


Banco MUFG Brasil S.A.

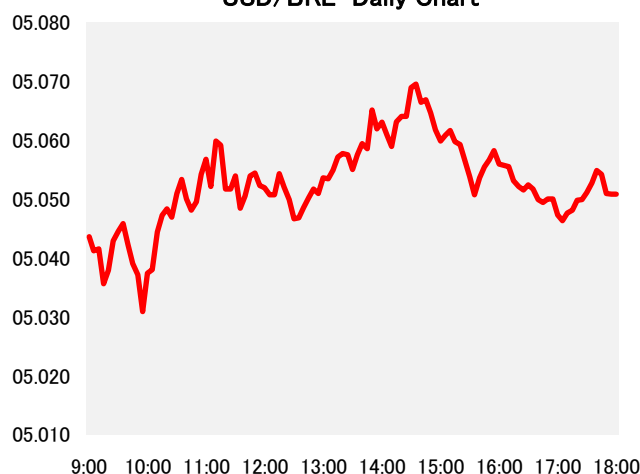
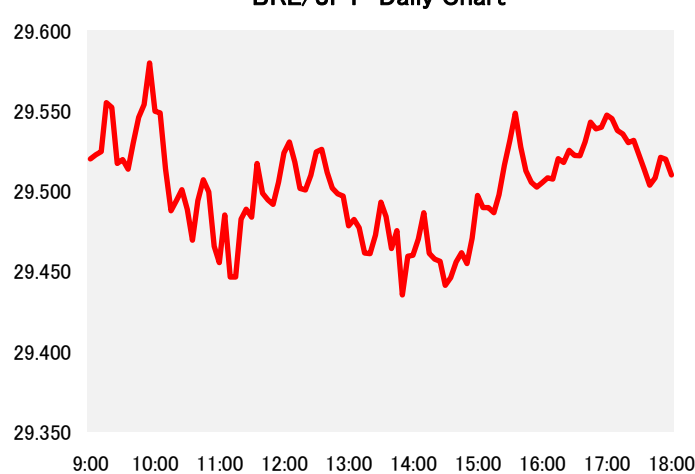
Treasury & Markets
 Av. Paulista, 1274 – Bela Vista
 São Paulo, SP – 01310-925

1. Market Rates

			5-Oct	6-Oct	9-Oct	10-Oct	11-Oct	Net Chg
FX	USD/BRL	Spot	5.1670	5.1490	5.1360	5.0540	5.0510	-0.0030
	BRL/JPY	Spot	28.73	28.98	28.93	29.41	29.51	+0.10
	EUR/USD	Spot	1.0550	1.0590	1.0570	1.0600	1.0620	+0.0020
	USD/JPY	Spot	148.48	149.31	148.55	148.70	149.13	+0.43
Rates	Brazil DI	6MTH(p.a.)	11.758	11.744	11.701	11.664	11.710	+0.046
	Future	1Year(p.a.)	11.109	11.086	10.990	10.919	11.039	+0.120
Equity	Bovespa Index		113,284.08	114,169.63	115,156.07	116,736.95	117,050.74	+313.79
CDS	CDS Brazil 5y		198.60	194.69	194.87	186.39	182.92	-3.47
Commodity	CRB Index		274.632	276.899	280.110	279.870	277.382	-2.49

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 5.0445 amid the reduction of the UST yields, but keeping an eye on the Israel-Hamas conflict. FED members stated divergent views on the role of UST yield hike on monetary policy, while PPI in September at 0.5% came worse than market expectation of 0.3%. USDBRL initially moved to the strongest level of 5.0294, but it lost ground ahead of the release of the FOMC minutes. The FED document reinforced the view of cautious actions, but keeping rates in the restrictive field. USDBRL moved away from the lows. USDBRL closed at 5.0510 ahead of holiday tomorrow in Brazil.
- In September, IPCA posted +0.26%. In the last 12 months, inflation accumulated +5.19%. Six out of nine groups posted some price hike. Our IPCA call for October is at +0.35% as of the resilience of the labor market and the seasonal hike of airfares. For the coming readings, it is necessary to monitor the conflict in the Middle East and its impact on oil prices. Assuming a moderate scenario of the conflict between Israel and Hamas, the overall inflation scenario keeps favorable for further policy rates cuts. For the whole year, we expect IPCA at 5.0%.

October 11, 2023



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