


**Banco MUFG Brasil S.A.**

Treasury & Markets  
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**1. Market Rates**

			3-Jun	4-Jun	5-Jun	6-Jun	7-Jun	Net Chg
FX	USD/BRL	Spot	5.2440	5.2880	5.2980	5.2550	<b>5.3450</b>	+0.0900
	BRL/JPY	Spot	29.76	29.29	29.47	29.61	<b>29.43</b>	-0.18
	EUR/USD	Spot	1.0900	1.0880	1.0870	1.0890	<b>1.0800</b>	-0.0090
	USD/JPY	Spot	156.07	154.87	156.08	155.60	<b>156.76</b>	+1.16
Rates	Brazil DI	6MTH(p.a.)	10.384	10.399	10.447	10.428	<b>10.561</b>	0.133
	Future	1Year(p.a.)	10.565	10.608	10.681	10.628	<b>10.916</b>	0.289
Equity	Bovespa Index		122,031.58	121,802.06	121,407.33	122,898.80	<b>120,767.19</b>	-2,131.61
CDS	CDS Brazil 5y		144.29	146.86	146.26	147.23	<b>148.54</b>	+1.31
Commodity	CRB Index		289.090	286.270	287.710	292.420	<b>289.860</b>	-2.560

Source: Bloomberg

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

**2. Weekly Topics**

- USDBRL opened the week at 5.2475 reacting to further inflation deterioration showed by the Focus weekly survey and ahead of ISM in the US. The drop of iron ore abroad and the presidential election in Mexico also played some role. USDBRL moved to the strongest level at 5.2151 on the 06th, but the weak ISM chaged the market mood. The elections not only in Mexico, but als in India and South Africa coupled with fiscal and monetary concerns in Brazil made investors to reassess their exposure to EM currencies. JOLTS and ADP figures reduced part of the pressure, but then ISM weakened USDBRL again. The more synchronized speech delevered by Brazilian Central Bank governor and deputy governors reduced part of the tension. But, the strong Non Farm Payroll soured the market again as it sparked stop-loss orders. USDBRL reached to the weakest level at 5.3402 on the 07th and it closed at 5.3450.

**3. Next Week's Topic**
**USD/BRL Next Week's Forecast & Range : 5.10 - 5.50**

- The focus in Brazil will be the release of IPCA inflation index that might increase or reduce the bets for a pause in the monetary policy easing to be decided on the 19th.
- In the US, the focus will be FOMC decision, but CPI might also drive the odds for FED starting the easing cycle in September or later

**4. Next Week's Economic Indicators**

Country	Date	Indicator	Term	Forecast	Previous
BZ	11-Jun	IBGE Inflation IPCA MoM	May	0.42%	0.38%
BZ	11-Jun	IBGE Inflation IPCA YoY	May	3.87%	3.69%
BZ	12-Jun	IBGE Services Volume MoM AS	Apr		0.40%
US	12-Jun	CPI MoM	May	0.10%	0.30%
US	12-Jun	CPI Ex Food and Energy MoM	May	0.30%	0.30%
US	12-Jun	FOMC Rate Decision (Upper Bound)	Jun 12	5.50%	5.50%
BZ	13-Jun	Retail Sales MoM	Apr		0.00%
BZ	13-Jun	Retail Sales Broad MoM	Apr		-0.30%
US	13-Jun	Initial Jobless Claims	Jun 8		229k
US	13-Jun	PPI Final Demand MoM	May	0.10%	0.50%
US	13-Jun	PPI Ex Food and Energy MoM	May	0.30%	0.50%
US	14-Jun	U. of Mich. Sentiment	Jun P	73.0	69.1

Source: Bloomberg

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