


Banco MUFG Brasil S.A.

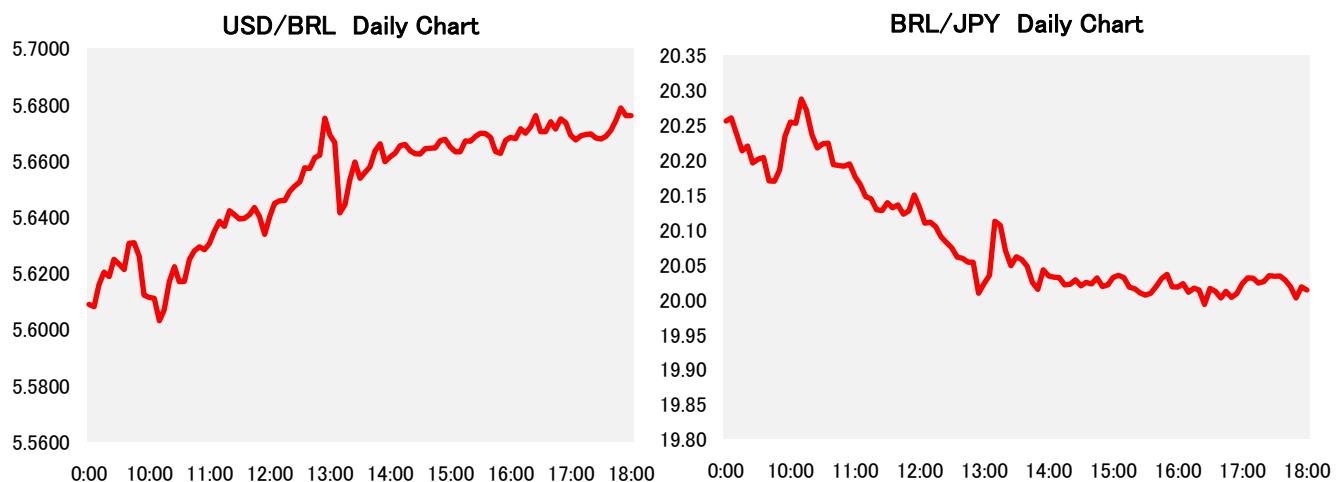
Treasury & Markets
Av. Paulista, 1274 – Bela Vista
São Paulo, SP – 01310-925

1. Market Rates

			7-Dec	8-Dec	9-Dec	10-Dec	13-Dec	Net Chg
FX	USD/BRL	Spot	5.6100	5.5300	5.5800	5.6090	5.6760	+0.0670
	BRL/JPY	Spot	20.23	20.54	20.34	20.23	20.01	-0.22
	EUR/USD	Spot	1.1270	1.1350	1.1290	1.1320	1.1290	-0.0030
	USD/JPY	Spot	113.54	113.70	113.46	113.44	113.59	+0.15
Rates	Brazil DI	6MTH(p.a.)	10.787	10.740	10.881	10.766	10.802	+0.036
	Future	1Year(p.a.)	11.449	11.342	11.586	11.413	11.428	+0.015
	On-shore	6MTH(p.a.)	0.978	0.961	0.972	0.968	0.922	-0.046
	USD	1Year(p.a.)	1.156	1.136	1.143	1.103	1.094	-0.009
Equity	Bovespa Index		107,532.90	108,095.50	106,217.90	107,698.90	107,804.30	+105.40
CDS	CDS Brazil 5y		224.88	217.27	223.59	222.81	224.090	+1.28
Commodity	CRB Index		225.743	227.125	225.360	225.909	225.352	-0.56

Source: Bloomberg

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


2. Topics

- USDBRL opened at 5.6118 ahead of the precatório bill being voted tomorrow, the Copom minutes being released also tomorrow, FOMC meeting on Wednesday and Central Bank quarterly report on Thursday. USDBRL oscillated around the Friday's closing and it reached the highest level at 5.6019. From then on, the currency depreciated driven by low liquidity and USD strengthening abroad. When the rate reached 5.67, the Central Bank stepped in and it sold USD 905 million, bringing a temporary relief as USDBRL continued to depreciate up to the lowest level at 5.6803. USDBRL closed at 5.6760. USDBRL underperformed its peers.
- The market continued to make adjustments in the macroeconomic scenario according to the Focus weekly survey, but this time it was a slight improvement. Regarding inflation, the median of market expectation was reduced to 10.05% from 10.18% after the positive surprise with IPCA in November, while 2022 figures were maintained at 5.02%. GDP forecast moved to 4.65% from 4.71% for 2021 and to 0.50% from 0.51% for 2022. The FX rate to the end of 2021 was depreciated to 5.59 from 5.56 and it was kept at 5.55 to the end of 2022. The Selic policy rate increased to 11.50% from 11.25% to the end of 2022. No forecast to the end of 2021, as the Central Bank last decision was to move to 9.25%.

December 13, 2021



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