


Banco MUFG Brasil S.A.

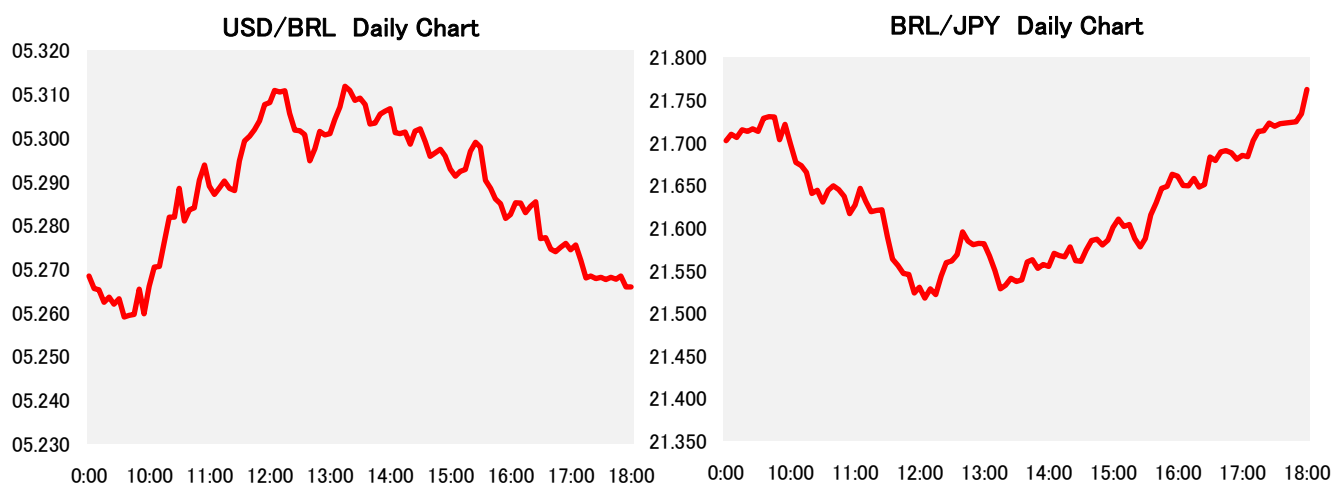
Treasury & Markets
Av. Paulista, 1274 – Bela Vista
São Paulo, SP – 01310-925

1. Market Rates

			27-Jan	28-Jan	31-Jan	1-Feb	2-Feb	Net Chg
FX	USD/BRL	Spot	5.4100	5.3810	5.3100	5.2690	5.2660	-0.0030
	BRL/JPY	Spot	21.33	21.43	21.67	21.77	21.76	-0.01
	EUR/USD	Spot	1.1140	1.1150	1.1230	1.1270	1.1310	+0.0040
	USD/JPY	Spot	115.36	115.28	115.07	114.71	114.45	-0.26
Rates	Brazil DI	6MTH(p.a.)	11.797	11.875	11.934	11.914	11.907	-0.007
	Future	1Year(p.a.)	12.226	12.252	12.246	12.160	12.088	-0.071
	On-shore	6MTH(p.a.)	1.178	1.119	1.080	1.082	1.092	+0.010
	USD	1Year(p.a.)	1.510	1.471	1.463	1.474	1.473	-0.002
Equity	Bovespa Index		112,464.70	111,892.20	112,392.30	113,265.20	111,894.40	-1,370.80
CDS	CDS Brazil 5y		230.12	231.92	230.23	222.22	215.460	-6.76
Commodity	CRB Index		250.907	252.847	255.115	256.800	259.488	+2.69

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 5.2698 betting on a 150 bps rate hike tonight and keeping an eye on the communiqué to get clues for the next steps of the monetary authority. Abroad, stocks and commodity prices opened in the positive side, providing sustainability to EM currencies rally. This positive mood pushed USDBRL to the highest level at 5.2563. But, ADP employment index in the USA showed a cut of 301K posts, much worse than market estimation of 180K job creation. The result made BRL reverse the positive trend and USDBRL moved to the lowest level at 5.3142. Some adjustment was made after several days of gaining. USDBRL improved a bit in the afternoon session and it closed at 5.2660.
- The Central Bank decided unanimously to increase the Selic policy rate to 150 bps to 10.75%. It was another hawkish speech. We expect a hike of 100 bps to 11.75% in the March meeting.
- Industrial production increased 2.9% in December over November, seasonally adjusted. It posted 3.0% growth in the whole 2021 and it is now 0.9% below the pre-pandemic level. High inflation and the lack of components might affect a better performance of the sector.



February 2, 2022

Banco MUFG Brasil S.A.

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

DISCLAIMER

The information herein is provided for information purposes only, and is not to be used or considered as an offer or the solicitation of an offer to sell or to buy or subscribe for securities or other financial instruments. Neither this nor any other communication prepared by Banco MUFG Brasil S.A. and/or MUFG Bank, Ltd. (herein jointly as “MUFG”) is or should be construed as investment advice, a recommendation to enter into a particular transaction or pursue a particular strategy, or any statement as to the likelihood that a particular transaction or strategy will be effective in light of your business objectives or operations. Before entering into any particular transaction, you are advised to obtain such independent financial, legal, accounting and other advice as may be appropriate under the circumstances. In any event, any decision to enter into a transaction will be yours alone, not based on information prepared or provided by MUFG. MUFG hereby disclaims any responsibility to you concerning the characterization or identification of terms, conditions, and legal or accounting or other issues or risks that may arise in connection with any particular transaction or business strategy. Note that MUFG may have issued, and may in the future issue, other reports that are inconsistent with or that reach conclusions different from the information set forth herein. Such other reports, if any, reflect the different assumptions, views and/or analytical methods of the advisors who prepared them, and MUFG is under no obligation to ensure that such other reports are brought to your attention. MUFG retains copyright to this report and no part of this report may be reproduced or re distributed without the written permission of MUFG expressly prohibits the distribution or re-distribution of this report to any parties, via the Internet or otherwise and MUFG, its head office, branches, subsidiaries or affiliates accepts no liability whatsoever to any third parties resulting from such distribution or re-distribution.

Mitsubishi UFJ Financial Group, Inc. is one of the world’s leading financial groups. Headquartered in Tokyo (Japan) and with over 360 years of history, MUFG has a global network with over 1,800 locations in more than 50 countries. The Group has over 150,000 employees and offers services including commercial banking, investment banking, trust banking, securities, credit cards, consumer finance, asset management, and leasing.

Banco MUFG Brasil S.A.
Av. Paulista, 1.274
São Paulo - SP - Brazil
Ombudsman Toll-free (and DDG): 0800 770 4060
Email: ouvidoria@br.mufg.jp

© 2019 Banco MUFG S.A. All rights reserved. The MUFG logo and name is a service mark of Mitsubishi UFJ Financial Group, Inc., and is used by Banco MUFG S.A. with permission