


Banco MUFG Brasil S.A.

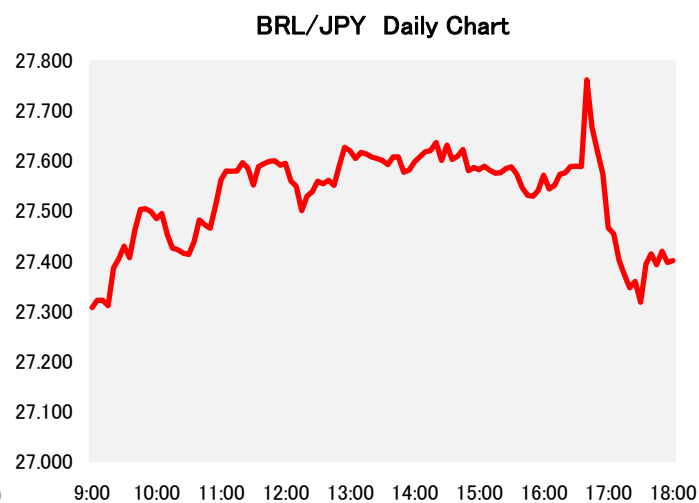
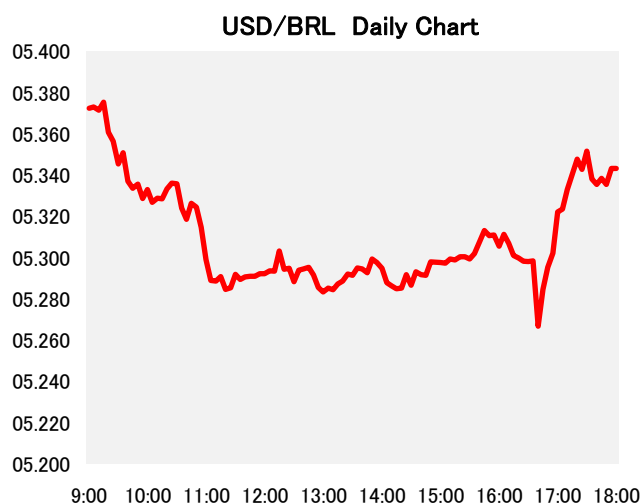
Treasury & Markets
 Av. Paulista, 1274 – Bela Vista
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1. Market Rates

			21-Oct	24-Oct	25-Oct	26-Oct	27-Oct	Net Chg
FX	USD/BRL	Spot	5.1640	5.3040	5.3160	5.3820	5.3430	-0.0390
	BRL/JPY	Spot	28.61	28.06	27.82	27.19	27.40	+0.21
	EUR/USD	Spot	0.9860	0.9880	0.9970	1.0080	0.9970	-0.0110
	USD/JPY	Spot	147.61	148.92	147.97	146.38	146.29	-0.09
Rates	Brazil DI	6MTH(p.a.)	13.672	13.678	13.673	13.688	13.694	+0.006
	Future	1Year(p.a.)	13.091	13.136	13.175	13.206	13.190	-0.016
	On-shore	6MTH(p.a.)	5.829	5.970	5.921	5.942	5.879	-0.063
	USD	1Year(p.a.)	6.138	6.172	6.136	6.170	6.078	-0.092
Equity	Bovespa Index		119,928.79	116,012.70	114,625.59	112,763.79	114,640.76	+1,876.97
CDS	CDS Brazil 5y		292.67	289.04	377.34	287.20	284.83	-2.37
Commodity	CRB Index		272.362	271.824	273.992	277.345	276.807	-0.54

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 5.3884 amid the uncertainty and the tension of the presidential race ahead of the run-off between former president Lula and president Bolsonaro on Sunday. Yesterday, the Central Bank kept the Selic policy rate at 13.75%, in line with market expectation and keeping the same hawkish speech what it is unlikely to move market today. As the external market is negative waiting for ECB decision, GDP data in the USA and the drop of iron ore prices, USDBRL opened pressured and moved fast to the lowest level at 5.3905. ECB raised the policy rate by 75bps as expected to 2.0% (main refinancing rate) and 1.5% (deposit facility rate). Brazilain assets had a day of relief, recovering part of the loss of the last days. USDBRL moved to around 5.28. By the end of the afternoon session, it popped up in the screens a letter from former president Lula reinforcing his commitment to the fiscal responsibility. USDBRL moved to the highest level at 5.2444. After a knee-jerk reaction, USDBRL deteriorated again and it closed at 5.3430.
- Unemployment rate posted 8.7% as of September. The employed population is at 99.3 million, the highest level since 2012, increasing by 1.0% compared to the previous quarter. The unemployed population is at 9.5 million, dropping by 6.2% in the same comparison. Unemployment rate might continue decreasing over the next months amid seasonal job created in both formal and informal labor markets as of yearend holidays. We expect unemployment rate to decrease a bit more in the fourth quarter to 8.6%. In such scenario, the unemployment rate average for this whole year will be at 9.4%, still high but better than previously expected.

October 27, 2022



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