



GREATER
REWARDS

DEEPER
INSIGHTS

FERI
Country Dossier
Economic Forecast

Brazil

January 2023



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Executive Summary

In 2020, the COVID-19 pandemic and the restrictions imposed by the government resulted in a slump of GDP by 3.3% in 2020. In 2021, the economy was still shaped by the consequences of the coronavirus outbreak, as the infection rates in Brazil have been very high for a long period of time. However, two fiscal stimuli packages, introducing cash handouts and general support for the struggling economy have allowed the Brazilian economy to continue recovering. Overall GDP recovered by 5% in 2021, although the massive hike in interest rates by the central bank due to rising inflation rates increasingly strained private consumption and investment growth. All in all, GDP growth will likely moderate to about 3% in 2022. In 2023, GDP will likely even stagnate, as export demand will weaken.

As for consumer prices, the combination of supply bottlenecks, the war in Ukraine and the emergence of the Omicron variant has led to an increased inflation rate. 2021 saw consumer prices rise by 8.3% and 2022 is expected to see a price increase of 9.3%. The Brazilian central bank has started to respond to the high inflation already in March 2021, raising the interest rate by 75 bps to 2.75%. Since then, the Selic rate has been raised to finally 13.75% in August 2022. In September 2022, the bank's rate-setting committee decided to leave its benchmark Selic interest rate at 13.75%, likely the end of the world's most aggressive rate-hiking cycle. Inflation has already fallen to 5.9% in November 2022. Regarding the labor market, after rising in 2020 to a peak of 15% in December 2020, the unemployment rate receded in 2021 and 2022. Due to the weak economic outlook for 2023, however, the unemployment rate will likely increase again in 2023.

Politically, the incumbent far-right president Jair Bolsonaro has been heavily criticized, and lost popularity due to his skepticism towards the pandemic as well as his dismissive opinion about sovereign institutions. Following the successfully approved pension reform by the government in October 2019, which was an important step forward, the political stability in the country has been very uncertain, with continuing street protests and rising tensions between the executive authorities and the judiciary. Although inflation has an overall negative effect on the economy, it helped to push the high debt to GDP ratio lower in 2021. Furthermore, the massive interest rate hikes might help to reach the inflation target in the long run. With the return of former President Lula da Silva to the forefront of politics, we expect polarization to intensify rather than recede after the October 2022 general elections. The general elections have been dubbed the most polarized Brazilian elections in decades.

As an emerging industrialized country, the Brazilian economy is the eighth biggest economy in the world and remains heavily oriented towards domestic demand, with trade playing a minor role. Demand is driven largely by private consumption (aided by climbing wages) and by fixed investment, with industrial investments playing an essential role.

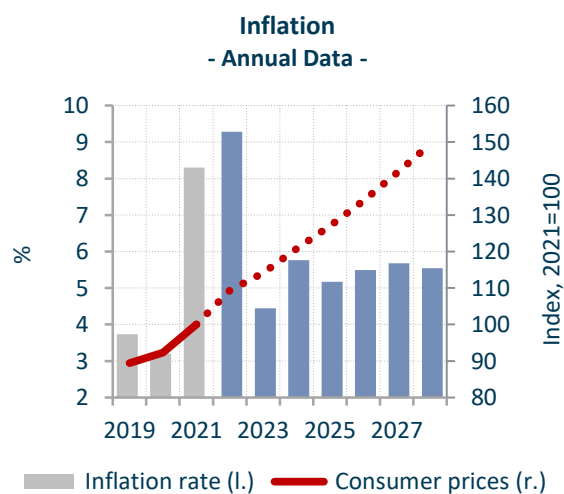
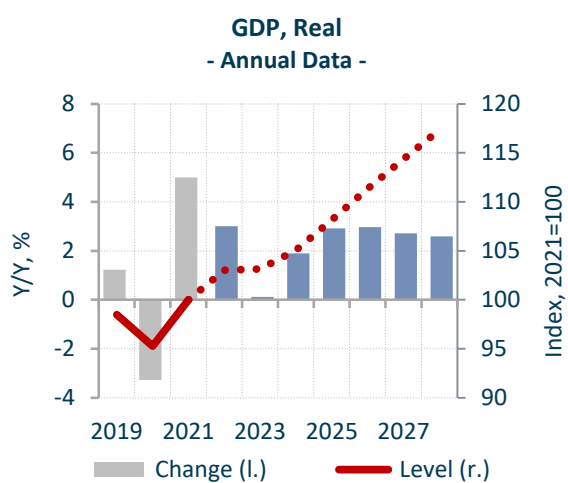
Given its orientation towards domestic demand, the economy was not as heavily affected by the global recession in 2009 as other countries were: Although GDP did decline slightly, the recession was moderate. In the wake of globally weaker demand for raw materials - Brazil's main export good, and the ongoing crisis in Argentina - one of Brazil's most important trading partners, exports have been suffering in the last few years.

Agricultural products and foodstuffs still dominate exports, while imports are largely chemicals, oil, industrial goods and advanced consumer goods. The importance of the primary sector for the economy will not change significantly during the forecast period. While the secondary sector is expected to decline in terms of generated GDP. This does not reflect an absolute decline of this sector, but rather the emergence of a robust and strong Brazilian financial sector, driven by the financial demands of the emerging Brazilian middle class.

After decades of failed policies and errors that led to several waves of severe inflation, economic policy has, along with a more efficient monetary policy, aided in gaining some more control over inflationary pressures overall. While Brazilian inflation still posts higher rates than in industrialized countries, it seems to remain at clearly more manageable levels than in the past.

Executive Summary

Summary Economic Forecast				
	2022	2023	2024	2025
GDP Per Cap., Nominal (1000 US\$ (PPP))	17,799	18,341	18,940	19,899
GDP, Real (% Change)	3,0	0,1	1,9	2,9
Consumer Prices (% Change)	9,3	4,4	5,8	5,2
Unemployment Rate (%)	9,5	9,5	8,9	8,8
Public Balance (% of GDP)	-7,4	-7,2	-5,5	-4,7
Gross Public Debt (% of GDP)	90,1	93,7	92,8	92,1
Current Account Balance (% of GDP)	-2,0	-2,0	-2,1	-1,7
Industrial Production (% Change)	1,6	1,5	2,7	2,7
Central Bank Rate (%)	12,7	13,0	9,8	8,5
Government Bond Yield, 10 Y. (%)	12,1	11,1	11,0	10,9
BRL / €	5,42	5,35	5,37	5,43
BRL / US\$	5,17	5,18	4,75	4,36



