



Banco MUFG Brasil S.A.

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

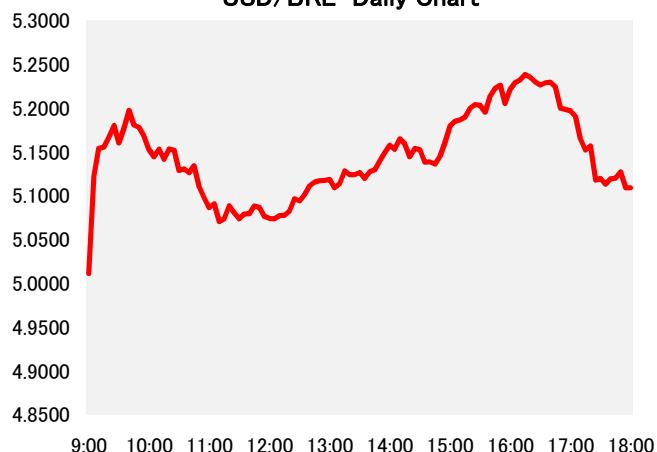
1. Market Rates

			12-Mar	13-Mar	16-Mar	17-Mar	18-Mar	Net Chg
FX	USD/BRL	Spot	4.7940	4.8400	5.0010	5.0080	5.1090	+0.1010
	BRL/JPY	Spot	21.830	22.230	21.20	21.50	21.16	-0.34
	EUR/USD	Spot	1.1185	1.1107	1.1178	1.0997	1.0915	-0.0082
	USD/JPY	Spot	104.64	107.96	105.97	107.69	108.08	+0.39
Rates	Brazil DI	6MTH(p.a.)	4.212	4.706	4.055	3.643	3.659	+0.016
	Future	1Year(p.a.)	5.078	4.399	4.047	3.799	4.163	+0.365
	On-shore	6MTH(p.a.)	2.150	1.762	2.204	2.283	2.719	+0.436
	USD	1Year(p.a.)	2.224	1.830	2.167	2.215	2.530	+0.316
Equity	Bovespa Index		72,582.60	82,677.90	71,168.10	74,617.30	66,894.90	-7,722.40
CDS	CDS Brazil 5y		309.47	259.40	325.42	310.41	378.86	+68.45
Commodity	CRB Index		141.942	140.838	132.715	130.289	120.343	-9.95

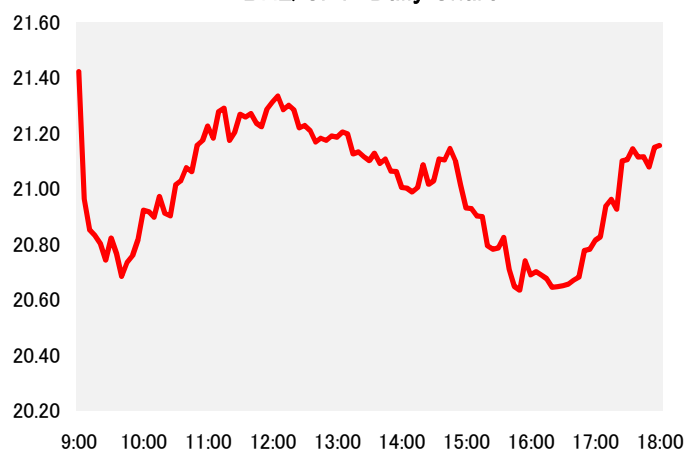
Source: Bloomberg

* 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 opened weaker at 5.0110 amid concerns of global recession, what made USDBRL easily reach 5.2019. The Central Bank actions didn't change such pressure: it sold USD 830 mln in the spot market, auctioned USD 2 bln of FX credit line and announced repo FX operations with Brazilian global bonds. USDBRL just improved after the Mexican Central Bank auctioned USD 2 bln in FX swaps, with a positive impact on BRL. USDBRL reached its highest level at 5.0102. But it was also temporary. In the middle of the afternoon session, it was announced two additional deaths because of the coronavirus, what made USDBRL depreciate to a new historical intraday low level: 5.2484. At this point, Central Bank announced a new auction and sold just USD 30 mln in the spot. USDBRL closed at 5.1090.
- Copom decided to cut the Selic policy rate by 50 bps to 3.75% amid the sharp deterioration of the macroeconomic conditions due to the coronavirus. It signalled stability for the May meeting, although this is not a guarantee as market has been changing fast because of the coronavirus. We can't rule out other measures like the reduction of reserve requirement on deposits or some fund release like the FGTS severance fund.

March 18, 2020



Banco MUFG Brasil S.A.

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

DISCLAIMER

The information herein is provided for information purposes only, and is not to be used or considered as an offer or the solicitation of an offer to sell or to buy or subscribe for securities or other financial instruments. Neither this nor any other communication prepared by Banco MUFG Brasil S.A. and/or MUFG Bank, Ltd. (herein jointly as “MUFG”) is or should be construed as investment advice, a recommendation to enter into a particular transaction or pursue a particular strategy, or any statement as to the likelihood that a particular transaction or strategy will be effective in light of your business objectives or operations. Before entering into any particular transaction, you are advised to obtain such independent financial, legal, accounting and other advice as may be appropriate under the circumstances. In any event, any decision to enter into a transaction will be yours alone, not based on information prepared or provided by MUFG. MUFG hereby disclaims any responsibility to you concerning the characterization or identification of terms, conditions, and legal or accounting or other issues or risks that may arise in connection with any particular transaction or business strategy. Note that MUFG may have issued, and may in the future issue, other reports that are inconsistent with or that reach conclusions different from the information set forth herein. Such other reports, if any, reflect the different assumptions, views and/or analytical methods of the advisors who prepared them, and MUFG is under no obligation to ensure that such other reports are brought to your attention. MUFG retains copyright to this report and no part of this report may be reproduced or re distributed without the written permission of MUFG expressly prohibits the distribution or re-distribution of this report to any parties, via the Internet or otherwise and MUFG, its head office, branches, subsidiaries or affiliates accepts no liability whatsoever to any third parties resulting from such distribution or re-distribution.

Mitsubishi UFJ Financial Group, Inc. is one of the world’s leading financial groups. Headquartered in Tokyo (Japan) and with over 360 years of history, MUFG has a global network with over 1,800 locations in more than 50 countries. The Group has over 150,000 employees and offers services including commercial banking, investment banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing.

Banco MUFG Brasil S.A.
Av. Paulista, 1.274
São Paulo - SP - Brazil
Ombudsman Toll-free (and DDG): 0800 770 4060
Email: ouvidoria@br.mufg.jp

© 2019 Banco MUFG S.A. All rights reserved. The MUFG logo and name is a service mark of Mitsubishi UFJ Financial Group, Inc., and is used by Banco MUFG S.A. with permission