


Banco MUFG Brasil S.A.

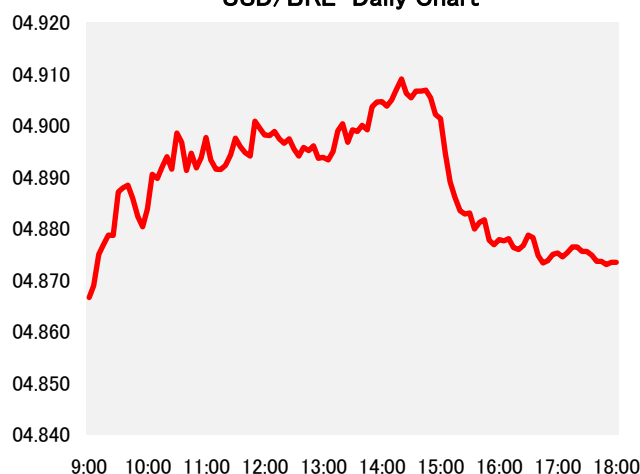
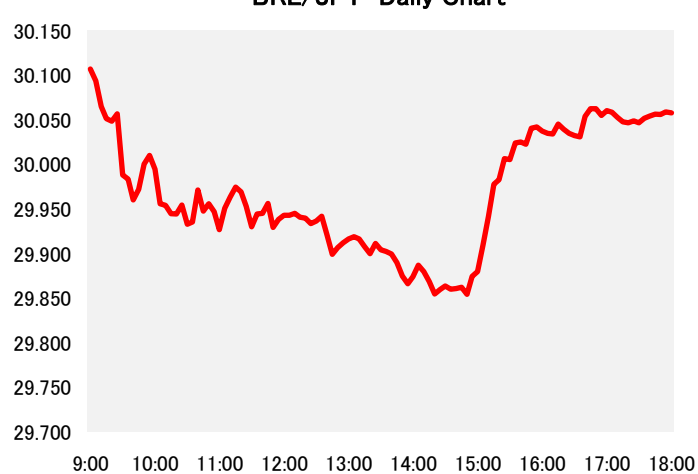
Treasury & Markets
Av. Paulista, 1274 – Bela Vista
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1. Market Rates

			22-Aug	23-Aug	24-Aug	25-Aug	28-Aug	Net Chg
FX	USD/BRL	Spot	4.9370	4.8570	4.8830	4.8740	4.8730	-0.0010
	BRL/JPY	Spot	29.55	29.82	29.89	30.06	30.06	-0.00
	EUR/USD	Spot	1.0850	1.0870	1.0810	1.0800	1.0820	+0.0020
	USD/JPY	Spot	145.82	144.84	145.84	146.46	146.54	+0.08
Rates	Brazil DI	6MTH(p.a.)	12.065	12.033	12.004	12.049	12.034	-0.015
	Future	1Year(p.a.)	10.996	10.923	10.883	10.981	10.973	-0.008
Equity	Bovespa Index		116,156.01	118,134.59	117,025.60	115,837.20	117,120.98	+1,283.78
CDS	CDS Brazil 5y		190.23	181.95	182.61	178.79	172.11	-6.68
Commodity	CRB Index		273.993	274.980	275.833	278.201	278.641	+0.44

Source: Bloomberg

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

USD/BRL Daily Chart

BRL/JPY Daily Chart


Source: Bloomberg

2. Topics

- USDBRL opened at 4.8703 reacting to declarations from Central Bank governor Campos Neto supporting the fiscal adjustment, but conditioning to the approval of bills that increase revenues in a sustainable way. China also announced measures to support the economy, but it didn't reduce the concerns on the country. Initially, USDBRL moved to the strongest level at 4.8653. This will be a volatile week for BRL not only because of the end of the month movement among investors adjusting their positions in BRL, but also uncertainties about the feasibility of the government to meet a zero primary deficit next year as the end of the month is the deadline for the government to sent the budget bill to the Congress. USDBRL reached the weakest level at 4.9106. After the participation of Campos Neto in an event, where he highlighted that speeding up the Selic cut to 75bps is unlikely, BRL moved away from the lows. USDBRL closed at 4.8730.
- Few adjustments in the market scenario according to the Focus weekly survey. IPCA inflation didn't change from 4.90% for 2023 and it was ticked up to 3.87% from 3.86% for 2024. GDP growth was revised up to 2.31% from 2.29% for 2023 and maintained at 1.33% for 2024. The FX rate expectation worsened slightly to 4.98 from 4.95 to the end of 2023 and it was kept at 5.00 to the end of 2024. No change in the Selic policy rate for the third week in a row: 11.75% to the end of 2023 and 9.00% to the end of 2024.

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