Country Profile



Profile Data*

Constitution		Life Expectancy, Years	74.0
Official Name	Federative Republic of Brazil	Life Expectancy, Male (Years)	70.7
Capital	Brasília	Life Expectancy, Female (Years)	77.375
Form of State	Federal Republic	Labor Market & Income	
Currency		Labor Force	99 470 102
Currency	Real (BRL)	Labor Force (% of Population)	50.5
Population & Demography		Female Labor Force (% of Total Labor Force)	43.2
Population (Mn.)	214.0	Foreign Labor Force (% of Total Labor Force)	0.5
Annual Population Growth (%)	0.7	Employment in the Public Sector (% of Employment)	17.1
Net Migration	20 376	Part-time Employment (% of Employment)	14.4
Area (sq. km)	8 515 770	Long-term Unemployment (% of Labor Force)	7.4
Population Density (People/sq. km)	25.5	Youth Unemployment (% of Youth Labor Force under the Age of 25)	31.9
Urban Population (% of Total)	87.3	Youth Exclusion (Share of Youth Population [15-24] not in Education, Employment or Training)	26.2
Population over 65 (% of Population)	10.0	Total Hourly Compensation in Manufacturing (USD)	2.985
Fertility Rate (Births per Woman)	1.6	Percentage of Household Incomes going to Highest (Richest) 10% of Households	42.0
Birth Rate (per 1,000 People)	13.1		
Death Rate (per 1,000 People)	7.4		

*) Sources: FERI Databases; World Bank Data; IMD

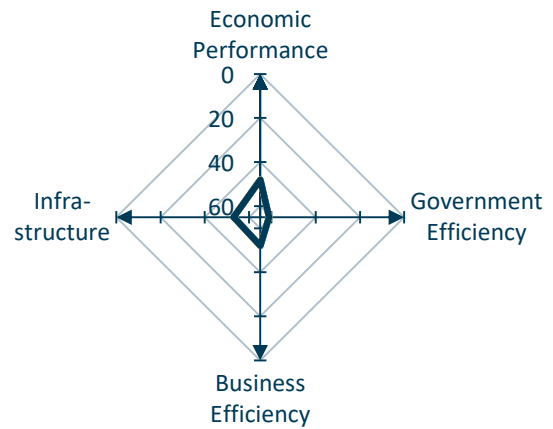
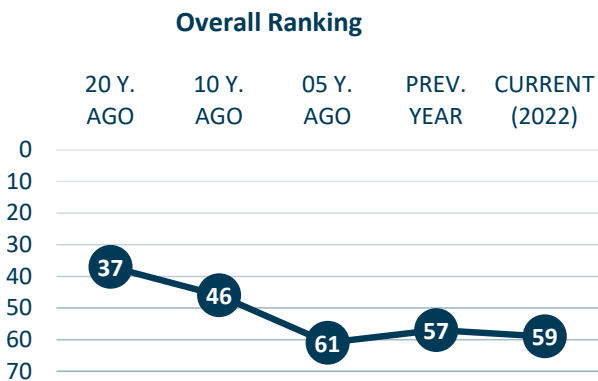
Country Profile

Socioeconomic Data*	
Energy & Environment	
Total Final Energy Consumption per Capita (MTOE)	1.1
Energy Consumed (MTOE) for each 1,000 USD of GDP	121.4
Total Indigenous Energy Production (%)	106.6
Electric Power Consumption (kWh per Capita)	2 611
Electric Power Transmission and Distribution Losses (% of Output)	15.8
Share of Renewables (%)	45.6
CO2 Emissions from Fuel Combustion (m3 per 1 Mio USD of GDP)	266.3
Mean Population Exposure to PM2.5 (Micrograms per m3)	11.7
Prices & Taxes	
Cost-of-living index (New York =100); Price of Basket of Goods and Services in Main City	56.0
Monthly 3-Room Apartment Rent in Major Cities (USD)	1 235
Collected Personal Income Taxes on Profits, Income and Capital Gains (% of GDP)	3.0
Collected Corporate Income Taxes on Profits, Income and Capital Gains (% of GDP)	2.7
Business	
Number of Start-up Procedures to Register a Business	11.0
Cost of Business Start-up Procedures (% of GNI per Capita)	4.2
Days Required to Start a Business	16.6
Ease of Doing Business Index (1 = Most Business-friendly Regulations)	124
Hours Required to Prepare and Pay Taxes	1501
Days Required to Enforce a Contract	801
Years to Resolve Insolvency	4.0
Health	
Total Health Expenditure per Capita (USD)	855
Hospital Beds (per 1,000 People)	2.1
Inhabitants per Physician	421.4
Under 5 Mortality Rate per 1,000 Live Births	14.7
Healthy Life Expectancy (Years)	65.1
Infrastructure & Communication	
Arable Land (% of Land Area)	6.7
Kilometer Roads per Square km Land Area	0.20
Investment in Telecommunications (% of GDP)	0.56
Internet Users per 1,000 Inhabitants	760
Internet Average Bandwidth Speed (MBit/s)	59.6
International Trade	
Exports to top 5 Countries (% of Exports)	52.0
Top 5 Products (% of Exports)	49.8
High-tech Exports (% of Manufactured Goods)	11.4
Exports of Commercial Services (% of GDP)	2.0
Weighted Mean Import Tariff (%)	8.4
Container Port Traffic (TEU: 20 Foot Equivalent Units)	10 376 571
Education & Innovation	
Total Public Expenditure on Education per Capita (USD)	453
Secondary School Enrollment (% of Age Group)	91.3
University Degree (% of Population)	23.5
PISA Assessment (Points)	400.0
Patent Applications per 100,000 Inhabitants	3.4
Full Time Researchers in R&D per 1,000 Inhabitants	0.9

*) Source: World Bank Data, IMD

Country Profile

Competitiveness Ranking (IMD)



Economic Performance		48
<i>(Relative) Strengths</i>		
Cost-of-living index	↑	Green
Employment		Green
Employment - growth	↑	Green
<i>(Relative) Weaknesses</i>		
Unemployment rate		Orange
Trade to GDP ratio		Orange
Consumer price inflation	↓	Orange
<i>Strongest Improvement</i>		
Employment - growth	↑	Green
<i>Strongest Worsening</i>		
Real GDP growth	↓	Yellow

Government Efficiency		61
<i>(Relative) Strengths</i>		
Ageing of population		Green
Disposable Income		Green
Immigration laws	↑	Yellow
<i>(Relative) Weaknesses</i>		
Creation of firms		Orange
General government expenditure		Orange
Cost of capital		Orange
<i>Strongest Improvement</i>		
Government budget surplus/deficit (%)	↑	Yellow
<i>Strongest Worsening</i>		
Employer's social security contribution rate	↓	Orange

