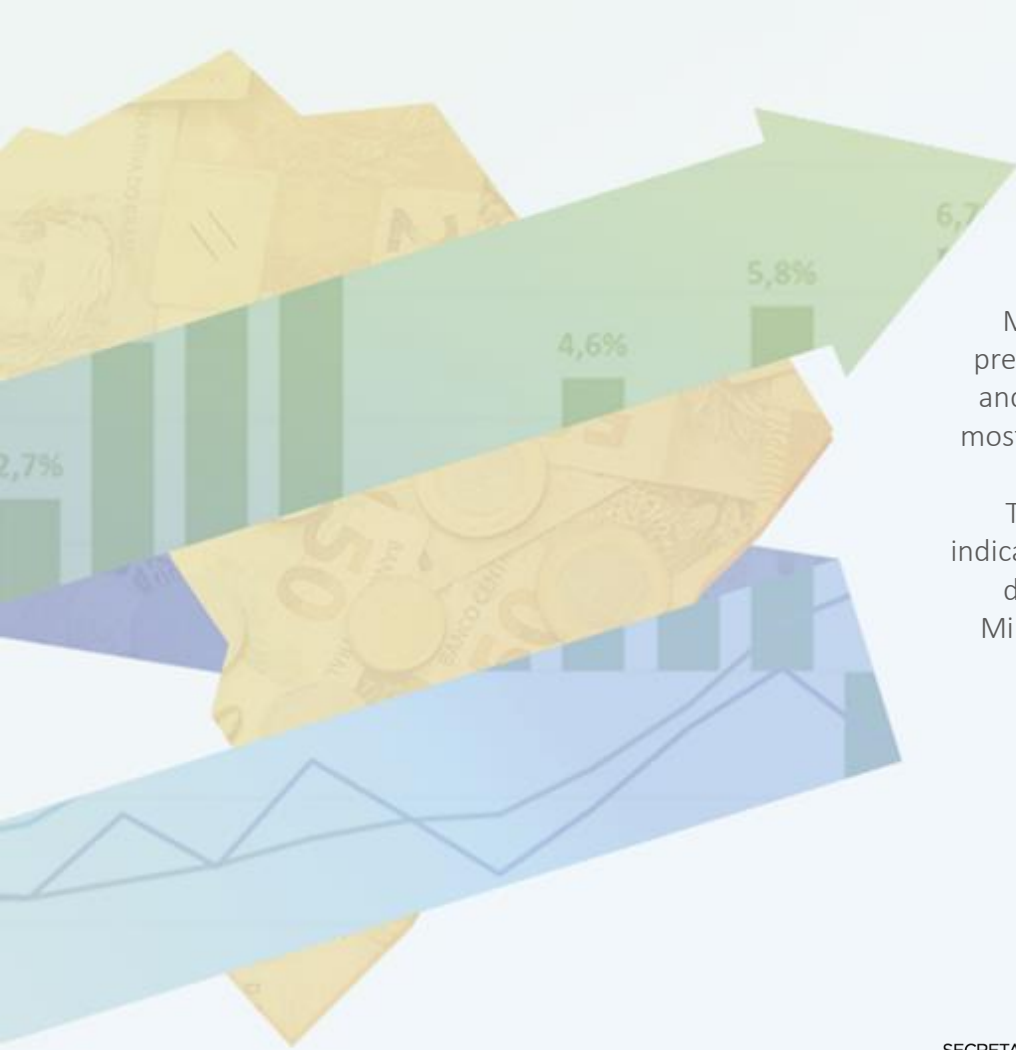




MACROECONOMIC OUTLOOK

December 2017

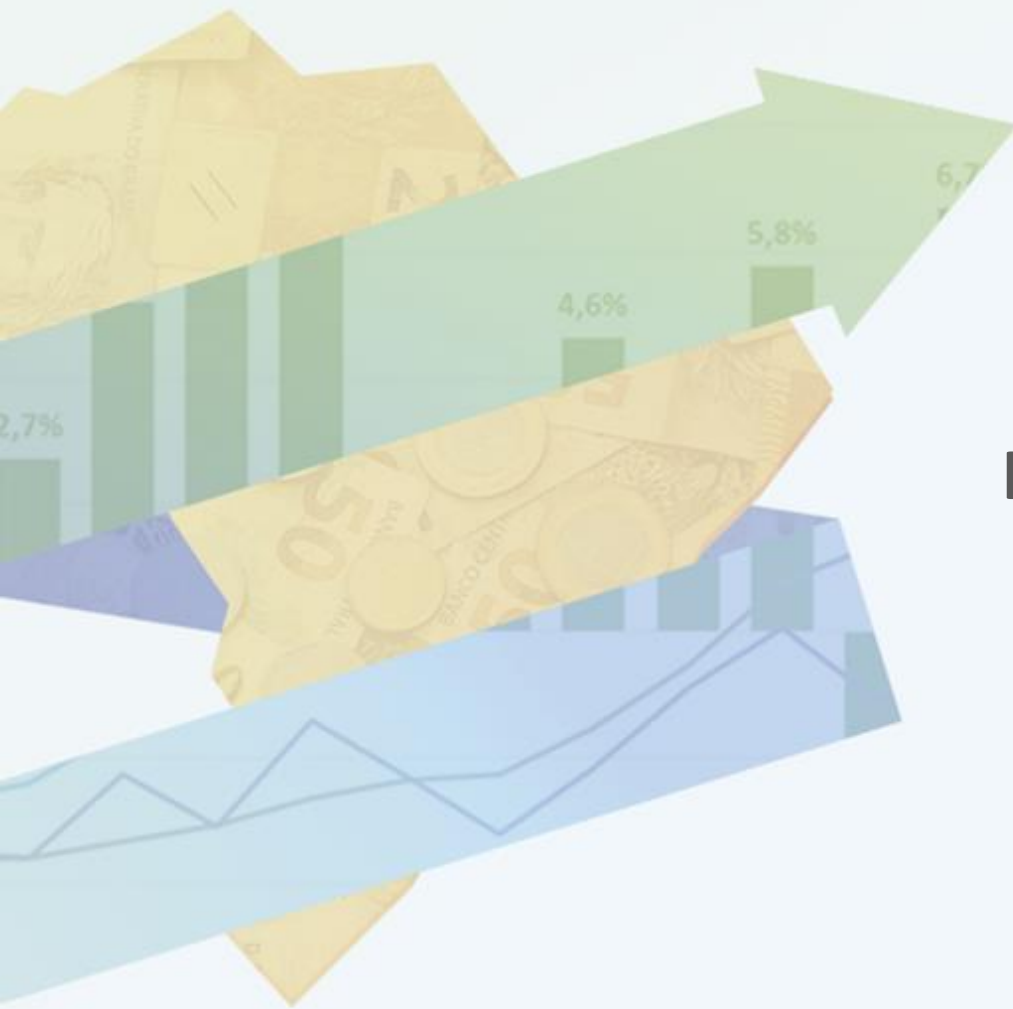


Macroeconomic Outlook is a report prepared by the Secretariat for Planning and Economic Issues (SEPLAN) with the most relevant economic data about Brazil.

This report does not constitute any indication of prospective policy decisions or delimits the operational area of the Ministry of Planning, Development and Management.

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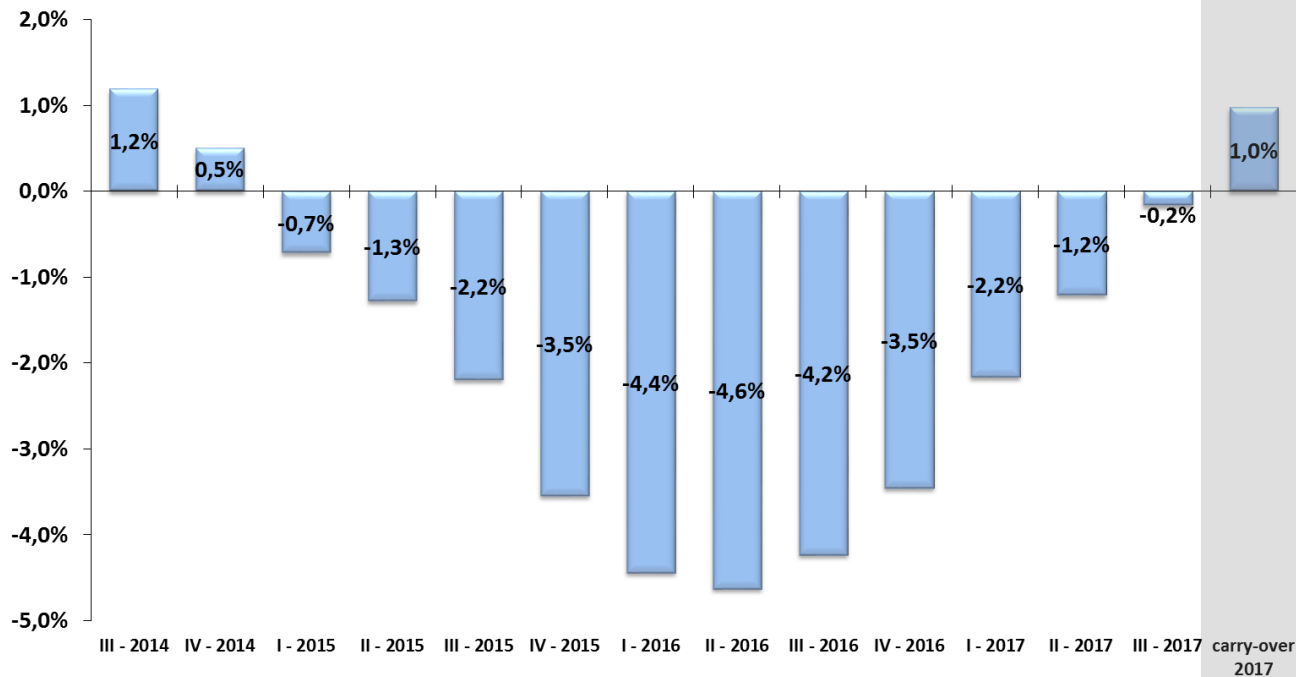
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HIGHLIGHTS

Quarterly GDP

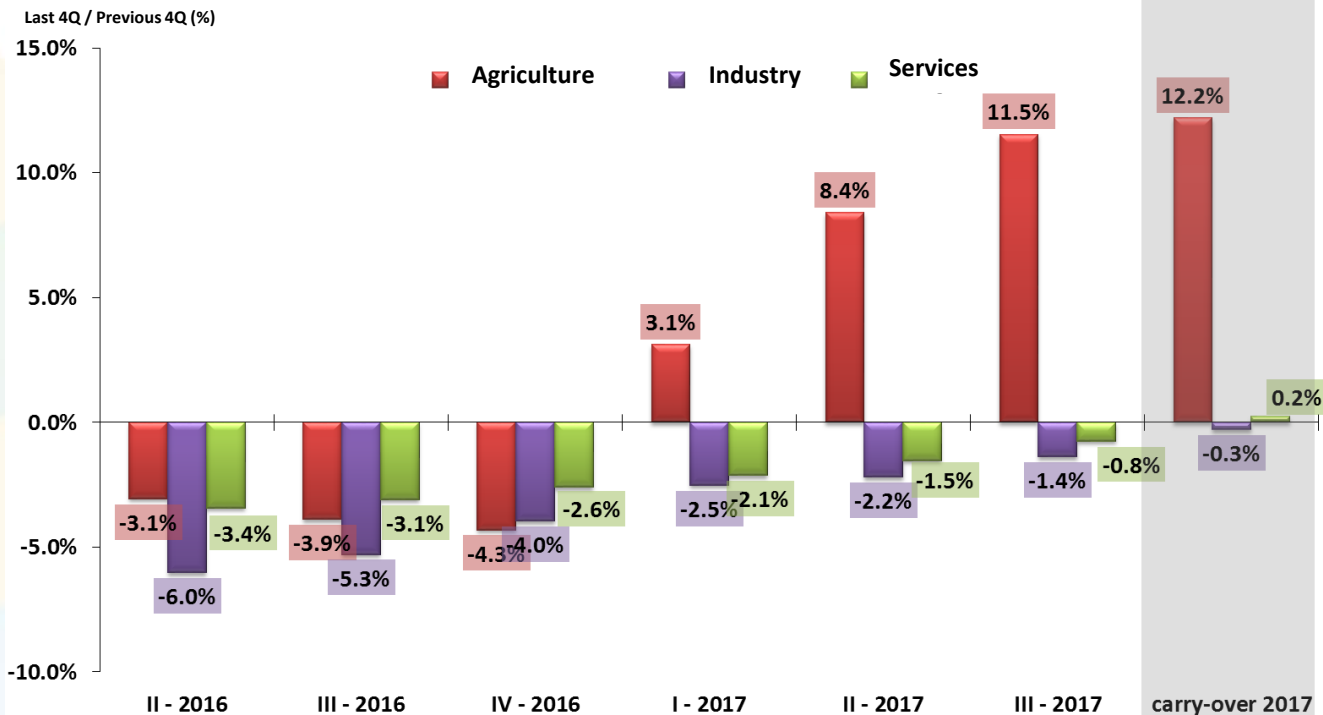
Last 4Q / Previous 4Q (%)



Source: IBGE/MP, Quarterly National Accounts Series.

Note: Carry-over 2017 based on 2017 3rd quarter seasonally adjusted level compared to 2016 average.

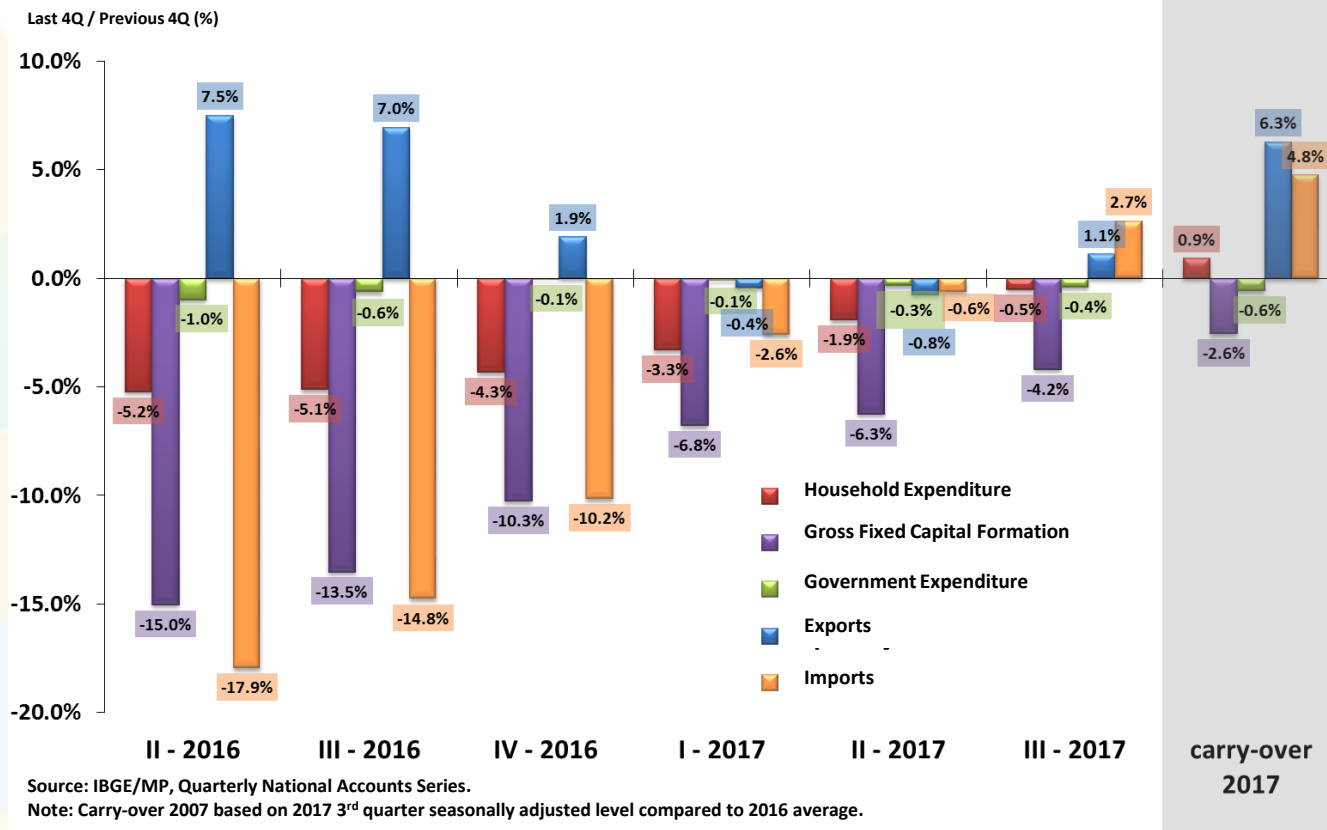
Quarterly GDP by Activity Sector



Source: IBGE/MP, Quarterly National Accounts Series.

Note: Carry-over 2017 based on 2017 3rd quarter seasonally adjusted level compared to 2016 average.

Quarterly GDP by Expenditure



Primary Sector Performance by Major Crops

Primary Sector GDP
Annual % of Change

14.0%

12.0%

10.0%

8.0%

6.0%

4.0%

2.0%

0.0%

-2.0%

-4.0%

-6.0%

1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017*

Major Crops Production (% of total)
Index: 1997=100

500

450

400

350

300

250

200

150

100

50

0

Soybean (40,4%)

+19,4%

Corn (12,4%)

+54,9%

Sugarcane (20,2%)

-6,8%

Source: IBGE/MP, Systematic Survey of Agricultural Production (LSPA) – October 2017.



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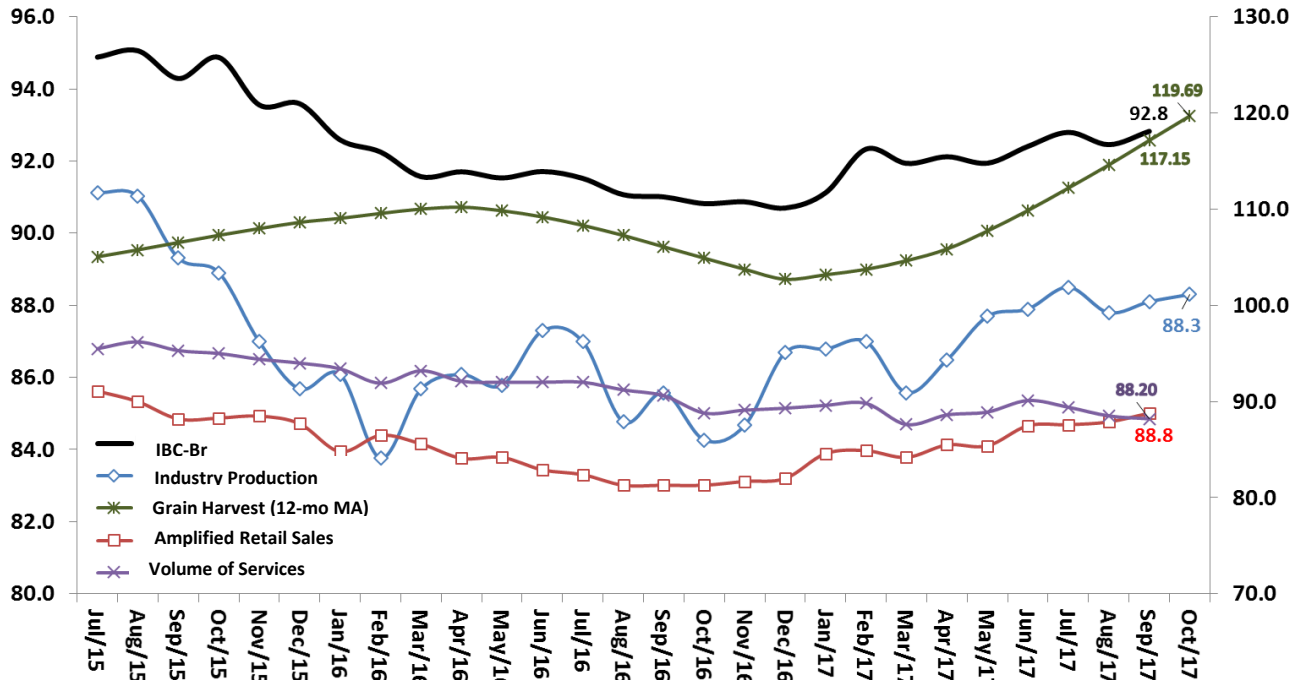
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AND MANAGEMENT



Major Monthly Economic Activity Indicators

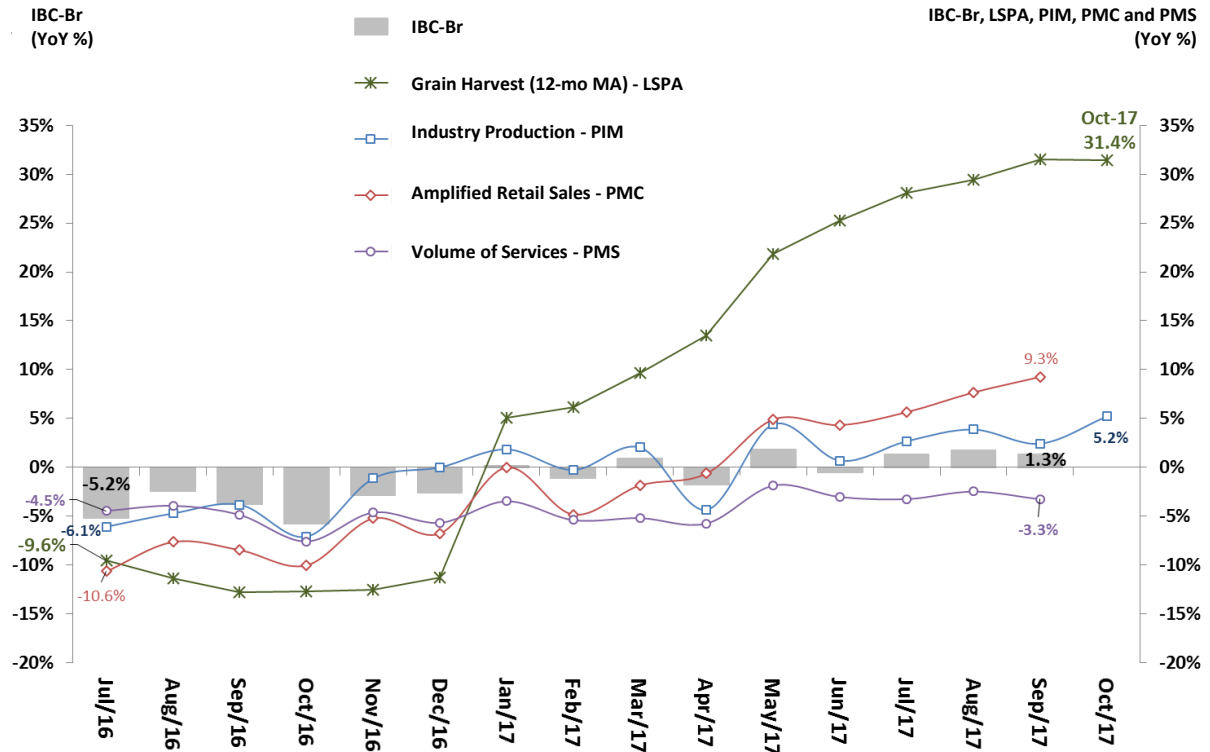
IBC-Br, Grain Harvest (12-mo MA) and Industry Production
Seasonally Adjusted Index (2003 = 100)

Amplified Retail Sales and Volume of Services
Seasonally Adjusted Index (2003 = 100)



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

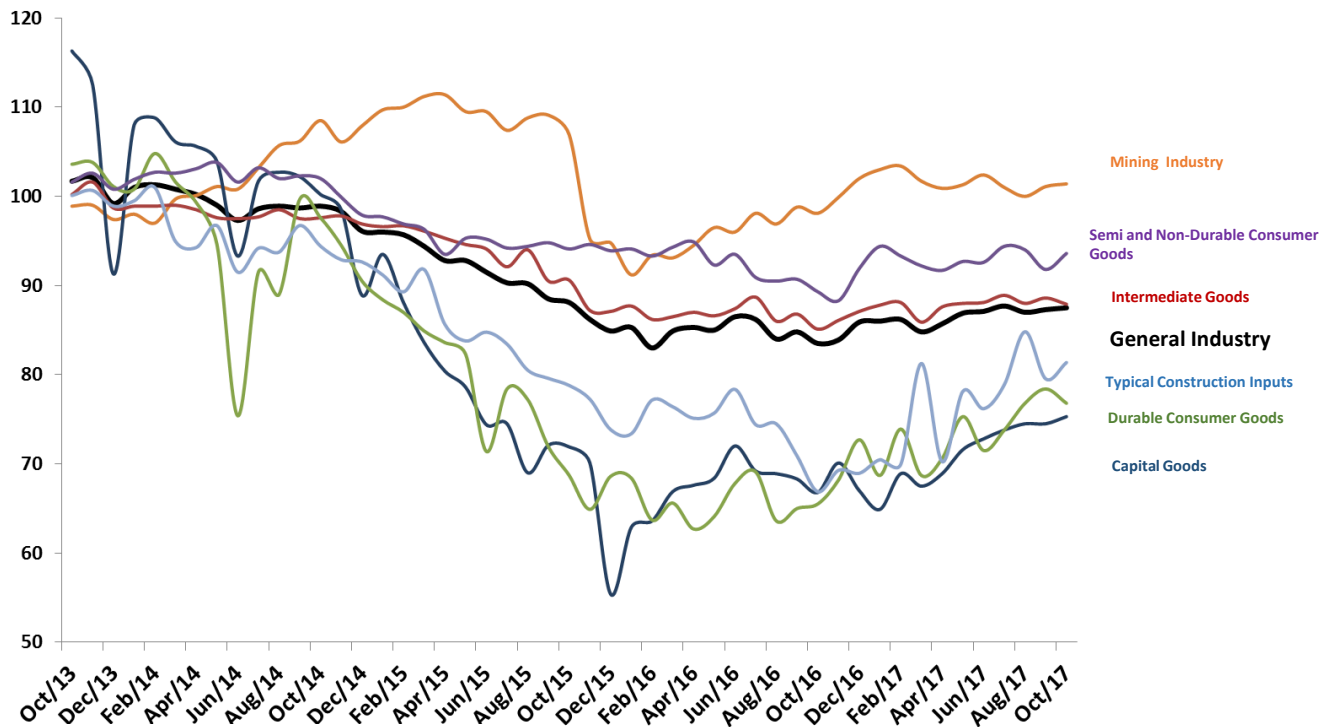
Major Monthly Economic Activity Indicators



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

Total Industrial Production and Economic Categories

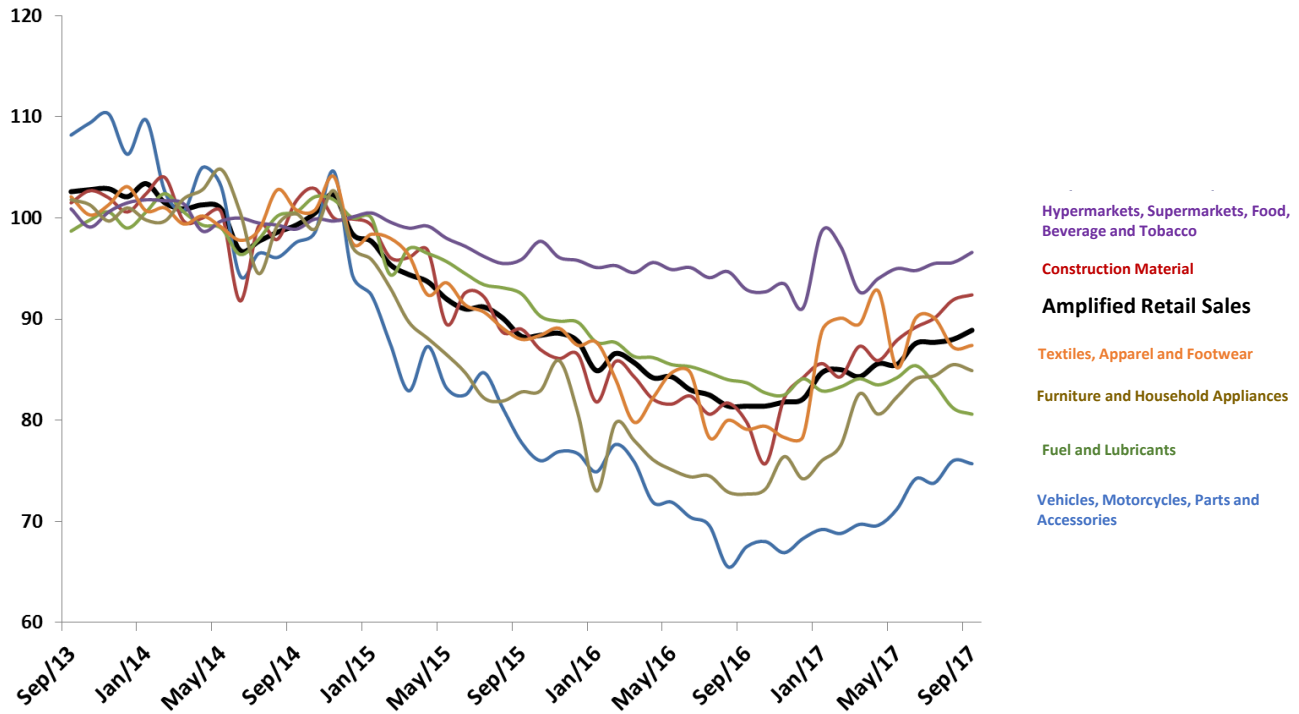
Industry Physical Production by Economic Category
Seasonally Adjusted Index (2002 = 100)



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

Total Retail Sales and Subsectors

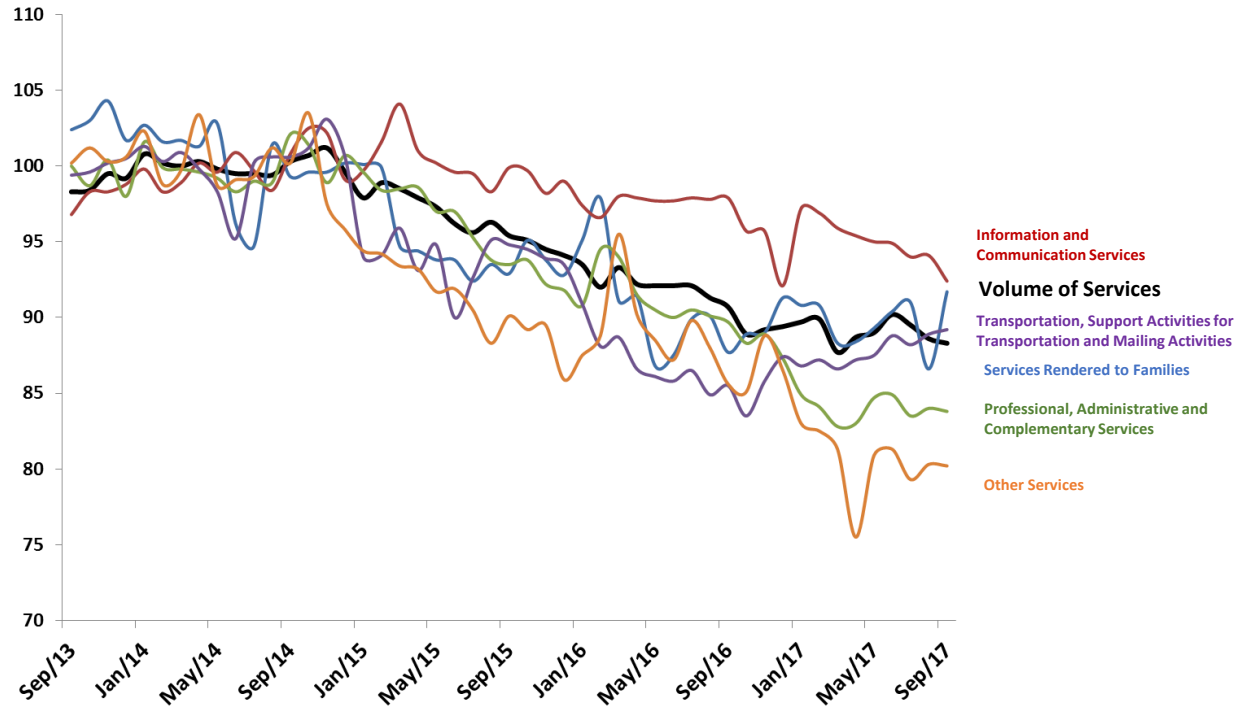
Retail Sales by Subsector
Seasonally Adjusted Index (2002 = 100)



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

Total Services and Subsectors

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

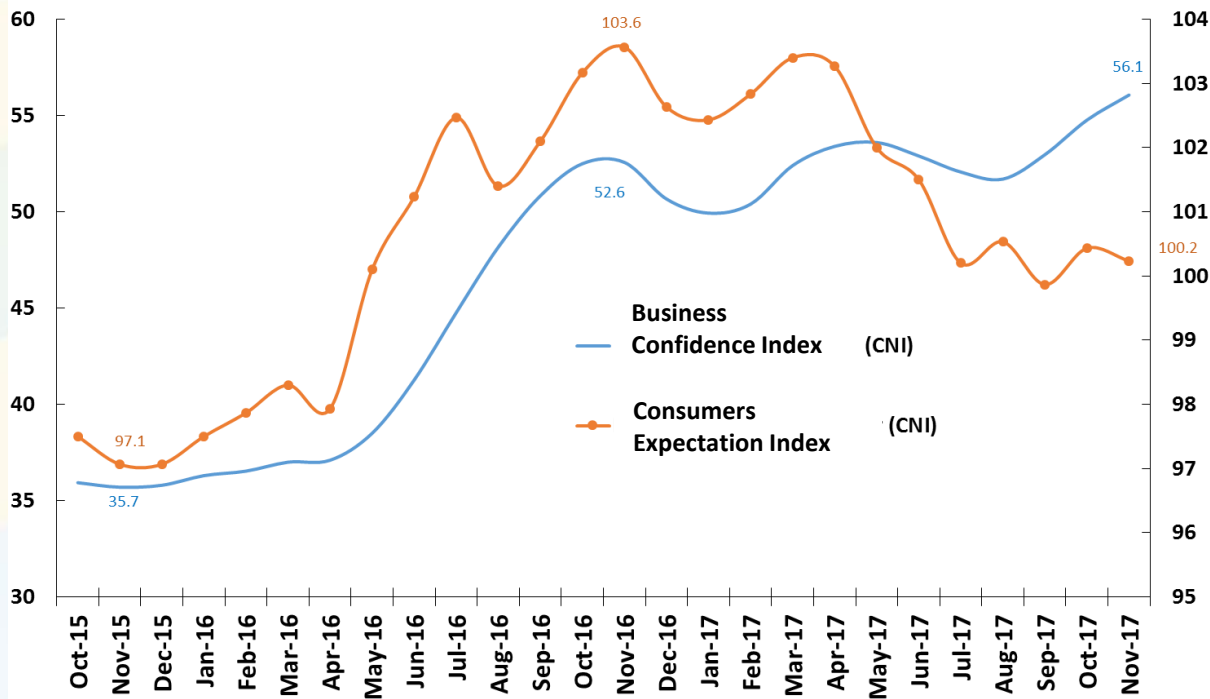


Source: IBGE, Monthly Survey of Services (PMS).

CNI: Business Confidence and Consumers Expectation Indexes

Business Confidence Index – ICEI
3-month moving average

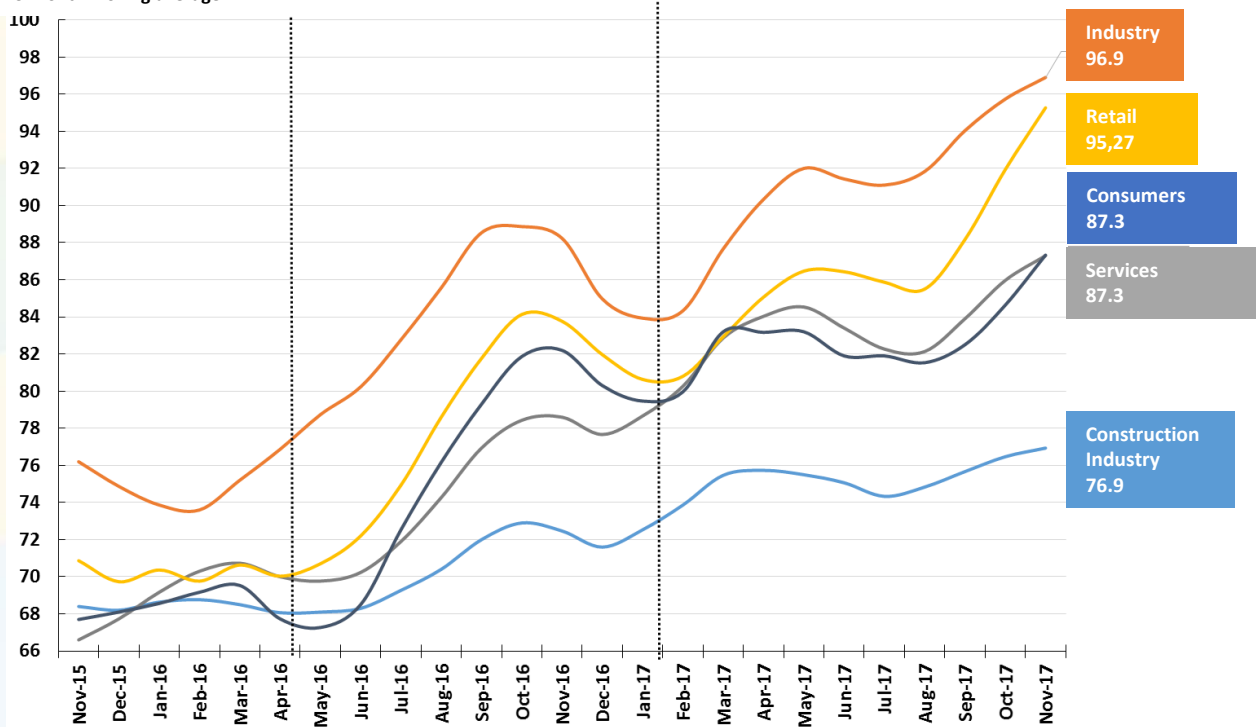
Consumers Expectation Index – INEC
3-month moving average



Source: CNI.

FGV: Economic Confidence Indicators

Economic Confidence Indicators
3-month moving average

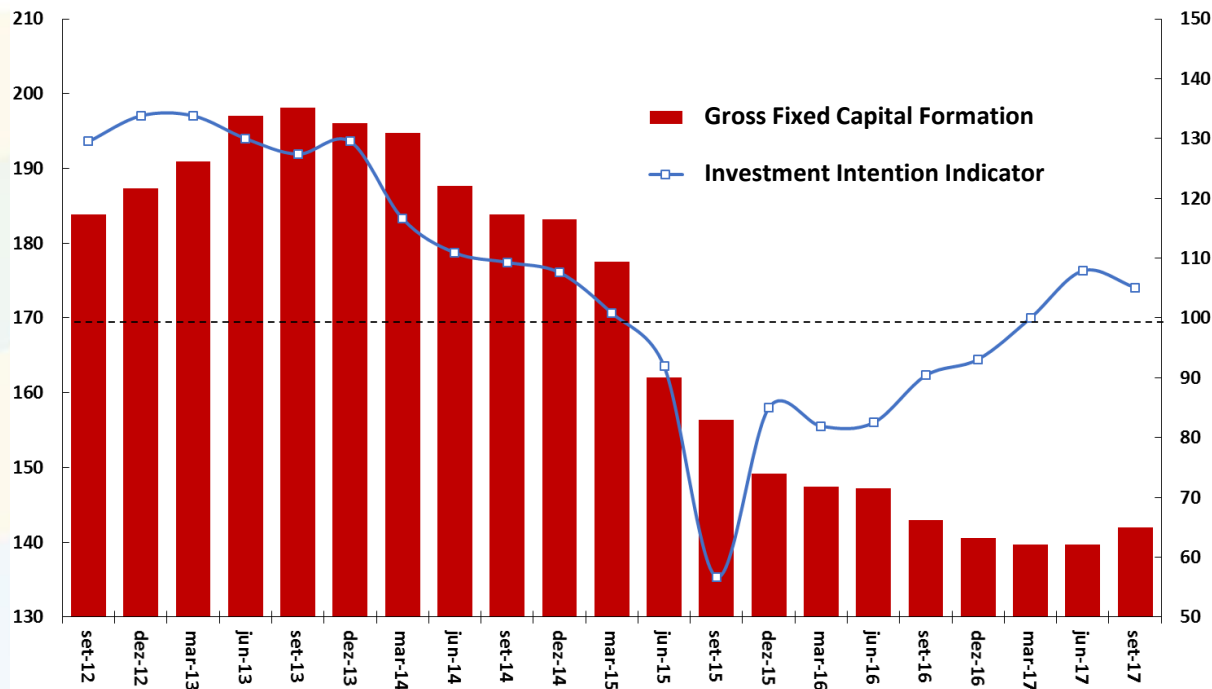


Source: IBRE/FGV.

Gross Fixed Capital Formation and Investment Intention

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

Investment Intention Indicator*
IBRE/FGV Investments Survey



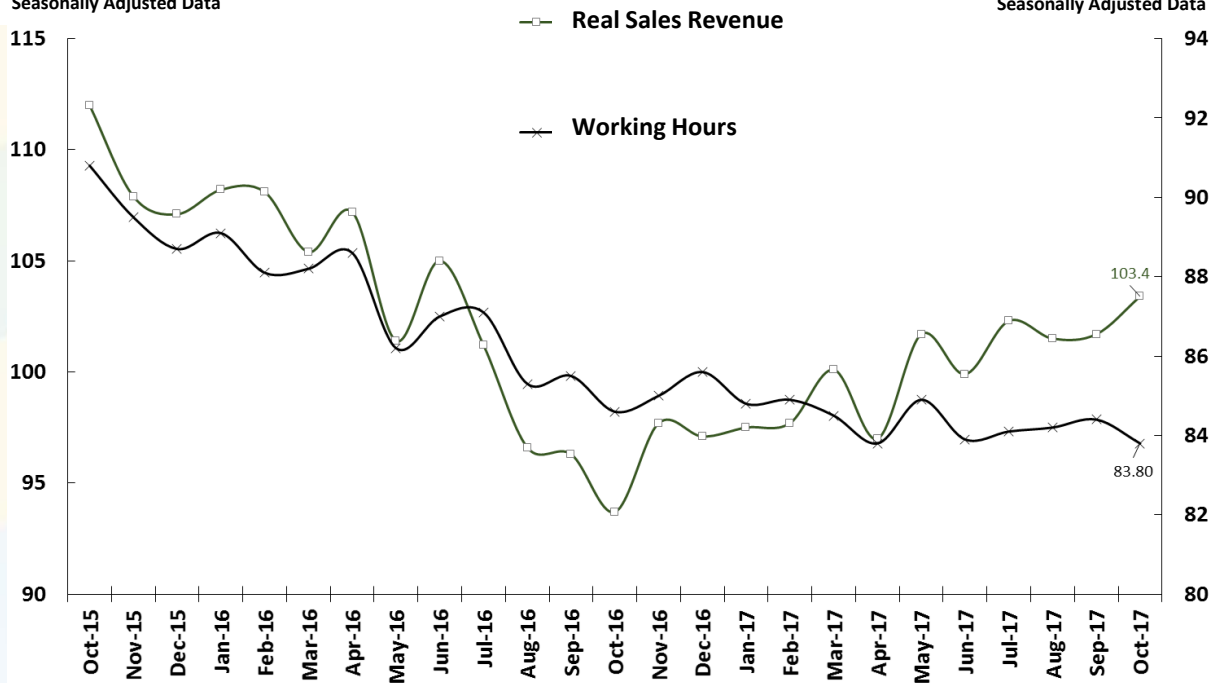
Source: IBGE/MP e IBRE/FGV.

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

CNI: Industry Real Sales Revenues and Working Hours

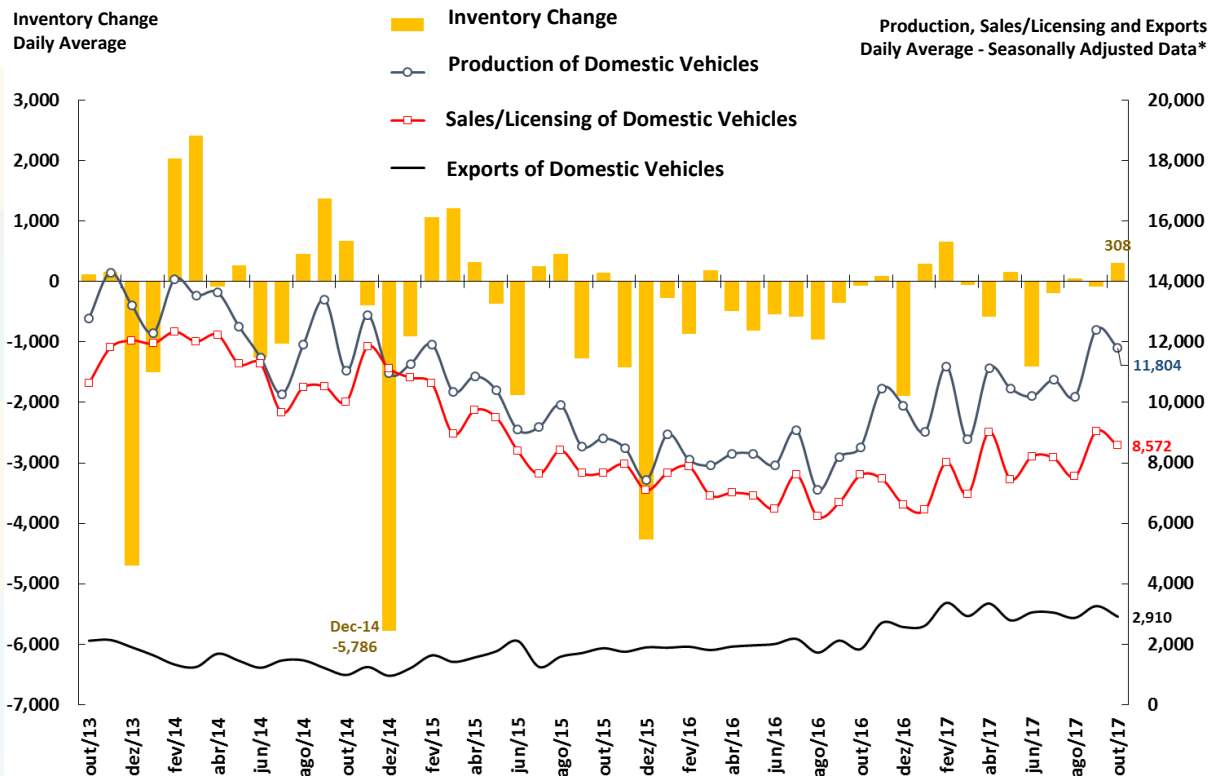
Real Sales Revenue
Manufacturing Industry
Seasonally Adjusted Data

Working Hours in Production
Manufacturing Industry
Seasonally Adjusted Data



Source: CNI.

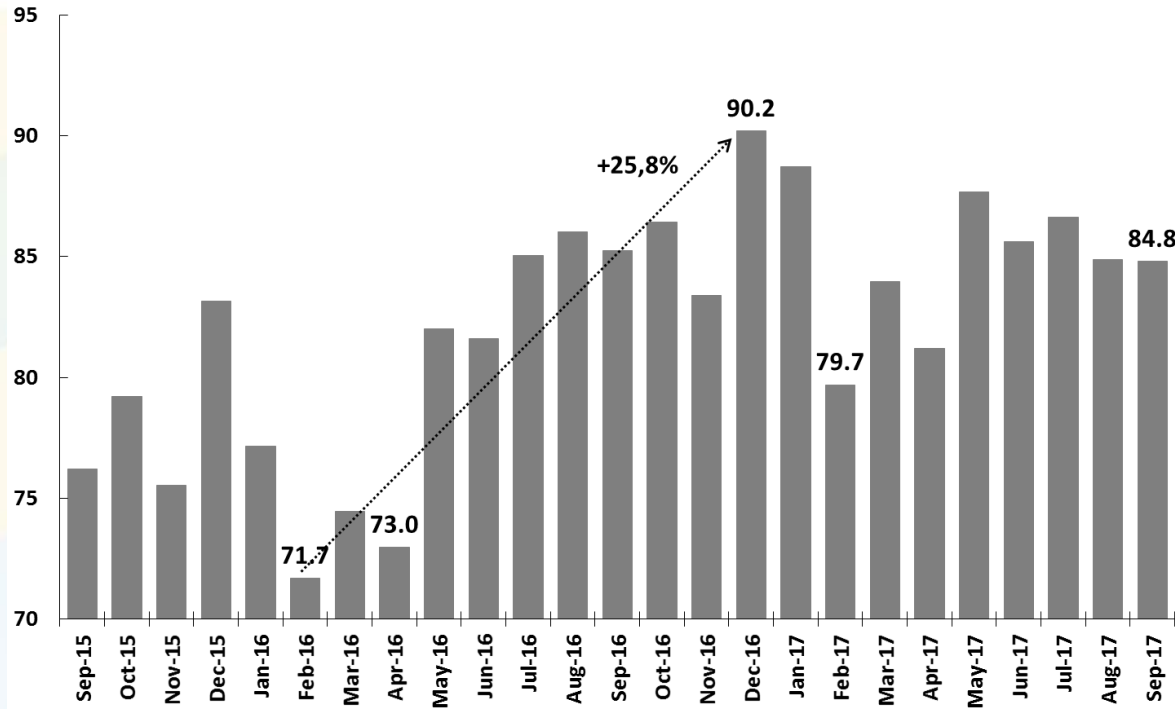
Automotive Sector Production, Sales and Inventory Change



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

ANP: Natural Gas and Oil Production

Natural Gas and Oil Production
Millions of Barrels of Oil Equivalent (BOE) per Month

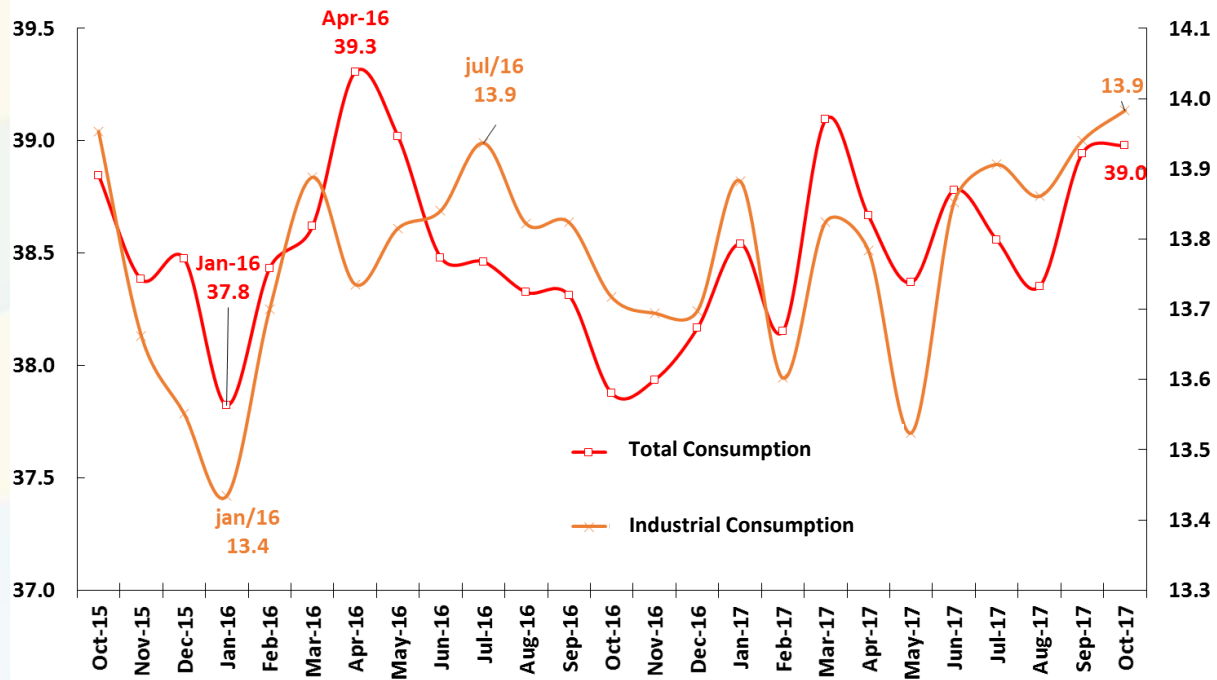


Source: ANP.

ANEEL: Electrical Energy Consumption

Total Electric Energy Consumption
Millions of MWh
Seasonally Adjusted Data*

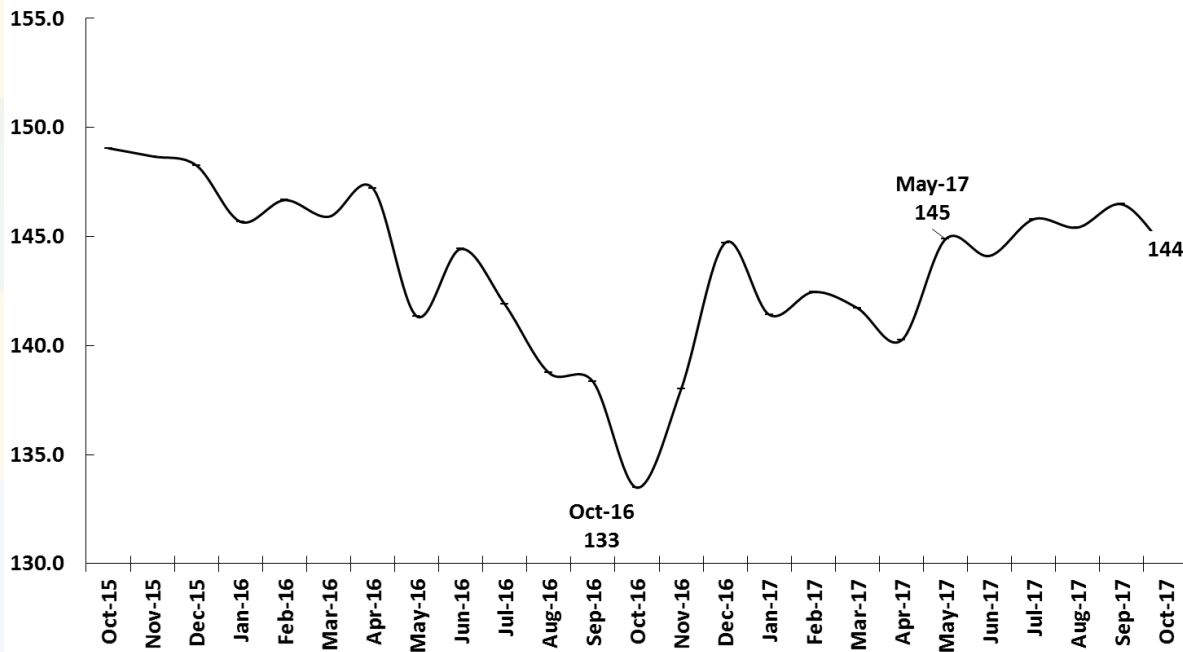
Electric Energy Industrial Consumption
Millions of MWh
Seasonally Adjusted Data*



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

ABCR: Heavy Vehicles Road Traffic Index

Heavy Vehicles Road Traffic Index
Index: 1999=100
Seasonally Adjusted Data

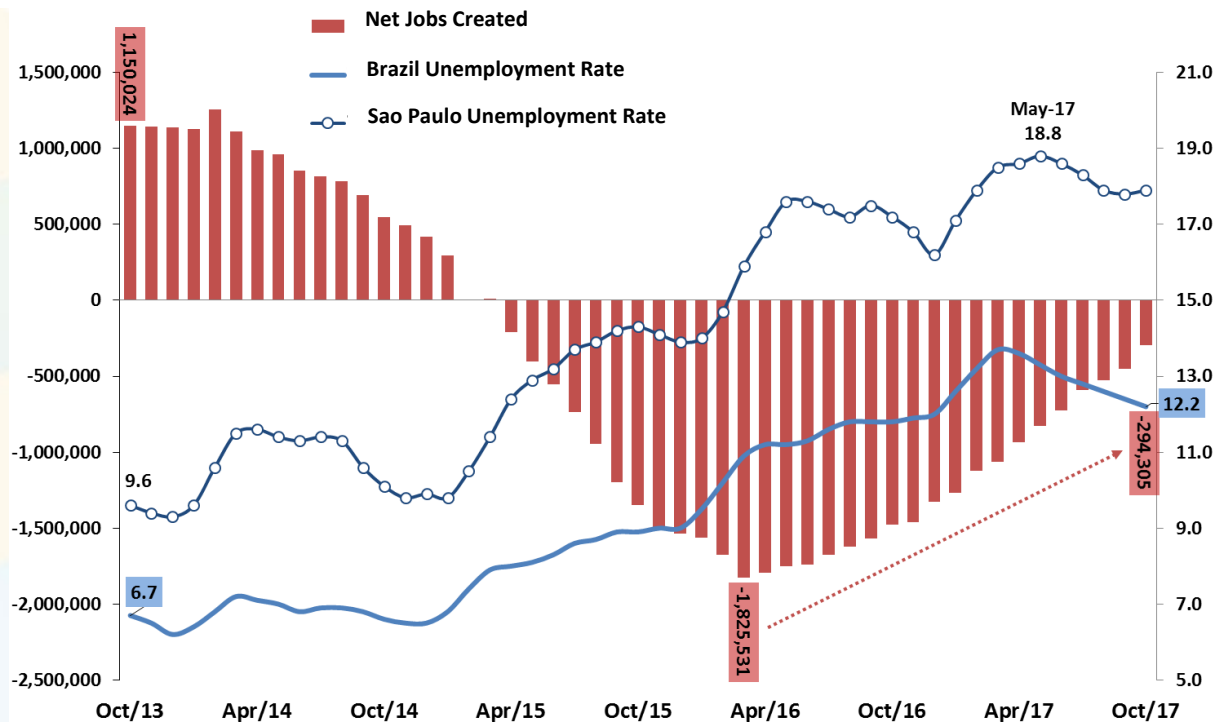


Source: ABCR.

Unemployment Rate and Net Formal Job Creation

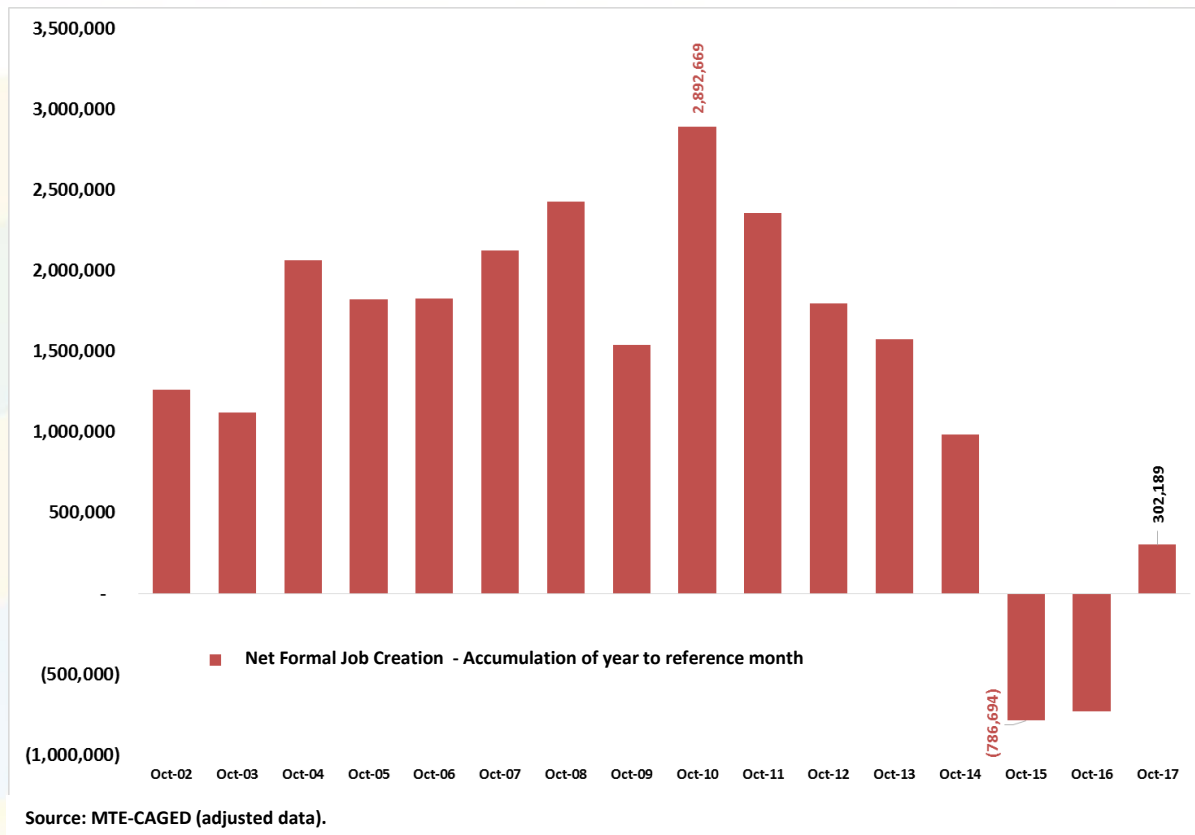
Net Formal Jobs Creation
12-Month Accumulated Figures

Brazil and Sao Paulo Unemployment Rate
% of Labor Force

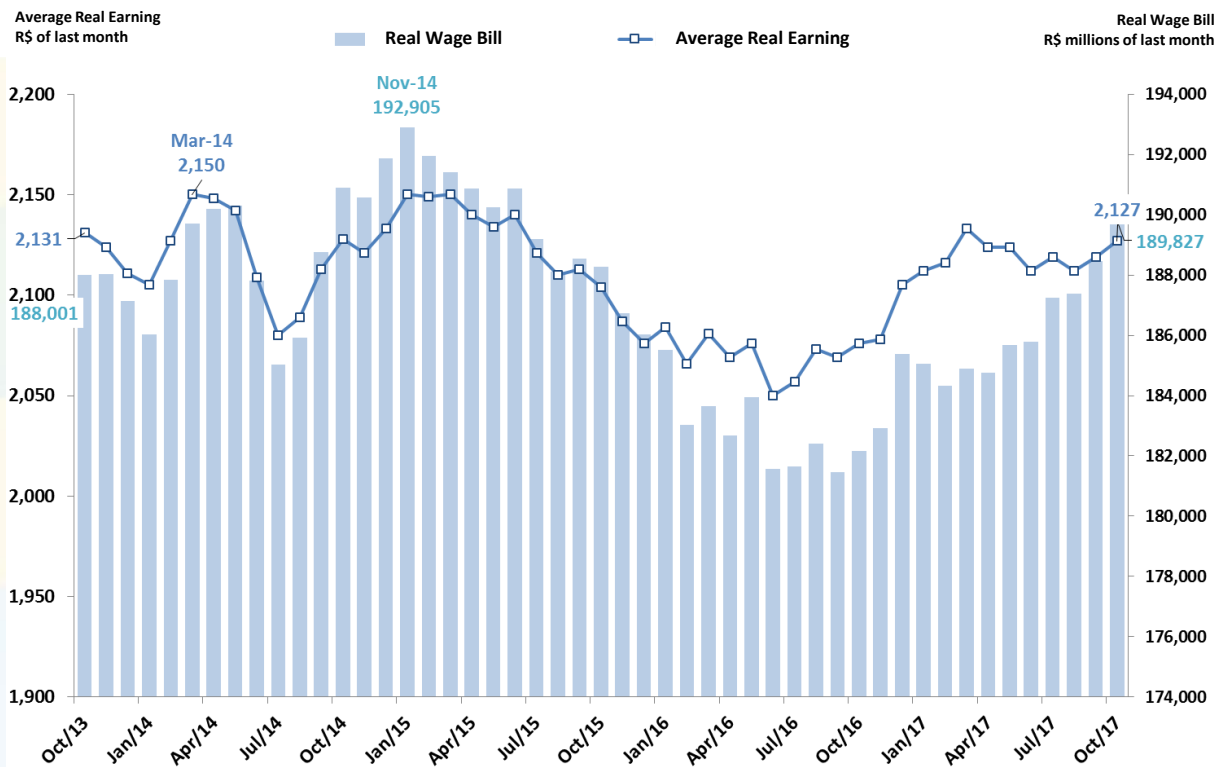


Sources: IBGE/MP - PNADC, SEADE-PED and MTE-CAGED (adjusted data).

Net Formal Job Creation – Total Accumulation of Year



Real Wage Bill and Average Real Earning



Source: IBGE/MP - PNADC.



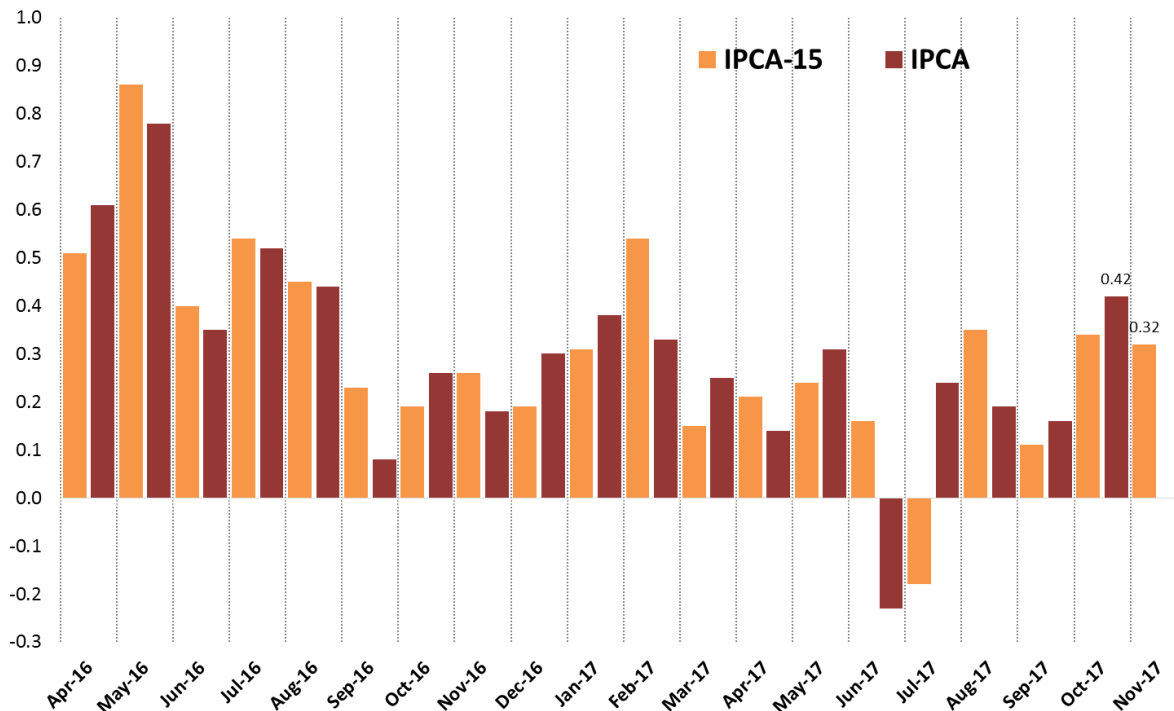
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IBGE: Monthly Consumer Price Indexes

IPCA-15 and IPCA
By release order



Source: IBGE.



