


Banco MUFG Brasil S.A.

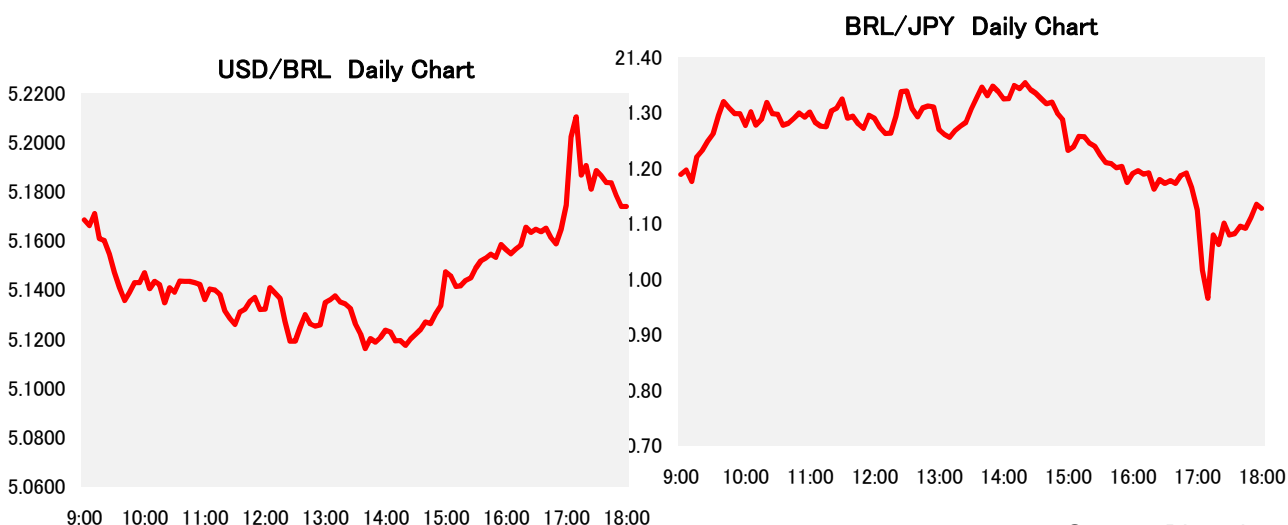
Treasury & Markets
Av. Paulista, 1274 – Bela Vista
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1. Market Rates

			27-Jul	28-Jul	29-Jul	30-Jul	2-Aug	Net Chg
FX	USD/BRL	Spot	5.1710	5.1170	5.0810	5.2120	5.1740	-0.0380
	BRL/JPY	Spot	21.230	21.480	21.54	21.04	21.13	+0.09
	EUR/USD	Spot	1.1817	1.1845	1.1888	1.1867	1.1870	+0.0003
	USD/JPY	Spot	129.73	109.91	109.48	109.69	109.31	-0.38
Rates	Brazil DI	6MTH(p.a.)	6.421	6.454	6.410	6.563	6.309	-0.254
	Future	1Year(p.a.)	7.305	7.342	7.287	7.484	7.457	-0.027
	On-shore	6MTH(p.a.)	0.583	0.621	0.639	0.795	0.629	-0.167
	USD	1Year(p.a.)	0.742	0.774	0.772	0.844	0.783	-0.060
Equity	Bovespa Index		124,612.00	126,285.60	125,675.30	121,800.80	122,515.70	+714.90
CDS	CDS Brazil 5y		177.98	177.99	174.60	178.39	179.030	+0.64
Commodity	CRB Index		218.109	219.079	221.212	218.078	215.739	-2.34

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 at 5.1891 amid a bullish mood abroad. Here, the market keeps an eye on the proposal about the social aid program "Bolsa Família", the pandemic probe resumption and the criticisms of president Bolsonaro on the electronic vote. Additionally, market is corned about the BRL 89 billion tha the Supreme Court ruled against the government that need to be paid in 2022, what brings difficulties as there is no fiscal room to accomodate both the STF ruling and the "Bolsa Família". Along themorning session and beginning of the afternoon session, USDBRL appreciated to the highest level at 5.1146. By the end of the afternoon session, the news that the monthly payment of the "Bolsa Família" would be BRL 400 popped up the screens and renewed the fiscal concerns. USDBRL reached immediatly an it moved to the lowest level at 5.2116. USDBRL closed at 5.1740.
- The market continued to revise its forecast in the Focus weekly survey. IPCA inflation was revised up to 6.79% from 6.56% for 2021 and finetuned to 3.81% from 3.80% for 2022. GDP forecast improved to 2.30% from 2.29% for 2021 and it was kept at 2.10% for 2022. The FX rate to the end of 2021 moved to 5.10 from 5.09 and it was maintained at 5.20 for 2022. The Selic policy rate at the end of 2021 and the end of 2022 was maintained at 7.00% for both years.



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