Business Efficiency		52
<i>(Relative) Strengths</i>		
Total early-stage Entrepreneurial Activity		Green
Labor force		Green
Labor force growth	↑	Green
<i>(Relative) Weaknesses</i>		
Value system		Orange
Image abroad or branding		Orange
International experience	↓	Orange
<i>Strongest Improvement</i>		
Labor force growth	↑	Green
<i>Strongest Worsening</i>		
Overall productivity (PPP) - real growth	↓	Orange

Infrastructure		53
<i>(Relative) Strengths</i>		
Total public expenditure on education		Green
Dependency ratio		Green
Roads	↑	Green
<i>(Relative) Weaknesses</i>		
Language skills		Orange
Management education	↓	Orange
Primary and secondary education		Orange
<i>Strongest Improvement</i>		
Roads	↑	Green
<i>Strongest Worsening</i>		
Intellectual property rights	↓	Orange

Ranks: 1-6 7-21 22-42 43-57 58-64

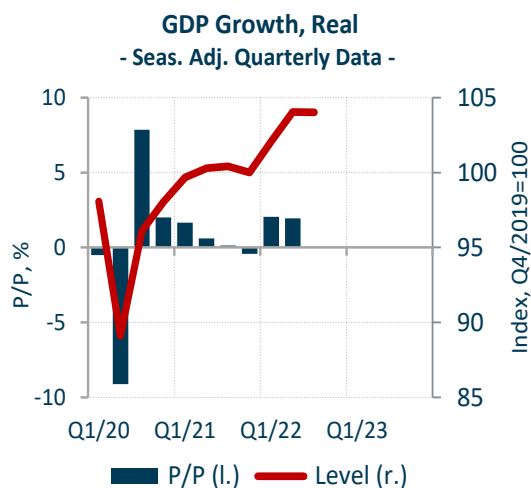
Shown are current ranks unless otherwise stated. The ranking is from 1 to 64. The arrows indicate an improvement (up arrow) or worsening (down arrow) of at least 5 ranks compared to the previous year.

Source: The IMD World Competitiveness Center, Switzerland (www.imd.org/wcc)

Economic Forecast

Demand

Mainly due to strong government consumption, GDP growth will be positive in 2023. In 2024, GDP growth is expected to improve due to stronger private consumption. The overall economic growth rate in 2024 will be stronger than the historical average.



	Brazil	Emerging Countries
Previous 10 years (2012-2021)	0,4	4,2
2022	3,0	3,8
2023	0,1	3,0
2024	1,9	3,9
Next 10 years (2025-2034)	2,5	3,5

GDP growth in Brazil will be positive in 2023. This year, government consumption and fixed investment will be the main supportive drivers of the economic development. In 2024, GDP growth is expected to improve. Now, stronger growth contributions from private consumption and fixed investment will be the driving forces of higher GDP growth. All in all, GDP growth in 2024 will be positive and much weaker than economic growth in the Emerging Countries.

Brazil's GDP growth has been positive in the 10 years up to 2021. It has been weaker than the economic growth rate in the Emerging Countries. The same relationship will hold in the next 10 years. While the Emerging Countries will grow 3,5 percent per year, Brazil's economy is expected to grow by 2,5 percent per year in the next decade. Brazil's growth rate in the next 10 years will be stronger than historical economic growth up to 2021.

Demand

Growth of GDP Components - Annual Data in % -					
	2012-2021	2022	2023	2024	2025-2034
GDP Growth	0,4	3,0	0,1	1,9	2,5
Private Consumption	0,8	4,3	-0,1	1,9	2,4
Government Consumption	0,3	1,7	1,5	0,9	1,5
Fixed Investment	-0,6	1,3	1,4	3,6	2,4
Exports	1,8	4,7	0,9	3,4	4,1
Imports	-0,4	1,6	2,8	4,2	3,9

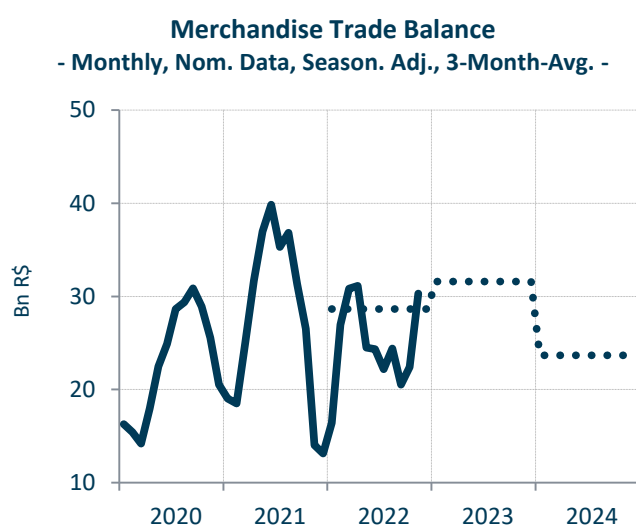
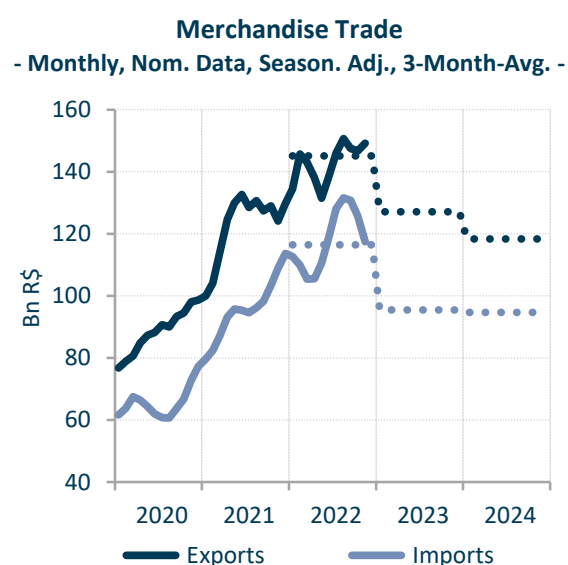
Contribution to GDP Growth (Y/Y) by Components - In Percentage Points -					
	2012-2021	2022	2023	2024	2025-2034
GDP Growth	0,4	3,0	0,1	1,9	2,5
Private Consumption	0,5	2,7	-0,1	1,2	1,5
Government Consumption	0,0	0,3	0,3	0,2	0,3
Fixed Investment	-0,1	0,3	0,3	0,7	0,5
Net Exports	0,3	0,4	-0,2	-0,1	0,1
Chg. in Inv.	-0,3	-0,7	-0,2	-0,1	0,2

In 2023, GDP growth will be positive. Economic growth is mainly driven by strong government consumption and fixed investment. GDP growth in 2024 will improve compared to the previous year due to stronger growth contributions especially from private consumption and fixed investment. In the long-term perspective economic growth in Brazil will be higher than in the decade up to 2021. Stronger private consumption growth will be the main driver of higher GDP growth in the next 10 years up to 2034.