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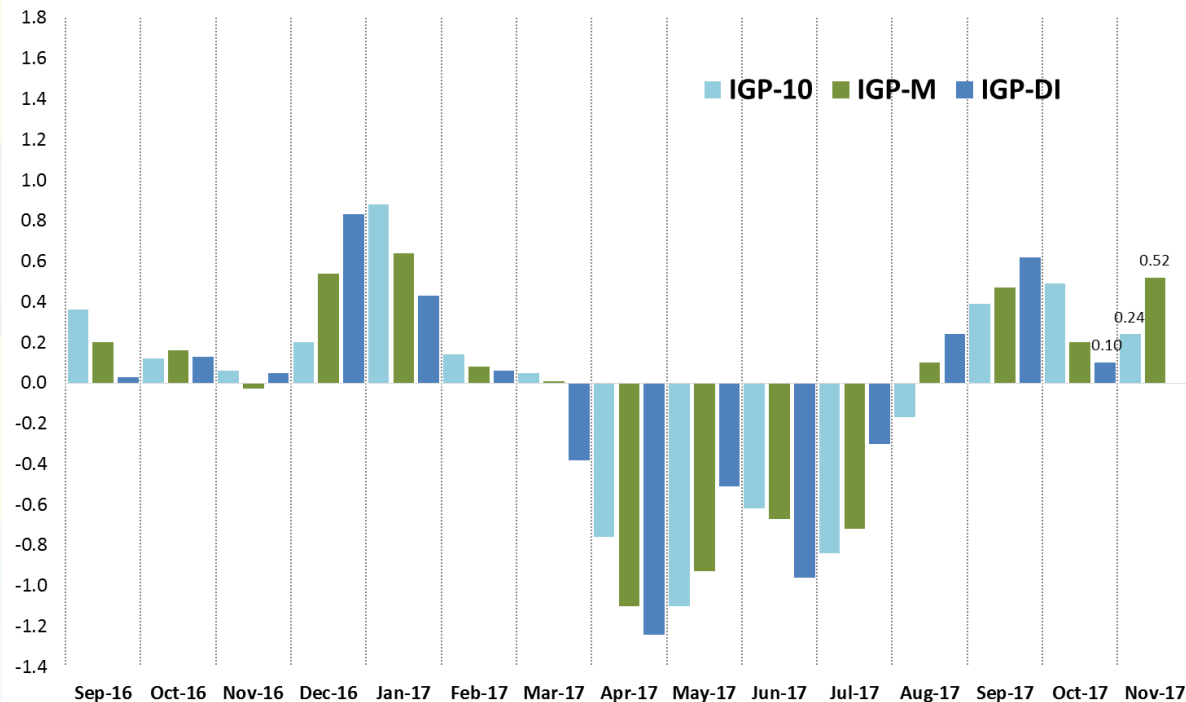
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FGV: Monthly General Price Indexes

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

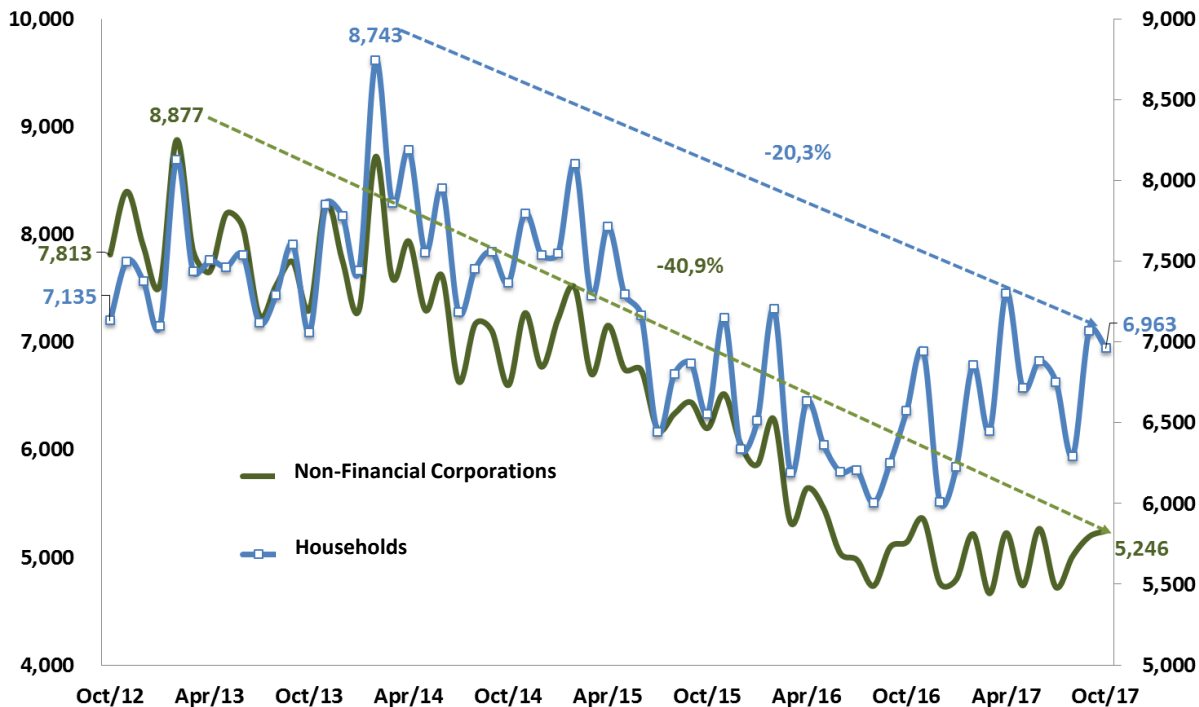


Source: FGV.

New Loans to Households and Non-Financial Corporations

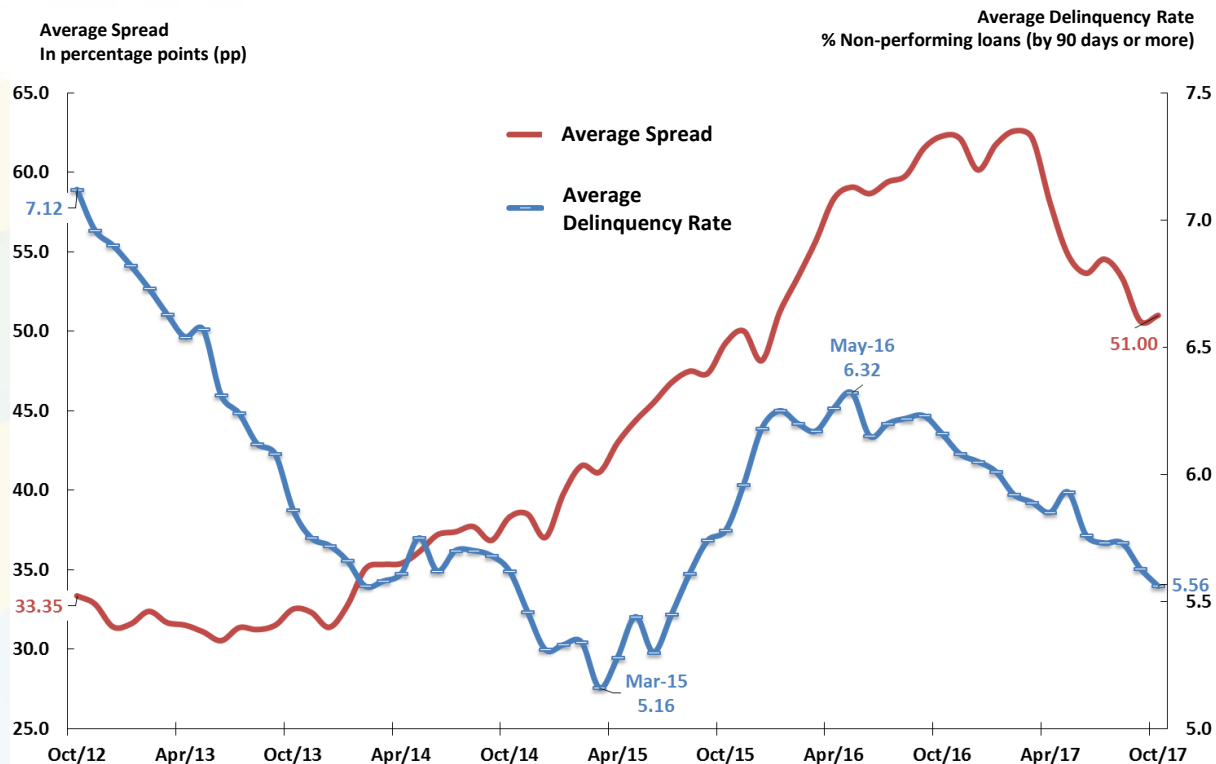
Daily Average of New Loans to Non-Financial Corporations
R\$ millions of the last month
3-Month Moving Average - Seasonally Adjusted*

Daily Average of New Loans to Households
R\$ millions of the last month
3-Month Moving Average - Seasonally Adjusted*



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

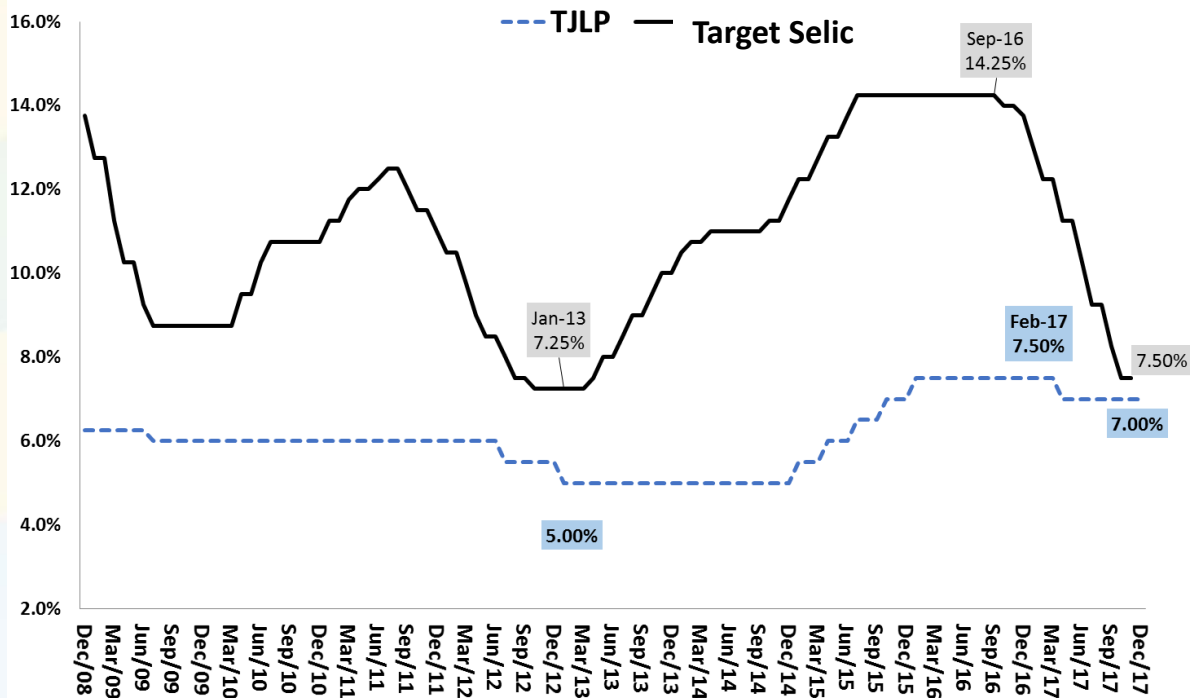
Households Loans: Spread and Delinquency Rates



Source: Central Bank of Brazil.

Official Interest Rates Evolution (Target Selic and TJLP)

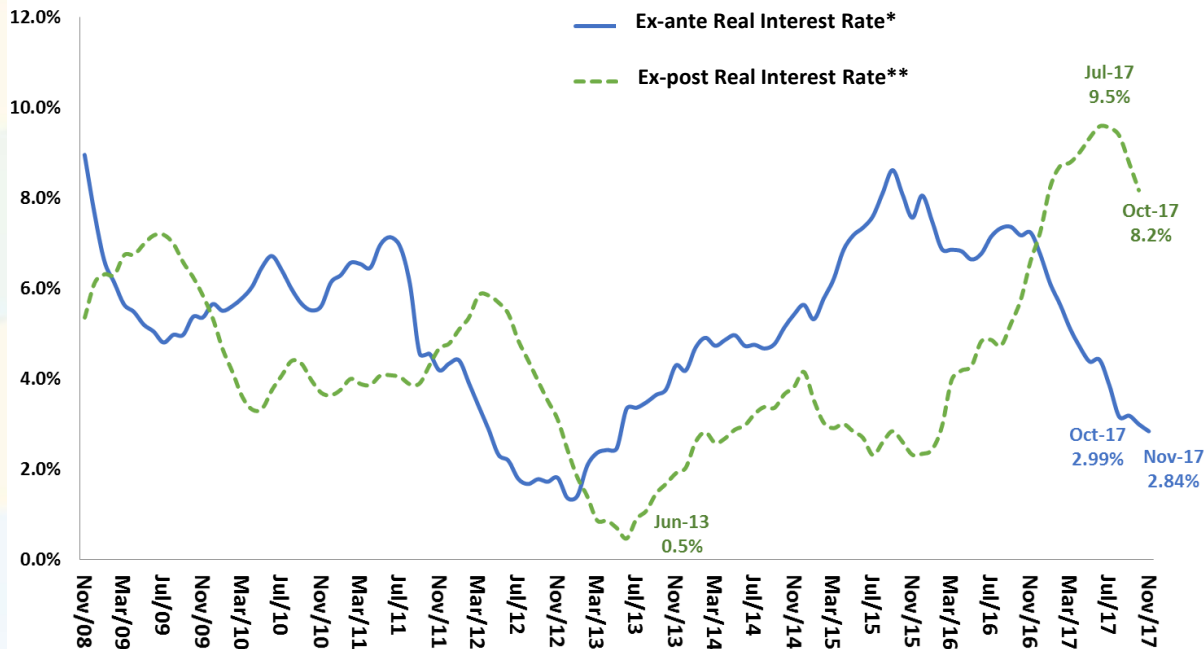
Selic and Long Term (TJLP)
Official Interest Rates (% py)



Source: Central Bank of Brazil.

Ex-ante and Ex-post Real Interest Rates

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



Source: Central Bank of Brazil.

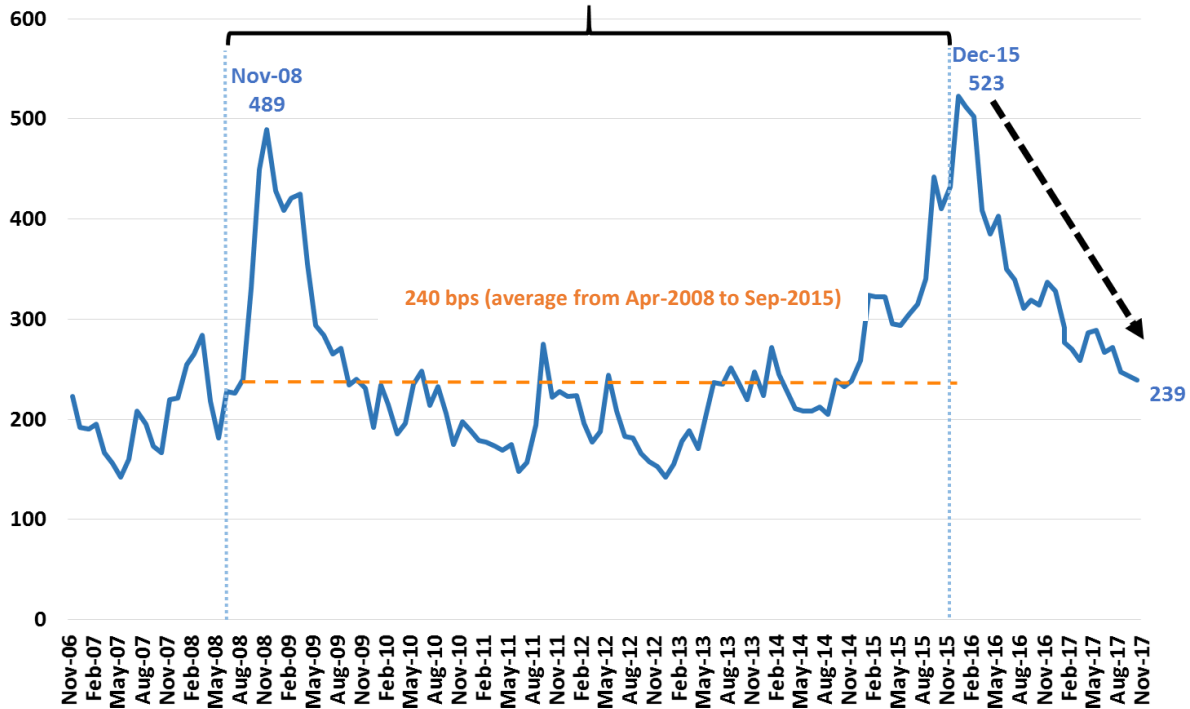
* Ex-ante Real Interest Rate = Expected Interbank CDI/IPCA ratio, considering 360-days Swap DI-Pre rate and IPCA median of BCB-Focus Survey.

** Ex-post Real Interest Rate = Observed 12-months accumulated CDI/IPCA ratio.

Sovereign Risk (EMBI+ BR)

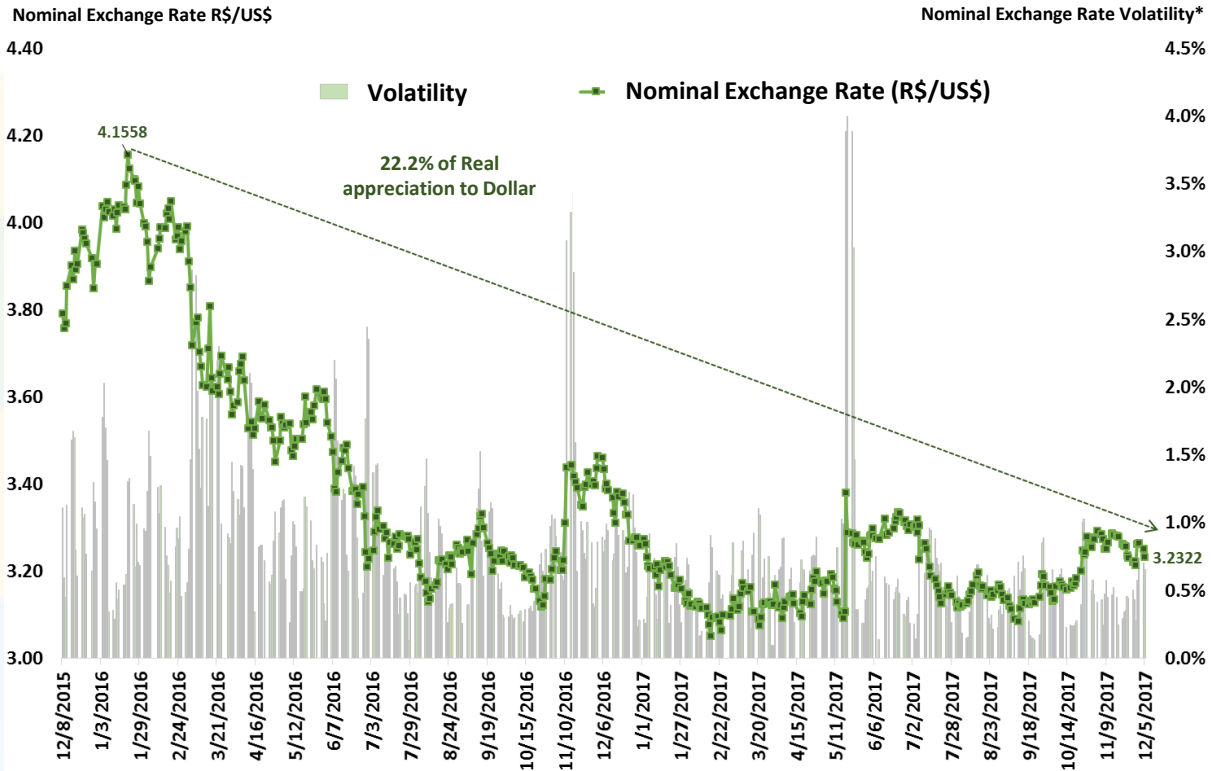
EMBI+ Brazil Spread
basis points

S&P and Fitch Investment Grade Period



Source: JPMorgan.

Daily Nominal Exchange Rate R\$/US\$



Trade Balance on Goods (52 weeks daily average)

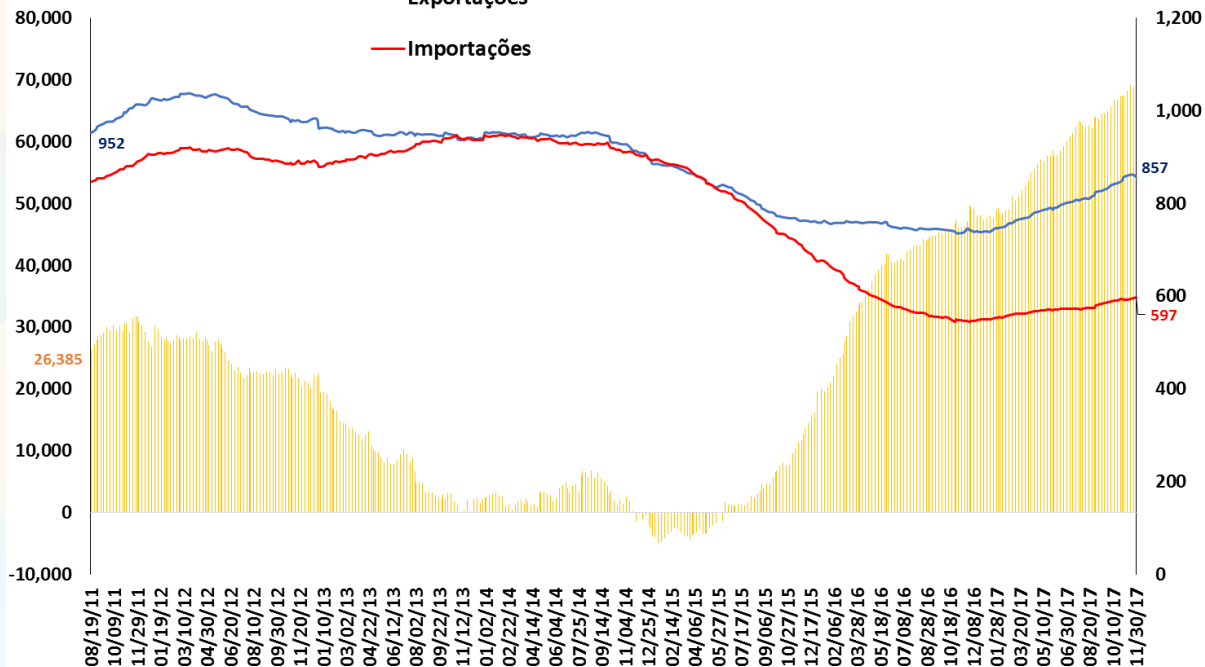
Saldo da Balança Comercial
Acumulado em 52 Semanas
US\$ milhões FOB

Saldo da Balança Comercial

Exportações

Importações

Exportações e Importações
Média Diária Móvel de 52 Semanas
US\$ milhões FOB



Fonte: SECEX/MDIC.

Trade Balance, Quantum and Terms of Trade Ratios

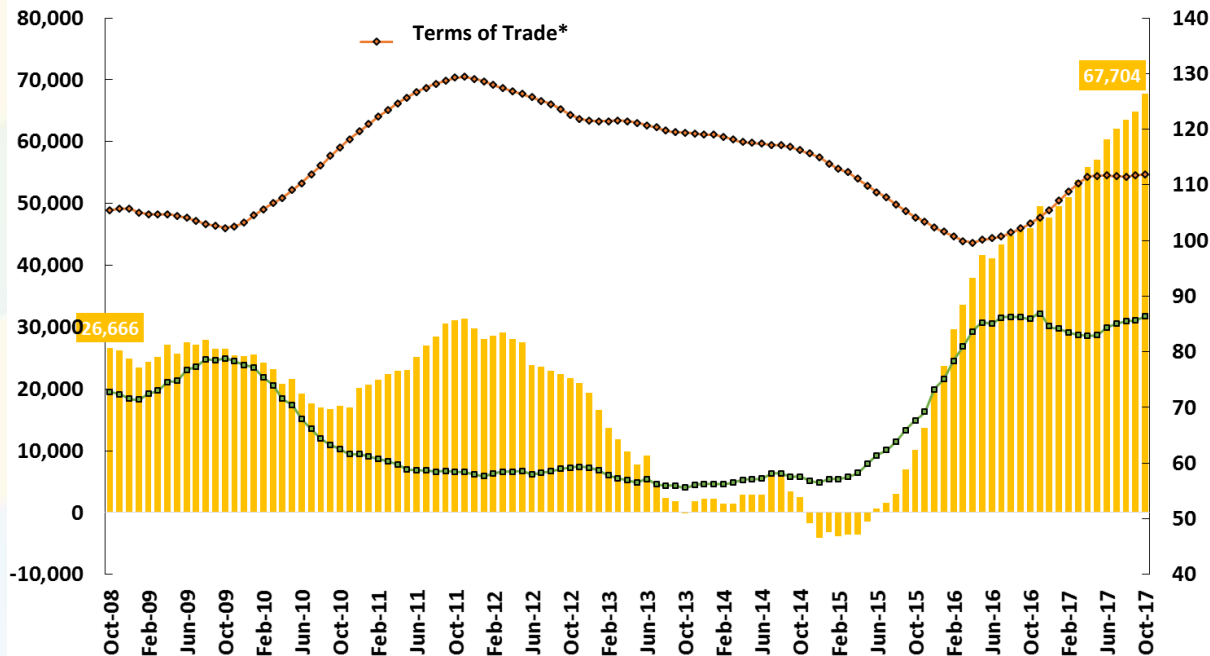
Trade Balance
12-month Accumulated Figures
US\$ millions FOB

Trade Balance on Goods

Quantum Ratio*

Terms of Trade*

Quantum Ratio and Terms of Trade*
12-month Moving Average
2006=100

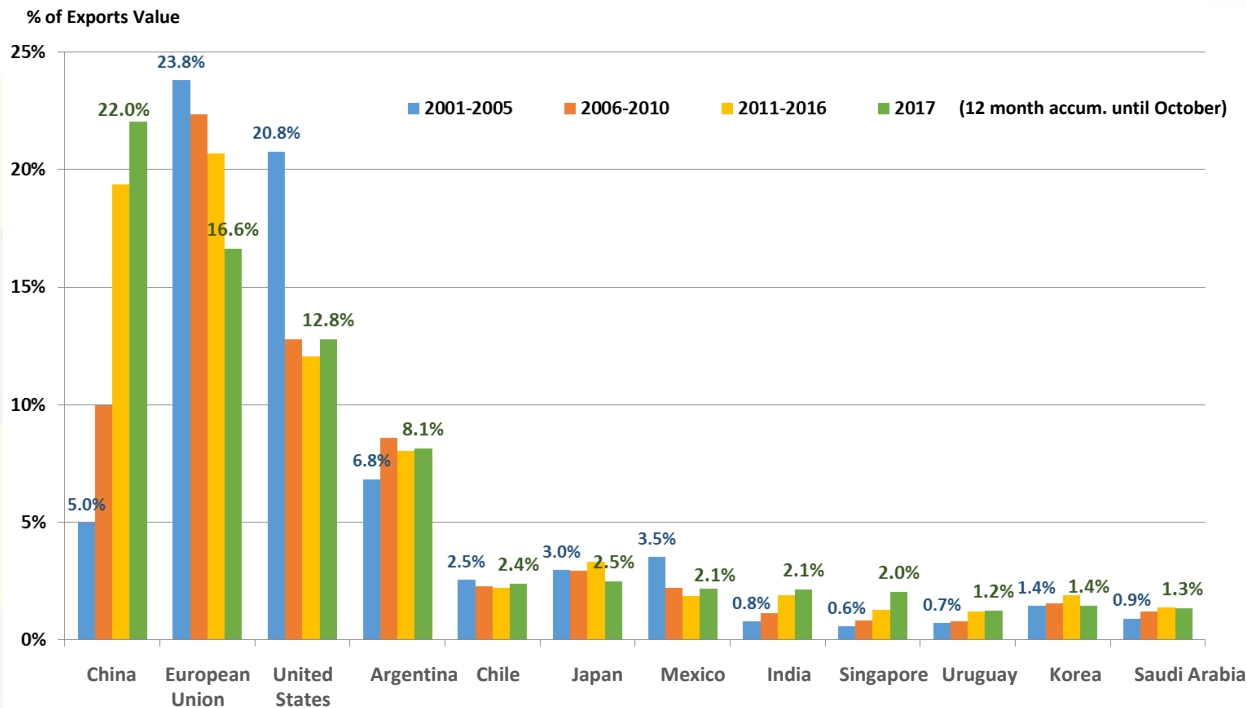


Sources: SECEX/MDIC and FUNCEX.

* Quantum Ratio = (average quantum Exports / average quantum Imports)

Terms of Trade = (average price Exports / average price Imports)

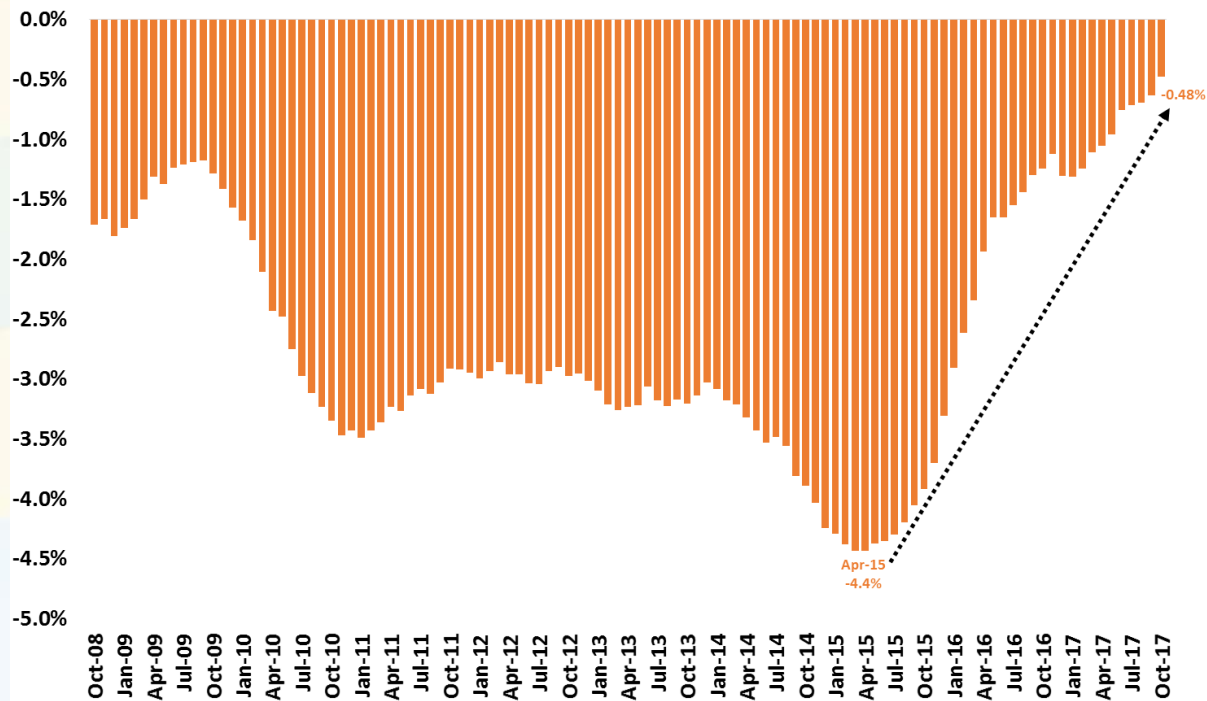
Brazilian Exports Evolution by Country of Destination



Source: MDIC/SECEX

Current Account Deficit as % of GDP

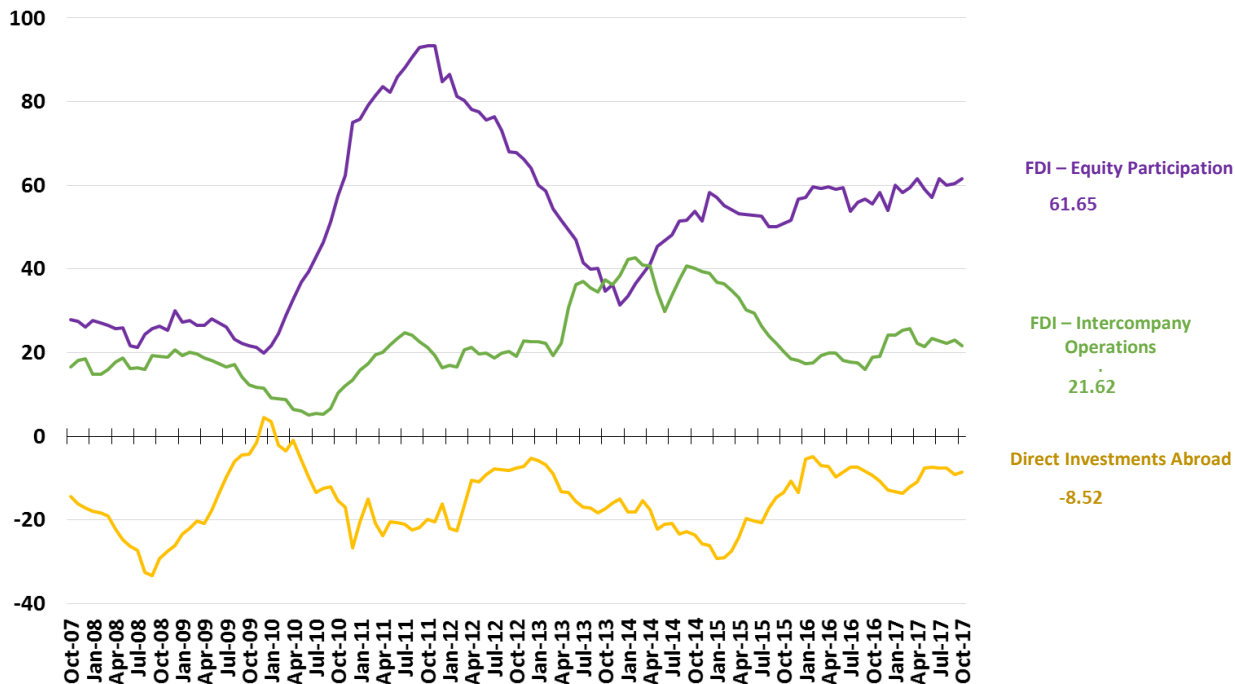
Current Account as % of GDP
12-month Figures



Source: Central Bank of Brazil.

Direct Investments and Components

Direct Investment Flows
Net Inflow (+) and Net Outflow (-)
12-month Accumulated - US\$ billions

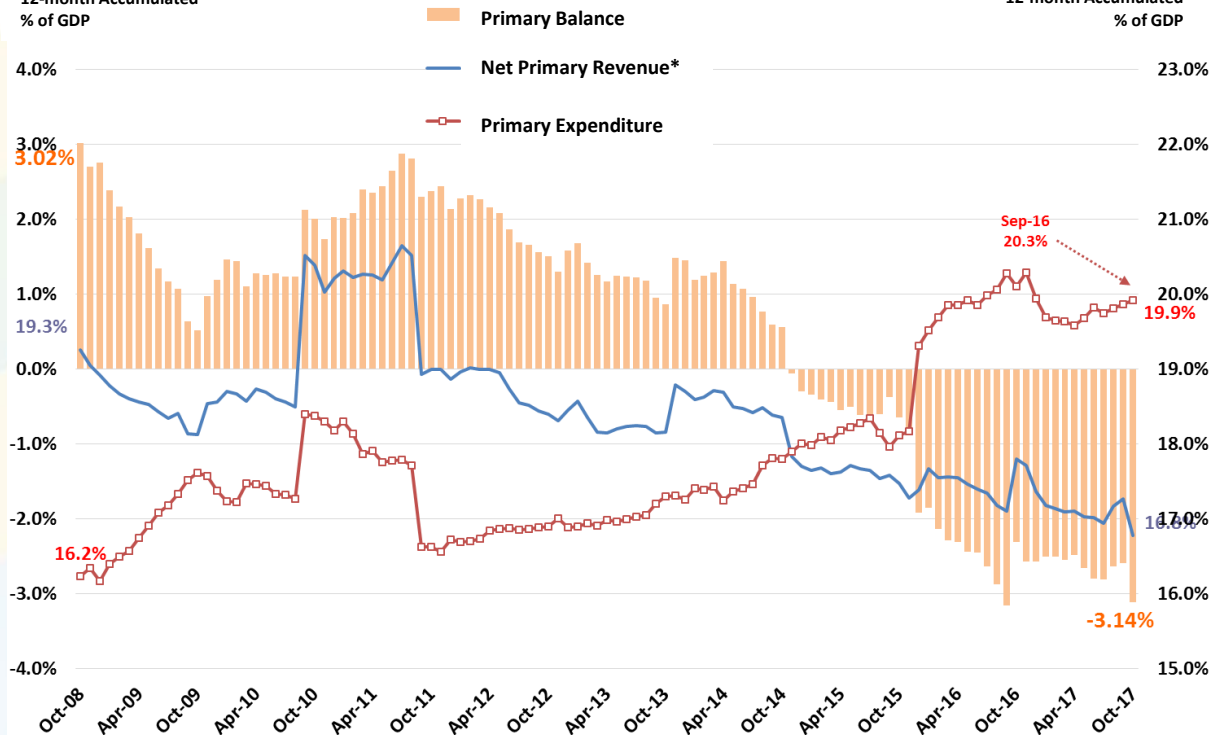


Source: Central Bank of Brazil.

Primary Balance of Federal Government (as % GDP)

Primary Balance of Federal Government
12-month Accumulated
% of GDP

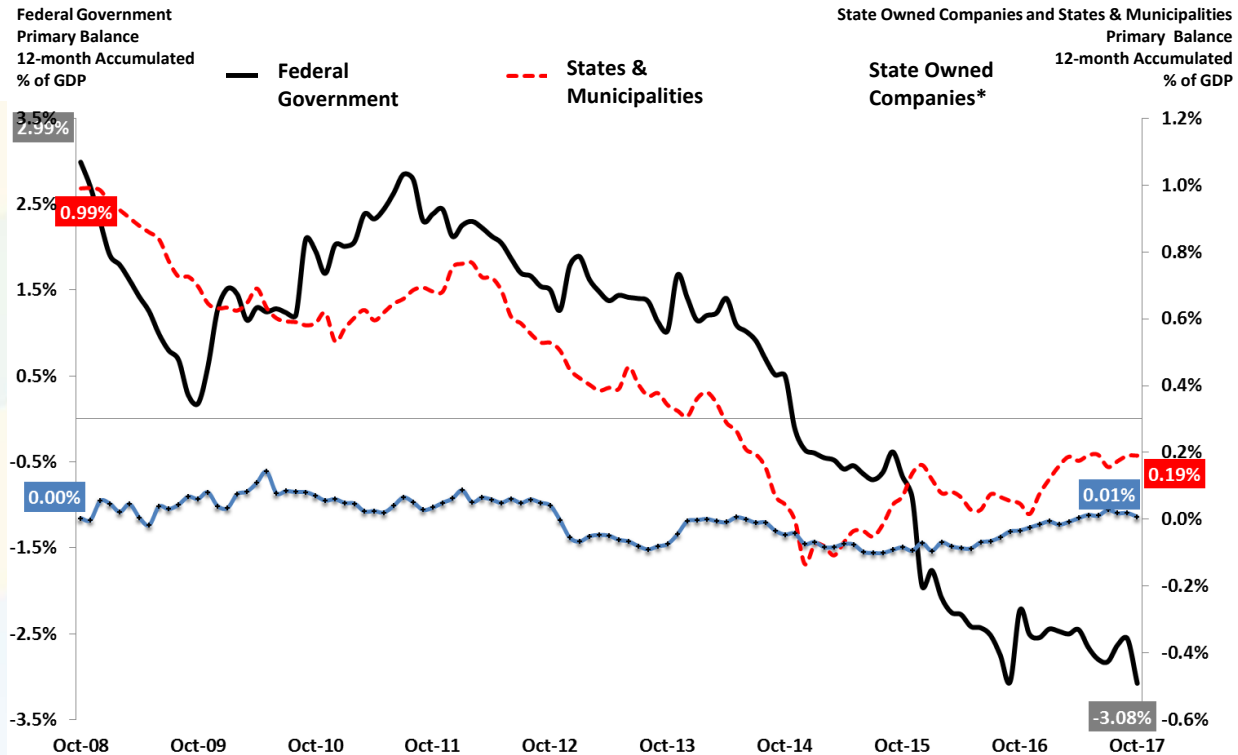
Net Primary Revenue and Primary Expenditure
12-month Accumulated
% of GDP



Sources: STN/MF.

*Excludes compulsory transfers to subnational entities

Public Sector Primary Balance (as % GDP)

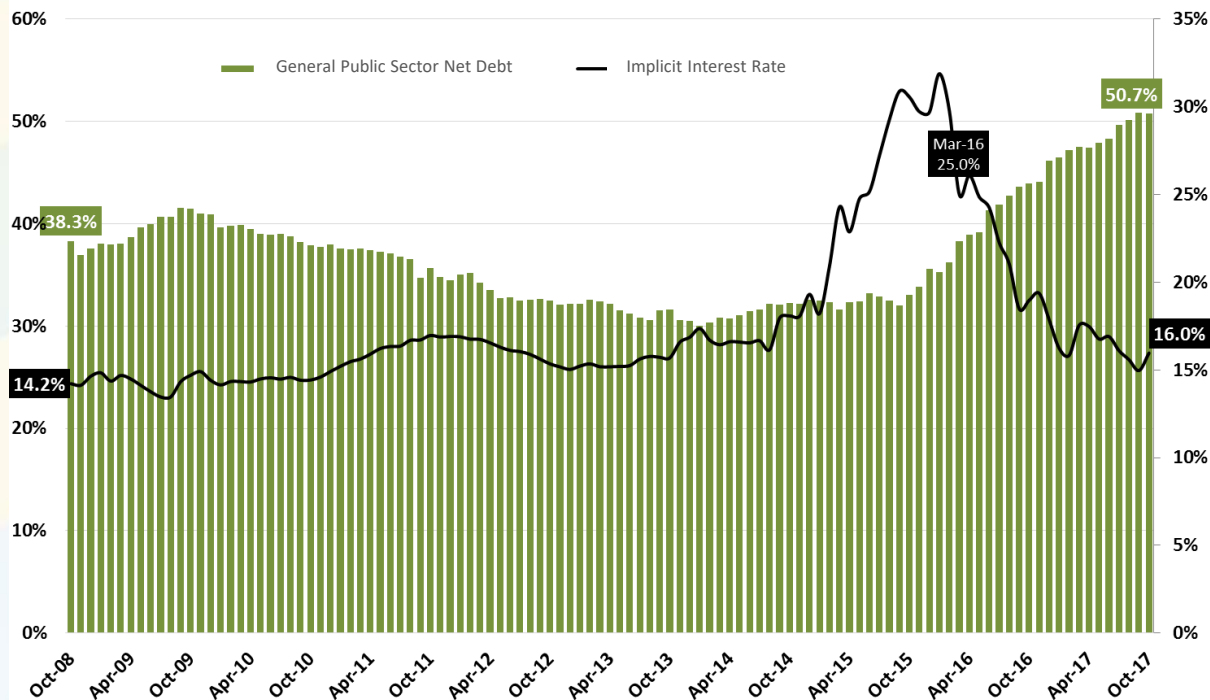


Sources: Central Bank of Brazil. *Excludes Petrobras and Eletrobras.

Public Sector Net Debt (as % GDP)

General Public Sector Net Debt (DSLPL)
% of GDP

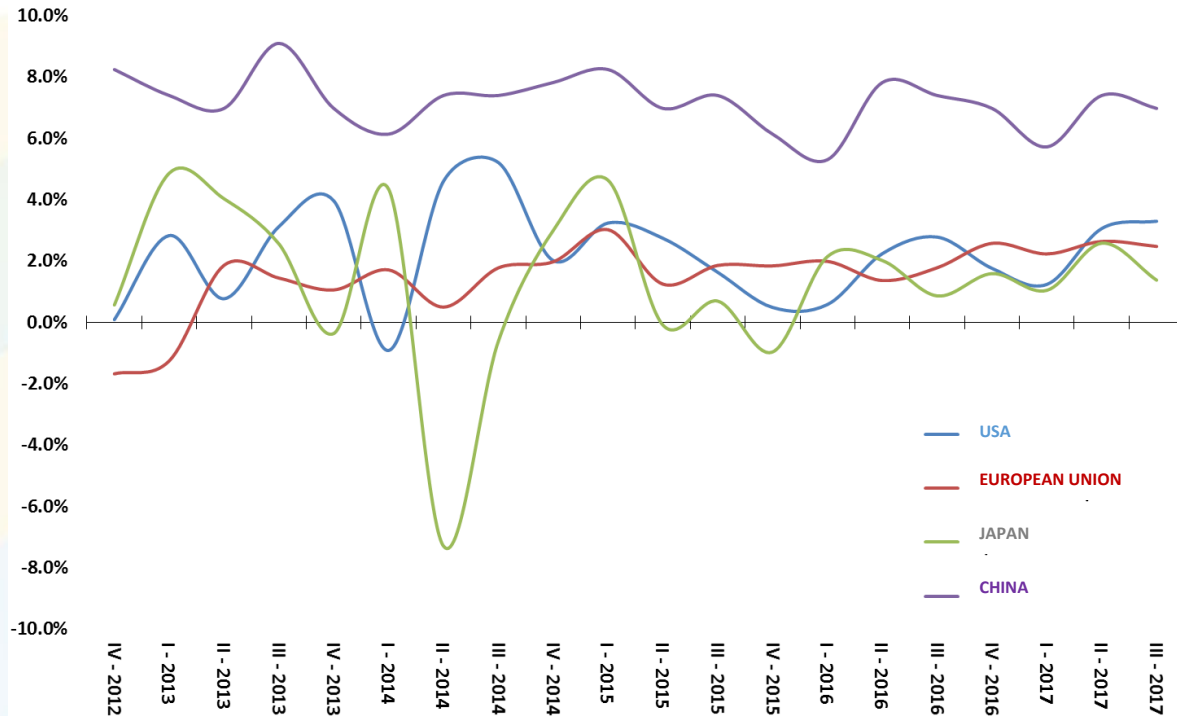
Implicit Interest Rate on DSLPL
12-month (%)



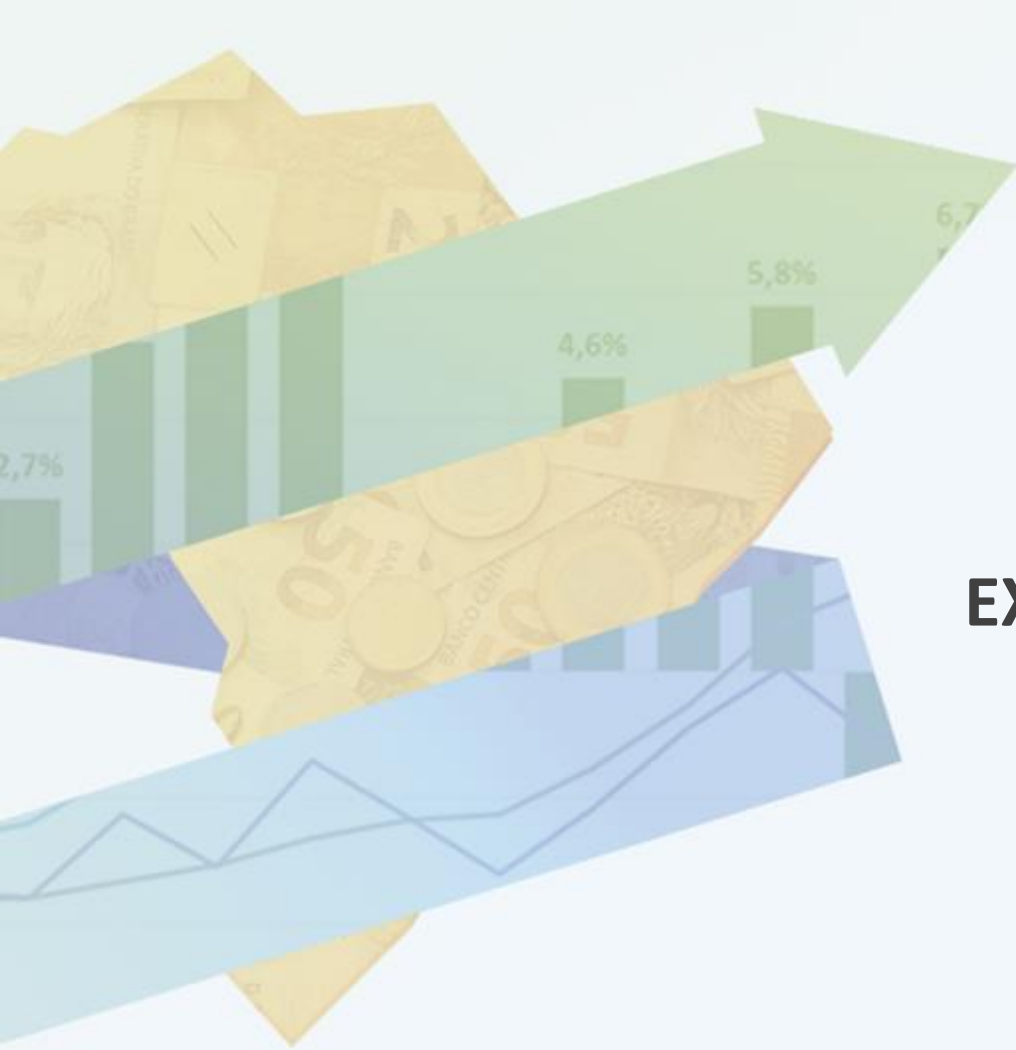
Source: Central Bank of Brazil.

World Major Economies GDP

GDP - real quarterly % chg. – seasonally adjusted data



Source: OECD.

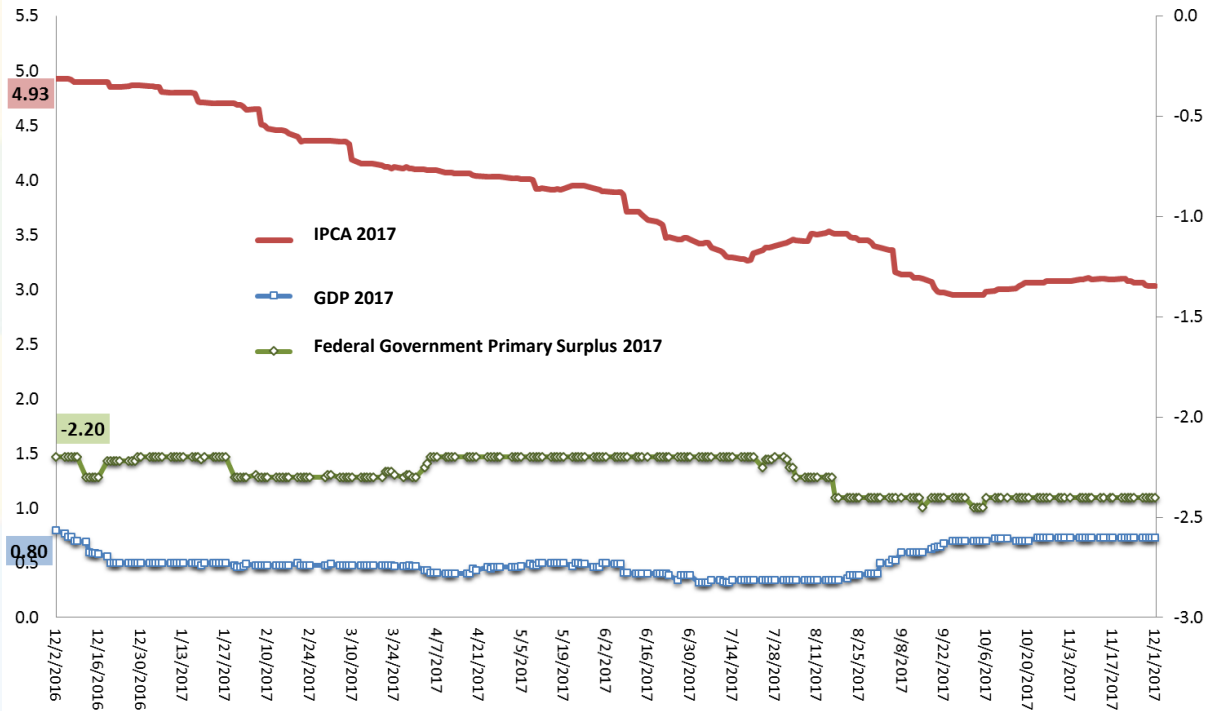


MARKET EXPECTATIONS

Market Expectations for 2017

Median of Market Expectations for 2017
Consumer Inflation (IPCA) and GDP
% p.a.

Median of Market Expectations for 2017
Federal Government Primary Surplus
as % GDP

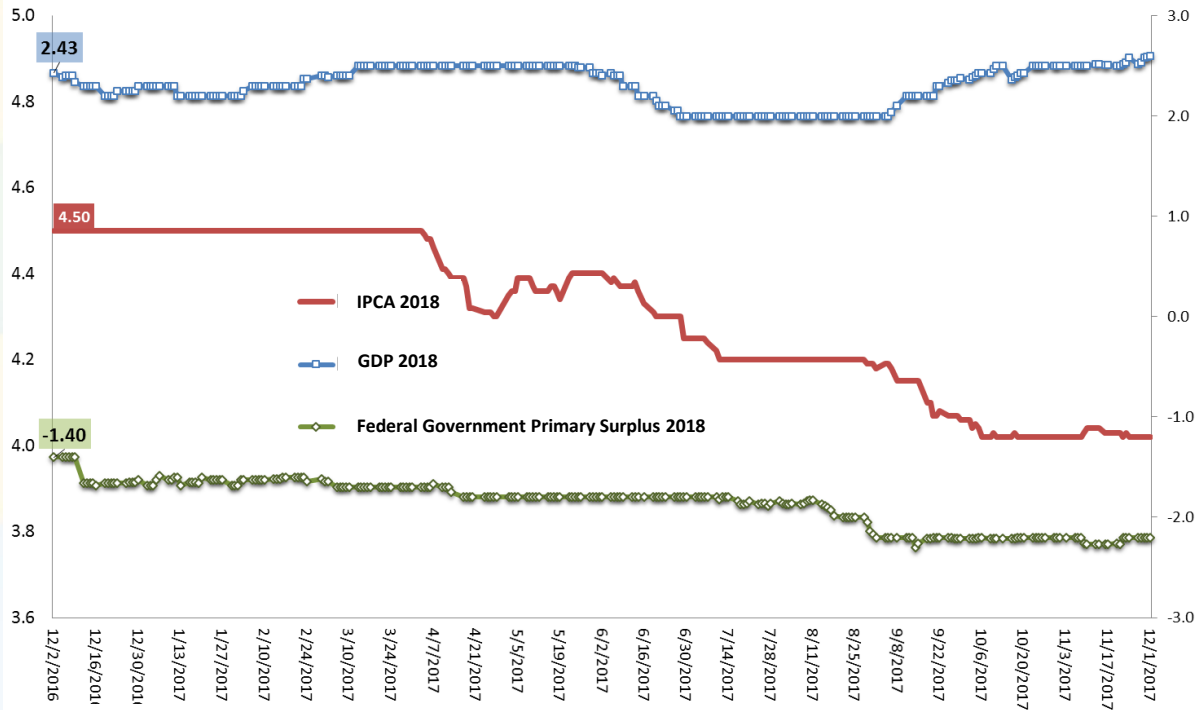


Source: Focus Survey, Central Bank of Brazil.

Market Expectations for 2018

Median of Market Expectations for 2018
Consumer Inflation (IPCA) and GDP
% p.a.

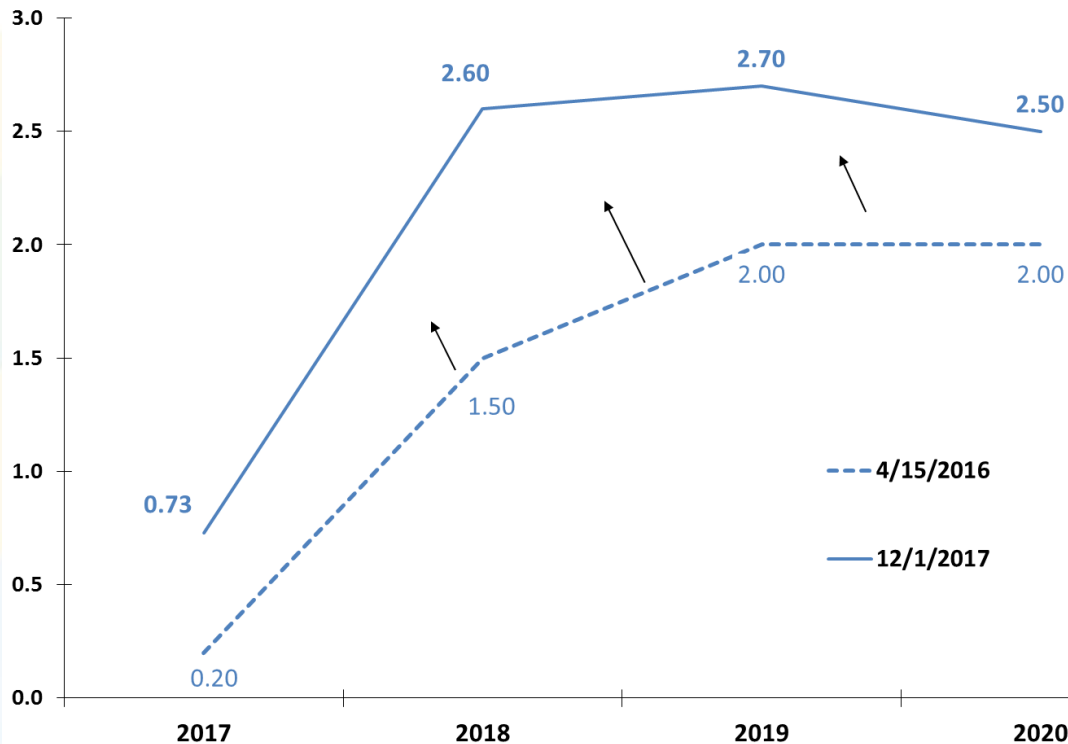
Median of Market Expectations for 2018
Federal Government Primary Surplus
as % GDP



Source: Focus Survey, Central Bank of Brazil.

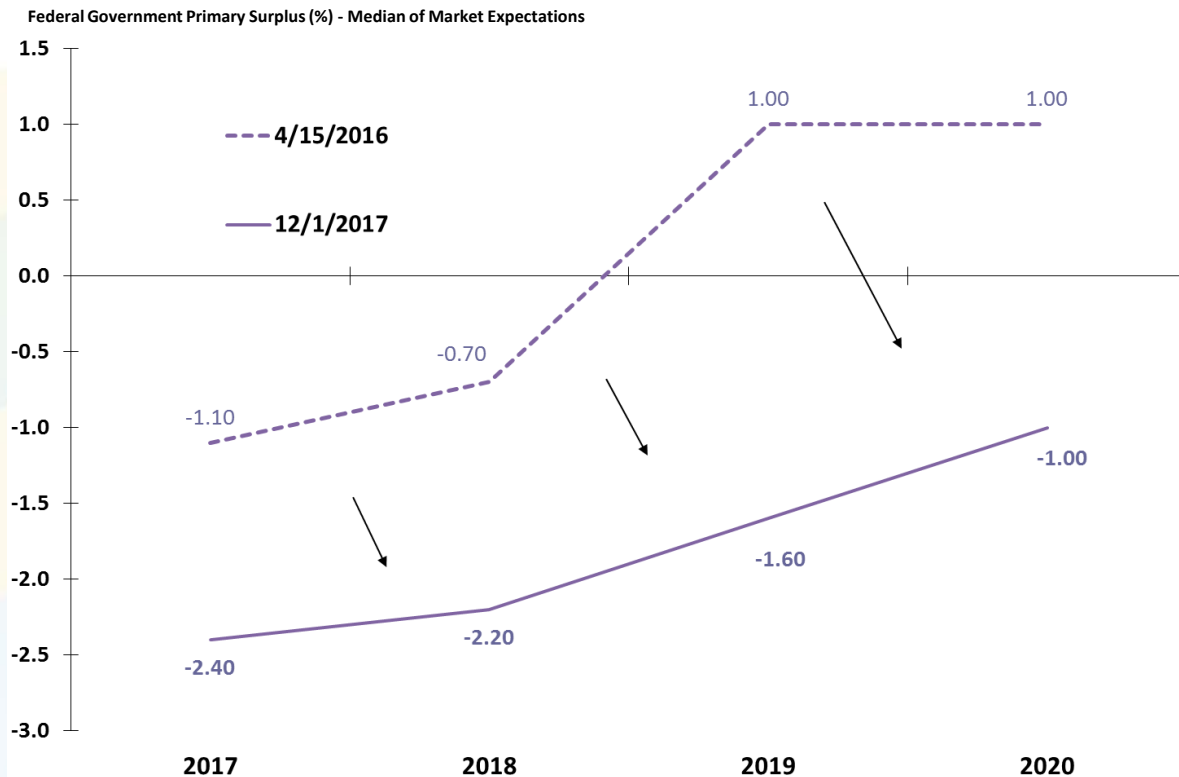
GDP: Median of Market Expectations

Real GDP chg. (%) - Median of Market Expectations



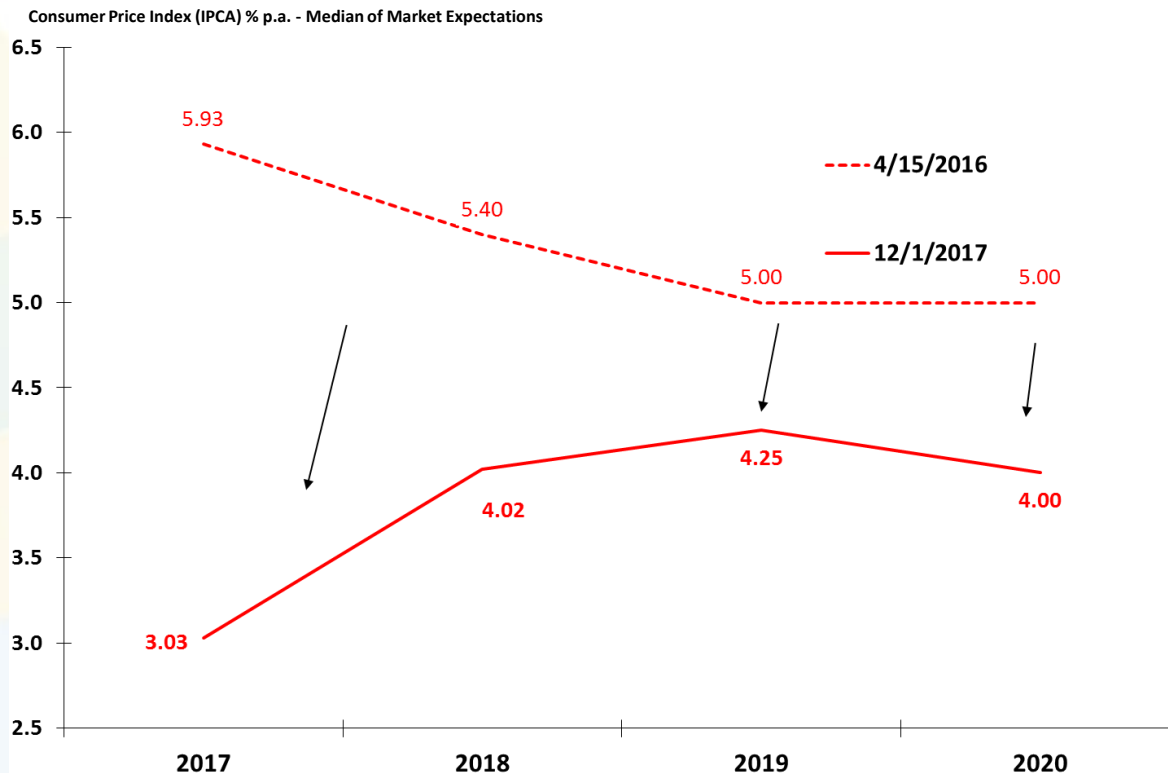
Source: Focus Survey, Central Bank of Brazil.

Primary Surplus: Median of Market Expectations



Source: Focus Survey, Central Bank of Brazil.

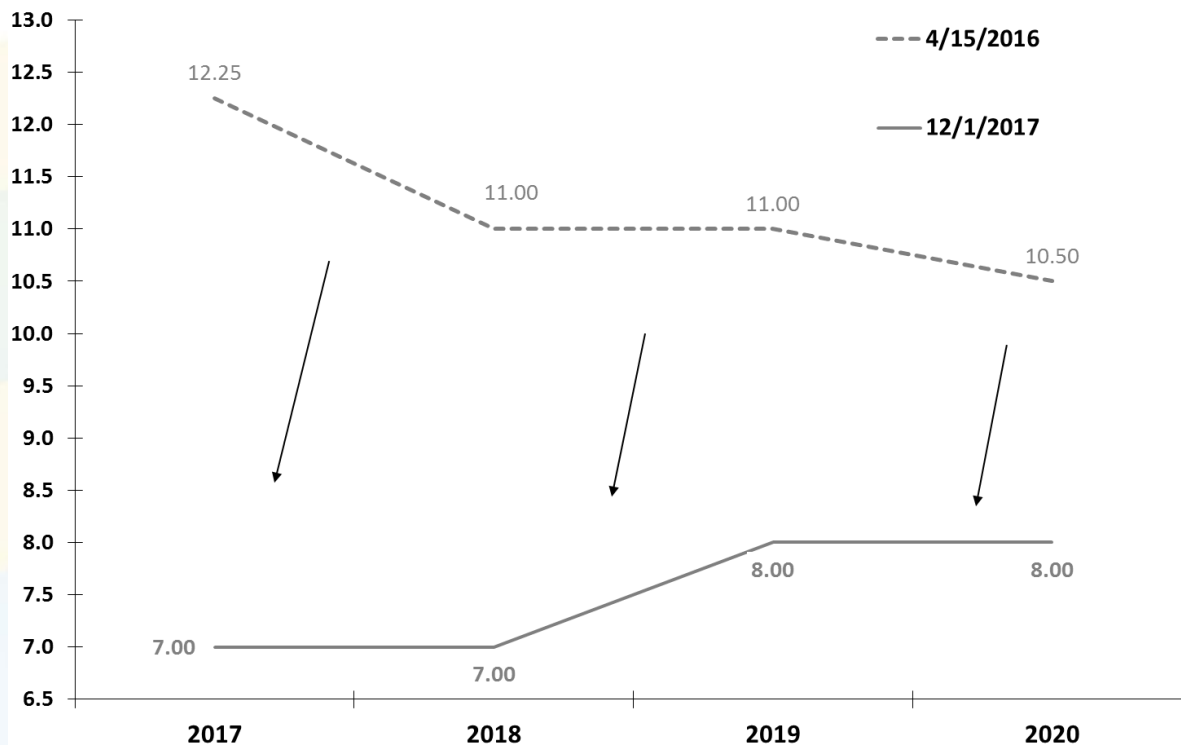
Consumer Price Index (IPCA): Median of Market Expectations



Source: Focus Survey, Central Bank of Brazil.

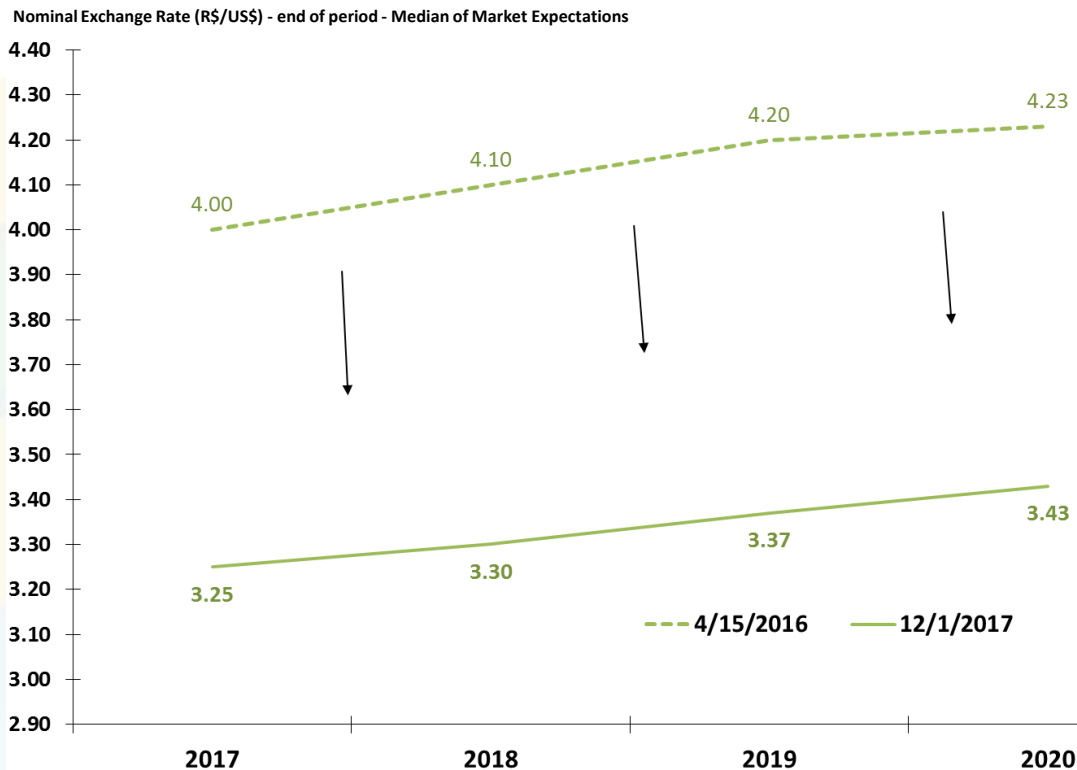
Main Interest Rate (Selic target): Median of Market Expectations

Main Interest Rate (Selic target) - % p.a. end of period - Median of Market Expectations

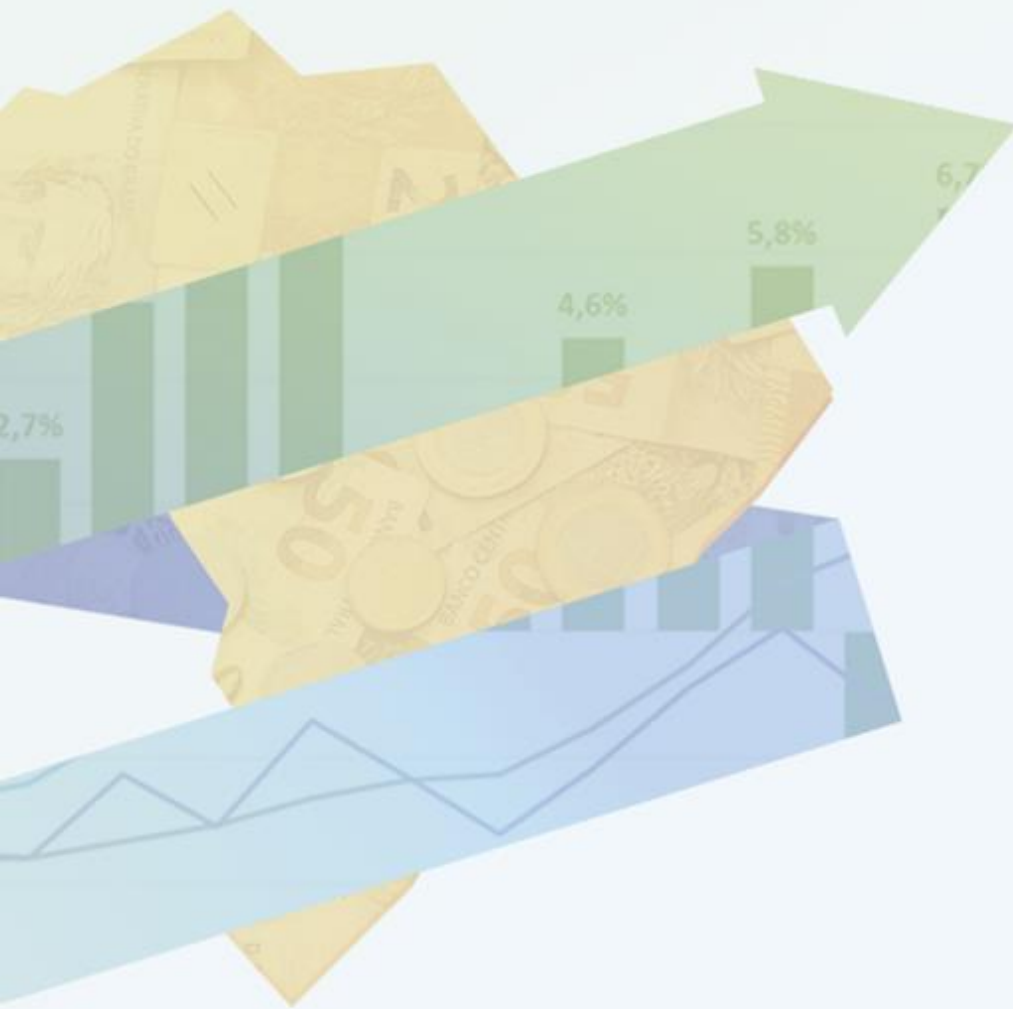


Source: Focus Survey, Central Bank of Brazil.

