


**Banco MUFG Brasil S.A.**

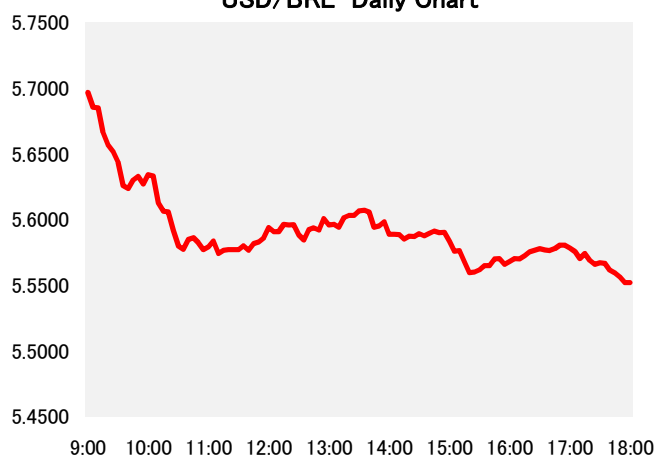
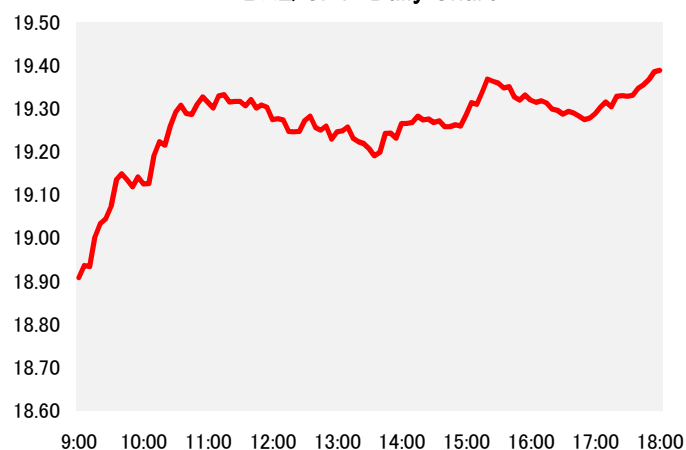
Treasury & Markets  
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**1. Market Rates**

			15-May	18-May	19-May	20-May	21-May	Net Chg
FX	USD/BRL	Spot	5.8550	5.7160	5.7550	5.6930	<b>5.5520</b>	-0.1410
	BRL/JPY	Spot	18.290	18.770	18.72	18.89	<b>19.39</b>	+0.50
	EUR/USD	Spot	1.0820	1.0919	1.0926	1.0979	<b>1.0950</b>	-0.0029
	USD/JPY	Spot	107.06	107.33	107.71	107.52	<b>107.64</b>	+0.12
Rates	Brazil DI	6MTH(p.a.)	2.570	2.530	2.531	2.530	<b>2.488</b>	-0.042
	Future	1Year(p.a.)	2.784	2.748	2.739	2.768	<b>2.686</b>	-0.082
	On-shore	6MTH(p.a.)	1.505	1.521	1.568	1.510	<b>1.489</b>	-0.021
	USD	1Year(p.a.)	1.713	1.721	1.781	1.741	<b>1.720</b>	-0.021
Equity	Bovespa Index		77,556.60	81,194.30	80,742.40	81,319.40	<b>83,027.10</b>	+1,707.70
CDS	CDS Brazil 5y		353.51	336.52	335.04	321.25	<b>306.09</b>	-15.16
Commodity	CRB Index		124.747	129.086	129.574	130.911	<b>130.516</b>	-0.39

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 slightly weaker at 5.6961 despite the positive environment abroad with the easing restrictions in several countries after peaking the cases of Covid-19. USDBRL reached its lowest rate at 5.7039, just after the opening as the positive mood predominated afterwards. The market is more cautious about Central Bank actions after recent heavy intervention made when USDBRL got closer to 6.0. Additionally, Central Bank governor Roberto Campos Neto reinforced the monetary authority willingness to do what it is necessary to curb volatility, to avoid BRL underperforming its peers, to provide liquidity and keep the market operating fully functional. By the time of the video meeting of president Bolsonaro with the heads of both houses of the Congress and several state governors, USDBRL entered in a new strengthening wave, breaching the 5.6 level. The key issue of this meeting is about a presidential veto for the Congress inclusion of several public servant segments to be exempted to the wage freeze until 2021. Most of governors agreed and this was also a victory for Finance Minister Paulo Guedes, what pleased market. Additionally, the initial jobless claims at 2.44 mln showed that unemployment continue to mount fast in the US, making USD lose ground to EM currencies. Near the closing, USDBRL reached its highest level at 5.5487, but it closed at 5.5520.



May 21, 2020

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