Trade

The level of merchandise exports has been higher than that of imports in recent months. This trend is expected to apply for 2023 as a whole. Net exports, which include not only merchandise goods, but also services, are expected to be positive in 2023.

The current account balance that includes also net income from abroad and net current transfers, is expected to be negative in 2023. The current account deficit implies that Brazil is a net borrower from the rest of the world.



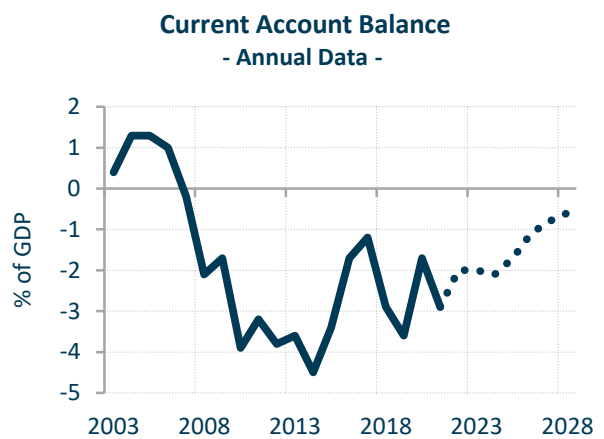
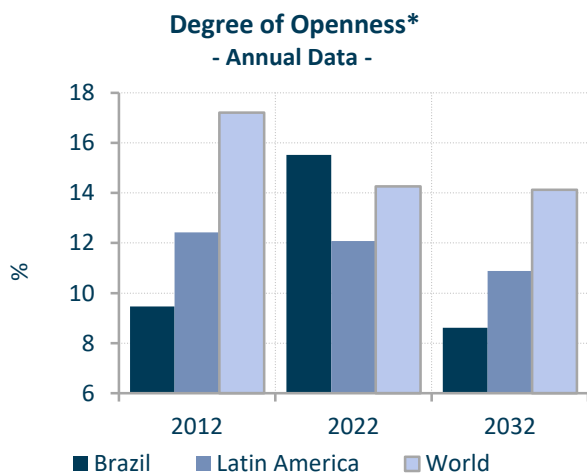
Foreign Trade Forecast					
- Annual Data -					
	2012-2021	2022	2023	2024	2025-2034
Merchandise Exports (Bn R\$)	774	1 741	1 525	1 420	1 874
Merchandise Imports (Bn R\$)	647	1 398	1 146	1 136	1 591
Merch. Trade Bal.* (Bn R\$)	126.8	343.5	379.2	284.0	283.1
Exports, real (G+S*), % Y/Y	1.8	4.7	0.9	3.4	4.1
Imports, real (G+S*), % Y/Y	-0.4	1.6	2.8	4.2	3.9
CAB* (Bn. US\$)	-60.8	-40.2	-41.8	-52.1	-27.1
CAB* (% of GDP)	-2.9	-2.0	-2.0	-2.1	-0.7

* (G+S) = Goods + Services
Merch. Trade Bal. = Merchandise Trade Balance
CAB = Current Account Balance

Trade

Main Trading Partners - Share in Total Trade in % -			
Exports	2021	Imports	2021
China	31.4	China	21.7
USA	11.2	USA	18.1
Argentina	4.3	Argentina	5.4
Netherlands	3.3	Germany	5.2
Chile	2.5	India	3.1

Items of Trade - Share in Total Trade of Goods in % -			
Exports	2022	Imports	2022
Metal Ores	21.9	Chemicals	22.0
Food	20.3	Computers	11.2
Oil & Gas	13.8	Other Mach.	10.4
Basic Metals	11.3	Petro. Prod.	7.3
Chemicals	5.0	Automotives	6.9

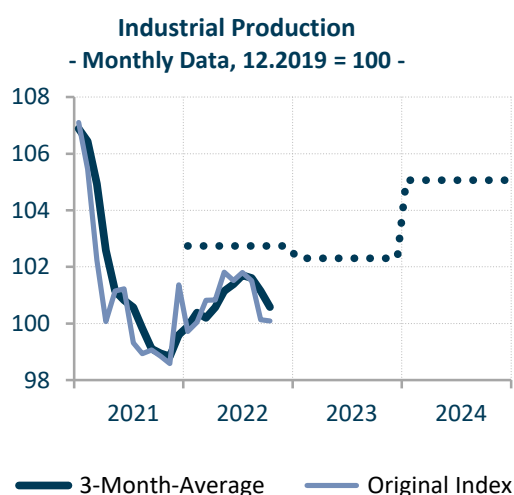


* Degree of Openness = 0.5*(Exports+Imports) / nominal GDP
The degree of openness measures the extent to which the country depends on trade with other countries. A level of 100% means that the trade volume equals the level of economic output.

Supply

The primary sector, comprising mining & quarrying, agriculture, forestry and fishing, usually is of minor importance today. In Brazil, the sector is still large. Its importance is expected to rise slightly in the next decade. The industrial or secondary sector is of moderate importance in Brazil. It is expected to become less significant up to 2033. Finally, the tertiary sector in Brazil, comprising the service industry, is relatively very large. We forecast that it will lose in importance over the next 10 years.

All in all, the primary sector will likely show the highest growth rate and thus expand the most in the next decade.

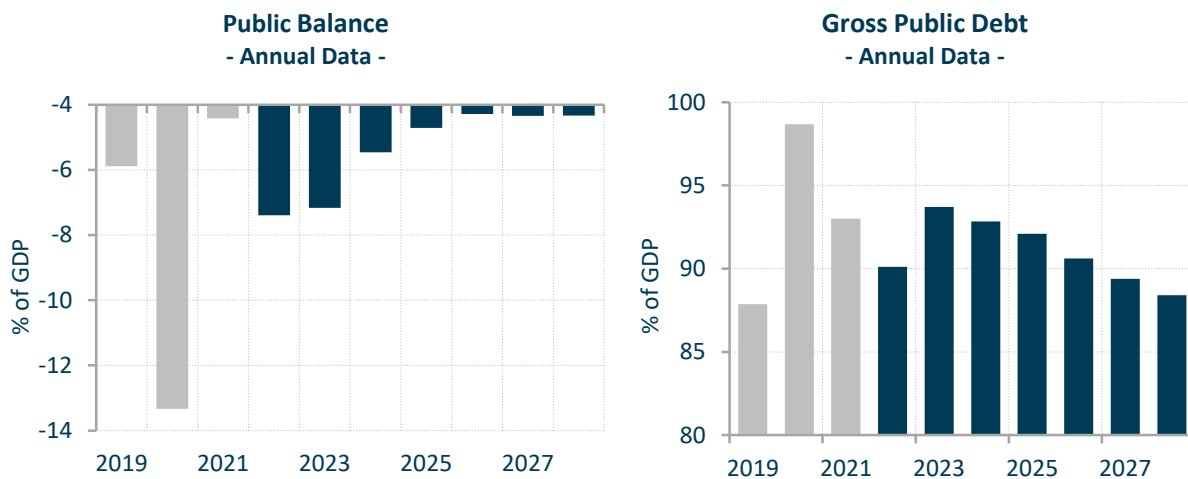


- Production has been weakening in the last three months. However, we expect industrial production to be higher in 2023 compared to the previous year.

