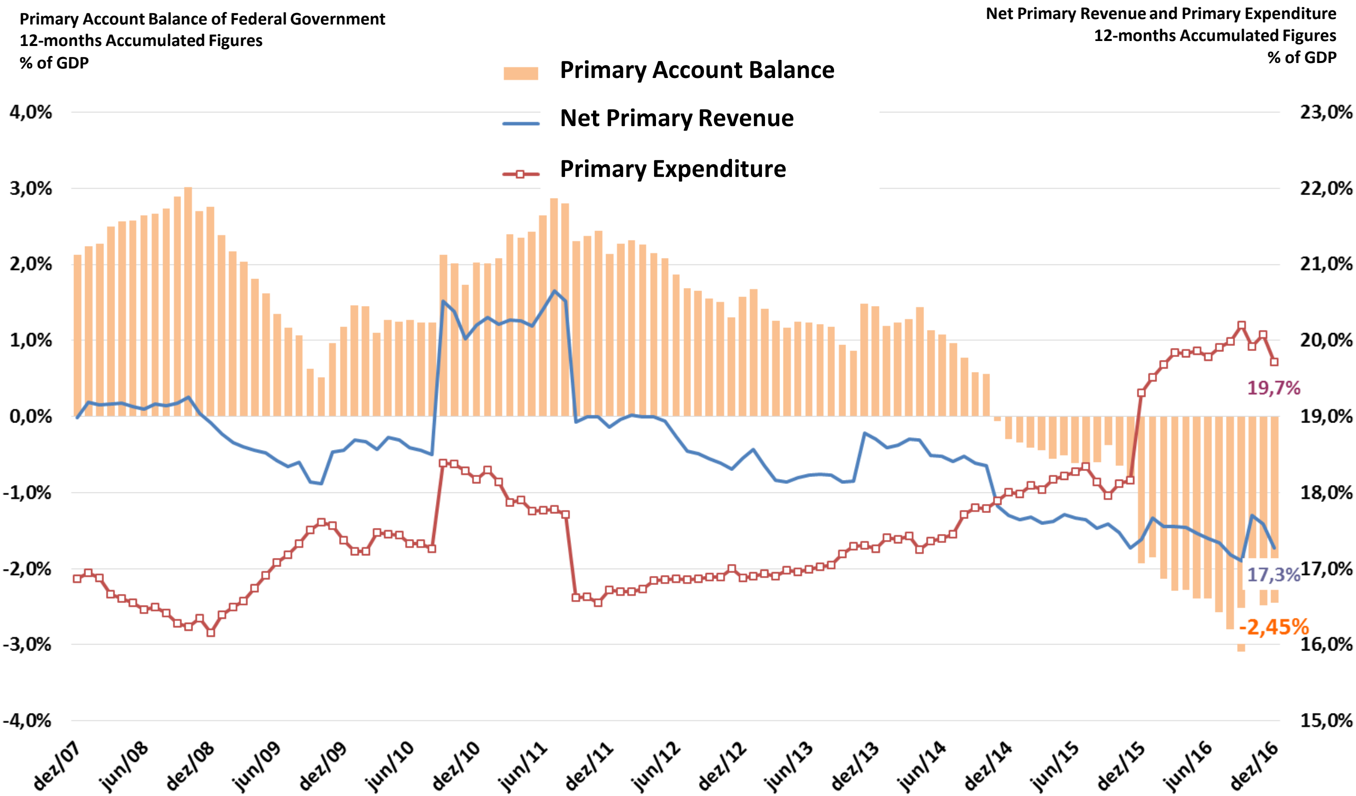
MINISTRY OF PLANNING, DEVELOPMENT AND MANAGEMENT

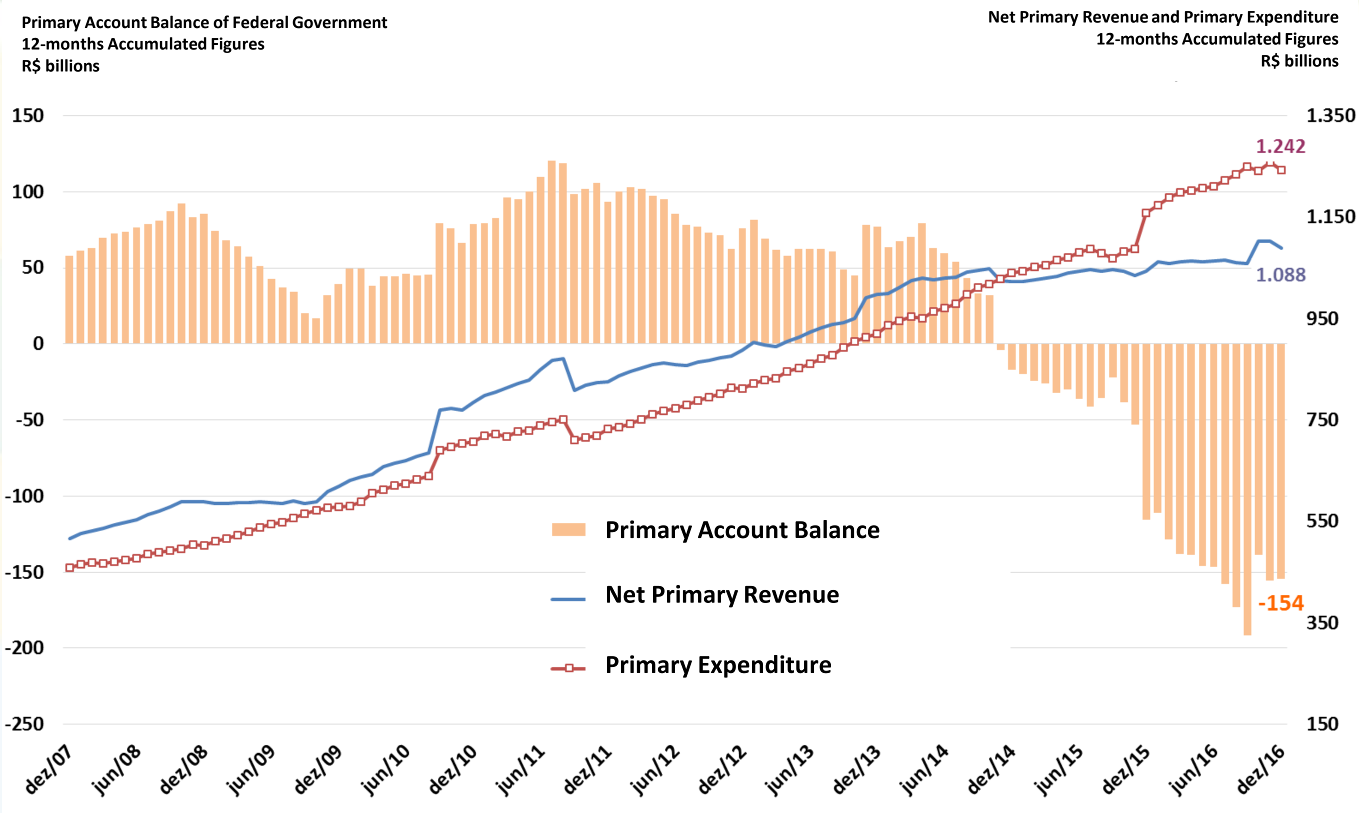
BRASIL BRAZILIAN GOVERNMENT

Primary Account Balance of Federal Government (as % GDP)



