


**Banco MUFG Brasil S.A.**

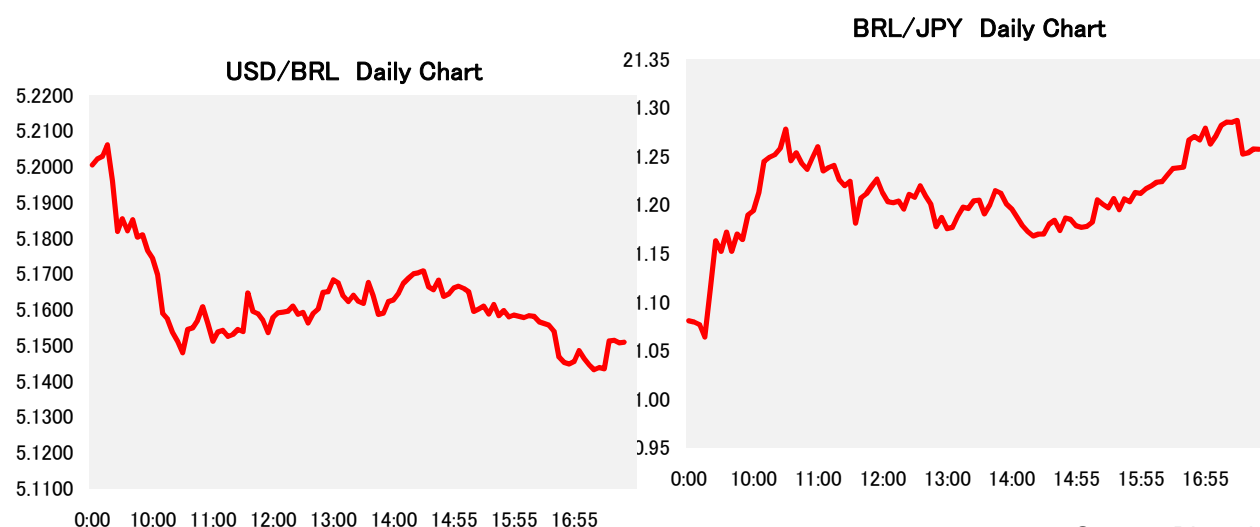
Treasury & Markets  
 Av. Paulista, 1274 – Bela Vista  
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**1. Market Rates**

			26-May	27-May	28-May	31-May	1-Jun	Net Chg
FX	USD/BRL	Spot	5.3120	5.2390	5.2260	5.2190	<b>5.1512</b>	-0.0678
	BRL/JPY	Spot	20.550	20.960	21.03	21.00	<b>21.25</b>	+0.25
	EUR/USD	Spot	1.2191	1.2196	1.2193	1.2227	<b>1.2216</b>	-0.0011
	USD/JPY	Spot	109.13	109.81	109.85	109.58	<b>109.43</b>	-0.15
Rates	Brazil DI	6MTH(p.a.)	4.766	4.761	4.823	4.868	<b>4.908</b>	+0.039
	Future	1Year(p.a.)	5.767	5.755	5.807	5.881	<b>5.946</b>	+0.065
	On-shore USD	6MTH(p.a.)	0.710	0.763	0.853	0.855	<b>0.913</b>	+0.059
		1Year(p.a.)	0.893	0.948	1.034	1.047	<b>1.087</b>	+0.040
Equity	Bovespa Index		123,989.20	124,366.60	125,561.40	126,215.80	<b>128,267.00</b>	+2,051.20
CDS	CDS Brazil 5y		178.41	174.63	173.73	173.99	<b>168.670</b>	-5.32
Commodity	CRB Index		203.440	205.777	205.699	205.699	<b>208.442</b>	+2.74

Source: Bloomberg

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



Source: Bloomberg

**2. Topics**

- USDBRL opened stronger at 5.2022 amid the increase of commodity price abroad and ahead of 1Q21 GDP in Brazil. USDBRL reached the lowest level at 5.2069 right after the opening. The currency breached an important limit at 5.20, opening room to reach stronger levels. In a very positive session, USDBRL reached the highest level at 5.1417. Local investors have been unwinding long positions in USD, reinforcing the appreciation trend. Now, it seems that market may try to breach the new resistance level at 5.00. USDBRL closed at 5.1512.
- In the 1Q21, GDP posted 1.2% over the previous quarter, seasonally adjusted, as detailed in the chart II. On the production side, agriculture led growth, while in the demand side investment had the best performance. For the second quarter, our call is a retraction of 0.5% driven by the restriction measures adopted due to the worsening of the pandemic. The fact is that the 1Q21 was so strong that the carry-over to the remaining of the year is at 4.9%. So, considering the drop expected in the 2Q21 and small growths in the 3Q21 and 4Q21, we revised our call of 2021 GDP to 5.0% from our previous estimate of 3.3%. Despite the strong number, the 4.9% carry-over in fact shows that growth will be gradual for the remaining of the year.



June 1, 2021

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