	GDP Composition, Real - Share of GDP; Annual Data in % -			Growth by Sectors - Annual Growth in % -	
	2013	2023	2033	2012-2021	2025-2034
Primary Sector	5.0	6.2	7.1	2.5	3.8
Secondary Sector	14.2	11.9	11.6	-1.5	2.2
Tertiary Sector	80.9	81.9	81.4	0.3	2.4
Business Rel. Svs.	15.9	16.3	16.2	0.8	2.4
Personal Rel. Svs.	15.9	15.4	14.3	0.1	1.8
Trade	12.6	12.1	11.9	0.2	2.4
Other Services	36.5	38.1	39.0	0.8	2.8

Public Sector

In 2022, the level of public debt in percent of GDP was very large. In the next three years, the debt ratio will be even higher due to Covid-19. Brazil will have a high public deficit and strong nominal GDP growth. Brazil will have a moderate public expenditure quota in 2023. A moderate public expenditure quota means that the government interferes moderately in the economy.



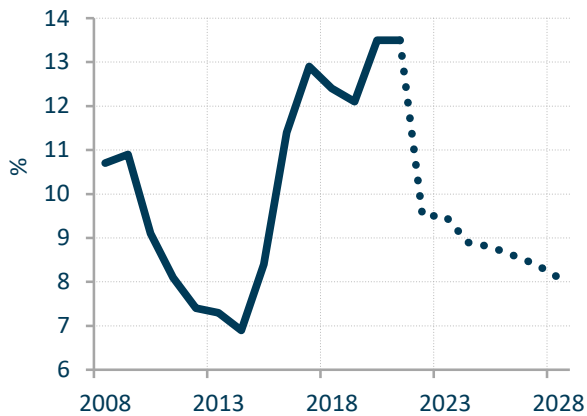
Public Finance Forecast - Annual Data -			
	2013	2023	2033
Public Expenditure / GDP (%)	37,4	37,2	32,7
Interest Expend. / Receipts (%)	13,5	13,1	13,8
Receipts (% Y/Y)	10,0	5,6	7,9
Expenditures (% Y/Y)	11,4	5,0	7,8
Primary Balance (% of GDP)	-3,0	-3,2	-0,4

Labor Market & Income

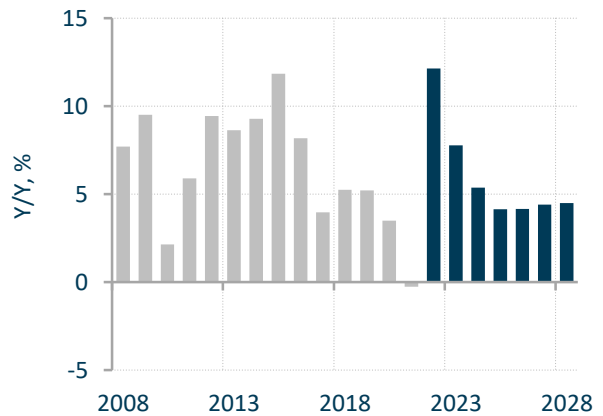
In 2022, the unemployment rate in Brazil was smaller than in the previous year. In 2023 and the following years, the rate will tend lower despite weak employment growth.

Real wages grew weaker than productivity between 2016 and 2021. In the next five years, real wages will grow weaker than productivity again. Insofar, the competitiveness of the companies in Brazil will benefit.

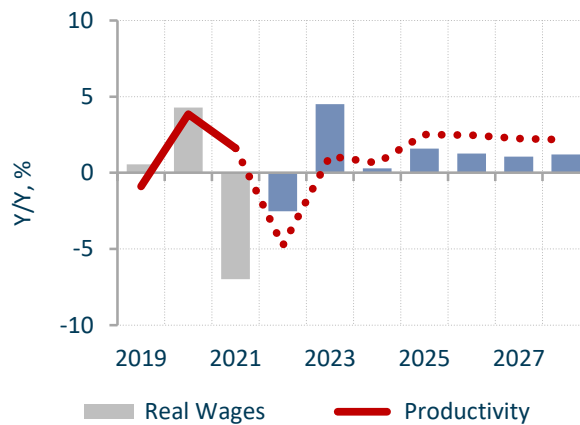
Unemployment Rate
- Annual Data -



Unit Labor Costs
- Annual Data -

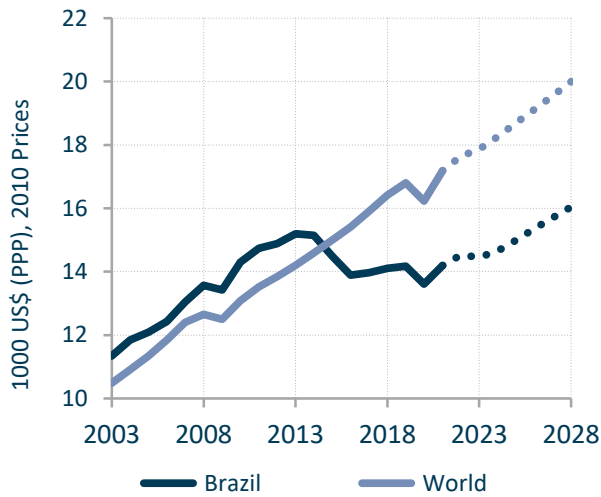


Real Wages & Productivity
- Annual Data -



Labor Market & Income

GDP per Capita (real)
- Annual Data -



- Brazil's real GDP per capita is fairly lower than the world average. The gap is expected to widen in the next five years.

Gini Coefficient
- Annual Data in % -

Gini Coefficient - Annual Data in % -	
	Current Value
Gini Coefficient*	49

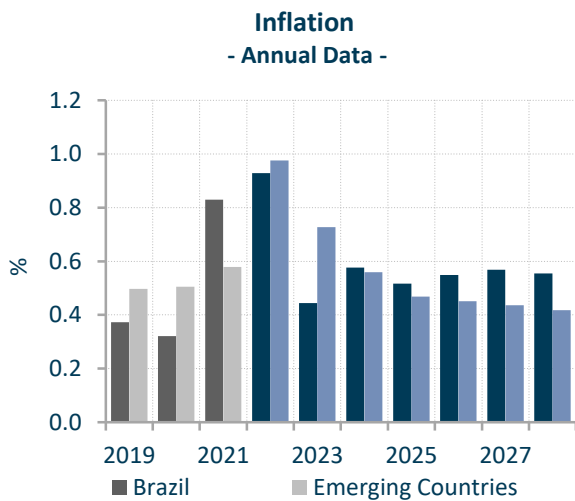
- The Gini coefficient in Brazil shows a high inequality of income distribution in the country.