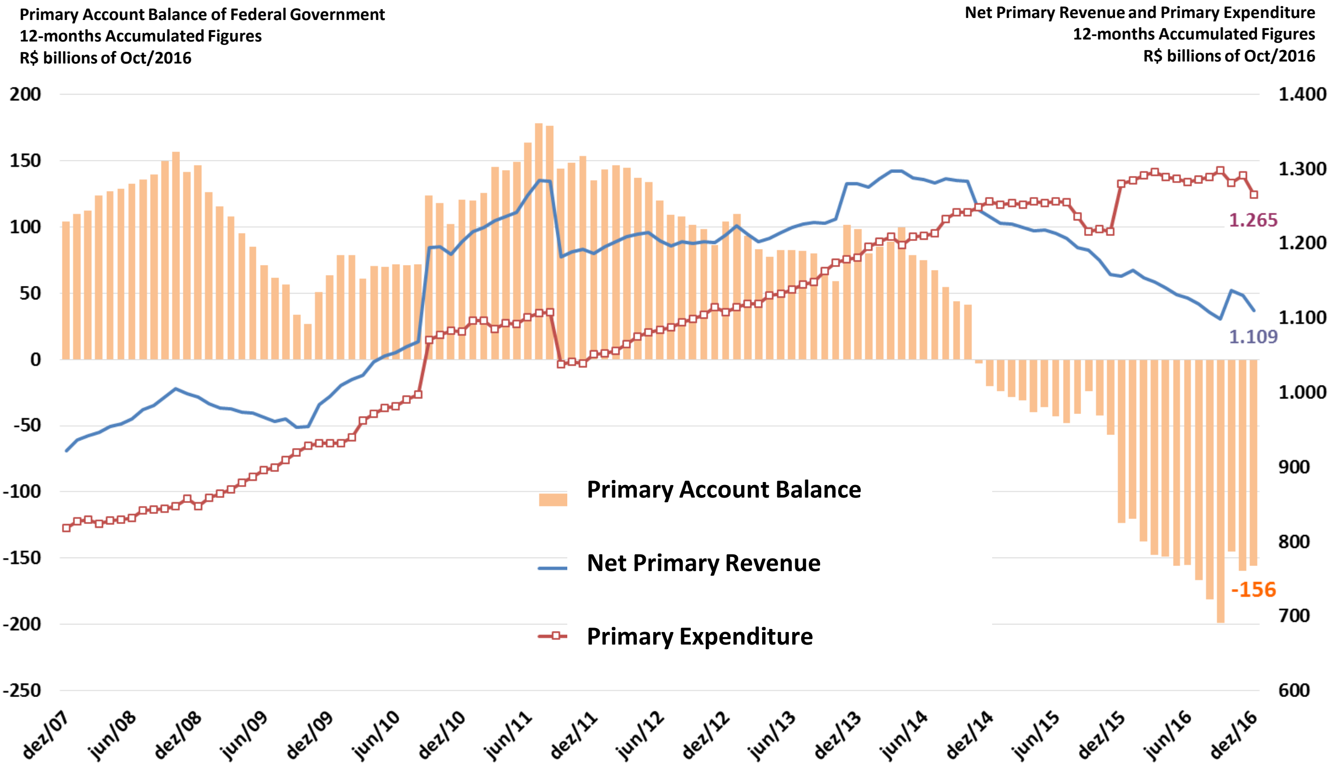
Sources: STN/MF.

Primary Account Balance of Federal Government (nominal values)



Source: STN/MF.

Primary Account Balance of Federal Government (real values)



Source: STN/MF.

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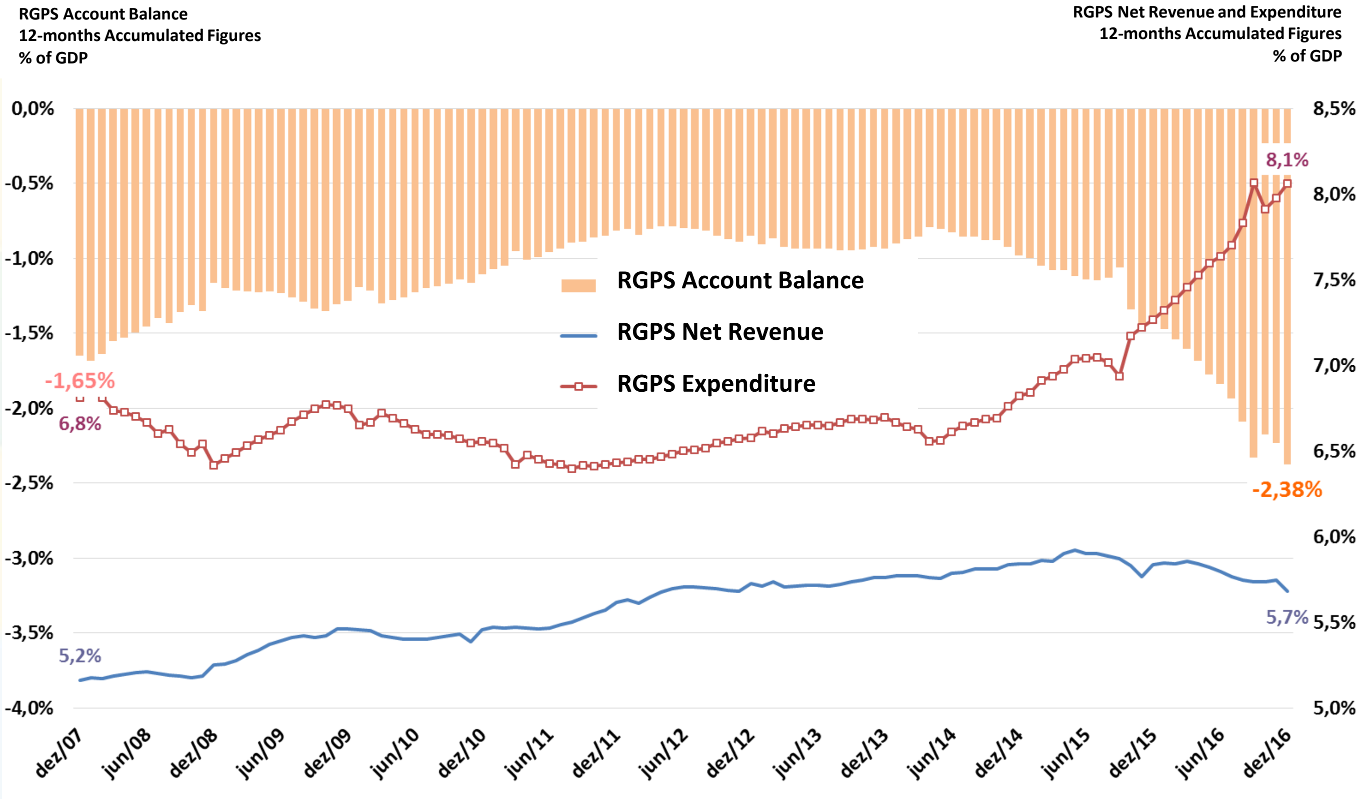
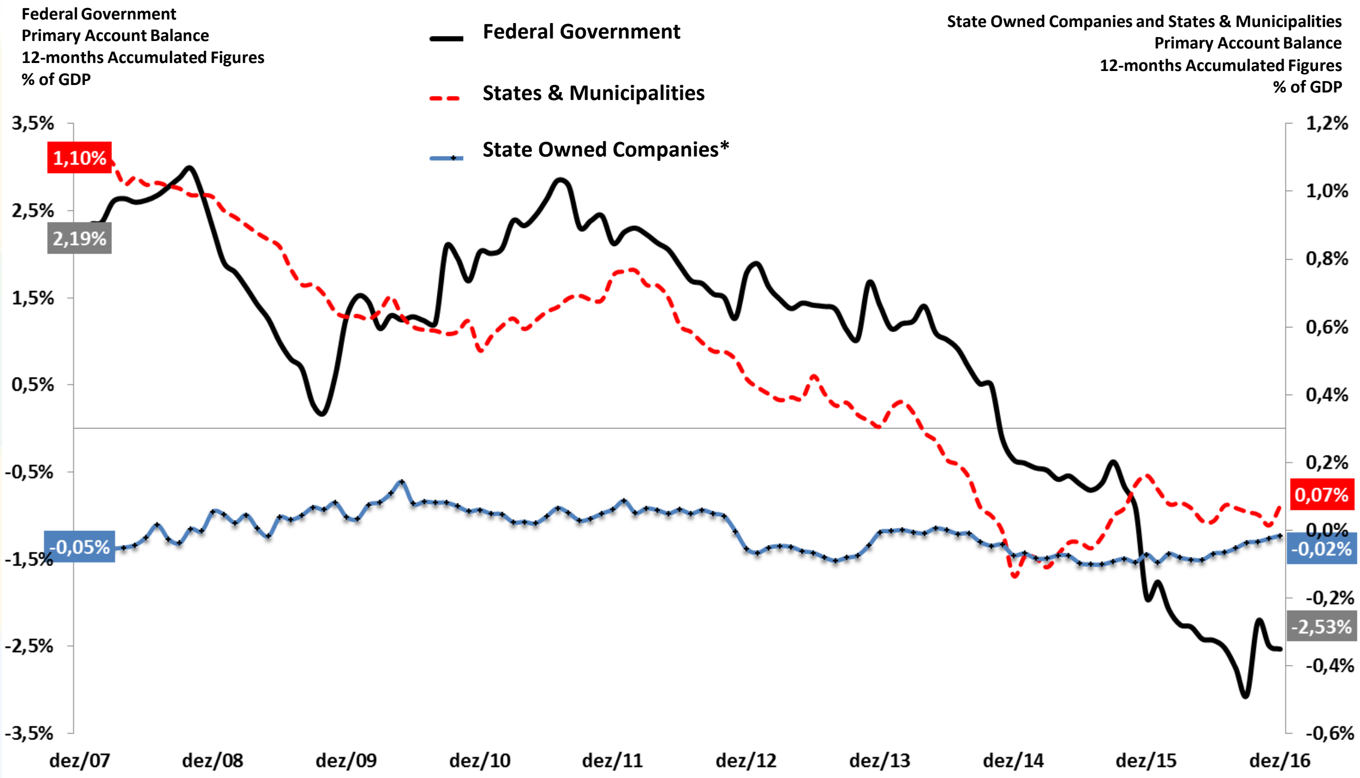
BRASIL BRAZILIAN GOVERNMENT

