


Banco MUFG Brasil S.A.

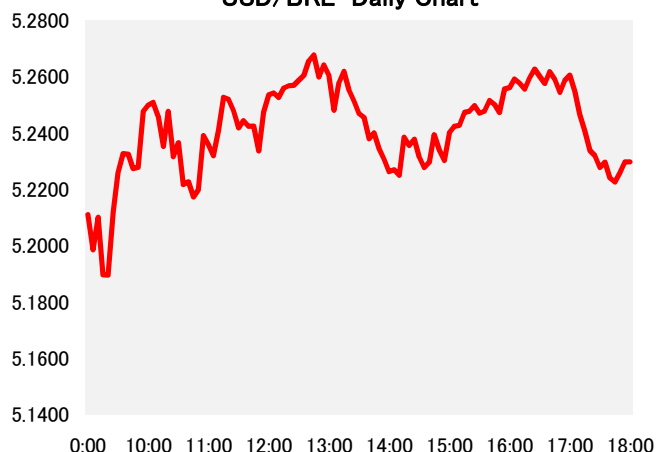
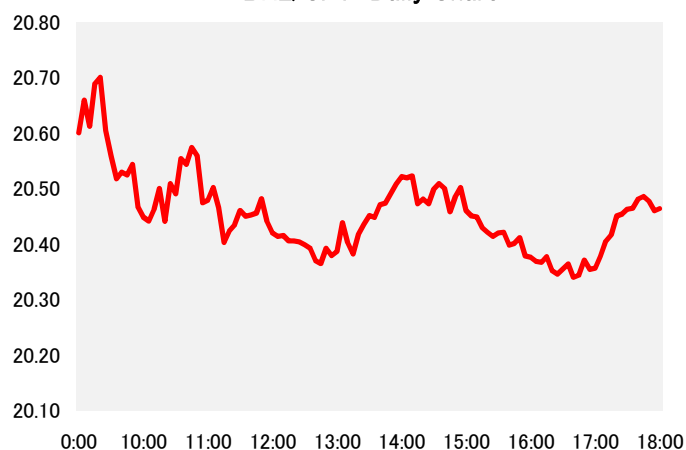
Treasury & Markets
 Av. Paulista, 1274 – Bela Vista
 São Paulo, SP – 01310-925

1. Market Rates

			10-Jun	12-Jun	15-Jun	16-Jun	17-Jun	Net Chg
FX	USD/BRL	Spot	4.9730	5.0500	5.1560	5.2420	5.2300	-0.0120
	BRL/JPY	Spot	21.540	21.260	20.82	20.47	20.46	-0.01
	EUR/USD	Spot	1.1375	1.1255	1.1322	1.1268	1.1243	-0.0025
	USD/JPY	Spot	107.12	107.38	107.32	107.33	107.03	-0.30
Rates	Brazil DI	6MTH(p.a.)	2.188	2.164	2.119	2.109	2.111	+0.002
	Future	1Year(p.a.)	2.486	2.472	2.437	2.463	2.442	-0.021
	On-shore	6MTH(p.a.)	1.238	1.176	1.145	1.094	1.031	-0.063
	USD	1Year(p.a.)	1.382	1.255	1.258	1.240	1.205	-0.035
Equity	Bovespa Index		94,686.00	92,795.30	92,375.50	93,531.20	95,547.30	+2,016.10
CDS	CDS Brazil 5y		227.42	271.62	263.28	254.95	262.47	+7.52
Commodity	CRB Index		139.222	134.321	134.779	136.272	136.384	+0.11

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 stronger at 5.2243 and it moved to its highest level at 5.1838. The market is concerned about a second wave of Covid-19 in China as the Chinese government shut schools and isolated some districts in Beijing, but the measures to support economic activity by Central Banks mitigate these fears. The border dispute between India and China and the tension between North and South Korea didn't make price yet. USDBRL moved to around yesterday's closing waiting for the Copom decision this afternoon after markets are closed. The Supreme Court formed majority to keep on fake news probe what didn't impact market so much as it highly expected and it didn't any new development to the case. The lowest level for USDBRL was at 5.2702. USDBRL closed at 5.2300, before the Copom announcement.
- The Central Bank announced a 75 bps cut of the Selic policy rate to 2.25%. Further cut, if necessary, might be residual. The Central Bank affirmed that the next steps will depend on the balance of risks new information about the Covid-19 and lower uncertainty about the fiscal accounts.
- In April, services activity plunged by 11.7% versus the previous month.. This is the worst result since 2011 and third negative month in a row. April outcome was driven by the mandatory shutdown of several non-essential services establishments aiming to curb the coronavirus pandemic. Services Activity from May on tend to show some stability as of some easing in social distancing measures. Services figures tend to have better performances during the second half of the year, assuming that Coronavirus will be gradually controlled.



June 17, 2020

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