



Banco MUFG Brasil S.A.

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

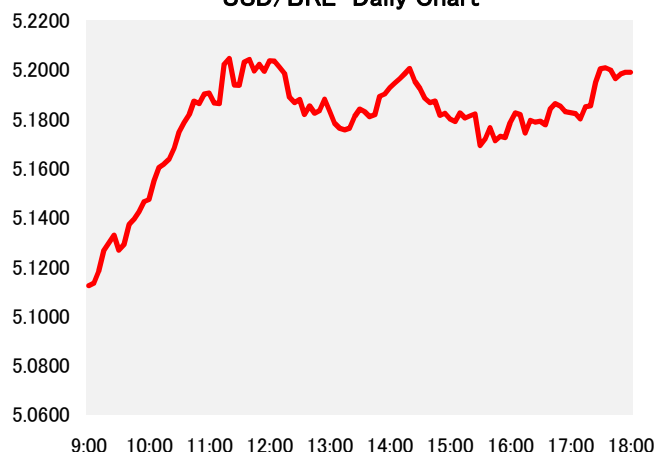
1. Market Rates

			6-Apr	7-Apr	8-Apr	9-Apr	13-Apr	Net Chg
FX	USD/BRL	Spot	5.2820	5.2240	5.1220	5.1090	5.1990	+0.0900
	BRL/JPY	Spot	20.670	20.830	21.24	21.23	20.73	-0.50
	EUR/USD	Spot	1.0793	1.0892	1.0857	1.0930	1.0914	-0.0016
	USD/JPY	Spot	109.22	108.82	108.85	108.48	107.76	-0.72
Rates	Brazil DI	6MTH(p.a.)	3.272	3.224	3.224	3.199	3.132	-0.067
	Future	1Year(p.a.)	3.379	3.330	3.293	3.236	3.189	-0.047
	On-shore USD	6MTH(p.a.)	1.564	1.759	1.802	1.659	1.723	+0.064
		1Year(p.a.)	1.967	2.188	2.193	1.931	1.934	+0.003
Equity	Bovespa Index		74,073.00	76,358.10	78,624.60	77,681.90	78,835.80	+1,153.90
CDS	CDS Brazil 5y		353.22	327.18	303.83	278.71	272.24	-6.47
Commodity	CRB Index		128.064	127.955	129.195	127.816	127.935	+0.12

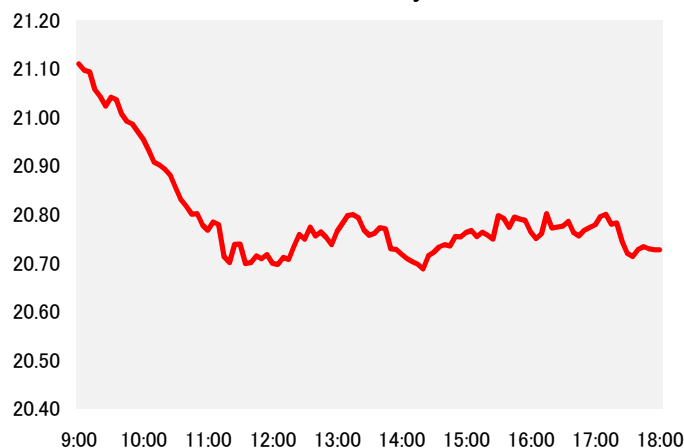
Source: Bloomberg

* 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 5.1151 waiting for the 1Q results of US companies that starts to be published this week. Certainly, they will show the first impacts of the coronavirus in their business. USDBRL reached its highest level at 5.1063 soon after the opening, but it started to depreciate steadily. USDBRL was also impacted by the votes in the Congress: i) the postponement from today to Wednesday the vote of the called war budget that allows the federal government to increase its expenditures without being punished to breach fiscal limits and authorizes the Central Bank to buy directly private and public bonds, and ii) the bill to help states and municipalities that are in the right direction, but changes introduced by congressmen may increase significantly expenditure to the federal government. In the morning session, USDBRL reached its lowest level at 5.2072 and it closed at 5.1990, being the worst among EM currencies.
- The weekly survey of the Central Bank shows that the market continues to adjust its short term scenario. Regarding IPCA inflation, the median of market expectation reduced to 2.52% from 2.72% for 2020, being very close to the 2.5% floor of the range, which central point is 4.00%. For 2021, market kept at 3.50%. For GDP, there was a new cut of performance, with market expecting -1.96% for 2020, coming from previous estimate of -1.18%. For 2021, it improved the recovery pace to +2.7% from 2.5%. In terms of FX rate, market is expecting weaker results: to 4.60 from 4.50 to the end of 2020, and to 4.47 from 4.40 to the end of 2021, both rates well below the current level heavily influenced by the global risk-off mood as of the coronavirus disease. Market kept the Selic policy rate at 3.25% to the end of 2020, but it reduced to 4.50% from 4.75% to the end of 2021.



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