


Banco MUFG Brasil S.A.

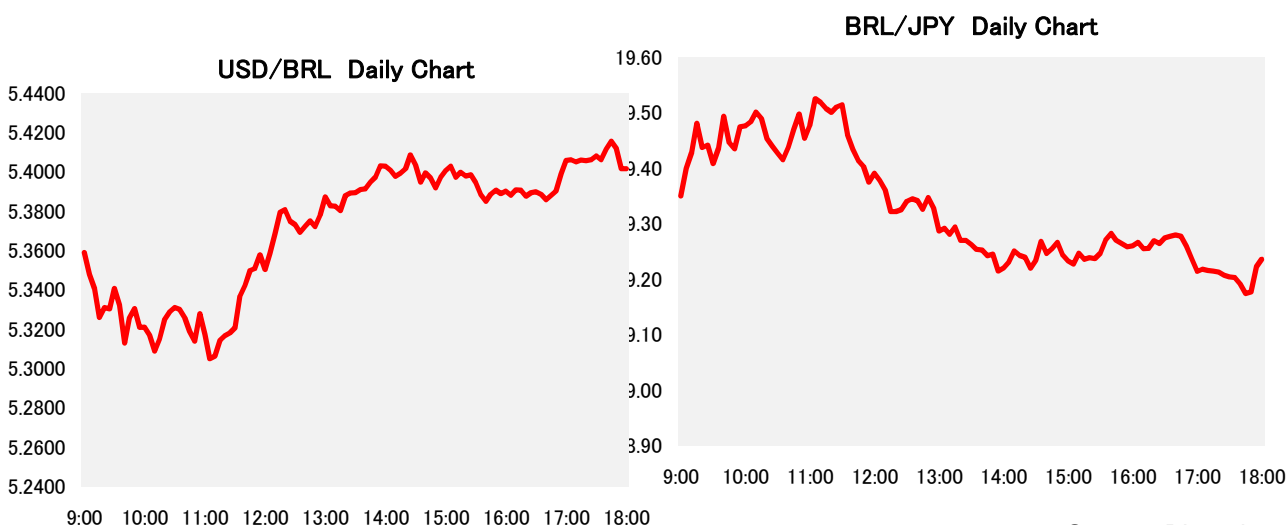
 Treasury & Markets
 Av. Paulista, 1274 – Bela Vista
 São Paulo, SP – 01310-925

1. Market Rates

			30-Dec	4-Jan	5-Jan	6-Jan	7-Jan	Net Chg
FX	USD/BRL	Spot	5.1930	5.2720	5.2770	5.3020	5.4010	+0.0990
	BRL/JPY	Spot	19.890	19.540	19.47	19.43	19.24	-0.19
	EUR/USD	Spot	1.2291	1.2247	1.2294	1.2326	1.2263	-0.0063
	USD/JPY	Spot	103.29	103.15	102.72	103.01	103.83	+0.82
Rates	Brazil DI	6MTH(p.a.)	2.098	2.104	2.149	2.194	2.204	+0.010
	Future	1Year(p.a.)	2.856	2.834	2.922	3.008	3.057	+0.050
	On-shore	6MTH(p.a.)	0.838	0.784	0.821	0.899	0.974	+0.074
	USD	1Year(p.a.)	0.838	0.820	0.884	0.940	1.032	+0.092
Equity	Bovespa Index		119,218.50	118,837.60	119,350.20	119,332.80	122,391.30	+3,058.50
CDS	CDS Brazil 5y		143.87	143.86	146.28	148.14	152.343	u.c.
Commodity	CRB Index		166.679	167.346	171.705	172.107	172.312	+0.21

Source: Bloomberg

* The rates above are end of the day market price/ rate and used for your reference only



Source: Bloomberg

2. Topics

- BRL opened at 5.3588 and reached the highest of 5.3011. But, BRL showed a sizeable depreciation from 11am onwards following news abroad and domestically. The USD strengthened abroad still reflecting the riots in Washington D.C. yesterday. After this episode, Congress affirmed Biden Victory in the US presidential election, paving the way for the inauguration ceremony on 20th January. And Democrats took control of the Senate after the victory of 2 senators in Georgia state, giving VP Kamala Harris the tie-breaking vote.
- On the local side, BRL was also influenced by the release of a proposal by the technical team at the Lower House that excludes some social security benefits from the calculus of the spending cap. If this proposal is approved, it would represent a flexibilization of the cap, thus fueling concerns about lack of commitment to the fiscal adjustment. Concerns also after the opposition candidate at speakership of Lower House (Baleia Rossi) declared support to the resumption of monthly aid stipend. As for the speakership of Senate, PSDB and Podemos political parties (together they have 17 senators) might support candidacy of Simone Tebet (MDB). Parties have criticized Bolsonaro stance, claiming he is not neutral in this election at Senate as he had promised. BRL reached the lowest of .54160
- The governor of São Paulo state, João Doria (PSDB), announced itoday that the Coronavac vaccine has efficacy rate of 78%. They requested the approval of the vaccine by Anvisa for emergency use, and expect to start vaccination in the State on January 25
- BRL ended today's session at 5.4014



January 7, 2021

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