General Social Security System (RGPS) Account Balance



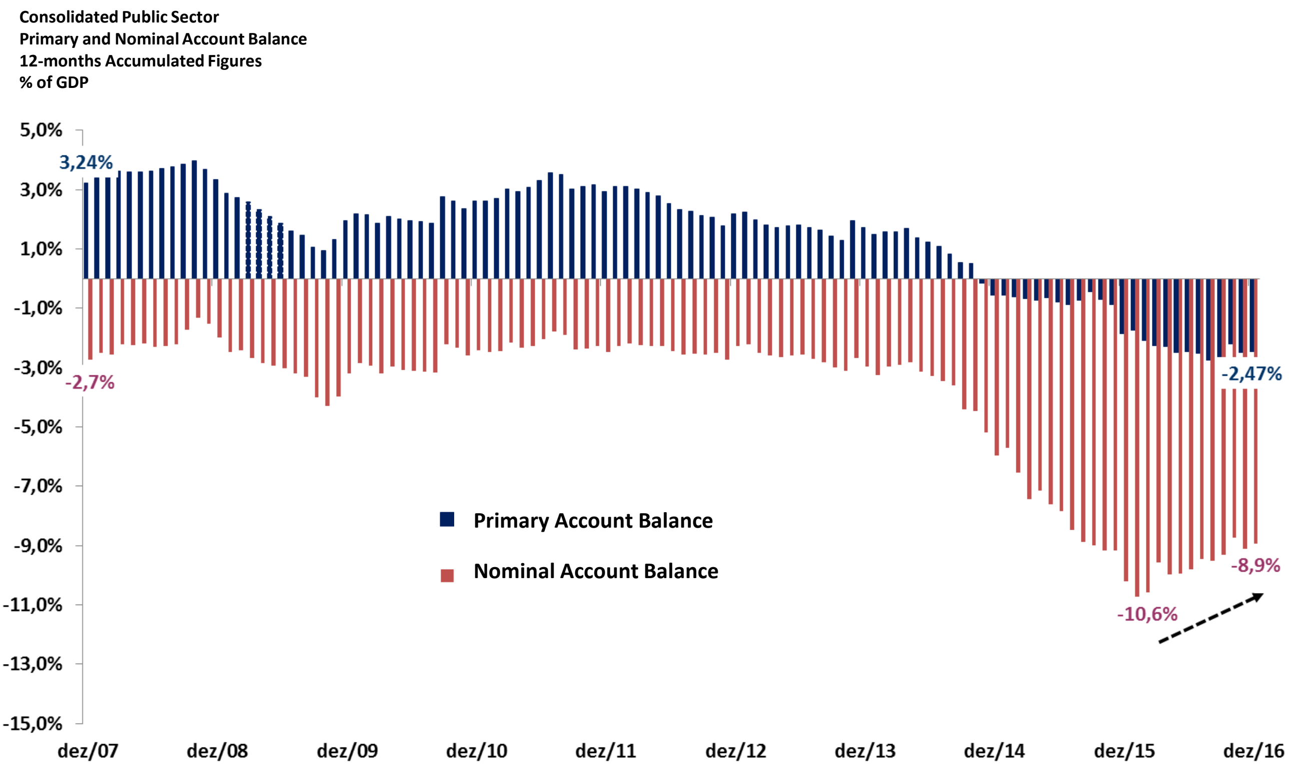
Sources: STN/MF.

General Public Sector Primary Account Balance (as % GDP)



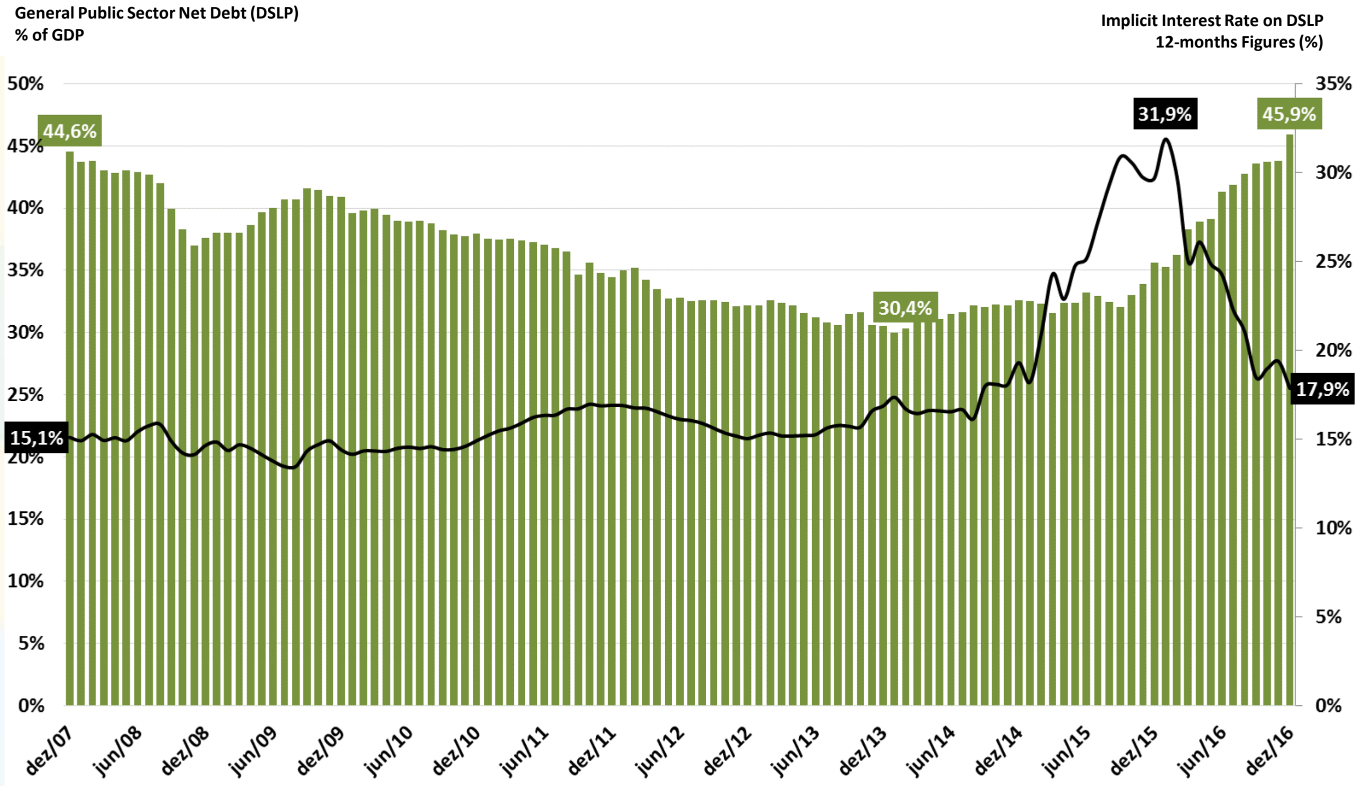
Sources: Central Bank of Brazil. *Exclude Petrobrás and Eletrobrás.