Nominal Exchange Rate: Median of Market Expectations



Source: Focus Survey, Central Bank of Brazil.



ECONOMIC ACTIVITY

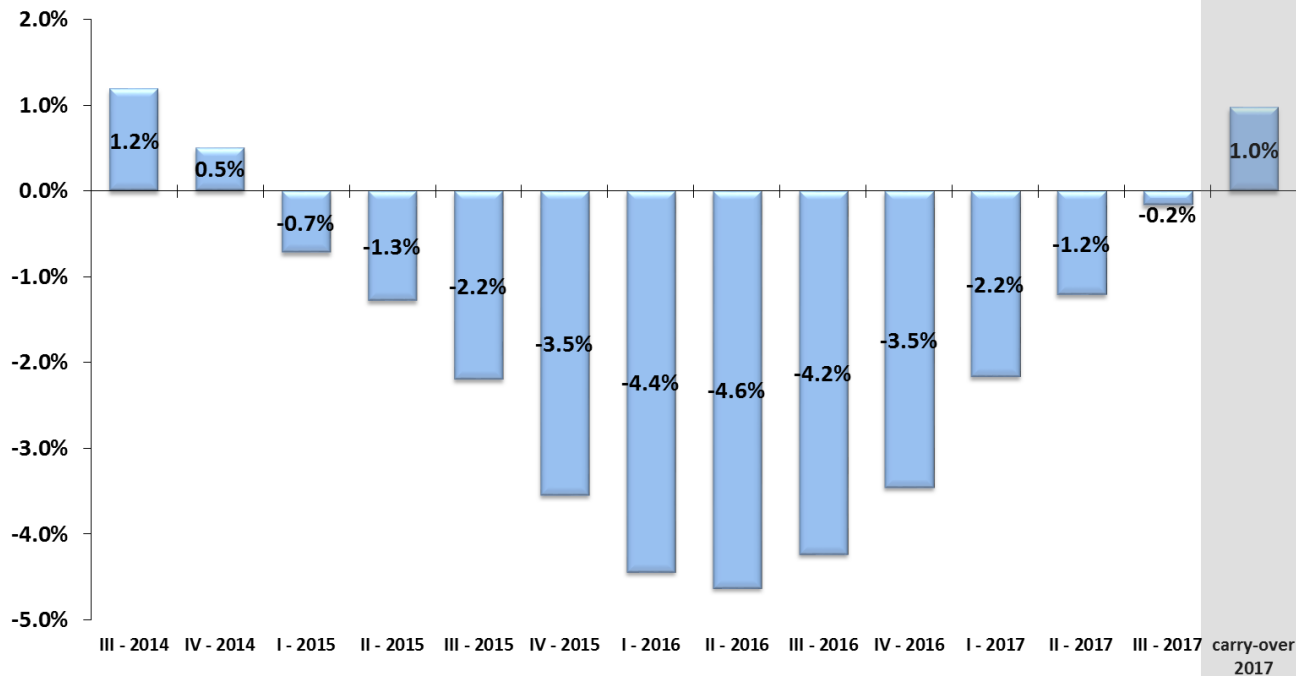
GDP and Quarterly Economic Activity

BCBFOCUS: 12/01/2017

Gross Domestic Product (IBGE)	Q3 2017												
	% change	2016	Q1-2017 / Q1-2016	Q2-2017 / Q2-2016	Q1-2017 / Q4-2016 (seasonally adjusted)	Q2-2017 / Q1-2017 (seasonally adjusted)	Year-To-Date	Q1-2017 accum. in 4-quarters	Q2-2017 accum. in 4-quarters	carry-over 2017	2017	2018	2019
Agriculture		-4.3%	14.8%	9.1%	12.9%	-2.3%	14.5%	8.4%	11.5%	12.2%	12.16%	1.50%	3.00%
Industry		-4.0%	-1.9%	0.4%	1.2%	-0.4%	-0.8%	-2.2%	-1.4%	-0.3%	-0.23%	3.34%	2.50%
Services		-2.6%	-0.2%	1.0%	0.3%	0.8%	-0.2%	-1.5%	-0.8%	0.2%	0.15%	2.00%	2.50%
GDP (market prices)		-3.5%	0.4%	1.4%	1.3%	0.7%	0.6%	-1.2%	-0.2%	1.0%	0.89%	2.60%	2.70%
Household Expenditure		-4.3%	0.6%	2.2%	0.2%	1.2%	0.4%	-1.9%	-0.5%	0.9%			
Government Expenditure		-0.1%	-0.8%	-0.6%	-0.1%	-0.1%	-0.6%	-0.3%	-0.4%	-0.6%			
Gross Fixed Capital Formation		-10.3%	-6.7%	-0.5%	-0.6%	0.0%	-3.6%	-6.3%	-4.2%	-2.6%			
Exports of Goods and Services		1.9%	2.5%	7.6%	5.7%	1.2%	4.0%	-0.8%	1.1%	6.3%			
Imports of Goods and Services (-)		-10.2%	-3.2%	5.7%	1.9%	-3.4%	3.9%	-0.6%	2.7%	4.8%			
Economic Activity Indicators (BCB and IBGE)	Q3 2017												
	% change	2016	Q1-2017 / Q1-2016	Q2-2017 / Q2-2016	Q1-2017 / Q4-2016 (seasonally adjusted)	Q2-2017 / Q1-2017 (seasonally adjusted)	Year-To-Date	Q1-2017 accum. in 4-quarters	Q2-2017 accum. in 4-quarters	carry-over 2017			
IBC-Br Economic Activity Index*		-4.6%	-0.2%	0.2%	0.4%	0.6%	0.0%	-2.0%	-1.0%	1.0%			
LSPA: Grain Harvest		-12.2%	20.1%	29.7%	5.4%	1.8%	31.0%	20.1%	29.7%	21.4%			
PIM: Industrial Production		-6.4%	0.3%	-1.0%	1.1%	0.9%	0.1%	-1.8%	-0.7%	2.2%			
PMC: Amplified Retail Sales		-8.7%	2.9%	5.6%	1.9%	2.3%	2.1%	-4.1%	-0.6%	4.3%			
PMS: Volume of Services		-5.0%	-3.5%	-3.2%	0.2%	-0.6%	-3.8%	-4.7%	-4.4%	-2.6%			

Quarterly GDP

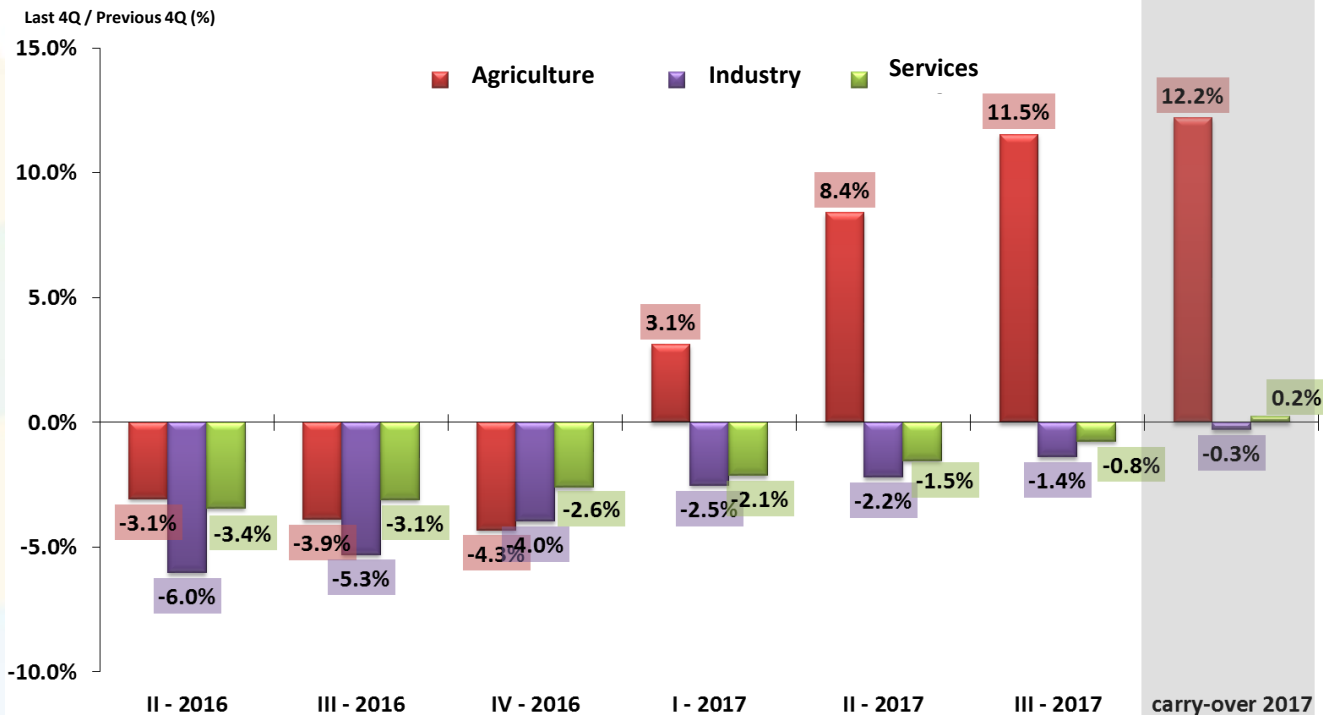
Last 4Q / Previous 4Q (%)



Source: IBGE/MP, Quarterly National Accounts Series.

Note: Carry-over 2017 based on 2017 3rd quarter seasonally adjusted level compared to 2016 average.

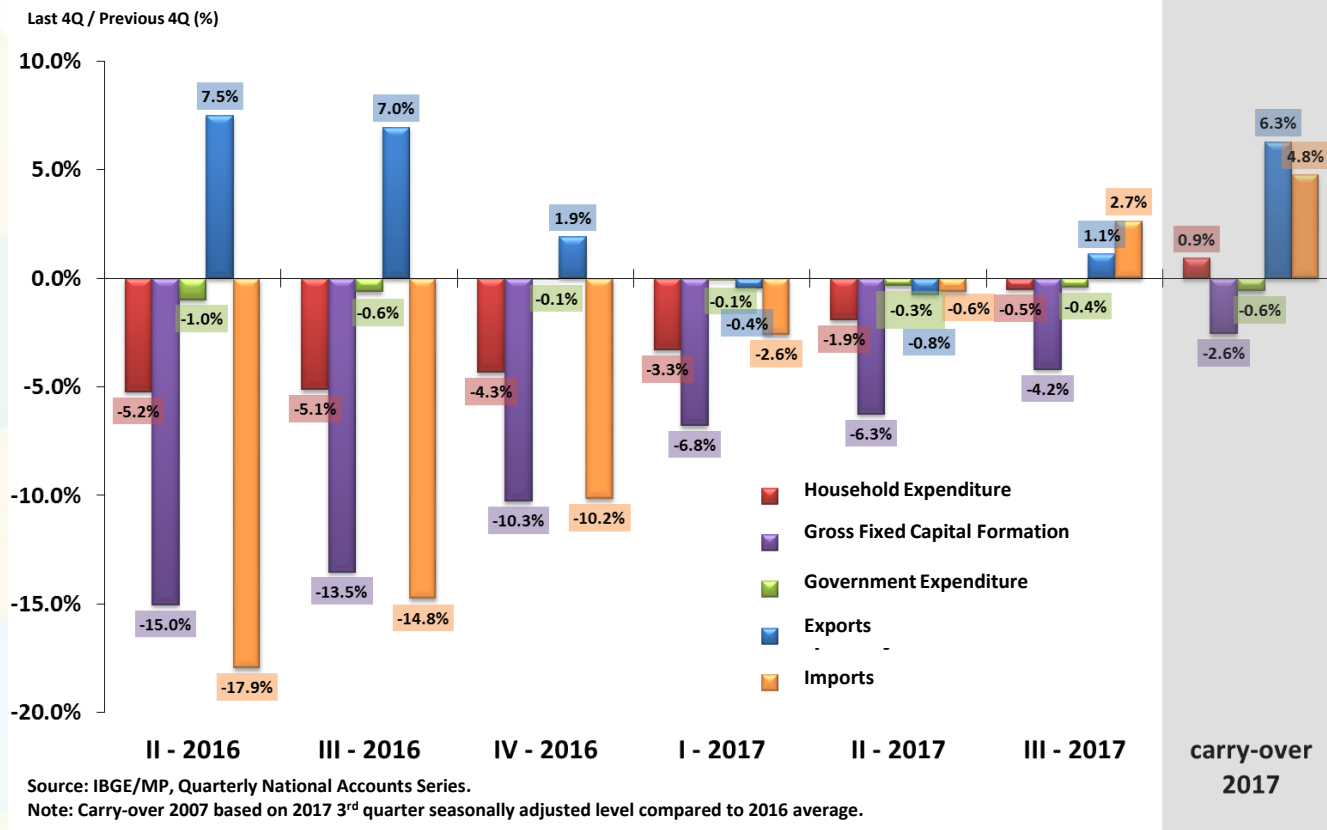
Quarterly GDP by Activity Sector



Source: IBGE/MP, Quarterly National Accounts Series.

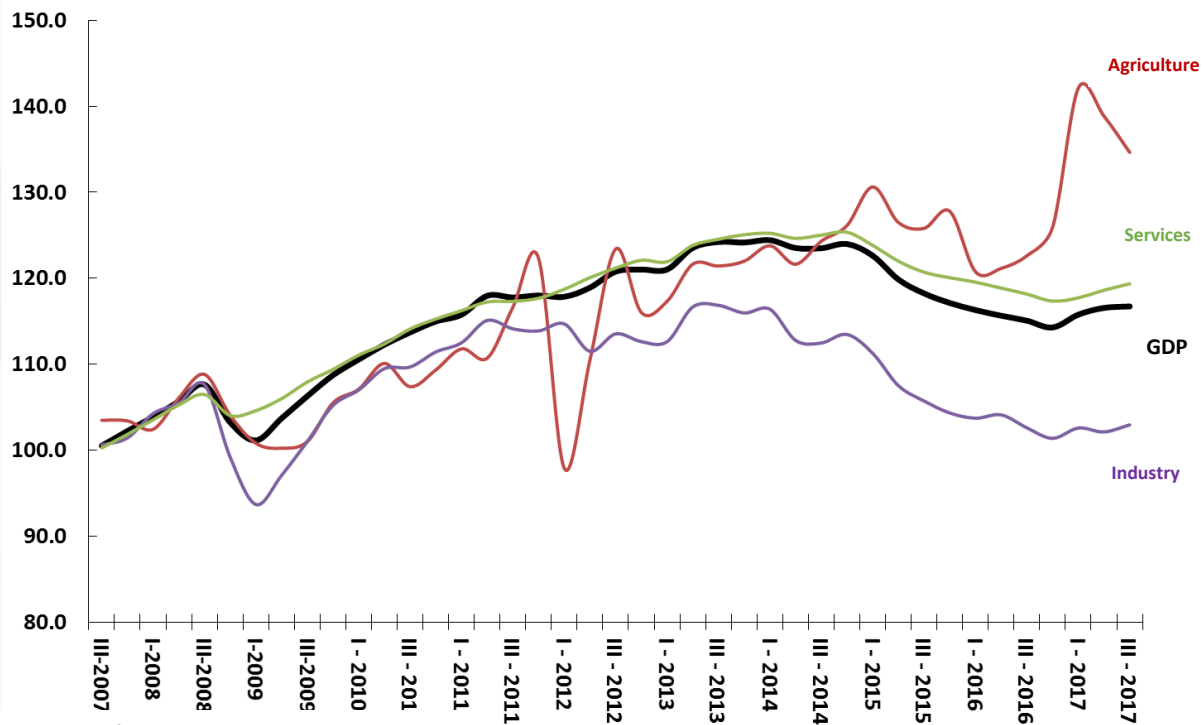
Note: Carry-over 2017 based on 2017 3rd quarter seasonally adjusted level compared to 2016 average.

Quarterly GDP by Expenditure



Quarterly GDP by Activity Sector

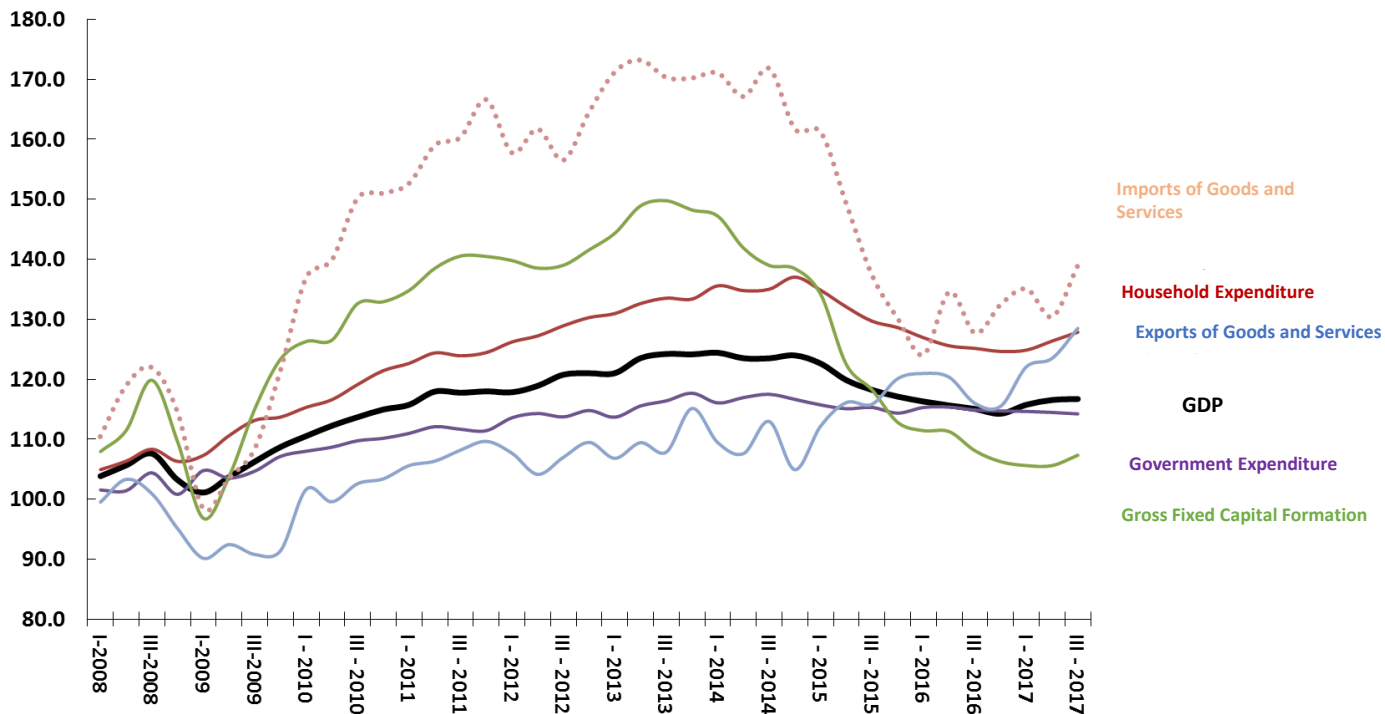
GDP and Economic Sectors Quarterly Volume Indicator
Chained Series of the Seasonally Adjusted Index: 2007=100



Source: IBGE/MP, Quarterly National Accounts Series.

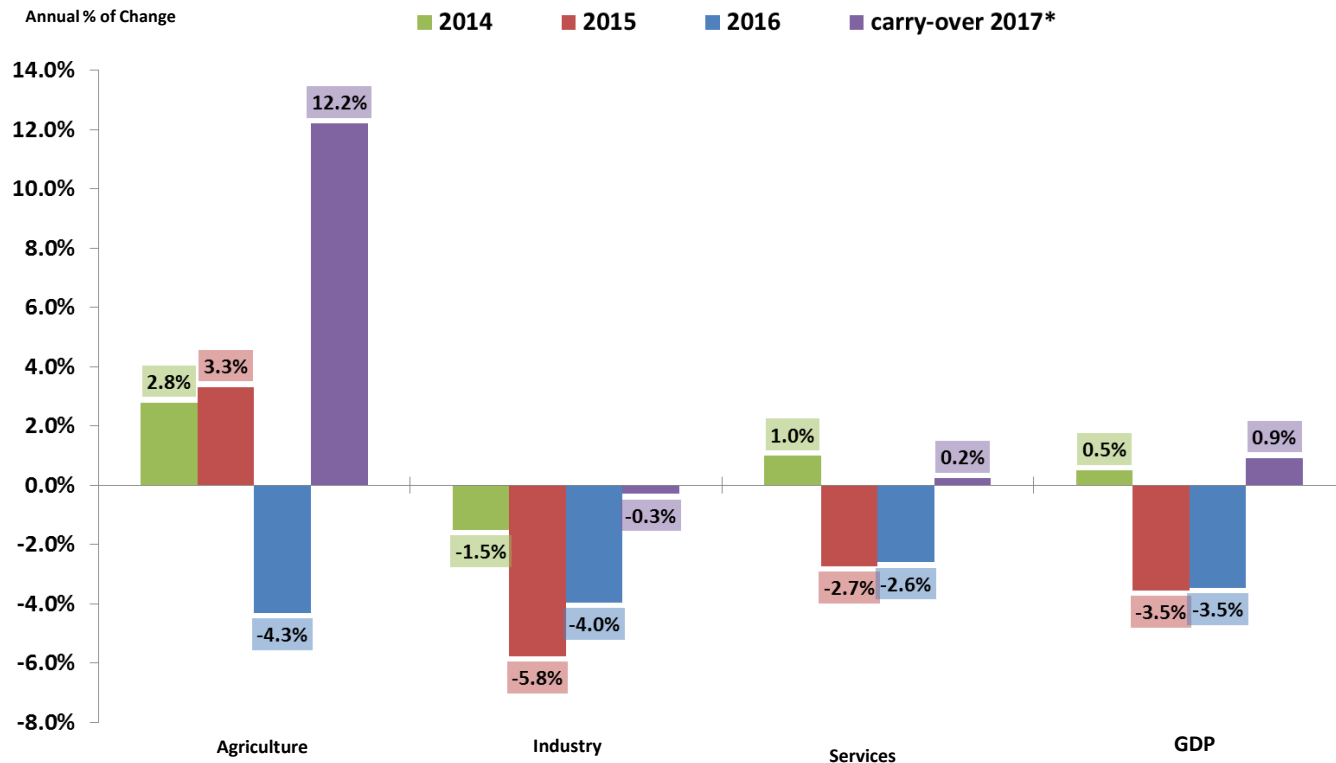
Quarterly GDP by Expenditure

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



Source: IBGE/MP, Quarterly National Accounts Series.

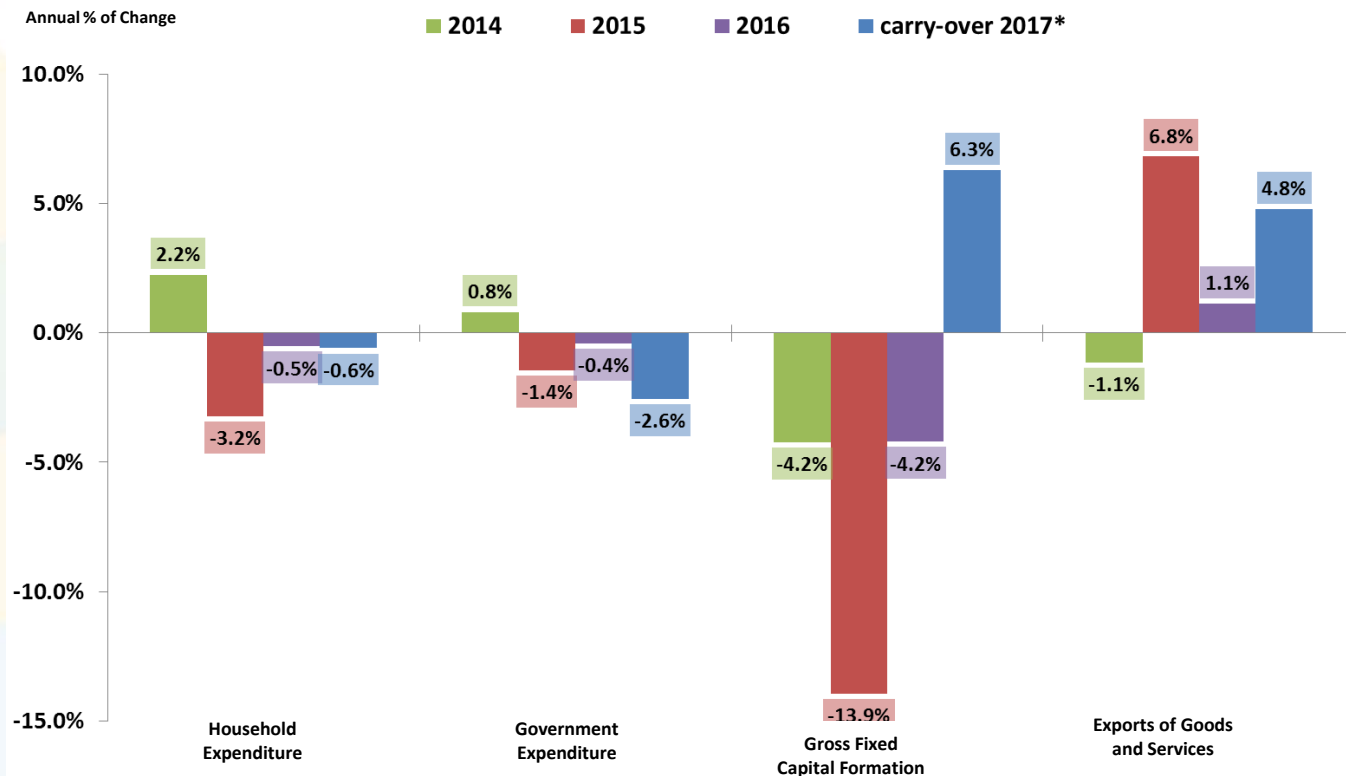
Annual GDP Real Growth by Activity Sector



Source: IBGE/MP, Quarterly National Accounts Series.

Note: Carry-over 2017 based on 2017 3rd quarter seasonally adjusted level compared to 2016 average.

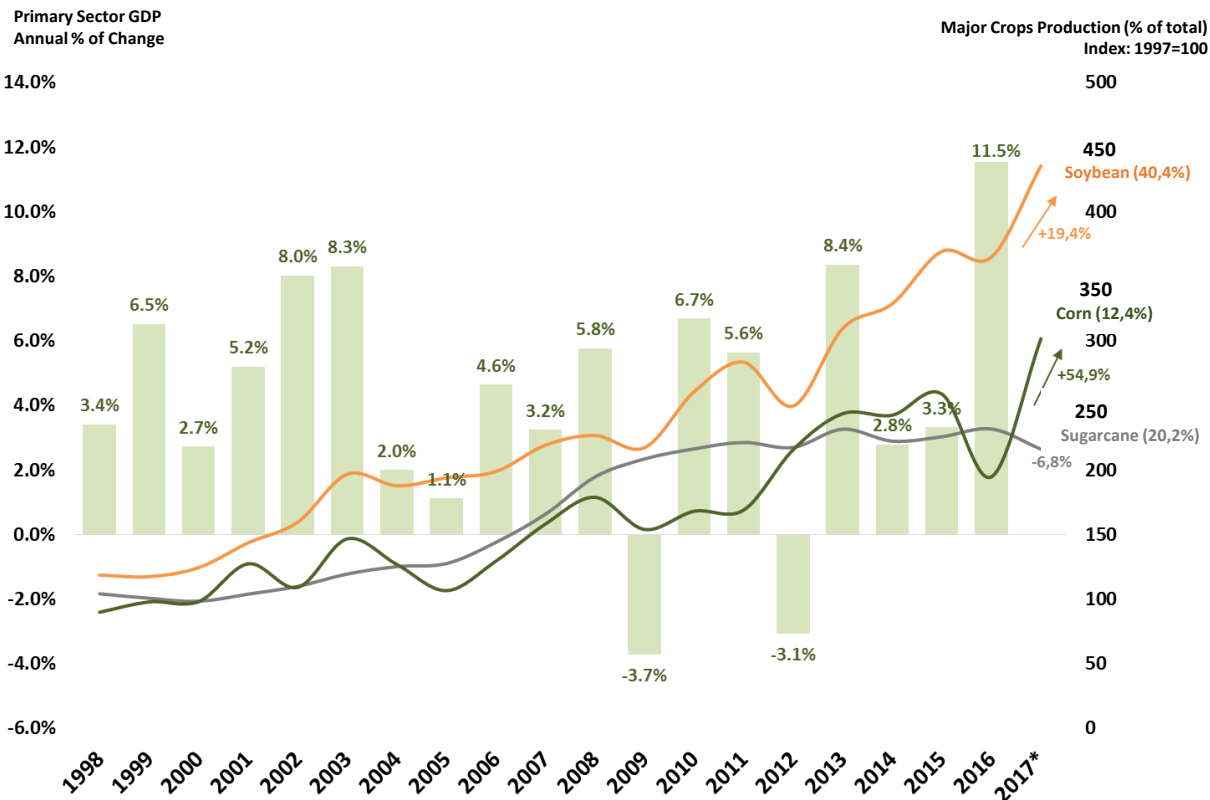
Annual GDP Real Growth by Expenditure



Source: IBGE/MP, Quarterly National Accounts Series.

Note: Carry-over 2017 based on 2017 3rd quarter seasonally adjusted level compared to 2016 average.

Primary Sector Performance by Major Crops



Source: IBGE/MP, Systematic Survey of Agricultural Production (LSPA) – October 2017.



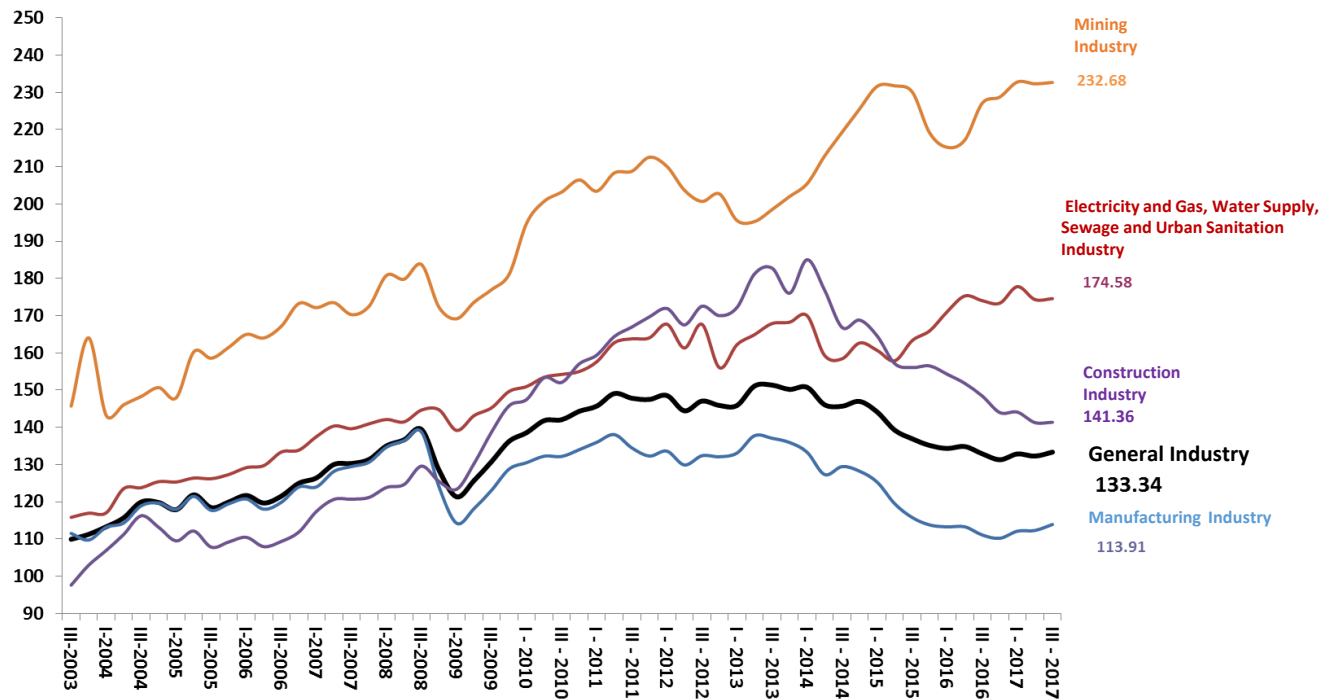
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Industry Performance by Subsectors

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

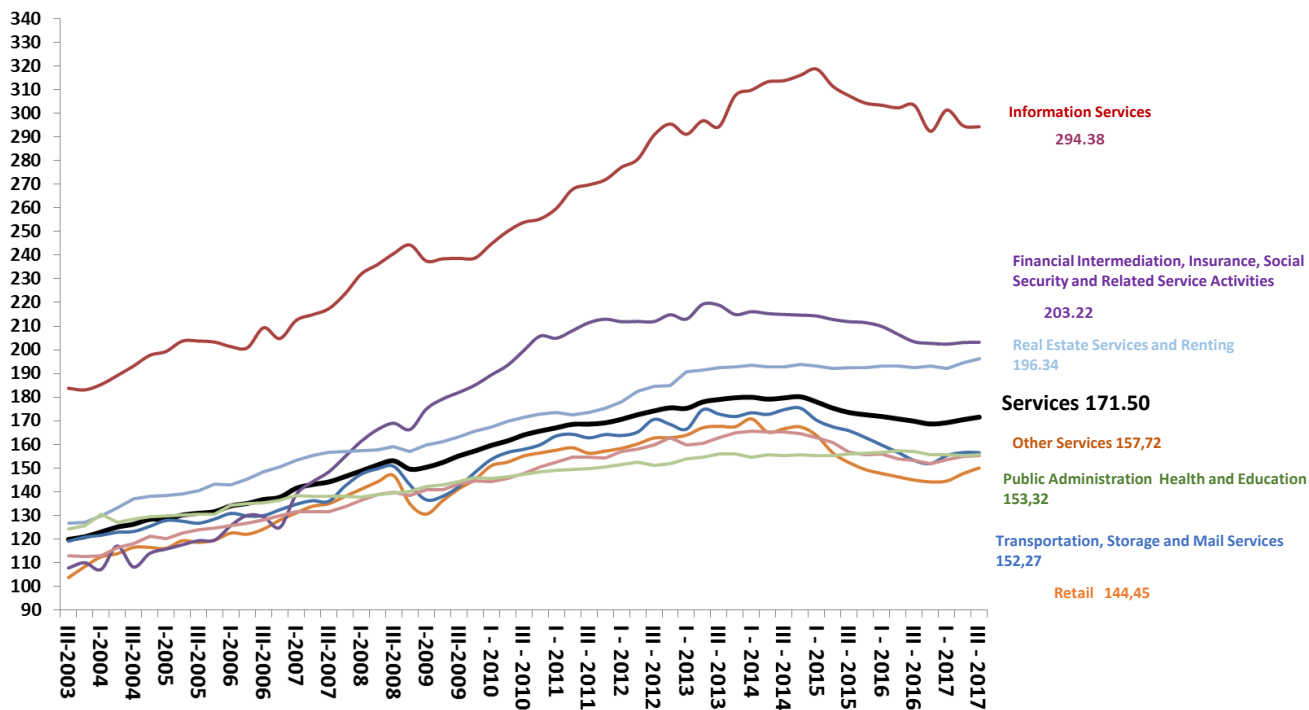


Source: IBGE/MP, Quarterly National Accounts Series.

Services Performance by Subsectors

Services Provision Indicators

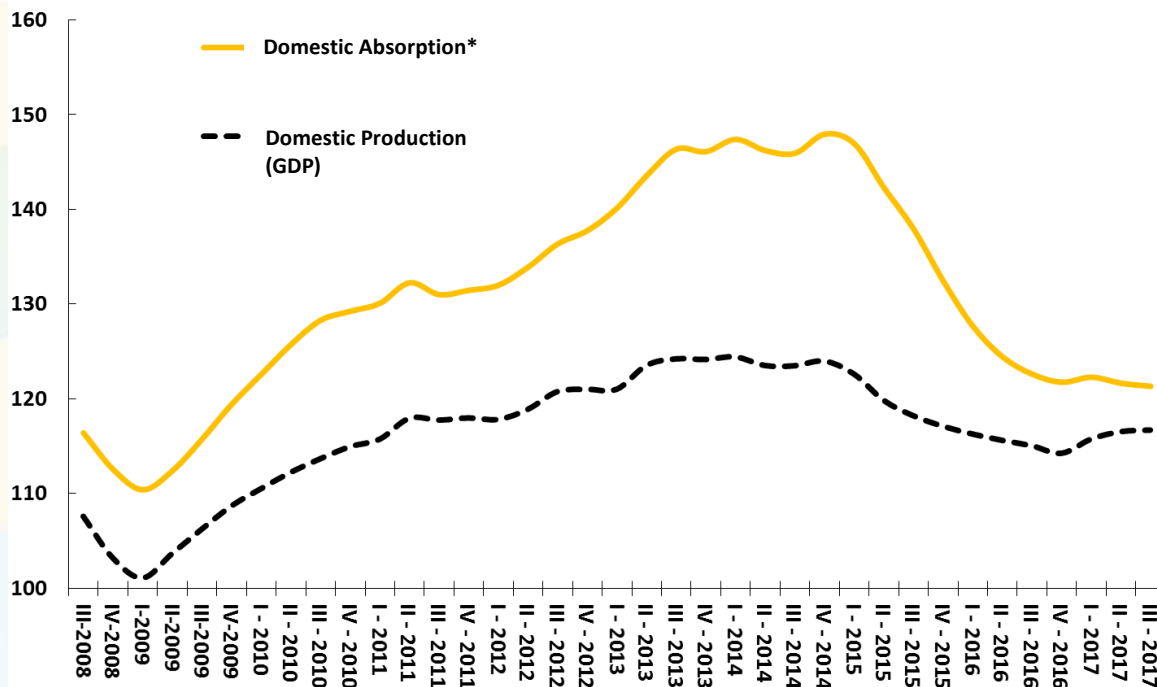
Chained Series of the Seasonally Adjusted Index: 1995=100



Source: IBGE/MP, Quarterly National Accounts Series.

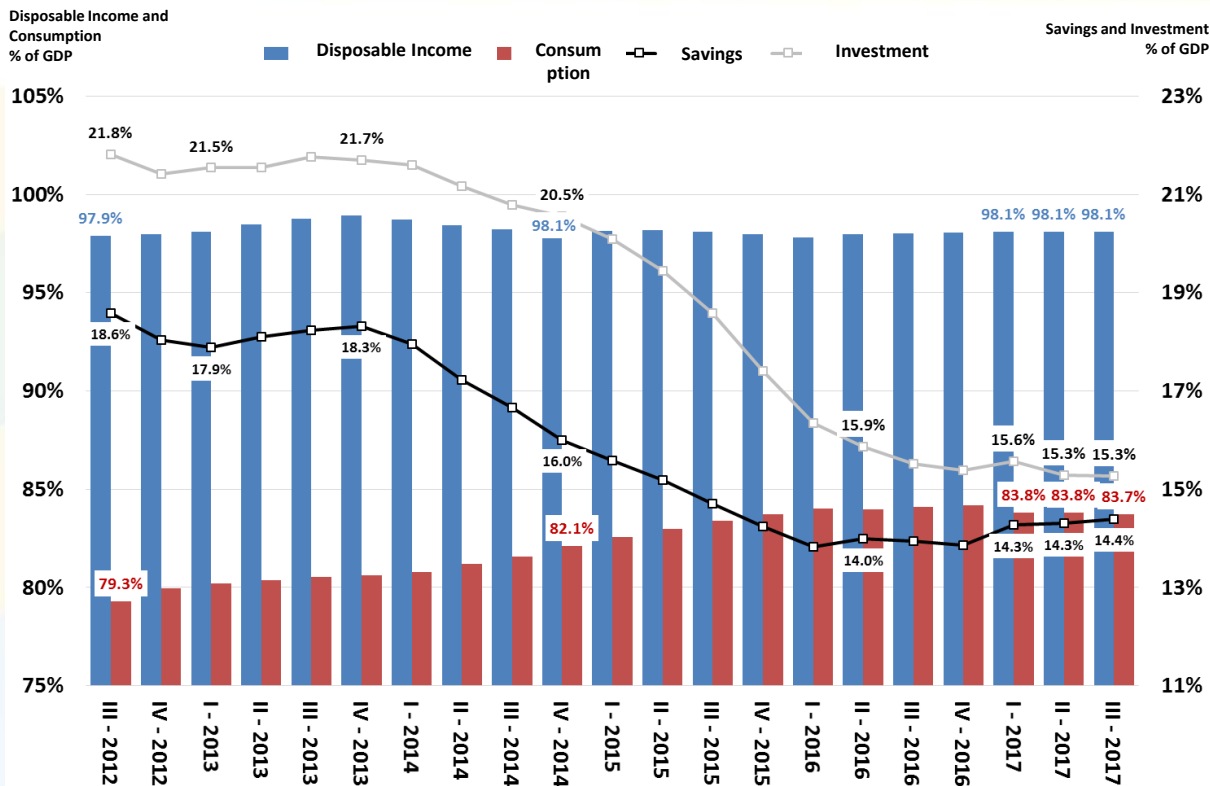
Domestic Production and Absorption

Domestic Volume and Absorption* Quarterly Volume Indicator
Chained Series of the Seasonally Adjusted Index: 2007=100



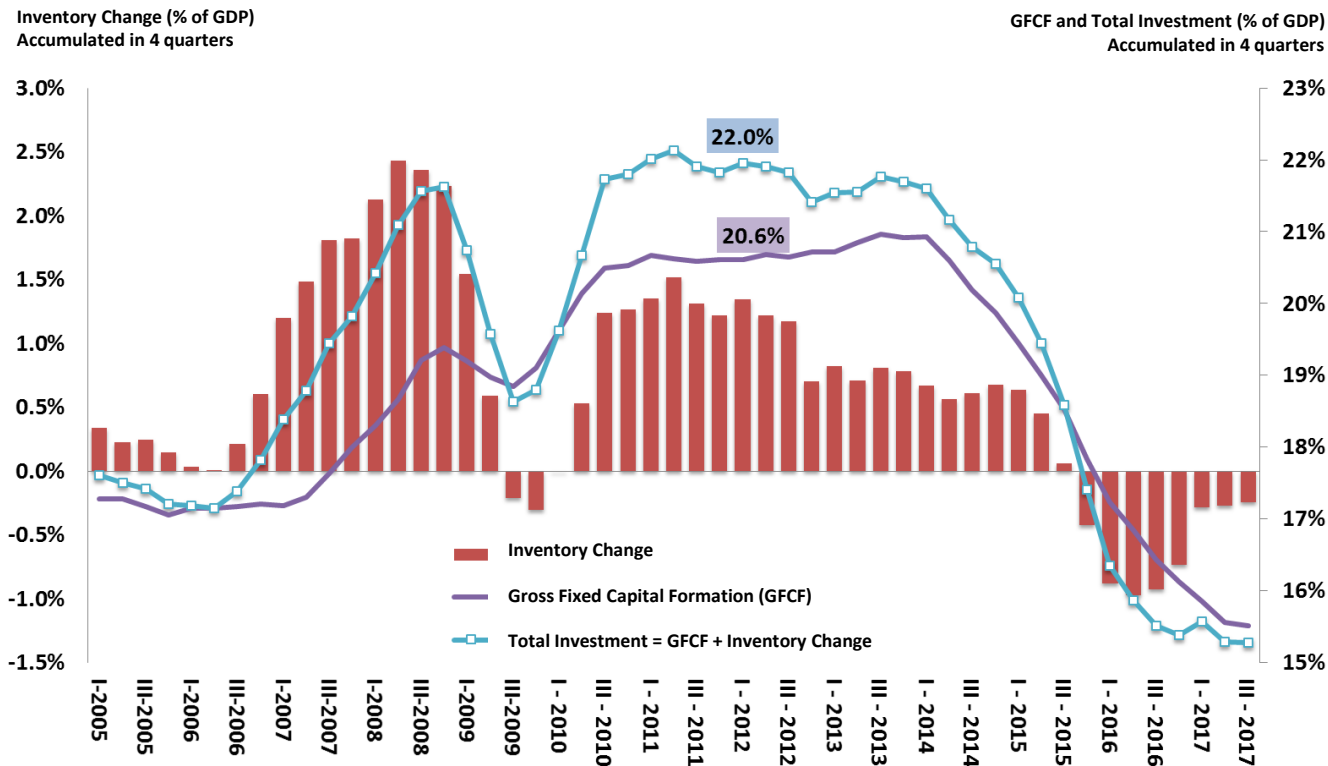
Source: IBGE/MP, Quarterly National Accounts Series. * Domestic Absorption = GDP – Exports of Goods and Services + Imports of Goods and Services.

Disposable Income, Consumption, Savings and Investment



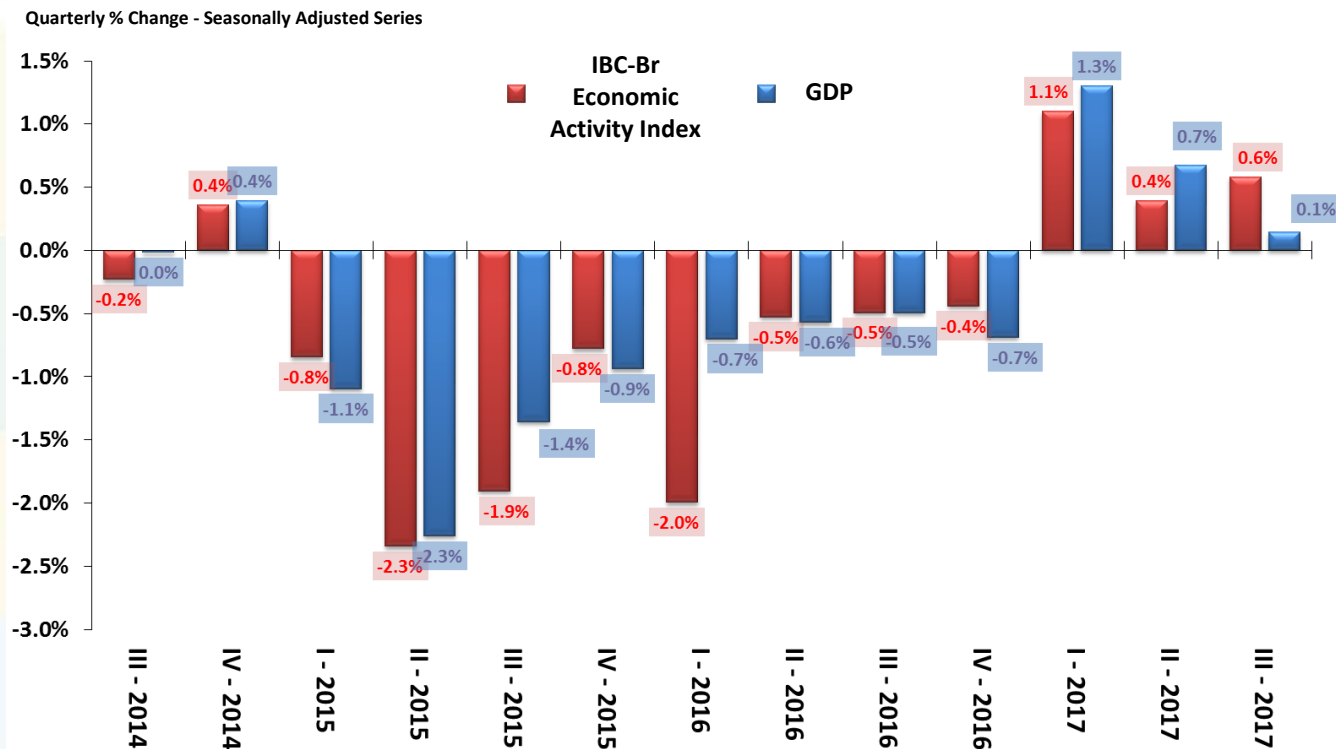
Source: IBGE/MP, Quarterly National Accounts Series.

Inventory Change and Gross Fixed Capital Formation



Source: IBGE/MP, Quarterly National Accounts Series.

Quarterly GDP Growth and IBC-Br Economic Activity Index



Sources: IBGE/MP and Central Bank of Brazil.

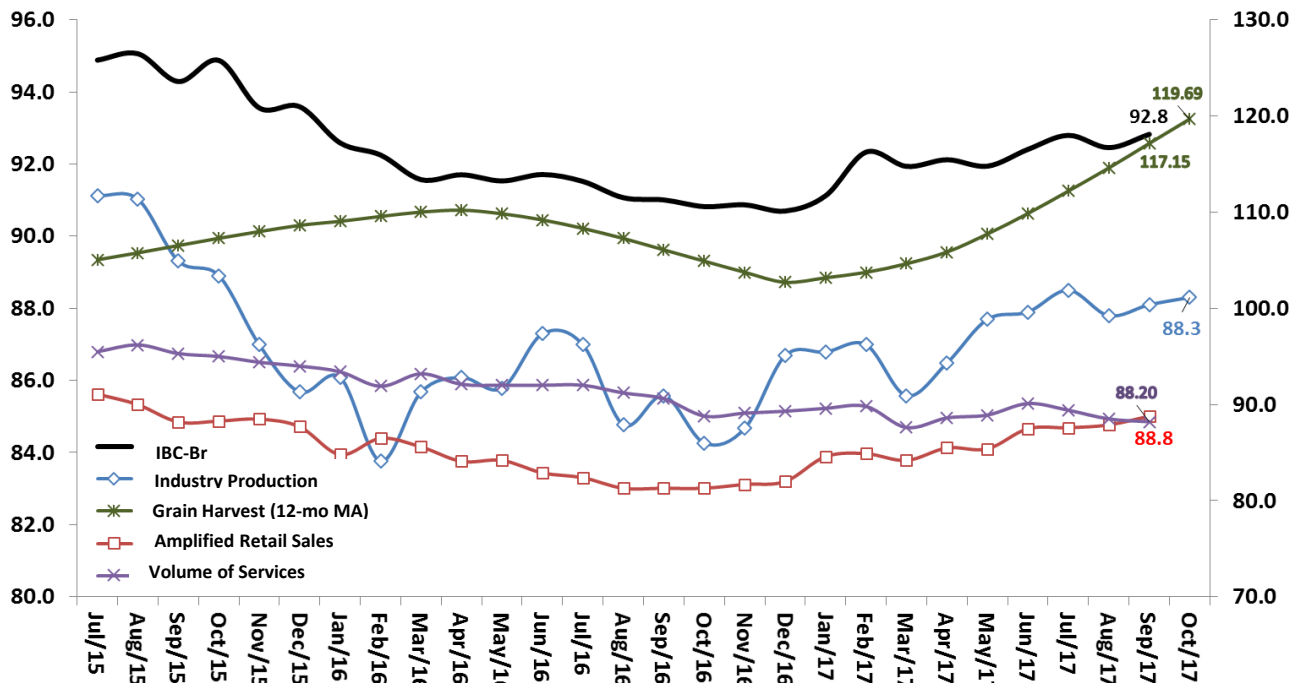
Monthly Economic Activity

IBC-Br Economic Activity Index	September 2017										
	% change	2015	2016	Aug/17 -Aug/16	Sep/17 -Sep/16	Aug/17 - Jul/17 (seasonally adjusted)	Sep/17 - Jul/17 (seasonally adjusted)	Year-To-Date	Aug/17 accum. in 12-months	Sep/17 accum. in 12-months	carry-over 2017
IBC-Br Economic Activity Index		-4.2%	-4.6%	1.7%	1.3%	-0.4%	0.4%	0.4%	-1.1%	-0.6%	1.0%
Systematic Survey of Agricultural Production (IBGE)	October 2017										
	% change	2015	2016	Sep/17 -Sep/16	Oct/17 -Oct/16	Sep/17 - Aug/17 (seasonally adjusted)	Oct/17 - Sep/17 (seasonally adjusted)	Year-To-Date	Sep/17 accum. in 12-months	Oct/17 accum. in 12- months	carry-over 2017
Grain Harvest		7.6%	-11.3%	31.5%	31.4%	0.5%	-0.2%	9.1%	31.5%	31.4%	21.4%
Industry Production (IBGE)	October 2017										
	% change	2015	2016	Sep/17 -Sep/16	Oct/17 -Oct/16	Sep/17 - Aug/17 (seasonally adjusted)	Oct/17 - Sep/17 (seasonally adjusted)	Year-To-Date	Sep/17 accum. in 12-months	Oct/17 accum. in 12- months	carry-over 2017
General Industry		-8.2%	-6.4%	2.4%	5.2%	0.3%	0.2%	1.9%	0.4%	1.5%	2.2%
Mining Industry (weight 11,2%)		3.9%	-9.4%	2.4%	3.0%	1.1%	0.3%	5.8%	4.6%	5.8%	5.2%
Manufacturing Industry (weight 88,8%)		-9.8%	-6.0%	2.6%	5.6%	0.2%	0.5%	1.4%	-0.3%	0.9%	1.9%
Food (weight 13,9%)		-1.8%	1.3%	3.4%	0.2%	3.7%	0.1%	0.1%	-0.7%	-0.2%	-0.2%
Petroleum refinement and alcohol production (weight 10,3%)		-5.9%	-8.5%	3.7%	-1.4%	6.0%	-2.6%	-5.1%	-6.8%	-6.1%	-3.9%
Motor vehicles (weight 10,1%)		-25.9%	-12.1%	20.8%	27.3%	1.2%	-0.1%	16.1%	12.7%	15.9%	15.9%
Capital Goods		-25.3%	-10.7%	5.8%	15.0%	0.0%	1.1%	5.6%	3.9%	6.0%	6.4%
Intermediate Goods		-5.2%	-6.3%	1.8%	3.0%	0.7%	-0.8%	0.9%	-0.2%	0.7%	1.3%
Durable Consumer Goods		-18.5%	-14.4%	16.2%	17.5%	2.1%	-2.0%	12.4%	8.9%	11.4%	11.5%
Semi and Non-Durable Consumer Goods		-6.7%	-3.2%	-0.2%	4.8%	-2.3%	2.0%	0.7%	-1.2%	-0.1%	1.3%
Typical Construction Inputs		-12.5%	-11.9%	-0.4%	1.8%	-6.2%	2.3%	-4.8%	-7.0%	-5.4%	6.0%
Retail Sales (IBGE)	September 2017										
	% change	2015	2016	Aug/17 -Aug/16	Sep/17 -Sep/16	Aug/17 - Jul/17 (seasonally adjusted)	Sep/17 - Jul/17 (seasonally adjusted)	Year-To-Date	Aug/17 accum. in 12-months	Sep/17 accum. in 12-months	carry-over 2017
Retail Sales		-4.3%	-6.3%	3.6%	6.4%	-0.4%	0.5%	1.3%	-1.6%	-0.6%	2.6%
Amplified Retail Sales		-8.6%	-8.7%	7.7%	9.3%	0.3%	1.0%	2.7%	-1.5%	-0.1%	4.5%
Vehicles, Motorcycles, Parts and Accessories		-17.8%	-14.0%	14.1%	10.8%	3.0%	-0.4%	0.5%	-5.1%	-3.0%	3.2%
Construction Material		-8.4%	-10.7%	13.0%	15.5%	2.0%	0.5%	7.5%	1.5%	3.7%	9.1%
Fuel and Lubricants		-6.2%	-9.2%	-2.9%	-4.1%	-2.9%	-0.7%	-3.2%	-4.8%	-4.4%	-2.9%
Hypermarkets, Supermarkets, Food, Beverage and Tobacco		-2.5%	-3.1%	1.7%	6.0%	0.1%	1.0%	0.5%	-1.3%	-0.7%	1.8%
Textiles, Apparel and Footwear		-8.6%	-10.9%	9.3%	11.7%	-3.2%	0.2%	7.8%	0.3%	1.8%	8.9%
Furniture and Household Appliances		-14.1%	-12.6%	16.6%	16.6%	1.3%	-0.7%	8.8%	0.8%	3.1%	10.3%
Volume of Services (IBGE)	September 2017										
	% change	2015	2016	Aug/17 -Aug/16	Sep/17 -Sep/16	Aug/17 - Jul/17 (seasonally adjusted)	Sep/17 - Jul/17 (seasonally adjusted)	Year-To-Date	Aug/17 accum. in 12-months	Sep/17 accum. in 12-months	carry-over 2017
Volume of Services		-3.6%	-5.0%	-2.5%	-3.3%	-1.0%	-0.3%	-3.7%	-4.5%	-4.3%	-2.8%
Services Rendered to Families		-5.3%	-4.4%	-4.3%	4.6%	-4.8%	5.9%	-1.2%	-2.9%	-2.1%	-0.4%
Information and Communication Services		0.0%	-3.2%	-3.5%	-5.7%	0.1%	-1.8%	-2.6%	-2.8%	-3.1%	-2.5%
Professional, Administrative and Complementary Services		-4.3%	-5.5%	-6.6%	-6.4%	0.6%	-0.2%	-8.0%	-6.9%	-7.1%	-7.3%
Transportation, Support Activities for Transportation and Mailing Activities		-6.1%	-7.6%	5.2%	3.3%	0.8%	0.3%	0.8%	-3.0%	-1.9%	1.8%
Other Services		-9.0%	-2.8%	-8.6%	-6.4%	1.3%	-0.1%	-9.7%	-7.4%	-7.5%	-9.1%

Major Monthly Economic Activity Indicators

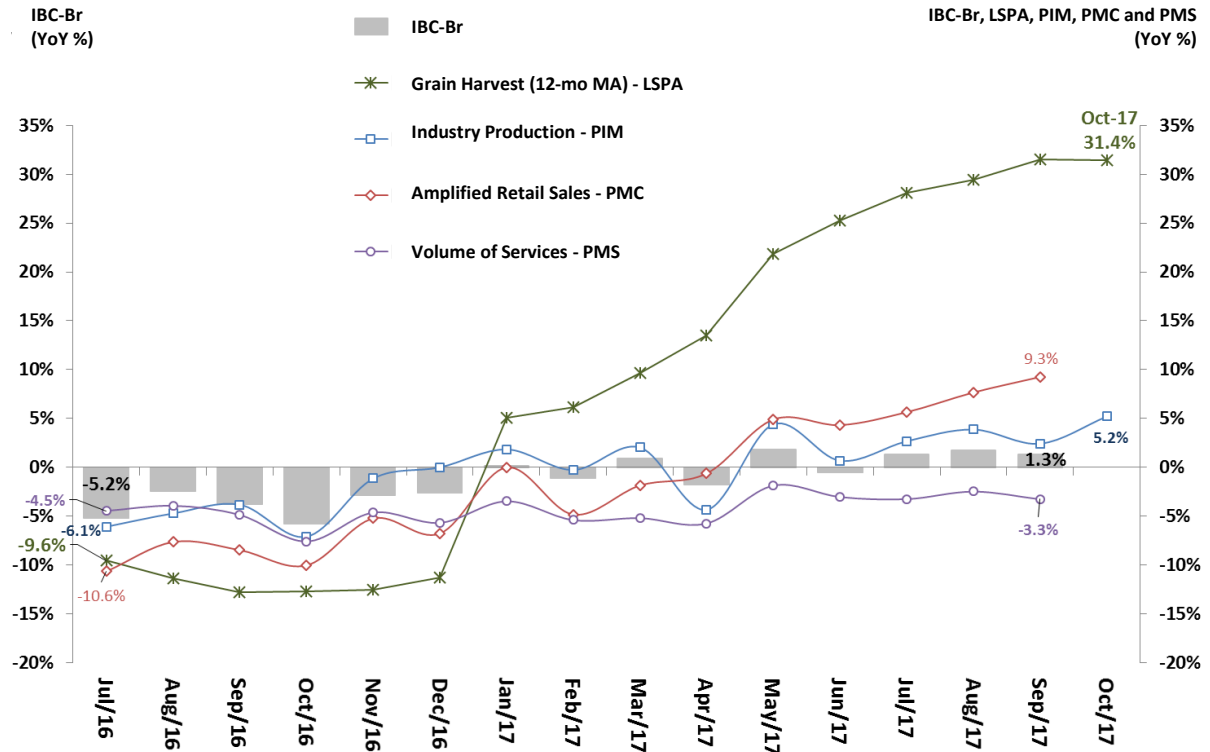
IBC-Br, Grain Harvest (12-mo MA) and Industry Production
Seasonally Adjusted Index (2003 = 100)

Amplified Retail Sales and Volume of Services
Seasonally Adjusted Index (2003 = 100)



Sources: Central Bank of Brazil and IBGE/MP: 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

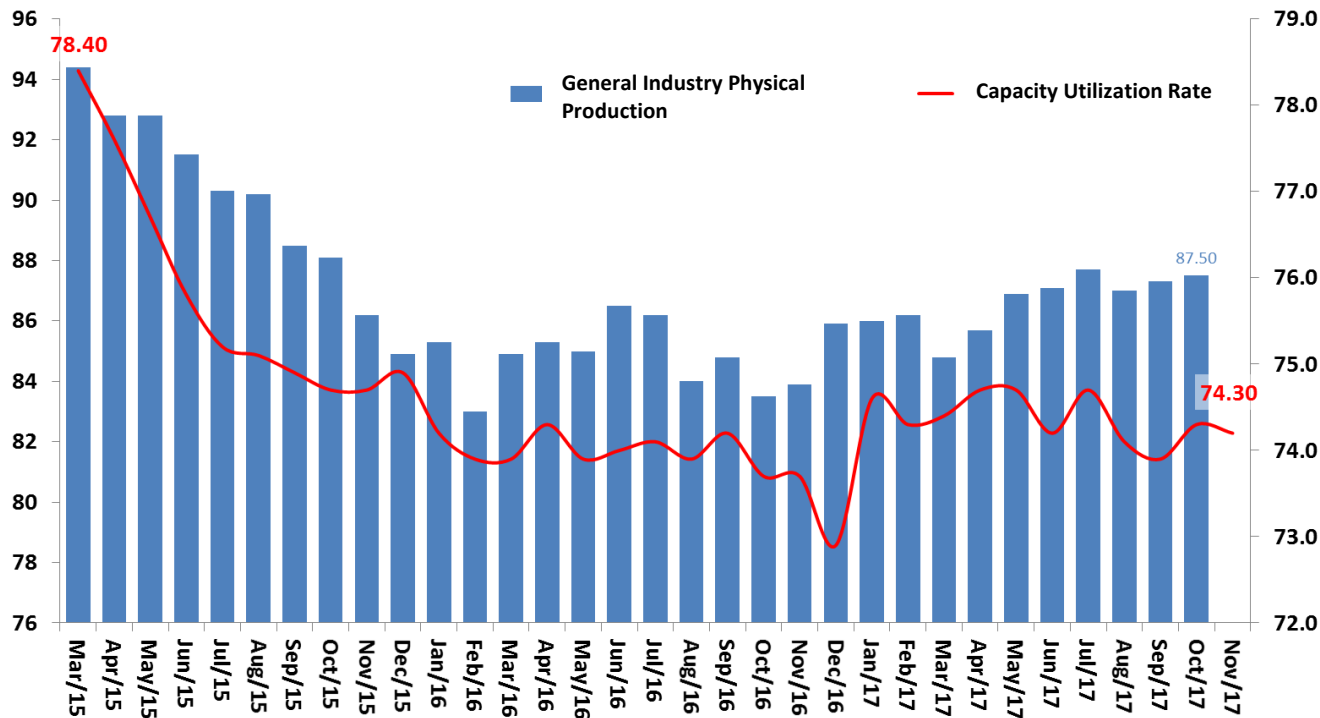


Sources: Central Bank of Brazil and IBGE/MP: Systematic Survey of Agricultural Production (LSPA), Monthly Survey of Industry (PIM), Monthly Survey of Trade (PMC), and Monthly Survey of Services (PMS).

Industrial Production and Capacity Utilization

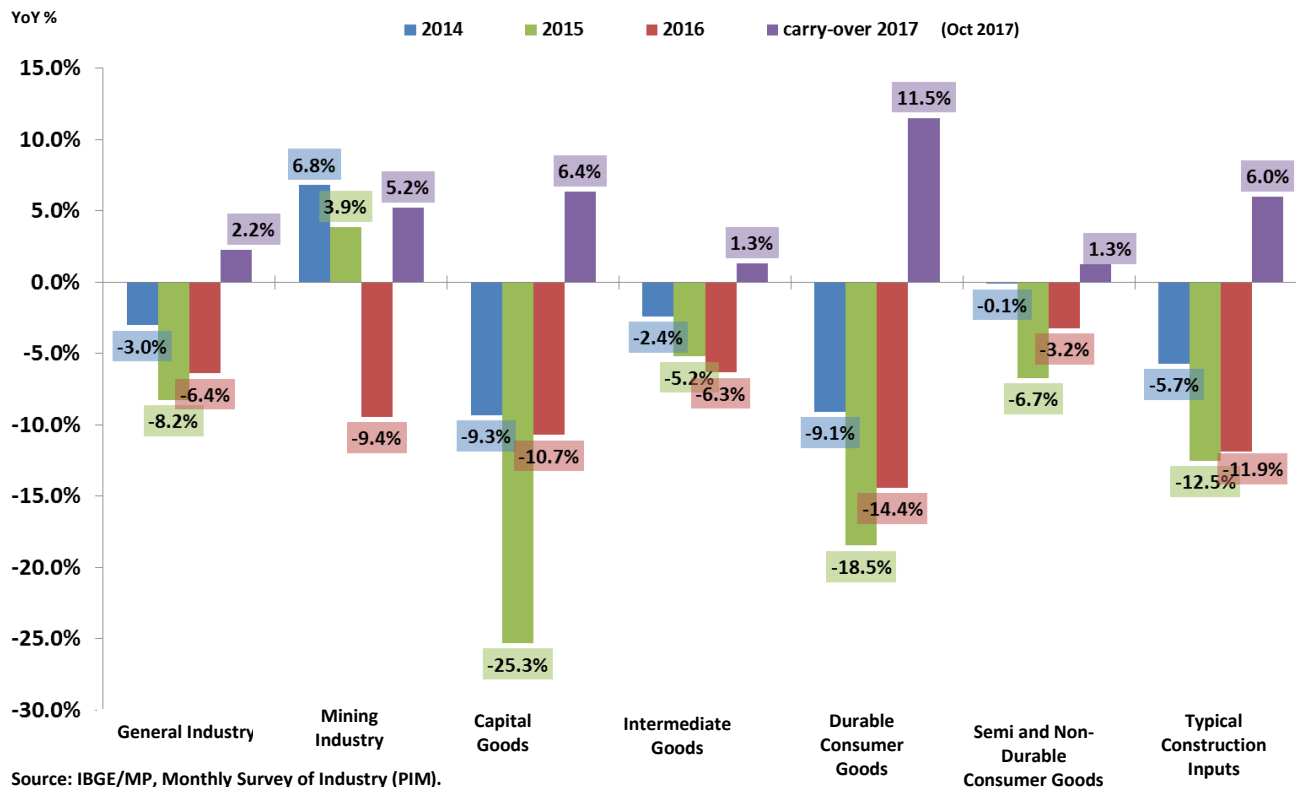
Industry Production
Seasonally Adjusted Index (2003 = 100)

Capacity Utilization
Seasonally Adjusted - % of Total Capacity



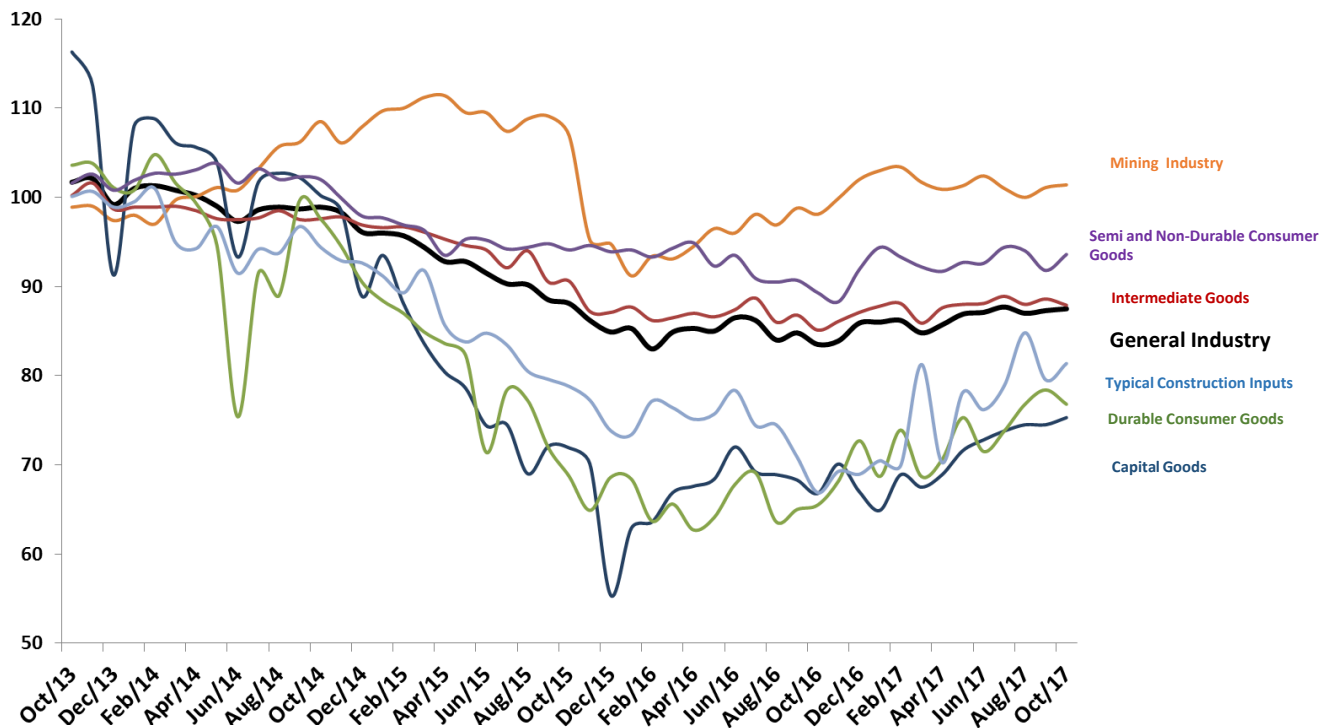
Sources: IBGE/MP and FGV.

