


Banco MUFG Brasil S.A.

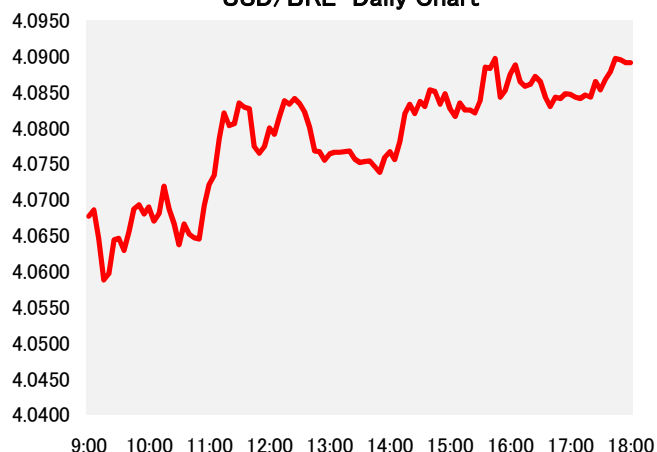
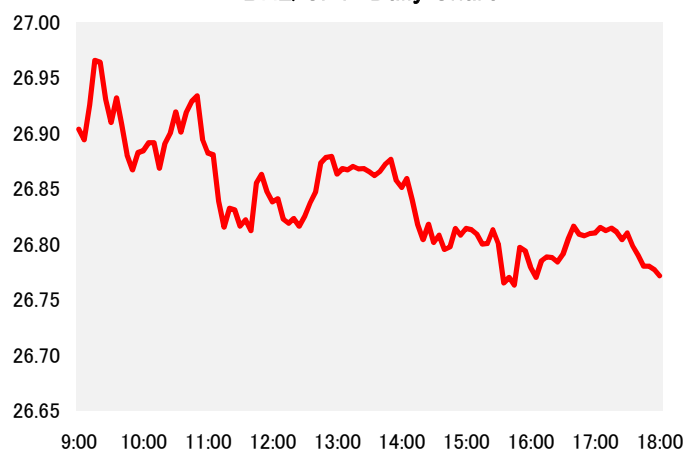
Treasury & Markets
 Av. Paulista, 1274 – Bela Vista
 São Paulo, SP – 01310-925

1. Market Rates

			3-Jan	6-Jan	7-Jan	8-Jan	9-Jan	Net Chg
FX	USD/BRL	Spot	4.0588	4.0650	4.0660	4.0640	4.0890	+0.0250
	BRL/JPY	Spot	26.592	26.690	26.70	26.86	26.77	-0.09
	EUR/USD	Spot	1.1161	1.1193	1.1144	1.1110	1.1106	-0.0004
	USD/JPY	Spot	108.09	108.44	108.55	109.08	109.50	+0.42
Rates	Brazil DI	6MTH(p.a.)	4.315	4.314	4.298	4.280	4.280	+0.000
	Future	1Year(p.a.)	4.522	4.537	4.497	4.472	4.459	-0.013
	On-shore	6MTH(p.a.)	2.442	2.395	2.359	2.430	2.463	+0.033
	USD	1Year(p.a.)	2.409	2.362	2.349	2.416	2.410	-0.006
Equity	Bovespa Index		117,706.70	116,877.90	116,571.40	116,247.10	115,923.70	-323.40
CDS	CDS Brazil 5y		98.48	98.63	99.70	97.53	97.53	u.c.
Commodity	CRB Index		186.897	187.388	186.925	183.375	183.561	+0.19

Source: Bloomberg

* The rates above are end of the day market price/ rate and used for your reference only

USD/BRL Daily Chart

BRL/JPY Daily Chart


Source: Bloomberg

2. Topics

- USDBRL appreciated right after markets opened and reached the highest of 4.0590. But since then, USDBRL depreciated somewhat. On the external side, there was risk-on mood amid the ease of geopolitical tensions between US and Iran, as well as the confirmation that Chinese delegation will travel to the U.S. to sign the first phase of the trade deal between both countries. On the other hand, market reacted negatively to the weaker-than-expected Industrial Production in November 2019 that showed 1.2% contraction versus expectation of -0.5%. This weaker-than-expected data increased bets on Selic policy rate cut in the next Copom meeting in February, thus influencing on the predominance of some BRL depreciation by the end of the morning session.
- In the afternoon session, USDBRL depreciated following Dollar appreciation abroad with some risk-off movement abroad and technical adjustment reverting the USD weakening in the previous days. It reached the highest of 4.0900 and the closing price was 4.0890