General Public Sector Primary and Nominal Account Balance



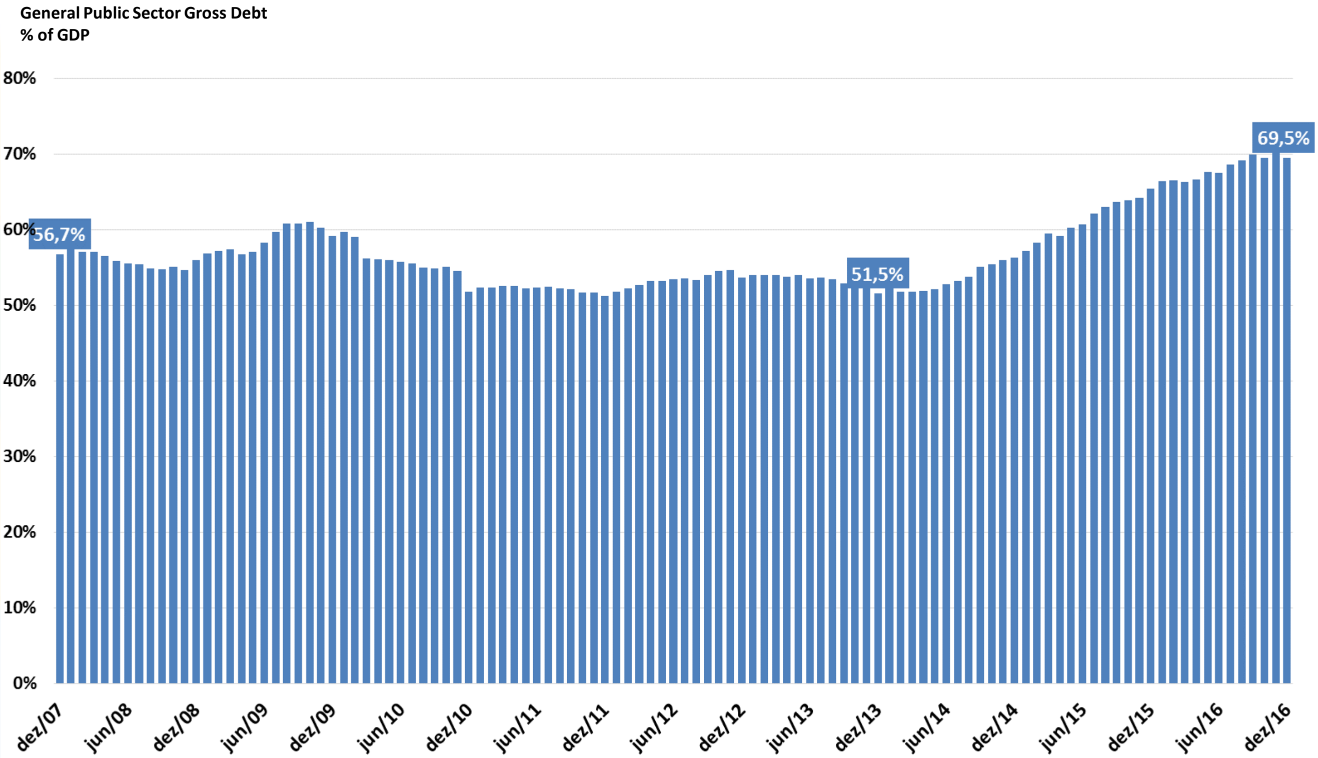
Sources: Central Bank of Brazil.

General Public Sector Net Debt (as % GDP)



Source: Central Bank of Brazil.

General Public Sector Gross Debt (as % GDP)



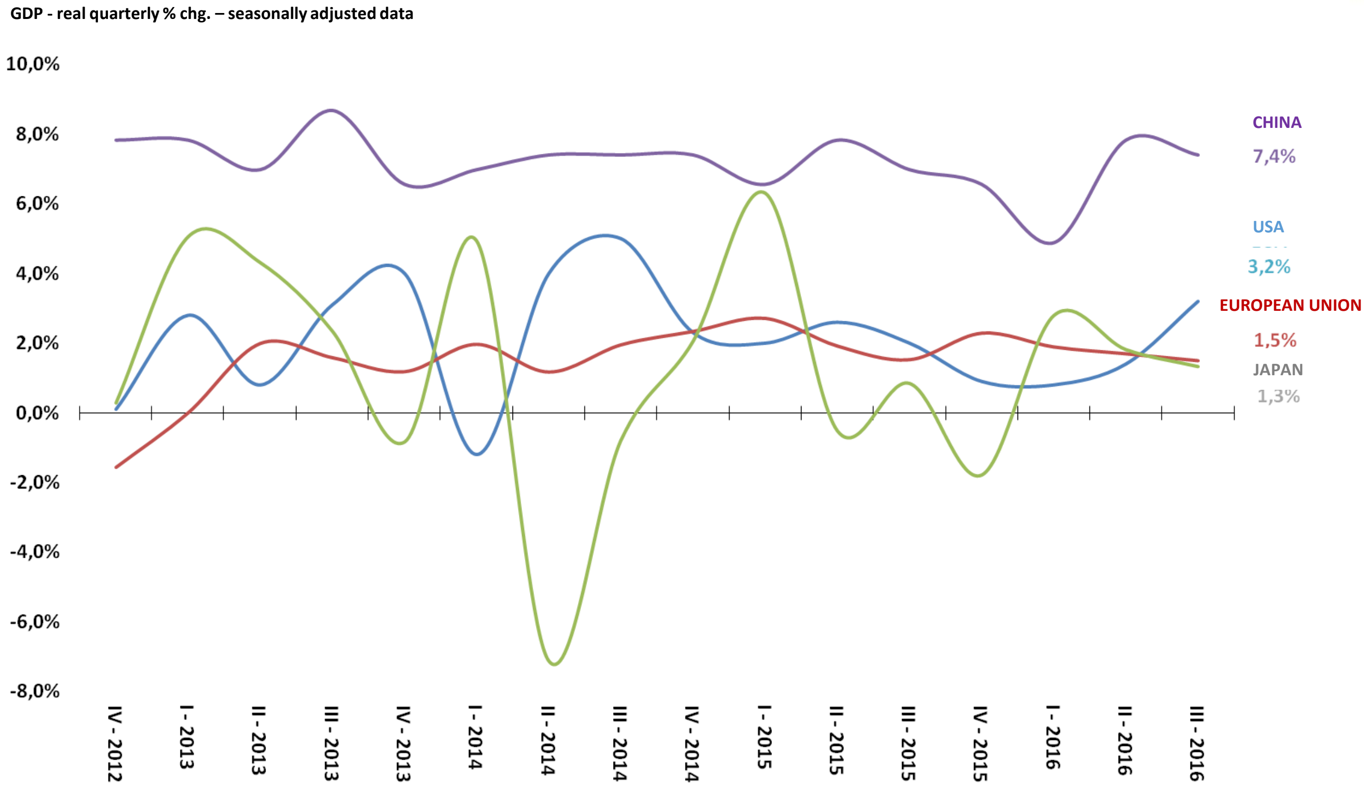
Source: Central Bank of Brazil.