***Gini Coefficient:**

The Gini coefficient is a measure of statistical dispersion reflecting the income distribution of the residents within a country. A Gini coefficient of 0% means perfect income equality in a country, where all residents have the same income, whereas a Gini coefficient of 100% expresses maximal income inequality, where only one resident has all the income.

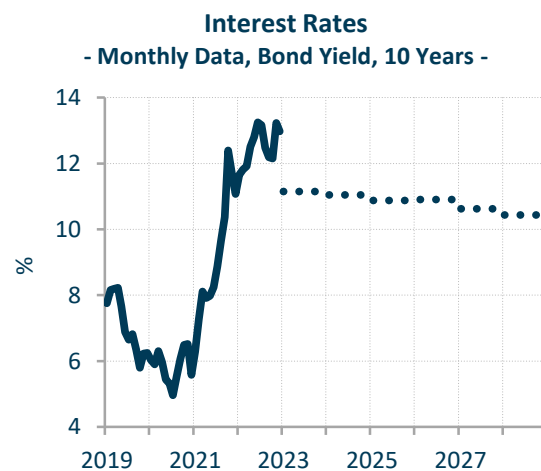
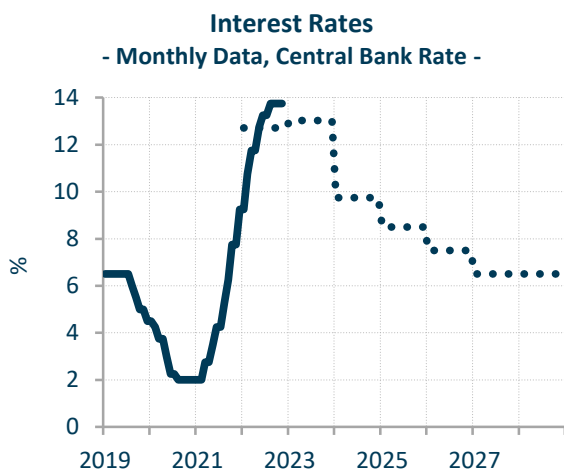
Prices, Interest Rates & Exchange Rates

Inflation has been very high in Brazil in 2022. In 2023, the inflation rate is expected to decrease temporarily. While the inflation rate in Brazil will fall by 3,5 percentage points from 2022 to 2024, the inflation rate in the Emerging Countries is expected to decrease by 4,2 percentage points.



Prices
- Annual Growth in % -

	Consumer Prices	Producer Prices
2022	9,3	14,2
2023	4,4	-4,9
2024	5,8	-0,6
2025	5,2	2,9
2026	5,5	4,4



Exchange Rate Forecast
- Annual Data -

	2021	2022	2023	2024
Local Currency / US\$	5,4	5,2	5,2	stronger
Local Currency / Euro	6,4	5,4	5,3	weaker
Trade Weighted Exchange Rate (real) Appreciation Y/Y	-3,3	13,2	3,5	stronger

Forecast Tables

Demand: GDP and Components										
In Bn R\$ unless otherwise specified										
- Annual Data -										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2032
Gross Domestic Product (GDP)										
GDP, Nominal	7610	8899	10117	10713	11678	12779	14032	15400	16860	23317
Y/Y % Change	3.0	16.9	13.7	5.9	9.0	9.4	9.8	9.8	9.5	8.0
GDP, Real (2021=100)	95.2	100.0	103.0	103.1	105.1	108.1	111.3	114.4	117.3	128.5
Y/Y % Change	-3.3	5.0	3.0	0.1	1.9	2.9	3.0	2.7	2.6	2.2
GDP, Nominal (Bn US\$ (PPP))	3176	3484	3833	3973	4126	4358	4634	4910	5184	6202
Y/Y % Change	-2.0	9.7	10.0	3.7	3.8	5.6	6.3	6.0	5.6	4.2
GDP Per Cap., Nominal (1000 US\$ (PPP))	14.9	16.3	17.8	18.3	18.9	19.9	21.1	22.2	23.3	27.5
Y/Y % Change	-2.7	9.0	9.3	3.0	3.3	5.1	5.8	5.5	5.1	3.8
GDP Per Cap., Real (1000 US\$ (PPP))	13.6	14.2	14.5	14.5	14.6	15.0	15.4	15.7	16.0	17.3
Y/Y % Change	-4.0	4.3	2.3	-0.5	1.3	2.4	2.5	2.2	2.1	1.9
Components of GDP										
Consumption										
Private Consumption, Real	2555	2649	2764	2762	2814	2879	2952	3020	3092	3387
Y/Y % Change	-4.6	3.7	4.3	-0.1	1.9	2.3	2.5	2.3	2.4	2.4
Government Consumption, Real	749	775	788	800	807	819	832	844	857	909
Y/Y % Change	-3.7	3.5	1.7	1.5	0.9	1.5	1.5	1.5	1.5	1.5
Investment										
Fixed Investment, Real	690	804	815	826	856	873	894	919	944	1037
Y/Y % Change	-1.7	16.5	1.3	1.4	3.6	2.0	2.4	2.8	2.7	2.3
Construction, Real	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Construction, Resid., Real	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment, Real	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Other, Real	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Change in Stocks	-46	-57	-86	-93	-96	-48	-24	-12	-6	0
Trade										
Net Exports (Goods & Services), Real	67	44	61	53	50	37	41	51	60	84
Exports (Goods & Services), Real	500	530	554	559	578	592	620	651	683	802
Y/Y % Change	-2.3	5.9	4.7	0.9	3.4	2.4	4.7	5.0	4.8	3.9
Imports (Goods & Services), Real	433	485	493	507	528	556	579	600	623	718
Y/Y % Change	-9.5	12.0	1.6	2.8	4.2	5.2	4.2	3.7	3.8	3.8

Forecast Tables

Retail Sales										
In Bn R\$ unless otherwise specified										
- Annual Data -										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2032
Retail Sector										
Retail Sales, Value (2021=100)	87.4	100.0	115.8	124.3	132.6	142.0	152.5	164.4	177.7	236.6
Y/Y % Change	5.5	14.4	15.8	7.4	6.7	7.1	7.4	7.8	8.1	7.2
Retail Sales, Volume (2021=100)	98.2	100.0	101.7	103.3	105.7	108.4	111.4	114.1	117.0	126.4
Y/Y % Change	0.8	1.9	1.7	1.6	2.3	2.6	2.8	2.4	2.5	1.9
Retail Sales, Price (2021=100)	89.0	100.0	113.8	120.3	125.5	131.0	136.9	144.1	151.9	187.2
Y/Y % Change	4.6	12.3	13.8	5.7	4.3	4.4	4.5	5.3	5.5	5.2