Total Industrial Production and Economic Categories



Total Industrial Production and Economic Categories

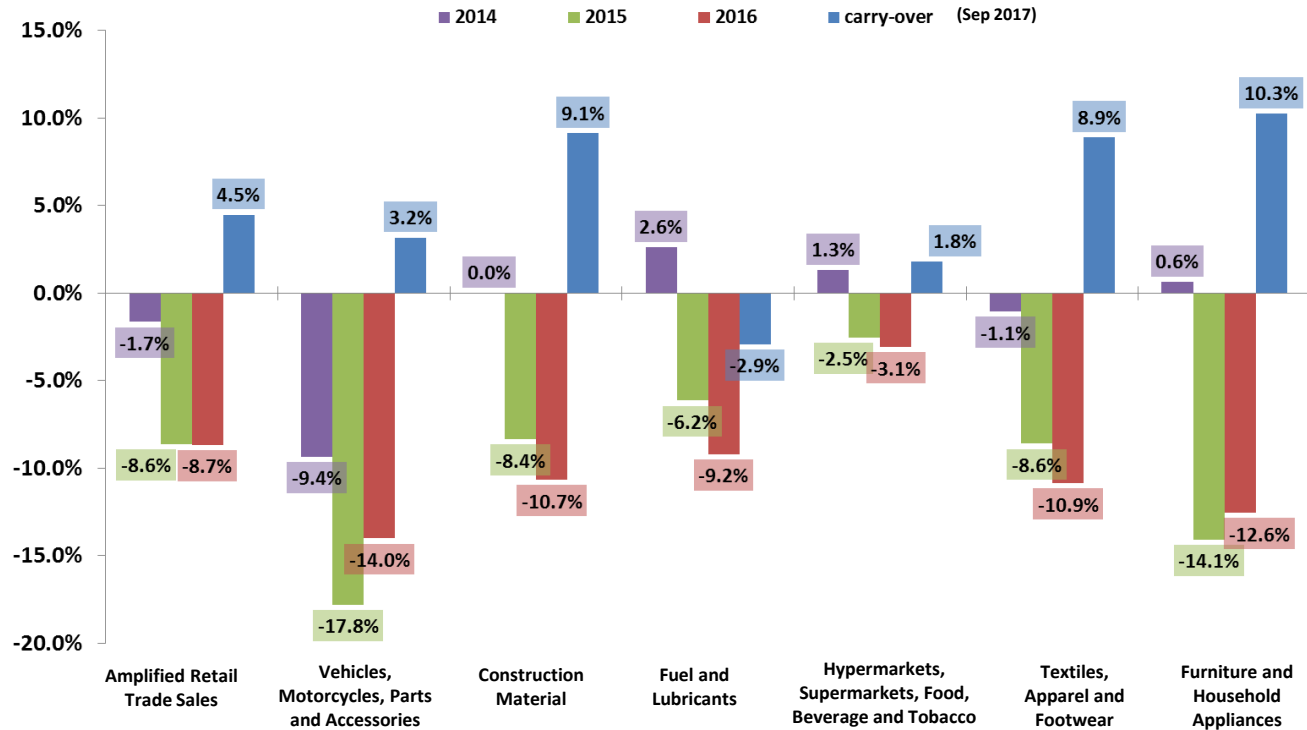
Industry Physical Production by Economic Category
Seasonally Adjusted Index (2002 = 100)



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

Total Retail Sales and Subsectors

YoY %

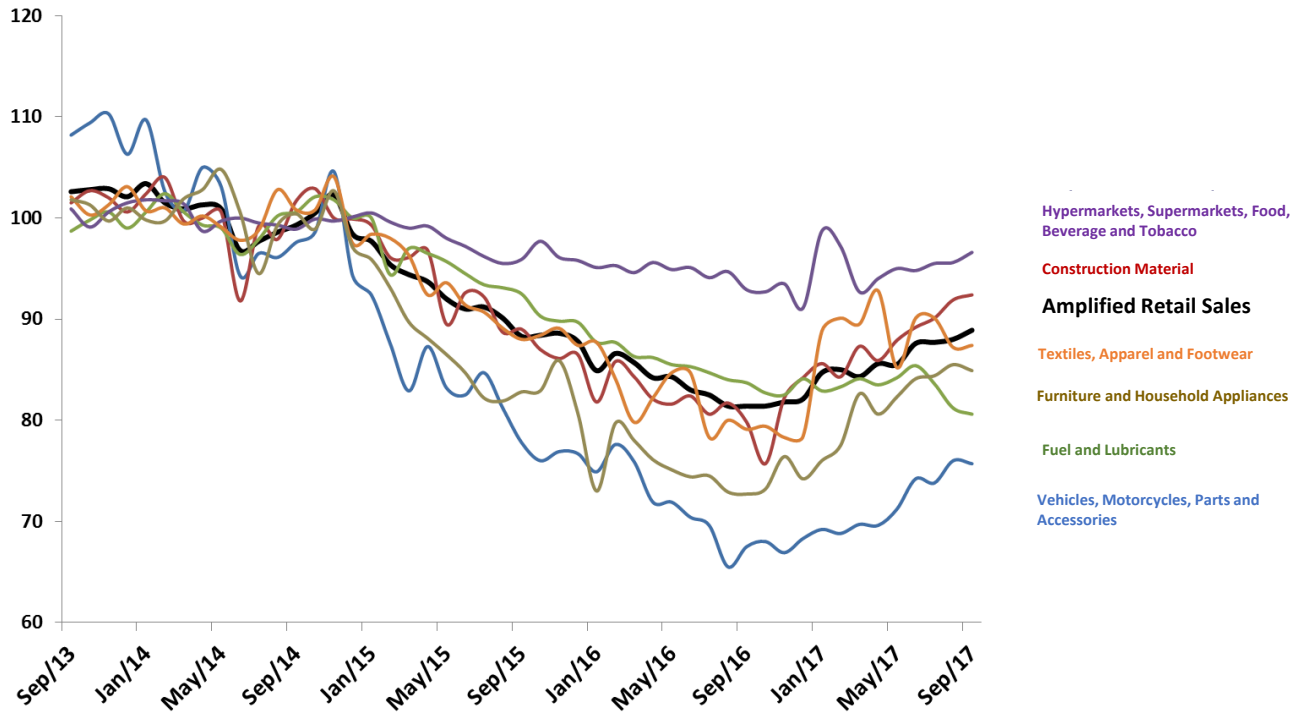


Source: IBGE/MP, Monthly Survey of Trade (PMC).

Note: Carry-over 2017 based on 2017 average compared to 2016 average.

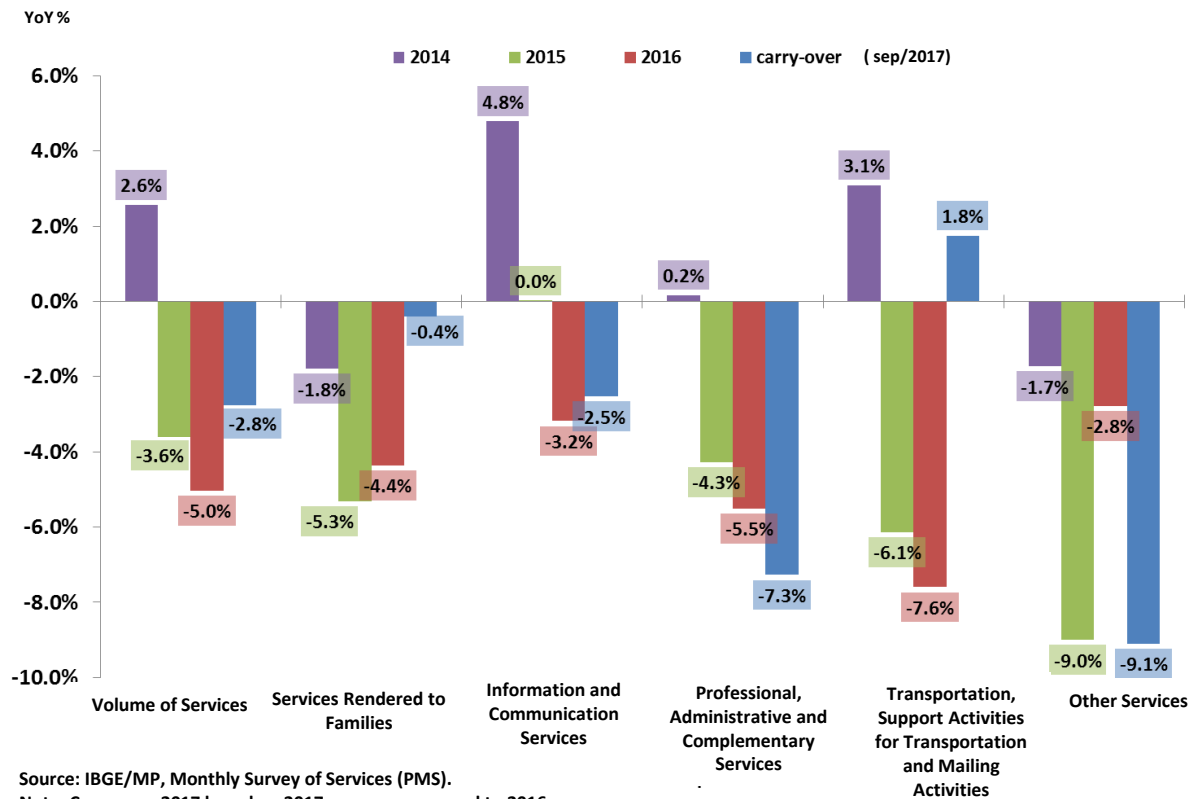
Total Retail Sales and Subsectors

Retail Sales by Subsector
Seasonally Adjusted Index (2002 = 100)



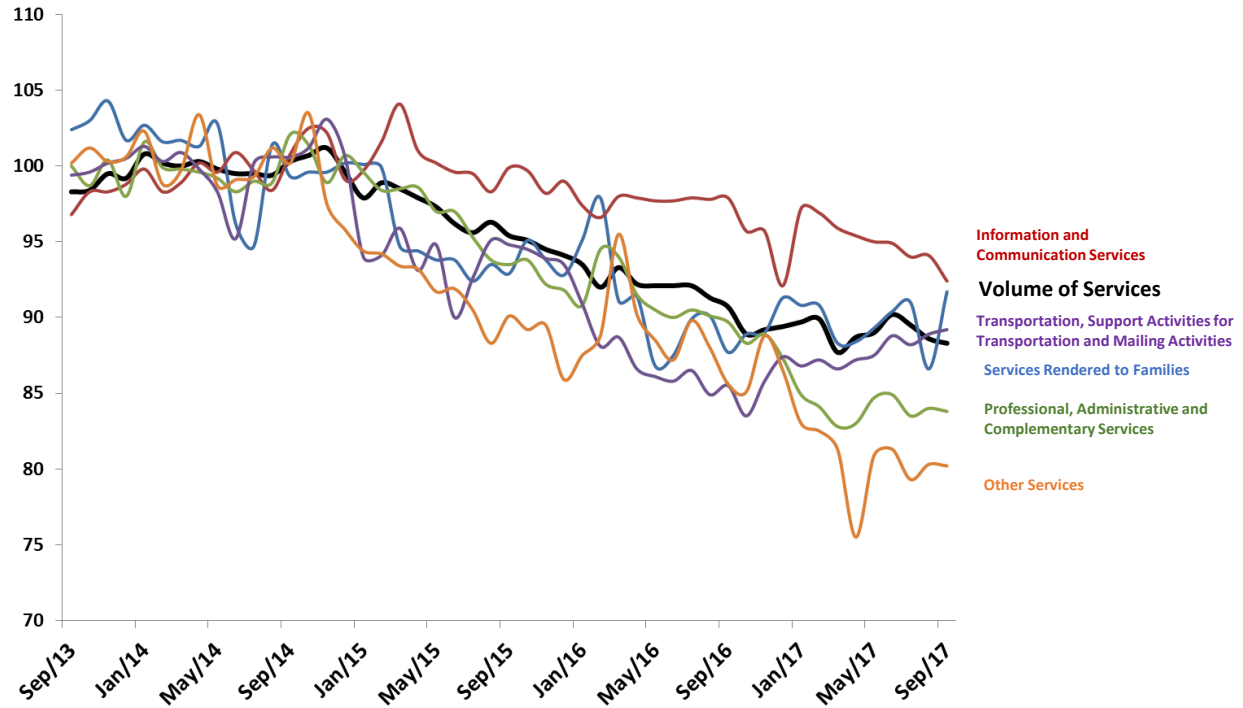
Source: IBGE/MP, Monthly Survey of Trade (PMC).

Volume of Services and Subsectors



Total Services and Subsectors

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



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

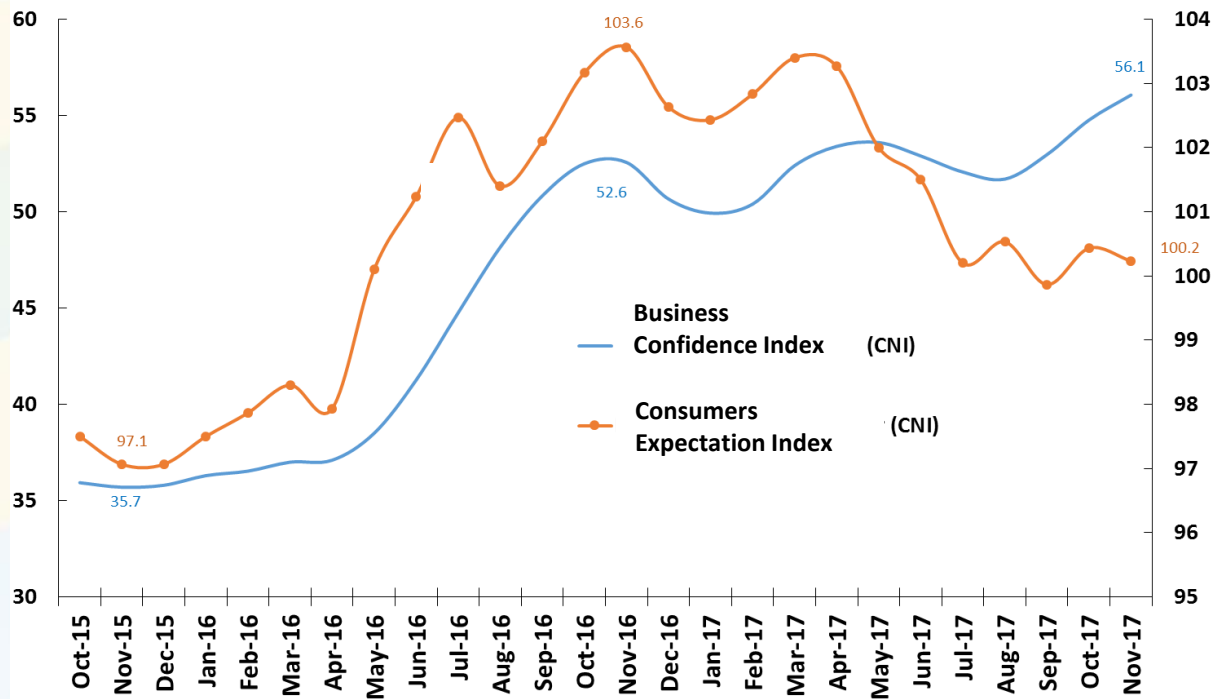
Other Monthly Economic Activity Indicators

September 2017		2016	Aug/17 - Aug/16	Sep/17 - Sep/16	Aug/17 - Jul/17 (seasonally adjusted)	Sep/17 - Aug/17 (seasonally adjusted)	Year-To-Date	Aug/17 accum. in 12-months	Sep/17 accum. in 12-months	carry-over 2017
% change										
Electric Energy System Supply (ONS)		0.0%	2.5%	3.0%	1.5%	0.0%	1.4%	0.7%	1.1%	1.5%
October 2017		2016	Sep/17 - Sep/16	Oct/17 - Oct/16	Sep/17 - Aug/17 (seasonally adjusted)	Oct/17 - Sep/17 (seasonally adjusted)	Year-To-Date	Sep/17 accum. in 12-months	Oct/17 accum. in 12-months	carry-over 2017
% change										
Industry Indicators (CNI)										
Real Sales Revenue		-12.1%	3.3%	11.9%	0.2%	1.7%	-1.3%	-5.0%	-2.5%	-0.7%
Working Hours in Production		-7.6%	-2.0%	0.3%	0.2%	-0.7%	-2.6%	-3.4%	-2.7%	-2.8%
Capacity Utilization - UCI		-2.4%	1.0%	2.1%	-0.1%	0.3%	0.2%	-0.4%	-0.1%	0.3%
effective level: 79.2										
Industry Inventories (CNI) - Final Goods - planned x realized		-4.1%	2.2%	-1.4%	3.8%	-2.0%	0.9%	0.1%	0.2%	0.9%
effective level: 49.9										
Total Vehicles Production (ANFAVEA)		-11.7%	46.3%	35.5%	21.8%	-4.9%	28.7%	24.6%	29.0%	26.1%
Car Production		-12.2%	52.3%	32.6%	22.9%	-6.1%	31.5%	27.3%	31.0%	28.5%
Commercial Vehicles Production		-19.0%	64.7%	69.3%	15.8%	3.6%	32.1%	20.5%	30.2%	38.6%
Total Vehicles Exports (ANFAVEA)		23.7%	59.8%	58.7%	13.7%	-10.7%	57.8%	50.6%	55.6%	46.3%
Total Vehicles Sales/Licensing (FENABRAVE)		-20.5%	30.8%	21.5%	19.1%	-4.6%	9.3%	2.6%	5.5%	10.2%
Domestic Vehicles Sales/Licensing		-17.9%	35.8%	23.5%	19.9%	-5.2%	12.9%	6.4%	9.2%	13.5%
Imported Vehicles Sales/Licensing		-34.2%	-1.5%	6.1%	13.7%	-0.4%	-13.6%	-20.4%	-17.2%	-11.2%
Corrugated Fiberboard Sales (ABPO)		-2.5%	6.2%	8.5%	-1.2%	-0.7%	4.7%	2.0%	3.5%	4.9%
Heavy Vehicles Road Traffic (ABCR)		-6.0%	4.3%	7.9%	0.7%	-1.4%	0.8%	-1.8%	-0.1%	1.1%
Supermarket Sector Total Retail Sales (ABRAS)		1.6%	4.6%	-0.8%	4.0%	-3.4%	0.9%	1.5%	1.4%	1.2%
Natural Gas and Oil Production (ANP)		3.4%	-1.4%	-0.5%	-1.9%	1.5%	6.6%	8.3%	7.2%	5.0%
Electric Energy Consumption - Total (EPE)		-0.9%	1.2%	2.7%	1.5%	0.1%	0.4%	-0.2%	0.3%	0.8%
Industry Consumption (EPE)		-2.5%	0.8%	2.2%	0.6%	0.3%	0.3%	0.0%	0.3%	0.6%
November 2017		2016	Oct/17 - Oct/16	Nov/17 - Nov/16	Oct/17 - Sep/17 (seasonally adjusted)	Nov/17 - Oct/17 (seasonally adjusted)	Year-To-Date	Oct/17 accum. in 12-months	Nov/17 accum. in 12-months	carry-over 2017
% change										
Business Confidence - ICEI (CNI)		56.5	18.4%	7.1%	9.3%	2.0%	1.1%	19.5%	23.1%	20.5%
Consumer Expectations - INEC (CNI)		101.0	2.6%	-3.1%	-2.1%	0.9%	0.1%	0.4%	1.3%	0.7%
Sao Paulo Industry Confidence - ICEI-SP (FIESP)		57.9	28.8%	7.7%	13.3%	1.3%	3.8%	25.4%	30.1%	26.5%
effective level: 57.9										
Industry Capacity Utilization - NUCI (FGV)		76.6	-3.3%	1.1%	0.5%	0.5%	-0.1%	0.6%	0.1%	0.2%
effective level: 76.6										
Industry Confidence (FGV)		97.6	5.7%	10.2%	13.9%	2.8%	3.0%	12.0%	12.0%	11.9%
effective level: 97.6										
Consumer Confidence (FGV)		89.5	2.8%	4.5%	10.6%	1.7%	3.7%	12.6%	13.2%	12.6%
effective level: 89.5										
Services Confidence (FGV)		87.6	1.1%	11.8%	12.7%	2.6%	-0.1%	14.3%	14.3%	14.1%
effective level: 87.6										
Construction Confidence (FGV)		77.5	-5.8%	5.2%	8.7%	0.6%	1.4%	8.1%	7.2%	7.7%
effective level: 77.5										
Retail Confidence (FGV)		96.5	4.6%	14.3%	16.4%	3.7%	-0.1%	14.8%	14.7%	14.9%
effective level: 96.5										

CNI: Business Confidence and Consumers Expectation Indexes

Business Confidence Index – ICEI
3-month moving average

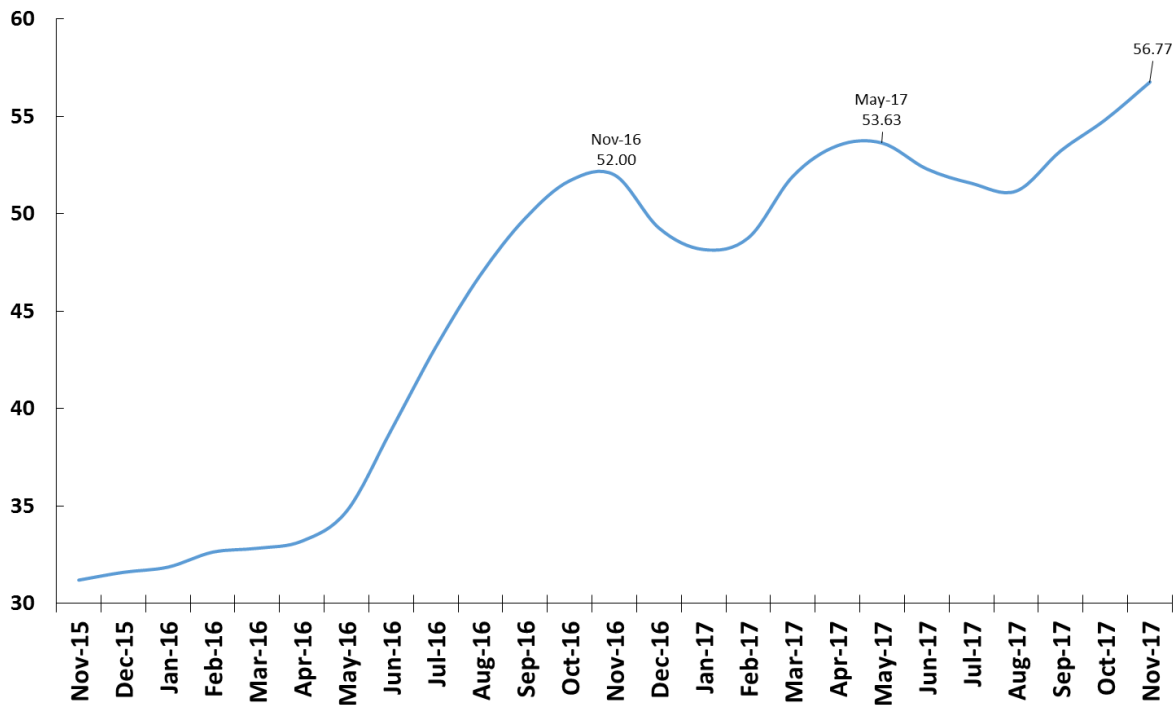
Consumers Expectation Index – INEC
3-month moving average



Source: CNI.

FIESP: Industry Confidence Index

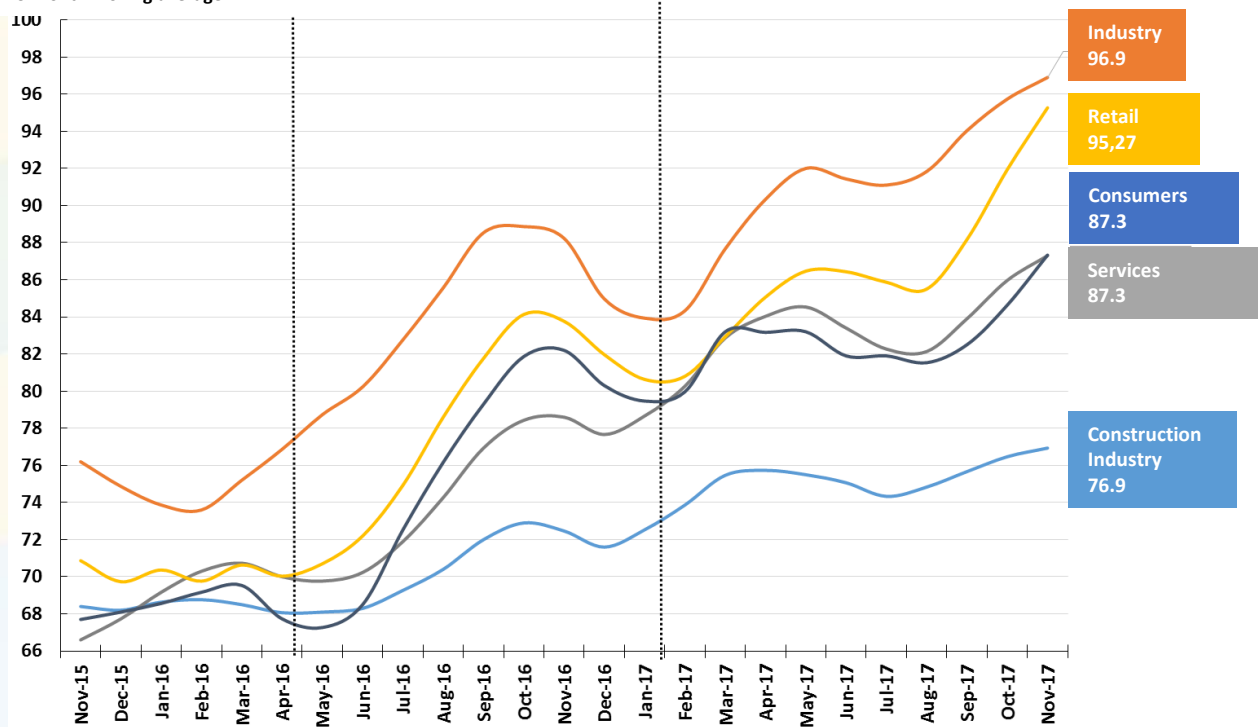
Sao Paulo Industry Confidence - ICEI-SP
3-month moving average



Source: FIESP.

FGV: Economic Confidence Indicators

Economic Confidence Indicators
3-month moving average

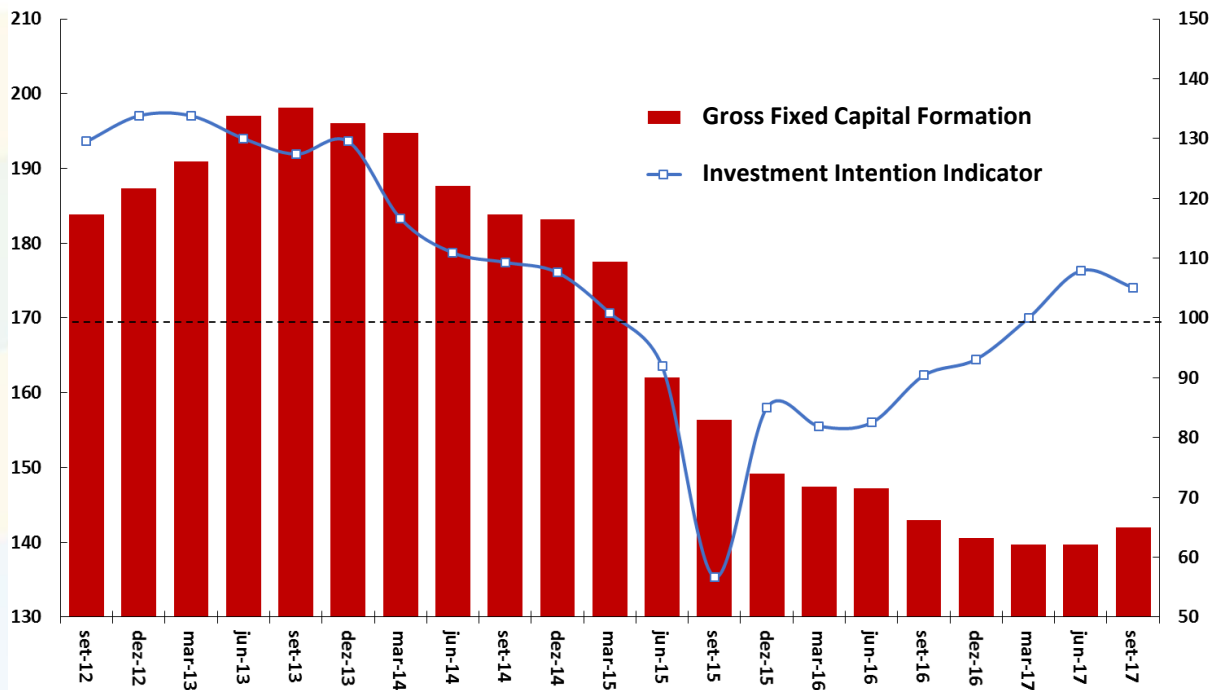


Source: IBRE/FGV.

Gross Fixed Capital Formation and Investment Intention

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

Investment Intention Indicator*
IBRE/FGV Investments Survey

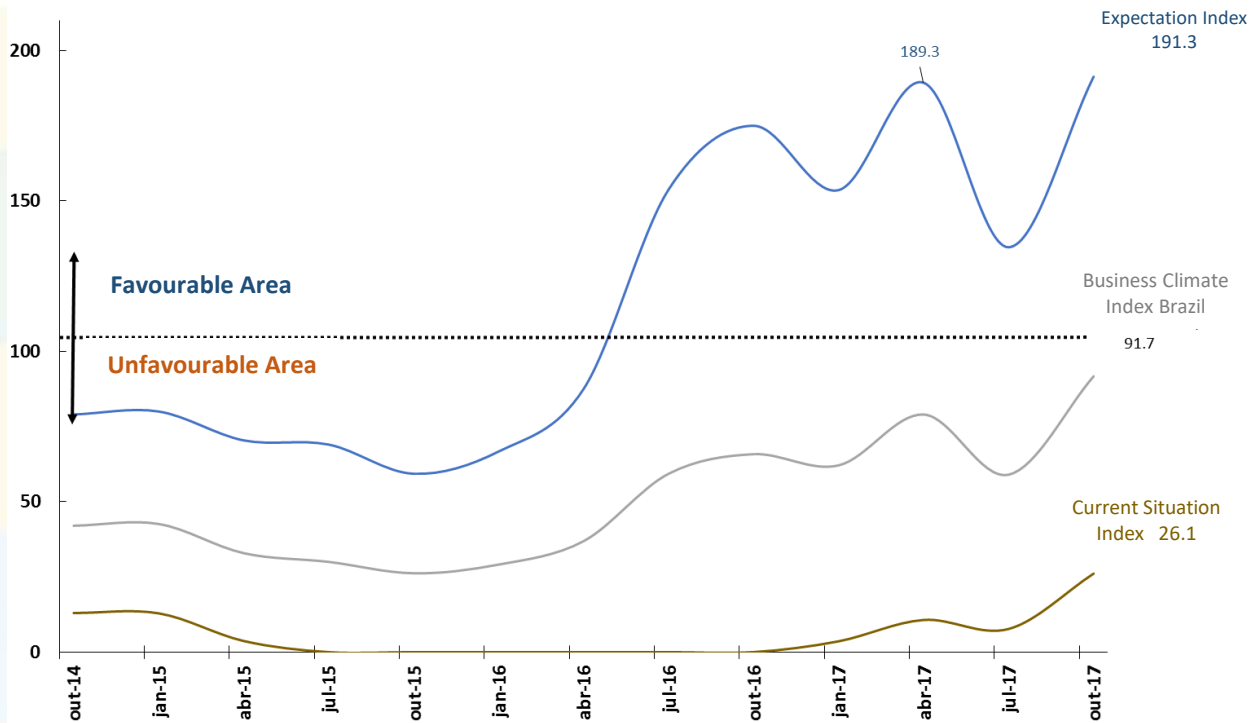


Source: IBGE/MP e IBRE/FGV.

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

IFO / FGV: Business Climate Index - Brazil

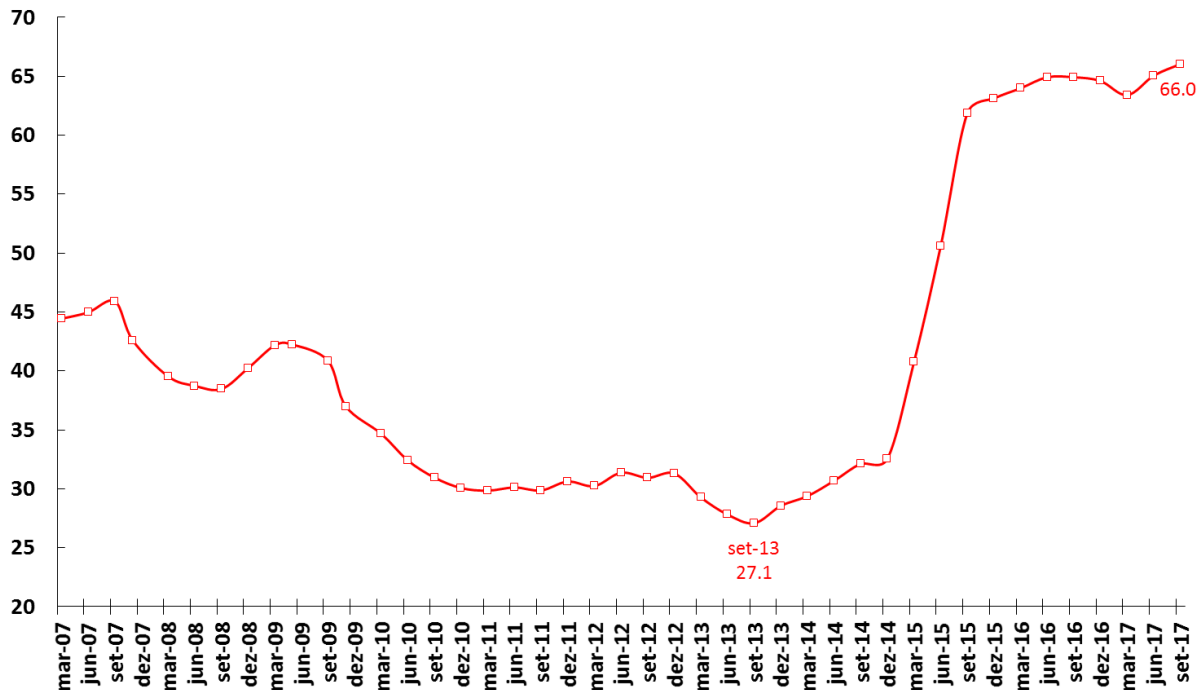
Business Climate – Brazil



Source: IFO and FGV.

CNI: Fear of Unemployment Index

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



Source: CNI.



SEPLAN

SECRETARIAT OF PLANNING
AND ECONOMIC AFFAIRS

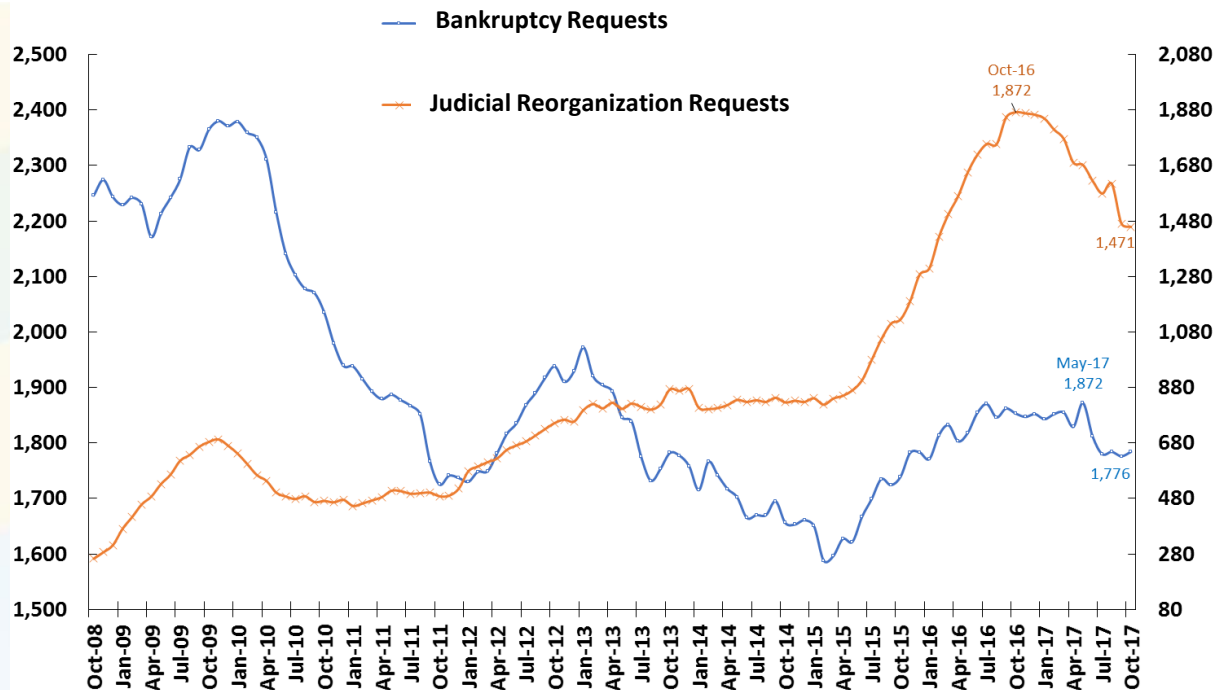
MINISTRY OF
PLANNING, DEVELOPMENT
AND MANAGEMENT



Bankruptcy and Judicial Reorganization Requests

Number of Bankruptcy Requests
12-month Accumulated

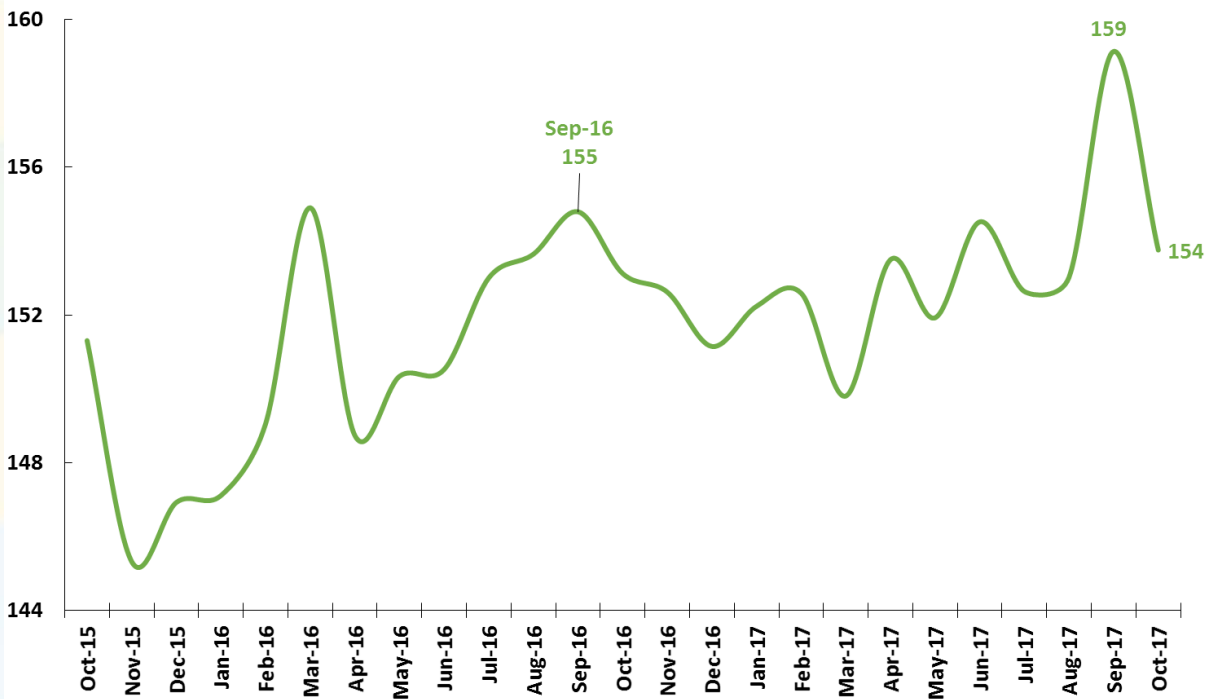
Number of Requests for Judicial Reorganization
12-month Accumulated



Source: Serasa-Experian.

ABRAS: Supermarket Sector Total Retail Sales

Total Retail Sales
Seasonally Adjusted Data*

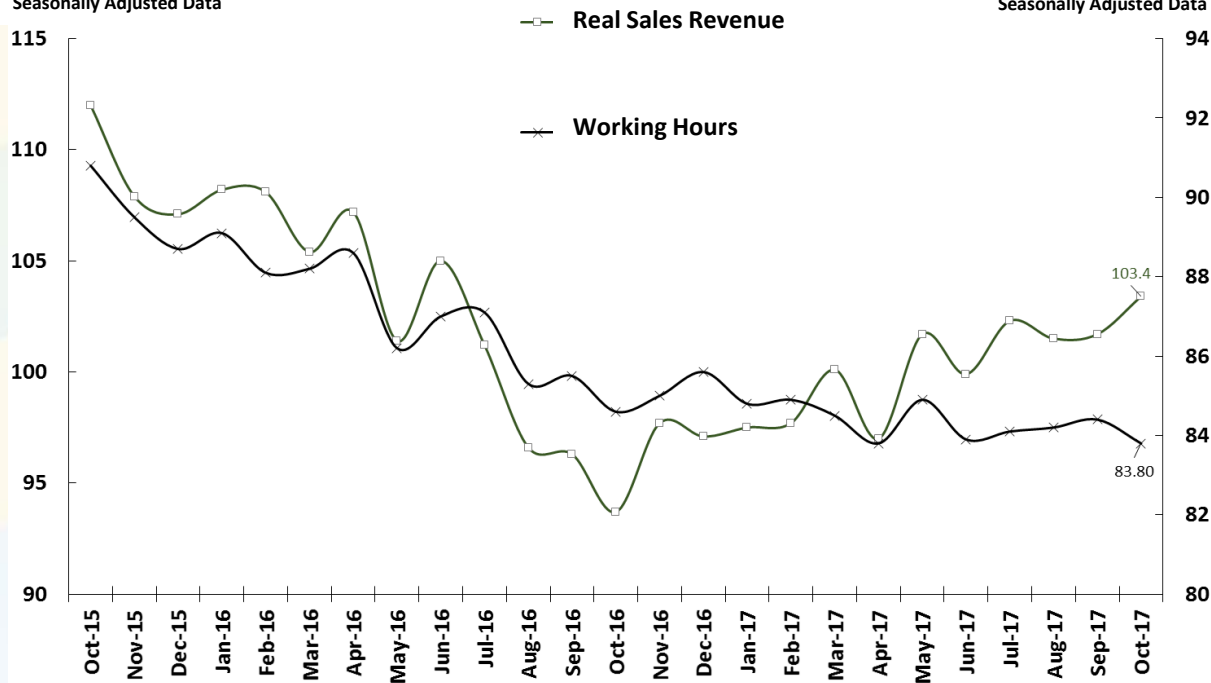


Source: ABRAS. * Seasonally adjusted by SEPLAN/MP.

CNI: Industry Real Sales Revenues and Working Hours

Real Sales Revenue
Manufacturing Industry
Seasonally Adjusted Data

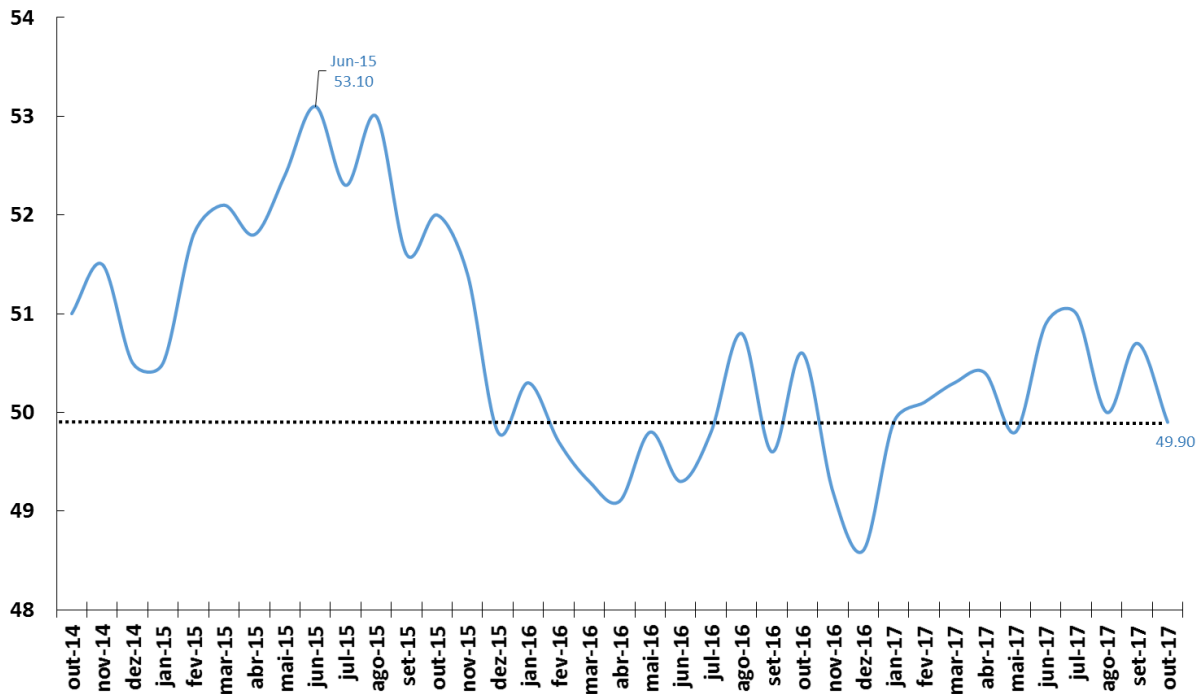
Working Hours in Production
Manufacturing Industry
Seasonally Adjusted Data



Source: CNI.

CNI: Industry Inventory

General Industry Inventories Level
Final Goods - planned x effective

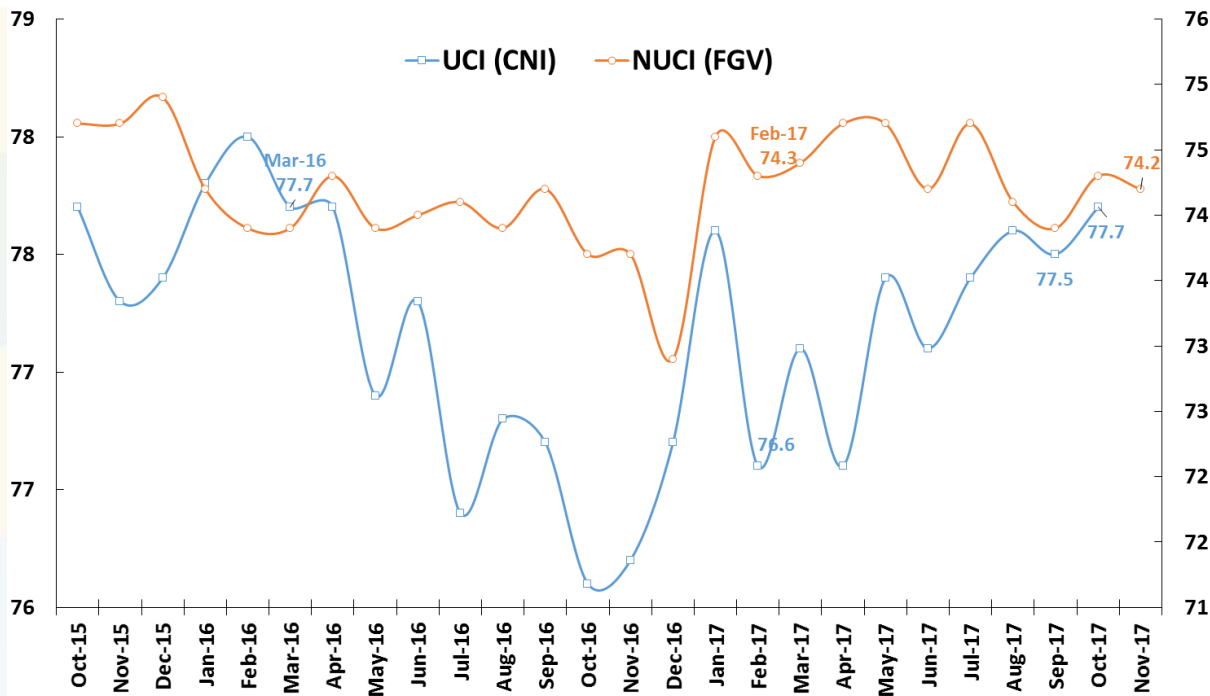


Source: CNI.

Capacity Utilization Rate

Capacity Utilization Rate - UCI (CNI)
Seasonally Adjusted Data

Industry Capacity Utilization Rate – NUCI (FGV)
Seasonally Adjusted Data

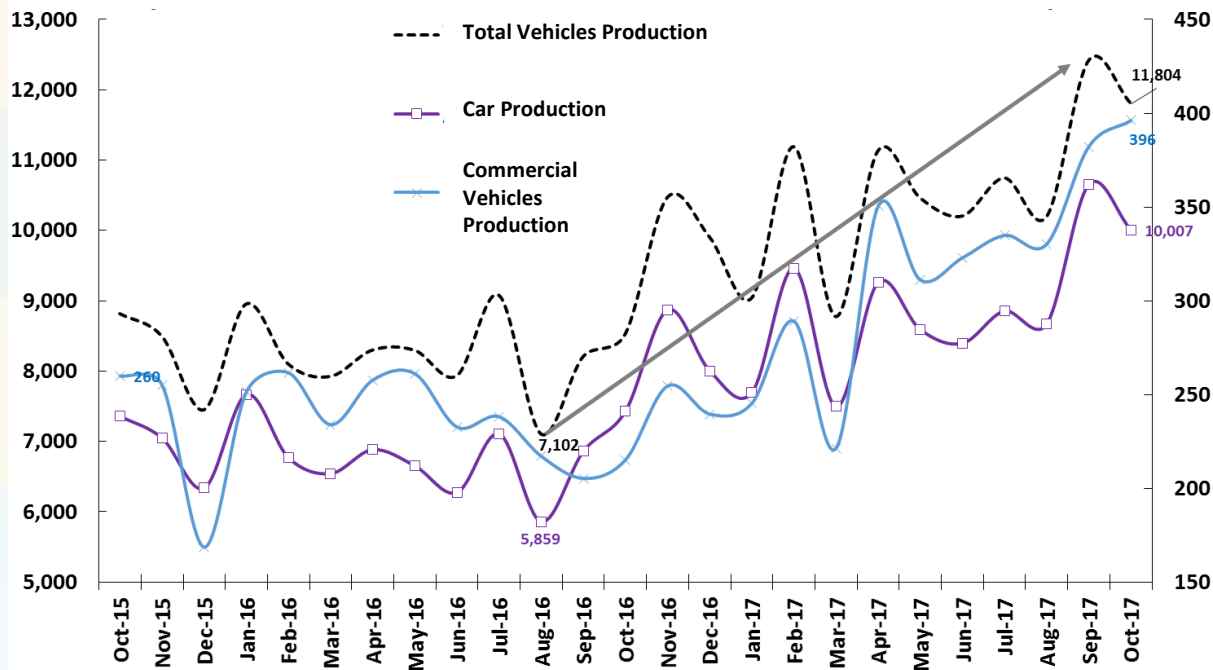


Source: CNI and FGV.

Anfavea: Automotive Sector Production

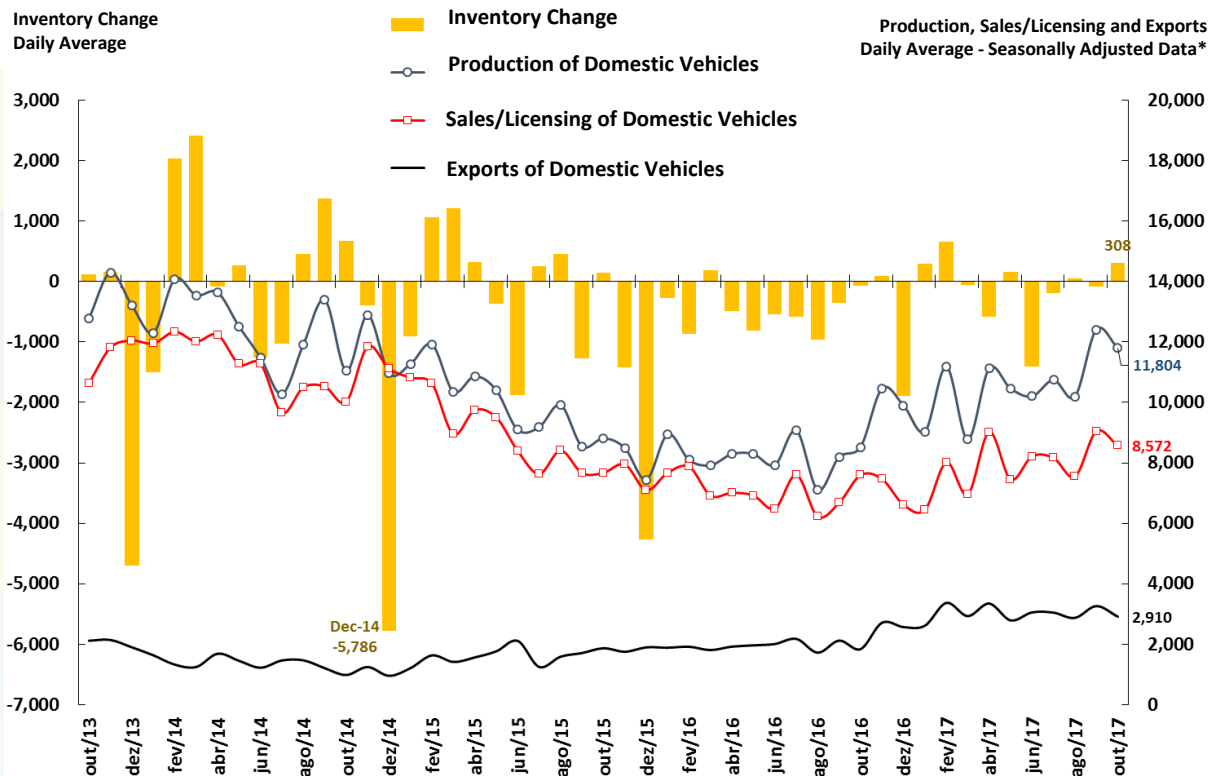
Total Vehicles and Car Production
Daily Average of Vehicles Monthly Manufactured
Seasonally Adjusted Data*

Commercial Vehicles Production
Daily Average of Vehicles Monthly Manufactured
Seasonally Adjusted Data*



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

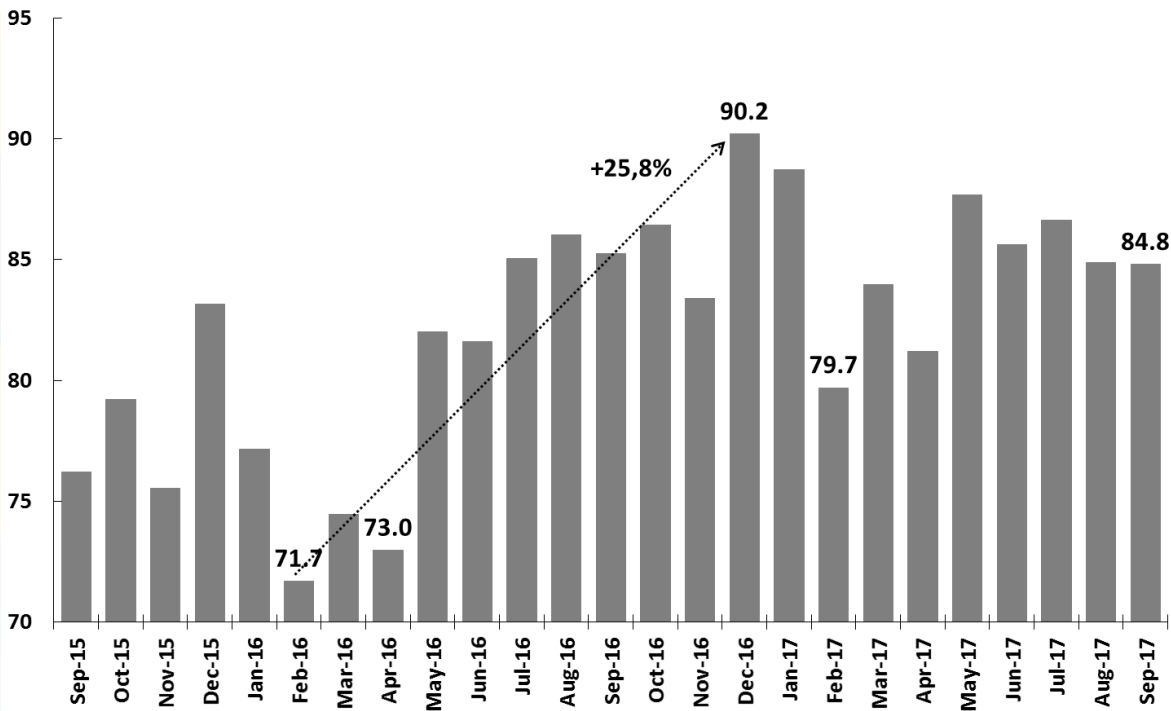
Automotive Sector Production, Sales and Inventory Change



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

ANP: Natural Gas and Oil Production

Natural Gas and Oil Production
Millions of Barrels of Oil Equivalent (BOE) per Month

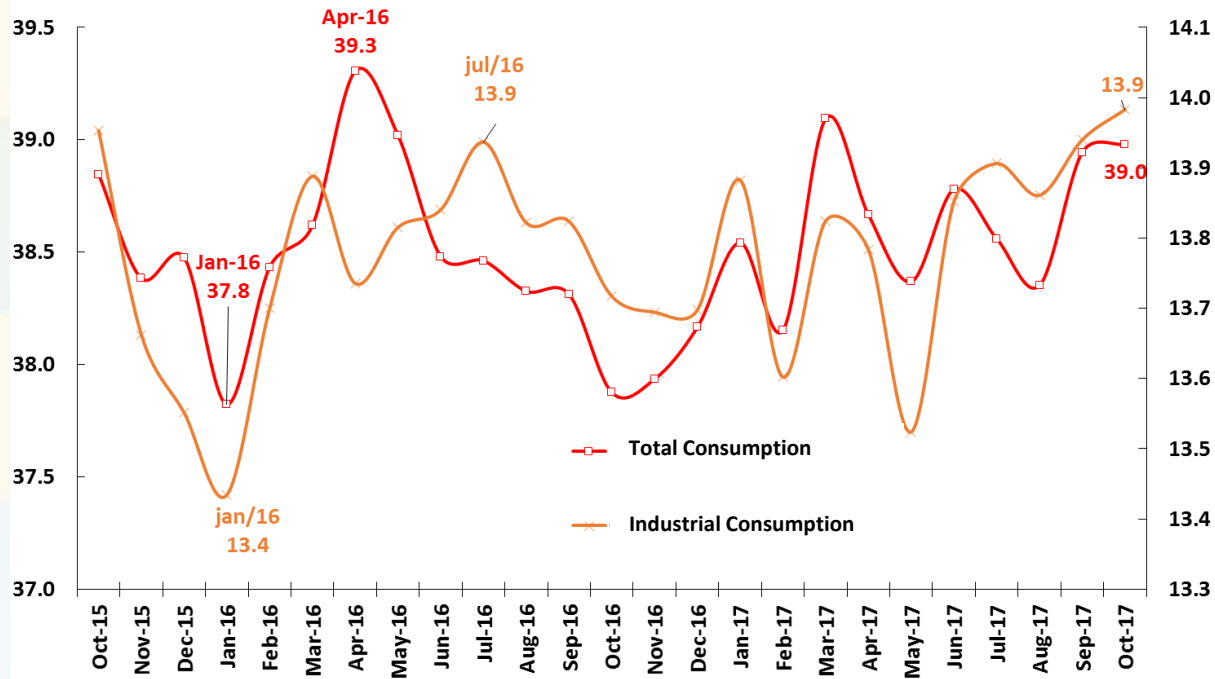


Source: ANP.

ANEEL: Electrical Energy Consumption

Total Electric Energy Consumption
Millions of MWh
Seasonally Adjusted Data*

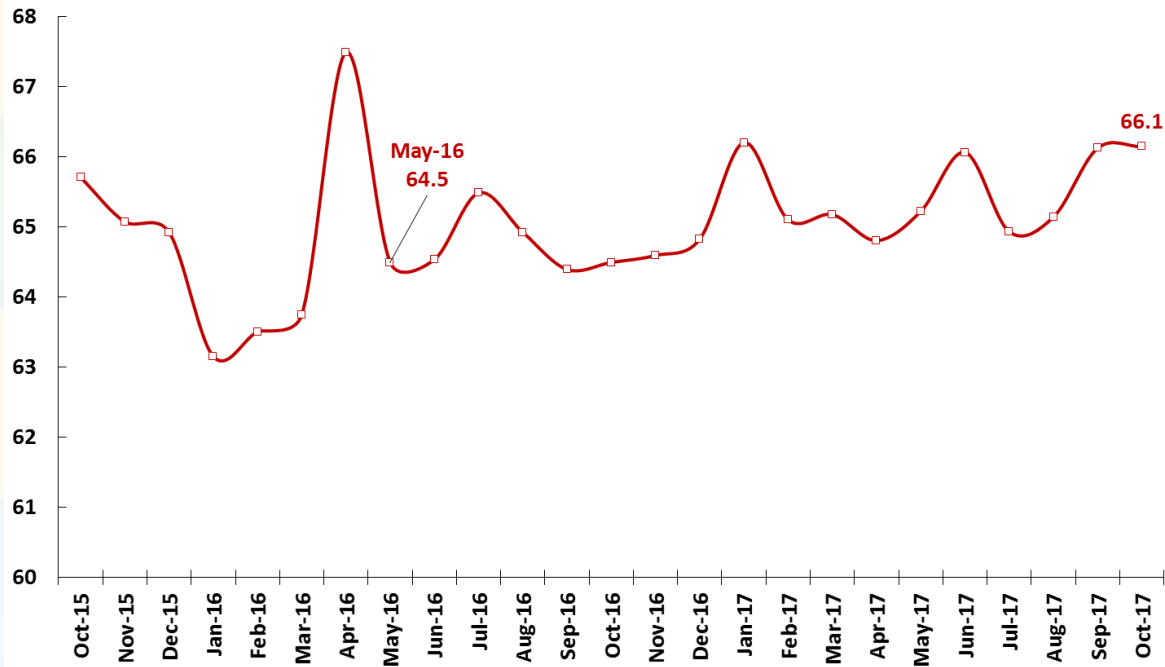
Electric Energy Industrial Consumption
Millions of MWh
Seasonally Adjusted Data*



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

ONS: Electric Energy System Supply

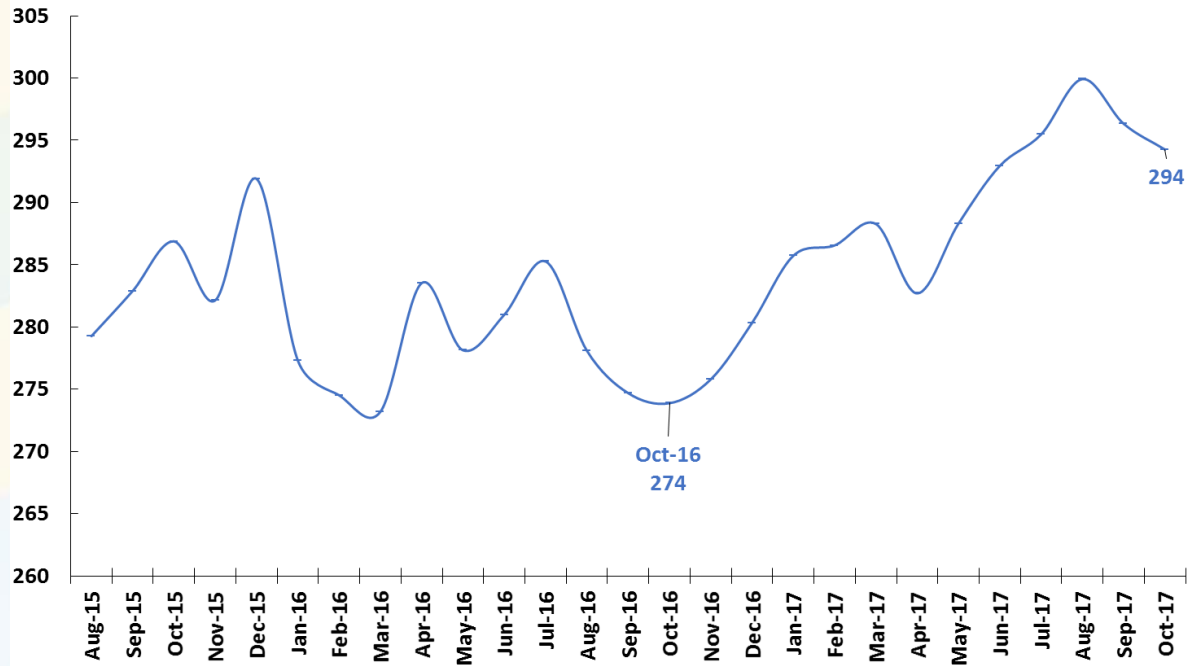
Electric Energy System Supply
Millions of MWh
Seasonally Adjusted Data*



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

ABPO: Corrugated Fiberboard Sales

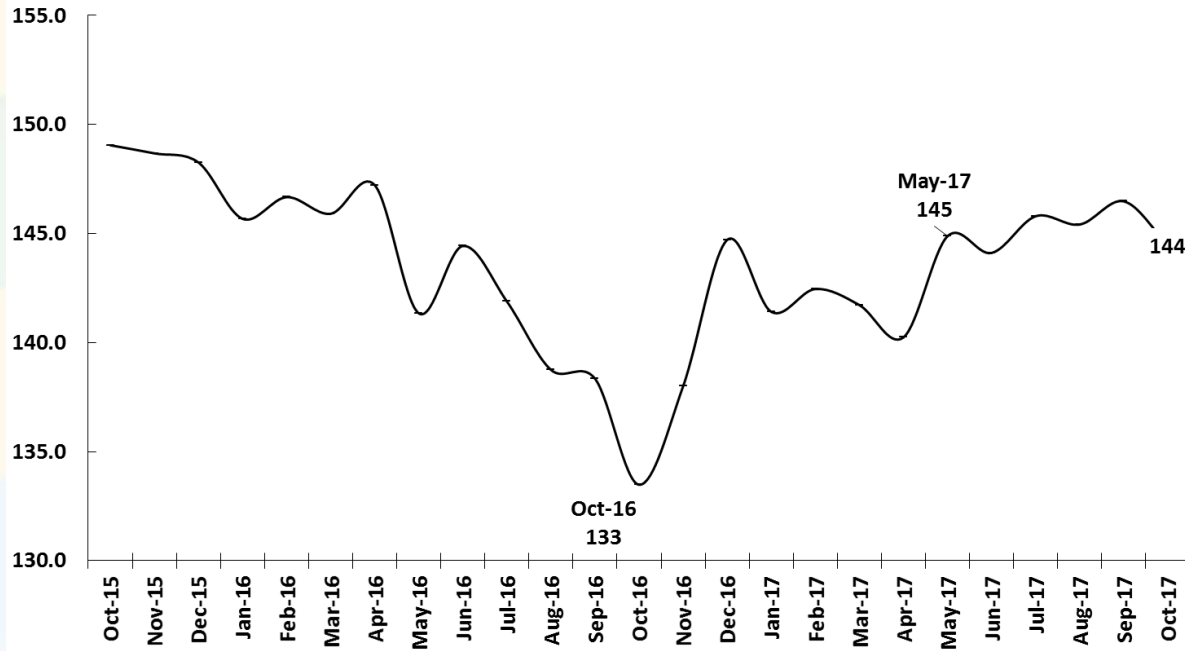
Corrugated Fiberboard Sales
1.000 of Tons
Seasonally Adjusted Data*



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

ABCR: Heavy Vehicles Road Traffic Index

Heavy Vehicles Road Traffic Index
Index: 1999=100
Seasonally Adjusted Data



Source: ABCR.



