


**Banco MUFG Brasil S.A.**

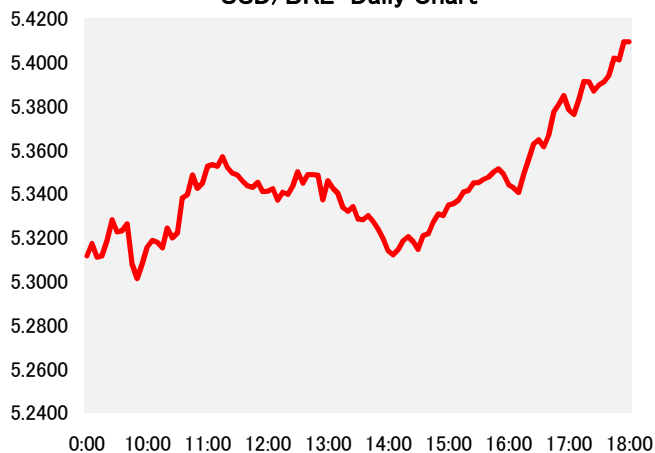
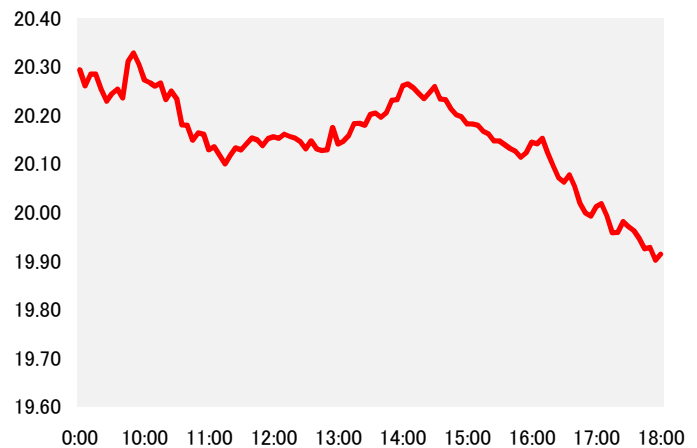
Treasury & Markets  
 Av. Paulista, 1274 – Bela Vista  
 São Paulo, SP – 01310-925

**1. Market Rates**

			22-May	25-May	26-May	27-May	28-May	Net Chg
FX	USD/BRL	Spot	5.5330	5.4450	5.3480	5.2740	<b>5.4090</b>	+0.1350
	BRL/JPY	Spot	19.450	19.780	20.12	20.42	<b>19.91</b>	-0.51
	EUR/USD	Spot	1.0902	1.0897	1.0983	1.1005	<b>1.1073</b>	+0.0068
	USD/JPY	Spot	107.64	107.70	107.57	107.73	<b>107.64</b>	-0.09
Rates	Brazil DI	6MTH(p.a.)	2.451	2.395	2.398	2.389	<b>2.366</b>	-0.023
	Future	1Year(p.a.)	2.658	2.572	2.630	2.611	<b>2.606</b>	-0.004
	On-shore	6MTH(p.a.)	1.487	1.413	1.378	1.299	<b>1.316</b>	+0.017
	USD	1Year(p.a.)	1.697	1.642	1.601	1.529	<b>1.589</b>	+0.060
Equity	Bovespa Index		82,173.20	85,663.50	85,468.90	87,946.30	<b>86,949.10</b>	-997.20
CDS	CDS Brazil 5y		312.30	314.56	279.74	274.64	<b>280.49</b>	+5.85
Commodity	CRB Index		129.533	129.533	131.621	129.164	<b>129.759</b>	+0.59

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 5.2796 concerned with the developments of the political tension because of the investigations of the Supreme Court targeting some allies of the president. This was also the highest level today. USDBRL detached from other EM currencies as we could also see some profit taking movement after several days of gains. It was a correction. Close to the end of the session, US president Donald Trump announced a press conference for tomorrow to talk about China, raising concerns about retaliation because of the Hong Kong issue. It reached the lowest level at 5.4095 and it closed at 5.4090.
- Datafolha survey shows that the negative assessment of president Bolsonaro increased from 38% in April to 43% in May, while the positive assessment remained at 33%, so keeping his loyal base of supporters.
- Unemployment rate came at 12.6% in the average from February to April. The rate will keep rising in the next few months amid the quarantine period in most part of Brazil due to the pandemic. The picture of labor market is even worse as a significant number of people must have stopped looking for jobs (so-called discouraged workers) because of the isolation measures and the temporary monthly stipend (Coronavoucher) provided by government.



May 28, 2020

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