Trade										
In Bn R\$ unless otherwise specified										
- Annual Data -										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2032
Balance of Payments										
Current Account Balance	-133.6	-254.9	-207.2	-215.7	-246.9	-213.9	-153.6	-123.1	-102.5	-106.2
% of GDP	-1.7	-2.9	-2.0	-2.0	-2.1	-1.7	-1.1	-0.8	-0.6	-0.5
Current Account Balance (Bn US\$)	-28.2	-46.4	-40.2	-41.8	-52.1	-49.2	-35.6	-28.0	-22.9	-21.9
Trade Balance (Current Account), Nominal	166.8	196.1	343.5	389.6	284	251.7	287.7	307	317.2	275.7
Exports (Current Account)	1086	1532	1741	1536	1420	1389	1480	1592	1704	2145
Y/Y % Change	21.9	41.1	13.7	-11.8	-7.5	-2.2	6.6	7.6	7.1	5.6
Imports (Current Account)	919.1	1336	1398	1146	1136	1137	1192	1285	1387	1870
Y/Y % Change	17.0	45.3	4.6	-18.0	-0.8	0.0	4.9	7.8	8.0	7.8
Invisibles Balance	-312.2	-446.2	-551.3	-606	-531.7	-466.3	-441.8	-430.5	-420	-382.2
Foreign Trade (Merchandise)										
Trade Balance, Nominal	271.4	327.8	343.5	379.2	284	251.7	287.7	307	317.2	275.7
Exports, Free On Board (FOB)	1083	1512	1741	1525	1420	1389	1480	1592	1704	2145
Y/Y % Change	24.1	39.6	15.2	-12.4	-6.9	-2.2	6.6	7.6	7.1	5.6
Imports, fob	811.7	1184	1398	1146	1136	1137	1192	1285	1387	1870
Y/Y % Change	10.7	45.9	18.0	-18.0	-0.8	0.0	4.9	7.8	8.0	7.8
Foreign Reserves										
Foreign Res., Excl. Gold (Bn US\$)	351.5	354.6	332.3	311.3	281.1	254.9	244.3	243.9	251.4	319.8
Y/Y % Change	-0.6	0.9	-6.3	-6.3	-9.7	-9.3	-4.2	-0.2	3.1	6.4

Forecast Tables

Supply										
In Bn R\$ unless otherwise specified										
- Annual Data -										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2032
Production										
GDP, Real	4016	4216	4343	4348	4430	4559	4694	4822	4946	5417
Y/Y % Change	-3.3	5.0	3.0	0.1	1.9	2.9	3.0	2.7	2.6	2.2
Net Production (2021=100)	95.6	100.0	99.8	100.5	103.0	105.1	107.3	109.6	112.0	122.0
Y/Y % Change	-4.8	4.6	-0.2	0.7	2.5	2.0	2.1	2.2	2.1	2.2
Capacity Utilization (%)	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Origin of GDP, Gross Value Added by Sector										
Total GVA - Whole Economy	3405	3571	3678	3682	3752	3862	3978	4088	4195	4607
Y/Y % Change	-3.0	4.9	3.0	0.1	1.9	2.9	3.0	2.8	2.6	2.3
Primary Sector										
Agricult., Forestry & Fishing	216	217	226	229	237	247	258	268	279	322
Y/Y % Change	4.2	0.3	4.4	1.5	3.2	4.3	4.3	4.1	3.9	3.6
Mining & Quarrying	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Secondary Sector										
Manufacturing	416	434	434	437	448	457	467	477	487	532
Y/Y % Change	-4.7	4.5	-0.1	0.7	2.5	2.0	2.2	2.2	2.2	2.3
Electricity, Gas & Water	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Construction	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Tertiary Sector										
Wholesale & Retail Trade	413	434	446	446	454	466	480	492	504	549
Y/Y % Change	-1.5	5.0	2.9	0.0	1.8	2.8	2.8	2.6	2.5	2.1
Hotels & Restaurants	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Transport & Storage	128	144	148	147	149	153	157	160	164	176
Y/Y % Change	-12.7	12.9	2.5	-0.4	1.4	2.4	2.5	2.2	2.1	1.8
Financial Intermediation	244	244	255	258	267	278	290	302	314	363
Y/Y % Change	3.3	0.0	4.4	1.5	3.3	4.3	4.3	4.1	4.0	3.6
Real Est., Rent. & Bus. Act.	536	584	602	602	613	630	649	666	682	745
Y/Y % Change	-9.3	9.1	2.9	0.1	1.8	2.8	2.9	2.6	2.5	2.2
Public Administration	544	556	569	566	573	586	599	611	623	664
Y/Y % Change	-4.5	2.3	2.3	-0.5	1.2	2.2	2.3	2.0	1.9	1.6
Education	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Health & Social Services	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Other Social & Personal Services	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Private Households	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-

Forecast Tables

Public Sector										
In Bn R\$ unless otherwise specified										
- Annual Data -										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2032
Government Finance										
Public Balance	-996	-383	-748	-767	-638	-601	-601	-668	-730	-999
as % of GDP	-13.3	-4.4	-7.4	-7.2	-5.5	-4.7	-4.3	-4.3	-4.3	-4.3
Expenditures	3201	3119	3792	3982	4078	4340	4694	5086	5560	7644
Y/Y % Change	15.9	-2.6	21.6	5.0	2.4	6.4	8.2	8.4	9.3	7.9
Revenues	2206	2736	3044	3214	3440	3738	4093	4418	4830	6644
Y/Y % Change	-5.2	24.1	11.2	5.6	7.0	8.7	9.5	7.9	9.3	7.9
Gross Public Debt	7369	8073	9116	10038	10841	11769	12715	13764	14904	20586
as % of GDP	98.7	93.0	90.1	93.7	92.8	92.1	90.6	89.4	88.4	88.3
Public Expenditure Quota	42.07	35.05	37.48	37.17	34.92	33.96	33.45	33.03	32.98	32.78
Y/Y % Change	0.0	-16.7	6.9	-0.8	-6.1	-2.7	-1.5	-1.3	-0.1	-0.1