WORLD ECONOMY

World Economy

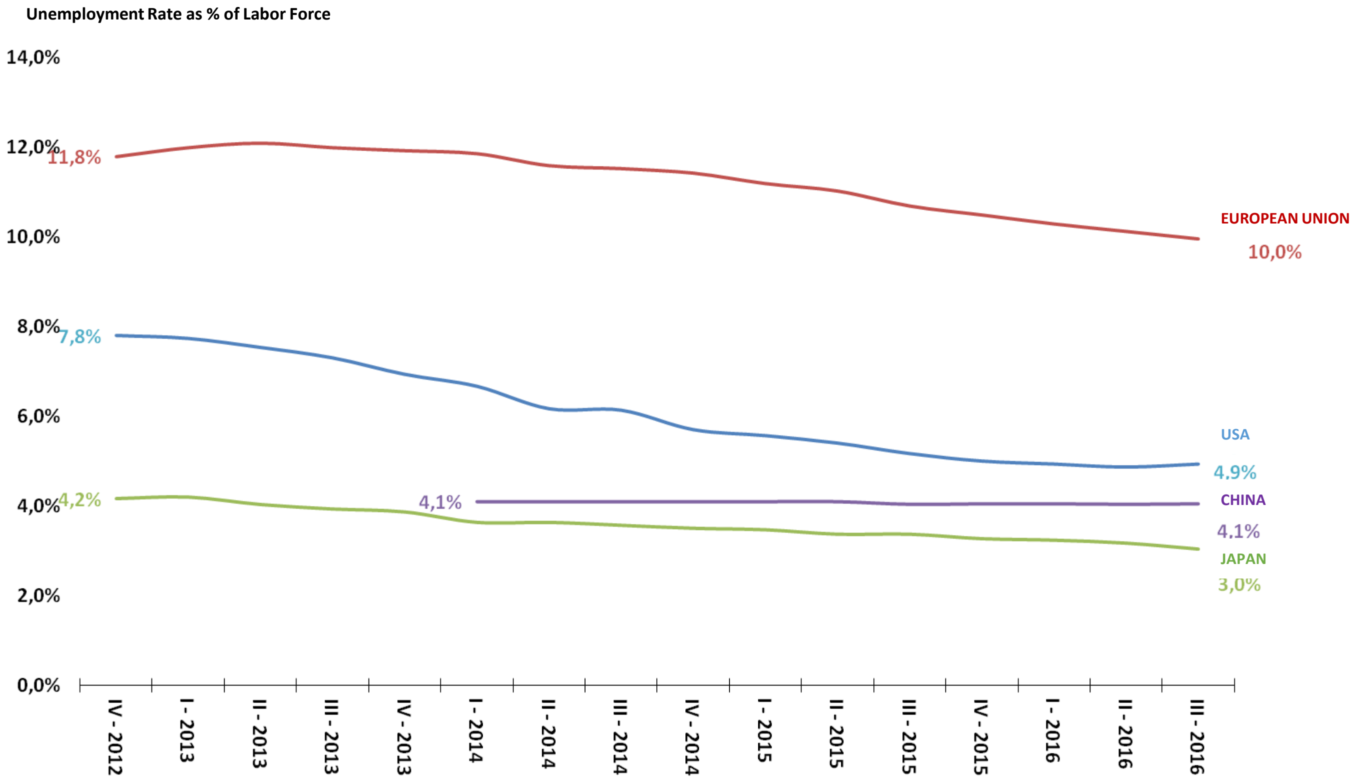
World (Q3 2016) *data from IMF and WTO*	2012	2013	2014	2015	2016	Q2-2016 / Q2-2015	Q3-2016 / Q3-2015	Q4-2016 / Q4-2015	Q2-2016 accum. in 4-quarters	Q3-2016 accum. in 4-quarters	IMF - WEO, January-2017. 2016	IMF - WEO, January-2017. 2017	IMF - WEO, January-2017. 2018
World Output - GDP	**3,5%**	**3,3%**	**3,4%**	**3,2%**							**3,10%**	**3,40%**	**3,60%**
Advanced Economies	1,2%	1,2%	1,9%	2,1%							1,60%	1,90%	2,00%
Emerging Market and Developing Economies	5,3%	5,0%	4,6%	4,0%							4,10%	4,50%	4,80%
Latin America and the Caribbean	3,0%	2,9%	1,0%	0,0%							-0,70%	1,20%	2,10%
World Trade of Goods and Services	**1,4%**	**2,8%**	**1,7%**	**-11,4%**		**1,4%**	**-0,7%**		**1,1%**	**0,5%**	**-1,0%**	**-11,0%**	**-16,5%**
National Accounts (Q3 2016) *data from IMF, OECD, Eurostat, NBSC and METI*	**2012**	**2013**	**2014**	**2015**	**2016**	**Q2-2016 / Q2-2015**	**Q3-2016 / Q3-2015**	**Q4-2016 / Q4-2015**	**Q2-2016 accum. in 4-quarters**	**Q3-2016 accum. in 4-quarters**	**2016**	**2017**	**2018**
USA - GDP	**2,2%**	**1,7%**	**2,4%**	**2,6%**	**1,6%**	**1,3%**	**1,7%**	**1,9%**	**2,3%**	**2,0%**	**0,00%**	**2,30%**	**2,50%**
Household Expenditure	1,5%	1,5%	2,9%	3,2%	2,7%	2,7%	2,8%	2,8%	3,0%	2,8%			
Government Expenditure	-1,9%	-2,9%	-0,9%	1,8%	0,9%	0,7%	0,4%	0,5%	1,7%	1,7%			
Gross Fixed Capital Formation	10,6%	6,1%	4,5%	5,0%	-1,5%	-2,9%	-2,7%	0,4%	3,4%	1,8%			
Exports of Goods and Services	3,4%	3,5%	4,3%	0,1%	0,4%	-1,1%	2,0%	1,5%	-0,1%	-0,6%	0,00%	5,85%	6,41%
Imports of Goods and Services (-)	2,2%	1,1%	4,4%	4,6%	1,1%	0,3%	0,6%	2,5%	3,8%	2,7%	0,00%	7,18%	5,66%
Industrial Production	2,2%	3,7%	4,9%	-1,8%	-1,0%	-1,1%	-1,0%	-0,4%	-1,3%	-1,3%			
Unemployment (% of Labor Force)	8,1%	7,4%	6,2%	5,3%	4,9%	-0,5 pp	-0,3 pp	-0,3 pp	5,0%	4,9%	0,00%	4,77%	4,73%
Consumer Price Index	1,7%	1,5%	0,8%	0,7%	2,1%	1,0%	1,1%		1,0%	1,5%	0,00%	2,56%	2,66%
European Union - GDP	**-0,4%**	**0,3%**	**1,6%**	**2,3%**	**1,9%**	**1,8%**	**1,9%**	**1,9%**	**2,1%**	**2,0%**	**0,00%**	**1,69%**	**1,80%**
Household Expenditure	-0,5%	-0,1%	1,0%	2,0%									
Government Expenditure	0,0%	0,3%	0,8%	1,7%									
Gross Fixed Capital Formation	-2,2%	-1,6%	2,8%	3,7%									
Exports of Goods and Services	2,4%	1,6%	4,7%	6,0%									
Imports of Goods and Services (-)	-0,8%	2,5%	5,0%	7,1%									
Industrial Production	-2,1%	-0,5%	1,2%	2,3%	1,3%	1,2%	1,0%	1,6%	1,8%	1,5%			
Unemployment (% of Labor Force)	10,4%	10,8%	10,2%	9,4%	8,6%	-0,9 pp	-0,8 pp	0,0 pp	9,0%	8,8%	10,28%	9,91%	9,57%
Consumer Price Index	2,4%	1,0%	0,0%	0,2%		0,1%	0,4%		0,1%	0,0%	0,68%	1,32%	1,58%
Japan - GDP	**1,7%**	**1,4%**	**0,0%**	**0,5%**		**0,9%**	**1,0%**		**1,1%**	**0,8%**	**0,90%**	**0,80%**	**0,50%**
Industrial Production	0,0%	-0,7%	2,1%	-0,9%	-0,2%	-1,7%	0,6%	3,0%	-1,3%	-0,9%			
Unemployment (% of Labor Force)	4,3%	4,0%	3,6%	3,4%	3,1%				3,1%	3,0%	3,18%	3,20%	3,20%
Consumer Price Index	-0,2%	1,5%	2,5%	0,2%	0,3%				-0,4%	-0,5%	-0,14%	0,65%	0,64%
China - GDP	**7,9%**	**7,8%**	**7,3%**	**6,9%**	**6,7%**	**1,9%**	**1,8%**		**6,8%**	**6,7%**		**6,50%**	**6,00%**
Industrial Production	10,1%	9,9%	7,9%	6,6%	6,0%				6,0%	6,3%			
Unemployment (% of Labor Force)	4,1%	4,1%	4,1%	4,1%	4,0%				4,1%	4,0%		4,05%	4,05%
Consumer Price Index	2,5%	2,5%	1,5%	1,6%	2,1%							2,30%	2,40%