LABOR MARKET

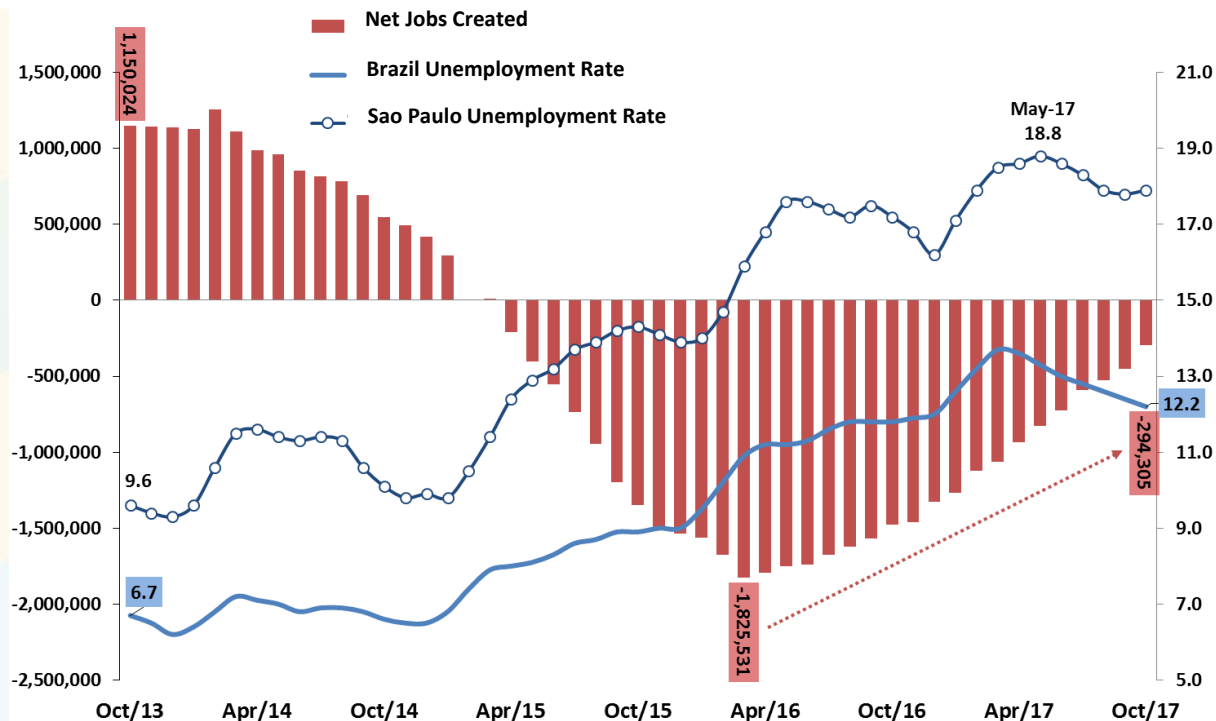
Labor Market

Formal Jobs (CAGED, MTE)		October 2017								
Million people		2015	2016	Sep/17 accum. in 12- months	Oct/17 accum. in 12-months	Year-To- Date	Oct/17	chg.% 2016 / 2015	chg.% Oct/17 accum. 12- m / 2016	chg.% YTD 2017 / YTD 2016
Net Formal Jobs Creation		-1,535	-1,327	-524.8	-449.7	225.6	42.9	-13.6%	-66.1%	-34.6%
Job Openings		17,838	14,846	14,526	14,518	11,327	1,189	-16.8%	-2.2%	97.2%
Job Separations		19,373	16,173	15,051	14,968	11,101	1,146	-16.5%	-7.5%	90.2%
Employment Indicators		October 2017								
Brasil (PNADC, IBGE)		2015 average	2016 average	Oct/17 (12-months moving average)	Oct/17	chg.% 2016 / 2015	chg.% Sep/17 / Sep/16	chg.% Oct/17 / Oct/16	chg.% YTD 2017 / YTD 2016	chg.% Oct/17 / 2016 average
Unemployment Rate % Labor Force		8.3	11.3	12.8	12.2	3.0 pp	0.6 pp	0.4 pp	1.8 pp	0.9 pp
Unemployed Population (in thousands)		164,197	166,189	167,700	168,782	1.2%	1.3%	1.3%	1.2%	1.6%
Employed Population (in thousands)		100,575	102,033	103,214	104,285	1.4%	2.4%	2.3%	1.6%	2.2%
Labor Force (in thousands)		92,216	90,539	90,058	91,545	-1.8%	1.6%	1.8%	-0.5%	1.1%
Working Age Population (in thousands)		8,358	11,494	13,156	12,740	37.5%	7.8%	5.8%	18.2%	10.8%
São Paulo Unemployment Rate % (RMSP, PED-Seade)		12.9	16.6	17.9	17.9	3.7 pp	0.3 pp	0.7 pp	1.6 pp	1.3 pp
Average Real Earnings (PNADC, IBGE)		October 2017								
real values (in R\$ of last month)		2015 average	2016 average	Oct/17 (12-months moving average)	Oct/17	chg.% 2016 / 2015	chg.% Sep/17 / Sep/16	chg.% Oct/17 / Oct/16	chg.% YTD 2017 / YTD 2016	chg.% Sep/17 / 2016 average
Employed Population		2,123	2,074	2,111	2,127	-2.3%	2.4%	2.5%	2.4%	2.6%
Formal Contract		2,020	1,994	2,021	2,048	-1.3%	2.5%	2.1%	1.8%	2.7%
Informal Contract		1,215	1,219	1,223	1,253	0.4%	1.6%	2.9%	0.6%	2.8%
Self-employed		1,622	1,565	1,547	1,540	-3.5%	-0.1%	-0.2%	-1.4%	-1.6%
Public Sector		3,217	3,262	3,314	3,290	1.4%	1.0%	1.2%	2.0%	0.9%
Real Wage Bill (in R\$ milions of last months)		189,593	183,024	185,338	189,827	-3.5%	3.9%	4.2%	1.9%	3.7%
Percentage of the Minimum Wage to Purchase the Basic Food Basket (Dieese)		39.3%	46.3%	44.8%	42.7%	7.0 pp	5.3 pp	5.2 pp	-3.0%	-3.6%

Unemployment Rate and Net Formal Job Creation

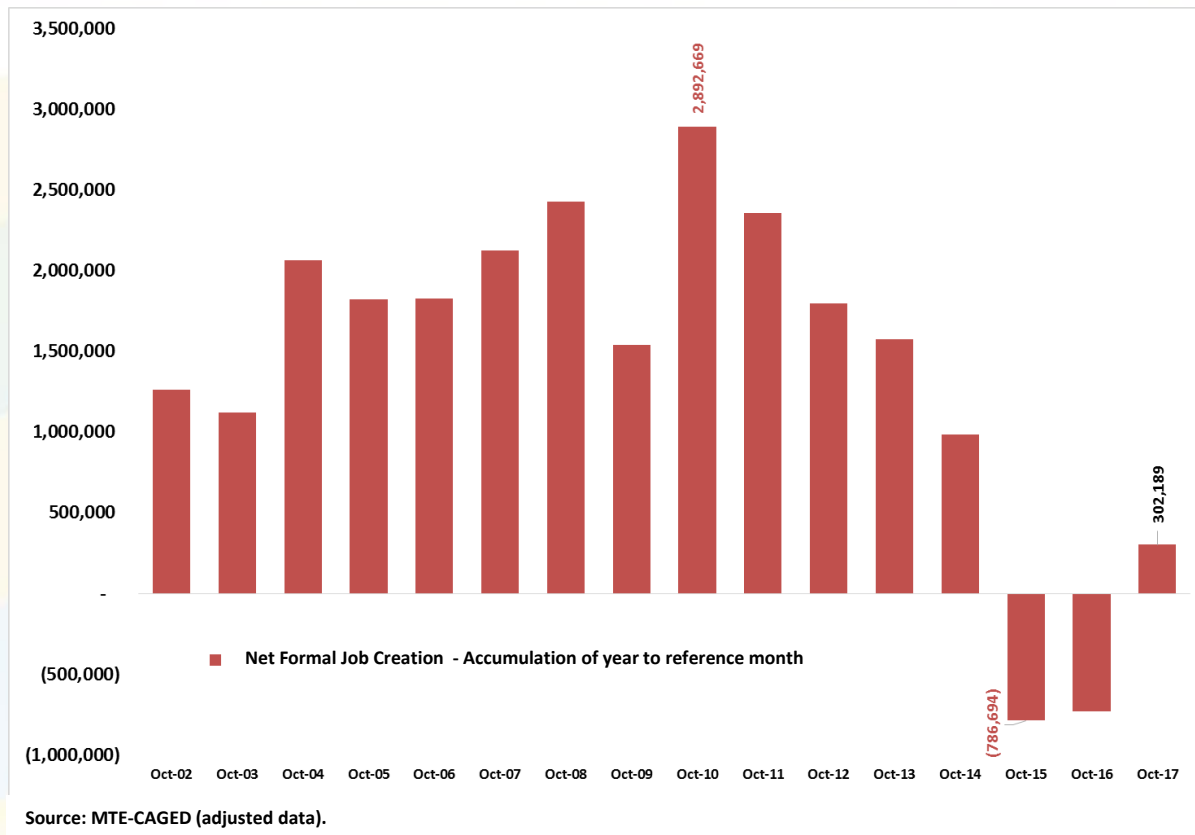
Net Formal Jobs Creation
12-Month Accumulated Figures

Brazil and Sao Paulo Unemployment Rate
% of Labor Force



Sources: IBGE/MP - PNADC, SEADE-PED and MTE-CAGED (adjusted data).

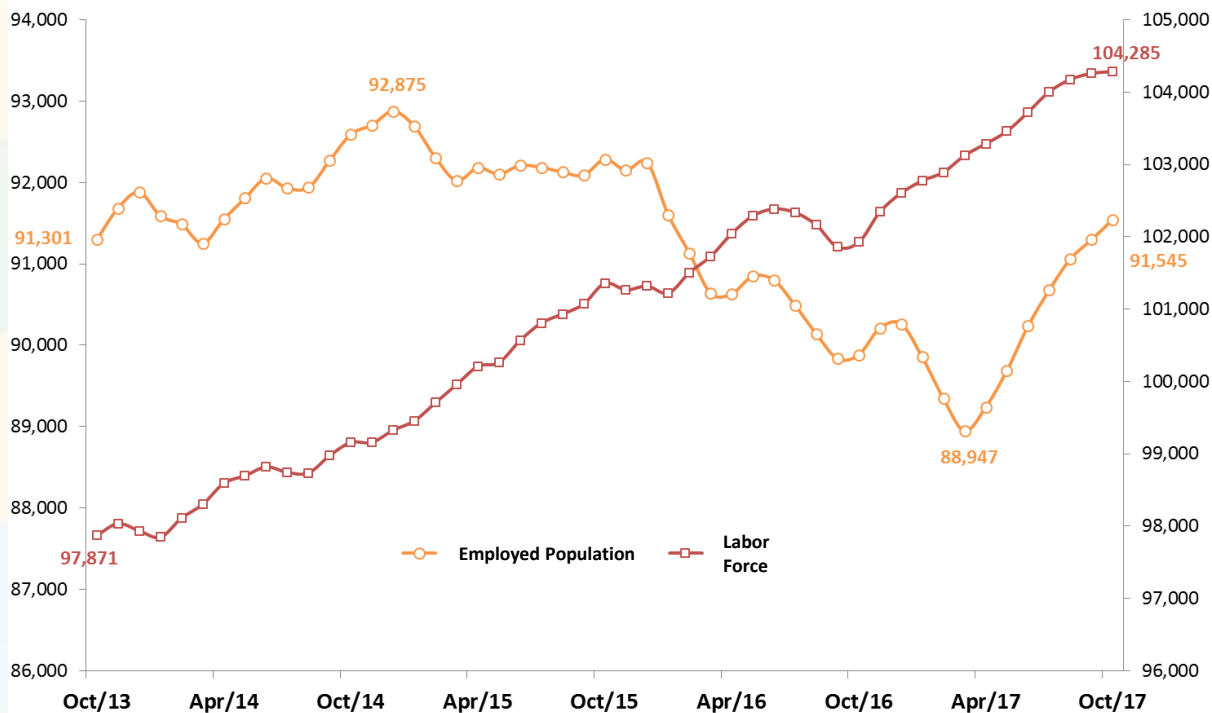
Net Formal Job Creation – Total Accumulation of Year



Employed Population and Labor Force Evolution

Employed Population
In 1.000 people

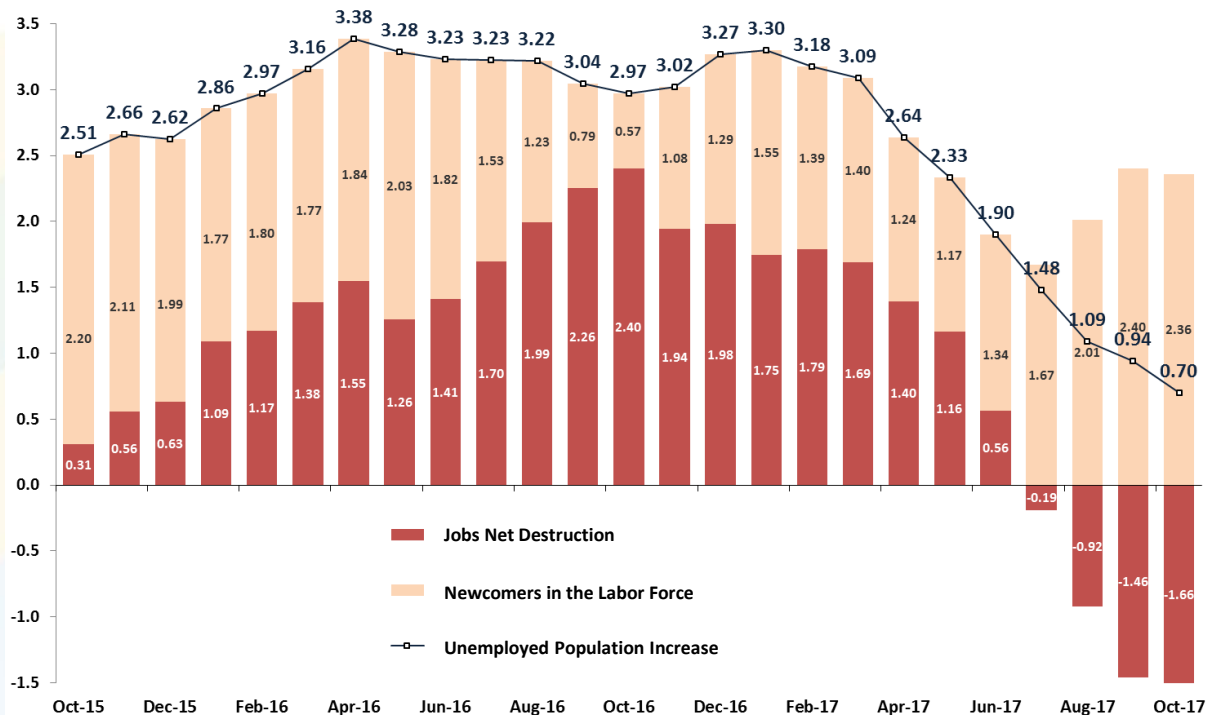
Labor Force
In 1.000 people



Source: IBGE/MP - PNADC.

12-Month Total Unemployment Increase Decomposition

In million people

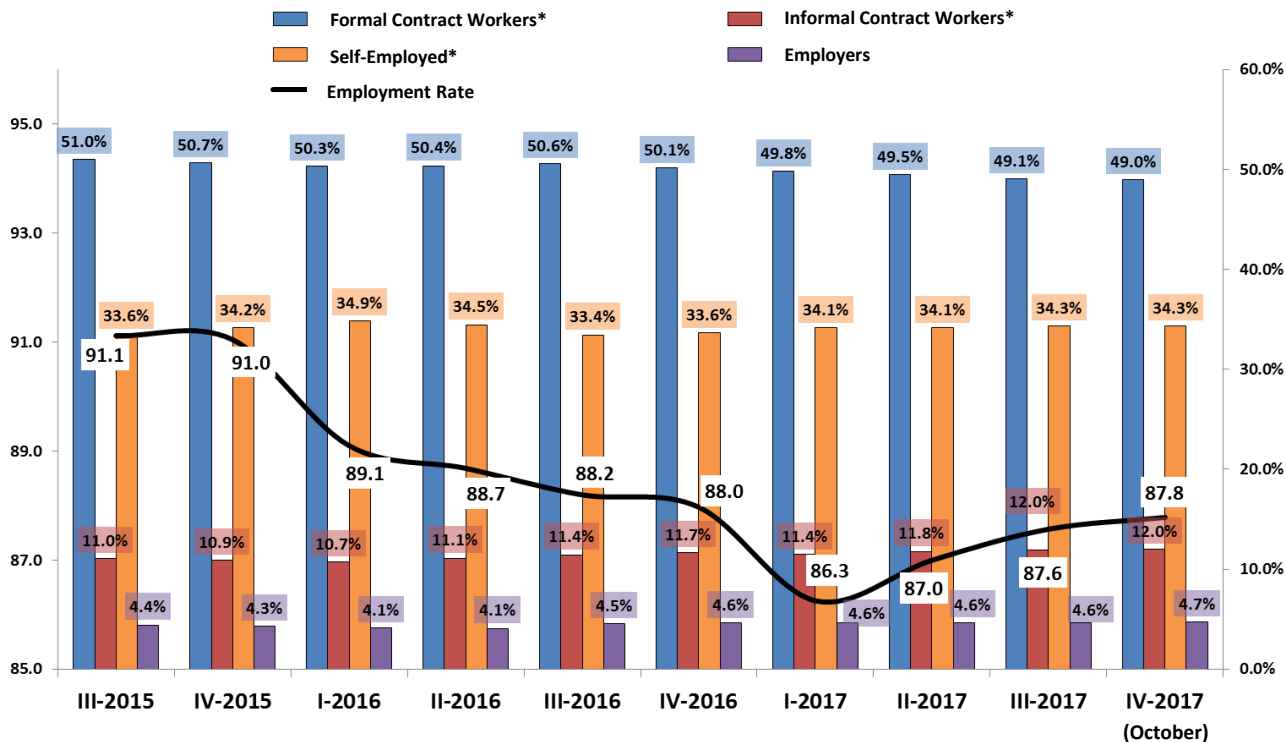


Source: IBGE/MP -- PNADC.

Labor Market Evolution by Employment Type

Employment Rate
(Employed Population / Labor Force)

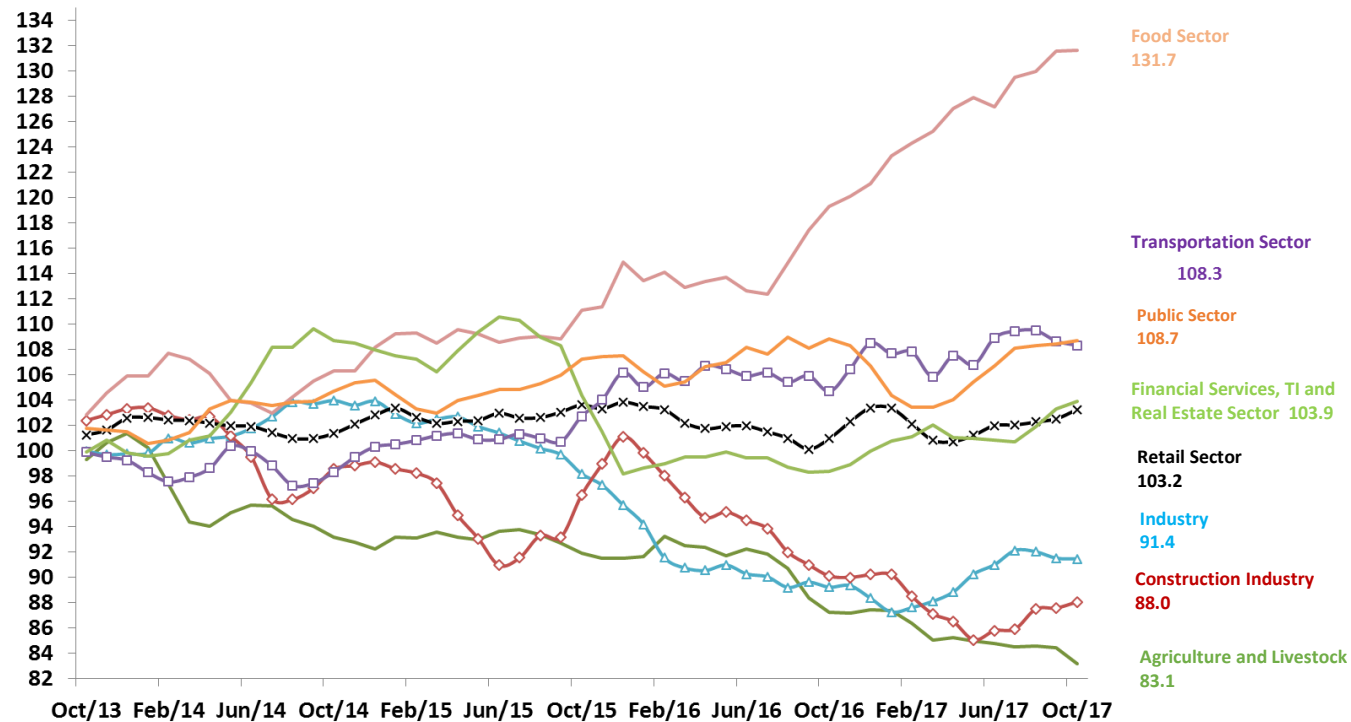
Formal and Informal Contract Workers, Self-Employed and Employers
% of Employed Population



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

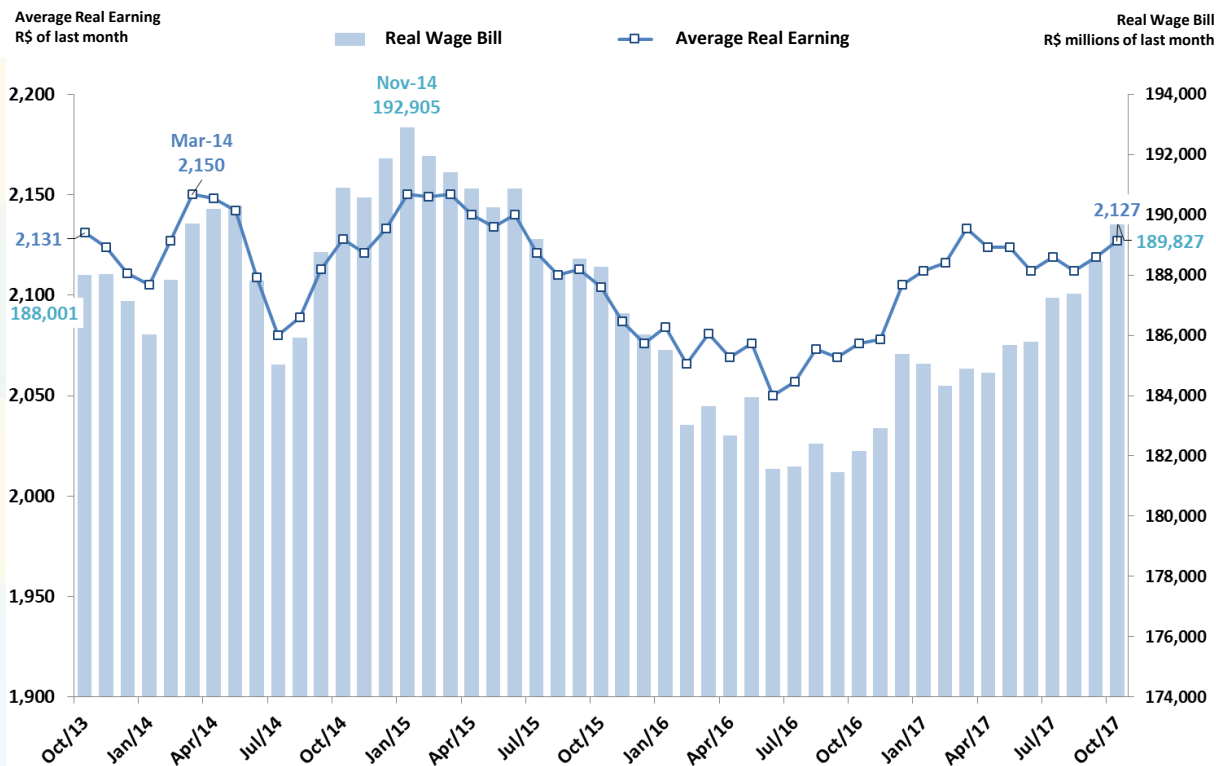
Employment by Sector of Activity

Employed Population by Sectors of Activity
Index: 2013 = 100

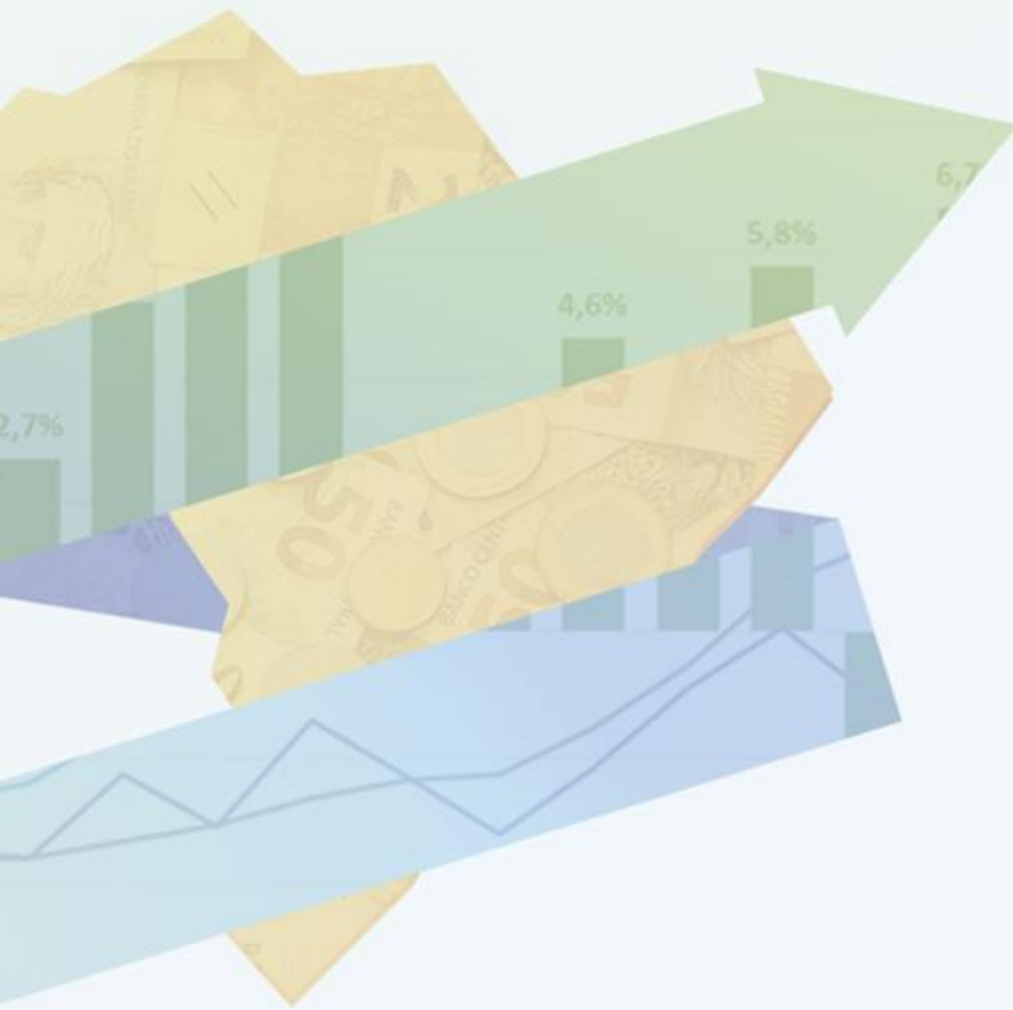


Source: IBGE/MP - PNADC.

Real Wage Bill and Average Real Earning



Source: IBGE/MP - PNADC.



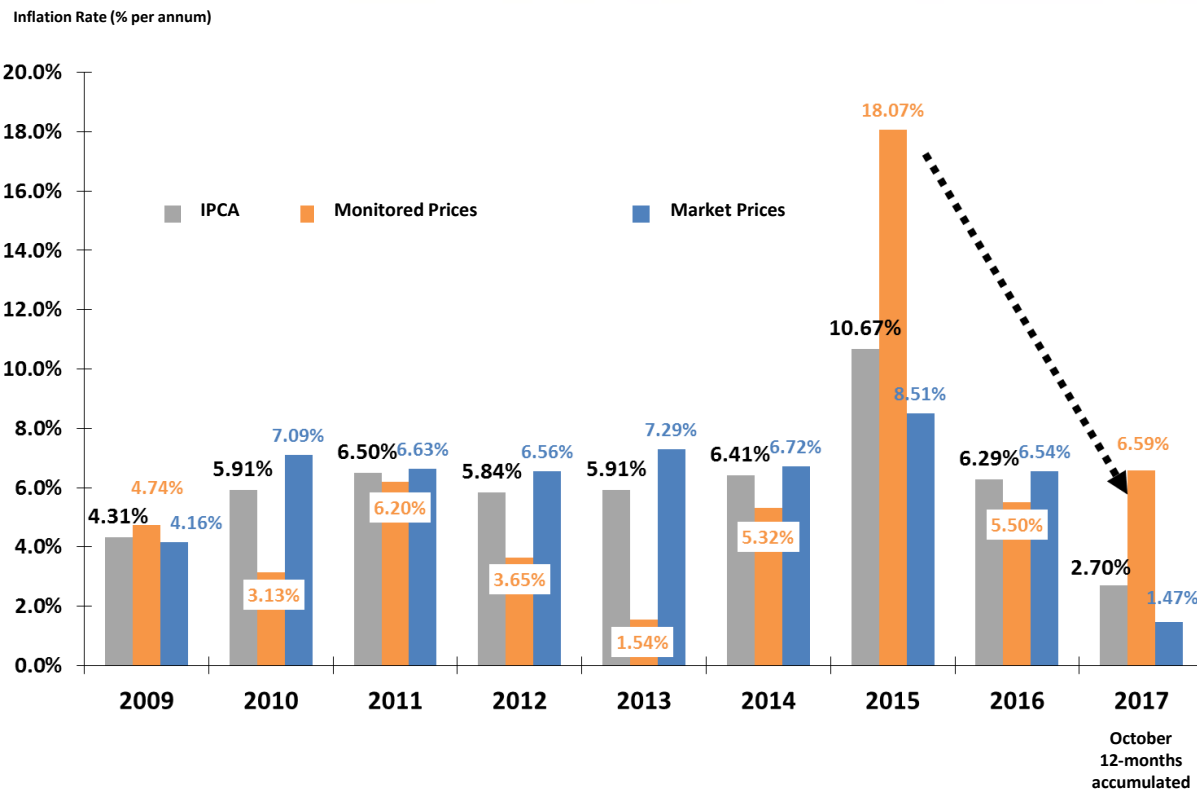
INFLATION

Inflation

BCB/FOCUS: 12/01/2017

Inflation Index	October 2017														
	2015	2016	Accum. In 12-months	YTD 2016	YTD 2017	Aug/16	Sep/16	Oct/16	Aug/17	Sep/17	Oct/17	2017	2018	2019	
IPCA Inflation Target (CMN)	4.5%	4.5%										4.5%	4.5%	4.5%	
Consumer Price Index IPCA (IBGE)	10.7%	6.3%	2.7%	5.8%	2.2%	0.44%	0.08%	0.26%	0.19%	0.16%	0.42%	3.0%	4.0%	4.3%	
IPCA core (By exclusion food and energy - Ex2)	9.4%	6.2%	4.0%	5.5%	3.3%	0.5%	0.2%	0.3%	0.2%	0.1%	0.4%				
Food and Beverages	12.0%	8.6%	-2.1%	8.7%	-2.0%	0.3%	-0.3%	-0.1%	-1.1%	-0.4%	-0.1%				
Housing	18.3%	2.8%	5.1%	3.1%	5.4%	0.3%	0.6%	0.4%	0.6%	-0.1%	1.3%				
Household Articles	5.4%	3.4%	-1.5%	3.9%	-1.1%	0.4%	-0.2%	-0.1%	0.2%	0.1%	-0.4%				
Apparel	4.5%	3.5%	2.5%	3.0%	1.9%	0.2%	0.4%	0.5%	0.3%	0.3%	0.7%				
Transportation	10.2%	4.2%	3.7%	2.8%	2.3%	0.3%	-0.1%	0.8%	1.5%	0.8%	0.5%				
Health and Personal Care	2.1%	1.3%	2.0%	1.0%	1.7%	0.0%	0.2%	0.1%	-0.6%	0.5%	0.4%				
Personal Expenses	9.2%	11.0%	6.9%	9.9%	5.7%	0.8%	0.3%	0.4%	0.4%	0.3%	0.5%				
Education	9.5%	8.0%	5.1%	6.4%	3.5%	1.0%	0.1%	0.0%	0.3%	0.6%	0.3%				
Communication	9.2%	8.9%	7.0%	8.7%	6.9%	1.0%	0.2%	0.0%	0.2%	0.0%	0.1%				
Consumer Price Index INPC (IBGE)	11.3%	6.6%	1.8%	6.4%	1.6%	0.31%	0.08%	0.17%	-0.03%	-0.02%	0.37%	2.5%	4.4%	4.1%	
General Price Index IGP-DI (FGV)	10.7%	7.2%	-1.1%	6.2%	-1.9%	0.43%	0.03%	0.13%	0.24%	0.62%	0.10%	-1.1%	4.5%	4.3%	
Consumer Price Subindex IPC/Br-DI	10.5%	6.2%	3.2%	5.7%	2.6%	0.3%	0.1%	0.3%	0.1%	0.0%	0.3%				
Construction Cost Subindex INCC-DI	7.5%	6.1%	4.4%	5.6%	3.9%	0.3%	0.3%	0.2%	0.4%	0.1%	0.3%	0.0%	0.0%	0.0%	
Wholesale Price Subindex IPA-DI	11.3%	7.7%	-3.5%	6.6%	-4.6%	0.5%	0.0%	0.0%	0.3%	1.0%	0.0%	-3.8%	4.5%	4.4%	
IPA-DI Industry	9.6%	6.7%	1.7%	3.9%	-1.1%	0.3%	0.6%	0.2%	1.0%	1.1%	-0.2%				
IPA-DI Agriculture	15.6%	9.9%	-16.4%	13.3%	-13.8%	0.9%	-1.6%	-0.4%	-1.8%	0.8%	0.4%				
São Paulo Cost-of-Living Index ICV SP (DIEESE)	11.5%	6.2%	2.4%	5.7%	2.0%	0.36%	0.03%	0.37%	-0.01%	0.20%	0.88%				
São Paulo Basic Food Basket (DIEESE)	16.4%	5.0%	-8.8%	12.3%	-2.5%	1.13%	-0.48%	0.24%	-2.30%	-2.32%	0.37%				
National Average Basic Food Basket (DIEESE)	17.3%	10.4%	-8.4%	15.7%	-6.6%	-0.03%	-0.75%	-0.43%	-3.18%	-2.46%	1.69%				
Inflation Index	November 2017														
	2015	2016	Accum. In 12-months	YTD 2016	YTD 2017	Sep/16	Oct/16	Nov/16	Sep/17	Oct/17	Nov/17	2017	2018	2019	
Consumer Price Index IPCA - 15 (IBGE)	10.7%	6.6%	2.8%	6.4%	2.6%	0.23%	0.19%	0.26%	0.11%	0.34%	0.32%	3.1%	4.2%	4.3%	
General Price Index IGP-M (FGV)	10.5%	7.2%	-0.9%	6.6%	-1.4%	0.20%	0.16%	-0.03%	0.47%	0.20%	0.52%	-1.0%	4.4%	4.3%	
General Price Index IGP-10 (FGV)	10.5%	7.0%	-1.1%	6.8%	-1.3%	0.36%	0.12%	0.06%	0.39%	0.49%	0.24%				
São Paulo Consumer Price Index IPC RMSP (FIPE)	11.1%	6.5%	2.5%	5.8%	1.7%	-0.14%	0.27%	0.15%	0.02%	0.32%	0.29%	2.2%	4.5%	4.4%	

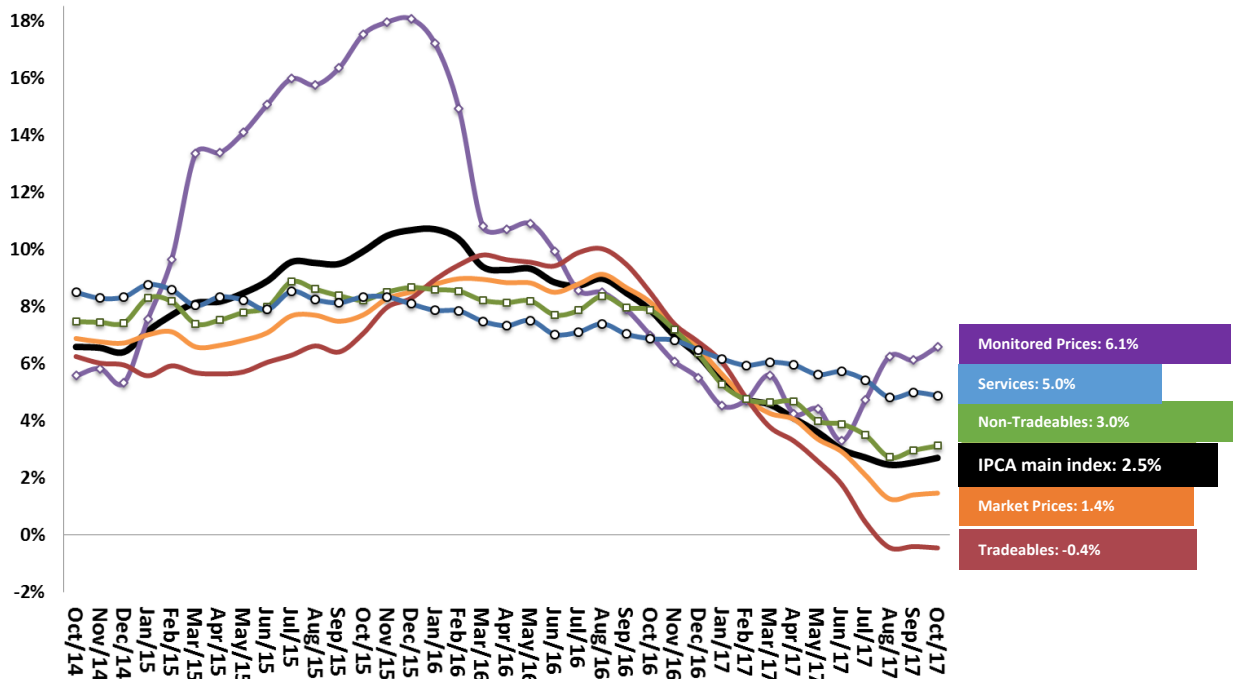
Relative Prices Convergence in the Consumer Price Index



Source: IBGE/MP.

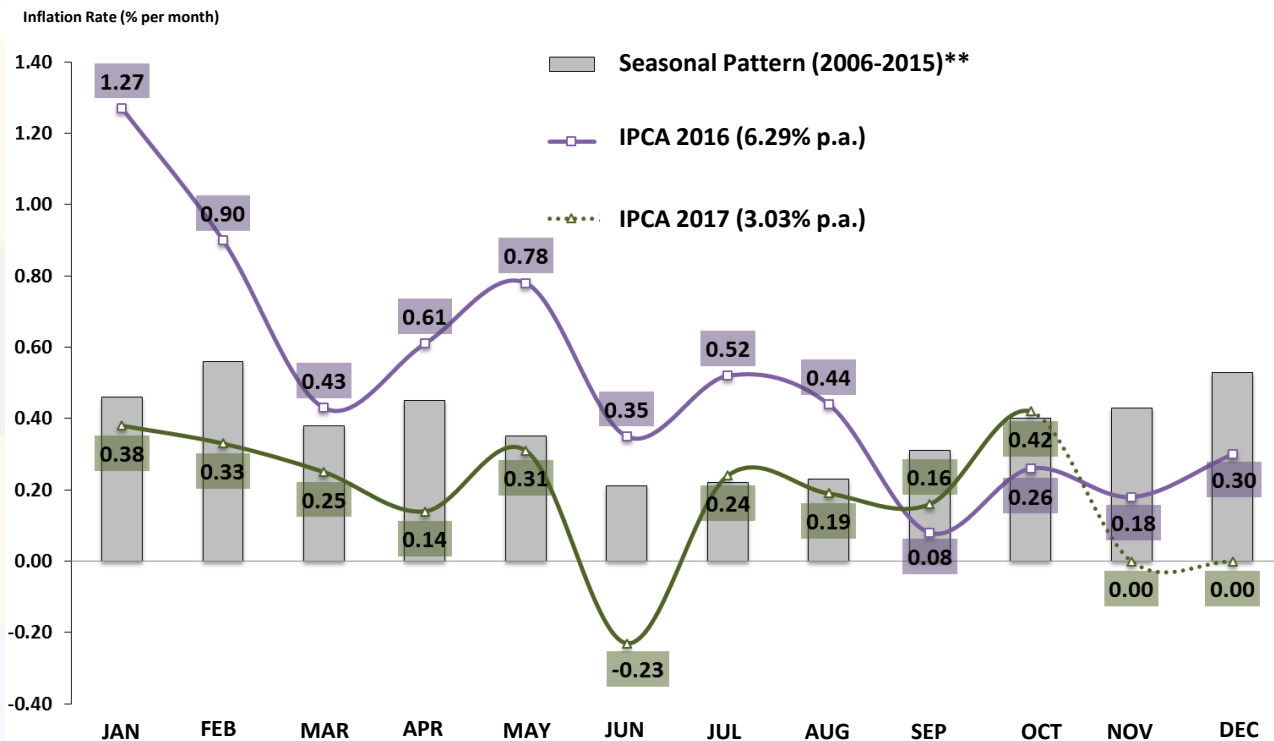
Consumer Price Index (IPCA) and Subindexes

Consumer Price Index and Subindexes
12-months accumulated rate (%)



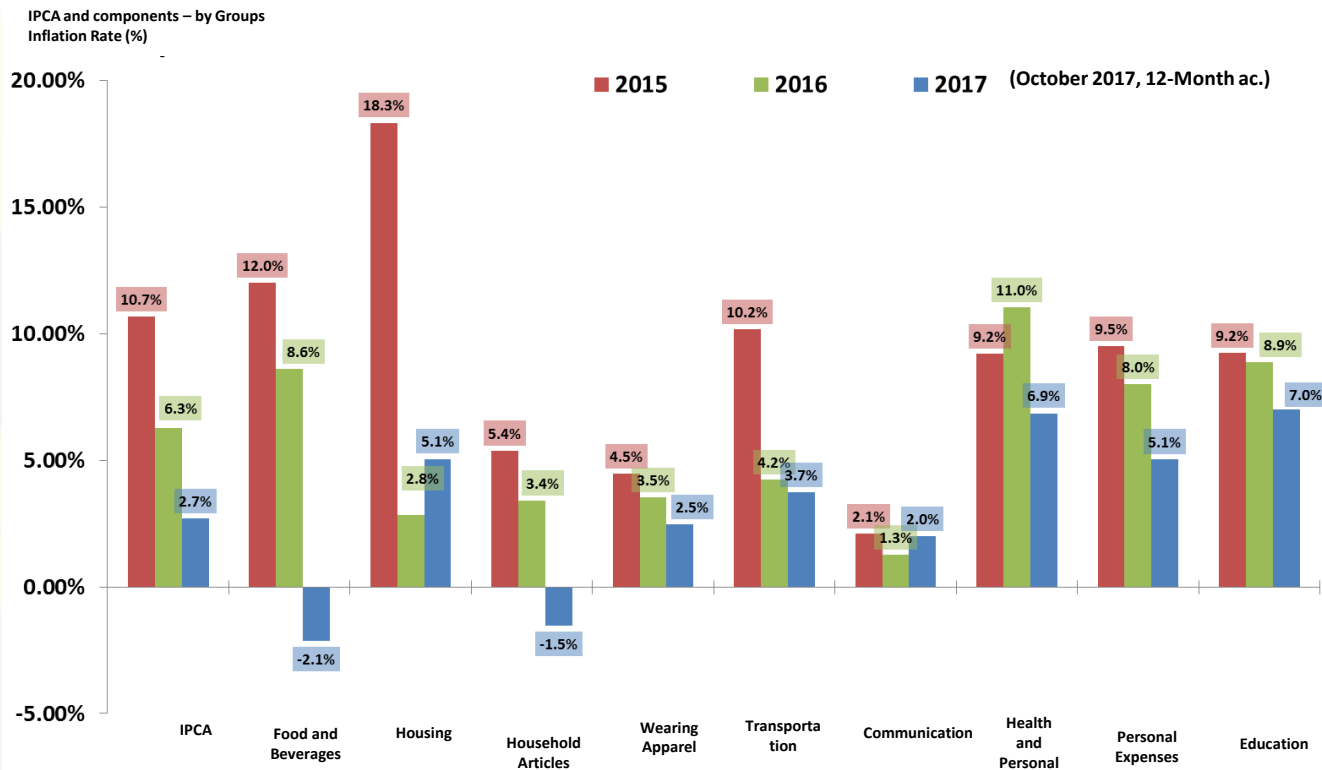
Source: IBGE/MP.

Consumer Price Index (IPCA) and Seasonal Pattern



Sources: IBGE/MP and Central Bank of Brazil. *BCB-Focus Survey September 01st, median of market expectations. **Seasonal pattern estimated by SEPLAN/MP.

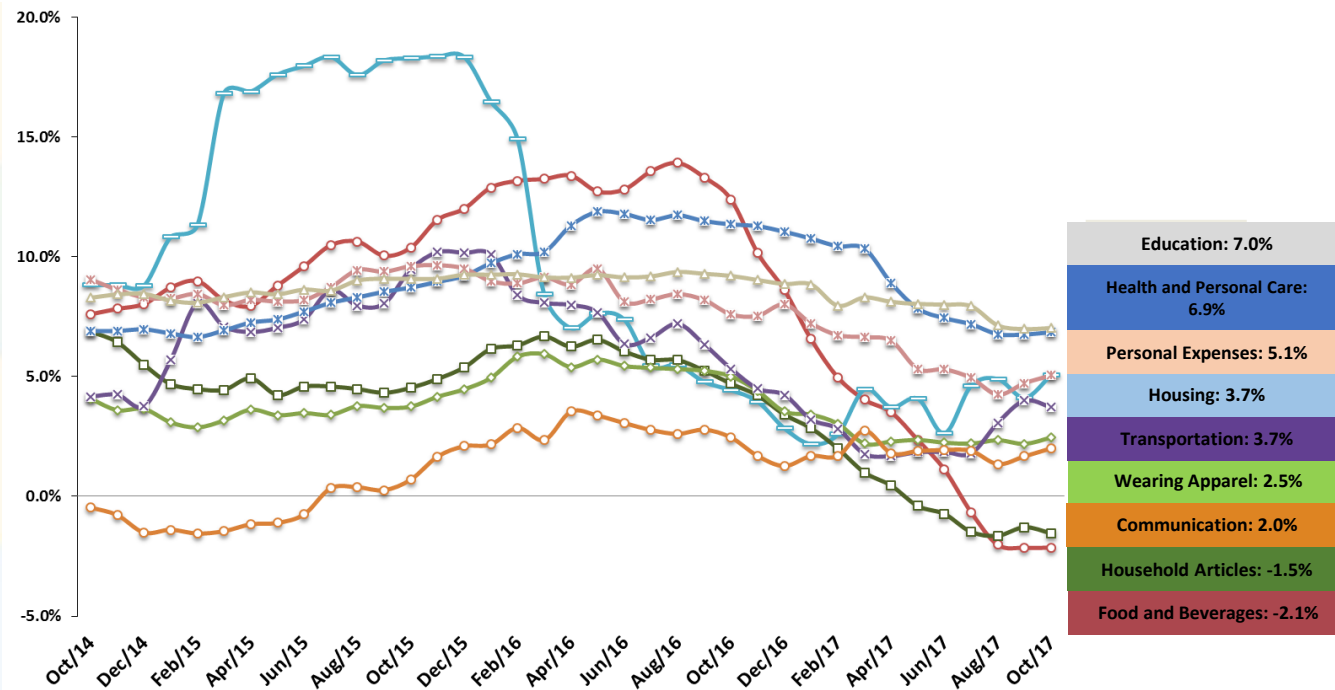
Consumer Price Index (IPCA) by Groups



Source: IBGE/MP.

Consumer Price Index (IPCA) by Groups

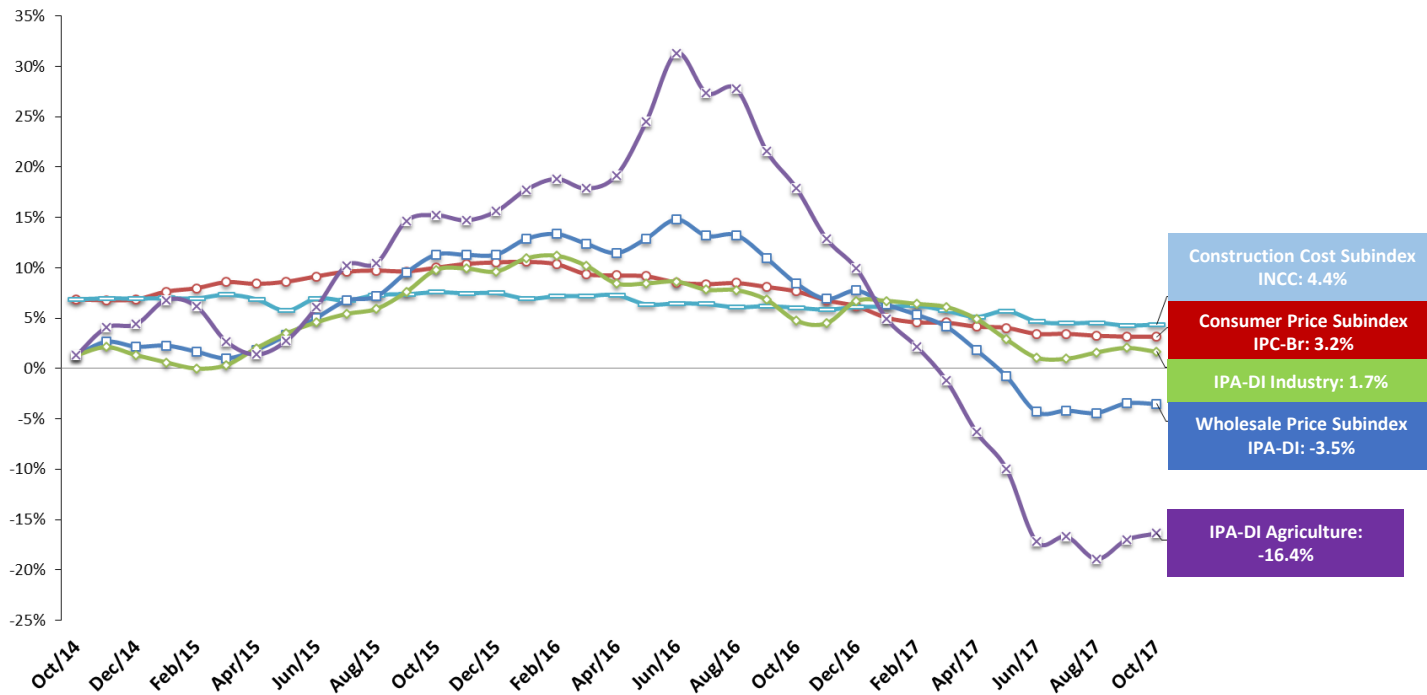
IPCA Groups
12-months accumulated rate (%)



Source: IBGE.

General Price Index (IGP-DI) by Subindexes

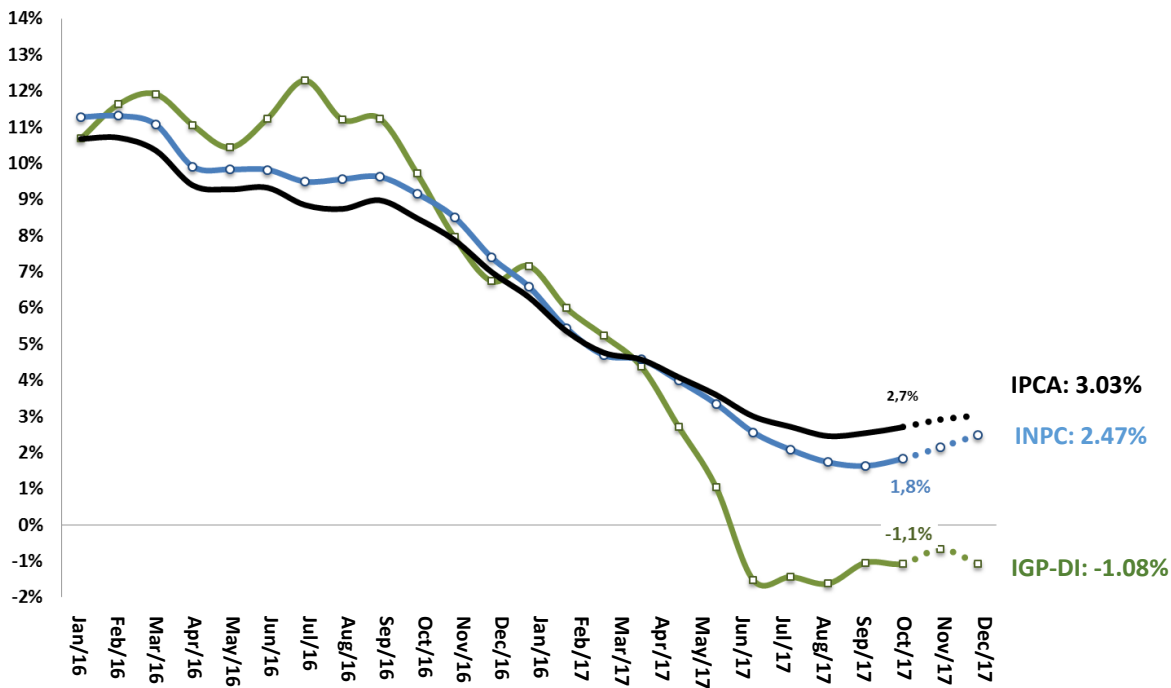
General Prices Subindexes
12-months accumulated rate (%)



Source: FGV.

Major Inflation Indexes

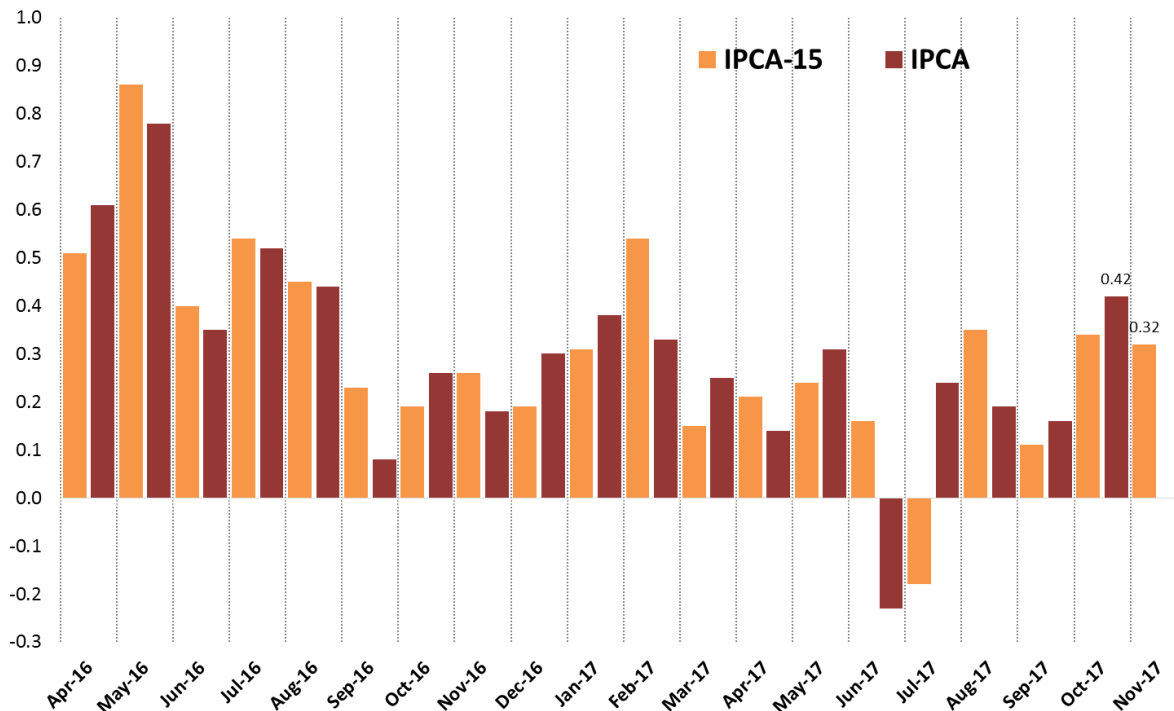
Major Inflation Indexes
12-month accumulated rate (%)



Sources: IBGE/MP and Central Bank of Brazil. *BCB-Focus Survey 01st December, median of market expectations.

IBGE: Monthly Consumer Price Indexes

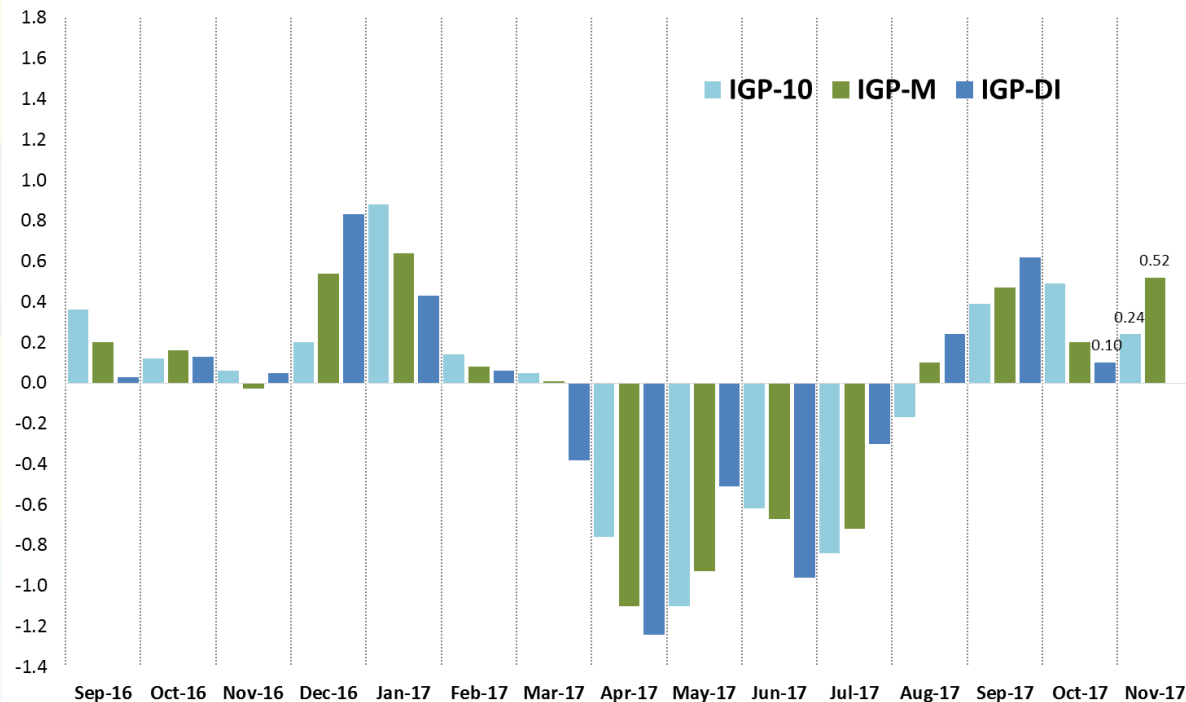
IPCA-15 and IPCA
By release order



Source: IBGE.

FGV: Monthly General Price Indexes

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

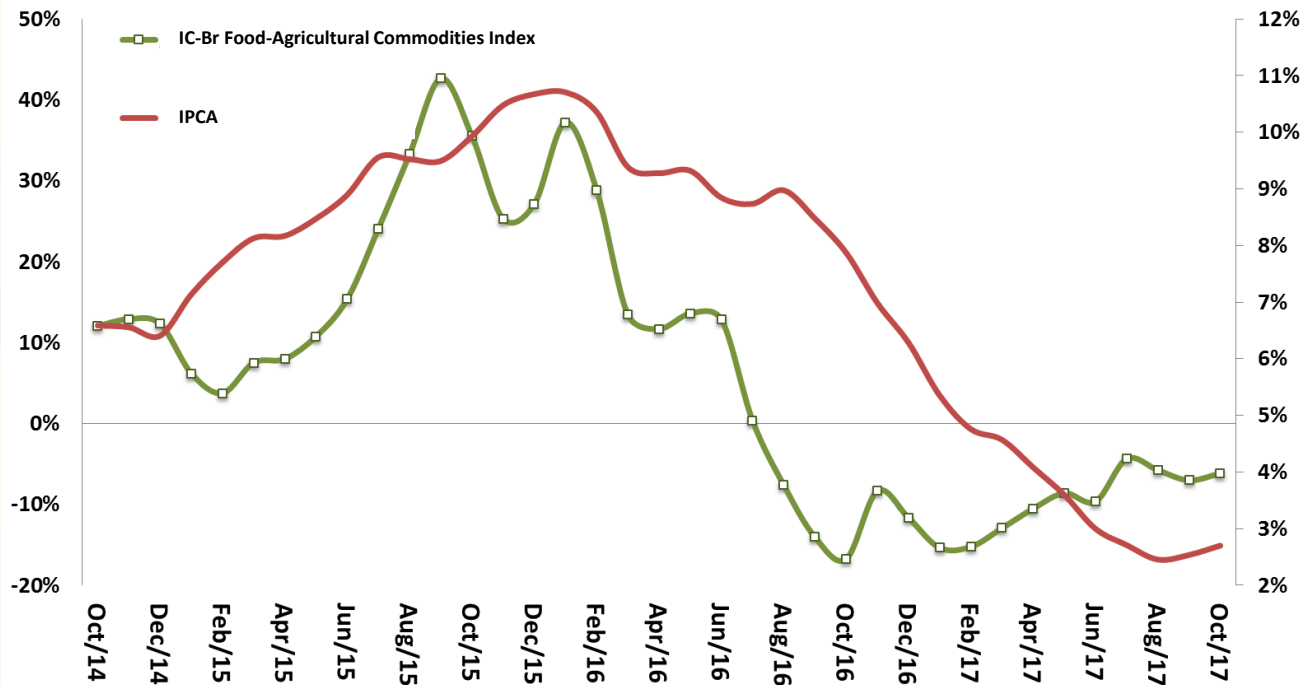


Source: FGV.

Consumer Price Index and Commodity Index (Brazil Agriculture)

Commodity Index – Brazil Agriculture (IC-Br Ag)
12-month accumulated change rate (%)

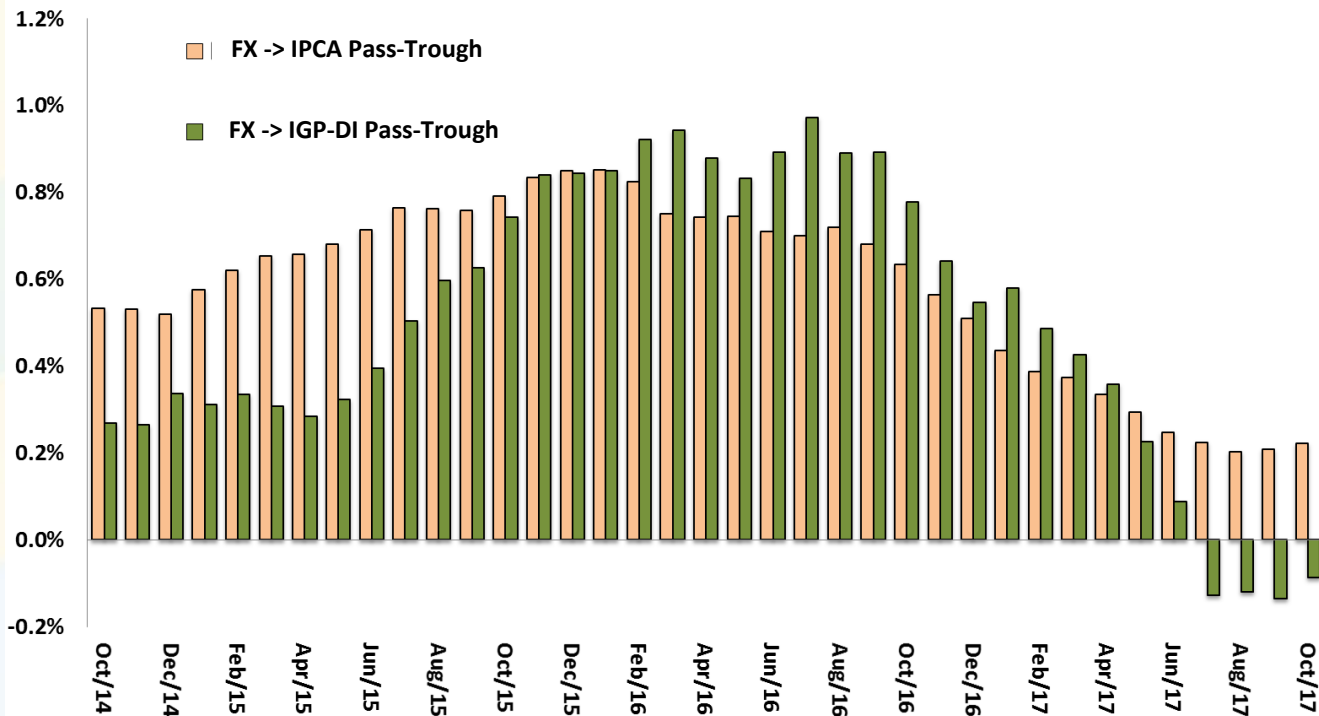
Consumer Inflation - IPCA
12-month accumulated rate (%)



Sources: IBGE/MP and Central Bank of Brazil.

Exchange Rate Pass-Through in Consumer and General Price Indexes

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

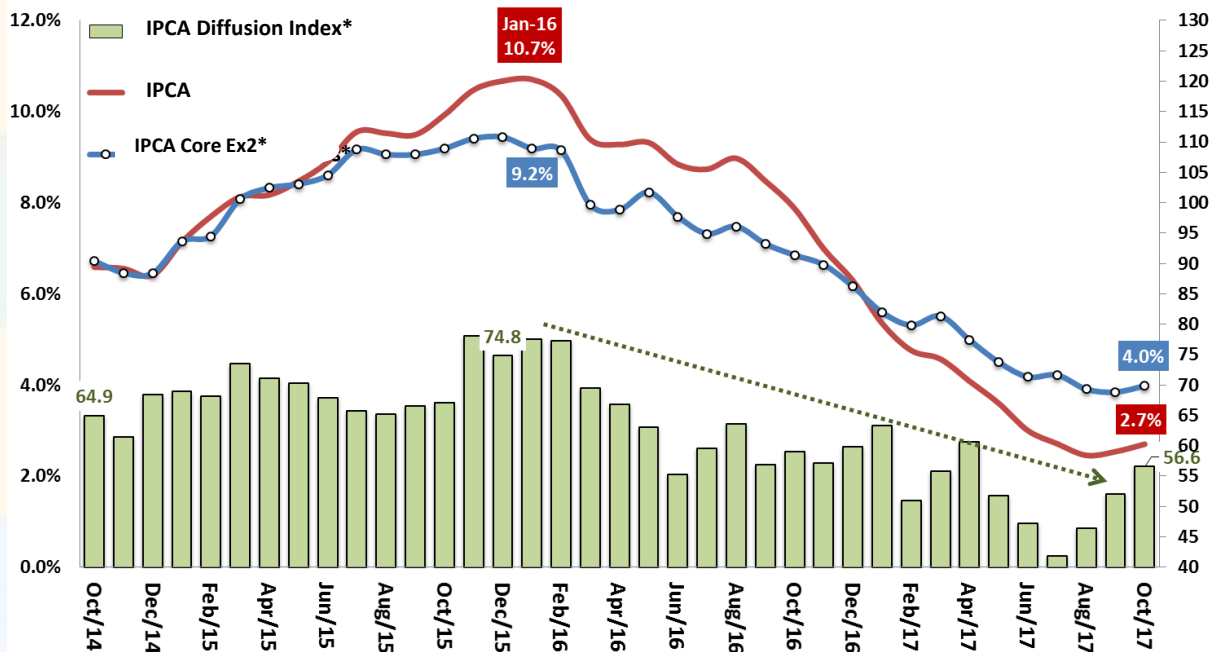


Sources: IBGE/MP and FGV. Note: Pass-Through series estimated by SEPLAN/MP.

IPCA, Core Inflation (IPCA Ex2) and Diffusion Index

IPCA and Core Ex2*
12-month accumulated rate (%)

IPCA Diffusion Index
items with prices increases (%)



Source: IBGE/MP.

