


Banco MUFG Brasil S.A.

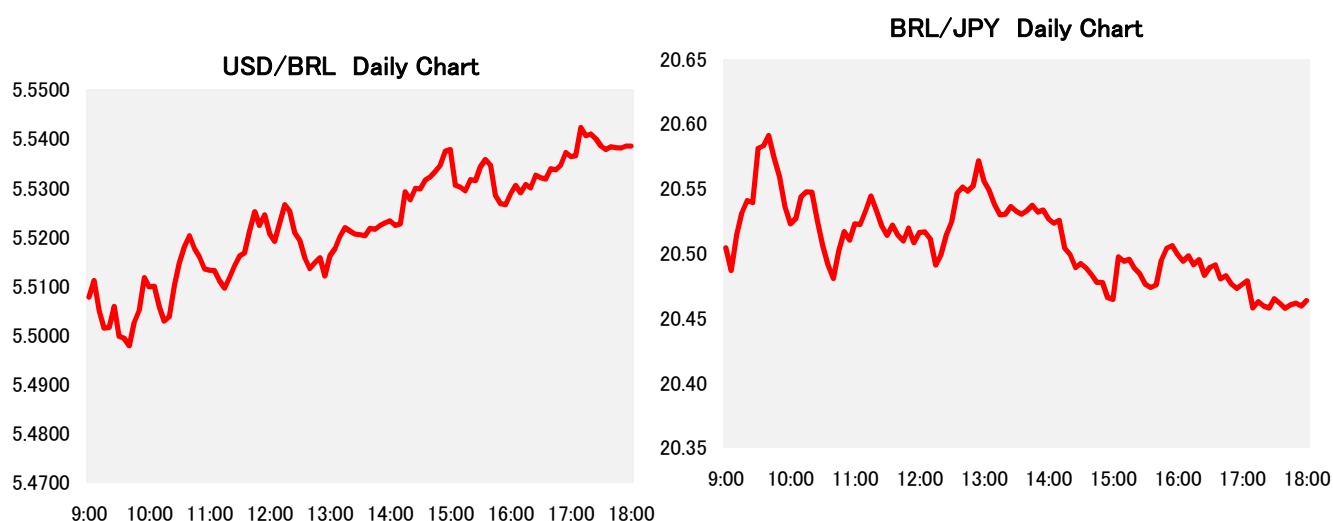
Treasury & Markets
 Av. Paulista, 1274 – Bela Vista
 São Paulo, SP – 01310-925

1. Market Rates

			5-Oct	6-Oct	7-Oct	8-Oct	11-Oct	Net Chg
FX	USD/BRL	Spot	5.4760	5.4930	5.5190	5.5090	5.5390	+0.0300
	BRL/JPY	Spot	20.360	20.280	20.23	20.38	20.46	+0.08
	EUR/USD	Spot	1.1602	1.1556	1.1555	1.1574	1.1553	-0.0021
	USD/JPY	Spot	111.46	111.40	111.63	112.23	113.33	+1.10
Rates	Brazil DI	6MTH(p.a.)	8.152	8.089	8.157	8.072	8.116	+0.043
	Future	1Year(p.a.)	9.045	8.896	8.995	8.836	8.890	+0.054
	On-shore	6MTH(p.a.)	0.619	0.615	0.630	0.636	0.598	-0.038
	USD	1Year(p.a.)	0.849	0.847	0.847	0.837	0.813	-0.024
Equity	Bovespa Index		110,457.60	110,559.60	110,585.40	112,833.20	112,180.50	-652.70
CDS	CDS Brazil 5y		208.99	211.04	206.98	206.56	204.895	u.c.
Commodity	CRB Index		235.793	232.227	234.337	235.418	236.349	+0.93

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 5.5078 in a day of low liquidity with the holidays in the US today (Columbus day) and Brazil tomorrow (Nossa Senhora da Aparecida) and in the first minutes of trading session, USDBRL reached the highest level of 5.4979. However, USD strengthened against some of its peers with market fear that energy supply problems abroad might threaten the global economic recovery. Additionally, the sharp hike of oil and iron ore prices abroad benefitted stock prices of Petrobras and Vale, but fueled fears on more inflationary pressures ahead thus reflecting on increase of interest rates on futures markets. Another reason pressuring interest rates and USDBRL relates to the market fears that the government could trigger the public calamity clause to renew the monthly stipend, given the difficulty in financing the new social program Auxílio Brasil. So, during the day USDBRL reached the lowest level of 5.5423 and ended today session at 5.5390
- According to the Focus weekly survey, expectation for 2021 inflation was increased to 8.59% from 8.51% and for 2022 it moved to 4.17% from 4.14%. The GDP forecast remained at 5.04% for 2021 and reduced slightly to 1.54% from 1.57% for 2022. The FX rate to the end of 2021 was revised to 5.25 from 5.20, and the rate to the end of 2022 was kept at 5.25. No changes for the Selic policy rate to the end of 2021, being at 8.25%, but for the end of 2022 the rate was revised to 8.75% from 8.50%.

October 11, 2021



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