World Major Economies GDP



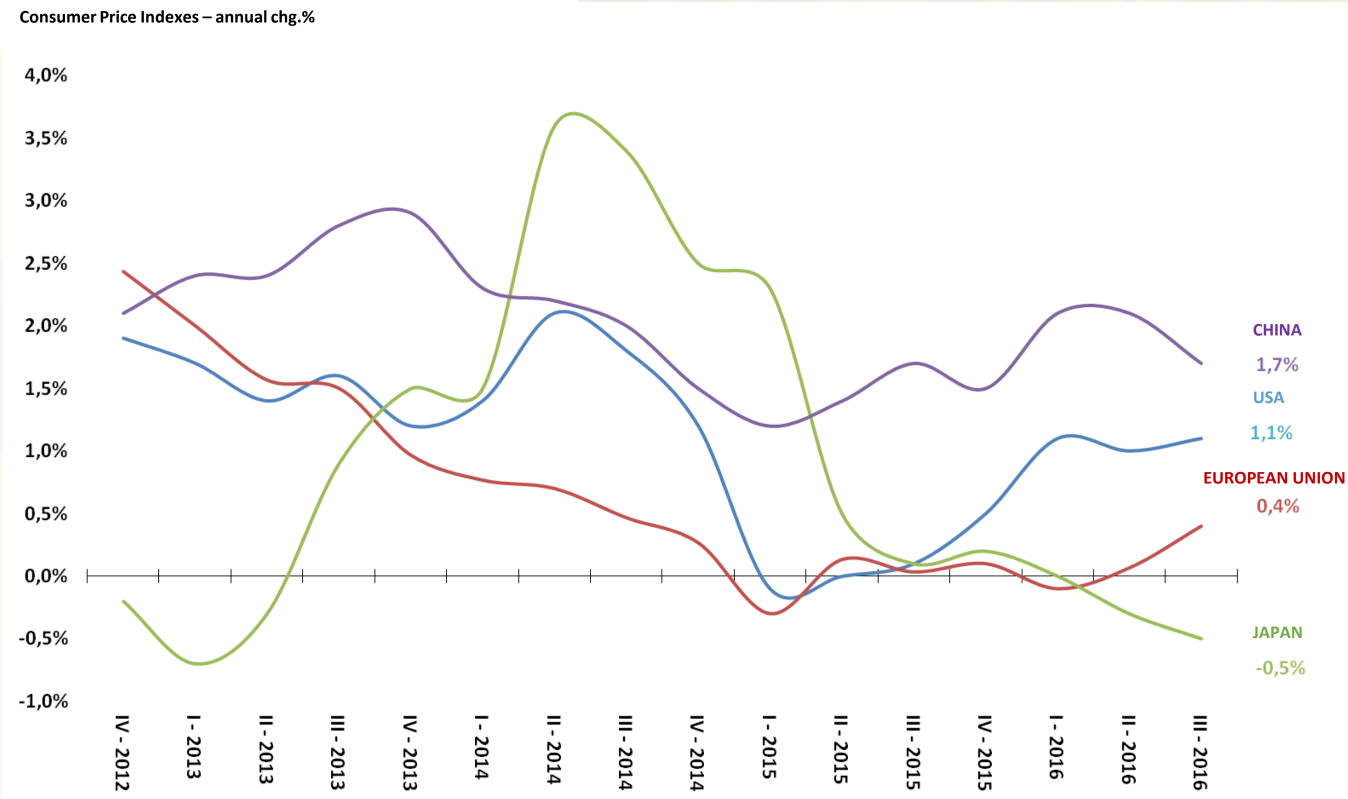
Source: OECD.

World Major Economies Unemployment Rate



Source: OECD.

World Major Economies Consumer Price Index



Source: OECD.

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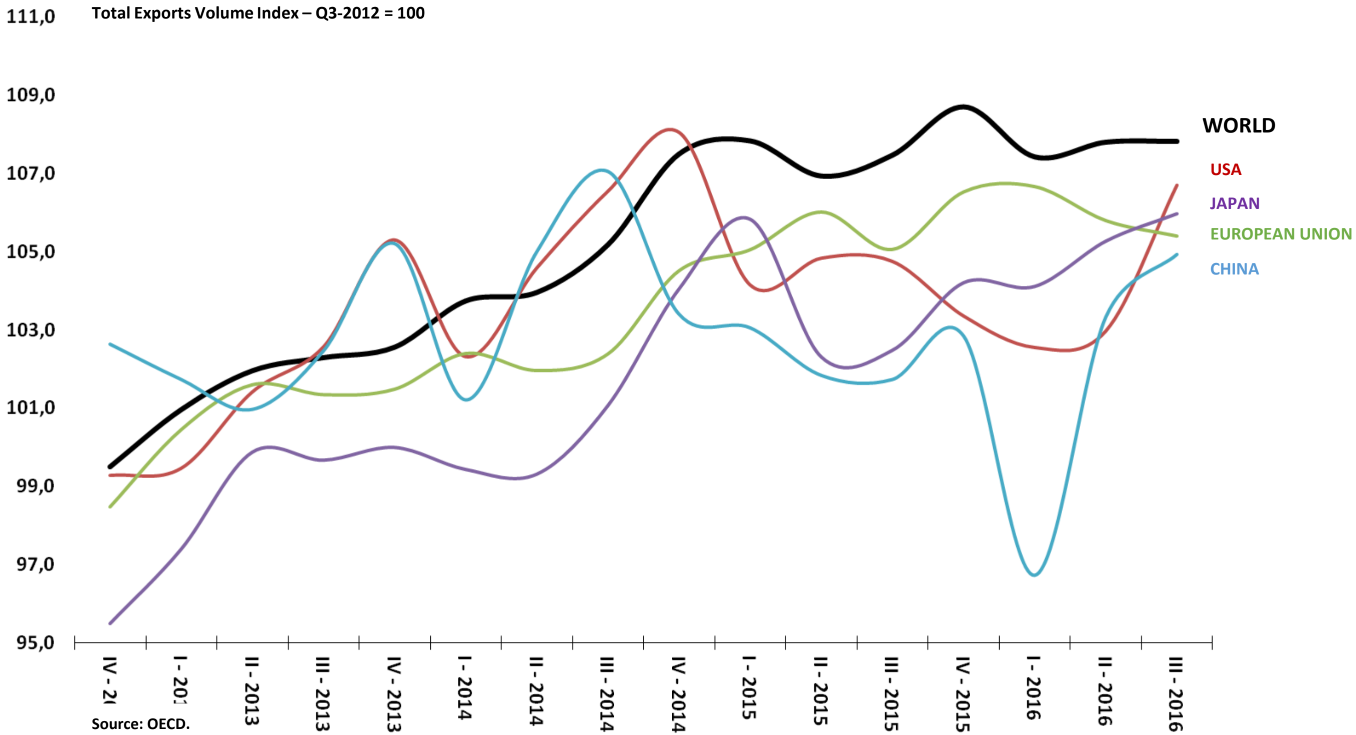
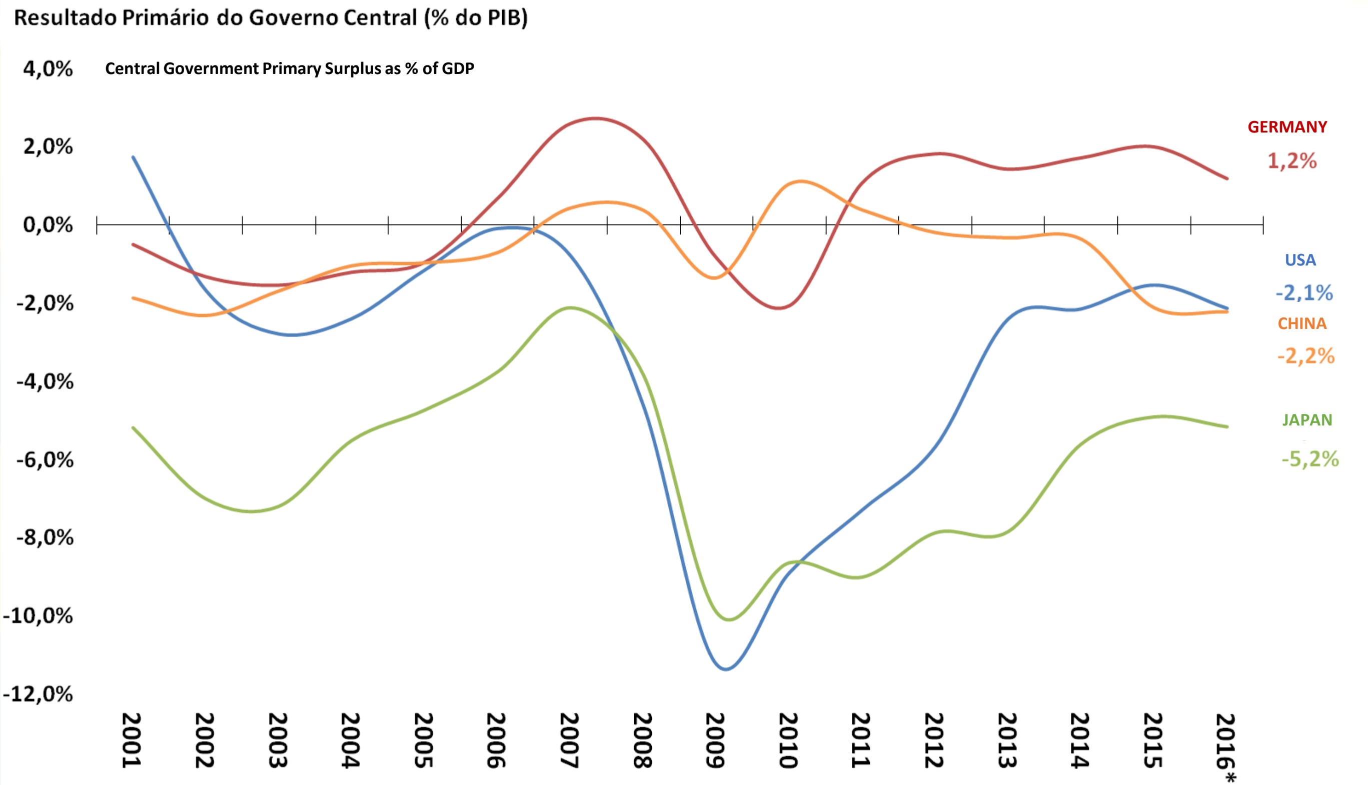
World Major Economies Total Exports