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

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



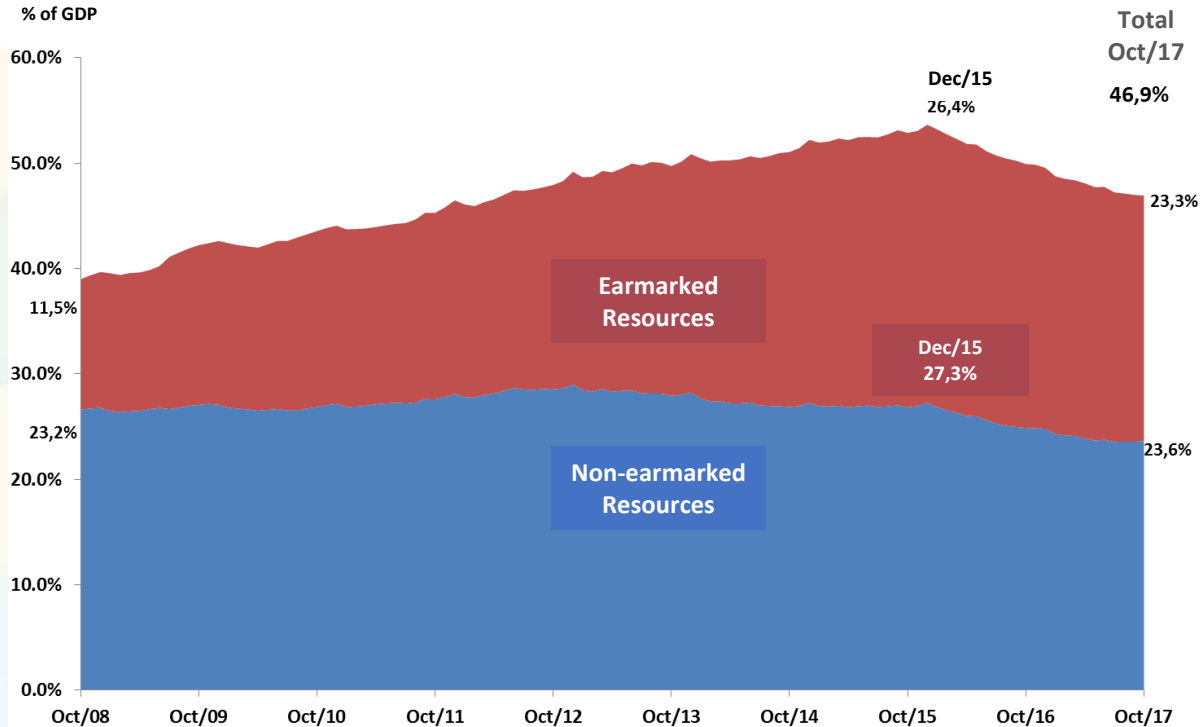
CREDIT MARKET

Credit Market

Credit Market (BCB)	October 2017											
End-of-Period Outstanding Credit (in R\$ billions)	Dec/15	Dec/16	Oct/17	% of Total Credit Dec/15	% of Total Credit Dec/16	% of Total Credit Oct/17	chg.% Dec/16 / Dec/15	chg.% Oct/17 / Dec/16	% of GDP Dec/15	% of GDP Dec/16	% of GDP Oct/17	
Total Credit to the National Financial System (NFS)	3,219.3	3,105.5	3,052.1	100.0%	100.0%	100.0%	-3.5%	-1.7%	53.7%	49.6%	46.9%	
by type of borrower												
Public Sector (incl. State-Owned Enterprises)	261.1	235.8	221.9	8.1%	7.6%	7.3%	-9.7%	-5.9%	4.4%	3.8%	3.4%	
Private Sector	2,958.3	2,869.7	2,830.2	91.9%	92.4%	92.7%	-3.0%	-1.4%	49.3%	45.8%	43.5%	
Non-Financial Corporations	1,707.2	1,544.9	1,425.3	53.0%	49.7%	46.7%	-9.5%	-7.7%	28.5%	24.7%	21.9%	
Households	1,512.2	1,560.7	1,626.8	47.0%	50.3%	53.3%	3.2%	4.2%	25.2%	24.9%	25.0%	
by type of lender												
Public Financial Institutions	1,796.7	1,729.7	1,685.3	55.8%	55.7%	55.2%	-3.7%	-2.6%	29.9%	27.6%	25.9%	
National Private Financial Institutions	947.9	976.2	959.8	29.4%	31.4%	31.4%	3.0%	-1.7%	15.8%	15.6%	14.8%	
Foreign Private Financial Institutions	474.7	399.6	407.1	14.7%	12.9%	13.3%	-15.8%	1.9%	7.9%	6.4%	6.3%	
by type of credit												
Earmarked Resources	1,582.2	1,549.5	1,517.6	49.1%	49.9%	49.8%	-2.1%	-2.1%	26.4%	24.7%	23.4%	
Housing	231.1	241.6	239.6	7.2%	7.8%	7.8%	4.5%	-0.8%	3.9%	3.9%	3.7%	
Rural	572.3	605.7	623.4	17.8%	19.5%	20.4%	5.8%	2.9%	9.5%	9.7%	9.6%	
BNDES Development Bank	679.4	601.0	552.5	21.1%	19.4%	18.1%	-11.5%	-8.1%	11.3%	9.6%	8.5%	
Others	99.3	101.2	99.9	3.1%	3.3%	3.3%	1.9%	-1.3%	1.7%	1.6%	1.5%	
Non-Financial Corporations	875.3	797.7	725.5	27.2%	25.7%	23.8%	-8.9%	-9.0%	14.6%	12.7%	11.2%	
Households	706.9	751.8	789.8	22.0%	24.2%	25.9%	6.4%	5.0%	11.8%	12.0%	12.1%	
Non-earmarked Resources	1,637.1	1,556.0	1,536.8	50.9%	50.1%	50.4%	-5.0%	-1.2%	27.3%	24.8%	23.6%	
Non-Financial Corporations	831.9	747.1	699.7	25.8%	24.1%	22.9%	-10.2%	-6.3%	13.9%	11.9%	10.8%	
Households	805.3	808.8	837.1	25.0%	26.0%	27.4%	0.4%	3.5%	13.4%	12.9%	12.9%	
Non-earmarked Resources (BCB)	October 2017											
New Loans, Spread and Delinquency Rates	Dec/15	Dec/16	Oct/17	% of Total Credit Dec/15	% of Total Credit Dec/16	% of Total Credit Oct/17	chg.% Dec/16 / Dec/15	chg.% Oct/17 / Dec/16	% of GDP Dec/15	% of GDP Dec/16	% of GDP Oct/17	
New Loans (12-months accum. in R\$ billions)	3,050.1	2,840.0	2,919.8	100.0%	100.0%	100.0%	-6.9%	2.8%	50.8%	45.3%	44.9%	
Non-Financial Corporations	1,475.1	1,282.5	1,250.4	48.4%	45.2%	42.9%	-13.1%	-2.5%	24.6%	20.5%	19.2%	
Households	1,575.0	1,557.6	1,669.4	51.6%	54.8%	57.1%	-1.1%	7.2%	26.2%	24.9%	25.7%	
Spread (in pp per year)	25.0	32.0	40.3				0.0 pp	8.4 pp				
Non-Financial Corporations	12.6	15.0	16.7				0.0 pp	1.7 pp				
Households	37.0	48.2	60.2				0.0 pp	12.0 pp				
Delinquency (% non-performing loans by 90 days or more)	5.3	5.7	5.4				0.4 pp	-0.3 pp				
Non-Financial Corporations	4.5	5.2	5.2				0.8 pp	0.0 pp				
Households	6.2	6.1	5.6				-0.1 pp	-0.5 pp				

Total Credit: Earmarked and Non-earmarked Resources

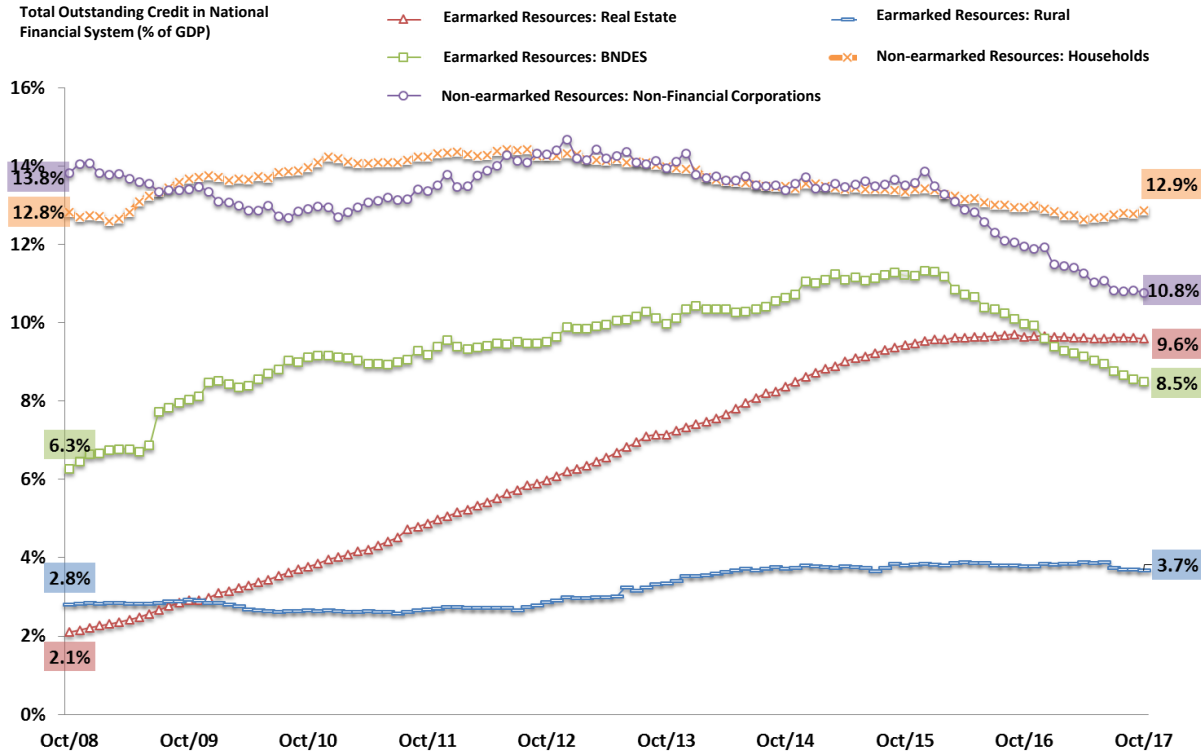
Total Outstanding Credit in National Financial System
% of GDP



Source: Central Bank of Brazil.

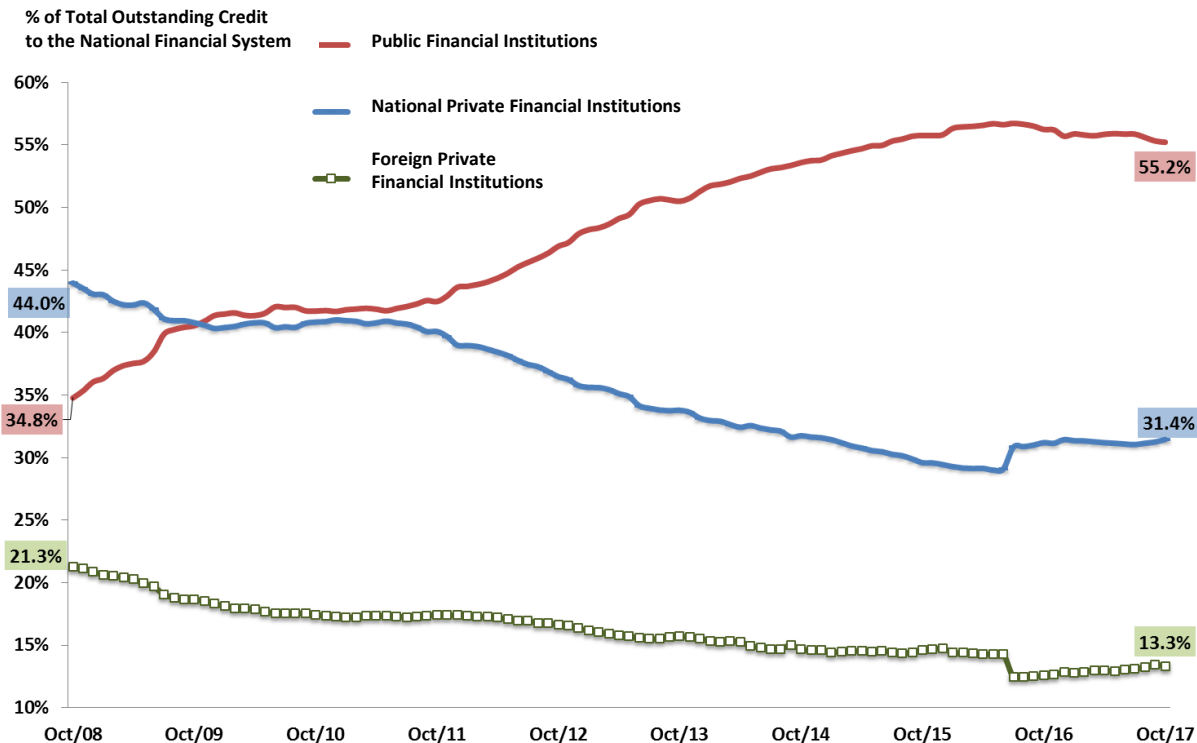
Total Credit Evolution by Major Segments

Total Outstanding Credit in National Financial System (% of GDP)



Source: Central Bank of Brazil.

Total Credit by Types of Financial Institutions

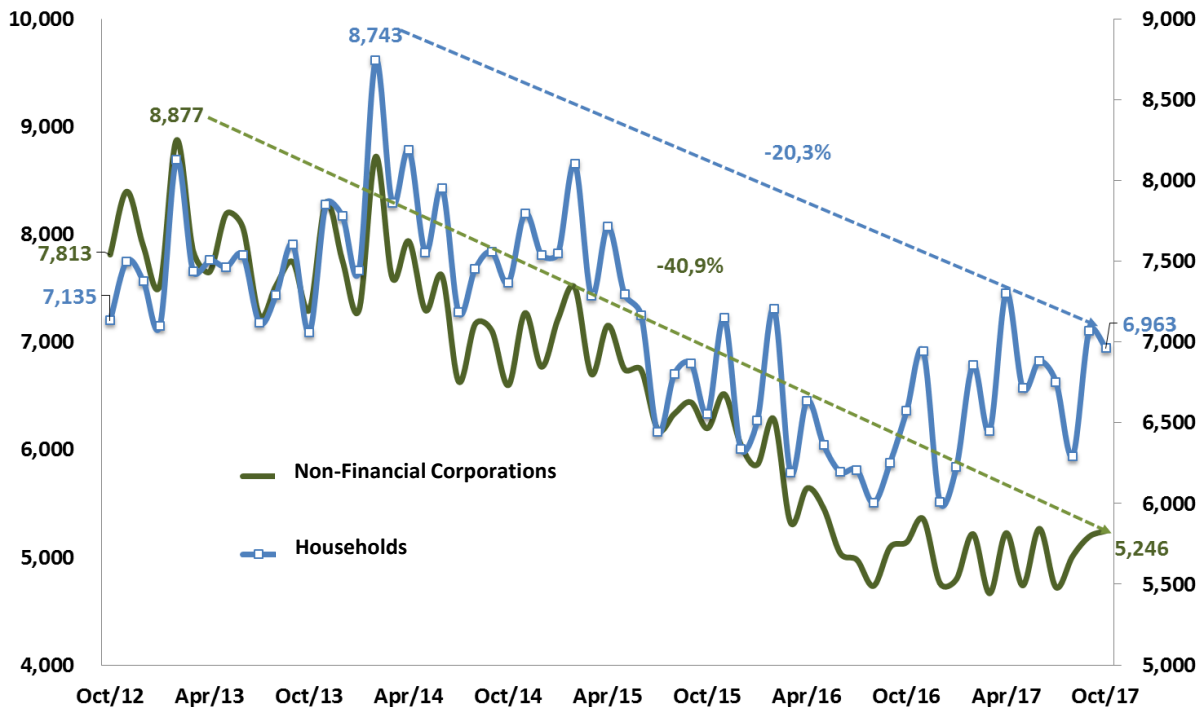


Source: Central Bank of Brazil.

New Loans to Households and Non-Financial Corporations

Daily Average of New Loans to Non-Financial Corporations
R\$ millions of the last month
3-Month Moving Average - Seasonally Adjusted*

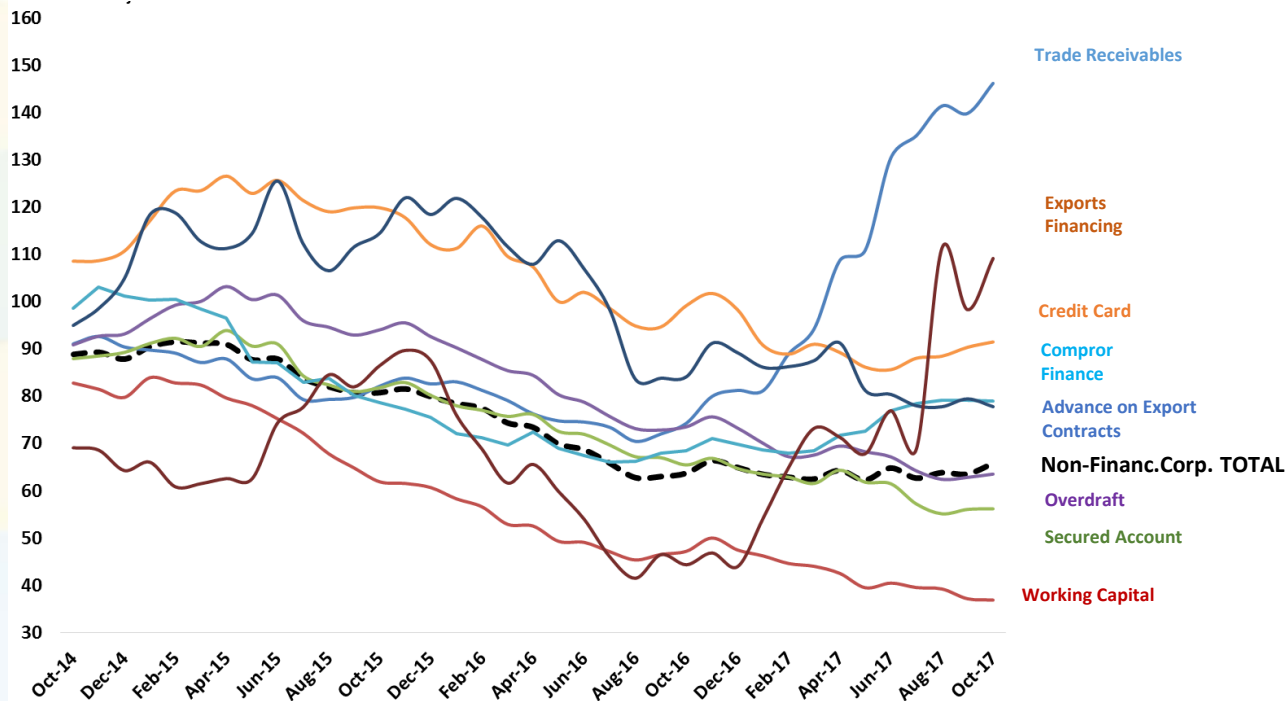
Daily Average of New Loans to Households
R\$ millions of the last month
3-Month Moving Average - Seasonally Adjusted*



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

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

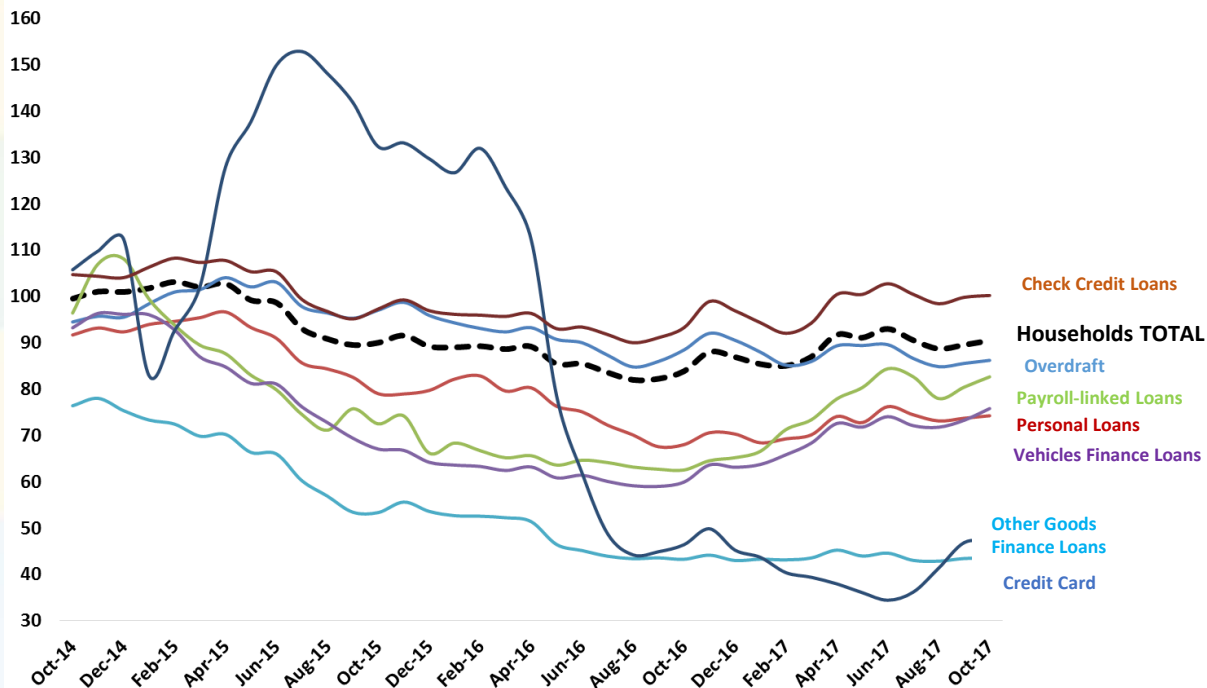
Daily Average of New Loans to Non-Financial Corporations – Last Month Real Values (IPCA)
3-Month Moving Average - Seasonally Adjusted* - Index: 2013=100



F1 Source: Central Bank of Brazil. * Seasonally adjusted by SEPLAN/MP.

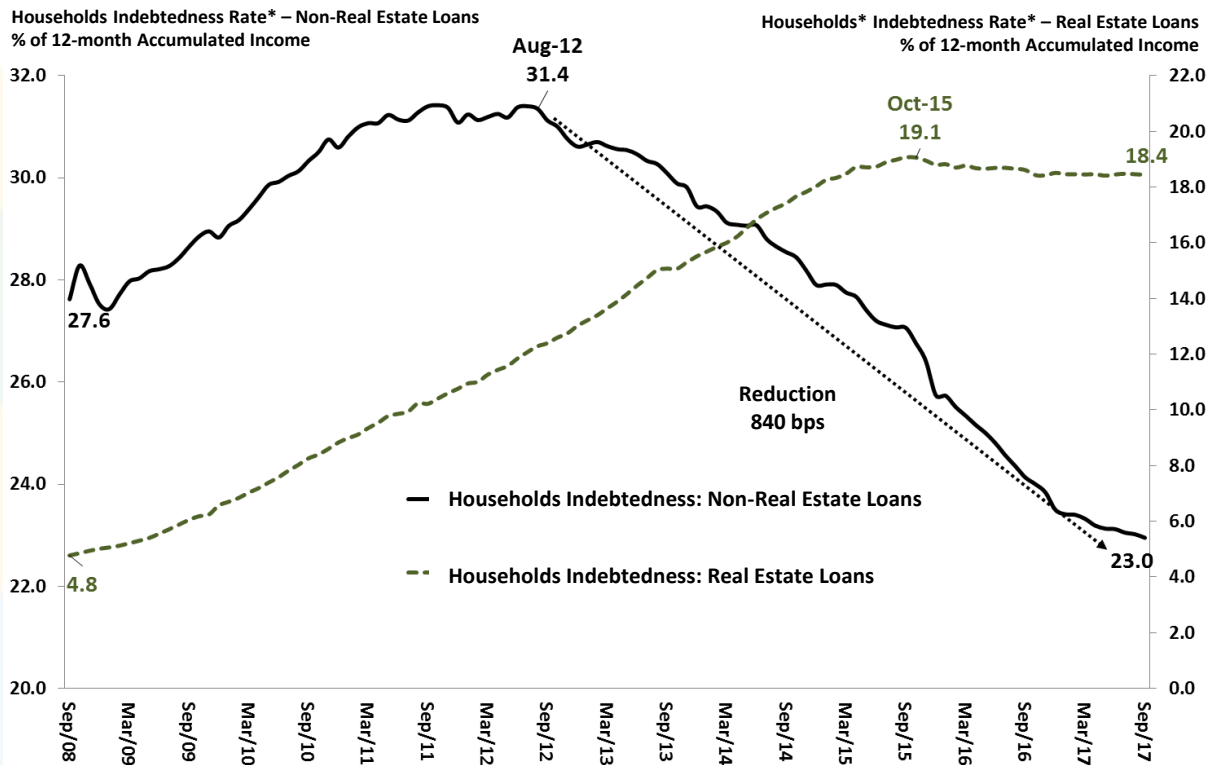
New Loans to Households by Type of Credit Lines

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



Source: Central Bank of Brazil. * Seasonally adjusted by SEPLAN/MP using X-13Arima-Seats/X12-Arima.

Households Indebtedness Rate

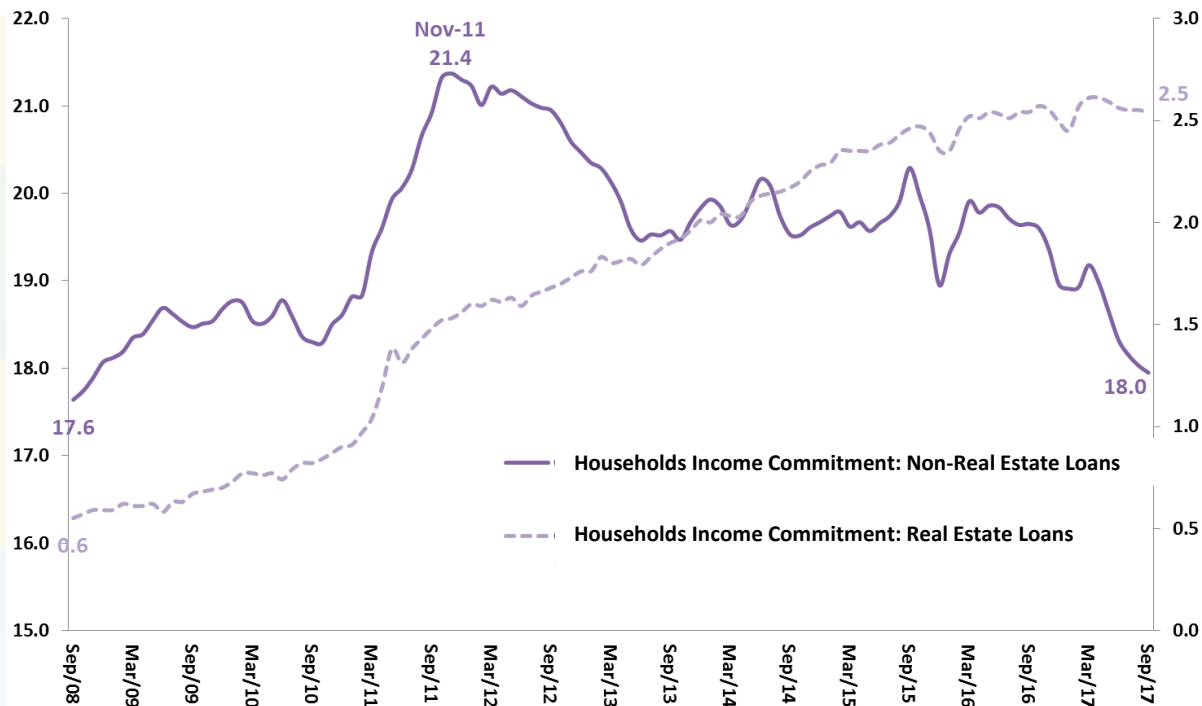


Source: Central Bank of Brazil. * Indebtedness rate = total outstanding debt / 12-months accumulated income.

Households Income Commitment

Households Income Commitment* – Non-Real Estate Loans
% of Monthly Income – 3-month moving average – seasonally

Households Income Commitment* – Real Estate Loans
% of Monthly Income – 3-month moving average – seasonally adjusted data

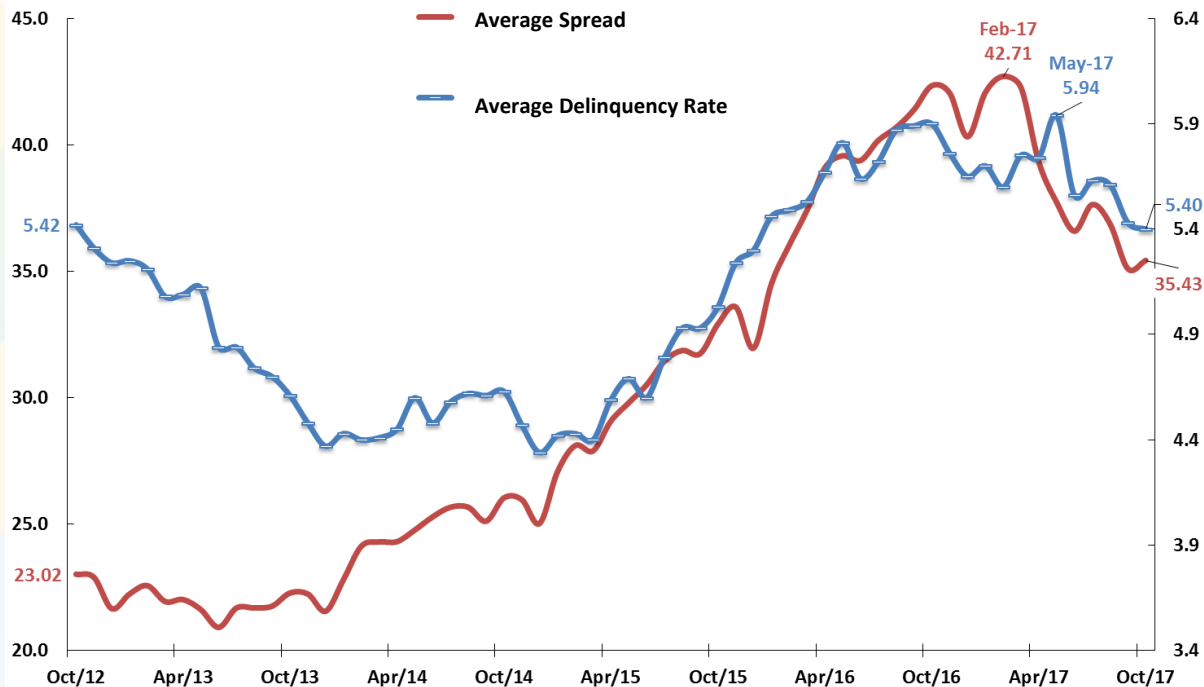


Source: Central Bank of Brazil. * Households Income Commitment = Loans Service Monthly Expenditure / Monthly Income.

Non-earmarked Resources: Spread and Delinquency Rates

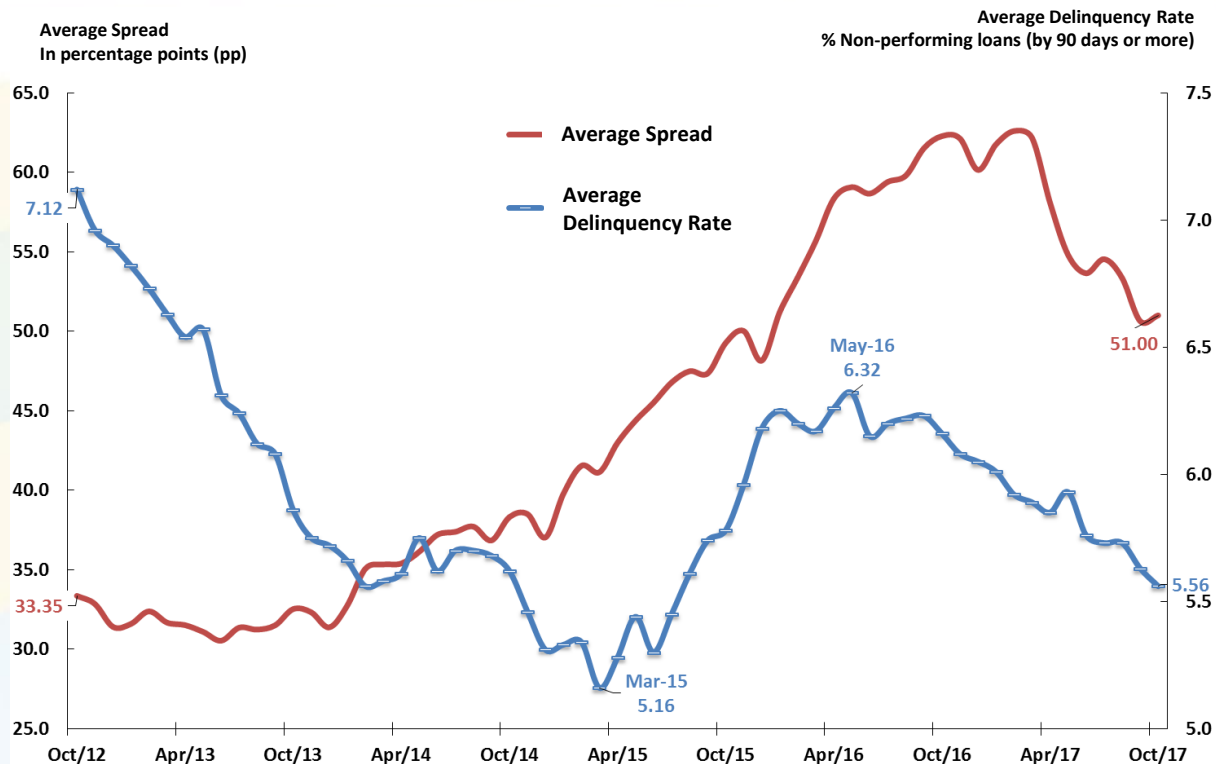
Average Spread
In percentage points (pp)

Average Delinquency Rate
% Non-performing loans (by 90 days or more)



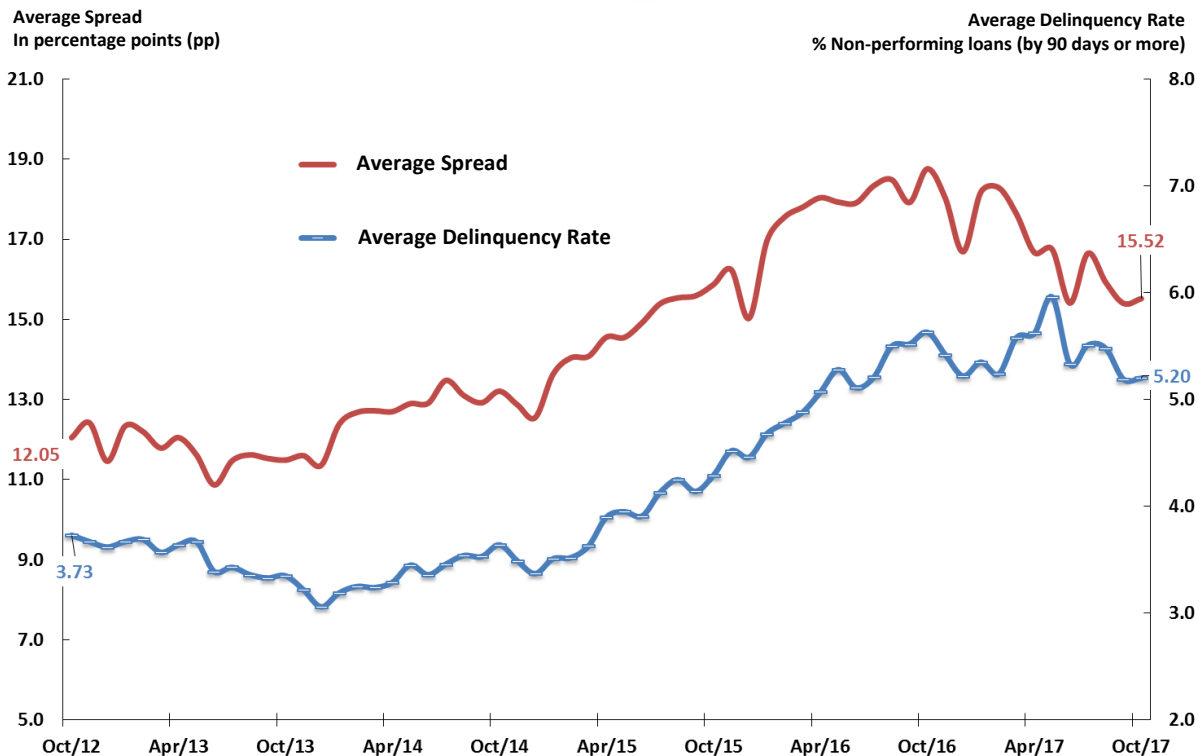
Source: Central Bank of Brazil.

Households Loans: Spread and Delinquency Rates

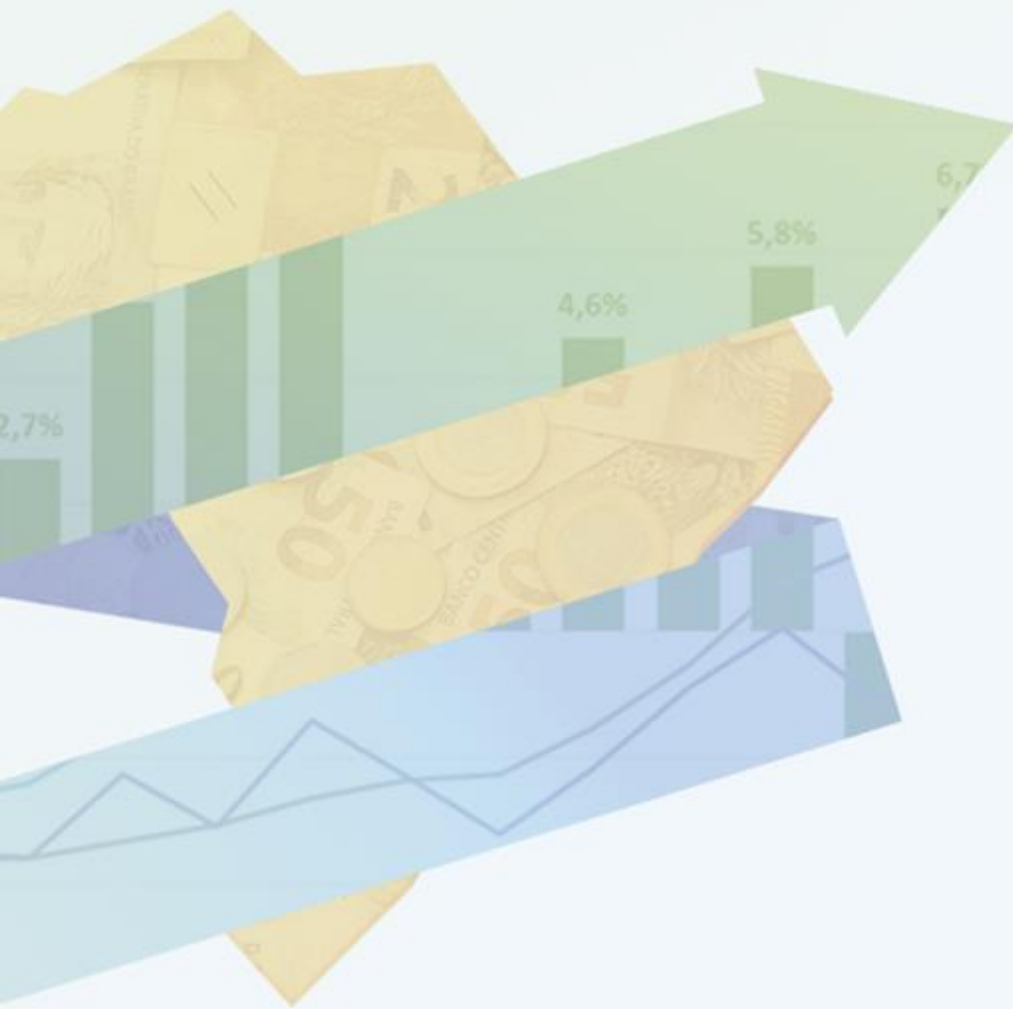


Source: Central Bank of Brazil.

Non-Financial Corp. Loans: Spread and Delinquency Rates



Source: Central Bank of Brazil.



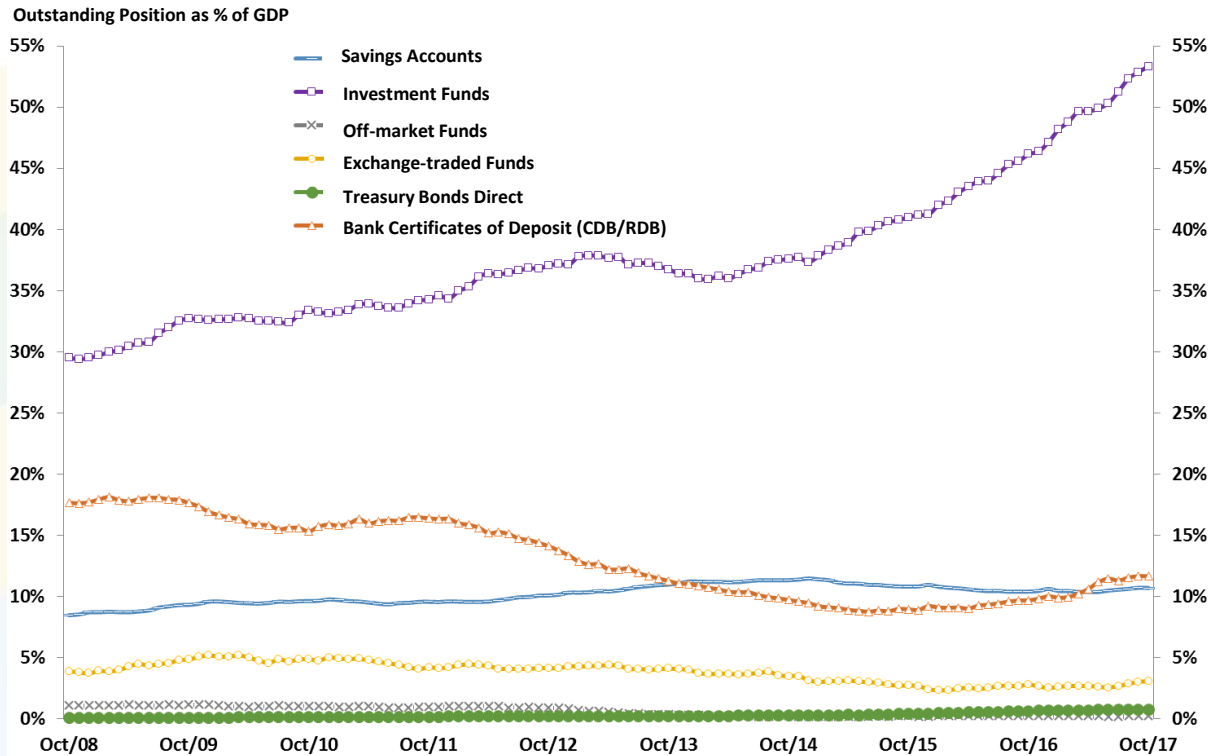
FINANCIAL MARKETS

Financial Markets

BCB/FOCUS: 12/01/2017

Financial Savings (BCB)		October 2017										
		Dec/15	Dec/16	Oct/16	Oct/17	chg. % Dec/15 / Dec/14	chg. % Dec/16 / Dec/15	chg. % Oct/17 / Dec/16	chg. % Oct/17 / Oct/16			
Outstanding Positions - R\$ billions												
Bank Certificates of Deposit (CDB/RDB)		552.1	627.4	600.1	757.5	1.1%	13.6%	20.7%	26.2%			
Savings Accounts (Caderneta de Poupança)		656.6	665.0	644.3	695.2	-0.9%	1.3%	4.5%	7.9%			
Investment Funds		2,473.0	2,953.4	2,860.3	3,468.6	14.7%	19.4%	17.4%	21.3%			
Off-market Funds (Fundos Extramercado)		11.9	14.9	14.6	13.6	19.7%	25.0%	-8.9%	-7.3%			
Exchange-traded Funds		144.1	158.1	173.6	199.7	-21.0%	9.7%	26.3%	15.0%			
Treasury Bonds Direct (Tesouro Direto)		25.6	41.1	38.1	47.8	67.3%	60.5%	16.6%	25.5%			
BM&F-Bovespa - listed companies value as % of GDP		31.9%	39.4%	42.8%	47.6%	-6.95 pp	7.50 pp	8.22 pp	4.76 pp			
Capital Market (CVM)		October 2017										
		Dec/15	Dec/16	Oct/16	Oct/17	chg. % Dec/15 / Dec/14	chg. % Dec/16 / Dec/15	chg. % Oct/17 / Dec/16	chg. % Oct/17 / Oct/16			
New Public Offering - R\$ billions												
Stocks		16.1	0.5	0.3	7.5	6.7%	-96.7%	1297.8%	2590%			
Debentures		20.6	21.9	20.9	6.4	461.8%	5.9%	-70.9%	-69.5%			
Promissory Notes		0.0	0.0	0.0	0.0	-	-	-	-			
Housing Credit-backed Securities (CRI)		3.9	11.3	6.4	10.4	70.0%	191.9%	-7.6%	62.2%			
Investment Funds - new shares		5.8	2.1	1.8	4.1	21.8%	-63.5%	96.9%	123.9%			
Monet Market (BCB)		November 2017										
		Dec/15	Dec/16	Nov/16	Nov/17	chg. % Dec/15 / Dec/14	chg. % Dec/16 / Dec/15	chg. % Nov/17 / Dec/16	chg. % Nov/17 / Nov/16			
Interest Rates												
Selic market rate (% py)		14.15	13.65	13.90	7.40	2.6 pp	-0.5 pp	-6.3 pp	-6.5 pp			
CDI (% py)		14.14	13.63	13.88	7.39	2.6 pp	-0.5 pp	-6.2 pp	-6.5 pp			
Swap DI-Pre 180 days (% py)		15.18	12.45	12.92	6.84	2.6 pp	-2.7 pp	-5.6 pp	-6.1 pp			
Swap DI-Pre 360 days (% py)		15.86	11.56	12.17	7.02	2.9 pp	-4.3 pp	-4.5 pp	-5.2 pp			
Monet Market (BCB)		December 2017										
		Dec/15	Dec/16	Dec/16	Dec/17	chg. % Dec/15 / Dec/14	chg. % Dec/16 / Dec/15	chg. % Dec/17 / Dec/16	chg. % Dec/17 / Dec/16	2017	2018	2019
Selic target rate (% py)		14.25	13.75	13.75	7.50	2.5 pp	-0.5 pp	-6.3 pp	-6.3 pp	7.00%	7.00%	8.00%
TJLP (% py)		7.00	7.50	7.50	7.00	2.0 pp	0.5 pp	-0.5 pp	-0.5 pp			
Brazil Sovereign Risk (BCB)		November 2017										
		Dec/15	Dec/16	Nov/16	Nov/17	chg. pp Dec/15 / Dec/14	chg. pp Dec/16 / Dec/15	chg. % Nov/17 / Dec/16	chg. % Nov/17 / Nov/16			
Monthly Average (in basis points)												
EMBI+ (JPMorgan)		523	328	337	239	264 pp	-195 pp	-89 pp	-98 pp			
5 years CDS		495	281	297	171	294 pp	-214 pp	-110 pp	-127 pp			
10 years CDS		558	360	375	272	299 pp	-199 pp	-87 pp	-102 pp			

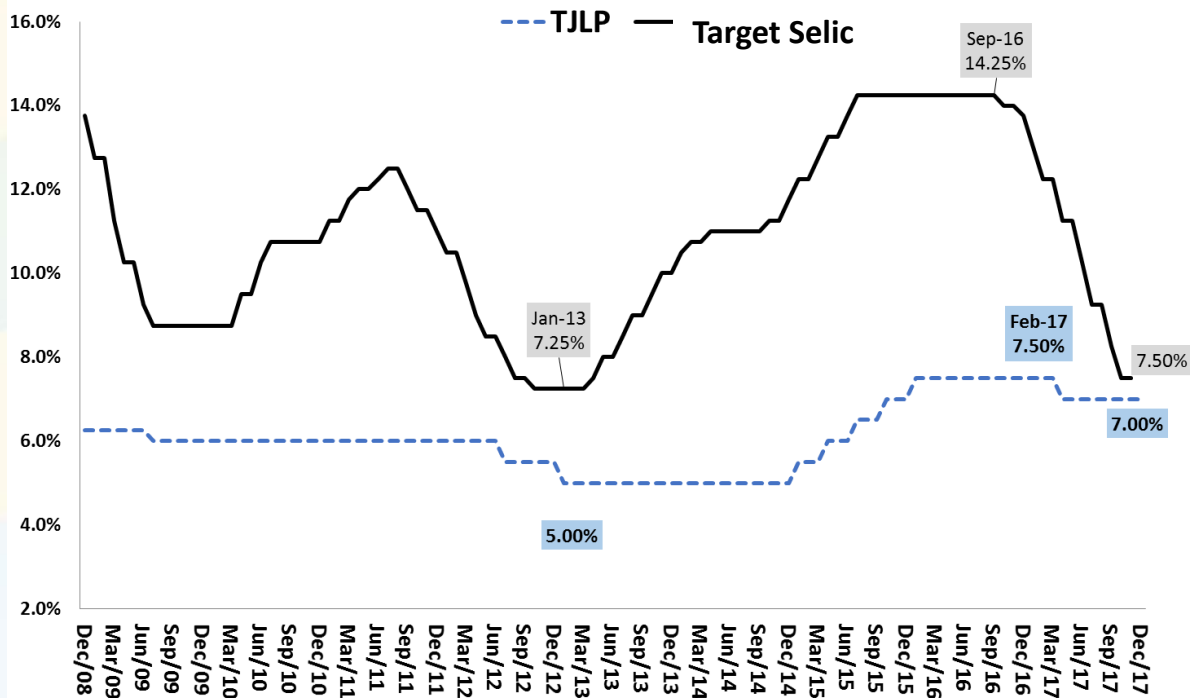
Major Financial Savings Instruments



Source: Central Bank of Brazil.

Official Interest Rates Evolution (Target Selic and TJLP)

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

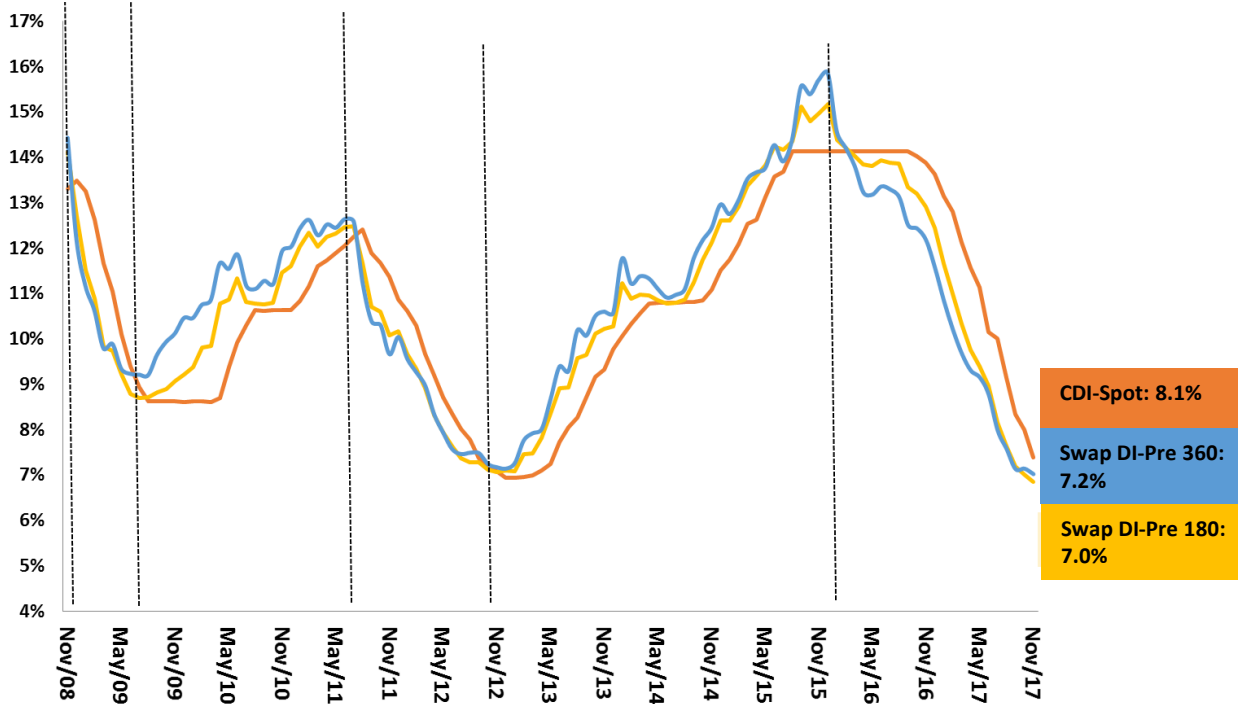


Source: Central Bank of Brazil.

Term Structure of Interbank Interest Rate

Interbank Spot, 180 and 360-days
Interest Rate (% p.a.)

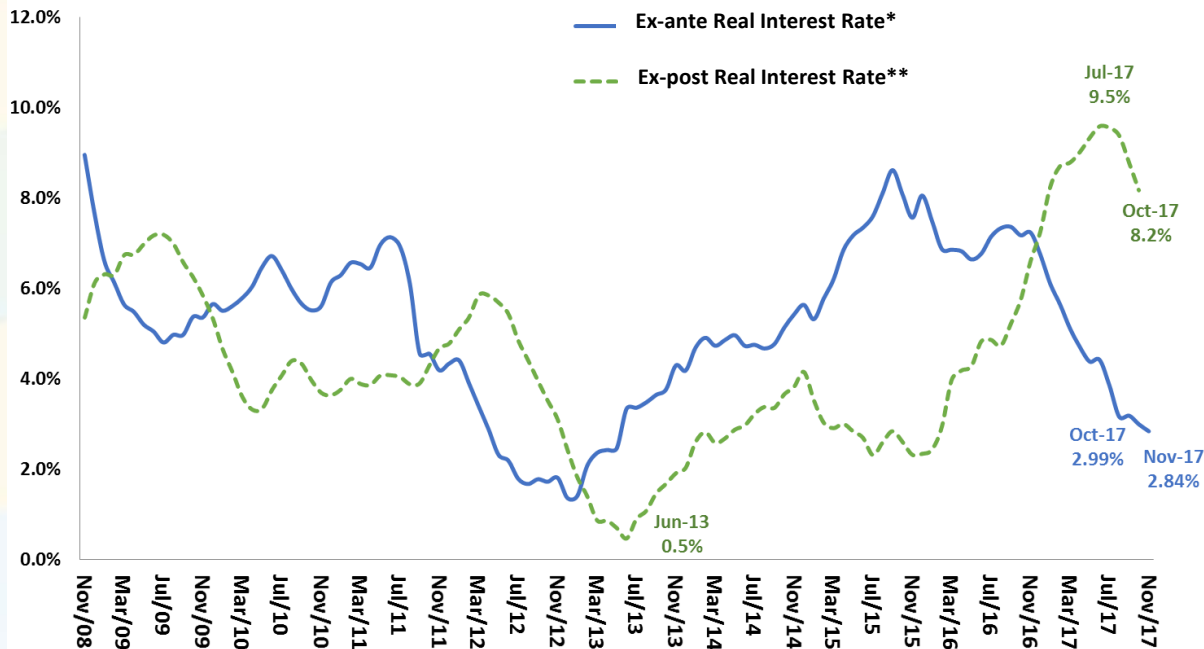
Reverse Points of Yield Curve



Source: Central Bank of Brazil.

Ex-ante and Ex-post Real Interest Rates

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



Source: Central Bank of Brazil.

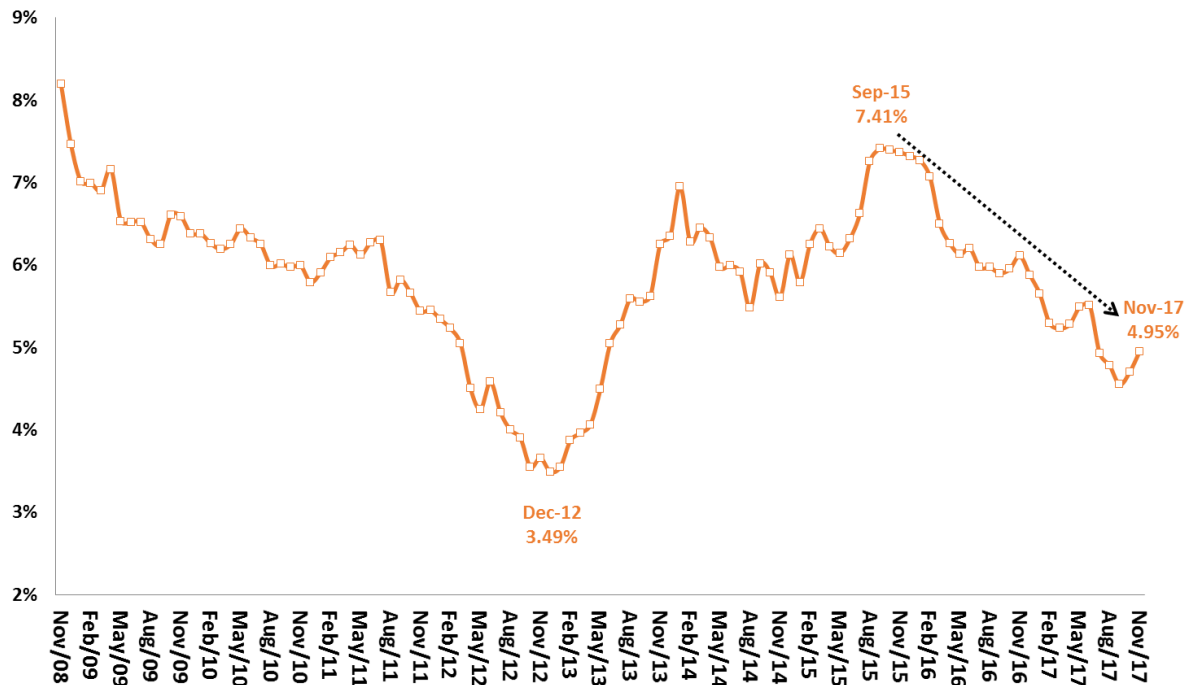
* Ex-ante Real Interest Rate = Expected Interbank CDI/IPCA ratio, considering 360-days Swap DI-Pre rate and IPCA median of BCB-Focus Survey.

** Ex-post Real Interest Rate = Observed 12-months accumulated CDI/IPCA ratio.

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

NTN-B 2024*

Real Interest Rate (% p.a.) – End Of Month

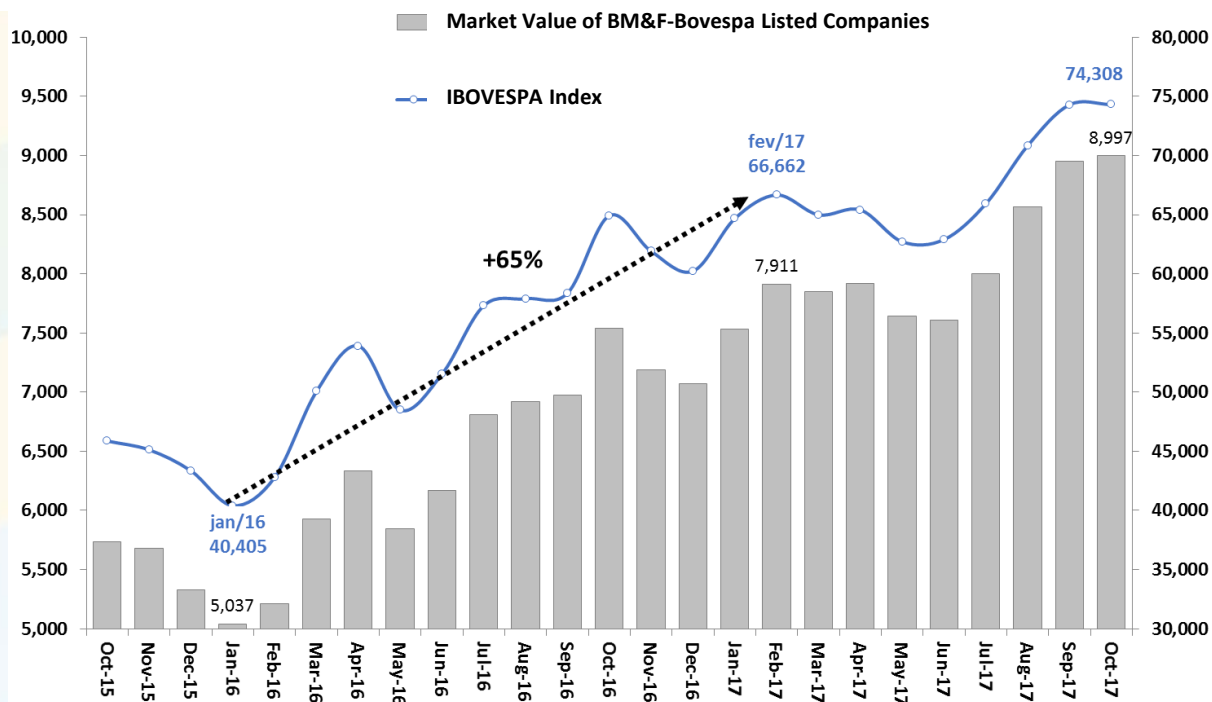


Source: STN/MF. * Interest rate paid by the NTN-B 2024 besides the IPCA inflation rate.

Brazilian Stock Market Evolution

Average Market Value of
BM&F-Bovespa Listed Companies
R\$ millions

IBOVESPA
Stock Index
In basis points

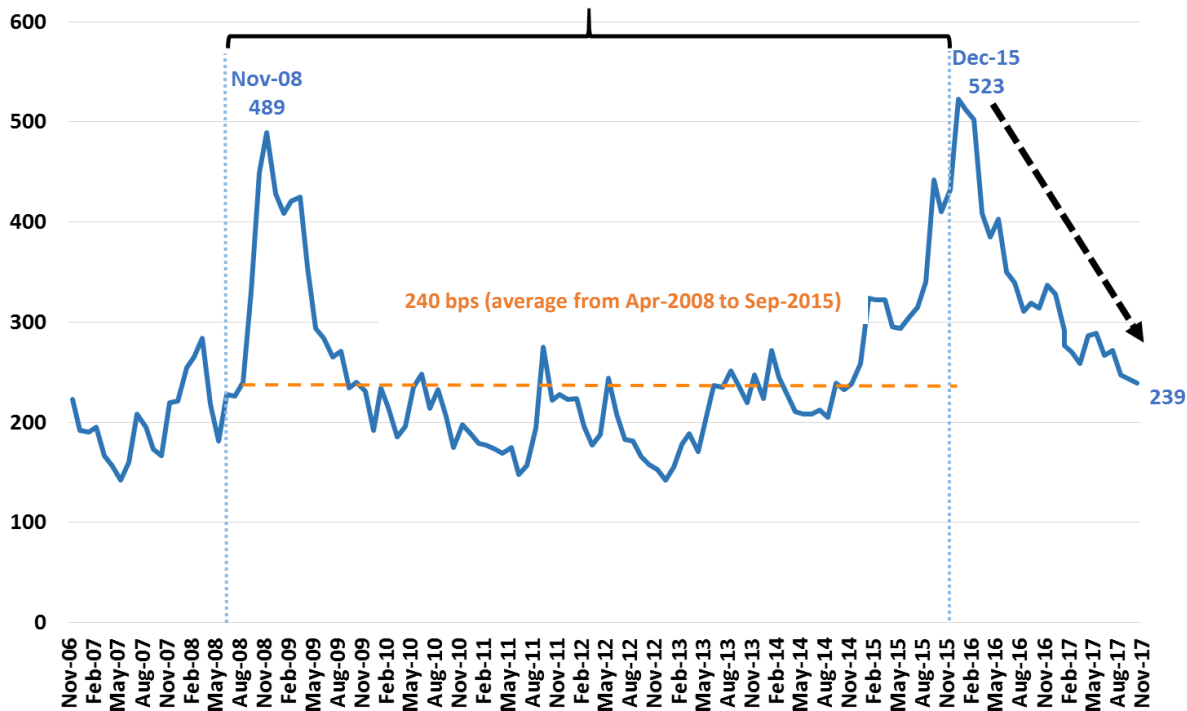


Source: Central Bank of Brazil.

Sovereign Risk (EMBI+ BR)

EMBI+ Brazil Spread
basis points

S&P and Fitch Investment Grade Period

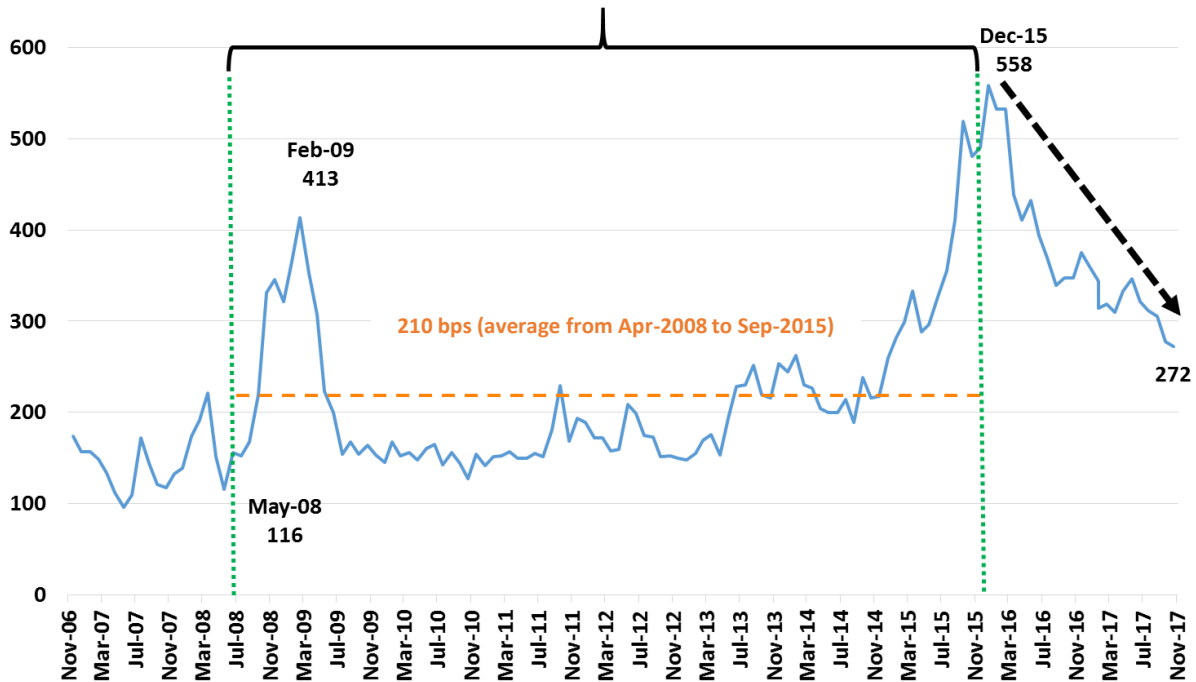


Source: JPMorgan.

Sovereign Risk (CDS 10Y BR)

CDS 10Y Brazil Spread
basis points

S&P and Fitch Investment Grade Period



Source: Bloomberg.