Forecast Tables

Labor Market and Income										
In Bn R\$ unless otherwise specified										
- Annual Data -										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2032
Labor Market										
Wages, Real (2021=100)	107.5	100.0	97.5	101.9	102.2	103.8	105.1	106.2	107.5	113.7
Y/Y % Change	4.3	-7.0	-2.5	4.5	0.3	1.6	1.3	1.1	1.2	1.6
Earnings (2021=100)	99.0	100.0	107.0	116.0	123.0	132.0	141.0	150.0	160.0	204.0
Y/Y % Change	7.0	1.0	7.0	9.0	6.0	7.0	7.0	7.0	7.0	6.0
Productivity (1000 US\$)	11.1	11.3	10.7	10.9	10.9	11.2	11.5	11.7	12.0	13.0
Y/Y % Change	3.8	1.6	-4.8	1.1	0.6	2.5	2.5	2.2	2.2	2.1
Unit Labor Cost (2021=100)	100.3	100.0	112.1	120.9	127.4	132.6	138.2	144.3	150.7	176.3
Y/Y % Change	3.5	-0.3	12.1	7.8	5.4	4.1	4.2	4.4	4.5	3.9
Employment (Mn)	87.6	90.5	98.0	97.0	98.2	98.6	99.1	99.6	100.0	100.5
Y/Y Abs. Change	-6.45	2.91	7.42	-0.94	1.21	0.40	0.47	0.46	0.41	0.14
Unemployment (Mn)	13.6	14.1	10.3	10.2	9.6	9.5	9.3	9.1	8.8	8.7
Y/Y Abs. Change	0.73	0.49	-3.78	-0.10	-0.61	-0.10	-0.20	-0.25	-0.25	-0.06
Unemployment Rate (%)	13.5	13.5	9.5	9.5	8.9	8.8	8.6	8.4	8.1	8.0
Private Households										
NNP, Nominal at Factor Costs	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Compensation of Employees	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Gross Profits & Rental Income	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Pers. Disposable Income, Nominal	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Private Consumption, Nominal	4805	5430	6169	6438	6929	7448	8046	8690	9379	12344
Y/Y % Change	-0.2	13.0	13.6	4.4	7.6	7.5	8.0	8.0	7.9	6.8
Pers. Disposable Income, Real (2021=100)	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Private Consumption, Real (2021=100)	96	100	104	104	106	109	111	114	117	128
Y/Y % Change	-4.6	3.7	4.3	-0.1	1.9	2.3	2.5	2.3	2.4	2.4
Personal Savings Ratio (%)	-	-	-	-	-	-	-	-	-	-
Population (Mn)	212.6	214.0	215.4	216.6	217.9	219.0	220.1	221.1	222.1	225.4
Y/Y Abs. Change	1.5	1.4	1.4	1.3	1.2	1.2	1.1	1.0	1.0	0.7
GDP Per Cap., Real (PPP, 2021=100)	95.9	100.0	102.3	101.9	103.2	105.6	108.2	110.7	113.0	122.0
Y/Y % Change	-4.0	4.3	2.3	-0.5	1.3	2.4	2.5	2.2	2.1	1.9

Forecast Tables

Prices, Interest and Exchange Rates										
In Bn R\$ unless otherwise specified										
- Annual Data -										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2032
Prices										
Consumer Prices (2021=100)	92.3	100.0	109.3	114.1	120.7	127.0	133.9	141.5	149.4	180.3
Y/Y % Change	3.2	8.3	9.3	4.4	5.8	5.2	5.5	5.7	5.5	4.4
Consumer Prices, Core (2021=100)	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Producer Prices (2021=100)	76.1	100.0	114.2	108.6	108.0	111.1	115.9	121.8	128.1	156.9
Y/Y % Change	11.2	31.5	14.2	-4.9	-0.6	2.9	4.4	5.1	5.2	5.2
Export Prices (2021=100)	73.8	100.0	108.5	93.7	84.0	78.0	79.4	83.1	87.0	102.7
Y/Y % Change	21.9	35.5	8.5	-13.6	-10.4	-7.2	1.9	4.6	4.7	4.0
Import Prices (2021=100)	84.4	100.0	116.7	99.9	88.3	81.5	82.1	85.4	89.0	104.6
Y/Y % Change	21.2	18.4	16.7	-14.4	-11.6	-7.7	0.7	4.1	4.2	4.0
Monetary Policy and Monetary Supply										
Central Bank Rate (%)	2.8	4.8	12.7	13.0	9.8	8.5	7.5	6.5	6.5	6.5
Money Supply M1	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Money Supply M2	3998	4298	4955	5298	5666	6219	6833	7502	8212	11008
Y/Y % Change	29.0	7.5	15.3	6.9	6.9	9.8	9.9	9.8	9.5	7.3
Money Supply M3	-	-	-	-	-	-	-	-	-	-
Y/Y % Change	-	-	-	-	-	-	-	-	-	-
Money Markets										
Call Money Rate (%)	2.8	4.4	12.5	13.1	9.7	8.4	7.4	6.4	6.4	6.4
Interbank Rate, 1 Month (%)	-	-	-	-	-	-	-	-	-	-
Interbank Rate, 3 Months (%)	-	-	-	-	-	-	-	-	-	-
Interbank Rate, 6 Months (%)	-	-	-	-	-	-	-	-	-	-
Bond Markets										
Government Bond Yield, 1 Y. (%)	3.2	7.1	13.1	11.5	9.9	9.0	8.9	8.3	8.0	7.2
Government Bond Yield, 3 Y. (%)	5.2	8.7	12.4	11.4	10.5	10.0	9.9	9.5	9.3	8.4
Government Bond Yield, 5 Y. (%)	6.1	8.8	12.1	11.2	10.8	10.5	10.5	10.1	9.9	9.0
Government Bond Yield, Avg. Mat. (%)	7.2	9.7	12.1	11.1	11.0	10.9	10.9	10.6	10.4	9.5
Exchange Rates (Avg.)										
BRL / €	5.89	6.38	5.42	5.35	5.37	5.43	5.75	5.90	6.05	6.63
Y/Y % Change	33.4	8.3	-15.0	-1.4	0.4	1.1	5.8	2.6	2.6	2.3
BRL / US\$	5.15	5.39	5.17	5.18	4.75	4.36	4.32	4.41	4.49	4.87
Y/Y % Change	30.7	4.7	-4.2	0.2	-8.2	-8.2	-0.9	1.9	2.0	2.0
Trade-Weighted Exch. Rate, Nom. (2010=100)	51.0	48.4	55.2	59.6	65.0	69.5	69.1	67.7	66.4	61.8
Y/Y % Change	-19.6	-5.1	13.9	8.0	9.0	6.9	-0.5	-2.0	-2.1	-1.7
Trade-Weighted Exch. Rate, Real (2010=100)	60.2	58.2	65.9	68.2	73.6	79.5	80.5	80.7	81.0	82.1
Y/Y % Change	-20.6	-3.3	13.2	3.5	7.9	8.1	1.3	0.3	0.3	0.3

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