Volume Total Exportado - 3º Trimestre de 2012 = 100



Fonte: OCDE.

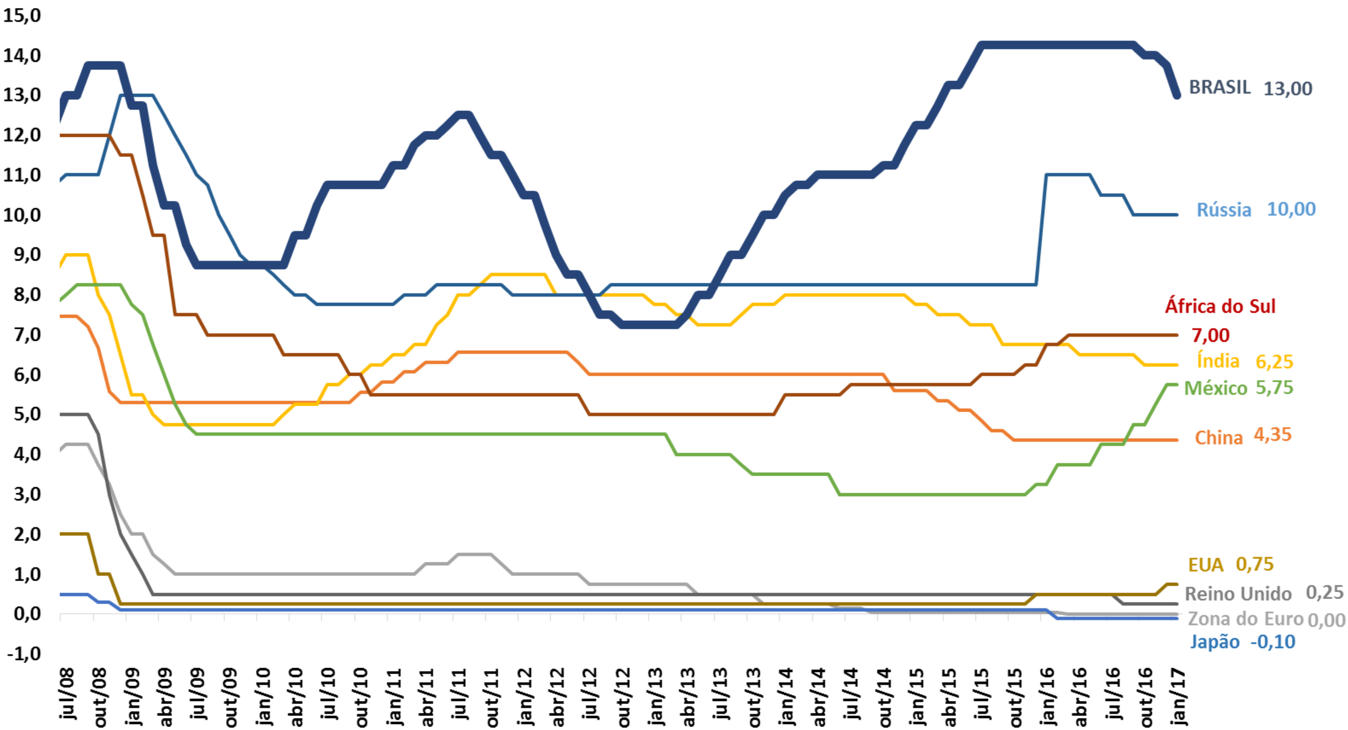
World Major Economies Government Primary Surplus



Source: IMF. * Estimated values

Selected Economies Official Interest Rate

Official Interest Rates – Selected Economies – % per year



Source: Central Bank of Brazil.

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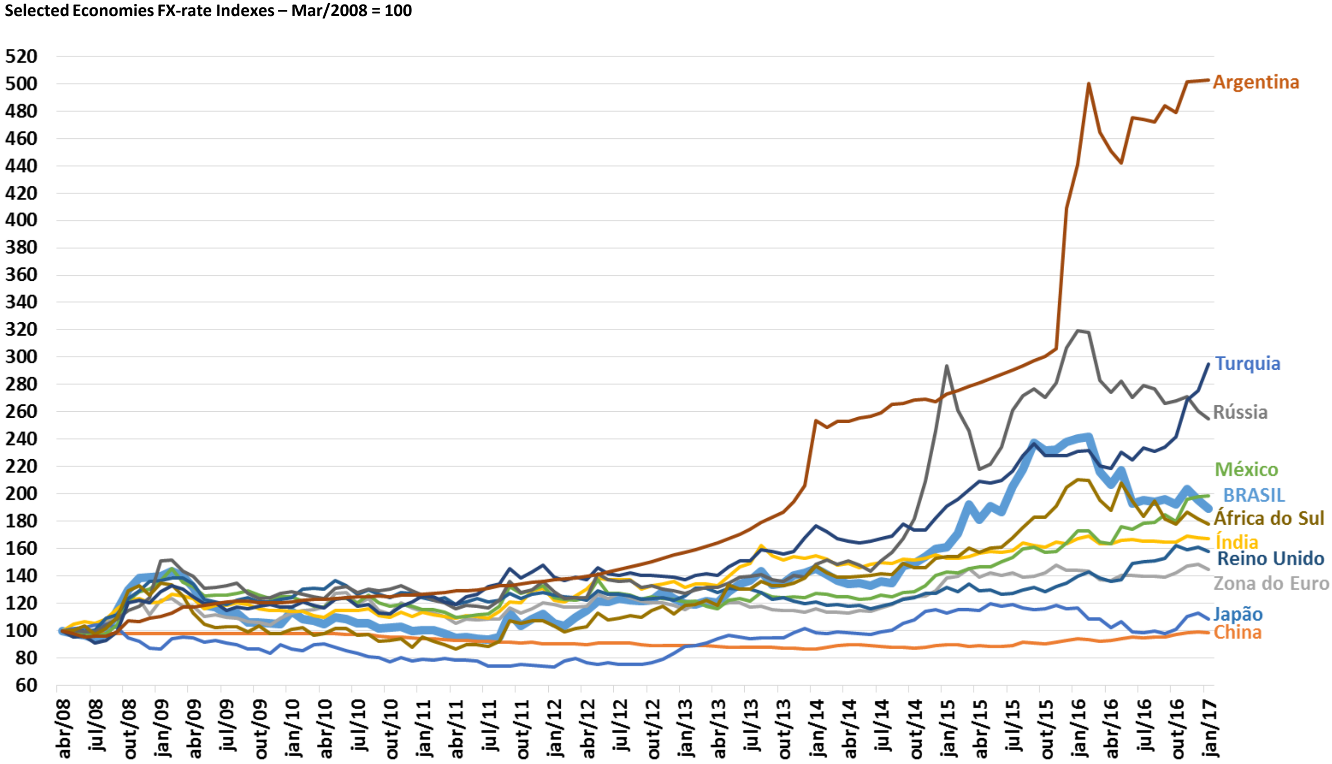
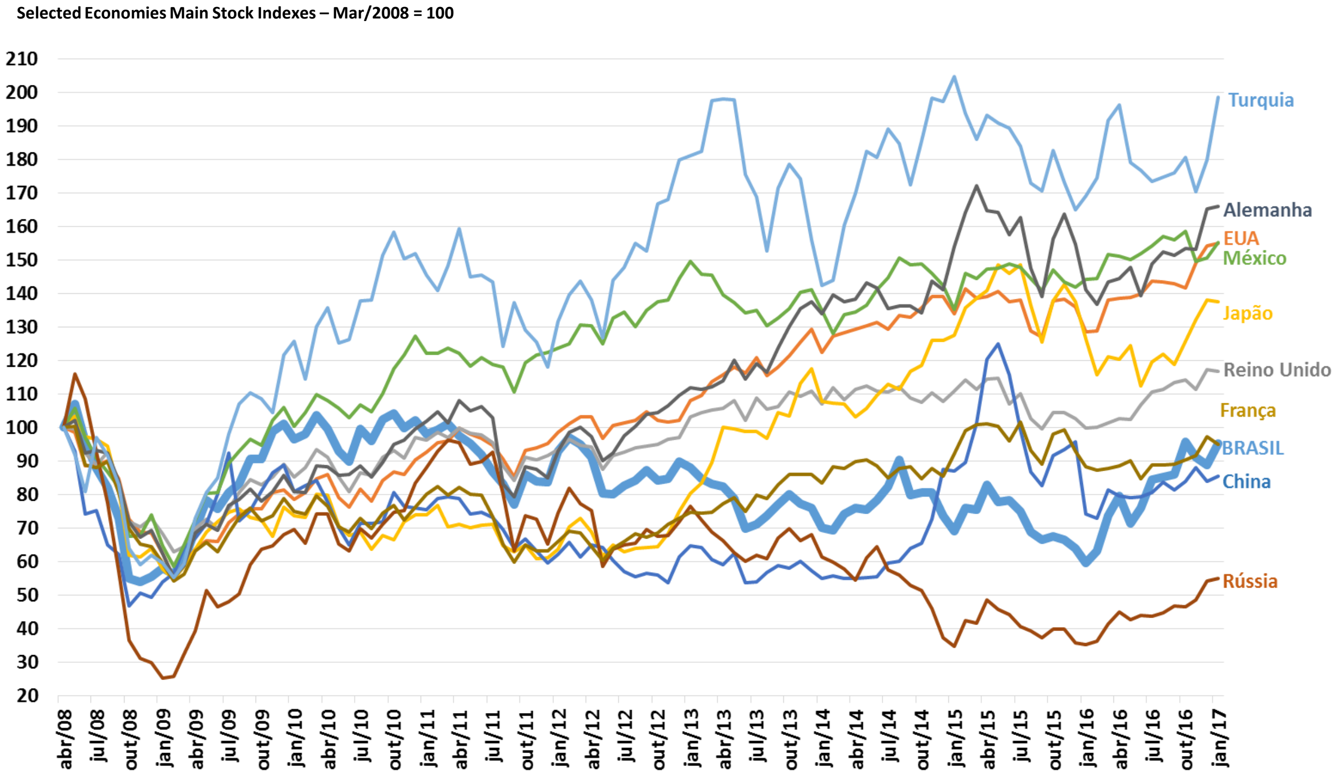
BRASIL BRAZILIAN GOVERNMENT

