



Banco MUFG Brasil S.A.

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

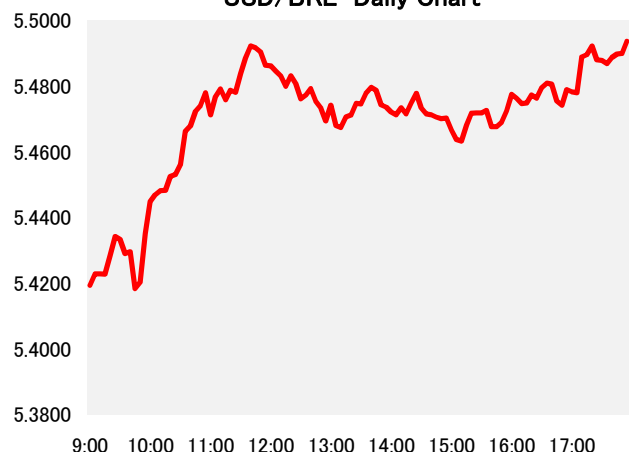
1. Market Rates

			25-Aug	26-Aug	27-Aug	28-Aug	31-Aug	Net Chg
FX	USD/BRL	Spot	5.5090	5.6100	5.5700	5.3890	0.0000	-5.3890
	BRL/JPY	Spot	19.310	18.900	19.13	19.55	19.28	-0.27
	EUR/USD	Spot	1.1835	1.1831	1.1821	1.1904	1.1937	+0.0033
	USD/JPY	Spot	106.37	106.03	106.56	105.37	105.91	+0.54
Rates	Brazil DI	6MTH(p.a.)	2.004	2.050	2.096	2.065	2.110	+0.046
	Future	1Year(p.a.)	2.407	2.470	2.495	2.462	2.519	+0.058
	On-shore	6MTH(p.a.)	1.065	1.081	1.062	1.051	1.071	+0.020
	USD	1Year(p.a.)	1.222	1.220	1.214	1.199	1.183	-0.016
Equity	Bovespa Index		102,117.60	100,627.30	100,623.60	102,142.90	99,369.10	-2,773.80
CDS	CDS Brazil 5y		219.11	225.99	223.51	218.88	217.80	-1.08
Commodity	CRB Index		152.643	152.457	152.703	153.439	153.214	-0.23

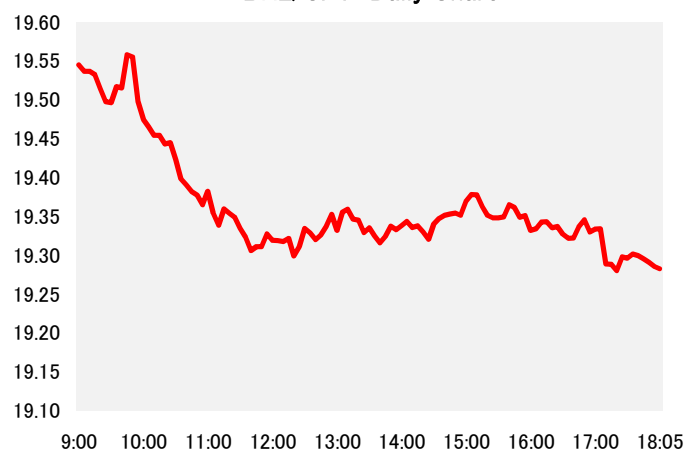
Source: Bloomberg

* 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 5.3895 and this was also the highest level today. USDBRL underperformed its peers today as the concerns on the fiscal accounts persist. Although the 2021 budget submitted today to the Congress brought nothing unexpected and in line with fiscal limits like the spending cap, market waits for congress decision on the budget, the extension of the monthly stipend (to be announced tomorrow) and the final decision on "Renda Brasil" social program. On the technical side, market took some profits after the huge gain last Friday and investors disputed the fixing today as the end-of-month rate would define the yield of some operations. USDBRL reached the lowest level at 5.4946 and it closed at 5.4940.
- The weekly Focus survey showed a new round of small adjustments, especially for 2020 figures. IPCA inflation was revised up to 1.77% from 1.71% for 2020 and it was kept at 3.00% for 2021. GDP for 2020 was improved for the 9th week in a row to -5.28% from -5.46%, even though still a significant retraction. For 2021, GDP forecast was maintained at 3.50%. FX rate to the end of 2020 was worsened to 5.25 from 5.20 and kept at 5.00 to the end of 2021. The Selic policy rate was kept at 2.00% to the end of 2020 and revised down to 2.88% from 3.00% to the end of 2021.

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