



Banco MUFG Brasil S.A.

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

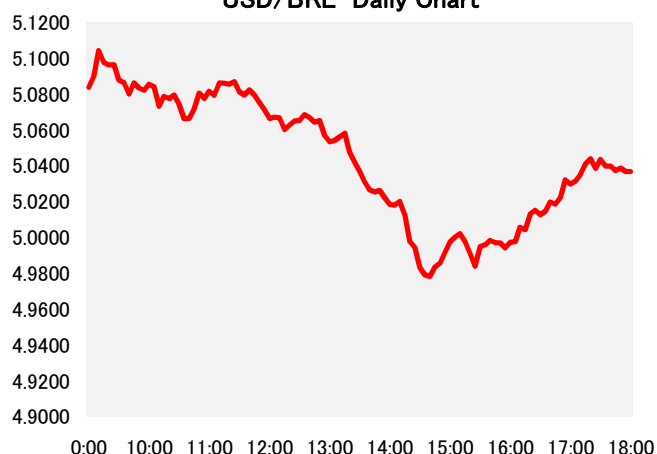
1. Market Rates

			19-Mar	20-Mar	23-Mar	24-Mar	25-Mar	Net Chg
FX	USD/BRL	Spot	5.0950	5.0630	5.1420	5.0980	5.0370	-0.0610
	BRL/JPY	Spot	21.720	21.880	21.63	21.82	22.08	+0.26
	EUR/USD	Spot	1.0690	1.0695	1.0726	1.0777	1.0881	+0.0104
	USD/JPY	Spot	110.69	110.89	111.22	111.23	111.21	-0.02
Rates	Brazil DI	6MTH(p.a.)	4.216	3.729	3.520	3.491	3.375	-0.116
	Future	1Year(p.a.)	4.243	4.320	4.094	3.881	3.581	-0.300
	On-shore	6MTH(p.a.)	2.321	2.194	1.759	1.657	1.464	-0.193
	USD	1Year(p.a.)	2.195	1.771	1.441	1.336	1.245	-0.090
Equity	Bovespa Index		68,331.80	67,069.40	63,569.60	69,729.30	74,955.60	+5,226.30
CDS	CDS Brazil 5y		352.99	347.08	369.91	329.54	244.32	-85.22
Commodity	CRB Index		127.635	123.885	124.713	128.155	129.597	+1.44

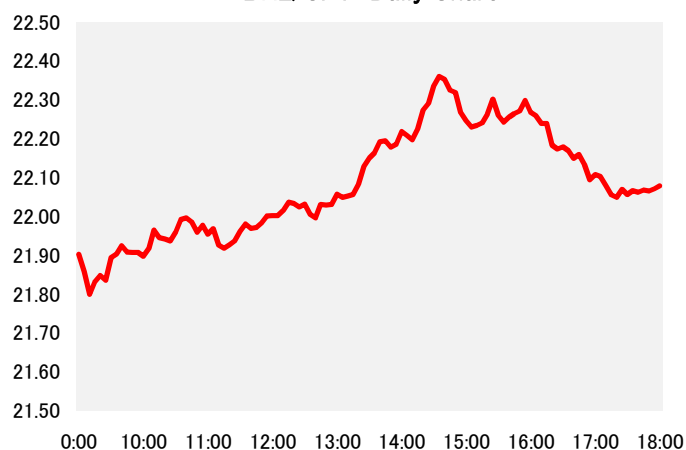
Source: Bloomberg

* 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 at 5,0904 under the US Congress agreement on the USD 2 trillion coronavirus stimulus bill. The Central Banl rolled over USD 3.3 bln of FX credit line. In the morning session, USDBRL moved to its lowest level at 5.1045. USDBRL moved well correlated with the more positive global environment with the possibility of ECB using stronger tools to suuport the market. The rate breached the 5.0 level, reaching the highest level at 4.9765 in the middle of the afternoon session. From then on, it depreciated again, and it closed at 5,0370.
- IPCA-15 inflation index posted +0.02% in mid-March, accumulating 3.67% in 12-month period. The inflation scenario continues very comfortable and the Covid-19 pandemic will not change that. Despite the BRL depreciation, the lockdown in São Paulo and the drop of commodity prices will keep inflation well below the 4.0% target in 2020.
- In January, retail sales decreased 1.0% in the restrict concept and increased 0.6% in broad concept, both over December, seasonally adjusted. These figures don't include the impact of the coronavirus. February figures might be weak because of the Carnival, and it might be hardly impacted by the coronavirus in the March and April readings.
- In February, current account deficit amounted to USD 3.9 bln and the foreign direct investment inflow to USD 6.0 bln. The USD 16.6 bln outflow of foreign direct investment on portfolio in March through 23rd reflects the impact of the risk-off mood abroad on Brazilian assets. As a whole, the situation of the Balance of Payments continues solid, despite the recent deterioration.



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