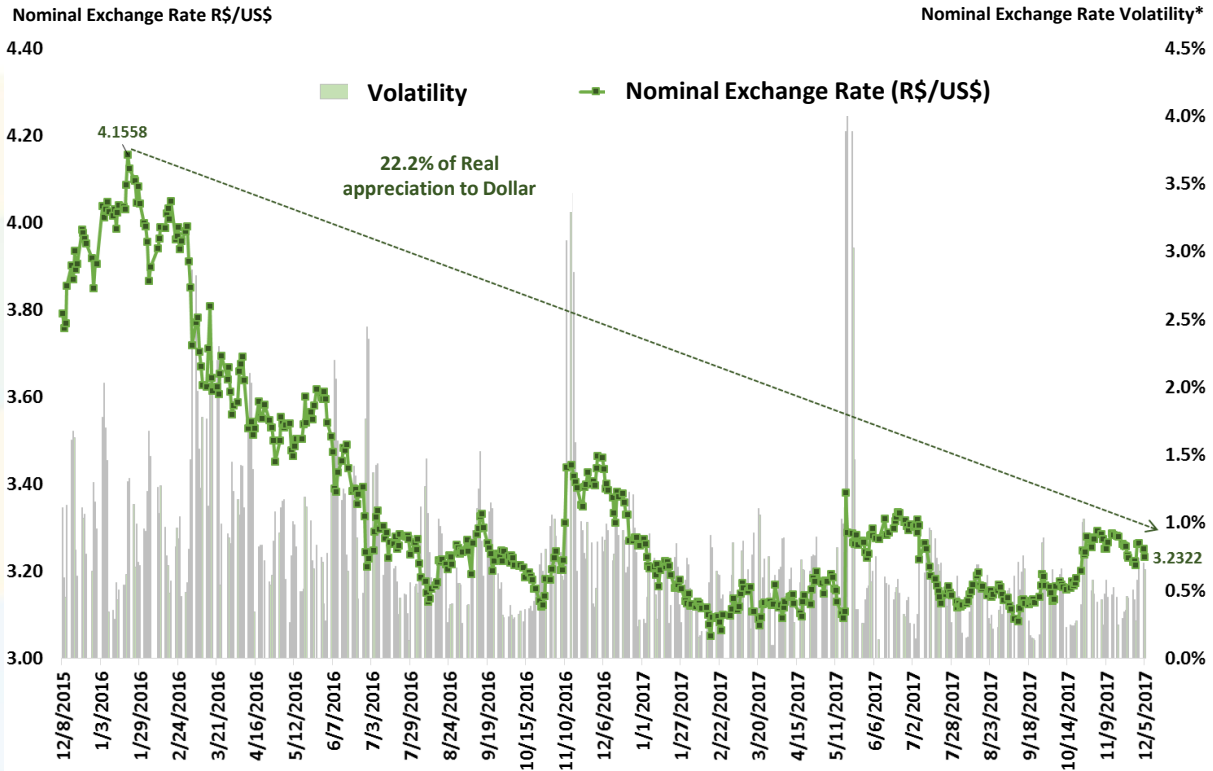


FOREIGN TRADE

Foreign Trade

											BCB/FOCUS: 12/01/2017			
Exchange Rate Indicators (BCB)		November 2017												
FX % change rate: appreciation (-) or depreciation (+) of the Real		2015	2016	chg.% Sep/17 / Sep/16	chg.% Oct/17 / Oct/16	chg.% Nov/17 / Nov/16	YTD 2017	Sep/17 accum. in 12-months	Oct/17 accum. in 12-months	Nov/17 accum. in 12-months	Average FX Rate 2017	Average FX Rate 2018	Average FX Rate 2019	
Nominal Exchange Rate (R\$/US\$) - sale - end of period		month value: 3,13	43.5%	1.8%	-2.4%	3.0%	-4.0%	-7.9%	-11.0%	-9.4%	-8.7%	3,25	3,30	3,37
Exchange Rate Indicators (BCB)		October 2017												
FX % change rate: appreciation (-) or depreciation (+) of the Real		2015	2016	chg.% Aug/17 / Aug/16	chg.% Sep/17 / Sep/16	chg.% Oct/17 / Oct/16	YTD 2017	Aug/17 accum. in 12-months	Sep/17 accum. in 12-months	Oct/17 accum. in 12-months				
Real Effective Exchange Rate (IPCA)		22.4%	-5.3%	-0.9%	-1.6%	1.9%	-10.9%	-16.5%	-14.7%	-12.5%				
Exchange Rate / Wage Ratio adjusted by Labor Productivity		27.9%	-15.4%	10.4%	8.4%	12.8%	-2.4%	-13.5%	-9.9%	-5.7%				
Unitary Labor Cost in US\$		-21.7%	2.8%	1.5%	-0.8%	-4.2%	8.9%	16.3%	13.3%	9.7%				
Foreign Trade of Goods (FUNCEX)		October 2017												
Average Price and Quantum		2015	2016	chg.% Aug/17 / Aug/16	chg.% Sep/17 / Sep/16	chg.% Oct/17 / Oct/16	YTD 2017	Aug/17 accum. in 12-months	Sep/17 accum. in 12-months	Oct/17 accum. in 12-months				
QUANTUM														
Exports (X)		8.3%	3.3%	12.6%	12.7%	29.0%	7.2%	0.4%	1.7%	5.3%				
Basic Goods		13.2%	-2.7%	25.8%	27.0%	38.2%	11.9%	-0.6%	2.4%	7.3%				
Semi-Manufactured		8.5%	9.9%	-0.5%	2.1%	26.6%	1.7%	-0.9%	-1.6%	1.3%				
Manufactured		2.3%	7.9%	4.1%	5.2%	21.4%	4.7%	2.2%	2.6%	5.0%				
Imports (M)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
Intermediate Goods		-15.1%	-11.9%	4.9%	10.0%	15.5%	4.8%	0.7%	1.9%	4.5%				
Capital Goods		-16.3%	-7.4%	1.1%	6.2%	8.2%	8.4%	8.6%	8.7%	9.6%				
Durable Consumer Goods		-16.6%	-17.0%	7.5%	41.3%	23.9%	-14.6%	-22.0%	-17.6%	-14.6%				
Semi and Non-Durable Consumer Goods		-27.6%	-36.0%	9.7%	4.9%	26.6%	6.4%	-3.8%	-0.7%	5.1%				
Fuel and Lubricants		-6.5%	-9.2%	4.5%	17.2%	19.3%	6.6%	2.9%	5.6%	8.4%				
Exports Profitability Index (Jan/2017)		-11.4%	-22.1%	32.5%	-1.2%	49.3%	6.5%	-10.8%	-10.6%	-2.2%				
Quantum Ratio = average quantum X / average quantum M		2.0%	-8.2%	-0.9%	0.1%	2.3%	-1.5%	-6.1%	-4.4%	-2.6%				
		29.3%	15.6%	7.1%	2.8%	11.8%	2.6%	-0.9%	-0.6%	0.5%				
PRICE														
Exports (X)		-21.6%	-6.2%	1.7%	4.7%	6.7%	11.9%	11.1%	11.4%	11.6%				
Basic Goods		-29.7%	-6.7%	-0.9%	2.9%	8.5%	15.2%	14.6%	14.5%	14.7%				
Semi-Manufactured		-16.1%	-3.9%	3.5%	3.1%	4.3%	12.9%	14.1%	13.6%	13.3%				
Manufactured		-11.3%	-5.9%	5.1%	6.4%	4.3%	6.8%	5.9%	6.7%	6.9%				
Imports (M)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
Intermediate Goods		-11.9%	-8.9%	3.0%	2.3%	4.1%	4.2%	1.1%	1.8%	2.8%				
Capital Goods		-6.4%	-7.7%	4.1%	2.6%	4.5%	2.7%	-0.6%	0.3%	1.3%				
Durable Consumer Goods		-5.3%	-5.0%	-0.4%	-9.0%	1.1%	-1.1%	-1.8%	-2.3%	-1.9%				
Semi and Non-Durable Consumer Goods		-4.6%	-3.9%	-0.8%	5.4%	9.3%	2.4%	1.2%	1.6%	2.5%				
Fuel and Lubricants		-7.5%	-2.8%	-6.7%	-3.2%	-8.2%	-2.5%	-1.6%	-2.6%	-3.1%				
Terms of Trade = average price X / average price M		-37.9%	-26.6%	19.1%	22.8%	19.1%	30.0%	16.4%	20.9%	24.8%				
		-11.0%	3.1%	-1.2%	2.3%	2.4%	7.4%	9.9%	9.3%	8.6%				

Daily Nominal Exchange Rate R\$/US\$



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

Trade Balance on Goods (52 weeks daily average)

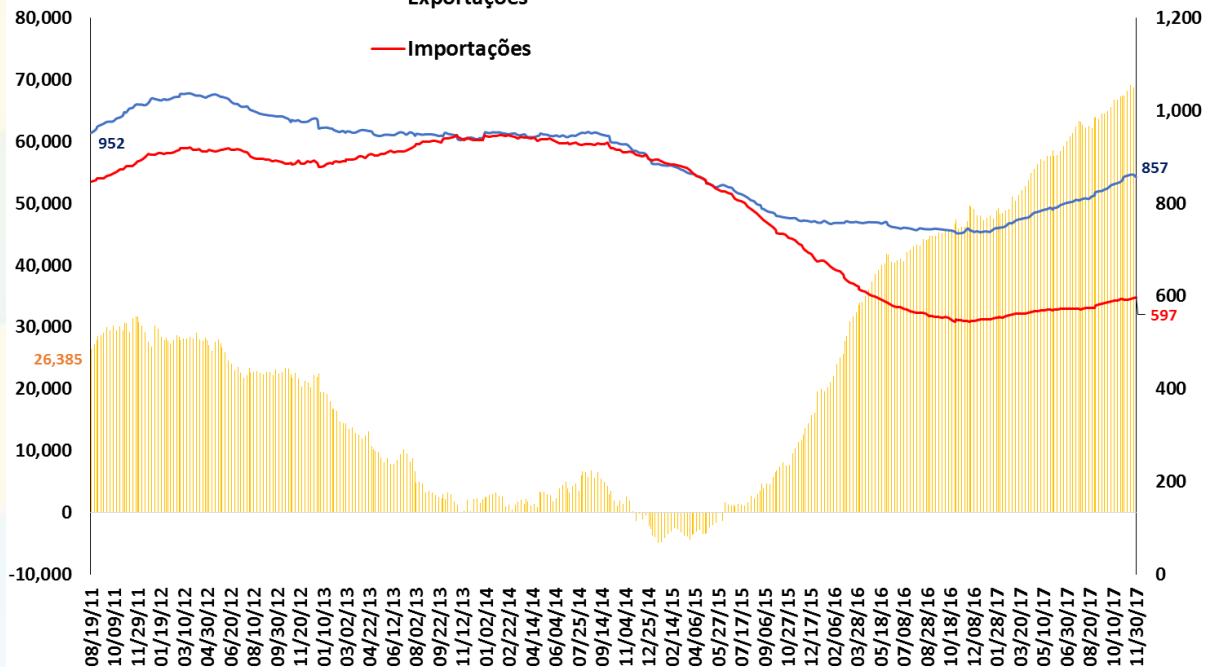
Saldo da Balança Comercial
Acumulado em 52 Semanas
US\$ milhões FOB

Saldo da Balança Comercial

Exportações

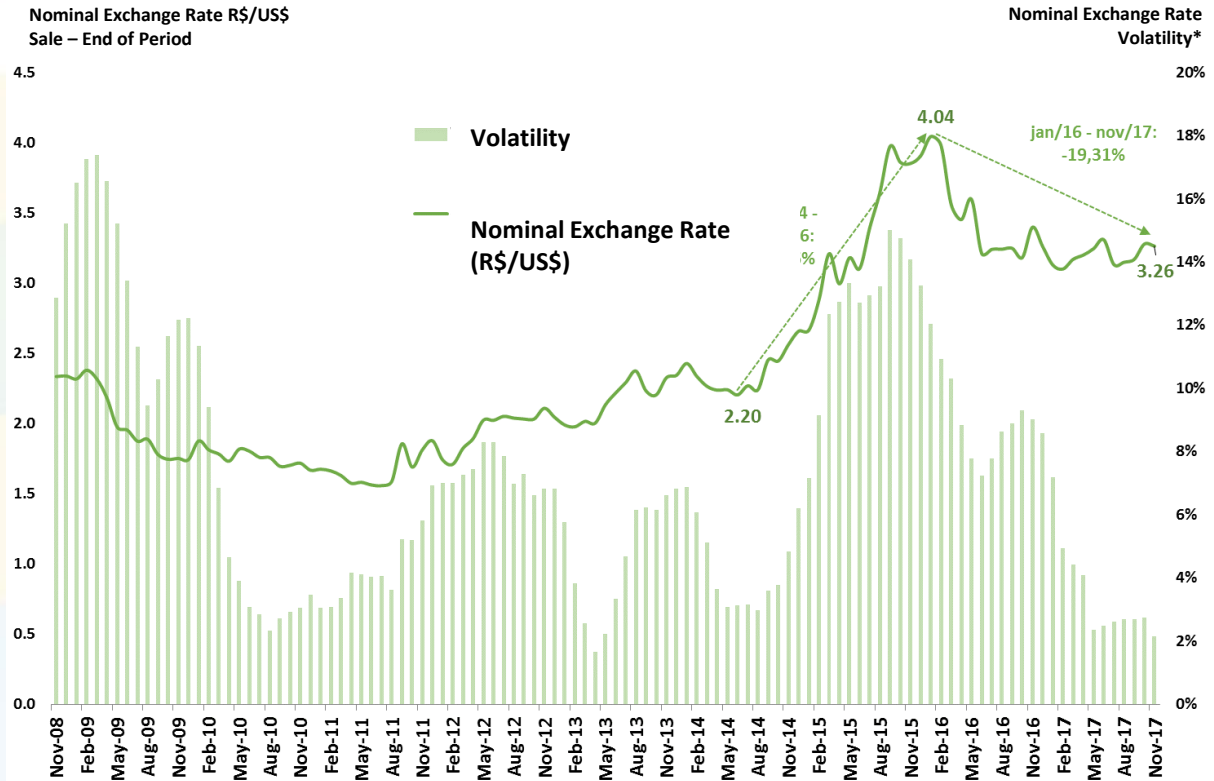
Importações

Exportações e Importações
Média Diária Móvel de 52 Semanas
US\$ milhões FOB



Fonte: SECEX/MDIC.

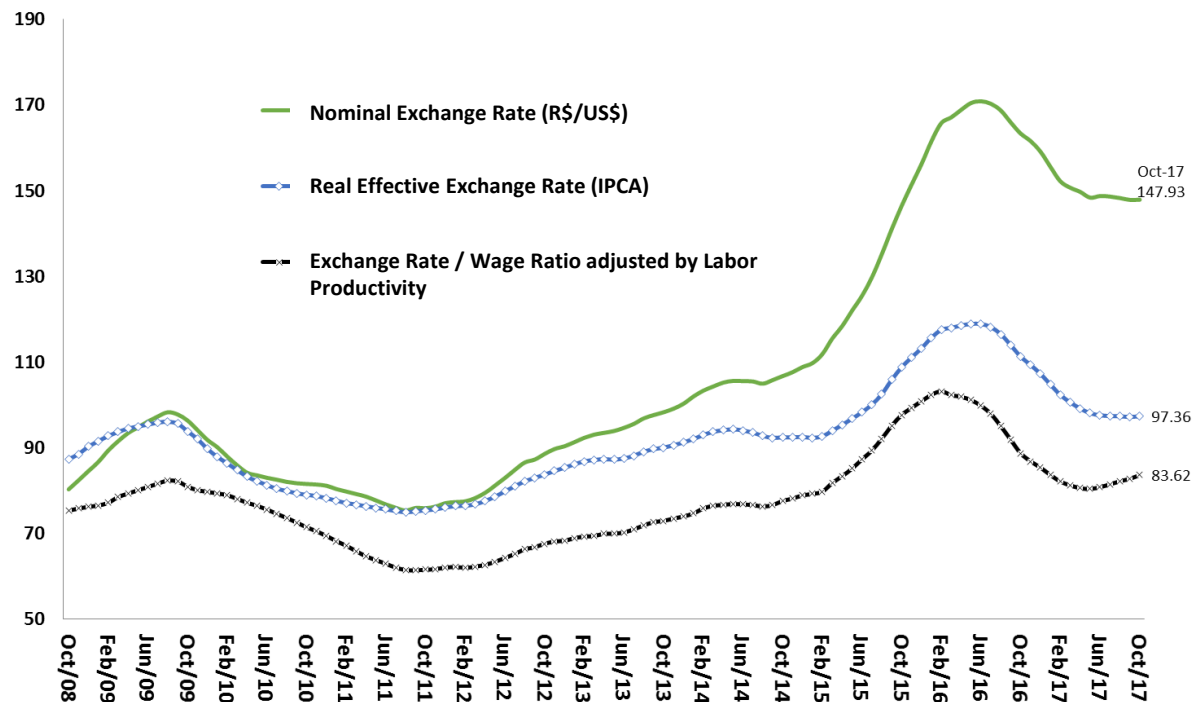
Nominal Exchange Rate R\$/US\$



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

Exchange Rate Indexes

Exchange Rate Indexes (2006=100)
12-month Moving Average



Source: Central Bank of Brazil.

Trade Balance, Quantum and Terms of Trade Ratios

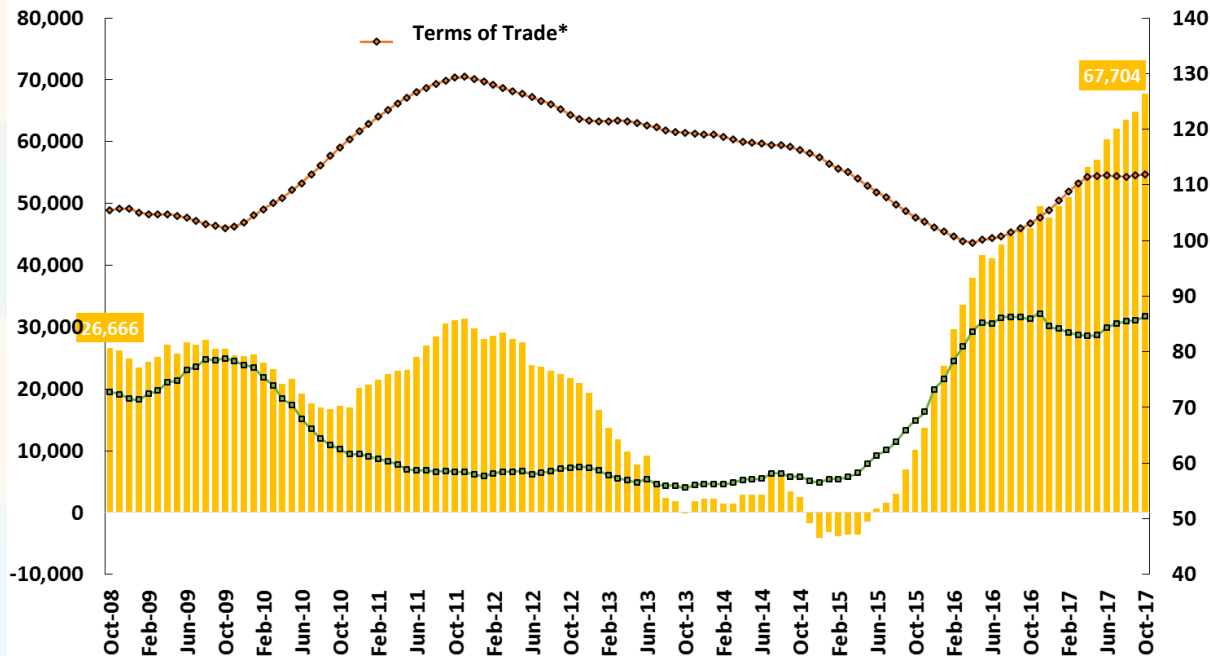
Trade Balance
12-month Accumulated Figures
US\$ millions FOB

Trade Balance on Goods

Quantum Ratio*

Terms of Trade*

Quantum Ratio and Terms of Trade*
12-month Moving Average
2006=100



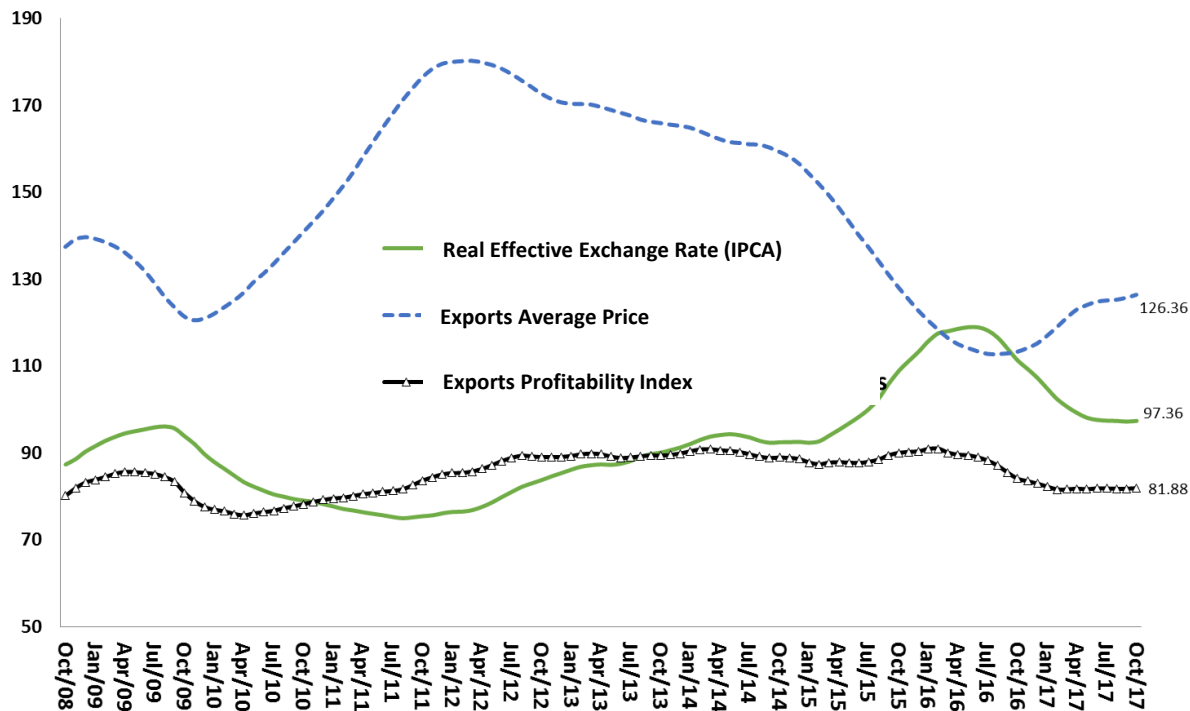
Sources: SECEX/MDIC and FUNCEX.

* Quantum Ratio = (average quantum Exports / average quantum Imports)

Terms of Trade = (average price Exports / average price Imports)

Exports: Profitability, Price and Real Exchange Rate

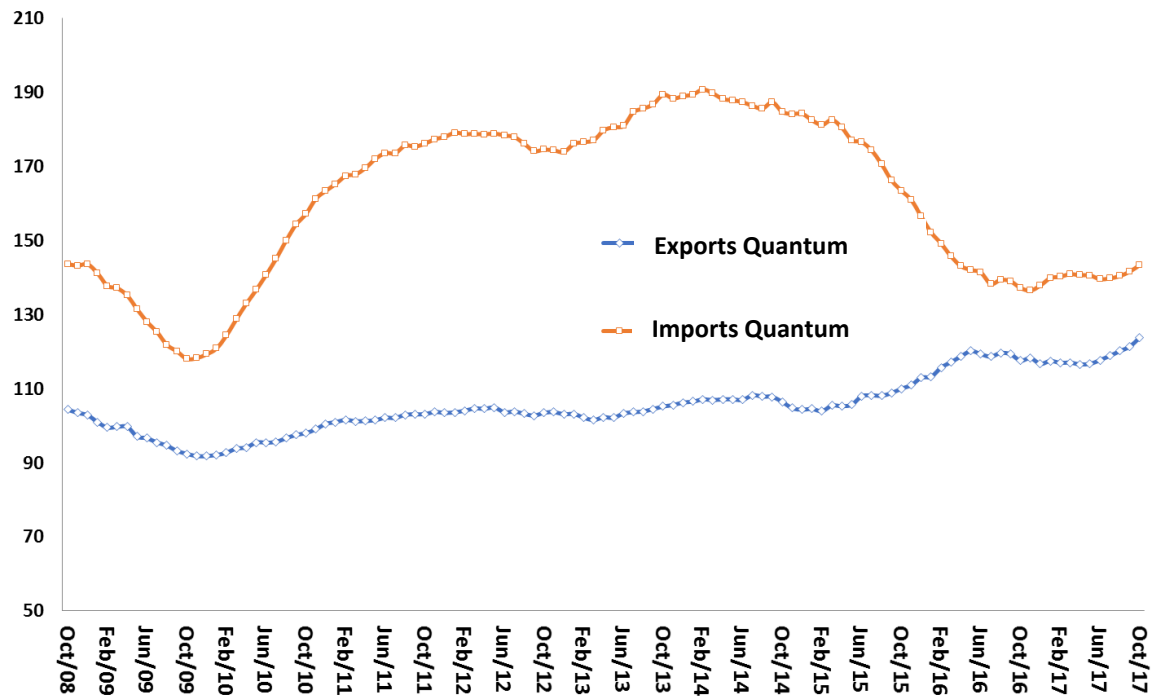
Real Effective Exchange Rate (IPCA), Exports Average Price and Exports Profitability Index
12-month Moving Average (2006=100)



Sources: Central Bank of Brazil and FUNCEX.

Quantum of Exports and Imports

Exports and Imports Quantum
12-month Moving Average (2006=100)

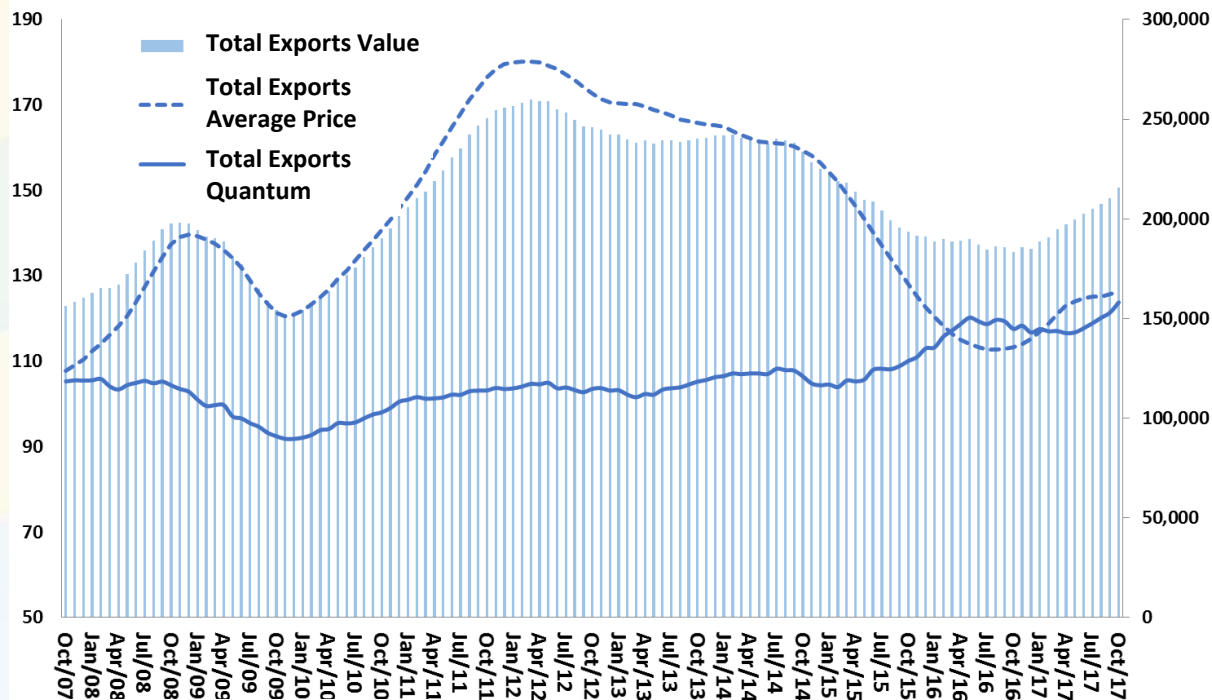


Source: FUNCEX.

Total Exports: value, quantum and price

Exports Quantum and Average Price
12-month Moving Average (2006=100)

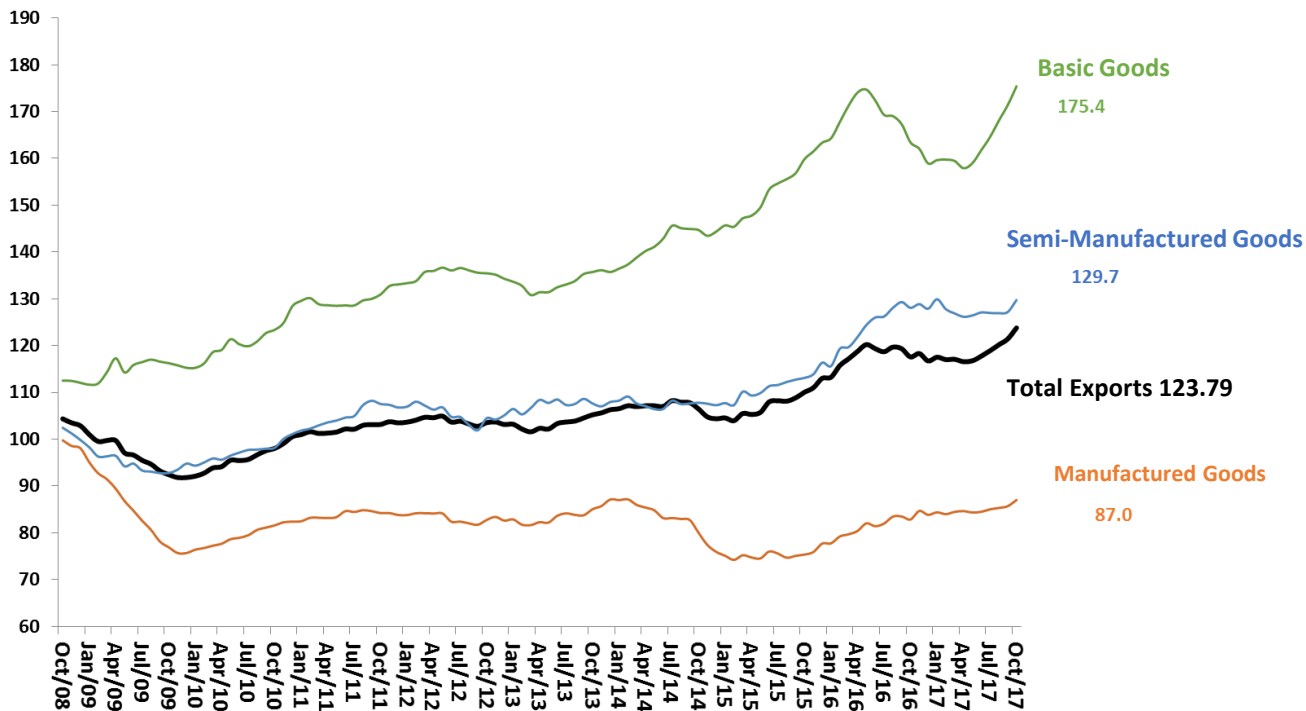
Exports Value
12-month Accumulated Figures (US\$ millions FOB)



Sources: SECEX/MDIC and FUNCEX.

Quantum of Total Exports by Class of Products

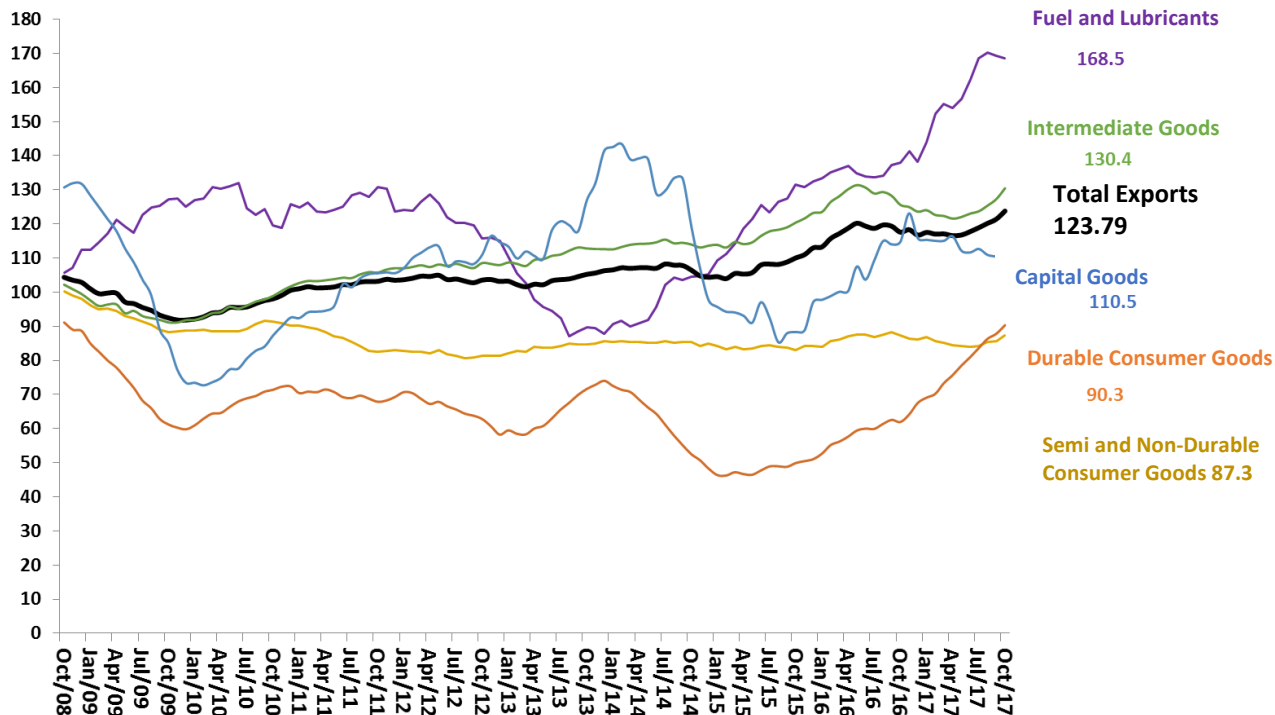
Exports Quantum by Class of Products
12-months Moving Average (2006=100)



Source: FUNCEX.

Quantum of Total Exports by Economic Categories

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

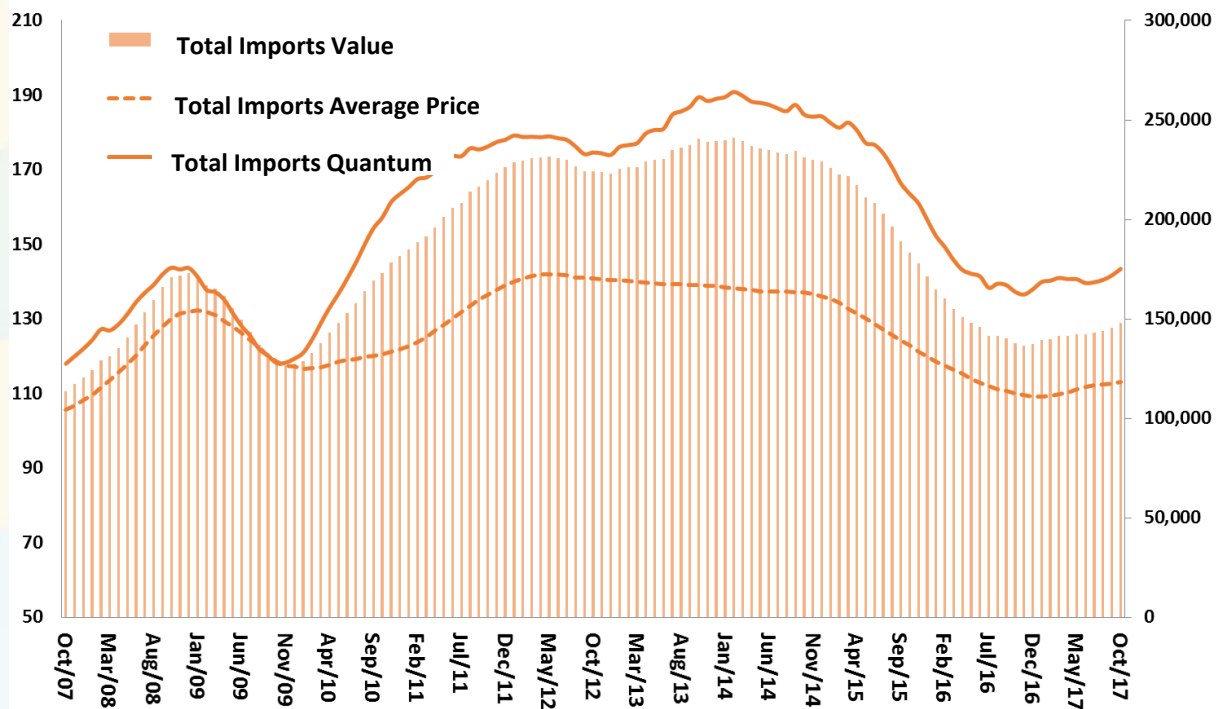


Source: FUNCEX.

Total Imports: value, quantum and price

Imports Quantum and Average Price
12-month Moving Average (2006=100)

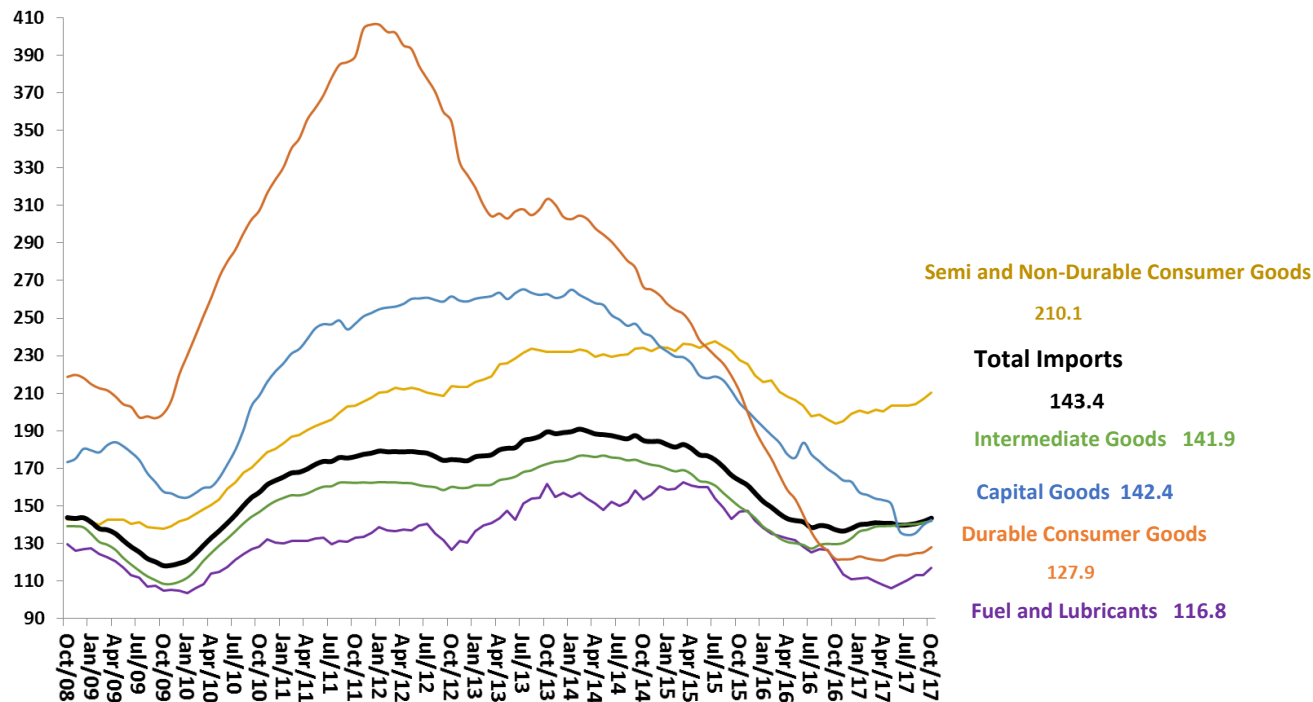
Imports Value
12-month Accumulated Figures (US\$ millions FOB)



Sources: SECEX/MDIC and FUNCEX.

Quantum of Total Imports and by Economic Categories

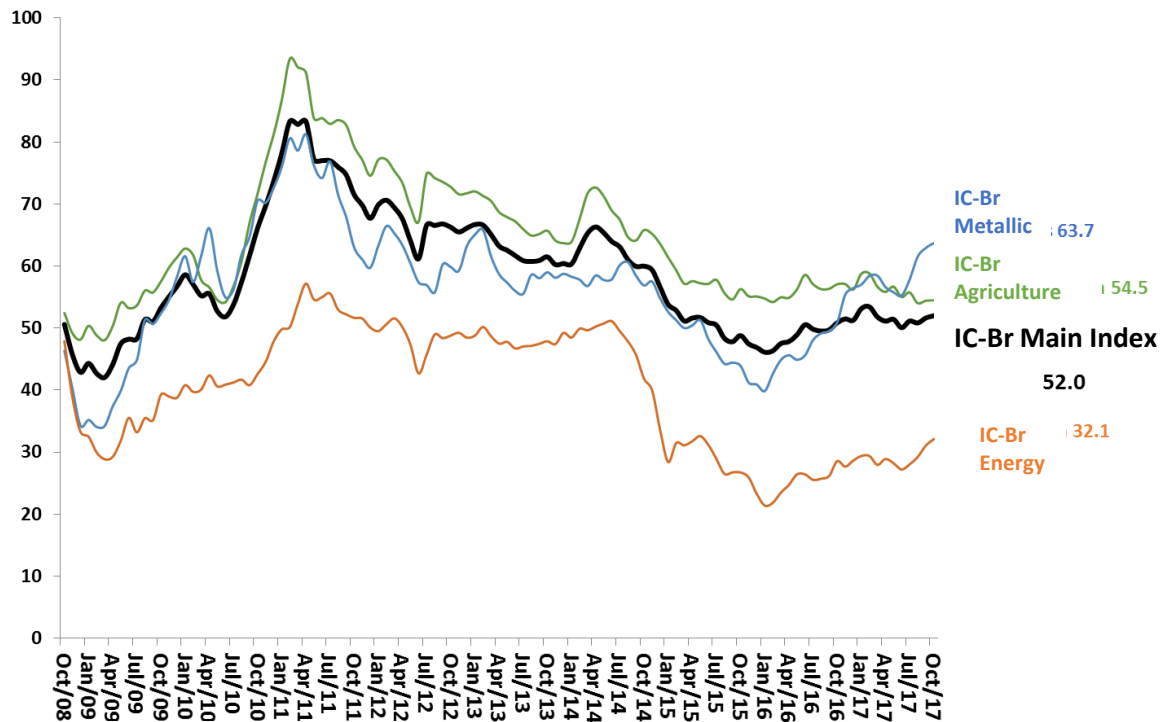
Imports Quantum by Economic Categories
12-month Moving Average (2006=100)



Source: FUNCEX.

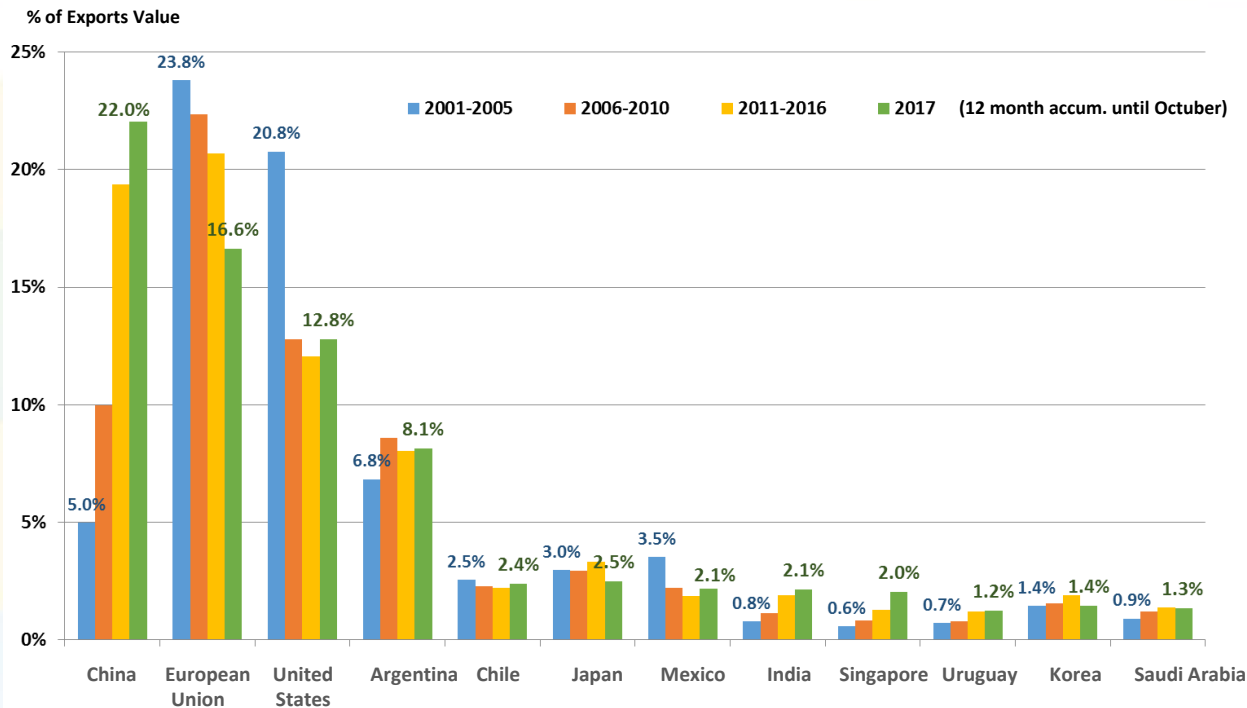
Brazilian Commodity Price Indexes

Brazilian Commodity Index (IC-Br)
12-month Moving Average (2006=100)

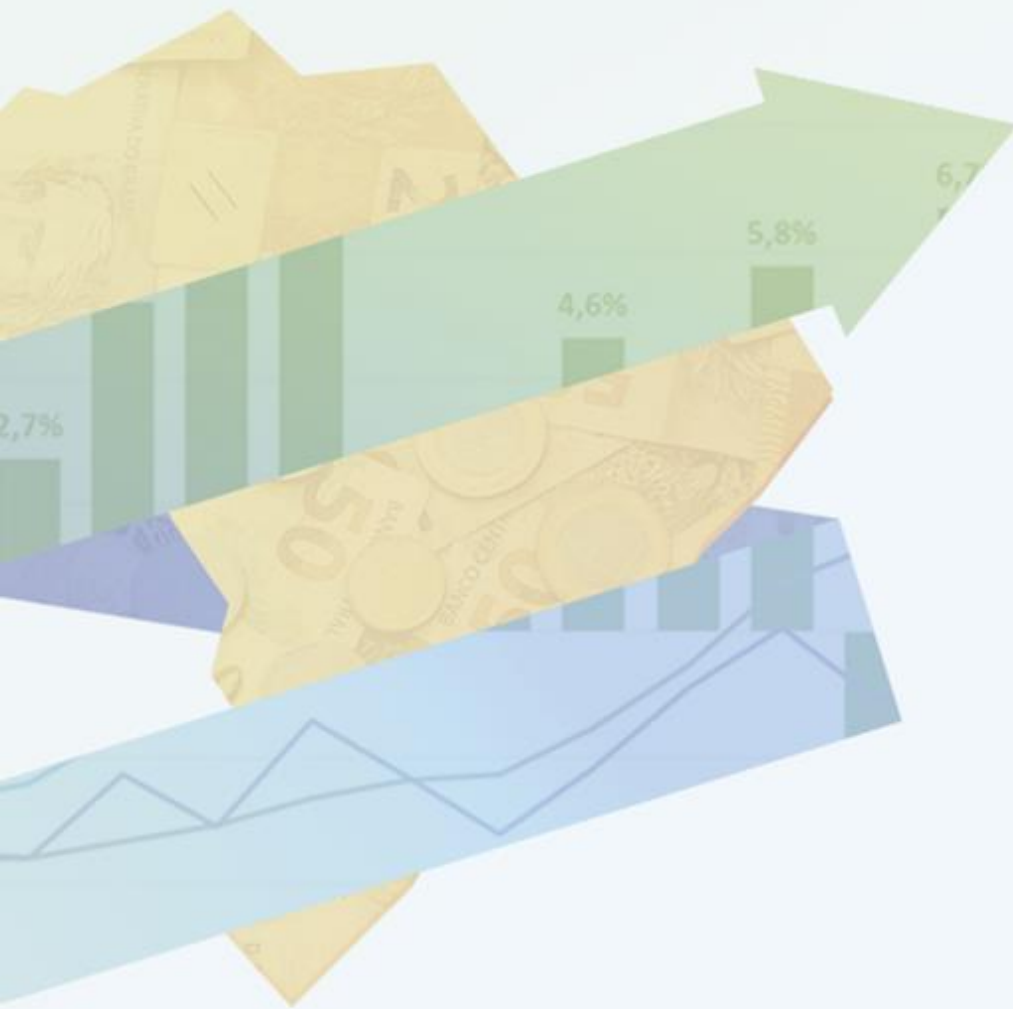


Source: Central Bank of Brazil.

Brazilian Exports Evolution by Country of Destination



Source: MDIC/SECEX



EXTERNAL SECTOR

External Sector

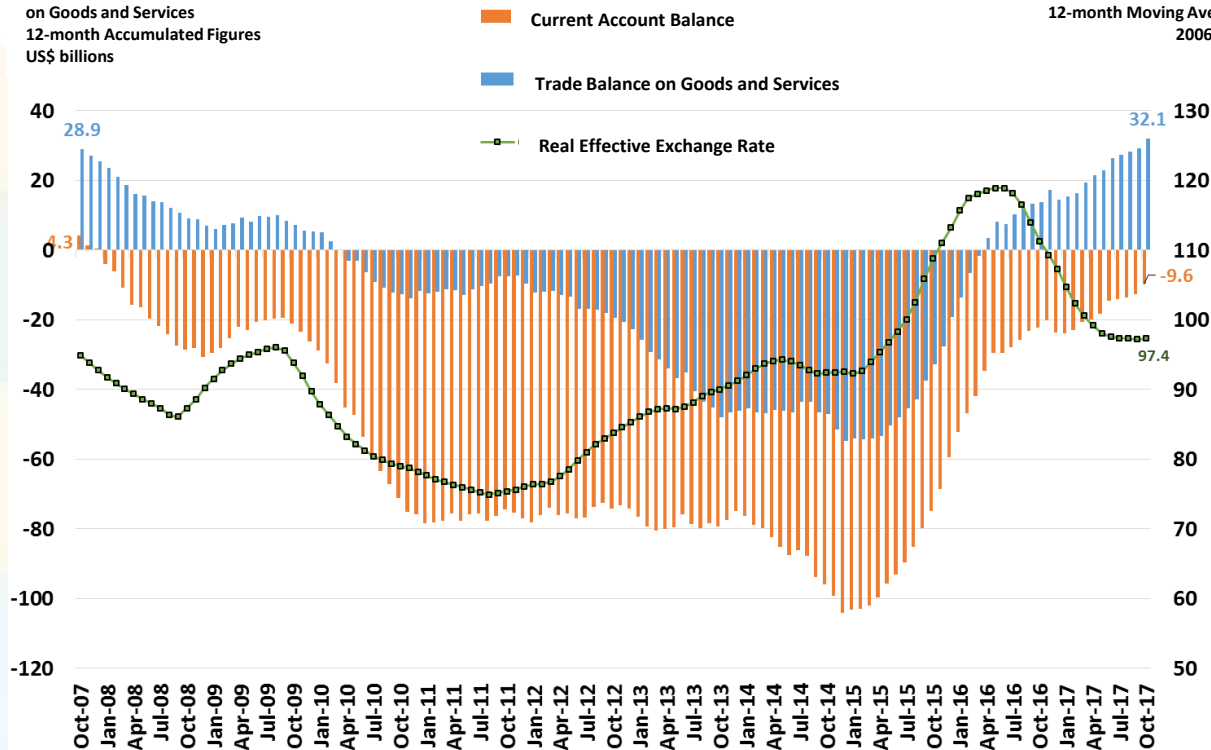
BCB/FOCUS: 01/12/2017

October 2017												
Balance of Payments (BCB)	2015	2016	Oct/17 accum. in 12-months	chg.% 2016 / 2015	chg.% Oct/17 accum. 12-m / 2016	chg.% Dec/16 / Dec/15	chg.% Oct/17 / Oct/16	chg.% Jan- Sep/17 / Jan-Sep/16	chg.% Jan- Oct/17 / Jan- Oct/16	2017	2018	2019
In US\$ millions												
Balance of Payments	3,828	6,857	3,757	79.1%	-45.2%	38.8%	-42.7%	-47.6%	-47.1%			
Current Account Balance (CAB)	-59,434	-23,546	-9,648	-60.4%	-59.0%	-187.5%	-89.7%	-80.2%	-82.1%	-11,50	-28,10	-40,25
<i>CAB as % of GDP</i>	<i>-3.3%</i>	<i>-1.3%</i>	<i>-0.5%</i>	<i>2.0 pp</i>	<i>0.8 pp</i>	<i>0.7 pp</i>	<i>0.8 pp</i>					
Balance on Goods	17,670	45,037	64,854	154.9%	44.0%	36.4%	132.3%	49.8%	54.6%	64.9	54.0	48.0
Exports	190,092	184,453	215,086	-3.0%	16.6%	18.3%	37.7%	18.4%	20.1%	216,00	219,00	228,00
Imports	172,422	139,416	150,232	-19.1%	7.8%	12.9%	20.4%	8.1%	9.3%	151,12	165,00	180,00
Balance on Services	-36,946	-30,447	-32,769	-17.6%	7.6%	10.7%	-2.7%	10.9%	9.4%			
Primary Income	-42,909	-41,080	-44,212	-4.3%	7.6%	19.8%	-8.0%	12.1%	10.1%			
Secondary Income	2,751	2,944	2,479	7.02%	-15.8%	161.1%	-34.6%	-16.9%	-19.3%			
Capital Account	461	274	379	-40.6%	38.5%	129.3%	-41.9%	62.0%	43.8%			
Financial Account	-55,145	-16,415	-5,512	-70.2%	-66.4%	-887.1%	-100.8%	-110.3%	-107.8%			
Direct Investments	-61,200	-65,367	-74,749	6.8%	14.4%	-6.1%	5.3%	22.6%	19.9%			
Foreign Direct Investments (FDI)	74,718	78,184	83,269	4.6%	6.5%	20.3%	-1.9%	11.3%	9.3%	78,00	80,00	80,00
Portfolio Investments	-22,246	19,217	6,161	-186.4%	-67.9%	-104.0%	-170.9%	-59.1%	-72.4%			
Stock Market	-6,384	-7,049	-1,011	10.4%	-85.7%	-429.2%	-130.9%	-75.9%	-86.5%			
Bonds	-12,341	30,495	2,823	-347.1%	-90.7%	-121.1%	-167.9%	-92.1%	-101.6%			
Others Investments and Capital Flows	28,300	29,736	63,076	5.1%	112.1%	1327.5%	270.8%	160.5%	175.0%			
International Reserves - liquidity concept	2,015	2,016	43,009	% dc	% dc	var. pp	5	% PIB				
Gross External Debt (BCB)	October 2017											
In US\$ millions	2015	2016	Oct/17	2015 % of total	Oct/17 % of total	chg. pp	2015 % of GDP	Oct/17 % of GDP	chg. pp			
Total External Debt	334,745	326,297	320,683	50.3%	47.0%	-3.35 pp	18.6%	16.0%	-2.6 pp			
Gross External Debt	68,208	74,379	77,106	20.4%	24.0%	3.7 pp	3.8%	3.8%	0.0 pp			
Public Sector	266,537	246,918	243,577	79.6%	76.0%	-3.7 pp	14.8%	12.1%	-2.7 pp			
Private Sector and Public Financial Sector	51,140	56,327	60,048	15.3%	18.7%	3.4 pp	2.8%	3.0%	0.1 pp			
Short Term	283,605	269,970	260,635	84.7%	81.3%	-3.4 pp	15.8%	13.0%	-2.8 pp			
Medium and Long Term	205,711	222,344	236,443	30.9%	34.6%	3.7 pp	11.4%	11.8%	0.3 pp			
Intercompany Loans	124,645	128,006	125,439	18.7%	18.4%	-0.4 pp	6.9%	6.2%	-0.7 pp			
Domestic Bonds with Foreign Investors	356,464	365,016	380,351	2.4%	4.2%	0.0 pp	3.5%	0.0%	0.0 pp			

Brazil: Real Exchange Rate and External Sector Adjustment

Current Account Balance and Trade Balance
on Goods and Services
12-month Accumulated Figures
US\$ billions

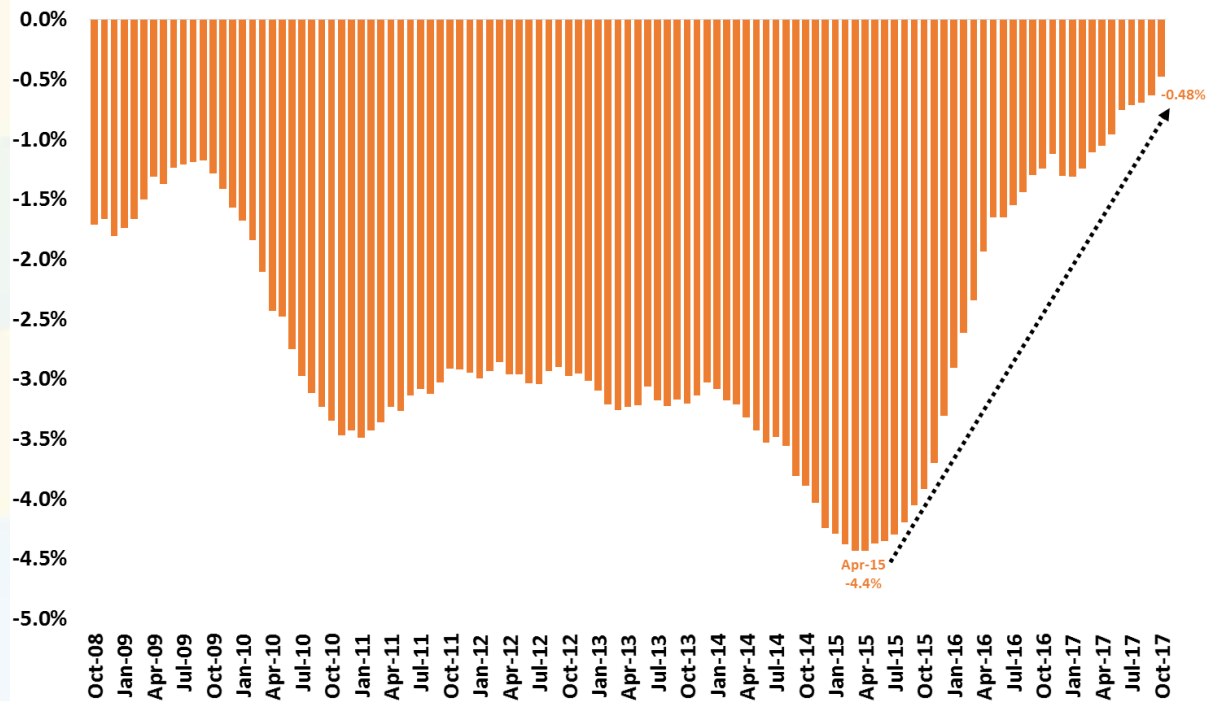
Real Effective Exchange Rate
12-month Moving Average
2006=100



Source: Central Bank of Brazil.

Current Account Deficit as % of GDP

Current Account as % of GDP
12-month Figures



Source: Central Bank of Brazil.



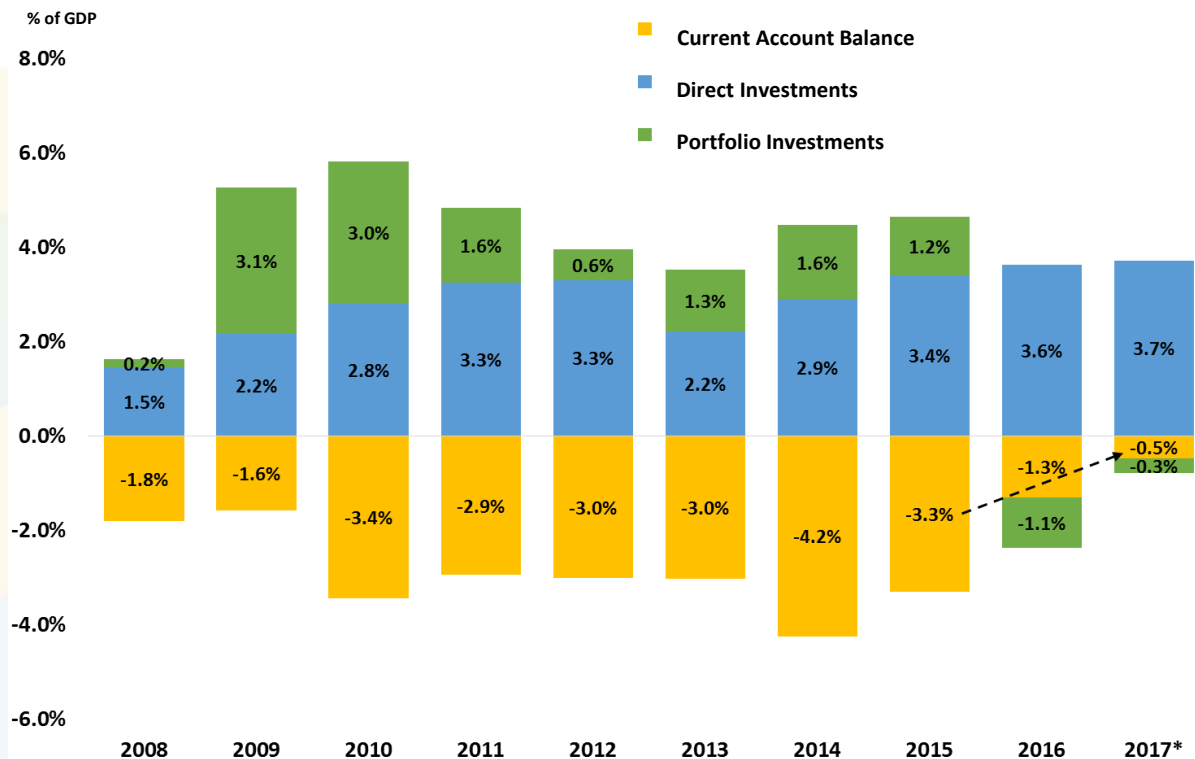
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AND MANAGEMENT



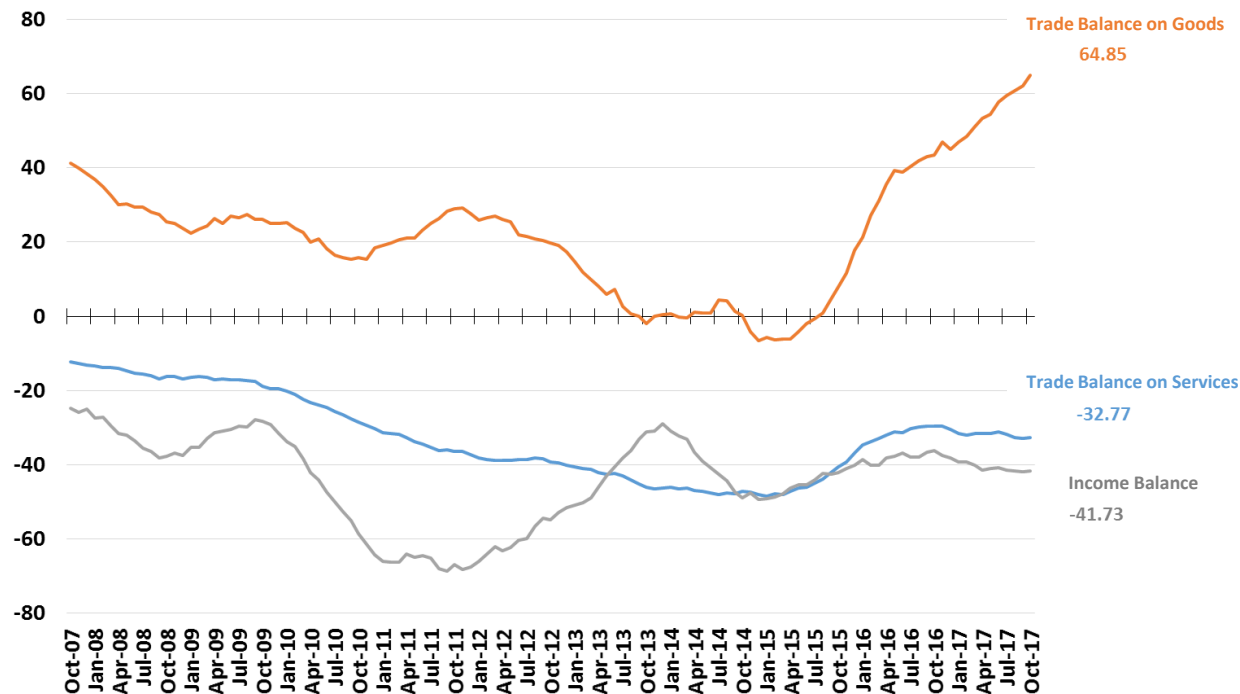
Current Account Deficit Financing



Source: Central Bank of Brazil. *12-month accumulated up to October/2017.

Current Account Balance Components

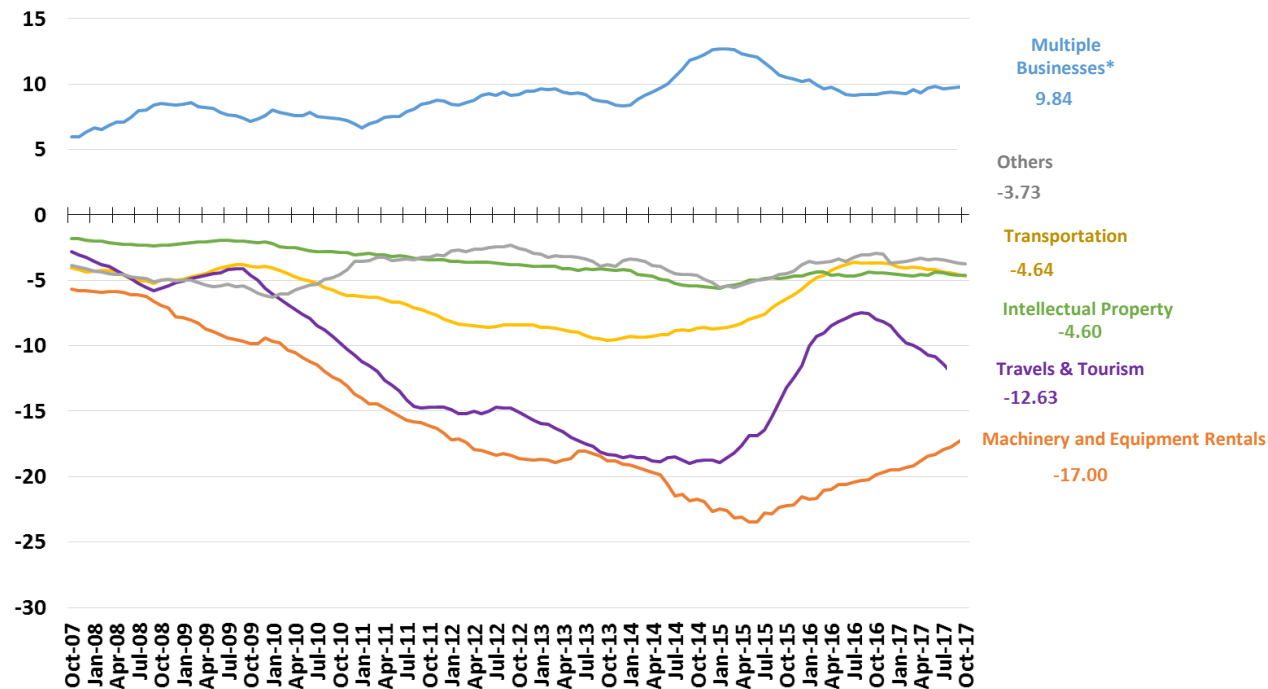
External Accounts Balance
12-month Accumulated - US\$ billions



Source: Central Bank of Brazil.

Service Account Balance and Components

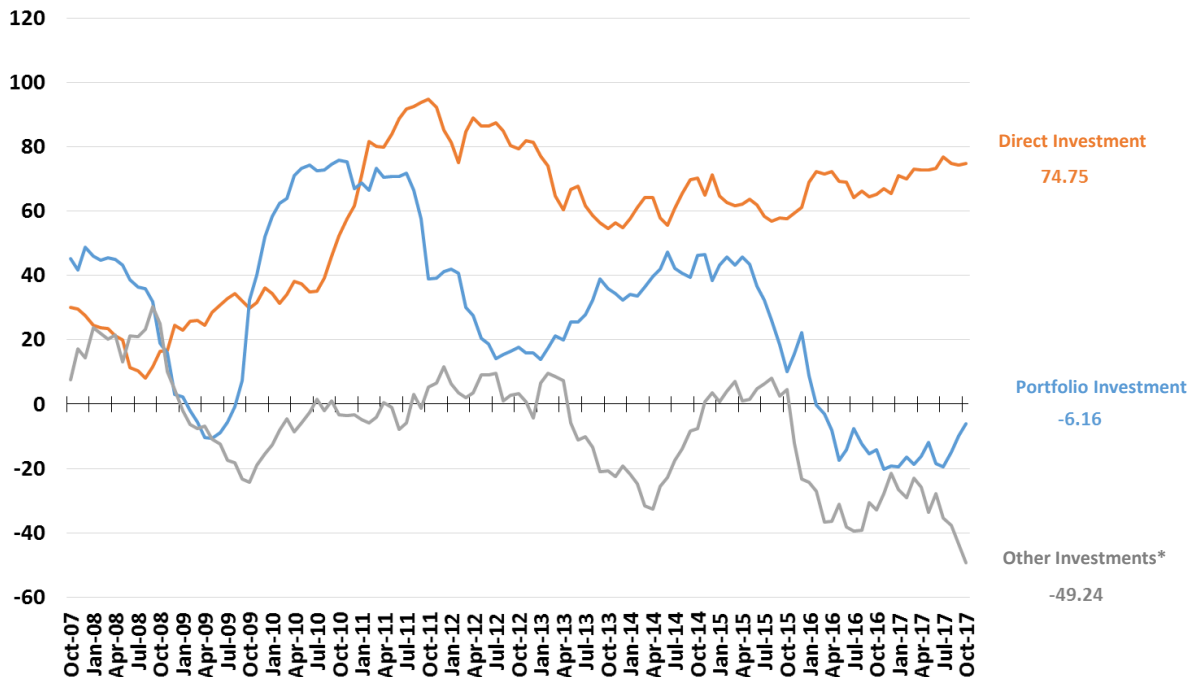
External Accounts Balance
12-month Accumulated - US\$ billions



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

Financial Account Balance and Components

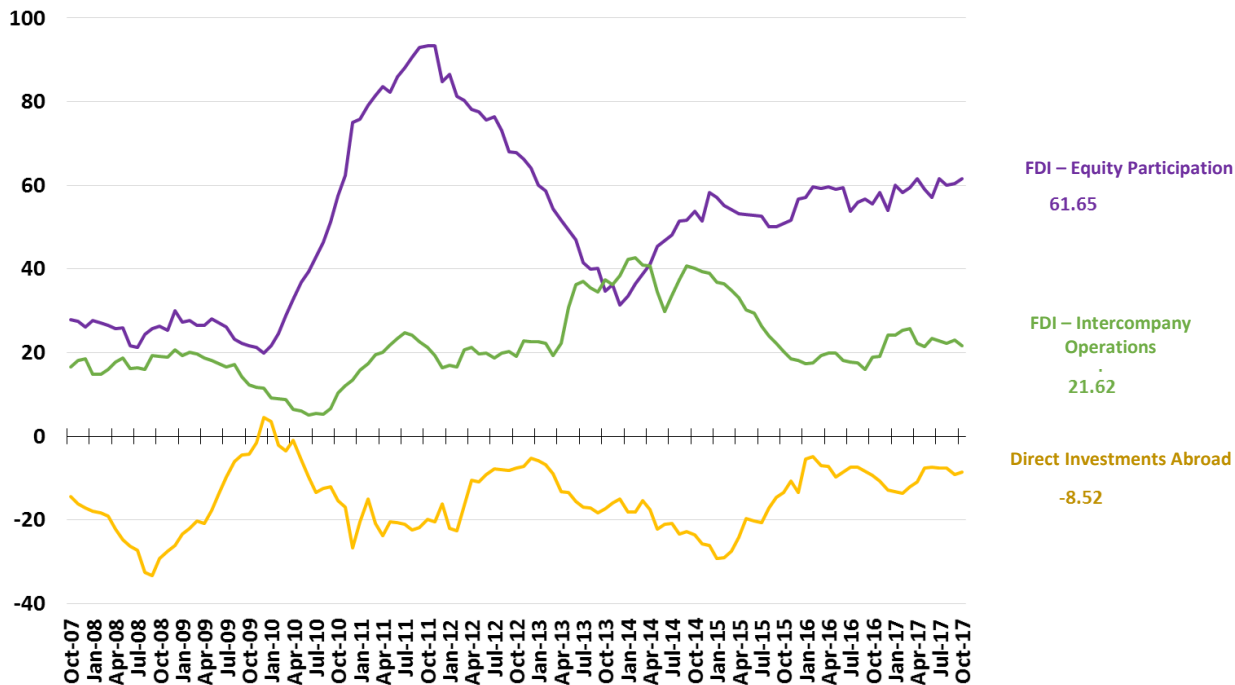
External Financial Flows
Net Inflow (+) and Net Outflow (-)
12-month Accumulated - US\$ billions



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

Direct Investments and Components

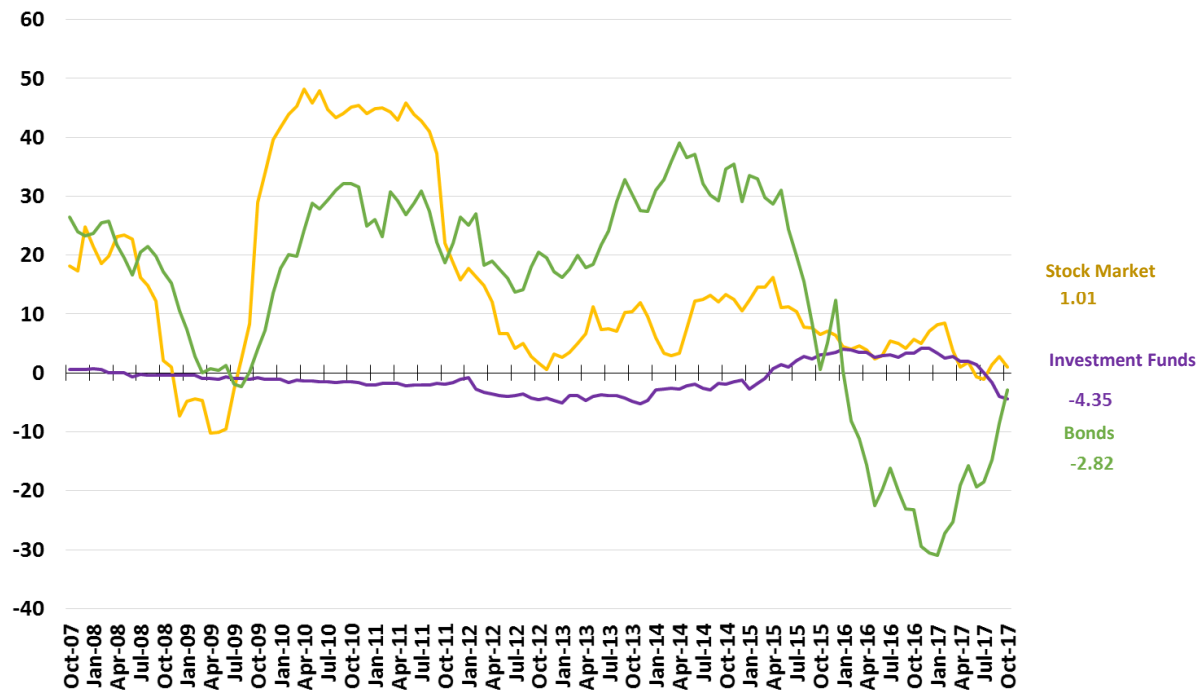
Direct Investment Flows
Net Inflow (+) and Net Outflow (-)
12-month Accumulated - US\$ billions



Source: Central Bank of Brazil.