Selected Economies FX-dollar Rate Evolution



Sources: Bloomberg.

Selected Economies Main Stock Index Evolution



Sources: Bloomberg.

MINISTER OF PLANNING, DEVELOPMENT AND MANAGEMENT (INTERIM) - **DYOGO HENRIQUE DE OLIVEIRA**

DEPUTY EXECUTIVE SECRETARY - **ESTEVES PEDRO COLNAGO JÚNIOR**

SECRETARY OF PLANNING AND ECONOMIC AFFAIRS (SEPLAN) - **MARCOS ADOLFO RIBEIRO FERRARI**

SEPLAN CHIEF OF STAFF - **ELY ARIMA TAKASAKI**

DIRECTOR OF MACROECONOMIC AFFAIRS (DEMAC) - **FABIO RIBEIRO SERVO**
DIRECTOR OF MICROECONOMIC AFFAIRS (DEMIC) - **FABIO MITSUO FUKUJIMA GOTO**
DIRECTOR OF FISCAL AND SOCIAL AFFAIRS (DESOC) - **ARNALDO BARBOSA DE LIMA JÚNIOR**
DIRECTOR OF TRANSVERSAL AND TERRITORIAL AFFAIRS (DETER) - **ROBERTO ENDRIGO ROSA**
DIRECTOR OF PLANNING AND EVALUATION (DEPLA) - **CLAUDIO EVANGELISTA DE CARVALHO**

MACROECONOMIC OUTLOOK TECHNICAL TEAM (DEMAC):

FABIO RIBEIRO SERVO
ÉLDER LINTON ALVES DE ARAÚJO
SILAS FRANCO DE TOLEDO
SÉRGIO ROSA FERRÃO
SURIPONGSE CHIMPLIGANOND
LUCIANO PACHECO

SOCIAL COMMUNICATION SPECIAL ADVISORY:

SEVERINO GOES
THAISIS SOUZA
CARLA SIMÕES

CONTACT: **demac@planejamento.gov.br**

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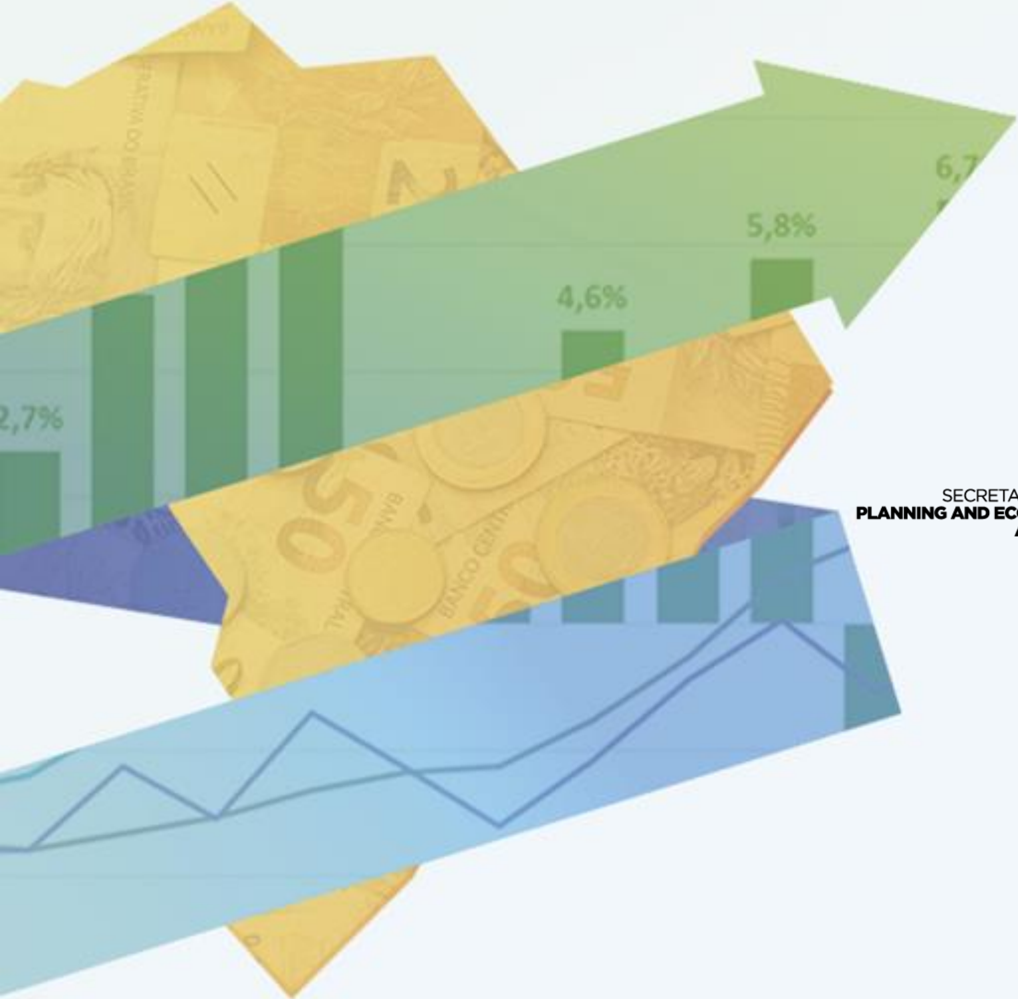

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