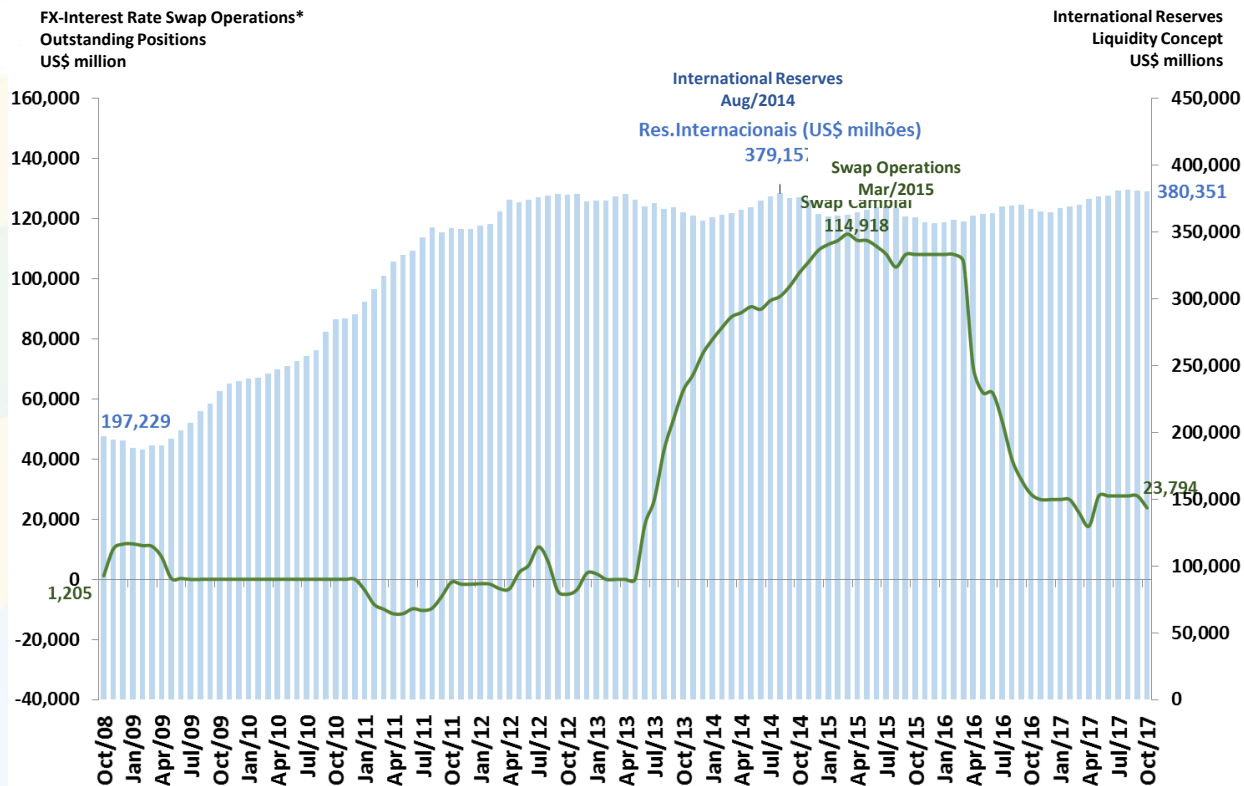
Portfolio Investments and Components

Portfolio Investment Flows
Net Inflow (+) and Net Outflow (-)
12-month Accumulated - US\$ billions



Source: Central Bank of Brazil.

Brazilian International Reserves





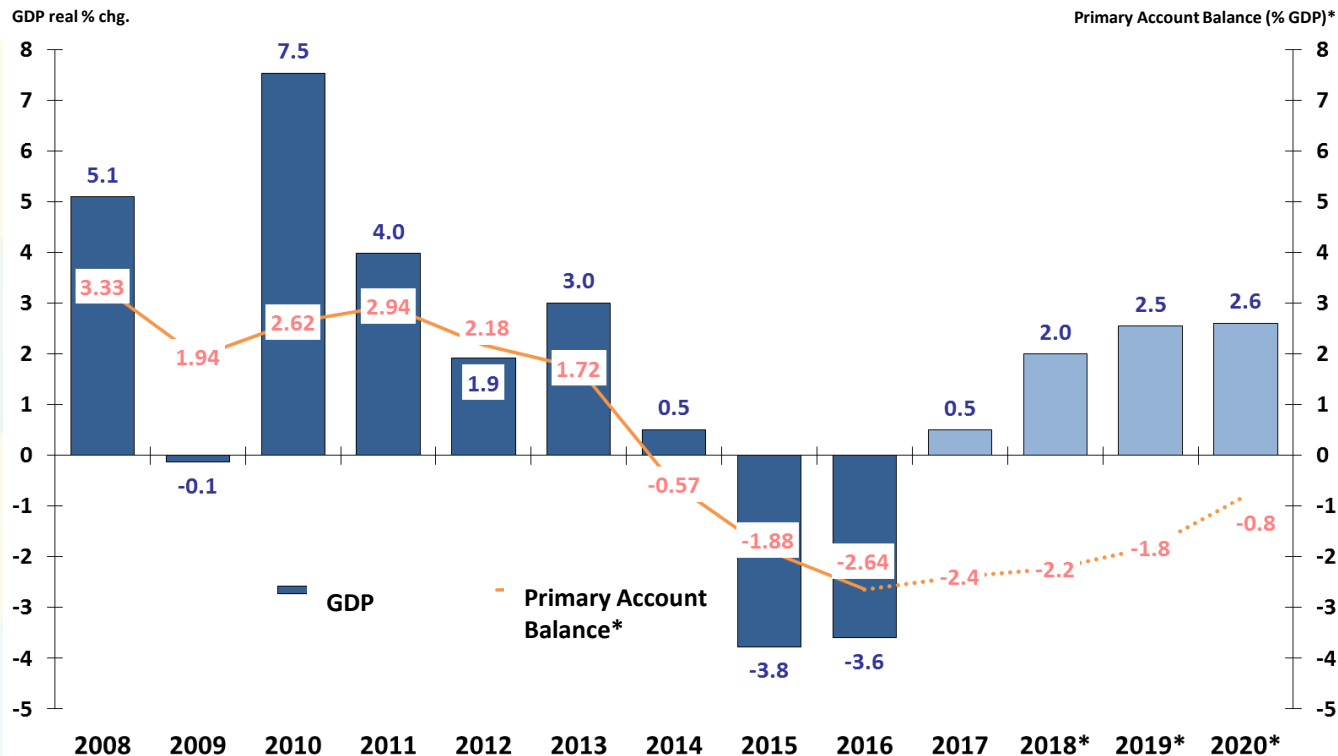
PUBLIC SECTOR ACCOUNTS

Public Sector Accounts

BCB/FOCUS: 12/01/2017

Federal Government Accounts		12-month Accumulated Figures (in R\$ millions)						chg. %					
October 2017		2012	2013	2014	2015	2016	Oct/17 accum. in 12- months	2016 / 2015	Oct/17 accum. 12- m/ 2016	YTD 2016 / YTD 2015			
Federal Budget (National Treasury/Ministry of Finance)													
Total Primary Revenue (a)		1,059,889	1,178,983	1,221,474	1,247,789	1,314,953	1,336,889	5.4%	1.7%	2.0%			
National Treasury		784,125	871,836	883,971	887,517	956,816	966,503	6.6%	1.0%	1.2%			
Social Security General System		275,765	307,147	337,503	350,272	358,137	370,386	2.2%	3.4%	4.3%			
States and Municipalities Mandatory Transfers (b)		171,394	181,895	198,462	204,684	226,835	246,005	10.8%	8.5%	11.5%			
Net Primary Revenue (a-b)		888,495	997,088	1,023,013	1,043,105	1,088,118	1,090,884	4.3%	0.3%	0.3%			
Total Primary Expenditure		812,632	920,095	1,040,223	1,158,701	1,249,393	1,295,041	7.8%	3.7%	4.7%			
National Treasury		496,043	563,092	646,022	722,611	741,522	743,596	2.6%	0.3%	0.4%			
Social Security General System		316,590	357,003	394,201	436,090	507,871	551,445	16.5%	8.6%	10.7%			
Federal Government Accounts		12-month Accumulated Figures (in R\$ millions)						% of GDP					
October 2017		2012	2013	2014	2015	2016	Oct/17 accum. in 12- months	2015	2016	Oct/17 accum. in 12- months			
Federal Budget (National Treasury/Ministry of Finance)													
Primary Account Balance of Federal Government (STN/MF)		75,863	76,994	-17,211	-115,596	-161,276	-204,157	-1.9%	-2.6%	-3.1%			
National Treasury		116,687	126,850	39,487	-29,778	-11,542	-23,098	-0.5%	-0.2%	-0.4%			
Social Security General System		-40,825	-49,856	-56,698	-85,818	-149,734	-181,059	-1.4%	-2.4%	-2.8%			
Consolidate Public Sector Accounts		12-month Accumulated Figures (in R\$ millions)						% of GDP					
October 2017		2012	2013	2014	2015	2016	Oct/17 accum. in 12- months	2015	2016	Oct/17 accum. in 12- months	2017	2018	2019
Public Sector Financial Need (Central Bank of Brazil - BCB)													
Primary Account Balance Target (% GDP)											-2.39%	-2.23%	-1.81%
Primary Account Balance		-104,951	-91,306	32,536	111,249	155,791	187,230	1.9%	2.5%	2.9%	-2.4%	-2.2%	-1.6%
Federal Government		-86,086	-75,291	20,472	116,656	159,473	200,032	1.9%	2.5%	3.1%			
States and Municipalities		-21,511	-16,337	7,790	-9,684	-4,666	-12,326	-0.2%	-0.1%	-0.2%			
State Owned Companies (except Petrobrás and Eletrobrás)		2,645	322	4,274	4,278	983	-477	0.1%	0.0%	0.0%			
Net Financial Public Expenditure (Debt Interest Payments)		213,863	248,856	311,380	501,786	407,024	414,164	8.4%	6.5%	6.4%			
Nominal Public Balance		108,912	157,550	343,916	613,035	562,815	601,394	10.2%	9.0%	9.2%	8.3%	7.6%	7.0%
General Public Sector Debt (BCB)		Debt Outstanding (in R\$ millions)						chg. %					
October 2017		Dec/12	Dec/13	Dec/14	Dec/15	Dec/16	Oct/17	Dec/15 - Dec/14	Dec/16 - Dec/15	Oct/17 - Dez/16	2017	2018	2019
End of Period Debt Outstanding (in R\$ millions)													
Consolidated Public Sector		1,550,083	1,626,335	1,883,147	2,136,888	2,892,913	3,298,565	13.47%	35.38%	14.02%			
Federal Government		1,002,205	1,025,358	1,200,680	1,312,962	2,090,133	2,480,655	9.4%	59.2%	18.7%			
States and Municipalities		519,423	569,794	643,066	771,635	747,503	759,801	20.0%	-3.1%	1.6%			
State Owned Companies (except Petrobrás and Eletrobrás)		28,456	31,183	39,402	52,292	55,278	58,109	32.7%	5.7%	5.1%			
Net Domestic Debt		2,169,502	2,341,011	2,669,547	3,289,112	3,856,985	4,292,969	23.2%	17.3%	11.3%			
Net External Debt		-619,419	-714,676	-786,400	-1,152,224	-964,072	-994,405	46.5%	-16.3%	3.1%			
General Public Sector Net Debt (% GDP)		32.2%	30.5%	32.6%	35.6%	46.2%	50.7%	3.0 pp	10.6 pp	4.6 pp	52.1%	55.6%	57.6%
General Public Sector Gross Debt (% GDP)		53.7%	51.5%	56.3%	65.5%	69.9%	74.4%	9.2 pp	4.4 pp	4.5 pp			
General Public Sector Gross Debt (in R\$ millions)		2,583,946	2,747,997	3,252,449	3,927,523	4,378,486	4,837,222	20.76%	11.48%	10.48%			

Fiscal Adjustment and Economic Recovery



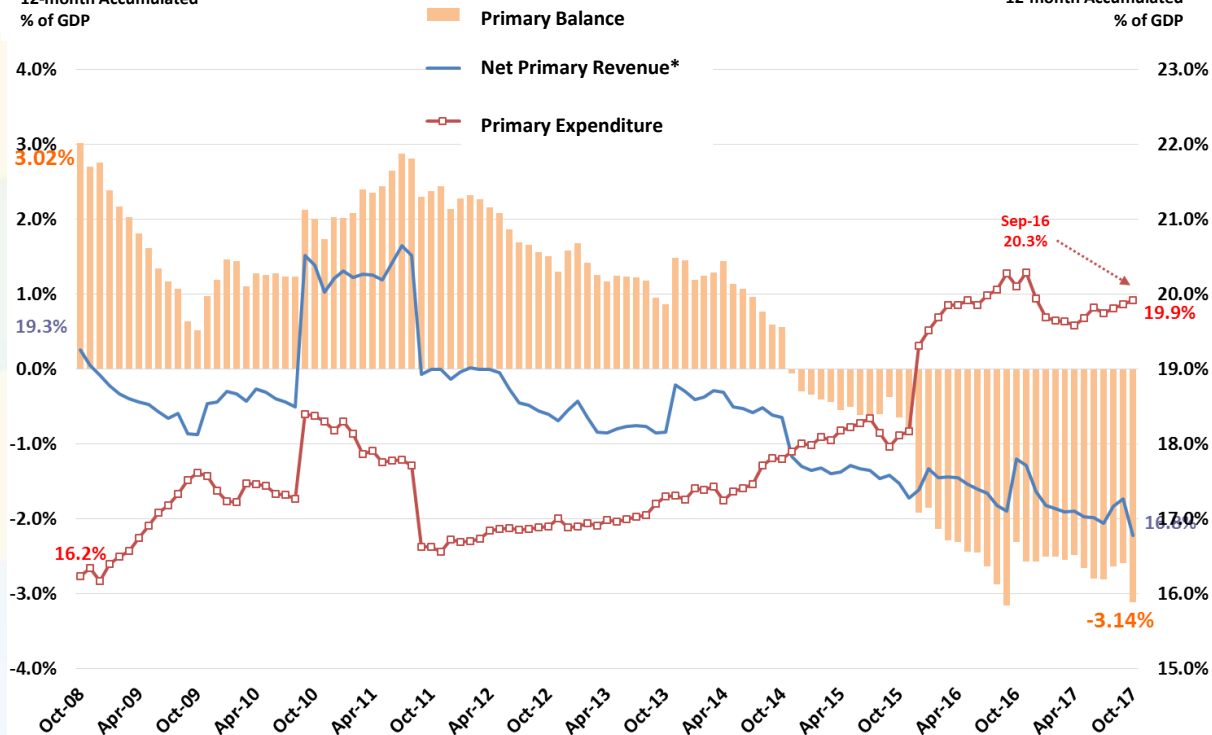
Sources: IBGE, MF and MP.

* Annex IV-Fiscal Targets of 2017 Budgetary Guidelines Bill of Law (LDO 2017) and Macroeconomic Projections from November-2017 - SPE/MF.

Primary Balance of Federal Government (as % GDP)

Primary Balance of Federal Government
12-month Accumulated
% of GDP

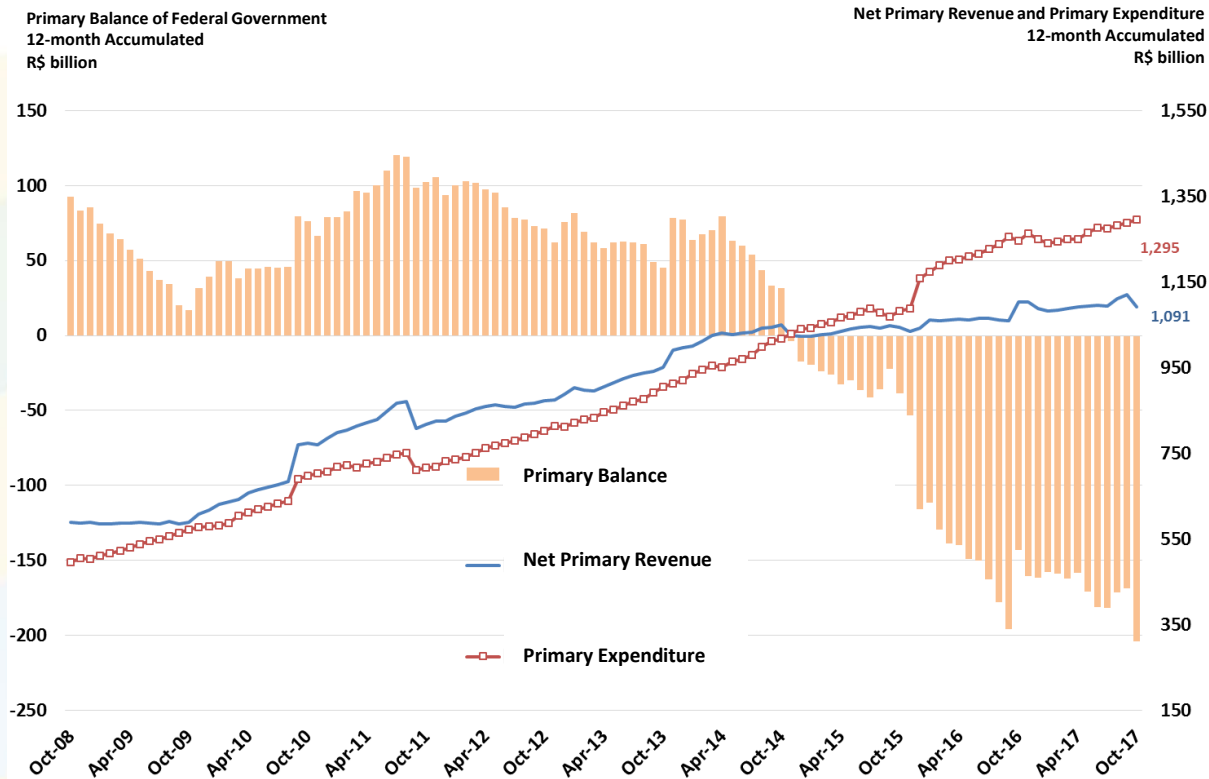
Net Primary Revenue and Primary Expenditure
12-month Accumulated
% of GDP



Sources: STN/MF.

*Excludes compulsory transfers to subnational entities

Primary Balance of Federal Government (nominal values)

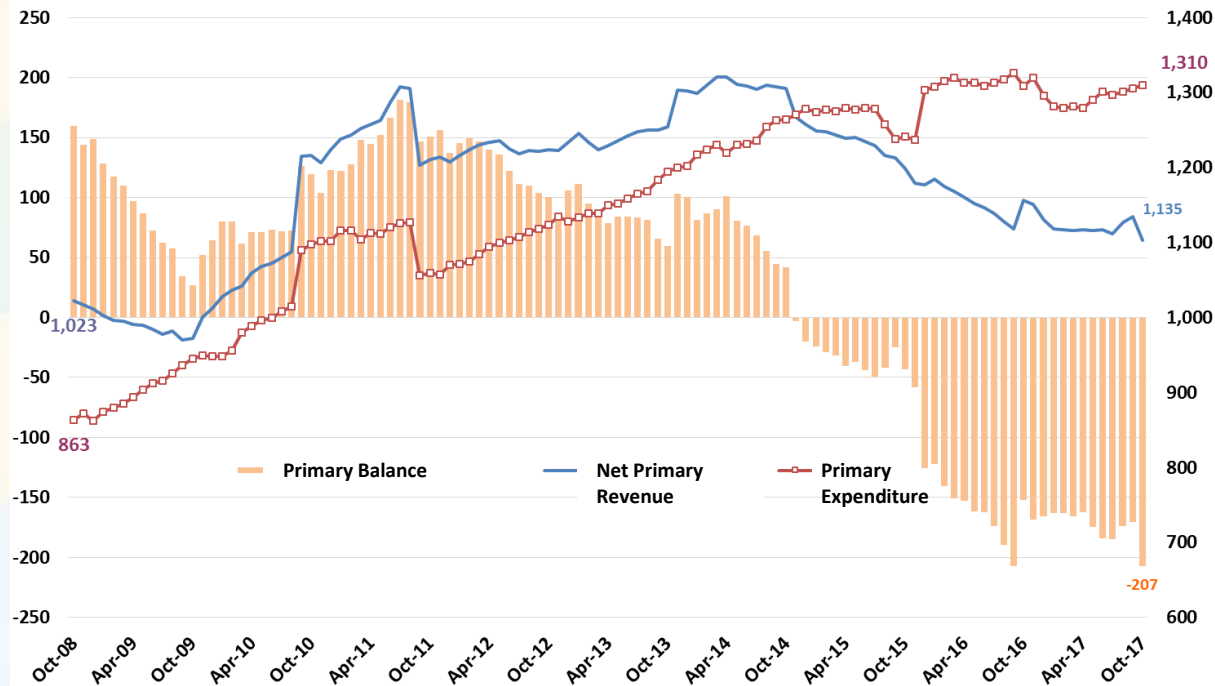


Source: STN/MF.

Primary Balance of Federal Government (real values)

Primary Balance of Federal Government
12-month Accumulated – real values (Feb/2017)
R\$ billion

Net Primary Revenue and Primary Expenditure
12-month Accumulated – real values (Feb/2017)
R\$ billion



Source: STN/MF.



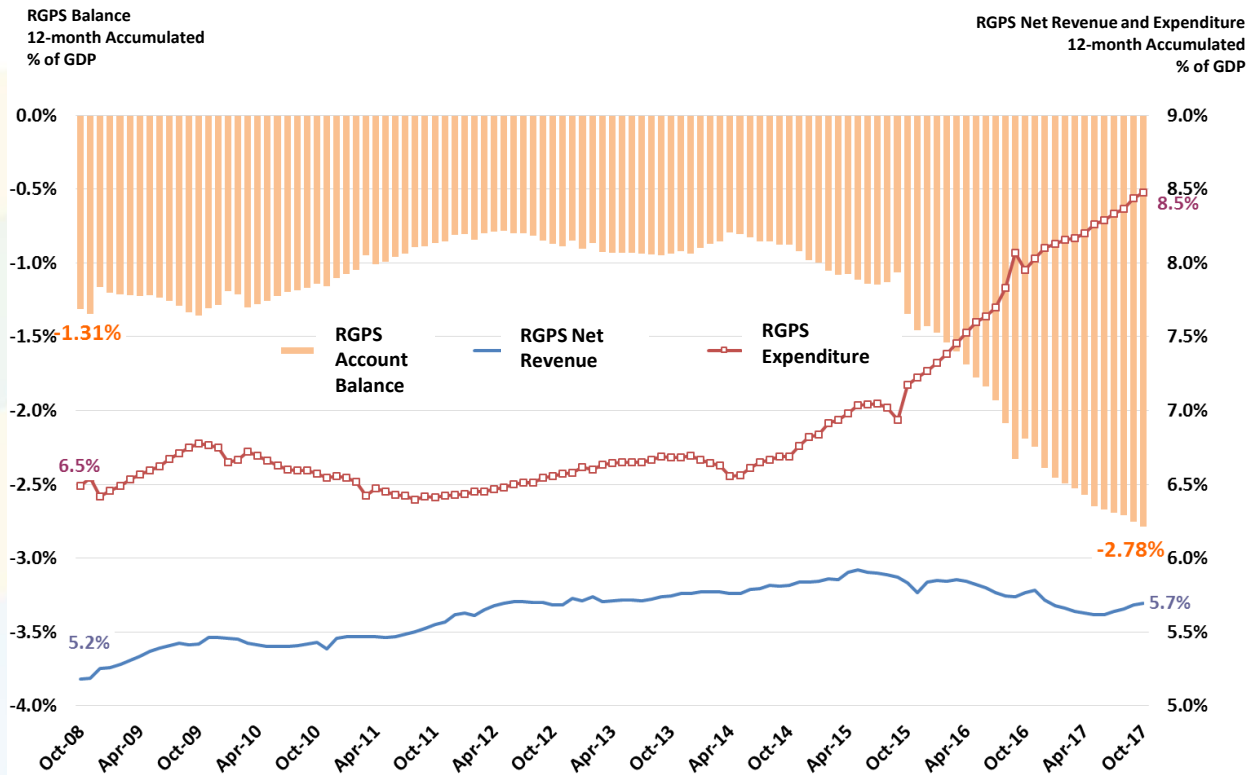
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General Social Security System (RGPS) Balance



Sources: STN/MF.



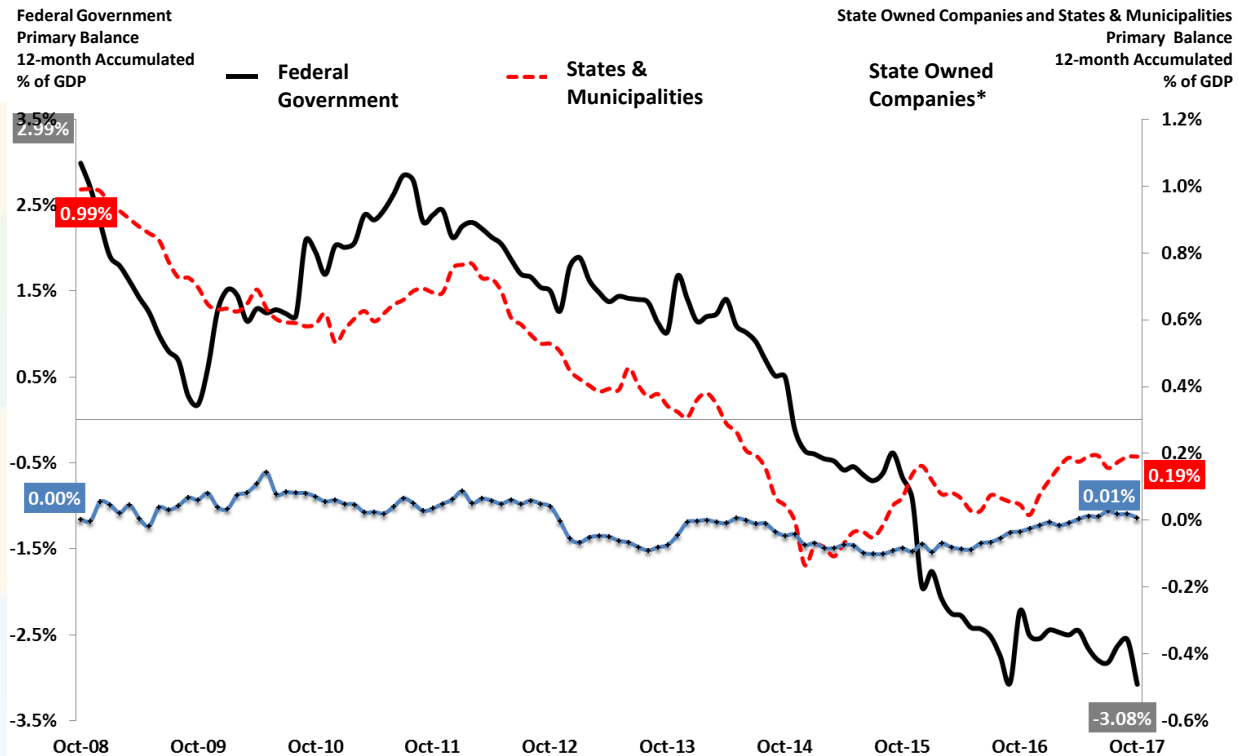
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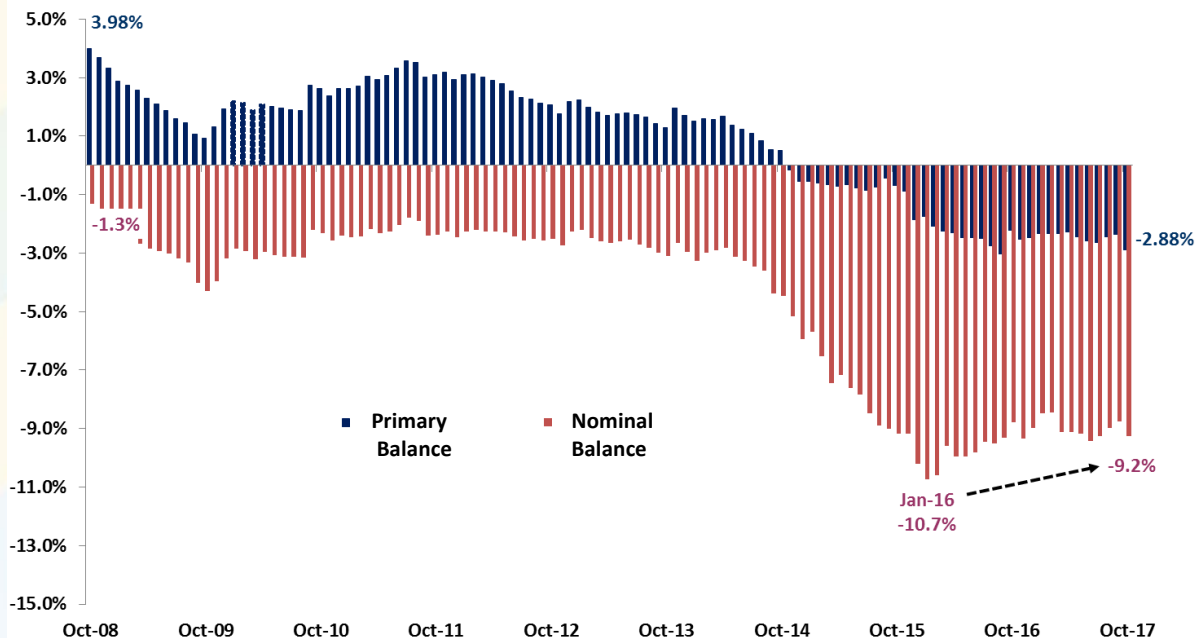
Public Sector Primary Balance (as % GDP)



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

Public Sector Primary and Nominal Balance

Consolidated Public Sector
Primary and Nominal Balance
12-month Accumulated
% of GDP

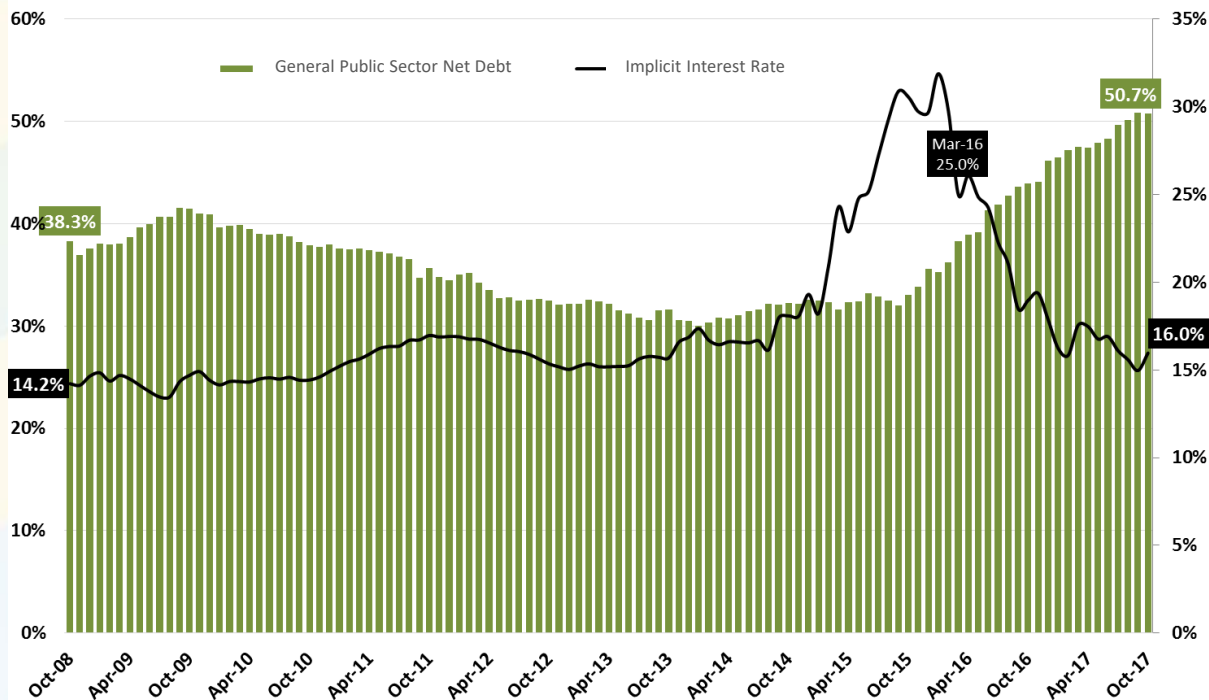


Source: Central Bank of Brazil.

Public Sector Net Debt (as % GDP)

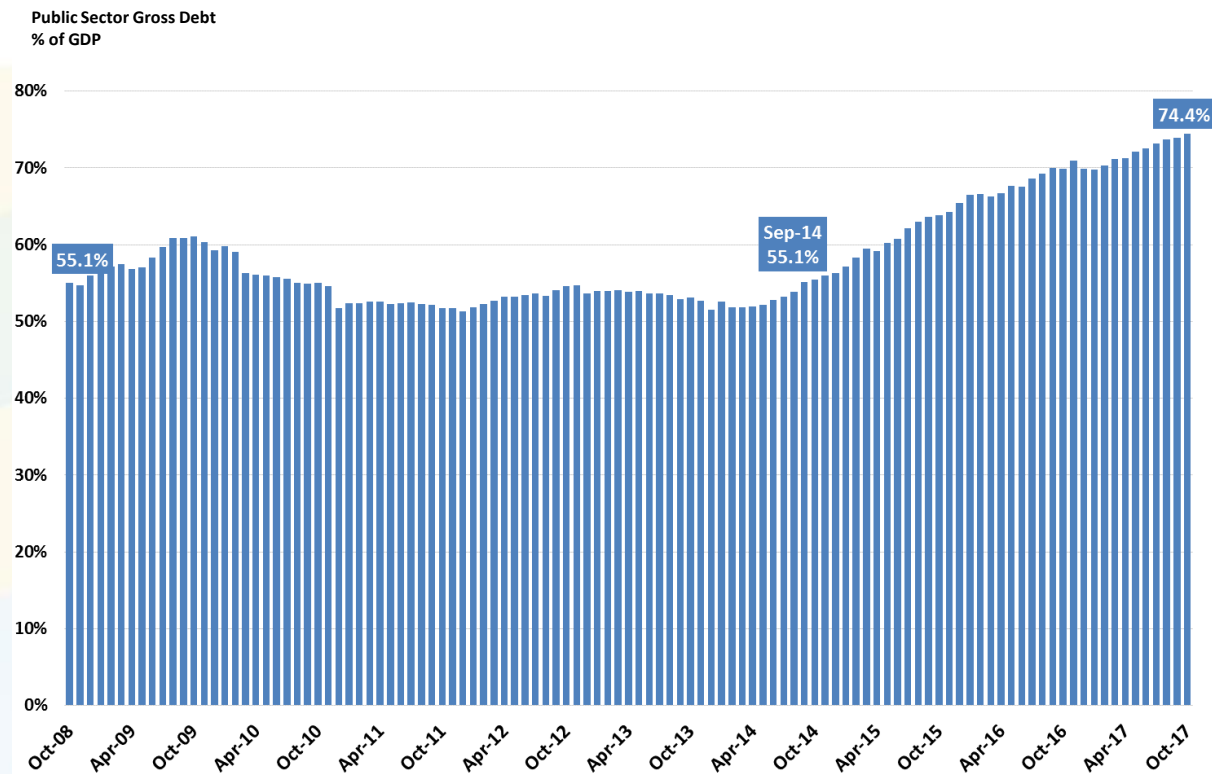
General Public Sector Net Debt (DSLPL)
% of GDP

Implicit Interest Rate on DSLPL
12-month (%)



Source: Central Bank of Brazil.

Public Sector Gross Debt (as % GDP)



Source: Central Bank of Brazil.



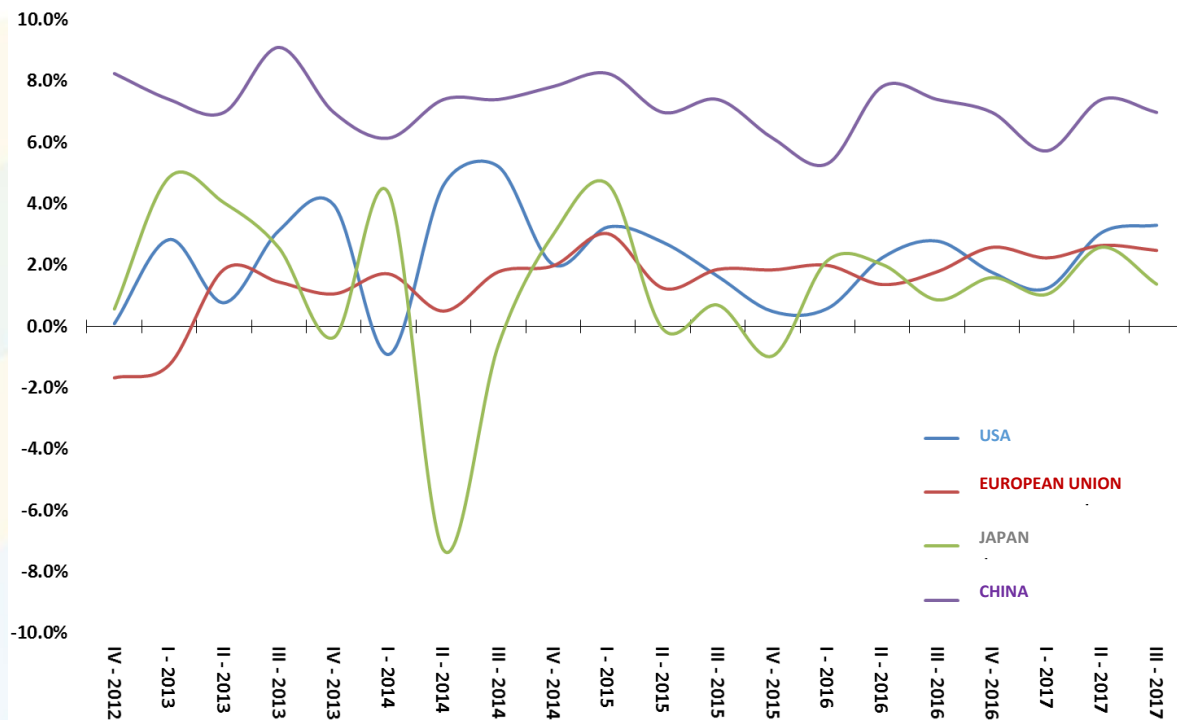
WORLD ECONOMY

World Economy

												IMF - WEO, October 2017.	
World	Q4 2016	2012	2013	2014	2015	2016	Q4-2015 / Q4-2014	Q4-2016 / Q4-2015				2017	2018
<i>data from IMF and WTO</i>													
World Output - GDP		3.5%	3.3%	3.4%	3.4%	3.2%	3.2%	3.2%				3.6%	3.7%
Advanced Economies		1.2%	1.2%	1.9%	2.1%	1.7%	1.8%	2.0%				2.2%	2.0%
Emerging Market and Developing Economies		5.3%	5.0%	4.6%	4.2%	4.3%	4.4%	4.4%				4.6%	4.9%
Latin America and the Caribbean		3.0%	2.9%	1.0%	0.1%	-0.9%	-1.1%	-1.1%				1.2%	1.9%
World Trade of Goods and Services		1.4%	2.8%	1.7%	2.7%	2.4%						4.2%	4.0%
National Accounts	Q3 2017	2012	2013	2014	2015	2016	Q1-2017 / Q1-2016	Q2-2017 / Q2-2016	Q3-2017 / Q3-2016	Q3-2016 accum. in 4-quarters	Q3-2017 accum. in 4-quarters	2017	2018
<i>data from IMF, OECD, Eurostat, NBSC and METI</i>													
USA - GDP		2.2%	1.7%	2.6%	2.9%	1.5%	2.0%	2.2%	2.3%	1.5%	2.3%	2.2%	2.3%
Household Expenditure		1.5%	1.5%	2.9%	3.6%	2.7%	2.9%	2.7%	2.6%				
Government Expenditure		-1.9%	-2.9%	-0.6%	1.4%	0.8%	-0.2%	0.0%	-0.1%				
Gross Fixed Capital Formation		10.6%	6.1%	5.5%	5.2%	-1.6%	1.7%	3.3%	4.6%				
Exports of Goods and Services		3.4%	3.5%	4.3%	0.4%	-0.3%	3.1%	3.2%	2.2%				
Imports of Goods and Services (-)		2.2%	1.1%	4.5%	5.0%	1.3%	3.8%	4.1%	3.1%				
Industrial Production		2.2%	3.7%	4.9%	-1.8%	-1.0%	0.6%	2.1%	1.8%				
Unemployment (% of Labor Force)		8.1%	7.4%	6.2%	5.3%	4.9%	-0.1 pp	-0.4 pp	0.1 pp			4.7%	4.6%
Consumer Price Index		1.7%	1.5%	0.8%	0.7%	2.1%	2.5%	1.9%	2.1%			2.8%	2.4%
European Union - GDP		-0.4%	0.3%	1.7%	2.4%	2.1%	2.1%	2.4%	2.5%	1.8%	2.5%	2.5%	2.2%
Household Expenditure		-0.5%	-0.1%	1.0%	2.0%	1.8%	0.0%	0.0%					
Government Expenditure		0.0%	0.3%	0.8%	1.7%	2.0%	0.0%	0.0%					
Gross Fixed Capital Formation		-2.2%	-1.6%	2.8%	3.7%	2.5%	0.0%	0.0%					
Exports of Goods and Services		2.4%	1.6%	4.7%	6.0%	2.3%	0.0%	0.0%					
Imports of Goods and Services (-)		-0.8%	2.5%	5.0%	7.1%	2.8%	0.0%	0.0%					
Industrial Production		-2.1%	-0.5%	1.2%	2.3%	1.3%	1.1%	2.6%	3.7%				
Unemployment (% of Labor Force)		10.4%	10.8%	10.2%	9.4%	8.7%	-1.7 pp	-0.3 pp				7.9%	7.6%
Consumer Price Index		2.4%	1.0%	0.0%	0.2%	0.9%	1.8%	1.6%	1.0%			2.5%	2.4%
Japan - GDP		1.5%	2.0%	0.3%	1.1%	1.0%	1.4%	1.5%	1.7%	1.0%	1.6%	1.5%	0.7%
Industrial Production		0.0%	-0.7%	2.1%	-0.9%	-0.2%	4.0%	6.0%	4.2%				
Unemployment (% of Labor Force)		4.3%	4.0%	3.6%	3.4%	3.1%	-0.2 pp	0.0 pp	-1.0 pp			2.9%	2.9%
Consumer Price Index		-0.2%	1.5%	2.5%	0.2%	-0.1%	0.3%	0.4%	0.3%			0.4%	0.5%
China - GDP		7.8%	7.8%	7.3%	6.9%	6.7%	6.9%	6.9%	6.8%	6.5%	6.6%	6.8%	6.5%
Industrial Production		10.1%	9.9%	7.9%	6.6%	6.0%	6.6%	7.0%	6.7%				
Unemployment (% of Labor Force)		4.1%	4.1%	4.1%	4.1%	4.0%	0.1 pp	0.0 pp	-0.1 pp			4.0%	4.0%
Consumer Price Index		2.5%	2.5%	1.5%	1.6%	2.0%	1.4%	1.5%	1.7%			1.6%	2.4%

World Major Economies GDP

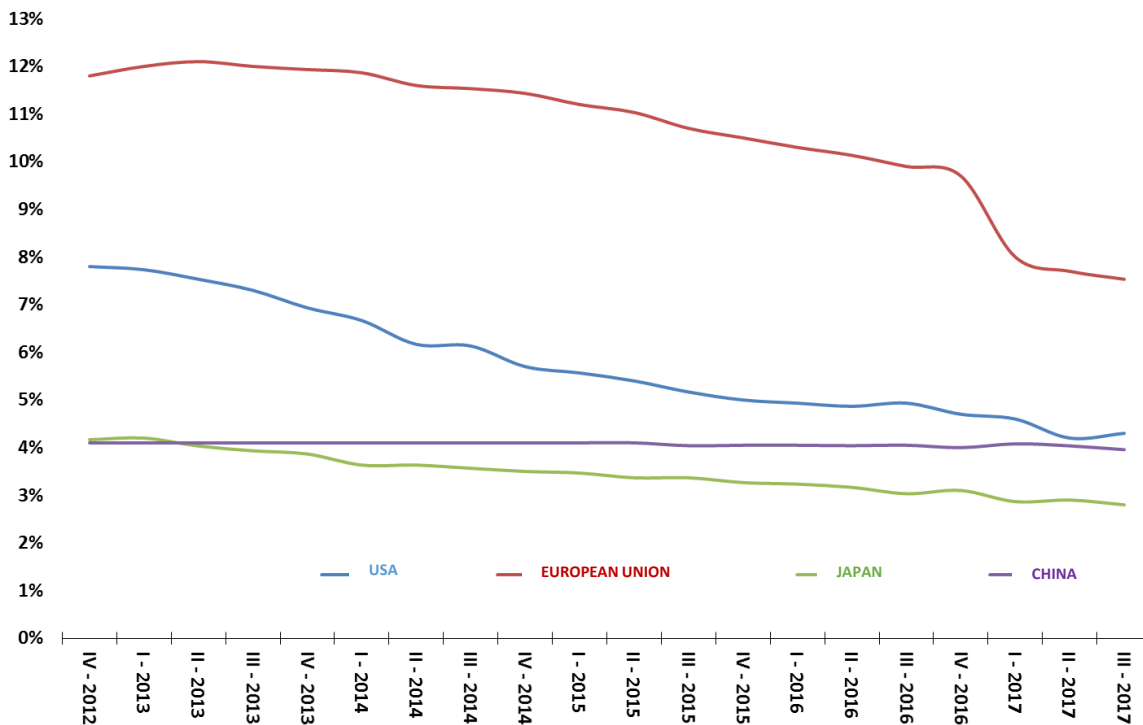
GDP - real quarterly % chg. – seasonally adjusted data



Source: OECD.

World Major Economies Unemployment Rate

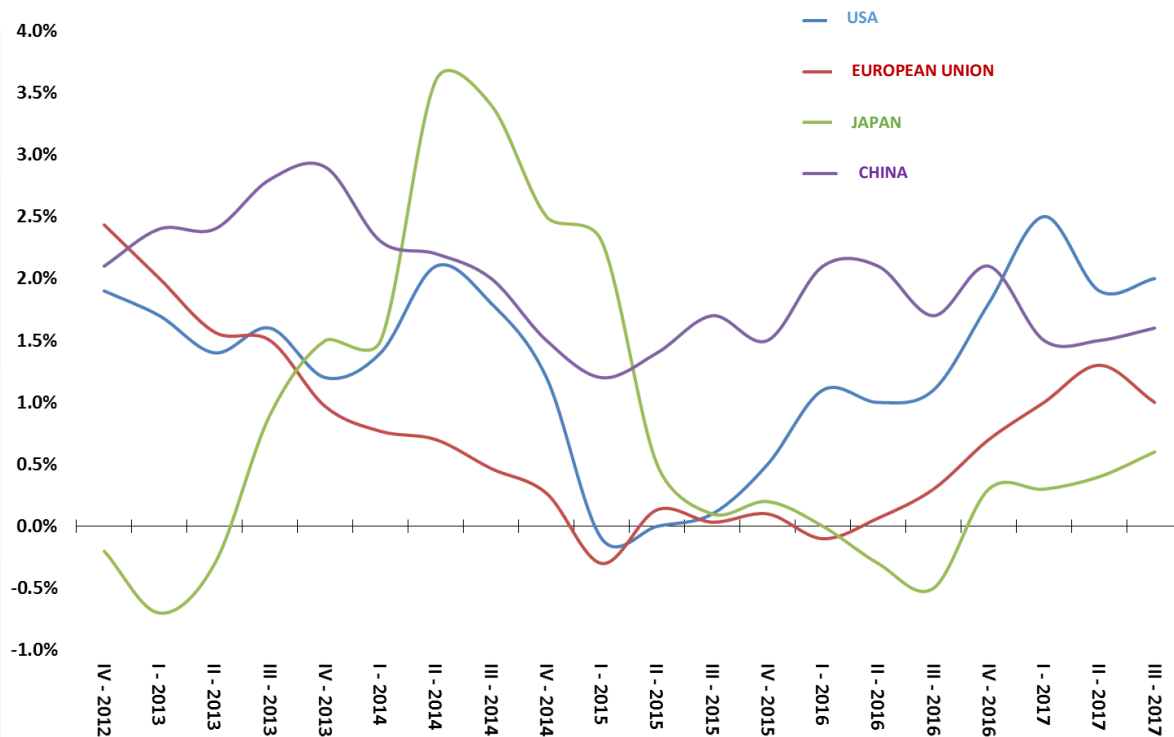
Unemployment Rate as % of Labor Force



Source: OECD.

World Major Economies Consumer Price Index

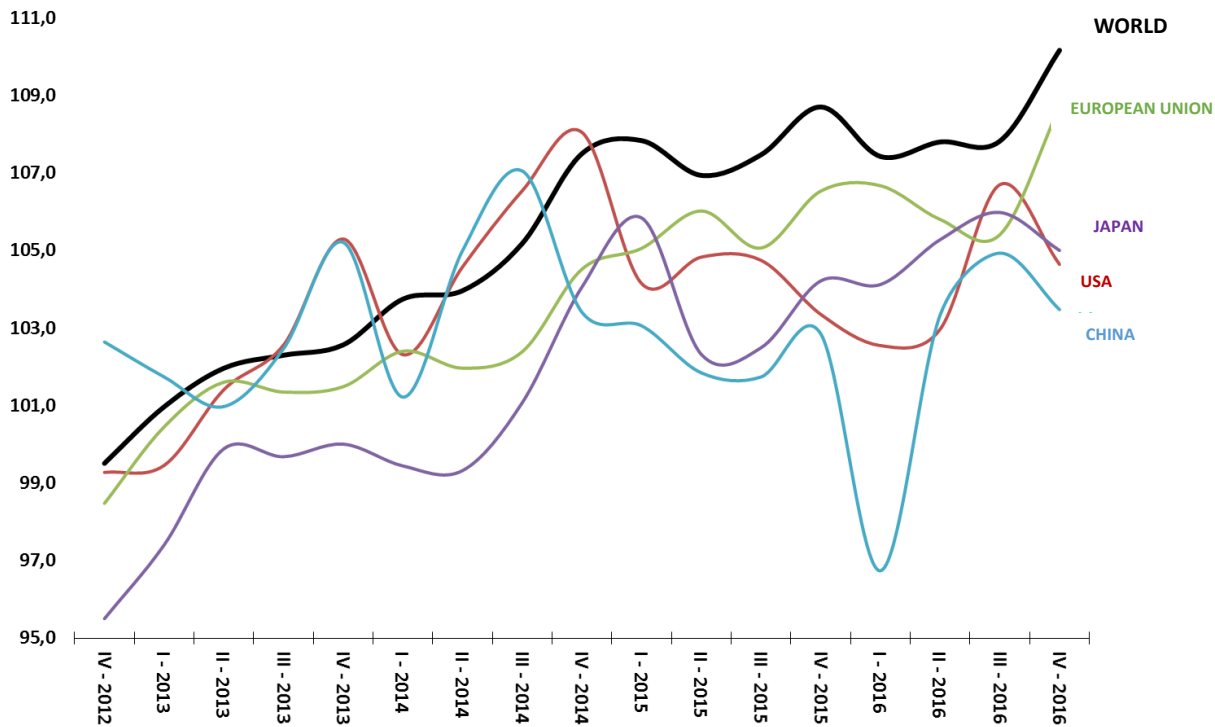
Consumer Price Indexes – annual chg. %



Source: OECD.

World Major Economies Total Exports

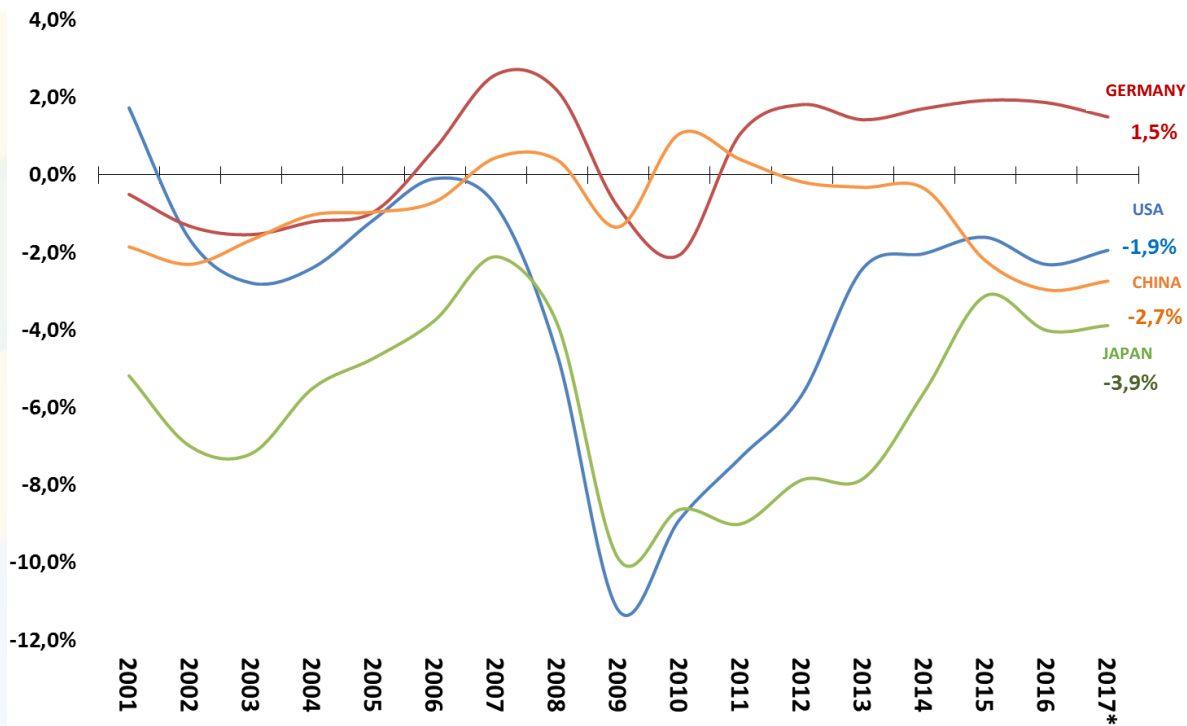
Total Exports Volume Index – Q3-2012 = 100



Source: OECD.

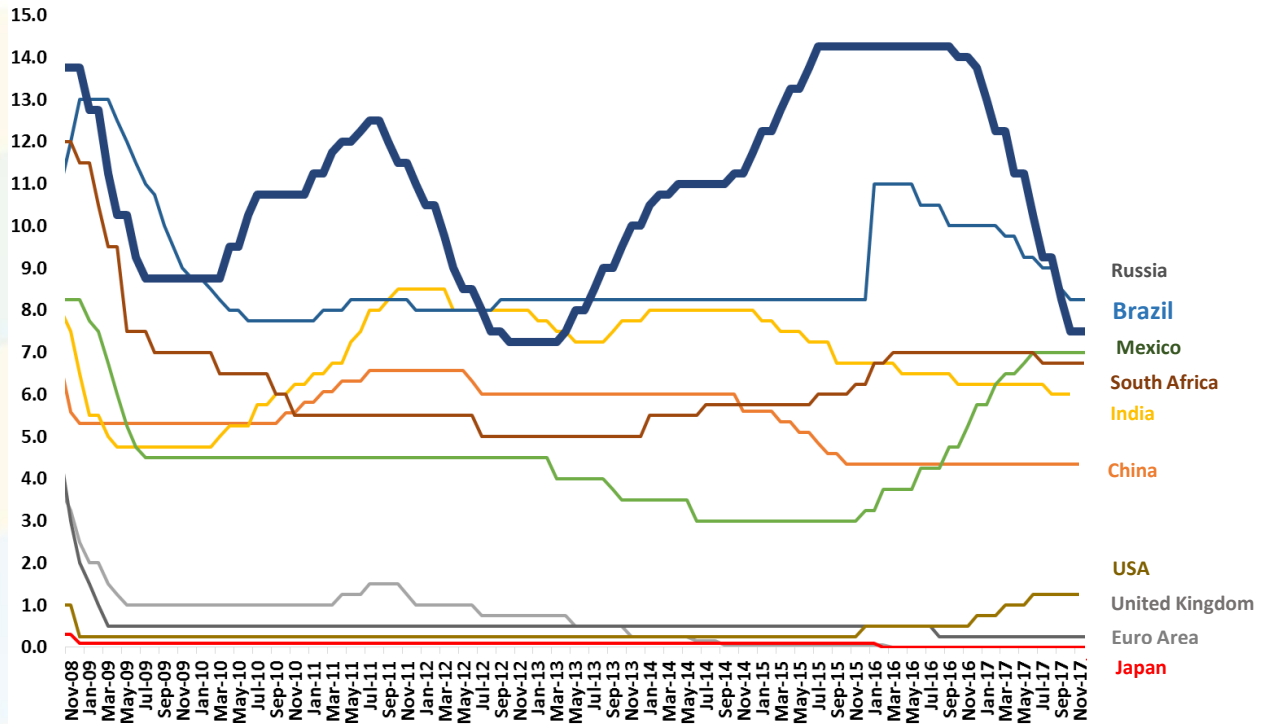
World Major Economies Government Primary Surplus

Central Government Primary Surplus as % of GDP



Source: IMF. * Estimated values

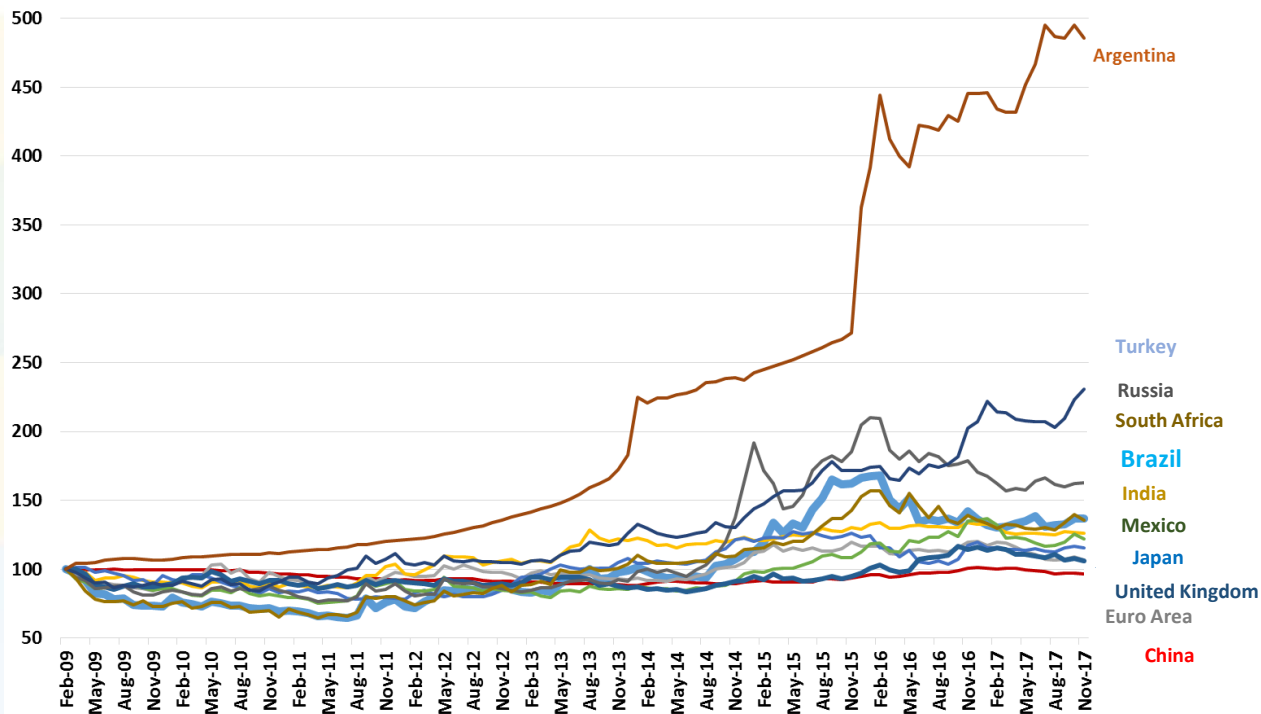
Main Interest Rates – Selected Economies – % per year



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Selected Economies FX-dollar Rate Evolution

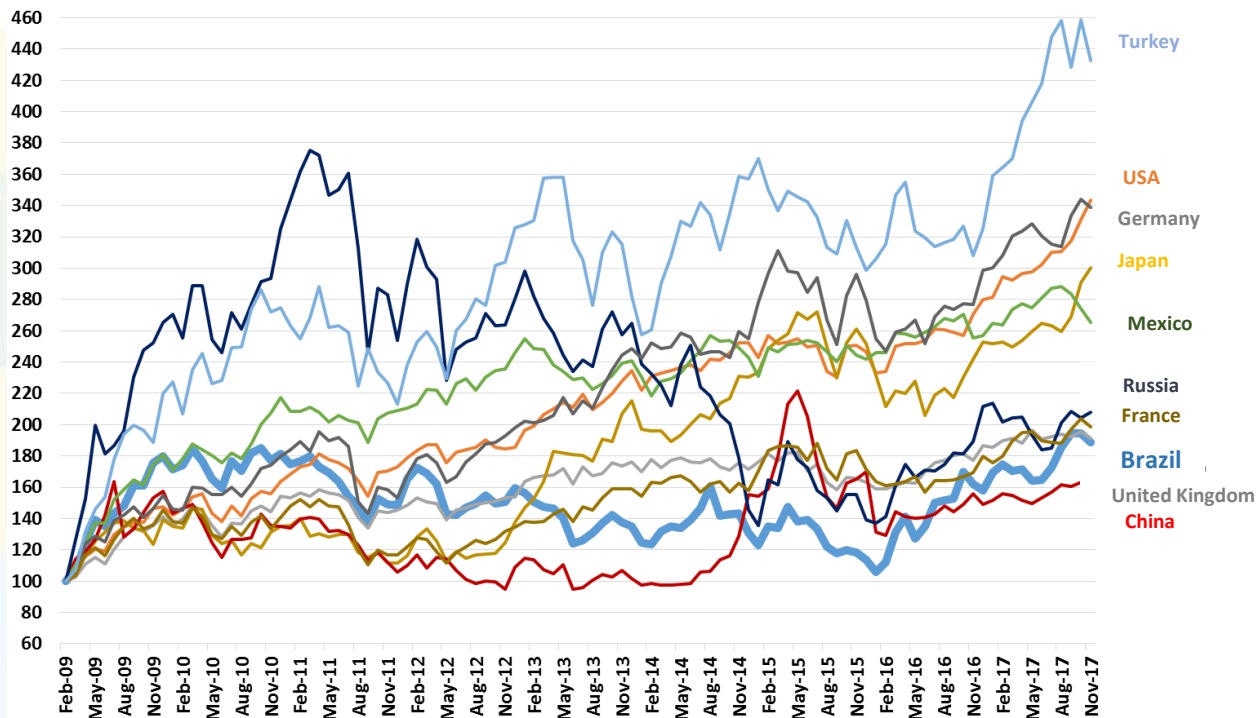
Selected Economies FX-rate Indexes – Dec/2008 = 100



Sources: Bloomberg.

Selected Economies Main Stock Index Evolution

Selected Economies Main Stock Indexes – Dec/2008 = 100



Sources: Bloomberg.

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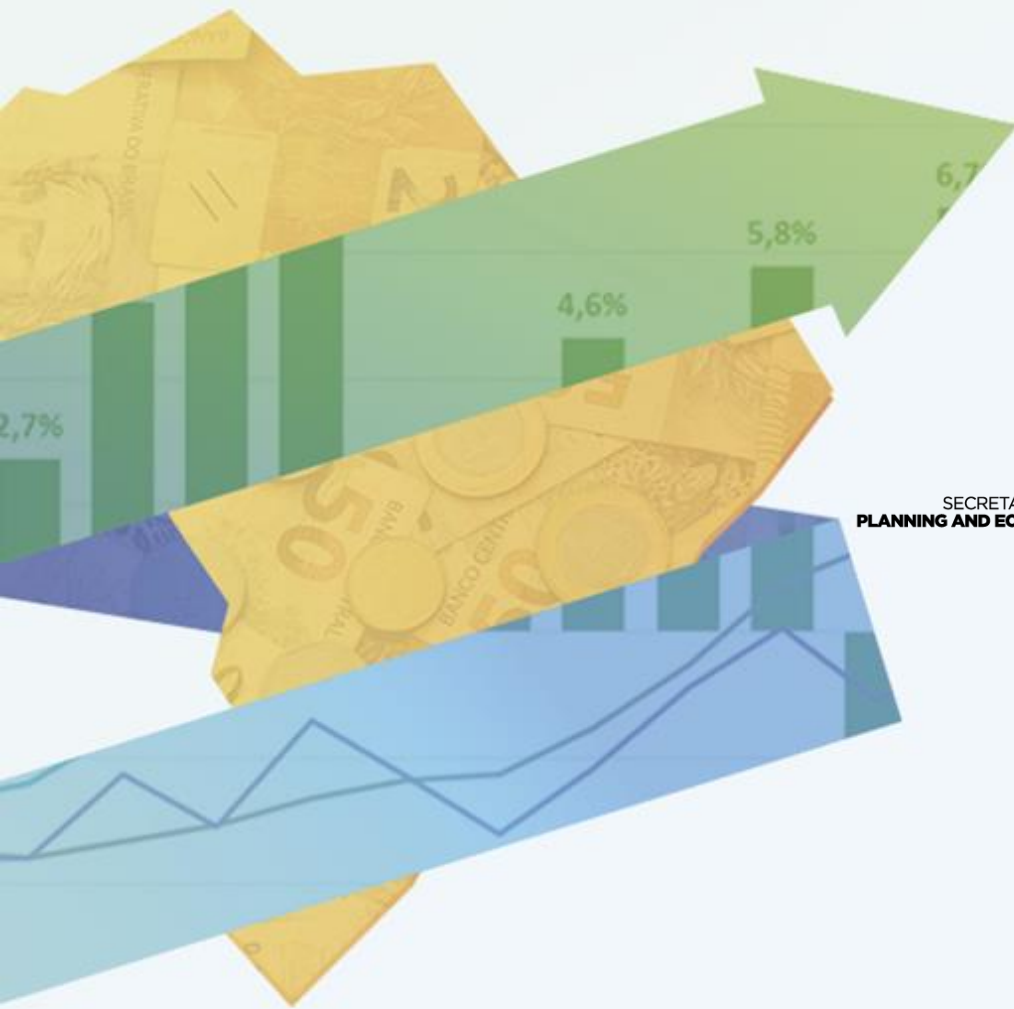
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